TOWARDS SUSTAINABLE GROWTH

ANNUAL REPORT 2022

Company Information

Directors

Mr. Laith G. Pharaon
Chairman
Attock Group of Companies

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

Also alternate director to
Mr. Laith G. Pharaon

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

Pakistan Oilfields Limited
Khaur, Tehsil Pindigheb, District Attock.

Shareholders Enquiries

E-mail for enquiries about shareholding, share certificates or dividends 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 can also 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.

Chairman's Review

The company earned profit after tax of Rs. 25.94 billion during the year ended June 30, 2022, which is 93.8% higher than that of previous year. This increase was mainly due to increase in average crude oil price, exchange gain on financial assets and higher income on bank deposits due to batter interest rates in the country. The Company continued its core activities of exploration and development during the year. Due to gas price dispute with the Government on Mamikhel South, the production could not be commenced. I am hopeful that considering the Country's high energy demand, the Government will allow 2012 Petroleum Policy Price and the Company will be able to start production from this well during 2022-23.

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 have rich experience drawn from different fields like petroleum, finance, corporate sector and regulations. 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 this 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 was completed and data processing is in progress. 3D/2D Seismic acquisition will be carried out at Langrial, North Dhurnal, Hisal and Nareli block to firm up leads for prospects generation. The decision of new wells will be based on interpretations of the seismic data.

In the year 2022-23, four exploratory and four 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 have not 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 16, 2022

Directors' Report

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, 2022.

Financial Results

These are summarized below:

	Rs (000)
Profit for the year after providing for all expenses including depreciation, exploration, amortization and workers' funds.	36,987,380
Less: provision for taxation	(11,052,267)
Profit after tax	25,935,113

During the year, the company made profit after tax of Rs 25,935.1 million (2021: Rs.13,382.3 million), which is higher by 93.8% as compared to corresponding period last year. The profit translates into earnings per share of Rs 91.37 (2021: Rs 47.14 per share). The increase in profit is mainly related to increase in average price of Crude Oil by 70.3%, Gas average price increased by 16.2%, notional exchange gain on bank balances, higher income on bank deposits because of higher deposits and profit rates. During the year productions of Crude Oil, Gas and LPG were lower by 10.9% and 9.6% and 2.2% respectively in comparison to last year mainly due to natural decline.

During the year the Company has made consolidated profit after tax of Rs 26,777 million (June 30, 2021: Rs. 15,402 million) which translates into consolidated earnings per share of Rs 94.28 (June 30, 2021: Rs. 54.24).

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

Cash Flows

Cash and cash equivalents increased by Rs 20,150.4 million during the year (2021: Rs 4,524 million). Cash flows provided from operating activities were Rs 27,906 million (2021: Rs 19,480 million).

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$ 538 million (2021: US$ 344 million) for the country. The contribution to the national exchequer, in the shape of royalty and other government levies, was Rs 25,231 million (2021: Rs 16,864 million).

Dividend

The Directors have recommended a final cash dividend @ 500% (Rs 50 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 a total cash dividend of Rs 70 per share for the year 2021-22 (2020-21: Total cash dividend of Rs 50.00 per share).

Production

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

	June 30, 2022	June 30, 2021
Crude Oil (US Barrels)	2,017,581	2,264,413
Gas (Million Cubic Feet)	25,825	28,595
LPG (Metric Tonnes)	55,418	56,660
Sulphur (Metric Tonnes)	475	428
Solvent Oil (US Barrels)	18,605	16,658

The Company's share in production, including that from joint ventures, for the year under review averaged 5,528 barrels per day (bpd) of crude, 70.75 million standard cubic feet per day (mmscfd) of gas, 151.83 metric tonnes per day (MTD) of LPG, 1.30 MTD of Sulphur and 51 bpd of solvent oil.

Directors' Report

Exploration & Development Activities

Producing Fields

At Balkassar lease (100% owned by POL), Balkassar Deep-1A has been finalised as replacement of Balkassar Deep-1 and it will be spudded during this year.

Khaur lease (100% owned by POL), Khaur North-1 well was sidetracked from the depth of 6,592 ft and reached to a total depth of 8,666 ft, tested within the un-tested overturned fault but no hydrocarbons were found. The well has been plugged and abandoned.

At Pindori lease (operated by POL with 35% share), evaluation on the prospectivity of Chorgali formation in the Pindori-9 well is under consideration.

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%), Tolanj West-2 a development well has been spuded on April 11, 2022 drilled down to target depth and is currently under testing. As a result of Drill Stem Test, the well has tested 12.7 MMscf of gas per day, 11.3 barrels of crude per day, and 902 barrels of water per day at 32/64" fixed choke size at the flowing wellhead pressure of 1,914 psi. Production from the well is expected to start from December 2022.

At Adhi field (operated by Pakistan Petroleum Limited, where POL has 11% share), Adhi South-7 has been spudded on April 14, 2022 drilled down to its target depth, initial testing results were 500 barrels per day of oil and 0.5 million cubic feet of gas per day at 28/64" choke size with flowing well head pressure of 360 psi.

Adhi South-5 was spudded on June 30, 2022 and its target depth is 12,401 ft, presently drilling at 11,079 ft is in progress.

Adhi-35 and Adhi South-6 have been planned in the financial year 2022-23.

Exploration Blocks

At Ikhlas block (operated by POL with 80% share), Jhandial 3D seismic data processing up to Pre Stack Depth Migration (PSDM) level is in progress. On the basis of PSDM interpretation, well location of Jhandial-3 will be decided. Langrial 3D seismic acquisition of remaining 166 square kilometers is in progress.

At DG Khan block (operated by POL with 70% share), DGK-1, exploratory well was spudded on October 16, 2021 and drilled to a depth of 12,601 feet, penetrating full sequence of one of the main target i.e., the Chiltan formation.

Further drilling at DGK-1 well was carried out and well achieved its target depth and preparation of well logging is in progress. After taking well logs, further course of action will be decided to test the deeper formation.

Remaining leads of DG Khan block are under evaluation.

North Dhurnal block (operated by POL with 60% share) was awarded on October 13, 2021. A technical workshop was held to conduct a seismic data review session.

At Kirthar South block (operated by POL with 51% share), 34% share has been farm-out to Polish National Oil and Gas Company (PGNiG) and Assignment Agreement has been submitted to the Government for its approval. Well staking of Bandhak-1 well and its access route survey have been completed and waiting for the Government's approval to start construction work.

At Margala block (operated by MOL where POL has 30% share), Tarnol-1 (an exploratory well) has been finalized. Land acquisition/Civil works for the drilling site is in progress.

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 but on hold due to gas price dispute with the Government. 152.93 square kilometers 3D Seismic data, over KOT area, processing and interpretation has been completed. TAL West area 3D Seismic data processing and interpretation has been completed to identify new prospects.

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 Hisal block (operated by PPL where POL has 25% share), 3D seismic designing study has been completed. Contract for 250 Square Kilometers of 3D seismic data acquisition has been awarded and currently the acquisition is in progress.

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

At Taung block (operated by Mari Petroleum where POL has 40% share), 340.94 square kilometers 3D Seismic data acquisition has been completed and seismic data interpretation is in progress.

At Nareli block operated by Mari Petroleum where POL has 32% share), 2D seismic data acquisition program of 456 line kilometers-firm and 164 line kilometers-contingent has been approved.

In the recent bidding of Exploration Block, POL has won Chahbali Block - Non Operator with 30% share.

Subsidiary

CAPGAS (Private) Limited (CAPGAS)

CAPGAS earned a profit after tax of Rs 27.8 million during the year (2021: Rs. 14.6 million). It has declared a total dividend of 400.60% for the year 2022 (2021: 291%). CAPGAS received an average of 21.48 MTD LPG from Adhi plants and an average of 2.95 MTD of LPG from PARCO.

Crude Oil Transportation

Khaur Crude Oil Decanting Facility (KCDF) & other pipelines continued to operate satisfactorily. During the year, a total of 8.6 million barrels (2021: 7.3 million barrels) of crude oil from Nashpa, TAL and others were pumped to Attock Refinery Limited through these facilities and pipelines.

Directors' Report

Risks & Opportunities

The Board remains committed to the philosophy of effective business risk management as a core managerial competency. The Board has established a structured approach to risk management through the formulation of a risk management policy and system. The Company is in a continuous process to implement, monitor and improve its risk management policy. 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:

1. 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 affects the Company's profitability.

2. 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.

3. 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 well insurance cover for all drilling wells.

4. Underperformance 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.

5. Procurement planning related risk: Vulnerability to the procurement process is a possible threat to the Company's profitability.

Directors' Report

Risks & Opportunities

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 detailed well prognosis before the spud date and timely placement of procurement orders for long lead items.

6. 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.

7. 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 include cost overruns, fines, prosecution, work stoppage and physical security threats. The Company is cautious about where they are drilling and be well informed and aware of the applicable laws.

8. 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 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. The Company's LPG marketing business may also be adversely affected due to increased competition, decline in margins or disruption to LPG supply sources. 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.

9. 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.

10. Economic and political risks: Uncertain economic and financial market conditions resulting from economic or political instability.

11. 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 costs involved. POL is 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 required for flow of work.

12. Terrorist attacks: A terrorist attack could have a material and adverse effect on the Company's business. The Company has taken a terrorist insurance cover of all its material installations to mitigate this risk.

13. Third party liability: A third party liability could have a material and adverse effect on the 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.

14. Human Resource Risks: Lack of succession planning may lead to hierarchical breakdown. The Company has prepared department wise organogram and jobs descriptions. Requisitions for new positions and replacements are promptly processed and advertised accordingly.

15. 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.

16. Increase in fuel cost: The Company is trying to switch to cheaper alternatives from diesel to gas in order to keep the operating cost low and keep the fields economically viable.

17. Increase in the SNGPL line pressure: Due to ever increasing SNGPL line pressure, it has become difficult to inject gas into the SNGPL network. In order to avoid flaring of produced gas the Company is continuously monitoring the SNGPL line pressures and has initiated the process of increasing its delivery pressures.

18. Overdue receivables : The Company issues the invoices at the earliest possible time and is continuously monitoring the receivables position with the help of reports generated through Business Intelligence module. Where required, the Company adopts a strong follow up with refineries and SNGPL for swift payment of its invoices.

Directors' Report

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 enhance and/or maintain recovery from the fields.

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

POL IT Up-gradation

Human Resource Management System

Evaluation of existing HRMS changeover according to new technology is in process.

Planned activities are as follows:

- Application Server / Framework
- HRMS Software

Veritas Desktop/Laptop Backup System

A centralized backup system has been implemented and is functional in LIVE environment.

Following functionalities are available in this LIVE environment:

- Recovery of lost, deleted and malware damaged files and their versions
- Secured encrypted retention of user data for record and future reference

Content Management System

- Development of Work Request Management System.

POL Process Historian:

- Integration of PPL Dhok Sultan Process facility at POL Meyal.

Centralized Laboratory Management System – LIMS

Evaluation of LIMS is in process with following features:

- From Sampling to Reporting, all procedural documentation will be automated
- All departmental reports including Geology, Drilling, Process and Engineering
- Trend analysis of all results

CCTV Monitoring and Control

- Installation of CCTV system across POL Meyal Field.
- CCTV Coverage enhancement at POLGAS Meyal.

Directors' Report

Corporate Social Responsibility (CSR)

Strong commitment of the Company to corporate social responsibility (CSR) is reflected by a comprehensive program 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 and bridges to building schools, colleges and healthcare centers, conducting sports events and support to humanitarian and social work organizations. We are proud of our progress, but there is still much that we plan to do.

Some of our Corporate Social Responsibilities are:

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. Brief summary of educational activities are mentioned below;

Dr. Rashad Institute of Technical Education

The college introduced its technical section in the Year 2015 affiliated with PBTE and registered with TEVTA. It started offering DAE in Petroleum, Electrical and Electronics. At present, the College is offering DAE in petroleum and Electrical. Observing the dire need for DAE in drilling, and with no detailed course offered in Pakistan the Instituted developed a three year course in drilling and got it approved from TEVTA in the year 2021.

- Participation in NCPC's National Environment Mela for the noble cause of environmental awareness.

Students of the institute are no less than others, like every year students of technical college participated in the Mela and presented their ideas in the form of working Models. They presented a model of a TOWN working completely on SOLAR POWER. Their stall won the first prize. They also won individual prizes in different competitions.

- Participation in ICCI Environment Expo.

Islamabad Chamber of Commerce organized an Expo in order to create environment awareness. All the surrounding universities were invited in the under mentioned competitions:-

1. Model/Poster contest.
2. Photography contest.

Students won the third prize amongst twenty participants.

Dr. Rashad Degree College

The College started as an Intermediate College in 2007 and 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.

The College is providing best educational facilities in Khaur and its surrounding area. It is producing good results at Inter and Graduation level. The College offers Pure Sciences (Double Maths/Physics, Double Maths/ Computer, Botany, Zoology and Chemistry) at Degree level.

After the Higher Education Commission declared the two-year B.Sc degree as the Associate Degree, the College managed to get affiliation with Punjab University for a four-year BS in Computer Science (BSCS) program in the year 2018. The first batch of nine female students passed out in flying colors in 2022. At

Corporate Social Responsibility (CSR)

present, 60 female students are studying in BSCS program.

Since Education is a total personality development process therefore stress is laid on co-curricular activities as well. Different contests both in-house and outside are organized regularly.

The college has two sections i.e. male and female. Students are given proper grooming besides educational lessons so that they become good citizens of Pakistan. Different kinds of activities are planned for both the sections. The college intends to produce future teachers for Khaur, now about 30% of teachers in the school and college are the ex-students of "Dr Rashad Degree College"

POL Model Secondary 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 this facility was extended to local community as well. It has now grown with student strength of 817 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, online education was imparted. Some of our students have achieved distinction in SSC examination.

Annual Competitions of English and Urdu speeches are held for students to build confidence and proficiencies of good and effective speakers. School has developed proper extracurricular activities calendar separately for Montessori & Secondary School sections.

The SSC results of the School have been 100% for last six years. In 2021, 59 students appeared in SSC Exams, out of which 48 got A + and 11 student got A grade. 2 Students got highest marks 1098/1100 in SSC Part II in the surrounding area and 3rd highest in the board.

The SSC Part I (IX Class) results of the School have been 100%, 47 students appeared in the Exams, out of which 42 got A +, 2 got A, 2 got B+ and 1 got B grade. 3 Students got 502/505 and 491/495 highest marks in SSC Part I in surrounding area.

School is putting in consistent efforts to achieve still higher goals. The school curriculum has been changed to make it a dynamic process to cater the changes in the society. School has framed its first ever rules & regulations book.

POL was the only school which held its annual promotion exam well in time before the closure of schools by Government due to Covid-19 pandemic. Thus saving the precious time of students and promoting them to next classes on merit.

POL School not only facilitated parents by providing 20% fee concession announced by Government but also gave further discount to lessen the financial burden on parents during these hard times.

POL School is teaching Holy Quran Grades I-V and Translation of the Holy Quran for Grades VI-X as a separate compulsory subject.

POL School has organized an amazing event of Punjab

Culture Day on March 14, 2022 with great zeal to promote the Punjab culture and spread awareness among students and parents.

Various scholarships are awarded on merit in addition to the financial aid to its deserving students.

POL School has been running evening classes for last 2 years to cater the increasing educational needs of the community which no other school is offering.

POL Vocational Training Centre

POL has established a vocational training center for women in 2004. The aim was to develop 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.

In 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 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.

Independence Day (14th August) is also celebrated with great enthusiasm at Khaur Workers Club. People from all walks of life including the 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 we have also extended this facility to their door step through concrete pavement of their streets and construction of cause ways / culverts and drainage systems.

In Soan Pindori &Turkwal Block, 9 Schemes were completed last year i.e. Purchases of IT equipment, plant & machinery, furniture and fixture etc. for Government Special Education Center Doultala, Tehsil Gujar Khan, District Rawalpindi. Construction of road / streets & drain and allied work in village Pindori, Chak Beli Khan & Bains Village UC Chak Beli Khan District Rawalpindi and Construction of road / streets & drain and allied work in village Turkwal, Barvelay Kalan,

Directors' Report

Corporate Social Responsibility (CSR)

Barvelay Khurd & Tanveen UC Punjgran Tehsil Gujar Khan, District Rawalpindi are completed.

In Minwal Block, Scheme Construction of PCC Streets/Drain/ Sullage Carrier in Village Koday & Joyamair Tehsil & District Chakwal is completed.

In DG Khan Block, Provision of Solarized Submersible water pumps in Basti Mahmood Mujawar and Basti Haji Allah Wasaya Mujawar Mouza Jedi U/C 97 Tuman Lehagri Zareen District DG Khan is in progress.

Supporting Drinking Water Schemes

Pakistan Oilfields Limited (POL) has played a proactive role in supporting communities inhabited in the vicinity of its operating fields. Our mission is to develop & enhance "Basic Infrastructure" for social uplift. Several projects have been undertaken in this regard.

Drinking water is a scarce resource in the Potohar region of Punjab. Locals are dependent on open water ponds or rain water to fulfill their water needs. Operative in the area, POL took upon itself to help the locals overcome this crisis by supplying clean drinking water for the surrounding communities of its Pariwali and Soan (Pindori) D&P lease areas.

At the Soan (Pindori) Field, so far POL has spent over six million rupees on improving the infrastructure for providing clean drinking water, prevent water borne diseases and reducing work load on womenfolk. The projects include renovation of water well in Village Bhaia where collection has been made easy reducing contamination risks from previous practice of using open ponds. Another effort worth mentioning is the construction of overhead water tank in Village Pindori. Both projects are well appreciated by their respective communities.

Similar efforts have been made at our Khaur & Meyal fields where POL has laid an eight km long water line from Nalla Sawan to Khaur village. Open water connections have been given to households & masajid and maintenance cost is shared by the Company. At Meyal, 42 water connections have been provided benefiting more than 500 households. Further, two million rupees have been donated to the Union Council of Kharpa for provision of water facility to the locals.

Drinking water is a key issue in majority of the areas of Pakistan. The success of our water supply schemes gives POL the satisfaction of having contributed towards bringing an improvement in the lives of the local people.

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, Dental, Gynaecology and Obstetrics, Paediatrics, Anaesthesiology, Family Medicine supported by visiting specialists in the fields of ENT, Eye, Gastroenterology, Skin and Ultrasonolgy.

The primary care structure comprise of four 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 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 high-quality facilities with qualified and experienced specialists & staff to the general public and charging comparatively low, very reasonable and fair rates keeping in view socioeconomic condition of local population.

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

POL Hospital has also initiated Physiotherapy services in hospital in 2021.

POL Hospital has been accredited by Punjab Health Commission because of its standardized functional activities & facilities.

POL Hospital is managing to dispose off hospital waste safely through NCPC at Rawalpindi accomplishing its social responsibility.

POL Hospital also providing free health services to community under Sehat Sahulat Program of Government.

Other Healthcare Facilities

Other healthcare facilities provided by the Company at fields are:

- Regular free dispensaries have been organized for the local community of Pindori and Balkassar area.
- Field Dispensaries for POL Employees at Meyal, Balkassar & Pindori.
- COVID 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 free 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.

a. Total Poor patients treated at POL hospital during the year : 1,761

b. Total patients treated during the year at Free dispensary Pindori : 4,207

Directors' Report

Corporate Social Responsibility (CSR)

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.

c. Total patients treated during the year at Free dispensary Balkassar : 835

d. Total patients treated during the year at Free dispensary Meyal : 2,946

During the year 2021-22, the Company set-up 02 free Eye Camps for community at Khaur

a. Total patients checked: 416

b. Total cataract operation done: 18

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.

POL won Environment Excellence award 2021 arranged by National Forum for Environmental & Health (NFEH).

POL won Fire and Safety Awards 2021 arranged by National Forum for Environmental & Health (NFEH) and Fire Protection Association of Pakistan (FPAP).

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

Projects completed

- POL has procured a new fire tender in Khaur field in parallel to old fire tender to effectively mitigate fire related emergencies and for quick emergency response in Khaur, Pariwali, Jhandial and Dhulian fields.
- 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.
- Refurbishment of Fire Tender (MT-4) of Khaur Field.
- POL HSE department has developed a comprehensive handbook covering all essential HSE topics for quick reference and guidance purpose and distributed the HSE hand book at all levels in POL to enhance overall HSE culture in POL. Link for same is available at Share point for easy access to all employees.
- POL ensured effective contribution in safe rig movement & assembling activities of KCAD Rig T-75 at DGK-1 through continuous monitoring, risk assessments & gap analysis of rig movement

& assembling activities. Any gaps and shortcomings were timely addressed and mitigated by taking effective control measures. As a team effort, the whole activity was completed safely without any minor incident or accident

- Quarterly Environmental monitoring of all POL fields and SCR rig.
- HSE annual awards in all POL fields/SCR Rig.
- Environment monitoring (IMC) reports for DGK-1 well and Langrial 3D.
- Ensured in time calibration / inspection of fixed and portable LEL and H2S gas detection, flame detection systems, Automatic foam suppression system at fields and SCR Rig through third party.
- Calibration/ inspection of Addressable smoke detection system at POL House Morgah and POL solar panel projects.
- NIFT training sessions attended by POL Employees.
- POL conducted in house first aid training sessions at all fields/SCR Rig.

Ongoing/New targets

- 2nd Surveillance audits of ISO 45001:2018 for Khaur, Meyal, Balkassar and SCR Rig.
- 2nd Surveillance audits of ISO 14001:2015 for LPG plant Meyal.
- Quarterly Environmental monitoring of all POL fields and SCR rig.
- IEE preparation for upcoming wells Jhandial-3, Balkassar Deep-1 A.
- Maintenance work for superstructure of fire truck Pindori Field.
- H2S level-II training through external trainer.
- Process Safety Management training.
- To conduct in house first aid training at all fields/SCR Rig.
- Assessment of HSE performance for field's staff for annual award in all POL fields/SCR Rig.
- 3rd party hydro testing of CO2 dumping system cylinders.

Directors' Report

Occupational Health & 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 used 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 designed 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 accidents, during last three years given below:

Incident	2020	2021	2022
Fatal	0	0	0
Fire	2	4	2
Reportable Incident (Serious Injury)	0	0	0
Reportable Incident (Minor Injury)	0	2	0
Property loss	0	0	1
Major Environment	0	0	0
First Aid Cases	3	5	3
Near Misses	5	5	4

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 2020		Year 2021		Year 2022	
No. of Trainings	No. of Participants	No. of Trainings	No. of Participants	No. of Trainings	No. of Participants
1,452	23,881	2,226	29,794	2,375	34,731

Directors' Report

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.

Directors' Report

Corporate Governance

a) The financial statements, prepared by management, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

b) Proper books of account of the Company have been maintained.

c) Appropriate accounting policies have been consistently applied in preparation of the financial statements. Accounting estimates are based on reasonable and prudent judgment.

d) Accounting & Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

f) There are no doubts upon the Company's ability to continue as a going concern.

g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

h) 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 financial statements, annexed to annual report.

i) The Company does not envisage corporate restructuring or discontinuation of its operations in the foreseeable future.

j) Key operating and financial data of the last six years in summarized form is annexed to annual report.

k) All major Government levies in the normal course of business, payable as at June 30, 2022, have been cleared subsequent to year-end.

l) The values of investments in employee retirement funds based on financial statements of June 30, 2022 are as follows:

Management Staff Pension Fund	Rs 1,237 million
Gratuity Fund	Rs 589 million
Staff Provident Fund	Rs 578 million
General Staff Provident Fund	Rs 56 million

Directors and Board Meetings

Total number of directors is seven as per the following:

a. Male: 7

b. Female: None

The composition of Board is as follows:

Category	Names
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.

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

*** Alternate Director - Mr. Babar Bashir Nawaz

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

Directors' Report

Corporate Governance

The Chairman heads the Board meetings and ensures effective functioning of the Board.

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 Board meetings were held through video links due to Covid-19 pandemic.

Directors' Remuneration

The Board of Directors is authorized to determine, review and amend from time to time the fee structure for attending the meetings of the Board or any committee of Directors. A Director may also be paid for 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 (2021: 7) was Rs 9,139 thousand (2021: Rs 7,885 thousand). This includes Rs 5,618 thousand (2021: Rs 5,126 thousand) paid to 4 non-executive directors (2021: 4) of the Company.

Security Clearance of Foreign Directors

Foreign Directors elected on the Board of Pakistan Oilfields Limited requires security clearance from Ministry of Interior through 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 the Company's shares by Directors, Chief Executive, 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 which are notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholdings.

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 Board 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 Board 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 conflict of interest is 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 Board meetings and ensures effective functioning of the Board. The Chairman acts as a liaison between management and the Board. He has power to set agenda, deliver instructions and 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 Board as a whole.

The Chief Executive is the executive director who also acts as the 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 shareholder. He is responsible for day-to-day management decisions and for implementing the Company's long and short term plans. The Chief Executive 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

Directors' Report

Corporate Governance

Board's own performance, members of the Board and of its committees.

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

a. Review of the strategic plans and business risks, monitor the Company's performance against the planned objectives and advise the management on strategic initiatives.

b. Working as a team, the Board has the right blend of skills, expertise and the appropriate degree of diversity. The Board focuses on significant matters such as strategy and policy.

c. Establishing adequate internal control system in the Company and its regular assessment through self assessment mechanism and internal audit activities.

d. Relations with key Stakeholders like Regulators, Employees, Shareholders and CBA are maintained through regular and open communication.

e. Building interaction with the Management to seek and obtain sufficient input from management to support effective Board decision-making.

f. 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.

g. Monitoring and evaluating the management's performance.

Performance Evaluation of the Chief Executive

The Chief Executive, 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 Chief Executive is assessed through the evaluation system set by the Company. The main 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 the 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 laws applicable in Pakistan along with an overview 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). 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 70th Annual General Meeting held on September 22, 2021, no other issue was raised.

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 to 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 Pakistan Stock Exchange (PSX) through Pakistan Unified Corporate Action Reporting System (PUCARS).

Internal financial controls are periodically reviewed to ensure that these remain effective

Interest of small investors and minority shareholders is of prime importance to the Company

Directors' Report

Corporate Governance

Auditors

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

Pattern of Shareholding

The pattern of shareholding as at June 30, 2022 is also 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 financial statements of the Company and its subsidiary are annexed to the Annual Report.

Future Outlook

Our oil prices are linked with the international oil prices, which is uncontrollable factor for us and the industry as well. During the year, international Oil prices increased substantially leading to increase in the Company's profitability.

During 2022-23, Four new exploratory wells and Four development wells to be spudded in owned/ operated and non-operated joint ventures. Production from Tolanj West-2 (after successful testing) is expected to start from December 2022. Mamikhel South-1 well production line has been completed and production will be started after Government's approval of 2012 Petroleum Policy Gas price. On the production side, we are pretty much hopeful to enhance/maintain our existing production volume and sales, as Pakistan is energy deficient country 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. Keeping in view the prevalent energy deficit situation in the country, the Company is also considering to invest in solar business.

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 16, 2022

ڈائریکٹرز رپورٹ

اعتراف۔

ملازمین کی وفاداری، محبت، جانفشانی اور بلند عزائم کے بغیر سالانہ نتائج حاصل نہیں کیے جاسکتے 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

عبدالستار
ڈائریکٹر

۱۶ اگست، ۲۰۲۲ء

آخری سالانہ عمومی اجلاس میں اُٹھائے گئے اُمور:

۲۲ ستمبر ۲۰۲۱ء کو منعقدہ ۷۰ 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 سائیڈ پر حصص داران کی رسائی:

ہمارے تمام حصص داران اور عام عوام کمپنی کی ویب سائیٹ www.pakoil.com.pk ملاحظہ کر سکتے ہیں۔ جس میں سرمایہ کاروں کے لئے سالانہ، ششماہی 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 ۲۰۲۲ء 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۔

مجموعی مالیاتی بیانات۔

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

مستقبل کا نظریہ۔

ہماری تیل کی قیمتیں تیل کی بین الاقوامی قیمتوں سے منسلک ہیں، جو ہمارے اور صنعت کے لئے بھی بے قابو عنصر ہے۔ سال کے دوران، تیل کی بین الاقوامی قیمتوں میں خاطر خواہ اضافہ ہوا جو کمپنی کے منافع میں اضافے کا باعث بنی۔

انشاء اللہ اگلے سال کے دوران، چار (۴) نئے دریافتی کنویں اور چار (۴) ترقیاتی کنویں کھودے جائیں گے۔ تونج جنوبی۔۲ (کامیاب جانچ کے بعد) سے پیداوار دسمبر ۲۰۲۲ء میں شروع ہونے کی امید ہے۔ مامی خیل جنوبی۔۱ کنویں کی پیداواری لائن مکمل ہو چکی ہے اور حکومت کی ۲۰۱۲ء کی پٹرولیم پالیسی کے تحت گیس کی قیمت کی منظوری کے بعد پیداوار شروع کی جائے گی۔

پیداوار کے لحاظ سے ہم اپنے موجودہ پیداواری حجم اور فروخت کو برقرار رکھنے کے لئے بہت پر اُمید 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۔

ملک میں توانائی کے خسارے کی موجودہ صورتِ حال کو مدِ نظر رکھتے ہوئے، کمپنی شمسی کاروبار میں سرمایہ کاری کرنے پر بھی غور کر رہی ہے۔

ڈائریکٹرز رپورٹ

بورڈ ممبران اور اس کی کمیٹیوں کو جانچا جا سکے۔

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 اجمالی جائزہ پیش کرتا ہے اور بورڈ ممبران کے ذریعے کسی خاص سوالوں کا ازالہ کرتا ہے۔ چیف ایگزیکٹو کی کارکردگی کا اندازہ پی او ایل کے ذریعے مقرر کردہ تشخیصی نظام کے ذریعے کیا جاتا ہے۔ تشخیص کے اصولی عوامل میں مالی کارکردگی، کاروباری عمل تعمیل، کروباری 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 کی تفصیلی معلومات فراہم کی جائیں۔ واقفیت بنیادی طور پر کمپنی کے نقطہ نظر، حکمت عملی، بنیادی قابلیت، تنظیمی ڈھانچے، متعلقہ فریقوں، بڑے خطرات (بیرونی اور اندرونی دونوں) بشمول قانونی و تنظیمی خطرات اور پاکستان کے قوانین کے مطابق ڈائریکٹرز کے کردار اور ذمہ داریوں سمیت حکمتِ عملی منصوبے تجارتی تجزیے، پیش گوئیاں، بجٹ اور کاروبار کے منصوبوں پر مشتمل 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 استثنیٰ 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 کار 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 جا سکے 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 ذریعے 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 ڈائریکٹرز 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 باقاعدہ ادائیگی بھی کی جاسکتی ہے۔

۷ ڈائریکٹرز (۲۰۲۲ : ۷) کو فیس کے حوالے سے ان مالیاتی بیانات میں چارج کی گئی مجموعی رقم ۹،۱۳۹ ہزار روپے (۲۰۲۱ : ۷،۸۸۵ ہزار روپے) تھی۔ اس میں ۵،۶۱۸ ہزار روپے (۲۰۲۱ : ۵،۱۲۶ ہزار روپے) شامل ہیں جو کہ کمپنی کے ۴ غیر انتظامی ڈائریکٹرز (۲۰۲۱:۴) 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 امور ڈائریکٹرز کی رپورٹ سے منسلک ہیں۔

ڈائریکٹرز اور ایگزیکٹوز کی حصص میں تجارت:

ڈائریکٹرز، چیف ایگزیکٹو 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 شیر ہولڈنگ میں کر دیا گیا ہے۔

بورڈ اراکین کے مابین مفادات کا تضاد:

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 موثر 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 فیصلوں کی یاداشت 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 ہو سکیں۔ چیئرمین بورڈ کی سالانہ افادیت کا بحیثیت مجموعی جائزہ لیتے ہیں۔

چیف ایگزیکٹو (سی ای او) 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 متعلقین 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 موثر نظام تشکیل دیا گیا ہے تاکہ بورڈ کی اپنی سالانہ کارکردگی،

ڈائریکٹرز رپورٹ

۱۲۔ ۳۰ جون ۲۰۲۲ء کے تازہ ترین اکاؤنٹس کی بنیاد پر ملازمین کے ریٹائرمنٹ فنڈز میں سرمایہ کاری کی اقدار مندرجہ ذیل ہیں:

مینجمنٹ سٹاف پنشن فنڈ	۱،۲۳۷ ملین روپے
گریجوئیٹی فنڈ	۵۸۹ ملین روپے
سٹاف پراویڈینٹ فنڈ	۵۷۸ ملین روپے
جنرل سٹاف پراویڈینٹ فنڈ	۵۶ 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)۶ کے معیار پر پورا اترتے ہیں۔

** متبادل ڈائریکٹر جناب شعیب اے ملک، کمپنی کے 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		
۶	جناب شمیم احمد خان	۵	۴	
۷	جناب طارق اقبال خان	۵	۴	

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

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 "حفاظتی مجلّہ" 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 حصے 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 ۲۰۲۰		سال ۲۰۲۱		سال ۲۰۲۲	
تعداد تربیت	شرکاء کی تعداد	تعداد تربیت	شرکاء کی تعداد	تعداد تربیت	شرکاء کی تعداد
۱،۴۵۲	۲۳،۸۸۱	۲،۲۲۶	۲۹،۷۹۴	۲،۳۷۵	۳۴،۷۳۱

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۔

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

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

۵۔ خانگی 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۔ مستقبل میں کمپنی کے آپریشنز کی کارپوریٹ تنظیمِ نو کو ختم کرنے یا روکنے کے لئے کوئی تجویز زیرِ غور نہیں۔

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

۱۱۔ ۳۰ جون ۲۰۲۲ء میں قابلِ ادائیگی تمام اہم سرکاری محصولات کی سال کے آخر کے بعد منظوری دے دی گئی ہے۔

ڈائریکٹرز رپورٹ

زیرِ تکمیل/نئے اہداف:

- کھوڑ، میال، بلکسر اور ایس سی آر رِگ کے لئے آئی ایس او ۴۵۰۰۱ : ۲۰۱۸ کا دوسرا نگران آڈٹ۔
- ایل پی جی پلانٹ میال کے لئے آئی ایس او ۱۴۰۰۱ : ۲۰۱۵ کا دوسرا نگران آڈٹ۔
- تمام پی او ایل فیلڈز اور ایس سی آر رِگ کی سہ ماہی ماحولیاتی نگرانی۔
- آئندہ آنے والے کنویں جنڈیال۔۳، بلکسر ڈیپ۔1 اے کے لئے آئی ای ای کی تیاری۔
- فائر ٹرک پنڈوری فیلڈ کے سپرسٹرکچر کے لئے دیکھ بھال کا کام۔
- بیرونی تربیتی استاد کے ذریعے H2S لیول I,II کی تربیت۔
- حفاظتی نظام کی تربیت۔
- تمام شعبوں/ایس سی آر رِگ میں اندرونِ خانہ طبی امداد کی تربیت کا انعقاد۔
- تیل کے تمام شعبوں/ایس سی آر رِگ میں سالانہ ایوارڈ کے لئے فیلڈز کے عملہ کے لئے HSE کی کارکردگی کا جائزہ۔
- CO2 ڈمپنگ سسٹم سلنڈرز کی تیسرے فریق کی ہائیڈرو ٹیسٹنگ

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 سی 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 اور بین الاقوامی معیارات 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 پیشہ ورانہ صحت اور ماحولیاتی 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۔ ہنگامی ردِعمل کا عملہ تیار کیا 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 ہر طرح کی صورت حال کا مقابلہ کیا جا سکے۔

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

حادثات	۲۰۲۰	۲۰۲۱	۲۰۲۲
سنگین	۰۰	۰۰	۰۰
آگ	۰۲	۰۴	۰۲
قابلِ ذکر حادثات (اہم زخم)	۰۰	۰۰	۰۰
قابلِ ذکر معمولی حادثات (معمولی زخم)	۰۰	۰۲	۰۰
پراپرٹی کا نقصان	۰۰	۰۰	۰۱
اہم ماحولیاتی	۰۰	۰۰	۰۰
ابتدائی طبی کیس	۰۳	۰۵	۰۳
مِس ہونے کے قریب	۰۵	۰۵	۰۴

ضابطوں اور طریقہ کار کا باقاعدگی سے اس لئے جائزہ لیا جاتا ہے تاکہ 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 تاکہ 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

دورانِ سال ۲۲-۲۰۲۱، کمپنی نے کھوڑ کی مقامی آبادی کے لئے مفت آئی کیمپ لگائے۔

ا۔ چیک کئے گئے کُل مریض: ۴۱۶

ب۔ موتیا کا مکمل آپریشن کیا گیا: ۱۸

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۔

پی او ایل نے نیشنل فورم فار انوائرمنٹ اینڈ ہیلتھ (NFEH) کے زیرِ اہتمام انوائرمنٹ ایکسیلنس ایوارڈ ۲۰۲۱ء جیتا۔

پی او ایل نے نیشنل فورم فار انوائرمنٹ اینڈ ہیلتھ (NFEH) اور فائر پروٹیکشن ایسوسی ایشن آف پاکستان (FPAP) کے زیرِ اہتمام فائر اینڈ سیفٹی ایوارڈ ۲۰۲۱ء جیتا۔

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 اچھے صنعتی عمل اور فضلے کو ٹھکانے لگانا وغیرہ شامل ہیں۔

تکمیل شدہ منصوبے:

- پی او ایل نے آگ سے متعلقہ ہنگامی صورتحال کو مؤثر طریقے سے کم کرنے اور کھوڑ، پری والی، جھنڈیال اور ڈھلیاں فیلڈز میں فوری ہنگامی ردِعمل کے لئے پرانے فائر ٹینڈر کے متوازی کھوڑ فیلڈ میں ایک نیا فائر ٹینڈر خریدا ہے۔
- کھوڑ، میال، بلکسر اور ایس سی آر رِگ (SCR RIG) کے لئے آئی ایس او ۴۵۰۰۱ : ۲۰۱۸ کا پہلا نگران آڈٹ
- ایل پی جی پلانٹ میال کے لئے آئی ایس او ۱۴۰۰۱ : ۲۰۱۵ کا پہلا نگران آڈٹ
- کھوڑ فیلڈ کے فائر ٹینڈر (MT-4) کی تجدید کاری
- پی او ایل HSE ڈیپارٹمنٹ نے فوری حوالہ اور رہنمائی کے مقصد کے لئے HSE کے تمام ضروری موضوعات کا احاطہ کرنے والی ایک جامع ہینڈ بک تیار کی ہے اور پی او ایل میں HSE کی مجموعی ثقافت کو بڑھانے کے لئے HSE ہینڈ بک کو پی او ایل میں تمام سطحوں پر تقسیم کیا ہے۔ اس کے لئے لنک شیئر پوائنٹ پر تمام ملازمین تک آسان رسائی کے لئے دستیاب ہے۔
- پی او ایل نے ڈی جی کے۔ا میں KCAD Rig T-75 کی محفوظ نقل و حرکت اور اسمبلنگ سرگرمیوں کے فرق کے تجزیہ کے ذریعے موثر شراکت کو یقینی بنایا۔ کسی بھی خلاء اور کوتاہیوں کو بروقت اور مؤثر کنٹرول کر کے ذریعے دور کیا گیا ہے۔ الحمدوللہ اجتماعی کوشش کے ذریعے سارا کام بغیر کسی معمولی واقعے یا حادثے کے بحفاظت مکمل ہوا۔
- پی او ایل کی تمام فیلڈز اور ایس سی آر رِگ کی سہ ماہی ماحولیاتی نگرانی۔
- پی او ایل کی تمام فیلڈز اور ایس سی آر رِگ میں HSE سالانہ ایوارڈ۔
- ڈی جی کے۔ا کنویں اور لنگڑیال 3D کے لئے ماحولیاتی نگرانی (IMC) رپورٹس۔
- تیسرے فریق کے ذریعے فیلڈز اور ایس سی آر رِگ میں مقررہ اور پورٹیبل LEL اور H2S گیس کا پتہ لگانے، شعلے کا پتہ لگانے کے نظام اور بروقت پتہ لگانا/معائنہ کو یقینی بنایا گیا۔
- پی او ایل ہاؤس مورگاہ اور پی او ایل سولر پینل منصوبوں میں قابلِ شناخت دھویں کا پتہ لگانا/معائنہ کرنا۔
- NIFT کے تربیتی سیشن میں پی او ایل ملازمین نے شرکت کی۔
- پی او ایل کے تمام شعبوں/ایس سی آر رِگ میں اندرونِ خانہ ابتدائی طبی امداد کے تربیتی سیشنز منعقد کیے گئے۔

ڈائریکٹرز رپورٹ

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 ادویات، جراحی، دندان ساز، زچہ بچہ، شعبہ اطفال، بے ہوشی 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 چار میڈیکل آفیسر ہر وقت موجود رہتے ہیں۔

کھوڑ ہسپتال رہائشیوں کو ماہرین طب اور کلینیکل خدمات کی زبردست سہولت مہیا کرتا ہے جو مقامی لوگوں کو میسّر 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 للہ جدید ترین طبی امداد فراہم کی جاتی ہیں۔ اعلیٰ معیار کے ماہرین اور عملہ رکھنے والا یہ اپنے علاقے کا واحد ہسپتال ہے۔ جو نہایت کم اور مناسب نرخ پر علاقے کے عوام کو علاج کی سہولیات فراہم کرتا 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 اوایل کے ملازمین اور مقامی آبادی کو ہر قسم کا دانتوں کا علاج فراہم کر رہے ہیں۔

پی اوایل ہسپتال نے ۲۰۲۱ء میں فزیوتھراپی کی خدمات بھی شروع کی ہیں۔

پی اوایل ہسپتال کو اس کی معیاری فعال سرگرمیوں اور سہولیات کی وجہ سے پنجاب ہیلتھ کمیشن نے تسلیم کیا ہے۔

پی اوایل ہسپتال راولپنڈی میں NCPC کے ذریعے ہسپتال کے فضلے کو محفوظ طریقے سے ٹھکانے لگانے کا انتظام کر رہا ہے اور اپنی سماجی ذمہ داری کو پورا کر رہا ہے۔

پی اوایل ہسپتال حکومت کے صحت سہولت پروگرام کے تحت مقامی آبادی کو مفت صحت کی خدمات بھی فراہم کر رہا ہے۔

صحت کی دیگر سہولیات۔

کمپنی کی طرف سے فیلڈز 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 منظم کیا گیا ہے۔
- میال، بلکسر اور پنڈوری میں پی اوایل کے ملازمین کی لئے فیلڈ ڈسپنسریوں کا قیام۔
- محکمہ ضلعی صحت کے تعاون سے کووڈ ویکسینیشن پروگرام شروع کیا گیا ہے۔
- طبی دیکھ بھال فراہم کرنے کے لئے پی اوایل غریب مریضوں کے لئے ایک فنڈ چلا رہا ہے (چیئرمین اور ملازمین اپنا حصہ ڈالتے ہیں) جہاں سے ۲۵۰ سے زائد درج شدہ افراد کو روزانہ طبی امداد دی جاتی ہے۔

معاشرتی صحت کا پروگرام:

عوام کو پی اوایل ہسپتال کے ذریعے سہولت فراہم کرنے کے علاوہ مختلف علاقوں میں طبی کیمپ لگائے گئے ہیں جہاں طبی امداد اور ادویات عوام کو مفت مہیا کی گئی ہیں۔

ا۔	دورانِ سال پی اوایل ہسپتال میں غریب مریضوں کے علاج کی تعداد	۱،۷۶۱
ب۔	دورانِ سال پنڈوری ڈسپنسری میں مریضوں کے مفت علاج کی تعداد	۴،۲۰۷
پ۔	دورانِ سال بلکسر ڈسپنسری میں مریضوں کے مفت علاج کی تعداد	۸۳۵
ت۔	دورانِ سال میال ڈسپنسری میں مریضوں کے مفت علاج کی تعداد	۲،۹۴۶

Stitching یونٹ کے نام سے سلائی مرکز 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۔

کھیل اور ثقافتی سرگرمیاں۔

کمپنی کھوڑ میں مقامی آبادیوں کے لئے کھیلوں کی سہولت اور ثقافتی سرگرمیاں مہیا کرتی ہے۔ کھیلوں میں کرکٹ، ہاکی اور فٹ بال کے میدان اور بیڈمنٹن، والی بال کی جگہیں مہیا 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 تمام شعبہ ہائے زندگی کے لوگ اس میں شرکت کرتے ہیں۔

بنیادی ڈھانچہ کی ترقی۔

مقامی باشندوں کے معیارِ 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۔

سواں پنڈوری اور ترکوال بلاک میں گذشتہ سال ۹ سکیمیں مکمل کی گئی ہیں جن میں گورنمنٹ سپیشل ایجوکیشن سنٹر دولتالہ تحصیل گوجر خان، ضلع راولپنڈی کے لئے آئی ٹی آلات، پلانٹ اور مشینری، فرنیچر اور سامان کی خریداری شامل ہیں۔ پنڈوری گاؤں، چک بیلی خان اور بینس گاؤں یوسی چک بیلی خان، گاؤں ترکوال، بروہیلے کلاں، بروہیلے خرد، تنویں یوسی پنج گراں ضلع راولپنڈی میں سڑک / گلیوں اور نالیوں کی تعمیر اور متعلقہ کام مکمل ہو چکا ہے۔

منوال بلاک میں، گاؤں کوڈے اور جویا میر تحصیل و ضلع چکوال میں پی سی سی گلیوں / نالیوں / سلج کیریئر کی تعمیر کا کام مکمل ہو گیا ہے۔

ڈی جی خان بلاک میں بستی محمود مجاور، بستی حاجی اللہ وسایا مجاور موضع جیدی یوسی ۹۷ تمن لہا گڑی ذرین ضلع ڈی جی خان میں سولر submersible واٹر پمپس کی سہولت فراہم کی جا رہی ہے۔

پینے کے پانی کی سکیموں کو سپورٹ کرنا

پاکستان آئل فیلڈز لمیٹڈ (پی او ایل) نے اپنی آپریٹنگ فیلڈز کے گردونواح کی آبادیوں کی مدد کے لئے ایک فعال کردار ادا کیا ہے۔ ہمارا عزم سماجی ترقی کے لئے "بنیادی ڈھانچے" کو ترقی دینا اور بڑھانا ہے۔ اس سلسلے میں کئی منصوبے شروع کئے گئے ہیں۔

پنجاب کے خطہ پوٹھوہار میں پینے کے پانی کی کمی ہے۔ مقامی لوگ اپنی پانی کی ضروریات کو پورا کرنے کے لئے کھلے پانی کے تالابوں یا بارش کے پانی پر انحصار کرتے ہیں۔ علاقے میں کام کرتے ہوئے، پی او ایل نے اپنے پری والی اور سواں (پنڈوری) ڈی اینڈ پی لیز والے علاقوں کے آس پاس کی آبادیوں کے لئے پینے کے صاف پانی کی فراہمی کے ذریعے اس بحران پر قابو پانے کے لئے مقامی لوگوں کی مدد کرنے کے لیے اقدام اُٹھائے۔

سواں (پنڈوری) فیلڈ میں، پی او ایل نے اب تک پینے کے صاف پانی کی فراہمی، پانی سے پیدا ہونے والی بیماریوں کو روکنے اور خواتین پر کام کا بوجھ کم کرنے کے لئے بنیادی ڈھانچے کو بہتر بنانے پر ۶۰ لاکھ سے زیادہ خرچ کئے ہیں۔ ان منصوبوں میں گاؤں بائیں میں پانی کے کنویں کی تزئین و آرائش شامل ہے جس سے سابقہ رواج کے مطابق کھلے تالابوں کے استعمال سے آلودگی کے خطرات کو کم کر دیا گیا ہے۔

گاؤں پنڈوری میں اوور ہیڈ واٹر ٹینک کی تعمیر ایک اور قابلِ ذکر کاوش ہے۔ دونوں منصوبوں کو ان کی متعلقہ آبادی نے خوب سراہا ہے۔ اسی طرح کی کوششیں ہماری کھوڑ اور میال فیلڈز میں کی گئی ہیں جہاں پی او ایل نے نالہ سواں سے کھوڑ تک پانی کی آٹھ کلومیٹر لمبی لائن بچھائی ہے۔ گھروں اور مساجد کو کھلے پانی کے کنکشن دیئے گئے ہیں اور دیکھ بھال کی لاگت کمپنی برداشت کرتی ہے۔

میال میں پانی کے ۴۲ کنکشن فراہم کئے گئے ہیں جن سے ۵۰۰ سے زیادہ گھر مستفید ہو رہے ہیں مزید برآں، مقامی لوگوں کو پانی کی سہولت کی فراہمی کے لئے یونین کونسل کھڑپہ کو ۲۰ لاکھ روپے عطیہ کئے گئے ہیں۔

پاکستان کے بیشتر علاقوں میں پینے کا پانی ایک اہم مسئلہ ہے۔ ہماری واٹر سپلائی سکیموں کی کامیابی پی او ایل کو یہ اطمینان دیتی ہے کہ اس نے مقامی لوگوں کی زندگیوں میں بہتری لانے میں اپنا حصہ ڈالا ہے۔

ڈائریکٹرز رپورٹ

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 کچھ 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 کئی طریقوں سے حمایت کرتے ہیں۔ پی او ایل کی توجہ بنیادی، ثانوی اور اعلیٰ سطح کی تعلیم پر مرکوز ہے۔ قیام کے آغاز سے پی او ایل نے تقریباً ۹۶ ملین روپے سرکاری سکولوں اور کالجوں کے بنیادی ڈھانچے کو بہتر بنانے، کلاس رومز اور بیت الخلاؤں کی تعمیر، کمپیوٹرز، سائنس لیبارٹری، فرنیچر اور وسائل 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 جدید آلات سے لیس لیب کی سہولیات، جدید کتب خانے، انتہائی مستند تدریسی عملے پر مشتمل ہیں۔ ہم غیر نصابی سرگرمیوں کو بھی فروغ دے رہے ہیں۔ تعلیمی سرگرمیوں کا مختصر خلاصہ درج ذیل ہے۔

ڈاکٹر رشاد ٹیکنیکل ایجوکیشن انسٹیٹیوٹ۔

کالج نے ۲۰۱۵ء میں اپنا تکنیکی سیکشن متعارف کرایا جو کہ (PBTE) سے منسلک اور (TEVTA) کے ساتھ رجسٹرڈ ہے۔ اس نے پٹرولیم، الیکٹریکل اور الیکٹرانکس میں (DAE) کی پیشکش شروع کر دی ہے۔ فی الوقت، کالج پٹرولیم اور الیکٹریکل میں (DAE) کی پیشکش کر رہا ہے۔ ڈرلنگ میں (DAE) کی اشد ضرورت کا مشاہدہ کرتے ہوئے، اور پاکستان میں کوئی تفصیلی کورس کی عدم دستیابی کے باعث ادارے نے ڈرلنگ کا تین سالہ کورس تیار کیا اور اسے ۲۰۲۱ء میں (TEVTA) سے منظور کروایا ہے۔

* ماحولیاتی بیداری کے عظیم مقصد کے لئے (NCPC) کے قومی ماحولیاتی میلے میں شرکت۔

ادارے کے طلباء بھی کسی سے کم نہیں، ہر سال کی طرح ٹیکنیکل کالج کے طلباء نے میلے میں شرکت کی اور ورکنگ ماڈلز کی صورت میں اپنے خیالات پیش کئے۔ اُنہوں نے سولر پاور ایک ایسے قصبے کا نمونہ پیش کیا جو مکمل طور پر کام کر رہا ہے ان کے سٹال نے پہلا انعام حاصل کیا۔ اُنہوں نے مختلف مقابلوں میں انفرادی انعامات بھی حاصل کئے۔

* آئی سی سی آئی ماحولیاتی ایکسپو میں شرکت۔

اسلام آباد چیمبر آف کامرس نے ماحولیاتی آگاہی پیدا کرنے کے لئے ایک نمائش کا انعقاد کیا۔ درج ذیل مقابلوں میں گردونواح کی تمام یونیورسٹیوں کو مدعو کیا گیا تھا:

۱۔ ماڈل/پوسٹر مقابلہ

۲۔ تصویر نگاری کا مقابلہ

طلباء نے بیس شرکاء میں تیسرا انعام حاصل کیا۔

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 تاکہ کھوڑ اور اس کے مضافاتی علاقوں کی نئی نسل کو اعلیٰ تعلیم دی جا سکے۔ کالج کھوڑ اور اس کے گردونواح میں بہترین تعلیمی سہولیات فراہم کر رہا ہے۔ یہ انٹر اور گریجویشن کی سطح پر اچھے نتائج دے رہا ہے۔ کالج ڈگری سطح پر خالص سائنسی مضامین بشمول ڈبل ریاضی طبیعات، ڈبل ریاضی کمپیوٹر، باٹنی، ذوالوجی اور کیمیاء پیش کر رہا ہے۔ ہائر ایجوکیشن کمیشن کی جانب سے دو سالہ بی ایس سی کی ڈگری کو ایسوسی ایٹ ڈگری قرار دینے کے بعد، کالج نے سال ۲۰۱۸ء میں چار سالہ بی ایس کمپیوٹر سائنس (بی ایس سی ایس) پروگرام کے لئے پنجاب یونیورسٹی سے الحاق کیا۔ ۹ طالبات کا پہلا دستہ ۲۰۲۲ء میں

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 وگیس کی دریافتی اور پیداواری کمپنی کی حیثیت سے تحقیق بنیادی کام ہے۔ ارضیاتی اعداد وشمار کا حصول، عمل اور جیالوجیکل سرگرمیوں کے دوران ان کی تشریح زیادہ سے زیادہ اعداد وشمار 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 کردیئے گئے۔ اس سال درج ذیل بڑے کاروباری ترقیاتی منصوبے شروع کئے گئے ہیں۔

پی اوایل آئی ٹی کی درجہ بندی :

انسانی وسائل کے انتظام کا نظام : نئی ٹیکنالوجی کے مطابق موجودہ ایچ آر ایم ایس (HRMS) تبدیلی کی تشخیص کا عمل جاری ہے۔

منصوبہ بند سرگرمیاں درج ذیل ہیں:

- ایپلیکیشن سرور / فریم ورک
- ایچ آر ایم ایس (HRMS) سافٹ وئیر

ویریٹاس ڈیسک ٹاپ اور لیپ ٹاپ بیک اپ کا نظام:

- ایک مرکزی احتیاطی نظام نافذ کیا جاچکا ہے اور لائیو (LIVE) ماحول میں کام کررہا ہے۔

اس لائیو (LIVE) ماحول میں درج ذیل افعال دستیاب ہیں۔

- کھوئی ہوئی، حذف شدہ اور تباہ شدہ فائلوں اور ان کے ورژن کی بازیابی کی اجازت دیتا ہے۔
- ریکارڈ اور مستقبل کے حوالے سے صارف کے ڈیٹا کی محفوظ خفیہ برقراری کو یقینی بناتا ہے۔

مواد کے انتظام کا نظام:

- کام کی درخواست کے انتظام کے نظام کی ترقی۔

پی اوایل پروسس ہسٹورئین:

- پی اوایل میال میں پی پی ایل ڈھوک سلطان پروسیس کی سہولت کا انضمام۔

مرکزی لیبارٹری تنظیم کا نظام (LIMS):

(LIMS) کی تشخیص درج ذیل خصوصیات کے ساتھ جاری ہے۔

- نمونے لینے سے لے کر رپورٹنگ تک، تمام طریقہ کار کی دستاویزات خودکار ہوں گی۔
- تمام محکمانہ رپورٹس بشمول ارضیات، کھدائی، پراسیس اور انجینئرنگ۔
- تمام نتائج کا تجزیاتی رجحان۔

سی سی ٹی وی نگرانی اور کنٹرول:

- پی اوایل میال سی سی ٹی وی کیمروں کی تنصیب۔
- پول گیس میال میں سی سی ٹی وی کوریج میں اضافہ۔

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 ومعاشی ترقی پر خصوصی توجہ مرکوز کیے ہوئے ہے جہاں یہ کام کررہی 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 اعلیٰ 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 قائدانہ کردار ادا کیا ہے۔

ڈائریکٹرز رپورٹ

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 شمار 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 ہو رہا ہے۔اس کے ذریعے یہ دوسروں کی مہارت اور وسائل سے استفادہ کر کے فائدہ اٹھاتے 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 اور کام کو جاری رکھنے کے لئے انہیں درکار ذرائع/ معلومات اور منظوریاں فراہم کرتے 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 انشورنس 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 شعبے 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۔

۱۶۔تیل کی قیمت میں اضافہ: کمپنی انتظامی اخراجات کو کم رکھنے اور فیلڈز کو قابل عمل رکھنے کے لئے ڈیزل سے گیس تک سستے متبادل پر جانے کی کوشش کر رہی ہے۔

۱۷۔ایس این جی پی ایل (SNGPL) لائن دباؤ میں اضافہ: مسلسل بڑھتے ہوئے ایس این جی پی ایل لائن کے دباؤ کی وجہ سے ایس این جی پی ایل نیٹ ورک میں گیس داخل کرنا مشکل ہو گیا ہے۔پیداواری گیس کو نذرِ آتش ہونے سے بچانے کے لئے کمپنی ایس این جی پی ایل کے لائن کے دباؤ کی مسلسل نگرانی کر رہی ہے اور اس نے اپنی ترسیل کے دباؤ کو بڑھانے کا عمل شروع کر دیا گیا ہے۔

۱۸۔ واجب الادا وصولیاں: کمپنی جلد از جلد رسیدیں جاری کرتی ہے اور خودکار نظام سے جاری کردہ رپورٹس کے ذریعے وصولی کی پوزیشن کی مسلسل نگرانی کر رہی ہے۔جہاں ضرورت ہو، کمپنی اپنی رسیدوں کی فوری وصولی کے لئے ریفائنریوں اور ایس این جی پی ایل کے ساتھ مسلسل رابطہ رکھتی ہے۔

اور ترجیحات مقرر کی گئی ہیں تا کہ ان خطرات سے بہتر طریقے سے نمٹا جا سکے۔
کمپنی کو درپیش کچھ بڑے ممکنہ خطرات اپنے تدارک کے لئے کئے اقدامات سمیت مندرجہ ذیل ہیں :

۱۔ 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 ہائیڈروکاربنز 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 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 موثر 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 کنٹرول 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 ہو سکتی 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 زائد تخمینہ کے نتیجہ میں سرمایہ ضائع ہو سکتا ہے۔ اس لیے اس خطرے کو کم کرنے کے لیے جہاں تک ممکن ہو کمپنی ایک خود مختار ادارے سے ذخائر کی تصدیق کرواتی ہے۔

۷۔ قوانین اور ماحولیاتی قواعد و ضوابط: تیل و گیس کی صنعت حکومتی قوانین کے مطابق قواعد و ضوابط کی سختی سے عمل درآمد کی پابندی ہوتی ہے۔ اس معاملے میں کوتاہی سے سنگین نتائج برآمد ہو سکتے ہیں۔ E&P کمپنیوں کو کسی بھی پروجیکٹ پر کام کرتے وقت لازماً اضافی احتیاطی اقدامات اٹھانے پڑتے ہیں۔ ان قواعد و ضوابط پر عمل نہ کرنے کی صورت میں اضافی اخراجات، جرمانوں، قانونی چارہ جوئی، کام کے رک جانے اور انسانی جانوں کو لاحق خطرات 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 ہو سکتا 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۔ کمپنی کا ایل پی جی کا کاروبار بڑھتے ہوئے مقابلے، مارجن میں کمی اور ایل پی جی کے ذرائع میں کمی سے بری طرح متاثر ہوتا ہے ایل پی جی ذخیرہ کرنے کی مناسب صلاحیت حاصل کر لی ہے اور مزید ایل پی جی کی پائیدار اور مناسب قیمت پر فراہمی کے لیے کوشاں ہے۔

ڈائریکٹرز رپورٹ

کردہ معاہدہ منظوری کے لئے حکومت کو پیش کر دیا گیا ہے۔ کنویں کی نشاندہی اور اس تک رسائی کے راستے کا سروے مکمل ہو چکا ہے اور تعمیراتی کام کے آغاز کے لئے حکومت کی منظوری کا انتظار ہے۔

مارگلہ بلاک (زیرِ انتظام مول جہاں پی اوایل کا حصہ ۳۰ فی صد ہے)، ترنول۔ا (ایک دریافتی کنواں) کو حتمی شکل دے دی گئی ہے۔ کھدائی کے لئے زمین کا حصول/سول کام جاری ہیں۔

تل بلاک (زیرِ انتظام مول جہاں پی اوایل کا قبل از تجارتی پیداوار حصہ ۲۵ فی صد ہے) 3D ارضیاتی اعداد و شمار کی تشریح پر مبنی ایک دریافتی کنواں راز گیر مشترکہ کاروباری شراکت داروں نے منظور کیا ہے لیکن حکومت کے ساتھ گیس کی قیمت کے تنازعہ کی وجہ سے کام تعطل کا شکار ہے۔ کوٹ (KOT) میں ۱۵۲.۹۳ مربع کلومیٹرز علاقے میں 3D ارضیاتی اعداد و شمار پر عمل اور تشریح مکمل ہو چکے ہیں۔ نئے امکانات کی نشاندہی کے لئے تل جنوبی علاقے میں 3D ارضیاتی اعداد و شمار پر عمل اور تشریح کا کام مکمل ہو چکا ہے۔

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

حصال بلاک (زیرِ انتظام پی پی ایل جہاں پی اوایل کا حصہ ۲۵ فی صد ہے) 3D ارضیاتی اعداد و شمار کے ڈیزائن کا مطالعہ مکمل کر لیا گیا ہے۔ ۲۵۰ کلومیٹرز کے 3D ارضیاتی اعداد و شمار کے حصول کے لئے معاہدہ کیا گیا ہے اور فی الحال اعداد و شمار کا حصول جاری ہے۔

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

توہنگ بلاک (زیرِ انتظام ماری پٹرولیم جہاں پی اوایل کا حصہ ۴۰ فی صد ہے)، ۳۴۰.۹۴ مربع کلومیٹر 3D ارضیاتی اعداد و شمار کے حصول کا کام مکمل ہو چکا ہے۔ اور ان اعداد و شمار کی تشریح کا کام جاری ہے۔

نریلی بلاک (زیرِ انتظام ماری پٹرولیم جہاں پی اوایل کا حصہ ۳۲ فی صد ہے)، ۴۵۶ لائن کلومیٹرز کے لئے 2D ارضیاتی اعداد و شمار کے حصول کی منظوری دی جا چکی ہے۔ حسبِ ضرورت ۱۶۴ لائن کلومیٹرز کیا عداد و شمار بھی حاصل کئے جائیں گے۔

ذیلی ادارہ :

کیپ گیس (پرائیویٹ) لمیٹڈ:

اِمسال کیپ گیس نے بعد از ٹیکس ۲۷.۸ ملین روپے نفع کمایا (۲۰۲۱ : ۱۴.۶ ملین روپے) ۲۰۲۲ء کے لئے کُل ۴۰۰.۶۰٪ منافع کا اعلان کیا گیا ہے۔ (۲۰۲۱: ۲۹۱ فی صد) کمپنی نے یومیہ اوسطاً ۲۱.۴۸ میٹرک ٹن مائع پٹرولیم گیس آہدی پلانٹس سے اور اوسطاً ۲.۹۵ میٹرک ٹن پارکو سے حاصل کی۔

خام تیل کی نقل و حمل:

کھوڑ خام تیل ڈیکنٹنگ کی سہولت اور دیگر پائپ لائنز سے اطمینان بخش طریقے سے کام جاری ہے۔ دورانِ سال اس سہولت اور پائپ لائن کے ذریعے ۸.۶ ملین بیرل خام تیل (۲۰۲۱ : ۷.۳ ملین بیرل) نشپہ (Nashpa)، تل بلاک اور دیگر مقامات سے اٹک ریفائنری لمیٹڈ کو پمپ کیا گیا۔

خطرات اور مواقع:

بورڈ ایک بنیادی انتظامی اہلیت کے طور پر موثر کاروباری خطرات کے تدارک کے فلسفے کے لئے پُرعزم ہے۔ بورڈ نے خطرات کی پالیسی اور نظام کی تشکیل کے ذریعے ایک منظم طریقہ کار قائم کیا ہے۔ کمپنی خطرات کے تدارک کے نظام کو بہتر کرنے، نافذ کرنے اور مسلسل نگرانی کرنے پر عمل پیرا ہے۔ خطرات کی نشاندہی

زیرِ جائزہ مدت میں کمپنی کی یومیہ پیداوار بشمول مشترکہ منصوبوں کے اوسطاً یوں رہی:

خام تیل ۵،۵۲۸ بیرلز یومیہ، گیس ۷۵.۷ ملین سٹینڈرڈ مکعب فٹ، مائع پٹرولیم گیس ۱۵۱.۸۳ میٹرک ٹن، سلفر ۱.۳۰ میٹرک ٹن اور سالونٹ آئل ۵۱ بیرلز۔

دریافتی اور ترقیاتی سرگرمیاں :

پیداواری قطعات :

بلکسر (پی اوایل ۱۰۰ فی صد ملکیت) بلکسر ڈیپ-1A بلکسر ڈیپ-اے کے متبادل کے طور پر حتمی شکل دے دی گئی ہے جو اس سال کھودا جائے گا۔

کھوڑ (پی اوایل ۱۰۰ فی صد ملکیت) کھوڑ شمالی-اے کنواں ۵۹۲،۶ فٹ گہرائی سے سائیڈ ٹریک ہو کر ۶۶۶،۸ فٹ کُل گہرائی تک پہنچ گیا جس کا تجربہ غیر ٹیسٹ شدہ overturned فالٹ کے اندر کیا گیا لیکن کوئی ہائیڈروکاربن نہیں ملا۔ کنواں پلگ کر کے چھوڑ دیا گیا ہے۔

پنڈوری (۳۵ فی صد حصص کے ساتھ پی اوایل کے زیرِ انتظام) پنڈوری-۹ کنوئیں میں چورگلی کی تشکیل کے امکانات کا جائزہ زیرِ غور ہے۔

تل بلاک (زیرِ انتظام مول جہاں قبل از تجارتی پیداوار پی اوایل کا حصہ ۲۵ فی صد ہے) تولنج غربی-۲ ایک ترقیاتی کنواں ۱۱ اپریل ۲۰۲۲ء کو گہرائی کے ہدف تک کھودا گیا۔ فی الحال جانچ جاری ہے۔ ڈرل سٹیم ٹیسٹنگ کے نتیجے میں، کنویں کا ۱۲.۷ ایم ایم ایس سی ایف گیس یومیہ، ۱.۳۰ بیرلز تیل یومیہ، اور "۳۲/۶۴ چوک سائز پر ۹۱۴، اپی ایس آئی کے ویل ہیڈ پریشر کے ساتھ ۹۰۲ بیرلز یومیہ کا تجربہ کیا ہے۔ توقع ہے کہ کنویں سے پیداوار دسمبر ۲۰۲۲ء تک شروع ہو جائے گی۔

آہدی فیلڈ (زیرِ انتظام پاکستان پیٹرولیم لمیٹڈ جہاں پی اوایل کا حصہ ۱۱ فی صد ہے)، آہدی جنوبی-۷ کنویں کی کھدائی کا آغاز ۱۴ اپریل ۲۰۲۲ء کو ہوا ہدف کی گہرائی تک کھودا گیا۔ ابتدائی جانچ کے نتائج ۵۰۰ بیرلز تیل یومیہ اور "۲۸/۶۴ چوک سائز پر ۳۶۰ پی ایس آئی کے ویل ہیڈ پریشر کے ساتھ ۵.۰ ملین مکعب فٹ گیس تھے۔

آہدی جنوبی-۵ کو ۳۰ جون ۲۰۲۲ کو کھودا گیا تھا اور اس کے ہدف کی گہرائی ۱۲،۴۰۱ فٹ ہے۔ فی الحال ۱۱،۰۷۹ فٹ پر کھدائی جاری ہے۔

آہدی-۳۵ اور آہدی جنوبی-۶ پر سال ۲۳-۲۰۲۲ کے لیے منصوبہ بندی جاری ہے۔

دریافتی قطعات :

اخلاص بلاک (۸۰ فی صد حصص کے ساتھ زیرِ انتظام پی اوایل) جنڈیال-3D ارضیاتی اعداد و شمار پر عمل پری سٹیک ڈیپتھ مائیگریشن (PSDM) کی سطح تک جاری ہے۔ پی ایس ڈی ایم کی تشریح کی بنیاد پر جنڈیال-۳ کے کنویں کی جگہ کا تعین کیا جائے گا۔ لنگڑیال میں ۱۶۶ مربع کلومیٹر کے ارضیاتی اعداد و شمار کے حصول کا کام جاری ہے۔

ڈی جی خان بلاک (۷۰ فی صد حصص کے ساتھ پی اوایل کے زیرِ انتظام)، ڈی جی کے۔ دریافتی کنواں ۱۶ اکتوبر ۲۰۲۱ء کو کھودا گیا اور ۱۲،۶۰۱ فٹ کی گہرائی تک کھدائی ہو چکی ہے۔ ہم اپنے مرکزی ہدف چلتن فارمیشن میں داخل ہو چکے ہیں۔ ڈی جی کے-اے کنویں میں مزید کھدائی کی گئی اور کنویں کی اپنی ہدف کی گہرائی تک کھدائی مکمل ہو چکی ہے۔ اور کنویں کی لاگنگ کی تیاری جاری ہے۔ کنویں کے تمام اعداد و شمار کے حصول کے بعد گہرے فارمیشن کو جانچنے کے لئے مزید کارروائی کا فیصلہ کیا جائے گا۔

ڈی جی خان بلاک کی بقیہ لیڈز کا جائزہ لیا جا رہا ہے۔

شمالی دھرنال بلاک (۶۰ فی صد حصص کے ساتھ زیرِ انتظام پی اوایل) ۱۳ اکتوبر، ۲۰۲۱ء کو حاصل ہوا۔ ارضیاتی اعداد و شمار کا جائزہ لینے کے لئے ایک تکنیکی ورکشاپ کا انعقاد کیا گیا۔

کرتھر جنوبی بلاک (۵۱ فی صد حصص کے ساتھ زیرِ انتظام پی اوایل)، پولش نیشنل آئل اینڈ گیس کمپنی (PGNiG) کو ۳۴ فی صد حصص دیئے گئے ہیں اور تفویض

ڈائریکٹرز رپورٹ

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

السلام علیکم!

ڈائریکٹرز کو ۳۰ جون، ۲۰۲۲ء 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 :

	رقم ('000)
منافع تمام اخراجات کے بعد	۳۶،۹۸۷،۳۸۰
ٹیکسیشن	(۱۱،۰۵۲،۲۶۷)
منافع بعد از ٹیکس	۲۵،۹۳۵،۱۱۳

الحمدللہ ! امسال کمپنی نے بعد از ٹیکس ۲۵،۹۳۵،۱ ملین روپے نفع کمایا جو گذشتہ برس (۲۰۲۱ء : ۳،۳۸۲،۳ ملین روپے) کی نسبت ۹۳.۸ فیصد زائد رہا۔ منافع ظاہر کرتا ہے کہ فی حصص آمدنی ۹۱.۳۷ روپے رہی۔ (۲۰۲۱ء : ۴۷.۱۴ روپے فی حصص)۔ منافع میں اضافہ بنیادی طور پر خام تیل کی اوسط قیمت میں ۷۰.۳ فی صد اضافے، گیس کی اوسط قیمت میں ۱۶.۲ فی صد اضافے، بینک بیلنس/ڈپازٹس پر تصوراتی تبادلے میں اضافے، زیادہ ڈپازٹس اور منافع کی شرح کی وجہ بینک ڈپازٹس پر زیادہ آمدنی سے متعلق ہے۔ سال کے دوران، خام تیل، گیس اور ایل پی جی کی پیداوار گزشتہ سال کے مقابلے میں بنیادی طور پر ذخائر کی قدرتی کمی کی وجہ سے بالترتیب ۹.۱۰، ۹.۶ اور ۲.۲ فیصد کم رہی۔

دوران سال کمپنی کا بعد از ٹیکس مجموعی منافع ۲۶،۷۷۷ ملین روپے رہا (۲۰۲۱ء : ۱۵،۴۰۲ ملین روپے) جو ظاہر کرتا ہے کہ فی حصص مجموعی منافع ۲۸.۹۴ روپے (۲۰۲۱ء : ۵۴.۲۴ فی حصص) رہا۔

دریافتی سرگرمیوں کا احاطہ آگے ہر جغرافیائی علاقے کی تفصیل کے ساتھ اس رپورٹ میں کیا گیا ہے۔

کیش کا بہاؤ:

دورانِ سال کیش اور کیش کے مساوی ۴.۱۵۰،۲۰ ملین روپے اضافہ ہوا (۲۰۲۱ء : ۴،۵۲۴ ملین روپے) انتظامی سرگرمیوں سے کیش کے بہاؤ میں مہیا ہونے والی رقم ۹۰۶،۲۷ ملین روپے (۲۰۲۱ء : ۱۹،۴۸۰ ملین روپے) رہی۔

معیشت میں شراکت:

کمپنی ملک کے تیل و گیس کے شعبے میں اپنا اہم کردار جاری رکھے ہوئے ہے۔ دورانِ سال کمپنی نے ملک کے لئے ۵۳۸ ملین امریکی ڈالر کا زرِ مبادلہ بچایا۔ (۲۰۲۱ء : ۳۴۴ ملین امریکی ڈالر) رائیلٹی اور دیگر سرکاری مالیات کی مد میں ۲۵،۲۳۱ ملین روپے (۲۰۲۱ء : ۱۶،۸۶۴ ملین روپے) ملکی خزانے میں شامل کیے گئے۔

منافع :

ڈائریکٹرز نے حتمی نقد منافع ۵۰۰٪ (۵۰ روپے فی حصص) تجویز کیا ہے۔ یہ منافع پہلے سے اعلان کردہ اور حصص داران کو ادا شدہ عبوری نقد منافع ۲۰۰٪ (۲۰ روپے فی حصص) کے علاوہ ہے۔ یوں برائے سال ۲۲-۲۰۲۱ء فی حصص کل نقد منافع ۷۰ روپے فی حصص رہا (۲۱-۲۰۲۰ء کل نقد منافع ۵۰ روپے فی حصص)۔

پیداوار :

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

		۳۰ جون ۲۰۲۲ء	۳۰ جون ۲۰۲۱ء
خام تیل	یو ایس بیرل	۴،۰۱۷،۵۸۱	۲،۲۶۴،۴۱۳
گیس	ملین کیوبک فٹ	۲۵،۸۲۵	۲۸،۵۹۵
مائع پٹرولیم گیس (LPG)	میٹرک ٹن	۵۵،۴۱۸	۵۶،۶۶۰
سلفر	میٹرک ٹن	۴۷۵	۴۲۸
سالونٹ آئل	یو ایس بیرل	۱۸،۶۰۵	۱۶،۶۵۸

Other Corporate Governance

Stakeholders' Engagement

Stakeholders' engagement is a key component of Corporate Social Responsibility (CSR) and accomplishing the triple main concern. Organizations draw in their partners in exchange to discover what social and financial issues matter most to them about their execution, so as to enhance basic leadership and responsibility in order to improve decision-making and accountability. At POL, a vigorous engagement takes place between all stakeholders to understand and respond to every stakeholder's legitimate concern either social, environmental or company financial related issues. 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

With the increasing volumes of digital exchange, information technology governance is regarded as a core part of POL overall governance program. Keeping in view the shareholders interest, the company investment in IT is aligned to support its strategic objectives. In POL we are unequivocally dedicated to incorporate best and most recent IT advancements and framework to empower productive and convenient basic decision-making process.

IT Governance Policy consists of following:

- Promoting governance, transparency, accountability and dialogue about technology that facilitates effective strategy adoption
- Ensuring compatibility, integration and avoiding redundancy
- Securing the company's data
- Keeping the IT function proactive from an innovation perspective providing ideas to the business
- Maximizing return on technology investment with controlled spending, while providing POL with a coherent and integrated IT architecture and management structure
- To create a culture of paperless environment within the company

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-35 of the financial statement.

Revenue from two major customers of the Company constitutes 75% of the total revenue during the year ended June 30, 2022 (June 30, 2021: 67%).

pwc

A·F·FERGUSON&Co.

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, 2022 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, 2022.

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.

A.F.Ferguson & Co.

Chartered Accountants
Islamabad
Date: August 16, 2022

UDIN: CR202210053t0EGHLeJM

Statement of Compliance with Listed Companies

(Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2022

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;

Statement of Compliance with Listed Companies

(Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2022

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 16, 2022

Financial Statements

For the year ended June 30, 2022

pwc

A·F·FERGUSON&Co.

Independent Auditors' 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, 2022, 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, 2022 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.

pwc

A·F·FERGUSON&Co.

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, 2022, the development and decommissioning costs amounted to Rs 10,209 million and exploration and evaluation assets amounted to Rs 3,020 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.
(ii)	**Investment in associated company** *(Refer note 15 to the financial statements)* The Company has investment in its associated company National Refinery Limited (NRL). As at June 30, 2022, the carrying amount of investment in above referred associated company amounted to Rs 8,047 million which carrying value is higher by Rs 2,997 million in relation to the quoted market value of such shares. The Company carries out impairment assessment of the value of Investment where there are indicators of impairment. The Company has assessed the recoverable amount of the investment in associated company based on the higher of the value-in-use ("VIU") and fair value. VIU is based on a valuation analysis carried out by an independent external investment advisor engaged by the management using a discounted cash flow	Our audit procedures in relation to assessment of carrying value of investment in associated company, amongst others, included the following: • Assessed the appropriateness of management's accounting for investment in associated company; • Understood management's process for identifying the existence of impairment indicators in respect of investment in associated company; • Evaluated the independent external investment advisor's competence, capabilities and objectivity; • Made inquiries of the independent external investment advisor and assessed the valuation methodology used;

pwc

A·F·FERGUSON&Co.

S.No.	Key Audit Matters	How the matter was addressed in our audit
	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 estimation of value in use we consider this as a key audit matter.	• Checked, on sample basis the reasonableness of the input data provided by the management to the independent external investment advisor, 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 projection; • Performed independently a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions; • Checked quoted price of investment in NRL as of June 30, 2022 with publicly available stock exchange data; and • Assessed the adequacy of the Company's disclosures in the financial statements in this respect.
(iii)	**Recognition of Revenue** *(Refer note 4.24 and 22 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 29,718 million, Rs 12,269 million and Rs 9,673 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.	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;

S.No.	Key Audit Matters	How the matter was addressed in our audit
	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.	• 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.
(iv)	**Litigation with respect to conversion of TAL Block petroleum concession to Petroleum Policy 2012** *(Refer note 22.1 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.	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.

pwc

A·F·FERGUSON&Co.

S.No.	Key Audit Matters	How the matter was addressed in our audit
	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 19,659 million since inception to June 30, 2022 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.	

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.

pwc

A·F·FERGUSON&Co.

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 period and are therefore the key audit matters.

pwc

A·F·FERGUSON&Co.

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.

Chartered Accountants

Islamabad
Date: August 16, 2022

UDIN: AR202210053M0maVsLIX

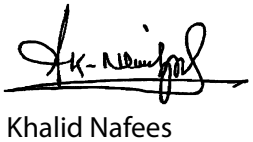
Statement of Financial Position

As at June 30, 2022

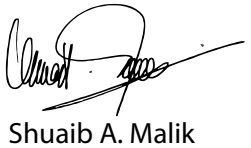
	Note	2022	2021
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorized capital	6	5,000,000	5,000,000
Issued, subscribed and paid up capital	6	2,838,551	2,838,551
Revenue reserves	7	48,224,910	36,523,512
		51,063,461	39,362,063
NON CURRENT LIABILITIES			
Long term deposits	8	895,565	873,412
Deferred liabilities	9	24,970,404	19,978,319
		25,865,969	20,851,731
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	10	31,056,163	25,695,393
Unclaimed dividend		275,702	244,495
Provision for income tax		9,792,637	8,190,071
		41,124,502	34,129,959
CONTINGENCIES AND COMMITMENTS	11		
		118,053,932	94,343,753

	Note	2022	2021
		Rupees ('000)	
NON CURRENT ASSETS			
Property, plant and equipment	12	6,702,511	6,680,280
Development and decommissioning costs	13	10,209,126	13,672,675
Exploration and evaluation assets	14	3,019,833	512,223
		19,931,470	20,865,178
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES	15	9,615,603	9,615,603
LONG TERM LOANS AND ADVANCES	16	29,590	37,146
CURRENT ASSETS			
Stores and spares	17	5,753,133	4,658,543
Stock in trade	18	384,649	277,531
Trade debts	19	9,967,152	7,338,531
Advances, deposits, prepayments and other receivables	20	4,649,659	3,979,015
Cash and bank balances	21	67,722,676	47,572,206
		88,477,269	63,825,826
		118,053,932	94,343,753

The annexed notes 1 to 43 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, 2022

	Note	2022	2021
		Rupees ('000)	
SALES		58,394,092	39,481,675
Sales tax		(6,203,987)	(3,167,504)
Excise duty		(245,203)	(272,314)
NET SALES	22	51,944,902	36,041,857
Operating costs	23	(9,115,363)	(8,289,319)
Royalty		(5,563,309)	(3,907,673)
Amortization of development and decommissioning costs	24	(3,318,737)	(2,211,754)
		(17,997,409)	(14,408,746)
GROSS PROFIT		33,947,493	21,633,111
Exploration costs	25	(877,038)	(494,255)
		33,070,455	21,138,856
Administration expenses	26	(205,632)	(194,508)
Finance costs - net	27	(5,548,542)	(259,603)
Other charges	28	(2,026,370)	(1,545,323)
		(7,780,544)	(1,999,434)
		25,289,911	19,139,422
Other income - net	29	11,697,469	1,538,912
PROFIT BEFORE TAXATION		36,987,380	20,678,334
Provision for taxation	30	(11,052,267)	(7,296,079)
PROFIT FOR THE YEAR		25,935,113	13,382,255
Earnings per share - Basic and diluted (Rupees)	37	91.37	47.14

The annexed notes 1 to 43 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, 2022

	2022	2021
	Rupees ('000)	
Profit for the year	25,935,113	13,382,255
Other comprehensive loss for the year		
Items that will not be reclassified to profit or loss		
Remeasurement loss on staff retirement benefit plans	(60,235)	(134,725)
Tax credit relating to remeasurement loss on staff retirement benefit plans	19,275	40,418
	(40,960)	(94,307)
Items that may be subsequently reclassified to profit or loss	-	-
Other comprehensive loss for the year, net of tax	(40,960)	(94,307)
Total comprehensive income for the year	25,894,153	13,287,948

The annexed notes 1 to 43 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, 2022

	Share capital	Revenue reserves			Total
		Insurance reserve	Investment reserve	Unappropriated profit	
	Rupees ('000				
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 income	-	-	-	(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
Total comprehensive income for the year:					
Profit for the year	-	-	-	25,935,113	25,935,113
Other comprehensive (loss)	-	-	-	(40,960)	(40,960)
	-	-	-	25,894,153	25,894,153
Transactions with owners:					
Final dividend @ Rs 30 per share - Year ended June 30, 2021	-	-	-	(8,515,653)	(8,515,653)
Interim dividend @ Rs 20 per share - Year ended June 30, 2022	-	-	-	(5,677,102)	(5,677,102)
Total transactions with owners	-	-	-	(14,192,755)	(14,192,755)
Balance at June 30, 2022	2,838,551	200,000	1,557,794	46,467,116	51,063,461

The annexed notes 1 to 43 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, 2022

	Note	2022	2021
		Rupees ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		49,995,416	37,039,720
Operating and exploration costs paid		(7,672,724)	(7,499,416)
Royalty paid		(5,244,873)	(3,832,987)
Taxes paid		(9,171,786)	(6,227,800)
Cash provided by operating activities	32	27,906,033	19,479,517
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital Expenditure		(4,570,241)	(1,733,434)
Proceeds from disposal of property, plant and equipment		6,088	31,368
Income on bank deposits and investments at amortised cost		3,116,215	2,088,494
Redemption of mutual funds - net		917	6,548
Dividend income received		526,278	58,868
Cash (used in) / generated from investing activities		(920,743)	451,844
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(14,161,548)	(14,162,567)
EFFECT OF EXCHANGE RATE CHANGES		7,326,728	(1,244,935)
INCREASE IN CASH AND CASH EQUIVALENTS		20,150,470	4,523,859
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		47,572,206	43,048,347
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	36	67,722,676	47,572,206

The annexed notes 1 to 43 form an integral part of these financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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.

Geographical location and addresses of all other business units of the Company have been disclosed in note 41.

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. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

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	Amendments to 'IAS 1 and IFRS Practice Statement 2' Disclosure of Accounting Policies	January 1, 2023
	Amendments to IAS 1 'Presentation of Financial Statements' Classification of Liabilities as Current or Non-current	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
IAS 41, IFRS (1, 9 and 16)	Annual improvements to IFRS Standards 2018 - 2020 (Amendments)	January 1, 2022

3.2 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2022:

- IFRS 1 (First Time Adoption of International Financial Reporting Standards)
- IFRS 17 (Insurance Contracts)
- IFRIC 12 (Service concession arrangements)

3.3 The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 1177 (I)/2021 dated September 13, 2021, in partial modification of its previous S.R.O. 985(1)/2019 dated September 2, 2019, has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP) in respect of circular debt, the requirements contained in IFRS 9 with respect to application of expected credit loss (ECL) model shall not be applicable till June 30, 2022, 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 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 32% (2021: 30%) after taking into account availability of future depletion allowance and set off available in respect of royalty payments to the Government.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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 1.00% (2021: 1.30%) 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, 2022.

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 35.

(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. Charge included in these financial is Rs 31,779 thousand (2021: Rs 31,214 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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 (if any)

(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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

(ii) General approach for short term investments, 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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 set-off 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.

4.25 Other Income

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 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.

4.27 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 Company assesses whether a contract is or contains a lease at inception of the contract. If the Company assesses that a 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.

4.29.2 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 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 recognised 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 assets 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

4.29.3 During the year Rs 568,925 thousand (2021: Rs 421,660 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) Estimate of recoverable amount of investment in associated Company - note 4.14 and 15
v) Estimated value of staff retirement benefits obligations - note 4.9 and 35
vi) Provision for taxation - note 4.5 and 30
vii) Price adjustment related to crude oil sales - note 4.24 and 22
viii) Impairment of financial assets - note 4.21
ix) Right of use asset and corresponding lease liability - note 4.29

		2022	2021
		Rupees ('000)	
6.	**SHARE CAPITAL**		
	Authorized capital		
	500,000,000 (2021: 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 (2021: 20,200,000) ordinary shares	202,000	202,000
	Shares issued as fully paid bonus shares 263,655,104 (2021: 263,655,104) ordinary shares	2,636,551	2,636,551
	283,855,104 (2021: 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 (2021: 149,794,518) ordinary shares at the year end.

		2022	2021
		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	46,467,116	34,765,718
		48,224,910	36,523,512

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.

		2022	2021
		Rupees ('000)	
8.	**LONG TERM DEPOSITS**		
	Security deposits from distributors for cylinders / equipment	849,007	823,238
	Security deposits from distributors and others	46,558	50,174
		895,565	873,412

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.

		2022	2021
		Rupees ('000)	
9.	**DEFERRED LIABILITIES**		
	Provision for deferred income tax - note 9.1	5,844,433	5,585,793
	Provision for decommissioning costs - note 9.2	19,123,431	14,389,227
	Provision for staff compensated absences	2,540	3,299
		24,970,404	19,978,319
9.1	**Provision for deferred income tax**		
	The provision for deferred income tax represents:		
	Temporary differences between accounting and tax depreciation/ amortization	6,207,692	5,907,912
	Provision for stores and spares	(213,732)	(191,873)
	Provision for doubtful receivable	(99)	(93)
	Deferred tax on remeasurement (loss) on staff retirement benefit plans	(149,428)	(130,153)
		5,844,433	5,585,793

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
9.2	**Provision for decommissioning costs**		
	Balance brought forward	14,389,227	14,089,542
	Revision due to change in estimates - note 9.2.1	(727,537)	(193,498)
	Provision made during the year	22,137	335,429
	Unwinding of discount	1,258,353	1,123,961
	Exchange loss / (gain)	4,282,697	(869,170)
	Decommissioning cost incurred during the year	(101,446)	(97,037)
		19,123,431	14,389,227
9.2.1	**Revision due to change in estimates**		
	(Credited) / charged to related asset - note 13	(337,391)	38,574
	Revision in excess of related asset credited to statement of profit or loss - note 24	(390,146)	(232,072)
		(727,537)	(193,498)
10.	**TRADE AND OTHER PAYABLES**		
	Creditors	377,790	451,264
	Due to related parties		
	Attock Hospital (Pvt) Limited	2,667	3,234
	Attock Petroleum Limited	83,623	23,314
	Capgas (Pvt) Limited	855	230
	Attock Energy Private Limited	-	1,239
	Attock Refinery Limited	10,401	10,462
	National Refinery limited	601	8,292
	Attock Leisure and Management Associates (Private) Limited	857	491
	Management Staff Pension Fund - note 35	169,593	126,441
	Staff Provident Fund	1,663	-
	General Staff Provident Fund	312	-
	Workers' Profit Participation Fund - note 10.1	1,544,079	1,156,615
	Due to joint operating partners		
	The Attock Oil Company Limited	8,490	35,838
	Others	1,435,659	905,978
	Accrued liabilities	2,953,120	2,275,670
	Contract liabilities - advances from customers	73,008	63,326
	Royalty payable to Government of Pakistan	901,299	582,863
	Excise duty payable	576	3,940
	Petroleum levy payable	17,716	13,671
	Workers' Welfare Fund payable	1,178,273	1,067,834
	Liability for staff compensated absences	16,707	15,239
	Other liabilities - note 10.2	22,278,874	18,949,452
		31,056,163	25,695,393

		2022	2021
		Rupees ('000)	
10.1	**Workers' Profit Participation Fund**		
	Payable at beginning of the year	1,156,615	1,090,364
	Amount allocated during the year	1,557,700	1,169,110
	Amount paid to the Fund's trustees	(1,170,236)	(1,102,859)
	Payable at end of the year	1,544,079	1,156,615

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 22.1.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies:

There were no material contingencies as at June 30, 2022 (2021: Rs Nil).

		2022	2021
		Rupees ('000)	
11.2	**Commitments:**		
	Share in joint operations	13,792,446	7,059,703
	Own fields	5,047,000	-
	Letter of credit issued by banks on behalf of the Company	380,001	95,164
12.	**PROPERTY, PLANT AND EQUIPMENT**		
	Operating assets - note 12.1	6,219,771	6,129,343
	Capital work in progress - note 12.5	482,740	550,937
		6,702,511	6,680,280

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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, 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
Year ended June 30, 2022										
Opening 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
Additions	-	8,550	57,604	1,370,687	24,874	38,202	34,053	7,965	28,305	1,570,240
Disposals										
Cost	-	(28)	(3,846)	(11,097)	(64)	(5,587)	(4,379)	(433)	(7,890)	(33,324)
Accumulated depreciation	-	28	3,846	10,849	64	5,587	4,379	422	7,882	33,057
	-	-	-	(248)	-	-	-	(11)	(8)	(267)
Depreciation charge	-	(21,232)	(171,520)	(1,110,750)	(39,486)	(45,216)	(32,831)	(10,130)	(48,380)	(1,479,545)
Closing net book value	20,742	238,068	679,433	4,760,436	169,078	144,174	83,278	40,408	84,154	6,219,771
As at June 30, 2022										
Cost	20,742	551,718	2,600,070	17,636,720	830,360	846,069	651,721	199,876	623,994	23,961,270
Accumulated depreciation	-	(313,650)	(1,920,637)	(12,876,284)	(661,282)	(701,895)	(568,443)	(159,468)	(539,840)	(17,741,499)
Net book value	20,742	238,068	679,433	4,760,436	169,078	144,174	83,278	40,408	84,154	6,219,771
Annual rate of Depreciation (%)	-	5	10	10	10	10	20	12.5	25	

12.2 Cost and accumulated depreciation include:

	Cost		Accumulated depreciation	
	2022	2021	2022	2021
	Rupees ('000)		Rupees ('000)	
Share in joint operations operated by the Company	1,540,222	1,527,824	1,366,181	1,340,656
Assets not in possession of the Company				
Share in joint operations operated by following				
MOL Pakistan Oil and Gas Company B.V.	12,119,964	11,446,923	9,150,286	8,309,256
Ocean Pakistan Limited	75,842	74,383	63,140	64,411
Oil and Gas Development Company Limited	74,175	74,175	57,236	52,068
Pakistan Petroleum Limited	2,312,037	2,245,926	1,412,957	1,219,546
	14,582,018	13,841,407	10,683,619	9,645,281
Gas cylinders - in possession of distributors*	786,673	776,134	668,329	642,538
	16,908,913	16,145,365	12,718,129	11,628,475

*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.

	2022	2021
	Rupees ('000)	
12.3 The depreciation charge has been allocated as follows:		
Operating cost - Note 23	1,479,545	1,466,825

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

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

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, 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
Balance as at July 1, 2021	4,397	546,540	-	550,937
Additions during the year	521	383,277	-	383,798
Transfers during the year	-	(451,995)	-	(451,995)
Balance as at June 30, 2022	4,918	477,822	-	482,740

		2022	2021
		Rupees ('000)	
12.6	**Break up of capital work in progress at June 30 is as follows:**		
	Own fields	6,102	7,822
	POLGAS plant	8,908	8,908
	Share in joint operations operated by the Company		
	Pindori Joint Operation	-	323
	Share in joint operations operated by others		
	MOL Pakistan Oil and Gas Company B.V. - TAL Block	21,013	86,235
	MOL Pakistan Oil and Gas Company B.V. - Margala Block 3372-20	269	269
	Oil and Gas Development Company Limited - Jhal Magsi D&P Lease	446,448	447,380
		482,740	550,937

13. DEVELOPMENT AND DECOMMISSIONING COSTS

	Development Cost	Decommissioning Cost	Total
	Rupees ('000)		
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 24	(2,277,654)	(166,172)	(2,443,826)
Closing net book value	12,922,884	749,791	13,672,675
As at July 1, 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
Year ended June 30, 2022			
Opening net book value	12,922,884	749,791	13,672,675
Additions	560,588	22,137	582,725
Disposals			
Cost	-	(20,476)	(20,476)
Accumulated amortization	-	20,476	20,476
	-	-	-
Revision due to change in estimates - note 9.2.1	(147,697)	(189,694)	(337,391)
Amortization for the year - note 24	(3,534,368)	(174,515)	(3,708,883)
Closing net book value	9,801,407	407,719	10,209,126
As at June 30, 2022			
Cost	49,184,461	3,080,920	52,265,381
Accumulated amortization	(39,383,054)	(2,673,201)	(42,056,255)
Net book value	9,801,407	407,719	10,209,126

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

13.1 Net book value at year end represents:

	2022	2021
	Rupees ('000)	
Wholly owned fields	2,510,518	3,049,006
Joint operations	7,698,608	10,623,669
	10,209,126	13,672,675

14. EXPLORATION AND EVALUATION ASSETS

Balance brought forward	512,223	2,773,514
Additions during the year	2,507,610	294,080
	3,019,833	3,067,594
Wells cost transferred to development cost - note 13	-	(2,555,371)
	3,019,833	512,223

14.1 Break up of exploration and evaluation assets at June 30 is as follows:

		2022	2021
		Rupees ('000)	
Share in joint operations operated by the Company			
	- DG Khan	2,979,667	512,223
	- Bandhak	12,072	
Share in joint operations operated by others			
MOL Pakistan Oil and Gas Company B.V.	- Margala	28,094	-
		3,019,833	512,223

		2022		2021	
		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 (2021: 344,250) fully paid ordinary shares including 191,250 (2021: 191,250) bonus shares of Rs 10 each	51	1,530	51	1,530
	Associated companies				
	Quoted				
	National Refinery Limited 19,991,640 (2021: 19,991,640) fully paid ordinary shares including 3,331,940 (2021: 3,331,940) bonus shares of Rs 10 each Quoted market value as at June 30, 2022: Rs 5,049,289 thousand (2021: Rs 10,459,426 thousand)	25	8,046,635	25	8,046,635
	Attock Petroleum Limited (APL) 6,984,714 (2021: 6,984,714) fully paid ordinary shares including 3,616,314 (2021: 3,616,314) bonus shares of Rs 10 each Quoted market value as at June 30, 2022: Rs 2,242,258 thousand; (2021: Rs 2,242,303 thousand)	7	1,562,938	7	1,562,938
	Unquoted				
	Attock Information Technology Services (Pvt) Limited (AITSL) 450,000 (2021: 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.

15.2 The Company has assessed the recoverable amount of the investment in National Refinery Limited based on higher of Value In Use (VIU) and fair value (level 1 in the fair value hirerarchy - quoted market price as at June 30, 2022). VIU is based on a valuation analysis carried out by an external investment advisor engaged by the management. VIU has been assessed on discounted cash flow based valuation methodology which assumes gross profit margin of 5.74% (2021: 2.71%), a terminal growth rate of 4.0% (2021: 4.0%) and weighted average cost of capital of 17.51% (2021:20.05%).

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
16.	**LONG TERM LOANS AND ADVANCES - CONSIDERED GOOD**		
	Long term loans and advances to employees	57,715	58,285
	Less: Amount due within twelve months, shown under current loans and advances - note 20	28,125	21,139
		29,590	37,146

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.

		2022	2021
		Rupees ('000)	
17.	**STORES AND SPARES**		
	Stores and spares - note 17.1, 17.2 and 17.3	6,421,046	5,298,118
	Less: Provision for slow moving items - note 17.4	667,913	639,575
		5,753,133	4,658,543
17.1	**Stores and spares include:**		
	Share in joint operations operated by the Company	684,310	627,650
	Share in joint operations operated by others (assets not in possession of the Company)	1,687,046	1,670,815
		2,371,356	2,298,465

17.2 Stores and spares include stores and spares in transit of Rs 760,285 thousand (2021: Rs 88,503 thousand).

17.3 Stores and spares include items which may result in fixed capital expenditure but are not yet distinguishable.

		2022	2021
		Rupees ('000)	
17.4	**Provision for slow moving items**		
	Balance brought forward	639,575	579,503
	Provision for the year	28,338	60,072
		667,913	639,575
18.	**STOCK IN TRADE**		
	Crude oil and other products - note 18.1	384,649	277,531

18.1 These include Rs 62,825 thousand (2021: Rs 37,731 thousand) being the Company's share in joint operations.

		2022	2021
		Rupees ('000)	
19.	**TRADE DEBTS - CONSIDERED GOOD**		
	Due from related parties - note 19.1	6,749,456	3,750,557
	Others	3,217,696	3,587,974
		9,967,152	7,338,531
19.1	**Due from related parties**		
	Associated companies		
	Attock Refinery Limited	6,726,161	3,691,129
	National Refinery Limited	307	49,507
	Attock Petroleum Limited	22,988	9,921
		6,749,456	3,750,557

Ageing analysis of trade debts receivable from related parties is given in note 34.3.1 to the financial statements.

The maximum aggregate amount receivable from related parties at the end of any month during the year was Rs 6,749,456 thousand (2021: Rs 3,750,557 thousand).

		2022	2021
		Rupees ('000)	
20.	**ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Loans and advances - considered good		
	Employees - note 16	28,125	21,139
	Suppliers	357,362	175,313
		385,487	196,452
	Trade deposits and short term prepayments		
	Deposits	61,174	108,514
	Short-term prepayments	172,360	477,042
		233,534	585,556
	Interest income accrued	248,977	174,767
	Other receivables		
	Joint operating partners	313,169	154,659
	Due from related parties		
	Parent company		
	The Attock Oil Company Limited	82,657	77,446
	Gratuity Fund - note 35	226,505	185,791
	Staff Provident Fund	-	10,571
	General staff Provident Fund	-	10,196
	Sales tax refundable	3,140,501	2,566,825
	Other receivables (net of loss allowance of Rs 310 thousand (2021: Rs 310 thousand))	18,829	16,752
		3,781,661	3,022,240
		4,649,659	3,979,015

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

20.1 The maximum aggregate amount due from related parties at the end of any month during the year was Rs 82,657 thousand (2021: Rs 77,446 thousand) respectively.

		2022	2021
		Rupees ('000)	
20.2	The aging analysis of receivable from related parties is as follows:		
	Upto 3 month	82,657	77,446
	3 to 6 month	-	-
	More than 6 month	-	-
		82,657	77,446
21.	**CASH AND BANK BALANCES**		
	Bank balance on		
	Short term deposits	65,921,720	44,781,900
	Interest/mark-up bearing saving accounts	1,760,167	2,696,309
	Current accounts	36,270	91,446
		67,718,157	47,569,655
	Cash in hand	4,519	2,551
		67,722,676	47,572,206

Balance with banks include foreign currency balances of US $ 169,602 thousand (2021: US $ 142,461 thousand). The balances in saving accounts and short term deposits earned interest / mark-up ranging from 0.25% to 18% (2021: 0.3% to 8.21%).

		2022	2021
		Rupees ('000)	
22.	**NET SALES**		
	Crude oil	29,718,142	17,939,545
	Gas - note 22.1	14,311,957	13,494,261
	Less: Shrinkages / own use	2,042,897	1,779,776
		12,269,060	11,714,485
	POLGAS - Refill of cylinders	9,672,638	6,189,736
	Solvent oil	285,062	188,811
	Sulphur	-	9,280
		51,944,902	36,041,857

22.1 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 Honourable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. After multiple hearings, the case came up for hearing on May 24, 2022 before the Honourable Chief Justice of Islamabad High Court, wherein matter was adjourned till June 30, 2022, however the same could not be heard and next date of hearing is yet to be announced.

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, 2022 amounting to Rs 19,658,634 thousand will be accounted for upon resolution of this matter (including Rs 16,523,036 thousand related to period since inception to June 30, 2021). Additional revenue on account of enhanced gas price incentive of Rs 19,041,773 thousand and sales tax of Rs 3,237,101 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 3,237,101 thousand (June 30, 2021: 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".

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
23.	**OPERATING COSTS**		
	Operating cost - Own fields	1,010,197	881,073
	- Share in joint operations	3,308,818	3,311,509
	Well workovers	568,151	79,441
	POLGAS - Cost of LPG, carriage etc.	2,608,519	2,161,636
	Head office and insurance charges	170,191	194,990
	Pumping and transportation cost	77,060	72,171
	Depreciation	1,479,545	1,466,825
		9,222,481	8,167,645
	Opening stock of crude oil and other products	277,531	399,205
	Closing stock of crude oil and other products	(384,649)	(277,531)
		9,115,363	8,289,319
24.	**AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS**		
	Amortization charge for the year - note 13	3,708,883	2,443,826
	Revision in estimates of provision for decommissioning costs in excess of related assets credited to statement of profit or loss - note 9.2.1	(390,146)	(232,072)
		3,318,737	2,211,754

			2022	2021
			Rupees ('000)	
25.	**EXPLORATION COSTS**			
	Geological and geophysical cost			
	Own fields		151	211
	Share in joint operations operated by the Company			
		- DG Khan	141,311	68,543
		- Ikhlas	101,263	35,891
		- Pindori	-	(5,621)
		- North Dhurnal	21,498	-
		- Kirthar South	58,313	59,312
	Share in joint operations operated by others			
	MOL Pakistan Oil and Gas Company B.V.	- TAL Block	9,747	10,289
		- Margala Block	40,113	17,343
		- Margala North Block	(480)	123
	Oil and Gas Development Company Limited	- Kotra	(1,767)	1,703
		- Gurgalot	14,112	14,250
	Pakistan Petroleum Limited	- Hisal	31,871	(4,405)
	Mari Petroleum Company Limited	- Taung	449,484	296,616
		- Nareli	11,422	-
			877,038	494,255
26.	**ADMINISTRATION EXPENSES**			
	Establishment charges		296,082	291,399
	Telephone and telex		1,141	1,053
	Medical expenses		15,238	12,709
	Printing, stationery and publications		6,707	6,411
	Insurance		7,881	9,294
	Travelling expenses		4,982	1,558
	Motor vehicle running expenses		22,024	11,519
	Rent, repairs and maintenance		79,036	71,313
	Auditor's remuneration	26.1	10,886	9,927
	Legal and professional charges		5,643	10,043
	Stock exchange and CDC fee		5,420	5,000
	Computer support and maintenance charges		38,239	34,742
	Other expenses		6,391	3,977
			499,670	468,945
	Less: Amount allocated to field expenses		294,038	274,437
			205,632	194,508

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

		Note	2022	2021
			Rupees ('000)	
26.1	**Auditor's remuneration**			
	Statutory audit		2,311	2,150
	Review of half yearly accounts, audit of consolidated accounts, staff funds, special certifications		2,154	2,111
	Tax services		6,000	5,000
	Out of pocket expenses		421	666
			10,886	9,927
27.	**FINANCE COSTS - NET**			
	Provision for decommissioning costs	9.2		
	- Unwinding of discount		1,258,353	1,123,961
	- Exchange loss / (gain)		4,282,697	(869,170)
	Banks' commission and charges		7,492	4,812
			5,548,542	259,603
28.	**OTHER CHARGES**			
	Workers' Profit Participation Fund		1,557,700	1,169,110
	Workers' Welfare Fund		468,670	376,213
			2,026,370	1,545,323

		2022	2021
		Rupees ('000)	
29.	**OTHER INCOME - NET**		
	Income from financial assets - bank deposits and treasury bills	3,190,425	1,968,150
	Exchange gain / (loss) on financial assets	7,326,728	(1,244,935)
	Dividend on Investments classified as fair value through profit or loss- note 29.1	29,240	730
	Dividend from subsidiary and associated companies - note 29.2	497,038	58,138
	Rental income	197,514	332,439
	Crude oil transportation income	405,858	330,084
	Gas processing fee	21,249	8,426
	Gain on sale of property, plant and equipment	5,821	28,230
	Gain on sale of stores and scrap	6,673	48,867
	Fair value adjustment on investments classified as fair value through profit or loss	917	30
	Others	16,006	8,753
		11,697,469	1,538,912
29.1	**Dividend on Investments classified as fair value through profit or loss**		
	Meezan Sovereign Fund	-	361
	Pakistan Cash Management Fund	5,735	54
	NBP Funds	5,843	-
	Atlas Money Market Fund	-	1
	UBL Liquidity Plus Fund	-	186
	ABL Cash Fund	17,662	-
	Atlas Income Fund	-	128
		29,240	730

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
29.2	**Dividend from subsidiary and associated companies**		
	Subsidiary company		
	Capgas (Pvt) Limited	21,226	12,737
	Associated company		
	National Refinery Limited	199,916	-
	Attock Petroleum Limited	275,896	45,401
		497,038	58,138
30.	**PROVISION FOR TAXATION**		
	Current - for the year	10,774,352	7,600,364
	Deferred - for the year	277,915	(304,285)
		11,052,267	7,296,079
30.1	**Reconciliation of tax charge for the year**		
	Accounting profit - before taxation	36,987,380	20,678,334
*	Tax at applicable tax rate of 44.98% (2021: 51.09%)	16,636,924	10,564,561
	Tax effect of depletion allowance, royalty payments and amounts not taxable or taxed at lower rates	(8,076,344)	(3,537,433)
	Impact of super tax	2,386,544	-
	Tax effect of change in applicable rate in respect of deferred tax	364,161	-
	Others	(259,018)	268,951
	Tax charge for the year	11,052,267	7,296,079

* The applicable tax rate is the weighted average of tax rates applicable to income from oil and gas concessions and income from other activities.

31. 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 22.

Revenue from two major customers of the Company constitutes 75% of the total revenue during the year ended June 30, 2022 (June 30, 2021: 67%).

		2022	2021
		Rupees ('000)	
32.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before taxation	36,987,380	20,678,334
	Adjustments for:		
	Depreciation	1,479,545	1,466,825
	Fair value adjustment on investments classified as fair value through profit or loss	(917)	(29)
	Amortization of development and decommissioning costs	3,318,737	2,211,754
	Finance costs	5,541,050	254,791
	Exchange (gain) / loss on financial assets	(7,326,728)	1,244,935
	Gain on sale of property, plant and equipment	(5,821)	(28,230)
	Dividend from subsidiary and associated companies	(497,038)	(58,138)
	Income from financial assets - bank deposits and treasury bills	(3,190,425)	(1,968,150)
	Dividend on investments classified as fair value through profit or loss	(29,240)	(730)
	Provision for staff compensated absences	(759)	(3,469)
	Provision for slow moving stores and spares	28,338	60,072
	Remeasurement loss on staff retirement benefit plans	(60,235)	(134,725)
	Cash flows before working capital changes	36,243,887	23,723,240
	Effect on cash flows due to working capital changes:		
	(Increase) in stores and spares	(1,122,928)	(220,860)
	(Increase) / decrease in stock in trade	(107,118)	121,674
	(Increase) /decrease in trade debts	(2,628,621)	295,352
	(Increase) in advances, deposits, prepayments and other receivables	(596,434)	(402,999)
	Increase in trade and other payables	5,360,770	2,286,087
		905,669	2,079,254
	Cash flows generated from operations	37,149,556	25,802,494
	Decrease / (increase) in long term loans and advances	7,556	(10,423)
	Increase in long term deposits	22,153	12,283
	Taxes paid	(9,171,786)	(6,227,800)
	Actual decommissioning cost paid	(101,446)	(97,037)
	Net cash generated from operating activities	27,906,033	19,479,517

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

33. 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	
	2022	2021	2022	2021
	Rupees ('000)		Rupees ('000)	
Managerial remuneration	8,373	7,612	136,098	121,311
Bonus	5,708	6,343	87,798	83,065
Housing, utility and conveyance	6,613	6,118	127,040	115,158
Company's contribution to pension, gratuity and provident funds	-	-	52,421	48,099
Leave passage	1,269	1,269	19,902	15,910
Other benefits	4,685	4,389	54,270	44,373
	26,648	25,731	477,529	427,916
No of persons, including those who worked part of the year	1	1	57	53

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 22,395 thousand (2021: Rs 19,449 thousand).

The aggregate amount charged in these financial statements in respect of fee to 7 directors (2021: 7) was Rs 9,139 thousand (2021: Rs 7,885 thousand). This includes Rs 5,618 thousand (2021: Rs 5,126 thousand) paid to 4 non-executive directors (2021: 4) of the Company.

34. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

34.1 Financial assets and liabilities

	Amortised cost	Total
	Rupees ('000)	
June 30, 2022		
Financial assets		
Maturity up to one year		
Trade debts	9,967,152	9,967,152
Advances, deposits and other receivables	752,932	752,932
Cash and bank balances	67,722,676	67,722,676
Maturity after one year		
Long term loans and advances	29,590	29,590
	78,472,350	78,472,350
Financial liabilities		
Maturity up to one year		
Trade and other payables	26,012,620	26,012,620
Unclaimed dividend	275,702	275,702
Maturity after one year		
Long term deposits	895,565	895,565
	27,183,887	27,183,887
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
Financial liabilities		
Maturity up to one year		
Trade and other payables	21,525,147	21,525,147
Unclaimed dividend	244,495	244,495
Maturity after one year		
Long term deposits	873,412	873,412
	22,643,054	22,643,054

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

34.2 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	2022	2021
		Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	6,733,199	4,249,684
	A1	3,164,485	2,750,700
	A2	1,984	207,577
Counterparties without external credit rating			
Existing customers with no default in the past		67,484	130,570
		9,967,152	7,338,531
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	322,587	69,303
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		289,023	255,895
Receivable from employees		28,126	119,986
Receivable from parent company		82,657	33,197
Others		30,539	74,896
		752,932	553,277
Bank balances			
Counterparties with external credit rating	A1+	67,715,821	47,569,388
	A1	2,336	267
		67,718,157	47,569,655
Long term loans and advances			
Counterparties without external credit rating			
Receivable from employees		29,590	37,146

34.3 FINANCIAL RISK MANAGEMENT

34.3.1 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 financial loss for the other party by failing to discharge an obligation.

As of June 30, 2022, trade debts of Rs 740,525 thousand (2021: Rs 1,564,171 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2022	2021
	Rupees ('000)	
Related parties		
Up to 3 months	3,126	267,117
3 to 6 months	9,708	275,148
6 to 12 months	95,400	85,057
Above 12 months	-	27,905
	108,234	655,227
Others		
Up to 3 months	73,559	811,169
3 to 6 months	69,459	4,952
6 to 12 months	453,388	69,669
Above 12 months	35,885	23,154
	632,291	908,944
	740,525	1,564,171

(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, 2022, the Company had financial assets of Rs 78,472,350 thousand (2021: Rs 55,501,160 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

	Less than 1 year	Between 1 to 5 years	Over 5 years
		Rupees ('000)	
At June 30, 2022			
Long term deposits	-	895,565	-
Trade and other payables	26,012,620	-	-
Unclaimed dividend	275,702	-	-
At June 30, 2021			
Long term deposits	-	873,412	-
Trade and other payables	21,525,147	-	-
Unclaimed dividend	244,495	-	-

(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 36,827,358 thousand (2021: Rs 29,965,461 thousand) and financial liabilities include Rs 139,193 thousand (2021: Rs 688,637 thousand) which are subject to currency risk.

The following significant exchange rates were applied during the year:

Rupees per USD	2022	2021
	Rupees	
Average rate	176.98	155.63
Reporting date rate	205.75	158.05

If exchange rates had been 10% lower / higher with all other variables held constant, profit after tax for the year would have been Rs 2,568,172 thousand lower / higher (2021: Rs 2,049,378 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 67,718,157 thousand (2021: Rs 47,569,655 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 403,060 thousand (2021: Rs 294,319 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.

At the year end the Company is not exposed to price risk since there are no financial instruments, whose fair value or future cash flows will fluctuate because of changes in market price.

34.3.2 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.

34.3.3 Fair value of financial assets and liabilities

All financial assets and financial liabilities are initially recognized at fair value of the consideration paid or received, net of transaction cost as appropriate. The carrying values of other financial assets and financial liabilities of the Company not carried at fair value is a reasonable approximation of their fair values.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

35. STAFF RETIREMENT BENEFITS

The details of actuarial valuation of defined benefit funded plans carried out as at year end are as follows:

		2022	2021
		Rupees ('000)	
35.1	The amounts recognized in the statement of financial position are as follows:		
	Present value of defined benefit obligations	1,769,240	1,618,605
	Fair value of plan assets	(1,826,152)	(1,677,955)
		(56,912)	(59,350)
	Amounts in the statement of financial position:		
	Gratuity Fund - (Asset)	(226,505)	(185,791)
	Management Staff Pension Fund - Liability	169,593	126,441
	Net (Assets)	(56,912)	(59,350)
35.2	The amounts recognized in the statement of profit or loss are as follows:		
	Current service cost	44,108	37,594
	Net interest income	(10,505)	(15,075)
		33,603	22,519
35.3	The amounts recognized in statement of profit or loss and other comprehensive income are as follows:		
	Remeasurement due to:		
	Change in financial assumptions	(1,369)	5,111
	Experience adjustments	69,163	118,398
	Investment loss	(7,559)	11,216
		60,235	134,725
35.4	Changes in the present value of defined benefit obligation are as follows:		
	Opening defined benefit obligation	1,618,605	1,519,369
	Current service cost	44,108	37,594
	Interest cost	155,997	124,096
	Remeasurement loss	67,794	123,508
	Benefits paid	(117,264)	(185,962)
	Closing defined benefit obligation	1,769,240	1,618,605
35.5	Changes in fair value of plan assets are as follows:		
	Opening fair value of plan assets	1,677,955	1,649,332
	Interest income	166,502	139,171
	Remeasurement gain / (loss)	7,559	(11,216)
	Contribution by employer	91,399	86,630
	Benefits paid	(117,263)	(185,962)
	Closing fair value of plan assets	1,826,152	1,677,955

35.6 The major categories of plan assets as a percentage of total plan assets of defined pension and gratuity plan are as follows:

	2022		2021	
	Rupees ('000)	%	Rupees ('000)	%
Unquoted:				
Government bonds	4,992	-	5,356	-
Cash and cash equivalents	1,821,160	100	1,672,599	100
	1,826,152	100	1,677,955	100

The funds have no investment in the Company's own securities.

35.7 Principal actuarial assumptions

The principal assumptions used in the actuarial valuation are as follows:

	2022	2021
	%	%
Discount rate	13	10
Expected rate of salary increase	12	8.75
Expected rate of pension increase	6.75	4

35.8 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2021 and 2022.

35.9 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.

35.10 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

	Defined benefit obligation	
	1 percent increase	1 percent decrease
	Rupees ('000)	
Discount rate	(146,489)	172,720
Salary increase	57,610	(52,176)
Pension increase	115,058	(101,427)

If life expectancy increases by 1 year, the obligation increases by Rs 55,467 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.

35.11 The weighted average number of the defined benefit obligation is given below:

Plan Duration	Pension	Gratuity
	Years	
June 30, 2022	11.4	8
June 30, 2021	11.4	7.9

35.12 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	67,141	-
Benefit payments:		
FY 2023	108,673	36,206
FY 2024	114,396	30,497
FY 2025	121,973	43,964
FY 2026	128,447	32,721
FY 2027-31	138,607	60,468
FY 2028-32	885,062	416,578

	Note	2022	2021
		Rupees ('000)	
36. CASH AND CASH EQUIVALENTS			
Cash and bank balances	21	67,722,676	47,572,206

	2022	2021
37. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit for the year (in thousand rupees)	25,935,113	13,382,255
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)	91.37	47.14

38. TRANSACTIONS WITH RELATED PARTIES

38.1 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	2022	2021
		Rupees ('000)	
Parent company - The Attock Oil Company Limited	Holding company		
Dividend paid		7,489,766	7,489,766
Rental expense		58,783	51,065
Purchase of LPG		134,942	79,744
Reimbursement of expenses incurred by AOC on behalf of POL		4,045	2,348
Reimbursement of expenses incurred by POL on behalf of AOC		-	9,275
Subsidiary company - Capgas (Private) Limited	Subsidiary with 51% shareholding		
Reimbursement of expenses incurred by POL on behalf of CAPGAS		11,990	11,493
Reimbursement of expenses incurred by CAPGAS on behalf of POL		8,838	7,372
Rental Income		1,404	1,404
Dividend received		21,226	12,737
Purchase of LPG		51,223	-
Associated companies			
Attock Refinery Limited	Common directorship		
Sale of crude oil and gas		28,278,660	13,543,270
Crude oil and gas transmission charges		4,201	4,454
Rental Income		2,908	2,885
Rental expense		1,466	1,403
Reimbursement of expenses incurred by POL on behalf of ARL		1,012	551
Reimbursement of expenses incurred by ARL on behalf of POL		26,665	20,485
Purchase of fuel		21,473	12,548
Purchase of LPG		209,391	204,884
National Refinery Limited	25% share holding & common directorship		
Sale of crude oil		18,603	1,382,382
Reimbursement of expenses incurred by POL on behalf of NRL		6	-
Reimbursement of expenses incurred by NRL on behalf of POL		615	397
Rental expense		3,102	2,554
Purchase of LPG		241,019	143,894
Dividend received		199,916	-

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

	Basis of Relationship	2022	2021
		Rupees ('000)	
Attock Petroleum Limited	7.0175% share holding & common directorship		
Purchase of fuel and lubricants		993,916	601,870
Sale of solvent oil		285,063	188,811
Rental income		1,186	785
Purchase of services		613	635
Purchase of goods		1,753	392
Reimbursement of expenses incurred by POL on behalf of APL		31,354	28,549
Dividend received		275,896	45,401
Profit Disbursement		1,074	599
Attock Information Technology (Private) Limited	Common directorship		
Purchase of services		63,481	57,786
Attock Cement Pakistan Limited	Common directorship		
Purchase of services		-	6
Attock Hospital (Private) Limited	Common directorship		
Purchase of medical services		17,322	16,820
Attock Leisure and Management Associates (Private) Limited	Common directorship		
Purchase of services		8,480	4,789
Attock Energy (Private) Limited	Common directorship		
Purchase of services		2,091	-
Other associated entities			
Dividend paid		9,259	7,849
Other related parties			
Remuneration of Chief Executive, Directors Honorarium & Key Management personnel including benefits & perquisites		163,654	149,115
Dividend paid to key management personnel		164,568	158,567
Contribution to staff retirement benefits plans			
Management Staff Pension Fund and Gratuity Fund		91,399	86,631
Approved Contributory Provident Funds		31,873	31,262
Contribution to Workers' Profit Participation Fund		1,557,700	1,169,110

38.2 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%

39. 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.

40. 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 31

		2022	2021
		Rupees ('000)	
iv)	**Bank Balances**		
	Placed under interest arrangements	67,679,367	47,477,089
	Placed under Shariah permissible arrangements	2,520	1,120
		67,681,887	47,478,209
v)	**Income on bank deposits**		
	Placed under interest arrangements	3,190,318	723,167
	Placed under Shariah permissible arrangements	107	48
		3,190,425	723,215

vi)	Dividend income	Disclosed in note 29.1 & 29.2
vii)	All sources of other income	Disclosed in note 29
viii)	Exchange gain	Earned from actual currency
ix)	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 Islami Investment bank 3. Bank Islami Limited

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2022

41. 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		Working interest	
			2022	2021
	District(s)	Province(s)	%	
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
North Dhurnal (3372-27)	Attock	Punjab	60.00	60.00
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		
Mamikhel South D& P lease 272/PAK/2021	Kohat	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 Ocean Pakistan Limited				
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
Nareli (3068-9)	Loralai, Sibi, Harnai	Balochistan	32.00	32.00

* Pre-commerciality interest

42. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 16, 2022 has proposed a final dividend for the year ended June 30, 2022 @ Rs 50 per share, amounting to Rs 14,192,755 thousand for approval of the members in the Annual General Meeting to be held on September 20, 2022.

43. GENERAL

43.1 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 have now recovered. As at year end, there is no 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.

43.2 Capacity

Following is production from the Company's fields including proportionate share from all operated and non-operated joint ventures:

Product	Unit	2022	2021
Crude Oil	US Barrels	2,017,581	2,264,413
Gas	Million Cubic Feet	25,825	28,596
LPG	Metric Tonnes	55,418	56,660
Sulphur	Metric Tonnes	475	428
Solvent Oil	US Barrels	18,605	16,658

Considering the nature of the Company's business, information regarding installed capacity has no relevance.

43.3 Number of employees	2022	2021
Total number of employees as at June 30	694	702
Total number of employees at fields as at June 30	511	514
Average number of employees during the year	700	718
Average number of employees at fields during the year	514	527

43.4 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

43.5 Date of authorization

These financial statements were authorized for issue by the Board of Directors of the Company on August 16, 2022.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Consolidated Financial Statements

For the year ended June 30, 2022

pwc

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, 2022, 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, 2022, 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.

pwc

A·F·FERGUSON&Co.

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, 2022, the development and decommissioning costs amounted to Rs 10,209 million and exploration and evaluation assets amounted to Rs 3,020 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 consolidated financial statements.

pwc

A·F·FERGUSON&Co.

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, 2022, the carrying amount of investment in above referred associated companies amounted to Rs 10,536 million (net of recognised impairment loss of Rs 5,791 million) and Rs 3,862 million respectively which carrying values are higher by Rs 5,487 million and Rs 1,620 million respectively in relation to the quoted market value of their respective 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, 2022). VIU is based on valuation analysis carried out by an independent external investment advisor engaged by the management 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, 2022 with publicly available stock exchange data; and • Assessed the adequacy of the Group's disclosures in the consolidated financial statements in this respect.

pwc

A·F·FERGUSON&Co.

S.No.	Key Audit Matters	How the matter was addressed in our audit
(iii)	**Recognition of Revenue** *(Refer note 4.25 and 25 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 29,718 million, Rs 12,269 million and Rs 10,978 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) inspected 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 consolidated 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 consolidated financial statements.

pwc

A·F·FERGUSON&Co.

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 25 to the consolidated 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 Group 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 19,659 million since inception to June 30, 2022 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 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.

pwc

A·F·FERGUSON&Co.

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.

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.

pwc

A·F·FERGUSON&Co.

- 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.

A.F. Ferguson & Co.

Chartered Accountants

Islamabad
Date: August 24, 2022

UDIN: AR2022100533vP4DWdqo

Consolidated Statement of Financial Position

As at June 30, 2022

	Note	2022	2021
		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	2,031,097	2,027,876
Revenue reserves	8	50,599,086	38,087,550
Gain on remeasurement of investment at fair value through Other Comprehensive Income (OCI)		4,368	2,447
		55,473,102	42,956,424
Non-Controlling Interest		114,974	122,024
		55,588,076	43,078,448
NON CURRENT LIABILITIES			
Long term deposits	9	1,015,727	988,759
Deferred liabilities	10	25,596,911	20,240,814
		26,612,638	21,229,573
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	11	31,134,788	25,719,762
Unclaimed dividend		275,702	244,495
Provision for income tax		9,802,862	8,198,905
		41,213,352	34,163,162
CONTINGENCIES AND COMMITMENTS	12		
		123,414,066	98,471,183

	Note	2022	2021
		Rupees ('000)	
NON-CURRENT ASSETS			
Property, plant and equipment	13	6,755,903	6,722,142
Development and decommissioning costs	14	10,209,126	13,672,675
Exploration and evaluation assets	15	3,019,833	512,223
Intangible assets	16	189,939	47,283
Deferred tax asset		11,177	6,878
		20,185,978	20,961,201
LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES	17	14,445,000	13,337,592
LONG TERM LOANS AND ADVANCES	18	29,590	37,146
CURRENT ASSETS			
Stores and spares	19	5,754,403	4,659,496
Stock in trade	20	423,253	298,357
Trade debts	21	9,967,911	7,339,066
Advances, deposits, prepayments and other receivables	22	4,697,611	4,014,389
Short term investments - at amortised cost	23	-	99,960
Cash and bank balances	24	67,910,320	47,723,976
		88,753,498	64,135,244
		123,414,066	98,471,183

The annexed notes 1 to 47 form an integral part of these consolidated 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, 2022

	Note	2022	2021
		Rupees ('000)	
SALES		59,934,299	40,424,288
Sales tax		(6,438,430)	(3,308,056)
Excise duty		(245,203)	(272,314)
NET SALES	25	53,250,666	36,843,918
Operating costs	26	(10,358,550)	(9,081,797)
Royalty		(5,563,309)	(3,907,673)
Amortization of development and decommissioning costs	27	(3,318,737)	(2,211,754)
		(19,240,596)	(15,201,224)
GROSS PROFIT		34,010,070	21,642,694
Exploration costs	28	(877,038)	(494,255)
		33,133,032	21,148,439
Administration expenses	29	(234,304)	(219,101)
Finance costs - net	30	(5,548,567)	(259,658)
Other charges	31	(2,029,809)	(1,545,551)
		(7,812,680)	(2,024,310)
		25,320,352	19,124,129
Other income - net	32	11,211,117	1,516,730
		36,531,469	20,640,859
Share of profit of associated companies	17 & 33	3,577,350	793,414
(Impairment) / reversal of impairment on investment in associated company	17	(1,981,825)	1,625,412
PROFIT BEFORE TAXATION		38,126,994	23,059,685
Provision for taxation	34	(11,350,380)	(7,657,435)
PROFIT FOR THE YEAR		26,776,614	15,402,250
Attributable to:			
Owners of Pakistan Oilfields Limited (POL)		26,762,990	15,395,099
Non-Controlling Interest		13,624	7,151
		26,776,614	15,402,250
Earnings per share attributable to owners of POL - Basic and diluted (Rupees)	41	94.28	54.24

The annexed notes 1 to 47 form an integral part of these consolidated 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, 2022

	2022	2021
	Rupees ('000)	
Profit for the year	26,776,614	15,402,250
Other comprehensive income for the year:		
Items that will not be reclassified to profit or loss		
Remeasurement (loss)/gain on staff retirement benefit plans	(61,040)	(136,054)
Tax credit/(charge) relating to remeasurement (loss)/gain on staff retirement benefit plans	19,508	40,803
	(41,532)	(95,251)
Share of other comprehensive (loss)/income of associated companies - net of tax	(12,305)	(4,842)
Other comprehensive loss for the year, net of tax	(53,837)	(100,093)
Total comprehensive income for the year	26,722,777	15,302,157
Attributable to:		
Owners of Pakistan Oilfields Limited (POL)	26,709,433	15,295,469
Non-Controlling Interest	13,344	6,688
	26,722,777	15,302,157

The annexed notes 1 to 47 form an integral part of these consolidated 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, 2022

	Attributable to owners of Pakistan Oilfields Limited										
	Share capital	Capital Reserves			Revenue reserves			Gain/(loss) revaluation on 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, 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
Total comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	26,762,990	-	26,762,990	13,624	26,776,614
Other comprehensive income/(loss)	-	-	-	-	-	-	(55,478)	1,921	(53,557)	(280)	(53,837)
	-	-	-	-	-	-	26,707,512	1,921	26,709,433	13,344	26,722,777
Transferred to special reserve by an associated company	-	-	1,466,263	-	-	-	(1,466,263)	-	-	-	-
Accumulated loss of an associated company offset against special reserve	-	-	(1,463,042)	-	-	-	1,463,042	-	-	-	-
POL dividends:											
Final dividend @ Rs 30 per share - Year ended June 30, 2021	-	-	-	-	-	-	(8,515,653)	-	(8,515,653)	-	(8,515,653)
Interim dividend @ Rs 20 per share - Year ended June 30, 2022	-	-	-	-	-	-	(5,677,102)	-	(5,677,102)	-	(5,677,102)
Dividend to CAPGAS non - controlling interest holders:											
Final dividend @ Rs 21.6 per share - Year ended June 30, 2021	-	-	-	-	-	-	-	-	-	(7,144)	(7,144)
FIrst Interim dividend @ Rs 19.26 per share - Year ended June 30, 2022	-	-	-	-	-	-	-	-	-	(6,370)	(6,370)
Second Interim dividend @ Rs 16.3 per share - Year ended June 30, 2022	-	-	-	-	-	-	-	-	-	(5,391)	(5,391)
Third Interim dividend @ Rs 4.5 per share - Year ended June 30, 2022	-	-	-	-	-	-	-	-	-	(1,489)	(1,489)
Total transactions with owners	-	-	-	-	-	-	(14,192,755)	-	(14,192,755)	(20,394)	(14,213,149)
Balance at June 30, 2022	2,838,551	71,395	18,658	1,941,044	200,000	7,077,325	43,321,761	4,368	55,473,102	114,974	55,588,076

The annexed notes 1 to 47 form an integral part of these consolidated 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, 2022

	Note	2022	2021
		Rupees ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		51,301,107	37,852,257
Operating and exploration costs paid		(8,902,612)	(8,273,424)
Royalty paid		(5,244,873)	(3,832,987)
Taxes paid		(9,187,784)	(6,238,804)
Cash provided by operating activities	44	27,965,838	19,507,042
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(4,670,235)	(1,760,468)
Proceeds from disposal of property, plant and equipment		6,088	31,375
Redemption of mutual funds - net		917	6,548
Income on bank deposits and investments at amortised cost		3,133,938	2,103,371
Dividend income received		505,052	46,131
Cash (used in) / generated from investing activities		(1,024,240)	426,957
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(14,161,548)	(14,162,567)
Dividend paid to non-controlling interest holders		(20,394)	(12,238)
Cash used in financing activities		(14,181,942)	(14,174,805)
EFFECT OF EXCHANGE RATE CHANGES		7,326,728	(1,244,935)
INCREASE IN CASH AND CASH EQUIVALENTS		20,086,384	4,514,259
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		47,823,936	43,309,677
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	40	67,910,320	47,823,936

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

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 46.

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	Amendments to 'IAS 1 and IFRS Practice Statement 2' Disclosure of Accounting Policies	January 1, 2023
	Amendments to IAS 1 'Presentation of Financial Statements' Classification of Liabilities as Current or Non-current	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
IAS 41, IFRS (1, 9 and 16)	Annual improvements to IFRS Standards 2018 - 2020 (Amendments)	January 1, 2022

3.2 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Group's financial statements.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2022:

- IFRS 1 (First Time Adoption of International Financial Reporting Standards)
- IFRS 17 (Insurance Contracts)
- IFRIC 12 (Service concession arrangements)

3.3 The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 1177 (I)/2021 dated September 13, 2021, in partial modification of its previous S.R.O. 985(1)/2019 dated September 2, 2019, has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP) in respect of circular debt, the requirements contained in IFRS 9 with respect to application of expected credit loss (ECL) model shall not be applicable till June 30, 2022, 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 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 Basis of consolidation

The consolidated financial statements include the financial statements of POL and its subsidiary CAPGAS with 51% holding (2021: 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.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

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 if 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 32% (2021: 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 asset / 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 1.00% (2021: 1.30%) 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, 2022.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

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 38.

(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. Charge included in these financial statements is Rs 31,779 thousand (2021: Rs 31,214 thousand).

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, 2022 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 becomes 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.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

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 depend 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 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 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.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

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

The Group 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 Group, in full (without taking into account any collaterals held by the Group).

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

Irrespective of the above analysis, in case of trade debts, the Group considers that default has occurred when 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. 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.

4.26 Other Income

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.

4.27 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.

4.28 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.

4.29 Dividend distribution

Dividend distribution to the shareholders is accounted for in the period in which dividend is declared.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

4.30 Leases

4.30.1 Right of use asset

The Group assesses whether a contract is or contains a lease at inception of the contract. If the Group assesses contract contains a lease and meets 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.

4.30.2 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.

4.30.3 During the year Rs 568,925 thousand (2021: Rs 421,660 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 38
vi) Provision for taxation - note 4.6 and 34
vii) Price adjustment related to crude oil sales - note 4.25 and 25
viii) Impairment of financial assets - note 4.22
ix) Right of use assets and corresponding lease liability - note 4.29
x) Estimated useful life of intangible assets - note 4.10 and note 12

		2022	2021
		Rupees ('000)	
6.	**SHARE CAPITAL**		
	Authorised capital		
	500,000,000 (2021: 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 (2021: 20,200,000) ordinary shares	202,000	202,000
	Shares issued as fully paid bonus shares 263,655,104 (2021: 263,655,104) ordinary shares	2,636,551	2,636,551
	283,855,104 (2021: 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 (2021: 149,794,518) ordinary shares at the year end.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
7.	**CAPITAL RESERVE**		
	Bonus shares issued by subsidiary/associated companies	71,395	71,395
	Special reserve - note 7.1	18,658	15,437
	Utilised special reserve - note 7.2	1,941,044	1,941,044
		2,031,097	2,027,876

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 (2021: 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 3,462 thousand (2021: Rs 241 thousand) retained by an Attock Gen Limited (an associate of Attock Petroleum Limited) to pay for major maintenance expenses in terms of Power Purchase Agreement. Special reserves are not available for distribution.

During the year, an associated company transferred Rs 1,463,042 thousand (2021: Rs nil) in special reserve account. As the associated company already has commissioned Diesel Hydro De-Sulphurisation (DHDS) and Isomerization projects, which were required by the Government to be installed to produce Euro-II standard HSD and to convert Naphtha into Motor Gasoline, accumulated fuel refinery losses to the extent of Rs 1,463,042 thousand (2021: Rs nil) have been offset against the amount accumulated in the special reserve account.

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.

		2022	2021
		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	43,321,761	30,810,225
		50,599,086	38,087,550

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 thousand (2021: Rs 1,557,794 thousand) set aside by POL on account of gain on sale of investments as investment reserve to meet any future losses/ impairment on investments.

		2022	2021
		Rupees ('000)	
9.	**LONG TERM DEPOSITS**		
	Security deposits from distributors against equipment	960,019	929,635
	Security deposits from distributors against distributorship and others	55,708	59,124
		1,015,727	988,759

9.1 Amount received as security deposit is utilized/utilizable by the Group in accordance with the related agreements with customers.

		2022	2021
		Rupees ('000)	
10.	**DEFERRED LIABILITIES**		
	Provision for deferred income tax - note 10.1	6,383,854	5,840,426
	Provision for decommissioning costs - note 10.2	19,123,431	14,389,227
	Provision for staff compensated absences	2,540	3,299
	Provision for un-funded gratuity plan - CAPGAS	7,840	7,862
	Deferred liabilities-renewal fee	79,246	-
		25,596,911	20,240,814
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	6,747,113	6,162,545
	Provision for stores and spares	(213,732)	(191,873)
	Provision for doubtful receivable	(99)	(93)
	Deferred tax on remeasurement loss on staff retirement benefit plans	(149,428)	(130,153)
		6,383,854	5,840,426
10.2	**Provision for decommissioning costs**		
	Balance brought forward	14,389,227	14,089,542
	Revision due to change in estimates - note 10.2.1	(727,537)	(193,498)
	Provision made during the year	22,137	335,429
	Unwinding of discount	1,258,353	1,123,961
	Exchange loss / (gain)	4,282,697	(869,170)
	Decommissioning cost incurred during the year	(101,446)	(97,037)
		19,123,431	14,389,227
10.2.1	**Revision due to change in estimates**		
	(Credited) / charged to related asset - note 15	(337,391)	38,574
	Revision in excess of related asset credited to statement of profit or loss - note 29	(390,146)	(232,072)
		(727,537)	(193,498)

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
11.	**TRADE AND OTHER PAYABLES**		
	Creditors	389,271	462,149
	Due to related parties		
	Attock Hospital (Pvt) Limited	2,667	3,234
	Attock Petroleum Limited	83,623	23,314
	Attock Energy Private Limited	-	1,239
	Attock Refinery Limited	10,401	10,462
	National Refinery limited	601	8,292
	Attock Lesiure and Management Associates (Pvt) Limited	857	491
	Management Staff Pension Fund	169,593	126,441
	Staff Provident Fund	1,663	-
	General Staff Provident Fund	312	-
	Workers' Profit Participation Fund - note 11.1	1,546,307	1,156,780
	Due to joint operating partners		
	The Attock Oil Company Limited	8,490	35,838
	Others	1,435,659	905,978
	Accrued liabilities	2,957,301	2,277,098
	Advance payment from customers	80,613	68,558
	Royalty	901,299	582,863
	Excise duty	576	3,940
	Petroleum levy payable	17,716	13,671
	Workers' Welfare Fund	1,179,131	1,069,630
	Liability for staff compensated absences	16,707	15,239
	Current portion of deferred liabilites - renewal fee	45,515	-
	Other Liabilities - note 11.2	22,286,486	18,954,545
		31,134,788	25,719,762
11.1	**Workers' Profit Participation Fund**		
	Balance at beginning of the year	1,156,780	1,093,950
	Amount allocated for the year	1,559,727	1,169,275
	Amount paid to the Fund's trustees	(1,170,401)	(1,106,445)
	Balance at year end	1,546,106	1,156,780

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 25.1.

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

12.1.1 POL

There were no material contingencies as at June 30, 2022 (2021: 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.

12.2 Group's share in contingencies of associated companies

		2022	2021
		Rupees ('000)	
a)	Claims not acknowledged as debt including claims in respect of delayed payment charges by crude oil suppliers and freight claims	1,417,500	1,392,500
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	826,264	553,252
d)	Guarantees issued by bank on behalf of associated companies	180,836	186,927
e)	Other contingencies based on financial statements of associated companies	166,622	108,044

f) 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.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
12.3	Capital expenditure commitments outstanding		
	POL		
	Share in joint operations	13,792,446	7,059,703
	Own fields	5,047,000	-
	Letter of credit issued by banks on behalf of POL	380,001	95,164
	NRL		
	Commitments outstanding for capital expenditure	166,330	87,925
	APL		
	Commitments outstanding for capital expenditure/ import of petroleum products against letter of credit facility	802,804	666,392
	AITSL		
	Commitments outstanding for capital expenditure	205	596
13.	**PROPERTY, PLANT AND EQUIPMENT**		
	Operating assets - note 13.1	6,272,321	6,170,079
	Capital work in progress - note 13.5	483,582	552,063
		6,755,903	6,722,142

13.1 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, 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 July 1, 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
Year ended June 30, 2022										
Opening 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
Additions	-	14,226	57,604	1,370,737	24,874	53,520	34,053	8,039	28,305	1,591,358
Disposals/deletions										
Cost	-	(28)	(3,846)	(11,118)	(64)	(5,970)	(4,379)	(452)	(7,890)	(33,747)
Depreciation	-	28	3,846	10,870	64	5,970	4,379	441	7,882	33,480
	-	-	-	(248)	-	-	-	(11)	(8)	(267)
Depreciation charge	-	(21,454)	(171,520)	(1,114,568)	(39,486)	(50,429)	(32,831)	(10,163)	(48,398)	(1,488,849)
Closing net book value	30,248	245,869	679,433	4,771,819	169,071	173,850	83,280	40,478	78,273	6,272,321
As at June 30, 2022										
Cost	30,248	565,413	2,600,070	17,731,718	830,322	1,012,698	672,822	200,564	604,050	24,247,905
Accumulated depreciation	-	(319,544)	(1,920,637)	(12,959,899)	(661,251)	(838,848)	(589,542)	(160,086)	(525,777)	(17,975,584)
Net book value	30,248	245,869	679,433	4,771,819	169,071	173,850	83,280	40,478	78,273	6,272,321
Annual rate of Depreciation (%)	-	5	10	10	10	10	20	12.5-20	25	

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

13.2 Cost and accumulated depreciation include:

	Cost		Accumulated depreciation	
	2022	2021	2022	2021
	Rupees ('000)		Rupees ('000)	
Share in joint operations operated by the Group	1,540,222	1,527,824	1,366,181	1,340,656
Assets not in possession of the Group				
Share in joint operations operated by others				
MOL Pakistan Oil and Gas Company B.V.	12,119,964	11,446,923	9,150,286	8,309,256
Ocean Pakistan Limited	75,842	74,383	63,140	64,411
Oil and Gas Development Company Limited	74,175	74,175	57,236	52,068
Pakistan Petroleum Limited	2,312,037	2,245,926	1,412,957	1,219,546
	14,582,018	13,841,407	10,683,619	9,645,281
*Gas cylinders - in possession of distributors	805,305	886,700	742,686	742,686
	16,927,545	16,255,931	12,792,486	11,728,623

*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.

	2022	2021
	Rupees ('000)	
13.3 The depreciation charge has been allocated as follows:		
Operating costs	1,488,825	1,475,925
Administrative expenses	24	40
	1,488,849	1,475,965

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, 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
Balance as at July 1, 2021	5,523	546,540	-	552,063
Additions during the year	237	383,277	-	383,514
Transfers during the year	-	(451,995)	-	(451,995)
Balance as at June 30, 2022	5,760	477,822	-	483,582

		2022	2021
		Rupees ('000)	
13.6	**Break up of capital work in progress at June 30 is as follows:**		
	POL		
	Own fields	6,102	7,822
	POL Gas	8,908	8,908
	Share in joint operations operated by the Company		
	Pindori Joint Operation	-	323
	Share in Joint Ventures operated by others		
	MOL Pakistan Oil and Gas Company B.V. - TAL Block	21,013	86,235
	MOL Pakistan Oil and Gas Company B.V. - Margala Block 3372-20	269	269
	Oil and Gas Development Company Limited - Jhal Magsi D&P Lease	446,448	447,380
	CAPGAS	842	1,126
		483,582	552,063

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

14. DEVELOPMENT AND DECOMMISSIONING COSTS

	Development Cost	Decommissioning Cost	Total
		Rupees ('000)	
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 - note 27	(2,277,654)	(166,172)	(2,443,826)
Closing net book value	12,922,884	749,791	13,672,675
As at July 1, 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
Year ended June 30, 2022			
Opening net book value	12,922,884	749,791	13,672,675
Additions	560,588	22,137	582,725
Disposals			
Cost	-	(20,476)	(20,476)
Accumulated amortization	-	20,476	20,476
	-	-	-
Revision due to change in estimates note 10.2.1	(147,697)	(189,694)	(337,391)
Amortization for the year - note 27	(3,534,368)	(174,515)	(3,708,883)
Closing net book value	9,801,407	407,719	10,209,126
As at June 30, 2022			
Cost	49,184,461	3,080,920	52,265,381
Accumulated amortization	(39,383,054)	(2,673,201)	(42,056,255)
Net book value	9,801,407	407,719	10,209,126

14.1 Net book value at year end represents:

		2022	2021
		Rupees ('000)	
	Wholly owned fields	2,510,518	3,049,006
	Joint operations	7,698,608	10,623,669
		10,209,126	13,672,675

15.	**EXPLORATION AND EVALUATION ASSETS**		
	Balance brought forward	512,223	2,773,514
	Additions during the year	2,507,610	294,080
		3,019,833	3,067,594
	Wells cost transferred to development cost - note 14	-	(2,555,371)
		3,019,833	512,223
15.1	**Break up of exploration and evaluation assets at June 30 is as follows:**		
	Share in joint operations operated by the Group		
	- DG Khan	2,979,667	512,223
	- Bhandak	12,072	
	Share in joint operations operated by others		
	MOL Pakistan Oil and Gas Company B.V. Margala	28,094	-
		3,019,833	512,223
16.	**OTHER INTANGIBLE ASSETS**		
	Written down value	47,283	85,902
	Addition	203,921	26,400
	Less: Amortization for the year	61,265	65,019
		189,939	47,283
	Useful lives (years)	1-5	1-5

16.1 Intangible assets and addtitions represents amounts paid / present value of amount payable by CAPGAS to LPG producing companies against renewal fees of LPG supplies of 5 M.Tons/day. Amount payable have been discounted at one year KIBOR rate.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
17.	**LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES - EQUITY BASIS**		
	Beginning of the year	13,337,592	10,969,009
	Share of profit of associated companies	3,577,350	793,414
	Share of other comprehensive (loss) of associated companies	(12,305)	(4,842)
	(Impairment loss) / reversal of impairment loss against investment in National Refinery Limited	(1,981,825)	1,625,412
	Dividend received during the year	(475,812)	(45,401)
		14,445,000	13,337,592
17.1	**The Group's interest in associates are as follows:**		
	Quoted		
	National Refinery Limited (NRL) - note 17.3 19,991,640 (2021: 19,991,640) fully paid ordinary shares including 3,331,940 (2021: 3,331,940) bonus shares of Rs 10 each Quoted market value as at June 30, 2022: Rs 5,049,289 thousand (2021: Rs 10,459,426 thousand)	10,535,594	10,459,426
	Attock Petroleum Limited (APL) - note 17.3 6,984,714 (2021: 6,984,714) fully paid ordinary shares including 3,616,314 (2021: 3,616,314) bonus shares of Rs 10 each Quoted market value as at June 30, 2022: Rs 2,242,258 thousand; (2021: Rs 2,242,303 thousand)	3,861,854	2,837,424
	Unquoted		
	Attock Information Technology Services (Pvt) Limited (AITSL) 450,000 (2021: 450,000) fully paid ordinary shares of Rs 10 each	47,550	40,742
		14,445,000	13,337,592

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, 2022 (2021: June 30, 2021) and not the reporting entity's share of those amounts.

	National Refinery Limited		Attock Petroleum Limited		Attock Information Technology Services (Pvt) Limited	
	2022	2021	2022	2021	2022	2021
	Rupees ('000)		Rupees ('000)		Rupees ('000)	
Summarised financial position						
Current assets	69,590,902	36,192,216	78,375,032	44,210,980	413,769	359,765
Non- current assets	33,115,406	39,489,300	17,976,013	17,686,905	86,994	75,656
Current liabilities	61,869,415	42,919,804	51,685,732	31,795,455	18,925	22,119
Non- current liabilities	1,017,535	1,174,325	7,346,158	7,381,496	6,334	5,885
Net assets	39,819,358	31,587,387	37,319,155	22,720,934	475,504	407,417
Reconciliation to carrying amounts:						
Net assets as at July 1	31,587,791	29,837,690	22,720,934	18,446,021	407,416	350,876
Profit for the year	9,079,013	1,770,100	18,536,343	4,919,632	68,088	56,540
Other comprehensive (loss)/income	(47,376)	(19,999)	(6,576)	2,244	-	-
Dividends paid	(799,666)	-	(3,931,546)	(646,963)	-	-
Net assets as at June 30	39,819,762	31,587,791	37,319,155	22,720,934	475,504	407,416
Group's percentage shareholding in the associate	25%	25%	7.0175%	7.0175%	10%	10%
Group's share in net assets	9,954,941	7,896,948	2,618,872	1,594,442	47,550	40,742
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	16,326,296	14,268,303	3,861,854	2,837,424	47,550	40,742
Impairment	(5,790,702)	(3,808,877)	-	-	-	-
Carrying amount of investment	10,535,594	10,459,426	3,861,854	2,837,424	47,550	40,742
Summarised statements of comprehensive income						
Net revenue	251,875,728	139,625,198	370,074,929	188,645,375	161,769	151,297
Profit for the year	9,079,013	1,770,100	18,536,343	4,919,632	68,088	56,540
Other comprehensive (loss)/income	(47,376)	(19,999)	(6,576)	2,244	-	-
Total comprehensive income	9,031,637	1,750,101	18,529,767	4,921,876	68,088	56,540
Dividend received from associates	199,917	-	275,896	45,401	-	-

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

17.4 The carrying value of investment in National Refinery Limited at June 30, 2022 is net of impairment loss of Rs 5,790,702 thousand (2021: Rs 3,808,877 thousand). The Group has assessed the recoverable amount of the investment in National Refinery Limited based on higher of Value In Use (VIU) and fair value (level 1 in the fair value hirerarchy - qouted market price as at June 30, 2022). VIU is based on a valuation analysis carried out by an external investment advisor engaged by the management. VIU has been assessed on discounted cash flow based valuation methodology which assumes gross profit margin of 5.74% (2021: 2.71%), a terminal growth rate of 4.0% (2021: 4.0%) and weighted average cost of capital of 17.51% (2021: 20.05%).

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 5.83% (2021:4.46%), a terminal growth rate of 4.0% (2021: 4.0%) and a capital asset pricing model based discount rate of 20.51% (2021: 16.51%).

		2022	2021
		Rupees ('000)	
18.	**LONG TERM LOANS AND ADVANCES, CONSIDERED GOOD**		
	Long term loans and advances to employees	57,715	58,285
	Less: Amount due within twelve months, shown under current loans and advances - note 22	28,125	21,139
		29,590	37,146

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.

		2022	2021
		Rupees ('000)	
19.	**STORES AND SPARES**		
	Stores and spares - note 19.1	6,422,316	5,299,071
	Less: Provision for slow moving items - note 19.3	667,913	639,575
		5,754,403	4,659,496
19.1	**Stores and spares include:**		
	Share in joint operations operated by the Group	684,310	627,650
	Share in joint operations operated by others (assets not in possession of the Group)	1,687,046	1,670,815
		2,371,356	2,298,465

19.2 Stores and spares include stores and spares in transit of Rs 760,285 thousand (2021: Rs 88,503 thousand).

		2022	2021
		Rupees ('000)	
19.3	**Provision for slow moving items**		
	Balance brought forward	639,575	579,503
	Provision for the year	28,338	60,072
		667,913	639,575

19.4 Stores and spares include items which may result in fixed capital expenditure but are not yet distinguishable.

		2022	2021
		Rupees ('000)	
20.	**STOCK IN TRADE**		
	Crude oil and other products - note 20.1	423,253	298,357

20.1 These include Rs 62,825 thousand (2021: Rs 37,731 thousand) being the Company's share in joint operations.

		2022	2021
		Rupees ('000)	
21.	**TRADE DEBTS - Considered good**		
	Due from related parties - note 21.1	6,749,456	3,750,557
	Others	3,218,455	3,588,509
		9,967,911	7,339,066
21.1	**Due from related parties**		
	Associated companies		
	Attock Refinery Limited	6,726,161	3,691,129
	National Refinery Limited	307	49,507
	Attock Petroleum Limited	22,988	9,921
		6,749,456	3,750,557

Ageing analysis of trade debts receivable from related parties is given in note 37.3 to the financial statements.

The maximum aggregate amount receivable from related parties at the end of any month during the year was Rs 6,749,456 thousand (2021: Rs 3,750,557 thousand).

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
22.	**ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Loans and advances - considered good		
	Employees - note 18	30,023	22,329
	Suppliers	387,618	183,561
		417,641	205,890
	Trade deposits and short term prepayments		
	Deposits	75,532	122,872
	Short-term prepayments	172,404	488,586
		247,936	611,458
	Interest income accrued	248,977	174,767
	Other receivables		
	Joint operating partners	313,169	154,659
	Due from related parties		
	Parent company		
	The Attock Oil Company Limited	82,657	77,446
	General Staff Provident Fund	-	10,196
	Staff Provident Fund	-	10,571
	Gratuity Fund - note 38	226,505	185,791
	Sales tax refundable	3,141,897	2,566,859
	Other receivables (net of loss allowance of Rs 310 thousand (2021: Rs 310 thousand))	18,829	16,752
		3,783,057	3,022,274
		4,697,611	4,014,389

22.1 The maximum aggregate amount due from related parties at the end of any month during the year was Rs 82,657 thousand (2021: Rs 77,446 thousand) respectively.

		2022	2021
		Rupees ('000)	
22.2	The ageing analysis of receivable from related parties is as follows:		
	Upto 3 month	82,657	77,446
	3 to 6 month	-	-
	More than 6 month	-	-
		82,657	77,446

23. Short term investments - at amortised cost

This amount was invested in market treasury bills (The Government of Pakistan) through Faysal Bank Limited. This amount has matured during current year. The effective interest rate was 7.44% to 12.91% per annum (2021 : 7.05% to 8.35% per annum).

		2022	2021
		Rupees ('000)	
24.	**CASH AND BANK BALANCES**		
	Bank balance on		
	Short term deposits	66,046,782	44,781,900
	Interest/mark-up bearing saving accounts	1,822,642	2,847,873
	Current accounts	36,338	91,609
		67,905,762	47,721,382
	Cash in hand	4,558	2,594
		67,910,320	47,723,976

Balance with banks include foreign currency balances of US $ 169,602 thousand (2021: US $ 142,461 thousand). The balances in saving accounts and short term deposits earned interest / mark-up ranging from 0.25% to 18% (2021: 0.3% to 8.21%).

		2022	2021
		Rupees ('000)	
25.	**NET SALES**		
	Crude oil	29,718,142	17,939,545
	Gas - note 25.1	14,311,957	13,494,261
	Less: Shrinkages/own use	(2,042,897)	1,779,776
		12,269,060	11,714,485
	POLGAS/CAPGAS - Refill of cylinders	10,978,402	6,991,797
	Solvent oil	285,062	188,811
	Sulphur	-	9,280
		53,250,666	36,843,918

25.1 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".

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

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 Honourable Islamabad High Court after hearing the petitioner on February 20, 2018, directed the parties to maintain the status quo in this respect. After multiple hearings, the case came up for hearing on May 24, 2022 before the Honourable Chief Justice of Islamabad High Court, wherein matter was adjourned till June 30, 2022, however the same could not be heard and next date of hearing is yet to be announced.

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, 2022 amounting to Rs 19,658,634 thousand will be accounted for upon resolution of this matter (including Rs 16,523,036 thousand related to period since inception to June 30, 2021). Additional revenue on account of enhanced gas price incentive of Rs 19,041,773 thousand and sales tax of Rs 3,237,101 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 3,237,101 thousand (June 30, 2021: 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".

		2022	2021
		Rupees ('000)	
26.	**OPERATING COSTS**		
	Operating cost - Own fields	1,043,106	909,268
	- Share in joint operations	3,308,818	3,311,509
	Well work over	568,151	79,441
	POLGAS/CAPGAS - LPG, carriage etc.	3,764,470	2,866,201
	Head office and insurance charges	171,751	196,127
	Pumping and transportation cost	77,060	72,171
	Depreciation and amortization	1,550,090	1,540,943
		10,483,446	8,975,660
	Opening stock of crude oil and other products	298,357	404,494
	Closing stock of crude oil and other products	(423,253)	(298,357)
		10,358,550	9,081,797

			2022	2021
			Rupees ('000)	
27.	**AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS**			
	Amoritzation charge for the year - note 14		3,708,883	2,443,826
	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		(390,146)	(232,072)
			3,318,737	2,211,754
28.	**EXPLORATION COSTS**			
	Geological and geophysical cost			
	Own fields		151	211
	Share in joint operations operated by the Company			
		- DG Khan	141,311	68,543
		- Ikhlas	101,263	35,891
		- Pindori	-	(5,621)
		- North Dhurnal	21,498	-
		- Kirthar South	58,313	59,312
	Share in joint operations operated by others			
	MOL Pakistan Oil and Gas Company B.V.	- TAL Block	9,747	10,289
		- Margala Block	40,113	17,343
		- Margala North Block	(480)	123
	Oil and Gas Development Company Limited	- Kotra	(1,767)	1,703
		- Gurgalot	14,112	14,250
	Pakistan Petroleum Limited	- Hisal	31,871	(4,405)
	Mari Petroleum Company Limited	- Taung	449,484	296,616
		- Nareli	11,422	-
			877,038	494,255

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

		2022	2021
		Rupees ('000)	
29.	**ADMINISTRATION EXPENSES**		
	Establishment charges	319,725	312,234
	Telephone and telex	1,242	1,147
	Medical expenses	15,238	12,709
	Printing, stationery and publications	6,806	6,512
	Insurance	7,922	9,330
	Travelling expenses	5,252	1,580
	Motor vehicle running expenses	22,395	11,745
	Rent, repairs and maintenance	79,036	71,313
	Auditor's remuneration - note 29.1	11,468	10,469
	Legal and professional charges	7,190	10,601
	Stock exchange and CDC fee	5,420	5,000
	Computer support and maintenance charges	39,139	35,637
	Depreciation and Amortisation	24	40
	Other expenses	7,485	5,221
		528,342	493,538
	Less: Amount allocated to field expenses	294,038	274,437
		234,304	219,101
29.1	**Auditor's remuneration**		
	Statutory audit - POL	2,311	2,150
	- Capgas	475	441
	Review of half yearly accounts, audit of consolidated accounts, staff funds, special certifications	2,154	2,111
	Tax services	6,000	5,000
	Out of pocket expenses	528	767
		11,468	10,469
30.	**FINANCE COSTS - NET**		
	Provision for decommissioning cost - note 10.2		
	- Unwinding of discount	1,258,353	1,123,961
	- Exchange loss / (gain)	4,282,697	(869,170)
	Banks' commission and charges	7,517	4,867
		5,548,567	259,658

		2022	2021
		Rupees ('000)	
31.	**OTHER CHARGES**		
	Workers' Profit Participation Fund	1,559,928	1,169,275
	Workers' Welfare Fund	469,881	376,276
		2,029,809	1,545,551
32.	**OTHER INCOME - NET**		
	Income from financial assets - bank deposits and treasury bills	3,196,672	1,975,928
	Income on investments at amortised cost	11,476	7,099
	Exchange gain / (loss) on financial assets	7,326,728	(1,244,935)
	Dividend on Investments classified as fair value through profit or loss- note 32.1	29,240	730
	Fair value adjustment on investments classified as fair value through profit or loss	917	30
	Rental income	196,110	324,333
	Crude oil transportation income	405,858	330,084
	Gas processing fee	21,249	8,426
	Gain on sale of property, plant and equipment	5,821	28,230
	Gain on sale of stores and scrap	7,651	48,867
	Confiscation of equipment security deposit	-	17,599
	Recovery against investment -TDRs written off in prior years	-	8,000
	Others	9,395	12,339
		11,211,117	1,516,730
32.1	**Dividend on Investments classified as fair value through profit or loss**		
	Meezan Sovereign Fund	-	361
	Pakistan Cash Management Fund	5,735	54
	NBP Funds	5,843	-
	Atlas Money Market Fund	-	1
	UBL Liquidity Plus Fund	-	186
	ABL Cash Fund	17,662	-
	Atlas Income Fund	-	128
		29,240	730

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

33. 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, 2022.

		2022	2021
		Rupees ('000)	
34.	**PROVISION FOR TAXATION**		
	Current		
	- for the year	10,791,314	7,612,396
	- for prior year	427	2,464
		10,791,741	7,614,860
	Deferred - for the year	558,639	42,575
		11,350,380	7,657,435
34.1	**Reconciliation of tax charge for the year**		
	Accounting profit - before taxation	38,126,994	23,059,685
*	Tax at applicable tax rate of 44.37% (2021: 48.60%)	16,916,947	11,207,007
	Tax effect of depletion allowance, royalty payments and amounts not taxable or taxed at lower rates	(8,510,555)	(3,794,006)
	Impact of super tax	2,386,544	-
	Tax effect of change in applicable rate in respect of deferred tax	432,063	-
	Others	125,381	244,434
	Tax charge for the year	11,350,380	7,657,435

* The applicable tax rate is the weighted average of tax rates applicable to income from oil and gas concessions and income from other activities.

35. 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 25.

Revenue from two major customers of the Company constitutes 75% of the total revenue during the year ended June 30, 2022 (June 30, 2021: 67%).

36. 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	
	2022	2021	2022	2021
	Rupees ('000)		Rupees ('000)	
Managerial remuneration	8,373	7,612	138,474	122,384
Bonus	5,708	6,343	93,343	83,065
Housing, utility and conveyance	6,613	6,118	127,040	115,158
Group's contribution to pension, gratuity and provident funds	-	-	52,421	48,099
Leave passage	1,269	1,269	19,902	15,910
Other benefits	4,685	4,389	54,270	47,056
	26,648	25,731	485,450	431,672
No. of persons, including those who worked part of the year	1	1	57	53

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 consolidated financial statements in respect of fee to 7 directors (2021: 7) was Rs 9,139 thousand (2021: Rs 7,885 thousand). This includes Rs 5,618 thousand (2021: Rs 5,126 thousand) paid to 4 non-executive directors (2021: 4) of the Group.

37. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

37.1 Financial assets and liabilities

June 30, 2022	Amortised cost	Total
	Rupees ('000)	
Financial assets		
Maturity up to one year		
Trade debts	9,967,911	9,967,911
Advances, deposits and other receivables	769,187	769,187
Cash and bank balances	67,910,320	67,910,320
Maturity after one year		
Long term loans and advances	29,590	29,590
	78,677,008	78,677,008

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

Financial liabilities	Other financial liabilities	Total
	Rupees ('000)	
Maturity up to one year		
Trade and other payables	26,035,039	26,035,039
Unclaimed dividend	275,702	275,702
Maturity after one year		
Long term deposits	1,015,727	1,015,727
	27,326,468	27,326,468

June 30, 2021	Amortised cost	Total
	Rupees ('000)	
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	21,542,323	21,542,323
Unclaimed dividend	244,495	244,495
Maturity after one year		
Long term deposits	988,759	988,759
	22,775,577	22,775,577

37.2 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.

	Rating	2022	2021
		Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	6,733,199	4,250,219
	A1	3,164,485	2,750,700
	A2	1,984	207,577
Counterparties without external credit rating			
Existing customers with no default in the past		68,243	130,570
		9,967,911	7,339,066
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	336,945	83,661
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		289,023	255,895
Receivable from employees		30,023	22,329
Receivable from parent company		82,657	77,446
Others		30,539	129,494
		769,187	568,825
Bank balances			
Counterparties with external credit rating	A1+	67,903,426	47,721,158
	A1	2,336	224
		67,905,762	47,721,382
Short term investments - at amortised cost			
Counterparties with external credit rating	A1+	-	99,960
Long term loans and advances			
Counterparties without external credit rating			
Receivable from employees		29,590	37,146

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

37.3 FINANCIAL RISK MANAGEMENT

37.3.1 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, 2022, trade debts of Rs 740,525 thousand (2021: Rs 1,564,171 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2022	2021
	Rupees ('000)	
Due from related parties		
Up to 3 months	3,126	267,117
3 to 6 months	9,708	275,148
6 to 12 months	95,400	85,057
Above 12 months	-	27,905
	108,234	655,227
Due from others		
Up to 3 months	73,559	811,169
3 to 6 months	69,459	4,952
6 to 12 months	453,388	69,669
Above 12 months	35,885	23,154
	632,291	908,944
	740,525	1,564,171

(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, 2022, the Group had financial assets of Rs 78,677,008 thousand (2021: Rs 55,768,973 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, 2022			
Long term deposits	-	1,015,727	-
Trade and other payables	26,035,039	-	-
Unclaimed dividend	275,702	-	-
At June 30, 2021			
Long term deposits	-	988,759	-
Trade and other payables	21,542,323	-	-
Unclaimed dividend	244,495	-	-

(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 and payable to suppliers.

Financial assets include Rs 36,827,358 thousand (2021: Rs 29,965,461 thousand) and financial liabilities include Rs 139,193 thousand (2021: Rs 688,637 thousand) which are subject to currency risk.

The following significant exchange rates were applied during the year:

Rupees per USD	2022	2021
	Rupees	
Average rate	176.98	155.63
Reporting date rate	205.75	158.05

If exchange rates had been 10% lower / higher with all other variables held constant, profit after tax for the year would have been Rs 2,568,172 thousand lower / higher (2021: Rs 2,049,378 thousand lower/higher).

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

(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 67,903,426 thousand (2021: Rs 47,721,425 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 404,687 thousand (2021: Rs 294,319 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.

At the year end the Group is not exposed to price risk since there are no financial instruments, whose fair vale or future cash flows will fluctuate because of changes in market price.

37.3.2 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 the 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.

37.3.3 Fair value of financial assets and liabilities

All financial assets and financial liabilities are initially recognized at fair value of the consideration paid or received, net of transaction cost as appropriate. The carrying values of other financial assets and financial liabilities of the Group not carried at fair value is a reasonable approximation of their fair values.

38. STAFF RETIREMENT BENEFITS

The details of actuarial valuation of defined benefit funded plans carried out as at year end are as follows:

38.1 Funded gratuity and pension plan

POL - defined benefit funded plan

38.2 The amounts recognized in the statement of financial position are as follows:

	2022	2021
	Rupees ('000)	
Present value of defined benefit obligations	1,769,240	1,618,605
Fair value of plan assets	(1,826,152)	(1,677,955)
	(56,912)	(59,350)
Amounts in the statement of financial position:		
Gratuity Fund - (Asset)	(226,505)	(185,791)
Management Staff Pension Fund Liability	169,593	126,441
Net (Assets)	(56,912)	(59,350)

38.3 The amounts recognized in the statement of profit or loss are as follows:

Current service cost	44,108	37,594
Net interest cost	(10,505)	(15,075)
	33,603	22,519

38.4 The amounts recognized in statement of profit or loss and other comprehensive income are as follows:

Remeasurement due to:		
Change in financial assumptions	(1,369)	5,111
Experience adjustments	69,163	118,398
Investment return	(7,559)	11,216
	60,235	134,725

38.5 Changes in the present value of defined benefit obligation are as follows:

Opening defined benefit obligation	1,618,605	1,519,369
Current service cost	44,108	37,594
Interest cost	155,997	124,096
Remeasurement loss	67,794	123,508
Benefits paid	(117,264)	(185,962)
Closing defined benefit obligation	1,769,240	1,618,605

38.6 Changes in fair value of plan assets are as follows:

Opening fair value of plan assets	1,677,955	1,649,332
Interest income	166,502	139,171
Remeasurement loss	7,559	(11,216)
Contribution by employer	91,399	86,630
Benefits paid	(117,263)	(185,962)
Closing fair value of plan assets	1,826,152	1,677,955

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

38.7 The major categories of plan assets as a percentage of total plan assets of defined pension and gratuity plans are as follows:

	2022		2021	
	Rupees ('000)	%age	Rupees ('000)	%age
Unquoted:				
Government bonds	4,992	-	5,356	-
Cash and cash equivalents	1,821,160	100	1,672,599	100
	1,826,152	100	1,677,955	100

The funds have no investment in the Company's own securities.

38.8 Principal actuarial assumptions

The principal assumptions used in the actuarial valuation are as follows:

	2022	2021
	%	
Discount rate	13	10
Expected rate of salary increase	12	8.75
Expected rate of pension increase	6.75	4

38.9 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2021 and 2022.

38.10 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 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 gratuity fund to reduce its future contributions or can apply to the commissioner of Income Tax for a refund.

38.11 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	(146,489)	172,720
Salary increase	57,610	(52,176)
Pension increase	115,058	(101,427)

If life expectancy increases by 1 year, the obligation increases by Rs 55,467 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.

38.12 The weighted average duration of the defined benefit obligation is given below:

Plan Duration	Pension	Gratuity
	Years	
June 30, 2022	11.4	8
June 30, 2021	11.4	7.9

38.13 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	67,141	-
Benefit payments:		
FY 2023	108,673	36,206
FY 2024	114,396	30,497
FY 2025	121,973	43,964
FY 2026	128,447	32,721
FY 2027-31	138,607	60,468
FY 2028-32	885,062	416,578

CAPGAS - unfunded defined benefit plan

	2022	2021
	Rupees ('000)	
38.14 The amounts recognized in the statement of profit or loss are as follows:		
Current service cost	467	405
Interest cost	671	485
	1,138	890
38.15 The amounts recognized in other comprehensive income are as follows:		
Remeasurement loss on staff retirement benefit plan	805	1,329
38.16 Changes in the present value of defined benefit obligation are as follows:		
Opening defined benefit obligation	7,862	5,642
Current service cost	467	406
Interest cost	671	485
Benefits paid	(1,965)	-
Remeasurement	805	1,329
Closing defined benefit obligation	7,840	7,862

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

38.17 Principal actuarial assumptions

The principal assumptions used in the actuarial valuation are as follows:

	2022	2021
	%	
Discount rate	13	9.75
Expected rate of salary increase	13	9.75

38.18 Mortality was assumed to be 70% of the EFU (61-66) Table at valuations on both dates, June 30, 2022 and 2021.

38.19 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	1 percent decrease
	Rupees ('000)	
Discount rate	(541)	614
Salary increase	608	(546)

The impact of changes in financial assumptions has been determined by revaluation of the obligation on different rates.

38.20 The weighted average number of the defined benefit obligation is given below:

Plan Duration	Years
June 30, 2022	8.5
June 30, 2021	7.1

38.21 Projected payments are as follows:

	Rupees ('000)
FY 2023	416
FY 2024	1,704
FY 2025	492
FY 2026	471
FY 2027	561
FY 2028-32	8,408

39. CASH AND CASH EQUIVALENTS

	Note	2022	2021
		Rupees ('000)	
Cash and bank balances	24	67,910,320	47,723,976
Short term investments - market treasuty bills at amortised cost	23	-	99,960
		67,910,320	47,823,936

40. INTEREST IN SUBSIDIARY

40.1 CAPGAS is only subsidiary of POL as at June 30, 2022. 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% (2021: 51%) interest in CAPGAS. There are no significant restrictions on Company's ability to use assets, or settle liabilities of CAPGAS.

40.2 Non-controlling interest

Following is the summarised financial information of CAPGAS that has 49% (2021: 49%) ownership interest held by non-controlling interests. The amounts disclosed are before inter-company eliminations:

	2022	2021
	Rupees ('000)	
Summarised financial position		
Current assets	276,938	309,764
Non-current assets	254,508	96,023
Current liabilities	89,559	33,549
Non-current liabilities	207,248	123,209
Net assets	234,639	249,029
Accumulated NCI	114,974	122,024
Summarised statement of comprehensive income		
Net revenue	1,356,987	802,061
Profit for the year	27,804	14,594
Other comprehensive (loss)	(572)	(944)
Total comprehensive income for the year	27,232	13,650
Profit attributable to NCI	13,624	7,151
Total comprehensive income attributable to NCI	13,344	6,689
Dividend paid to NCI	20,394	12,238
Summarised statement of cash flows		
Cash flow from operating activities	61,307	19,765
Cash flow from investing activities	(83,771)	(4,389)
Cash flow from financing activities	(41,622)	(24,976)
Net (decrease) in cash and cash equivalent	(64,086)	(9,600)

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

41. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF POL - BASIC AND DILUTED

	2022	2021
Profit for the year attributable to owners of POL (in thousand rupees)	26,762,990	15,395,099
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)	94.28	54.24

42. TRANSACTIONS WITH RELATED PARTIES

42.1 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	2022	2021
		Rupees ('000)	
Parent company - The Attock Oil Company Limited	Holding company		
Dividend paid		7,489,766	7,489,766
Rental expense		58,783	51,065
Purchase of LPG		134,942	79,744
Reimbursement of expenses incurred by AOC on behalf of POL		4,045	2,348
Reimbursement of expenses incurred by POL on behalf of AOC		-	9,275
Associated companies			
Attock Refinery Limited	Common directorship		
Sale of crude oil and gas		28,278,660	13,543,270
Crude oil and gas transmission charges		4,201	4,454
Rental income		2,908	2,885
Rental expense		1,466	1,403
Reimbursement of expenses incurred by POL on behalf of ARL		1,012	551
Reimbursement of expenses incurred by ARL on behalf of POL		26,665	20,485
Purchase of fuel		21,473	12,548
Purchase of LPG		209,391	204,884

	Basis of Relationship	2022	2021
		Rupees ('000)	
National Refinery Limited	25% share holding & common directorship		
Sale of crude oil		18,603	1,382,382
Reimbursement of expenses incurred by POL on behalf of NRL		6	-
Reimbursement of expenses incurred by NRL on behalf of POL		615	397
Rental expense		3,102	2,554
Purchase of LPG		241,019	143,894
Dividend received		199,916	-
Attock Petroleum Limited	7.0175% share holding & common directorship		
Purchase of fuel and lubricants		993,916	601,870
Sale of solvent oil		285,063	188,811
Rental income		1,186	785
Purchase of services		613	635
Purchase of goods		1,753	392
Reimbursement of expenses incurred by POL on behalf of APL		31,354	28,549
Dividend received		275,896	45,401
Profit Disbursement		1,074	599
Attock Information Technology (Private) Limited	Common directorship		
Purchase of services		64,363	58,681
Attock Cement Pakistan Limited	Common directorship		
Purchase of services		-	6
Attock Hospital (Private) Limited	Common directorship		
Purchase of medical services		17,322	16,820
Attock Leisure and Management Associates (Private) Limited	Common directorship		
Purchase of services		8,480	4,789
Attock Energy (Private) Limited	Common directorship		
Purchase of services		2,091	-
Other associated entities			
Dividend paid		9,259	7,849

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

	Basis of Relationship	2022	2021
		Rupees ('000)	
Other related parties			
Remuneration of Chief Executive, Directors Honorarium & Key Management personnel including benefits & perquisites		163,654	149,115
Dividend paid to key management personnel		164,568	158,567
Contribution to staff retirement benefits plans			
Management Staff Pension Fund and Gratuity Fund		91,399	86,631
Approved Contributory Provident Funds		31,873	31,262
Contribution to Workers' Profit Participation Fund		1,559,617	1,169,275

42.2 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%

43. 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.

		2022	2021
		Rupees ('000)	
44.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before taxation	38,126,994	23,059,685
	Adjustments for:		
	Depreciation	1,488,849	1,475,965
	Fair value adjustment on investments classified as fair value through profit or loss	(917)	(29)
	Amortization of other intangible assets	61,265	65,019
	Amortization of development and decommissioning costs	3,318,737	2,211,754
	Finance costs	5,541,050	254,791
	Exchange (gain)/loss on financial assets	(7,326,728)	1,244,935
	(Gain) on sale of assets	(5,821)	(28,230)
	Share of profit of associated companies	(3,577,350)	(793,414)
	Impairment / (reversal of impairment) on investment in associated company	1,981,825	(1,625,412)
	Income on bank deposits	(3,196,672)	(1,975,928)
	Income on investments at amortised cost	(11,476)	(7,099)
	Dividend on investments classified as fair value through profit or loss	(29,240)	(730)
	Provision for slow moving stores and spares	28,338	60,072
	Provision for staff compensated absences	(759)	(3,469)
	Provision for un-funded gratuity plan - CAPGAS	(22)	2,220
	Measurement (loss) on staff retirement benefit plans	(61,040)	(136,054)
	Cash flows before working capital changes	36,337,033	23,804,076
	Effect on cash flows due to working capital changes:		
	Decrease in stores and spares	(1,123,245)	(221,184)
	(Increase) / decrease in stock in trade	(124,896)	106,137
	(Increase) / decrease in trade debts	(2,628,845)	295,014
	Increase in advances, deposits, prepayments and other receivables	(609,014)	(416,763)
	Increase in trade and other payables	5,369,511	2,282,268
		883,511	2,045,472
	Cash flows generated from operations	37,220,544	25,849,548
	Decrease / (increase) in long term loans and advances	7,556	(10,423)
	Increase in long term deposits	26,968	3,758
	Taxes paid	(9,187,784)	(6,238,804)
	Decommissioning cost paid	(101,446)	(97,037)
	Net cash generated from operating activities	27,965,838	19,507,042

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

45. 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 35

		2022	2021
		Rupees ('000)	
iv)	**Bank Balances**		
	Placed under interest arrangements	67,866,904	47,628,653
	Placed under Shariah permissible arrangements	2,520	1,120
		67,869,424	47,629,773
v)	**Income on bank deposits**		
	Placed under interest arrangements	3,208,041	730,945
	Placed under Shariah permissible arrangements	107	48
		3,208,148	730,993

vi)	Dividend income	Disclosed in note 32.1
vii)	All sources of other income	Disclosed in note 32
viii)	Exchange gain	Earned from actual currency
ix)	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

46. 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:

Exploration licenses / Leases	Location and address		Working interest 2022	Working interest 2021
	District(s)	Province(s)	%	
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
North Dhurnal (3372-27)	Attock	Punjab	60.00	60.00
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		
Mamikhel South D& P lease 272/PAK/2021	Kohat	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 Ocean Pakistan Limited				
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
Nareli (3068-9)	Loralai, Sibi, Harnai	Balochistan	32.00	32.00

* Pre-commerciality interest

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2022

47. GENERAL

47.1 Non-adjusting event after the consolidated statement of financial position date

The Board of Directors in its meeting held on August 16, 2022 has proposed a final dividend for the year ended June 30, 2022 @ Rs 50 per share, amounting to Rs 14,192,755 thousand for approval of the members in the Annual General Meeting to be held on September 20,2022.

47.2 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 in 2020, which have now recovered. 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.

47.3 Capacity

Following is production from the Group's fields including proportionate share from all operated and non-operated joint ventures:

Product	Unit	2022	2021
Crude oil	US Barrels	2,017,581	2,264,413
Gas	Million Cubic Feet	25,825	28,596
LPG	Metric Tonnes	55,418	56,660
Sulphur	Metric Tonnes	475	428
Solvent Oil	US Barrels	18,605	16,658

Considering the nature of the Group's business, information regarding installed capacity has no relevance.

47.4 Number of employees	2022	2021
Total number of employees as at June 30	712	719
Total number of employees at fields as at June 30	511	514
Average number of employees during the year	718	735
Average number of employees at fields during the year	514	527

47.5 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

47.6 Date of authorization

These consolidated financial statements were authorized for issue by the Board of Directors of the Company on August 16, 2022.

Khalid Nafees
Chief Financial Officer

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Shareholders' Information

For the year ended June 30, 2022

Pattern of Shareholding

As at June 30, 2022

S.No.	No. of Shareholders	From	To	Total Shares Held
1	1736	1	100	75,993
2	1870	101	500	538,712
3	996	501	1000	789,503
4	1899	1001	5000	4,536,074
5	504	5001	10000	3,717,686
6	207	10001	15000	2,575,188
7	107	15001	20000	1,897,472
8	86	20001	25000	1,977,937
9	53	25001	30000	1,468,693
10	38	30001	35000	1,246,763
11	47	35001	40000	1,762,517
12	22	40001	45000	931,689
13	30	45001	50000	1,443,952
14	23	50001	55000	1,209,035
15	18	55001	60000	1,035,479
16	13	60001	65000	811,919
17	9	65001	70000	605,197
18	9	70001	75000	658,707
19	16	75001	80000	1,239,498
20	3	80001	85000	250,392
21	6	85001	90000	524,089
22	7	90001	95000	649,823
23	7	95001	100000	697,762
24	6	100001	105000	619,386
25	5	105001	110000	539,530
26	1	110001	115000	110,640
27	10	115001	120000	1,184,684
28	2	120001	125000	244,900
29	2	125001	130000	257,620
30	2	130001	135000	267,620
31	4	135001	140000	543,933
32	3	140001	145000	428,223
33	4	145001	150000	589,405
34	2	150001	155000	301,520
35	2	170001	175000	345,400
36	2	175001	180000	357,240
37	1	180001	185000	183,100
38	2	185001	190000	379,970
39	2	190001	195000	383,317
40	6	195001	200000	1,192,186
41	3	200001	205000	605,911
42	5	210001	215000	1,061,243
43	2	220001	225000	443,333
44	2	235001	240000	476,600

S.No.	No. of Shareholders	From	To	Total Shares Held
45	1	240001	245000	244,199
46	1	245001	250000	246,230
47	2	250001	255000	503,726
48	4	255001	260000	1,030,425
49	1	260001	265000	260,280
50	1	270001	275000	273,400
51	1	275001	280000	275,382
52	1	285001	290000	288,796
53	3	295001	300000	896,320
54	2	300001	305000	607,894
55	1	310001	315000	311,484
56	1	320001	325000	325,000
57	1	325001	330000	325,741
58	1	380001	385000	380,056
59	4	390001	395000	1,572,004
60	1	395001	400000	399,265
61	1	400001	405000	403,059
62	1	405001	410000	408,000
63	1	410001	415000	411,147
64	1	420001	425000	421,639
65	1	425001	430000	428,409
66	2	430001	435000	865,688
67	1	435001	440000	439,733
68	1	445001	450000	446,520
69	1	450001	455000	453,751
70	1	460001	465000	464,520
71	1	470001	475000	472,052
72	1	480001	485000	484,617
73	1	505001	510000	508,586
74	1	510001	515000	510,843
75	1	525001	530000	528,500
76	1	555001	560000	560,000
77	2	560001	565000	1,121,105
78	4	590001	595000	2,380,000
79	1	595001	600000	595,518
80	1	600001	605000	600,270
81	1	610001	615000	612,000
82	1	615001	620000	616,668
83	1	630001	635000	630,606
84	1	650001	655000	650,614
85	1	685001	690000	688,504
86	2	695001	700000	1,400,000
87	1	775001	780000	775,108
88	1	800001	805000	802,787

Pattern of Shareholding

As at June 30, 2022

S.No.	No. of Shareholders	From	To	Total Shares Held
89	2	810001	815000	1,625,450
90	1	825001	830000	826,800
91	1	835001	840000	835,215
92	1	960001	965000	963,000
93	1	1005001	1010000	1,008,175
94	3	1055001	1060000	3,165,295
95	1	1075001	1080000	1,076,748
96	1	1205001	1210000	1,210,000
97	1	1445001	1450000	1,447,011
98	1	1485001	1490000	1,489,800
99	1	1675001	1680000	1,675,179
100	1	1910001	1915000	1,913,137
101	1	2350001	2355000	2,351,080
102	1	3155001	3160000	3,155,810
103	1	3990001	3995000	3,991,000
104	1	4665001	4670000	4,668,245
105	1	5690001	5695000	5,692,000
106	1	6080001	6085000	6,084,771
107	1	6445001	6450000	6,447,093
108	1	16715001	16720000	16,716,250
109	1	149730001	149735000	149,732,758
	7858			**283,855,104**

Categories of Shareholders

As at June 30, 2022

S.No.	Categories of Shareholders	No. of 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 (Chairman & Chief Executive)	3	3,175,150	1.12
	Mr. Abdus Sattar	1	*200	0.00
	Mr. Tariq Iqbal Khan	1	7,800	0.00
	Mr. Sajid Nawaz	1	*200	0.00
	Mr. Shamim Ahmad Khan	1	500	0.00
	Mr. Babar Bashir Nawaz	1	120,000	0.04
	Mrs. Azra Tariq (Spouse of Mr. Tariq Iqbal Khan)	1	1,600	0.00
	Mrs. Mehnaz Babar (Spouse of Mr. Babar Bashir Nawaz)	1	45,000	0.02
2	**Associated Companies, undertakings and related parties**	22	150,021,508	52.85
3	**NIT & ICP**	2	510,959	0.18
4	**Banks Development Financial Institutions, Non Banking Financial Institutions.**	11	9,831,814	3.46
5	**Insurance Companies**	24	25,567,750	9.01
6	**Modarabas and Mutual Funds**	87	10,967,798	3.86
7	**General Public**			
	a. Local	7,025	55,514,082	19.56
	b. Foreign	280	501,060	0.18
8	**Foreign Companies**	49	10,108,358	3.56
9	**Others**	346	17,480,925	6.16
	Totals	**7,858**	**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

As at June 30, 2022

S.No.	Categories of Shareholders	No. of 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. Abdus Sattar	1	*200	0.00
4	Mr. Tariq Iqbal Khan	1	7,800	0.00
5	Mr. Sajid Nawaz	1	*200	0.00
6	Mr. Shamim Ahmad Khan	1	500	0.00
7	Mr. Shuaib A. Malik (Chairman & Chief Executive)	3	3,175,150	1.12
8	Mr. Babar Bashir Nawaz	1	120,000	0.04
9	Mrs. Azra Tariq (Spouse of Mr. Tariq Iqbal Khan)	1	1,600	0.00
10	Mrs. Mehnaz Babar (Spouse of Mr. Babar Bashir Nawaz)	1	45,000	0.02
	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	37,560	0.01
6	Trustee National Refinery Ltd. Management Staff Pension Fund	1	22,135	0.01
	Executives	15	11,815	0.00
	Public sector companies and corporations	51	10,619,317	3.74
	Banks, Development Finance Institution, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds	468	63,848,287	22.49
	Others	7305	56,015,142	19.73
		7858	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	Zaheeruddin Babur	3,000

* "Executive 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 an annual basic salary of Rs. 1,200,000 or more".

Notice of Annual General Meeting

Notice is hereby given that Seventy First (71st) Annual General Meeting (being the 92nd General Meeting) of the Company will be held on Tuesday, September 20, 2022 at 10:00 hours at POL House, Morgah, Rawalpindi and also through video link (Zoom Application), to transact the following business:

ORDINARY BUSINESS

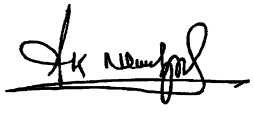
i. To receive, consider and approve the audited financial statements of the Company together with Directors' and Auditors' Reports for the year ended June 30, 2022;

ii. To approve final cash dividend of Rs. 50 per share i.e. 500% as recommended by the Board of Directors. It is in addition to the interim cash dividend of Rs. 20 per share i.e. 200% already paid to the shareholders, thus making a total cash dividend of Rs. 70 per share i.e. 700% for the year ended June 30, 2022;

iii. To appoint auditors of the Company for the year ending June 30, 2023 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.
August 30, 2022

NOTES:

1. PARTICIPATION IN ANNUAL GENERAL MEETING (AGM) THROUGH ELECTRONIC MEANS:

he shareholders intending to participate in the meeting via video link through Zoom are hereby requested to share following information with the Company Secretary Office (through email at cs@pakoil.com.pk or Whatsapp at 0333-5310332) not later than September 13, 2022;

Required information: Name, CNIC Number, Folio/CDC Account No., Mobile Phone Number and Email address of Shareholder.

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 14, 2022 to September 20, 2022 (both days inclusive). Transfers received in order at the Registered Office / Share Registrar of the Company by the close of business on September 13, 2022 will be treated in time for the purpose of payment of the final cash dividend, if approved by the shareholders.

Notice of Annual General Meeting

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. 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 FOR INCOME TAX WITHHOLDING ON CASH DIVIDEND

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%
b.	Rate of tax deduction for non filer of income tax returns	30%

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 reduced rate are requested to submit a valid tax withholding exemption certificate or necessary documentary evidence for this purpose. 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 13, 2022, 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 2021-22:

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 SECP, 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 scripless 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.

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

Notice of Annual General Meeting

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 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, 2022 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.

Form of Proxy

71st 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 Seventy First Annual General Meeting of the Company to be held on Tuesday, September 20, 2022 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 _____ 2022

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

۷۱واں 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 ۷۱ویں سالانہ اجلاسِ عام میں جو کہ ۲۰ ستمبر ۲۰۲۲ء بروز منگل 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.....۲۰۲۲ء

1۔گواہ

دستخط.....

نام.....

پتہ.....

.....

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر.....

اور پاسپورٹ نمبر.....

2۔گواہ

دستخط.....

نام.....

پتہ.....

.....

کمپیوٹرائزڈ قومی شناختی کارڈ 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۔

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