BRIDGING MOMENTUM

ANNUAL REPORT 2021

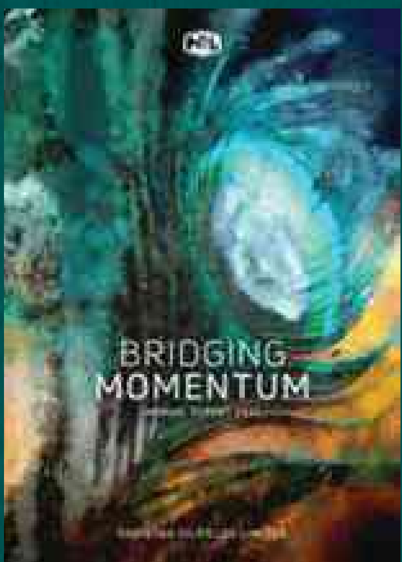
PAKISTAN OILFIELDS LIMITED

OVERVIEW

Pakistan Oilfields Limited (POL) is a leading oil and gas exploration and production Company listed on Pakistan Stock Exchange (PSX). The Company's prime focus is to deliver performance through excellence in the field of exploration, drilling and production of crude oil and gas. POL, a subsidiary of The Attock Oil Company Limited (AOC), was incorporated on November 25, 1950.

AOC was founded in 1913 and made its first oil discovery in 1915 at Khaur, District Attock. AOC has, therefore, pioneered exploration and production of oil and gas in this region nearly a century ago. In 1978, POL took over the exploration and production business of AOC. Since then, POL has been investing independently and in joint venture with various exploration and production companies for the search of oil and gas in the country.

In addition to exploration and production of oil and gas, POL plants also manufacture LPG, solvent oil and sulphur. POL markets LPG under its own brand named POLGAS as well as through its subsidiary Capgas (Private) Limited. POL also operates a network of pipelines for transportation of its own as well as other companies' crude oil to Attock Refinery Limited. In 2005, the Company acquired a 25% share in National Refinery Limited, which is the only refining complex in the country producing fuel products as well as lube base oils.



BRIDGING MOMENTUM

POL is a growth-oriented organization, striving for growth in revenue, profitability and returns to its stakeholders. Since, the world faced global pandemic (COVID-19) which had an adverse impact on economies including Pakistan and international crude oil market, but POL successfully faced these challenges allowing only minimum adverse impact.

Going forward, POL is bridging its momentum towards further growth and will spud two exploratory and two development wells in the coming year. Further, POL has won two new exploration blocks in the recent bidding i.e. Dhurnal North with 60% share and Nereli Block with 32% share.

CONTENTS

FINANCIAL HIGHLIGHTS

THE COMPANY CONTINUES TO PLAY A VITAL ROLE IN THE OIL AND GAS SECTOR OF THE COUNTRY

(2020: US $ 320 MILLION)

SAVED FOREIGN EXCHANGE
during the year

US $ 344
MILLION

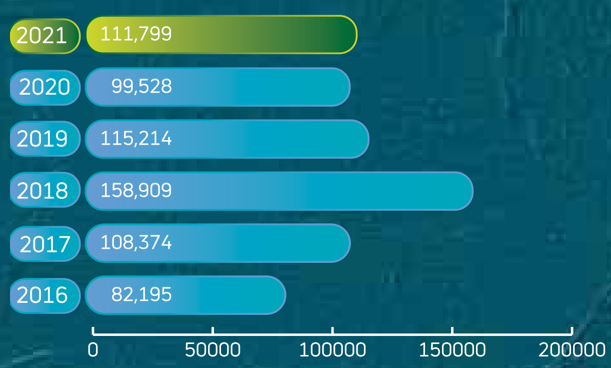
(2020: RS 14,142 MILLION)

CONTRIBUTION TO THE
NATIONAL EXCHEQUER
in the shape of royalty and other government levies

Rs 16,864
MILLION

Net Sales
(Rs. in Millions)

Market capitalization
(Rs. in Millions)



Earnings per share - Restated
(Rs)

Profit after tax
(Rs. in Millions)

DEVELOPMENT & EXPLORATION ACTIVITIES

Rs 1,656 MILLION

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION

Rs 24,357 MILLION

PROFIT AFTER TAX

Rs 13,382 MILLION

CASH DIVIDEND

Rs 14,193 MILLION

VISION

To be the leading oil and gas exploration and production Company of Pakistan with the highest proven hydrocarbon reserves and production, and which provides optimum value to all stakeholders.

MISSION

We aim to discover and develop new hydrocarbon reserves and enhance production from existing reserves through the application of the best available technologies and expertise. In achieving our aim, we will maximize the return to our shareholders, fully protect the environment, enhance the wellbeing of our employees and contribute to the national economy.

STRATEGY

Pakistan Oilfields Limited is a growth oriented leading exploration and production company of Pakistan. Our prime focus is to deliver performance through excellence in the field of exploration and exploitation. We plan to increase our current level of oil and gas production through the application of innovative technology to obtain maximum productivity. Our long term goal is to sustain production by regularly adding new reserves. Our ultimate goal is to maximize returns to our shareholders and provide optimum value to all stakeholders.

CORE VALUES

Leadership

POL values leadership qualities with the necessary managerial and professional competence coupled with integrity, energy and the drive to challenge the status quo.

Continuous Quality Improvement

We strongly believe that quality and an unyielding commitment to continuous improvement are indispensable ingredients to achieving success. At POL, we encourage and promote an environment conducive to the development of breakthrough ideas leading to innovative solutions.

Ethics and Integrity

Honesty, ethical behaviour and integrity combined with the highest professional and personal standards form the cornerstone of all our activities.

Profitability

We believe in maximizing the return to our shareholders and enhancing the long term profitability of the Company through the application of the best available technology and expertise.

Employees' Growth & Development

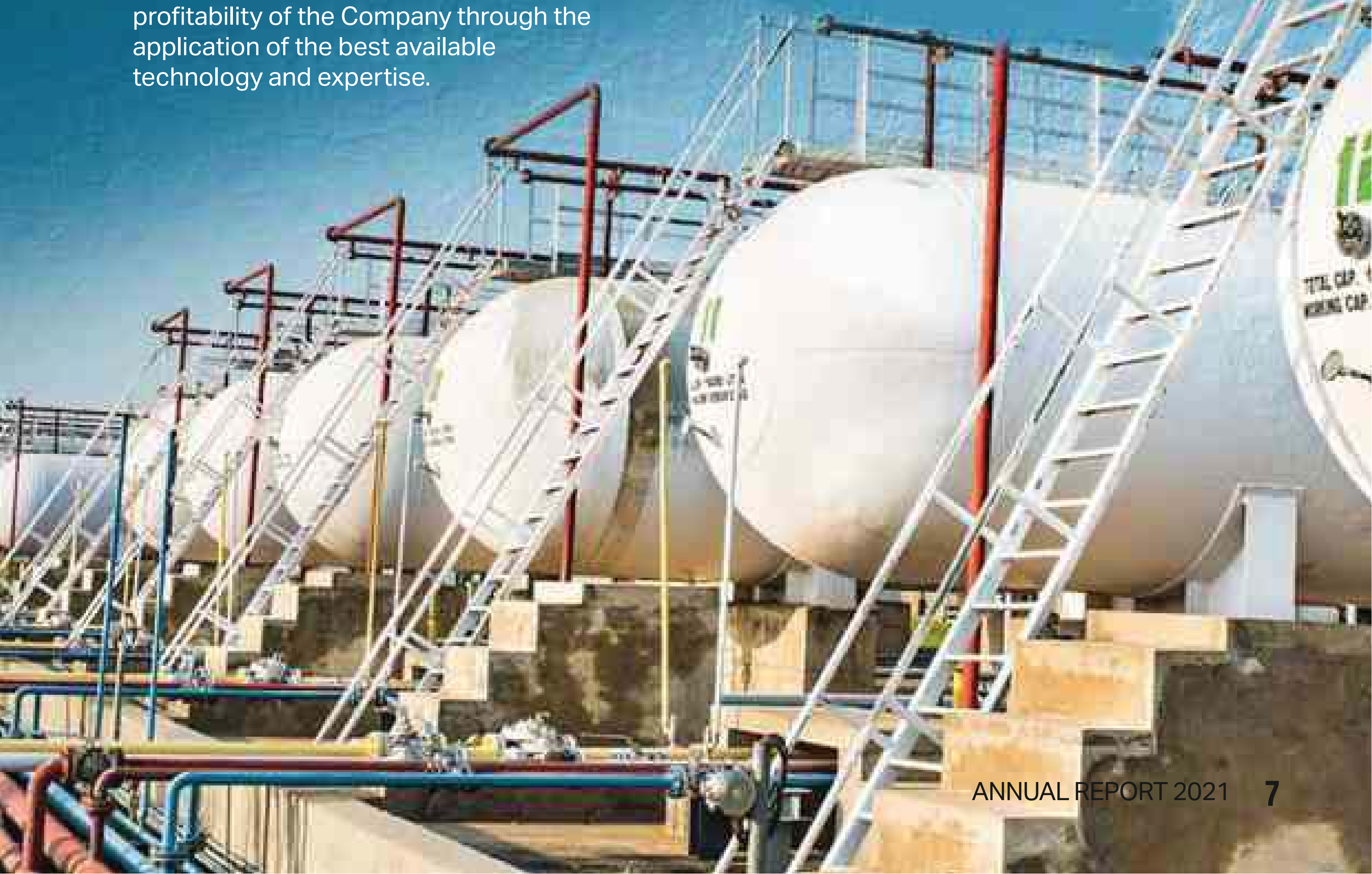
We believe in the creation of an environment focused on encouraging and empowering employees to contribute to the Company's success through personal growth and development.

Community Involvement

We strongly believe actively involving the communities in which we operate for the advancement of their cultural and social life.

Safety, Health & Environment

We care about the health and safety of our employees and of the communities in which we conduct our business. We remain deeply committed to respect and protect the environment.

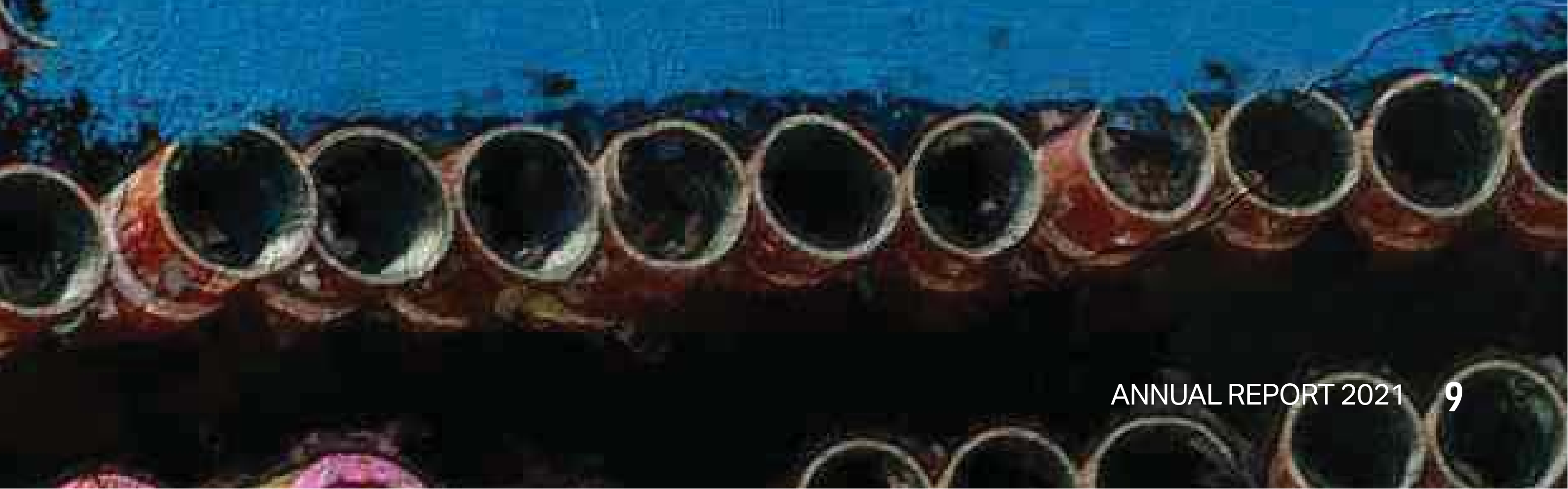


CODE OF CONDUCT

Pakistan Oilfields Limited will support a precautionary approach to environmental challenges, within its sphere of influence, undertake initiatives to promote greater environmental responsibility

- The Company's activities and operations will be carried out in strict compliance with all applicable laws and the highest ethical standards. The directors and employees will ensure that the Company deals in all fairness with its customers, suppliers and competitors.
- Employees, irrespective of their function, grade or standing, and the directors must avoid conflict of interest situations between their direct or indirect (including members of immediate family) personal interests and the interest of the Company.
- Employees must notify their direct supervisor of any actual or potential conflict of interest situation and obtain a written ruling as to their individual case. In case of directors, such ruling can only be given by the Board, and will be disclosed to the shareholders.
- The directors and employees may not take advantage of the Company's information or property, or their position with the Company, to develop inappropriate personal gains or opportunities. They may, however, receive gifts of token value or accept invitations only if such gifts or invitations have no influence on their decision making and are not illegal under any applicable law. No director or employee may receive from any customer, supplier or business associate of Pakistan Oilfields Limited cash, gifts or invitations with other than nominal monetary value.

- Trading by directors and employees of the Company in Pakistan Oilfields Limited shares is possible only in accordance with the more detailed guidelines issued from time to time by corporate management in accordance with applicable laws.
- In its relations with governmental agencies, customers and suppliers, the Company will not, directly or indirectly, engage in bribery, kickbacks, payoffs, or any other corrupt business practices.
- The use, directly or indirectly, of Company funds for political contributions to any organization or to any candidate for public office is strictly prohibited Corporate funds and assets will be utilized solely for lawful and proper purposes in line with the Company's objectives.
- No false or artificial entries shall be made in the Company's books and records for any reason, and all financial transactions must be accurately and properly accounted for in the books and records.
- All benefits provided to the directors and employees of Pakistan Oilfields Limited in addition to their standard remuneration will be awarded in full compliance with the Company official policies.
- Pakistan Oilfields Limited will respect the privacy of data relating to individual persons (whether employees or third parties) which it may hold or handle as part of its information processing activities or otherwise.
- Employees will maintain the confidentiality of the Company and its customers' confidential information which is disclosed to them.
- Pakistan Oilfields Limited will support a precautionary approach to environmental challenges, within its sphere of influence, undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.
- Pakistan Oilfields Limited will support and respect the protection of international human rights within its sphere of influence, in particular the effective elimination of all sorts of compulsory labour and child labour, and it will make this a criterion in the choice and management of its suppliers and sub-contractors.
- Pakistan Oilfields Limited will not discriminate against any employee for any reason such as race, religion, political convictions or gender, and will treat everyone with dignity and with full respect for their private lives. This is expected also to apply to relations between members of personnel.



POLICY FOR PROTECTION AGAINST HARASSMENT

Pakistan Oilfields Limited (POL) is committed to creating a working environment where people can achieve their full potential. The Company's policy on protection against harassment is designed to provide:

An environment where it is clear that harassment is unacceptable, thereby reducing the chance that harassment will occur in the first instance; and a mechanism to resolve complaints where it is felt that harassment has taken place.

Disciplinary action will be taken to deal with actions or behavior, intentional or unintentional, which results in a breach of this policy.

Disciplinary action may also be taken if allegations of harassment are found to be made with a malicious intent. Harassment is not necessarily confined to the behavior of seniors towards juniors;it can take place between colleagues at the same level or involve staff behaving in appropriately towards more senior staff.

It should be noted that harassment can also lead to civil and criminal claims beyond the Company's own disciplinary proceedings.

Explanation

Definition of harassment

For the purpose of this policy, harassment is defined as any unwelcome conduct or comments which: violates an individual's dignity, and / or creates an intimidating, hostile, degrading,humiliating or offensive environment.

Responsibility of all employees

All employees can help to:

- prevent harassment by being sensitive to the reactions and needs of others, and ensuring that their conduct does not cause offence;
- discourage harassment by others through making it clear that such conduct is unacceptable, and supporting colleagues and peers who are taking steps to stop the harassment.

The examples given below, which include unacceptable physical and verbal conduct,are not exhaustive.

Gender-related harassment

Examples include displaying unacceptable behavior to a man or a woman due to their gender through disparaging gender- related remarks and threatening behavior.

Sexual harassment

Examples include physical contact, unwelcome gender related jokes, inappropriate use of suggestive visual display unit material,Intimidating behavior such as asking for,or offering,gender-based favors In return for issues relating to employment.

Racial harassment

Examples Include inappropriate questioning and/or jokes about racial or ethnic origin, offensive comments and intimidating behavior,including threatening gestures .

Personal harassment

Examples include making fun of personal circumstances or appearance.

Bullying

This can be physical or psychological. Examples of psychological bullying include unmerited criticism, isolation, gossip, essential information withheld,or behavior that is intimidating or demeaning.

Harassment of disabled people

Examples include discussion of the effects of a disability on an individual's personal life, uninvited touching or staring, and inappropriate questioning about the impact of someone's disability.

Age harassment

Examples include derogatory age-related remarks and unjustifiable dismissal of suggestions on the grounds of the age of the person.

Stalking

This can be physical or psychological. Examples include leaving repeated or alarming messages on voice mail or e-mail, following people home, or approaching others to ask for personal information.

> "Employees, who have been subjected to harassment, may write directly to the chief executive for resolution of their cases.

GRIEVANCES POLICY

A grievance is defined, as a condition of employment, which the employee feels, is unjust or inequitable. It is the policy of the Company to provide all employees with an opportunity for full consideration of their cases in a situation where the grievance procedure could be applied. A grievance may be presented orally or in writing.

Procedure:

1. In case of any grievance relating to employment, the employee should raise the matter initially with his / her immediate supervisor within a maximum of five (5) working days of the event prompting the grievance. In no case, should the grievance be raised after the expiry of thirty (30) days of the event.
2. Having inquired into an employee's grievance, the immediate supervisor should discuss the issue and make an effort to resolve the matter at the initial level.
3. If the grievance is not or cannot be settled by the immediate supervisor, the employee or the immediate supervisor should, within three (3) working days, present the case to the departmental head. The departmental head should discuss the matter and make all efforts to resolve the issue. A written report is required to be filed with the P&A department as to whether the grievance was resolved or not and confirming the steps taken toward resolution.
4. If the grievance is not or cannot be settled by the departmental head within three (3) working days, the grievance should be presented to the Management Committee, which shall consider all relevant information and take a decision to resolve the problem or give a ruling within three (3) working days of the case being forwarded by P&A.
5. If the decision of the Management Committee is not acceptable to " the employee and any other party concerned, they may then refer the matter in writing to the Chief Executive, who shall decide whether or not to review the case. The CEO's decision shall be final and binding.
6. It should be noted that in the process of attempting to resolve any employee grievance, it is also the obligation of the employee, as a mature individual, to be receptive to suggestions and to make a serious effort to resolve the matter.
7. Employees are expected to exercise this right in a sensible and judicious manner. Misuse of this policy is strongly discouraged.

WHISTLE BLOWING POLICY

This Policy addresses the commitment of the Company to integrity and ethical behavior by helping to foster and maintain an environment where employees can act appropriately, without fear of retaliation.

To maintain these standards, the Company encourages its employees who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, to come forward and express these concerns without fear of punishment or unfair treatment.

The Company conducts business based on the principles of fairness, honesty, openness, decency, integrity and respect.

It is the Company's policy to support and encourage its employees to report and disclose improper or illegal activities, and to fully investigate such reports and disclosures.

It is also the policy of the Company to address any complaints that allege acts or attempted acts of interference, reprisal, retaliation, threats, coercion or intimidation against employees who report, disclose or investigate improper or illegal activities (the "Whistleblowers") and to protect those who come forward to report such activities. Company assures that all reports will be treated strictly confidentially and promptly investigated and that reports can be made anonymously, if desired.

The internal control and operating procedures of the Company are in place to detect and to prevent or deter improper activities. However, even the best systems of controls cannot provide absolute safeguards against irregularities. The Company has the responsibility to investigate and report to appropriate parties, allegations of suspected improper activities and to take appropriate actions.

Employees and others are encouraged to use guidance provided by this policy for reporting all allegations of suspected misconduct or improper activities.

General Guidance

This policy presumes that employees will act in good faith and will not make false accusations when reporting of misconduct . An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to disciplinary procedures, which may include termination. Employees who report acts of misconduct pursuant to this policy can and will continue to be held to the Company's general job performance standards and adherence to the Company's policies and procedures.

In case of reports sent through e-mail, it is recommended to mark the subject as Whistleblower' for ease of identification.

Although the whistleblower is not expected to prove the truth of an allegation, he/she needs to demonstrate to the person contacted that there are sufficient grounds for concern.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

POL believes that to be successful as a company it must act responsibly and with integrity in all areas of its activities. POL is committed to its business operations being conducted in a manner that is consistent with relevant good practice in relation to social responsibility.

It is the responsibility of everyone working within the company to ensure that wherever we operate:

- We will work within the standards in our Code of Ethics to ensure that all our business practices are conducted with integrity.
- We will treat our employees fairly, complying with the Fundamental Principles and Rights at Work and providing a rewarding environment in which our employees are engaged and developed.
- We will respect our customers and suppliers and aim to treat them honestly and responsibly with consistent standards wherever we operate.
- We will minimize any negative impact on the environment that might be associated with our operations or our products, searching out new ways to conserve natural resources and innovating to improve our products and processes.
- We will be a good neighbor. Not just keeping our own house in order but also reaching out to support aid and relate to those in our neighborhood. In particular we will focus on providing educational and academic support and engaging in projects that will benefit our local communities.
- We will seek out opportunities for dialogue with all our stakeholders.
- We will monitor and record our achievements under this policy so that we may continuously improve.

HEALTH, SAFETY AND ENVIRONMENT (HSE) POLICY

Pakistan Oilfields Limited (POL) is fully committed to ensure and promote the highest degree of safe and healthy working environment in the entire organization. Our employees are our most important asset and we consider them the critical element for the success of our safety programme. POL recognizes that safe operations depend not only on technically sound plant and equipment but also on competent people and an active HSE culture, and that no activity is so important that it cannot be done safely.

To achieve this objective; we aim to

- Ensure that all relevant health, safety and environment procedures/work instructions are developed and implemented.
- Strive to prevent injuries, ill health and property loss through hazards identification, risk assessments of all activities and processes.
- Ensure that all safety rules and regulations are obeyed and protective equipment is used wherever it is necessary and specified.
- Manage our operations in compliance with all applicable environmental laws and regulations
- Manage hazardous gas emissions, effluents and waste materials through the latest equipment and technologies to ensure a conducive environment for our employees and the local inhabitants including flora and fauna.
- Adhere to health practices which match international standards. Accordingly we invest in improving health facilities and eliminate occupational health hazards for our employees, neighbors, costumer and markets where we operate.
- This policy shall be reviewed periodically to ensure that it remains relevant and appropriate to Pakistan Oilfields Limited.

"Our employees are our most important asset and we consider them the critical element for the success of our safety programme.

GENDER DIVERSITY POLICY

Pakistan Oilfields Limited (POL) recognises that a diverse workforce draws on different perspectives and experiences of different individuals, who together as a team, effectively contribute towards the achievement of its overall corporate objectives and success of its business.

We provide an all-inclusive work environment and ensure that all employees receive equal opportunities, respect and recognition regardless of gender, race, ethnicity, ability, or age.

Our Gender Diversity Policy addresses the following aspects:

Recruitment

Our employees are considered to be an asset for the Company and the contribution of each employee towards profitability and growth of the Company is valued. Pakistan Oilfields Limited is an equal opportunity employer and is committed towards inducting talented and innovative professionals in its workforce, regardless of gender, race, religion, age, ethnic or national origin and disability.

Compensation & Benefits

We provide market competitive salary packages and other employment related benefits in order to keep the workforce motivated and fully focused on their jobs. At the time of hiring in the Company, a competitive salary package is offered on the basis of the job requirement, educational qualification and work experience, skill set, equally to both male and female candidates. Likewise, pay raise / increments are also purely based on merit and work performance of individual staff without any gender-based discrimination.

Promotion / Career Progression

Employees with outstanding performance and potential to grow are rewarded with promotion and career progression purely based on merit and on work performance, regardless of gender. Our managers ensure that all employees are treated fairly and evaluated objectively.

Employee Retention

We promote a culture where the focus is on the growth and development of our employees' managerial and technical skills. We consider our employees as an asset to the Company and in order to retain competent resources, the Company offers compensation packages, employee development and training programs, regardless of gender.

Training & Development

Training & Development plays an important role in the development of competent resources. We have designed a well-defined mechanism for identification and implementation of training programs for all employees regardless of their gender to make them more productive in their areas of responsibilities.

Providing conducive work environment to Female staff

All female employees are facilitated to meet their personal commitment / family issues as per approved policies. Also providing separate sitting place for lunch during break hour.

In addition to our existing leaves entitlement, all female employees are entitled to Maternity Leaves that is given to them as per Company policy.

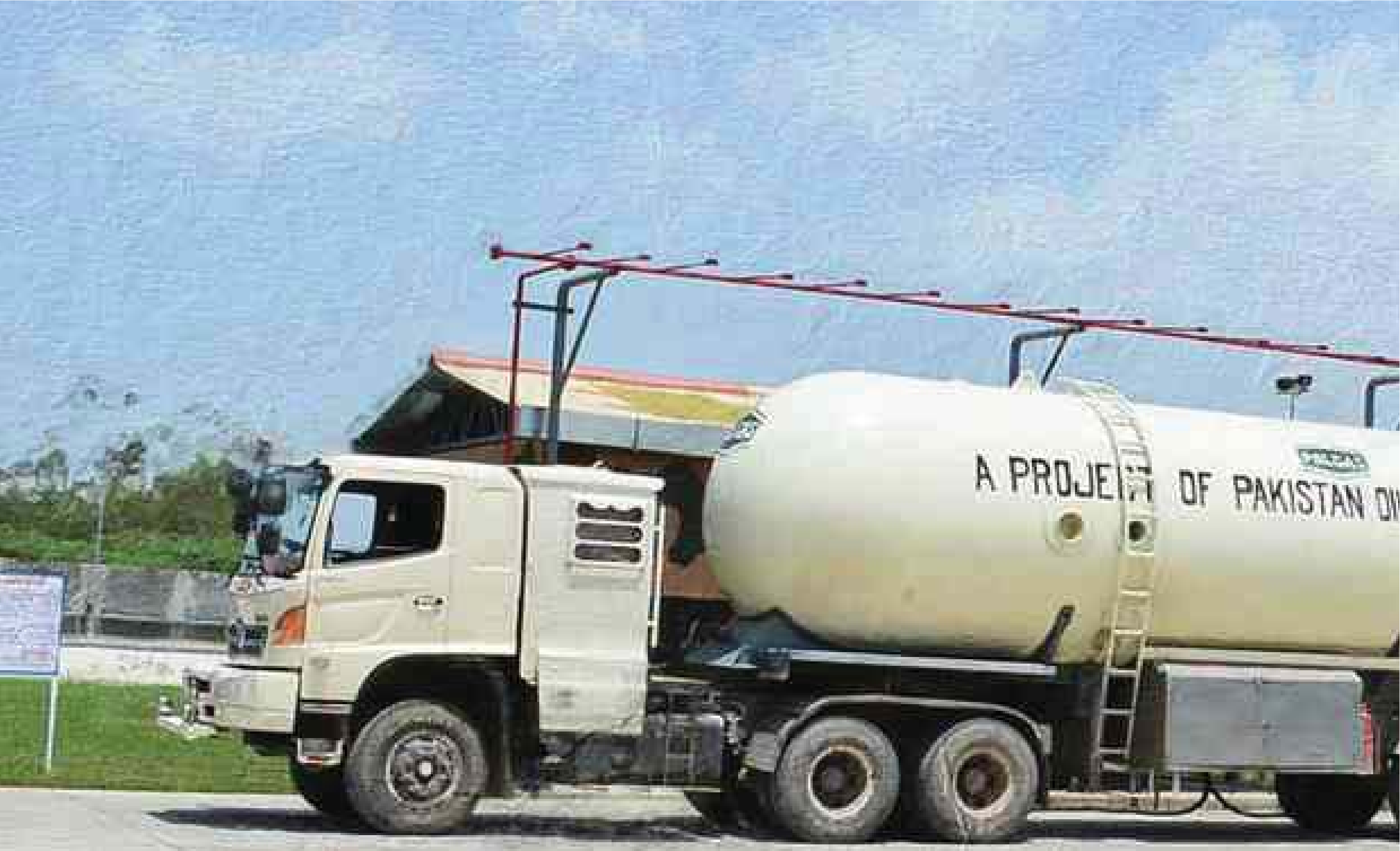
Anti – Harassment and Grievance Policy

Pakistan Oilfields Limited is dedicated to provide a working environment that ensures that each and every employee is treated with respect and dignity with equitable conduct. The Company is committed to ensure a positive professional work environment that is essential for the professional growth of its employee.

To ensure that all employees associated with the Company are treated in a respectful and in a fair manner, the Company has already enforced its Grievance Policy and a policy for Protection against Harassment.

In order to review progress on Gender Diversity policy a meeting of all Head of Departments will be arranged once a year to review progress on the Gender Diversity Policy. Further, gender dis-aggregated data with regard to female employees and their performance / promotions and trainings shall be maintained.

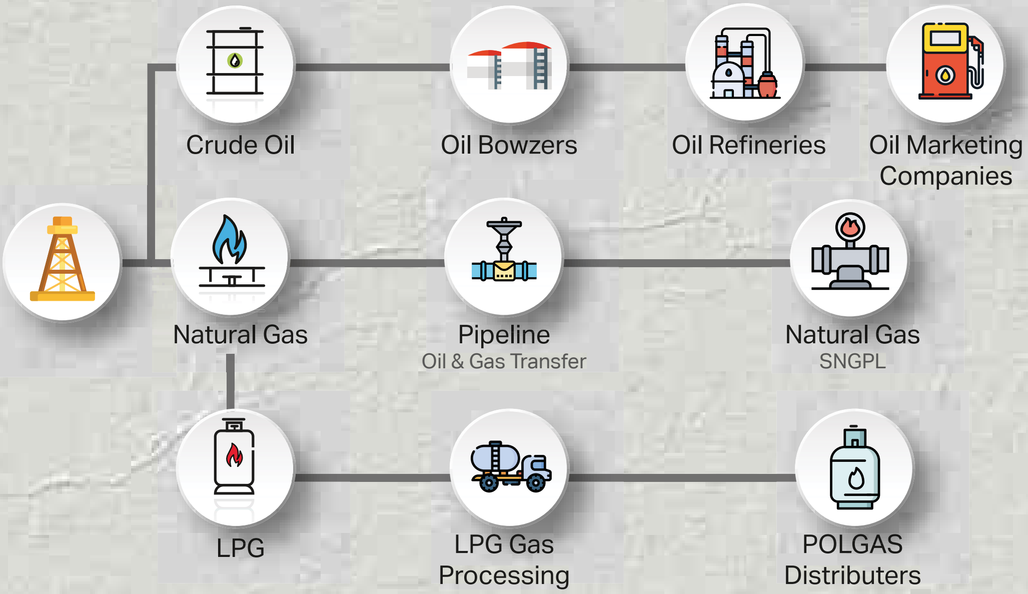
> "POL is dedicated to provide a working environment that ensures that each and every employee is treated with respect and dignity with equitable conduct.



PAKISTAN OILFIELDS LIMITED - OIL AND GAS VALUE CHAIN

Pakistan Oilfields Limited

Upstream	Midstream	Downstream
Onshore Pumpjack	**Process & Storage**	**Refining & Distribution** Sales/Marketing/Retail



The oil and gas value chain starts with discovering fields and ends with providing products to end consumers. The different stages include exploration, production, storage, processing/refining and marketing.

The three facets of the value chain are:

Upstream sector *(Exploration, Production)* - known as Exploration and Production companies, are primarily involved in identifying and assessing potential Oil & Gas producing blocks, drilling exploratory wells & developing infrastructure in economically viable oil fields to produce commercial quantities of hydrocarbon.

Midstream sector *(Transportation and Storage)* - primarily involved in transportation of hydrocarbons. The various modes of transportation include pipelines, rail and road transportation.

Downstream sector *(Refining and Retail Markets)* - is the process of refining, marketing & selling. These companies transform & refine crude oil into a variety of derivative products such as liquefied petroleum gas, gasoline, jet fuel, diesel oil, other fuel oils etc., which are in turn, sold to different end-users.

Pakistan Oilfields Limited – After conducting seismic surveys to assess fields for potential presence of hydrocarbon reserves, wells are then drilled to extract Oil & Gas. Main products extracted by POL include Crude Oil and Natural Gas.

Crude oil is stored in storage tanks and then transported through pipelines and bowzers to our own Khaur Crude Decanting Facility. After decanting it is transported through pipelines and oil bowzers to refineries. Similarly, Natural Gas is transported through pipelines to SNGPL.

The LPG supply chain starts with production of oil and gas at wells. Gas is then converted into LPG and distributed to end users in LPG cylinders.

GLOBAL COMPACT

Through the power of collective action, Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalization. Today, hundreds of companies from all regions of the world, international labour and civil organizations are engaged in Global Compact.

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR STANDARDS

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

PRODUCTS

Crude Oil

An oily, flammable liquid that occurs naturally in deposits, usually beneath the surface of the earth. It consists principally of a mixture of hydrocarbons, with traces of various nitrogenous and sulphurous compounds. During the past 600 million years, incompletely decayed plant and animal remains have become buried under thick layers of rock. It is believed that petroleum consists of the remains of these organisms but it is the small microscopic plankton organism remains that are largely responsible for the relatively high organic carbon content of fine-grained sediments which are the principle source rocks for petroleum.

Little use other than as lamp fuel was made of petroleum until the development of the gasoline engine and its application to automobiles, trucks, tractors and airplanes. Today the world is heavily dependent on petroleum for motive power, lubrication, fuel, dyes, drugs and many synthetics.

Natural Gas

Natural mixture of gaseous hydrocarbons found issuing from the ground or obtained f rom specially driven wells. The composition of natural gas varies in different localities. Its chief component, methane, usually makes up from 70% to 95% and the balance is composed of varying amounts of ethane, propane, butane and other hydrocarbon compounds. Although commonly associated with deposits, it also occurs separately in sand, sandstone and limestone deposits. Some geologists theorize that natural gas is a byproduct of decaying vegetable matter in underground strata, while others think it may be primordial gases that rise up from the mantle. Because of its flammability and high calorific value, natural gas is used extensively as an illuminant and a fuel.

Liquefied Petroleum Gas (LPG)

LPG is a mixture of gases, chiefly propane and butane, produced commercially from petroleum and stored under pressure to keep it in a liquid state. The boiling point of liquefied petroleum gas varies from about -44°C to 0°C, so that the pressure required to liquefy it is considerable and the containers for it must be of heavy steel. Common uses are for cooking and heating and lighting. It is also used for powering automotive vehicles. LPG is an attractive fuel for internal- combustion engines because it burns with little air pollution and little solid residue.

Solvent Oil

Solvent oil is one of the five major oil products closely related to people's daily life. Its application sectors also have a constant expansion. There are also extensive uses in rubber, leather and adhesive sectors.

Sulphur

Solid Sulphur occurs principally in three forms, all of which are brittle, yellow in color, odorless, tasteless, and insoluble in water. It is a chemically active element and forms many compounds, both by itself (sulfides) and in combination with other elements. It is part of many organic compounds.

Sulphur is used in black gunpowder, matches and fireworks; in the vulcanization of rubber; as a fungicide and insecticide; and in the treatment of certain skin diseases. The principal use of Sulphur is in the preparation of its compounds. The most important Sulphur compound is Sulphuric acid.

YEAR AT A GLANCE

14 JULY 2020
Discovered hydrocarbons in Exploratory Well Mamikhel South-1

26 AUGUST 2020
518th Board of Directors Meeting and announcement of yearly results

19 OCTOBER 2020
69th Annual General Meeting

20 OCTOBER 2020
519th Board of Directors Meeting and announcement of 1st quarter results.

27 OCTOBER 2020
Corporate Briefing Session

04 NOVEMBER 2020
Payment of Final Dividend 2019-20

18 DECEMBER 2020
Discovered hydrocarbons in Development Well Pindori-10 in Chorgali Formation

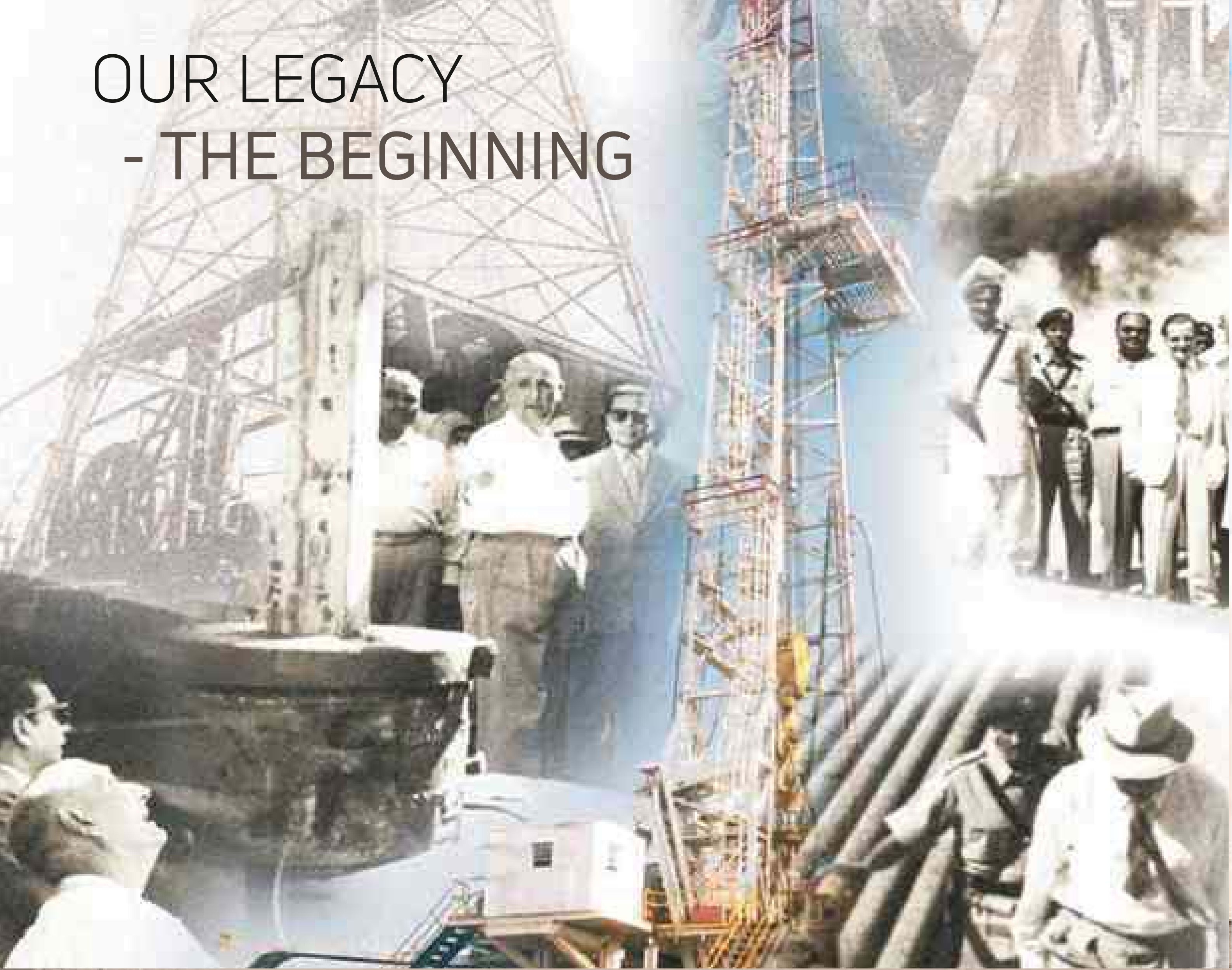
26 JANUARY 2021
520th Board of Directors Meeting and announcement of 2nd quarter results

24 FEBRUARY 2021
Payment of Interim Dividend 2020-21

26 APRIL 2021
521st Board of Directors Meeting and announcement of 3rd quarter results

22 JUNE 2021
522nd Board of Directors Meeting for Budget 2021-22 approval

OUR LEGACY
- THE BEGINNING



Discovered first commercial oil field at Khaur

1915

1936

Oil Discovered at Dhulian

Oil Discovered at Balkassar

1944

1946

Oil Discovered at Joyamair

POL was incorporated as a Pakistan Oil & Gas Exploration and Production Company on November 25, 1950

1950

1968

Oil Discovered at Meyal

Pakistan Oilfields Limited took over AOC's entire exploration, production, processing and oil transmission business on November 7, 1978

1978

1994

Oil and Gas discovered at Pariwal

WELL NO. 1
KHAUR

1995 — Re-established Hydrocarbon production at Pindori

1996 — Oil and Gas discovered at Minwal

1997 — Oil and Gas Discovered at Turkwal

2005 — Acquired National Refinery Limited with 25% share.

2017 — Oil and Gas discovered at Ikhlas

2018 — Hydrocarbons discovered at
- Jhandial Well-1, The Largest Oil & Gas Discovery in Punjab
- Joyamair Deep-1 Well

LPG bottling facility at Dhullian

2019 — Hydrocarbons discovered at Khaur North - 01

2020 — Hydrocarbon discovered at Pindori-10

STRATEGIC FOCUS AND FUTURE ORIENTATION

Pakistan Oilfields Limited is a full cycle exploration and production company. Our focus is to grow shareholder value by leveraging our development capabilities and balance sheet to deliver high quality projects while maintaining exposure to upside from successful exploration.

The company's strategic objectives were reviewed in the meeting of Directors. A process is already in place whereby long term strategies and annual operational plans established by management are regularly reviewed by the Directors in line with the Company's overall business objectives. Following are the strategic and management objectives:

1. **Exploration & Production**
   The main focus in this area is on enhancement of reserves, increase in production and expansion of exploration activities.
2. **POLGAS Marketing**
   Focus is on delivering a quality LPG to end consumer in all parts of Pakistan.
3. **Financial**
   Focus is on increasing revenues through production enhancement, cost cutting and budgetary control measures along with increasing return to the shareholders.
4. **Internal Controls** Company's focus in this area is Business process re-engineering to ensure effective controls are in place and enriched management reporting system to improve visibility over key operational areas and to assist the management in strategic decision making.
5. **Stakeholders**
   Company is determined to meet expectations of its stakeholders including shareholders, JV partners, employees and Corporate Social Responsibility works for local communities in areas of the Company's operations.

The objectives and targets in each focus area are also classified into;

- short term (<2 years)
- medium term (2-7 years)
- long term (7-12 years)

Management Strategies to Meet the Objectives

For effective monitoring, following measures are adopted by the Management:

- Monthly review meetings of the senior management are held to make adjustments or alterations in course of actions, to achieve the targets within specified time.
- BEACON HR, a POL specific Self Service System has been where Supervisors can manage and develop their teams, assign tasks and record feedback for management review.
- Our strategy and legal obligation is to generate value for our shareholders. Taking consideration the capital needs

of the company, offering higher return in the shape of cash dividend to our shareholders from current year profits.

- Key Performance Indicators (KPIs) are used and monitored to compare the overall performance of the Company.

Resource Allocation

Company believes in efficient allocation of all available resources at hand including financial capital, human capital, manufactured capital, intellectual capital and social capital in order to implement and achieve desired strategic / management objectives.

Key Performance Indicators

POL measures its performance in line with its strategic objectives of growing the value of the underlying assets of the business and creating significant returns for shareholders in a safe and responsible manner.

Financial Capital Planning

There are no liquidity issues for the company and POL is in strong financial position due to effective strategic management.

Future Orientation

a) In-depth evaluation of granted Exploration Blocks to identify drillable prospects.

b) Exploit full potential of own and operated fields and delineation any possible / drillable potential in the already granted D & P Leases.

c) Evaluation of open acreage to apply for new prospective blocks in the forth coming bidding round.

d) Search for possible farm-in after in-depth review of Exploration Blocks, with credible companies.

e) Efforts to farm-out high risk Exploration Blocks.

f) Extend hydrocarbon exploration activities overseas where technically and economically viable.

g) Evaluate producing blocks which are being offered for sale in Pakistan and overseas.

Significant Changes in Objectives and Strategies from the Previous Year

There has been no significant change in the Company's objectives as strategies are well planned by management. However, actual measureable targets are revised each year taking into consideration different internal and external factors.

> " Our focus is to grow shareholders' value by leveraging our development capabilities

FORWARD LOOKING STATEMENT AND FUTURE PLAN

We are committed to increase the reserves of hydrocarbons and to explore all possible options for recovering proven reserves in an optimal and economically viable manner. Driven by our vision to be the leading oil and gas exploration and production Company of Pakistan, the Company is investing substantial amount on exploration/ development activities to increase its reserve base and with the Grace of Allah we are pretty much hopeful to get new successes.

In the year 2021-22, two exploratory wells (DGK-1 at DG Khan and Bandhak-1 at Kirthar South) and two development wells (Adhi South-5 and 6) will be spudded.

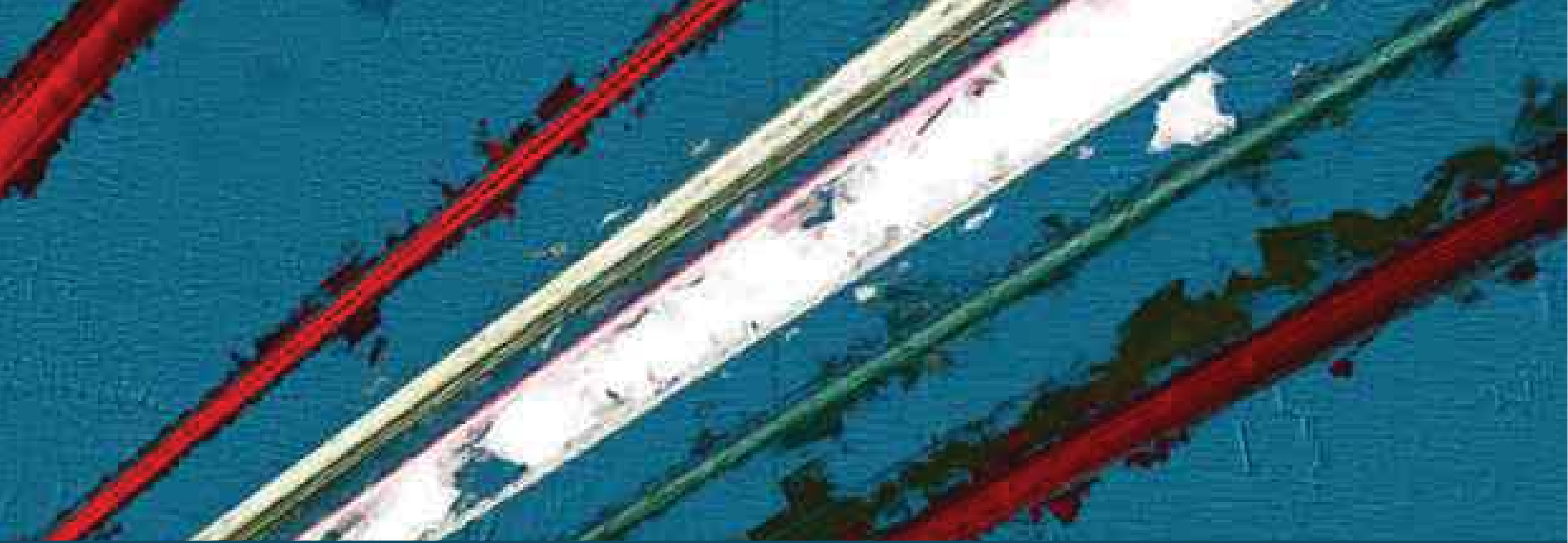
At DG Khan, construction of access road and well site is in progress. Well will be spuded in September 2021. At Kirthar South, Sindh Environmental Protection Agency (SEPA) approved the Environmental Impact Assessment for drilling of Bandhak-1 & Pirani Deep-1 and necessary No Objection Certificate (NOC) has been issued. NOC from Forest and Wildlife Department is awaited to start the exploration activities due to being part of Kirthar National Park.

The Company is continuously investing in seismic data acquisition, processing and interpretation. Presently 3D/2D Seismic data acquisition, processing and interpretations are underway at Ikhlas, TAL West area, Gurgalot and Taung blocks which are prerequisites for decisions of new wells. Also bidding for Seismic data acquisition and processing will be planned in next year for North Dhurnal and Nareli blocks.

At Tal block, well location for Mardankhel-4 has been approved. Based on 3D Seismic data interpretation, an exploratory well Razgir has also been approved by the joint venture partners.

In the recent bidding of Exploration Blocks, POL has won the following blocks:

1. Dhurnal North Block - Operator with 60% share
2. Nereli Block- Non - Operator with 32% share



Trends and uncertainties affecting the Company's revenue and operations

The spread of Covid - 19 as a pandemic and consequently imposition of lock down by Federal and Provincial Governments of Pakistan (Authorities) caused an overall economic slowdown and disruption to various businesses at the start of 2020. It resulted in decrease in demand and price of petroleum products during the lockdown period, which are now steadily recovering. Management successfully faced these challenges allowing only minimum adverse impact on the operating results of the Company. Management will continue to monitor and will take all steps possible to mitigate any effects.

Oil prices in international market and exchange rates have significant impact on the Company's revenue, The Company has no control over both factors but we have reviewed our Capital/ Revenue Budgets and allowed only those spending which are most crucial and necessary for the Company's operations.

Performance related to forward looking disclosure made in last year.

At Pindori-10, a rig workover was done to isolate Lockhart formation and test the potential of shallower formations to enhance production from the field. During this workover, the potential of both Sakesar and Chorgali formations was tested. Presently, Pindori-10 is producing around 450 bpd of oil and 1.1 mmscfd of gas with a wellhead flowing pressure of 1,900 psi and around 80 bpd of water at fixed choke size of 16/64".

At Tal block, Mamikhel South-01 well production line has been completed. In order to start production Government's approval is awaited for Gas price under Petroleum Policy-2012.

At Gurgalot block, 320 square kilometers 3D seismic data acquisition has been completed and data processing / interpretation is in progress.

At Taung block, 3D Seismic acquisition of 241 square kilometers has been completed out 540 Square kilometers.

At Ratana field, drilling at Ratana-5 (Side track-1) is in progress at 1,145 meters.

CORPORATE INFORMATION

Directors

MR. LAITH G. PHARAON
Chairman
Attock Group of Companies

Alternate director:
Mr. Shuaib A. Malik

MR. WAEL G. PHARAON
Alternate Director:
Mr. Babar Bashir Nawaz

MR. SAJID NAWAZ

MR. ABDUS SATTAR

MR. SHAMIM AHMAD KHAN

MR. TARIQ IQBAL KHAN

MR. SHUAIB A. MALIK
Chairman & Chief Executive

Human Resource & Remuneration (HR&R) Committee

Mr. Babar Bashir Nawaz
Chairman

Mr. Shuaib A. Malik
Member

Mr. Abdus Sattar
Member

Audit Committee

Mr. Shamim Ahmad Khan
Chairman

Mr. Abdus Sattar
Member

Mr. Babar Bashir Nawaz
Member

Mr. Tariq Iqbal Khan
Member

Company Secretary / CFO

Mr. Khalid Nafees

Auditors & Tax Advisor

A.F. Ferguson & Co.
Chartered Accountants

Legal Advisor

Khan & Piracha
Ali Sibtain Fazli & Associates

Head Office

Pakistan Oilfields Limited
P.O.L. House, Morgah, Rawalpindi.

Telephone: +92 51 5487589-97

Fax: + 92 51 5487598-99

E-mail: polcms@pakoil.com.pk

Website: www.pakoil.com.pk

Field Office

Khaur Office, Tehsil Pindigheb, District Attock.

Shareholders Enquiries

For enquiries about your shareholding, including information relating to dividends or share certificates, please E-mail to: cs@pakoil.com.pk or write to:

The Company Secretary,
Pakistan Oilfields Limited
P.O.L. House, Morgah,
Rawalpindi, Pakistan.

Share Registrar

CDC Share Registrar Services Limited

CDC House 99-B, Block 'B' S.M.C.H.S,
Main Shahra-e-Faisal,Karachi.

Toll Free: 0800 23275 (CDCPL)

Fax: +92 21 34326040

Annual Report

The annual report may be downloaded by scanning this QR Code.

The annual report may be downloaded from the Company's website:
www.pakoil.com.pk
or printed copies may be obtained by writing to:

The Company Secretary,
Pakistan Oilfields Limited
P.O.L. House, Morgah,
Rawalpindi, Pakistan.

GROUP STRUCTURE

Holding Company

The Attock Oil Company Limited
Incorporated in England
AOC Holds 52.77% of POL Shares

Subsidiary Company

CAPGAS (Pvt) Limited
POL Holds 51% Shareholding

Associate Companies

National Refinery Limited
POL Holds 25% Shareholding

Attock Petroleum Limited
POL Holds 7.0175% Shareholding

Attock Information Technology Services Limited
POL Holds 10% Shareholding

Attock Refinery Limited

Attock Cement Pakistan Limited

Attock Gen Limited

Attock Energy (Pvt) Limited

Chairman Attock Group of Companies

BOARD OF DIRECTORS

1


2


3


4


5


6


7


8


1 Mr. Laith G. Pharaon

2 Mr. Wael G. Pharaon

3 Mr. Shuaib A. Malik

4 Mr. Sajid Nawaz

5 Mr. Abdus Sattar

6 Mr. Shamim Ahmad Khan

7 Mr. Tariq Iqbal Khan

8 Mr. Babar Bashir Nawaz

PROFILE OF THE BOARD OF DIRECTORS

Mr. Laith G. Pharaon
Director - Non-Executive

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Laith holds a graduate degree from the University of Southern California. He is a Director on the Board of all listed Companies of The Attock Group.

Other Engagements:

Director:

The Attock Oil Company Limited
Attock Petroleum Limited
Attock Refinery Limited
Attock Cement Pakistan Limited
National Refinery Limited

Mr. Wael G. Pharaon
Director - Non-Executive

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Wael holds a graduate degree. He is a Director on the Board of all listed Companies of The Attock Group.

Other Engagements:

Director:

The Attock Oil Company Limited
Attock Petroleum Limited
Attock Refinery Limited
Attock Cement Pakistan Limited
National Refinery Limited

Mr. Shuaib A. Malik

Director - Executive,
Chairman & Chief Executive,
Also Alternate Director to
Mr. Laith G. Pharaon

Mr. Shuaib A. Malik has been associated with Attock Group of Companies for around 4 decades. He started his career as an Executive Officer in The Attock Oil Company Limited in July 1977 and served in different Companies in the Group at various times with the responsibility to supervise and oversee the operations & affairs of these Companies. He has exhaustive experience related to various aspects of upstream, midstream and downstream petroleum business. He obtained his bachelor's degree from Punjab University and has attended many international management programs, workshops and conferences including two such programs at British Institute of Management, UK and Harvard Business School, USA. Presently, he is holding the position of Group Chief Executive of the Attock Group of Companies, Chairman and Chief Executive of Pakistan Oilfields Limited, Chairman Attock Refinery Limited besides being the Director on the Board of all the Companies in the Group.

Other Engagements:
Director:

The Attock Oil Company Limited
Attock Petroleum Limited
Attock Refinery Limited
Attock Cement Pakistan Limited
National Refinery Limited

Mr. Sajid Nawaz

Director - Executive,
Managing Director

Mr. Sajid Nawaz is presently holding position of Managing Director of Pakistan Oilfields Limited (POL). He has almost 14 years work experience with the Company in Senior Management positions. He is currently serving on Board of Directors of Pakistan Oilfields Limited (POL), National Refinery Limited (NRL) and Attock Cement Pakistan Limited (ACPL) Previously he also served as Chief Executive Officer of POL as well as Director on a number of Boards like, Attock Petroleum Limited (APL), Attock Refinery Limited (ARL), Attock Hospital (Pvt.) Limited and Attock Information Technology Services (Pvt.) Limited. He has over 30 years of work experience in service with Government of Pakistan at various management posts both within country and abroad. Due to the nature of posts and assignments he carries considerable experience of working in different environments. He has attended various management courses abroad and in Pakistan, including one month course on International Petroleum Management at Canadian Petroleum Institute, Canada.

Other Engagements:
Director:

National Refinery Limited

PROFILE OF THE BOARD OF DIRECTORS

Mr. Abdus Sattar

Director - Non Executive

Mr. Abdus Sattar has over 35 years of Financial Management experience at key positions of responsibility in various Government organizations / ministries, commercial organizations with the main objective of controlling costs of various commodities, to watch consumer interest, minimize government subsidies, improve government revenues, eliminate wasteful expenses / leakages and fixation of gas and POL prices. After serving as Financial Advisor to Ministry of Petroleum & Natural Resources, Government of Pakistan, he also remained Financial Advisor for Mari Gas Company Limited for around 8 years including 6 years as its Director on the Board, while working as Financial Advisor in Ministry of Petroleum he also served as Director on a number of boards like OGDCL, PPL, SNGPL, SSGCL, PSO, PARCO, ARL, POL, NRL, PMDC etc. as a nominee of Government of Pakistan for about seven years. He is a fellow member of Institute of Cost and Management Accountant of Pakistan (ICMAP) and was also nominated as council member of ICMAP for three years (Jan 2000 to Dec 2002) by the Government of Pakistan. He has attended many advance financial management courses, programs and trainings in institutions of international repute in Pakistan and abroad. Presently, he is on the Board of ARL, POL, ACPL, APL and NRL and a visiting faculty member of a number of reputed universities and professional institutions.

Other Engagements:

Director:

Attock Petroleum Limited
Attock Refinery Limited
Attock Cement Pakistan Limited
National Refinery Limited

Mr. Shamim Ahmad Khan

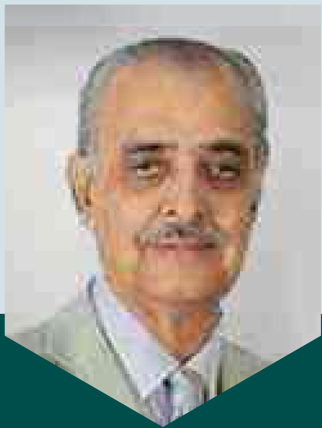
Director - Independent

After joining Civil Service of Pakistan, Mr. Shamim Ahmad Khan served in senior positions in the Government, particularly in the Ministry of Finance and retired as Secretary, Ministry of Commerce. For ten years, he worked in Corporate Law Authority, regulatory body for the corporate sector as Member and later as Chairman. He restructured it as Securities and Exchange Commission of Pakistan (SECP) and served as its first Chairman. After leaving SECP in 2000, he has been serving as independent/non-executive director of a number of listed companies. Presently, he is a non-executive director of IGI Holdings Limited, an independent director of Pakistan Oilfields Limited, Attock Refinery Limited and Attock Cement Pakistan Limited. He is also Chairman of IGI Life Insurance and IGI General Insurance. Earlier he has served on the Boards of Packages, Abbott Laboratories Pakistan, ABN AMRO/ Royal Bank of Scotland, Linde Pakistan and Pakistan Reinsurance Company. He has also been associated with non-profit sector. For six years, he served as a Member/ Chairman, Certification Panel, Pakistan Center for Philanthropy and presently he is a member of Board of Governors of SDPI and director of Karandaaz, a non-profit company sponsored by DFID. Mr. Khan has undertaken a number of consultancy assignments for Asian Development Bank, World Bank and DFID.

Other Engagements:

Director:

Attock Refinery Limited
Attock Cement Pakistan Limited



Mr. Tariq Iqbal Khan

Director - Independent

Mr. Tariq Iqbal Khan is a fellow member of Institute of Chartered Accountants Pakistan, with diversified experience of more than 40 years. He was pivotal in founding Islamabad Stock Exchange where he subsequently served as President as well. He has also served as the Member Tax Policy & Co-ordination in the Central Board of Revenue, followed by being appointed as Commissioner SECP, where he was instrumental in restructuring the SECP. He also held the charge of Chairman SECP (acting) for a brief period. He served on prominent national level committees like Committee for formulation of Take Over law. CLA Committee for review of Security & Exchange Ordinance 1969, Committee for formulation of CDC law & regulations and Prime Minister's Committee for Revival of Stock Market. He served as the Chairman and MD of NIT for more than 8 years, which played the role of a catalyst in establishing, strengthening and stabilizing the capital markets. Additionally, during this period, he held the charge of Chairman & MD of ICP, for almost 5 years. He has served on Boards of the top companies like CDC, Faysal Bank, Bank Al-Habib, GSK, ICI, Siemens, and Packages etc. Presently he is a member on the Boards of National Refinery Limited, Packages Limited, Silk Bank Limited, Pakistan Oilfields Limited and Attock Refinery Limited.

Other Engagements:

Director:

Attock Refinery Limited
National Refinery Limited

Mr. Babar Bashir Nawaz

Alternate Director to
Mr. Wael G. Pharaon

He has over 30 years of experience with the Attock Group. During this period he has held various positions in Finance, Personnel, Marketing & General Management before being appointed as the Chief Executive of Attock Cement Pakistan Limited in 2002. Mr. Bashir holds a Master's degree in Business Administration from the Quaid-e-Azam University in Islamabad and at present is also a Director on the Board of all the listed companies of the Group in Pakistan. He has attended various courses, workshops and seminars in Pakistan and abroad on the business management.

Other Engagements:

Director:

Attock Cement Limited
Attock Petroleum Limited - Alternate Director
Attock Refinery Limited - Alternate Director
National Refinery Limited - Alternate Director

BOARD COMMITTEES

Human Resource and Remuneration (HR&R) Committee

Composition

Mr. Babar Bashir Nawaz	- Chairman
Mr. Shuaib A. Malik	- Member
Mr. Abdus Sattar	- Member

Terms of reference

The Terms of reference of committee shall be determined by the board of directors which may include the following:

a) recommend to the board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the board which shall normally include the first layer of management below the chief executive officer level;

b) recommending human resource management policies to the board;

c) recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, company secretary and head of internal audit;

d) consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer; and

e) where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company.

Audit Committee

Composition

Mr. Shamim Ahmad Khan	- Chairman
Mr. Abdus Sattar	- Member
Mr. Babar Bashir Nawaz	- Member
Mr. Tariq Iqbal Khan	- Member

Terms of reference

The Terms of Reference of the Audit Committee include the following:

a) determination of appropriate measures to safeguard the company's assets;

b) review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:

   (i) major judgmental areas;

   (ii) significant adjustments resulting from the audit;

   (iii) going concern assumption;

   (iv) any changes in accounting policies and practices;

   (v) compliance with applicable accounting standards;

   (vi) compliance with these regulations and other statutory and regulatory requirements; and

   (vii) all related party transactions.

c) review of preliminary announcements of results prior to external communication and publication;

d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

e) review of management letter issued by external auditors and management's response thereto;

f) ensuring coordination between the internal and external auditors of the company;

g) review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;

h) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

i) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;

j) review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;

k) instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;

l) determination of compliance with relevant statutory requirements;

m) monitoring compliance with the these regulations and identification of significant violations thereof;

n) review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;

o) recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The board shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof.

p) consideration of any other issue or matter as may be assigned by the board of directors.

MANAGEMENT COMMITTEE

Various committees have been constituted to look after the operational and financial matters of the Company. A brief description of the composition and terms of reference of the various committees are as follows:

Executive Committee

The Committee meets under the chairmanship of the Chief Executive to coordinate the activities and operations of the Company.

Review and Appraisal Committee

The Review and Appraisal Committee is responsible for ensuring that procurement of assets, goods and services is made in accordance with Company policies and procedures on competitive and transparent terms.

Risk Management Committee

The Risk Management Committee is responsible for ensuring that procedures to identify and continuously update risks are in place. The Committee oversees the process of assessment of the possible impact and likelihood of occurrence of identified risks. The Committee is also responsible for formulating a risk management response to effectively address and manage risks.

Business Strategy Committee

The Business Strategy Committee is responsible for preparing the strategic plan for the future growth of the Company. The Committee also reviews major projects and formulates recommendations after evaluation from technical and commercial aspects.

Systems and Technology Committee

The Systems and Technology Committee is responsible for developing and implementing an IT strategy for the Company. The Committee oversees the automation of processes and systems in line with latest technology. The Committee is also responsible for development of contingency and disaster recovery plans.

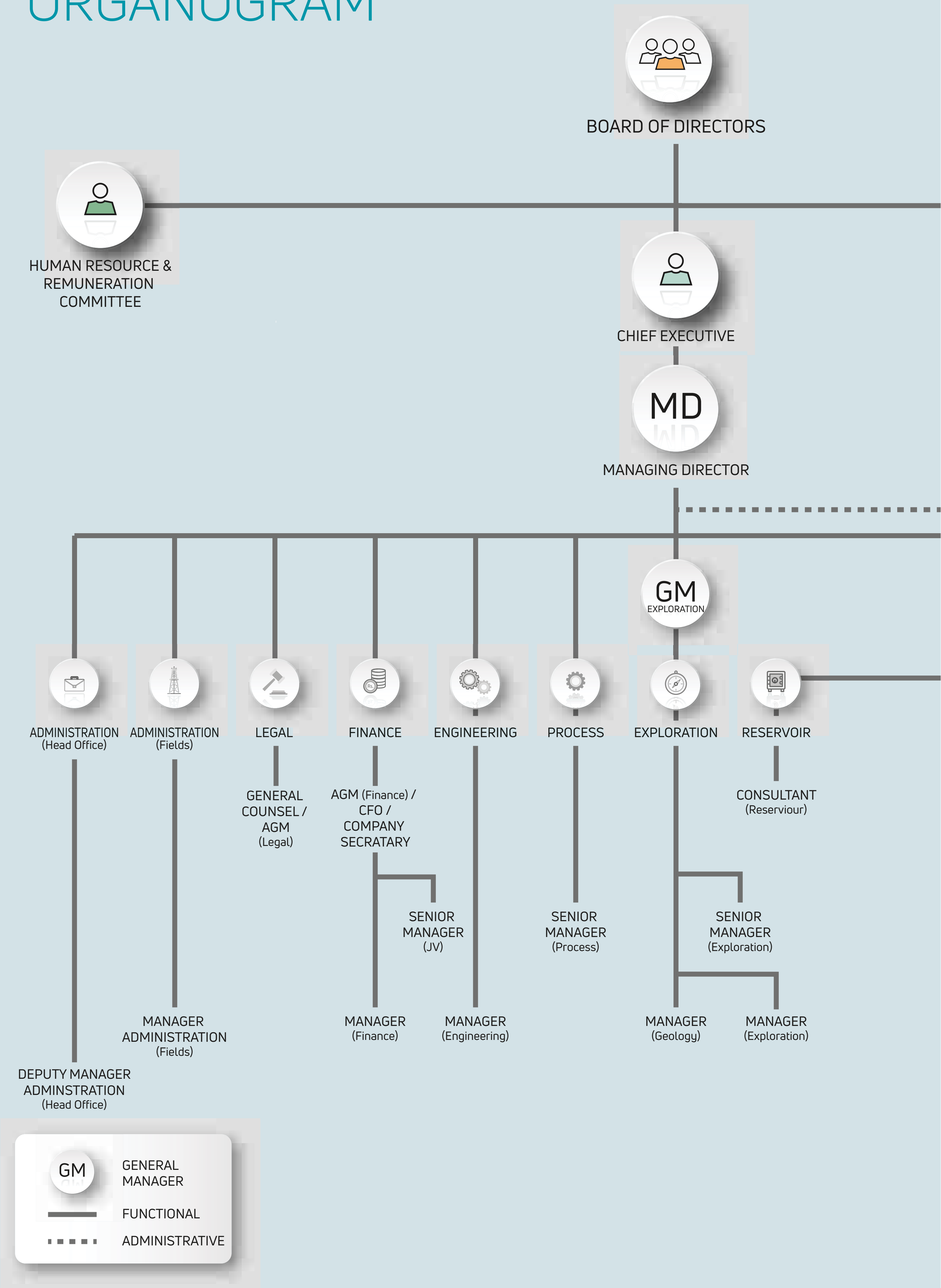
Budget Committee

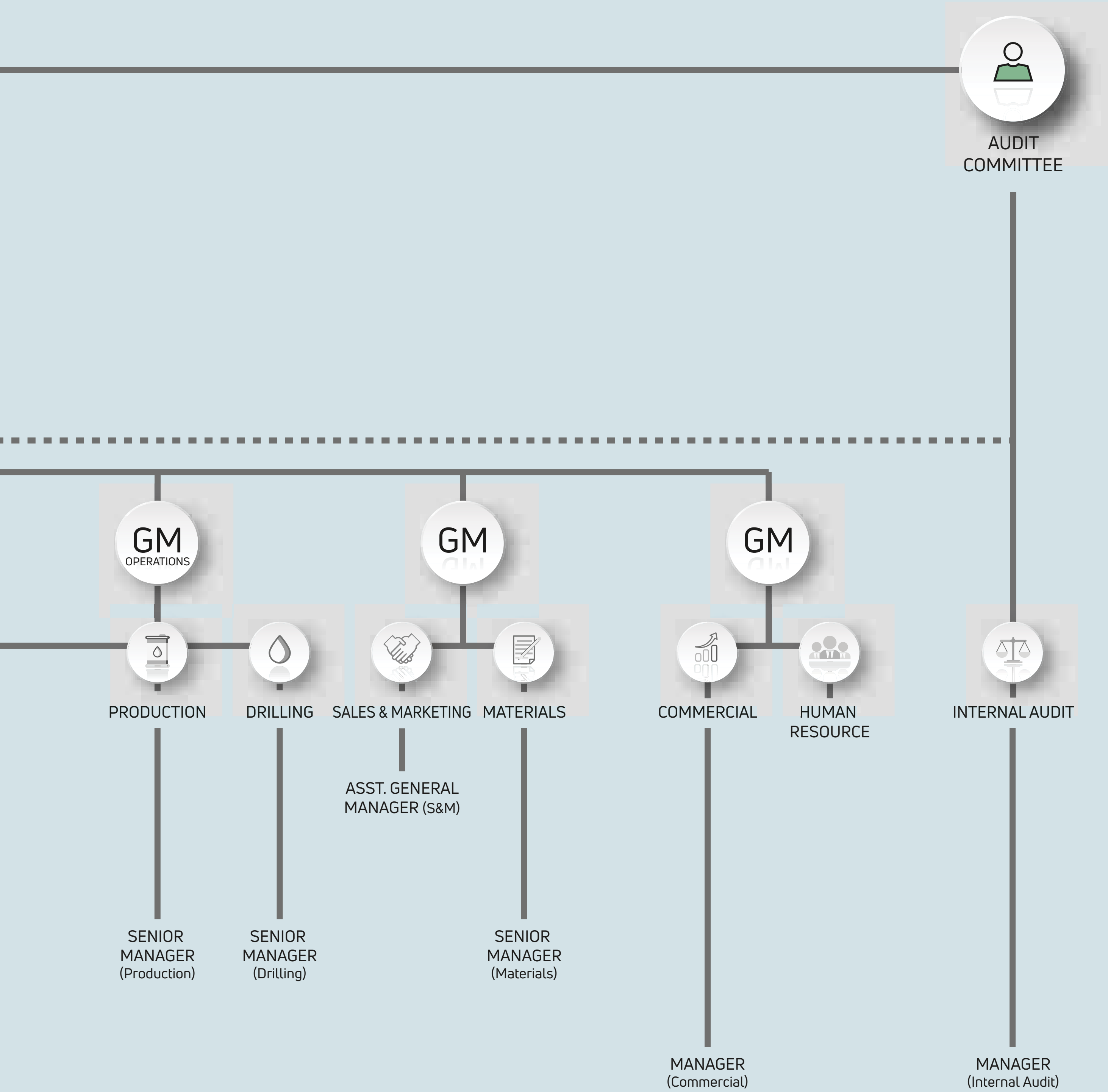
The Budget Committee reviews and approves the annual budget proposals prior to being presented for the approval of the Board. The Committee also monitors utilization of the approved budget.

Safety Committee

The Safety Committee reviews and monitors Company's wide safety practices. It oversees the safety planning function of the Company and is responsible for safety training and awareness initiatives. The Committee is also responsible for publishing the Company's monthly safety newsletter "Safety Bulletin".

ORGANOGRAM


BOARD OF DIRECTORS
HUMAN RESOURCE & REMUNERATION COMMITTEE
CHIEF EXECUTIVE
MD
MANAGING DIRECTOR
GM
EXPLORATION
ADMINISTRATION (Head Office)
ADMINISTRATION (Fields)
LEGAL
FINANCE
ENGINEERING
PROCESS
EXPLORATION
RESERVOIR
GENERAL COUNSEL / AGM (Legal)
AGM (Finance) / CFO / COMPANY SECRATARY
CONSULTANT (Reserviour)
SENIOR MANAGER (JV)
SENIOR MANAGER (Process)
SENIOR MANAGER (Exploration)
MANAGER ADMINISTRATION (Fields)
MANAGER (Finance)
MANAGER (Engineering)
MANAGER (Geology)
MANAGER (Exploration)
DEPUTY MANAGER ADMINSTRATION (Head Office)
GM
GENERAL MANAGER
FUNCTIONAL
ADMINISTRATIVE


AUDIT COMMITTEE
GM
OPERATIONS
GM
GM
PRODUCTION
DRILLING
SALES & MARKETING
MATERIALS
COMMERCIAL
HUMAN RESOURCE
INTERNAL AUDIT
ASST. GENERAL MANAGER (S&M)
SENIOR MANAGER (Production)
SENIOR MANAGER (Drilling)
SENIOR MANAGER (Materials)
MANAGER (Commercial)
MANAGER (Internal Audit)

CHAIRMAN'S REVIEW

During the year under review, the Company had to face continued serious challenges of COVID 19, consequential lockdowns and slowdown of economic activity. I am glad that the management and the Board of your company successfully faced these challenges allowing only minimum adverse impact on the production, sales and gross profit of the Company. During this year, the company earned profit after tax of Rs. 13.382 billion, which is 18.28% lower than that of the previous year. This decline was mainly due to notional exchange loss on bank deposits, lower income on bank deposits due to lower interest rates in the country and higher taxation due to lesser exploration and development expenditures. The Company continued its core activities of exploration and development during the year and it is expected that production will be started from its recent discovery of Mamikhel South Well in near future.

The Company's Board comprised of seven directors out of whom two were independent, three were non executive and two were executive directors. The directors had rich experience drawn from different fields like petroleum, finance, corporate and regulations sectors. I would like to express my profound appreciation for the contribution made by them.

The Board provides strategic direction to the management and fulfills its fiduciary responsibilities with a sense of commitment. During the pandemic, the Board remained engaged with the management which helped it to meet the exceptional and unforeseen challenges. During the year, five board meetings were held. The Board has fulfilled all its mandatory responsibilities including ensuring compliance with all legal and regulatory requirements for the Company. The Board has constituted Audit and Human Resource and Remuneration Committees. These committees provided valuable input and assistance to the Board. The Audit Committee particularly focused on detailed review of financial statements and internal controls.

Best practices of corporate governance having been embedded into the Company's culture to maintain highest level of professionalism and business conduct. An annual evaluation of performance of the Board, members of the Board and its Committees was carried out with the help of a formal and effective mechanism. On the basis of the feedback received through this mechanism overall role of the Board has been found to be effective.

The Company is continuously investing in seismic data acquisition, processing and interpretation. During the year, 3D Seismic data acquisition at Taung block is in progress. The decision of new wells will be based on interpretations of the seismic data.

In the year 2021-22 two exploratory and two development wells will be spudded. The Company is investing a substantial amount to increase its reserve base and with the Grace of Allah we are pretty much hopeful to get new successes.

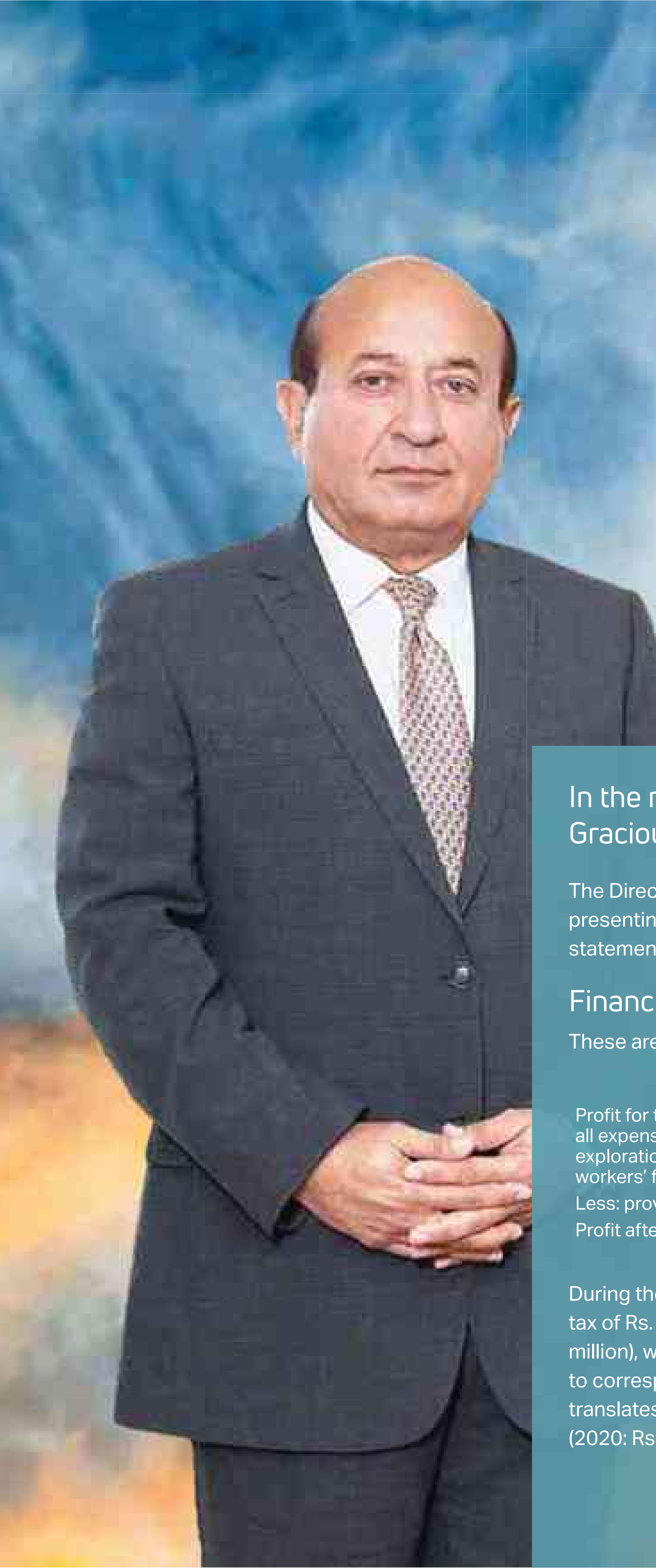
We are driven by our vision to be the leading oil and gas exploration and production company of Pakistan with ever increasing proven hydrocarbon reserves and continuous and improved production. As we move forward, we have a number of factors in our favor; the strength of our balance sheet, our strong cash generation, our expertise and most of all, the dedication and will of our employees.

On behalf of the Board, I would like to acknowledge with thanks the contributions made by both management and non-management staff, regulatory authorities and various Government functionaries. Without their support these results would not have been possible.

I would also like to thank all the shareholders for their continued support.

I hope and pray that the Company may maintain momentum of growth in the future years.

Laith G. Pharaon
Chairman Attock Group of Companies
Rawalpindi
August 11, 2021



> During the year, the Company made profit after tax of Rs 13,382 million

In the name of ALLAH, The Most Gracious, The Most Merciful

The Directors of the Company take pleasure in presenting Annual Report along with financial statements for the year ended June 30, 2021.

Financial Results

These are summarized below:

	Rs (000)
Profit for the year after providing for all expenses including depreciation, exploration, amortization and workers' funds.	20,678,334
Less: provision for taxation	(7,296,079)
Profit after tax	13,382,255

During the year, the Company made profit after tax of Rs. 13,382.3 million (2020: Rs.16,375.9 million), which is lower by 18.28% as compared to corresponding period last year. The profit translates into earnings per share of Rs 47.14 (2020: Rs 57.69).

DIRECTORS' REPORT

The decrease in profit mainly related to notional exchange loss on foreign currency bank balances/deposits, lesser income on bank deposits because of overall reduced deposits rates and higher taxation due to lesser exploration and development cost. During the year, production of crude oil and gas were lower by 0.77% and 2.5%, respectively, in comparison to last year. While production of LPG was higher by 1.58% in comparison to last year.

During the year, the Company has made consolidated profit after tax of Rs 15,402 million (June 30, 2020: Rs. 14,565 million) which translates into consolidated earnings per share of Rs 54.24 (June 30, 2020: Rs. 51.23).

Details of the exploration activities are covered in detail geographical area wise in subsequent paras.

CASH FLOWS

Cash and cash equivalents increased by Rs 4,524 million mainly because of lower capital expenditure in current year netted-off by decrease in cashflows from operating activities (mainly because of lower revenue receipts and higher taxes paid in current year).

CONTRIBUTION TOWARDS THE ECONOMY

The Company continues to play a vital role in the oil and gas sector of the Country. During the year, the Company saved foreign exchange in excess of US$ 344 million (2020: US$ 320 million) for the country. The contribution to the national exchequer, in the shape of royalty and other government levies, was Rs 16,864 million (2020: Rs 14,142 million).

DIVIDEND

The Directors have recommended a final cash dividend @ 300% (Rs 30 per share). This is in addition to the interim cash dividend @ 200% (Rs 20.00 per share) already declared and paid to the shareholders thereby making it to total cash dividend of Rs 50 per share for the year 2020-21 (2019-20: Total cash dividend of Rs 50.00 per share).

PRODUCTION

Comparative production figures from the Company's fields including proportionate share from operated and non-operated joint ventures are given below:

	June 30, 2021	June 30, 2020
Crude Oil/Condensate (US Barrels)	2,264,413	2,282,029
Gas (Million Cubic Feet)	28,595	29,336
LPG (Metric Tonnes)	56,660	55,778
Sulphur (Metric Tonnes)	428	451
Solvent Oil (US Barrels)	16,658	19,453

The Company's share in production, including that from joint ventures, for the year under review averaged 6,204 barrels per day (bpd) of crude, 78.34 million standard cubic feet per day (mmscfd) of gas, 155.23 metric tonnes per day (MTD) of LPG, 1.17 MTD of Sulphur and 46 bpd of solvent oil.

EXPLORATION AND DEVELOPMENT ACTIVITIES

Producing Fields

At Balkassar lease (100% owned by POL), Balkassar Deep-2 is in the planning phase as replacement of Balkassar Deep-1 which was not drilled to its target depth due to drilling problems and only upper zone was tested which is producing around 30 bpd of oil.

At Pindori Lease (operated by POL with 35% share), Pindori-10 was initially completed in Lockhart formation and the rig was released. However, subsequently water production from Lockhart formation increased over time and production of hydrocarbons reduced to 42 bpd of Oil and 0.079 mmscfd of Gas.

In order to revive production, a rig workover was started at Pindori-10 well on September 25, 2020 with the objective to isolate Lockhart formation and test the potential of shallower formations to enhance production from the field. During this workover, the potential of both Sakesar and Chorgali formations was tested and the following hydrocarbons were tested from Chorgali formation:

Choke	Oil (bpd)	Gas (mmscfd)	Water (bpd)	WHFP (PSI)
24/64"	1,010	2.587	79	1,524
20/64"	808	2.04	102	1,587
16/64"	558	1.395	94	2,131

Presently, Pindori-10 is producing around 450 bpd of oil and 1.1 mmscfd of gas with a wellhead flowing pressure of 1,900 psi and around 80 bpd of water at fixed choke size of 16/64".

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%), Mardankhel-4 location has been approved.

At Adhi field (operated by Pakistan Petroleum Limited, where POL has 11% share), Adhi South-5 and 6 have been planned in the financial year 2021-22.

At Ratana field (operated by Orient Petroleum Inc., where POL has 4.545% share), Drilling at Ratana-5 (Side track-1) is in progress at 1,145 meters.

Exploration Blocks

At Ikhlas block (operated by POL with 80% share), Jhandial-2 well target depth was achieved. Out of four prospective formations three formations have been tested and no hydrocarbon flows. During testing of third formation, the string got stuck. The fishing activities to release string were not successful. After side track, the well was tested but not successful. It was decided to suspend the well for further data evaluation.

3D Seismic Acquisition of 213 square kilometers over Langrial prospect was in progress and so far, acquisition of 36 square kilometers were completed. Due to non-performance, the contract was terminated. In order to complete the remaining work, negotiations with the contractor are in progress.

At DG Khan Block (operated by POL with 70% share), DGK-1, an exploratory well will be spuded in September 2021.

At Kirthar South Block (operated by POL with 85% share), Sindh Environmental Protection Agency (SEPA) approved the Environmental Impact Assessment (EIA) report for drilling of

Crude oil production (barrels thousand)

Gas production (million cubic feet)

LPG production (metric tons)

Bandhak-1 & Pirane Deep-1 wells and necessary No Objection Certificate (NOC) has been issued. NOC from Forest and Wildlife Department is awaited to start the exploration activities.

At Margala block (operated by MOL where POL has a 30% share), 2D Seismic acquisition of 203 line kilometers has been completed, processed and interpreted. A prospect has been mapped.

At Tal block (operated by MOL where POL has pre commerciality share of 25%), based on 3D Seismic data interpretation, an exploratory well Razgir has been approved by the joint venture partners. 152.93 square kilometers Seismic data acquisition over KOT area was completed and data processing work is going on. At TAL West area, 3D Seismic acquisition of 510 square kilometers has been completed.

Mamikhel South-01 well production line has been completed. In order to start production Government's approval is awaited for the 2012 Petroleum Policy Gas Price.

At Gurgalot block (operated by OGDCL where POL has 20% share), 320 square kilometers 3D seismic data acquisition has been completed and data processing /interpretation is in progress.

At Taung block (operated by Mari Petroleum where POL has 40% share), 3D Seismic acquisition of 241 square kilometers has been completed out 540 Square kilometers.

In the recent bidding of Exploration Blocks, POL has won the following blocks:

1. Dhurnal North Block - Operator with 60% share
2. Nereli Block - Non-Operator with 32% share

Subsidiary - Capgas (Private) Limited (CAPGAS)

CAPGAS earned a profit after tax of Rs 14.6 million (2020: Rs. 47.2 million) and declared a total dividend of 291% for the year 2021 (2020: 680%). CAPGAS received an average of 22.59 MTD of LPG from Adhi plants and an average of 3.23 MTD of LPG from PARCO.

Crude Oil Transportation

Khaur Crude Oil Decanting Facility (KCDF) continued to operate satisfactorily. During the year, 7.3 million barrels (2020: 6.7 million barrels) of crude oil from Nashpa, TAL Blocks and others were pumped to Attock Refinery Limited through this facility and pipeline.

RISKS AND OPPORTUNITIES

The Company is in a continuous process to implement, monitor and improve its risk management policies. Risks are identified, prioritized and incorporated into a risk management response to effectively address risks.

Following are some material risks being faced by the Company along with mitigation measures:

Oil price volatility:

The pricing for the Company's oil and gas production is benchmarked with international prices of crude oil and related products. Any unfavorable variance in the international prices adversely affect the Company's profitability.

Exploration risk:

Exploration activity is prone to the risk of not finding commercial quantities of hydrocarbons due to a number of factors such as incorrect selection of exploration acreage, poor quality of seismic data, error in processing or interpretation of seismic data, incorrect selection of drilling site. The Company is mitigating exploration risks by using latest technologies and hiring experienced professionals. The Company is in continuous process to explore new opportunities and increasing the chances of success by joining hands with other E & P companies by way of farm-in and farm-out agreements.

Drilling risk:

Oil and gas drilling by its very nature is a high risk activity. The Company is exposed to a number of hazards during drilling of wells including well blow out, fishing, fire hazards and personal injury. In addition, the risk of not discovering oil and/or gas as expected, would have an adverse effect on earnings. The Company is mitigating these risks by selecting efficient and professional teams and also by having strict criterion for selecting rig and other allied services/equipment. Further, the Company also obtains control of well insurance cover for all drilling wells.

Under performance of major oil and gas fields:

The Company's future earnings and profitability is dependent upon the production and reserves of its oil and gas fields. The actual production from fields may differ materially from estimates due to possible under performance of the oil and gas reservoirs or other production related factors.

Procurement planning related risk:

Vulnerability to the procurement process is a possible threat to the Company's profitability. The vulnerability can give rise to the following risks

- Commercial risks
- Operational risk– not having materials
- Contractual risk– exposure to liquidated damages

The company is mitigating these risks by preparing of detailed well prognosis before the spud date and timely placement of procurement orders for long lead items.

Reservoir engineering and process:

The over estimation of reserves and production can lead to investment of significant capital in the form of plant design by the engineering function. As far as practical, the Company obtains third party reserve certification to mitigate this risk.

Laws & Environmental regulations:

The oil and gas industry is regulated by a number of government regulations which are required to be strictly followed. Default in this regard can have serious consequences. E&P Companies must take extra precaution to ensure they are complying with all mandatory regulations when proceeding on a project. The risks of non compliance can range from cost overruns, fines, prosecution, work stoppage and physical security threats. This industry must also be cautious about where they are drilling and be well informed and aware of the applicable laws.

Increased competition:

With increased competition in the oil and gas exploration and production sector, particularly in relation to the application and award of exploration concessions, the Company may be faced with increased competition. The Company's LPG marketing business may also be adversely affected due to increased competition, decline in margins or disruption to LPG supply sources. The Company is in a continuous process to explore new opportunities by joining hands with other E & P companies by way of farm-in and farm-out agreements. In LPG marketing business, the Company has established a good storage capacity for continuous supply to keep margins intact and it continues to explore sustainable cost-effective sources of further supplies.

Information technology failures:

The Company's operations may be adversely affected due to information technology failures especially in today's environment of reliance on IT systems, regulation and reporting deadlines. The company has a separate IT wing to control and monitor all related functions especially in relation to back up policy for continuous functioning.

Economic and political risks:

Uncertain economic and financial market conditions resulting from economic or political instability.

Joint Venture Partners:

Joint-venture operations are becoming increasingly common across E&P companies as these improve their business by leveraging the expertise and resources of other participants. In particular, when some fields/blocks are new and too challenging to be handled exclusively and the operational costs are high, then companies opt to have another partner in order to have their expertise and to share the excessive cost. We are also operating in a joint venture environment and many of our projects are operated by other partners. Our ability to influence partners is sometimes limited, due to our small share in non-operated ventures. Non-alignment on various strategic decisions in joint ventures may result in operational and production inefficiencies or delay. We mitigate this risk by continuous and regular engagement with joint venture partners in operated and non-operated projects and by providing them necessary resources/information/ approvals they may require for steady flow of work.

Terrorist attacks:

A terrorist attack could have a material and adverse effect on our business. The company has taken a terrorist insurance cover of all its material installations to mitigate this risk.

Third party liability:

A third party liability could have a material and adverse effect on our business. In order to mitigate the risk, the company is continuously evaluating the areas where insurance cover is required and it has also taken a third party liability insurance which covers its drilling areas, pipelines and material installations.

Human Resource Risks:

Lack of succession planning may lead to hierarchical breakdown. The company has prepared department wise organograms and jobs descriptions. Requisitions for new positions and replacements are promptly processed and advertised accordingly.

Lost in hole/damage beyond repair:

During drilling costly equipment are run in the hole for several jobs at different depths. In order to mitigate the risk, the Company maintains strong control and has also taken insurance coverage.

BUSINESS PROCESS RE-ENGINEERING (BPR)/ DEVELOPMENT ACTIVITIES

The Company believes that quality and an unyielding commitment to continuous improvement are indispensable ingredients to achieve success. All processes are subject to continuous evaluation and improvement. Being an Oil and Gas Exploration and Production company, research is an essential activity.

Seismic data acquisition, processing and interpretation during geophysical activities involve selection of optimum data acquisition parameters through careful experimental investigation in the field. The Company undertakes comprehensive analysis to calculate the volume of sub-surface hydrocarbon's trap of any area, also uses latest sub-surface imaging technology, before drilling any prospect. Research is also conducted by in-house and outsourced G&G and reservoir studies. Research is also conducted to study to enhance and to maintain recovery from the fields.

Apart from the drilling of development wells already mentioned earlier by geographical location the major business development projects under taken during the year are as follows:

POL IT Up-gradation

Human Resource Management System

An Online Leave Management Module is available for testing in phase 1, this will provide following features:

- Online leave submission
- Real-time leave record availability
- Privilege Leave record verification

Veritas Desktop and Laptop Backup System

- A centralized backup system is being implemented for protecting data files on desktops and laptops
- Allows recovery of lost, deleted and malware damaged files and their versions
- Ensures secure encrypted retention of user data for record and future reference

POL Process Historian

- Integration of newly upgraded PLC at Pariwali Processing Facility with POL Process Historian for data archiving, analysis and remote monitoring

Attendance Machines Upgrade

- 2 attendance machines installed and upgraded
- Additional features include face recognition with Camera Monitoring

Local Area Network

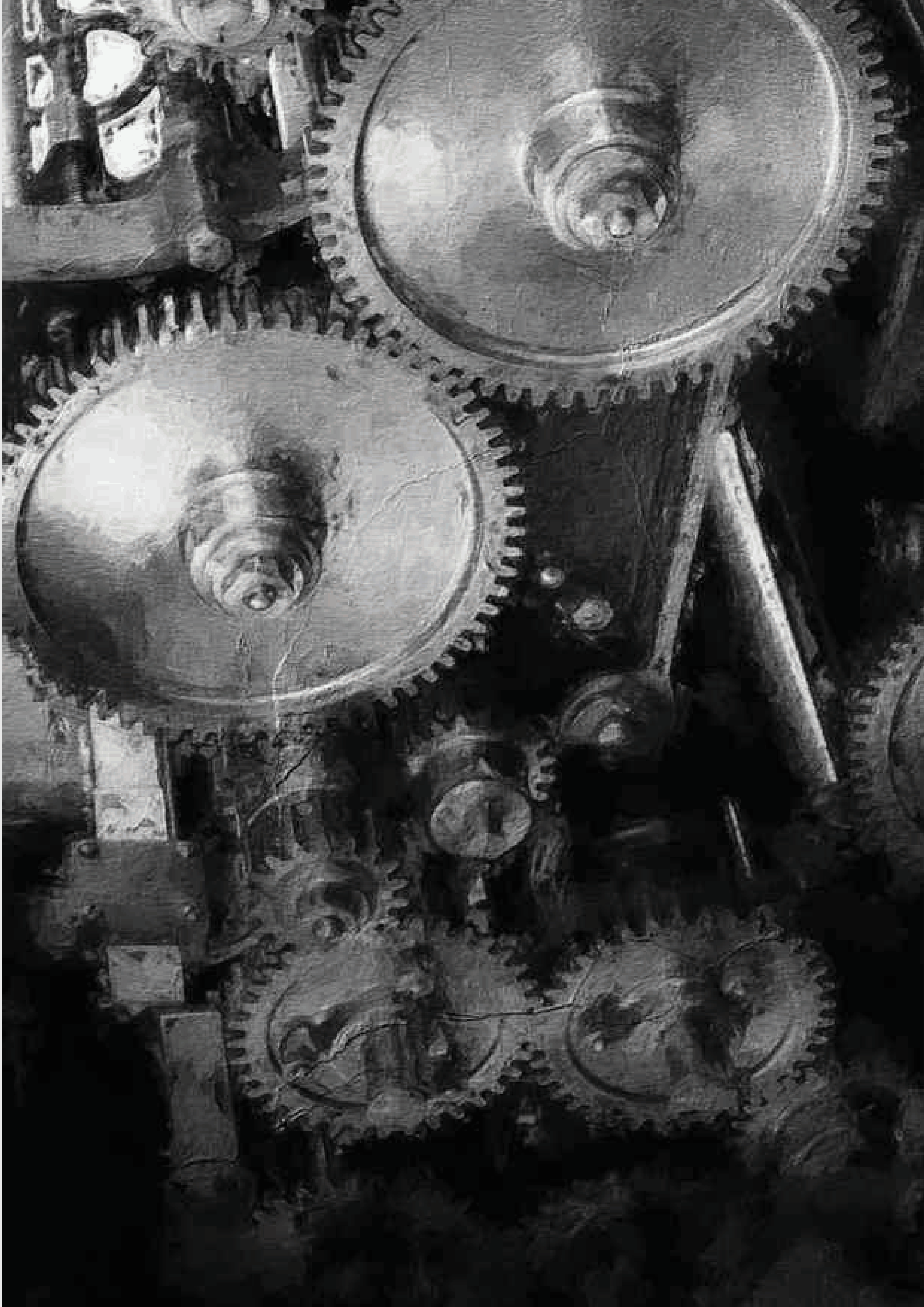
- POL Khaur Hospital Data Link Upgrade to higher throughput
- Industrial Grade network switches for POL Balkassar & Pindori Data Links

UPS Setup Upgrade

- Upgradation of APC 3KVA UPS Units at POL Meyal LPG Plant, POL Balkassar Exchange UPS delivery is awaited

CCTV Monitoring and Control

- POL Pindori CCTV Cameras Installation: Installation of 9 New HD CCTV cameras at Pindori POLGAS & 6 CCTV cameras at LPG Plant main gate area will start in August 2021
- 6 Cameras installation at POL Khaur Hospital



CORPORATE SOCIAL RESPONSIBILITY (CSR)

Strong commitment of the company to corporate social responsibility (CSR) is reflected by a comprehensive programe introduced by it with particular focus on the socio economic uplifting and development of the regions in which the company is operating. Our CSR vision is aimed at:

- Protecting our environment.
- Operating in a socially responsible manner.
- Developing the communities in which we operate.
- Maintaining standards of excellence in our work and advocating healthy lifestyles.
- Acting with integrity and adhering to the highest ethical standards.
- Promoting diversity in our work force and partnering with diverse suppliers.
- Ensuring a safe, healthy workplace.

The Company has taken a leadership role in contributing to society through a structured social investment program. Investing in the communities in which we operate is not just a demand that must be met; it is philosophy that we buy into. As part of its core values, the Company places tremendous importance towards contributing to the well-being of the communities in which it operates.

Our CSR initiative covers a wide spectrum of activities from the construction of roads, concrete streets, causeways and bridges to building schools and colleges, healthcare centers and hospitals, sport events and support to humanitarian and social work organizations. We are proud of our progress, but there is still much more that we plan to do. Following are the activities of CSR:

Education

Education is a leading instrument of nation building and economic growth of people. Here, at POL, our key focus is on education, which we are keenly supporting in a number of ways. POL focuses on education at the basic, primary, secondary and higher secondary levels.

Since inception POL has spent approx. Rs 96 million to improve the infrastructure of government educational institutions through up gradation of schools & colleges of the vicinity by constructing class rooms, toilets, providing computers and science laboratory apparatuses and also providing furniture and fixtures that serve more than 50,000 students.

POL is not only spending on social welfare activities of its areas of operation but we are also running our own Technical Institute, Higher Secondary Schools and Degree College Khaur with well-equipped lab facilities, modern library, highly qualified teaching staff and facilities for extracurricular activities.

Dr. Rashad Institute of Technical Education

Dr. Rashad Institute of Technical Education Khaur started in 2015, is now growing to become a full-fledged institute of Technical Education. At present, there are 80 students studying in Electrical and Petroleum Technologies in 3 classes i.e. first, second and third year. Registration with Technical Education & Vocational Training Authority (TEVTA) - Lahore was acquired in the Electrical and Electronics Technologies in 2015. Affiliation with Punjab Board of Technical Education (PBTE) - Lahore was attained to start the Diploma in Associate Engineering - DAE (3 years course) in the above mentioned two fields in September 2015. People of Khaur and adjacent areas are employed in petroleum and other technical fields of petroleum technology. Therefore, syllabus of petroleum was sent to TEVTA for review/approval after which, registration and affiliation was

attained from TEVTA and PBTE - Lahore. In the year 2016, DAE in Petroleum Technology was also started in the Institute to help the local people. Syllabus of Three-year Drilling Course was prepared and sent to TEVTA for approval. A separate board was constituted to go through the syllabus, who took about two years and finally the course was approved. The institute has now applied for registration in Punjab Skills Development Authority (PSDA) to start this program in Khaur.

Dr. Rashad Degree College
The college, started as an Intermediate College in 2007, was upgraded to a Degree College in the year 2010 with the objective of providing quality education to the next generation of Khaur and its surroundings. Two-year bachelor's programs in pure sciences, including Botany, Zoology, Chemistry, Double Maths and Physics were initially started. However these programs now have only 16 students, as the HEC converted the two-year program into an Associate's Degree Program therefore the college also shifted to a four-year BS program.

Dr. Rashad Degree College also received affiliation with Punjab University to start the BS in computer science program, and we are pleased to inform that we now have 49 students enrolled in this program.

In order to adapt to new situation caused by COVID-19, the College is slowly shifting from in-person education to an online format in order to ensure that students continue to receive quality education. All classes have transitioned to online with the help of trained teachers.

During the COVID-19, the College has put into place safety measures for students and teachers. Hand sanitizers have been placed at all entrances, wearing mask is made mandatory, and social distancing practices have been enforced to ensure the safety of students, faculty and staff.

POL Model School
POL Model Secondary School Khaur was started and registered with Punjab Education Department w.e.f. 1st January, 1994 to impart quality education to the children of POL employees, later on the facility was extended to local community as well. It has now grown with a population of 783 students both girls and boys. The school not only focuses on academic education but also training for social, moral and physical growth of its students. During Covid, on line education was imparted. Some

CORPORATE SOCIAL RESPONSIBILITY (CSR)

of the students have achieved distinction in SSC examination.

POL Vocational Training Centre

POL has established a vocational training center for women in 2004. The aim of establishing a vocational center is the development of attitudes, knowledge, and skills for entrepreneurship and self-employment among women of the local community Up till now, more than 1000 women & girls have been trained over the period.

On July 2016, POL established Safety Coveralls stitching unit at VTC Khaur. Stitching unit is conceived to ensure its viability being cost effective and also make VTC staff members and students proficient in stitching skills. VTC Teachers stitched face masks for company labour & field's security during COVID -19 Pandemic.

Sports, Cultural & Religious Activities

At Khaur, the company is providing facilities for sports and cultural activities for the local community. For sports, facilities for cricket, hockey and football grounds as well as for badminton and volley ball, courts have been provided.

The ceremony of 14th August (Independence Day) is also celebrated with great enthusiasm at Khaur Workers Club. People from all walks of life including company employees and local community participate in the events conducted on the occasion.

Infrastructure Development

In order to upgrade living standards of the local community in the areas of operation, POL has not only spent on construction of road network, but also extended this facility to their door step through concrete pavement of their streets and construction of causeways /culverts and drainage systems.

In Kirthar South Block, Conversion of Water Supply Scheme Shah Hassan into Solar Energy

System and miscellaneous repair work at Union Council Shah Hassan Taluka Johi is in progress.

Provision of "Clean Water" for Local Community

The Company has completed many projects for water supply in various fields like Khaur, Pariwali, Meyal and Ikhlas that has benefited the residents of the said localities.

Khaur Hospital

The Company is maintaining an end-to-end smart hospital with state of the art medical technologies at Khaur, providing quality patient care. The hospital provides quality medical care, vital health services and free emergency assistance round the clock.

Presently the hospital is manned by specialists in the field of Medicine, Surgery, Gynecology and Obstetrics, Pediatrics, Anesthesiology, Family Medicine supported by visiting specialists in the fields of ENT, Eye, Gastroenterology, Skin and Ultrasonolgy.

The primary care structure comprises of six medical residents giving round the clock medical coverage to outdoor and indoor patients.

Khaur hospital provides residents access to medical expertise and clinical services that are not generally available in a rural areas. The hospital is equipped with state of the art operation theatre, fixed and mobile X-ray machines, sophisticated medical laboratory and latest facilities. The hospital has indoor facilities for 40 beds and. air conditioned wards. It also provides services of consultants and specialist doctors. Modern emergency services are provided free of cost to road accident injured persons. It is the only hospital in the area providing such facilities to the general public.

A state of the art dental unit has been added recently which started functioning on 27th April, 2019. Qualified dental surgeon and technician are providing all types of dental treatment to POL employees and local population.

Other Healthcare Facilities

Other healthcare facilities provided by the Company at fields are:

- Regular free dispensaries have been organized for the local community of the Pindori and Balkassar area.
- Field hospital / Free dispensaries at Meyal.
- Annual vaccination program launched in collaboration with District Health Department.
- POL is running a Poor Patient Fund (Contributed by Chairman and employees) catering for about 250 plus registered persons providing day to day medical care.

Community Health Program

In addition to facilitating the general public through POL Hospital, medical camps in different areas were also arranged where besides medical checkup, medicines were distributed free of cost.

- Total poor patients treated at POL hospital during the year : 1,697
- Total patients treated during the year at free dispensary Pindori : 1,383
- Total patients treated during the year at free dispensary Balkassar : 973
- Total patients treated during the year at free dispensary Meyal : 798

During the year 2020-21, the Company set-up free medical camps for community at Pindori and Meyal fields and around 449 patients were treated. Free Eye camp was arranged in October 2020 at POL Hospital Khaur and 338 patients were checked and free of cost treatment given.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Helping our Environment

We are committed to minimize and manage environmental impact of our operational activities on our employees, contractors, surrounding neighborhood and earth's resources without affecting ecosystem. In view of our continual environment friendly activities, POL has achieved ISO 14001:2015 certification for LPG plant site at Meyal.

The mitigation measures taken to neutralise environmental impact include technology, up gradation of systems, increased monitoring level of environmental parameters, applicable legislative controls, good industrial practices and waste management.

Projects Completed

- Central recertification of ISO 45001:2018 for Khaur, Meyal, Balkassar and SCR in March 2021.
- Recertification Audit of ISO 14001:2015 for LPG Plant Meyal.
- Fire Suppression System (FM-200) installed at solar panel room POL House Morgah.
- Complete overhauling and maintenance of Meyal Fire Tender and installation of PTO system in Fire Tender Meyal in addition to portable fire water pump.
- Quarterly Environmental monitoring of all POL fields and SCR rig.
- Environment Impact Assessment report for Bhandhak and Pirani-1 (Kirthar South Block).
- 3rd party hydro testing of SCBA and SABA cylinders has been carried out.
- HSE annual awards in all POL fields/SCR Rig.
- Environment monitoring (IMC) reports for Pindori Well-10, Turkwal 3-D Seismic Survey, Balkassar Deep-1, Jhandial-2.
- Calibration / inspection of fixed and portable LEL and H2S gas detection, flame detection systems, Automatic foam suppression system at fields and SCR Rig.
- Calibration/ inspection of Addressable smoke detection system at POL House Morgah.
- Hydro testing of fire extinguishers DCP-6 and DCP-12.
- NIFT training in sessions attended by POL Employees.
- Procurement of new portable Gas detector for Balkassar field.

Ongoing/New targets

- Construction of superstructure of new firetruck for Khaur field in progress through vendor.
- 1st Surveillance audits of ISO 45001:2018 for Khaur, Meyal, Balkassar and SCR Rig.
- 1st Surveillance audits of ISO 14001:2015 for LPG plant Meyal.
- Environmental monitoring of all POL fields and SCR rig.
- H2S level-II training through external trainer.
- Process Safety Management training.
- Conduction of in house first aid training at all fields/SCR Rig.
- Assessment of HSE performance for field's staff for annual award will be conducted in all POL fields/ SCR Rig.
- Refurbishment of Fire Tender (MT-4) of Khaur Field.
- Procurement of SCBA spares to take 05 SCBA in service.
- Refurbishment of Fire Tender (MT-2) of Pindori Field.
- 3rd party hydro testing of SCBA and SABA cylinder to be carried out.

OCCUPATIONAL HEALTH AND SAFETY (OH&S)

POL Management is highly committed to ensure and promote the highest degree of safe and healthy working environment in entire organization.

Our primary objectives are to ensure the safety of our people in occupational and operational environments and to ensure safe and knowledgeable use of hazardous materials during operations.

HSE Department monitors Health, Safety and Environment of the organization under International ISO 45001:2018 and ISO 14001:2015 certifications. With the team spirit HSE department ensures effectiveness of OH & S systems, policies and programs to reduce workplace risks and promote safe and healthy working environments.

In addition to regulatory requirements and international standards occupational HSE activities at POL are also guided by internal policies. Department heads and managers all have the responsibility to ensure occupational health, safety and environmental protection.

Third party ISO 45001:2018 (OH &S) and ISO 14001:2015 (EMS) audits are conducted to ensure the integrity of management systems in true spirit.

The Company has instituted a safety management system built on comprehensive and structured programs to reduce accidents and eliminate injuries at all our locations. The structure of Emergency Response Teams is well defined and the required contingency plans have been established which regulate emergency organization, responsibilities, list of key personnel, important telephone numbers, communication plans and sequence of activities to mitigate the situation.

Comparison of workplace incidents, during last three years is given below:

Comparison of workplace accidents, during last three years given below:

Incident	2019	2020	2021
Fatal	0	0	0
Fire	2	2	4
Reportable Incident (Serious Injury)	0	0	0
Reportable Incident (Minor Injury)	1	0	2
Major Environment	0	0	0
First Aid Cases	10	3	5
Near Misses	0	5	5

OCCUPATIONAL HEALTH AND SAFETY (OH&S)

Procedures and processes are regularly reviewed to ensure that the standards set are linked to industry best practices. Health and safety training is provided to employees to ensure that they perform their work in accordance with the Company's standards. In this respect, in-house training for fire safety, first aid, safe driving and occupational health and safety is imparted regularly.

The Company ensures that employees and where applicable, contractors are aware of potential hazards and of the Company's requirements for healthy, safe and environment friendly working practices. POL issues a monthly Safety bulletin for all employees. These initiatives have helped in reduction of workplace injuries.

Emergency drills for different scenarios are carried out regularly to ensure that the state of preparedness is well maintained. Safety planning is carried out for each concession area of the company separately. Tool box talks and on Field training sessions are conducted by HSE department in each field on regular basis.

Following are details of trainings given by HSE department during the last three years:

Year 2019		Year 2020		Year 2021	
No. of Trainings	No. of Participants	No. of Trainings	No. of Participants	No. of Trainings	No. of Participants
1,258	21,178	1,452	23,881	2,226	29,794

HUMAN RESOURCE

POL believes that adoption of effective Human Resource (HR) management and development policies are vital for achieving organizational goals and objectives as HR polices have a measurable impact on the growth of the organization.

POL considers its employees the most valuable asset. The selection procedures and employment policies are geared to attract and retain capable and qualified employees who are willing to contribute their best efforts to accomplish the objectives of the Company. Employees are trained on soft and technical skills to narrow the gap between actual and required performance.

POL considers it a social responsibility to assist the universities of the country in improving human resources pool, and for this purpose it offers internships to students from various universities.

CORPORATE GOVERNANCE

- The financial statements, prepared by the management, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements. Accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- Significant deviations from last year's operating results have been disclosed as appropriate in the Directors' Report / Chairman's review and in the notes to the accounts, annexed to annual report.
- The Company does not envisage corporate restructuring or discontinuation of its operations in the foreseeable future.
- Key operating and financial data of the last six years in summarized form is annexed to annual report.
- All major Government levies in the normal course of business, payable as at June 30, 2021, have been cleared subsequent to the year-end.
- The values of investments in employee retirement funds based on the latest financial statements as of June 30, 2021 are as follows:

Management Staff Pension Fund	Rs	1,190 million
Gratuity Fund	Rs	489 million
Staff Provident Fund	Rs	515 million
General Staff Provident Fund	Rs	78 million

Directors and Board Meetings

Total number of directors is seven as per the following:

a. Male: 7
b. Female: Nil

The composition of board is as follows:

Category	Name
Independent Directors *	Mr. Shamim Ahmad Khan Mr. Tariq Iqbal Khan
Other Non-Executive Directors	Mr. Laith G. Pharaon ** Mr. Wael G. Pharaon*** Mr. Abdus Sattar
Executive Directors	Mr. Shuaib A. Malik Mr. Sajid Nawaz

* Independent Directors qualify criteria of independence under regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

** Also alternate Director - Mr. Shuaib A. Malik, Chairman and Chief Executive of the Company

*** Alternate Director - Mr. Babar Bashir Nawaz

The BoD has formed committees comprising of members given below:

a. Audit Committee

Name	Role
Mr. Shamim Ahmad Khan	Chairman
Mr. Abdus Sattar	Member
Mr. Babar Bashir Nawaz	Member
Mr. Tariq Iqbal Khan	Member

b. HR and Remuneration Committee

Name	Role
Mr. Babar Bashir Nawaz	Chairman
Mr. Shuaib A. Malik	Member
Mr. Abdus Sattar	Member

During the year, the Board of Directors met five times. The number of meetings attended by each director during the year is as follows:

Sr. No.	Name of Director	Board of Directors Meetings	Audit Committee Meetings	HR & R Committee Meetings
1	Mr. Laith G. Pharaon	5*		
2	Mr. Wael G. Pharaon	5*	4*	1*
3	Mr. Shuaib A. Malik	5		1
4	Mr. Abdus Sattar	5	4	1
5	Mr. Sajid Nawaz	5		
6	Mr. Shamim Ahmad Khan	5	4	
7	Mr. Tariq Iqbal Khan	5	4	

* Overseas directors attended the meetings either in person or through alternate directors.

Board Meetings Held Outside Pakistan

All BoD meetings were held through video links due to COVID-19 pandemic.

Directors' Remuneration

The BoD is authorized to determine, review and amend, from time to time, the fee structure for attending the meetings of the BoD or any committee of Directors. A Director may also be paid all travelling, hotel and other expenses properly incurred by him in attending and returning from meetings of the Directors or any committee of Directors or General Meetings of the Company.

The aggregate amount charged in these financial statements in respect of fee to 7 directors (2020: 6) was Rs 7,885 thousand (2020: Rs 6,873 thousand). This includes Rs 5,126 thousand (2020: Rs 4,358 thousand) paid to 4 non-executive (2020: 4) of the Company.

Security Clearance of Foreign Directors

Foreign Directors elected on the BoD of Pakistan Oilfields Limited requires security clearance from Ministry of Interior through Securities & Exchange Commission of Pakistan (SECP). All legal formalities and requirements have been met and fulfilled in this regard.

Other Corporate Governance

Other matters related to Corporate Governance are annexed to the Annual Report.

Trading in Shares by Directors and Executives

All direct or indirect trading and holdings of Company's shares by Directors, CEO, substantial shareholders, executives or their spouses notify in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction and the Company Secretary notify such transactions to the BoD within stipulated time. All such holdings have been disclosed in the Pattern of Shareholdings annexed to the Annual Report.

Conflict of Interest Among Board Members

A formal Code of conduct is in place governing the actual or perceived conflict of interest relating to the BoD members of the Company. Under the guidelines of code of conduct, every director is required to disclose his interest in any contract, agreement or appointment etc. These disclosures are circulated to the BoD and it is ensured that the interested director does not participate in decision making and voting on the subject. These facts are recorded in minutes of meeting. Any such conflicts of interests are recorded in Company's statutory register while disclosures of related party transactions are provided in financial statements.

Role of Chairman & Chief Executive

The Chairman heads the BoD meetings and ensures effective functioning of the BoD. The Chairman acts as a liaison between management and the BoD. He has power to set agenda, deliver instructions and he signs the minutes of the board meeting. The Chairman ensures that the Directors are properly informed and that sufficient information is provided to enable them to form appropriate judgments. The Chairman evaluates annually the effectiveness of the BoD as a whole.

The Chief Executive (CEO) is the executive director who also acts as head of the Company's management. He is responsible for leading the development and execution of the Company's long-term strategy with a view to enhance value for shareholders. He is responsible for day-to-day management decisions and for implementing the Company's long and short term plans. The CEO also communicates on behalf of the Company to the shareholders, employees, Government authorities and other stakeholders.

Performance Evaluation of The Board

The Board of Directors acts as governing trustees of the Company on behalf of the shareholders, while carrying out the Company's mission and goals.

Under requirement of Listed Companies (Code of Corporate Governance) Regulations, 2019, a formal and effective mechanism is put in place for an annual evaluation of the BoD's own performance, members of BoD and its committees.

The Board of Directors has set the following evaluation criteria to judge its performance.

- Review of the strategic plans and business risks, monitor the Company's performance against planned objectives and advise management on strategic initiatives.
- Working as a team, the BoD has the right blend of skills, expertise and the appropriate degree of diversity. The BoD focuses on significant matters such as strategy and policy.
- Establishing adequate internal control system in the Company and its regular assessment through self assessment mechanism and internal audit activities.
- Relations with key Stakeholders like Regulators, Employees, Shareholders and CBA are maintained by regular and open communication.
- Building interaction with Management to seek and obtain sufficient input to support effective BoD decision-making.
- Ensuring that the Directors have full & common

understanding of their role and responsibilities in the light of Memorandum and Articles of Association of the Company and as per prevailing laws and regulations.

- Monitoring and evaluating the management's performance.

Performance Evaluation of The Chief Executive

The Chief Executive (CEO), being part of the Board, is present in every meeting of the Board. He provides an overview of the Company's performance to the Board and addresses any specific questions by the Board members. The performance of the CEO is assessed through the evaluation system set by the company. The principle factors of evaluation include financial performance, business processes, compliance, business excellence and people management.

Formal Orientation at Induction

When a new member is taken on board, it is ensured that he is provided with a detailed orientation of the Company. Orientation is mainly focused on Company's vision, strategies, core competencies, organizational structure, related parties, major risks (both external and internal) including legal and regulatory risks and role and responsibility of the directors as per regulatory laws applicable in Pakistan along with an over view of the strategies, plans, marketing analysis, forecasts , budget and business plan.

Directors Training Program

The Company ensures that it meets requirements of Securities & Exchange Commission of Pakistan relating to Directors' Training Programme (DTP) and attaining certification. Five directors meet the exemption requirement of the DTP. The remaining two directors have obtained certification under DTP.

Internal Financial Controls

The system of internal control is sound in design and has been effectively implemented and monitored. Appropriate accounting policies have been consistently applied in preparation of the financial statements. We have developed effective policies and procedures over period of time in all areas of our activities. These controls/ policies have been put in place to ensure efficient and smooth running of the business, safeguarding the Company's assets, prevention and detection of fraud and errors, accuracy and completeness of books of account and timely preparation of reliable financial information. Internal financial controls are periodically reviewed to ensure that these remain effective and are updated with changing laws, regulations and/or accounting standards.

Related Party Transactions

All transactions with related parties are reviewed by the Audit Committee and recommended to the Board for approval on quarterly basis fulfilling the requirements of section 208 of the Companies Act, 2017.

Issues raised at Last AGM

Apart from general clarifications requested by the shareholders about the Company's financial performance and published financial statements during the 69th Annual General Meeting held on October 19, 2020, no other issue was raised.

CORPORATE GOVERNANCE

Addressing Investors Grievances

The interest of small investors and minority shareholders is of prime importance to the Company. In order to keep a vigilant eye and to provide a platform to the investors for voicing their concerns, a team under corporate section has been designated to ensure that grievances/ complaints of the investors are heard and redressed, in a quick and efficient manner.

Mechanism of lodging any complaint/issues is detailed on the website of the Company. Designated contact numbers and email address of the Company / Regulator is disseminated among investor through company broadcasts.

In order to promote investor relations and facilitate access to the Company for grievance, an 'Investors' Relations' section is also maintained on POL's website www.pakoil.com.pk

Access of Shareholders on the Company's Website

All our shareholders and general public can visit the Company's website "www. pakoil.com.pk" which has dedicated section for investors containing information related to annual, half yearly and quarterly financial statements and to have a glance on shareholders' related information.

Share Price Sensitivity

The Company disseminates all material and price sensitive information to the Pakistan Stock Exchange (PSX) through Pakistan Unified Corporate Action Reporting System (PUCARS).

Auditors

The auditors, Messer A.F. Ferguson & Co., Chartered Accountants, retire and offer themselves for reappointment.

Pattern of Shareholding

The pattern of shareholding as at June 30, 2021 is annexed to the Annual Report.

Holding Company

The Attock Oil Company Limited, incorporated in England, is the holding company of Pakistan Oilfields Limited.

Consolidated Financial Statements

The consolidated accounts of the Company and its subsidiary are annexed to the Annual Report.

Future Outlook

Your Company has successfully passed COVID-19 situation where demand and prices of oil were on the declining trend. Our oil prices are linked with the international oil prices which is uncontrollable factor for us and for the industry as well. However, now the international prices are steadily recovering.

On the production side, we are pretty much hopeful to maintain our existing production volume and sales, as Pakistan is energy deficient and will be able to absorb all local oil and gas production easily. We have all resources to complete our development and exploration activities as mentioned in the earlier part of our report.

Acknowledgement

The results for the year could not have been made possible without the loyalty, devotion, hard work and commitment of all employees. The Board of Directors acknowledges and deeply appreciates their contribution towards achievement of the Company's goals.

On behalf of the Board

Shuaib A. Malik
Chairman & Chief Executive

Abdus Sattar
Director

Rawalpindi
August 11, 2021

آخری سالانہ عمومی اجلاس میں اُٹھائے گئے اُمور:

۱۹ اکتوبر، ۲۰۲۰ء کو منعقدہ ۶۹ ویں سالانہ عمومی اجلاس کے دوران کمپنی کی مالی کارکردگی اور شائع شدہ مالی بیانات کے بارے میں حصص داران کی جانب سے عام وضاحتوں کے علاوہ کوئی اور مسئلہ نہیں اُٹھایا گیا۔

سرمایہ کاروں کے تحفظات:

چھوٹے سرمایہ کاروں اور اقلیتی حصص یافتگان کی دلچسپی کمپنی کے لئے انتہائی اہم ہے۔ سرمایہ کاروں کے تحفظات پر گہری نظر رکھتے ہوئے ان کے تحفظات کمپنی تک پہنچانے کے لئے کارپوریٹ سیکشن میں ایک ٹیم مقرر کی گئی ہے تاکہ وہ سرمایہ کاروں کے تحفظات / شکایات کو سنے اور ان کا فوری ازالہ کرے۔

شکایات / معاملات کو درج کرانے کے لئے کمپنی کی ویب سائٹ پر طریقہ کار وضح کر دیا گیا ہے۔ کمپنی ریگولیٹرز کے متعلقہ فون نمبرز اور برقی پتے بھی کمپنی کے ذرائع سے سرمایہ کاروں کو دیئے گئے ہیں۔

سرمایہ کاروں کے ساتھ تعلقات بڑھانے اور اُن کے تحفظات بآسانی کمپنی تک پہنچانے کے لئے "Investors Relations" کا سیکشن بھی پی او ایل کی ویب سائٹ www.pakoil.com.pk میں بنا دیا گیا ہے۔

کمپنی ویب سائٹ پر حصص داران کی رسائی:

ہمارے تمام حصص داران اور عام عوام کمپنی کی ویب سائٹ www.pakoil.com.pk ملاحظہ کر سکتے ہیں۔ جس میں سرمایہ کاروں کے لئے سالانہ، نصف سالانہ اور سہ ماہی مالی بیانات سے متعلق معلومات شامل ہیں اور حصص داران سے متعلق معلومات پر ایک نظر ڈالی گئی ہے۔

حصص کی قیمت کی حساسیت:

کمپنی پاکستان سٹاک ایکسچینج (PSX) کو تمام مادی اور قیمتوں سے متعلق معلومات کو پاکستان یونیفائیڈ کارپوریٹ ایکشن رپورٹنگ سسٹم (PUCARS) کے ذریعے آگاہ کرتی ہے۔

آڈیٹرز۔

آڈیٹرز، اے۔ ایف۔ فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔

حصہ داران۔

۳۰ جون ۲۰۲۱ء کو حصہ داران کی تفصیلی رپورٹ ساتھ لگا دی گئی ہے۔

ہولڈنگ کمپنی۔

دی اٹک آئل کمپنی لمیٹڈ برطانیہ میں تشکیل شدہ، پاکستان آئل فیلڈز لمیٹڈ کی ہولڈنگ کمپنی ہے۔

یکجا مالیاتی بیانات۔

کمپنی اور اس کے ماتحت ادارے کے یکجا اکاؤنٹس اس رپورٹ کے ساتھ لگا دے گئے ہیں۔

مستقبل کا نظریہ۔

آپ کی کمپنی کووڈ۔19 کی صورت حال سے کامیابی سے نکل آئی ہے جہاں طلب اور تیل کی قیمتوں میں کمی کا رُجحان رہا ہمارے تیل کی قیمتیں بین الاقوامی تیل کی قیمتوں سے منسلک ہیں۔ جن پر ہمارا اور صنعت کا اختیار نہیں۔ تاہم، اب بین الاقوامی قیمتیں مسلسل بہتر ہو رہی ہیں۔

پیداوار کے لحاظ سے ہم اپنے موجودہ پیداواری حجم اور فروخت کو برقرار رکھنے کے لئے بہت پُراُمید ہیں، کیوں کہ پاکستان میں توانائی کی کمی ہے اس لئے وہ تیل اور گیس کی تمام تر پیداوار کو بآسانی جذب کرنے کے قابل ہو جائے گا۔ ہمارے پاس وہ تمام وسائل موجود ہیں جو ہماری ان ترقیاتی اور پیداواری سرگرمیوں کو پایۂ تکمیل تک پہنچانے کے لئے درکار ہیں جن کا رپورٹ میں پہلے تذکرہ کیا جا چکا ہے۔

اعتراف۔

ملازمین کی وفاداری، محبت، جانفشانی اور بلند عزائم کے بغیر سالانہ نتائج حاصل نہیں کیے جا سکتے تھے۔ بورڈ آف ڈائریکٹرز کمپنی کے مقاصد کو حاصل کرنے کے لئے ان کی کاوش کو خراجِ تحسین پیش کرتا ہے۔

منجانب بورڈ:

شعیب اے ملک
چیئرمین و چیف ایگزیکٹو
راولپنڈی
۱۱ اگست ۲۰۲۱ء

عبدالستار
ڈائریکٹر

ڈائریکٹرز رپورٹ

مجلس ادارت نے اپنی کارکردگی جانچنے کے لئے درج ذیل معیار مقرر کیا ہے۔

۱۔ اسٹریٹیجک منصوبوں اور کاروباری خطرات کا جائزہ لینا کمپنی کے مستقبل کے منصوبوں کی نگرانی کرنا اور انتظامیہ کو اس بارے میں مشورے دینا۔

۲۔ ایک ٹیم کے طور پر کام کرتے ہوئے بورڈ کے پاس درست صلاحیت مہارت اور جدت اپنانے کی مناسب صلاحیت ہے بورڈ کے اجلاسوں میں حکمت عملی اور پالیسی جیسے اہم معاملات پر باقاعدہ توجہ مرکوز رکھی جاتی ہے۔

۳۔ کمپنی میں اندرونی کنٹرول کا مناسب نظام تشکیل دینا اور انٹرنل آڈٹ اور خود احتسابی نظام کے ذریعے اس کی مسلسل جانچ پڑتال کرنا۔

۴۔ ریگولیٹرز، آجر، حصص یافتگان اور سی بی اے جیسے اہم اسٹیک ہولڈرز کے ساتھ مستقل اور کھلی مواصلت بہت مفید ہے۔

۵۔ انتظامیہ سے مفید تجاویز لینے کے لئے اس کے ساتھ بہتر روابط قائم کرنا تاکہ فیصلے کرنے میں وہ بورڈ کی مدد کر سکے۔

۶۔ اس بات کو یقینی بنانا کہ ڈائریکٹرز میمورینڈم اور آرٹیکل آف ایسوسی ایشن کی روشنی میں موجودہ قوانین کے مطابق اپنے کردار کے متعلق پوری طرح آگاہ ہوں۔

۷۔ انتظامیہ کی کارکردگی کی نگرانی اور جانچ پڑتال کرنا۔

چیف ایگزیکٹو کی کارکردگی کا اندازہ:

چیف ایگزیکٹو (CE) بورڈ کا حصہ ہونے کے ناطے، بورڈ کے ہر اجلاس میں موجود ہوتا ہے۔ چیف ایگزیکٹو بورڈ کو کمپنی کی کارکردگی کا ایک جائزہ پیش کرتا ہے اور بورڈ ممبران کے ذریعے کسی خاص سوالوں کا ازالہ کرتا ہے۔ چیف ایگزیکٹو کی کارکردگی کا اندازہ پی اوایل کے ذریعے مقرر کردہ تشخیصی نظام کے ذریعے کیا جاتا ہے۔ تشخیص کے اصولی عوامل میں مالی کارکردگی، کاروباری عمل، تعمیل، کاروباری فضیلت اور لوگوں کا انتظام شامل ہے۔

تقرری میں باضابطہ واقفیت:

جب بورڈ کا نیا ممبر بنتا ہے تو اس بات کو یقینی بنایا جاتا ہے کہ اسے کمپنی کا تفصیلی رخ فراہم کیا جائے گا۔ واقفیت بنیادی طور پر کمپنی کے نقطہ نظر، حکمت عملی، بنیادی قابلیت، تنظیمی ڈھانچے، متعلقہ فریقوں، بڑے خطرات (بیرونی اور اندرونی دونوں) پر مرکوز ہوتی ہے۔

ڈائریکٹر کا تربیتی پروگرام:

کمپنی اس بات کو یقینی بناتی ہے کہ سیکیورٹیز اینڈ ایکسچینج کمیشن کے قواعد وضوابط پر پوری طرح عمل کرے اور سند حاصل کر کے ڈائریکٹرز کے تربیتی پروگرام (ڈی ٹی پی) کے معیار کی شرائط کو پورا کرے۔ پانچ ڈائریکٹرز، ڈائریکٹرز کے تربیتی پروگرام کی استثنٰی کی شرط کو پورا کرتے ہیں باقی دو ڈائریکٹرز نے ڈائریکٹرز کے تربیتی پروگرام کی سند حاصل کر لی ہے۔

داخلی مالیاتی کنٹرول۔

داخلی کنٹرول کا نظام خدوخال کے لحاظ سے بہترین انداز میں نافذ کیا گیا ہے اور اس کی نگرانی کی جارہی ہے۔ مالی بیانات کی تیاری کے لئے مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئی ہیں۔ ہم نے اپنی سرگرمیوں کے تمام علاقوں میں وقت کے ساتھ ساتھ موثر پالیسیاں اور طریقہ ءکار وضع کیے ہیں۔ یہ کنٹرول/ پالیسیاں کاروبار کو موثر اور ہموار انداز سے چلانے کو یقینی بنانے، کمپنی کے اثاثوں کی حفاظت، دھوکہ دہی اور غلطیوں کی روک تھام اور ان کا پتہ لگانے، کھاتوں کی درستگی، مکمل اور قابلِ اعتماد مالی معلومات کی بروقت تیاری کو یقینی بنانے کے لئے بنائی گئی ہیں۔ داخلی مالیاتی کنٹرول کا وقتاً فوقتاً جائزہ لیا جاتا ہے۔ تاکہ اس بات کو یقینی بنایا جاسکے کہ یہ موثر رہیں اور تبدیل شدہ قوانین، قواعد وضوابط اور/ مالیاتی معیارات سے ہم آہنگ رہیں۔

متعلقہ پارٹی سے لین دین:

متعلقہ فریقوں کے ساتھ تمام لین دین کا آڈٹ کمیٹی کے زریعے جائزہ لیا جاتا ہے اور کمپنیز ایکٹ ۲۰۱۷ کے سیکشن ۲۰۸ کے تحت سہ ماہی کی بنیاد پر منظوری کے لئے بورڈ کو سفارش کی جاتی ہے۔

پاکستان سے باہر بورڈ کے منعقدہ اجلاس:

کووڈ-۱۹ وبا کی وجہ سے بورڈ کے تمام اجلاس ویڈیو لنک کے ذریعے منعقد ہوئے۔

ڈائریکٹرز کا معاوضہ:

بورڈ کے ڈائریکٹرز کو بورڈ یا ڈائیریکٹرز کی کسی بھی کمیٹی کے اجلاسوں میں شرکت کے لئے فیس کا ڈھانچہ وقتاً فوقتاً طے کرنے، جائزہ لینے اور اس میں ترمیم کرنے کا اختیار ہے۔ ڈائریکٹرز یا کمپنیوں کے کسی بھی کمیٹی یا عام اجلاس میں شریک ہونے اور واپس آنے میں ڈائریکٹرز کو تمام سفری ہوٹلوں اور دیگر اخراجات کی مناسب ادائیگی بھی کی جاسکتی ہے۔

۷ ڈائیریکٹرز (۲۰۲۰ : ۶) کو فیس کے حوالے سے ان مالیاتی بیانات میں چارج کی گئی مجموعی رقم ۸۸۵،۷ ہزار روپے (۲۰۲۰ : ۶،۸۷۳ ہزار روپے) تھی۔ اس میں ۱۲۶،۵ ہزار روپے (۲۰۲۰ : ۴،۳۵۸ ہزار روپے) شامل ہیں جو کہ ۴ غیر انتظامی ڈائیریکٹرز کو ادا کئے گئے۔

غیر ملکی ڈائریکٹرز کا حفاظتی اجازت نامہ:

پی او ایل کے بورڈ میں منتخب ہونے والے غیر ملکی ڈائریکٹرز کو SECP کے ذریعے وزارت داخلہ سے حفاظتی اجازت نامہ کی ضرورت ہوتی ہے۔ اس بابت تمام قانونی تقاضوں اور ضروریات کو پورا کیا گیا ہے۔

دیگر کارپوریٹ گورننس:

کارپوریٹ گورننس سے متعلق دیگر امُور ڈائریکٹرز کی رپورٹ سے منسلک ہیں۔

ڈائریکٹرز اور ایگزیکٹوز کی حصص میں تجارت:

ڈائریکٹرز اور ایگزیکٹوز یا ان کے شریک حیات کے ذریعے کمپنی کے حصص کی ساری بلواسطہ یا بلاواسطہ تجارت کمپنی سیکریٹری کو قیمت، حصص کی تعداد، حصص کی شکل اور لین دین کی نوعیت کے ساتھ تحریری آگاہ کیا جاتا ہے، جو کہ کمپنی سیکریٹری بورڈ کو مقررہ وقت کے اندر مطلع کرتا ہے۔ اس طرح کی تمام ہولڈنگ کا انکشاف پیٹرن آف شیئر ہولڈنگ میں کر دیا گیا ہے۔

کمپنی کے بورڈ اراکین کے مابین اصل یا سمجھے جانے والے تضاد کو ختم کرنے کے لئے ایک ضابطہ بنایا گیا ہے۔ اس ضابطے کے تحت ہر ڈائریکٹر کو کسی معاہدے یا تقرری وغیرہ میں اپنی دلچسپی ظاہر کرنا ہوتی ہے۔ اس بارے میں دیگر بورڈ اراکین کو آگاہ کیا جاتا ہے اور اس بات کو یقینی بنایا جاتا ہے کہ دلچسپی رکھنے والا ڈائریکٹر اس فیصلے میں نہ تو حصہ لے اور نہ ہی ووٹ دے۔ مذکورہ حقائق کے نتائج (اگر کوئی ہیں) تو اجلاس کے نکات میں درج کئے جاتے ہیں۔ مفادات کے اس طرح کے کسی بھی تضاد کو کمپنی کے قانونی رجسٹر میں درج کیا جاتا ہے۔ جبکہ متعلقہ فریقوں کے معاملات کے انکشافات مالی بیانات میں فراہم کیے جاتے ہیں۔

چیئرمین اور چیف ایگزیکٹو کا کردار:

چیئرمین بورڈ کے اجلاسوں کی سربراہی کرتے ہیں اور مجلسِ ادارت (بورڈ) کے کام کو موئثر بنانے کو یقینی بناتے ہیں۔ چیئرمین انتظامیہ اور بورڈ کے مابین رابطے کا ذریعہ ہیں ان کے پاس ایجنڈا طے کرنے، ہدایات جاری کرنے اور بورڈ کے اجلاس کے منٹ پر دستخط کرنے کے اختیارات ہیں۔ چیئرمین اس بات کو یقینی بناتے ہیں کہ ڈائریکٹر کو باضابطہ آگاہ کر دیا گیا ہے اور انہیں اہم معلومات فراہم کر دی گئی ہیں تاکہ وہ مناسب فیصلے کرنے کے قابل ہوسکیں۔ چیئرمین بورڈ کی سالانہ افادیت کا بحیثیت مجموعی جائزہ لیتے ہیں۔

چیف ایگزیکٹو (سی ای) ایگزیکٹو ڈائریکٹر ہیں جو کمپنی کے انتظامی سربراہ کے طور پر بھی کام کرتے ہیں۔ وہ کمپنی کی طویل المدتی حکمت عملی کی تیاری اور اس کے اس طرح نفاذ کے ذمہ دار ہیں کہ اس سے حصص یافتگان اعتماد میں اضافہ ہو۔

چیف ایگزیکٹو کی قائدانہ ذمہ داریوں میں یہ بات بھی شامل ہے کہ وہ یومیہ انتظامی فیصلوں اور کمپنی کے طویل اور قلیل المدتی منصوبوں پر عمل درآمد کے ذمہ دار ہیں وہ کمپنی کی طرف سے حصص یافتگان، ملازمین، سرکاری حکام اور دیگر مُتعلقین کو معلومات فراہم کرتے ہیں۔

بورڈ کی کارکردگی کا اندازہ:

مجلس ادارت (بورڈ آف ڈائریکٹرز) کمپنی کے مقاصد اور اہداف کو مدِ نظر رکھتے ہوئے حصص یافتگان کی جانب سے کمپنی کے گورننگ ٹرسٹی کے طور پر کام کرتی ہے۔

لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) کے ریگولیشن، ۲۰۱۹ء کے تحت، ایک باضابطہ اور موئثر نظام تشکیل دیا گیا ہے تاکہ بورڈ کی اپنی سالانہ کارکردگی، بورڈ ممبران اور اس کی کمیٹیوں کو جانچا جاسکے۔

۱۰۔ گذشتہ چھ سال کے کلیدی آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ اس رپورٹ کے ساتھ منسلک کردیا گیا ہے۔

۱۱۔ ۳۰ جون ۲۰۲۱ء میں قابلِ ادائیگی تمام اہم سرکاری محصولات کی سال کے آخر کے بعد منظوری دے دی گئی ہے۔

۱۲۔ ۳۰ جون ۲۰۲۱ء کے تازہ ترین اکاؤنٹس کی بنیاد پر ملازم کی ریٹائرمنٹ فنڈز میں سرمایہ کاری کی اقدار مندرجہ ذیل ہیں:

مینجمنٹ سٹاف پنشن فنڈ	۱،۱۹۰ ملین روپے
گریجوئیٹی فنڈ	۴۸۹ ملین روپے
سٹاف پراویڈینٹ فنڈ	۵۱۵ ملین روپے
جنرل سٹاف پراویڈینٹ فنڈ	۷۸ ملین روپے

ڈائریکٹرز اور بورڈ کے اجلاس:

بورڈ کے کُل اراکین کی تعداد مندرجہ ذیل ہے :

الف) مرد ۷

ب) مستورات ۔

بورڈ کی تشکیل یوں کی گئی ہے۔

آزاد ڈائریکٹرز*	جناب شمیم احمد خان جناب طارق اقبال خان
دوسرے غیر انتظامی ڈائریکٹرز	جناب لیث جی فرعون** جناب وائیل جی فرعون*** جناب عبدالستار
انتظامی ڈائریکٹرز	جناب شعیب اے ملک جناب ساجد نواز

* آزاد ڈائریکٹرز لسٹڈ کمپنیوں کے کوڈ آف کارپوریٹ گورننس ۲۰۱۹ کے ضابطہ (۳) ٦ کے معیار پر پورا اترتے ہیں۔

** متبادل ڈائریکٹر جناب شعیب اے ملک، چیئرمین اور چیف ایگزیکٹو

*** متبادل ڈائریکٹر جناب بابر بشیر نواز

بورڈ نے درج ذیل اراکین پر مُشتمل کمیٹیاں تشکیل دی ہیں :

الف) آڈٹ کمیٹی:

جناب شمیم احمد خان چیئرمین	جناب عبدالستار رکن
جناب بابر بشیر نواز رکن	جناب طارق اقبال خان رکن

ب) انسانی وسائل اور معاوضہ کمیٹی (HR & R)

جناب بابر بشیر نواز چیئرمین	جناب شعیب اے ملک رکن	جناب عبدالستار رکن

سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے سال کے دوران ہر ڈائریکٹر کی اجلاس میں شرکت کی تعداد درج ذیل ہے:

	ڈائریکٹرز کے اسمائے گرامی	بورڈ آف ڈائریکٹرز اجلاس	آڈٹ کمیٹی اجلاس	ایچ آر اور آر کمیٹی اجلاس
۱	جناب لیث جی فرعون	۵*		
۲	جناب وائیل جی فرعون	۵*	۴*	۱*
۳	جناب شعیب اے ملک	۵		۱
۴	جناب عبدالستار	۵	۴	۱
۵	جناب ساجد نواز	۵		
٦	جناب شمیم احمد خان	۵	۴	
۷	جناب طارق اقبال خان	۵	۴	

* اوورسیز ڈائریکٹرز نے ذاتی طور پر یا متبادل ڈائریکٹرز کے ذریعے اجلاسوں میں شرکت کی۔

ضابطوں اور طریقہء کار کا باقاعدگی سے اس لئے جائزہ لیا جاتا ہے تا کہ یقین کیا جائے کہ ہمارے ضابطے صنعت کی بہترین پالیسیوں سے منسلک ہیں۔ ملازمین کو صحت اور تحفظ کی تربیت بھی اس لئے فراہم کی جاتی ہے تا کہ یہ یقین کر لیا جائے کہ وہ کمپنی کے ضابطوں کے مطابق کام کر رہے ہیں۔

اِس مقصد کے لئے اپنے ہاں ہی آگ سے تحفظ، ابتدائی طبی اِمداد، محفوظ ڈرائیونگ اور پیشہ ورانہ صحت اور تحفظ کے بارے میں باقاعدگی سے تربیّت بھی دی جاتی ہے۔

کمپنی اس بات کو یقینی بناتی ہے کہ ملازمین اور جہاں نافذ العمل ہو ٹھیکیدار بھی کمپنی کے ممکنہ خطرات برائے صحت مند، محفوظ اور دوستانہ کام کے طریقوں کے متعلق آگاہ ہوں۔ پی او ایل تمام ملازمین کے لئے ماہانہ "سیفٹی بلیٹن" بھی جاری کرتی ہے۔ یہ اقدامات کام کی جگہ پر چوٹوں کو روکنے میں مددگار ثابت ہوئے ہیں۔ باقاعدگی سے تحفظ کی مشقیں بھی یہ یقین کرنے کے لئے کرائی جاتی ہیں کہ ہنگامی حالات کے لئے تمام تیاریاں مکمل ہیں۔ کمپنی کے ہر Concession کے تحفظ کے لئے الگ منصوبہ بندی کی گئی ہے۔

HSE ڈیپارٹمنٹ کی جانب سے Tool box talks اور فیلڈ تجرباتی اجلاس ہر فیلڈ میں باقاعدگی سے منعقد کئے جاتے ہیں۔

گذشتہ تین سالوں میں HSE ڈیپارٹمنٹ کی جانب سے دی گئی تربیّت کا موازنہ درج ذیل ہے:

سال ۲۰۱۹		سال ۲۰۲۰		سال ۲۰۲۱	
تعداد تربیت	شرکاء کی تعداد	تعداد تربیت	شرکاء کی تعداد	تعداد تربیت	شرکاء کی تعداد
۱،۲۵۸	۲۱،۱۷۸	۱،۴۵۲	۲۳،۸۸۱	۲،۲۲۶	۲۹،۷۹۴

انسانی وسائل (HR)۔

پی او ایل یقین رکھتی ہے کہ مؤثر انسانی وسائل (HR) مینجمنٹ اور ترقی کی پالیسیوں کے اپنانے سے تنظیمی مقاصد اور اس میں قابلِ ستائش اضافہ ہوتا ہے۔ پی او ایل کا نظریہ ہے کہ اس کے ملازمین اس کا سب سے قیمتی اثاثہ ہیں۔ انتخاب کے طریقہء کار اور روزگار کی پالیسیوں کو اس طرح بنایا گیا ہے کہ ان قابل اور تعلیم یافتہ ملازمین کو کمپنی کے ساتھ منسلک رکھا جائے جو کمپنی مقاصد کو پورا کرنے کے لئے اپنی بہترین کوششوں سے اہم کردار ادا کرنے کے لئے تیار ہوں۔

ملازمین کی اصل اور مطلوبہ کارکردگی کے درمیان خلیج کو کم کرنے کے لئے تکنیکی مہارتوں پر تربیّت دی جاتی ہے یہ تربیّتیں ملازمین اور کمپنی کے باہمی فائدے کے لئے ہیں اور ملازمین کو ترقی کے لئے درکار مہارت حاصل کرنے کے مواقع فراہم کرتی ہیں۔

پی او ایل انسانی وسائل کو بہتر بنانے کے لئے ملک کی یونیورسٹیوں کی مدد ایک سماجی ذمہ داری سمجھتی ہے، اور اس وجہ سے فعال طور پر ملک کے پیشہ ور نوجوانوں کو تربیّت دیتی ہے۔ اس مقصد کے لئے مختلف یونیورسٹیوں کے طلباء و طالبات کے لئے انٹرن شپ پیش کی جاتی ہیں۔

کارپوریٹ گورننس۔

۱۔ مالی بیانات، جو کہ کمپنی انتظامیہ کی جانب سے تیار کی گئی ہیں جو منصفانہ امور کی نشاندہی، اپنے آپریشنز، نقدی کا بہاؤ اور ایکوئٹی میں تبدیلیاں ظاہر کرتی ہیں۔

۲۔ کمپنی کے کھاتوں کی باقاعدہ دستاویزات مرتب کی گئی ہیں۔

۳۔ مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ مالی بیانات کی تیاری میں لاگو کیا گیا ہے۔ اکاؤنٹنگ اندازے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

۴۔ بین الاقوامی اکاؤنٹنگ کے معیار جو کہ پاکستان میں نافذ العمل ہیں کی مالی بیانات کی تیاری میں پیروی کی گئی ہے۔

۵۔ اندرونی کنٹرول کے نظام کا ڈیزائن صحیح ہے اور اس پر مؤثر طریقے سے عمل درآمد اور اس کی نگرانی کی گئی ہے۔

۶۔ کمپنی کو جاری رکھنے کی صلاحیت پر کوئی شکوک وشبہات نہیں ہیں۔

۷۔ کارپوریٹ گورننس کے بہترین طریقوں پر عمل کیا گیا ہے جو کہ لسٹنگ کے ضابطے میں موجود ہیں۔

۸۔ گذشتہ سال کے آپریٹنگ نتائج سے اہم انحراف کو (اگر کوئی ہے تو) ڈائریکٹرز رپورٹ / چیئرمین جائزہ میں مناسب طور پر اکاؤنٹس کی تفصیل (Notes) میں بتایا گیا ہے۔

۹۔ کمپنی مستقبل میں اپنے آپریشنز کی کارپوریٹ تنظیمِ نو کو ختم کرنے یا روکنے کے لئے غور نہیں کر رہی۔

زیرِ تکمیل / نئے اہداف:

- کھوڑ فیلڈ کے لئے نئے فائر ٹرک کی ساخت کی تعمیر بذریعہ وینڈر جاری ہے۔
- کھوڑ، میال، بلکسر اور ایس سی آر رِگ کے لئے آئی ایس او ۴۵۰۰۱ : ۲۰۱۸ کا پہلا نگران آڈٹ۔
- ایل پی جی پلانٹ کے لئے آئی ایس او ۱۴۰۰۱ : ۲۰۱۵ کا پہلا نگران آڈٹ۔
- پی او ایل کے تمام فیلڈز اور ایس سی آر رِگ کی ماحولیاتی نگرانی۔
- بیرونی تربیت کے ذریعے H2S لیول ۔ ۲ کی تربیت۔
- عملی حفاظت کے نظام کی تربیت۔
- تمام فیلڈز / ایس سی آر رِگ پر ابتدائی طبی امداد کی تربیت۔
- سالانہ ایوارڈ کے لئے فیلڈ کے عملے کے لئے HSE کی کارکردگی کا جائزہ تمام پی او ایل فیلڈز / ایس سی آر رِگ میں لیا جائے گا۔
- کھوڑ فیلڈ کے فائر ٹینڈر (MT-4) کی تجدید کاری۔
- ۱۵ یس سی بی اے کو سروس میں لے جانے لے لئے ایس سی بی اے سپیئرز کی خریداری۔
- پنڈوری فیلڈ کے فائر ٹینڈر (MT-2) کی تجدید کاری۔
- ایس سی بی اے اور ایس اے بی اے کی تیسری پارٹی کی ہائیڈرو ٹیسٹنگ کی جائے گی۔

پیشہ ورانہ صحت اور تحفظ (OH&S)۔

پی او ایل انتظامیہ پوری تنظیم میں محفوظ اور صحت مند کام کرنے والے ماحول کو یقینی بنانے اور فروغ دینے کے لئے انتہائی پُرعزم ہے۔

ہمارا بنیادی مقصد پیشہ وارانہ اور عملیاتی ماحول میں اپنے لوگوں کی حفاظت اور کام کے دوران بچاؤ کے آلات کے استعمال کے علم کو یقینی بنانا ہے۔

محکمہ ایچ ایس ای بین الاقوامی OHSAS ۴۵۰۰۱:۲۰۱۸ اور آئی ایس او ۱۴۰۰۱:۲۰۱۵ سندوں کے تحت صحت، حفاظت اور ماحول کی نگرانی کر رہا ہے

۔سیفٹی کمیٹی کام والی جگہ میں حفاظت، صحت اور مناسب ماحول کی نگرانی کرتی ہے۔کمیٹی باقاعدگی سے OH&S نظام، پالیسیوں، کام کی جگہ کے خطرات کو کم کرنے، محفوظ اور صحت مند کام کے ماحول اور اہم OH&S مسائل اور کارکردگی کو فروغ دینے کے پروگراموں پر نظر رکھتی ہے۔

قانونی ضروریات کے علاوہ پی او ایل میں پیشہ ورانہ اور تحقیقی سرگرمیاں داخلی پالیسیوں کے تحت چلائی جاتی ہیں۔شعبہ جاتی سربراہوں اور تمام مُدیران (Managers) کی ذمہ داری ہے کہ وہ تحفظ کے پروگرام لاگو کریں اور برقرار رکھیں۔

تیسری پارٹی آئی ایس او ۴۵۰۰۱ : ۲۰۱۸ (او ایچ اینڈ ایس) اور آئی ایس او ۱۴۰۰۱: ۲۰۱۵ (ای ایم ایس) آڈٹ کئے جاتے ہیں تاکہ حقیقی جذبے سے انتظامیہ کے نظام کی سالمیت کو یقینی بنایا جا سکے۔

کمپنی نے تمام مقامات پر حادثات کو کم کرنے اور ہنگامی صورتحال سے نمٹنے کے لیے ایک جامع حفاظتی انتظامی نظام بنایا ہے۔"ایمرجنسی رسپانس ٹیم" کا قیام عمل میں لایا گیا ہے جس نے ہنگامی صورتحال سے نمٹنے کے لئے ایک جامع طریقہ کار وضع کیا ہے۔جس کے تحت ہنگامی تنظیم، ذمہ داریاں، کلیدی ذمہ داران کی فہرست، اہم ٹیلی فون نمبرز، مواصلات کا منصوبہ اور سرگرمیوں کی ترتیب دی گئی ہے تاکہ صورت حال کا مقابلہ کیا جا سکے۔

گذشتہ تین سالوں میں کام کی جگہ پر حادثات کا موازنہ درج ذیل ہے:

حادثات	۲۰۱۹	۲۰۲۰	۲۰۲۱
سنگین	۰۰	۰۰	۰۰
آگ	۰۲	۰۲	۰۴
قابلِ ذکر حادثات (اہم زخم)	۰۰	۰۰	۰۰
قابلِ ذکر معمولی حادثات (معمولی زخم)	۰۱	۰۰	۰۲
اہم ماحولیاتی	۰۰	۰۰	۰۰
ابتدائی طبی امداد	۱۰	۰۳	۰۵
اہم ماحولیاتی	۰۰	۰۵	۰۵

معاشرتی صحت کا پروگرام:

عوام کو پی او ایل ہسپتال کے ذریعے سہولت فراہم کرنے کے علاوہ مختلف علاقوں میں طبی کیمپ لگائے گئے ہیں جن میں طبی امداد اور ادویات عوام کی دہلیز پر مفت تقسیم کی گئیں۔

دورانِ سال پی او ای ایل ہسپتال میں غریب مریضوں کے علاج کی تعداد	۱،۶۹۷
دورانِ سال پنڈوری ڈسپینسری میں مریضوں کے مفت علاج کی تعداد	۱،۳۸۳
دورانِ سال بلکسر ڈسپینسری میں مریضوں کے مفت علاج کی تعداد	۹۷۳
دورانِ سال میال ڈسپینسری میں مریضوں کے مفت علاج کی تعداد	۷۹۸

دورانِ سال ۲۱-۲۰، کمپنی نے پنڈوری اور میال کی مقامی آبادی کے لئے مفت طبی کیمپس کا انتظام کیا جہاں تقریباً ۴۴۹ مریضوں کا علاج کیا گیا۔ پی او ایل ہسپتال کھوڑ میں اکتوبر ۲۰۲۰ میں مفت آئی کیمپ لگایا گیا جس میں تقریباً ۳۳۸ مریضوں کا مفت علاج کیا گیا۔

اپنے ماحول کی مدد:

ہم اپنی سرگرمیوں کو اپنے ملازمین، ٹھیکیداروں، قریبی آبادی، زمینی وسائل اور ماحول کو کم سے کم متاثر کئے بغیر جاری رکھنے کے لئے پُرعزم ہیں۔ ہماری مسلسل دوستانہ ماحول سرگرمیوں کو سراہتے ہوئے قومی فورم برائے ماحول اور صحت نے میال ایل پی جی پلانٹ کو آئی ایس او ۱۴۰۰۱ : ۲۰۱۵ ایوارڈ سے نوازا۔ ماحولیاتی اثرات کو متاثر ہونے سے بچانے کے لئے نئی ٹیکنالوجی کا استعمال، سسٹم کی بہتری، انتظامی کنٹرول، ماحولیاتی لیولز پر نظر، قابلِ اطلاق قانون سازی اور اچھے صنعتی عمل وغیرہ شامل ہیں۔

تکمیل شدہ منصوبے:

- مارچ ۲۰۲۱ء میں کھوڑ، میال، بلکسر اور ایس سی آر کے لئے آئی ایس او ۴۵۰۰۱ : ۲۰۱۸ کی دوبارہ مرکزی تصدیق۔
- ایل پی جی پلانٹ میال کے لئے آئی ایس او ۱۴۰۰۱ : ۲۰۱۵ کی دوبارہ تصدیق کا آڈٹ۔
- شمسی پینل رُوم پی او ایل ہاؤس مورگاہ پر فائر سپریشن کا نظام (ایف ایم-۲۰۰) نصب۔
- میال فائر ٹینڈر کی مکمل اوور ہالنگ اور مرمت اور پورٹیبل فائر واٹر پمپ کے علاوہ فائر ٹینڈر میال میں پی ٹی او نظام کی تنصیب۔
- تمام پی او ایل فیلڈز اور ایس سی آر رِگ کی سہ ماہی ماحولیاتی نگرانی۔
- بھندک اور پیرانی-۱ (کیر تھر جنوبی بلاک) کے لئے ماحولیاتی اثرات کی تشخیص کی رپورٹ۔
- ایس سی بی اے اور ایس اے بی اے سلنڈروں کی تیسری پارٹی سے ہائڈرو ٹیسٹنگ کی گئی ہے۔
- تمام پی او ایل فیلڈز/ایس سی آر رِگ میں ایچ ایس ای سالانہ ایوارڈز۔
- پنڈوری-۱۰ کنواں، ترکوال 3D ارضیاتی اعداد و شمار کا سروے، بلکسر ڈیپ-۱، جھنڈیال-۲ کے لئے ماحولیاتی نگرانی (آئی ایم سی) کی رپورٹ۔
- فکسڈ اور پورٹیبل LEL اور H2S گیس کا پتہ لگانے کے لئے کیلیبریشن اور معائنہ، شعلہ کا پتہ لگانے کا نظام، فیلڈز اور ایس سی آر رِگ پر خودکار جھاگ بنانے کا نظام۔
- پی او ایل ہاؤس مورگاہ میں دھوئیں کا پتہ لگانے کے نظام کی کیلیبریشن اور معائنہ۔
- آگ بجھانے والے آلات DCP-6 اور DCP-12 کی ہائیڈرو ٹیسٹنگ۔
- NIFT کے تربیتی نشستوں میں پی او ایل کے ملازمین کی شرکت۔
- بلکسر فیلڈ کے لئے دھوئیں کا پتہ لگانے والے پورٹیبل آلہ کی نئی خریداری۔

کھیل، ثقافتی اور مذہبی سرگرمیاں۔

کمپنی کھوڑ میں مقامی آبادیوں کے لئے کھیلوں کی سہولت اور ثقافتی سرگرمیاں مہیّا کرتی ہے۔ کھیلوں میں کرکٹ، ہاکی اور فٹ بال کے میدان اور بیڈمنٹن، والی بال کی جگہیں مہیّا کی گئی ہیں۔

۱۴ اگست (یوم آزادی) کی تقریب کو کھوڑ ورکرز کلب میں بڑے جوش و جذبے سے منایا جاتا ہے۔ کمپنی کے ملازمین اور مقامی علاقے سے زندگی کے تمام شعبہ ہائے جات کے لوگ اس میں شرکت کرتے ہیں۔

بنیادی ڈھانچہ کی ترقی۔

مقامی باشندوں کے معیار زندگی کو بہتر بنانے کے لئے آپریشن کے علاقوں میں مقامی باشندوں کے معیارِ زندگی کو بلند کرنے کے لئے پی او ایل نے نہ صرف سڑکوں کے نیٹ ورک کی تعمیر پر خرچ کیا بلکہ ہم نے گھروں تک پختہ گلیوں، پلیوں اور نکاسی آب کے نظام میں بہتری لانے کے لئے اپنی خدمات پیش کی ہیں۔

کیرتھر جنوبی بلاک میں پانی کی فراہمی کے منصوبے کو شمسی توانائی کے نظام میں تبدیل کرنے اور شاہ حسن تلو کہ جوہی میں متفرق مرمت کا کام جاری ہے۔

مقامی آبادی کے لئے صاف پانی کی سہولت۔

کمپنی نے کھوڑ، پری والی، میال اور اخلاص جیسی فیلڈز میں پانی کی فراہمی کے بہت سے منصوبے مکمل کئے ہیں جس سے مذکورہ علاقوں کے رہائشیوں کو فائدہ پہنچا ہے۔

کھوڑ ہسپتال۔

کمپنی مریض کی بہتر نگہداشت، باہمی تعاون کا ماحول اور صحت سے متعلق فیصلوں میں مزید بہتری، بہتر معیارِ زندگی اور اعلیٰ فلاح و بہبود کے مقاصد کے لئے کھوڑ میں جدید ترین ٹیکنالوجی کا حامل ہسپتال چلا رہی ہے۔ ہسپتال ۲۴ گھنٹے معیاری طبی دیکھ بھال، اہم بنیادی صحت کی خدمات اور مفت ہنگامی امداد فراہم کرتا ہے۔

اس وقت ہسپتال میں میڈیسن، جراحی، زچہ بچہ، شعبہ اطفال، اینستھیز یا کے ماہرین کو تعینات کیا گیا ہے، فیملی میڈیسن کان، ناک اور گلہ (ENT)، آنکھ، معدہ، جلد اور Ultrasonology کے شعبوں میں ماہرین سے مدد لی جاتی ہے۔

بیرونی اور داخل شدہ مریضوں کو بنیادی طبی سہولتیں ۲۴ گھنٹے فراہم کرنے کے لئے چھ میڈیکل آفیسر ہر وقت موجود رہتے ہیں۔

کھوڑ ہسپتال رہائشیوں کو ماہرین طب اور کلینیکل خدمات کی زبردست سہولت مہیّا کرتا ہے جو مقامی لوگوں کو میّسر نہیں۔ ہسپتال جدید ترین آلات کے ساتھ آپریشن تھیٹر، منجمد اور متحرک ایکس رے مشینیں، بہترین طبی تجربہ گاہ اور جدید ترین سہولتیں رکھتا ہے۔ ہسپتال میں چالیس بستروں پر مشتمل ائیر کنڈیشنڈ وارڈز ہیں اور یہ مشیروں اور ماہر ڈاکٹروں کی سہولتیں بھی فراہم کرتا ہے۔ زندگی بچانے کے لئے ہنگامی حالات میں یا سڑک پر حادثہ کی صورت میں زخمی افراد کو فی سبیل اللہ جدید ترین طبی امداد فراہم کی جاتی ہیں۔ عوام کے لیے اس طرح کی سہولیات فراہم کرنے والا یہ اپنے علاقے کا واحد ہسپتال ہے۔

حال ہی میں ایک جدید ڈینٹل یونٹ قائم کیا گیا ہے جس نے ۲۷ اپریل ۲۰۱۹ء کو کام کرنا شروع کیا۔ اعلیٰ تعلیم یافتہ دندان ساز اور ماہر فن (Technician)، پی او ایل ملازمین اور مقامی آبادی کو ہر قسم کا دانتوں کا علاج فراہم کر رہے ہیں۔

صحت کی دیگر سہولیات۔

کمپنی کی طرف سے فیلڈ میں فراہم کی جانے والی دیگر طبی نگہداشت کی سہولیات درج ذیل ہیں:

- باقاعدہ مفت ڈسپنسریوں کو پنڈوری اور بلکسر کے علاقوں کی مقامی آبادی کے لئے منظّم کیا گیا ہے۔
- میال، بلکسر اور پنڈوری میں پی او ایل کے ملازمین کی لئے فیلڈ ڈسپنسریوں کا قیام۔
- محکمہ ڈسٹرکٹ ہیلتھ کے تعاون سے سالانہ ویکسینیشن پروگرام شروع کیا گیا ہے۔
- طبی دیکھ بھال فراہم کرنے کے لئے پی او ایل ایک غریب مریض فنڈ چلا رہا ہے (چیئرمین اور ملازمین اپنا حصہ ڈالتے ہیں) جہاں ۲۵۰ سے زائد درج شدہ افراد کو روزانہ طبی امداد دی جاتی ہے۔

ڈاکٹر رشاد ٹیکنیکل ایجوکیشن انسٹیٹوٹ۔

۲۰۱۵ء میں قائم ہونے والا ڈاکٹر رشاد انسٹیٹیوٹ آف ٹیکنیکل ایجوکیشن ترقی کرتے ہوئے اَب با قاعدہ فنی تعلیم مہیّا کرنے والا ادارہ بن گیا ہے۔ اِس وقت الیکٹریکل اور پٹرولیم ٹیکنالوجیز کے پہلے، دوسرے اور تیسرے سال میں ۸۰ طلباء زیورِعلم سے آراستہ ہو رہے ہیں۔ ۲۰۱۵ء کی ابتداء میں ٹیوٹا لاہور کے ساتھ الیکٹریکل اور الیکٹرانکس ٹیکنالوجیز میں رجسٹریشن کرائی گئی۔ ستمبر ۲۰۱۵ میں پنجاب بورڈ آف ٹیکنیکل ایجوکیشن لاہور کے ساتھ وابستگی ایسوسی ایٹ انجینیئرنگ میں ڈپلومہ (۳ سالہ کورس) شروع کرنے کے لئے حاصل کی گئی۔ کھوڑ اور گردو نواح کے لوگ پٹرولیم اور پٹرولیم کے دیگر ٹیکنالوجیکل شعبوں میں کام کرتے ہیں تاہم پٹرولیم کا نصاب TEVTA Board کو جائزے/منظوری کے لئے بھیجا گیا اور پھر ٹیوٹا بورڈ اور PBTE، لاہور سے منسلک کیا گیا۔ ۲۰۱۶ء میں مقامی افراد کی مدد کے لئے ڈاکٹر رشاد انسٹیٹیوٹ آف ٹیکنیکل ایجوکیشن میں پٹرولیم ٹیکنالوجی میں DAE کا آغاز کیا گیا۔

تین سالہ ڈرلنگ کورس کا نصاب تیار کیا گیا ہے اور اسے منظوری کے لئے TEVTA کو بھیج دیا گیا ہے۔ نصاب کی پڑتال کے لئے ایک علیحدہ بورڈ تشکیل دیا گیا تھا، جس کو تقریباً دو سال لگے اور آخر کار اس کورس کی منظوری دے دی گئی۔ ادارہ نے کھوڑ میں اس پروگرام کو شروع کرنے کے لئے پنجاب سکلز ڈویلپمنٹ اتھارٹی (پی ایس ڈی اے) میں رجسٹریشن کے لئے درخواست دے دی ہے۔

ڈاکٹر رشاد ڈگری کالج۔

کالج کا آغاز ۲۰۰۷ء میں انٹرمیڈیٹ کالج کے طور پر کیا گیا جسے ۲۰۱۰ء میں ڈگری کالج کا درجہ دے دیا گیا تا کہ کھوڑ اور اس کے مضافاتی علاقوں کی نئی نسل کو اعلٰی تعلیم دی جاسکے۔ ابتدائی طور پر خالص سائنسی مضامین بشمول باٹنی، زوالوجی، کیمیاء، ڈبل ریاضی اور طبعیات کے دوسالہ پروگرام پیش کیے گئے۔ تاہم ان پروگراموں میں اب صرف ۱۶ طلباء ہیں، چوں کہ HEC نے دوسالہ پروگرام ایسوسی ایٹ ڈگری پروگرام میں تبدیل کر دیئے ہیں اس لئے کالج نے چار سالہ BS پروگرام شروع کر دیئے ہیں۔ ڈاکٹر رشاد ڈگری کالج کا کمپیوٹر سائنس میں BS پروگرام شروع کرنے کے لئے پنجاب یونیورسٹی کے ساتھ الحاق ہو چکا ہے اور ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ اس پروگرام میں ۴۹ طُلباء داخل ہو چکے ہیں۔

کووڈ۔۱۹ کی نئی صورتِ حال کی بناء پر ہم بتدریج آن لائن تعلیم کی طرف اس طرح بڑھ رہے ہیں کہ ہمارے طلباء اعلٰی معیاری تعلیم مسلسل حاصل کرتے رہیں۔ تمام جماعتیں تربیت یافتہ اساتذہ کی مدد سے آن لائن پر منتقل کر دی گئی ہیں۔ دورانِ کووڈ۔۱۹ کالج نے اساتذہ اور طُلباء کے بہتر تحفظ کو یقینی بنانے کے لئے مزید اقدامات کیے۔ تمام داخلی راستوں پر ہاتھوں کو صاف کرنے والا محلول رکھا گیا، چہرے پر ماسک لازم قرار دیا گیا اور سماجی فاصلہ برقرار رکھنے پر زور دیا گیا تا کہ ملازمین اور طُلباء کا تحفظ کیا جا سکے۔

پی او ایل ماڈل سکول۔

پی او ایل کے ملازمین کے بچوں کو معیاری تعلیم دینے کے لئے یکم جنوری ۱۹۹۴ء کو پی او ایل ماڈل سیکنڈری سکول کا آغاز کیا گیا۔ جسے پنجاب ایجوکیشن ڈیپارٹمنٹ سے رجسٹرڈ کرایا گیا۔ بعدازاں مقامی آبادی کو بھی مستفید ہونے کی سہولت دے دی گئی۔ اِس وقت ۸۳۷ طلباء و طالبات زیورِعلم سے آراستہ ہو رہے ہیں۔ سکول نہ صرف بچوں کی تعلیم پر توجہ مرکوز کرتا ہے بلکہ اُن کی روحانی سماجی اِخلاقی اور جسمانی ترقی اس کا مطمعِ نظر ہے۔ کووڈ۔۱۹ کے دوران آن لائن تعلیم دی گئی۔ کچھ طُلباء نے میٹرک کے امتحان میں نمایاں کامیابی حاصل کی۔

پی او ایل ووکیشنل ٹریننگ سنٹر۔

۲۰۰۴ء میں پی او ایل نے خواتین کے لئے پیشہ ورانہ تربیتی مرکز قائم کیا ہے۔ اس مرکز کو قائم کرنے کے مقاصد میں رویوں، علم، اور مقامی علاقے کی خواتین میں خود روزگار کے لئے مہارت کی ترقی ہے۔ اب تک ۱۰۰۰، اسے زائد خواتین اور لڑکیوں کو تربیّت دی جا چکی ہے۔ جولائی ۲۰۱۶ء میں پی او ایل نے VTC کھوڑ میں Safety Coveralls Stitching یونٹ قائم کیا ہے۔ سلائی مرکز کے قیام کا مقصد اخراجات میں کمی اور VTC کے عملہ اور طالبات کی سلائی کڑھائی کی مہارت میں مزید نکھار پیدا کرنا ہے۔ VTC اساتذہ نے کووڈ۔۱۹ کے دوران کمپنی ملازمین اور سیکیورٹی سٹاف کے لئے چہرے کے ماسک بھی تیار کئے ہیں۔

ڈائریکٹرز رپورٹ

پی او ایل پروسس ہسٹورئین:

۔ ڈیٹا کی حفاظت، تجزیہ اور ریموٹ مانیٹرنگ کے لئے پی او ایل پروسس ہسٹورئین کے ساتھ پری والی پروسسنگ سہولت میں نئے اپ گریڈ ڈ پی ایل سی کا انضمام۔

حاضری مشینیں اپ گریڈ:

۔ ۲ حاضری مشینیں نصب اور اپ گریڈ کی گئیں۔

۔ اضافی خصوصیات میں کیمرہ مانیٹرنگ کے ساتھ چہرے کی شناخت شامل ہے۔

لوکل ایریا نیٹ ورک:

۔ پی او ایل کھوڑ ہسپتال ڈیٹا لنک کو تھروپٹ پر اپ گریڈ کیا گیا۔

۔ صنعتی گریڈ نیٹ ورک پی او ایل بلکسر اور پنڈوری ڈیٹا لنکس کے لئے سوئچ کرتا ہے۔

یو پی ایس سیٹ اپ۔ اپ گریڈ

۔ پی او ایل میال ایل پی جی پلانٹ میں اے پی سی ۳ کے وی اے یو پی ایس یونٹس کی اپ گریڈیشن

۔ پی او ایل بلکسر ایکسچینج یو پی ایس فراہمی کا انتظار ہے۔

سی سی ٹی وی نگرانی اور کنٹرول:

۔ پی او ایل پنڈوری سی سی ٹی وی کیمروں کی تنصیب: ۹ عدد نئے ایچ ڈی سی سی ٹی وی کیمرے پنڈوری پول گیس اور ۶ عدد سی سی ٹی وی کیمروں کی تنصیب ایل پی جی پلانٹ کے مرکزی دروازے پر اگست ۲۰۲۱ میں شروع کی جائے گی۔

۔ ۶ عدد کیمروں کی تنصیب پی او ایل کھوڑ ہسپتال پر۔

کارپوریٹ سماجی ذمہ داری (CSR):

اس شعبے میں کمپنی کی مضبوط وابستگی اس کی طرف سے پیش کردہ ایک جامع نظام سے ظاہر ہوتی ہے جس پر کمپنی عمل پیرا ہے۔ کمپنی ان علاقوں کی سماجی و معاشی ترقی پر خصوصی توجہ مرکوز کیے ہوئے ہے جہاں یہ کام کر رہی ہے۔ ہمارے CSR پروگرام کا بنیادی مقصد ہے کہ:

۔ اپنے ماحول کی حفاظت

۔ ذمہ داری سے کام کرنا

۔ جن علاقوں میں ہم کام کریں ان کی ترقی میں حصہ ڈالیں

۔ اپنے کام کے معیار کو برقرار رکھنا اور صحتمند طرزِ زندگی کی وکالت

۔ دیانتداری کے ساتھ کام اور اعلی ترین اخلاقی معیارات کو برقرار رکھنا

۔ کام کے تنوع کو فروغ دینا اور متنوع سپلائرز کے ساتھ شراکت داری

۔ ایک محفوظ، صحت مند کام کی جگہ کو یقینی بنانا۔

کمپنی نے ایک منظم سماجی سرمایہ کاری پروگرام کے ذریعے معاشرے میں شراکت میں قائدانہ کردار ادا کیا ہے۔

جن کمیونٹیز میں ہم کام کرتے ہیں ان میں سرمایہ کاری کرنا صرف ایک مطالبہ نہیں جسے پورا کرنا ضروری ہے بلکہ یہ ایک فلسفہ ہے جسے ہم خریدتے ہیں۔ اپنی بنیادی اقدار کے طور پر، کمپنی ان کمیونٹیز کی فلاح و بہبود کے لئے بہت اہمیت رکھتی ہے جن میں وہ کام کرتی ہے۔

ہمارا CSR وسیع سرگرمیوں پر مشتمل ہے جن میں سکولوں، کالجوں اور صحت کے مراکز کی تعمیر، سڑکوں اور پُلوں کی تعمیر انسانی اور سماجی کام کرنے والی تنظیموں کی حمایت اور کھیلوں کا انعقاد ہیں۔ ہمیں اپنی ترقی پر فخر ہے، لیکن پھر بھی ہمیں بہت کچھ کرنا ہے جس کی ہم منصوبہ بندی کر رہے ہیں۔ CSR کی سرگرمیاں مندرجہ ذیل ہیں۔

تعلیم۔

تعلیم قوم کی تعمیر اور لوگوں کی اقتصادی ترقی کا ایک بڑا ذریعہ ہے۔ یہاں، پی او ایل میں، ہماری کلیدی توجہ تعلیم ہے جس کی ہم مکمل طور پر حمایت کرتے ہیں۔ پی او ایل کی توجہ بنیادی، ثانوی اور اعلی سطح کی تعلیم پر مرکوز ہے۔

قیام کے آغاز سے پی او ایل ۹۶ ملین روپے سرکاری سکولوں اور کالجوں کے بنیادی ڈھانچے کو بہتر بنانے، کلاس رومز اور بیت الاخلاؤں کی تعمیر، کمپیوٹرز، سائنس لیبارٹری، فرنیچر اور فکسچر فراہم کرنے میں خرچ کر چکی ہے جس سے ۵۰،۰۰۰ سے زائد طلباء مستفید ہو رہے ہیں۔

پی او ایل نہ صرف کام کے علاقوں میں سماجی بہبود کی سرگرمیوں پر خرچ کرتا ہے بلکہ ہمارے اپنے تکنیکی ادارے، ہائر سیکنڈری سکولز اور ڈگری کالج کھوڑ چل رہے ہیں جو پوری طرح سے لیب کی سہولیات، جدید کتب خانے، انتہائی مستند تدریسی عملے پر مشتمل ہیں۔ ہم غیر نصابی سرگرمیوں کو بھی فروغ دے رہے ہیں۔

خاص طور پر جب قطعات/ بلاکس نئے ہوں اور مشکلات بھی بہت ہوں، انتظامی اخراجات بھی زیادہ ہوں تب کمپنیوں کو دوسرے شراکت دار ساتھ شامل کرنے پڑتے ہیں تاکہ ان کی مہارت سے استفادہ کیا جا سکے اور اخراجات میں بھی شراکت ہو سکے۔ ہم باہمی اشتراک کے ماحول میں کام کر رہے ہیں اور ہمارے کئی منصوبے دیگر شراکت دار چلاتے ہیں۔ ہمارے تھوڑے حصے کی وجہ سے کئی دفعہ شراکت داروں پر اثر انداز ہونے کی صلاحیت محدود ہو جاتی ہے۔ کئی اہم فیصلوں پر ہم آہنگی نہ ہونے کی بناء پر ان منصوبوں کے انتظامی اور پیداواری معاملات بگڑ یا تاخیر کا باعث بن سکتے ہیں۔ اس کے تدارک کے لئے ہم انتظامی اور غیر انتظامی شراکت داروں سے باہم رابطے میں رہتے ہیں۔

۱۲۔ دہشت گردوں کے حملے:

دہشت گردوں کا حملہ ہمارے کاروبار پر بہت زیادہ منفی اثرات مرتب کر سکتا ہے۔ اس خطرے کے تدارک کے لئے کمپنی نے اپنی تمام اہم تنصیبات کے لئے دہشت گردی کی صورت میں نقصان پورا کرنے کے لئے باقاعدہ اِنشورنس کرائی ہوئی ہے۔

۱۳۔ تیسرے فریق کی حیثیت سے ذمہ داری:

تیسرے فریق کی حیثیت سے ذمہ داری ہمارے کاروبار پر بہت زیادہ منفی اثرات مرتب کر سکتی ہے۔ اس خطرے کے تدارک کے لئے کمپنی مسلسل ایسے معاملات کا جائزہ لیتی رہتی ہے جہاں انشورنس کی ضرورت ہے، کمپنی نے اپنے کنوؤں کی کھدائی کے علاقوں، پائپ لائنوں اور اہم تنصیبات کے لئے تیسرے فریق کی حیثیت سے ذمہ داری کی انشورنس کروائی ہوئی ہے۔

۱۴۔ انسانی وسائل کے خطرات :

متبادل کی منصوبہ بندی نہ ہونا بڑے نقصان کا باعث بن سکتی ہے۔ کمپنی نے ہر ڈیپارٹمنٹ کی ارگانوگرام اور کام کی تفصیلات تیار کی ہیں۔ نئی آسامیوں اور تبدیلیوں پر فوری عمل درآمد ہوتا ہے اور باقاعدہ اشتہار دیا جاتا ہے۔

۱۵۔ کنوؤں میں کھو جانا یا مرمت کے قابل نہ رہنا:

کھدائی کے دوران بہت سے مہنگے آلات کنوؤں میں مختلف گہرائیوں میں داخل کیے جاتے ہیں۔ اس خطرے کے تدارک کے لئے کمپنی بھرپور نظر رکھتی ہے۔ اور ان آلات کی انشورنس بھی کراتی ہے۔

کاروباری عمل / ترقیاتی سرگرمیاں:

کمپنی کا خیال ہے کہ معیار اور مسلسل بہتری اور مضبوط عزم کامیابی حاصل کرنے کے لئے ناگزیر اجزاء ہیں۔ تمام عمل مسلسل تشخیص اور بہتری سے مشروط ہے۔ تیل و گیس کی دریافت اور پیداواری کمپنی کی حیثیت سے تحقیق بنیادی کام ہے۔ ارضیاتی اعداد و شمار کا حصول عمل اور جیالوجیکل سرگرمیوں کے دوران ان کی تشریح زیادہ سے زیادہ اعداد و شمار کے پیمانوں کا انتخاب محتاط تجرباتی تحقیق کے ذریعے ہی ممکن ہے۔ کمپنی کسی بھی جگہ میں ہائیڈروکاربن کے حجم کو ماپنے کے لئے جامع تجزیہ کرتی ہے، کسی بھی جگہ کھدائی سے پہلے ذیلی سطح کی جدید ذرائع سے منظر کشی بھی کرتی ہے۔

یہ تحقیق اپنے اور بیرونی G&G ذرائع اور ذخائر کے مطالعہ کے ذریعے کی جاتی ہے۔ تحقیق اس لئے بھی کی جاتی ہے تاکہ فیلڈز سے حاصل ہونے والی پیداوار کو نہ صرف برقرار رکھا جائے بلکہ اس میں مزید اضافہ کیا جائے۔

ان ترقیاتی کنوؤں کی کھدائی کے ساتھ ساتھ جو پہلے جغرافیائی محلِ وقوع میں بیان کر دیئے گئے۔ اس سال درج ذیل بڑے کاروباری ترقیاتی منصوبے شروع کئے گئے ہیں۔

پی او ایل آئی ٹی کی درجہ بندی :

ایچ آر مینجمنٹ سسٹم: ایک آن لائن رُخصت کا نظام جانچ کے پہلے مرحلے کے لئے دستیاب ہے۔ یہ درج ذیل خصوصیات فراہم کرے گا۔

- آن لائن رُخصت جمع کرانا
- رُخصت کے ریکارڈ کی فوری دستیابی
- استحقاقی رُخصت کے ریکارڈ کی تصدیق

ویریٹاس ڈیسک ٹاپ اور لیپ ٹاپ بیک اپ کا نظام:

- ڈیسک ٹاپ اور لیپ ٹاپ پر ڈیٹا فائلوں کی حفاظت کے لئے ایک مرکزی بیک اپ سسٹم نافذ کیا جا رہا ہے۔
- کھوئی ہوئی، حذف شدہ اور میلویئر سے تباہ شدہ فائلوں اور ان کی بازیابی کی اجازت دیتا ہے۔
- ریکارڈ اور مستقبل کے حوالے سے صارف کے ڈیٹا کی محفوظ خفیہ برقراری کو یقینی بناتا ہے۔

کے لئے دیگر E & P کمپنیوں کے ساتھ مختلف معاہدوں کے ذریعے دستِ تعاون بڑھاتی ہے۔

۳۔کھدائی کے دوران درپیش ممکنہ خطرات:

تیل اور گیس کے لیے کھدائی فطری طور پر خطرات سے پُر ہے، جن میں کنویں کا نذرِ آتش ہونا، پائپ یا دیگر آلات کا پھنس جانا، آگ کے حادثات اور کام کے دوران چوٹ لگ جانا شامل ہیں۔ اس کے علاوہ مناسب مقدار میں تیل یا گیس نہ دریافت ہونے سے کمپنی کی آمدنی پر منفی اثر پڑتا ہے۔ ان خطرات کے تدارک کے لیے کمپنی موئثر اور پیشہ ور افراد کا انتخاب کرتی ہے اور رِگ اور اس سے وابستہ خدمات اور آلات کے لیے بھی اعلیٰ معیار کو یقینی بنایا جاتا ہے۔ اس کے علاوہ تمام کنوؤں کے لیے دورانِ کھدائی کنویں کی انشورنس کرائی جاتی ہے۔

۴۔تیل اور گیس کے اہم فیلڈز (قطعات) کی کارکردگی میں کمی:

کمپنی کی مستقبل کی آمدنی اور منافع اس کے تیل اور گیس کی فیلڈز کی پیداوار اور ذخائر پر منحصر ہے۔ فیلڈز کی اصل پیداوار تیل اور گیس کے ذخائر کی کارکردگی میں کمی یا پیداوار سے متعلقہ دیگر عوامل کی وجہ سے اندازوں سے یکسر مختلف ہوسکتی ہے۔

۵۔منصوبہ بندی سے متعلق ممکنہ خطرات:

خریداری کے عمل میں کمزوری کمپنی کے منافع کے لیے ممکنہ خطرے کا باعث ہے۔ یہ کمزوری مندرجہ ذیل ممکنہ خطرات کو جنم دے سکتی ہے:

- کاروباری خطرات
- انتظامی سامان کا وقت پر نہ موجود ہونا
- معاہدوں سے متعلق جرمانوں کا امکان ہونا

کمپنی ان ممکنہ خطرات کے تدارک کے لیے کھدائی شروع کرنے سے پہلے کنویں کا تفصیلی خاکہ تیار کرتی ہے اور جس سامان کے پہنچنے میں طویل مدت درکار ہوتی ہے، ان کی خریداری کا پہلے آرڈر دے دیا جاتا ہے۔

۶۔ذخائر کے متعلق خطرات:

ذخائر اور پیداوار کے غلط تخمینہ کے نتیجہ میں سرمایہ ضائع ہوسکتا ہے۔ اس لیے اس خطرے کو کم کرنے کے لیے جہاں تک ممکن ہو کمپنی ایک خودمختار ادارے سے ذخائر کی تصدیق کرواتی ہے۔

۷۔قوانین اور ماحولیاتی قواعد وضوابط:

تیل و گیس کی صنعت حکومتی قوانین کے مطابق قواعد وضوابط کی سختی سے عمل درآمد کی پابند ہوتی ہے۔ اس معاملے میں کوتاہی سے سنگین نتائج برآمد ہوسکتے ہیں۔ E & P کمپنیوں کو کسی بھی پروجیکٹ پر کام کرتے وقت لازماً اضافی احتیاطی اقدامات اٹھانے پڑتے ہیں۔ ان قواعد وضوابط پر عمل نہ کرنے کی صورت میں اضافی اخراجات، جرمانوں، قانونی چارہ جوئی، کام کے رک جانے اور انسانی جان کے تحفظ جیسے خطروں کا سامنا کرنا پڑتا ہے۔

۸۔بڑھتا ہوا مقابلہ:

تیل اور گیس کی تلاش اور پیداوار کے شعبے میں بڑھتے ہوئے مقابلے اور خاص طور پر تیل کی تلاش کے concession کے حصول کے بڑھتے ہوئے مقابلے کی صورتِ حال کا سامنا ہوسکتا ہے۔ اس کے علاوہ مقابلے میں اضافہ، مارجن میں کمی اور ایل پی جی کی فراہمی میں خلل سے کمپنی کے ایل پی جی کے کاروبار پر منفی اثرات پڑ سکتے ہیں۔ کمپنی فارم اِن اور فارم آؤٹ معاہدوں کے ذریعے اور E& P کمپنیوں سے شراکت قائم کرنے کے لئے مسلسل کوشاں ہے۔ ایل پی جی کے کاروبار میں مارجن کو برقرار رکھنے کی غرض سے کمپنی نے ایل پی جی ذخیرہ کرنے کی مناسب صلاحیت حاصل کرلی ہے اور مزید ایل پی جی کی پائیدار اور مناسب قیمت پر فراہمی کے لیے کوشاں ہے۔

۹۔انفارمیشن ٹیکنالوجی (آئی ٹی) کی ناکامی:

آج کے ماحول میں جہاں آئی ٹی پر انحصار، قوانین اور رپورٹنگ کی حتمی معیاد پوری کرنی ہوں وہاں آئی ٹی کی ناکامی سے کمپنی کی سرگرمیوں پر منفی اثرات پڑنے کا اندیشہ ہے۔ تمام متعلقہ معاملات کے کنٹرول اور نگرانی خاص طور پر تمام اعداد وشمار کی حفاظت کے لئے ایک علیحدہ IT کا شعبہ بنایا گیا ہے۔

۱۰۔معاشی اور سیاسی خطرات:

معاشی اور سیاسی عدم استحکام کے نتیجے میں اقتصادی اور مالیاتی بازاروں کا غیر محفوظ ہونا۔

۱۱۔باہمی شراکت دار:

تمام E & P کمپنیوں میں باہمی شراکت داری میں اضافہ ہورہا ہے۔ اس کے ذریعے یہ دوسروں کی مہارت اور وسائل سے استفادہ کرکے فائدہ اٹھاتے ہیں۔

دیا گیا ہے۔ ریسرچ کی سرگرمیاں شروع کرنے کے لئے محکمہ جنگلات اور جنگلی حیات سے NOC کا انتظار ہے۔

مارگلہ بلاک (زیرِ انتظام مول جہاں پی او ایل کا حصہ ۳۰ فی صد ہے)، ۲۰۳ لائن کلومیٹرز پر 2D ارضیاتی اعداد و شمار مکمل کر لئے گئے ہیں۔ ان پر عمل اور تشریح بھی کر لی گئی ہے۔ یہاں بہتر اثرات دکھائی دے رہے ہیں۔

تل بلاک (زیرِ انتظام مول جہاں پی او ایل کا قبل از تجارتی پیداوار حصہ ۲۵ فی صد ہے)

3D ارضیاتی اعداد و شمار کی تشریح پر مبنی ایک دریافتی کنویں راز گیر۔ ا کو مشترکہ کاروباری شراکت داروں نے منظور کیا ہے۔
کوٹ (KOT) میں ۱۵۲.۹۳ مربع کلومیٹرز علاقے کے ارضیاتی اعداد و شمار کا حصول مکمل ہو گیا ہے اور ان اعداد و شمار پر عمل جاری ہے۔ تل غربی میں ۵۱۰ مربع کلومیٹرز کے 3D ارضیاتی اعداد و شمار مکمل ہو چکے ہیں۔

مامی خیل جنوبی۔ ا : پیداواری لائن مکمل ہو چکی ہے۔ پیداوار شروع کرنے کے لئے ۲۰۱۲ پٹرولیم پالیسی کے تحت گیس کی قیمتوں کے لئے حکومت کی منظوری کا انتظار ہے۔

گرگلوٹ بلاک (زیرِ انتظام او جی ڈی سی ایل جہاں پی او ایل کا حصہ ۲۰ فی صد ہے)، ۳۲۰ مربع کلومیٹرز 3D ارضیاتی اعداد و شمار کے حصول کا کام مکمل کیا جا چکا ہے۔ ان اعداد و شمار پر عمل / تشریح کا کام جاری ہے۔

ٹونگ بلاک (زیرِ انتظام ماری پٹرولیم جہاں پی او ایل کا حصہ ۴۰ فی صد ہے)، ۵۴۰ مربع کلومیٹر میں سے ۲۴۱ مربع کلومیٹر کی 3D ارضیاتی اعداد و شمار کے حصول کی تکمیل ہو چکی ہے۔
دریافتی قطعات کی حالیہ بولی میں پی او ایل نے درج ذیل قطعات جیتے ہیں:
۱۔ دھرنال شمالی قطعہ ۔ ۶۰ فیصد حصہ کے ساتھ پی او ایل کے زیرِ انتظام
۲۔ نیریلی قطعہ ۔ ۳۲ فیصد حصہ کے ساتھ غیر انتظامیہ شراکت

ذیلی ادارہ :

کیپ گیس (پرائیویٹ) لمیٹڈ:

اِمسال کیپ گیس نے بعد از ٹیکس ۱۴۶.۶ ملین روپے نفع کمایا (۲۰۲۰ : ۴۷.۲ ملین روپے) اس سال کُل ۲۹۱٪ (۲۰۲۰: ۶۸۰ فی صد) ڈیویڈنڈ کا اعلان کیا گیا ہے۔ کمپنی نے یومیہ اوسطاً ۲۲.۵۹ میٹرک ٹن مائع پٹرولیم گیس آہدی پلانٹس سے اور اوسطاً ۳.۲۳ میٹرک ٹن مائع پٹرولیم گیس پارکو سے حاصل کی۔

خام تیل کی نقل و حمل :

کھوڑ خام تیل ڈیکنٹنگ کی سہولت پر اطمینان بخش طریقے سے کام ہو رہا ہے۔
دورانِ سال اس سہولت اور پائپ لائن کے ذریعے ۷.۳ ملین بیرل (۲۰۲۰: ۶.۷ ملین بیرل) خام تیل نشپہ (Nashpa)، تل بلاک اور دیگر سے اٹک ریفائنری لمیٹڈ کو پمپ کیا گیا۔

کمپنی کو درپیش خطرات اور ان کا تدارک :

کمپنی خطرات کے تدارک کے نظام کو نافذ کرنے، بہتر کرنے اور مسلسل نگرانی کرنے پر عمل پیرا ہے۔ خطرات کی نشاندہی اور ترجیحات مقرر کی گئی ہیں تاکہ ان خطرات سے بہتر طریقے سے نمٹا جا سکے۔
کمپنی کو درپیش کچھ بڑے ممکنہ خطرات تدارک کے لئے کئے اقدامات سمیت مندرجہ ذیل ہیں :

ا۔ تیل کی قیمت میں اتار چڑھاؤ:

کمپنی کی تیل اور گیس کی قیمتیں بین الاقوامی خام تیل اور متعلقہ مصنوعات سے منسلک ہیں۔ بین الاقوامی قیمتوں میں ناموافق تبدیلی کمپنی کے منافع پر منفی اثر ڈالتی ہے۔

۲۔ دریافتی خطرات:

دریافتی عمل کے دوران ہائیڈرو کاربنز کے مناسب مقدار میں نہ ملنے کا قوی امکان رہتا ہے۔ اس کی بڑی وجوہات میں رقبے یا کھدائی کی جگہ کا غلط انتخاب، غیر معیاری ارضیاتی اعداد و شمار یا اس کی پروسسنگ میں غلطیاں شامل ہیں۔ ان ممکنہ خطرات کا تدارک کرنے کے لیے کمپنی تجربہ کار ماہرین کی خدمات حاصل کرتے ہوئے جدید ترین ٹیکنالوجی کا استعمال یقینی بناتی ہے۔ کمپنی نئے مواقع تلاش کرنے کے لئے مسلسل کوشاں رہتی ہے اور کامیابی کے امکانات کو بڑھانے

اس سال کمپنی کی یومیہ پیداوار بشمول مشترکہ منصوبوں کے اوسطاً یوں رہی:
خام تیل ۲۰۴،۶ بیرلز، گیس ۸.۳۴ ملین سٹینڈرڈ مکعب فٹ، مائع پٹرولیم گیس ۱۵۵.۲۳ میٹرک ٹن، سلفر ۱.۱۷ میٹرک ٹن اور سالونٹ آئل ۴۶ بیرلز۔

دریافتی اور ترقیاتی سرگرمیاں :

پیداواری قطعات :

بلکسر (پی او ایل ۱۰۰ فی صد ملکیت) بلکسر ڈیپ۔۲، بلکسر ڈیپ۔۱ کے متبادل کے طور پر منصوبہ بندی کے مرحلے میں ہے جو کھدائی کے مسائل کی وجہ سے اپنی ہدف کی گہرائی تک نہیں کھودا جاسکا تھا اور صرف بالائی زون کا تجربہ کیا گیا تھا جو کہ تقریباً ۳۰ بیرل یومیہ تیل پیدا کر رہا ہے۔

پنڈوری (۳۵ فی صد حصص کے ساتھ پی او ایل کے زیرِ انتظام) پنڈوری۔۱۰ ابتدائی طور پر لوکھارٹ فارمیشن میں مکمل ہوا تھا اور رِگ فارغ کر دی گئی تھی۔ تاہم، بعد میں اس فارمیشن سے پانی کی پیداوار وقت کے ساتھ بڑھ گئی اور ہائیڈروکاربن کی پیداوار ۴۲ بیرلز یومیہ تیل اور ۰.۰۷۹ ایم ایم ایس سی ایف ڈی گیس تک کم ہوگئی۔
پیداوار کو بحال کرنے کے لئے، ۲۵ ستمبر ۲۰۲۰ کو پنڈوری۔۱۰ کنواں پر ایک رِگ ورک اوور شروع کیا گیا تھا جس کا مقصد لوکھارٹ فارمیشن کو الگ تھلگ کرنا اور فیلڈ سے پیداوار بڑھانے کے لئے سطحی فارمیشن کی صلاحیت کو جانچنا تھا۔ اس ورک اوور کے دوران، سکیسر اور چورگلی فارمیشنز کی صلاحیت کا تجزیہ کیا گیا اور چورگلی فارمیشن سے درج ذیل ہائیڈروکاربنز کی جانچ کی گئی۔

چوک	تیل (بی پی ڈی)	گیس (ایم ایم ایس سی ایف ڈی)	پانی (بی پی ڈی)	ڈبلیو ایچ ایف پی (پی ایس آئی)
"۲۴/۶۴	۱,۰۱۰	۲.۵۸۷	۷۹	۱,۵۲۴
"۲۰/۶۴	۸۰۸	۲.۰۴	۱۰۲	۱,۵۸۷
"۱۶/۶۴	۵۵۸	۱.۳۹۵	۹۴	۲,۱۳۱

فی الحال، پنڈوری۔۱۰ تقریباً ۴۵۰ بیرل یومیہ تیل اور ۱.۱ ایم ایم ایس سی ایف ڈی گیس پیدا کر رہا ہے جس کا ویل ہیڈ بہاؤ کا دباؤ ۱,۹۰۰ پی ایس آئی اور "۱۶/۶۴ کے فکسڈ چوک سائز پر ۸۰ بیرل یومیہ پانی ہے۔

تَل بلاک (زیرِ انتظام مول جہاں قبل از تجارتی پیداوار پی او ایل کا حصہ ۲۵ فی صد ہے) مردان خیل۔۴ جگہ کی منظوری دے دی گئی ہے۔

آہدی فیلڈ (زیرِ انتظام پاکستان پیٹرولیم لمیٹڈ جہاں پی او ایل کا حصہ ۱۱ فی صد ہے)، آہدی جنوبی۔۵ اور ۶ کنویں مالی سال ۲۲۔۲۰۲۱ میں شروع کرنے ہیں۔
رتانہ فیلڈ (زیرِ انتظام اوشن پاکستان لمیٹڈ جہاں پی او ایل کا حصہ ۴.۵۴۵ فی صد ہے) رتانہ۔۵ (سائیڈ ٹریک۔۱) پر ۱۴۵،۱ میٹر پر کھدائی جاری ہے۔

دریافتی قطعات :

اخلاص بلاک (۸۰ فی صد حصص کے ساتھ زیرِ انتظام پی او ایل) جنڈیال۔۲ کنویں کی گہرائی کا ہدف حاصل کرلیا گیا تھا۔ چار ممکنہ فارمیشنز میں سے تین فارمیشنز کی جانچ کی گئی ہے اور کوئی ہائیڈروکاربن نہیں ملے۔ تیسری فارمیشن کی جانچ کے دوران تار پھنس گیا۔ تار کو نکالنے کے لئے فِشنگ کی سرگرمیاں کامیاب نہیں ہوئیں۔ سائیڈ ٹریک کے بعد، کنویں کا تجربہ کیا گیا لیکن کامیاب نہ ہو سکا۔ مزید ڈیٹا کی تشخیص کے لئے کنواں معطل کرنے کا فیصلہ کیا گیا۔
لنگڑیال میں ۲۱۳ مربع کلومیٹر کے ارضیاتی اعداد و شمار کے حصول کا کام جاری تھا اور فی الحال ۳۶ مربع کلومیٹر کے اعداد و شمار کا حصول مکمل ہو چکا ہے۔ عدم کارکردگی کی وجہ سے معاہدہ ختم کر دیا گیا۔ باقی کام مکمل کرنے کے لئے ٹھیکیدار کے ساتھ بات چیت جاری ہے۔

ڈی جی خان بلاک (۷۰ فی صد حصص کے ساتھ پی او ایل کے زیرِ انتظام)، ڈی جی کے۔۱ کا دریافتی کنواں ستمبر ۲۰۲۱ میں کھدائی کی جائے گی۔

کرتھر جنوبی بلاک (۸۵ فی صد حصص کے ساتھ زیرِ انتظام پی او ایل)، سندھ ماحولیاتی تحفظ ایجنسی (SEPA) نے ماحولیاتی اثرات کی تشخیص (EIA) کی منظوری دے دی ہے تاکہ بھندک۔۱ اور پیرانی ڈیپ۔۱ کنویں کی کھدائی کی جا سکے۔ اور (NOC) No Objection Certificate بھی جاری کر

شروع اللہ کے نام سے جو بے حد مہربان نہایت رحم کرنے والا ہے۔

السّلامُ علیکم!

ڈائریکٹرز کو ۳۰ جون، ۲۰۲۱ء کو ختم ہونے والے سال کے لئے کمپنی کے مالیاتی نتائج اور سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالیاتی نتائج:

خلاصہ درج ذیل ہے :

	روپے ('۰۰۰)
منافع تمام اخراجات کے بعد	۲۰،۶۷۸،۳۳۴
ٹیکسیشن	(۷،۲۹۶،۰۷۹)
منافع بعداز ٹیکس	۱۳،۳۸۲،۲۵۵

الحمدللہ! امسال کمپنی نے بعداز ٹیکس ۱۳،۳۸۲.۳ ملین روپے (۲۰۲۰ء : ۱۶،۳۷۵.۹ ملین روپے) نفع کمایا جو کہ گذشتہ برس کی نسبت ۱۸.۲۸ فی صد کم رہا۔ منافع ظاہر کرتا ہے کہ فی حصص آمدنی ۴۷.۱۴ روپے (۲۰۲۰ء : ۵۷.۶۹ روپے فی حصص) رہی۔ منافع میں کمی بنیادی طور پر غیر ملکی کرنسی کے بینک بیلنس / ڈپازٹس پر تصوراتی تبادلے، بینک ڈپازٹس پر کم آمدنی اور زیادہ ٹیکس کی وجہ سے ہے۔ سال کے دوران، خام تیل اور گیس کی پیداوار گزشتہ سال کے مقابلے میں بالترتیب ۰.۷۷ اور ۲.۵ فیصد کم رہی۔ جبکہ ایل پی جی کی پیداوار گزشتہ سال کے مقابلے میں ۱.۵۸ فیصد زیادہ رہی۔ امسال کمپنی کا بعداز ٹیکس مجموعی منافع ۱۵،۴۰۲ ملین روپے (۲۰۲۰ء : ۱۴،۵۶۵ ملین روپے) رہا جو ظاہر کرتا ہے کہ فی حصص مجموعی منافع ۵۴.۲۴ روپے (۲۰۲۰ء : ۵۱.۲۳ روپے) رہا۔ دریافتی سرگرمیاں آگے جغرافیائی علاقے کی تفصیل کے ساتھ اس رپورٹ میں درج ہیں۔

کیش کا بہاؤ:

کیش اور کیش کے مساوات میں ۴،۵۲۴ ملین روپے کا اضافہ ہوا جس کی بنیادی وجہ موجودہ سال میں مالیاتی اخراجات میں کمی ہے جس کی وجہ انتظامی سرگرمیوں میں بہاؤ کی کمی ہے (اس کی بڑی وجہ موجودہ سال میں کم تر آمدنی اور زیادہ ٹیکس کی ادائیگی ہے)۔

معیشت میں شراکت:

کمپنی ملک کے تیل و گیس کے شعبے میں اپنا اہم کردار جاری رکھے ہوئے ہے۔ اس سال کمپنی نے ملک کے لئے ۳۴۴ ملین امریکی ڈالر (۲۰۲۰ء : ۳۲۰ ملین امریکی ڈالر) کا زرِ مبادلہ بچایا۔ رائیلٹی اور دیگر سرکاری مالیات کی مد میں ۱۶،۸۶۴ ملین روپے (۲۰۲۰ء : ۱۴،۱۴۲ ملین روپے) ملکی خزانے میں جمع کرائے گئے۔

ڈیویڈنڈ:

ڈائریکٹرز نے حتمی نقد ڈیویڈنڈ ۳۰۰٪ (۳۰ روپے فی حصص) تجویز کیا ہے۔ یہ ڈیویڈنڈ پہلے سے اعلان کردہ اور حصص داران کو ادا شدہ عبوری نقد ڈیویڈنڈ ۲۰۰٪ (۲۰ روپے فی حصص) کے علاوہ ہے۔ یوں اس سال فی حصص کل نقد ڈیویڈنڈ ۵۰ روپے (۲۰۲۰ء کل نقد ڈیویڈنڈ ۵۰ روپے فی حصص) رہا۔

پیداوار :

کمپنی کی اپنی اور دیگر انتظامی و غیر انتظامی مشترکہ منصوبوں سے حاصل شدہ متناسب پیداوار کا موازنہ درج ذیل ہے:

	۳۰، جون ۲۰۲۱ء	۳۰ جون ۲۰۲۰ء
خام تیل/ Condensate (یو ایس بیرل)	۲،۲۶۴،۴۱۳	۲،۲۸۲،۰۲۹
گیس (ملین کیوبک فٹ)	۲۸،۵۹۵	۲۹،۳۳۶
مائع پٹرولیم گیس (LPG) (میٹرک ٹن)	۵۶،۶۶۰	۵۵،۷۷۸
سلفر (میٹرک ٹن)	۴۲۸	۴۵۱
سالونٹ آئل (یو ایس بیرل)	۱۶،۶۵۸	۱۹،۴۵۳

OTHER CORPORATE GOVERNANCE

Stakeholders' Engagement

At POL, a vigorous engagement takes place to understand and respond to our legitimate stakeholder concerns. Our key stakeholders are:

- Shareholders
- Customers (POLGAS distributors)
- Suppliers
- Banks
- Employees
- General public
- Government and Regulatory Authorities

The frequency of engagements is based on business needs and corporate requirements as specified by the Code of Corporate Governance, or as contracted, under defined procedures.

Safeguarding of Records of the Company

POL effectively ensures the safety of records. All records are retained as long as they are required to meet legal, administrative, operational and other requirements of the Company.

Furthermore, the Company keeps systematic backup of the record on daily basis for protection of data and its recovery in case of any catastrophe.

Information Technology (IT) Governance Policy

POL has implemented an IT Governance Policy. The Policy forms the operating guidelines for securing the Company's IT resources and also reduces Company's exposure to information practices that may compromise data availability, confidentiality and integrity.

Board Review of Business Continuity / Disaster Recovery Plan

The board ensure that effective Business Continuity / Disaster Recovery plan for the Company's is in place which provides a structured approach to minimize the impact of a disaster and an efficient way for continuation of company's activities.

Operating Segments

The financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note-32 of the financial statement.

Revenue from two major customers of the Company constitutes 67% of the total revenue during the year ended June 30, 2021 (2020: 66%).

PERFORMANCE INDICATORS

(Rupees millions unless otherwise stated)

	2016	2017	2018	2019	2020	2021
PROFIT & LOSS SUMMARY						
Net sales						
Crude oil	9,652	12,036	17,598	22,374	17,264	17,940
Gas	9,627	9,500	8,573	13,618	12,481	11,714
POLGAS-Refill of cylinders	5,373	5,608	6,306	7,420	6,567	6,190
Solvent oil	186	131	180	246	220	189
Sulphur	10	6	8	10	8	9
Total Net Sales	24,848	27,281	32,665	43,668	36,540	36,042
Cost of sales	13,605	13,209	15,529	18,258	14,172	14,409
Gross profit	11,243	14,072	17,136	25,410	22,368	21,633
Exploration costs	2,052	1,468	2,990	2,049	1,405	494
Administration expenses	140	109	170	181	192	195
Finance costs	1,022	746	1,919	3,774	2,212	260
Other charges	560	809	967	1,728	1,383	1,545
Other income	1,411	1,473	3,262	7,177	4,558	1,539
Profit before taxation	8,880	12,413	14,352	24,855	21,734	20,678
Provision for taxation	1,646	2,734	2,969	7,983	5,358	7,296
Profit for the year	7,234	9,679	11,383	16,872	16,376	13,382
Earnings before interest, taxes, depreciation and amortization (EBITDA)	12,751	16,200	18,897	29,798	25,643	24,357
Dividends	8,279	9,462	10,053	14,193	14,193	14,193
BALANCE SHEET SUMMARY						
Paid-up capital	2,365	2,365	2,365	2,839	2,839	2,839
Reserves	1,760	1,760	1,760	1,758	1,758	1,758
Unappropriated profit	26,028	27,373	28,643	33,475	35,670	34,766
Long term deposits	831	847	837	845	861	873
Deferred liabilities	15,637	14,999	15,643	17,057	20,027	19,978
Current liabilities	9,096	10,307	20,917	25,516	30,441	34,130
Fixed assets (less depreciation)	10,421	9,855	9,405	8,499	7,542	6,680
Development & decommissioning costs	14,585	13,373	12,597	11,054	12,356	13,673
Exploration & evaluation assets	901	1,884	2,591	53	2,773	512
Long term investment	9,616	9,616	9,616	9,616	9,616	9,616
Other long term assets	12	17	15	26	27	37
Curent assets	20,182	22,906	35,943	52,242	59,282	63,826
CASH FLOWS						
Operating activities	12,467	15,674	19,327	21,425	23,263	19,480
Investing activities	(3,071)	(3,916)	(3,361)	137	(2,706)	452
Financing activities	(9,444)	(8,275)	(10,022)	(11,570)	(14,170)	(14,163)
Exchange rate effect	197	(65)	1,407	4,236	900	(1,245)
Opening balance	10,614	10,764	14,182	21,533	35,761	43,048
Cash and cash equivalents at year end	10,764	14,182	21,533	35,761	43,048	47,572
Free Cash Flows	8,604	10,661	14,552	20,025	16,526	17,746

		2016	2017	2018	2019	2020	2021
KEY FINANCIAL RATIOS							
Profitability Ratios							
Gross profit	%	45.25	51.58	52.46	58.19	61.22	60.02
Net profit	%	29.11	35.48	34.85	38.64	44.82	37.13
EBITDA margin to sales	%	51.32	59.38	57.85	68.24	70.18	67.58
Operating leverage	Time	0.65	0.76	0.83	1.12	0.88	0.88
Return on equity	%	23.99	30.73	34.74	44.32	40.67	34.00
Return on average capital employed	%	23.14	31.40	35.43	47.63	41.81	33.61
Liquidity Ratios							
Current ratio	Time	2.22	2.22	1.72	2.05	1.95	1.87
Quick ratio	Time	1.70	1.81	1.53	1.88	1.78	1.72
Cash to current liabilities	Time	1.18	1.38	1.03	1.40	1.41	1.39
Cash flow from operations to sales	%	50.17	57.45	59.17	49.06	63.66	54.05
Activity / Turnover Ratios							
Inventory turnover [1]	Time	-	-	-	-	-	-
Inventory turnover [1]	Days	-	-	-	-	-	-
Debtors turnover	Time	7.29	8.23	5.66	5.09	4.42	4.81
Average collection period	Days	50.07	44.35	64.49	71.71	82.58	75.88
Creditors turnover [1]	Time	-	-	-	-	-	-
Average payment period [1]	Days	-	-	-	-	-	-
Total assets turnover	Time	0.45	0.48	0.51	0.58	0.42	0.39
Fixed assets turnover	Time	0.97	1.07	1.31	1.98	1.73	1.66
Operating cycle [1]	Time	-	-	-	-	-	-
Investment / Market Ratios							
Earnings per share - basic [2]	Rs	30.58	40.92	48.13	59.44	57.69	47.14
Earnings per share - restated [3]	Rs	25.48	34.10	40.10	59.44	57.69	47.14
Price earning ratio	Times	11.36	11.20	13.96	6.83	6.08	8.35
Cash dividend yield	%	9.32	9.93	7.52	9.28	13.22	13.43
Cash dividend payout	%	114.45	97.76	88.31	84.12	86.67	106.06
Cash dividend cover	%	87.38	102.29	113.24	118.88	115.38	94.29
Cash dividend per share	Rs	35.00	40.00	42.50	50.00	50.00	50.00
Bonus shares	%	-	-	20.00	-	-	-
Market value / share at year end	Rs	347.48	458.15	671.79	405.89	350.63	393.86
Market value/share-high during the year	Rs	405.80	570.00	719.00	680.00	486.00	443.00
Market value/share-low during the year	Rs	188.65	344.55	419.90	363.51	223.03	304.50
Market value/share-average during the year	Rs	302.06	452.02	587.07	504.21	374.43	392.19
Break-up value (Net assets/shares)	Rs	127.47	133.16	138.53	134.12	141.86	138.67
Capital Structure Ratios							
Financial leverage ratio [4]	%	-	-	-	-	-	-
Weighted average cost of debt [4]	%	-	-	-	-	-	-
Debt: equity ratio [4]	%	-	-	-	-	-	-
Interest cover [4]	Time	-	-	-	-	-	-
OTHER INFORMATION							
Contribution to national exchequer (Rs millions)		6,633	8,202	10,981	18,601	14,142	16,864
Foreign exchange savings (US $ million)		249	332	465	520	320	344
Market Capitalization (Rs millions)		82,195	108,374	158,909	115,214	99,528	111,799
No. of Shareholders		6,869	5,738	4,954	5,756	7,090	7,597

Notes:

1- Not applicable in view of the nature of the company's business.

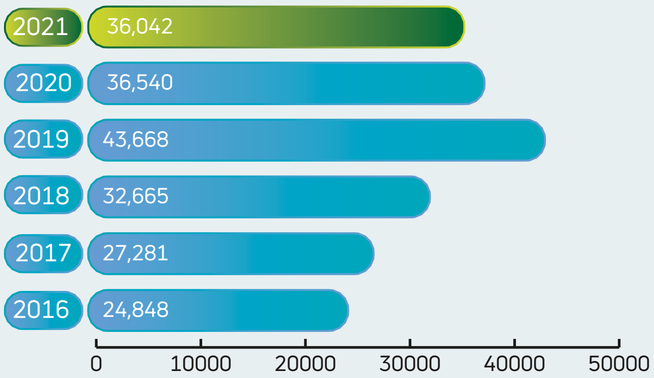
2- Calculated on shares outstanding as at June 30, of each year

3- Calculated on shares outstanding as at June 30, 2021

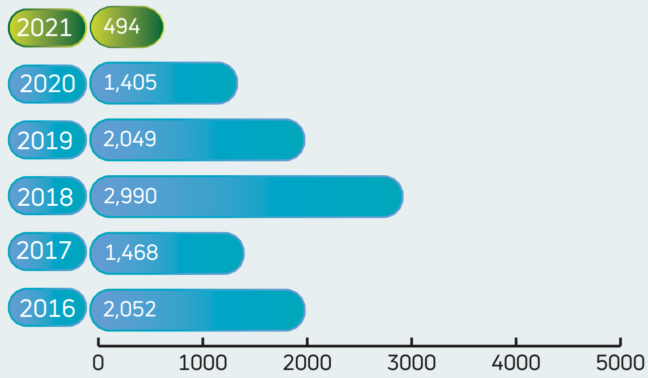
4- Not applicable as the Company does not have debt.

PERFORMANCE INDICATORS

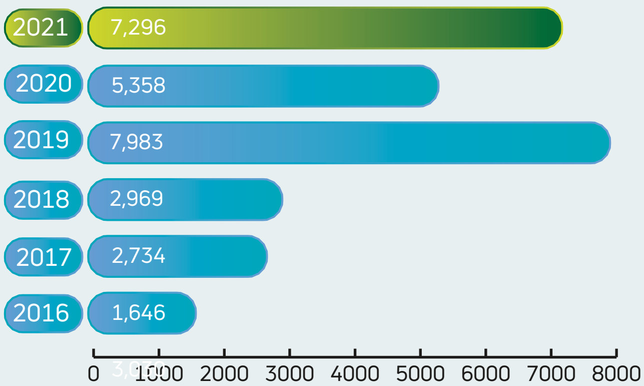
Net sales
(Rs in million)



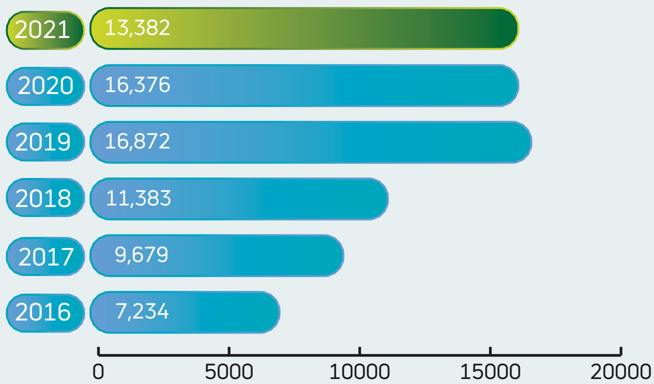
Exploration cost
(Rs in million)



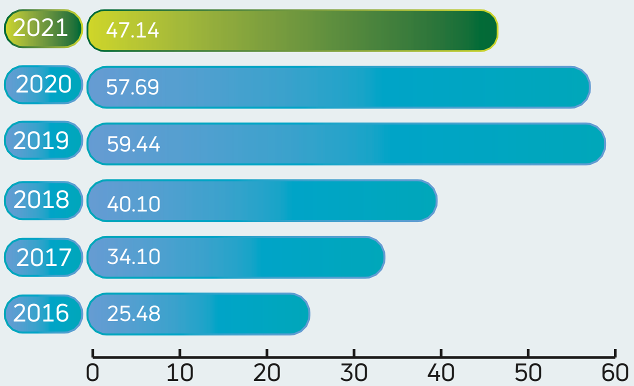
Taxation
(Rs in million)



Profit after tax
(Rs in million)

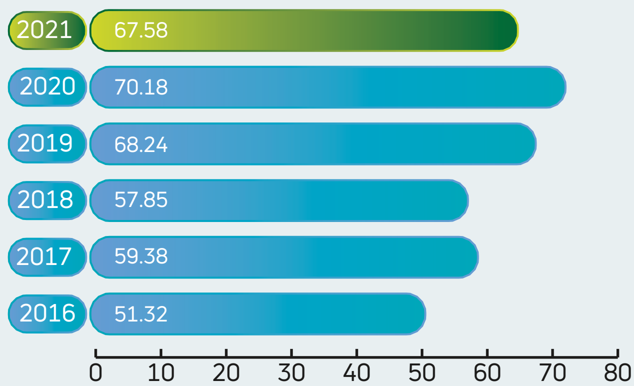


Earnings per share - Restated*
(Rs)



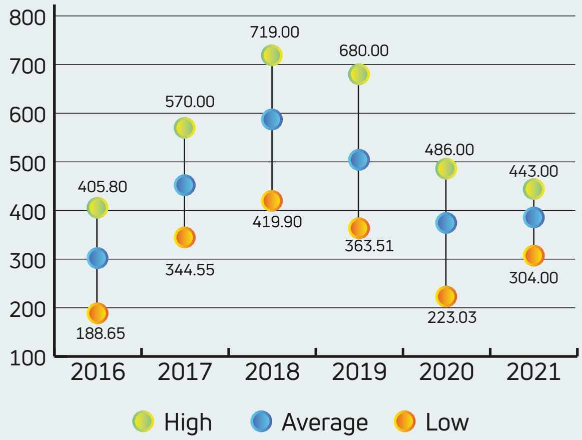
* Calculated on shares outstanding as at June 30, 2021

EBITDA margin to sales
(%)

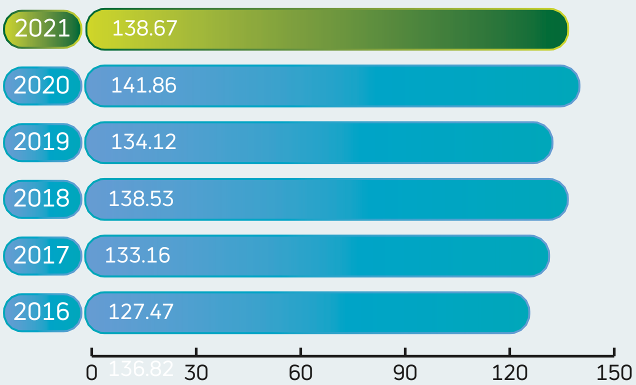


Market value per share at year end
(Rs)

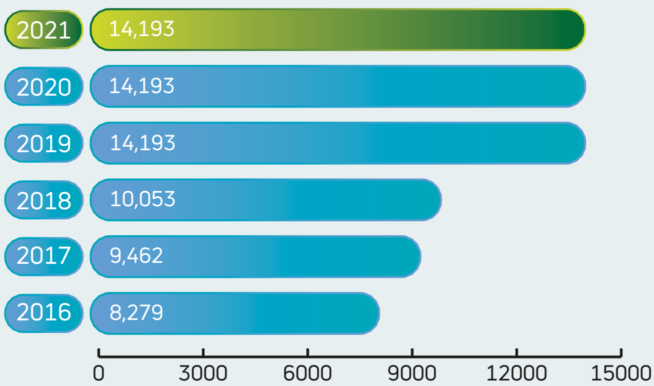
Market value per share (High-Low)
(Rs)



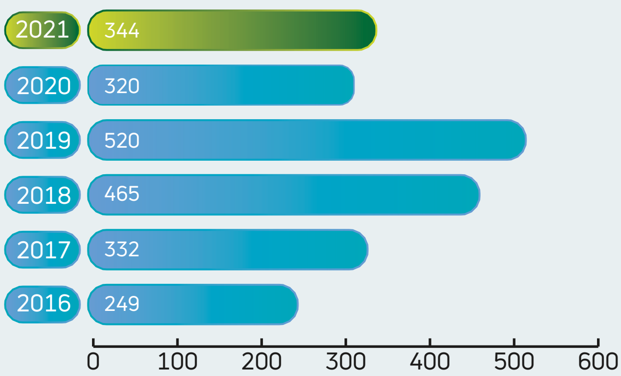
Break-up value per share
(Rs)



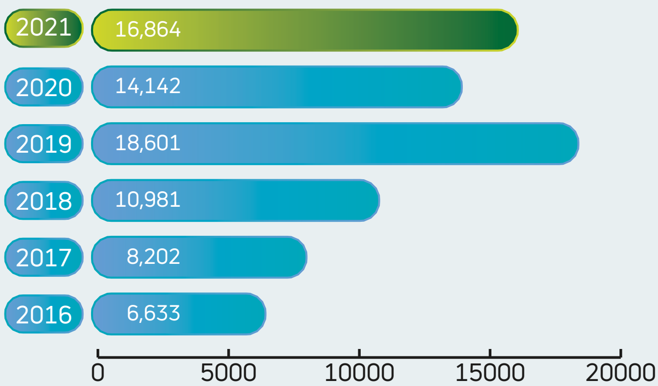
Cash dividend payout
(Rs in million)



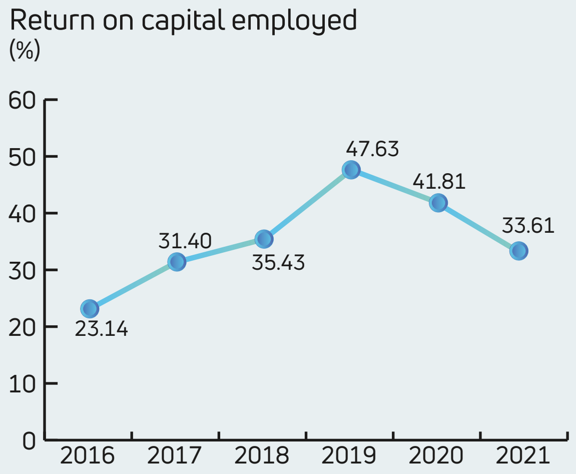
Foreign exchange savings
(US$ in million)

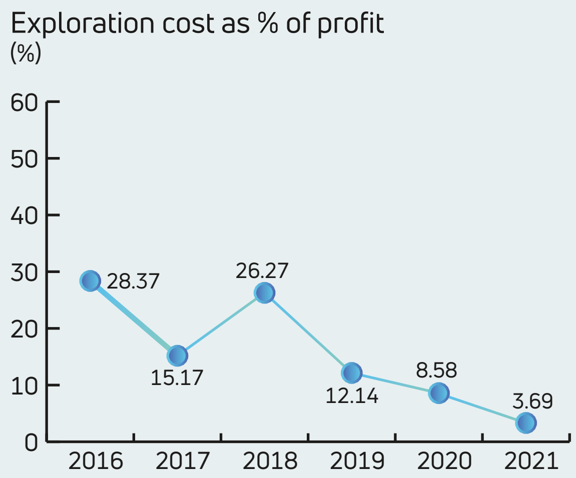


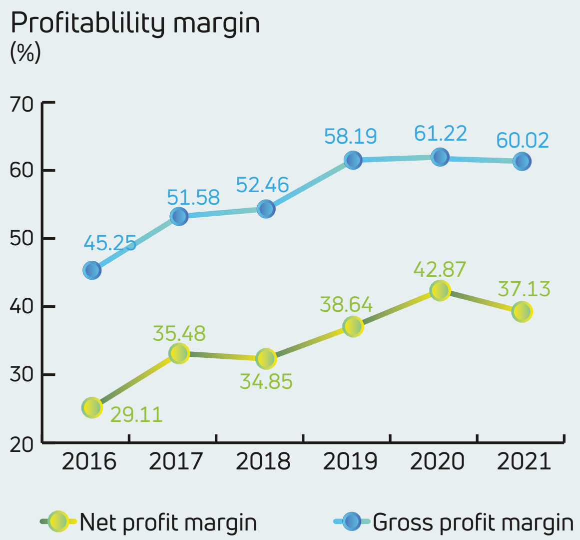
Contribution to national exchequer
(Rs in million)

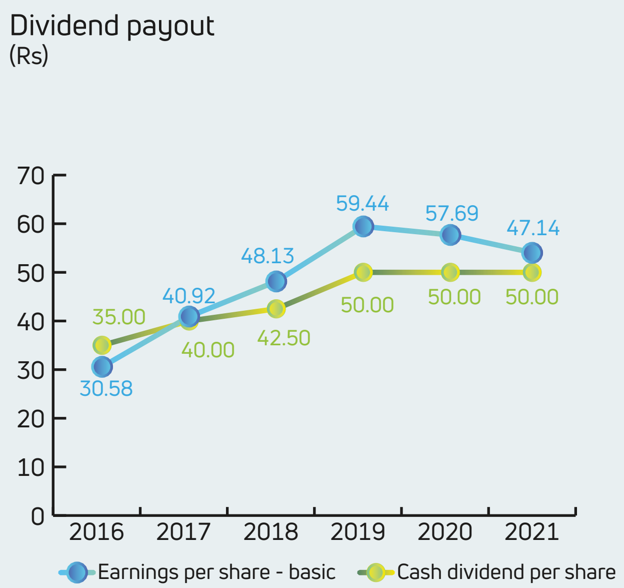


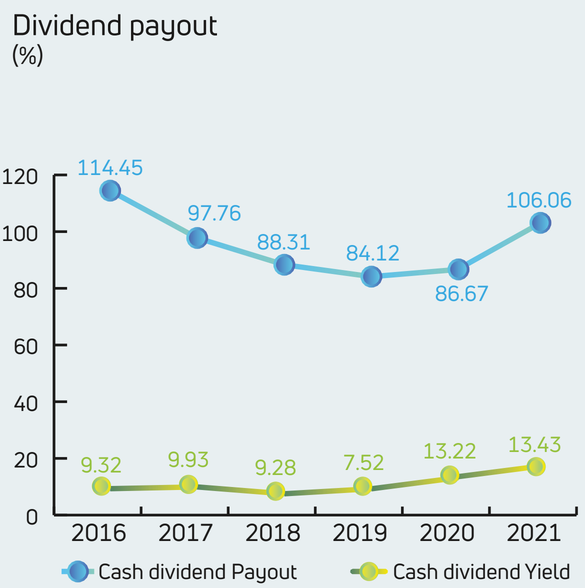
PERFORMANCE INDICATORS











ANALYSIS OF PERFORMANCE INDICATORS

Profitability ratio

The overall profitability (gross profit, net profit, EBITDA, ROE, and ROCE) have seen decline mainly due to lower other income and higher taxes during the year.

Liquidity ratio

The overall liquidity ratio of POL is satisfactory and the Company has sufficient cash and bank balances.In the current as well as last year, net cash flows from operating and investing activities is positive. Slight decrease in ratio from the previous year is mainly because of lower receipts from customers and higher taxes paid.

Activity / turnover ratios

POL has seen effective utilization of its assets base to generate high multiples of revenue consistently. Operating cycle has been effectively kept in range by minimal credit sales and improved collection of receivables.

Investment / market ratios

POL core objective is to generate consistent high returns for its valued shareholders. This is reflected in steady increase in earnings of past years and consistent dividend to its valued shareholders.

POL shares are highly valued by investors and is considered as blue chip investment due to high price earnings ratio.

Economic Value Added (EVA)

Rs in million

	2021	2020
Net profit after tax	13,382	16,376
Invested capital	39,362	40,267
WACC	16.03%	15.83%
EVA	7,071	10,000

The above outcomes in 2021 in EVA means that the Company is creating value with its invested capital. Decrease in the current year's profit is mainly due to lower other income (due to lower markup rates and higher exchange loss on foreign currency bank balances) and higher taxes.

Free cash flows

Rs in million

	2021	2020
Cash flows from operating activities	19,479	23,263
Capital expenditure	1,733	6,737
Free cash flows	17,746	16,526

Free cash flows for the current year increased due to less capital expenditure. Cash flow from operating activities decreased mainly due to less receipts from customers and higher payment of taxes.

DUPONT ANALYSIS

	2016	2017	2018	2019	2020	2021
Net Profit Margin	29.11%	35.48%	34.85%	38.64%	44.82%	37.13%
Asset Turnover	0.45	0.47	0.47	0.54	0.40	0.38
Equity Multiplier	1.85	1.83	2.14	2.14	2.27	2.40
Return on Equity	23.99%	30.73%	34.74%	44.32%	40.67%	34.00%

Operating efficiency of the Company measured in terms of profit margins has decreased (net profit decreased by 18.3%). This decrease is mainly due to lower other income (due to lower mark-up rates and higher exchange loss on foreign currency bank balances) and increase in tax provision due to decrease in addition of development and exploration & evaluation activities.

Assets turnover decreased from previous year due to decrease in sales due to lower production.

Equity multiplier has increased as compared to previous year depicting that the increase in assets have effectively improved the equity of the Company.

POL has been posting increasing Return on Equity (ROE) for the last three years. For the year under review, ROE decrease to 34% as against 40.67% in the previous year. This is mainly because of lower other income and higher taxes resulting in decrease in the profitability of the Company.

QUARTER REVIEW

Quarter 1

Net sales

decreased by 9.4 % to Rs 9,218 million (Sep 30, 2019: Rs 10,178 million). Volume variance is favorable by Rs 153 million and Price variance is unfavorable by Rs 1,113 million.

Sales volumes

of Crude Oil increased by 6.4%, while Gas and POLGAS decreased by 2.4 % and 4.9% respectively, as compared to corresponding period.

Cost of sales

increased by 0.8% to Rs 3,913 million (Sep 30, 2019: Rs 3,882 million), mainly because of higher operating cost and amortization during the current period.

Gross profit

decreased by 15.7% to Rs 5,305 million (Sep 30, 2019: Rs 6,295 million).

Exploration costs

decreased by 79.9% to Rs 76 million (Sep 30, 2019: Rs 376 million), as last year Rs 104 million of KOT 3D/2D seismic data acquisition for KOT/ Margalla was incurred in corresponding year.

Finance costs

decreased by 38.1% to Rs 86 million (Sep 30, 2019: Rs 139 million), mainly because of decrease in unwinding cost.

Other income

decreased by 35.1% to Rs 303 million (Sep 30, 2019: Rs 467 million), mainly because of lower interest rate and lesser dividend received from associated company during the current period.

Profit after tax

decreased by 9.5% to Rs 3,629 million (Sep 30, 2019: Rs 4,008 million).

Earnings per share (EPS)

decreased by 9.5% to Rs 12.78 (Sep 30, 2019: Rs 14.12).

Quarter 2

Net sales

decreased by 4.8 % to Rs 8,773 million as compared to first quarter due to lower sales volume and exchange rate as compared to the first quarter.

Sales volumes

of Crude Oil and Gas decreased by 3.3%, and 2.1%, respectively while POLGAS increased by 10.6% as compared to first quarter.

Cost of sales

decreased by 15.6% to Rs 3,302 million as compared to first quarter mainly because of lower operating costs during the period.

Gross profit

decreased by 5.5% to Rs 5,011 million as compared to first quarter due to lower sales during the period.

Exploration costs

decreased by 55.3% to Rs 34 million as compared to first quarter.

Finance costs

decreased by 319.8% to income of Rs 188 million as compared to first quarter because of higher exchange gain due to appreciation of rupee against US dollar.

Other income

decreased by 20.1% to Rs 242 million as compared to first quarter mainly because of higher exchange loss on foreign currency bank balances.

Profit after tax

decreased by 16.8% to Rs 3,021 million as compared to first quarter due to decrease in sales volume as compared to last quarter.

Earnings per share (EPS)

decreased by 16.8% to Rs 10.64 as compared to first quarter.

QUARTER REVIEW

Quarter 3

Net sales

increased by 7.9 % to Rs 9,464 million as compared to second quarter due increase in prices during the period.

Sales volumes

of Crude Oil, Gas and POLGAS decreased by 3.9%, 6.3% and 11.8% respectively as compared to second quarter.

Cost of sales

increased by 21.2% to Rs 4,002 million as compared to second quarter mainly because of higher operating cost during the period.

Gross profit

increased by 9% to Rs 5,462 million as compared to second quarter due to higher sales during the period.

Exploration costs

increased by 111.8% to Rs 72 million as compared to second quarter.

Finance costs

decreased by 69.3% to income of Rs 320 million as compared to second quarter due to appreciation of Rupees against US $ during the period.

Other income

decreased by 253.7% to loss of Rs 372 million as compared to second quarter mainly because of higher exchange loss on foreign currency bank balances.

Profit after tax

decreased by 3% to Rs 2,927 million as compared to second quarter due to higher cost of sales and lower other income.

Earnings per share (EPS)

decreased by 3% to Rs 10.32 as compared to second quarter.

Quarter 4

Net sales

decreased by 9.3% to Rs 8,587 million as compared to third quarter due to decrease in production.

Sales volumes

of Crude Oil decreased by 25%, Gas decreased by 30% and POLGAS decreased by 22% as compared to third quarter.

Cost of sales

decreased by 20.2% to Rs 2,733 million as compared to third quarter mainly because of lower operating costs during the period.

Gross profit

increased by 7.2% to Rs 5,855 million as compared to third quarter due to lower cost of sales during the period.

Exploration costs

increased by 333.3% to Rs 313 million as compared to third quarter mainly due to cost incurred in Taung block.

Finance costs

increased by 313.4% to Rs 681 million as compared to third quarter due to depreciation of rupees against US $ during the quarter.

Other income

increased by 467.2% to Rs 1,366 million as compared to third quarter mainly because of exchange gain on foreign currency bank balances.

Profit after tax

increased by 30% to Rs 3,806 million as compared to third quarter due to lower cost of sales and higher other income as compared to last quarter.

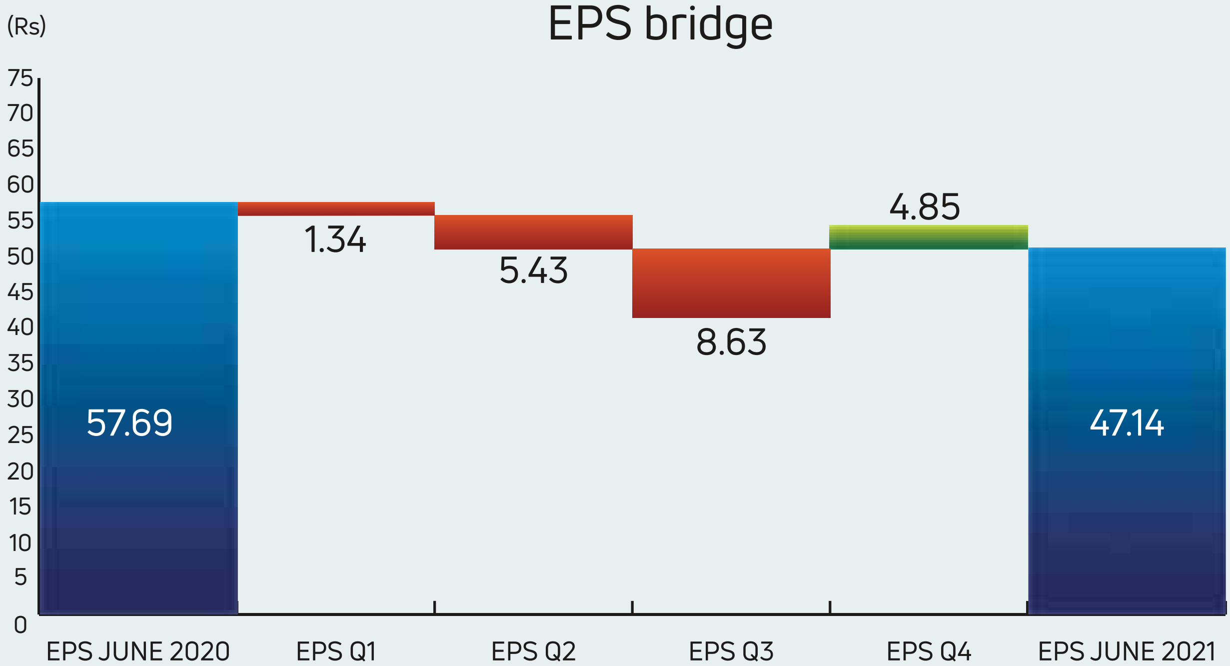
Earnings per share (EPS)

increased by 30% to Rs 13.4 as compared to third quarter.

QUARTER ANALYSIS

	Q1	Q2	Q3	Q4	Annual
Net sales Rs in million	9,218	8,773	9,464	8,587	36,042
Sales volumes					
- Crude in million barrels	0.607	0.587	0.564	0.527	2.285
- Gas in million mmbtu	8.068	7.897	7.396	7.079	30.44
- POLGAS in metric tons	19,703	21,795	21,152	17,616	78,347
Cost of sales Rs in million	3,913	3,762	4,002	2,732	14,409
Gross profit Rs in million	5,305	5,011	5,462	5,855	21,633
Exploration costs Rs in million	76	34	72	312	494
Finance costs Rs in million	86	(188)	(320)	682	260
Other income Rs in million	303	242	(372)	1,366	1,539
Profit after tax Rs in million	3,629	3,021	2,927	3,805	13,382
EPS in Rs	12.78	10.64	10.32	13.40	47.14

EPS bridge



VERTICAL ANALYSIS

	2016		2017		2018		2019		2020		2021	
BALANCE SHEET	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%
SHARE CAPITAL AND RESERVES												
Authorised capital	5,000		5,000		5,000		5,000		5,000		5,000	
Issued, subscribed and paid-up capital	2,365	4.24%	2,365	4.10%	2,365	3.37%	2,839	3.48%	2,839	3.10%	2,839	3.01%
Revenue reserves												
Insurance reserve	200	0.36%	200	0.35%	200	0.29%	200	0.25%	200	0.22%	200	0.21%
Investment reserve	1,558	2.80%	1,558	2.70%	1,558	2.22%	1,558	1.91%	1,558	1.70%	1,558	1.65%
Unappropriated profit	26,028	46.71%	27,373	47.48%	28,643	40.82%	33,475	41.08%	35,670	38.94%	34,766	36.85%
	27,786	49.87%	29,131	50.53%	30,401	43.33%	35,233	43.24%	37,428	40.86%	36,524	38.71%
Fair value gain on available-for-sale investments	2	0.00%	2	0.00%	2	0.00%	-	0.00%	-	0.00%	-	0.00%
	30,153	54.12%	31,498	54.64%	32,769	46.70%	38,072	46.72%	40,267	43.96%	39,363	41.72%
NON CURRENT LIABILITIES												
Long term deposits	831	1.49%	847	1.47%	837	1.19%	845	1.04%	861	0.94%	873	0.93%
Deferred liabilities	15,637	28.07%	14,999	26.02%	15,643	22.29%	17,057	20.93%	20,027	21.86%	19,978	21.18%
	16,468	29.56%	15,846	27.49%	16,481	23.49%	17,902	21.97%	20,888	22.80%	20,851	22.10%
CURRENT LIABILITIES AND PROVISIONS												
Trade and other payables	5,551	9.96%	5,903	10.24%	15,967	22.76%	19,329	23.72%	23,409	25.56%	25,695	27.24%
Unclaimed dividend					171	0.24%	191	0.23%	214	0.23%	245	0.26%
Provision for income tax	3,545	6.36%	4,404	7.64%	4,779	6.81%	5,996	7.36%	6,818	7.44%	8,190	8.68%
	9,096	16.33%	10,307	17.88%	20,917	29.81%	25,516	31.31%	30,441	33.23%	34,130	36.18%
TOTAL EQUITY AND LIABILITIES	55,717	100.00%	57,651	100.00%	70,167	100.00%	81,490	100.00%	91,596	100.00%	94,344	100.00%
FIXED ASSETS												
Property, plant and equipment	10,421	18.70%	9,855	17.09%	9,405	13.40%	8,499	10.43%	7,542	8.23%	6,680	7.08%
Development & decommissioning costs	14,585	26.18%	13,373	23.20%	12,597	17.95%	11,054	13.56%	12,356	13.49%	13,673	14.49%
Exploration & evaluation assets	901	1.62%	1,884	3.27%	2,591	3.69%	53	0.07%	2,773	3.03%	512	0.54%
	25,907	46.50%	25,112	43.56%	24,593	35.05%	19,606	24.06%	22,671	24.75%	20,865	22.12%
LONG TERM INVESTMENT IN SUBSIDIARY & ASSOCIATED COMPANIES	9,616	17.26%	9,616	16.68%	9,616	13.70%	9,616	11.80%	9,616	10.50%	9,616	10.19%
LONG TERM LOANS AND ADVANCES	12	0.02%	17	0.03%	15	0.02%	26	0.03%	27	0.03%	37	0.04%
CURRENT ASSETS												
Stores and spares	4,236	7.60%	3,897	6.76%	3,572	5.09%	3,918	4.81%	4,497	4.91%	4,658	4.94%
Stock in trade	376	0.67%	222	0.39%	293	0.42%	297	0.36%	399	0.44%	278	0.29%
Trade debts	3,336	5.99%	3,293	5.71%	8,242	11.75%	8,908	10.93%	7,634	8.33%	7,339	7.78%
Advances, deposits, prepayments and other receivables	1,464	2.63%	1,306	2.27%	2,296	3.27%	2,545	3.12%	3,696	4.04%	3,979	4.22%
Other financial assets	6	0.01%	6	0.01%	6	0.01%	813	1.00%	7	0.01%	-	0.00%
Short term investments	-	0.00%	-	0.00%	-	0.00%	-	0.00%	6,368	6.95%	-	0.00%
Cash and bank balances	10,764	19.32%	14,182	24.60%	21,533	30.69%	35,761	43.88%	36,681	40.05%	47,572	50.42%
	20,182	36.22%	22,906	39.73%	35,943	51.22%	52,242	64.11%	59,282	64.72%	63,826	67.65%
TOTAL ASSETS	55,717	100.00%	57,651	100.00%	70,167	100.00%	81,490	100.00%	91,596	100.00%	94,344	100.00%

	2016		2017		2018		2019		2020		2021	
PROFIT & LOSS ACCOUNT	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%
Net Sales	24,848	100.00%	27,281	100.00%	32,665	100.00%	43,668	100.00%	36,540	100.00%	36,042	100.00%
Cost of Sales	13,605	54.75%	13,209	48.42%	15,529	47.54%	18,258	41.81%	14,172	38.78%	14,409	39.98%
Gross profit	11,243	45.25%	14,072	51.58%	17,136	52.46%	25,410	58.19%	22,368	61.22%	21,633	60.02%
Exploration costs	2,052	8.26%	1,468	5.38%	2,990	9.15%	2,049	4.69%	1,405	3.85%	494	1.37%
	9,191	36.99%	12,604	46.20%	14,146	43.31%	23,361	53.50%	20,963	57.37%	21,139	58.65%
Administration expenses	140	0.56%	109	0.40%	170	0.52%	181	0.41%	192	0.53%	195	0.54%
Finance costs	1,022	4.11%	746	2.73%	1,919	5.87%	3,774	8.64%	2,212	6.05%	260	0.72%
Other charges	560	2.25%	809	2.97%	967	2.96%	1,728	3.96%	1,383	3.78%	1,545	4.29%
	1,722	6.93%	1,664	6.10%	3,056	9.36%	5,683	13.01%	3,787	10.36%	2,000	5.55%
	7,469	30.06%	10,940	40.10%	11,090	33.95%	17,678	40.48%	17,176	47.01%	19,139	53.10%
Other income	1,411	5.68%	1,473	5.40%	3,262	9.99%	7,177	16.44%	4,558	12.47%	1,539	4.27%
PROFIT BEFORE TAXATION	8,880	35.74%	12,413	45.50%	14,353	43.94%	24,855	56.92%	21,734	59.48%	20,678	57.37%
Provision for taxation	1,646	6.62%	2,734	10.02%	2,969	9.09%	7,983	18.28%	5,358	14.66%	7,296	20.24%
PROFIT FOR THE YEAR	7,234	29.11%	9,679	35.48%	11,384	34.85%	16,872	38.64%	16,376	44.82%	13,382	37.13%
CASH FLOWS												
Operating activities	12,467	115.82%	15,674	110.52%	19,327	89.76%	21,425	59.91%	23,263	54.04%	19,480	40.95%
Investing activities	(3,071)	-28.53%	(3,916)	-27.61%	(3,361)	-15.61%	137	0.38%	(2,706)	-6.29%	452	0.95%
Financing activities	(9,444)	-87.74%	(8,275)	-58.35%	(10,022)	-46.54%	(11,570)	-32.35%	(14,170)	-32.92%	(14,163)	-29.77%
Effect of Exchange rate changes	197	1.83%	(65)	-0.46%	1,407	6.53%	4,236	11.85%	900	2.09%	(1,245)	-2.62%
Cash and cash equivalents at year end	10,764	100.00%	14,182	100.00%	21,533	100.00%	35,761	100.00%	43,048	100.00%	47,572	100.00%

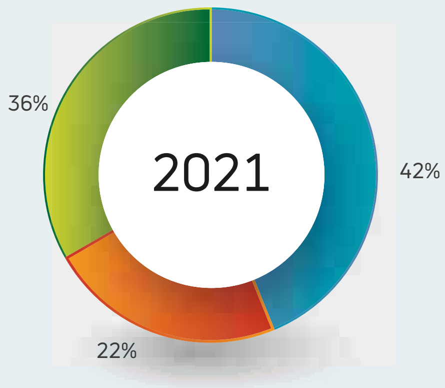
HORIZONTAL ANALYSIS

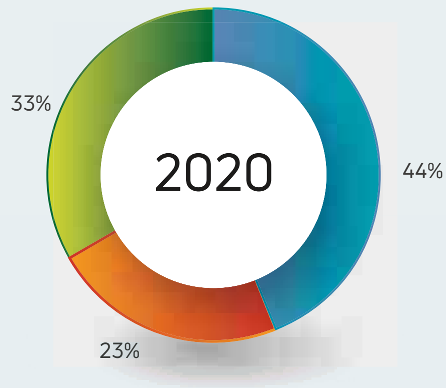
	2016		2017		2018		2019		2020		2021	
BALANCE SHEET	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%
SHARE CAPITAL AND RESERVES												
Authorised capital	5,000	100.00%	5,000	100.00%	5,000	100.00%	5,000	100.00%	5,000	100.00%	5,000	100.00%
Issued, subscribed and paid-up capital	2,365	100.00%	2,365	100.00%	2,365	100.00%	2,839	120.00%	2,839	120.00%	2,839	120.00%
Revenue reserves												
Insurance reserve	200	100.00%	200	100.00%	200	100.00%	200	100.00%	200	100.00%	200	100.00%
Investment reserve	1,558	100.00%	1,558	100.00%	1,558	100.00%	1,558	100.00%	1,558	100.00%	1,558	100.00%
Unappropriated profit	26,028	100.00%	27,373	105.17%	28,643	110.05%	33,475	128.61%	35,670	137.04%	34,766	133.60%
	27,786	100.00%	29,131	104.84%	30,401	109.41%	35,233	126.80%	37,428	134.70%	36,524	131.40%
Fair value gain on available-for-sale investments	2	100.00%	2	100.00%	2	100.00%	-	0.00%	-	0.00%	-	0.00%
	30,153	100.00%	31,498	104.46%	32,769	108.68%	38,072	126.26%	40,267	133.54%	39,363	130.50%
NON CURRENT LIABILITIES												
Long term deposits	831	100.00%	847	101.93%	837	100.72%	845	101.68%	861	103.61%	873	105.10%
Deferred liabilities	15,637	100.00%	14,999	95.92%	15,643	100.04%	17,057	109.08%	20,027	128.07%	19,978	127.80%
	16,468	100.00%	15,846	96.22%	16,481	100.08%	17,902	108.71%	20,888	126.84%	20,851	126.60%
CURRENT LIABILITIES AND PROVISIONS												
Trade and other payables	5,551	100.00%	5,903	106.34%	15,967	287.64%	19,329	348.21%	23,409	421.71%	25,695	462.90%
Unclaimed dividend					171		191		214		245	
Provision for income tax	3,545	100.00%	4,404	124.23%	4,779	134.81%	5,996	169.14%	6,818	192.33%	8,190	231.00%
	9,096	100.00%	10,307	113.31%	20,917	229.96%	25,516	280.52%	30,441	334.66%	34,130	375.20%
CONTINGENCIES AND COMMITMENTS												
TOTAL EQUITY AND LIABILITIES	55,717	100.00%	57,651	103.47%	70,167	125.93%	81,490	146.26%	91,596	164.40%	94,344	169.30%
FIXED ASSETS												
Property, plant and equipment	10,421	100.00%	9,855	94.57%	9,405	90.25%	8,499	81.56%	7,542	72.37%	6,680	64.10%
Development & decommissioning costs	14,585	100.00%	13,373	91.69%	12,597	86.37%	11,054	75.79%	12,356	84.72%	13,673	93.75%
Exploration & evaluation assets	901	100.00%	1,884	209.10%	2,591	287.57%	53	5.88%	2,773	307.77%	512	56.83%
	25,907	100.00%	25,112	96.93%	24,593	94.93%	19,606	75.68%	22,671	87.51%	20,865	80.54%
LONG TERM INVESTMENT IN SUBSIDIARY & ASSOCIATED COMPANIES	9,616	100.00%	9,616	100.00%	9,616	100.00%	9,616	100.00%	9,616	100.00%	9,616	100.00%
LONG TERM LOANS AND ADVANCES	12	100.00%	17	141.67%	15	125.00%	26	216.67%	27	225.00%	37	308.33%
CURRENT ASSETS												
Stores and spares	4,236	100.00%	3,897	92.00%	3,572	84.32%	3,918	92.49%	4,497	106.16%	4,658	109.96%
Stock in trade	376	100.00%	222	59.04%	293	77.93%	297	78.99%	399	106.12%	278	73.94%
Trade debts	3,336	100.00%	3,293	98.71%	8,242	247.06%	8,908	267.03%	7,634	228.84%	7,339	219.99%
Advances, deposits, prepayments and other receivables	1,464	100.00%	1,306	89.21%	2,296	156.83%	2,545	173.84%	3,696	252.46%	3,979	271.79%
Other financial assets	6	100.00%	6	100.00%	6	100.00%	813	13550.00%	7	116.67%	-	0.00%
Short term investments	-	0.00%	-	0.00%	-	0.00%	-	0.00%	6,368	0.00%	-	0.00%
Cash and bank balances	10,764	100.00%	14,182	131.75%	21,533	200.05%	35,761	332.23%	36,681	340.77%	47,572	441.95%
	20,182	100.00%	22,906	113.50%	35,943	178.09%	52,242	258.85%	59,282	293.74%	63,826	316.25%
TOTAL ASSETS	55,717	100.00%	57,651	103.47%	70,167	125.93%	81,490	146.26%	91,596	164.40%	94,344	169.33%

	2016		2017		2018		2019		2020		2021	
PROFIT & LOSS ACCOUNT	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%	(Rs in million)	%
Net Sales	24,848	100.00%	27,281	109.79%	32,665	131.46%	43,668	175.74%	36,540	147.05%	36,042	145.05%
Cost of Sales	13,605	100.00%	13,209	97.09%	15,529	114.14%	18,258	134.20%	14,172	104.17%	14,409	105.91%
Gross profit	11,243	100.00%	14,072	125.16%	17,136	152.41%	25,410	226.01%	22,368	198.95%	21,633	192.41%
Exploration costs	2,052	100.00%	1,468	71.54%	2,990	145.71%	2,049	99.85%	1,405	68.47%	494	24.07%
	9,191	100.00%	12,604	137.13%	14,146	153.91%	23,361	254.17%	20,963	228.08%	21,139	230.00%
Administration expenses	140	100.00%	109	77.86%	170	121.43%	181	129.29%	192	137.14%	195	139.29%
Finance costs	1,022	100.00%	746	72.99%	1,919	187.77%	3,774	369.28%	2,212	216.44%	260	25.44%
Other charges	560	100.00%	809	144.46%	967	172.68%	1,728	308.57%	1,383	246.96%	1,545	275.89%
	1,722	100.00%	1,664	96.63%	3,056	177.47%	5,683	330.02%	3,787	219.92%	2,000	116.14%
	7,469	100.00%	10,940	146.47%	11,090	148.48%	17,678	236.68%	17,176	229.96%	19,139	256.25%
Other income	1,411	100.00%	1,473	104.39%	3,262	231.18%	7,177	508.65%	4,558	323.03%	1,539	109.07%
PROFIT BEFORE TAXATION	8,880	100.00%	12,413	139.79%	14,353	161.63%	24,855	279.90%	21,734	244.75%	20,678	232.86%
Provision for taxation	1,646	100.00%	2,734	166.10%	2,969	180.38%	7,983	484.99%	5,358	325.52%	7,296	443.26%
PROFIT FOR THE YEAR	7,234	100.00%	9,679	133.80%	11,384	157.37%	16,872	233.23%	16,376	226.38%	13,382	184.99%
CASH FLOWS												
Operating activities	12,467	100.00%	15,674	125.72%	19,327	155.03%	21,425	171.85%	23,263	186.60%	19,480	156.25%
Investing activities	(3,071)	100.00%	(3,916)	127.52%	(3,361)	109.44%	137	-4.46%	(2,706)	88.11%	452	-14.72%
Financing activities	(9,444)	100.00%	(8,275)	87.62%	(10,022)	106.12%	(11,570)	122.51%	(14,170)	150.04%	(14,163)	149.97%
Effect of Exchange rate changes	197	100.00%	(65)	-32.99%	1,407	714.21%	4,236	2150.25%	900	456.85%	(1,245)	-631.98%
Cash and cash equivalents at year end	10,764	100.00%	14,182	131.75%	21,533	200.05%	35,761	332.23%	43,048	399.93%	47,572	441.95%

BALANCE SHEET COMPOSITION

Share capital & reserves



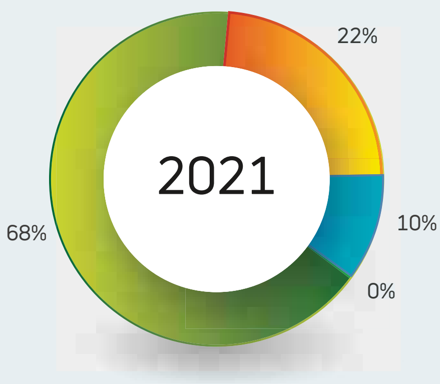


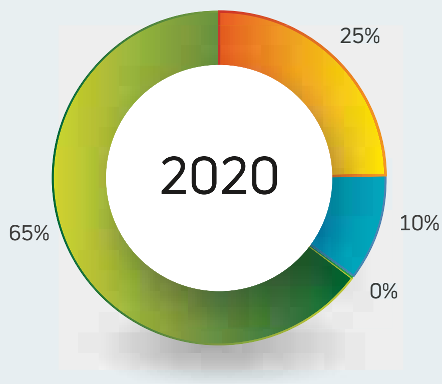
Shareholders' equity

Non-current liabilities

Current liabilities and provisions

Assets





Non- current assets

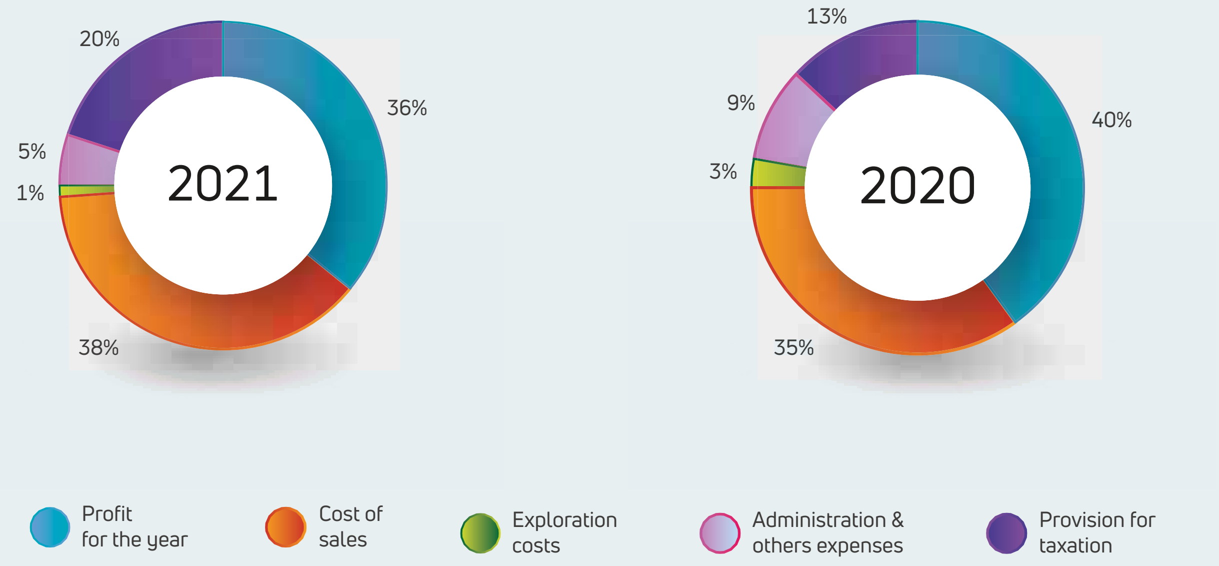
Investment in subsidiary and associated companies

long term loans and advances

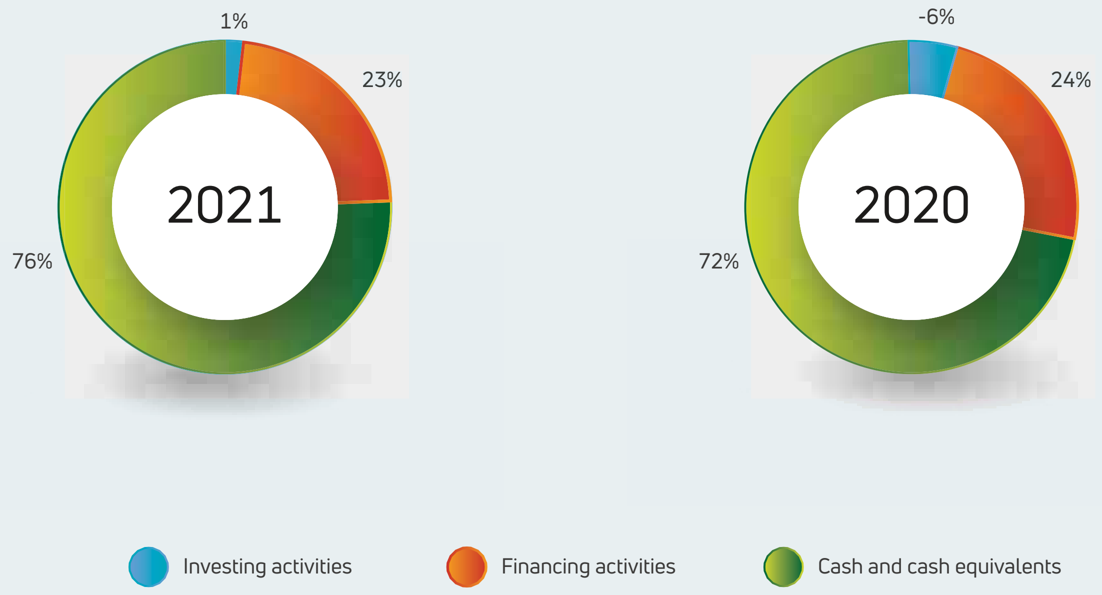
Current assets

PROFIT OR LOSS AND CASH FLOW ANALYSIS

Analysis of revenues



Analysis of cash flows



ANNUAL FINANCIAL REVIEW

Analysis of Statement of Profit or Loss

Sales

Net sales decreased by 1.4%. Volume and price variance is negative by Rs 367 million and Rs 130 million, respectively. Sales volume of Crude Oil increased by 1.3%, while Gas and POLGAS sales volume decreased by 2.9%, as compared to corresponding year. Crude Oil prices increased by 1.2%, while Gas and POLGAS prices decreased by 1.8% and 2.9%, respectively, as compared to corresponding year.

Cost of sales

Cost of sales increased by 1.7% to Rs 14,409 million (June 30, 2020: Rs 14,171 million), mainly because of higher operating cost, which is offset by decrease in amortization and lesser royalty paid on decreased sales during the year

Exploration costs

Exploration costs decreased by 64.8% to Rs 494 million (June 30, 2020: Rs 1,405 million) mainly because of activities at TAL. Current year's cost mainly includes Kirthar South DG Khan and Taung.

Other income

Other income decreased by 66.2% to Rs 1,539 million (June 30, 2020: Rs 4,558 million) mainly because of lower mark-up rates and higher exchange loss on foreign currency bank balances.

Taxation

Increase in provision for taxation is due to decrease in addition in development and exploration & evaluation assets.

Profit for the year

Profit after tax decreased by 18.3% to Rs 13,382 million (June 30, 2020: Rs 16,376 million).

Analysis of Cash Flow Statement

Operating activities:

A total of Rs 43,048 million was available as cash and cash equivalents at the beginning of the year. Cash generated from operations in 2021 lower by 19.8% to Rs 19,480 million (2020: Rs 23,263 million) mainly due to less receipts from customers and higher taxes paid.

Investing activities:

A total of Rs 452 million cash was generated from investing activities (2020: Rs -2,706 million) which consists outlay for addition in fixed assets of Rs 1,733 million (2020: Rs 6,737 million) and inflow of Rs 2,088 million (2020: Rs 3,061 million).

Financing activities:

Cash outflow in financing activities related to payment of dividends was Rs 14,163 million (2020: Rs 14,163 million) and effect of exchange rate changes is Rs 1,245 million (2020: Rs 900 million). Cash and cash equivalents at the end of year 2021 was Rs 47,572 million (2020: Rs 43,048 million).

Analysis of Statement of Financial Position

Non-Current Assets:

During the year, the additions to Property, Plant & Equipment were Rs 608 million (June 2020 Rs 543 million). Development and decommissioning cost increased by Rs 1,317 million mainly due to addition of Balkassar Deep (transferred from E&E), Jhandial and Mamikhel South. Further, amortization of development & decommissioning cost for the year is Rs 2,444 million.

Non-Current Liabilities:

Provision for deferred income tax decreased by Rs 345 million which is offset by increase in provision for decommissioning costs by Rs 300 million.

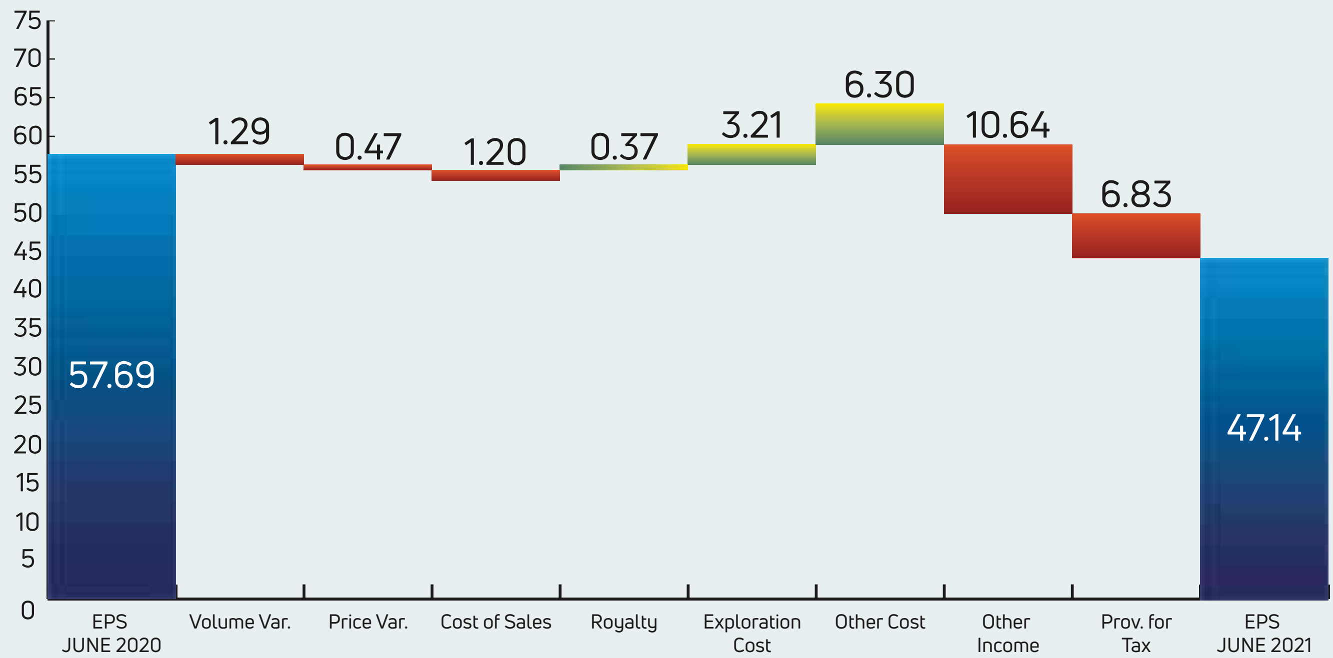
Analysis of variation in interim results as compared to full year results

Production volumes were higher in Q-1, Q-2, Q-3, as compared to Q-4. The lower production in Q-4 was mainly due to annual turnaround of MOL plants at CPF.

Crude oil price showed an increasing trend during the year, Gas price showed increasing trend except Q-3 due to lower exchange rate and POLGAS price also showed increasing trend except Q-4.

Net Sales decreased by 1.4% due to decrease in production during the year. Cost of sales and taxation were also increased during the period. The above increases were offset by decrease in exploration costs and other expenses. Other income also decrease by 66.2% due to lower mark-up rates and exchange loss on foreign currency balances. Profit after tax Rs 13,382 million (2020: Rs 16,376 million)

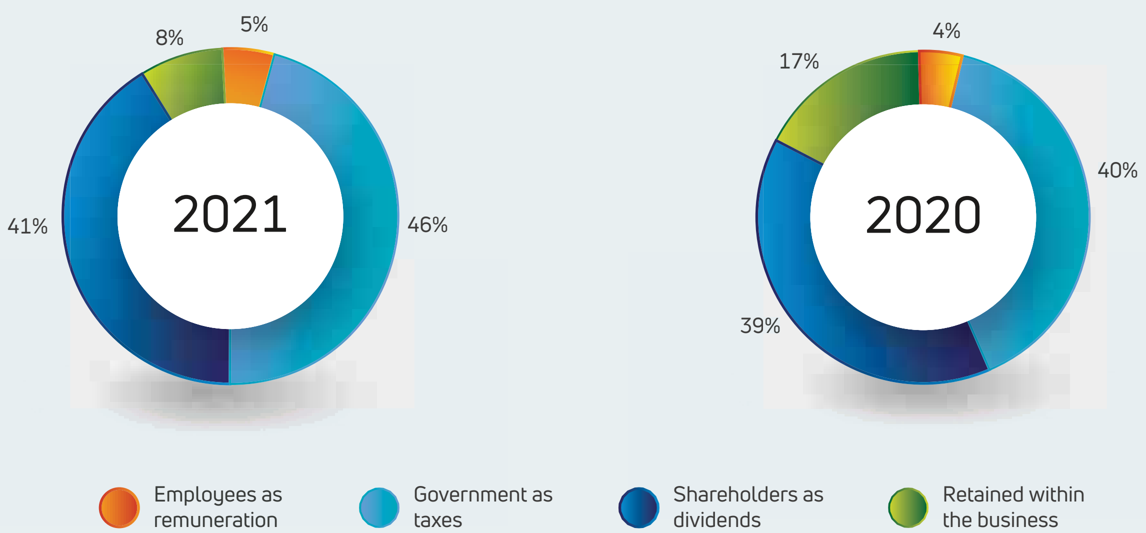
EPS analysis
(Rs)



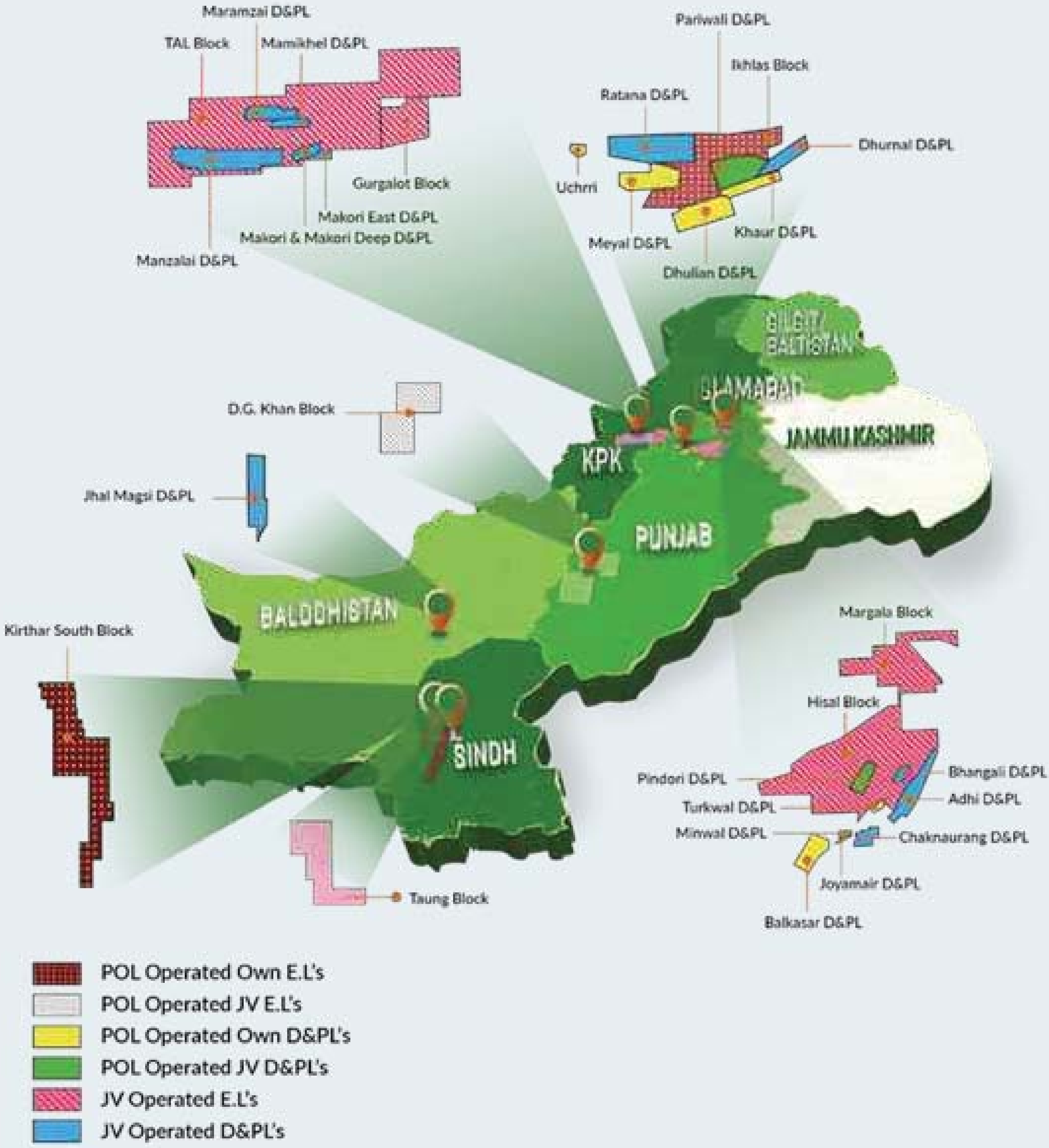
STATEMENT OF VALUE ADDITION

	2021	2020
	Rupees (000)	
Gross revenue	39,481,675	40,184,437
Less: Operating and exploration expenses	6,181,025	8,537,235
	33,300,650	31,647,202
Add: Income from investments	2,026,288	3,217,859
Other income	(487,376)	1,417,345
Total value added	34,839,562	36,282,406
Distributed as follows:		
Employees remuneration	1,589,835	1,601,671
Government as:		
Company taxation	7,296,079	5,358,546
Sales tax	3,167,504	3,365,841
Excise duty	272,314	279,055
Royalty	3,907,673	4,010,063
Workers' funds	1,545,323	1,382,967
	16,188,893	14,396,472
Shareholders as:		
Dividend	14,192,755	14,192,755
Retained in business:		
Depreciation	1,466,825	1,498,587
Amortization	2,211,754	2,409,826
Net earnings	(810,500)	2,183,095
	2,868,079	6,091,508
	34,839,562	36,282,406
Distribution of Value Addition:		
Employees as remuneration	1,589,835	1,601,671
Government as taxes	16,188,893	14,396,472
Shareholders as dividends	14,192,755	14,192,755
Retained within the business	2,868,079	6,091,508
	34,839,562	36,282,406

Distribution of value addition



GEOGRAPHICAL PRESENCE



REPORT OF THE AUDIT COMMITTEE

FOR THE YEAR ENDED JUNE 30, 2021

The Committee comprises of members possessing appropriate financial acumen and relevant Oil & Gas experience. The Audit Committee has concluded its annual review of the conduct and operations of the Company during 2020-21, and reports that:

- The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the A. F. Ferguson & Co (external auditors) of the Company.

- Appropriate accounting policies have been consistently applied. All core & other applicable International financial reporting standards were followed in preparation of financial statements of the Company and consolidated financial statements on a going concern basis, for the financial year ended June 30, 2021, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equities of the Company and its subsidiaries for the year under review.

- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017. The external reporting is consistent with management processes and adequate for shareholder needs.

- The Audit Committee has reviewed all related party transactions and has recommended to the board for approval.

- The Chief Executive and the Chief Financial Officer have endorsed the financial statements of the Company, Consolidated financial statements and related party transactions. They acknowledge their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.

- All directors have access to the Company Secretary. All direct or indirect trading and holdings of Company's shares by Directors & executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholdings. The Annual Secretarial Compliance Certificates are being filed regularly within stipulated time.

- Closed periods were duly determined and announced by the Company, precluding Directors, Chief Executive and executives of the Company from dealing in Company's shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.

- The internal control framework has been effectively complemented by an independent in-house Internal Audit function established by the Board which is independent of the External Audit function.

- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.

- The Internal Audit function has carried out its duties as defined by the Committee. The Committee has reviewed material Internal Audit findings, taking appropriate action or bringing the matters to the Board's attention, where required.

- The Head of Internal Audit has direct access to the Chairman of the Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.

- Coordination between the external and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

- The external auditors of the Company have completed the audit of the Company's financial statements, the consolidated financial statements" and the statement of compliance with the Code of Corporate Governance for the financial year ended June 30, 2021 and shall retire on the conclusion of the 70th Annual General Meeting (AGM).

- The Audit Committee has reviewed and discussed Internal Control Memorandum (ICM) with external auditors.

- The external auditors have been allowed direct access to the Committee and the effectiveness, independence and objectivity of the auditors has thereby been ensured. The auditors attended the AGM of the Company during the year and have confirmed attendance for the 70th AGM scheduled for September 22, 2021.

- The external auditors have indicated their willingness to continue as external auditors of the Company and have confirmed their compliance with the code of ethics issued by International Federation of Accountants and adopted by Institute of Chartered Accounts of Pakistan (ICAP). Further they have also confirmed that they have satisfactory rating under the Quality Control Program of ICAP and are registered with Audit Oversight Board of Pakistan. The external auditors have no financial or other relationship of any kind with the Company except that of external auditors.

- Being eligible for reappointment as external auditors of the Company, the Audit Committee has recommended the appointment of A. F. Ferguson & Co., Chartered Accountants as external auditors of the Company for the year ending June 30, 2022.

Shamim Ahmad Khan
Chairman Audit Committee

Rawalpindi
August 10, 2021

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF PAKISTAN OILFIELDS LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Pakistan Oilfields Limited (the Company) for the year ended June 30, 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2021.

Further, we highlight content of paragraph 1 of the statement where the matter of representation of female director on the Board of Directors of the Company has been explained.

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Chartered Accountants
Islamabad
Date: August 11, 2021

Statement of Compliance with Listed Companies

(Code of Corporate Governance) Regulations, 2019

FOR THE YEAR ENDED JUNE 30, 2021

THE COMPANY HAS COMPLIED WITH THE REQUIREMENTS OF THE REGULATIONS IN THE FOLLOWING MANNERS:

1. The total number of directors are seven as per the following, -

    a. Male: 7

    b. Female: None

    The regulation related to representation of female director on the Board is not yet applicable as the manner and terms and conditions are not specified by the Securities and Exchange Commission of Pakistan at the time of election of Directors of the Company.

2. The composition of the Board is as follows:

Category	Names
i. Independent Directors ***	Mr. Shamim Ahmad Khan Mr. Tariq Iqbal Khan
ii. Other Non-Executive Directors	Mr. Laith G. Pharaon * Mr. Wael G. Pharaon** Mr. Abdus Sattar
iii. Executive Directors	Mr. Shuaib A. Malik Mr. Sajid Nawaz

* Alternate Director Mr. Shuaib A. Malik, Chairman & Chief Executive Pakistan Oilfields Limited

** Alternate Director Mr. Babar Bashir Nawaz

*** Best practices of corporate governance entail having an optimal number and mix of board members with adequate skills and experience.

The current Board of Directors of the Company adequately meets this requirement. Further, existing independent directors play an effective part within the Board and make valuable contribution. Therefore, the fraction (2.3) has not been rounded up.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Out of seven directors, five directors meet the exemption requirement of the Directors' Training Program and two directors have obtained the Directors' Training Program certification in prior years;

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. The Company Secretary and Chief Financial Officer is the same person, however, duties of both positions are distinct and clearly

spelled out. Since long both these positions are handled by one person who has in-depth knowledge required by both positions and the Company is very much satisfied. Further, it has less financial burden on the Company.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Name	Role
Mr. Shamim Ahmad Khan	Chairman
Mr. Abdus Sattar	Member
Mr. Babar Bashir Nawaz	Member
Mr. Tariq Iqbal Khan	Member

b) HR and Remuneration Committee

Name	Role
Mr. Babar Bashir Nawaz	Chairman *
Mr. Shuaib A. Malik	Member
Mr. Abdus Sattar	Member

* Chairman of HR & Remuneration Committee is a non-executive director having vast experience of management and the Board considers him the most suitable for this position who has the required knowledge and experience.

A constitutional petition filed by the Company is currently pending in the Sindh High Court challenging compliance with below mentioned requirements and to declare that the impugned provisions, namely Section 166, proviso to Section 154 of the Companies Act 2017; Regulations 6,7,9,16,28 and 29 of the Listed Companies (Code of Corporate Governance) Regulations, 2017 [which are now replaced by Regulation 6, 7, 9, 27, 28 (Regulation 16 of 2017 Regulations deleted) of the Listed Companies (Code of Corporate Governance) Regulations, 2019]; S.R.O 556(i)/2018; and S.R.O 73(i)/2018 relating to appointment of independent directors on the Board of Directors, appointment of independent director as Chairman of the Audit Committee and HR & Remuneration Committee, appointment of female director on the Board and appointment of separate persons as Chairman of the Board and Chief Executive of the Company are illegal and unconstitutional and to strike them down; and to further declare that shareholders are lawfully entitled to elect Directors and to elect a Chairman of the Board of Directors without reference to the impugned provisions. The law officer of Securities and Exchange Commission of Pakistan has undertaken that no action contrary to the law would be taken against the Company.

The Chairman and Chief Executive is the same person. The duties of both positions are distinct and clearly spelled out. These positions are handled by one person since long who is managing the affairs of the Company successfully. He has exhaustive knowledge and experience of the Company's business and the Board is very much satisfied and considers him the most suitable person for these positions.

The Board itself has constituted Audit Committee and HR & Remuneration Committee and also feels that there is no need to have separate Nomination Committee.

The Board itself and through its Audit Committee continuously reviews business risks facing the Company to ensure that a sound system of risk identification, risk management and implementation of related systemic and internal controls exists. Major risks and mitigating factors are also published in annual report of the Company. The Board feels that there is no need to have separate Risk Management Committee.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/ half yearly/ yearly) of the committee were as per following:

Committee	Frequency
Audit Committee	Quarterly
HR and Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. Also refer paragraph 1 of the Statement.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been given in paragraph 10 & 12.

SHUAIB A. MALIK
Chairman & Chief Executive

ABDUS SATTAR
Director

Rawalpindi
August 11, 2021

Financial Statements

For the year ended June 30, 2021

INDEPENDENT AUDITOR'S REPORT

To the members of Pakistan Oilfields Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Pakistan Oilfields Limited (the Company), which comprise the statement of financial position as at June 30, 2021, and the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows 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, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows 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, 2021 and of the profit and other comprehensive loss, the changes in equity and its cash flows 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following are the key audit matters:

S.No.	Key Audit Matters	How the matter was addressed in our audit
(i)	**Analysis of impairment of development and decommissioning costs and exploration and evaluation assets** *(Refer note 13 and 14 to the financial statements)* *As at June 30, 2021, the development and decommissioning costs amounted to Rs 13,672 million and exploration and evaluation assets amounted to Rs 512 million.* *The Company assesses at the end of each reporting period whether there is any indication that a Cash Generating Unit (CGU) may be impaired.* *Where impairment indicator is triggered for any CGU, an impairment test is performed by the Company based on estimates of the value in use of that CGU.* *The calculation of value in use of development and decommissioning costs requires the exercise of significant management's estimates and judgements on certain assumptions such as (i) estimation of the volume of oil and gas recoverable reserves; (ii) estimation of future oil and gas prices; (iii) cost profiles and inflation applied; (iv) foreign exchange rates; and (v) discount rates.* *We considered this matter as key audit matter due to significant value of the related assets at reporting date and due to significance of judgements used by management.*	Our audit procedures in relation to management's impairment test, amongst others, included the following: • Assessed the methodology used by management to estimate value in use of each CGU; • Assessed the assumptions of cash flow projections in calculation of the value in use of CGUs, challenging the reasonableness of key assumptions i.e. oil and gas reserves, oil and gas prices, production costs, foreign exchange rates and discount rates based on our knowledge of the business and industry by comparing the assumptions to historical results, and published market and industry data; • Assessed the impairment indicators as per IFRS 6 "Exploration for and Evaluation of Mineral Resources" for material balances included in exploration and evaluation assets; • Performed sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in assumptions relating to oil and gas prices, discount rate and other assumptions and; • Assessed the appropriateness of disclosures made in the financial statements.

S.No.	Key Audit Matters	How the matter was addressed in our audit
(ii)	**Recognition of Revenue** *(Refer note 4.24 and 23 to the financial statements)* The Company is engaged in the production and sale of oil and gas resources. The Company recognised net sales during the year from the sale of crude oil, natural gas and POLGAS – Refill of cylinders amounting to Rs 17,940 million, Rs 11,714 million and Rs 6,190 million respectively. Revenue is recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is measured at the fair value of the consideration to which the Company expects to be entitled in exchange for transferring good/ services. Effect of adjustments, if any, arising from revision in sale prices is reflected as and when the prices are finalised with the customers and / or approved by Government of Pakistan. We considered this as key audit matter due to the significance of the amounts requiring significant time and resource to audit due to magnitude, inherent risk of material misstatement and revenue being a key economic indicator of the Company.	Our audit procedures in relation to the matter, amongst others, included the following: • Assessed the design, implementation and operating effectiveness of the relevant key internal controls over revenue recognition from the sale of products; • Performed test of details on sample basis for sales transactions by inspecting respective invoices, delivery challans and acknowledgement of customers; • Checked on sample basis, notifications of OGRA for natural gas and POLGAS prices. For POLGAS, also checked on sample basis Company's mechanism for the calculation of price based on OGRA's notification. Performed, on a sample basis, recalculation of crude oil and natural gas prices in accordance with applicable petroleum policies / agreements / decision of Economic Coordination Committee of the Cabinet; • Where pricing is provisional / sales agreement not finalised, (a) inspected correspondence with the customers and relevant government authorities during the year and held discussions with the Company; (b) inspected term sheets etc; and (c) checked price recorded is in line with applicable petroleum policy / agreed with the customers; • Assessed sales transactions on either side of the statement of financial position date to assess whether they are recorded in relevant accounting period; • Performed analytical procedures to analyse variation in the price and quantity sold during the year; • Tested journal entries related to revenue recognized during the year based on identified risk criteria; and • Assessed the appropriateness of disclosures made in the financial statements.

S.No.	Key Audit Matters	How the matter was addressed in our audit
(iii)	**Litigation with respect to conversion of TAL Block petroleum concession to Petroleum Policy 2012** *(Refer note 23 to the financial statements)* The Ministry of Energy (Petroleum Division) issued a notification dated December 27, 2017 (SRO) which required that the Supplemental Agreement already executed in respect of TAL block for conversion of petroleum concession from Petroleum Exploration and Production Policy 1997 to Petroleum Exploration and Production Policy 2012 shall be amended (within 90 days) to include Windfall Levy on Oil and Condensate (WLO), failing which the working interest owners will not remain eligible for gas price incentive as per Petroleum Policy 2012. The impugned notification was issued after the approval of Council of Common Interest (CCI) dated November 24, 2017. The Company challenged the said notification in the Islamabad High Court and the matter is pending before the Court in principle on the ground that an already executed arrangement cannot be retrospectively altered unilaterally. The Honourable Court has restrained the Government for any action under the impugned notification and to maintain status quo. Company's contention is duly supported by the legal advice on the matter. The supplemental agreement was signed under the conversion package where gas price was enhanced and WLO was not applicable. The impugned SRO, by giving retrospective effect, amounted to taking away the vested rights already accrued in favour of the Company. As per the legal opinion Government has no authority to give any law or policy a retrospective effect. The Company has not recognised the revenue (net of sales tax) to the extent of Rs 16,196 million since inception to June 30, 2021 on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 and will be accounted for upon resolution of this matter. We considered this as key audit matter due to the significant amounts involved and significant judgments made by management regarding the matter.	Our audit procedures in relation to the matter, amongst others, included the following: • Inspected Petroleum Concession Agreement (PCA) and Supplemental Agreements signed with the Government of Pakistan; • Checked SRO issued by the Ministry of Energy; • Checked relevant clauses of Petroleum Exploration & Production Policy 2012 for applicability of WLO; • Discussed the matter with directors, management and internal legal department of the Company; • Obtained confirmation from the Company's external legal advisor and checked legal opinion obtained by the Company and the order issued by the Islamabad High Court; • Evaluated technical ability of the internal and external legal advisors used by the Company; • Assessed the matter under applicable accounting frame work; and • Assessed the appropriateness of disclosures made in the financial statements in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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:

- 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Iqbal.

Affergusona Co.

Chartered Accountants

Islamabad
Date: August 11, 2021

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Note	2021	2020
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorized capital	6	5,000,000	5,000,000
Issued, subscribed and paid up capital	6	2,838,551	2,838,551
Revenue reserves	7	36,523,512	37,428,319
		39,362,063	40,266,870
NON CURRENT LIABILITIES			
Long term deposits	8	873,412	861,129
Deferred liabilities	9	19,978,319	20,026,985
		20,851,731	20,888,114
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	10	25,695,393	23,409,306
Unclaimed dividend		244,495	214,307
Provision for income tax		8,190,071	6,817,328
		34,129,959	30,440,941
CONTINGENCIES AND COMMITMENTS	11		
		94,343,753	91,595,925

	Note	2021	2020
		Rupees ('000)	
NON CURRENT ASSETS			
Property, plant and equipment	12	6,680,280	7,542,399
Development and decommissioning costs	13	13,672,675	12,355,617
Exploration and evaluation assets	14	512,223	2,773,514
		20,865,178	22,671,530
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES	15	9,615,603	9,615,603
LONG TERM LOANS AND ADVANCES	16	37,146	26,723
CURRENT ASSETS			
Stores and spares	17	4,658,543	4,497,755
Stock in trade	18	277,531	399,205
Trade debts	19	7,338,531	7,633,883
Advances, deposits, prepayments and other receivables	20	3,979,015	3,696,360
Other financial assets	21	-	6,519
Short term investments - at amortised cost		-	6,367,740
Cash and bank balances	22	47,572,206	36,680,607
		63,825,826	59,282,069
		94,343,753	91,595,925

The annexed notes 1 to 45 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		Rupees ('000)	
SALES		39,481,675	40,184,437
Sales tax		(3,167,504)	(3,365,841)
Excise duty		(272,314)	(279,055)
NET SALES	23	36,041,857	36,539,541
Operating costs	24	(8,289,319)	(7,751,346)
Royalty		(3,907,673)	(4,010,063)
Amortization of development and decommissioning costs	25	(2,211,754)	(2,409,826)
		(14,408,746)	(14,171,235)
GROSS PROFIT		21,633,111	22,368,306
Exploration costs	26	(494,255)	(1,405,418)
		21,138,856	20,962,888
Administration expenses	27	(194,508)	(192,321)
Finance costs - net	28	(259,603)	(2,211,617)
Other charges	29	(1,545,323)	(1,382,967)
		(1,999,434)	(3,786,905)
		19,139,422	17,175,983
Other income - net	30	1,538,912	4,558,413
PROFIT BEFORE TAXATION		20,678,334	21,734,396
Provision for taxation	31	(7,296,079)	(5,358,546)
PROFIT FOR THE YEAR		13,382,255	16,375,850
Earnings per share - Basic and diluted (Rupees)	38	47.14	57.69

The annexed notes 1 to 45 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	Rupees ('000)	
Profit for the year	13,382,255	16,375,850
Other comprehensive income for the year		
Items that will not be reclassified to profit or loss		
Remeasurement (loss)/gain on staff retirement benefit plans	(134,725)	18,255
Tax credit/(charge) relating to remeasurement (loss)/gain on staff retirement benefit plans	40,418	(5,477)
	(94,307)	12,778
Items that may be subsequently reclassified to profit or loss	-	-
Other comprehensive income for the year, net of tax	(94,307)	12,778
Total comprehensive income for the year	13,287,948	16,388,628

The annexed notes 1 to 45 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

	Share capital	Revenue reserves			Total
		Insurance reserve	Investment reserve	Unappropriated profit	
			Rupees ('000)		
Balance at June 30, 2019	2,838,551	200,000	1,557,794	33,474,652	38,070,997
Total comprehensive income for the year:					
Profit for the year	-	-	-	16,375,850	16,375,850
Other comprehensive income	-	-	-	12,778	12,778
	-	-	-	16,388,628	16,388,628
Transactions with owners:					
Final dividend @ Rs 30 per share - Year ended June 30, 2019	-	-	-	(8,515,653)	(8,515,653)
Interim dividend @ Rs 20 per share - Year ended June 30, 2020	-	-	-	(5,677,102)	(5,677,102)
Total transactions with owners	-	-	-	(14,192,755)	(14,192,755)
Balance at June 30, 2020	2,838,551	200,000	1,557,794	35,670,525	40,266,870
Total comprehensive income for the year:					
Profit for the year	-	-	-	13,382,255	13,382,255
Other comprehensive (loss)	-	-	-	(94,307)	(94,307)
	-	-	-	13,287,948	13,287,948
Transactions with owners:					
Final dividend @ Rs 30 per share - Year ended June 30, 2020	-	-	-	(8,515,653)	(8,515,653)
Interim dividend @ Rs 20 per share - Year ended June 30, 2021	-	-	-	(5,677,102)	(5,677,102)
Total transactions with owners	-	-	-	(14,192,755)	(14,192,755)
Balance at June 30, 2021	2,838,551	200,000	1,557,794	34,765,718	39,362,063

The annexed notes 1 to 45 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		Rupees ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		37,039,720	40,012,595
Operating and exploration costs paid		(7,499,416)	(8,760,824)
Royalty paid		(3,832,987)	(4,138,877)
Taxes paid		(6,227,800)	(3,850,337)
Cash provided by operating activities	33	19,479,517	23,262,557
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(1,733,434)	(6,736,725)
Proceeds from disposal of property, plant and equipment		31,368	7,356
Income on bank deposits and investments at amortised cost		2,088,494	3,061,397
Redemption of/ (investment in) mutual funds - net		6,548	807,005
Dividend income received		58,868	154,845
Cash generated from / (used) in investing activities		451,844	(2,706,122)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(14,162,567)	(14,169,614)
EFFECT OF EXCHANGE RATE CHANGES		(1,244,935)	900,086
INCREASE IN CASH AND CASH EQUIVALENTS		4,523,859	7,286,907
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		43,048,347	35,761,440
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	37	47,572,206	43,048,347

The annexed notes 1 to 45 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

1. LEGAL STATUS AND OPERATIONS

Pakistan Oilfields Limited (the Company) is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas in Pakistan. Its activities also include marketing of liquefied petroleum gas under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attack Oil Company Limited, UK and its ultimate parent is Coral Holding Limited.

Geographical location and addresses of all other business units of the Company have been disclosed in note 42.

2. STATEMENT OF COMPLIANCE

These are separate financial statements of the Company. These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments)	January 1, 2023
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IAS 16	Property, Plant and Equipment (Amendments)	January 1, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
IFRS 3	Business Combinations (Amendments)	January 1, 2022
IFRS 7	Financial Instruments : Disclosures (Amendments)	January 1, 2021
IFRS 9	Financial Instruments (Amendments)	January 1, 2021
IFRS 16	Leases (Amendments)	January 1, 2021

The management anticipates that adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

3.2 Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 17	Insurance contracts

3.3 The following interpretation issued by the IASB has been waived off by SECP:

IFRIC 12	Service concession arrangements

3.4 As per Securities and Exchange Commission of Pakistan (SECP) SRO 985 (1)/ 2019, dated September 2, 2019, for companies holding financial assets due from Government of Pakistan, the requirements contained in IFRS 9 with respect to expected credit losses method shall not be applicable till June 30, 2021, provided that such companies shall follow relevant requirements of IAS 39 – Financial Instruments: Recognition and Measurement, in respect of above referred financial assets during the exemption period. The Company has assessed that the above SRO does not have any significant impact on its financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.

4.2 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Company has a single reportable segment as the Board of Directors views the Company's operations as one reportable segment.

4.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistan Rupees, which is the Company's functional currency.

4.4 Foreign currency transactions and translation

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of transaction. All assets and liabilities in foreign currencies are translated into rupees at the rates of exchange ruling on the date of the statement of financial position. Exchange differences are dealt with through the statement of profit or loss.

4.5 Taxation

Provision for current taxation is based on taxable income at applicable tax rates, adjusted for royalty payments to the Government.

Deferred tax is accounted for on all temporary differences using the liability method. Deferred tax liability has been calculated at the estimated effective rate of 30% after taking into account availability of future depletion allowance and set off available in respect of royalty payments to the Government.

4.6 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

4.7 Provision for decommissioning costs

Provision for decommissioning costs is recognized in full for development wells and production facilities. The amount recognized is the present value of the estimated cost to abandon a well and remove production facilities. A corresponding intangible asset of an amount equivalent to the provision is also created and is amortized on unit of production basis over the total proved developed reserves of the field or @ 5% where the life of a field is more than 20 years.

Most of these abandonment and removal events are many years in the future and the precise requirements that will have to be met when the abandonment and removal event actually occurs are uncertain. Abandonment and asset removal technologies and costs are constantly changing, as are political, environmental, safety and public expectations. Consequently, the timing and amount of future cash flows are subject to significant uncertainty.

The timing and amount of future expenditures are reviewed annually, together with the interest rate to be used in discounting the cash flows. Any difference between the liability recognized and actual costs incurred are charged/credited to statement of profit or loss in the year of decommissioning.

The effect of changes resulting from revisions to the estimate of the liability are incorporated on a prospective basis.

The decommissioning cost has been discounted at a real discount rate of 1.30% (2020: 1.65%) per annum.

4.8 Employee compensated absences

The Company provides for compensated absences for all eligible employees in accordance with the rules of the Company.

4.9 Staff retirement benefits

The Company operates the following staff retirement benefits plans:

(i) A pension plan for its management staff and a gratuity plan for its management and non-management staff. The pension and gratuity plans are invested through approved trust funds. Both are defined benefit final salary plans. The pension and gratuity plans are complementary plans for management staff. Pension payable to management staff is reduced by an amount determined by the actuary equivalent to amount paid by the gratuity fund. Management staff hired after January 1, 2012 are only entitled to benefits under gratuity fund. Actuarial valuations are conducted annually using the "Projected Unit Credit Method" and the latest valuation was conducted as at June 30, 2021.

Actuarial gain and losses arising from experience adjustments and change in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in statement of profit or loss.

Since both are complementary plans, combined details and valuation for pension plan and gratuity plan are given in note 36.

(ii) Separate approved contributory provident funds for management and non-management employees for which contributions are made by the Company and the employee at the rate of 10% of basic salary.

(iii) These include charge against employee retirement benefits of Rs 88,660 thousand (2020: Rs 103,205 thousand).

4.10 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

4.11 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.12 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for freehold land and capital work in progress, which are stated at cost.

Depreciation is provided on straight line method at rates specified in note 12.1 to the financial statements. Depreciation is charged on additions from the month the assets become available for the intended use up to the month in which these are derecognized.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains and losses on derecognition of assets are included in income currently.

4.13 Exploration assets/ costs and development costs

4.13.1 Exploration and development costs are accounted for using the "Successful Efforts Method" of accounting.

4.13.2 Exploration costs

All exploration costs, other than those relating to exploratory drilling, are charged to income as incurred. Exploratory drilling costs i.e. costs directly associated with drilling of an exploratory well, are initially capitalized pending determination of proven reserves. These costs are either charged to income if no proved reserves are found or transferred to development costs after impairment loss, if proved reserves are found.

All capitalized costs are subject to review for impairment at least once a year and any impairment determined is immediately charged to income.

4.13.3 Development costs

Development costs are stated at cost less accumulated amortization and impairment losses. Expenditure on drilling of development wells, including unsuccessful development wells, is capitalized within development costs. Capitalized development costs are amortized on a unit of production basis over the total proved developed reserves of the field or @ 5% per annum where the life of the field is more than 20 years.

4.14 Investments in subsidiary and associated companies

These are carried at cost less impairment losses. The profits and losses of the subsidiary and associated companies are carried forward in the financial statements of the subsidiary and associated companies and not dealt within or for the purpose of these financial statements except to the extent of dividend declared by the subsidiary and associated companies. Gain and loss on disposal of investment is included in income currently.

4.15 Stores and spares

Stores and spares are valued at cost determined on moving average formula less allowance for obsolete items. Stores in transit are stated at invoice value plus other charges paid thereon.

4.16 Stock in trade

Stocks are valued at the lower of average annual cost (including appropriate production overheads) and net realizable value. Net realizable value is determined on the basis of estimated selling price of the product in the ordinary course of business less costs necessary to be incurred for its sale.

4.17 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no new impairment loss had been recognized. An impairment loss or reversal of impairment loss is recognized in income for the year.

4.18 Trade debts and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less loss allowance. Refer note 4.21 for a description of the Company's impairment policies.

4.19 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

4.20 Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

(i) Amortised cost where the effective interest rate method will apply;

(ii) Fair value through profit or loss (FVTPL); and

(iii) Fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company can classify its debt instruments:

a) Amortised cost

Financial assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue, and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in statement of profit or loss.

4.21 Impairment of financial assets

The Company assesses on a historical as well as on a forward looking basis the expected credit losses (ECL) as associated with its trade debts, deposits and other receivables and cash and bank balances carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a lifetime expected loss allowance while general 3-stage approach for deposits and other receivables and cash and bank balances i.e to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Advances, deposits and other receivables
- Cash and bank balances
- Short term investments

(i) Simplified approach for trade debts

The Company recognises lifetime ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts with individually significant balance are separately assessed for ECL measurement. All other receivables are grouped and assessed collectively based on shared credit risk characteristics and the days past due. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure that constituents of each group continue to share similar credit risk characteristics.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Write-off

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

(ii) General approach for short term investment, deposits and other receivables and cash and bank balances.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

Irrespective of the above analysis, in case of trade debts, the Company considers that default has occurred when the debt is more than 365 days past due, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit - impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4.22 Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or they expire.

4.23 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to setoff the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.24 Revenue recognition

Revenue is recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognised as follows:

a) Crude oil, upon delivery to customer;
b) Natural gas, upon delivery to the customer; and
c) Liquefied Petroleum Gas (LPG), upon delivery to distributors at LPG plant facility

Revenue is measured at the fair value of the consideration to which the Company expects to be entitled in exchange for transferring goods/services. Prices of crude oil and gas are calculated in accordance with Petroleum Concession Agreements/Petroleum Policy/or as notified by the Government Authorities. Effect of adjustment, if any, arising from revision in sale price is reflected as and when the prices are finalized with the customers and/or approved by the Government.

Billings are generally raised in the following month which are payable within 30 to 45 days in accordance with the contractual arrangement with customers.

Income on investments at amortised costs and bank deposits is recognized on time proportion basis using the effective yield method.

Dividend income is recognized when the right to receive dividend is established.

4.25 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual right and obligations of the parties to the arrangement. The Company has assessed the nature of its joint arrangements and determined them to be joint operations. The Company has recognized its share of assets, liabilities, income and expenditure jointly held or incurred under the joint operations on the basis of latest available audited accounts of the joint operations and where applicable, the cost statements received from operators of the joint arrangements for the intervening period up to the statement of financial position date.

4.26 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, and finances under mark up arrangements.

4.27 Dividend distribution

Dividend distribution to the shareholders is accounted for in the period in which dividend is declared.

4.28 Leases

4.28.1 Right of use asset

The Company assesses whether a contract is or contains a lease at inception of the contract. If the Company assesses contract contains a lease and meets requirements of IFRS 16, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

4.28.2 Lease liability

If applicable, the lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or

if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following:

a. fixed payments, including in-substance fixed payments;
b. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

c. amounts expected to be payable under a residual value guarantee; and
d. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments are recongnised in profit or loss in the period in which the condition that triggers those payments occurs.

The Company has opted not to recognize right of use asssets for short-term leases i.e. leases with a term of twelve(12) months or less. The payments associated with such leases are recognized in profit or loss when incurred.

4.28.3 During the year Rs 421,660 thousand (2020: Rs 998,207 thousand) have been capitalised in Development & Decommissioning costs and Exploration & Evaluation assets in respect of short-term leases.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

i) Estimated crude oil/gas reserves used for amortization of development and decommissioning costs - note 4.13 and 13

ii) Estimated useful life of property, plant and equipment - note 4.12 and 12.1

iii) Estimated costs, discount and inflation rate used for provision for decommissioning costs - note 4.7 and 9.2

iv) Estimated value of staff retirement benefits obligations - note 4.9 and 36

v) Provision for taxation - note 4.5 and 31

vi) Price adjustment related to crude oil sales - note 4.24 and 23

vii) Impairment of financial assets - note 4.21

viii) Right of use asset and corresponding lease liability - note 4.28

		2021	2020
		Rupees ('000)	
6.	**SHARE CAPITAL**		
	Authorized capital		
	500,000,000 (2020: 500,000,000) ordinary shares of Rs 10 each	5,000,000	5,000,000
	Issued, subscribed and paid up capital		
	Shares issued for cash		
	20,200,000 (2020: 20,200,000) ordinary shares	202,000	202,000
	Shares issued as fully paid bonus shares		
	263,655,104 (2020: 263,655,104) ordinary shares	2,636,551	2,636,551
	283,855,104 (2020: 283,855,104) ordinary shares of Rs 10 each	2,838,551	2,838,551

6.1 The Company is a subsidiary of The Attock Oil Company Limited which held 149,794,518 (2020: 149,794,518) ordinary shares at the year end.

		2021	2020
		Rupees ('000)	
7.	**REVENUE RESERVES**		
	Insurance reserve - note 7.1	200,000	200,000
	Investment reserve - note 7.2	1,557,794	1,557,794
	Unappropriated profit	34,765,718	35,670,525
		36,523,512	37,428,319

7.1 The Company has set aside an insurance reserve for self insurance of assets which have not been insured and for deductibles against insurance claims.

7.2 The Company has set aside gain on sale of investments as investment reserve to meet any future losses/ impairment on investments.

		2021	2020
		Rupees ('000)	
8.	**LONG TERM DEPOSITS**		
	Security deposits from distributors for cylinders/ equipment	823,238	807,977
	Security deposits from distributors and others	50,174	53,152
		873,412	861,129

8.1 Amount received as security deposit is kept in a separate bank account and utilized/utilizable by the Company in accordance with the related agreements with customers.

		2021	2020
		Rupees ('000)	
9.	**DEFERRED LIABILITIES**		
	Provision for deferred income tax - note 9.1	5,585,793	5,930,675
	Provision for decommissioning costs - note 9.2	14,389,227	14,089,542
	Provision for staff compensated absences	3,299	6,768
		19,978,319	20,026,985

9.1 Provision for deferred income tax

The provision for deferred income tax represents:

	2021	2020
Temporary differences between accounting and tax depreciation/ amortization	5,907,912	6,194,355
Provision for stores and spares	(191,873)	(173,851)
Provision for doubtful receivable	(93)	(93)
Deferred tax on remeasurement (loss) on staff retirement benefit plans	(130,153)	(89,736)
	5,585,793	5,930,675

9.2 Provision for decommissioning costs

	2021	2020
Balance brought forward	14,089,542	11,811,608
Revision due to change in estimates - note 9.2.1	(193,498)	65,806
Provision made during the year	335,429	173,660
Unwinding of discount	1,123,961	1,594,927
Exchange (gain) / loss	(869,170)	611,283
Decommissioning cost incurred during the year	(97,037)	(167,742)
	14,389,227	14,089,542

9.2.1 Revision due to change in estimates

	2021	2020
Charged to related asset - note 13	38,574	274,982
Revision in excess of related asset credited to statement of profit or loss - note 25	(232,072)	(209,176)
	(193,498)	65,806

		2021	2020
		Rupees ('000)	
10.	**TRADE AND OTHER PAYABLES**		
	Creditors	451,264	480,174
	Due to related parties		
	Attock Hospital (Pvt) Limited	3,234	2,779
	Attock Petroleum Limited	23,314	-
	Capgas (Pvt) Limited	230	373
	Attock Energy Private Limited	1,239	-
	Attock Refinery Limited	10,462	-
	National Refinery limited	8,292	-
	Attock Leisure and Management Associates (Private) Limited	491	63
	Management Staff Pension Fund - note 36	126,441	24,713
	Staff Provident Fund	-	35
	General Staff Provident Fund	-	514
	Workers' Profit Participation Fund - note 10.1	1,156,615	1,090,364
	Due to joint operating partners		
	The Attock Oil Company Limited	35,838	20,164
	Others	905,978	1,748,469
	Accrued liabilities	2,275,670	3,307,805
	Advances from customers	63,326	101,668
	Royalty payable to Government of Pakistan	582,863	508,177
	Excise duty	3,940	3,821
	Petroleum levy payable	13,671	28,222
	Workers' Welfare Fund	1,067,834	691,621
	Liability for staff compensated absences	15,239	10,792
	Other liabilities - note 10.2	18,949,452	15,389,552
		25,695,393	23,409,306
10.1	**Workers' Profit Participation Fund**		
	Payable at beginning of the year	1,090,364	1,329,220
	Amount allocated during the year	1,169,110	1,102,265
	Amount paid to the Fund's trustees	(1,102,859)	(1,341,121)
	Payable at end of the year	1,156,615	1,090,364

10.2 This represents payment received from a customer on account of additional revenue and related sales tax due to enhanced gas price incentive as explained in note 23.1.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies:

There were no material contingencies as at June 30, 2021 (2020: Rs Nil).

11.2 Commitments:

	2021	2020
	Rupees ('000)	
Share in joint operations	7,059,703	9,412,940
Own fields	-	297,558
Letter of credit issued by banks on behalf of the Company	95,164	199,199

12. PROPERTY, PLANT AND EQUIPMENT

	2021	2020
Operating assets - note 12.1	6,129,343	7,056,837
Capital work in progress - note 12.5	550,937	485,562
	6,680,280	7,542,399

12.1 Operating assets

	Freehold land	Buildings	Pipelines and pumps	Plant and machinery		Gas cylinders	Motor vehicles	Chattels	Computer and software development	Total
				Field plants	Rigs					
	Rupees ('000)									
As at July 1, 2019										
Cost	20,324	528,400	2,421,162	15,432,422	738,505	804,954	564,202	173,949	483,498	21,167,416
Accumulated depreciation	-	(249,020)	(1,386,016)	(9,579,145)	(549,123)	(585,525)	(491,751)	(128,013)	(451,564)	(13,420,157)
Net book value	20,324	279,380	1,035,146	5,853,277	189,382	219,429	72,451	45,936	31,934	7,747,259
Year ended June 30, 2020										
Opening net book value	20,324	279,380	1,035,146	5,853,277	189,382	219,429	72,451	45,936	31,934	7,747,259
Additions	418	11,418	58,463	611,209	9,861	7,645	34,075	11,269	65,233	809,591
Disposals										
Cost	-	(117)	(6,932)	(14,906)	(3,527)	(6,061)	(1,681)	(1,328)	(615)	(35,167)
Accumulated depreciation	-	51	6,521	14,058	3,527	6,061	1,681	1,301	542	33,742
	-	(66)	(411)	(848)	-	-	-	(27)	(73)	(1,425)
Depreciation charge	-	(22,808)	(191,500)	(1,129,954)	(41,295)	(44,373)	(29,762)	(12,172)	(26,724)	(1,498,588)
Closing net book value	20,742	267,924	901,698	5,333,684	157,948	182,701	76,764	45,006	70,370	7,056,837
As at June 30, 2020										
Cost	20,742	539,701	2,472,693	16,028,725	744,839	806,538	596,596	183,890	548,116	21,941,840
Accumulated depreciation	-	(271,777)	(1,570,995)	(10,695,041)	(586,891)	(623,837)	(519,832)	(138,884)	(477,746)	(14,885,003)
Net book value	20,742	267,924	901,698	5,333,684	157,948	182,701	76,764	45,006	70,370	7,056,837
Year ended June 30, 2021										
Opening net book value	20,742	267,924	901,698	5,333,684	157,948	182,701	76,764	45,006	70,370	7,056,837
Additions	-	5,103	78,375	264,176	67,464	12,985	35,097	9,082	70,187	542,469
Disposals										
Cost	-	(1,608)	(4,756)	(15,771)	(6,753)	(6,069)	(9,646)	(628)	(14,724)	(59,955)
Accumulated depreciation	-	455	4,724	14,461	6,672	6,069	9,099	613	14,724	56,817
	-	(1,153)	(32)	(1,310)	(81)	-	(547)	(15)	-	(3,138)
Depreciation charge	-	(21,124)	(186,692)	(1,095,803)	(41,641)	(44,498)	(29,258)	(11,489)	(36,320)	(1,466,825)
Closing net book value	20,742	250,750	793,349	4,500,747	183,690	151,188	82,056	42,584	104,237	6,129,343
As at June 30, 2021										
Cost	20,742	543,196	2,546,312	16,277,130	805,550	813,454	622,047	192,344	603,579	22,424,354
Accumulated depreciation	-	(292,446)	(1,752,963)	(11,776,383)	(621,860)	(662,266)	(539,991)	(149,760)	(499,342)	(16,295,011)
Net book value	20,742	250,750	793,349	4,500,747	183,690	151,188	82,056	42,584	104,237	6,129,343
Annual rate of Depreciation (%)	-	5	10	10	10	10	20	12.5	25	

12.2 Cost and accumulated depreciation include:

	Cost		Accumulated depreciation	
	2021	2020	2021	2020
	Rupees ('000)			
Share in joint operations operated by the Company	1,527,824	1,456,919	1,340,656	1,300,979
Assets not in possession of the Company				
Share in joint operations operated by				
MOL Pakistan Oil and Gas Company B.V.	11,446,923	11,321,065	8,309,256	7,463,089
Orient Petroleum Inc.	74,383	74,105	64,411	62,475
Oil and Gas Development Company Limited	74,175	73,930	52,068	46,796
Pakistan Petroleum Limited	2,245,926	2,186,976	1,219,546	1,030,068
	13,841,407	13,656,076	9,645,281	8,602,428
Gas cylinders - in possession of distributors*	776,134	764,200	642,538	609,120
	16,145,365	15,877,195	11,628,475	10,512,527

* Due to large number of distributors it is impracticable to disclose the name of each person having possession of these assets, as required by 4th Schedule to the Companies Act, 2017.

12.3 The depreciation charge has been allocated as follows:

	2021	2020
	Rupees ('000)	
Operating cost - Note 24	1,466,825	1,421,796
Other income - Crude transportation income	-	76,791
	1,466,825	1,498,587

12.4 Particulars of Company's immovable property including location and area of land are as follows:

District	Location	Total Area (In acres)
Attock	Khaur	297.59
Attock	Dhulian	746.17
Attock	Meyal	194.44
Chakwal	Balkassar	2.14
Rawalpindi	Rawalpindi	35.76
Rawalpindi	Rawalpindi - (Khaur- Rawalpindi pipe line)	63.35

12.5 Capital work in progress

	Buildings	Plant and machinery / Pipelines and pumps	Computers and software development	Total
		Rupees ('000)		
Balance as at July 1, 2019	1,927	749,644	-	751,571
Additions during the year	3,149	65,051	1,662	69,862
Transfers during the year	(3,936)	(331,935)	-	(335,871)
Balance as at June 30, 2020	1,140	482,760	1,662	485,562
Balance as at July 1, 2020	1,140	482,760	1,662	485,562
Additions during the year	6,712	175,640	24	182,376
Transfers during the year	(3,455)	(111,860)	(1,686)	(117,001)
Balance as at June 30, 2021	4,397	546,540	-	550,937

		2021	2020
		Rupees ('000)	
12.6 Break up of capital work in progress at June 30 is as follows:			
Own fields		7,822	12,256
POLGAS plant		8,908	4,403
Share in joint operations operated by the Company			
Ikhlas Joint Operation		-	20,485
Pindori Joint Operation		323	769
Share in joint operations operated by others			
MOL Pakistan Oil and Gas Company B.V.	- TAL Block	86,235	-
	- Margala Block 3372-20	269	269
Oil and Gas Development Company Limited	- Jhal Magsi D&P Lease	447,380	447,380
Pakistan Petroleum Limited	- Adhi Mining Lease	-	-
		550,937	485,562

13. DEVELOPMENT AND DECOMMISSIONING COSTS

	Development Cost	Decommissioning Cost	Total
		Rupees ('000)	
As at July 1, 2019			
Cost	41,959,950	2,468,124	44,428,074
Accumulated amortization	(31,073,799)	(2,300,689)	(33,374,488)
Net book value	10,886,151	167,435	11,053,586
Year ended June 30, 2020			
Opening net book value	10,886,151	167,435	11,053,586
Additions	3,472,391	173,660	3,646,051
Disposals			
Cost	-	(50,513)	(50,513)
Accumulated amortization	-	50,513	50,513
	-	-	-
Revision due to change in estimates - note 9.2.1	(3,985)	278,967	274,982
Amortization for the year - note 25	(2,497,233)	(121,769)	(2,619,002)
Closing net book value	11,857,324	498,293	12,355,617
As at July 1, 2020			
Cost	45,428,356	2,870,238	48,298,594
Accumulated amortization	(33,571,032)	(2,371,945)	(35,942,977)
Net book value	11,857,324	498,293	12,355,617
Year ended June 30, 2021			
Opening net book value	11,857,324	498,293	12,355,617
Additions	831,510	335,429	1,166,939
Disposals			
Cost	-	(18,955)	(18,955)
Accumulated amortization	-	18,955	18,955
	-	-	-
Revision due to change in estimates - note 9.2.1	(43,667)	82,241	38,574
Wells cost transferred from exploration and evaluation assets - note 14	2,555,371	-	2,555,371
Amortization for the year - note 25	(2,277,654)	(166,172)	(2,443,826)
Closing net book value	12,922,884	749,791	13,672,675
As at June 30, 2021			
Cost	48,771,570	3,268,953	52,040,523
Accumulated amortization	(35,848,686)	(2,519,162)	(38,367,848)
Net book value	12,922,884	749,791	13,672,675

			2021	2020
			Rupees ('000)	
14.	**EXPLORATION AND EVALUATION ASSETS**			
	Balance brought forward		2,773,514	52,761
	Additions during the year		294,080	2,720,753
			3,067,594	2,773,514
	Wells cost transferred to development cost - note 13		(2,555,371)	-
			512,223	2,773,514
14.1	**Break up of exploration and evaluation assets at June 30 is as follows:**			
	Own fields	- Balkassar	-	1,388,951
	Share in joint operations operated by the Company	- DG Khan	512,223	379,587
	Share in joint operations operated by others			
	MOL Pakistan Oil and Gas Company B.V.	- TAL Petroleum Concession (Block 3370-3)	-	1,004,976
			512,223	2,773,514

	2021		2020	
	Percentage holding	Amount Rs ('000)	Percentage holding	Amount Rs ('000)
15. LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES - AT COST				
Subsidiary company				
Unquoted				
Capgas (Private) Limited 344,250 (2020: 344,250) fully paid ordinary shares including 191,250 (2020: 191,250) bonus shares of Rs 10 each	51	1,530	51	1,530
Associated companies				
Quoted				
National Refinery Limited 19,991,640 (2020: 19,991,640) fully paid ordinary shares including 3,331,940 (2020: 3,331,940) bonus shares of Rs 10 each Quoted market value as at June 30, 2021: Rs 10,459,426 thousand (2020: Rs 2,144,703 thousand)	25	8,046,635	25	8,046,635
Attock Petroleum Limited (APL) 6,984,714 (2020: 6,984,714) fully paid ordinary shares including 3,616,314 (2020: 3,616,314) bonus shares of Rs 10 each Quoted market value as at June 30, 2021: Rs 2,242,303 thousand; (2020: Rs 2,131,735 thousand)	7	1,562,938	7	1,562,938
Unquoted				
Attock Information Technology Services (Pvt) Limited (AITSL) 450,000 (2020: 450,000) fully paid ordinary shares of Rs 10 each	10	4,500	10	4,500
		9,615,603		9,615,603

15.1 All subsidiary and associated companies are incorporated in Pakistan. Although the Company has less than 20 percent shareholding in APL and AITSL, these have been treated as associates since the Company has representation on their Board of Directors.

		2021	2020
		Rupees ('000)	
16.	**LONG TERM LOANS AND ADVANCES - CONSIDERED GOOD**		
	Long term loans and advances to employees	58,285	51,511
	Less: Amount due within twelve months, shown under current loans and advances - note 20	21,139	24,788
		37,146	26,723

16.1 Loans and advances to employees are for general purpose and for house rent advance which are recoverable in up to 60 and 36 equal monthly installments respectively and are secured by an amount due to the employee against provident fund. These loans and advances are interest free. These do not include any amount receivable from the Chief Executive and Directors. These loans have not been discounted, as the impact is considered insignificant.

		2021	2020
		Rupees ('000)	
17.	**STORES AND SPARES**		
	Stores and spares - note 17.1	5,298,118	5,077,258
	Less: Provision for slow moving items - note 17.2	639,575	579,503
		4,658,543	4,497,755
17.1	**Stores and spares include:**		
	Share in joint operations operated by the Company	627,650	573,332
	Share in joint operations operated by others (assets not in possession of the Company)	1,670,815	1,703,562
		2,298,465	2,276,894
17.2	**Provision for slow moving items**		
	Balance brought forward	579,503	537,017
	Provision for the year	60,072	42,486
		639,575	579,503

17.3 Stores and spares include items which may result in fixed capital expenditure but are not yet distinguishable.

		2021	2020
		Rupees ('000)	
18.	**STOCK IN TRADE**		
	Crude oil and other products - note 18.1	277,531	399,205

18.1 These include Rs 37,731 thousand (2020: Rs 22,824 thousand) being the Company's share in joint operations.

		2021	2020
		Rupees ('000)	
19.	**TRADE DEBTS - CONSIDERED GOOD**		
	Due from related parties - note 19.1	3,750,557	2,212,489
	Others	3,587,974	5,421,394
		7,338,531	7,633,883
19.1	**Due from related parties**		
	Associated companies		
	Attock Refinery Limited	3,691,129	1,906,780
	National Refinery Limited	49,507	304,969
	Attock Petroleum Limited	9,921	740
		3,750,557	2,212,489

Ageing analysis of trade debts receivable from related parties is given in note 35.3.1 to the financial statements.

The maximum aggregate amount receivable from related parties at the end of any month during the year was Rs 3,750,557 thousand (2020: Rs 6,473,541 thousand).

		2021	2020
		Rupees ('000)	
20.	**ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Loans and advances - considered good		
	Employees - note 16	21,139	24,788
	Suppliers	175,313	103,449
		196,452	128,237
	Trade deposits and short term prepayments		
	Deposits	108,514	75,280
	Short-term prepayments	477,042	289,462
		585,556	364,742
	Interest income accrued	174,767	295,111
	Other receivables		
	Joint operating partners	154,659	498,831
	Due from related parties		
	Parent company		
	The Attock Oil Company Limited	77,446	36,258
	Associated company		
	Attock Cement Limited	-	16
	Attock Energy (Pvt) Limited	-	16,207
	Gratuity Fund - note 36	185,791	154,675
	Staff Provident Fund	10,571	-
	General staff Provident Fund	10,196	-
	Sales tax refundable	2,566,825	2,176,086
	Other receivables (net of loss allowance of Rs 310 thousand (2020: Rs 310 thousand))	16,752	26,197
		3,022,240	2,908,270
		3,979,015	3,696,360

20.1 The maximum aggregate amount due from related parties at the end of any month during the year was Rs 263,237 thousand (2020: Rs 207,156 thousand) respectively.

		2021	2020
		Rupees ('000)	
20.2	The aging analysis of receivable from related parties is as follows:		
	Upto 3 month	263,237	207,156
	3 to 6 month	-	-
	More than 6 month	-	-
		263,237	207,156

		Note	2021	2020
			Rupees ('000)	
21.	**OTHER FINANCIAL ASSETS**			
	Investments at fair value through profit or loss	21.1	-	6,519
21.1	**Investments classified as fair value through profit or loss**			
	Balance at the beginning of the year		6,519	813,478
	Additions during the year		300,621	2,226,167
	Redemptions during the year		(307,169)	(3,033,172)
	Fair value adjustment		29	46
	Balance at the end of the year		-	6,519

21.1.1 Investments in mutual funds classified as fair value through profit or loss at June 30 include the following:

	2021			2020		
	Number of units	Cost	Fair value	Number of units	Cost	Fair value
			Rupees ('000)			
Listed securities						
Meezan Sovereign Fund	-	-	-	12,967	545	670
Pakistan Cash Management Fund	-	-	-	15,869	634	801
Atlas Money Market Fund	-	-	-	37	2	19
UBL Liquidity Plus Fund	-	-	-	26,883	2,707	2,709
Atlas Income Fund	-	-	-	4,453	1,316	2,320
	-	-	-	60,209	5,204	6,519

21.1.2 The fair value of listed securities is based on quoted market prices at the statement of financial position date. The quoted market price used is the current bid price.

		2021	2020
		Rupees ('000)	
22.	**CASH AND BANK BALANCES**		
	Bank balance on		
	Short term deposits	44,781,900	32,228,089
	Interest/mark-up bearing saving accounts	2,696,309	4,384,768
	Current accounts	91,446	65,892
		47,569,655	36,678,749
	Cash in hand	2,551	1,858
		47,572,206	36,680,607

Balance with banks include foreign currency balances of US $ 142,461 thousand (2020: US $ 127,602 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 0.3% to 8.21% (2020: 1.00% to 15.20%).

		2021	2020
		Rupees ('000)	
23.	**NET SALES**		
	Crude oil	17,939,545	17,264,179
	Gas - note 23.1	13,494,261	14,136,451
	Less: Shrinkages/own use	1,779,776	1,656,263
		11,714,485	12,480,188
	POLGAS - Refill of cylinders	6,189,736	6,566,996
	Solvent oil	188,811	220,478
	Sulphur	9,280	7,700
		36,041,857	36,539,541

23.1 On August 28, 2015, the Company signed the Supplemental Agreement with the Government of Pakistan (the Government) for conversion of TAL Block Petroleum Concession Agreement (PCA) signed under the 1997 Petroleum Policy to Petroleum (Exploration & Production) Policy 2012 (Petroleum Policy 2012). Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned block. The conversion package included Windfall levy on Natural gas only. Draft statements specifying sums aggregating US $ 34,213 thousand (Rs 3,393,389 thousand) till June 30, 2015 due to the Company in respect of Mamikhel, Maramzi & Makori East discoveries in TAL block were submitted to the Government on December 8, 2015. On October 9, 2017 Oil and Gas Regulatory Authority (OGRA) issued gas price notifications of the subject arears.

On December 27, 2017, the Ministry of Energy (Petroleum Division) notified certain amendments in Petroleum Policy 2012 which also included addition of following explanation of conversion package:

"the conversion package shall include (i) price of Natural Gas for New Exploration Efforts (ii) windfall levy on Natural Gas (iii) EWT gas production, pricing and obligations (iv) Windfall levy on Oil & Condensate, only for PCAs converting from 1994 and 1997 Petroleum Policies and (v) Financial obligations relating to production bonus, social welfare and training".

Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 & 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On January 3, 2018, Directorate General Petroleum Concessions (DGPC) has required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on legal advice, the Company is of the view that already executed Supplemental Agreement cannot be changed unilaterally, the Supplemental Agreement was signed under the Conversion Package where gas price was enhanced and Windfall Levy on Oil/Condensate (WLO) was not applicable, the impugned SRO by giving retrospective effect amounts to taking away the vested rights already accrued in favour of the Company. The Government has no authority to give any law or policy a retrospective effect. The Company filed Constitutional Petition challenging the imposition of WLO on February 19, 2018 against Federation of Pakistan through Ministry of Energy (Petroleum Division), Islamabad. The Honorable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. The case came up for hearing on June 12, 2019 but was adjourned on the request of legal counsel of the Government. The Islamabad High Court had fixed March 19, 2020 as next date of hearing, but the hearing was cancelled due to preventive measures taken in the courts amid Coronavirus. The case again came up for hearing on March 17, 2021 before the Honourable Chief Justice of Islamabad High Court, who passed the order for appearance of Secretary Petroleum (Gas Division) on April 20, 2021. The Islamabad High Court did not fix the case on April 20, 2021 due to Covid-19 SOP being observed in Islamabad High Court, Islamabad. The next date of hearing has not yet been fixed by the court.

On prudent basis additional revenue (net of sales tax) on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 since inception to June 30, 2021 amounting to Rs 16,196,113 thousand will be accounted for upon resolution of this matter (including Rs 13,949,495 thousand related to period since inception to June 30, 2020). Additional revenue on account of enhanced gas price incentive of Rs 18,949,452 thousand including sales tax of Rs 2,753,339 thousand received from customer on the basis of notified prices has been shown as “Other liabilities” under “trade and other payables”. Sales tax of Rs 2,753,339 thousand received from customer on the basis of notified prices is declared in the monthly sales tax return as well as duly deposited with Federal Board of Revenue by the Company. The amount so deposited is shown within “sales tax refundable” in “advances, deposits, prepayments and other receivables”.

		2021	2020
		Rupees ('000)	
24.	**OPERATING COSTS**		
	Operating cost - Own fields	881,073	449,239
	- Share in joint operations	3,311,509	3,227,029
	Well workovers	79,441	47,060
	POLGAS - Cost of gas/LPG, carriage etc.	2,161,636	2,592,647
	Head office and insurance charges	194,990	58,036
	Pumping and transportation cost	72,171	57,413
	Depreciation	1,466,825	1,421,796
		8,167,645	7,853,220
	Opening stock of crude oil and other products	399,205	297,331
	Closing stock of crude oil and other products	(277,531)	(399,205)
		8,289,319	7,751,346
25.	**AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS**		
	Amortization charge for the year - note 13	2,443,826	2,619,002
	Revision in estimates of provision for decommissioning costs in excess of related assets credited to statement of profit or loss - note 9.2.1	(232,072)	(209,176)
		2,211,754	2,409,826

			2021	2020
			Rupees ('000)	
26.	**EXPLORATION COSTS**			
	Geological and geophysical cost:			
	Own fields		211	22,831
	Share in joint operations operated by the Company			
		- DG Khan	68,543	75,685
		- Ikhlas	35,891	289,195
		- Pindori	(5,621)	-
		- Kirthar South	59,312	39,008
	Share in joint operations operated by others			
	MOL Pakistan Oil and Gas Company B.V.	- TAL Block	10,289	763,677
		- Margala Block	17,343	129,815
		- Margala North Block	123	-
	Oil and Gas Development Company Limited	- Kotra	1,703	3,005
		- Gurgalot	14,250	13,694
	Pakistan Petroleum Limited	- Hisal	(4,405)	33,138
	Mari Petroleum Company Limited	- Taung	296,616	35,370
			494,255	1,405,418

			2021	2020
27.	**ADMINISTRATION EXPENSES**			
	Establishment charges		291,399	289,201
	Telephone and telex		1,053	1,140
	Medical expenses		12,709	13,022
	Printing, stationery and publications		6,411	6,830
	Insurance		9,294	7,544
	Travelling expenses		1,558	4,429
	Motor vehicle running expenses		11,519	12,783
	Rent, repairs and maintenance		71,313	70,758
	Auditor's remuneration	27.1	9,927	8,478
	Legal and professional charges		10,043	3,104
	Stock exchange and CDC fee		5,000	3,273
	Computer support and maintenance charges		34,742	34,085
	Other expenses		3,977	6,123
			468,945	460,770
	Less: Amount allocated to field expenses		274,437	268,449
			194,508	192,321

		Note	2021	2020
			Rupees ('000)	
27.1	**Auditor's remuneration**			
	Statutory audit		2,150	2,000
	Review of half yearly accounts, audit of consolidated accounts, staff funds, special certifications		2,111	1,992
	Tax services		5,000	4,023
	Out of pocket expenses		666	463
			9,927	8,478
28.	**FINANCE COSTS - NET**			
	Provision for decommissioning costs	9.2		
	- Unwinding of discount		1,123,961	1,594,927
	- Exchange (gain) / loss		(869,170)	611,283
	Banks' commission and charges		4,812	5,407
			259,603	2,211,617
29.	**OTHER CHARGES**			
	Workers' Profit Participation Fund		1,169,110	1,102,265
	Workers' Welfare Fund		376,213	280,702
			1,545,323	1,382,967
30.	**OTHER INCOME - NET**			
	Income from financial assets			
	Income on bank deposits and treasury bills		1,968,150	3,099,834
	Exchange (loss)/gain on financial assets		(1,244,935)	900,086
	Dividend on investments classified as fair value through profit or loss- note 30.1		730	36,820
	Income from investments in subsidiary and associated companies			
	Dividend from subsidiary and associated companies - note 30.2		58,138	118,025
	Income from assets other than financial assets			
	Rental income (net of related expenses Rs 104,532 thousand; 2020: Rs 116,329 thousand)		332,439	222,842
	Crude oil transportation income		330,084	93,533
	Gas processing fee		8,426	30,021
	Gain on sale of property, plant and equipment		28,230	5,931
	Gain on sale of stores and scrap		48,867	3,295
	Fair value adjustment on investments classified as fair value through profit or loss		30	48,026
	Others		8,753	-
			1,538,912	4,558,413

		2021	2020
		Rupees ('000)	
30.1	**Dividend on investments classified as fair value through profit or loss**		
	Meezan Sovereign Fund	361	68
	Pakistan Cash Management Fund	54	86
	Alfalah GHP Money Market Fund	-	13,547
	Atlas Money Market Fund	1	2
	UBL Liquidity Plus Fund	186	302
	ABL Cash Fund	-	14,954
	HBL Cash Fund	-	1,520
	NAFA Money Market Fund	-	6,035
	Atlas Income Fund	128	306
		730	36,820
30.2	**Dividend from subsidiary and associated companies**		
	Subsidiary company		
	Capgas (Pvt) Limited	12,737	13,254
	Associated companies		
	Attock Petroleum Limited	45,401	104,771
		58,138	118,025
31.	**PROVISION FOR TAXATION**		
	Current - for the year	7,600,364	4,671,415
	Deferred - for the year	(304,285)	687,131
		7,296,079	5,358,546
31.1	**Reconciliation of tax charge for the year**		
	Accounting profit - before taxation	20,678,334	21,734,396
	* Tax at applicable tax rate of 51.09% (2020: 47.10%)	10,564,561	10,184,738
	Tax effect of depletion allowance, royalty payments and amounts taxed at lower rates	(3,537,433)	(4,885,172)
	Others	268,951	58,980
	Tax charge for the year	7,296,079	5,358,546

* The applicable tax rate is the weighted average of tax rates applicable to income from oil and gas concessions and income from other activities.

32. OPERATING SEGMENTS

The financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note 23.

Revenue from two major customers of the Company constitutes 67% of the total revenue during the year ended June 30, 2021 (June 30, 2020: 66%).

	2021	2020
	Rupees ('000)	
33. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	20,678,334	21,734,396
Adjustments for:		
Depreciation	1,466,825	1,498,587
Fair value adjustment on investments classified as fair value through profit or loss	(29)	(46)
Amortization of development and decommissioning costs	2,211,754	2,409,826
Finance costs	254,791	2,206,210
Exchange loss/(gain) on financial assets	1,244,935	(900,086)
Gain on sale of property, plant and equipment	(28,230)	(5,931)
Dividend from subsidiary and associated companies	(58,138)	(118,025)
Income on bank deposits	(1,968,150)	(3,099,834)
Dividend on investments classified as fair value through profit or loss	(730)	(36,820)
Provision for staff compensated absences	(3,469)	(957)
Provision for slow moving stores and spares	60,072	42,486
Re-measurement (loss)/gain on staff retirement benefit plans	(134,725)	18,255
Cash flows before working capital changes	23,723,240	23,748,061
Effect on cash flows due to working capital changes:		
(Increase) in stores and spares	(220,860)	(622,505)
Decrease/ (increase) in stock in trade	121,674	(101,874)
Decrease in trade debts	295,352	1,274,245
(Increase) in advances, deposits, prepayments and other receivables	(402,999)	(1,113,265)
Increase in trade and other payables	2,286,087	4,080,050
	2,079,254	3,516,651
Cash flows generated from operations	25,802,494	27,264,712
(Increase) in long term loans and advances	(10,423)	(450)
Increase in long term deposits	12,283	16,373
Taxes paid	(6,227,800)	(3,850,336)
Actual decommissioning cost paid	(97,037)	(167,742)
Net cash generated from operating activities	19,479,517	23,262,557

34. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration, including benefits and perquisites to chief executive, directors and executives of the Company are given below:

	Chief Executive		Executives	
	2021	2020	2021	2020
	Rupees ('000)			
Managerial remuneration	7,612	7,612	121,311	111,399
Bonus	6,343	6,838	83,065	84,207
Housing, utility and conveyance	6,118	6,133	115,158	105,234
Company's contribution to pension, gratuity and provident funds	-	-	48,099	41,990
Leave passage	1,269	1,269	15,910	16,169
Other benefits	4,389	4,599	44,373	40,862
	25,731	26,451	427,916	399,861
No of persons, including those who worked part of the year	1	1	53	51

In addition to remuneration, the Chief Executive and certain executives were provided with use of the Company's cars and residential telephone facilities. The Company also provides medical facilities to its staff. Remuneration of executives are net of charge to subsidiary and associated companies amounting to Rs 19,449 thousand (2020: Rs 24,263 thousand).

The aggregate amount charged in these financial statements in respect of fee to 7 directors (2020: 6) was Rs 7,885 thousand (2020: Rs 6,873 thousand). This includes Rs 5,126 thousand (2020: Rs 4,358 thousand) paid to 4 non-executive (2020: 4) of the Company.

35. FINANCIAL INSTRUMENTS

35.1 Financial assets and liabilities

	Amortised cost	Investments classified as fair value through profit or loss	Total
		Rupees ('000)	
June 30, 2021			
Financial assets			
Maturity up to one year			
Trade debts	7,338,531	-	7,338,531
Advances, deposits and other receivables	553,277	-	553,277
Cash and bank balances	47,572,206	-	47,572,206
Maturity after one year			
Long term loans and advances	37,146	-	37,146
	55,501,160	-	55,501,160

	Amortised cost	Total
	Rupees ('000)	
Financial liabilities		
Maturity up to one year		
Trade and other payables	22,728,790	22,728,790
Unclaimed dividend	244,495	244,495
Maturity after one year		
Long term deposits	873,412	873,412
	23,846,697	23,846,697

	Amortised cost	Investments classified as fair value through profit or loss	Total
		Rupees ('000)	
June 30, 2020			
Financial assets			
Maturity up to one year			
Trade debts	7,633,883	-	7,633,883
Advances, deposits and other receivables	956,481	-	956,481
Other financial assets	-	6,519	6,519
Short term investments - at amortised cost	6,367,740	-	6,367,740
Cash and bank balances	36,680,607	-	36,680,607
Maturity after one year			
Long term loans and advances	26,723	-	26,723
	51,665,434	6,519	51,671,953

	Amortised cost	Total
	Rupees ('000)	
Financial liabilities		
Maturity up to one year		
Trade and other payables	20,949,379	20,949,379
Unclaimed dividend	214,307	214,307
Maturity after one year		
Long term deposits	861,129	861,129
	22,024,815	22,024,815

35.2 Credit quality of financial assets

The credit quality of Company's financial assets have been assessed below by reference to external credit ratings of counter parties determined by The Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited (JCR-VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any defaults in meeting obligations.

	Rating	2021	2020
		Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	4,249,684	2,547,285
	A1	2,750,700	4,733,131
	A2	207,577	257,333
Counterparties without external credit rating			
Existing customers with no default in the past		130,570	96,134
		7,338,531	7,633,883
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	69,303	304,171
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		255,895	297,138
Receivable from employees		119,986	206,188
Receivable from parent company		33,197	36,258
Others		74,896	112,726
		553,277	956,481
Bank balances			
Counterparties with external credit rating	A1+	47,569,388	36,678,102
	A1	267	647
		47,569,655	36,678,749

	Rating	2021	2020
		Rupees ('000)	
Long term loans and advances			
Counterparties without external credit rating			
Receivable from employees		37,146	26,723
Short term investments - at amortised cost			
Counterparties with external credit rating	A1+	-	6,367,740
Other financial assets			
Counterparties with external credit rating	AA(f)	-	670
	AA-(f)	-	801
	AA+	-	2,709
	AM2+	-	2,339
		-	6,519

35.3 FINANCIAL RISK MANAGEMENT

35.3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rates risk and price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

(a) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause of financial loss for the other party by failing to discharge an obligation.

As of June 30, 2021, trade debts of Rs 1,564,171 thousand (2020: Rs 3,951,419 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2021	2020
	Rupees ('000)	
Related parties		
Up to 3 months	267,117	49,655
3 to 6 months	275,148	229,139
6 to 12 months	85,057	768,602
Above 12 months	27,905	-
	655,227	1,047,396
Others		
Up to 3 months	811,169	763,195
3 to 6 months	4,952	1,521,465
6 to 12 months	69,669	595,363
Above 12 months	23,154	24,000
	908,944	2,904,023
	1,564,171	3,951,419

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and marketable securities. At June 30, 2021, the Company had financial assets of Rs 55,501,160 thousand (2020: Rs 51,671,953 thousand).

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the maturity date. The amounts disclosed in the table are undiscounted cash flows which have been inflated using appropriate inflation rate, where applicable.

	Less than 1 year	Between 1 to 5 years	Over 5 years
		Rupees ('000)	
At June 30, 2021			
Long term deposits	-	873,412	-
Trade and other payables	22,728,790	-	-
Unclaimed dividend	244,495		
At June 30, 2020			
Long term deposits	-	861,129	-
Trade and other payables	20,949,379	-	-
Unclaimed dividend	214,307		

(c) Market risk

(i) Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from currency exposure with respect to the US dollar. Currently foreign exchange risk is restricted to trade debts, bank balances, receivable from/ payable to joint operating partners, payable to suppliers.

Financial assets include Rs 55,054,842 thousand (2020: Rs 48,920,065 thousand) and financial liabilities include Rs 688,637 thousand (2020: Rs 1,330,689 thousand) which are subject to currency risk.

If exchange rates had been 10% lower/higher with all other variables held constant, profit after tax for the year would have been Rs 3,805,634 thousand lower/higher (2020: Rs 3,331,256 thousand higher/lower).

(ii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long term interest bearing financial assets and liabilities whose fair value or future cash flows will fluctuate because of changes in market interest rates.

Financial assets include Rs 47,569,655 thousand (2020: Rs 43,046,489 thousand) which are subject to interest rate risk. Applicable interest rates for financial assets have been indicated in respective notes.

If interest rates had been 1% higher/ lower with all other variables held constant, profit after tax for the year would have been Rs 294,319 thousand (2020: Rs 275,390 thousand) higher/ lower, mainly as a result of higher/ lower interest income from these financial assets.

(iii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar instruments traded in the market.

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position as investments classified as fair value through profit or loss . To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the investment policy of the Company.

Investments classified as fair value through profit or loss of Rs Nil (2020: Rs 6,519 thousand) were subject to price risk.

35.3.2 Capital risk management

The Company's objectives when managing capital are to ensure the Company's ability not only to continue as a going concern but also to meet its requirements for expansion and enhancement of its business, maximize return of shareholders and optimize benefits for other stakeholders to maintain an optimal capital structure and to reduce the cost of capital.

In order to achieve the above objectives, the Company may adjust the amount of dividends paid to shareholders, issue new shares through bonus or right issue or sell assets to reduce debts or raise debts, if required.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The gearing ratio of the Company has always been low and the Company has mostly financed its projects and business expansions through equity financing. Further, the Company is not subject to externally imposed capital requirements.

35.3.3 Fair value of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The Company held the following financial assets at fair value:

	Level 1	Level 2	Level 3	Total
	Rupees ('000)			
June 30, 2021				
Other financial assets classified as fair value through profit or loss	-	-	-	-

	Level 1	Level 2	Level 3	Total
	Rupees ('000)			
June 30, 2020				
Other financial assets classified as fair value through profit or loss	6,519	-	-	6,519

36. STAFF RETIREMENT BENEFITS

The details of actuarial valuation of defined benefit funded plans carried out as at year end are as follows:

36.1 The amounts recognized in the statement of financial position are as follows:

	2021	2020
	Rupees ('000)	
Present value of defined benefit obligations	1,618,605	1,519,369
Fair value of plan assets	(1,677,955)	(1,649,332)
	(59,350)	(129,963)
Amounts in the statement of financial position:		
Gratuity Fund - (Asset)	(185,791)	(154,675)
Management Staff Pension Fund-Liability	126,441	24,713
Net (Assets)	(59,350)	(129,962)

36.2 The amounts recognized in the statement of profit or loss are as follows:

	2021	2020
Current service cost	37,594	40,047
Past service cost	-	2,169
Net interest cost	(15,075)	(13,311)
	22,519	28,905

		2021	2020
		Rupees ('000)	
36.3	The amounts recognized in statement of profit or loss and other comprehensive income are as follows:		
	Remeasurement due to:		
	Change in financial assumptions	5,111	24,693
	Experience adjustments	118,398	(92,561)
	Investment return	11,216	49,613
		134,725	(18,255)
36.4	Changes in the present value of defined benefit obligation are as follows:		
	Opening defined benefit obligation	1,519,369	1,500,143
	Current service cost	37,594	40,047
	Past service cost	-	2,169
	Interest cost	124,096	195,221
	Remeasurement loss	123,508	(67,869)
	Benefits paid	(185,962)	(150,342)
	Closing defined benefit obligation	1,618,605	1,519,369
36.5	Changes in fair value of plan assets are as follows:		
	Opening fair value of plan assets	1,649,332	1,553,843
	Interest income	139,171	208,533
	Remeasurement (loss)/ gain	(11,216)	(49,613)
	Contribution by employer	86,630	86,911
	Benefits paid	(185,962)	(150,342)
	Closing fair value of plan assets	1,677,955	1,649,332

36.6 The major categories of plan assets as a percentage of total plan assets of defined pension and gratuity plan are as follows:

	2021		2020	
	Rupees ('000)	%	Rupees ('000)	%
Government bonds	5,356	-	984,102	60
Mutual Funds	-	-	23,429	1
Cash and cash equivalents	1,672,599	100	641,801	39
	1,677,955	100	1,649,332	100

Government bonds are valued at quoted market price and are therefore level 1. Cash equivalents and National Savings deposits include level 2 assets.

The funds have no investment in the Company's own securities.

36.7 Principal actuarial assumptions

The principal assumptions used in the actuarial valuation are as follows:

	2021	2020
	%	%
Discount rate	10	8.7
Expected rate of salary increase	8.75	7.4
Expected rate of pension increase	4	2.7

36.8 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2020 and 2021.

36.9 The pension and gratuity plans are defined benefits final salary plans and both plans are invested through approved trust funds. The trustees of the funds are responsible for plan administration and investment. The Company appoints the trustees who are employees of the Company.

The plans expose the Company to various actuarial risks: investment risk and salary risk from both plans and longevity risk from the pension plan.

The asset ceiling does not apply. The Company can use the surplus in the pension and gratuity fund to reduce its future contributions or can apply to the Commissioner of Income Tax for a refund.

36.10 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of a change in respective assumptions by one percent.

	Defined benefit obligation	
	1 percent increase	1 percent decrease
	Rupees ('000)	
Discount rate	(135,484)	166,965
Salary increase	53,396	(42,347)
Pension increase	117,249	(97,281)

If life expectancy increases by 1 year, the obligation increases by Rs 53,713 thousand.

The impact of changes in financial assumptions has been determined by revaluation of the obligations on different rates. The impact of increase in longevity has been calculated on the aggregate for each class of employees.

36.11 The weighted average number of the defined benefit obligation is given below:

Plan Duration	Pension	Gratuity
	Years	
June 30, 2021	11.4	11.2
June 30, 2020	7.9	6.3

36.12 The Company contributes to the pension and gratuity funds on the advice of the fund's actuary. The contributions are equal to the current service cost with adjustment for any deficit.

Projected payments	Pension	Gratuity
	Rupees ('000)	
Contributions FY 2022	49,534	-
Benefit payments:		
FY 2022	101,692	88,994
FY 2023	107,158	30,266
FY 2024	109,594	33,189
FY 2025	113,426	24,768
FY 2026	116,106	34,368
FY 2027-31	667,769	198,608

		Note	2021	2020
			Rupees ('000)	
37.	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances	22	47,572,206	36,680,607
	Short term investment - at amortised cost		-	6,367,740
			47,572,206	43,048,347
38.	**EARNINGS PER SHARE - BASIC AND DILUTED**			
	Profit for the year (in thousand rupees)		13,382,255	16,375,850
	Weighted average number of ordinary shares in issue during the year (in thousand shares)		283,855	283,855
	Basic and diluted earnings per share (Rupees)		47.14	57.69

39. TRANSACTIONS WITH RELATED PARTIES

39.1 Aggregate transactions with related parties, other than remuneration to the chief executive, directors and executives of the Company under their terms of employment, were as follows:

	Basis of Relationship	2021	2020
		Rupees ('000)	
Parent company - The Attock Oil Company Limited	Holding company		
Dividend paid		7,489,766	7,486,678
Rental expense		51,065	44,140
Purchase of LPG		79,744	63,288
Reimbursment of expenses incurred by AOC on behalf of POL		2,348	5,145
Reimbursment of expenses incurred by POL on behalf of AOC		9,275	14
Subsidiary company - Capgas (Private) Limited	Subsidiary with 51% shareholding		
Reimbursment of expenses incurred by POL on behalf of CAPGAS		11,493	12,438
Reimbursment of expenses incurred by CAPGAS on behalf of POL		7,372	8,578
Rental Income		1,404	1,404
Dividend received		12,737	13,254
Associated companies			
Attock Refinery Limited	Common directorship		
Sale of crude oil and gas		13,543,270	12,833,828
Crude oil and gas transmission charges		4,454	6,375
Rental Income		2,885	2,861
Rental expense		1,403	434
Reimbursment of expenses incurred by POL on behalf of ARL		551	685
Reimbursment of expenses incurred by ARL on behalf of POL		20,485	23,831
Purchase of fuel		12,548	14,830
Purchase of LPG		204,884	259,679
National Refinery Limited	25% share holding &		
Sale of crude oil	common directorship	1,382,382	1,934,103
Reimbursment of expenses incurred by POL on behalf of NRL		-	536
Reimbursment of expenses incurred by NRL on behalf of POL		397	480
Rental expense		2,554	2,929
Purchase of LPG		143,894	455,365

	Basis of Relationship	2021	2020
		Rupees ('000)	
Attock Petroleum Limited	7.0175% share holding & common directorship		
Purchase of fuel and lubricants		601,870	1,199,115
Sale of solvent oil		188,811	220,477
Rental income		785	493
Purchase of services		635	586
Purchase of goods		392	347
Reimbursment of expenses incurred by POL on behalf of APL		28,549	24,065
Dividend received		45,401	104,771
Profit Disbursement		599	658
Attock Information Technology (Private) Limited	Common directorship		
Purchase of services		57,786	59,847
Attock Cement Pakistan Limited	Common directorship		
Purchase of services		6	438
Sale of services		-	266
Attock Hospital (Private) Limited	Common directorship		
Purchase of medical services		16,820	16,496
Attock Leisure and Management Associates (Private) Limited	Common directorship		
Purchase of services		4,789	3,774
Other associated entities			
Dividend paid		7,849	16,427
Other related parties			
Remuneration of Chief Executive, Directors Honorarium & Key Management personnel including benefits & perquisites		120,999	145,534
Dividend paid to key management personnel		158,567	149,940
Contribution to staff retirement benefits plans			
Management Staff Pension Fund and Gratuity Fund		86,631	86,911
Approved Contributory Provident Funds		31,262	30,494
Contribution to Workers' Profit Participation Fund		1,169,110	1,102,265

39.2 Details of associated Company incorporated outside Pakistan with whom the Company had entered into transaction or had agreements are as follows:

i)	Name of undertaking	The Attock Oil Company Limited
ii)	Country of Incorporation	United Kingdom
iii)	Basis of association	Parent Company
iv)	Aggregate %age of shareholding	52.77%

40. CONTRIBUTORY PROVIDENT FUND

Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

41. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

	Description	**Explanation**
i)	Loans and advances	Non-interest bearing
ii)	Deposits	Non-interest bearing
iii)	Segment revenue	Disclosed in note 32

		2021	2020
		Rupees ('000)	
iv)	**Bank Balances**		
	Placed under interest arrangements	47,477,089	36,611,737
	Placed under Shariah permissible arrangements	1,120	1,120
		47,478,209	36,612,857
v)	**Income on bank deposits**		
	Placed under interest arrangements	723,167	3,999,774
	Placed under Shariah permissible arrangements	48	146
		723,215	3,999,920

vi)	Gain/(loss) on investments classified as fair value through profit or loss	Disclosed in note 21.1.1
vii)	Dividend income	Disclosed in note 30.1 & 30.2
viii)	All sources of other income	Disclosed in note 30
ix)	Exchange gain	Earned from actual currency
x)	Relationship with banks having Islamic windows	Following is the list of banks with which the Company has a relationship with Islamic window of operations: 1. Meezan Bank Limited 2. Albaraka Islamic Investment bank 3. Bank Islami Limited

42. GEOGRAPHICAL LOCATION AND ADDRESSES OF ALL OTHER BUSINESS UNITS INCLUDING INTEREST IN JOINT OPERATIONS

Geographical location and addresses of all other business units of the Company including interest in joint operations are as follows:

Exploration licenses/Leases	Location and address District(s)	Province(s)	Working interest 2021 %age	Working interest 2020 %age
Operated by the Company				
Ikhlas Petroleum Concession (3372-18)	Attock	Punjab	80.00	80.00
Kirthar South Petroleum Concession (2567-7)	Dadu, Jamshoro, Lasbela, Thatta	Sindh and Balochistan	85.00	85.00
Khaur D&Production Lease (153/PAK/2002)	Attock	Punjab	100.00	100.00
Minwal D&Production Lease (123/PAK/98)	Chakwal	Punjab	82.50	82.50
Pariwali D&Production Lease (119/PAK/97)	Attock	Punjab	82.50	82.50
Pindori D&Production Lease (105/PAK/96)	Rawalpindi	Punjab	35.00	35.00
Turkwal D&Production Lease (133/PAK/99)	Chakwal and Rawalpindi	Punjab	67.37	67.37
D.G. Khan Petroleum Concession (2969-10)	BarKhan, DG Khan, Rajanpur	Punjab and Balochistan	70.00	70.00
Non-operated				
Operated by MOL Pakistan Oil and Gas Company B.V.				
Margala Petroleum Concession (Block 3372-20)	Rawalpindi, Islamabad, Haripur, Abbottabad	Punjab and Khyber Pakhtunkhwa (KPK)	30.00	30.00
Margala North Petroleum Concession (Block 3372-21)	Rawalpindi, Islamabad, Haripur, Abbottabad, Attock	Punjab and KPK	30.00	30.00
TAL Petroleum Concession (Block 3370-3)	Kohat, Karak, Bannu	KPK	*25.00	*25.00
Maramzai Development and Production lease	Kohat, Hangu	KPK		
Manzalai D&Production lease (175/PAK/2007)	Karak	KPK		
Makori D&Production lease (184/PAK/2012)	Karak	KPK		
Makori East D&Production lease (205/PAK/2013)	Karak	KPK		
Mamikhel Development and Production lease	Kohat	KPK		
Tolanj West D&P lease 234/PAK/2017	Kohat	KPK		
Tolanj D&P lease 233/PAK/2017	Kohat	KPK		
Mardankhel D&P lease 233/PAK/2017	Hangu	KPK		
Operated by Oil and Gas Company Limited				
Chaknaurang Mining Lease (125/PAK/98)	Chakwal	Punjab	15.00	15.00
Gurgalot Petroleum Concession Block (3371-5)	Kohat, Attock	Punjab and KPK	20.00	20.00
Jhal Magsi Development and Production Lease (2867-4)	Jhalmagsi	Balochistan	24.00	24.00
Operated by Orient Petroleum Inc.				
Bhangali D&P Lease (65/PAK/90)	Rawalpindi	Punjab	7.00	7.00
Dhurnal Mining Lease (59/PAKISTAN)	Attock	Punjab	5.00	5.00
Ratana D&P Lease (94/PAK/94)	Attock	Punjab	4.55	4.55
Operated by Pakistan Petroleum Limited				
Adhi Mining Lease (72/PAKISTAN)	Rawalpindi, Chakwal	Punjab	11.00	11.00
Hisal Petroleum Concession (3372-23)	Rawalpindi, Chakwal, Attock	Punjab	25.00	25.00
Operated by Mari Petroleum Company Limited				
Taung Petroleum Concession (2567-12)	Jamshoro	Sindh	40.00	40.00

* Pre-commerciality interest

43. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 11, 2021 has proposed a final dividend for the year ended June 30, 2021 @ Rs 30 per share, amounting to Rs 8,515,653 thousand for approval of the members in the Annual General Meeting to be held on September 22, 2021.

44. CORRESPONDING FIGURES

Corresponding figures have been rearranged/reclassified wherever necessary to reflect more appropriate presentation of figures in accordance with accounting and reporting standards as applicable in Pakistan. However no significant reclassification have been made except for following:

	Rupees ('000)
Shrinkages/own use previously shown in sales and operating cost, now netted off in sales in statement of profit or loss	1,656,263

45. GENERAL

45.1 IMPACT OF COVID - 19 ON THE FINANCIAL STATEMENTS

The spread of Covid - 19 as a pandemic and consequently imposition of lock down by Federal and Provincial Governments of Pakistan (Authorities) caused an overall economic slow down at the start of 2020. This resulted in decrease in international prices of petroleum products, which are now steadily recovering. As at year end, there is no other material adverse impact to the business, financial conditions and results of operations. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

45.2 Capacity

Following is production from the Company's fields including proportionate share from all operated and non-operated joint ventures:

Product	Unit	2021	2020
Crude Oil/Condensate	US Barrels	2,264,413	2,282,029
Gas	Million Cubic Feet	28,596	29,336
LPG	Metric Tonnes	56,660	55,778
Sulphur	Metric Tonnes	428	451
Solvent Oil	US Barrels	16,658	19,453

Considering the nature of the Company's business, information regarding installed capacity has no relevance.

45.3	Number of employees	2021	2020
	Total number of employees as at June 30	702	733
	Total number of employees at fields as at June 30	514	540
	Average number of employees during the year	718	743
	Average number of employees at fields during the year	527	550

45.4 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

45.5 Date of authorization

These financial statements were authorized for issue by the Board of Directors of the Company on August 11, 2021.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Consolidated Financial Statements

For the year ended June 30, 2021

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A·F·FERGUSON&Co.

INDEPENDENT AUDITORS' REPORT

To the members of Pakistan Oilfields Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Pakistan Oilfields Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2021, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S.No.	Key Audit Matters	How the matter was addressed in our audit
(i)	**Analysis of impairment of development and decommissioning costs and exploration and evaluation assets** *(Refer note 14 and 15 to the consolidated financial statements)* As at June 30, 2021, the development and decommissioning costs amounted to Rs 13,673 million and exploration and evaluation assets amounted to Rs 512 million. The Group assesses at the end of each reporting period whether there is any indication that a Cash Generating Unit (CGU) may be impaired. Where impairment indicator is triggered for any CGU, an impairment test is performed by the Group based on estimates of the value in use of that CGU. The calculation of value in use of development and decommissioning costs requires the exercise of significant management's estimates and judgements on certain assumptions such as (i) estimation of the volume of oil and gas recoverable reserves; (ii) estimation of future oil and gas prices; (iii) cost profiles and inflation applied; (iv) foreign exchange rates; and (v) discount rates. We considered this matter as key audit matter due to the significant value of the related assets at reporting date and due to significance of judgements used by management.	Our audit procedures in relation to management's impairment test, amongst others, included the following: • Assessed the methodology used by management to estimate value in use of each CGU; • Assessed the assumptions of cash flow projections in calculation of the value in use of CGUs, challenging the reasonableness of key assumptions i.e. oil and gas reserves, oil and gas prices, production costs, foreign exchange rates and discount rates based on our knowledge of the business and industry by comparing the assumptions to historical results, and published market and industry data; • Assessed the impairment indicators as per IFRS 6 "Exploration for and Evaluation of Mineral Resources" for material balances included in exploration and evaluation assets; • Performed sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in assumptions relating to oil and gas prices, discount rate, and other assumptions; and • Assessed the appropriateness of disclosures made in the financial statements.

S.No.	Key Audit Matters	How the matter was addressed in our audit
(ii)	**Investment in associated companies** *(Refer note 17 to the consolidated financial statements)* The Group has investment in its associated companies National Refinery Limited (NRL) and Attock Petroleum Limited (APL). As at June 30, 2021, the carrying amount of investment in above referred companies amounted to Rs 10,459 million (net of recognised impairment loss of Rs 3,809 million) and Rs 2,837 million respectively. The carrying amount of APL is higher by Rs 595 million in relation to the quoted market value of its shares. The Group carries out impairment assessment at each reporting period end of the value of investment where there are indicators of impairment. The Group has assessed the recoverable amount of the investment in associated companies based on the higher of the value-in-use ("VIU") and fair value (quoted market price as at June 30, 2021). VIU is based on valuation analysis carried out by the independent external investment advisor for NRL and by the management's expert for APL. VIU is based on a discounted cash flow model which involves estimation of future cash flows. This estimation is inherently uncertain and requires significant judgement on both future cash flows and the discount rate applied to the future cash flows. In view of significant management judgement involved in the determination of recoverable value i.e. higher of VIU and fair value, we considered this as a key audit matter.	Our audit procedures in relation to assessment of carrying value of investment in associated companies, amongst others, included the following: • Assessed the appropriateness of management's accounting for investment in associated companies; • Understood management's process for identifying the existence of impairment indicators in respect of investment in associated companies; • Evaluated the independent external investment advisor's and management expert's competence, capabilities and objectivity; • Made inquiries of the independent external investment advisor/ management expert and assessed the valuation methodology used; • Checked, on sample basis, the reasonableness of the input data provided by the management to the independent external investment advisor and the management's expert, to supporting evidence; • Assessed the reasonableness of cash flow projections, challenging and performing audit procedures on assumptions such as growth rate, future revenue and costs, terminal growth rate and discount rate by comparing the assumptions to historical results, budgets and comparing the current year's results with prior year forecast and other relevant information; • Checked mathematical accuracy of cash flows projections; • Performed independently a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions; and • Checked quoted price of investment in NRL and APL as of June 30, 2021 with publicly available stock exchange data; and • Assessed the adequacy of the Company's disclosures in the financial statements in this respect

S.No.	Key Audit Matters	How the matter was addressed in our audit
(iii)	**Recognition of Revenue** *(Refer note 4.25 and 26 to the consolidated financial statements)* The Group is engaged in the production and sale of oil and gas resources. The Group recognised net sales during the year from the sale of crude oil, natural gas and POLGAS/CAPGAS – Refill of cylinders amounting to Rs 17,940 million, Rs 11,714 million and Rs 6,992 million respectively. Revenue is recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is measured at the fair value of the consideration to which the Group expects to be entitled in exchange for transferring good/ services. Effect of adjustments, if any, arising from revision in sale prices is reflected as and when the prices are finalised with the customers and / or approved by Government of Pakistan. We considered this as key audit matter due to the significance of the amounts requiring significant time and resource to audit due to magnitude, inherent risk of material misstatement and revenue being a key economic indicator of the Group.	Our audit procedures in relation to the matter, amongst others, included the following: • Assessed the design, implementation and operating effectiveness of the relevant key internal controls over revenue recognition from the sale of products; • Performed test of details on sample basis for sales transactions by inspecting respective invoices, delivery challans and acknowledgement of customers; • Checked on sample basis, notifications of OGRA for natural gas and POLGAS/CAPGAS prices. For POLGAS/CAPGAS, also checked on sample basis Group's mechanism for the calculation of price based on OGRA's notification. Performed, on a sample basis, recalculation of crude oil and natural gas prices in accordance with applicable petroleum policies / agreements/ decision of Economic Coordination Committee of the Cabinet; • Where pricing is provisional / sales agreement not finalised, (a) reviewed correspondence with the customers and relevant government authorities during the year and held discussions with the Group; (b) inspected term sheets etc; and (c) checked price recorded is in line with applicable petroleum policy / agreed with the customers; • Assessed sales transactions on either side of the statement of financial position date to assess whether they are recorded in relevant accounting period; • Performed analytical procedures to analyse variation in the price and quantity sold during the year; • Tested journal entries related to revenue recognized during the year based on identified risk criteria; and • Assessed the appropriateness of disclosures made in the financial statements.

S.No.	Key Audit Matters	How the matter was addressed in our audit
(iv)	**Litigation with respect to conversion of TAL Block petroleum concession to Petroleum Policy 2012** *(Refer note 26 to the consolidated financial statements)* The Ministry of Energy (Petroleum Division) issued a notification dated December 27, 2017 (SRO) which requires that the Supplemental Agreement already executed in respect of TAL block for conversion of petroleum concession from Petroleum Exploration and Production Policy 1997 to Petroleum Exploration and Production Policy 2012 shall be amended (within 90 days) to include Windfall Levy on Oil and Condensate (WLO), failing which the working interest owners will not remain eligible for gas price incentive as per Petroleum Policy 2012. The impugned notification has been issued after the approval of Council of Common Interest (CCI) dated November 24, 2017. The Group has challenged the said notification in the Islamabad High Court and the matter is pending before the court in principle on the ground that an already executed arrangement cannot be retrospectively altered unilaterally. The Honourable Court has restrained the Government for any action under the impugned notification and to maintain status quo. Group's contention is duly supported by the legal advice on the matter. The supplemental agreement was signed under the conversion package where gas price was enhanced and WLO was not applicable. The impugned SRO, by giving retrospective effect, amounted to taking away the vested rights already accrued in favour of the Group. As per the legal opinion Government has no authority to give any law or policy a retrospective effect. The Group has not recognised the revenue (net of sales tax) to the extent of Rs 16,196 million since inception to June 30, 2021 on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 and will be accounted for upon resolution of this matter. We considered this as key audit matter due to the significant amounts involved and significant judgments made by management regarding the matter.	Our audit procedures in relation to the matter, amongst others, included the following: • Checked relevant clauses of Petroleum Exploration & Production Policy 2012 for applicability of WLO; • Discussed the matter with directors, management and internal legal department of the Group; • Obtained confirmation from the Group's external legal advisor and checked legal opinion obtained by the Group and the order issued by the Islamabad High Court; • Evaluated technical ability of the internal and external legal advisors used by the Group; • Assessed the matter under applicable accounting frame work; and • Assessed the appropriateness of disclosures made in the consolidated financial statements in respect of this matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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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:

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Iqbal.

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Chartered Accountants

Islamabad
Date: August 26, 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Note	2021	2020
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Equity attributable to owners of POL			
Authorised capital	6	5,000,000	5,000,000
Issued, subscribed and paid up capital	6	2,838,551	2,838,551
Capital reserves	7	2,027,876	2,027,868
Revenue reserves	8	38,087,550	36,984,055
Gain on remeasurement of investment at fair value through Other Comprehensive Income (OCI)		2,447	3,236
		42,956,424	41,853,710
Non-Controlling Interest		122,024	127,574
		43,078,448	41,981,284
NON CURRENT LIABILITIES			
Long term deposits	9	988,759	985,001
Deferred liabilities	10	20,240,814	19,933,909
		21,229,573	20,918,910
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	11	25,719,762	23,437,494
Unclaimed dividend		244,495	214,307
Provision for income tax		8,198,905	6,822,668
		34,163,162	30,474,469
CONTINGENCIES AND COMMITMENTS	12		
		98,471,183	93,374,663

	Note	2021	2020
		Rupees ('000)	
NON-CURRENT ASSETS			
Property, plant and equipment	13	6,722,142	7,592,774
Development and decommissioning costs	14	13,672,675	12,355,617
Exploration and evaluation assets	15	512,223	2,773,514
Other intangible assets	16	47,283	85,902
Deferred income tax asset		6,878	-
		20,961,201	22,807,807
LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES	17	13,337,592	10,969,009
LONG TERM LOANS AND ADVANCES	18	37,146	26,723
CURRENT ASSETS			
Stores and spares	19	4,659,496	4,498,384
Stock in trade	20	298,357	404,494
Trade debts	21	7,339,066	7,634,080
Advances, deposits, prepayments and other receivables	22	4,014,389	3,717,970
Other financial assets	23	-	6,519
Short term investments - at amortised cost	24	99,960	6,468,798
Cash and bank balances	25	47,723,976	36,840,879
		64,135,244	59,571,124
		98,471,183	93,374,663

The annexed notes 1 to 50 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		Rupees ('000)	
SALES		40,424,288	41,255,712
Sales tax		(3,308,056)	(3,526,193)
Excise duty		(272,314)	(279,055)
NET SALES	26	36,843,918	37,450,464
Operating costs	27	(9,081,797)	(8,602,402)
Royalty		(3,907,673)	(4,010,063)
Amortization of development and decommissioning costs	28	(2,211,754)	(2,409,826)
		(15,201,224)	(15,022,291)
GROSS PROFIT		21,642,694	22,428,173
Exploration costs	29	(494,255)	(1,405,418)
		21,148,439	21,022,755
Administration expenses	30	(219,101)	(216,084)
Finance costs - net	31	(259,658)	(2,211,654)
Other charges	32	(1,545,551)	(1,387,916)
		(2,024,310)	(3,815,654)
		19,124,129	17,207,101
Other income - net	33	1,516,730	4,476,037
		20,640,859	21,683,138
Share of profit/(loss) of associated companies	17 & 34	793,414	(939,262)
Reversal/(impairment) of impairment on investment in associated company	17	1,625,412	(1,130,160)
PROFIT BEFORE TAXATION		23,059,685	19,613,716
Provision for taxation	35	(7,657,435)	(5,048,933)
PROFIT FOR THE YEAR		15,402,250	14,564,783
Attributable to:			
Owners of Pakistan Oilfields Limited (POL)		15,395,099	14,541,637
Non-Controlling Interest		7,151	23,146
		15,402,250	14,564,783
Earnings per share attributable to owners of POL - Basic and diluted (Rupees)	42	54.24	51.23

The annexed notes 1 to 50 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	Rupees ('000)	
Profit for the year	15,402,250	14,564,783
Other comprehensive income for the year:		
Items that will not be reclassified to profit or loss		
Remeasurement (loss)/gain on staff retirement benefit plans	(136,054)	18,364
Tax credit/(charge) relating to remeasurement gain/(loss) on staff retirement benefit plans	40,803	(5,509)
	(95,251)	12,855
Share of other comprehensive (loss)/income of associated companies - net of tax	(4,842)	7,276
	(100,093)	20,131
Items that may be subsequently reclassified to profit or loss	-	-
Other comprehensive income for the year, net of tax	(100,093)	20,131
Total comprehensive income for the year	15,302,157	14,584,914
Attributable to:		
Owners of Pakistan Oilfields Limited (POL)	15,295,469	14,561,730
Non-Controlling Interest	6,688	23,184
	15,302,157	14,584,914

The annexed notes 1 to 50 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

	Attributable to owners of Pakistan Oilfields Limited										
	Share capital	Capital Reserves			Revenue reserves			Gain/(loss) on revaluation of investment at fair value through OCI	Total	Non-controlling interest	Total
		Bonus shares issued by subsidiary/ associated companies	Special reserve	Utilised special reserve	Insurance reserve	General reserve	Unappropriated profit				
	Rupees ('000)										
Balance at June 30, 2019	2,838,551	71,395	15,424	1,941,044	200,000	7,077,325	29,337,760	3,337	41,484,836	117,124	41,601,960
Total comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	14,541,637	-	14,541,637	23,146	14,564,783
Other comprehensive income/(loss)	-	-	-	-	-	-	20,093	(101)	19,992	38	20,030
	-	-	-	-	-	-	14,561,730	(101)	14,561,629	23,184	14,584,813
Transferred to special reserve by an associated company	-	-	5	-	-	-	(5)	-	-	-	-
POL dividends:											
Final dividend @ Rs 30 per share - Year ended June 30, 2019	-	-	-	-	-	-	(8,515,653)	-	(8,515,653)	-	(8,515,653)
Interim dividend @ Rs 20 per share - Year ended June 30, 2020	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	-	(5,677,102)
Dividend to CAPGAS non - controlling interest holders:											
Interim dividend @ Rs 38.5 per share - Year ended June 30, 2020	-	-	-	-	-	-	-	-	-	(12,734)	(12,734)
Total transactions with owners	-	-	-	-	-	-	(14,192,755)	-	(14,192,755)	(12,734)	(14,205,489)
Balance at June 30, 2020	2,838,551	71,395	15,429	1,941,044	200,000	7,077,325	29,706,730	3,236	41,853,710	127,574	41,981,284
Total comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	15,395,099	-	15,395,099	7,151	15,402,250
Other comprehensive (loss)	-	-	-	-	-	-	(98,841)	(789)	(99,630)	(463)	(100,093)
	-	-	-	-	-	-	15,296,258	(789)	15,295,469	6,688	15,302,157
Transferred to special reserve by an associated company	-	-	8	-	-	-	(8)	-	-	-	-
POL dividends:											
Final dividend @ Rs 30 per share - Year ended June 30, 2020	-	-	-	-	-	-	(8,515,653)	-	(8,515,653)	-	(8,515,653)
Interim dividend @ Rs 20 per share - Year ended June 30, 2021	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	-	(5,677,102)
Dividend to CAPGAS non - controlling interest holders:											
Final dividend @ Rs 29.5 per share - Year ended June 30, 2020	-	-	-	-	-	-	-	-	-	(9,757)	(9,757)
Interim dividend @ Rs 7.5 per share - Year ended June 30, 2021	-	-	-	-	-	-	-	-	-	(2,481)	(2,481)
Total transactions with owners	-	-	-	-	-	-	(14,192,755)	-	(14,192,755)	(12,238)	(14,204,993)
Balance at June 30, 2021	2,838,551	71,395	15,437	1,941,044	200,000	7,077,325	30,810,225	2,447	42,956,424	122,024	43,078,448

The annexed notes 1 to 50 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		Rupees ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		37,852,257	40,931,211
Operating and exploration costs paid		(8,273,424)	(9,538,375)
Royalty paid		(3,832,987)	(4,138,877)
Taxes paid		(6,238,804)	(3,873,614)
Cash provided by operating activities	45	19,507,042	23,380,345
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(1,760,468)	(6,738,786)
Proceeds from disposal of property, plant and equipment		31,375	7,356
Redemption of investment in mutual funds - net		6,548	807,005
Income on bank deposits and investments at amortised cost		2,103,371	3,081,781
Dividend income received		46,131	141,591
Cash generated/(used) in investing activities		426,957	(2,701,053)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(14,162,567)	(14,169,614)
Dividend paid to non-controlling interest holders		(12,238)	(12,734)
Cash used in financing activities		(14,174,805)	(14,182,348)
EFFECT OF EXCHANGE RATE CHANGES		(1,244,935)	900,086
INCREASE IN CASH AND CASH EQUIVALENTS		4,514,259	7,397,030
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		43,309,677	35,912,647
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	40	47,823,936	43,309,677

The annexed notes 1 to 50 form an integral part of these financial statements.

Khalid Nafees Chief Financial Officer	Shuaib A. Malik Chief Executive	Abdus Sattar Director

1. LEGAL STATUS AND OPERATIONS

Pakistan Oilfields Limited (the Company) is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas in Pakistan. Its activities also include marketing of liquefied petroleum gas under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Coral Holding Limited.

CAPGAS (Private) Limited (CAPGAS), the subsidiary company is incorporated in Pakistan as a private limited company under the Companies Act, 2017 and is principally engaged in buying, filling, distribution and dealing in Liquefied Petroleum Gas (LPG).

For the purpose of these financial statements, POL and its consolidated subsidiary are referred as the Group.

Geographical location and addresses of all other business units of the Group have been disclosed in note 47.

2. STATEMENT OF COMPLIANCE

These are consolidated financial statements of the Group. These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments)	January 1, 2023
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IAS 16	Property, Plant and Equipment (Amendments)	January 1, 2023
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
IFRS 3	Business Combinations (Amendments)	January 1, 2022

		Effective date (annual reporting periods beginning on or after)
IFRS 7	Financial Instruments : Disclosures (Amendments)	January 1, 2021
IFRS 9	Financial Instruments (Amendments)	January 1, 2021
IFRS 16	Leases (Amendments)	January 1, 2021

The management anticipates that adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

3.2 Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 17	Insurance contracts

3.3 The following interpretations issued by the IASB have been waived off by SECP:

IFRIC 12 Service concession arrangments

3.4 As per Securities and Exchange Commission of Pakistan (SECP) SRO 985 (1)/ 2019, dated September 2, 2019, for companies holding financial assets due from Government of Pakistan, the requirements contained in IFRS 9 with respect to expected credit losses method shall not be applicable till June 30, 2021, provided that such companies shall follow relevant requirements of IAS 39 – Financial Instruments: Recognition and Measurement, in respect of above referred financial assets during the exemption period. The Group has assessed that the above SRO does not have any significant impact on its financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies notes.

4.2 Basis of consolidation

The consolidated financial statements include the financial statements of POL and its subsidiary CAPGAS with 51% holding (2020: 51%).

a) Subsidiary

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of subsidiary company have been consolidated on a line by line basis and the carrying value of investments held by the parent company is eliminated against the subsidiary shareholders' equity in the consolidated financial statements.

Material intra-group balances and transactions have been eliminated.

Non-controlling interests are that part of the net results of the operations and of net assets of the subsidiary attributable to interests which are not owned by the parent company. Non-controlling interest are presented as a separate item in the consolidated financial statements.

b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in associates are accounted for using the equity method of accounting. Under this method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to statement of profit or loss where applicable.

The Group's share of post-acquisition profit is recognized in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in statement of profit or loss and other comprehensive income with the corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount and recognises the amount adjacent to share of profit/ (loss) of associates in the statement of profit or loss.

4.3 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Group has a single reportable segment as the Board of Directors views the Group's operations as one reportable segment.

4.4 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates. The financial statements are presented in Pakistan Rupees, which is the Group's functional currency.

4.5 Foreign currency transactions and translation

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of transaction. All assets and liabilities in foreign currencies are translated into rupees at the rates of exchange ruling on the date of the statement of financial position. Exchange differences are dealt with through the statement of profit or loss.

4.6 Taxation

Provision for current taxation is based on taxable income at applicable tax rates, adjusted for royalty payments to the Government.

Deferred tax is accounted for on all temporary differences using the liability method. Deferred tax liability has been calculated at the estimated effective rate of 30% after taking into account availability of future depletion allowance and set off available in respect of royalty payments to the Government whereas deferred tax liability of CAPGAS has been calculated at applicable tax rate.

4.7 Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

4.8 Provision for decommissioning costs

Provision for decommissioning costs is recognized in full for development wells and production facilities. The amount recognized is the present value of the estimated cost to abandon a well and remove production facilities. A corresponding intangible asset of an amount equivalent to the provision is also created and is amortized on unit of production basis over the total proved developed reserves of the field or @ 5% where the life of a field is more than 20 years.

Most of these abandonment and removal events are many years in the future and the precise requirements that will have to be met when the abandonment and removal event actually occurs are uncertain. Abandonment and asset removal technologies and costs are constantly changing, as are political, environmental, safety and public expectations. Consequently, the timing and amount of future cash flows are subject to significant uncertainty.

The timing and amount of future expenditures are reviewed annually, together with the interest rate to be used in discounting the cash flows. Any difference between the liability recognized and actual costs incurred are charged/credited to statement of profit or loss in the year of decommissioning.

The effect of changes resulting from revisions to the estimate of the liability are incorporated on a prospective basis.

The decommissioning cost has been discounted at a real discount rate of 1.30% (2020: 1.65%) per annum.

4.9 Employee compensated absences

The Group provides for compensated absences for all eligible employees in accordance with the rules of the Group.

4.10 Staff retirement benefits

The Company and its subsidiary operates the following staff retirement benefits plans:

POL

POL operates the following staff retirement benefits plans:

(i) A pension plan for its management staff and a gratuity plan for its management and non-management staff. The pension and gratuity plans are invested through approved trust funds. Both are defined benefit final salary plans. The pension and gratuity plans are complementary plans for management staff. Pension payable to management staff is reduced by an amount determined by the actuary equivalent to amount paid by the gratuity fund. Management staff hired after January 1, 2012 are only entitled to benefits under gratuity fund. Actuarial valuations are conducted annually using the "Projected Unit Credit Method" and the latest valuation was conducted as at June 30, 2021.

Actuarial gain and losses arising from experience adjustments and change in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in statement of profit or loss.

Since both are complementary plans, combined details and valuation for pension plan and gratuity plan are given in note 39.

(ii) Separate approved contributory provident funds for management and non-management employees for which contributions are made by the Company and the employee at the rate of 10% of basic salary.

CAPGAS

The subsidiary is operating a non funded gratuity plan for management and non-management employees. The liability for gratuity plan is provided on the basis of actuarial valuation conducted as at June 30, 2021 using the "Project Unit Credit Method".

4.11 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

4.12 Contingent liabilities

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.13 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for freehold land and capital work in progress, which are stated at cost.

Depreciation is provided on straight line method at rates specified in note 13.1 to the financial statements. Depreciation is charged on additions from the month the asset become available for the intended use upto the month in which these are derecognized.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains and losses on derecognition of assets are included in income currently.

4.14 Other intangible assets

These are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is calculated using the straight line method over the period of useful life of the asset at the rates specified in note 16. Costs associated with maintaining intangibles are recognized as expense as and when incurred. Amortization on additions is charged from the month in which an intangible asset is acquired or capitalized, while no amortization is charged for the month in which the intangible asset is disposed off.

4.15 Exploration assets / costs and development costs

4.15.1 Exploration and development costs are accounted for using the "Successful Efforts Method" of accounting.

4.15.2 Exploration costs

All exploration costs, other than those relating to exploratory drilling, are charged to income as incurred. Exploratory drilling costs i.e. costs directly associated with drilling of an exploratory well, are initially capitalized pending determination of proven reserves. These costs are either charged to income if no proved reserves are found or transferred to development costs if proved reserves are found.

All capitalized costs are subject to review for impairment at least once a year and any impairment determined is immediately charged to income.

4.15.3 Development costs

Development costs are stated at cost less accumulated amortization and impairment losses. Expenditure on drilling of development wells, including unsuccessful development wells, is capitalized within development costs. Capitalized development costs are amortized on a unit of production basis over the total proved developed reserves of the field or @ 5% per annum where the life of the field is more than 20 years.

4.16 Stores and spares

Stores and spares are valued at cost determined on moving average formula less allowance for obsolete items. Stores in transit are stated at invoice value plus other charges paid thereon.

4.17 Stock in trade

Stocks are valued at the lower of average annual cost (including appropriate production overheads) and net realizable value. Net realizable value is determined on the basis of estimated selling price of the product in the ordinary course of business less costs necessary to be incurred for its sale.

4.18 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no new impairment loss had been recognized. An impairment loss or reversal of impairment loss is recognized in income for the year.

4.19 Trade debts and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less loss allowance. Refer note 4.22 for a description of the Group's impairment policies.

4.20 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Group loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled or expired. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

4.21 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

(i) Amortised cost where the effective interest rate method will apply;
(ii) Fair value through profit or loss (FVTPL); and
(iii) Fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group can classifies its debt instruments:

a) Amortised cost

Financial assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue, and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in statement of profit or loss.

4.22 Impairment of financial assets

The Group assesses on a historical as well as on a forward looking basis the expected credit losses (ECL) as associated with its trade debts, deposits and other receivables and cash and bank balances carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts, the Group applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance while general 3-stage approach for deposits and other receivables and cash and bank balances i.e to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Deposits and other receivables
- Cash and bank balances
- Short term investments

(i) Simplified approach for trade debts

The Group recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts with individually significant balance are separately assessed for ECL measurement. All other receivables are grouped and assessed collectively based on shared credit risk characteristics and the days past due. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- external credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Recognition of loss allowance

The Group recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Write-off

The Group write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

(ii) General approach for short term investment, deposits and other receivables and cash and bank balances.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

Definition of default

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, in case of trade debts, the Group considers that default has occurred when a the debt is more than 365 days past due, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit - impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4.23 Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss.

The Group has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Group derecognises financial liabilities when and only when the Group's obligations are discharged, cancelled or they expire.

4.24 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Group has a legally enforceable right to setoff the recognized amounts and the Group intends to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.25 Revenue recognition

Revenue is recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognised as follows:

a) Crude oil, upon delivery to customer;
b) Natural gas, upon delivery to the customer; and
c) Liquefied Petroleum Gas (LPG), upon delivery to distributors at LPG plant facility

Revenue is measured at the fair value of the consideration to which the Group expects to be entitled in exchange for transferring goods/services. Effect of adjustment, if any, arising from revision in sale price is reflected as and when the prices are finalized with the customers and/or approved by the Government.

Billings are generally raised in the following month which are payable within 30 to 45 days in accordance with the contractual arrangement with customers.

Income on investments at amortised costs and bank deposits is recognized on time proportion basis using the effective yield method.

Dividend income is recognized when the right to receive dividend is established.

4.26 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual right and obligations of the parties to the arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint operations. The Group has recognized its share of assets, liabilities, income and expenditure jointly held or incurred under the joint operations on the basis of latest available audited accounts of the joint operations and where applicable, the cost statements received from operators of the joint arrangements for the intervening period up to the statement of financial position date.

4.27 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, and finances under mark up arrangements.

4.28 Dividend distribution

Dividend distribution to the shareholders is accounted for in the period in which dividend is declared.

4.29 Leases

4.29.1 Right of use asset

The Group assesses whether a contract is or contains a lease at inception of the contract. If the Company assesses contract contain a lease and meet requirements of IFRS 16, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

4.29.2 Lease liability

If applicable, the lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following:

a. fixed payments, including in-substance fixed payments;
b. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c. amounts expected to be payable under a residual value guarantee; and
d. the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments are recongnised in profit or loss in the period in which the condition that triggers those payments occurs.

The Group has opted not to recognize right of use asssets for short-term leases i.e. leases with a term of twelve(12) months or less. The payments associated with such leases are recognized in profit or loss when incurred.

4.29.3 During the year Rs 421,660 thousand (2020: Rs 998,207 thousand) have been capitalised in Development & Decommissioning costs and Exploration & Evaluation assets in respect of short-term leases.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Group's financial statements or where judgment was exercised in application of accounting policies are as follows:

i) Estimated crude oil/gas reserves used for amortization of development and decommissioning costs - note 4.15 and 14
ii) Estimated useful life of property, plant and equipment - note 4.13 and 13.1
iii) Estimated costs, discount and inflation rate used for provision for decommissioning costs - note 4.8 and 10.2
iv) Estimate of recoverable amount of investment in associated companies - note 4.2 and 17
v) Estimated value of staff retirement benefits obligations - note 4.10 and 39
vi) Provision for taxation - note 4.6 and 35
vii) Price adjustment related to crude oil sales - note 4.25 and 26
viii) Impairment of financial assets - note 4.22
ix) Right of use assets and corresponding lease liability - note 4.29

		2021	2020
		Rupees ('000)	
6.	**SHARE CAPITAL**		
	Authorised capital		
	500,000,000 (2020: 500,000,000) ordinary shares of Rs 10 each	5,000,000	5,000,000
	Issued, subscribed and paid up capital		
	Shares issued for cash 20,200,000 (2020: 20,200,000) ordinary shares	202,000	202,000
	Shares issued as fully paid bonus shares 263,655,104 (2020: 263,655,104) ordinary shares	2,636,551	2,636,551
	283,855,104 (2020: 283,855,104) ordinary shares of Rs 10 each	2,838,551	2,838,551

6.1 The Company is a subsidiary of The Attock Oil Company Limited which held 149,794,518 (2020: 149,794,518) ordinary shares at the year end.

		2021	2020
		Rupees ('000)	
7.	**CAPITAL RESERVE**		
	Bonus shares issued by subsidiary/associated companies	71,395	71,395
	Special reserve - note 7.1	15,437	15,429
	Utilised special reserve - note 7.2	1,941,044	1,941,044
		2,027,876	2,027,868

7.1 This represents the Group's share of post-acquisition profit set aside as a special reserve by associated companies on account of expansion and modernisation of refineries or to offset against any future loss of Rs 15,196 thousand (2020: Rs 15,196 thousand), as a result of the directive of the Government to divert net profit after tax above 50 percent of paid-up capital and maintenance reserve of Rs 241 thousand (2020: Rs 233 thousand) retained by an associated company to pay for major maintenance expenses in terms of Power Purchase Agreement. Special reserves are not available for distribution.

7.2 This represents the Group's share of amounts utilised by associated companies out of the Special Reserve for upgradation and expansion of the refineries.

		2021	2020
		Rupees ('000)	
8.	**REVENUE RESERVES**		
	Insurance reserve - note 8.1	200,000	200,000
	General reserve - note 8.2	7,077,325	7,077,325
	Unappropriated profit	30,810,225	29,706,730
		38,087,550	36,984,055

8.1 The Group has set aside an insurance reserve for self insurance of assets which have not been insured and for deductibles against insurance claims.

8.2 This includes Rs 1,557,794 (2020: Rs 1,557,941) set aside by POL on account of gain on sale of investments as investment reserve to meet any future losses/ impairment on investments.

	2021	2020
	Rupees ('000)	
9. LONG TERM DEPOSITS		
Security deposits from distributors against equipment	929,635	921,899
Security deposits from distributors against distributorship and others	59,124	63,102
	988,759	985,001

9.1 Amount received as security deposit is utilized/utilizable by the Group in accordance with the related agreements with customers.

	2021	2020
	Rupees ('000)	
10. DEFERRED LIABILITIES		
Provision for deferred income tax - note 10.1	5,840,426	5,831,957
Provision for decommissioning costs - note 10.2	14,389,227	14,089,542
Provision for staff compensated absences	3,299	6,768
Provision for un-funded gratuity plan - CAPGAS	7,862	5,642
	20,240,814	19,933,909
10.1 Provision for deferred income tax		
The provision for deferred income tax represents:		
Temporary differences between accounting and tax base of non current assets	6,162,545	6,095,637
Provision for stores and spares	(191,873)	(173,851)
Provision for doubtful receivable	(93)	(93)
Deferred tax on remeasurement loss on staff retirement benefit plans	(130,153)	(89,736)
	5,840,426	5,831,957
10.2 Provision for decommissioning costs		
Balance brought forward	14,089,542	11,811,608
Revision due to change in estimates - note 10.2.1	(193,498)	65,806
Provision made during the year	335,429	173,660
Unwinding of discount	1,123,961	1,594,927
Exchange (gain) / loss	(869,170)	611,283
Decommissioning cost incurred during the year	(97,037)	(167,742)
	14,389,227	14,089,542

		2021	2020
		Rupees ('000)	
10.2.1	**Revision due to change in estimates**		
	Credited to related asset - note 14	38,574	274,982
	Revision in excess of related asset credited to statement of profit or loss - note 28	(232,072)	(209,176)
		(193,498)	65,806
11.	**TRADE AND OTHER PAYABLES**		
	Creditors	462,149	484,341
	Due to related parties		
	Attock Hospital (Pvt) Limited	3,234	2,779
	Attock Petroleum Limited	23,314	-
	Attock Energy Private Limited	1,239	-
	Attock Refinery Limited	10,462	-
	National Refinery limited	8,292	-
	Attock Lesiure and Management Associates (Pvt) Limited	491	63
	Management Staff Pension Fund	126,441	24,713
	Staff Provident Fund	-	35
	General Staff Provident Fund	-	514
	Workers' Profit Participation Fund - note 11.1	1,156,780	1,093,950
	Due to joint operating partners		
	The Attock Oil Company Limited	35,838	20,164
	Others	905,978	1,748,469
	Accrued liabilities	2,277,098	3,313,280
	Advance payment from customers	68,558	108,640
	Royalty	582,863	508,177
	Excise duty	3,940	3,821
	Petroleum levy payable	13,671	28,222
	Workers' Welfare Fund	1,069,630	693,354
	Liability for staff compensated absences	15,239	10,792
	Other Liabilities - note 11.2	18,954,545	15,396,180
		25,719,762	23,437,494
11.1	**Workers' Profit Participation Fund**		
	Balance at beginning of the year	1,093,950	1,329,934
	Amount allocated for the year	1,169,275	1,105,851
	Amount paid to the Fund's trustees	(1,106,445)	(1,341,835)
	Balance at year end	1,156,780	1,093,950

11.2 This includes payment received from a customer on account of additional revenue and related sales tax due to enhanced gas price incentive as explained in note 26.1.

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

12.1.1 POL

There were no material contingencies as at June 30, 2021 (2020 : Rs Nil).

12.1.2 CAPGAS

In 2018, the Islamabad High Court held that the use of cylinders for the supply of LPG by the Company did not attract the levy and charge of sales tax under sales tax Act, 1990 and consequently the Company was not entitled to claim and adjust input tax amounting to Rs 5,644 thousand. The Company has filed an appeal with the Supreme Court of Pakistan which is pending adjudication. The management and legal advisor of the Company are confident that the matter will be decided in favour of the Company. Accordingly, no provision has been made in the financial statements of CAPGAS.

	2021	2020
	Rupees ('000)	
12.2 Group's share in contingencies of associated companies		
a) Claims not acknowledged as debt including claims in respect of delayed payment charges by crude oil suppliers and freight claims	1,392,500	1,292,500
b) Claims raised on certain Oil Marketing Companies (OMCs) in respect of delayed payment charges not acknowledged as debt by the OMCs	1,267,500	1,267,500
c) Corporate guarantees and indemnity bonds issued by associated companies	267,414	393,764
d) Guarantees issued by bank on behalf of associated companies	186,927	117,820
e) Exposure to tax liability due to less distribution of dividend as per section 5A of Finance Act, 2017	156,000	156,000
f) Other contingencies based on financial statements of associated companies	108,044	108,044
g) With holding taxes not deducted on payment to foreign contractors against import of plant and machinery for the Company's upgradation projects	380,575	-

h) An associated company has filed an Intra Court Appeal before Division Bench of Lahore High Court in respect of report of Inquiry Commission constituted to probe shortage of Petroleum Products in the Country. The Inquiry Commission held OGRA and OMCs responsible for Petroleum Products shortage crises in the month of June, 2020. The associated company is confident that it will be able to defend its stance effectively in the Lahore High Court.

		2021	2020
		Rupees ('000)	
12.3	Capital expenditure commitments outstanding		
	POL		
	Share in joint operations	7,059,703	9,412,940
	Own fields	-	297,558
	Letter of credit issued by banks on behalf of POL	95,164	199,199
	NRL		
	Commitments outstanding for capital expenditure	87,925	100,750
	APL		
	Commitments outstanding for capital expenditure/ import of petroleum products against letter of credit facility	666,392	307,356
	AITSL		
	Commitments outstanding for capital expenditure	596	594

13. PROPERTY, PLANT AND EQUIPMENT

	2021	2020
Operating assets - note 13.1	6,170,079	7,106,486
Capital work in progress - note 13.5	552,063	486,288
	6,722,142	7,592,774

13.1 Operating assets

	Freehold land	Buildings	Pipelines and pumps	Plant and machinery Field plants	Plant and machinery Rigs	Gas cylinders	Motor vehicles	Chattels	Computer and software development	Total
	Rupees ('000)									
As at July 1, 2019										
Cost	29,830	536,233	2,421,162	15,525,416	738,505	956,888	585,303	174,582	487,042	21,454,961
Accumulated depreciation	-	(254,220)	(1,386,016)	(9,651,487)	(549,123)	(712,765)	(512,850)	(128,617)	(455,009)	(13,650,087)
Net book value	29,830	282,013	1,035,146	5,873,929	189,382	244,123	72,453	45,965	32,033	7,804,874
Year ended June 30, 2020										
Opening net book value	29,830	282,013	1,035,146	5,873,929	189,382	244,123	72,453	45,965	32,033	7,804,874
Additions	418	11,418	58,463	613,215	9,861	7,645	34,075	11,269	65,233	811,597
Disposals/deletions										
Cost	-	(117)	(6,932)	(14,985)	(3,565)	(6,301)	(1,681)	(1,328)	(11,180)	(46,089)
Depreciation	-	51	6,521	14,139	3,565	6,301	1,681	1,301	11,107	44,666
	-	(66)	(411)	(846)	-	-	-	(27)	(73)	(1,423)
Depreciation charge	-	(23,041)	(191,500)	(1,133,700)	(41,302)	(44,406)	(29,762)	(12,172)	(32,679)	(1,508,562)
Closing net book value	30,248	270,324	901,698	5,352,598	157,941	207,362	76,766	45,035	64,514	7,106,486
As at July 1, 2020										
Cost	30,248	547,534	2,472,693	16,123,646	744,801	958,232	617,697	184,523	541,095	22,220,469
Accumulated depreciation	-	(277,210)	(1,570,995)	(10,771,048)	(586,860)	(750,870)	(540,931)	(139,488)	(476,581)	(15,113,983)
Net book value	30,248	270,324	901,698	5,352,598	157,941	207,362	76,766	45,035	64,514	7,106,486
Year ended June 30, 2021										
Opening net book value	30,248	270,324	901,698	5,352,598	157,941	207,362	76,766	45,035	64,514	7,106,486
Additions	-	5,289	78,375	264,224	67,464	12,985	35,097	9,082	70,187	542,703
Disposals/deletions										
Cost	-	(1,608)	(4,756)	(15,771)	(6,753)	(6,069)	(9,646)	(628)	(27,647)	(72,878)
Depreciation	-	455	4,724	14,461	6,672	6,069	9,099	613	27,640	69,733
	-	(1,153)	(32)	(1,310)	(81)	-	(547)	(15)	(7)	(3,145)
Depreciation charge	-	(21,363)	(186,692)	(1,099,614)	(41,641)	(49,588)	(29,258)	(11,489)	(36,320)	(1,475,965)
Closing net book value	30,248	253,097	793,349	4,515,898	183,683	170,759	82,058	42,613	98,374	6,170,079
As at June 30, 2021										
Cost	30,248	551,215	2,546,312	16,372,099	805,512	965,148	643,148	192,977	583,635	22,690,294
Accumulated depreciation	-	(298,118)	(1,752,963)	(11,856,201)	(621,829)	(794,389)	(561,090)	(150,364)	(485,261)	(16,520,215)
Net book value	30,248	253,097	793,349	4,515,898	183,683	170,759	82,058	42,613	98,374	6,170,079
Annual rate of Depreciation (%)	-	5	10	10	10	10	20	12.5-20	25	

13.2 Cost and accumulated depreciation include

	Cost		Accumulated depreciation	
	2021	2020	2021	2020
	Rupees ('000)		Rupees ('000)	
Share in joint operations operated by the Group	1,527,824	1,456,919	1,340,656	1,300,979
Assets not in possession of the Group				
Share in joint operations operated by others				
MOL Pakistan Oil and Gas Company B.V.	11,446,923	11,321,065	8,309,256	7,463,089
Orient Petroleum Inc.	74,383	74,105	64,411	62,475
Oil and Gas Development Company Limited	74,175	73,930	52,068	46,796
Pakistan Petroleum Limited	2,245,926	2,186,976	1,219,546	1,030,068
	13,841,407	13,656,076	9,645,281	8,602,428
* Gas cylinders - in possession of distributors	886,700	884,906	742,686	715,831
	16,255,931	15,997,901	11,728,623	10,619,238

* Due to large number of distributors it is impracticable to disclose the name of each person having possession of these assets, as required by 4th Schedule to the Companies Act, 2017.

	2021	2020
	Rupees ('000)	
13.3 The depreciation charge has been allocated as follows		
Operating costs	1,475,925	1,431,730
Other income - Crude transportation income	-	76,792
Administrative expenses	40	40
	1,475,965	1,508,562

13.4 Particulars of Group's immovable property including location and area of land are as follows

District	Location	Total Area (In acres)
Attock	Khaur	297.59
Attock	Dhulian	746.17
Attock	Meyal	194.44
Chakwal	Balkassar	2.14
Rawalpindi	Rawalpindi	35.76
Rawalpindi	Rawalpindi - (Khaur- Rawalpindi pipe Line)	63.35
Rawalpindi	Adhi	4.77

13.5 Capital work in progress

	Buildings	Plant and machinery / Pipelines and pumps	Computers and software development	Total
	Rupees ('000)			
Balance as at July 1, 2019	2,601	749,644	-	752,245
Additions during the year	3,201	65,051	1,662	69,914
Transfers during the year	(3,936)	(331,935)	-	(335,871)
Balance as at June 30, 2020	1,866	482,760	1,662	486,288
Balance as at July 1, 2020	1,866	482,760	1,662	486,288
Additions during the year	7,112	175,640	24	182,776
Transfers during the year	(3,455)	(111,860)	(1,686)	(117,001)
Balance as at June 30, 2021	5,523	546,540	-	552,063

	2021	2020
	Rupees ('000)	
13.6 Break up of capital work in progress at June 30 is as follows		
POL		
Own fields	7,822	12,256
POLGAS plant	8,908	4,403
Share in joint operations operated by the Company		
Ikhalas Joint Operation	-	20,485
Pindori Joint Operation	323	769
MOL Pakistan Oil and Gas Company B.V.		
- TAL Block	86,235	-
- Margala Block 3372-20	269	269
Oil and Gas Development Company Limited		
- Jhal Magsi D&P Lease	447,380	447,380
CAPGAS	1,126	726
	552,063	486,288

14. DEVELOPMENT AND DECOMMISSIONING COSTS

	Development Cost	Decommissioning Cost	Total
		Rupees ('000)	
As at July 1, 2019			
Cost	41,959,950	2,468,124	44,428,074
Accumulated amortization	(31,073,799)	(2,300,689)	(33,374,488)
Net book value	10,886,151	167,435	11,053,586
Year ended June 30, 2020			
Opening net book value	10,886,151	167,435	11,053,586
Additions	3,472,391	173,660	3,646,051
Disposals			
Cost	-	(50,513)	(50,513)
Accumulated amortization	-	50,513	50,513
	-	-	-
Revision due to change in estimates note 10.2.1	(3,985)	278,967	274,982
Amortization for the year - note 28	(2,497,233)	(121,769)	(2,619,002)
Closing net book value	11,857,324	498,293	12,355,617
As at July 1, 2020			
Cost	45,428,356	2,870,238	48,298,594
Accumulated amortization	(33,571,032)	(2,371,945)	(35,942,977)
Net book value	11,857,324	498,293	12,355,617
Year ended June 30, 2021			
Opening net book value	11,857,324	498,293	12,355,617
Additions	831,510	335,429	1,166,939
Disposals			
Cost	-	(18,955)	(18,955)
Accumulated amortization	-	18,955	18,955
	-	-	-
Revision due to change in estimates note 10.2.1	(43,667)	82,241	38,574
Wells cost transferred from exploration and evaluation assets - note 15	2,555,371	-	2,555,371
Amortization for the year	(2,277,654)	(166,172)	(2,443,826)
Closing net book value	12,922,884	749,791	13,672,675
As at June 30, 2021			
Cost	48,771,570	3,268,953	52,040,523
Accumulated amortization	(35,848,686)	(2,519,162)	(38,367,848)
Net book value	12,922,884	749,791	13,672,675

			2021	2020
			Rupees ('000)	
15.	**EXPLORATION AND EVALUATION ASSETS**			
	Balance brought forward		2,773,514	52,761
	Additions during the year		294,080	2,720,753
			3,067,594	2,773,514
	Wells cost transferred to development cost - note 14		(2,555,371)	-
			512,223	2,773,514
15.1	**Break up of exploration and evaluation assets at June 30 is as follows:**			
	Own fields			
		- Balkassar	-	1,388,951
	Share in joint operations operated by the Group			
		- DG Khan	512,223	379,587
	Share in joint operations operated by others			
	MOL Pakistan Oil and Gas Company B.V.	- TAL Petroleum Concession (Block 3370-3)	-	1,004,976
			512,223	2,773,514
16.	**OTHER INTANGIBLE ASSETS**			
	LPG Quota			
	Written down value		85,902	151,722
	Addition		26,400	-
	Less: Amortization for the year		65,019	65,820
			47,283	85,902
	Annual rate of amortization (%) - straight line		20	20

		2021	2020
		Rupees ('000)	
17.	**LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES - EQUITY BASIS**		
	Beginning of the year	10,969,009	13,135,926
	Share of profit/(loss) of associated companies	793,414	(939,262)
	Share of other comprehensive (loss)/income of associated companies	(4,842)	7,276
	Reversal of impairment loss/(impairment loss) against investment in National Refinery Limited	1,625,412	(1,130,160)
	Dividend received during the year	(45,401)	(104,771)
		13,337,592	10,969,009
17.1	**The Group's interest in associates are as follows:**		
	Quoted		
	National Refinery Limited - note 18.3 19,991,640 (2020: 19,991,640) fully paid ordinary shares including 3,331,940 (2020: 3,331,940) bonus shares of Rs 10 each Cost Rs 8,046,635 thousand (2020: 8,046,635 thousand) Quoted market value as at June 30, 2021: Rs 10,459,426 thousand (2020: Rs 2,144,703 thousand)	10,459,426	8,396,489
	Attock Petroleum Limited (APL) - note 18.3 6,984,714 (2020: 6,984,714) fully paid ordinary shares including 3,616,314 (2020: 3,616,314) bonus shares of Rs 10 each Cost Rs 1,562,938 thousand (2020: 1,562,938 thousand) Quoted market value as at June 30, 2021: Rs 2,242,303 thousand; (2020: Rs 2,131,735 thousand)	2,837,424	2,537,432
	Unquoted		
	Attock Information Technology Services (Pvt) Limited (AITSL) 450,000 (2020: 450,000) fully paid ordinary shares of Rs 10 each	40,742	35,088
		13,337,592	10,969,009

All associated companies are incorporated in Pakistan. All associated companies have share capital consisting solely of ordinary shares, which are held directly by the Group. Although the Group has less than 20 percent shareholding in APL and AITSL, these have been treated as associates since the Group has representation on their Board of Directors.

17.2 No investment was made in subsidiary and associated companies during the year.

17.3 The tables below provide summarised financial information for associated companies. The information disclosed reflects the amounts presented in the audited financial statements of the relevant associated companies, for the year ended June 30, 2021 (2020: June 30, 2020) and not the reporting entity's share of those amounts.

	National Refinery Limited		Attock Petroleum Limited		Attock Information Technology Services (Pvt) Limited	
	2021	2020	2021	2020	2021	2020
	Rupees ('000)		Rupees ('000)		Rupees ('000)	
Summarised financial position						
Current assets	36,192,216	21,345,597	44,210,980	35,654,693	359,765	293,869
Non- current assets	39,489,300	41,967,193	17,686,905	15,583,639	75,656	89,096
Current liabilities	42,919,804	32,983,296	31,795,455	27,908,728	22,119	22,806
Non- current liabilities	1,174,325	492,208	7,381,496	4,883,583	5,885	9,283
Net assets	31,587,387	29,837,286	22,720,934	18,446,021	407,417	350,876
Reconciliation to carrying amounts						
Net assets as at July 1	29,837,690	33,873,469	18,446,021	18,926,735	350,876	291,654
Profit/(loss) for the year	1,770,100	(4,063,762)	4,919,632	1,008,294	56,540	59,222
Other comprehensive (loss)/income	(19,999)	27,983	2,244	3,984	-	-
Dividends paid	-	-	(646,963)	(1,492,992)	-	-
Net assets as at June 30	31,587,791	29,837,690	22,720,934	18,446,021	407,416	350,876
Group's percentage shareholding in the associate	25%	25%	7.0175%	7.0175%	10%	10%
Group's share in net assets	7,896,948	7,459,423	1,594,442	1,294,450	40,742	35,088
Excess of purchase consideration over carrying amount at the date of acquisition	6,371,355	6,371,355	1,242,982	1,242,982	-	-
Proportionate share in carrying value of net assets before impairment	14,268,303	13,830,778	2,837,424	2,537,432	40,742	35,088
Impairment	(3,808,877)	(5,434,289)	-	-	-	-
Carrying amount of investment	10,459,426	8,396,489	2,837,424	2,537,432	40,742	35,088
Summarised statements of comprehensive income						
Net revenue	139,625,198	125,612,646	188,645,375	201,078,720	151,297	142,949
(Loss)/ profit for the year	1,770,100	(4,063,762)	4,919,632	1,008,294	56,540	59,222
Other comprehensive income	(19,999)	27,983	2,244	3,984	-	-
Total comprehensive income	1,750,101	(4,035,779)	4,921,876	1,012,278	56,540	59,222
Dividend received from associates	-	-	45,401	104,771	-	-

17.4 The carrying value of investment in National Refinery Limited at June 30, 2021 is net of impairment loss of Rs 3,808,877 thousand (2020: Rs 5,434,289 thousand). The Group has assessed the recoverable amount of the investment in National Refinery Limited based on higher of the value-in-use (VIU) and fair value (level 1 in the fair value hierarchy - quoted market price as at June 30, 2021). VIU is based on a valuation analysis carried out by an external investment advisor engaged by the Company. VIU of Rs 492 per share has been assessed on discounted cash flow based valuation methodology which assumes an average gross profit margin of 3.80% (2020: 3.43%), terminal growth rate of 4% (2020: 3%) and capital asset pricing model based discount rate of 20.05% (2020: 18.20%).

17.5 Based on a valuation analysis carried out by the management, the recoverable amount of investment in Attock Petroleum Limited exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology which assumes an average gross profit margin of 4.46% (2020:3.60%), a terminal growth rate of 4.0% (2020: 4.0%) and a capital asset pricing model based discount rate of 16.51% (2020: 15.43%).

		2021	2020
		Rupees ('000)	
18.	**LONG TERM LOANS AND ADVANCES, CONSIDERED GOOD**		
	Long term loans and advances to employees	58,285	51,511
	Less: Amount due within twelve months, shown under current loans and advances - note 22	21,139	24,788
		37,146	26,723

18.1 Loans and advances to employees are for general purpose and for house rent advance which are recoverable in up to 60 and 36 equal monthly installments respectively and are secured by an amount due to the employee against provident fund. These loans and advances are interest free. These do not include any amount receivable from the Chief Executive and Directors. These loans have not been discounted, as the impact is considered insignificant.

		2021	2020
		Rupees ('000)	
19.	**STORES AND SPARES**		
	Stores and spares - note 19.1	5,299,071	5,077,887
	Less: Provision for slow moving items - note 19.2	639,575	579,503
		4,659,496	4,498,384
19.1	**Stores and spares include:**		
	Share in joint operations operated by the Group	627,650	573,332
	Share in joint operations operated by others (assets not in possession of the Group)	1,670,815	1,703,562
		2,298,465	2,276,894

		2021	2020
		Rupees ('000)	
19.2	**Provision for slow moving items**		
	Balance brought forward	579,503	537,017
	Provision for the year	60,072	42,486
		639,575	579,503

19.3 Stores and spares include items which may result in fixed capital expenditure but are not yet distinguishable.

		2021	2020
		Rupees ('000)	
20.	**STOCK IN TRADE**		
	Crude oil and other products - note 20.1	298,357	404,494

20.1 These include Rs 37,731 thousand (2020: Rs 22,824 thousand) being the Company's share in joint operations.

		2021	2020
		Rupees ('000)	
21.	**TRADE DEBTS - Considered good**		
	Due from related parties - note 21.1	3,750,557	2,212,489
	Others	3,588,509	5,421,591
		7,339,066	7,634,080
21.1	**Due from related parties**		
	Associated companies		
	Attock Refinery Limited	3,691,129	1,906,780
	National Refinery Limited	49,507	304,969
	Attock Petroleum Limited	9,921	740
		3,750,557	2,212,489

Ageing analysis of trade debts receivable from related parties is given in note 38.3 to the financial statements.

The maximum aggregate amount receivable from related parties at the end of any month during the year was Rs 3,750,557 thousand (2020: Rs 6,473,541 thousand).

		2021	2020
		Rupees ('000)	
22.	**ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Loans and advances - considered good		
	Employees - note 18	22,329	24,788
	Suppliers	183,561	109,629
		205,890	134,417
	Trade deposits and short term prepayments		
	Deposits	122,872	89,638
	Short-term prepayments	488,586	290,462
		611,458	380,100
	Interest income accrued	174,767	295,111
	Other receivables		
	Joint operating partners	154,659	498,831
	Due from related parties		
	Parent company		
	The Attock Oil Company Limited	77,446	36,258
	Associated company		
	Attock Cement Limited	-	16
	Attock Energy (Private) Limited	-	16,207
	General Staff Provident Fund	10,196	-
	Staff Provident Fund	10,571	-
	Gratuity Fund - note 39	185,791	154,676
	Sales tax refundable	2,566,859	2,176,157
	Other receivables (net of loss allowance of Rs 310 thousand (2020: Rs 310 thousand))	16,752	26,197
		3,022,274	2,908,342
		4,014,389	3,717,970

22.1 The aggregate maximum amount due from related parties at the end of any month during the year was Rs 263,237 thousand (2020: Rs 207,156 thousand) respectively.

		2021	2020
		Rupees ('000)	
22.2	The ageing analysis of receivable from related parties is as follows:		
	Upto 3 month	263,237	207,156
	3 to 6 month	-	-
	More than 6 month	-	-
		263,237	207,156

		2021	2020
		Rupees ('000)	
23.	**OTHER FINANCIAL ASSETS**		
	Investments at fair value through profit or loss	-	6,519
23.1	**Investments classified as fair value through profit or loss**		
	Balance at the beginning of the year	6,519	813,478
	Additions during the year	300,621	2,226,167
	Redemptions during the year	(307,169)	(3,033,172)
	Fair value adjustment	29	46
	Balance at the end of the year	-	6,519

23.1.1 Investments classified as fair value through profit or loss at June 30 include the following

	2021			2020		
	Number of units	Cost	Fair value	Number of units	Cost	Fair value
		Rupees ('000)			Rupees ('000)	
Listed securities:						
Meezan Sovereign Fund	-	-	-	12,967	545	670
Pakistan Cash Management Fund	-	-	-	15,869	634	801
Atlas Money Market Fund	-	-	-	37	2	19
UBL Liquidity Plus Fund	-	-	-	26,883	2,707	2,709
Atlas Income Fund	-	-	-	4,453	1,316	2,320
	-	-	-	60,209	5,204	6,519

23.1.2 The fair value of listed securities is based on quoted market prices at the statement of financial position date. The quoted market price used is the current bid price.

24. SHORT TERM INVESTMENTS - AT AMORTISED COST

This amount represents Treasury Bills having maturity of 3 months or less purchased at yield ranging from 7.05% to 8.35% per annum (2020: 7.85% to 14.32% per annum).

	2021	2020
	Rupees ('000)	
25. CASH AND BANK BALANCES		
Bank balance on		
Short term deposits	44,781,900	32,228,089
Interest/mark-up bearing saving accounts	2,847,873	4,544,197
Current accounts	91,609	66,640
	47,721,382	36,838,926
Cash in hand	2,594	1,953
	47,723,976	36,840,879

Balance with banks include foreign currency balances of US $ 142,461thousand (2020: US $ 117,967 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 0.3% to 13.81% (2020: 2% to 13.35%).

	2021	2020
	Rupees ('000)	
26. NET SALES		
Crude oil	17,939,545	17,264,179
Gas - note 26.1	13,494,261	14,136,451
Less: Shrinkages/own use	1,779,776	1,656,263
	11,714,485	12,480,188
POLGAS/CAPGAS - Refill of cylinders	6,991,797	7,477,919
Solvent oil	188,811	220,478
Sulphur	9,280	7,700
	36,843,918	37,450,464

26.1 On August 28, 2015, the Company signed the Supplemental Agreement with the Government of Pakistan (the Government) for conversion of TAL Block Petroleum Concession Agreement (PCA) signed under the 1997 Petroleum Policy to Petroleum (Exploration & Production) Policy 2012 (Petroleum Policy 2012). Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned block. The conversion package included Windfall levy on Natural gas only. Draft statements specifying sums aggregating US $ 34,213 thousand (Rs 3,393,389 thousand) till June 30, 2015 due to the Company in respect of Mamikhel, Maramzi & Makori East discoveries in TAL block were submitted to the Government on December 8, 2015. On October 9, 2017 Oil and Gas Regulatory Authority (OGRA) issued gas price notifications of the subject arears.

On December 27, 2017, the Ministry of Energy (Petroleum Division) notified certain amendments in Petroleum Policy 2012 which also included addition of following explanation of conversion package: "the conversion package shall include (i) price of Natural Gas for New Exploration Efforts (ii) windfall levy on Natural Gas (iii) EWT gas production, pricing and obligations (iv) Windfall levy on Oil & Condensate, only for PCAs converting from 1994 and 1997 Petroleum Policies and (v) Financial obligations relating to production bonus, social welfare and training".

Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 & 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On January 3, 2018, Directorate General Petroleum Concessions (DGPC) has required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on legal advice, the Company is of the view that already executed Supplemental Agreement cannot be changed unilaterally, the Supplemental Agreement was signed under the Conversion Package where gas price was enhanced and Windfall Levy on Oil/Condensate (WLO) was not applicable, the impugned SRO by giving retrospective effect amounts to taking away the vested rights already accrued in favour of the Company. The Government has no authority to give any law or policy a retrospective effect. The Company filed Constitutional Petition challenging the imposition of WLO on February 19, 2018 against Federation of Pakistan through Ministry of Energy (Petroleum Division), Islamabad. The Honorable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. The case came up for hearing on June 12, 2019 but was adjourned on the request of legal counsel of the Government. The Islamabad High Court had fixed March 19, 2020 as next date of hearing, but the hearing was cancelled due to preventive measures taken in the courts amid Coronavirus. The case again came up for hearing on March 17, 2021 before the Honourable Chief Justice of Islamabad High Court, who passed the order for appearance of Secretary Petroleum (Gas Division) on April 20, 2021. The Islamabad High Court did not fix the case on April 20, 2021 due to Covid-19 SOP being observed in Islamabad High Court, Islamabad. The next date of hearing has not yet been fixed by the court.

On prudent basis additional revenue (net of sales tax) on account of enhanced gas price incentive due to conversion from Petroleum Policy 1997 to Petroleum Policy 2012 since inception to June 30, 2021 amounting to Rs 16,196,113 thousand will be accounted for upon resolution of this matter (including Rs 13,949,495 thousand related to period since inception to June 30, 2020). Additional revenue on account of enhanced gas price incentive of Rs 18,949,452 thousand including sales tax of Rs 2,753,339 thousand received from customer on the basis of notified prices has been shown as "Other liabilities" under "trade and other payables". Sales tax of Rs 2,753,339 thousand received from customer on the basis of notified prices is declared in the monthly sales tax return as well as duly deposited with Federal Board of Revenue by the Company. The amount so deposited is shown within "sales tax refundable" in "advances, deposits, prepayments and other receivables".

		2021	2020
		Rupees ('000)	
27.	**OPERATING COSTS**		
	Operating cost - Own fields	909,268	449,239
	- Share in joint operations	3,311,509	3,227,029
	Well work over	79,441	47,060
	POLGAS/CAPGAS - Cost of gas/LPG, carriage etc.	2,866,201	3,355,511
	Head office and insurance charges	196,127	59,173
	Pumping and transportation cost	72,171	57,413
	Depreciation and amortization	1,540,943	1,497,550
		8,975,660	8,692,975
	Opening stock of crude oil and other products	404,494	313,921
	Closing stock of crude oil and other products	(298,357)	(404,494)
		9,081,797	8,602,402
28.	**AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS**		
	Amoritzation charge for the year - note 14	2,443,826	2,619,002
	Revision in estimates of provision for decommissioning costs in excess of related decommissioning costs asset credited to statement of profit or loss - note 10.2.1	(232,072)	(209,176)
		2,211,754	2,409,826
29.	**EXPLORATION COSTS**		
	Geological and geophysical cost		
	Own fields	211	22,831
	Share in joint operations operated by the Company		
	- DG Khan	68,543	75,685
	- Ikhlas	35,891	289,195
	- Pindori	(5,621)	-
	- Kirthar South	59,312	39,008
	Share in joint operations operated by others		
	MOL Pakistan Oil and Gas Company B.V.		
	- TAL Block	10,289	763,677
	- Margala Block	17,343	129,815
	- Margala North Block	123	-
	Oil and Gas Development Company Limited		
	- Kotra	1,703	3,005
	- Gurgalot	14,250	13,694
	Pakistan Petroleum Limited		
	- Hisal	(4,405)	33,138
	Mari Petroleum Company Limited		
	- Taung	296,616	35,370
		494,255	1,405,418

		2021	2020
		Rupees ('000)	
30.	**ADMINISTRATION EXPENSES**		
	Establishment charges	312,234	308,459
	Telephone and telex	1,147	1,249
	Medical expenses	12,709	13,022
	Printing, stationery and publications	6,512	6,929
	Insurance	9,330	7,580
	Travelling expenses	1,580	4,711
	Motor vehicle running expenses	11,745	12,974
	Rent, repairs and maintenance	71,313	70,758
	Auditor's remuneration - note 30.1	10,469	9,755
	Legal and professional charges	10,601	3,276
	Stock exchange and CDC fee	5,000	3,273
	Computer support and maintenance charges	35,637	35,059
	Depreciation and Amortisation	40	40
	Other expenses	5,221	7,448
		493,538	484,533
	Less: Amount allocated to field expenses	274,437	268,449
		219,101	216,084
30.1	**Auditor's remuneration**		
	Statutory audit - POL	2,150	2,000
	- CAPGAS	441	441
	Review of half yearly accounts, audit of consolidated accounts, staff funds, special certifications	2,111	1,997
	Tax services	5,000	4,799
	Out of pocket expenses	767	518
		10,469	9,755
31.	**FINANCE COSTS - NET**		
	Provision for decommissioning cost - note 10.2		
	- Unwinding of discount	1,123,961	1,594,927
	- Exchange loss	(869,170)	611,283
	Banks' commission and charges	4,867	5,444
		259,658	2,211,654
32.	**OTHER CHARGES**		
	Workers' Profit Participation Fund	1,169,275	1,105,851
	Workers' Welfare Fund	376,276	282,065
		1,545,551	1,387,916

		2021	2020
		Rupees ('000)	
33.	**OTHER INCOME - NET**		
	Income from financial assets		
	Income on bank deposits and treasury bills	1,975,928	3,110,684
	Income on investments at amortised cost	7,099	9,534
	Exchange (loss)/gain on financial assets	(1,244,935)	900,086
	Dividend on Investments classified as fair value through profit or loss- note 33.1	730	36,820
	Fair value adjustment on investments classified as fair value through profit or loss	30	48,026
	Income from assets other than financial assets		
	Rental income (net of related expenses Rs 104,532 thousand; 2020: Rs 116,329 thousand)	324,333	212,999
	Crude oil transportation income	330,084	93,533
	Gas processing fee	8,426	30,021
	Gain on sale of property, plant and equipment	28,230	5,931
	Gain on sale of stores and scrap	48,867	3,685
	Confiscation of equipment security deposit	17,599	10,106
	Recovery against investment -TDRs written off in prior years	8,000	11,000
	Others	12,339	3,612
		1,516,730	4,476,037
33.1	**Dividend on Investments classified as fair value through profit or loss**		
	Meezan Sovereign Fund	361	68
	Pakistan Cash Management Fund	54	86
	Alfalah GHP Money Market Fund	-	13,547
	Atlas Money Market Fund	1	2
	UBL Liquidity Plus Fund	186	302
	ABL Cash Fund	-	14,954
	HBL Cash Fund	-	1,520
	NAFA Money Market Fund	-	6,035
	Atlas Income Fund	128	306
		730	36,820

34. SHARE OF PROFITS OF ASSOCIATED COMPANIES

Share of profits of associated companies is net of taxation and based on the audited financial statements of the associated companies for the year ended June 30, 2021.

	2021	2020
	Rupees ('000)	
35. PROVISION FOR TAXATION		
Current		
- for the year	7,612,396	4,686,360
- for prior years	2,464	-
	7,614,860	4,686,360
Deferred - for the year	42,575	362,573
	7,657,435	5,048,933
35.1 Reconciliation of tax charge for the year		
Accounting profit	23,059,685	19,613,716
* Tax at applicable tax rate of 48.60% (2020: 49.96%)	11,207,007	9,799,013
Tax effect of depletion allowance, royalty payments and amounts taxed at lower rates	(3,794,006)	(4,738,959)
Others	244,434	(11,121)
Tax charge for the year	7,657,435	5,048,933

* The applicable tax rate is the weighted average of tax rates applicable to income from oil and gas concessions and income from other activities.

36. OPERATING SEGMENTS

The financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Group is disclosed in note 26.

Revenue from two major customers of the Company constitutes 67% of the total revenue during the year ended June 30, 2021 (June 30, 2020: 67%).

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statement in respect of remuneration, including benefits and perquisites to the chief executive, directors and executives of the Group are given below:

	Chief Executive		Executives	
	2021	2020	2021	2020
	Rupees ('000)			
Managerial remuneration	8,794	7,612	122,384	112,964
Bonus	6,343	6,838	83,065	84,207
Housing, utility and conveyance	6,118	6,133	115,158	105,234
Group's contribution to pension, gratuity and provident funds	-	-	48,099	41,990
Leave passage	1,269	1,269	15,910	16,169
Other benefits	7,344	4,599	47,056	44,617
	29,868	26,451	431,672	405,181
No. of persons, including those who worked part of the year	1	1	53	51

In addition to remuneration, the Chief Executive and certain executives were provided with use of the Group's cars and residential telephone facilities. The Group also provides medical facilities to its staff.

The aggregate amount charged in these financial statements in respect of fee to 7 directors (2020: 6) was Rs 7,885 thousand (2020: Rs 6,873 thousand). This includes Rs 5,126 thousand (2020: Rs 4,358 thousand) paid to 4 non-executive (2020: 4) of the Group.

38. FINANCIAL INSTRUMENTS

38.1 Financial assets and liabilities

	Amortised cost	Investments classified as fair value through profit or loss	Total
		Rupees ('000)	
June 30, 2021			
Financial assets			
Maturity up to one year			
Trade debts	7,339,066	-	7,339,066
Advances, deposits and other receivables	568,825	-	568,825
Short term investments - at amortised cost	99,960	-	99,960
Cash and bank balances	47,723,976	-	47,723,976
Maturity after one year			
Long term loans and advances	37,146	-	37,146
	55,768,973	-	55,768,973

Financial liabilities	Other financial liabilities	Total
	Rupees ('000)	
Maturity up to one year		
Trade and other payables	22,682,640	22,682,640
Unclaimed dividend	244,495	244,495
Maturity after one year		
Long term deposits	988,759	988,759
	23,915,894	23,915,894

	Amortised cost	Investments classified as fair value through profit or loss	Total
		Rupees ('000)	
June 30, 2020			
Financial assets			
Maturity up to one year			
Trade debts	7,634,080	-	7,634,080
Advances, deposits and other receivables	970,839	-	970,839
Other financial assets	-	6,519	6,519
Short term investments - at amortised cost	6,468,798	-	6,468,798
Cash and bank balances	36,840,879	-	36,840,879
Maturity after one year			
Long term loans and advances	26,723	-	26,723
	51,941,319	6,519	51,947,838

	Other financial liabilities	Total
	Rupees ('000)	
Financial liabilities		
Maturity up to one year		
Trade and other payables	20,965,276	20,965,276
Unclaimed dividend	214,307	214,307
Maturity after one year		
Long term deposits	985,001	985,001
	22,164,584	22,164,584

38.2 Credit quality of financial assets

The credit quality of Group's financial assets have been assessed below by reference to external credit ratings of counterparties determined by The Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Group Limited (JCR-VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any defaults in meeting obligations.

		2021	2020
	Rating	Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	4,250,219	2,547,285
	A1	2,750,700	4,733,131
	A2	207,577	257,333
Counterparties without external credit rating			
Existing customers with no default in the past		130,570	96,331
		7,339,066	7,634,080
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	83,661	318,529
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		255,895	297,138
Receivable from employees		119,986	206,187
Receivable from parent company		33,197	36,258
Others		76,086	112,727
		568,825	970,839
Bank balances			
Counterparties with external credit rating	A1+	47,721,158	36,838,279
	A1	267	647
		47,721,425	36,838,926

		2021	2020
	Rating	Rupees ('000)	
Short term investments - at amortised cost			
Counterparties with external credit rating	A1+	99,960	6,468,798
Available for sale investments			
Counterparties with external credit rating	AA(f)	-	670
	AA-(f)	-	801
	AA+	-	2,709
	AM2+	-	2,339
		-	6,519
Long term loans and advances			
Counterparties without external credit rating			
Receivable from employees		37,146	26,723

38.3 Financial risk management

38.3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rates risk and price risk). The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(a) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

As of June 30, 2021, trade debts of Rs 1,564,171 thousand (2020: Rs 3,951,419 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2021	2020
	Rupees ('000)	
Due from related parties		
Up to 3 months	267,117	49,655
3 to 6 months	275,148	229,139
6 to 12 months	85,057	768,602
Above 12 months	27,905	-
	655,227	1,047,396

	2021	2020
	Rupees ('000)	
Due from others		
Up to 3 months	811,169	763,195
3 to 6 months	4,952	1,521,465
6 to 12 months	69,669	595,363
Above 12 months	23,154	24,000
	908,944	2,904,023
	1,564,171	3,951,419

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash and marketable securities. At June 30, 2021, the Group had financial assets of Rs 55,766,422 thousand (2020: Rs 51,947,838 thousand).

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the financial position date to the maturity date. The amounts disclosed in the table are undiscounted cash flows which have been inflated using appropriate inflation rate, where applicable.

	Less than 1 year	Between 1 to 5 years	Over 5 years
		Rupees ('000)	
At June 30, 2021			
Long term deposits	-	988,759	-
Trade and other payables	22,682,640	-	-
Unclaimed dividend	244,495		
At June 30, 2020			
Long term deposits	-	861,129	123,872
Trade and other payables	20,965,276	-	-
Unclaimed dividend	214,307		

(c) Market risk

(i) Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Group is exposed to currency risk arising from currency exposure with respect to the US dollar. Currently foreign exchange risk is restricted to trade debts, bank balances, receivable from/ payable to joint operating partners, payable to suppliers and provision for decommissioning cost.

Financial assets include Rs 55,054,842 thousand (2020: Rs 48,920,065 thousand) and financial liabilities include Rs 688,637 thousand (2020: Rs 1,330,689 thousand) which are subject to currency risk.

If exchange rates had been 10% lower/higher with all other variables held constant, profit after tax for the year would have been Rs 3,805,634 thousand lower/higher (2020: Rs 3,331,256 thousand higher/lower).

(ii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has no significant long term interest bearing financial assets and liabilities whose fair value or future cash flows will fluctuate because of changes in market interest rates.

Financial assets include Rs 47,569,655 thousand (2020: Rs 43,046,489 thousand) which are subject to interest rate risk. Applicable interest rates for financial assets have been indicated in respective notes.

If interest rates had been 1% higher/ lower with all other variables held constant, profit after tax for the year would have been Rs 294,319 thousand (2020: Rs 275,390 thousand) higher/ lower, mainly as a result of higher/ lower interest income from these financial assets.

(iii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as available for sale. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the investment policy of the Group.

Investments classified as fair value through profit or loss of Rs Nil (2020: Rs 6,519 thousand) were subject to price risk.

38.3.2 Capital risk management

The Group's objectives when managing capital are to ensure the Group's ability not only to continue as a going concern but also to meet its requirements for expansion and enhancement of its business, maximize return of shareholders and optimize benefits for other stakeholders to maintain an optimal capital structure and to reduce the cost of capital.

In order to achieve the above objectives, the Group may adjust the amount of dividends paid to shareholders, issue new shares through bonus or right issue or sell assets to reduce debts or raise debts, if required.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The gearing ratio of the Group has always been low and the Group has mostly financed its projects and business expansions through equity financing. Further, the Group is not subject to externally imposed capital requirements.

38.3.3 Fair value of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The Group held the following financial assets at fair value:

	Level 1	Level 2	Level 3	Total
	Rupees ('000)			
June 30, 2021				
Other financial assets classified as fair value through profit or loss	-	-	-	-
June 30, 2020				
Other financial assets classified as fair value through profit or loss	6,519	-	-	6,519

39. STAFF RETIREMENT BENEFITS

The details of actuarial valuation of defined benefit funded plans carried out as at year end are as follows:

39.1 Funded gratuity and pension plan

POL - defined benefit funded plan

39.2 The amounts recognized in the statement of financial position are as follows:

	2021	2020
	Rupees ('000)	
Present value of defined benefit obligations	1,618,605	1,519,369
Fair value of plan assets	(1,677,955)	(1,649,332)
	(59,350)	(129,963)
Amounts in the statement of financial position:		
Gratuity Fund (Asset)	(185,791)	(154,676)
Management Staff Pension Fund Liability	126,441	24,713
Net liability/ (asset)	(59,350)	(129,963)

39.3 The amounts recognized in the statement of profit or loss are as follows:

	2021	2020
Current service cost	37,594	40,047
Past service cost	-	2,169
Net interest cost	(15,075)	(13,311)
	22,519	28,905

39.4 The amounts recognized in statement of profit or loss and other comprehensive income are as follows:

	2021	2020
Remeasurement due to:		
Change in financial assumptions	5,111	24,693
Experience adjustments	118,398	(92,561)
Investment return	11,216	49,613
	134,725	(18,255)

39.5 Changes in the present value of defined benefit obligation are as follows:

	2021	2020
Opening defined benefit obligation	1,519,369	1,500,143
Current service cost	37,594	40,047
Past service cost	-	2,169
Interest cost	124,096	195,221
Remeasurement loss/(gain)	123,508	(67,869)
Benefits paid	(185,962)	(150,342)
Closing defined benefit obligation	1,618,605	1,519,369

		2021	2020
		Rupees ('000)	
39.6	Changes in fair value of plan assets are as follows:		
	Opening fair value of plan assets	1,649,332	1,553,843
	Interest income	139,171	208,533
	Remeasurement loss	(11,216)	(49,613)
	Contribution by employer	86,630	86,911
	Benefits paid	(185,962)	(150,342)
	Closing fair value of plan assets	1,677,955	1,649,332

39.7 The major categories of plan assets as a percentage of total plan assets of defined pension plan are as follows:

	2021		2020	
	Rupees ('000)	%age	Rupees ('000)	%age
Government bonds	5,356	-	984,102	60
Mutual Funds	-	-	23,429	1
Cash and cash equivalents	1,672,599	100	641,801	39
	1,677,955	100	1,649,332	100

Government bonds are valued at quoted market price and are therefore level 1. Cash equivalents and National Savings deposits include level 2 assets.

The funds have no investment in the Company's own securities.

39.8 Principal actuarial assumptions

The principal assumptions used in the actuarial valuation are as follows:

	2021	2020
	%	
Discount rate	10	8.7
Expected rate of salary increase	8.75	7.4
Expected rate of pension increase	4	2.7

39.9 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2020 and 2021.

39.10 The pension gratuity plans are defined benefits final salary plans and both plans are invested through approved trust funds. The trustees of the funds are responsible for plan administration and investment. The Group appoints the trustees who are employees of the Group.

The plans expose the Group to various actuarial risks: investment risk and salary risk from both plans and longevity risk from the pension plan.

The asset ceiling does not apply. The Group can use the surplus in the gratuity fund to reduce its future contributions or can apply to the commissioner of Income Tax for a refund.

39.11 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of a change in respective assumptions by one percent.

	Defined benefit obligation	
	1 percent increase	1 percent decrease
	Rupees ('000)	
Discount rate	(135,484)	166,965
Salary increase	53,396	(42,347)
Pension increase	117,249	(97,281)

If life expectancy increases by 1 year, the obligation increases by Rs 53,713 thousand.

The impact of changes in financial assumptions has been determined by revaluation of the obligations on different rates. The impact of increase in longevity has been calculated on the aggregate for each class of employees.

39.12 The weighted average number of the defined benefit obligation is given below:

Plan Duration	Pension	Gratuity
	Years	
June 30, 2021	11.4	11.2
June 30, 2020	7.9	6.3

39.13 The Group contributes to the pension and gratuity funds on the advice of the fund's actuary. The contributions are equal to the current service cost with adjustment for any deficit.

Projected payments	Pension	Gratuity
	Rupees ('000)	
Contributions FY 2022	49,534	-
Benefit payments:		
FY 2022	101,692	88,994
FY 2023	107,158	30,266
FY 2024	109,594	33,189
FY 2025	113,426	24,768
FY 2026	116,106	34,368
FY 2027-31	667,769	198,608

		2021	2020
		Rupees ('000)	
	CAPGAS - unfunded defined benefit plan		
39.14	The amounts recognized in the statement of profit or loss are as follows:		
	Current service cost	405	411
	Interest cost	485	686
		890	1,097
39.15	The amounts recognized in other comprehensive income are as follows:		
	Remeasurement loss on staff retirement benefit plan	1,329	109
39.16	Changes in the present value of defined benefit obligation are as follows:		
	Opening defined benefit obligation	5,642	5,509
	Current service cost	405	411
	Interest cost	485	686
	Benefits paid	-	(855)
	Remeasurement	1,329	(109)
	Closing defined benefit obligation	7,861	5,641

39.17 Principal actuarial assumptions

The principal assumptions used in the actuarial valuation are as follows:

	2021	2020
	%	
Discount rate	9.75	8.60
Expected rate of salary increase	9.75	8.60

39.18 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2021 and 2020.

39.19 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of a change in respective assumptions by one percent.

	Defined benefit obligation 1 percent increase	Defined benefit obligation 1 percent decrease
	Rupees ('000)	
Discount rate	(463)	527
Salary increase	522	(467)

The impact of changes in financial assumptions has been determined by revaluation of the obligation on different rates.

	Note	2021	2020
		Rupees ('000)	
40. CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	47,723,976	36,840,879
Short term investment - at amortised cost	24	99,960	6,468,798
		47,823,936	43,309,677

41. INTEREST IN SUBSIDIARY

41.1 CAPGAS is only subsidiary of POL as at June 30, 2021. CAPGAS has share capital consisting solely of ordinary shares that are held directly by POL, and the proportion of ownership interest held equals the voting right held by POL. POL holds 51% (2020: 51%) interest in CAPGAS. There are no significant restrictions on Company's ability to use assets, or settle liabilities of CAPGAS.

41.2 Non-controlling interest

Following is the summarised financial information of CAPGAS that has 49% (2020: 49%) ownership interest held by non-controlling interests. The amounts disclosed are before inter-company eliminations:

	2021	2020
	Rupees ('000)	
Summarised financial position		
Current assets	309,764	289,385
Non-current assets	96,023	136,277
Current liabilities	33,549	33,859
Non-current liabilities	123,209	131,448
Net assets	249,029	260,355
Accumulated NCI	122,024	127,574

		2021	2020
		Rupees ('000)	
	Summarised statement of comprehensive income		
	Net revenue	802,061	910,923
	Profit for the year	14,594	47,236
	Other comprehensive income	(944)	77
	Total comprehensive income for the year	13,650	47,313
	Profit attributable to NCI	7,151	23,146
	Total comprehensive income attributable to NCI	6,689	23,183
	Dividend paid to NCI	12,238	12,734
	Summarised statement of cash flows		
	Cash flow from operating activities	19,765	106,682
	Cash flow from investing activities	(4,389)	29,429
	Cash flow from financing activities	(24,976)	(25,987)
	Net increase/(decrease) in cash and cash equivalent	(9,600)	110,124
42.	**EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF POL - BASIC AND DILUTED**		
	Profit for the year attributable to owners of POL (in thousand rupees)	15,395,099	14,541,637
	Weighted average number of ordinary shares in issue during the year (in thousand shares)	283,855	283,855
	Basic and diluted earnings per share (Rupees)	54.24	51.23

43. TRANSACTIONS WITH RELATED PARTIES

43.1 Aggregate transactions with related parties, other than remuneration to the chief executive, directors and executive of the Group under their terms of employment, were as follows:

	Basis of Relationship	2021	2020
		Rupees ('000)	
Parent company - The Attock Oil Company Limited	Holding company		
Rental expense		7,489,766	7,486,678
Purchase of LPG		51,065	44,140
Reimbursment of expenses incurred by AOC on behalf of POL		79,744	63,288
Reimbursment of expenses incurred by POL on behalf of AOC		2,348	5,145
Dividend paid		9,275	14
Associated companies			
Attock Refinery Limited	Common directorship		
Sale of crude oil and gas		13,543,270	12,833,828
Crude oil and gas transmission charges		4,454	6,375
Rental Income		2,885	2,861
Rental expense		1,403	434
Reimbursment of expenses incurred by POL on behalf of ARL		551	685
Reimbursment of expenses incurred by ARL on behalf of POL		20,485	23,831
Purchase of fuel		12,548	14,830
Purchase of LPG		204,884	259,679
National Refinery Limited	25% share holding & common directorship		
Sale of crude oil		1,382,382	1,934,103
Reimbursment of expenses incurred by POL on behalf of NRL		-	536
Reimbursment of expenses incurred by NRL on behalf of POL		397	480
Rental expense		2,554	2,929
Purchase of LPG		143,894	455,365

	Basis of Relationship	2021	2020
		Rupees ('000)	
Attock Petroleum Limited	7.0175% share holding & common directorship		
Purchase of fuel and lubricants		601,870	1,199,115
Sale of solvent oil		188,811	220,477
Rental income		785	493
Purchase of services		635	586
Purchase of goods		392	347
Reimbursment of expenses incurred by POL on behalf of APL		28,549	24,065
Dividend received		45,401	104,771
Profit Disbursement		599	658
Attock Information Technology (Private) Limited	Common directorship		
Purchase of services		58,681	60,821
Attock Cement Pakistan Limited	Common directorship		
Purchase of services		6	438
Sale of services		-	266
Attock Hospital (Private) Limited	Common directorship		
Purchase of medical services		16,820	16,496
Attock Leisure and management Associates (Private) Limited	Common directorship		
Purchase of services		4,789	3,774
Other associated entities			
Dividend paid		7,849	16,427
Other related parties			
Remuneration of Chief Executive, Directors Honorarium & Key Management personnel including benefits & perquisites		149,115	145,534
Dividend paid to key management personnel		158,567	149,940
Contribution to staff retirement benefits plans			
Management Staff Pension Fund and Gratuity Fund		86,631	86,911
Approved Contributory Provident Funds		31,262	30,494
Contribution to Workers' Profit Participation Fund		1,169,275	1,105,851

43.2 Associated Companies incorporated outside Pakistan with whom the Group had entered into transaction or had agreements are as follows:

i)	Name of undertaking	The Attock Oil Company Limited
ii)	Country of Incorporation	United Kingdom
iii)	Basis of association	Parent Company
iv)	Aggregate %age of shareholding	52.77%

44. CONTRIBUTORY PROVIDENT FUND

Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

	2021	2020
	Rupees ('000)	
45. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	23,059,685	19,613,716
Adjustments for:		
Depreciation	1,475,965	1,508,562
Fair value adjustment on investments classified as fair value through profit or loss	(29)	(46)
Amortization of other intangible assets	65,019	65,820
Amortization of development and decommissioning costs	2,211,754	2,409,826
Finance costs	254,791	2,206,210
Exchange loss/(gain) on financial assets	1,244,935	(900,086)
Gain on sale of assets	(28,230)	(5,931)
Share of profit/(loss) of associated companies	(793,414)	939,262
(Reversal of impairment) / impairment on investment in associated company	(1,625,412)	1,130,160
Income on bank deposits	(1,975,928)	(3,110,684)
Income on investments at amortised cost	(7,099)	(9,534)
Dividend on investments classified as fair value through profit or loss	(730)	(36,820)
Provision for slow moving stores and spares	60,072	42,486
Provision for staff compensated absences	(3,469)	(957)
Provision for un-funded gratuity plan - CAPGAS	2,220	132
Measurement (loss)/gain on staff retirement benefit plans	(136,054)	18,364
Reversal of provision for decommissioning cost in excess of actual costs incurred	-	(5,127)
Cash flows before working capital changes	23,804,076	23,865,353

	2021	2020
	Rupees ('000)	
Effect on cash flows due to working capital changes:		
Decrease in stores and spares	(221,184)	(622,465)
Decrease/(increase) in stock in trade	106,137	(90,573)
Decrease in trade debts	295,014	1,274,121
Increase in advances, deposits, prepayments and other receivables	(416,763)	(1,113,180)
Increase in trade and other payables	2,282,268	4,092,732
	2,045,472	3,540,635
Cash flows generated from operations	25,849,548	27,405,988
Decrease/(increase) in long term loans and advances	(10,423)	(450)
(Decrease)/increase in long term deposits	3,758	8,485
Taxes paid	(6,238,804)	(3,873,614)
Decommissioning cost paid	(97,037)	(160,064)
Net cash generated from operating activities	19,507,042	23,380,345

46. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

	Description	Explanation
i)	Loans and advances	Non-interest bearing
ii)	Deposits	Non-interest bearing
iii)	Segment revenue	Disclosed in note 36

		2021	2020
		Rupees ('000)	
iv)	**Bank Balances**		
	Placed under interest arrangements	47,628,653	36,611,737
	Placed under Shariah permissible arrangements	1,120	1,120
		47,629,773	36,612,857
v)	**Income on bank deposits**		
	Placed under interest arrangements	730,945	3,999,774
	Placed under Shariah permissible arrangements	48	146
		730,993	3,999,920

vi)	Gain/(loss) on investments classified as fair value through profit or loss	Disclosed in note 23.1.1
vii)	Dividend income	Disclosed in note 33.1
viii)	All sources of other income	Disclosed in note 33
ix)	Exchange gain	Earned from actual currency
x)	Relationship with banks having Islamic windows	Following is the list of banks with which the Group has a relationship with Islamic window of operations: 1. Meezan Bank Limited 2. Albaraka Islamic Investment bank 3. Bank Islami Limited

47. GEOGRAPHICAL LOCATION AND ADDRESSES OF ALL OTHER BUSINESS UNITS INCLUDING INTEREST IN JOINT OPERATIONS

Geographical location and addresses of all other business units of the Group including interest in joint operations are as follows:

	Location and address		Working interest 2021	Working interest 2020
Exploration licenses/Leases	District(s)	Province(s)	%age	
Operated by the Company				
Ikhlas Petroleum Concession (3372-18)	Attock	Punjab	80.00	80.00
Kirthar South Petroleum Concession (2567-7)	Dadu, Jamshoro, Lasbela, Thatta	Sindh and Balochistan	85.00	85.00
Khaur D&Production Lease (153/PAK/2002)	Attock	Punjab	100.00	100.00
Minwal D&Production Lease (123/PAK/98)	Chakwal	Punjab	82.50	82.50
Pariwali D&Production Lease (119/PAK/97)	Attock	Punjab	82.50	82.50
Pindori D&Production Lease (105/PAK/96)	Rawalpindi	Punjab	35.00	35.00
Turkwal D&Production Lease (133/PAK/99)	Chakwal and Rawalpindi	Punjab	67.37	67.37
D.G. Khan Petroleum Concession (2969-10)	BarKhan, DG Khan, Rajanpur	Punjab and Balochistan	70.00	70.00
Non-operated				
Operated by MOL Pakistan Oil and Gas Company B.V.				
Margala Petroleum Concession (Block 3372-20)	Rawalpindi, Islamabad, Haripur, Abbottabad	Punjab and Khyber Pakhtunkhwa (KPK)	30.00	30.00
Margala North Petroleum Concession (Block 3372-21)	Rawalpindi, Islamabad, Haripur, Abbottabad, Attock	Punjab and KPK	30.00	30.00

	Location and address		Working interest	
			2021	2020
Exploration licenses/Leases	District(s)	Province(s)	%age	
TAL Petroleum Concession (Block 3370-3)	Kohat, Karak, Bannu	KPK	*25.00	*25.00
Maramzai Development and Production lease	Kohat, Hangu	KPK		
Manzalai D&Production lease (175/PAK/2007)	Karak	KPK		
Makori D&Production lease (184/PAK/2012)	Karak	KPK		
Makori East D&Production lease (205/PAK/2013)	Karak	KPK		
Mamikhel Development and Production lease	Kohat	KPK		
Tolanj West D&P lease 234/PAK/2017	Kohat	KPK		
Tolanj D&P lease 233/PAK/2017	Kohat	KPK		
Mardankhel D&P lease 233/PAK/2017	Hangu	KPK		
Operated by Oil and Gas Company Limited				
Chaknaurang Mining Lease (125/PAK/98)	Chakwal	Punjab	15.00	15.00
Gurgalot Petroleum Concession Block (3371-5)	Kohat, Attock	Punjab and KPK	20.00	20.00
Jhal Magsi Development and Production Lease (2867-4)	Jhalmagsi	Balochistan	24.00	24.00
Operated by Orient Petroleum Inc.				
Bhangali D&P Lease (65/PAK/90)	Rawalpindi	Punjab	7.00	7.00
Dhurnal Mining Lease (59/PAKISTAN)	Attock	Punjab	5.00	5.00
Ratana D&P Lease (94/PAK/94)	Attock	Punjab	4.55	4.55
Operated by Pakistan Petroleum Limited				
Adhi Mining Lease (72/PAKISTAN)	Rawalpindi, Chakwal	Punjab	11.00	11.00
Hisal Petroleum Concession (3372-23)	Rawalpindi, Chakwal, Attock	Punjab	25.00	25.00
Operated by Mari Petroleum Company Limited				
Taung Petroleum Concession (2567-12)	Jamshoro	Sindh	40.00	40.00

* Pre-commerciality interest

48. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 11, 2021 has proposed a final dividend for the year ended June 30, 2021 @ Rs 30 per share, amounting to Rs 8,515,653 thousand for approval of the members in the Annual General Meeting to be held on September 22, 2021.

49. CORRESPONDING FIGURES

49.1 Corresponding figures have been rearranged/reclassified wherever necessary to reflect more appropriate presentation of figures in accordance with accounting and reporting standards as applicable in Pakistan. However no significant reclassification have been made except for following:

	Rupees ('000)
These figures have been reclassified in statement of cash flows to conform to current year's presentation.	1,656,263

50. GENERAL

50.1 IMPACT OF COVID 19 ON THE FINANCIAL STATEMENTS

The spread of Covid - 19 as a pandemic and consequently imposition of lock down by Federal and Provincial Governments of Pakistan (Authorities) caused an overall economic slow down at the start of 2020. This resulted in decrease in international prices of petroleum products, which are now steadily recovering. As at year end, there is no other material adverse impact to the business, financial conditions and results of operations. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

50.2 Capacity

Following is production from the Group's fields including proportionate share from all operated and non-operated joint ventures:

Product	Unit	2021	2020
Crude Oil/Condensate	US Barrels	2,264,413	2,282,029
Gas	Million Cubic Feet	28,596	29,336
LPG	Metric Tonnes	56,660	55,778
Sulphur	Metric Tonnes	428	451
Solvent Oil	US Barrels	16,658	19,453

Considering the nature of the Group's business, information regarding installed capacity has no relevance.

50.3	**Number of employees**	**2021**	**2020**
	Total number of employees as at June 30	719	749
	Total number of employees at fields as at June 30	514	549
	Average number of employees during the year	735	760
	Average number of employees at fields during the year	527	559

50.4 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

50.5 Date of authorization

These financial statements were authorized for issue by the Board of Directors of the Company on August 11, 2021.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

PATTERN OF SHAREHOLDING

As at June 30, 2021

S.No.	No. of Shareholders	From	To	Total Shares Held
1	1469	1	100	69,412
2	1930	101	500	556,811
3	1025	501	1000	805,815
4	1862	1001	5000	4,443,151
5	493	5001	10000	3,641,779
6	200	10001	15000	2,476,977
7	93	15001	20000	1,637,315
8	67	20001	25000	1,549,377
9	67	25001	30000	1,867,873
10	32	30001	35000	1,046,338
11	48	35001	40000	1,800,410
12	28	40001	45000	1,205,964
13	21	45001	50000	1,020,384
14	19	50001	55000	997,776
15	14	55001	60000	805,084
16	16	60001	65000	995,481
17	9	65001	70000	606,357
18	14	70001	75000	1,021,380
19	17	75001	80000	1,322,743
20	9	80001	85000	745,690
21	2	85001	90000	175,100
22	4	90001	95000	367,796
23	11	95001	100000	1,089,591
24	7	100001	105000	720,873
25	2	105001	110000	219,116
26	4	110001	115000	448,509
27	6	115001	120000	708,463
28	3	120001	125000	367,960
29	2	125001	130000	256,665
30	1	130001	135000	131,192
31	4	135001	140000	546,917
32	1	140001	145000	143,350
33	6	145001	150000	885,265
34	1	150001	155000	150,170
35	1	155001	160000	159,302
36	1	165001	170000	166,332
37	1	170001	175000	170,400
38	4	175001	180000	714,463
39	1	185001	190000	186,600

PATTERN OF SHAREHOLDING

As at June 30, 2021

S.No.	No. of Shareholders	From	To	Total Shares Held
40	3	195001	200000	598,100
41	2	200001	205000	403,598
42	2	205001	210000	414,629
43	3	210001	215000	636,610
44	1	215001	220000	216,000
45	1	220001	225000	220,700
46	2	225001	230000	453,560
47	2	230001	235000	466,298
48	1	235001	240000	240,000
49	3	240001	245000	726,785
50	2	245001	250000	494,046
51	1	250001	255000	250,910
52	4	255001	260000	1,031,834
53	1	265001	270000	267,573
54	1	270001	275000	273,984
55	2	275001	280000	554,254
56	2	280001	285000	563,633
57	1	290001	295000	291,641
58	3	295001	300000	892,360
59	1	310001	315000	314,800
60	1	340001	345000	345,000
61	1	345001	350000	349,520
62	1	355001	360000	359,330
63	2	365001	370000	733,556
64	1	370001	375000	373,218
65	4	390001	395000	1,575,854
66	1	395001	400000	400,000
67	2	430001	435000	865,688
68	2	435001	440000	873,258
69	2	445001	450000	896,137
70	2	450001	455000	907,741
71	1	460001	465000	464,833
72	1	485001	490000	485,559
73	1	495001	500000	500,000
74	1	500001	505000	505,000
75	1	510001	515000	510,174
76	1	530001	535000	531,471
77	1	545001	550000	547,666
78	1	560001	565000	560,931

PATTERN OF SHAREHOLDING

As at June 30, 2021

S.No.	No. of Shareholders	From	To	Total Shares Held
79	1	565001	570000	567,141
80	1	575001	580000	575,177
81	4	590001	595000	2,380,000
82	1	595001	600000	600,000
83	1	610001	615000	612,000
84	1	630001	635000	630,606
85	1	650001	655000	652,561
86	1	685001	690000	688,504
87	2	695001	700000	1,395,964
88	1	720001	725000	724,282
89	1	745001	750000	749,608
90	1	810001	815000	810,996
91	1	830001	835000	834,516
92	1	900001	905000	900,584
93	1	935001	940000	939,454
94	3	1055001	1060000	3,165,295
95	1	1095001	1100000	1,097,747
96	1	1175001	1180000	1,177,300
97	1	1205001	1210000	1,210,000
98	1	1405001	1410000	1,406,746
99	1	1910001	1915000	1,913,137
100	1	2080001	2085000	2,083,520
101	1	2110001	2115000	2,110,607
102	1	3155001	3160000	3,155,810
103	1	4220001	4225000	4,224,152
104	1	4595001	4600000	4,600,000
105	1	5650001	5655000	5,652,337
106	1	6095001	6100000	6,100,000
107	1	9125001	9130000	9,127,620
108	1	16715001	16720000	16,716,250
109	1	149730001	149735000	149,732,758
Total	**7597**			**283,855,104**

CATEGORIES OF SHAREHOLDERS

As at June 30, 2021

S.No.	Categories of Shareholders	Shareholders	Shares Held	Percentage
1	**Directors and their spouse(s) and minor children**			
	Mr. Laith G. Pharaon	1	*200	0.00
	Mr. Wael G. Pharaon	1	*200	0.00
	Mr. Shuaib A. Malik	2	3,156,150	1.11
	Mr. Sajid Nawaz	1	*200	0.00
	Mr. Abdus Sattar	1	*200	0.00
	Mr. Shamim Ahmad Khan	1	500	0.00
	Mr. Tariq Iqbal Khan	2	7,800	0.00
	Mrs. Azra Tariq	1	1,600	0.00
2	**Associated Companies, undertakings and related parties**	19	149,990,346	52.84
3	**NIT & ICP**	2	547,782	0.19
4	**Banks Development Financial Institutions, Non Banking Financial Institutions**	18	16,553,444	5.83
5	**Insurance Companies**	26	25,507,343	8.99
6	**Modarabas and Mutual Funds**	86	11,252,290	3.96
7	**General Public**			
	a. Local	6,876	52,528,114	18.51
	b. Foreign	152	380,414	0.13
8	**Foreign Companies**	88	15,383,939	5.42
9	**Others**	320	8,544,582	3.01
	Total	**7,597**	**283,855,104**	**100.00**

* 200 shares shown against the name of each Director are held in trust.

Share holders holding 10% or more	Shares Held	Percentage
The Attock Oil Company Limited	149,794,518	52.77

KEY SHAREHOLDING AND SHARES TRADED

S.No.	Categories of Shareholders	Shareholders	Shares Held	Percentage
	Directors and their spouse(s) and minor children			
1	Mr. Laith G. Pharaon	1	* 200	0.00
2	Mr. Wael G. Pharaon	1	* 200	0.00
3	Mr. Shuaib A. Malik (Chairman & Chief Executive)	2	3,156,150	1.11
4	Mr. Sajid Nawaz	1	* 200	0.00
5	Mr. Abdus Sattar	1	* 200	0.00
6	Mr. Shamim Ahmad Khan	1	500	0.00
7	Mr. Tariq Iqbal Khan	2	7,800	0.00
8	Mrs. Azra Tariq (Spouse of Mr. Tariq Iqbal Khan)	1	1,600	0.00
	Associated Companies, undertakings and related parties			
1	The Attock Oil Company Limited	2	149,794,518	52.77
2	Trustees of ARL General Staff Provident Fund	1	37,000	0.01
3	Trustees of ARL Staff Provident Fund	1	57,000	0.02
4	Trustees of ARL Management Staff Pension Fund	1	61,480	0.02
5	Trustees of NRL Officers Provident Fund	1	7,560	0.00
6	Trustee National Refinery Ltd. Management Staff Pension Fund	1	22,135	0.01
	Executives	12	10,653	0.00
	Public sector companies and corporations	90	15,931,605	5.61
	Banks, Development Finance Institution, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds	450	61,857,659	21.79
	Others	**7028**	**52,908,528**	**18.64**
	Total	**7597**	**283,855,104**	**100.00**

* 200 shares shown against the name of each Director are held in trust.

S.No.	Categories	No. of Shares Traded
	No trade has been made in Shares of the Company by Associated Company, Substantial shareholder, Directors, CEO, CFO, Company Secretary, Executives* and their spouses and minor children except for shares mentioned below:	
1	Syed Altaf Ahmed	2,430
2	Syed Altaf Ahmed	(1,800)

* "Executives means Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and other employees of the Company who are drawing annual basic salary of Rs. 1,200,000 or more".

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Seventieth (70th) Annual General Meeting (being the 91st General Meeting) of the Company will be held on Wednesday, September 22, 2021 at 10:00 hours at POL House, Morgah, Rawalpindi through video link (Zoom Application), to transact the following business:

ORDINARY BUSINESS

i. To receive, consider and approve the audited financial statements of the Company together with Directors' and Auditors' Reports for the year ended June 30, 2021;

ii. To approve final cash dividend of Rs. 30 per share i.e. 300% as recommended by the Board of Directors. It is in addition to the interim cash dividend of Rs. 20.00 per share i.e. 200% already paid to the shareholders, thus making a total cash dividend of Rs. 50.00 per share i.e. 500% for the year ended June 30, 2021;

iii. To appoint auditors of the Company for the year ending June 30, 2022 and fix their remuneration. The present auditors Messer A.F. Ferguson & Co., Chartered Accountants, retire and being eligible, offer themselves for reappointment; and

iv. To transact any other business with permission of the Chairman.

For & on behalf of the board

Khalid Nafees
Company Secretary

Registered Office:
POL House,
Morgah, Rawalpindi.
September 1, 2021.

NOTES:

1. COVID-19 RELATED CONTIGENCY PLANNING FOR ANNUAL GENERAL MEETING (AGM)

Considering current COVID-19 pandemic and to protect wellbeing of the shareholders, the Securities and Exchange Commission of Pakistan (SECP) vide its Circular No. 5 of 2020 dated March 17, 2020, Circular No. 25 of 2020 dated August 31, 2020, Circular No. 33 of 2020 dated November 05, 2020, Circular No. 4 dated February 15, 2021 and Circular No. 6 dated March 03, 2021 has allowed the companies to conduct general meetings through video link facility.

To comply with this requirement, the Company informs its shareholders as follows:

The Company will be conducting its AGM through video link (Zoom Application) only while ensuring compliance with the quorum requirements. The shareholders/proxies intending to participate in the meeting are hereby requested to share following information with the Company through email at **cs@pakoil.com.pk** or whatsapp at 0333-5310332 at the earliest but not later than 48 hours before the time of the AGM.

Required information: Name of Shareholder/Proxy, CNIC Number, Folio/CDC Account No. of Member, Mobile Phone Number and Email address.

2. CLOSURE OF SHARE TRANSFER BOOKS:

The share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from September 16, 2021 to September 22, 2021 (both days inclusive). Transfers received in order at the Registered Office / Share Registrar of the Company by the close of business on September 15, 2021 will be treated in time for the purpose of payment of the final cash dividend, if approved by the shareholders.

3. PARTICIPATION IN THE ANNUAL GENERAL MEETING:

A member entitled to participate and vote at this meeting is also entitled to appoint another proxy to participate and vote on his/her behalf through video link. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the time of the meeting.

For appointing proxies

a. In case of individuals, the account holders or sub account holders whose registration details are uploaded as per regulations, shall submit the proxy form as per the above requirements. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy form. Copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

b. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has not been provided earlier) along with proxy form to the Company.

4. CONFIRMATION OF "FILER" STATUS OF INCOME TAX RETURN FOR APPLICATION OF RATES PURSUANT TO THE PROVISIONS OF FINANCE ACT, 2021:

Pursuant to the provisions of Finance Act, 2021, effective July 01, 2021, reforms have been made with regards to deduction of income tax. For cash dividend, the rates of deduction of income tax, under section 150 of the Income Tax Ordinance, 2001 are as follows:

a.	Rate of tax deduction for filer of income tax returns	15.00%
b.	Rate of tax deduction for non filer of income tax returns	30.00%

In case of joint account, each holder is to be treated individually as either a filer or non filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing to the Company / Share Registrar. If no notification is received, each joint holder shall be assumed to have an equal number of shares.

The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time.

5. EXEMPTION FROM DEDUCTION OF INCOME TAX / ZAKAT:

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduce rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

CDC account holders are requested to submit their declaration for non-deduction of zakat to the relevant member stock exchange or to CDC if maintaining CDC investor account.

6. PAYMENT OF DIVIDEND THROUGH BANK ACCOUNT OF THE SHAREHOLDER:

Pursuant to the requirement of Section 242 of the Companies Act, 2017, shareholders are MANDATORILY required to provide their International Bank Account Number (IBAN) to receive their cash dividend directly in their bank accounts instead of dividend warrants. In this regard and in pursuance of the directives of the SECP vide Circular No. 18 of 2017 dated August 01, 2017, shareholders are requested to submit their written request (if not already provided) to the Company's registered address, giving particulars of their bank account. In the absence of shareholder's valid bank account detail by September 15, 2021, the Company will be constrained to withhold dividend of such members.

CDC account holders are requested to submit their mandate instruction to the relevant member stock exchange or to CDC if maintaining CDC investor account.

7. SUBMISSION OF COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) FOR PAYMENT OF FINAL CASH DIVIDEND 2020-21:

Pursuant to the directives of SECP, CNIC number of shareholders is MANDATORILY required for payment of dividend. Shareholders are therefore, requested to submit a copy of their valid CNIC (if not already provided) to the Company on its registered address / Share Registrar. In the absence of a member's valid CNIC, the Company will be constrained to withhold payment of cash dividend to such members.

CDC account holders are requested to submit attested copy of their CNIC to the relevant member stock exchange or to CDC if maintaining CDC investor account.

8. UNCLAIMED DIVIDEND AND UNDELIVERED SHARE CERTIFICATES

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law.

Shareholders, whose dividends still remain unclaimed and/or undelivered share certificates are available with the Company, are hereby once again requested to approach the Company to claim their outstanding dividend amounts and/or undelivered share certificates.

9. DEPOSIT OF PHYSICAL SHARES INTO CENTRAL DEPOSITORY:

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017. Further SECP vide its letter dated March 26, 2021 has advised to comply with Section 72 of the Act and encourage shareholders to convert their shares in book-entry form.

In light of above, shareholders holding physical share certificates are requested to deposit their shares in Central Depository by opening CDC sub-accounts with any of the brokers or Investor Accounts maintained directly with CDC to convert their physical shares into scrip less form. This will facilitate the shareholders to streamline their information in member's register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and maintaining shares in scrip less form allows for swift sale/purchase.

10. CIRCULATION OF ANNUAL AUDITED FINANCIAL STATEMENTS TO SHAREHOLDERS THROUGH EMAIL/CD/USB/DVD OR ANY OTHER MEDIA:

SECP through SRO 787(1)/2014 dated September 8, 2014 and SRO 470(1)/2016 dated May 31, 2016 has allowed the companies to circulate its Annual Audited Financial Statements to its members through Email/CD/DVD/USB/ or any other Electronic Media at their registered Addresses.

The Company circulates its Annual Audited Financial Statements to its members through Compact Disk (CD). However, shareholders who wish to receive the hard copy of Financial Statements shall have to fill the standard request form (available on the Company's website www.pakoil.com.pk) and send it to the Company's registered address.

In addition to above, the Company also placed its Financial Statements on its website www.pakoil.com.pk.

11. CONSENT FOR VIDEO CONFERENCE FACILITY:

Pursuant to Section 132(2) of the Companies Act, 2017,if the Company receives a request from member(s) holding an aggregate ten percent (10%) or more shareholding residing at another city, such member(s) may request a video conferencing facility for the purposes of participating in the meeting at such a location by sending a request to the Company at least 7 (seven) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to the availability of such facility in that city.

12. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON THE COMPANY'S WEBSITE:

The audited financial statements of the Company for the year ended June 30, 2021 have been made available on the Company's website www.pakoil.com.pk at least 21 days before the date of AGM.

13. CHANGE IN ADDRESS:

The members are requested to promptly notify any change in their addresses.

GLOSSARY

2D Seismic	Exploration method of sending energy waves or sound waves into the earth and recording the wave reflections to indicate the type, size, shape, and depth of subsurface rock formations. 3-D seismic provides two dimensional information.
3D Seismic	Exploration method of sending energy waves or sound waves into the earth and recording the wave reflections to indicate the type, size, shape, and depth of subsurface rock formations. 3-D seismic provides three dimensional information.
BPD	Barrels Per Day
BPR	Business Process Re-engineering
Chorgali/Sakesar Formation	Geological Formation
Commercial Risk	Potential losses arising from the trading partners or the market.
Contractual Risk	Probability of loss arising from failure in contract performance.
CSR	Corporate Social Responsibility
DTP	Directors' Training Program
E & P Companies	Exploration and Production Companies
Exploratory well	A well drilled to find and produce oil or gas in an unproved area, find a new reservoir in a field previously found to be productive in another reservoir, or extend a known reservoir.
G & G	Geological & Geophysical
HMS	Hospital Management System
Hydrocarbon	An organic compound of hydrogen and carbon (i.e., oil, gas, and NGL).
ISO	International Organisation for Standardisation
JVP	Joint Venture Partner
KCDF	Khaur Crude Oil Decanting Facility
Langrial Formation	Geological Formation
Lockhart Formation	Geological Formation
LPG	Liquefied petroleum gas.
MMSCFD	Million Standard Cubic Feet Per Day
MTD	Metric Tonnes Per Day
Operational Risk	Risks resulting from breakdowns in internal procedures, people and systems
PBTE	Punjab Board of Technical Education

GLOSSARY

PSDF	Punjab Skills Development Fund
PSI	Pounds per square inch
Reservoir	Porous and permeable underground formation that contains a natural accumulation of producible oil or gas. The formation is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.
SECP	Securities & Exchange Commission of Pakistan
Seismic interpretation	To interpret the extent and geometry of rocks in the subsurface from 2D or 3D seismic data
Spud	Commencement of actual drilling operations.
TEVTA	Technical Education of Vocational Training Authority
TRS	Transfer Request System
VTC	Vocational Training Center

FORM OF PROXY
70TH ANNUAL GENERAL MEETING

I/We ______________________________ of ______________________

being a member of Pakistan Oilfields Limited and holder of ____________Ordinary Shares as per Share Register Folio No.________ and in case of members, who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") shall mention following particulars;

CDC Participant I.D. No. ____________ Sub-Account No. ________________

CNIC No. | | | | | | | | | | | | | | | or Passport No. ________________ ,

hereby appoint ____________ of ____________, Folio No. (if member) ________ or Participant I.D__________ Sub. Account No.__________ failing him/her Mr./Mrs./Ms. ______________ of ______________, Folio No. (if member) ________ or Participant I.D ________ Sub. Account No.__________ as my/our proxy in my/our absence to attend and to vote/act for me/us and on my/our behalf at the Seventieth Annual General Meeting of the Company to be held on Wednesday, September 22, 2021 at 10.00 a.m. or at any adjournment thereof.

Fifty Rupees
Revenue Stamp

____
Signature of Shareholder
(The signature should agree with the specimen registered with the Company)

Dated this ________ day of ________ 2021

For beneficial owners as per CDC list

Signature of Proxy ______________

Witnesses:

1. Signature ______________
   Name ______________
   Address ______________
   CNIC | | | | | | | | | | | | | | |
   or Passport No. ______________

2. Signature ______________
   Name ______________
   Address ______________
   CNIC | | | | | | | | | | | | | | |
   or Passport No. ______________

Note:
- Proxies, in order to be effective, must be received at the Registered Office of the Company at P.O.L. House, Morgah, Rawalpindi not less than 48 hours before the meeting.
- Shareholders and their Proxies are each requested to attach an attested photocopy of their CNIC or Passport with the proxy form before submission to the Company.

پراکسی فارم

۷۰ واں سالانہ اجلاسِ عام

میں/ہم.................................. پاکستان آئل فیلڈز کے ممبر کی حیثیت سے کمپنی کے............عمومی شیئر (ز) کنندہ رجسٹر فولیو نمبر............ اور ممبر کی صورت میں جنہوں نے اپنے شیئرز سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ (سی ڈی سی) میں جمع کرائے ہیں وہ مندرجہ ذیل کوائف درج کریں گے۔

سی ڈی سی پارٹیسپنٹ آئی ڈی نمبر.................... سب اکاؤنٹ نمبر.................................. کمپیوٹرائزڈ شناختی کارڈ نمبر........

.... اور پاسپورٹ نمبر.................................. میں جناب..................................

فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر (اگر ممبر ہے) .... یا اُن کے بجائے، جناب..................................

فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر (اگر ممبر ہے) ....بذریعہ ہذا کو اپنا/ہمارا پراکسی مقرر کرتا ہوں تاکہ میری غیر موجودگی میں کمپنی کے ۷۰ ویں سالانہ اجلاسِ عام میں جو کہ ۲۲ ستمبر ۲۰۲۱ء بروز بدھ صبح ۱۰:۰۰ بجے منعقد ہو رہا ہے یا اُس کے التوائی اجلاس میں میری/ہماری طرف سے شرکت کر سکے یا ووٹ دے سکے۔

۵۰ روپے کا رسیدی ٹکٹ
یہاں چسپاں کریں

دستخط رُکن

آج بروز..............تاریخ..............۲۰۲۱ء

1۔ گواہ	2۔ گواہ
دستخط....................................	دستخط....................................
نام....................................	نام....................................
پتہ....................................	پتہ....................................
....	....
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر....................	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر....................
اور پاسپورٹ نمبر....................................	اور پاسپورٹ نمبر....................................

نوٹس

۱۔ مکمل اور دستخط شدہ فارم اجلاس سے کم از کم اڑتالیس گھنٹے قبل کمپنی کے رجسٹرڈ آفس پی او ایل ہاؤس مورگاہ راولپنڈی میں موصول ہونے والا پراکسی فارم موثر سمجھا جائے گا۔

۲۔ حصہ داران اور اُن کے پراکسی ہر دونوں کے شناختی کارڈ کی مصدقہ نقول متعلقہ پراکسی فارم کے ساتھ کمپنی آفس میں جمع کرائیں۔

DIVIDEND MANDATE FORM

To:

*

I, Mr./Mrs./Ms...................................S/O,D/O,W/O..................................... hereby authorize Pakistan Oilfields Limited to directly credit cash dividend declared by it, if any, in the below mentioned bank account.

(i) Shareholder's Detail	
Name of the Shareholder	
Folio No./CDC Participants ID A/C No.	
CNIC No.**	
Passport No. (in case of foreign Shareholder)***	
Land Line Phone Number	
Cell Number	

(ii) Shareholder's Bank Detail	
Title of Bank Account	
Complete Bank Account Number / IBAN	
Bank's Name	
Branch Address	

It is stated that the above-mentioned information is correct and that I will intimate the changes in the above mentioned information to the Company and the concerned Share Registrar as soon as these occur.

Signature of the Shareholder

*The Shareholders having physical shares have to address the Company Secretary POL on the address given below:

The Company Secretary,
Pakistan Oilfields Limited,
POL House, Morgah,
Rawalpindi.

and Shareholders having their accounts with Central Depository Company (CDC) have to communicate mandate information to relevant Member Stock Exchange.

**Please attach attested photocopy of the CNIC.
***Please attach attested photocopy of the Passport

JOINT ACCOUNT HOLDER FORM

Date: ________________

The Company Secretary,
Pakistan Oilfields Limited
POL House, Morgah,
Rawalpindi.

Dear Sir,

In terms of FBR clarifications vide letter # 1(54) Exp/2014-132872-2 dated September 24, 2014 in regard to deduction of withholding tax on dividend warrant in case of joint account holder.

Mentioned below is the detail of shareholding in the Company's shares

Folio No. __________________

Name of Principal Shareholder/ Joint Shareholders	Shareholding %	CNIC No. (Copy attached)	Signatures

Regards,

Shareholder Name

Signature: _____________________

Designed and Produced By:
ASTRAL HATCH INC.

Pakistan Oilfields Limited
POL House, Morgah, Rawalpindi.
Tel: (051) 548 7589-97 I Fax: (051) 548 7598-99
Web: www.pakoil.com.pk

Designed & Produced by ASTRAL HATCH INC +92 310 1556777 Photography by: Syed Ahson Zaidi & Mustafa Saleem