

Annual Report &
Financial Statements
2017

**UNINTERRUPTED
OIL SUPPLY
SINCE 1915**



PAKISTAN OILFIELDS
LIMITED

Pakistan Oilfields Limited is a leading oil and gas exploration and production Company listed on Pakistan Stock Exchange (PSX). The Company's prime focus is to deliver performance through excellence in the field of exploration, drilling and production of crude oil and gas. Pakistan Oilfields Limited (POL), a subsidiary of The Attock Oil Company Limited (AOC), was incorporated on November 25, 1950. AOC was founded in 1913 and made its first oil discovery in 1915 at Khaur, District Attock. AOC has, therefore, pioneered exploration and production of oil and gas in this region nearly a century ago. In 1978, POL took over the exploration and production business of AOC. Since then, POL has been investing independently and in joint

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

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99. Financial Statements



FINANCIAL HIGHLIGHTS

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

(2016: Rs 6,633 million)

Rs. 8,202
million

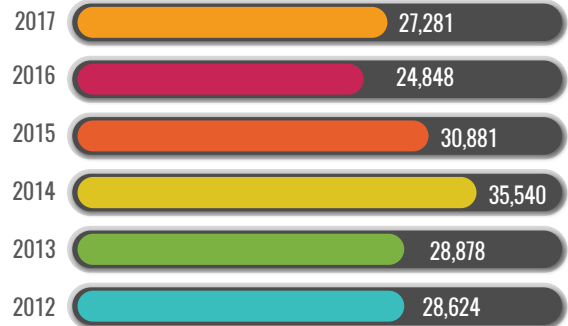
Contribution to the national exchequer, in the shape of royalty and other government levies

(2016: US\$ 249 million)

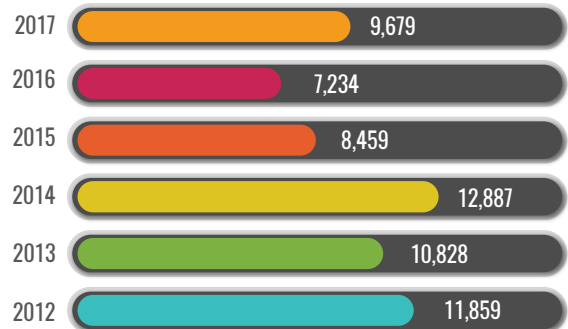
US\$ 332
million

Saved foreign exchange during the year

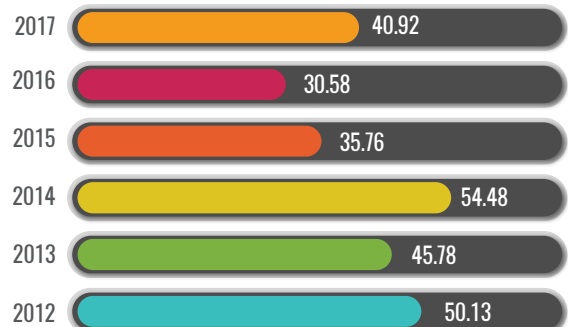
Net sales (Rs in million)



Profit after tax (Rs in million)



Earnings per share (Rs in million)



CASH
DIVIDEND

Rs.
9,462
million

EARNINGS PER SHARE BY QUARTER

EXPLORATION
COST

Rs.
1,468
million

WELL
WORKOVERS

Rs.
198
million



June 30, 2017 - Total = 40.92
June 30, 2016 - Total = 30.58

DEVELOPMENT
COST

Rs.
2,984
million

Our Vision

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

Our Mission

We aim to discover and develop new hydrocarbon reserves and enhance production from existing reserves through the application of the best available technologies and expertise.

In achieving our aim, we will maximize the return to our shareholders, fully protect the environment, enhance the wellbeing of our employees and contribute to the national economy.

Strategy

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





CORE VALUE

Leadership

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

Continuous quality improvement

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

Ethics and integrity

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



Profitability

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

Employees' growth & development

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

Community Involvement

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

Safety, health & environment

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

CODE OF CONDUCT

- ▶ The Company's activities and operations will be carried out in strict compliance with all applicable laws and the highest ethical standards. The directors and employees will ensure that the Company deals in all fairness with its customers, suppliers and competitors.
- ▶ Employees, irrespective of their function, grade or standing, and the directors must avoid conflict of interest situations between their direct or indirect (including members of immediate family) personal interests and the interest of the Company.
- ▶ Employees must notify their direct supervisor of any actual or potential conflict of interest situation and obtain a written ruling as to their individual case. In case of directors, such ruling can only be given by the Board, and will be disclosed to the shareholders.
- ▶ The directors and employees may not take advantage of the Company's information or property, or their position with the Company, to develop inappropriate personal gains or opportunities. They may, however, receive gifts of token value or accept invitations only if such gifts or invitations have no influence on their decision making and are not illegal under any applicable law. No director or employee may receive from any customer, supplier or business associate of Pakistan Oilfields Limited cash, gifts or invitations with other than nominal monetary value.
- ▶ Trading by directors and employees of the Company in Pakistan Oilfields Limited shares is possible only in accordance with the more detailed guidelines issued from time to time by corporate management in accordance with applicable laws.
- ▶ In its relations with governmental agencies, customers and suppliers, the Company will not, directly or indirectly, engage in bribery, kickbacks, payoffs, or any other corrupt business practices.
- ▶ The use, directly or indirectly, of Company funds for political contributions to any organization or to any candidate for public office is strictly prohibited Corporate



funds and assets will be utilized solely for lawful and proper purposes in line with the Company's objectives.

- ▶ No false or artificial entries shall be made in the Company's books and records for any reason, and all financial transactions must be accurately and properly accounted for in the books and records.
- ▶ All benefits provided to the directors and employees of Pakistan Oilfields Limited in addition to their standard

remuneration will be awarded in full compliance with the Company official policies.

- ▶ Pakistan Oilfields Limited will respect the privacy of data relating to individual persons (whether employees or third parties) which it may hold or handle as part of its information processing activities or otherwise.
- ▶ Employees will maintain the confidentiality of the Company and its customers' confidential information which is disclosed to them.

▶ Pakistan Oilfields Limited will support a and, precautionary approach to environmental challenges, within its sphere of influence, undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.

▶ Pakistan Oilfields Limited will support and respect the protection of international human rights within its sphere of influence, in particular the effective elimination of all sorts of compulsory labour and child labour, and it will make this a criterion in the choice and management of its suppliers and sub-contractors.

▶ Pakistan Oilfields Limited will not discriminate against any employee for any reason such as race, religion, political convictions or gender, and will treat everyone with dignity and with full respect for their private lives. This is expected also to apply to relations between members of personnel.



GRIEVANCES POLICY

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

Procedure:

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

POLICY FOR PROTECTION AGAINST HARASSMENT

Policy

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

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

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

Disciplinary action may also be taken if allegations of harassment are found to be made

with a malicious intent. Harassment is not necessarily confined to the behavior of seniors towards juniors; it can take place between colleagues at the same level or involve staff behaving inappropriately towards more senior staff.

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

Explanation

Definition of harassment

For the purpose of this policy, harassment is defined as any unwelcome conduct or comments which:

- a. violates an individual's dignity, and / or
- b. creates an intimidating, hostile, degrading, humiliating or offensive environment.

Responsibility of all employees

All employees can help to:

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

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

Gender-related harassment

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

Sexual harassment

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

Racial harassment

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

Personal harassment

Examples include making fun of personal circumstances or appearance.

Bullying

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

Harassment of disabled people

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

Age harassment

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

Stalking

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

EMPLOYEES, WHO HAVE BEEN SUBJECTED TO HARASSMENT, MAY WRITE DIRECTLY TO THE CHIEF EXECUTIVE FOR RESOLUTION OF THEIR CASES.



WHISTLE BLOWING POLICY

This Policy addresses the commitment of the Company to integrity and ethical behavior by helping to foster and maintain an environment where employees can act appropriately, without fear of retaliation. To maintain these standards, the Company encourages its employees who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, to come forward and express these concerns without fear of punishment or unfair treatment.

The Company conducts business based on the principles of fairness, honesty, openness, decency, integrity and respect. It is the Company's policy to support and encourage its employees to report and disclose improper or illegal activities, and to fully investigate such reports and disclosures.

It is also the policy of the Company to address any complaints that allege acts or attempted acts of interference, reprisal, retaliation, threats,

coercion or intimidation against employees who report, disclose or investigate improper or illegal activities (the "Whistleblowers") and to protect those who come forward to report such activities. Company assures that all reports will be treated strictly confidentially and promptly investigated and that reports can be made anonymously, if desired.

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

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

General guidance

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

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

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

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

- We will work within the standards in our Code of

Ethics to ensure that all our business practices are conducted with integrity.

- We will treat our employees fairly, complying with the Fundamental Principles and Rights at Work and providing a rewarding environment in which our employees are engaged and developed.
- We will respect our customers and suppliers and aim to treat them honestly and responsibly

with consistent standards wherever we operate.

- We will minimize any negative impact on the environment that might be associated with our operations or our products, searching out new ways to conserve natural resources and innovating to improve our products and processes.
- We will be a good neighbor. Not just keeping our own house in order but also reaching out to support aid and relate to those in our neighborhood. In particular we will focus on providing educational and academic support and engaging in projects that will benefit our local communities.
- We will seek out opportunities for dialogue with all our stakeholders.
- We will monitor and record our achievements under this policy so that we may continuously improve.



HSE POLICY

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

To achieve this objective; we aim to

- Ensure that all relevant health, safety and

environment procedures/ work instructions are developed and implemented.

- Strive to prevent injuries, ill health and property loss through hazards identification, risk assessments of all activities and processes.
- Ensure that all safety rules and regulations are obeyed and protective equipment is used wherever it is necessary and specified.
- Manage our operations in compliance with all applicable environmental laws and regulations
- Manage hazardous gas

emissions, effluents and waste materials through the latest equipment and technologies to ensure a conducive environment for our employees and the local inhabitants including flora and fauna.

- Adhere to health practices which match international standards. Accordingly we invest in improving health facilities and eliminate occupational health hazards for our employees, neighbors, customer and markets where we operate.

This policy shall be reviewed periodically to ensure that it remains relevant and appropriate to Pakistan Oilfields Limited.



FORWARD-LOOKING STATEMENT

During this year Mardankhel-1 a new find has been connected to production facility in the month of Dec, 2016. In the Mardankhel area, Mardankhel-2 and 3 wells have been successfully completed and efforts are under way to connect these wells to production line on priority.

Efforts are underway to make early connection to the production line and appraise discoveries of Makori Deep-1 and Tolanj West-1.

Presently, six wells are under drilling and out of which three well are exploratory. In the year 2017-18 seven more wells will be spudded out of which five wells would be exploratory. 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 people.

CORPORATE EVENTS

The following table reflects the corporate events during the year 2016-17.

August 16, 2016	498 th BOD and Announcement of Annual Financial results June 2016
September 29, 2016	Annual General Meeting
October 19, 2016	499 th BOD and Announcement of 1 st quarter results
October 24, 2016	Final Dividend 2015-16
January 27, 2017	500 th BOD and Announcement of half year results
March 10, 2017	Interim Dividend 2016-17
April 17, 2017	501 st BOD and Announcement of 3 rd quarter results
June 20, 2017	502 nd Board of Directors Meeting for Budget 2017-18 approval
June 20, 2017	Extra Ordinary General Meeting

CORPORATE INFORMATION

DIRECTORS

Mr. Laith G. Pharaon

Chairman
Attock Group of Companies
Alternate director:
Mr. Bilal Ahmad Khan

Mr. Wael G. Pharaon

Alternate Director:
Mr. Babar Bashir Nawaz

Mr. Sajid Nawaz

Mr. Abdus Sattar

Mr. Tariq Iqbal Khan

Mr. Nihal Cassim

Mr. Shuaib A. Malik

Chairman & Chief Executive

Audit Committee

Mr. Abdus Sattar	Chairman
Mr. Babar Bashir Nawaz	Member
Mr. Nihal Cassim	Member
Mr. Tariq Iqbal Khan	Member
Mr. Bilal Ahmad Khan	Member

Human Resource & Remuneration (HR&R) Committee

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

Shareholders Enquiries

For enquiries about your shareholding, including information relating to dividends or share certificates, please E-mail to: cs@pakoil.com.pk or write to: The Company Secretary, Pakistan Oilfields Limited, P.O.L. House, Morgah, Rawalpindi, Pakistan

Annual Report

The annual report may be downloaded from the Company's website: www.pakoil.com.pk or printed copies may be obtained by writing to: The Company Secretary, Pakistan Oilfields Limited, P.O.L. House, Morgah, Rawalpindi, Pakistan





IN THE MEMORY OF FOUNDING CHAIRMAN ATTOCK GROUP OF COMPANIES

Dr. Ghaith Rachad Pharaon, the founding Chairman of The Attock Group of Companies in Pakistan breathed his last on January 06, 2017.

Dr. Pharaon was a visionary business leader, industrialist and investor of international repute. It was because of his vision and guidance that the Attock Group became one of the largest foreign investment business houses in the country. His trust and confidence on the management in Pakistan was one of the important reasons for success of Attock Group.

He was always passionate about new ideas / business ventures and will always be remembered

with great respect due to his immense love for Pakistan and his enormous contribution towards the economy of this country.

The vacuum created by his death has been filled by the new Chairman Mr. Laith G. Pharaon under whose able leadership and guidance, the group is now moving to carry forward the legacy and vision of late Dr. Pharaon.

May Allah rest his soul in eternal peace and grant place in Jannat ul Firdous.

Aameen.

BOARD OF DIRECTORS



Chairman Attock Group of Companies

Mr. Wael G. Pharaon



Mr. Shuaib A. Malik



Mr. Laith G. Pharaon

Mr. Abdus Sattar



Mr. Tariq Iqbal Khan



Mr. Sajid Nawaz

Mr. Babar Bashir Nawaz
Alternate Director to Mr. Wael G. Pharaon



Mr. Bilal A. Khan
Alternate Director to Mr. Laith G. Pharaon



Mr. Nihal Cassim

PROFILE OF THE BOARD OF DIRECTORS



Mr. Laith G. Pharaon

Director

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



Mr. Wael G. Pharaon

Director

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



Mr. Shuaib A. Malik

Director, Chairman & Chief Executive

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



Mr. Sajid Nawaz

Director, Managing Director

Mr. Sajid Nawaz is presently holding position of Managing Director of Pakistan Oilfields Limited (POL). He has almost 12 years work experience with the Company in Senior Management positions. He is currently serving on Board of Directors of POL and Attock Refinery Limited (ARL). Previously he also served as Chief Executive Officer of POL as well as Director on a number of Boards like, Attock Petroleum Limited, Attock Hospital (Pvt.) Limited, Attock Cement Limited and Attock Information Technology Services (Pvt.) Limited. He has over 30 years of work experience in service with Government of Pakistan at various management posts both within country and abroad. Due to the nature of posts and assignments he carries considerable experience of working in different environments. He has attended various management courses abroad and in Pakistan, including one month course on International Petroleum Management at Canadian Petroleum Institute, Canada.



Mr. Abdus Sattar

Director

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



Mr. Tariq Iqbal Khan

Director

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



Mr. Nihal Cassim

Director

Mr. Nihal Cassim is the Chief Executive of Safeway Fund Limited, an asset management company managing two equity funds in Karachi. Before taking this position, he was engaged in his own corporate finance practice in Pakistan and concluded various assignments including advisory services to the seller of Crescent Leasing and certain sellers of PICIC including NIT. In Canada, Mr. Nihal was Vice-President and Head of small-cap Investment Banking for First Associates (now Blackmont Capital, a CI Financial Company) eastern Canadian operations and he conducted several transactions in M&A, equity financing and corporate finance advisory. Prior to this, Mr. Nihal was responsible for the corporate development of TVX Gold Inc. and was involved in its C\$4 billion merger with Kinross Gold. He began his investment banking career at HSBC Securities, Canada.

Mr. Nihal is an MBA (Finance & MIS) from McGill University. He is currently a Director on the Boards of Safeway Fund Limited, Pakistan Oilfields Limited and Ferozsons laboratories Limited. He is member of Pakistan Oilfields Limited's Audit Committee. He is also member of Ferozsons Laboratories Limited's Investment Committee, Remuneration Committee and Chairs their Audit Committee. Mr. Nihal has served two terms as director on the Board of Mutual Funds Association of Pakistan. He takes particular interest in facilitating the development of the capital market and the protection of minority shareholders through improvements to the regulatory framework.



Mr. Babar Bashir Nawaz

Alternate Director to Mr. Wael G. Pharaon

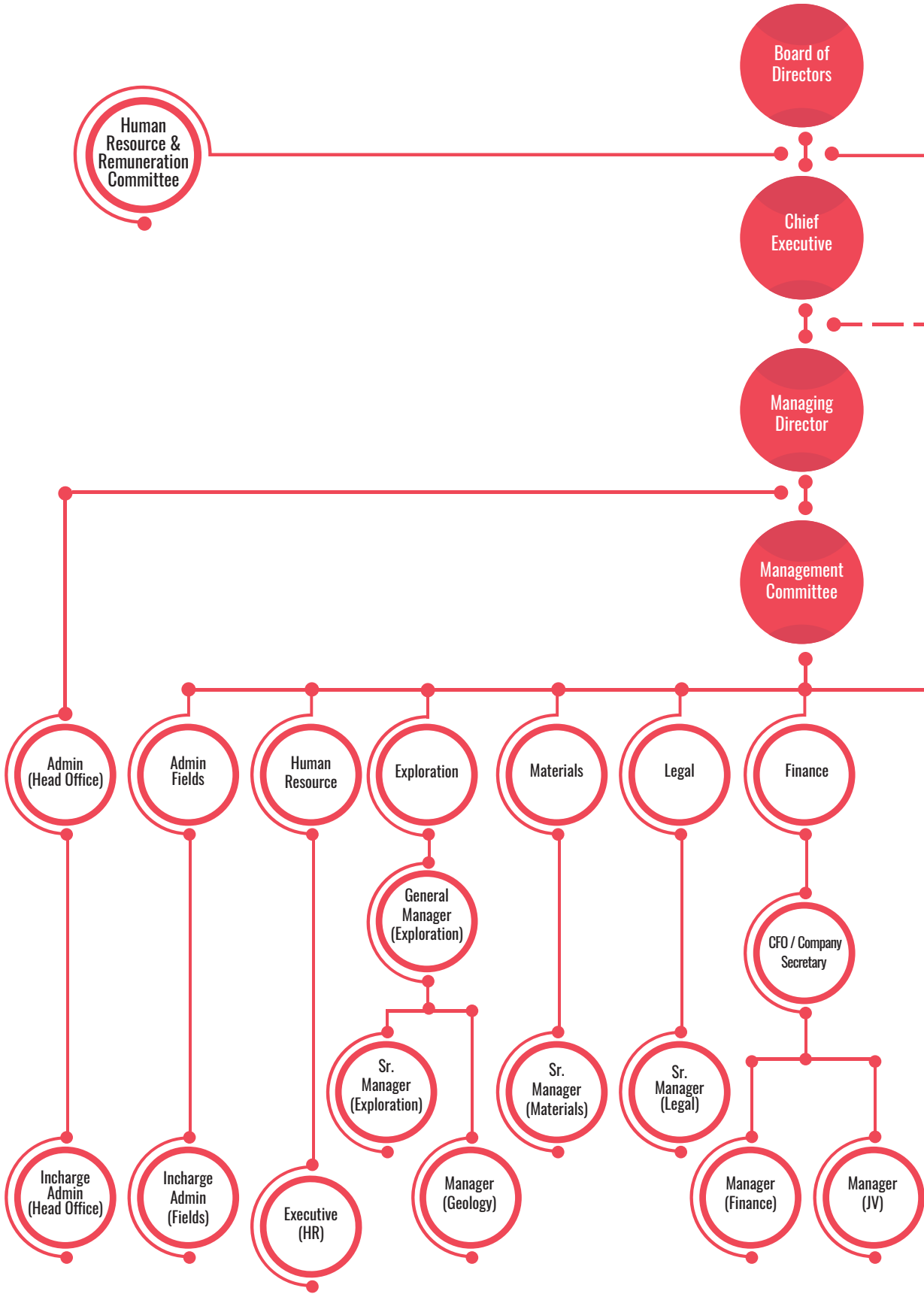
He has over 30 years of experience with the Attock Group. During this period he has held various positions in Finance, Personnel, Marketing & General Management before being appointed as the Chief Executive of Attock Cement Pakistan Limited in 2002. Mr. Bashir holds a Master's degree in Business Administration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



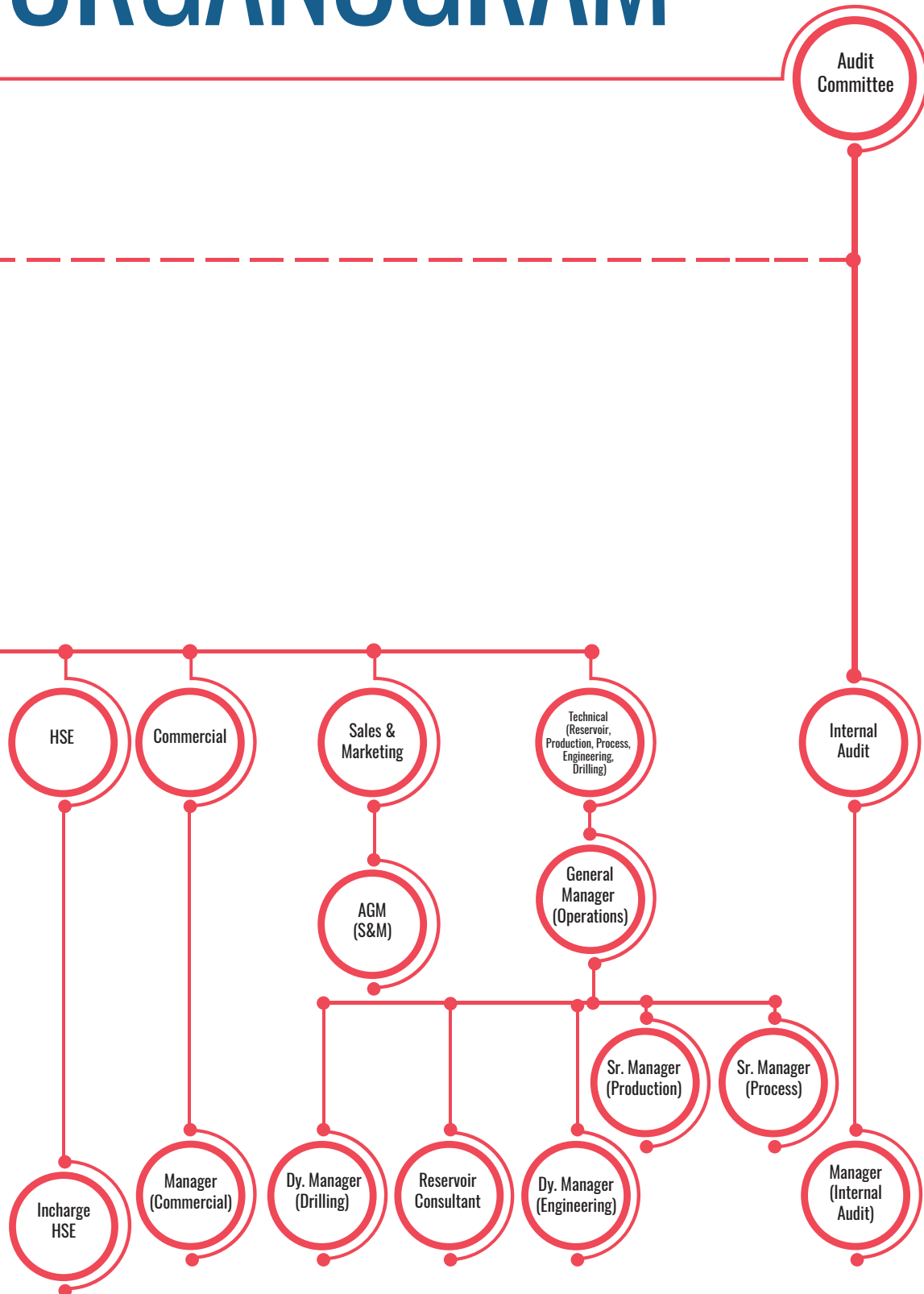
Mr. Bilal A. Khan

Alternate Director to Mr. Laith G. Pharaon

Bilal Ahmad Khan is a fellow member of the Institute of Chartered Accountants of Pakistan. He is presently employed as General Manager and is a member of the Management Committee of Pakistan Oilfields Limited (POL). He has previously held the position of Chief Financial Officer and Company Secretary at POL. Prior to working at POL, he has worked in the telecom sector for fixed and cellular service providers. He has also taught at the graduate and undergraduate level at the Lahore University of Management Sciences.



ORGANOGRAM



BOARD COMMITTEES



Human Resource and Remuneration (HR&R) Committee

Composition

Mr. Babar Bashir Nawaz
Chairman

Mr. Shuaib A. Malik
Member

Mr. Abdus Sattar
Member

Mr. Bilal Ahmad Khan
Member

Terms of reference

The committee shall be responsible for:

- i) Recommending human resource management policies to the board.
- ii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning.
- iii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) of COO, CFO, Company Secretary and Head of Internal Audit; and
- iv) Consideration and approval on recommendations of CEO on such matters for key management positions who report directly to CEO or COO.

Audit Committee

Composition

Mr. Abdus Sattar
Chairman

Mr. Babar Bashir Nawaz
Member

Mr. Tariq Iqbal Khan
Member

Mr. Nihal Cassim
Member

Mr. Bilal Ahmad Khan
Member

Terms of reference

- i) Recommending to the Board of Directors the appointment of external auditors.
- ii) Consideration of questions regarding resignation or removal of external auditor, audit fees and provision by the external auditors of any service to the Company in addition to audit of its financial statements.
- iii) Determination of appropriate measures to safeguard the Company's assets.
- iv) Review of quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - major judgmental areas
 - significant adjustments resulting from the audit
 - the going concern assumption
 - any changes in accounting policies and practices
 - compliance with applicable accounting standards
 - compliance with listing regulations and other statutory and regulatory requirements and
 - significant related parties transactions.
- v) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary).
- vi) Review of management letter issued by external auditors and management's response thereto.
- vii) Ensuring coordination between the internal and external auditors of the Company.
- viii) Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company.
- ix) Consideration of major findings of internal investigations and management's response thereto.
- x) Ascertaining that the internal control systems including financial and operational controls, accounting systems and reporting structure are adequate and effective.
- xi) Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors.
- xii) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body.
- xiii) Determination of compliance with relevant statutory requirements.
- xiv) Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and
- xv) Consideration of any other issue or matter as may be assigned by the Board of Directors.

MANAGEMENT COMMITTEES





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

Executive Committee

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

Review and Appraisal Committee

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

Risk Management Committee

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

Business Strategy Committee

The Business Strategy Committee is responsible for preparing the strategic plan for the future growth of the Company. The Committee also reviews major projects and formulates

recommendations after evaluation from technical and commercial aspects.

Systems and Technology Committee

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

Budget Committee

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

Safety Committee

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

GLOBAL COMPACT

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



Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labor;
Principle 5: the effective abolition of child labor; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

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



PRODUCTS



Crude oil

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

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

Natural gas

Natural mixture of gaseous hydrocarbons found issuing from the ground or obtained from specially driven wells. The composition of natural gas varies in different localities. Its chief component, methane, usually makes up from 70% to 95% and the balance is composed of varying amounts of ethane, propane, butane and other hydrocarbon compounds. Although commonly associated

with deposits, it also occurs separately in sand, sandstone and limestone deposits. Some geologists theorize that natural gas is a byproduct of decaying vegetable matter in underground strata, while others think it may be primordial gases that rise up from the mantle. Because of its flammability and high calorific value, natural gas is used extensively as an illuminant and a fuel.

LPG

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

Solvent oil

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

Sulphur

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

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



CHAIRMAN'S STATEMENT

It gives me great pleasure to welcome you to the 66th Annual General Meeting of the Company and to present the Company's Annual Report and Audited Financial Statements for the year ended June 30, 2017.

Results

In this year the Company has earned profit after tax of Rs 9.678 billion (2016: Rs. 7.234 billion). Increase in profit is mainly because of higher crude oil production and reduced exploration costs. In this year production of crude oil, gas and LPG increased by 8.23%, 3.81% and 7.44% respectively.

The results of the Company's operations are dealt with in further detail in the annexed Directors' Report and Financial Statements.

Outlook

During this year Mardankhel-1 a new find has been connected to production facility in the month of Dec, 2016. In the Mardankhel area, Mardankhel-2 and 3 wells have been successfully completed and efforts are under way to connect these wells to production line on priority.

Efforts are underway to make early connection to the production line and appraise discoveries of Makori Deep-1 and Tolanj West-1.

Presently, six wells are under drilling and out of which three well are exploratory. In the year 2017-18 seven more wells will be spudded out of which five wells would be exploratory. 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 people.

Acknowledgment

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

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



Laith G. Pharaon
Chairman Attock Group of Companies
Dubai, UAE
September 11, 2017

DIRECTORS' REPORT

The Directors have pleasure in presenting review of the operations and financial results of the Company for the year ended June 30, 2017.





In the name of ALLAH, Most Gracious, Most Merciful

Assalam-u-Alaikum!

The Directors have pleasure in presenting a brief review of the operations and financial results of the Company for the year ended June 30, 2017.

Financial results

These are summarized below:	Rs. (000)
Profit for the year after providing for all expenses including depreciation, exploration, amortization and workers' funds.	12,412,293
Less: provision for taxation	(2,733,787)
Profit after tax	9,678,506

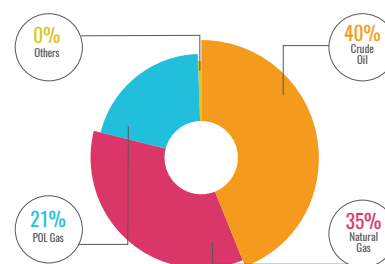
In this year, the Company made a profit after tax of Rs 9,678 million (2016: Rs.7,234 million), which is higher by 33.8% as compared to last year. The profit translates into earnings per share of Rs 40.92 (2016: Rs 30.58 per share). Overall net sales are higher by Rs 2,432 million (9.8%), which is mainly because of 8.23 % higher crude oil production and 12.0% increase in average price of crude oil. This crude oil production is the highest in the last ten years period. Also increase in profit is because of reduced exploration costs as one dry well cost charged to expenses as against two wells costs charged in the corresponding year. Production volume of gas and LPG has increased by 3.81%

and 7.44% respectively. Cost of sale has decreased by 2.9% mainly because of lower operating costs and amortisation which have been compensated by higher royalty due to increased sales revenues.

During the year the Company has made a consolidated profit after tax of Rs. 11,905 million (June 30, 2016: Rs. 10,122 million) which translate into consolidated earnings per share of Rs. 50.23 (June 30, 2016: Rs. 42.65 per share).

The details of the exploration activities are covered in detail by each geographical area later in this report.

Revenue Mix by product (%)



Cash flows

Cash and cash equivalents increased by Rs 3,418 million during the year (2016: increased by Rs 150 million). Cash flows provided from operating activities were Rs. 15,674 million higher by 25.72% as compared to last year mainly due to higher cash receipts from customers because of higher sales revenues of crude oil.

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\$ 332 million (2016: US\$ 249 million) for the country. The contribution to the national exchequer, in the shape of royalty and other government levies, was Rs 8,202 million (2016: Rs 6,633 million).

Directors

At the twentieth (20th) Extraordinary General Meeting held on June 20, 2017, a new Board of Directors was elected for a term of three years with effect from June 27, 2017 as under:

- | | | |
|-------------------------|------------------------|------------------------|
| 1. Mr. Laith G. Pharaon | 2. Mr. Wael G. Pharaon | 3. Mr. Shuaib A. Malik |
| 4. Mr. Sajid Nawaz | 5. Mr. Abdus Sattar | 6. Mr. Nihal Cassim |
| 7. Mr. Tariq Iqbal Khan | | |

The Board includes five non-executive directors including two independent directors.

Audit Committee

The Board has formed an Audit Committee comprising the following directors:

- | | | |
|-----------------------------------|--|-------------------------------|
| 1. Mr. Abdus Sattar
Chairman | 2. Mr. Babar Bashir Nawaz
Member
Alternate Director to Mr. Wael G. Pharaon | 3. Mr. Nihal Cassim
Member |
| 4. Mr. Tariq Iqbal Khan
Member | 5. Mr. Bilal Ahmad Khan
Member
Alternate Director to Mr. Laith G. Pharaon | |

Human Resource & Remuneration (HR&R) Committee

The Board has formed Human Resource & Remuneration (HR&R) Committee comprising the following directors:

- | | | |
|--|----------------------------------|-------------------------------|
| 1. Mr. Babar Bashir Nawaz
Chairman
Alternate Director to Mr. Wael G. Pharaon | 2. Mr. Shuaib A. Malik
Member | 3. Mr. Abdus Sattar
Member |
| 4. Mr. Bilal Ahmad Khan
Member
Alternate Director to Mr. Laith G. Pharaon | | |

Dividend

The Directors have recommended a final cash dividend @ 250 % (Rs 25 per share). This is in addition to the interim cash dividend @ 150 % (Rs 15 per share) already declared and paid to the shareholders thereby making it a total cash dividend of Rs. 40 per share for the year 2016-17 (2015-16: total cash dividend of Rs 35 per share).

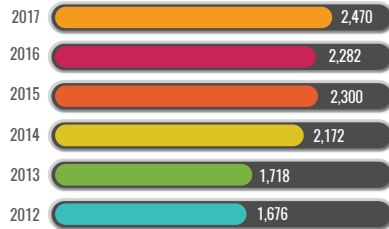
Production

The following is a comparison of production from the Company's fields including proportionate share from all operated and non-operated joint ventures:

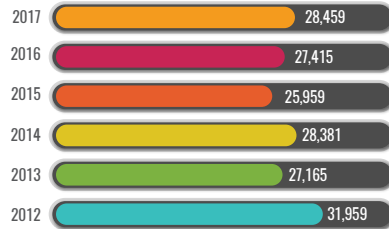
		30 JUNE 2017	30 JUNE 2016
Crude Oil/Condensate	(US Barrels)	2,469,795	2,281,950
Gas	(Million Cubic Feet)	28,460	27,415
LPG	(Metric Tonnes)	58,352	54,310
Sulphur	(Metric Tonnes)	566	636
Solvent Oil	(US Barrels)	18,822	25,663

The Company's share in production, including that from joint ventures, for the period under review averaged 6,748 barrels per day (bpd) of crude, 77.76 million standard cubic feet per day (mmscfd) of gas, 159.42 metric tonnes per day (MTD) of LPG, 1.55MTD of Sulphur and 51 bpd of solvent oil.

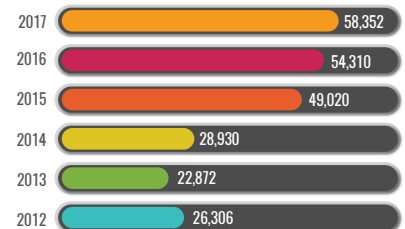
Crude Oil Production
(barrels thousand)



Gas Production
(million cubic feet)



LPG Production
(metric tons)



Exploration and development activities

Producing fields

At Balkassar Lease (100% owned by POL), evaluation of 2D/3D seismic data at basement subthrust levels has been completed. Two possible leads identified



in subthrust. In order to confirm these leads 194 square kilometers 3D seismic data acquisition has been started.

At Joyamair Lease (100% owned by POL), well site location is in progress to drill Joyamair deep-1 to explore deeper potentials.

At Khaur Lease (100% owned by POL), well proposal of Khaur North-01 has been completed to explore remaining potential of the area.

At Turkwal Lease (operated by POL with 67.37% share), 3D seismic planning is in progress to explore full potential of the area.

At Pindori Lease (operated by POL with a 35% share), seismic data re-interpretation on 3D dataset has been completed. Mapping of remaining up dip potential is in progress. Working on different drilling of well options are under review to target this potential.

At Pariwali Lease (operated by POL with 82.50% share), reservoir simulation study

has been completed. Fracture swarm mapping is in progress. Development plan given in simulation study is under review.

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%)

Mardankhel-2 well was spudded on September 09, 2016 and achieved target depth at 4,725 meters. Conducted cased hole drill stem test and well produced 1,771 barrels of condensate per day and 12.97 million cubic feet per day of gas at 32/64" choke size. Rig was released on 26th of June 2017. Production from this well is expected to start from June- 2018.

Mardankhel-3 well achieved its target depth and has been completed. After completion the well produced (comingled) 377 barrels of condensate and 12.38 mmscf of gas per day at 32/64" choke size at well head flowing pressure of 3,182 psi. Time line for connection to the production line cannot be ascertained due to local resistance on account of gas demand.

Makori East-6 was spudded on January 22, 2017 and drilling down to 15,640 ft is in progress.

“Mardankhel-2 Conducted cased hole drill stem test and well produced 1,771 barrels of condensate per day and 12.97 million cubic feet per day of gas at 32/64” choke size,,

Maramzai-4 well was spudded on August 21, 2016 and achieved target depth, after acid job tested and produced 604 barrels of condensate per day and



23.57 million cubic feet of gas per day. The well has been connected to the production line.

At Adhi field (operated by Pakistan Petroleum Limited, where POL has 11% share), well location of Adhi-31 and Adhi-32 has been approved. Simulation Study of Adhi Field is in progress.

Adhi-26: The well was spudded on July 04, 2016 and successfully achieved target depth of 11,522 ft tested and produced 720 barrels of oil and 0.633 mmscf of gas per day.

Adhi-27: The well tested and produced 684 barrels of oil per day and 5.72 mmscf of gas per day at choke size of 32/64" at well head flowing pressure of 1,060 psi.

Adhi-28: The well tested and produced 340 barrels of oil per day and 1.16 million cubic feet of gas per day at choke size of 32/64" at well head flowing pressure of 320 psi.

Adhi-29: The well was spudded on March 24, 2017, achieved well target depth of

11,017 ft. Presently, well testing is in progress.

Adhi-30: The well tested on May 28, 2017 drilling down to 8,337 ft is in progress.

Adhi South X-1, an exploratory well was spudded on June 30, 2017 drilled down to 1,174 ft and further drilling is in progress.

Work over to deepen Adhi well-15 was carried out and well completed with the comingled production of 2,618 barrels of oil/condensate per day and 14.43 million cubic feet of gas per day.

Work over to deepen Adhi well-17 was carried out and well completed with the production of 600 barrels of oil per day and 0.996 million cubic feet of gas per day.

Jhal Magsi South field (Operated by OGDCL, where POL has 24% share), installation of plant has been stopped as decision regarding laying of pipeline by SSGCL is not finalised.

**“ Maramzai-4
After acid job tested and produced 604 barrels of condensate per day and 23.57 million cubic feet of gas per day. The well has been connected to the production line,,**

At Ratana Field (Operated by Ocean Pakistan Limited, where POL has 4.545% share), Out of 3D seismic data acquisition of 377 sq.km 242.08 sq. km has been acquired and remaining work has been resumed after some administrative settlement with the contractor, to explore full potential of the field.

Exploration blocks

At Ikhlas block (operated by POL with a 80% share), an exploratory well Jandial-1 was spudded on August 22, 2016 achieved target depth and well testing is in progress.

At DG Khan block (operated by POL with a 70% share), last acquired 2D seismic data identified new leads, about 264 line kilometers additional 2D seismic data acquisition has been approved to firm up the identified leads.

At Margala Block (operated by MOL where POL has a 30% share), 2D seismic data acquisition, processing and reprocessing of ~ 70 line kilometers in Margala block has been completed to evaluate the potential in the exploration license.

At Tal block 2D/3D seismic data interpretation is in progress to explore the possible deeper plays in TAL block. Acquisition of 870 sq.km of gravity survey over western part of Manzalai has been completed and interpretation is in progress.

Tolanj East-01 an exploratory well was spudded on April 27, 2017 and drilling down to 6,831 ft is in progress

To explore deeper potential in the TAL block Mamikhel Deep well has been approved by the Joint Ventures Partners. In-house 2D/3D seismic data interpretation is in progress to explore the additional plays in TAL Block.

**“Adhi-27
The well tested and produced 684 barrels of oil per day and 5.72 mmscf of gas per day at choke size of 32/64” at well head flowing pressure of 1,060 psi,,**

At Gurgalot Block (operated by OGDCL where POL has a 20% share), Surqamar-1 was spudded on March 07, 2015 after conducting three side tracks due to fishing and mud loss problems, achieved target depth of 16,299 ft, tested but found unsuccessful.

Pakistan Oilfields has acquired 25% share in Hisal Block which is operated by Pakistan Petroleum Limited where after 2D seismic interpretation drilling of Misrial-X1 as the first exploratory well has been approved by the Joint Venture Partners.

Subsidiary CAPGAS (Private) Limited (CAPGAS)

CAPGAS earned a profit after tax of Rs 46.97 million during the year (2015-16: Rs. 67.92 million). It has declared a total dividend of 210% for the year 2016-17 (2015-16: 770%). The Company



received an average of 25 metric tons per day LPG from the Adhi plants and an average of 5 metric tons per day of LPG from PARCO.

Crude oil transportation

Khaur Crude Oil Decanting Facility (KCDF) continued to operate satisfactorily. During the year, a total of 8.0 million barrels (2016: 5.3 million barrels) of crude oil from Nashpa, TAL Blocks and others were pumped to Attock Refinery Limited through this facility and pipeline.

Risk management

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. The

Company's risk management system requires approaching risk identification in a systematic manner by developing an understanding of the Company's strategic and operational objectives, and the opportunities and threats related to the achievement of these objectives as well as analyzing the significant functions undertaken within the Company to identify significant risks which flow from these activities. Risks are required to be formally identified, prioritized and incorporated into a risk management response to effectively address risks.

The following is an outline of some of the material risks being faced by the Company:

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 is likely to adversely affect 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 reasons 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 a 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 inherently 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 affect on earnings. The Company is mitigating these risks by selecting efficient and professional teams and also by having strict criterion for selecting rig and other allied services/equipment. Further, the Company also obtains control of well insurance cover for all drilling wells.
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 underperformance of the oil and gas reservoirs or other production related factors.
5. **Procurement planning related risk:** Managing risk in business is not a new phenomenon, but managing it well in a changing global environment is producing some significant challenges, especially for the procurement function. Vulnerability in the procurement process can be seen as a weakness or possible threat to the Company's

profitability.

The vulnerability can give rise to the following risks

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

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

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. **Environmental regulations:** The Company is subject to laws and regulations relating to health, safety and the environment. Changes to these laws and regulations may result in increased costs of compliance as well as penalties for non-compliance.
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 higher competition than before. In addition, the Company's LPG marketing business may be adversely affected due to increased competition, decline in margins or disruption to LPG supply sources. The Company is in a continuous process to explore new opportunities by joining hands with other E & P companies by way of farm-in and farm-out agreements. In LPG marketing business, the Company has established a good storage capacity for continuous supply to keep margins intact and continues exploring for 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 function.

10. **Economic and political risks:**

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

11. **Joint Venture Partners:** We are also operating in a joint venture environment and many of our projects are operated by other partners. Our ability to influence partners is sometimes limited, due to our small share in non-operated ventures. Non-alignment on various strategic decisions in joint ventures may result in operational and production inefficiencies or delay. We mitigate this risk by continuous and regular engagement of joint venture partners in operated and non-operated projects.
12. **Terrorist attacks:** A terrorist attack could have a material and adverse effect on our business. The company has taken a terrorist insurance cover of all its material installations to mitigate this risk.
13. **Third party liability:** A third party liability could have a material and adverse effect on our business. In order to mitigate the risk, the company is continuously evaluating the areas where insurance cover is required and has also taken a third party liability insurance which covers its drilling areas, pipelines and material installations.
14. **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 has its strong control and also taking insurance coverage.

Business process re-engineering & 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 integral activity. Seismic data acquisition, processing and interpretation during geophysical activities involve selection of optimum data acquisition parameters through careful experimental investigation in the field. The Company undertakes comprehensive analysis to calculate the volume of sub-surface hydrocarbon's trap of any area, also uses latest sub-surface imaging technology, before drilling any prospect. Research is also conducted by in-house and outsourced G&G and reservoir studies. Research is also conducted to study to enhance and to maintain recovery from the fields. Apart from the drilling of development wells already mentioned earlier by geographical location the major business development projects under taken during the year are as follows:

Business intelligence (BI)

New reporting mechanism using BI tool and technologies has been implemented to provide better visibility of data across POL.

Employee performance management

BEACON HR, a POL specific Self Service System has been introduced.

Appraisers and Supervisors can manage and develop their teams, assign tasks and record feedback for management review.

Computerized maintenance management

An industry standard web based System integrated with Inventory, Procurement and Accounts has been made operational.

Online collaboration management

Joint Venture Approval for Expenditure (JV AFE), Concession Management, Minutes of Meeting, SOPs and POL wide Reporting have been centralized, streamlined and enabled through workflows.

LPG bowser movement management

Route planning, mileage, fuel consumption and associated data can now be recorded online for batch wise analysis and review.

Future prospects

- Stream lining of Scheduled and Preventive Maintenance
- Pilot System for POL Pool Cars Management





Corporate social responsibility (CSR)

48



We at POL believe that we are an integral part of a community wherever we work. Investing in the communities in which we operate is not just a demand that must be met; it is a 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 commitment to being a good corporate citizen includes:

- 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.

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.

Education

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

Since inception till 2017, POL has spent Rs.81.5 million to improve the infrastructure of government schools through up gradation of schools & colleges of the vicinity by constructing class rooms, toilets provides computers and science laboratory apparatuses and also providing them furniture and fixtures that caters to about more than 30,000 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 aided by well equipped lab facilities, modern library, highly qualified teaching staff and promoting extracurricular activities.

Dr. Rashad Institute of Technical Education

Technical Education plays a vital role in the social and economic development of a nation. Due to their vibrant nature, they are continuously subject to the forces which drive changes in the schools, industry and society. The challenges and opportunities for Vocational and Technical training centers are unique due to the needs of the changing economy and local community.

Early 2015 registration with TEVTA, Lahore was acquired in the Electrical and Electronics technologies. Affiliation with Punjab Board of Technical

Education, Lahore was attained to start the Diploma in Associate Engineering (03 years course) in the above mentioned two fields in September, 2015. People of Khaur and its adjacent areas are employed in petroleum and other technical fields of petroleum technology. Therefore, syllabus of petroleum was sent to TEVTA board for review / approval and then registration and affiliation was attained from TEVTA and PBTE, Lahore. In the year 2016 DAE in petroleum technology was also started in Dr. Rashad Institute of Technical Education Khaur to help the local people. Now we have 17 students in D.A.E Petroleum Technology

Under the banner ship of technical college, the college managed to get a “Vocational Training Provision Contract” with the Punjab Skills Development Fund (PSDF), which was signed on December 14, 2016.

In year 2017 short courses of Electrician and Motor Winder were started and 25 students were admitted in each class. These courses were of 06 months duration, all the students passed with flying colors and some of them have been able to get employment in different industries, e.g. new Islamabad Airport, Heavy Industries Taxila, Heavy Mechanical Complex Taxila, etc.

Dr. Rashad Degree College

- POL has established Dr. Rashad Degree College at Khaur with an aim to provide quality education to the youngsters of the Khaur and surrounding areas.
- Initially it was an intermediate college but later on it was upgraded to include degree classes as well by affiliating it with the Punjab University, Lahore.
- The college has 240 students in different faculties.
- The teaching faculty consists of highly qualified staff with a drive to deliver quality education among the students.

- This year teachers training was held on “Effective Teaching” from which the teaching staff benefited.
- With the help of COMSATS Attock campus preparatory classes for NTS (GAT & NAT) is being arranged at Dr. Rashad Degree College campus.

POL Model Schools

- The company has also established schools of “Higher Secondary Level” for boys and girls apart from a section of school dedicated for “Montessori” pupil.
- The schools have been established with an objective to offer high quality, academically sound education to students in a supportive and understanding environment.
- There are 760 students in both the school sections.
- The number of sections have been raised to 26.
- The teaching faculty at the school is consists of qualified and experienced teachers who ensure good student behavior, effective study and work habits, and an overall sense of respect for others. Teachers’ skills are enhanced through a regular programme of Teachers Training.
- The SSC results have shown considerable improvement over the

past three years.

- The highest percentage in the Board’s results remained at 93.45 with 19 A+ grades.
- The school has the honour to win 06 laptops this year under the Chief Minister’s Laptop Scheme for talented students. (Highest in Attock District)
- Nine students of the school have got Merit Scholarships from the Government of Punjab.
- Consistent efforts are underway to reach the still higher pedestal

The curriculum is designed to encourage students to have enquiring minds and seek opportunities to become noble citizens.

POL Vocational Training Center

- POL has established a vocational training center for women.
- The aim of establishing a vocational center is the development of attitudes, knowledge, and skills for entrepreneurship and self-employment among women of the local community.
- Up till now, more than 1000 women & girls have been trained over the period.
- On July 2016, POL established



Safety Coveralls stitching unit at VTC Khaur. Stitching unit is conceived to ensure its viability being cost effective and also make VTC staff members and students proficient in stitching skills.

Sports, cultural & religious activities

In pursuance of belief that in addition to improved physical health, sport plays a primarily positive role in youth development, including improved academic achievement, higher self-esteem, reduction in behavioral problems and better psychosocial concerns, POL has always promoted sports activities among the community with the provision of facilities e.g. cricket, hockey and football grounds, badminton and volley ball courts etc. POL also has organized and sponsored many tournaments e.g.

- Cricket Tournament (Hard ball and Tennis ball)
- Hockey Tournament
- Volleyball Tournament
- Badminton Tournament

Apart from these games, POL also organizes and support traditional / folk games for the entertainment of local community and to be part of their culture. These games include;

- Tent Pegging
- Bull Race
- Tug of war

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

Apart from this, POL facilitates the local community in the organization



of “Annual Mehfil-e-Mushaira” at its Workers Club with free transportation & food for participants and attendants.

POL also facilitates local community with the provision of its resources of free transportation, food, electricity and other items in celebration of “Eid Milad-un-Nabi” and organization of “Annual Mehfil-e-Naat” at Khaur.

Infrastructure development

Living standards of local inhabitants can only be improved if they have access to the bigger markets.

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.

Provision of “clean water” for local community

Basic needs of the rural people are met by POL by making the access to safe drinking water easy and less time consuming. Several projects have been undertaken in this regard.

POL has spent money and time on the development of water supply schemes in different villages located around its Pariwali and Meyal fields. These projects range from installation of motor pumps and construction of overhead water tanks to setting up a wide distribution network to supply clean drinking water to more than 6,500 households in several villages. The community has participated well by taking ownership of these projects for maintenance & sustainability through village based water management committees.

In Pariwali field, inhabitant of Ahmadal village were facing major problem of



'Safe Drinking Water Facility' as the available water supply structure was not enough to fulfill their basic need. In order to facilitate the local community of Ahmatal village, POL management constructed underground water storage tank that estimated cost of Rs. 3.5 million having capacity of 150,000 gallons and size of (60'x30'). More than 17,000 inhabitants of the local community are directly and indirectly enjoying this clean water facility.

Similar efforts have been made at our Khaur & Meyal fields where POL has laid a eight km long water line from Nalla Sawan to Khaur village. Due to water shortage in Khaur area POL has laid Fifteen km long water line from Nalla Sil (Ikhlas) to Khaur village for local community. Open water connections have been given to households & mosques and maintenance cost is shared by the Company. At Meyal, 42 water connections have provided benefiting more than 500 households. To further our support, two million rupees have been donated to the Union Council of Kharpa for provision of water facility to the locals.

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. Trainings are conducted regularly to provide employees with opportunities to acquire knowledge and develop skills through training and self-development to the mutual advantage of the employees and the company.

POL considers it a social responsibility to assist the Universities of the country in improving its human resources pool, and therefore actively participates in any scheme that trains the professional youth of the country. For this purpose internships are offered to students from various universities.

Annual Performance Appraisal offers a valuable opportunity to focus on work activities and goals, to identify and correct existing problems, and to encourage better future performance.



Khaur hospital

The Company is maintaining an end-to-end smart hospital with state of the art medical technologies at Khaur with a mission to provide quality patient care, establish a collaborative working environment and promote informed participation in decisions related to care, quality of life and optimal level of wellness. The hospital provides quality



medical care, vital health services and free emergency assistance round the clock.

Presently the hospital is manned by specialists in the field of Medicine, Surgery, Gynecology and Obstetrics, Pediatrics, Anesthesiology, Family Medicine aided by visiting specialist in field on ENT, Eye, Gastroenterology, Skin and Ultrasonology.

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

Khaur hospital provides residents greater accessibility to medical expertise and clinical services that typically would not be available in a rural community. 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 of 40 beds air conditioned wards and provides

services of consultants and specialist doctors. Modern emergency services are provided free of cost to road accident injured persons which helps to save lives. It is the only hospital in the area providing such facilities to the general public.

Other healthcare facilities

Other healthcare facilities provided by the Company at fields are:

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

Community health program

In addition to facilitating the general public through POL Hospital, medical camps in different areas were also arranged where medical check up's and medicines were distributed free of cost at their door steps.

Occupational health and safety (OH&S)

Safety committee oversees safety, health and wellbeing within the workplace. The committee regularly monitors the effectiveness of OH & S systems, policies and programs to reduce workplace risks and promote safe and healthy working environments and key OH & S issues and performance.

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.

In addition to regulatory requirements, occupational and research activities at POL are guided by internal policies. Department heads and managers all have the responsibility to develop, implement and maintain all elements of the safety program.





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	2015	2016	2017
Fatal	00	00	00
Fire	04	07	03
Reportable Incident (Serious Injury)	02	00	02
Reportable Incident (Minor Injury)	02	00	01
Major Environment	00	00	00
First Aid Cases	06	10	07
Near Misses	05	07	05

Safety

We are committed to providing a safe and healthy work environment and preventing accidents. Employees are accountable for observing the safety and health rules and practices that apply to their jobs. They are expected to take precautions necessary to protect themselves and their co-workers, including immediate reporting of accidents, injuries and unsafe practices or conditions. Employees are also expected to work free from the influence of any substance that could prevent or impair them from performing their jobs safely and effectively.

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 and targets. In this respect, in-house training for fire safety, first aid, safe driving and occupational health and safety is carried out 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 the reduction of workplace injuries.



Safety drills are carried out regularly to ensure that the state of preparedness and emergency response times remain within established limits. 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 is the comparison of the trainings given by HSE department in last three years.

Year 2015		Year 2016		Year 2017	
No. of Trainings	No. of Participants	No. of Trainings	No. of Participants	No. of Trainings	No. of Participants
675	8,357	785	12,039	894	14,915

Helping our environment

We are committed to minimize and manage Environmental impacts of our operational activities on our employees, contractors, surrounding neighborhood and earth's resources without affecting ecosystems. Keeping in view of our continual environment friendly activities, POL has been acknowledged and awarded for Environmental awards through National Forum for Environment and Health, ISO 14001:2004 certification for LPG plant site Meyal.

The mitigation measures taken to defray environmental impacts include use of new and alternative technologies, Management and physical controls, up gradation of systems, increased monitoring level of environmental parameters keeping in view environmental receptors, applicable legislative controls and good industrial practices etc.

Following good practices have been followed throughout the year to ensure efficient utilization of resources without any adverse impact on environment.

Project completed

- Completed LEL gas detection system project for POLGAS Meyal, LPG Plant Area Meyal & POLGAS Pindori
- Completed Installation and commissioning of smoke detection system KCDF sub station
- Completed recertification of OHSAS 18001:2007 for Meyal & Balkassar
- Surveillance audits of OHSAS 18001:2007 for Khaur facilities & SCR Rig
- Surveillance audits of ISO 14001:2004 for LPG plant Meyal
- Basket stretcher with lift bridles purchased for rescue activity from height (Rig Floor) for SCR Rig.

Ongoing/New targets

- Installation and commissioning Automation of foam sprinkling system at old KCDF bays
- Installation and commissioning of smoke detection system at KCDF Power House
- Installation and commissioning of





smoke detection system at VFD Room, MGC Plant Meyal

- Recertification of OHSAS 18001:2007 for Khaur facilities
- Recertification of ISO 14001:2015 for LPG plant Meyal (Proposed plan)
- Surveillance audits of OHSAS 18001:2007 for Meyal, Balkassar & SCR Rig
- New Certification of OHSAS 18001:2007 for Pindori field (Proposed plan)

Codes of practice

Company maintains a leadership position in the industry, being one of the first Pakistani Exploration and Production Company, we have developed effective policies and procedures over the period of time in all areas of our activities. The Company has codes of practice in place for each of its divisions and where appropriate for businesses within a division.

Corporate governance

The concept of corporate governance has unquestionably climbed up the corporate agenda. Across the globe we have witnessed a proliferation of regulations, codes, recommendations and principles on the subject. On adopting the current code of corporate governance, the Board determined that the appropriate approach to governance was to adopt a framework that drew on the governance requirements and best practices across the globe.

- a) The financial statements, prepared by the 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) International Accounting 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 accounts, annexed to this 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.
- k) All major Government levies in the normal course of business, payable as at June 30, 2017, have been cleared subsequent to the year-end.
- l) The values of investments in employee retirement funds based on the latest accounts as of June 30, 2017 are as follows:

Management Staff Pension Fund	Rs 1,023 million
Gratuity Fund	Rs 396 million
Staff Provident Fund	Rs 357 million
General Staff Provident Fund	Rs 271 million



Directors and board meetings

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

Sr. No.	Name of Director	Board of Directors Meetings	Audit Committee Meetings	HR & R Committee Meetings
1	Dr. Ghaith R. Pharaon/ Mr. Sajid Nawaz	2*/3	2*	
2	Mr. Laith G. Pharaon	5*	2*	1*
3	Mr. Wael G. Pharaon/ Mr. Mofarrih Saeed H. Alghamdi	3*/2*	4*	1*
4	Mr. Shuaib A. Malik	5		1
5	Mr. Abdus Sattar	5	4	1
6	Mr. Nihal Cassim	5	4	
7	Mr. Tariq Iqbal Khan	5	3	

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

Auditors

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

Shareholding

The pattern of shareholding as at June 30, 2017 is annexed. All trades in the

shares of the Company, if any, carried out by the directors, CEO, CFO, Company Secretary, Executives and their spouses and minor children are also annexed.

Holding company

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

Consolidated financial statements

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



A GLOWING TRIBUTE TO DR. GHAITH R. PHARAON FOUNDING CHAIRMAN OF THE ATTOCK OIL GROUP OF COMPANIES IN PAKISTAN

DR. GHAITH RACHAD PHARAON, THE FOUNDING CHAIRMAN OF THE ATTOCK GROUP OF COMPANIES IN PAKISTAN BREATHED HIS LAST ON JANUARY 06, 2017.

DR. PHARAON WAS A VISIONARY BUSINESS LEADER, INDUSTRIALIST AND INVESTOR OF INTERNATIONAL REPUTE. IT WAS BECAUSE OF HIS VISION AND GUIDANCE THAT THE ATTOCK GROUP BECAME ONE OF THE LARGEST FOREIGN INVESTMENT BUSINESS HOUSES IN THE COUNTRY. HIS TRUST AND CONFIDENCE ON THE MANAGEMENT IN PAKISTAN WAS

ONE OF THE IMPORTANT REASONS FOR SUCCESS OF ATTOCK GROUP.

HE WAS ALWAYS PASSIONATE ABOUT NEW IDEAS / BUSINESS VENTURES AND WILL ALWAYS BE REMEMBERED WITH GREAT RESPECT DUE TO HIS IMMENSE LOVE FOR PAKISTAN AND HIS ENORMOUS CONTRIBUTION TOWARDS THE ECONOMY OF THIS COUNTRY.

THE VACUUM CREATED BY HIS DEATH HAS BEEN FILLED BY THE NEW CHAIRMAN MR. LAITH G. PHARAON UNDER WHOSE ABLE LEADERSHIP AND GUIDANCE, THE GROUP IS NOW MOVING TO CARRY FORWARD THE LEGACY AND VISION OF LATE DR. PHARAON.

MAY ALLAH REST HIS SOUL IN ETERNAL PEACE AND GRANT PLACE IN JANNAT UL FIRDOUS.

AAMEEN.

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

Dubai, UAE
September 11, 2017

اعتراف۔

بورڈ آف ڈائریکٹرز تسلیم کرتا ہے کہ سال کے نتائج کو تمام ملازمین کی
دقت داری، لگن، محنت اور عزم کے بغیر ممکن نہیں بنایا جاسکتا تھا۔ دل کی
گہرائیوں سے کمپنی کے مقاصد کے حصول کی سمت میں ان کی شراکت کی
تقریف کرتا ہے۔

منجانب بورڈ:



شعیب اے ملک

چیرمین ایگزیکٹو

دعویٰ، احمدیہ عرب انارات

۱۱ اکتوبر ۲۰۱۷ء

پاکستان میں انتظامیہ پر اعتمادی وہ بنیادی پہلو تھا جو تک گروپ آف کمپنیز کی
کامیابی کا باعث بنا۔

آپ ہمیشہ نئے نظریات / کاروباری معاملات کے بارے میں پر عزم رہے
تھے آگلی پاکستان سے بے پناہ محبت اور اس کی معیشت میں بہت بڑی
سرمایہ کاری کی بدولت ہمیشہ انتہائی عزت اور احترام سے یاد رکھے جائیں
گے۔

آپ کی وفات سے نہ صرف گروپ بلکہ علاقائی اور بین الاقوامی

کاروباری حلقوں میں بھی بہت بڑا غلام پیدا ہو گیا ہے۔

اللہ اکبر یہی آرزو ہے کہ روح کو سکون اور آئیں جنت الفردوس میں اعلیٰ

مقام عطا فرمائے۔

آمین



نوٹس (Notes) میں بتایا گیا ہے۔

آڈیٹرز۔

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

۹۔ کمپنی مستقبل میں اپنے آپریٹنگ کارپوریشن تنظیم نو کو ختم کرنے یا روکنے کے لئے غور نہیں کر رہی۔

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

حصہ داران۔

۳۰ جون ۲۰۱۷ء کو حصہ داران کی تفصیلی رپورٹ ساتھ لگا دی گئی ہے۔ کمپنی کے حصص میں تمام تجارت کی تفصیل (اگر کوئی ہے تو) اس رپورٹ کے ساتھ لگا دی گئی ہے جس میں ڈائریکٹرز، ای او بی ایف او، کمپنی سیکرٹری، ایگزیکٹوز اور ان کی بیویاں اور تالیف بچے بھی شامل ہیں۔

۱۱۔ ۳۰ جون ۲۰۱۷ء میں قابل ادا ہوئی تمام اہم سرکاری لیویز، سال کے آخر کے بعد منظور دے دی گئی ہے۔

۱۲۔ ۳۰ جون ۲۰۱۷ء کے تازہ ترین اکاؤنٹس کی بنیاد پر ملازم کی ریٹائرمنٹ فنڈ میں سرمایہ کاری کی اقدار مندرجہ ذیل ہیں:

منجمنٹ سٹاف پنشن فنڈ	۱۰۰۲۳ ملین روپے
گریجویٹ فنڈ	۳۹۶ ملین روپے
سٹاف پرائیویٹ فنڈ	۳۵۷ ملین روپے
جنرل سٹاف پرائیویٹ فنڈ	۲۷۱ ملین روپے

ہولڈنگ کمپنی۔

دی انک آئل کمپنی لمیٹڈ برطانیہ میں تشکیل شدہ، پاکستان آئل فیئلڈ لمیٹڈ کی ہولڈنگ کمپنی ہے۔

ڈائریکٹرز اور بورڈ کے اجلاس۔

کیجا مالیاتی بیانات۔

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

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

سیریل نمبر	ڈائریکٹرز کے نام	بورڈ آف ڈائریکٹرز میںٹنگ	آڈٹ کمیٹی میںٹنگ	ایچ آر اور آر کمیٹی میںٹنگ
۱	ڈاکٹر عظیم آفرعون / اساجد نواز	۳/۲۲	۲	
۲	جناب لیڈ جی فرعون	۰۵	۰۲	۰۱
۳	جناب وائل جی فرعون اجناب مفرح سعید ایچ الغامدی	۰۲/۰۳	۰۲	۰۱
۴	جناب شعیب اے ملک	۵		۱
۵	جناب عبدالستار	۵	۳	۱
۶	جناب نہال قاسم	۵	۳	
۷	جناب طارق اقبال خان	۵	۳	

انک آئل گروپ آف کمپنیز پاکستان کے بانی چیئرمین ڈاکٹر عظیم آفرعون کو زبردست خراج تحسین۔

انک آئل گروپ آف کمپنیز پاکستان کے بانی چیئرمین ڈاکٹر عظیم آفرعون ۱۶ جنوری ۲۰۱۷ء کو داعی اجل کو لبیک کہہ گئے۔ ڈاکٹر فرعون بین الاقوامی شہرت رکھنے والے صاحب بصیرت کاروباری راہنما اور صنعتکار تھے۔ بیان کی گہری دلچسپی اور متحرک قیادت ہی تھی جس کی بناء پر انک آئل گروپ پاکستان میں بیرونی سرمایہ کاری رکھنے والا سب سے بڑا کاروباری ادارہ بن گیا ہے۔

* اور نیز ڈائریکٹرز ذیلی طور پر یا متبادل ڈائریکٹرز کے ذریعے اجلاس میں شرکت کرتے ہیں۔

- میاں ایل پی جی پلانٹ کے لئے ISO 14001:2015 کی دوبارہ تصدیق (متوقع منصوبہ)

- میاں ہیکس اوررگ کا OHSAS 18001:2007 گھرانہ آڈٹ
- پنڈوری کے لئے OHSAS 18001:2007 کی نئی تصدیق (متوقع منصوبہ)

کارپوریٹ گورننس۔

کارپوریٹ گورننس کا تصور بلاشبہ کارپوریٹ ایجنڈہ بن چکا ہے۔ دنیا بھر میں ہم دیکھ رہے ہیں کہ ریگولیشنز، کوڈ، سفارشات اور موضوع پر اصولوں کے پھیلاؤ کا مشاہدہ ہو رہا ہے۔ موجودہ کارپوریٹ گورننس کو اپنانے پر یورپ سمجھتا ہے کہ گورننس کا مناسب نقطہ نظر دنیا بھر میں گورننس کی ضروریات اور بہترین طریقوں پر مبذول ہے جو کہ ایک فریم ورک کو اپنانے کے لئے تھا۔

۱۔ مالی بیانات، جو کہ کمپنی انتظامیہ کی جانب سے تیار کی گئی ہے جو منصفانہ امور کی نشاندہی، اپنے آپریٹرز، نقدی کا بہاؤ اور ان کیٹی میں تبدیلیوں کا نتیجہ ہے۔

۲۔ کمپنی کے اکاؤنٹ کی مناسب کتابوں کو برقرار رکھا گیا ہے۔

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

۴۔ انٹرنیشنل اکاؤنٹنگ کے معیار جو کہ پاکستان میں قابل عمل ہیں کی مالی بیانات کی تیاری میں پیروی کی گئی ہے۔

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

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

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

۸۔ گزشتہ سال کے آپریٹنگ نتائج سے اہم انحراف کو (اگر کوئی ہے تو) ڈائریکٹرز رپورٹ / چیئرمین کے جائزہ میں مناسب طور پر اکاؤنٹس کے

اپنے ماحول کی مدد:

ہماری آپریشنل سرگرمیاں اپنے ملازمین، ٹھیکیداروں، قریبی آبادی اور زمینی کے وسائل اور ماحول کو کم از کم متاثر رکھنے بغیر جاری ہیں۔ ہماری مسلسل دوستانہ ماحول سرگرمیوں کو پیش نظر رکھتے ہوئے قومی فورم برائے ماحول اور صحت ISO 14001:2014 نے میاں ایل پی جی پلانٹ کو اپوارڈ سے نوازا۔

ماحولیاتی اثرات کو متاثر ہونے سے بچانے کے لئے نئی ٹیکنالوجی کا استعمال، انتظامی کنٹرول، ماحولیاتی لیوٹر پر نظر، قابل اطلاق قانون سازی اور اچھے صنعتی عمل شامل ہیں۔ ماحول پر کوئی منفی اثر کیے بغیر مندرجہ ذیل احسن طریقوں سے سال بھر وسائل کو استعمال کیا گیا۔

کھل منصوبے:

- پول گیس میاں، ایل پی جی پلانٹ ایریا میاں اور پول گیس پنڈوری میں LEL گیس کا پتہ لگانے کا نظام

- KCDF سب سٹیشن میں دھوئیں کا پتہ لگانے کا نظام

- میاں اور ہیکس اوررگ میں OHSAS 18001:2007 کی دوبارہ تصدیق
- کھوڑ اوررگ کا OHSAS 18001:2007 گھرانہ آڈٹ

- میاں ایل پی جی پلانٹ کا OHSAS 18001:2004 گھرانہ آڈٹ

- اونچائی (رگ فلور) سے بچاؤ کا طریقہ اوررگ کے لیے پوٹ ڈارلٹ کا انتظام

جاری آنے والے اہداف

- KCDF کے پرانے حصے میں خود کار جھاگ کے چھڑکاؤ (Foam Sprinkling) کے نظام کا قیام

- KCDF پاور ہاؤس میں دھوئیں کا پتہ لگانے کا نظام

- VFD روم گیس پلانٹ میاں میں دھوئیں کا پتہ لگانے کا نظام

- کھوڑ کے لئے OHSAS 18001:2007 کی دوبارہ تصدیق

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 کھپتی کے ضابطوں اور اہداف کے مطابق کام کر رہے ہیں اس مقصد کے لئے اپنے ہاں ہی آگ سے تحفظ، ابتدائی طبی امداد، محفوظ ذرائع تک اور پیشہ ورانہ صحت اور تحفظ کے بارے میں باقاعدگی سے تربیت بھی دی جاتی ہے۔

کھپتی اس بات کو یقینی بناتی ہے کہ ملازمین اور جہاں نافذ العمل ہو ٹھیکیدار بھی کھپتی کے ممکنہ خطرات برائے صحت مند، محفوظ اور دوستانہ کام کے طریقوں کے متعلق آگاہ ہوں۔ پی او ایل تمام ملازمین کے لئے ماہانہ "سیفٹی ٹینٹین" بھی جاری کرتا ہے۔ یہ اقدامات کام کی جگہ پر چھوٹے کورسز میں مددگار ثابت ہوئے ہیں۔ باقاعدگی سے تحفظ کی مشقیں بھی یہ یقین کرنے کے لئے کرائی جاتی ہیں کہ تمام تیاریاں اور ہنگامی ردعمل کا وقت طے شدہ معیار کے اندر ہے۔ کھپتی کے ہر Concession کے لئے الگ تحفظ کی ٹیمیں بندی کی جاتی ہے۔

HSE ڈیپارٹمنٹ کی جانب سے Tool box talks اور فیئلڈ تجرباتی اجلاس ہر فیئلڈ میں باقاعدگی سے منعقد کئے جاتے ہیں۔ گذشتہ تین سالوں میں HSE ڈیپارٹمنٹ کی جانب سے دی گئی تربیت کا موازنہ درج ذیل ہے:

سال ۲۰۱۷		سال ۲۰۱۶		سال ۲۰۱۵	
شراکائی تعداد	تعداد تربیت	شراکائی تعداد	تعداد تربیت	شراکائی تعداد	تعداد تربیت
۱۳,۹۱۵	۸۹۳	۱۲,۰۳۹	۷۸۵	۸,۳۵۷	۶۷۵

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

کھپتی نے تمام مقامات پر حادثات کو کم کرنے اور ہنگامی صورتحال سے نمٹنے کے لیے ایک جامع حفاظتی انتظامی نظام بنایا ہے۔ "ایمرجنسی رسپانس ٹیم" کا قیام عمل میں لایا گیا ہے جس نے ہنگامی صورتحال سے نمٹنے کے لئے ایک جامع طریقہ کار وضع کیا ہے۔ گذشتہ تین سالوں میں کام کی جگہ پر حادثات کا موازنہ درج ذیل ہے:

حادثات	۲۰۱۷	۲۰۱۶	۲۰۱۵
سنگین	۰۰	۰۰	۰۰
آگ	۰۳	۰۷	۰۳
قابل ذکر اہم حادثات	۰۲	۰۰	۰۲
قابل ذکر معمولی حادثات	۰۱	۰۰	۰۲
اہم ماحولیاتی	۰۰	۰۰	۰۰
ابتدائی طبی امداد	۰۷	۱۰	۰۶
قریبی بچاؤ	۰۵	۰۷	۰۵

تحفظ

محفوظ اور صحت مند کام کا ماحول فراہم کرنا اور حادثات کی روک تھام کرنا ہمارا عزم ہے۔ ملازمین تحفظ اور صحت کے ان اصولوں پر عمل کے لئے جواب دہ ہیں جو اصول ان کی ملازمت پر لاگو ہوتے ہیں۔ ان سے توقع کی جاتی ہے کہ وہ اپنے آپ کو اور اپنے ساتھیوں کو حادثات سے بچانے کیلئے ضروری احتیاطی تدابیر اختیار کریں گے اور حادثات، چھوٹوں اور غیر محفوظ طریقوں اور حالات کے بارے میں فوراً آگاہ کریں گے۔ ملازمین سے توقع کی جاتی ہے کہ وہ کسی بھی ایسے شورش سے آزار و ہرجا کو کم کریں جو ان کے موثر اور محفوظ طریقے سے کام کرنے کی راہ میں حائل ہوں۔

اور جدید ترین سہولتیں رکھتا ہے۔ ہسپتال میں چالیس بستروں پر مشتمل انٹرنیٹ لیسٹڈ وارڈز ہیں اور یہ مشیروں اور ماہر ڈاکٹروں کی سہولتیں بھی فراہم کرتا ہے۔ جدید ہنگامی خدمات زندگی بچانے کے لیے مدد کرتا ہے ہنگامی حالات میں یا سڑک پر حادثہ کی صورت میں زخمی افراد کو مفت طبی امداد فراہم کی جاتی ہے۔ عوام کے لیے اس طرح کی سہولیات فراہم کرنے والا اپنے علاقے کا واحد ہسپتال ہے۔

صحت کی دیگر سہولیات۔

کھپنی کی طرف سے فراہم کی جانے والی دیگر طبی نگہداشت کی سہولیات درج ذیل ہیں:

- باقاعدہ مفت ڈینٹل کلینک اور پینڈوری اور بلکسر علاقے کی مقامی لوگوں کے لیے منظم کیا گیا ہے۔

- میال میں فیلڈ ہسپتال اور ڈینٹل کلینک کا قیام۔

- سالانہ ویکسینیشن پروگرام ملکر ڈسٹرکٹ ہیلتھ کے تعاون سے شروع کیا گیا ہے۔

- پی او ایل طبی دیکھ بھال فراہم کرنے کے بارے میں تقریباً ۳۵۰ سے زائد رجسٹرڈ افراد کے لیے ایک فریب مرٹینس فنڈ چلا رہا ہے جو کہ جناب

چیترا مین نے قائم کیا ہے اور اس میں وہ خود اور ملازمین اپنا حصہ ڈالتے ہیں۔

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

پیشہ ورانہ صحت اور حفاظت (OH&S)

سیٹنی کیمپنی کام والی جگہ میں حفاظت، صحت اور مناسب ماحول کی نگرانی کرتی ہے۔ کیمپنی باقاعدگی سے OH&S نظام، پالیسیوں، کام کی جگہ کے

خطرات کو کم کرنے، محفوظ اور صحت مند کام کے ماحول اور انہم OH&S مسائل اور کارکردگی کو فروغ دینے کے پروگراموں پر نظر رکھتی ہے۔ ہمارا

بنیادی مقصد پیشہ ورانہ اور آپریشنل ماحول میں اپنے لوگوں کے حفاظت اور کام کے دوران مضر مواد سے بچاؤ اور اسکے علم کو یقینی بنانا ہے۔

ملازمین کی اصل اور مطلوبہ کارکردگی کے درمیان خلج کو کم کرنے کے لئے تکنیکی مہارتوں پر توجہ دی جاتی ہے یہ ترغیبتیں ملازمین اور کیمپنی کے باہمی فائدے کے لئے ہیں اور ملازمین کو ترقی کے لئے درکار مہارت حاصل کرنے کے مواقع فراہم کرتی ہیں۔ توجہ کا یہ عمل مسلسل جاری رہتا ہے۔

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

سالانہ کارکردگی کی تشخیص کام کی سرگرمیوں اور مقاصد پر توجہ مرکوز کرنے مسائل کی نشاندہی اور درپیش مسائل کا حل بہتر مستقبل اور حوصلہ افزائی کرنے کا ایک نادر موقع فراہم کرتی ہے۔

کھوڑ ہسپتال۔

کھپنی مرٹینس کی بہتر نگہداشت، باہمی تعاون کا ماحول اور صحت سے متعلق فیصلوں میں مدد بہتری، بہتر معیار زندگی اور اعلیٰ فلاح و بہبود کے مقاصد کے لئے کھوڑ میں جدید ترین ٹیکنالوجی کا حامل ہسپتال چلا رہی ہے۔

ہسپتال ۲۳ گھنٹے معیاری طبی دیکھ بھال، اہم بنیادی صحت کی خدمات اور مفت ہنگامی امداد فراہم کرتا ہے۔

اس وقت ہسپتال میں میڈیسن، جراحی، زچہ بچہ، شعبہ اطفال، اپتھیمیا یا کے ماہرین کو تعینات کیا گیا ہے، فیلڈ میڈیسن، ENT، آنکھ، معدہ، جلد اور Ultrasonology کے شعبوں میں ماہر کے ماہرین سے مدد لی جاتی ہے۔

کھوڑ ہسپتال رہائشیوں کو ماہرین طب اور کلینیکل خدمات کی زبردست سہولت مہیا کرتا ہے جو مقامی لوگوں کو سہولتیں۔ ہسپتال جدید ترین آلات کے ساتھ آپریشن ٹیمیز لکھڑ اور متحرک ایکس رے مشینیں، بہترین طبی تجربہ گاہ

فراہمی کے لئے ایک وسیع تقسیم کے نیٹ ورک قائم کرنے کے لئے موٹر بھیس کی تنصیب اور اور ہیڈ پانی کے ٹینکوں کی تعمیر کی گئی ہے۔ کیونٹی نے گاؤں کی بنیاد پر پانی کی انتظامیہ کمیٹیوں کے ذریعے بحالی اور پائیداری کے ان منصوبوں کی ملکیت لینے کے لئے شرکت کی ہے۔

پری وائی میں اجمال گاؤں کے رہنے والوں کو پینے کے صاف پانی کی سہولت کا بڑا مسئلہ درپیش تھا کیونکہ دستیاب پانی کی فراہمی ان کی بنیادی ضرورت کو پورا کرنے کے لئے ناکافی تھا۔ کمیٹی نے اجمال گاؤں کی مقامی کیونٹی کی سہولت کے لئے زیر زمین پانی سنورج ٹینک ۳.۵ ملین روپے کی لاگت سے (۶۰'x۳۰') سائز کا ۵۰,۰۰۰ گیلن سنورج کا حامل ٹینک تعمیر کیا۔ مقامی کیونٹی کے ۱,۰۰۰ سے زائد باشندے براہ راست اور بالواسطہ طور پر اس کے صاف پانی کی سہولت سے لطف اندوز ہو رہے ہیں۔

اسی طرح کی کوشش کھوڑ اور میال کے علاقوں میں بھی کی گئی ہیں جن میں آٹھ کلومیٹر لمبی پانی کی پائپ لائن نالہ سواں سے کھوڑ گاؤں تک ڈالی گئی۔ پانی کے ادپن کنیکشن دیئے گئے اور اس کی بحالی کی لاگت میں بھی اشتراک کیا جاتا ہے۔ میال میں پانی کے ۳۲ کنیکشن دیئے گئے جن سے ۵۰۰ گھرانے فائدہ اٹھا رہے ہیں۔ یونین کونسل کھڑپہ کو پانی کی سہولت مقامی لوگوں کو دینے کے لئے ۲ ملین روپے عطیہ کے گئے۔

انسانی وسائل (HR)۔

ہی او ایل یٹین رکھتی ہے کہ مؤثر انسانی وسائل (HR) مینجمنٹ اور ترقی کی پالیسیوں کے اپنانے سے تنظیمی مقاصد اور اس میں قابل ستائش اضافہ ہوتا ہے۔ ہی او ایل کا نظریہ ہے کہ اس کے ملازمین اس کا سب سے قیمتی اثاثہ ہیں۔ انتخاب کے طریقہ کار اور روزگار کی پالیسیوں کو اس طرح بنایا گیا ہے کہ قابل اور تعلیم یافتہ ملازمین کو راغب کیا جائے تاکہ وہ کمپنی مقاصد کو پورا کرنے کے لئے اپنی بہترین کوششوں سے اہم کردار ادا کرنے کے لئے تیار ہوں۔

ان کھیلوں کے علاوہ ہی او ایل مقامی کیونٹی کی تفریح کے لئے روایتی لوک کھیلوں کی حمایت اور ان کی ثقافت کا حصہ بننا ہے۔ ان میں درج ذیل کھیل شامل ہیں:

- نیزہ بازی

- تیل دوڑ

- درسد کشی

۱۳ اگست کی تقریب کو کھوڑ اور کرز کلب میں منایا جاتا ہے۔ کمیٹی کے ملازمین اور مقامی کیونٹی سمیت زندگی کے تمام شعبہ ہائے جات کے لوگ اس میں شرکت کرتے ہیں۔ اس کے علاوہ کلب میں "سالانہ مغل مشاعرہ" میں مقامی ورکرز کیونٹی کے شرکاء کے لئے آمدورفت اور کھانے کی سہولت فراہم کی جاتی ہے۔ ہی او ایل عید میلاد النبی ﷺ منعقد کرنے اور کھوڑ میں سالانہ مغل نعت ترتیب دینے کے لئے مقامی آبادی کو اپنے وسائل سے گاڑیاں، خوراک، بجلی اور دیگر ضروریات فی سہیل اللہ مہیا کرتی ہے۔

بنیادی ڈھانچہ کی ترقی۔

اگر مقامی باشندے بڑی منڈیوں تک رسائی حاصل کریں تو ان کے معیار زندگی کو بہتر بنایا جاسکتا ہے۔ آپریشن کے علاقوں میں مقامی کیونٹی کے معیار زندگی کو بلند کرنے کے لئے ہی او ایل نے صرف سڑکوں کے نیٹ ورک کی تعمیر پر ہی خرچ نہیں کیا بلکہ گلیوں کا پکا کرانا، پلوں اور نکاسی آب کے نظام میں بہتری لانا بھی شامل ہے۔

مقامی آبادی کے لئے صاف پانی کی سہولت۔

دیگی لوگوں کی بنیادی ضروریات جن میں پینے کے صاف پانی تک آسان اور کم وقت میں رسائی حاصل کرنے کی کوششوں میں مدد اس سلسلے میں کئی منصوبوں پر کام شروع کر دیا گیا ہے۔

ہی او ایل، پری وائی اور میال کے ارد گرد واقع مختلف دیہاتوں میں پانی کی فراہمی کے منصوبوں کی ترقی پر رقم اور وقت صرف کر چکی ہے۔ ان منصوبوں کے کئی دیہات میں ۲۵۰۰ سے زائد گھرانوں کو پینے کے صاف پانی کی

ان سکولز کا نصاب اس طرح بنایا گیا ہے کہ طالب علم کو سوالات کرنے کا حوصلہ دیا جائے اور وہ عظیم شہری بننے کے مواقع تلاش کریں۔

پی او ایل ووڈ کیشنل ٹریننگ سنٹر۔

پی او ایل نے خواتین کے لئے پیشہ ورانہ ترقیاتی مرکز قائم کیا ہے۔ اس مرکز قائم کرنے کے مقاصد میں رویوں، علم، اور مقامی کمیونٹی کی خواتین میں خود روزگار کے لئے مہارت کی ترقی ہے۔ ایک ۱۰،۰۰۰ سے زائد خواتین اور لڑکیوں کو تربیت دی جا چکی ہے۔ جولائی ۲۰۱۶ء میں پی او ایل نے VTC کھوڑے میں Safety Coveralls Stitching پونٹ قائم کیا ہے۔ سلائی مرکز کے قیام کا مقصد اخراجات میں کمی اور VTC کے طلباء اور طالبات کی سلائی کڑھائی کی مہارت میں مدد دیکھنا پیدا کرنا ہے۔

کھیل، ثقافتی اور مذہبی سرگرمیاں۔

اس پر یقین رکھتے ہوئے کہ کھیل نہ صرف جسمانی صحت کو بہتر بناتے ہیں بلکہ جوانوں کی ترقی میں ایک اہم کردار ادا کرتے ہیں جن میں ان کی بہتر تعلیم، اعلیٰ خود اعتمادی، مثبت رویوں اور بہتر نفسیاتی خدشات بھی شامل ہیں۔ پی او ایل ہمیشہ کمیونٹی کے درمیان کھیلوں کی سرگرمیوں کو فروغ دیتا ہے اور اس کے لئے سہولیات بھی فراہم کرتا ہے جن میں کرکٹ، ہاکی اور فٹ بال کے میدان، بیڈمنٹن اور والی بال کورٹس شامل ہیں۔

پی او ایل نے کئی ٹورنامنٹ منعقد اور سپانسر کئے جن میں درج ذیل شامل ہیں:

- کرکٹ ٹورنامنٹ (ہارڈ گیند اور ٹینس گیند)

- ہاکی ٹورنامنٹ

- والی بال ٹورنامنٹ

- بیڈمنٹن ٹورنامنٹ

ڈاکٹر شاد ڈگری کالج۔

پی او ایل نے کھوڑا اور گردونواح کے علاقوں کے جوانوں کو معیاری تعلیم فراہم کرنے کے مقصد کے تحت کھوڑے میں ڈاکٹر شاد ڈگری کالج قائم کیا ہے۔ ابتدائی طور پر یہ ایک انٹرمیڈیٹ کالج تھا لیکن بعد میں ڈگری کلاسز شامل کرنے کے لئے اس کا الحاق پنجاب یونیورسٹی لاہور کے ساتھ کیا گیا۔ کالج کے مختلف شعبوں میں ۲۳۰ طالب علم تعلیم حاصل کر رہے ہیں۔ تدریسی شعبہ طالب علموں کو تسلسل کے ساتھ معیاری تعلیم کی فراہمی کے لئے اعلیٰ تعلیم یافتہ عملے پر مشتمل ہے۔

اس سال "Effective Teaching" کے ذریعے اساتذہ کی

تربیت کا انتظام کیا گیا جس سے اساتذہ نے استفادہ کیا۔

ڈاکٹر شاد ڈگری کالج کیسپس میں Comsats ایک کیسپس میں

(GAT&NAT)NTS کی تیاری کے لیے کلاسز کا انتظام کیا جا رہا

ہے۔

پی او ایل ماڈل سکول۔

کمپنی نے "موجی سوری" کے علاوہ لڑکے اور لڑکیوں کے لئے "ہارٹیکنڈری لیول" کے سکولوں کو قائم کیا ہے۔ ان سکولوں کو اعلیٰ معیار، مددگار اور انہماک و تہنیت کے ماحول میں طالب علموں کو اچھی تعلیمی پیکجنگ کرنے کے مقصد کے تحت قائم کیا گیا ہے۔ دونوں سکولز میں ۶۰ طالب علم ہیں۔ سیکشنز کی تعداد بڑھ کر ۲۶ ہو گئی ہے۔ ان سکولوں میں تدریسی شعبہ تعلیم یافتہ اور تجربہ کار اساتذہ پر مشتمل ہے جو طالب علم کے رویے، مندرجہ مطالعہ، کام کی عادت اور دوسروں کے احترام کے مجموعی اساس کو یقینی بناتے ہیں۔ اساتذہ کے باقاعدہ ترقیاتی پروگراموں سے اساتذہ کی قابلیت میں اضافہ ہوا ہے۔ گذشتہ تین برسوں کی نسبت میٹرک کے نتائج میں خاطر خواہ بہتری آئی ہے۔ بورڈ کے نتائج بدستور ۹۳.۳۵٪ بمعہ 19A+ رہے۔ اس سال سکول کو یہ اعزاز حاصل ہوا ہے کہ وزیر اعلیٰ لیپ، ناپ سکیم کے تحت چھ باصلاحیت طلباء کو لیپ ناپ دیئے گئے۔ یہ شرح ضلع انگ میں سب سے زیادہ ہے۔

تبدیلیوں کو ڈرائیو کرتا ہے۔ دو کوشش ایجنڈے ٹیکنیکل ٹریننگ سنٹرز نئے مواقع کی وجہ سے بدلتی ہوئی معیشت اور مقامی کمیونٹی کی ضروریات کی لئے منفرد ہیں۔

ابتدائی ۲۰۱۵ء میں الیکٹریکل ڈائریکٹرز ٹیکنالوجی میں TEVTA، لاہور کے ساتھ رجسٹریشن حاصل کی گئی۔ پنجاب بورڈ آف ٹیکنیکل ایجوکیشن لاہور کے ساتھ وابستگی ایسوسی ایٹ انجینئرنگ میں ڈپلومہ (۳ سالہ کورس) شروع کرنے کے لئے حاصل کی گئی۔ ستمبر ۲۰۱۵ء میں متذکرہ ہالادوں شعبوں میں ۲۰/۲۰ طلباء کو داخلہ دیا گیا۔ کھوڑ اور گردونواح کے لوگ پٹرولیم اور پٹرولیم کے دیگر ٹیکنالوجیکل شعبوں میں کام کرتے ہیں تاہم پٹرولیم کا نصاب TEVTA Board کو جائزے / منظوری کے لئے بھیجا گیا اور پھر ٹیٹا بورڈ اور PBTE، لاہور سے منسلک کیا گیا۔ ۲۰۱۶ء میں مقامی افراد کی مدد کے لئے ڈاکٹر راشد انسٹیٹیوٹ آف ٹیکنیکل ایجوکیشن میں پٹرولیم ٹیکنالوجی میں DAE کا آغاز کیا گیا۔ اس وقت ہمارے پاس DAE پٹرولیم ٹیکنالوجی میں ۱۷ طلباء ہیں۔

ٹیکنیکل کالج کے سینٹر کے تحت، ۱۴ دسمبر ۲۰۱۶ء کو پنجاب سگورڈ واپسٹنٹ ٹیڈ (PSDF) کے ساتھ ایک "پیشہ وارانہ تربیت مہیا کرنے کا معاہدہ" کیا گیا ہے۔

۲۰۱۷ء میں الیکٹریشن اور موٹر وائیئرنگ کے مختصر کورس شروع کئے گئے اور ہر کلاس میں ۲۵ طلباء داخل ہوئے ان کورسز کا دورانیہ چھ ماہ تھا۔ تمام طلباء امتیازی حیثیت سے کامیاب ہوئے اور ان میں سے چند طلباء مختلف صنعتی اداروں مثلاً نئے اسلام آباد ہوائی اڈہ، بیوی انڈسٹریز ٹیکسلا، بیوی ٹیکنیکل کپلیکس ٹیکسلا وغیرہ میں ملازمت کے حصول میں کامیاب ہوئے۔

ہمارا CSRI ایک وسیع ایریا پر مشتمل ہے جن میں سکولوں، کالجز اور صحت کے مراکز کی تعمیر، سڑکوں اور پلوں 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۔

تعلیم

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

قیام کے آغاز کے بعد سے ۲۰۱۷ء تک، پی او ایل ۸۱.۵ لاکھ روپے کلاس رومز کی تعمیر، سرکاری سکولوں اور ارد گرد کے کالجز کے بنیادی ڈھانچے کو بہتر بنانے، کمپیوٹرز، سائنس لیبارٹری، فرنیچر اور کچن فراہم کرنے میں خرچ کر چکی ہے جس سے ۳۰۰،۰۰۰ سے زائد طلباء مستفید ہو رہے ہیں۔

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

ڈاکٹر راشد ٹیکنیکل ایجوکیشن انسٹیٹیوٹ

ٹیکنیکل تعلیم ملک کی سماجی اور اقتصادی ترقی میں ایک اہم کردار ادا کرتی ہے۔ ان کی متحرک نوعیت کی وجہ سے، وہ مسلسل سکولوں، صنعت اور معاشرے میں

آن لائن تعاون کا نظام (Online Collaboration Management)

مشترکہ منصوبوں کے اخراجات کی منظوری (JV AFE)، Concession کے انتظامات، اجلاس کی تفصیلات، SOPs اور پی او ایل بھری رپورٹنگ کو با مقصد اور فعال بنا کر ان میں مرکزیت قائم کر دی گئی ہے۔

مائع پرو لیم گیس باؤزر (LPG Bowser Movement Management)

راستے کی منصوبہ بندی، مسافت، ایندھن کی کھپت اور ان سے وابستہ اخراجات شمار کا تجزیہ اور جائزہ اب آن لائن کیا جائے گا۔

مستقبل کے امکانات:

۔ احتیاطی تدابیر کی بلا تھقل فراہمی
۔ پناہ اولیٰ کے پول کی گاڑیوں کا انتظامی منصوبہ
۔ کارپوریٹ سماجی ذمہ داری۔

پناہ اولیٰ میں ہم یقین رکھتے ہیں کہ ہم جہاں بھی کام کریں ہم اس معاشرے کا لازمی حصہ بنیں۔ معاشرے میں سرمایہ کاری صرف ایک مطالبہ نہیں جس کو ہم نے پورا کرنا ہے بلکہ یہ ایک فلسفہ ہے۔ اس کی بنیادی اقدار کے حصے کے طور پر کمپنی اس بات کو زبردست اہمیت دیتی ہے کہ جس معاشرے میں کمپنی کام کر رہی ہے اس کی ترقی میں حصہ لے۔

ایک اچھے کارپوریٹ شہری بننے کے لئے ہماری وابستگی میں شامل 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 طرز 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۔

تحقیق بنیادی کام ہے۔ ارضیاتی اعداد و شمار کا حصول، عمل اور جیولوجیکل سرگرمیوں کے دوران ان کی تشریح زیادہ سے زیادہ اعداد و شمار کے پیمانوں کا انتخاب محتاط تجرباتی تحقیق کے ذریعے ہی ممکن ہے۔ کمپنی کسی جگہ میں ہائیڈروکاربن کے حجم کو ماپنے کے لئے جامع تجزیہ کرتی ہے، کسی بھی جگہ کھدائی سے پہلے ڈیجیٹل سطح کی جدید ذرائع سے منظر کشی بھی کرتی ہے۔

یہ تحقیق اپنے اور بیرونی G&G ذرائع اور ذخائر کے مطالعہ کی 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 کمپنوں کی کھدائی کے ساتھ ساتھ جو پہلے جغرافیائی محل وقوع میں بیان کر دیے گئے۔ اس سال درج ذیل بڑے کاروباری ترقیاتی منصوبے شروع کئے گئے ہیں۔

بزنس انٹیلی جنس (BI):

BI اور ڈیٹا لوجی کے استعمال سے نئی رپورٹنگ کے طریقہ کار کو کمپنی بھر میں اعداد و شمار پر بہتر نظر فراہم کرنے کے لئے لاگو کیا گیا ہے۔

کارکنان کی کارکردگی کا انتظام

(Employee Performance Management):

لیکن ایچ آر ایک خود کار نظام متعارف کرایا گیا ہے۔ تجزیہ کار اور سرپرست اس نظام کے ذریعے اپنے ماتحتوں کو کام تجویز کر سکتے ہیں انہیں بہتر نظم میں لاسکتے ہیں اور انتظامیہ کی معلومات کے لئے تجاویز ریکارڈ بھی کر سکتے ہیں۔

کمپیوٹرائزڈ بحالی کا نظام (Computerized Maintenance Management)

صنعتوں کے لئے معیاری ویب پیمانی انونٹری (Inventory) خریداری اور کھاتوں کا نظام نے کام شروع کر دیا ہے۔

دیگر شرائط دار چلاتے ہیں۔ ہمارے تھوڑے حصے کی وجہ سے کئی دفعہ شرائط داروں پر اثر انداز ہونے کی صلاحیت محدود ہو جاتی ہے۔ کئی اہم فیصلوں پر ہم آہنگی نہ ہونے کی وجہ سے ان منصوبوں کے معاملات میں تاخیر کا سبب بن سکتا ہے۔ اس کے علاوہ اس کے لئے ہم شرائط داروں سے ہم باہم رابطے میں رہتے ہیں۔

۷۔ ماحولیاتی قواعد و ضوابط:

کمپنی پر صحت، محفوظ طریقہ کار اور ماحول کے قواعد و ضوابط لاگو ہوتے ہیں۔ تبدیل شدہ قوانین پر عمل درآمد کے نتیجے میں اخراجات میں اضافہ اور عدم تعمیل کی صورت میں جرمانہ عائد ہو سکتا 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 صورت 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 ان اور فارم آؤٹ معاہدوں کے ذریعے اور E & P کمپنیوں سے شرائط قائم کرنے کے لئے مسلسل کوشاں ہے۔ ایل پی جی کے کاروبار میں مارجن کو برقرار رکھنے کی غرض سے کمپنی نے ایل پی جی ذخیرہ کرنے کی مناسب صلاحیت حاصل کر لی ہے اور مزید ایل پی جی کی پائیدار اور مناسب قیمت پر فراہمی کے لیے کوشاں ہے۔

۹۔ انفارمیشن ٹیکنالوجی (آئی ٹی) کی ناکامی:

آج کے ماحول میں جہاں آئی ٹی پر انحصار قوانین اور ریگولیشن کی حتمی معیار 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 و شمار کی حفاظت کے لئے ایک علیحدہ IT 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 شرائط دار:

ہم باہمی اشتراک کے ماحول میں کام کر رہے ہیں اور ہمارے کئی منصوبے

۱۲۔ دہشت گردوں کے حملے:

دہشت گردوں کا حملہ ہمارے کاروبار پر بہت زیادہ منفی اثرات مرتب کر سکتا ہے۔ اس خطرے کے علاوہ اس 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 ذمہ داری:

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

۱۴۔ کنوژن میں ڈرنک آلات کا کھوجانا یا مرمت کے قابل نہ ہونا:

کھدائی کے دوران پہلے آلات کنوژن میں مختلف گہرائیوں میں داخل کیے جاتے ہیں۔ جہاں ان کے کھوجانے یا ناقابل مرمت خراب ہونے کا اندیشہ ہوتا ہے، اس خطرے کے علاوہ اس کے لئے کمپنی بھرپور نظر رکھتی ہے۔ اور ان آلات کی انشورنس بھی کرائی ہے۔

کاروباری عمل اترتی قیاتی سرگرمیاں:

کمپنی کا خیال ہے کہ معیار اور مسلسل بہتری کے ایک مضبوط عزم کا مہیا حاصل کرنے کے لئے ہرگز بے اجزاء ہیں۔ تمام عمل مسلسل تفتیش اور بہتری سے مشروط ہے۔ تیل و گیس کی دریافتی اور پیداواری کمپنی کی حیثیت سے

اور اس سے وابستہ خدمات اور آلات کے لیے بھی اعلیٰ معیار کو یقینی بنایا جاتا ہے۔ اس کے علاوہ تمام کنوؤں کے لیے دوران کھدائی کنویں کی کنٹرول کی انشورنس کرائی جاتی ہے۔

۴۔ تیل اور گیس کے اہم فیئلڈز (قطعاً) کی کارکردگی میں کمی: کمپنی کی مستقبل کی آمدنی اور منافع اس کے تیل اور گیس کی فیئلڈز کی پیداوار اور ذخائر پر منحصر ہے۔ فیئلڈز 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:

کاروبار میں ممکنہ خطرات سے نمٹنے کا بندوبست کرنا کوئی نیا رجحان نہیں مگر بدلتے ہوئے عالمی ماحول میں اچھے طریقے سے تدارک کرنا ایک اہم چیلنج ہے۔ خریداری کے عمل میں کمزوری کو کمپنی کے منافع کے لیے ممکنہ خطرے کے طور پر دیکھا جاسکتا 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 جرماتوں 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 پکٹھے 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 نتیجے میں ضرورت سے بڑے پلانٹ کی مدد 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۔

کمپنی کو درپیش خطرات اور ان کا تدارک

بورڈ ایک اہم انتظامی مہارت کے طور پر کاروباری ریسک منجمنٹ کے بنیادی فلسفہ پر کاربند ہے۔ بورڈ نے ممکنہ خطرات کی نشاندہی اور تدارک کے لئے منظم منصوبہ بندی کی ہے۔ کمپنی اپنی ریسک منجمنٹ پالیسی پر نہ صرف عمل درآمد کرتی ہے بلکہ اس کی مسلسل نگرانی اور اس میں بہتری لانے کے لیے کوشاں رہتی ہے اس کے لئے ضروری ہے کہ کمپنی کے سٹریٹجک اور آپریشنل مقاصد سے آگاہی حاصل کی جائے اور کمپنی کو متاثر مواقع اور اس کو درپیش خطرات کی نشاندہی کی جائے۔

کمپنی کو درپیش کچھ بڑے ممکنہ خطرات 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۔ تیل کے ذخائر کا دریافت نہ ہونا:

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۔

۳۔ کھدائی کے دوران درپیش ممکنہ خطرات:

تیل اور گیس کے لیے کھدائی فطری طور پر خطرات سے بڑے جنم میں کنویں کا نذر تلاش ہونا، پائپ یا دیگر آلات 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 سٹریٹجک اور پیشہ ور ٹیموں کا انتخاب کرتی ہے اور رگ

ماہی خیل ڈیمپ - زیادہ گہرائی میں موجود امکانات دریافت کرنے کے لئے نکل بلاک میں مشترکہ منصوبوں کے شرکاء نے کنویں کی منظوری دے دی ہے۔ نکل بلاک میں مزید حصوں کو دریافت کرنے کے لئے اپنے ہاں 2D/3D ارضیاتی اعداد و شمار کی تشریح پر کام جاری ہے۔

گرگلوٹ (زیر انتظام اوجی ڈی سی ایل جہاں پی او ایل کا ۲۰ فی صد حصہ ہے) میں مارچ ۲۰۱۵ء کو سررقم ۱ کنویں کی کھدائی کا آغاز ہوا۔ فشنگ اور مڈلاس (Fishing and mud loss) جیسے مسائل کی بناء پر تین ضمنی ٹریک کرنے کے بعد گہرائی کا پروف ۱۶،۲۹۹ فٹ حاصل کیا گیا مگر پیداواری جانچ کے بعد یہ کنواں ناکام ثابت ہوا۔

پاکستان آئل فیلڈز لمیٹڈ نے پاکستان پٹرولیم لمیٹڈ کے زیر انتظام حلال بلاک میں ۲۵ فی صد حصص حاصل کر لئے ہیں جہاں پہلے دریافتی کنویں مصریال XI کی ارضیاتی تشریح کے بعد مشترکہ منصوبوں کے شرکاء نے منظوری دے دی ہے۔

ذیلی ادارہ :

کیپ گیس (پرائیویٹ) لمیٹڈ :

اس سال کیپ گیس نے ۳۶.۹۷ ملین روپے منافع کمایا (۱۶-۲۰۱۵ : ۶۷.۹۲ ملین روپے) اس سال میں ۲۱۰% منافع کا اعلان کیا ہے۔ (۱۶-۲۰۱۵ : ۷۰%) کمپنی نے یومیہ اوسطاً ۲۵ میٹرک ٹن مائع پٹرولیم گیس آبدی پلانٹس سے اور اوسطاً ۵۵ میٹرک ٹن پارکو سے حاصل کر رہی ہے۔

خام تیل کی نقل و حمل :

کھوڑ خام تیل ڈیکنگ کی سہولت پر اطمینان بخش طریقے سے کام ہو رہا ہے۔ دوران سال اس سہولت اور پائپ لائن کے ذریعے ۸.۰ ملین بیرل خام تیل (۲۰۱۶ : ۵.۳ ملین بیرل) بھپے (Nashpa) جل بلاک اور دیگر مقامات سے ایک ریفرنسری لمیٹڈ کو پمپ کیا گیا۔

رتانہ (زیر انتظام اوٹن پاکستان لمیٹڈ جہاں پی او ایل کا حصہ ۳۵.۵۳۵ فی صد ہے) میں ۳۷۷۷ مربع کلومیٹر میں سے ۲۳۲.۰۸ مربع کلومیٹر کے 3D ایاتی اعداد و شمار پر کام ہو چکا ہے۔ بقایا کام کو ٹھیکہ دار کے ساتھ انتظامی امور کے تصفیہ کے بعد دوبارہ شروع کر دیا گیا ہے تاکہ اس علاقے کی پیداواری صلاحیت کو مکمل طور پر دیکھا جاسکے۔

دریافتی بلاکس :

اخلاس (۸۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) میں اگست ۲۰۱۶ء کو دریافتی کنواں جنٹیل ۱ کی کھدائی کا آغاز ہوا ہدف تک گہرائی تکمل کی جا چکی ہے اور کنویں کی پیداواری جانچ کا عمل جاری ہے۔

ڈی جی خان (۷۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) میں گذشتہ سال ہونے والے ارضیاتی اعداد و شمار نے نئی لیڈر حصین کی ہیں۔ تقریباً ۲۶۳ کلومیٹر لائن اضافی 2D ارضیاتی اعداد و شمار کے حصول کی منظوری دی جا چکی ہے تاکہ حاصل ہونے والے اعداد و شمار کی تصدیق کی جاسکے۔

مارگہ (۳۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) ۷۰ لائن کلو میٹر میں 2D ارضیاتی اعداد و شمار کا حصول اور ان پر جائزے کا عمل پایہ تکمیل کو پہنچ چکا ہے تاکہ اس علاقے کی پیداواری صلاحیت کو مکمل طور پر دیکھا جاسکے

نکل (زیر انتظام اوجی ڈی سی ایل، جہاں پی او ایل کا نقل و تجارتی پیداوار حصہ ۲۵ فی صد ہے) میں ممکن حد تک گہرائی کے علاقے دریافت کرنے کے لئے 2D/3D ارضیاتی اعداد و شمار کو پرکھنے کا عمل جاری ہے۔ منزل لائی کے غربی حصے میں ۸۷۷ مربع کلومیٹر علاقے میں کشش ثقل (Gravity Survy) سے اعداد و شمار کے حصول کے بعد ان کو پرکھنے کا عمل جاری ہے۔ تونج شرقی ۱ - دریافتی کنویں کی کھدائی کا آغاز اپریل ۲۰۱۷ء کو ہوا اور اب ۶،۸۳۱ فٹ گہرائی پر کھدائی جاری ہے۔

آہدی فیلڈز کی دوبارہ پیداواری صلاحیت کا مطالعہ کیا جا رہا ہے۔

آہدی ۲۶۔ جولائی ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا اور گہرائی کا ہدف ۱۱۵۲۲ فٹ کامیابی سے حاصل کیا گیا ہے۔ کنویں کی پیداواری جانچ کے دوران یومیہ ۲۰ بیرل تیل اور ۶۳۳ ملٹن کیوبک فٹ گیس حاصل ہوئی۔

آہدی ۲۷۔ پیداواری جانچ کے عمل کے دوران اس کنویں سے یومیہ ۶۸۳ بیرل تیل اور ۵۷۷ ملٹن کیوبک فٹ گیس حاصل ہوئی۔ جبکہ چوک سائز ۳۲/۶۳' تھا اور بہاؤ کا دباؤ PSI ۱۰۶۰ تھا

آہدی ۲۸۔ پیداواری جانچ کے عمل کے دوران اس کنویں سے یومیہ ۳۳۰ بیرل تیل اور ۱۱۶ ملٹن کیوبک فٹ گیس حاصل ہوئی۔ جبکہ چوک سائز ۳۲/۶۳' تھا اور بہاؤ کا دباؤ PSI ۳۲۰ تھا

آہدی ۲۹۔ مارچ ۲۰۱۷ء کو کنویں کی کھدائی کا آغاز ہوا تھا۔

گہرائی کا ہدف ۱۱۰۰۱ فٹ حاصل کر لیا گیا ہے۔ اس وقت کنویں کی پیداواری جانچ کا عمل جاری ہے۔

آہدی ۳۰۔ مئی ۲۰۱۷ء کو کنویں کی جانچ کی گئی تھی۔ ۸۰۳۳ فٹ پر کھدائی جاری ہے۔

آہدی جنوبی ۱۔ جون ۲۰۱۷ء کو دریا فنی کنویں کی کھدائی کا آغاز ہوا اور ۱۰۱۷۳ فٹ تک کھدائی ہو چکی ہے مزید کھدائی جاری ہے۔

آہدی ۱۵۔ پرامٹنی کام (Work over) کیا گیا۔ کنواں مکمل ہو گیا ہے یہاں سے پیداواری جانچ کے دوران یومیہ ۲۰۶۱۸ بیرل تیل / کنڈنسٹ اور ۱۳۳۳ ملٹن کیوبک فٹ گیس کی پیداوار حاصل ہوئی۔

آہدی ۱۷۔ پرامٹنی کام (Work over) کیا گیا اور پیداواری جانچ کے دوران یومیہ ۶۰۰ بیرل تیل اور ۹۹۶ ملٹن کیوبک فٹ گیس کی پیداوار حاصل ہوئی

جھل گیس جنوبی (زیر انتظام اوجی ڈی سی ایل جہاں پی او ایل کا حصہ ۲۳ فی

صد ہے) پلانٹ کی تنصیب کا کام روک دیا گیا ہے کیوں کہ سوئی سدرن گیس کمپنی لمیٹڈ (SSGCL) کی جانب سے پائپ لائن بچھانے کا فیصلہ پایہ تکمیل کو نہیں پہنچا۔

پری والی (پی او ایل) ۸۲.۵ فی صد حصص کے ساتھ ملکیت (ذخائر کے دوبارہ پیداواری عمل کا مطالعہ مکمل کر لیا گیا ہے۔

- Fracture swarm mapping is in progress.

دوبارہ پیداواری عمل کے مطالعہ سے حاصل شدہ معلومات کی بناء پر ترقیاتی منصوبے کا جائزہ لیا جا رہا ہے۔

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

مردان خیل ۲۔ ستمبر ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا تھا۔ یہاں گہرائی کا ہدف ۲۵۷۷ میٹر حاصل کیا گیا ہے۔ ڈرل اسٹیم میٹ (DST) کے بعد کنویں سے یومیہ ۱۰۷۷ بیرل خام تیل اور ۱۲۹۷ ملٹن کیوبک فٹ گیس ۳۲/۶۳ چوک سائز پر پیداوار حاصل ہوئی۔ ۲۶ جون ۲۰۱۷ء کو ڈرننگ رگ اٹارنی گئی۔ امید ہے کہ جون ۲۰۱۸ء تک یہاں سے پیداوار حاصل ہونا شروع ہو جائے گی۔

مردان خیل ۳۔ گہرائی کے ہدف پر پہنچنے کے بعد اس کنویں پر کام مکمل ہو گیا ہے۔ پمپنگ کے بعد اس کنویں سے PSI ۳۰۱۸۲ کے دباؤ اور ۳۲/۶۳ چوک سائز پر یومیہ ۳۷۷ بیرل کنڈنسٹ اور ۱۲۳۸ ملٹن کیوبک فٹ (mmscf) گیس حاصل ہوئی۔ مقامی آبادی کی فراہمی گیس کے مطالبے اور مزاحمت کی بناء پر گیس کی لائن کے ساتھ اس کے منسلک ہونے کی فی الحال حتمی تاریخ نہیں دی جاسکتی۔

کوڑی شرقی ۶۔ کی کھدائی کا آغاز جنوری ۲۰۱۷ء کو ہوا تھا اور اس وقت ۱۵۶۳۰ فٹ پر کھدائی جاری ہے۔

مارمڑی ۳۔ کی کھدائی کا آغاز اگست ۲۰۱۶ء کو ہوا تھا اور گہرائی کا ہدف حاصل کر لیا گیا ہے، ایئر لیمٹ جاب کے بعد میٹ کیا گیا اور یومیہ ۶۰۳ بیرل کنڈنسٹ اور ۲۳۰۵ ملٹن کیوبک فٹ گیس حاصل ہوئی۔ اس کنویں کو اب پیداواری عمل سے منسلک کر دیا گیا ہے۔

آہدی فیلڈ (زیر انتظام پاکستان پٹرولیم لمیٹڈ جہاں پی او ایل کا حصہ ۱۱ فی صد ہے) دو کنویں آہدی ۳۱ اور آہدی ۳۲ کی جگہ کی منظوری دی جا چکی ہے۔

زیر جائزہ مدت میں کمپنی کی یومیہ پیداوار بشمول مشترکہ منصوبوں کے واسطے یوں رہی: خام تیل ۷۷۸،۷۷۶ بیر، گیس ۷۷،۷۷۶ ملین سینڈرڈ کیوبک فٹ، مائع پٹرولیم گیس ۱۵۹،۳۲ میٹرک ٹن، سلفرک ٹن ۱،۵۵ میٹرک ٹن اور سالونٹ آئل ۵۵ بیر۔

دریافتی اور ترقیاتی سرگرمیاں:
پیداواری فیلڈز:

بلکسر (پی او ایل ۱۰۰ انی صد ملکیت) میں 2D/3D ارضیاتی اعداد شمار (Seismic data) کی تشخیص کا کام انتہائی گہرائیوں (Subthrust levels) تک مکمل ہو چکا ہے۔ ان انتہائی گہرائیوں میں دو امکانات کی نشاندہی ہوئی ہے جس کی تصدیق کے لئے ۱۹۳ مربع کلومیٹر رقبے پر 3D ارضیاتی اعداد شمار پر کام کا آغاز ہو چکا ہے۔

جو یا میر (پی او ایل ۱۰۰ انی صد ملکیت) میں زیادہ گہرائی میں امکانات دریافت کرنے کے لئے کنوں کی جگہ کا انتخاب کرنے کے لئے کوشاں ہیں تاکہ جو یا میر ڈیپ۔ ا کی کھدائی کی جاسکے۔

کھوڑ (پی او ایل ۱۰۰ انی صد ملکیت) کھوڑ شمالی۔ کنوں کی تجاویز مکمل کر لی گئی ہیں تاکہ اس علاقے کی بنیاد امکانات کو دریافت کیا جاسکے۔

ترکوال (پی او ایل ۷۷،۳۷ انی صد حصص کے ساتھ ملکیت) علاقے کے مکمل امکانات کو دریافت کرنے کے لئے 3D ارضیاتی اعداد شمار کے حصول کے لئے کام جاری ہے۔

پنڈوری (پی او ایل ۳۵ انی صد حصص کے ساتھ ملکیت) 3D ارضیاتی اعداد شمار سے حاصل شدہ معلومات کی دوبارہ تشریح مکمل ہو چکی ہے باقی ماندہ امکانات جائزہ لیا جا رہا ہے۔ کنوں کی کھدائی کے لئے مختلف مجاویز زیر غور ہیں تاکہ ان امکانات کو ہدف بنایا جاسکے۔

آڈٹ کمیٹی:

بورڈ نے درج ذیل ڈائریکٹرز پر مشتمل آڈٹ کمیٹی تشکیل دی:

- جناب عبدالستار چیئرمین
 - جناب ہاریر شیر نواز رکن
 - جناب جمال احمد خان رکن
 - جناب طارق اقبال خان رکن
 - جناب شعیب اے ملک رکن
 - جناب عبدالستار رکن
- الزید ڈائریکٹرز جناب اے ایل بی فرعون

ہیومن ریسورس اینڈ ریونیویشن (HR & R) کمیٹی:

- جناب ہاریر شیر نواز چیئرمین
 - جناب شعیب اے ملک رکن
 - جناب جمال احمد خان رکن
 - جناب شعیب اے ملک رکن
- الزید ڈائریکٹرز جناب اے ایل بی فرعون

منافع منقسم:

ڈائریکٹرز نے حتمی نقد منافع منقسم ۲۵% (۲۵ روپے فی حصص) تجویز کیا ہے۔ یہ منافع منقسم عبوری نقد منافع منقسم ۱۵% (۱۵ روپے فی حصص) پہلے سے اعلان کردہ اور حصص داران کو ادا شدہ منافع منقسم کے علاوہ ہے یوں برائے سال ۲۰۱۷-۱۸ء فی حصص کل نقد منافع منقسم ۳۰ روپے فی حصص رہا (۲۰۱۶: کل نقد منافع منقسم ۳۵ روپے فی حصص)

پیداوار:

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

جون ۲۰۱۷	جون ۲۰۱۶		
۲,۳۶۹,۷۹۵	۲,۲۸۱,۹۵۰	یو ایس بیرل	خام تیل/Condensate
۲۸,۳۶۰	۲۷,۰۳۵	ملین کیوبک فٹ	گیس
۵۸,۳۵۲	۵۳,۳۱۰	میٹرک ٹن	مائع پٹرولیم گیس
۵۶۶	۶۳۶	میٹرک ٹن	سلفر
۱۸,۸۲۲	۲۵,۶۶۳	یو ایس بیرل	سالونٹ آئل

دوران سال کمپنی کا بعد از ٹیکس مجموعی (Consolidated) منافع ۱۱,۹۰۵ ملین روپے رہا (۱۶: ۱۰,۱۳۲ ملین روپے) جو ظاہر کرتا ہے کہ فی شخص مجموعی (Consolidated) منافع ۵۰.۲۳ روپے (۲۰۱۶: ۳۲.۶۵ روپے فی شخص) رہا۔

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

کیش کا بہاؤ :

۱ سال کیش اور کیش کے مساوی میں ۳,۳۱۸ ملین روپے کا اضافہ ہوا (۲۰۱۶: یہ اضافہ ۱۵۰ ملین روپے رہا)۔ انتظامی سرگرمیوں کی وجہ سے ۱۵۰,۶۷۳ ملین روپے مہیا ہوئے جو کہ گزشتہ برس کی نسبت ۲۵.۷۲% زیادہ تھے جس کی بڑی وجہ خام تیل کی فروخت سے حاصل ہونے والی آمدنیوں میں اضافہ کی وجہ سے صارفین سے حاصل ہونے والی نقد وصولیوں میں اضافہ تھا۔

معیشت میں شراکت :

کمپنی ٹنلنگ کے تیل و گیس کے شعبے میں اہم کردار جاری رکھے ہوئے ہے۔ دوران سال کمپنی نے ٹنلنگ کے لئے ۳۳۳ ملین ڈالر کا زر مبادلہ چھاپا (۲۰۱۶: ۲۳۹ ملین ڈالر)، رائلٹی اور دیگر حکومتی مالیات کی مدد میں ۸,۲۰۲ ملین روپے (۲۰۱۶: ۶,۶۳۳ ملین روپے) ٹنلنگ خزانے میں شامل کیے۔

ڈائریکٹرز:

۲۰ ویں غیر معمولی اجلاس عام منعقدہ ۲۰ جون ۲۰۱۷ء میں تین سالہ دورانیہ کے لئے نئے بورڈ آف ڈائریکٹرز کا انتخاب کیا گیا منتخب ہونے والے ڈائریکٹر کے نام درج ذیل ہیں۔

- جناب لیثی فرعون • جناب دائل جی فرعون • جناب شعیب اے ملک
- جناب ساجد نواز • جناب عبدالستار • جناب طارق اقبال خان
- جناب نہال قاسم


اللہ کے نام سے شروع جو بڑا مہربان نہایت رحم والا ہے
اسٹیٹ بینک آف پاکستان ڈائریکٹرز کو ۱۳ جون ۲۰۱۷ء کو ختم ہونے والے سال کے لئے کمپنی کی سرگرمیوں اور مالیاتی نتائج کا ایک مختصر جائزہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالیاتی نتائج :

غلا صدر درج ذیل ہے:

رقم (’۰۰۰)	
۱۲,۳۱۲,۲۹۳	منافع تمام اخراجات کے بعد
(۲,۷۳۳,۷۸۷)	ٹیکسیشن
۹,۵۷۸,۵۰۶	منافع بعد از ٹیکس

اللہ ندادہ سال کمپنی نے بعد از ٹیکس ۹,۵۷۸ ملین روپے نفع کمایا جو گزشتہ برس (۲۰۱۶ء: ۷,۲۳۳ ملین روپے) کے مقابلے میں ۳۳.۸% فی صد زیادہ ہے۔ یہ منافع ظاہر کرتا ہے کہ اس سال فی شخص آمدنی ۳۰.۹۲ روپے رہی (۲۰۱۶ء: ۳۰.۵۸ روپے فی شخص)۔ بحیثیت مجموعی خالص فروخت (Net Sales) ۲,۳۳۲ ملین روپے بڑھی (۹.۸%) جس کی بڑی وجہ خام تیل کی پیداوار کا ۸.۲۳ فی صد بڑھنا اور ۱۳ فی صد خام تیل کی اوسط قیمت میں اضافہ ہے۔ خام تیل کی یہ پیداوار گزشتہ دس برسوں میں سب سے زیادہ رہی۔ منافع میں اضافے کی ایک وجہ دریافتی اخراجات میں کمی بھی رہی اس سال ایک ٹنلنگ کنویں کی لاگت اخراجات میں شامل کی گئی اس کے مقابلے میں گزشتہ برس دو کنویں کی لاگت اخراجات میں شامل ہوئی تھی۔ گیس اور مائع پٹرولیم گیس کی پیداوار میں ہائپرٹیپ ۳.۸۱% اور ۷.۴۳% اضافہ ہوا۔ فروخت کے اخراجات ۲.۹% کم ہوئے جس کی بڑی وجہ انتظامی اخراجات اور Amortisation میں کمی رہی تاہم فروخت میں اضافہ کی وجہ سے رائلٹی میں اضافہ ہوا۔



SHAREHOLDERS' INFORMATION

Pattern of Shareholding

As at June 30, 2017

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S.No.	From	To	Shares	Total No. of Shareholders
1	1	100	64,823	1,158
2	101	500	462,936	1,481
3	501	1000	661,614	794
4	1001	5000	3,301,800	1,316
5	5001	10000	2,578,588	345
6	10001	15000	1,784,614	143
7	15001	20000	1,228,419	69
8	20001	25000	1,316,220	59
9	25001	30000	1,260,950	45
10	30001	35000	1,152,551	35
11	35001	40000	984,992	26
12	40001	45000	775,634	18
13	45001	50000	1,152,441	24
14	50001	55000	792,660	15
15	55001	60000	810,438	14
16	60001	65000	319,000	5
17	65001	70000	743,796	11
18	70001	75000	587,200	8
19	75001	80000	470,869	6
20	80001	85000	412,500	5
21	85001	90000	440,674	5
22	95001	100000	1,180,836	12
23	100001	105000	614,760	6
24	105001	110000	321,800	3
25	110001	115000	569,100	5
26	115001	120000	115,700	1
27	120001	125000	250,000	2
28	125001	130000	382,600	3
29	135001	140000	139,650	1
30	140001	145000	282,400	2
31	145001	150000	1,190,754	8
32	150001	155000	458,000	3
33	155001	160000	314,600	2
34	160001	165000	323,845	2
35	165001	170000	335,632	2
36	170001	175000	692,203	4
37	175001	180000	536,000	3
38	180001	185000	184,637	1
39	185001	190000	375,896	2
40	195001	200000	600,000	3
41	200001	205000	406,400	2
42	205001	210000	1,241,192	6
43	210001	215000	426,312	2
44	215001	220000	431,100	2
45	220001	225000	668,128	3
46	225001	230000	453,417	2
47	235001	240000	235,600	1
48	240001	245000	241,350	1
49	250001	255000	250,800	1
50	260001	265000	264,384	1
51	270001	275000	546,700	2
52	275001	280000	551,350	2
53	285001	290000	576,400	2

Pattern of Shareholding

As at June 30, 2017

PAKISTANOILFIELDSLIMITED

S.No.	From	To	Shares	Total No. of Shareholders
54	295001	300000	296,300	1
55	305001	310000	306,900	1
56	315001	320000	316,300	1
57	325001	330000	326,200	1
58	335001	340000	677,700	2
59	345001	350000	347,900	1
60	355001	360000	360,000	1
61	365001	370000	1,102,850	3
62	375001	380000	1,132,513	3
63	380001	385000	380,225	1
64	390001	395000	395,000	1
65	415001	420000	416,256	1
66	425001	430000	856,100	2
67	430001	435000	867,100	2
68	445001	450000	1,800,000	4
69	470001	475000	471,600	1
70	480001	485000	482,940	1
71	495001	500000	1,000,000	2
72	505001	510000	510,000	1
73	510001	515000	512,160	1
74	525001	530000	530,000	1
75	530001	535000	534,200	1
76	545001	550000	548,600	1
77	575001	580000	577,800	1
78	630001	635000	634,322	1
79	635001	640000	638,291	1
80	655001	660000	658,626	1
81	670001	675000	672,100	1
82	675001	680000	675,830	1
83	740001	745000	741,000	1
84	745001	750000	2,248,800	3
85	755001	760000	1,513,760	2
86	790001	795000	794,532	1
87	825001	830000	829,000	1
88	835001	840000	839,150	1
89	925001	930000	930,000	1
90	1210001	1215000	1,212,600	1
91	1245001	1250000	1,246,230	1
92	1315001	1320000	1,318,600	1
93	1320001	1325000	1,320,507	1
94	2100001	2105000	2,104,800	1
95	2365001	2370000	2,365,459	1
96	2735001	2740000	2,739,160	1
97	2795001	2800000	2,796,097	1
98	3515001	3520000	3,519,800	1
99	3925001	3930000	3,930,000	1
100	4295001	4300000	4,300,000	1
101	9105001	9110000	9,106,350	1
102	13420001	13425000	13,421,032	1
103	124775001	124780000	124,776,965	1
		Total	236,545,920	5,738

Categories of Shareholders

As at June 30, 2017

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Categories of Shareholders	No. of Shareholders	No. of Shareheld	Percentage %
Investment Corporation of Pakistan	1	97	0.00
Banks & Financial Institutions	79	18,817,664	7.96
Associated Companies	2	125,041,349	52.86
Public Sectors Companies	110	2,554,217	1.08
Modaraba Companies	2	1,360	0.00
Mutual Funds *	77	17,686,648	7.48
Investment Companies	21	5,080,132	2.15
Insurance Companies	23	19,399,572	8.20
Individuals	5,266	40,872,446	17.28
Others:			
Employees Old Age Benefits Institution	1	2,739,160	1.16
Deputy Administrator Abandoned Properties	1	10,900	0.00
Employees Pension / Provident Fund	112	2,276,645	0.96
Charitable Trusts & Foundation	43	2,065,730	0.87
TOTAL	5,738	236,545,920	100.00

Detail of Mutual Funds

As at June 30, 2017

PAKISTANOILFIELDSLIMITED

S.No.	Detail of Mutual Funds *	No. of Shares Held
1	KAPITALFORENINGEN LAERERNES PENSION INVEST	25,000
2	BMA FUNDS LIMITED	25,000
3	NATIONWIDE BAILARD EMERGING MARKETS EQUITY FD	150,000
4	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	1,318,600
5	VANGUARD FTSE ALL-WORLD EX-US SMALL CAP INDEX FUND	211,700
6	VANGUARD EMERGING MARKETS STOCK INDEX FUND	1,212,600
7	VANGUARD TOTAL WORLD STOCK INDEX FUND	22,800
8	INTEREFFEKT INVESTMENT FUNDS N.V.	107,000
9	GLOBAL X FUNDS-GLOBAL X MSCI PAKISTAN ETF	128,120
10	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	534,200
11	CDC - TRUSTEE PICIC INVESTMENT FUND	163,500
12	CDC - TRUSTEE PICIC GROWTH FUND	338,700
13	CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	115,700
14	CDC - TRUSTEE ATLAS STOCK MARKET FUND	339,000
15	CDC - TRUSTEE MEEZAN BALANCED FUND	380,225
16	CDC - TRUSTEE FIRST DAWOOD MUTUAL FUND	2,500
17	CDC - TRUSTEE ALFALAH GHP VALUE FUND	99,100
18	CDC - TRUSTEE AKD INDEX TRACKER FUND	23,679
19	CDC - TRUSTEE PICIC ENERGY FUND	160,345
20	CDC-TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	43,500
21	CDC - TRUSTEE AL MEEZAN MUTUAL FUND	638,291
22	CDC - TRUSTEE MEEZAN ISLAMIC FUND	2,796,097
23	CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	114,900
24	CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	159,100
25	CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	272,300
26	CDC - TRUSTEE NAFA STOCK FUND	1,246,230
27	CDC - TRUSTEE NAFA MULTI ASSET FUND	78,569
28	CDC - TRUSTEE ASKARI ASSET ALLOCATION FUND	11,100
29	CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND	369,050
30	CDC - TRUSTEE DAWOOD ISLAMIC FUND	2,500
31	CDC - TRUSTEE APF-EQUITY SUB FUND	26,500
32	CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	672,100
33	CDC - TRUSTEE HBL - STOCK FUND	347,900
34	CDC - TRUSTEE NAFA ISLAMIC ASSET ALLOCATION FUND	758,560
35	CDC - TRUSTEE APIF - EQUITY SUB FUND	30,000
36	CDC - TRUSTEE HBL MULTI - ASSET FUND	36,000
37	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	34,700
38	CDC - TRUSTEE ALFALAH GHP STOCK FUND	98,800
39	CDC - TRUSTEE ALFALAH GHP ALPHA FUND	66,600
40	CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	512,160
41	CDC - TRUSTEE ABL STOCK FUND	115,000

Detail of Mutual Funds

As at June 30, 2017

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S.No.	Detail of Mutual Funds	*No. of Shares Held
42	M C F S L-TRUSTEE ASKARI ISLAMIC ASSET ALLOCATION FUND	8,000
43	CDC - TRUSTEE FIRST HABIB STOCK FUND	17,000
44	CDC - TRUSTEE LAKSON EQUITY FUND	104,800
45	CDC-TRUSTEE NAFA ASSET ALLOCATION FUND	139,650
46	CDC-TRUSTEE HBL ISLAMIC STOCK FUND	59,800
47	CDC - TRUSTEE PICIC STOCK FUND	30,500
48	CDC - TRUSTEE HBL IPF EQUITY SUB FUND	16,900
49	CDC - TRUSTEE HBL PF EQUITY SUB FUND	12,700
50	CDC - TRUSTEE ASKARI EQUITY FUND	12,500
51	CDC - TRUSTEE KSE MEEZAN INDEX FUND	226,317
52	MCBFSL - TRUSTEE PAK OMAN ADVANTAGE ASSET ALLOCATION FUND	20,000
53	MCBFSL - TRUSTEE PAK OMAN ISLAMIC ASSET ALLOCATION FUND	32,500
54	CDC-TRUSTEE FIRST HABIB ISLAMIC STOCK FUND	7,000
55	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	113,500
56	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	8,000
57	CDC - TRUSTEE AL-AMEEN ISLAMIC ASSET ALLOCATION FUND	50,900
58	CDC - TRUSTEE NAFA ISLAMIC PRINCIPAL PROTECTED FUND - I	1,600
59	CDC-TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND	43,200
60	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	634,322
61	CDC - TRUSTEE PICIC ISLAMIC STOCK FUND	40,100
62	CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	5,350
63	CDC - TRUSTEE ABL PENSION FUND - EQUITY SUB FUND	5,500
64	CDC - TRUSTEE NAFA ISLAMIC STOCK FUND	741,000
65	CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	326,200
66	CDC-TRUSTEE NITIPF EQUITY SUB-FUND	5,000
67	CDC-TRUSTEE NITPF EQUITY SUB-FUND	2,000
68	CDC - TRUSTEE AL AMEEN ISLAMIC DEDICATED EQUITY FUND	152,000
69	CDC - TRUSTEE NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND	316,300
70	ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	1,100
71	CDC - TRUSTEE HBL ISLAMIC ASSET ALLOCATION FUND	39,400
72	CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND	56,000
73	CDC - TRUSTEE NAFA ISLAMIC ENERGY FUND	429,900
74	CDC - TRUSTEE LAKSON TACTICAL FUND	21,377
75	CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND	3,506
76	CDC - TRUSTEE MEEZAN ENERGY FUND	155,000
77	MCBFSL TRUSTEE ABL ISLAMIC DEDICATED STOCK FUND	60,000
	TOTAL	17,686,648

Key Shareholding and Shares Traded

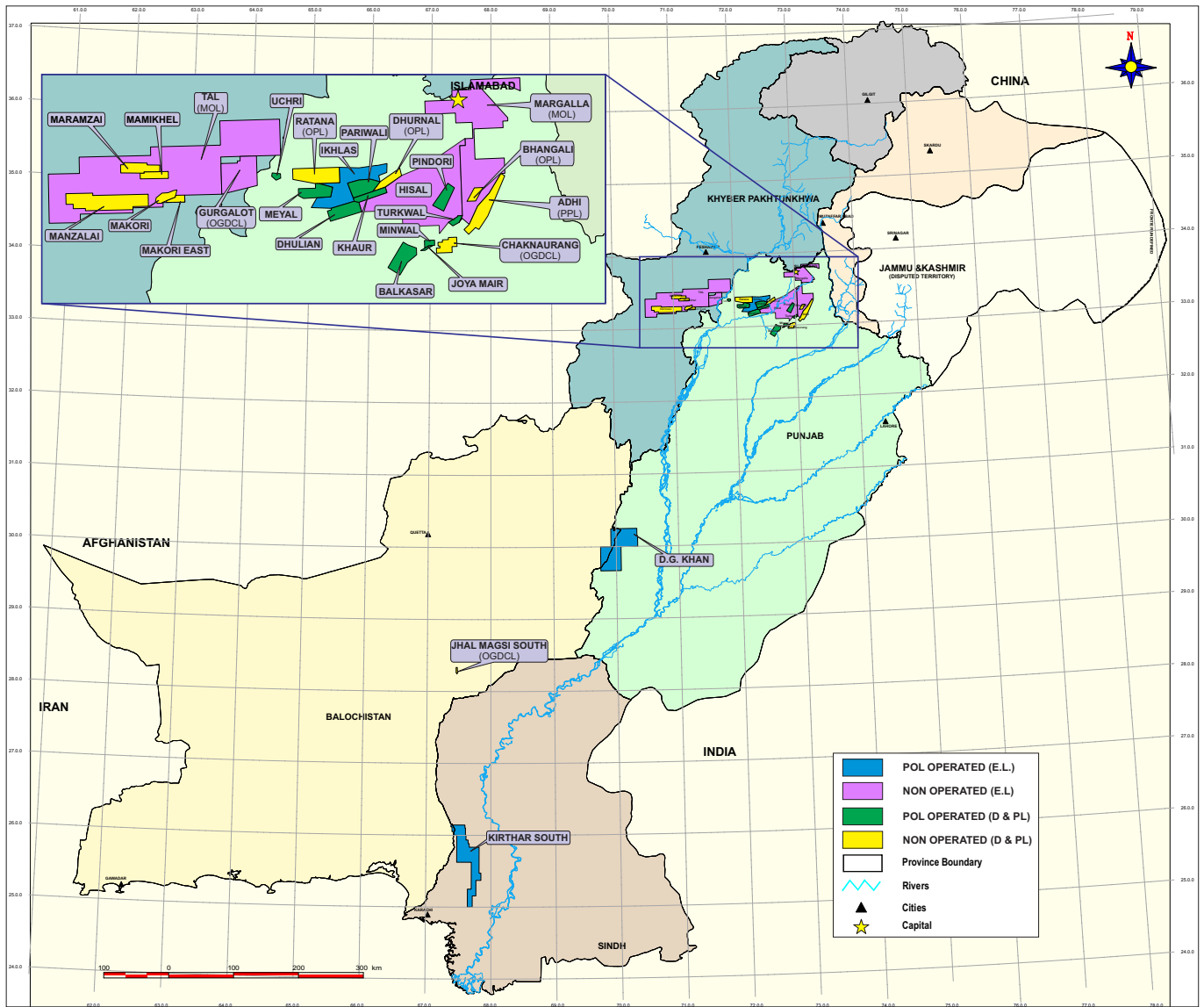
Categories	Number of Shareholders	No. of Shares Held	
Associated Companies, undertakings and related parties			
1	The Attock Oil Company Limited.	01	124,776,965
2	Laith Trading & Contracting Company Ltd.	01	264,384
3	Trustees of ARL General Staff Provident Fund	01	20,000
4	Trustees of ARL Staff Provident Fund	01	30,000
5	Trustees of ARL Management Staff Pension Fund	01	40,400
6	Trustees of NRL Officers Provident Fund	01	6,300
7	Trustee National Refinery Ltd. Management Staff Pension Fund	01	18,446
NIT & ICP			
	Investment Corporation of Pakistan (ICP)	01	97
Directors and their spouses and minor children			
1	Mr. Laith G. Pharaon	01	200*
2	Mr. Wael G. Pharaon	01	200*
3	Mr. Abdus Sattar	01	200*
4	Mr. Tariq Iqbal Khan	01	1700*
5	Mr. Sajid Nawaz	01	200*
6	Mr. Nihal Cassim	01	20,000
7	Mr. Shuaib A. Malik (Chairman & Chief Executive)	01	2,365,743
8	Mrs. Azra Tariq (Spouse of Mr. Tariq Iqbal Khan)	01	500
Executives		36	6,991
Public sector companies and corporations		111	127,331,182
Banks, Development Finance Institution, Non Banking Finance Institutions, Insurance Companies, Modarabas & Mutual Funds		202	60,985,376
Shareholders holding 05% or more voting interest			
	**The Attock Oil Company Limited	01	124,776,965
	***State Life Insurance Corp. of Pakistan	01	13,421,032
No trade in has been made in Shares of the Company by Directors, CEO, CFO, Company Secretary, Executives and their spouses and minor children.			
	Mr. Aftab Alam (Executive App. Developer)		1,500
	Mr. Shahid Iqbal (Senior Executive ERP)		44
	Mr. Habibullah (Senior Executive Finance)		44
	Mr. Muhammad Asif (Executive Finance)		4

*200 shares shown against the name of each director are held in trust

**also shown under associated companies and public sector companies

***also shown under insurance companies

PAKISTAN OILFIELDS LIMITED MAP SHOWING POL OWN & JV EXPLORATION LICENSE, D & PL'S



Shareholding in Exploration Licenses and D&P / Mining Leases

Exploration License	Province	Operator	Interest %
Ikhlas	Punjab	Pakistan Oilfields Limited	80.00
Kirthar South	Sindh	Pakistan Oilfields Limited	85.00
D.G. Khan	Punjab	Pakistan Oilfields Limited	70.00
Gurgalot	KPK**	Oil & Gas Development Company Limited	20.00
Tal Block	KPK	MOL Pakistan Oil and Gas Co. B.V	25.00
Margala	Punjab	MOL Pakistan Oil and Gas Co. B.V	30.00
Hisal	Punjab	Pakistan Petroleum Limited	25.00

D&P / Mining Lease

Balkassar	Punjab	Pakistan Oilfields Limited	100.00
Dhulian	Punjab	Pakistan Oilfields Limited	100.00
Joyamair	Punjab	Pakistan Oilfields Limited	100.00
Khaur	Punjab	Pakistan Oilfields Limited	100.00
Meyal / Uchri	Punjab	Pakistan Oilfields Limited	100.00
Minwal	Punjab	Pakistan Oilfields Limited	82.50
Pariwali	Punjab	Pakistan Oilfields Limited	82.50
Pindori	Punjab	Pakistan Oilfields Limited	35.00
Turkwal	Punjab	Pakistan Oilfields Limited	67.37
Adhi	Punjab	Pakistan Petroleum Limited	11.00
Chaknaurang	Punjab	Oil & Gas Development Company Limited	15.00
Jhal Magsi	Balochistan	Oil & Gas Development Company Limited	24.00
Bhangali	Punjab	Ocean Pakistan Limited	7.00
Dhurnal	Punjab	Ocean Pakistan Limited	5.00
Ratana	Punjab	Ocean Pakistan Limited	4.5450
Manzalai	KPK	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori	KPK	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori East	KPK	MOL Pakistan Oil and Gas Co. B.V	25.00*
Maramzai	KPK	MOL Pakistan Oil and Gas Co. B.V	25.00*
Mamikhel	KPK	MOL Pakistan Oil and Gas Co. B.V	25.00*

* Pre-Commerciality interest

** Khyber Pakhtunkhwa

Six Years at a Glance

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Description	2012	2013	2014	2015	2016	2017
(Rupees millions unless otherwise stated)						
PROFIT & LOSS SUMMARY						
Net sales						
Crude oil	14,396	15,390	21,451	16,266	9,652	12,036
Gas	8,804	8,157	8,945	7,760	9,627	9,500
POLGAS-Refill of Cylinders	5,140	5,054	4,831	6,654	5,373	5,608
Solvent oil	220	245	273	189	186	131
Sulphur	64	32	40	12	10	6
Net sales	28,624	28,878	35,540	30,881	24,848	27,281
Cost of sales	11,118	12,616	16,531	14,614	13,605	13,209
Gross profit	17,506	16,262	19,009	16,267	11,243	14,072
Exploration costs	593	1,793	1,710	4,729	2,052	1,468
Administration expenses	99	93	122	140	140	109
Finance cost	685	830	654	987	1,022	746
Other charges	1,288	949	1,140	485	560	809
Other income	2,547	1,954	1,823	1,563	1,411	1,473
Profit before taxation	17,388	14,551	17,206	11,489	8,880	12,413
Provision for taxation	5,529	3,723	4,319	3,030	1,646	2,734
Profit for the year	11,859	10,828	12,887	8,459	7,234	9,679
Earnings before interest, taxes, depreciation and amortization (EBITDA)	19,827	17,282	23,351	15,789	12,751	16,200
Dividends	12,419	10,645	12,419	9,462	8,279	9,462
BALANCE SHEET SUMMARY						
Paid-up capital	2,365	2,365	2,365	2,365	2,365	2,365
Reserves	1,817	1,759	1,760	1,760	1,760	1,760
Unappropriated profit	30,972	28,824	31,071	28,239	26,028	27,373
Deferred liabilities	10,448	12,234	13,701	13,819	15,637	14,999
Long term deposits	504	518	638	725	831	847
Long term loan	-	-	-	-	-	-
Current liabilities	6,145	7,939	8,334	8,536	9,096	10,307
Fixed assets (less depreciation)	4,164	7,801	9,306	10,489	10,421	9,855
Development & decommissioning costs	15,688	16,610	13,161	12,412	14,585	13,373
Exploration & evaluation assets	2,883	2,979	4,667	2,661	901	1,884
Long term investment	10,275	9,621	9,621	9,622	9,622	9,622
Other long term assets	16	16	16	15	12	17
Current assets	19,225	16,612	21,098	20,245	20,176	22,900
CASH FLOWS						
Operating activities	15,268	12,559	18,248	13,035	12,467	15,674
Investing activities	(3,004)	(5,202)	(4,276)	(2,172)	(3,071)	(3,916)
Financing activities	(10,022)	(12,995)	(10,624)	(11,240)	(9,444)	(8,275)
Effect of exchange rate changes	407	306	229	165	197	(65)
Cash and cash equivalents at year end	12,581	7,249	10,826	10,614	10,764	14,182

Description		2012	2013	2014	2015	2016	2017
KEY FINANCIAL RATIOS							
Profitability Ratios							
Gross profit	%	61.16	56.31	53.49	52.68	45.25	51.58
Net profit	%	41.43	37.50	36.26	27.39	29.11	35.48
EBITDA margin to sales	%	69.27	59.84	65.70	51.13	51.32	59.38
Operating leverage	Time	1.17	0.78	0.91	0.67	0.65	0.76
Return on equity	%	33.73	32.86	36.61	26.14	23.99	30.73
Return on average capital employed	%	34.65	31.80	37.82	25.04	22.14	30.31
Liquidity Ratios							
Current ratio	Time	3.13	2.09	2.53	2.37	2.22	2.22
Quick ratio	Time	2.61	1.61	2.04	1.84	1.70	1.81
Cash to current liabilities	Time	2.05	0.91	1.30	1.24	1.18	1.38
Cash flow from operations to sales	%	53.34	43.49	51.34	42.21	50.17	57.45
Activity / Turnover Ratios							
Inventory turnover ¹	Time	-	-	-	-	-	-
Inventory turnover ¹	Days	-	-	-	-	-	-
Debtors turnover	Time	7.79	7.33	7.13	7.21	7.29	8.23
Average collection period	Days	46.85	49.80	51.19	50.62	50.07	44.35
Creditors turnover ¹	Time	-	-	-	-	-	-
Average payment period ¹	Days	-	-	-	-	-	-
Total assets turnover	Time	0.58	0.55	0.64	0.55	0.45	0.48
Fixed assets turnover	Time	1.35	1.15	1.30	1.17	0.97	1.07
Operating cycle ¹	Time	-	-	-	-	-	-
Investment / Market Ratios							
Earnings per share - basic ²	Rs	50.13	45.78	54.48	35.76	30.58	40.92
Earnings per share - restated ³	Rs	50.13	45.78	54.48	35.76	30.58	40.92
Price earning ratio	Times	7.32	10.87	10.54	11.29	11.36	11.20
Cash dividend yield	%	14.46	10.41	9.80	8.18	9.32	9.93
Cash dividend payout	%	104.72	98.31	96.37	111.86	114.45	97.76
Cash dividend cover	%	95.49	101.72	103.77	89.40	87.38	102.29
Cash dividend per share	Rs	52.50	45.00	52.50	40.00	35.00	40.00
Bonus shares	%	-	-	-	-	-	-
Market value / share at year end	Rs	366.94	497.37	574.30	403.82	347.48	458.15
Market value/share-high during the year	Rs	399.99	530.00	580.00	602.99	405.80	570.00
Market value/share-low during the year	Rs	325.25	368.99	425.00	305.57	188.65	344.55
Market value/share-average during the year	Rs	364.32	445.55	510.22	440.76	302.06	452.02
Break-up value (Net assets/shares)	Rs	148.61	139.29	148.79	136.82	127.47	133.16
Capital Structure Ratios							
Financial leverage ratio ⁴	%	-	-	-	-	-	-
Weighted average cost of debt ⁴	%	-	-	-	-	-	-
Debt: equity ratio ⁴	%	-	-	-	-	-	-
Interest cover ⁴	Time	-	-	-	-	-	-
OTHER INFORMATION							
Contribution to national exchequer (Rs millions)		11,345	9,145	11,192	9,348	6,633	8,202
Foreign exchange savings (US \$ million)		708	593	650	598	249	332
Market capitalization (Rs millions)		86,798	117,651	135,848	95,522	82,195	108,374
No. of shareholders		4,700	4,190	4,086	5,682	6,869	5,738

Notes:

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

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

3- Calculated on shares outstanding as at June 30, 2017

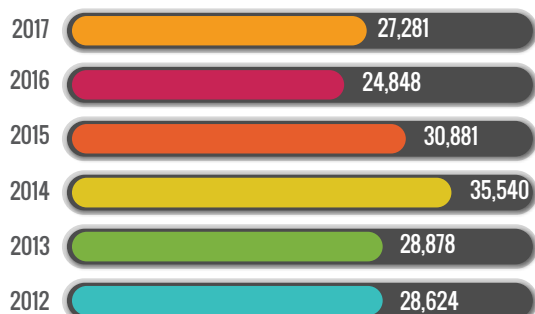
4- Not applicable as the company does not have debt.

Six Years at a Glance - Infographics

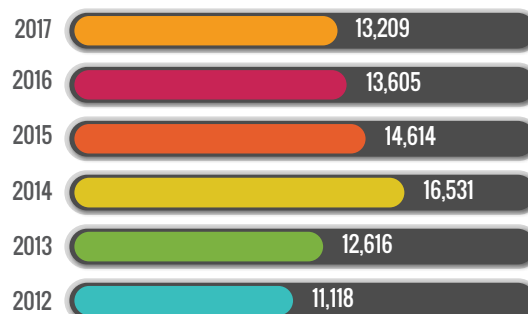
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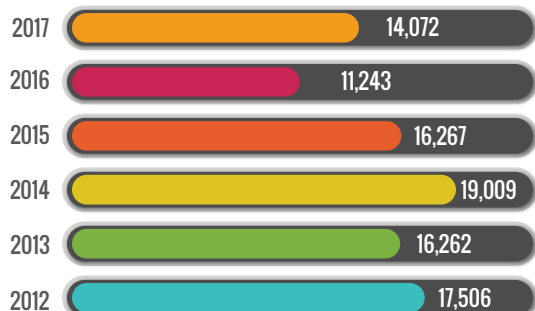
Net sales (Rs in million)



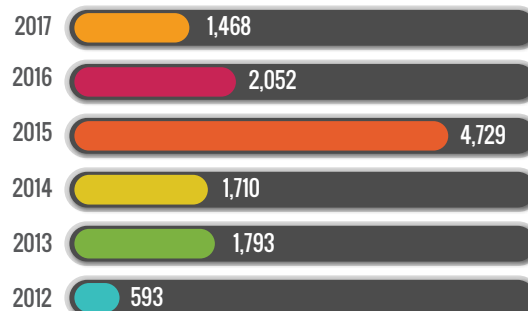
Cost of sales (Rs in million)



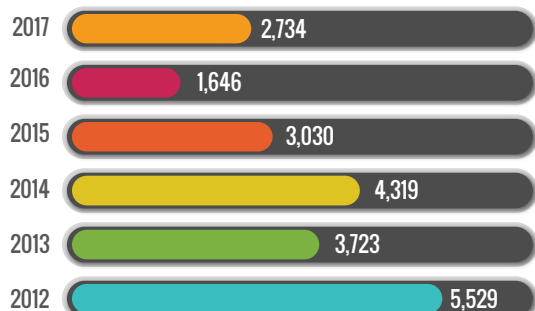
Gross profit (Rs in million)



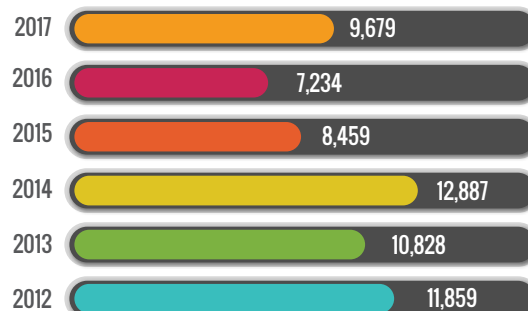
Exploration costs (Rs in million)



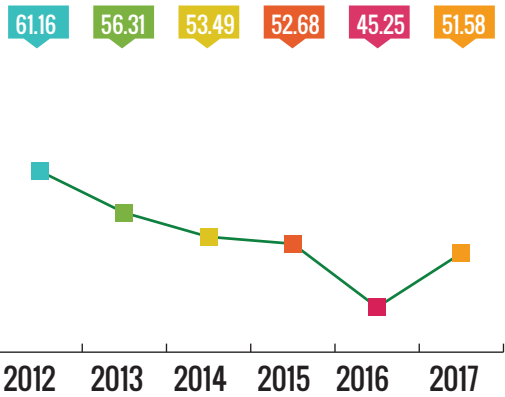
Taxation (Rs in million)



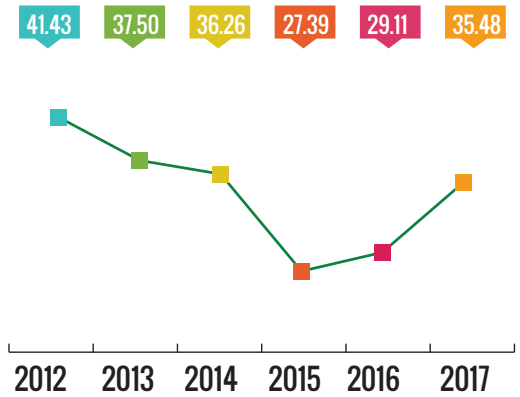
Profit after tax (Rs in million)



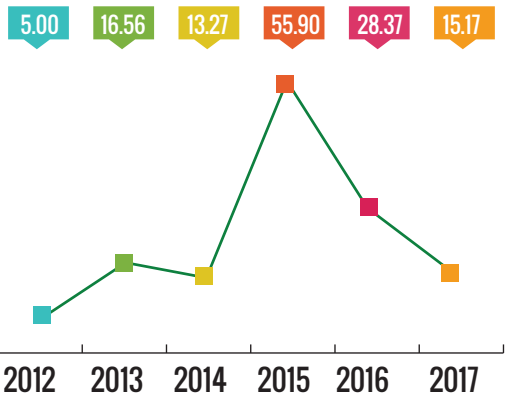
Gross profit margin (%)



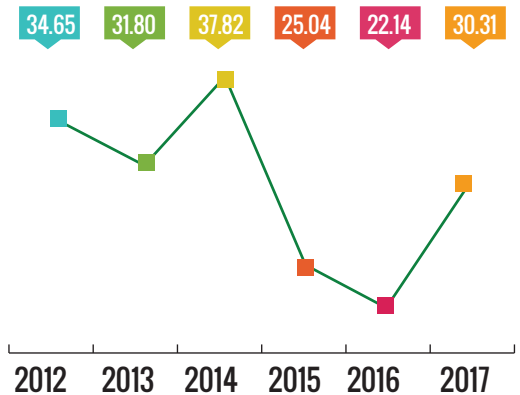
Net profit margin (%)



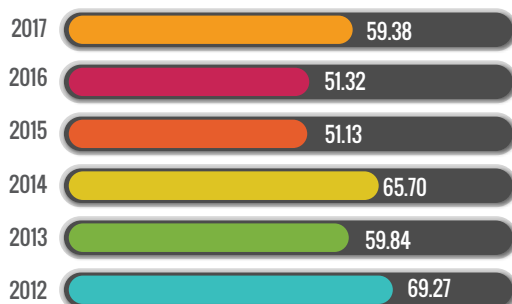
Exploration cost as % of Profit (%)



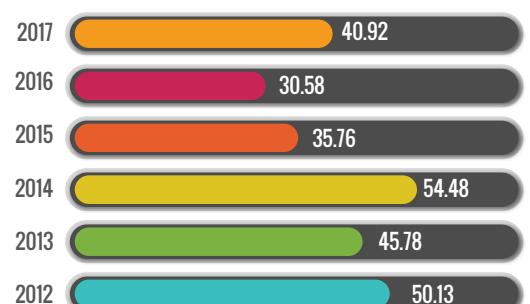
Return on capital employed (%)



EBITDA margin to sales (%)

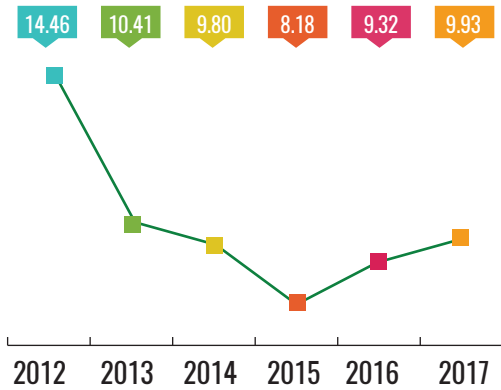


Earnings per share (Rs in million)

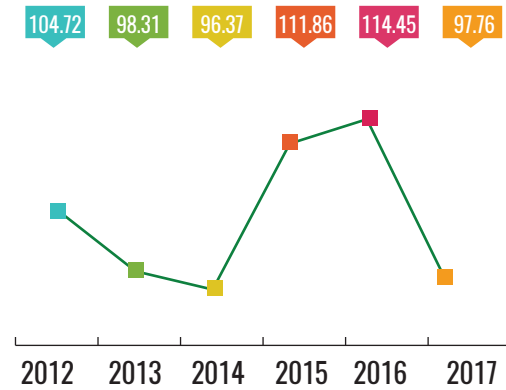


Six Years at a Glance - Infographics

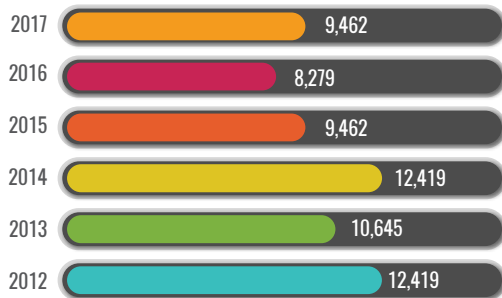
Cash dividend yield (%)



Cash dividend payout (%)



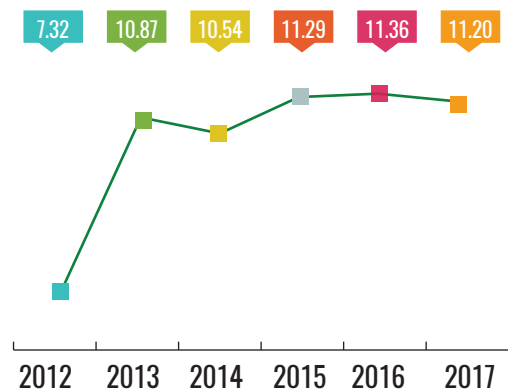
Cash dividend payout (Rs in million)



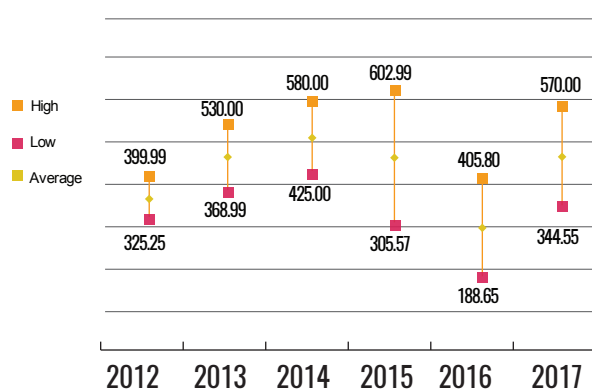
Break-up value per share (Rs)



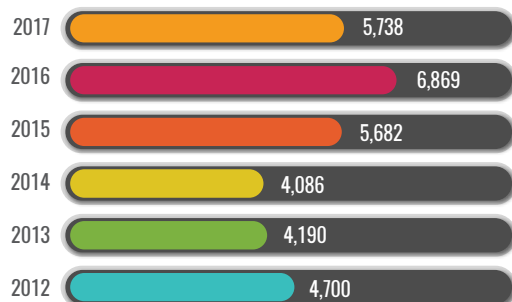
Price earnings ratio (%)



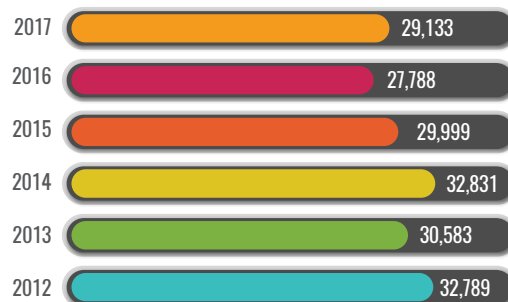
Market value per share (High-Low) (Rs)



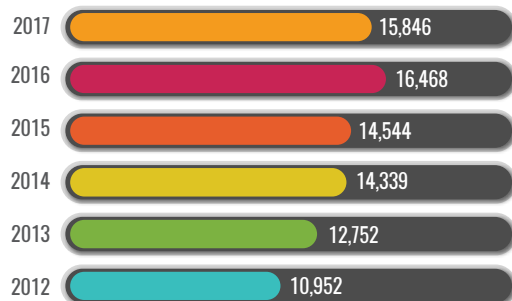
No. of shareholders



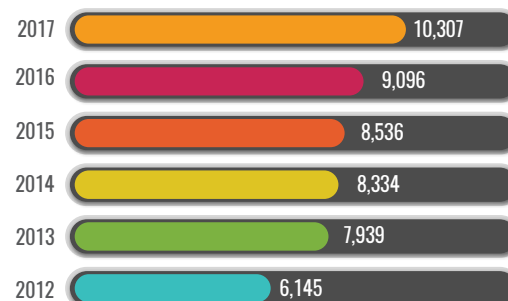
Reserves (Rs in million)



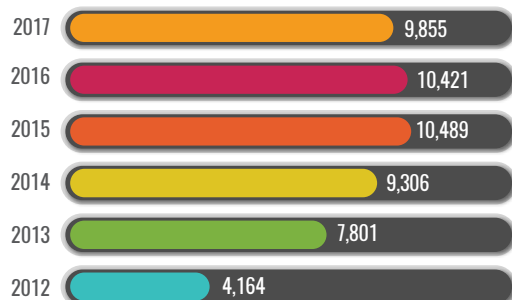
Long term liabilities (Rs in million)



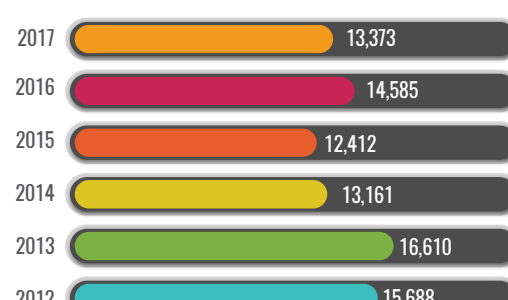
Current liabilities (Rs in million)



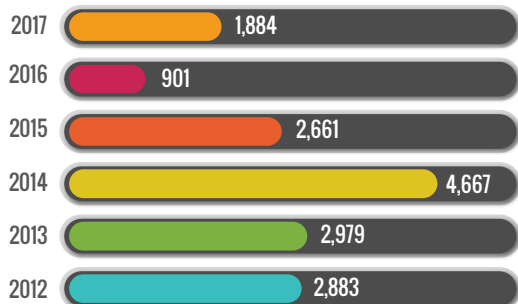
Fixed assets less depreciation (Rs in million)



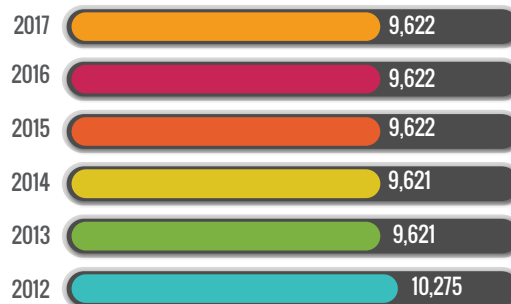
Development & decommissioning cost (Rs in million)



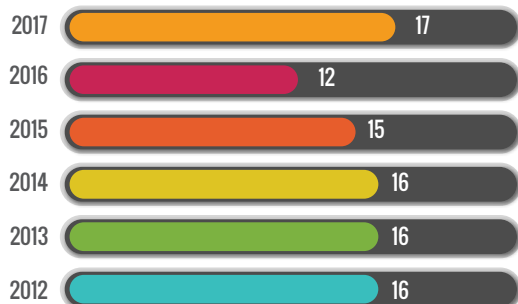
Exploration & evaluation assets (Rs in million)



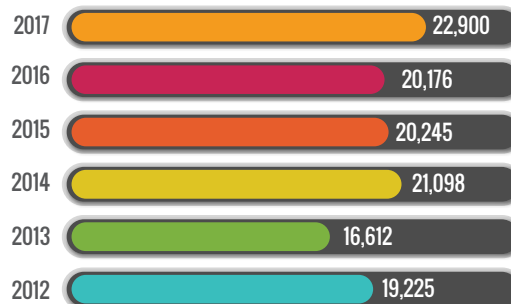
Long term investments (Rs in million)



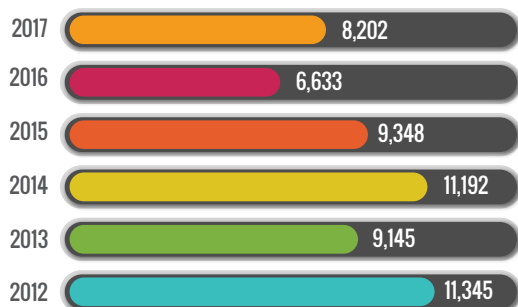
Other long term assets (Rs in million)



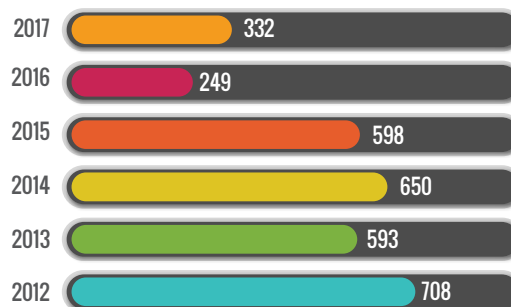
Current assets (Rs in million)



Contribution to national exchequer (Rs in million)



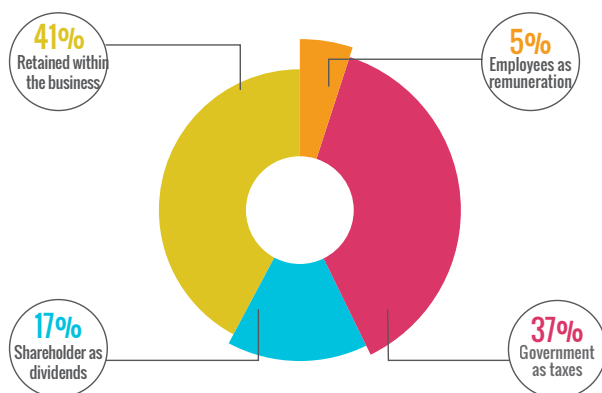
Foreign exchange savings (US\$ million)



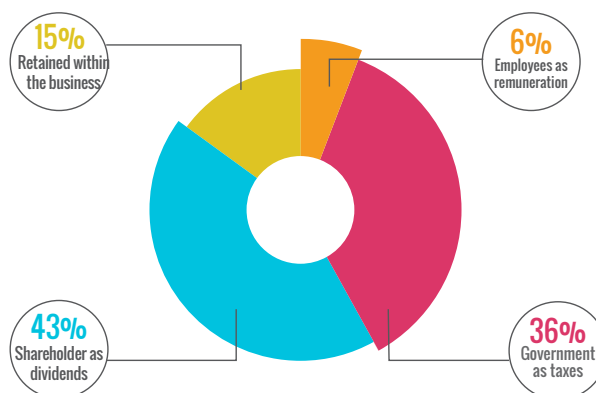
Statement of Value Added

	2017	2016
	Rs (000)	
Gross revenue	29,871,439	27,370,266
Less: Operating and exploration expenses	8,013,174	9,478,093
	21,858,265	17,892,173
Add: Income from investments	1,094,655	794,007
Other income	459,502	647,520
Total value added	23,412,422	19,333,700
Distributed as follows:		
Employees remuneration	1,197,061	1,214,383
Government as		
Company taxation	2,733,787	1,646,134
Sales tax	2,590,990	2,522,048
Excise duty & development surcharge	271,619	264,855
Royalty	2,344,306	2,020,909
Workers' funds	808,911	560,332
	8,749,613	7,014,278
Shareholders as		
Dividend	9,461,837	8,279,107
Retained in business		
Depreciation	1,577,936	1,423,522
Amortization	2,209,306	2,447,702
Net earnings	216,669	(1,045,292)
	4,003,911	2,825,932
	23,412,422	19,333,700

Distribution of value addition 2017



Distribution of value addition 2016



	2012	2013	2014	2015	2016	2017
	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)
	%	%	%	%	%	%
BALANCE SHEET						
SHARE CAPITAL AND RESERVES						
Authorised capital	5,000	5,000	5,000	5,000	5,000	5,000
Issued, subscribed and paid-up capital	2,365	2,365	2,365	2,365	2,365	2,365
Revenue reserves						
Insurance reserve	200	200	200	200	200	200
Investment reserve	1,558	1,558	1,558	1,558	1,558	1,558
Unappropriated profit	30,972	28,824	31,071	28,239	26,028	27,373
	32,730	30,582	32,829	29,997	27,786	29,131
	59	1	2	2	2	2
Fair value gain on available-for-sale investments	35,154	32,948	35,196	32,364	30,153	31,498
	504	518	638	725	831	847
NON CURRENT LIABILITIES	10,448	12,234	13,701	13,819	15,637	14,999
Long term deposits	10,952	12,752	14,339	14,544	16,468	15,846
Deferred liabilities						
	4,538	6,293	5,782	4,876	5,551	5,903
CURRENT LIABILITIES AND PROVISIONS	1,607	1,646	2,552	3,660	3,545	4,404
Trade and other payables	6,145	7,939	8,334	8,536	9,096	10,307
Provision for income tax						
	52,251	53,639	57,869	55,444	55,717	57,651
TOTAL EQUITY AND LIABILITIES	52,251	53,639	57,869	55,444	55,717	57,651
	4,164	7,801	9,306	10,489	10,421	9,855
FIXED ASSETS	15,688	16,610	13,161	12,412	14,585	13,373
Property, plant and equipment	2,883	2,979	4,667	2,661	901	1,884
Development & decommissioning costs						
Exploration & evaluation assets	22,735	27,390	27,134	25,562	25,907	25,112
	9,616	9,616	9,616	9,616	9,616	9,616
LONG TERM INVESTMENT IN SUBSIDIARY & ASSOCIATED COMPANIES	659	5	5	6	6	6
OTHER LONG TERM INVESTMENTS	16	16	16	15	12	17
LONG TERM LOANS AND ADVANCES						
CURRENT ASSETS	2,939	3,525	3,663	4,276	4,236	3,897
Stores and spares	134	151	264	148	376	222
Stock in trade	3,007	4,871	5,094	3,477	3,336	3,293
Trade debts						
Advances, deposits, prepayments and other receivables	513	816	1,251	1,730	1,464	1,306
Short term investments	3,899	-	-	-	-	-
Cash and bank balances	8,733	7,249	10,826	10,614	10,764	14,182
	19,225	16,612	21,098	20,245	20,176	22,900
	52,251	53,639	57,869	55,444	55,717	57,651
TOTAL ASSETS	52,251	53,639	57,869	55,444	55,717	57,651

	2012	2013	2014	2015	2016	2017
	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)
	%	%	%	%	%	%
PROFIT & LOSS ACCOUNT						
Net sales	28,624	28,878	35,540	30,881	24,848	27,281
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of sales	11,118	12,616	16,531	14,614	13,605	13,209
	38.84%	43.69%	46.51%	47.32%	54.75%	48.42%
Gross profit	17,506	16,262	19,009	16,267	11,243	14,072
	61.16%	56.31%	53.49%	52.68%	45.25%	51.58%
Exploration costs	593	1,793	1,710	4,729	2,052	1,468
	2.07%	6.21%	4.81%	15.31%	8.26%	5.38%
	16,913	14,469	17,299	11,538	9,191	12,604
	59.09%	50.10%	48.67%	37.36%	36.99%	46.20%
Administration expenses	99	93	122	140	140	109
	0.35%	0.32%	0.34%	0.45%	0.56%	0.40%
Finance costs	685	850	654	987	1,022	746
	2.39%	2.87%	1.84%	3.20%	4.11%	2.73%
Other charges	1,288	949	1,140	485	560	809
	4.50%	3.29%	3.21%	1.57%	2.25%	2.97%
	2,072	1,872	1,916	1,612	1,722	1,664
	7.24%	6.48%	5.39%	5.22%	6.93%	6.10%
	14,841	12,597	15,383	9,926	7,469	10,940
	51.85%	43.62%	43.28%	32.14%	30.06%	40.10%
Other income	2,547	1,954	1,823	1,563	1,411	1,473
	8.90%	6.77%	5.13%	5.06%	5.68%	5.40%
PROFIT BEFORE TAXATION	17,388	14,551	17,206	11,489	8,880	12,413
	60.75%	50.39%	48.41%	37.20%	35.74%	45.50%
Provision for taxation	5,529	3,723	4,319	3,030	1,646	2,734
	19.32%	12.89%	12.15%	9.81%	6.62%	10.02%
PROFIT FOR THE YEAR	11,859	10,828	12,887	8,459	7,234	9,679
	41.43%	37.50%	36.26%	27.39%	29.11%	35.48%
CASH FLOWS						
Operating activities	15,268	12,559	18,248	13,035	12,467	15,674
	121.36%	173.25%	168.56%	122.81%	115.82%	110.52%
Investing activities	(3,004)	(5,202)	(4,276)	(2,172)	(3,071)	(3,916)
	-23.88%	-71.76%	-99.50%	-20.46%	-28.53%	-27.61%
Financing activities	(10,022)	(12,995)	(10,624)	(11,240)	(9,444)	(8,275)
	-79.66%	-179.27%	-98.13%	-105.90%	-87.74%	-58.35%
Effect of exchange rate changes	407	306	229	165	197	(65)
	3.24%	4.22%	2.12%	1.55%	1.83%	-0.46%
Cash and cash equivalents at year end	12,581	7,249	10,826	10,614	10,764	14,182
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

	2012	2013	2014	2015	2016	2017
	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)
	%	%	%	%	%	%
BALANCE SHEET						
SHARE CAPITAL AND RESERVES						
Authorised capital	5,000	5,000	5,000	5,000	5,000	5,000
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Issued, subscribed and paid-up capital	2,365	2,365	2,365	2,365	2,365	2,365
Revenue reserves	200	200	200	200	200	200
Insurance reserve	1,558	1,558	1,558	1,558	1,558	1,558
Investment reserve	30,972	28,824	31,071	28,239	26,028	27,373
Unappropriated profit	32,730	30,582	32,829	29,997	27,786	29,131
	105.87%	98.93%	98.86%	106.19%	97.03%	89.88%
Fair value gain on available-for-sale investments	59	1	2	2	2	2
	655.56%	11.11%	11.11%	22.22%	22.22%	22.22%
NON CURRENT LIABILITIES	35,154	32,948	35,196	32,364	30,153	31,498
	105.61%	98.98%	106.73%	97.22%	90.58%	90.58%
Long term deposits	504	518	638	725	831	847
Deferred liabilities	10,448	12,234	13,701	13,819	15,637	14,999
	136.58%	159.92%	159.92%	180.64%	204.41%	143.56%
	10,952	12,752	14,339	14,544	16,468	15,846
	134.60%	156.72%	176.22%	178.74%	202.38%	144.69%
CURRENT LIABILITIES AND PROVISIONS						
Trade and other payables	4,538	6,293	5,782	4,876	5,551	5,903
	108.80%	150.88%	138.62%	116.90%	133.09%	130.08%
Provision for income tax	1,607	1,646	2,552	3,660	3,545	4,404
	116.45%	119.25%	184.93%	265.22%	256.88%	274.05%
	6,145	7,939	8,334	8,536	9,096	10,307
	110.70%	143.02%	150.14%	159.77%	163.86%	167.73%
CONTINGENCIES AND COMMITMENTS						
TOTAL EQUITY AND LIABILITIES	52,251	53,639	57,869	55,444	55,717	57,651
	111.23%	114.18%	114.18%	123.19%	118.03%	118.61%
FIXED ASSETS						
Property, plant and equipment	4,164	7,801	9,306	10,489	10,421	9,855
	97.79%	183.21%	218.55%	246.34%	244.74%	236.67%
Development & decommissioning costs	15,688	16,610	13,161	12,412	14,585	13,373
	148.45%	157.17%	124.54%	117.45%	138.01%	85.24%
Exploration & evaluation assets	2,883	2,979	4,667	2,661	901	1,884
	59.93%	61.92%	97.01%	55.31%	18.73%	65.35%
	22,735	27,390	27,134	25,562	25,907	25,112
	115.78%	139.48%	139.48%	130.17%	131.93%	110.46%
LONG TERM INVESTMENT IN SUBSIDIARY & ASSOCIATED COMPANIES	9,616	9,616	9,616	9,616	9,616	9,616
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
OTHER LONG TERM INVESTMENTS	659	5	5	6	6	6
	94.143%	7.14%	7.14%	8.57%	8.57%	0.91%
LONG TERM LOANS AND ADVANCES	16	16	16	15	12	17
	80.00%	80.00%	80.00%	75.00%	60.00%	106.25%
CURRENT ASSETS						
Stores and spares	2,939	3,525	3,663	4,276	4,236	3,897
	111.66%	133.93%	133.93%	139.17%	162.46%	160.94%
Stock in trade	134	151	264	148	376	222
	106.35%	119.84%	209.52%	117.46%	298.41%	165.67%
Trade debts	3,007	4,871	5,094	3,477	3,336	3,293
	69.24%	112.16%	117.29%	80.06%	76.81%	109.51%
Advances, deposits, prepayments and other receivables	513	816	1,251	1,730	1,464	1,306
	85.50%	136.00%	208.50%	288.33%	244.00%	254.58%
Short term investments	3,899	-	-	-	-	-
	120.82%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash and bank balances	8,733	7,249	10,826	10,614	10,764	14,182
	130.25%	108.11%	161.46%	168.30%	160.54%	162.40%
	19,225	16,612	21,098	20,245	20,176	22,900
	109.03%	94.21%	119.65%	114.81%	114.42%	119.12%
TOTAL ASSETS	52,251	53,639	57,869	55,444	55,717	57,651
	111.23%	114.18%	114.18%	123.19%	118.03%	118.61%

Horizontal Analysis

	2012	2013	2014	2015	2016	2017
	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)	(Rs in million)
	%	%	%	%	%	%
PROFIT & LOSS ACCOUNT						
Net sales	28,624	28,878	35,540	30,881	24,848	27,281
	114.72%	115.74%	142.44%	123.77%	99.59%	96.31%
Cost of sales	11,118	12,616	16,531	14,614	13,605	13,209
	119.24%	135.31%	177.30%	156.74%	145.91%	118.81%
Gross profit	17,506	16,262	19,009	16,267	11,243	14,072
	112.02%	104.06%	121.64%	104.10%	71.95%	80.38%
Exploration costs	593	1,793	1,710	4,729	2,052	1,468
	55.16%	166.79%	159.07%	439.91%	190.88%	247.55%
	16,913	14,469	17,299	11,538	9,191	12,604
	116.22%	99.43%	118.88%	79.29%	63.16%	74.52%
Administration expenses	99	93	122	140	140	109
	119.25%	112.05%	146.99%	168.67%	168.67%	110.10%
Finance costs	685	830	654	987	1,022	746
	305.80%	370.54%	291.96%	440.63%	456.25%	108.91%
Other charges	1,288	949	1,140	485	560	809
	116.67%	85.96%	103.26%	43.93%	50.72%	62.81%
	2,072	1,872	1,916	1,612	1,722	1,664
	146.85%	132.67%	135.79%	114.25%	122.04%	80.31%
	14,841	12,597	15,383	9,926	7,469	10,940
	112.94%	95.86%	117.06%	75.53%	56.84%	73.71%
Other income	2,547	1,954	1,823	1,563	1,411	1,473
	140.80%	108.02%	100.77%	86.40%	78.00%	57.83%
PROFIT BEFORE TAXATION	17,388	14,551	17,206	11,489	8,880	12,413
	116.31%	97.33%	115.09%	76.85%	59.40%	71.39%
Provision for taxation	5,529	3,723	4,319	3,030	1,646	2,734
	133.71%	90.04%	104.45%	73.28%	39.81%	49.45%
PROFIT FOR THE YEAR	11,859	10,828	12,887	8,459	7,234	9,679
	109.65%	100.12%	119.16%	78.22%	66.89%	81.62%
CASH FLOWS						
Operating activities	15,268	12,559	18,248	13,035	12,467	15,674
	122.86%	101.06%	196.28%	104.89%	100.32%	102.66%
Investing activities	(3,004)	(5,202)	(4,276)	(2,172)	(3,071)	(3,916)
	129.59%	224.42%	154.37%	93.70%	132.48%	130.36%
Financing activities	(10,022)	(12,995)	(10,624)	(11,240)	(9,444)	(8,275)
	154.28%	200.05%	250.09%	173.03%	145.38%	82.57%
Effect of exchange rate changes	407	306	229	165	197	(65)
	20350.00%	15300.00%	248.91%	8250.00%	9850.00%	-15.97%
Cash and cash equivalents at year end	12,581	7,249	10,826	10,614	10,764	14,182
	126.67%	72.99%	171.38%	106.87%	108.38%	112.73%

Analysis of Profit and Loss

Sales

Net sales increased by 9.8%. Volume variance is positive by Rs 1,281.8 million and price is positive by Rs 1,150.4 million. Price variance has two components, one is exchange rate which is positive by Rs 47.4 million and the other is price variance which is positive by Rs 1,103.0 million. Sales volumes of Crude Oil and Gas increased by 11.3% and 2.9% respectively, while POLGAS decreased by 0.6%, as compared to corresponding period. The average selling price of Crude Oil and POLGAS increased by 12.0% and 5.1% respectively while average selling price of Gas decreased by 4.1% as compared to the corresponding period.

Cost of sales

Cost of sales was Rs 13,208.8 million (June 30, 2016: Rs 13,605.4 million), mainly because of decrease in amortization of development & decommissioning costs and decrease in operating costs as compared to corresponding period.

Exploration costs

Current period costs of Rs 1,468.3 million (June 30, 2016: Rs 2,052.1 million), as last year dry and abandon well cost of Rs 1,885.2 pertaining to Margala North and Tolanj South was charged as compared to 971.3 million pertaining to Gurgalot.

Other income

Other income increased by Rs 62.1 million. During the period income from bank deposits increased by Rs 94.9 million. Dividend from subsidiary & associated companies is higher by Rs 205.8 million. Current period includes dividend of Rs 399.8 million (200%) from NRL as against Rs 199.9 million (100%) last year and dividend from APL is also higher by Rs 17.5 million i.e. 250 % this period to 220 % last year. These increases were offset by decrease in dividend from CAPGAS by Rs 11.5 million i.e. 300 % this year to 375 % last year. Rental income increased by Rs 25.0 million Crude transportation income increased by Rs 84.8 million mainly due to increase in pumping related to Naspha field and TAL Block.

These increases were offset by decrease in Exchange gain by Rs 262.3 million due to devaluation of rupee against US \$ as compared to last period. Gas processing fee decreased by Rs 63.2 million, because of lower quantity of Ratana gas processed. Profit on sale of property plant and equipment decreased by Rs 28.1 million.

Taxation

The major reason of increase in tax as compared to last year is due to increase in profit, downward revision in Decommissioning cost estimates and decrease in tax depreciation.

Profit for the year

Profit after tax is Rs 9,678.5 million (June 30, 2016: Rs 7,233.8 million).

Analysis of Balance Sheet

Assets

During the period, the additions (net of inter-transfer) are of Rs 1,042.2 million (June 2016 Rs 1358.94 million). The above are offset by depreciation charge of Rs 1,577 million.

During the period Rs 2,983.9 million were incurred, which includes an additions of Rs 824.8 million at Adhi, Rs 289.0 million at Makori East, Rs 75.1 million at Tolanj west, Rs 305.1 million at Maramzai and Rs 1,500.3 million at Mardankhel. Due to addition of new wells decommissioning cost increased by Rs 121.8 million. Due to amortization of Rs 2,166.5 million and revision due to change in estimates by Rs 2,151.2 million the net decrease is Rs 1,212.1 million.

During the period Rs 2,899.2 million were incurred. It consists of Rs 1,595.1 million at Jhandial, Rs 250.4 million at Gurgalot, Rs 184.1 million at Tolanj East, Rs 36.1 million at Khaur North-1, Rs 22.7 million at Adhi South X-1 and Rs 810.3 million at Mardankhel. Mardankhel wells were transferred to development cost during the period and Gurgalot Surqamar-1 cost charged as expense because of unsuccessful results.

Store and spares decreased by Rs 339.0 million. Store and spares related to own fields decreased by Rs 250.2 million and share in joint ventures by Rs 33.8 million. Slow moving provision increased by Rs 55.0 million during the year.

Liabilities

Provision for deferred decommissioning cost decreased by Rs 1,243.0 million. Which is offset by increase in provision for income tax by Rs 606.3 million. Trade and other payables increased by Rs 352.8 million

Analysis of Cash flow statement

Operating activities

A total of Rs 10,764 million was available as cash and cash equivalents at the beginning of the year. Cash generated from operations in 2017 higher by Rs 26% to Rs 15,674 million related to higher sales.

Investing activities

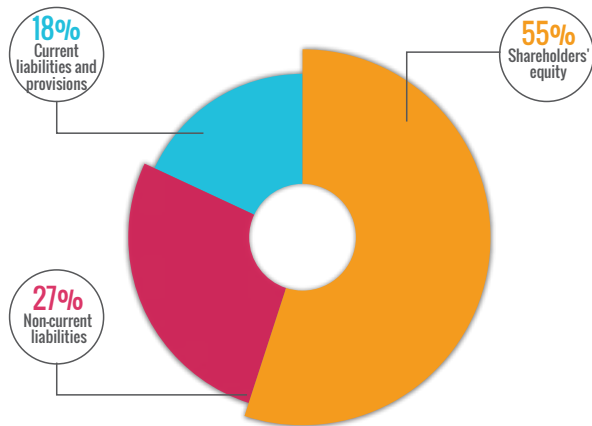
A total of Rs 3,916 million cash was expended on investing activities (2015: Rs 3,071 million) which consist outlay for addition of fixed assets of Rs 5,013 million. It was reduced by inflow from income on bank deposit by RS 432 million and dividend income by Rs 651 million.

Financing activities

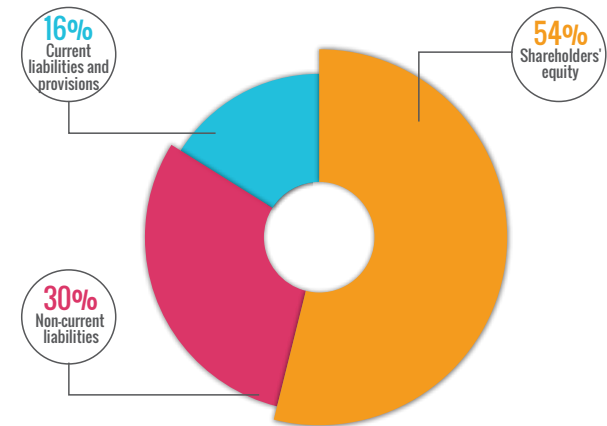
Rs 8,275 million of cash were used in financing activities related to payment of dividends. The balance includes effect of exchange rate changes of Rs 65 million during the year. Cash and cash equivalents at the end of year 2017 was Rs 14,182 million (2016: Rs 10,764 million).

Balance Sheet Composition

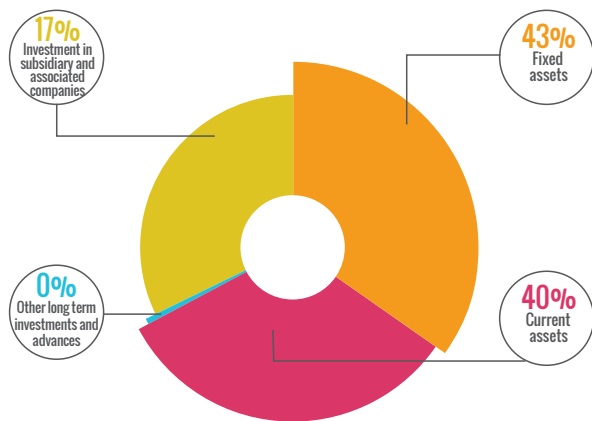
Shareholders equity and liabilities 2017



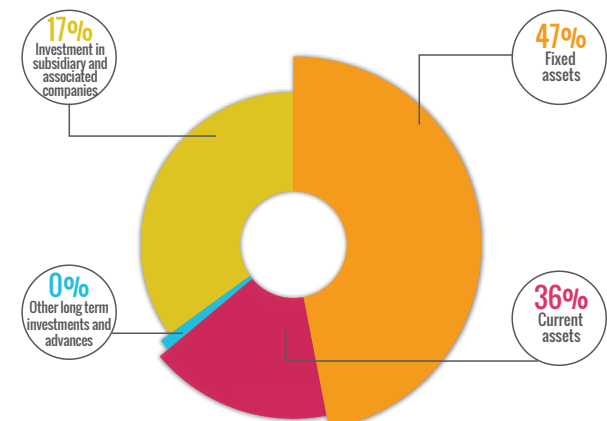
Shareholders equity and liabilities 2016



Assets 2017



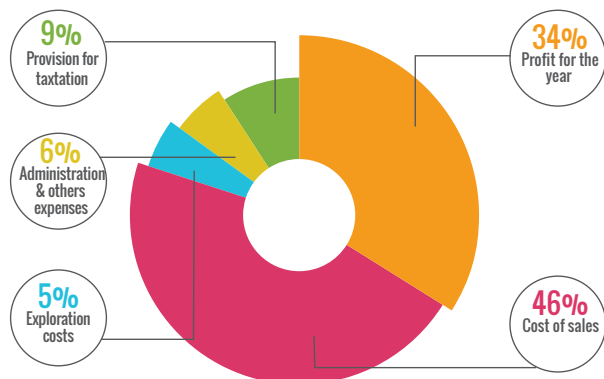
Assets 2016



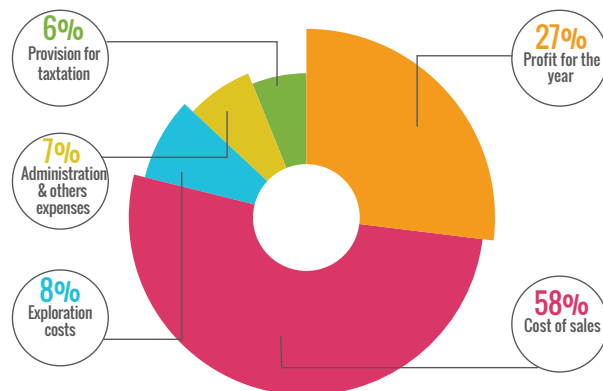
Profit & Loss and Cash Flow Analysis

Analysis of revenues

2017

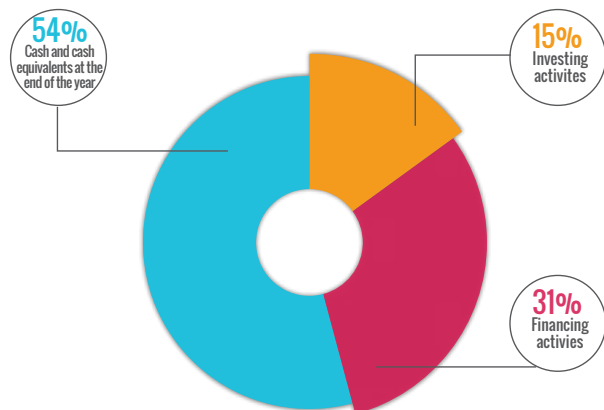


2016

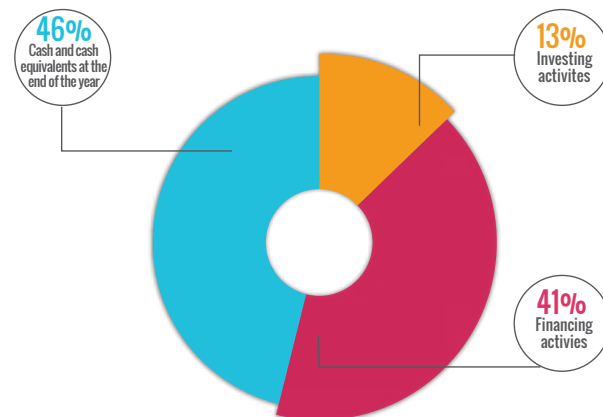


Analysis of cash flow

2017



2016



DuPont Analysis

DuPont Analysis was developed by DuPont Corporation in the 1920s. It is an approach which breaks the Return on Equity (ROE) into more detailed expressions. It interprets the basic ROE ratio in a manner so that it provides a great insight into the performance of the company. It analyses profit margin, total asset turnover and financial leverage.

For the year under review, Return on equity (ROE) increase to 30.73 % as against 23.99% in the previous year. This is mainly because of an increase in crude oil prices resulting in an increase in net sales and profitability of the Company. The breakup of ROE is shown below.

		2017	2016
Net Profit Margin	%	35.48	29.11
Asset Turnover	Time	0.47	0.45
Financial Leverage	Time	1.83	1.85
Return on Equity	%	30.73	23.99

Analysis of variations in results reported in interim reports with the final accounts:

Quarter	Net Sales	Gross Profit	Profit Before Tax	Profit After Tax	EPS
First	5,724,190	2,579,085	2,827,025	2,317,470	9.80
Second	7,080,711	3,479,093	3,144,582	2,338,248	9.88
Third	7,611,720	4,083,840	3,681,134	2,809,900	11.88
Fourth	6,864,523	3,929,658	2,759,552	2,212,888	9.36
Total 2016-17	27,280,449	14,071,676	12,412,293	9,678,506	40.92

Decrease in Net Sales from second quarter onwards was observed due to start of production from Mardankhel during 2016. Net Sales are higher in the second quarter and third quarter due to higher realized price of Crude and LPG.

Gross profit reported in second, third and fourth quarter is on the higher side due to higher sales volume and prices. First quarter gross profit remained on lower side due to lower sales as volumes and prices were lower as compared to other quarters.

Profit before tax in second and third quarter was high as compared to first quarter due higher net sales. In fourth quarter cost of Rs. 971.3 million pertaining to Gurgalot was charged as dry and abandon well.

Review Report to the Members on the Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the code) prepared by the Board of Directors of Pakistan Oilfields Limited, the company for the year ended June 30, 2017 to comply with the requirements of the clause no. 5.19.24 of Pakistan Stock Exchange Limited regulation.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any noncompliance with the requirements of the Code. 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 Code.

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 Code requires 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. 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. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

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 best practices contained in the Code as applicable to the Company for the year ended June 30, 2017.



Chartered Accountants
Islamabad
September 11, 2017

Engagement Partner: M. Imtiaz Aslam

Statement of Compliance, with the Code of Corporate Governance for the year ended June 30, 2017

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No. 5.19 of listing regulations of Pakistan Stock Exchange Limited (PSX) for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Directors	Mr. Tariq Iqbal Khan
	Mr. Nihal Cassim
Executive Directors	Mr. Shuaib A. Malik
	Mr. Sajid Nawaz
Non-Executive Directors	Mr. Laith G. Pharaon *
	Mr. Wael G. Pharaon**
	Mr. Abdus Sattar

* Alternate Director Mr. Bilal A. Khan,
G.M. Pakistan Oilfields Limited

** Alternate Director Mr. Babar Bashir Nawaz

The independent directors meets the criteria of independence under clause 5.19.1.(b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.

4. Two casual vacancies occurred on the board on January 6, 2017 and January 15, 2017 which were filled up by the directors within 90 days.
5. 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.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.
8. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. Most of the directors meet the exemption requirement of the directors' training program. The remaining director has obtained certification under directors' training program.
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.

Statement of Compliance, with the Code of Corporate Governance for the year ended June 30, 2017

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11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises five members, of whom two are independent, three are non-executive directors. One of the non-executive directors is represented by an alternate director who is an executive of the Company.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed a Human Resource and Remuneration (HR&R) Committee. It comprises four members, of whom three are non-executive director. One of the non-executive directors is represented by an alternate director who is an executive of the Company. Chairman of the committee is a non-executive director.
18. The board has set up an effective internal audit function.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through Pakistan Stock Exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.



Shuaib A. Malik
Chairman & Chief Executive

September 11, 2017
Dubai, UAE

Auditors' Report to the Members

We have audited the annexed balance sheet of Pakistan Oilfields Limited as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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, 2017 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion 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.



Chartered Accountants
Islamabad
September 11, 2017

Engagement Partner: M. Imtiaz Aslam

Balance Sheet

As at June 30, 2017

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		2017	2016
	Note	Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorized capital	6	5,000,000	5,000,000
Issued, subscribed and paid up capital	6	2,365,459	2,365,459
Revenue reserves	7	29,130,466	27,786,277
Fair value gain on available-for-sale investments		2,003	1,995
		31,497,928	30,153,731
NON CURRENT LIABILITIES			
Long term deposits	8	846,958	831,115
Deferred liabilities	9	14,999,402	15,636,642
		15,846,360	16,467,757
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	10	5,903,348	5,550,547
Provision for income tax		4,403,945	3,545,221
		10,307,293	9,095,768
CONTINGENCIES AND COMMITMENTS			
	11		
		57,651,581	55,717,256

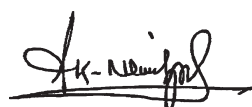
Balance Sheet

As at June 30, 2017

PAKISTAN OILFIELDS LIMITED

		2017	2016
	Note	Rupees ('000)	
FIXED ASSETS			
Property, plant and equipment	12	9,854,534	10,421,400
Development and decommissioning costs	13	13,372,854	14,584,913
Exploration and evaluation assets	14	1,884,356	900,813
		25,111,744	25,907,126
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES			
	15	9,615,603	9,615,603
OTHER LONG TERM INVESTMENTS			
	16	6,255	5,975
LONG TERM LOANS AND ADVANCES			
	17	17,639	12,852
CURRENT ASSETS			
Stores and spares	18	3,897,472	4,236,485
Stock in trade	19	221,893	375,521
Trade debts	20	3,292,966	3,335,961
Advances, deposits, prepayments and other receivables	21	1,306,481	1,463,932
Cash and bank balances	22	14,181,528	10,763,801
		22,900,340	20,175,700
		57,651,581	55,717,256

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

Profit And Loss Account

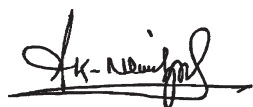
For the year ended June 30, 2017

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	Note	2017 Rupees ('000)	2016
SALES		29,871,439	27,370,266
Sales tax		(2,590,990)	(2,522,048)
NET SALES	23	27,280,449	24,848,218
Operating costs	24	(8,383,542)	(8,871,954)
Excise duty		(271,619)	(264,855)
Royalty		(2,344,306)	(2,020,909)
Amortization of development and decommissioning costs	25	(2,209,306)	(2,447,702)
		(13,208,773)	(13,605,420)
GROSS PROFIT		14,071,676	11,242,798
Exploration costs	26	(1,468,325)	(2,052,117)
		12,603,351	9,190,681
Administration expenses	27	(109,012)	(139,534)
Finance costs	28	(746,365)	(1,021,946)
Other charges	29	(808,911)	(560,332)
		(1,664,288)	(1,721,812)
		10,939,063	7,468,869
Other income	30	1,473,230	1,411,080
PROFIT BEFORE TAXATION		12,412,293	8,879,949
Provision for taxation	31	(2,733,787)	(1,646,134)
PROFIT FOR THE YEAR		9,678,506	7,233,815
Earnings per share - Basic and diluted (Rupees)	37	40.92	30.58

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

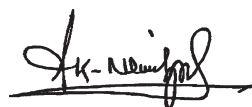
Statement of Comprehensive Income

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
Profit for the year	9,678,506	7,233,815
Other comprehensive income for the year		
Items that will not be reclassified to profit or loss		
Measurement (loss)/gain on staff retirement benefit plans	(78,872)	24,713
Tax credit/(charge) relating to remeasurement gain on staff retirement benefit plans	23,662	(7,414)
	(55,210)	17,299
Items that may be subsequently reclassified to profit or loss		
Fair value adjustments on available for sale investments	8	(64)
Other comprehensive (loss) / income for the year, net of tax	(55,202)	17,235
Total comprehensive income for the year	9,623,304	7,251,050

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

Cash Flow Statement

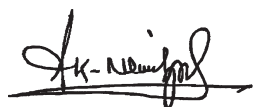
For the year ended June 30, 2017

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	Note	2017 Rupees ('000)	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		27,862,857	25,589,565
Operating and exploration costs paid		(8,662,285)	(9,753,610)
Royalty paid		(2,281,238)	(2,041,249)
Taxes paid		(1,245,150)	(1,327,288)
Cash provided by operating activities	33	15,674,184	12,467,418
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed assets additions		(5,013,390)	(3,863,115)
Proceeds from disposal of property, plant and equipment		14,634	14,159
Income on bank deposits and held-to-maturity investments		432,168	333,635
Investment in mutual funds		(272)	(313)
Dividend income received		650,576	444,784
Cash used in investing activities		(3,916,284)	(3,070,850)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(8,274,820)	(9,443,706)
EFFECT OF EXCHANGE RATE CHANGES			
		(65,353)	196,946
INCREASE IN CASH AND CASH EQUIVALENTS			
		3,417,727	149,808
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR			
		10,763,801	10,613,993
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
	39	14,181,528	10,763,801

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

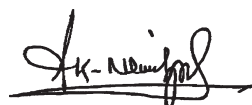
Statement of Changes In Equity

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	Share capital	Revenue reserves			Fair value gain/(loss) on available-for-sale investments	Total
		Insurance reserve	Investment reserve	Unappropriated profit		
Rupees ('000)						
Balance at June 30, 2015	2,365,459	200,000	1,557,794	28,239,206	2,059	32,364,518
Total comprehensive income for the year:						
Profit for the year	-	-	-	7,233,815	-	7,233,815
Other comprehensive income / (loss)	-	-	-	17,299	(64)	17,235
	-	-	-	7,251,114	(64)	7,251,050
Transactions with owners:						
Final dividend @ Rs 25 per share - Year ended June 30, 2015	-	-	-	(5,913,648)	-	(5,913,648)
Interim dividend @ Rs 15 per share - Year ended June 30, 2016	-	-	-	(3,548,189)	-	(3,548,189)
Total transactions with owners	-	-	-	(9,461,837)	-	(9,461,837)
Balance at June 30, 2016	2,365,459	200,000	1,557,794	26,028,483	1,995	30,153,731
Total comprehensive income for the year:						
Profit for the year	-	-	-	9,678,506	-	9,678,506
Other comprehensive income / (loss)	-	-	-	(55,210)	8	(55,202)
	-	-	-	9,623,296	8	9,623,304
Transactions with owners:						
Final dividend @ Rs 20 per share - Year ended June 30, 2016	-	-	-	(4,730,918)	-	(4,730,918)
Interim dividend @ Rs 15 per share - Year ended June 30, 2017	-	-	-	(3,548,189)	-	(3,548,189)
Total transactions with owners	-	-	-	(8,279,107)	-	(8,279,107)
Balance at June 30, 2017	2,365,459	200,000	1,557,794	27,372,672	2,003	31,497,928

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, 2017

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1. LEGAL STATUS AND OPERATIONS

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. 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 Bay View International Group S.A.

2. STATEMENT OF COMPLIANCE

These are separate financial statements of the Company. These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with provisions of the repealed Companies Ordinance, 1984. Accordingly, approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

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

		Effective date (annual reporting periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2017
IAS 12	Income Taxes (Amendments)	January 1, 2017
IAS 28	Investment in Associates and Joint Ventures (Amendments)	January 1, 2018
IAS 40	Investment property (Amendments)	January 1, 2018
IFRS 2	Share-based Payment (Amendments)	January 1, 2018
IFRS 4	Insurance contracts (Amendments)	January 1, 2018
IFRS 12	Disclosure of Interests in Other Entities (Amendments)	January 1, 2017
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 1, 2018

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

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 9	Financial Instruments
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance contracts

- 3.3** The following interpretations issued by the IASB have been waived off by SECP:

IFRIC 4	Determining whether an arrangement contains lease
IFRIC 12	Service concession arrangements

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 balance sheet. Exchange differences are dealt with through the profit and loss account.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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4.5 Taxation

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

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

4.6 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events, 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.

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 ranging from 1.14% p.a. to 2.67% p.a. (2016: 1.74% p.a.). The increase in provision due to unwinding of discount is recorded as finance cost.

4.8 Employee compensated absences

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

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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, 2017.

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 income.

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

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

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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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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 if proved reserves are found.

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

4.13.3 Development costs

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

4.14 Investments in subsidiary and associated companies

These investments 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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 balance sheet 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 balance sheet 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 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. All financial assets and liabilities other than at fair value through profit or loss assets and liabilities are initially recognized at fair value plus transaction costs. Financial assets and liabilities carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are charged to income for the year. These are subsequently measured at fair value, amortized cost or cost, as the case may be. Any gain or loss on derecognition of financial assets and financial liabilities is included in income for the year.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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4.19 Financial assets

The Company classifies its financial assets in the following categories: investments at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available for sale investments. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the company commits to purchase or sell the asset.

(i) Investments at fair value through profit or loss

Investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. At subsequent dates these investments are measured at fair value with any resulting gains or losses charged directly to income. The fair value of such investments is determined on the basis of prevailing market prices.

(ii) Held-to-maturity investments

Investments with fixed payments and maturity that the Company has the intent and ability to hold to maturity are classified as held-to-maturity investments and are carried at amortized cost less impairment losses.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Company's loans and receivables comprise 'Long term loans and advances', 'Trade debts', 'Advances, deposits and other receivables', and 'Cash and bank balances' in the balance sheet. Loans and receivables are carried at amortized cost using the effective interest method less allowance for any uncollectible amounts.

An allowance for uncollectible amounts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the counter party, probability that the counter party will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than the credit period specified in sales agreements) are considered indicators that the amount is uncollectible. When the amount is uncollectible, it is written off against the allowance.

(iv) Available-for-sale investments

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

Available-for-sale investments are initially recognized at cost and carried at fair value at the balance sheet date. Fair value of a quoted investment is determined in relation to its market value (current bid prices) at the balance sheet date. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques/ Net Asset Values (NAVs) quoted by the respective Asset Management Company. Adjustment arising from remeasurement of investment to fair value is recorded in the statement of comprehensive income and taken to income on disposal of the investment or when the investment is determined to be impaired.

4.20 Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

4.21 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to setoff the recognized amounts and the Company intends to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.22 Revenue recognition

Revenue from sales is recognized on dispatch of products to customers. Revenue from services is recognized when the related services are rendered. 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.

Income on held-to-maturity investments 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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4.23 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 upto the balance sheet date.

4.24 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.

4.25 Dividend distribution

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

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 13
- ii) Estimated useful life of property, plant and equipment - note 12.1
- iii) Estimated costs and discount rate used for provision for decommissioning costs - note 4.7
- iv) Estimated value of staff retirement benefits obligations - note 36
- v) Provision for taxation - note 4.5
- vi) Price adjustment related to crude oil sales - note 4.22

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
6. SHARE CAPITAL		
Authorised capital		
500,000,000 (2016: 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 (2016: 20,200,000) ordinary shares	202,000	202,000
Shares issued as fully paid bonus shares		
216,345,920 (2016: 216,345,920) ordinary shares	2,163,459	2,163,459
236,545,920 (2016: 236,545,920) ordinary shares of Rs 10 each	2,365,459	2,365,459

The Company is a subsidiary of The Attock Oil Company Limited which held 124,776,965 (2016: 124,776,965) ordinary shares at the year end.

	2017	2016
	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	27,372,672	26,028,483
	29,130,466	27,786,277

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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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	2017	2016
	Rupees ('000)	
8. LONG TERM DEPOSITS		
Security deposits from distributors for cylinders/ equipment	795,922	780,134
Security deposits from distributors and others	51,036	50,981
	846,958	831,115
9. DEFERRED LIABILITIES		
Provision for deferred income tax - note 9.1	6,411,100	5,804,849
Provision for decommissioning costs - note 9.2	8,578,227	9,821,240
Provision for staff compensated absences	10,075	10,553
	14,999,402	15,636,642
9.1 Provision for deferred income tax		
The provision for deferred income tax represents:		
Temporary differences between accounting and tax depreciation/ amortization	6,612,352	5,965,943
Provision for stores and spares	(121,639)	(105,143)
Provision for doubtful receivable	(93)	(93)
Deferred tax on remeasurement loss on staff retirement benefit plans	(79,520)	(55,858)
	6,411,100	5,804,849
9.2 Provision for decommissioning costs		
Balance brought forward	9,821,240	8,442,955
Revision due to change in estimates - note 9.2.1	(2,108,373)	110,825
Provision during the year	121,754	248,290
Unwinding of discount	715,594	771,424
Exchange loss	28,012	247,746
	8,578,227	9,821,240
9.2.1 Revision due to change in estimates		
Credited to decommissioning costs - note 13	(1,507,610)	110,825
Revision in excess of related decommissioning costs asset credited to profit and loss - note 25	(600,763)	-
	(2,108,373)	110,825

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
10. TRADE AND OTHER PAYABLES		
Creditors	495,084	371,168
Due to related parties		
Attock Hospital (Pvt) Limited	694	2,107
Attock Petroleum Limited	17,419	-
Caggas (Pvt) Limited	-	377
Management Staff Pension Fund	52,874	22,935
Staff Provident Fund	-	1,485
General Staff Provident Fund	-	1,093
Due to joint operating partners		
The Attock Oil Company Limited	59,482	3,529
Others	2,158,196	1,456,356
Accrued liabilities	2,087,034	2,309,808
Advance payment from customers	81,039	102,601
Royalty	296,177	233,109
Excise duty	2,439	2,445
Workers' Welfare Fund	508,124	903,428
Liability for staff compensated absences	5,064	4,671
Unclaimed dividends	139,722	135,435
	5,903,348	5,550,547
11. CONTINGENCIES AND COMMITMENTS		
11.1 Contingencies:		
a) Guarantees issued by banks on behalf of the Company	3,083	28,755
b) The Company is currently contesting applicability of super tax @ 3% of taxable profits from oil and gas operations under Petroleum Concession Agreements (PCAs) and has filed writ petitions in Islamabad High Court on the grounds that the Company being an exploration and production company falls under Special Tax Regime as granted under PCAs. Management based on legal advise is confident that the writ petitions will be decided in favour of the company, accordingly provision of Rs 522 million has not been made in these financial statements in respect of years ended June 30, 2015, June 30, 2016 and June 30, 2017.		
	2017	2016
	Rupees ('000)	
11.2 Commitments:		
Share in joint operations	7,622,953	9,828,653
Own fields	2,774,835	2,081,931
Letter of credit issued by banks on behalf of the company	56,868	157,138
12. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - note 12.1	8,941,806	9,629,028
Capital work in progress - note 12.5	912,728	792,372
	9,854,534	10,421,400

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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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, 2015										
Cost	22,318	348,302	1,841,562	11,251,153	609,215	679,288	469,899	133,237	411,212	15,766,186
Accumulated depreciation	-	(170,350)	(753,752)	(5,055,640)	(382,218)	(444,039)	(324,517)	(84,726)	(275,549)	(7,490,791)
Net book value	22,318	177,952	1,087,810	6,195,513	226,997	235,249	145,382	48,511	135,663	8,275,395
Year ended June 30, 2016										
Opening net book value	22,318	177,952	1,087,810	6,195,513	226,997	235,249	145,382	48,511	135,663	8,275,395
Additions	-	122,806	105,744	2,371,428	18,069	91,338	22,112	14,564	37,431	2,783,492*
Disposals										
Cost	(1,911)	-	(13,748)	(20,800)	(2,997)	(7,147)	(6,696)	(3,020)	(11,028)	(67,347)*
Depreciation	-	-	12,056	18,480	2,997	7,147	6,696	2,906	11,028	61,310
	(1,911)	-	(1,692)	(2,320)	-	-	-	(114)	-	(6,037)
Depreciation charge	-	(15,964)	(154,556)	(1,049,698)	(38,563)	(33,628)	(59,871)	(11,872)	(59,670)	(1,423,822)
Closing net book value	20,407	284,794	1,037,306	7,514,923	206,503	292,959	107,623	51,089	113,424	9,629,028
As at June 30, 2016										
Cost	20,407	471,108	1,933,558	13,601,781	624,287	763,479	485,315	144,781	437,615	18,482,331
Accumulated depreciation	-	(186,314)	(896,252)	(6,086,858)	(417,784)	(470,520)	(377,692)	(93,692)	(324,191)	(8,853,303)
Net book value	20,407	284,794	1,037,306	7,514,923	206,503	292,959	107,623	51,089	113,424	9,629,028
Year ended June 30, 2017										
Opening net book value	20,407	284,794	1,037,306	7,514,923	206,503	292,959	107,623	51,089	113,424	9,629,028
Additions	-	32,439	265,081	491,309	64,788	16,160	26,061	7,158	22,629	925,625*
Disposals										
Cost	-	(1,268)	(62,133)	(50,409)	(2,079)	(10,300)	(9,954)	(1,342)	(741)	(138,226)*
Depreciation	-	706	35,277	43,097	2,075	10,300	9,954	1,165	741	103,315
	-	(562)	(26,856)	(7,312)	(4)	-	-	(177)	-	(34,911)
Depreciation charge	-	(21,805)	(170,138)	(1,173,825)	(43,377)	(46,264)	(52,517)	(12,705)	(57,305)	(1,577,936)
Closing net book value	20,407	294,866	1,105,393	6,825,095	227,910	262,855	81,167	45,365	78,748	8,941,806
As at June 30, 2017										
Cost	20,407	502,279	2,136,506	14,042,681	686,996	769,339	501,422	150,597	459,503	19,269,730
Accumulated depreciation	-	(207,413)	(1,031,113)	(7,217,586)	(459,086)	(506,484)	(420,255)	(105,232)	(380,755)	(10,327,924)
Net book value	20,407	294,866	1,105,393	6,825,095	227,910	262,855	81,167	45,365	78,748	8,941,806

Annual rate of Depreciation (%)

- 5 10 10 10 10 20 12.5 25

* Additions and disposals include inter-transfers of assets having book value of Rs Nil; cost of Rs 3,780 thousand and depreciation of Rs 3,780 thousand (2016: book value of Rs 1,392 thousand; cost of Rs 1,692 thousand and depreciation of Rs 300 thousand).

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

12.2 Cost and accumulated depreciation include:

	Cost		Accumulated depreciation	
	2017	2016	2017	2016
	Rupees ('000)		Rupees ('000)	
Share in joint operations operated by the Company	1,333,515	1,397,414	1,211,438	1,194,834
Assets not in possession of the Company				
Share in joint operations operated by others	11,487,366	10,980,092	5,178,768	4,083,147
Gas cylinders - in possession of distributors	715,140	710,622	458,972	441,372
	13,536,021	13,088,128	6,849,178	5,719,353

12.3 The depreciation charge has been allocated as follows:

Operating cost		1,497,009	1,393,075
Other income - Crude transportation income		80,927	30,447
Inter-transfers		-	300
		1,577,936	1,423,822

12.4 Property, plant and equipment disposals:

There were no disposals of property, plant and equipment having a net book value in excess of Rs 50,000 during the year.

12.5 Capital work in progress

	Buildings	Plant and machinery/ Pipelines and pumps	Computers and software and development	Total
	Rupees ('000)			
Balance as at July 1, 2015	119,540	2,079,273	14,505	2,213,318
Additions during the year	8,643	372,975	7,115	388,733
Transfers during the year	(118,107)	(1,674,902)	(16,670)	(1,809,679)
Balance as at June 30, 2016	10,076	777,346	4,950	792,372
Balance as at July 1, 2016	10,076	777,346	4,950	792,372
Additions/(adjustments) during the year	11,816	444,169	(3,551)	452,434
Transfers during the year	(21,892)	(308,787)	(1,399)	(332,078)
Balance as at June 30, 2017	-	912,728	-	912,728

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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		2017	2016
		Rupees ('000)	
12.6	Break up of capital work in progress at June 30 is as follows:		
	Own fields	4,016	78,859
	POLGAS plant	-	1,736
	Share in joint operations operated by the company		
	- Ikhlas	21,125	-
	- Pindori	-	897
	Share in joint operations operated by others		
	MOL Pakistan Oil and Gas Company B.V.		
	- TAL Block	427,584	253,476
	- Margala Block	269	269
	Oil and Gas Development Company Limited		
	- Kotra	454,530	457,135
	Pakistan Petroleum Limited		
	- Adhi	5,204	-
		912,728	792,372

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

13. DEVELOPMENT AND DECOMMISSIONING COSTS

	Development Cost	Decommissioning Cost	Total
	Rupees ('000)		
As at July 1, 2015			
Cost	29,988,173	3,700,715	33,688,888
Accumulated amortization	(19,197,478)	(2,078,969)	(21,276,447)
Net book value	10,790,695	1,621,746	12,412,441
Year ended June 30, 2016			
Opening net book value	10,790,695	1,621,746	12,412,441
Additions	1,564,472	248,290	1,812,762
Revision due to change in estimates	-	110,825	110,825
Well cost transferred from exploration and evaluation assets - note 14	2,696,587	-	2,696,587
Amortization for the year	(2,402,734)	(44,968)	(2,447,702)
Closing net book value	12,649,020	1,935,893	14,584,913
As at July 1, 2016			
Cost	34,249,232	4,059,830	38,309,062
Accumulated amortization	(21,600,212)	(2,123,937)	(23,724,149)
Net book value	12,649,020	1,935,893	14,584,913
Year ended June 30, 2017			
Opening net book value	12,649,020	1,935,893	14,584,913
Additions	2,039,456	121,754	2,161,210
Revision due to change in estimates - note 9.2.1	-	(1,507,610)	(1,507,610)
Well Cost transferred from exploration and evaluation assets - note 14	944,410	-	944,410
Amortization for the year - note 25	(2,719,058)	(91,011)	(2,810,069)
Closing net book value	12,913,828	459,026	13,372,854
As at June 30, 2017			
Cost	37,233,098	2,673,974	39,907,072
Accumulated amortization	(24,319,270)	(2,214,948)	(26,534,218)
Net book value	12,913,828	459,026	13,372,854

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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	2017	2016
	Rupees ('000)	
14. EXPLORATION AND EVALUATION ASSETS		
Balance brought forward	900,813	2,661,303
Additions during the year	2,899,238	2,821,339
	3,800,051	5,482,642
Wells cost transferred to development cost - note 13	(944,410)	(2,696,587)
Dry and abandoned wells cost charged to the profit and loss account - note 26	(971,285)	(1,885,242)
	1,884,356	900,813
14.1 Break up of exploration and evaluation assets at June 30 is as follows:		
Own fields		
- Khaur	36,055	-
Share in joint operations operated by the Company		
- Ikhlas	1,640,789	45,684
Share in joint operations operated by others		
MOL Pakistan Oil and Gas Company B.V.		
- TAL Block	184,844	134,237
Pakistan Petroleum Limited		
- Adhi	22,668	-
Oil and Gas Development Company Limited		
- Gurgalot	-	720,892
	1,884,356	900,813

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017		2016	
	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 (2016: 344,250) fully paid ordinary shares including 191,250 (2016: 191,250) bonus shares of Rs 10 each	51	1,530	51	1,530
Associated companies				
Quoted				
National Refinery Limited 19,991,640 (2016: 19,991,640) fully paid ordinary shares including 3,331,940 (2016: 3,331,940) bonus shares of Rs 10 each Quoted market value as at June 30, 2017: Rs 14,513,731 thousand (2016: Rs 9,504,026 thousand)	25	8,046,635	25	8,046,635
Attock Petroleum Limited (APL) 5,820,595 (2016: 5,820,595) fully paid ordinary shares including 2,452,195 (2016: 2,452,195) bonus shares of Rs 10 each Quoted market value as at June 30, 2017: Rs 3,646,195 thousand; (2016: Rs 2,546,743 thousand)	7	1,562,938	7	1,562,938
Unquoted				
Attock Information Technology Services (Pvt) Limited (AITSL) 450,000 (2016: 450,000) fully paid ordinary shares of Rs 10 each	10	4,500	10	4,500
		9,615,603		9,615,603

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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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.

	2017	2016
	Rupees ('000)	
16. OTHER LONG TERM INVESTMENTS		
Available-for-sale investments - note 16.1	6,255	5,975
16.1 Available-for-sale investments		
Balance at the beginning of the year	5,975	5,726
Additions during the year	272	313
Fair value adjustment	8	(64)
Balance at the end of the year	6,255	5,975

	2017			2016	
	Number of shares/units	Cost less impairment loss remeasurement to fair value	Adjustment arising from	Fair value	Fair value
	Rupees ('000)				
16.1.1 Available-for-sale investments at June 30 include the following:					
<u>Listed securities:</u>					
Meezan Sovereign Fund	10,965	442	123	565	535
Pakistan Cash Management Fund	13,049	492	163	655	617
IGI Money Market Fund	13,208	993	294	1,287	1,237
Atlas Money Market Fund	1,143	455	118	573	548
UBL Liquidity Plus Fund	13,318	1,004	338	1,342	1,280
<u>Unlisted securities:</u>					
Atlas Asset Management Company	3,581	866	967	1,833	1,758
		4,252	2,003	6,255	5,975

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

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16.1.2 The fair value of listed securities is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair values of unlisted securities are the Net Asset Values (NAV) as at June 30, 2017 as quoted by the respective Asset Management Company.

	2017	2016
	Rupees ('000)	
17. LONG TERM LOANS AND ADVANCES, CONSIDERED GOOD		
Executives - note 17.1	18,257	16,595
Other employees	22,719	18,559
	40,976	35,154
Less: Amount due within twelve months, shown under current loans and advances - note 21	23,337	22,302
	17,639	12,852

17.1 Movement in loans to Executives

	Balance as at June 30, 2016	Disbursements	Repayments	Balance as at June 30, 2017
	Rupees ('000)			
Executives	16,595	19,188	(17,526)	18,257

17.2 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. The aggregate maximum amount due from Executives at the end of any month during the year was Rs 18,257 thousand (2016: Rs 20,225 thousand) respectively.

	2017	2016
	Rupees ('000)	
18. STORES AND SPARES		
Stores and spares - note 18.1	4,302,934	4,586,960
Less: Provision for slow moving items - note 18.2	405,462	350,475
	3,897,472	4,236,485
18.1 Stores and spares include:		
Share in joint operations operated by the Company	302,524	313,106
Share in joint operations operated by others (assets not in possession of the Company)	1,671,689	1,694,885
	1,974,213	2,007,991

Notes to and Forming Part of the Financial Statements

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	2017	2016
	Rupees ('000)	
18.2 Provision for slow moving items		
Balance brought forward	350,475	282,418
Provision for the year	54,987	68,057
	405,462	350,475
19. STOCK IN TRADE		
Crude oil and other products	221,893	375,521

These include Rs 142,800 thousand (2016: Rs 272,642 thousand) being the Company's share in joint operations.

	2017	2016
	Rupees ('000)	
20. TRADE DEBTS - Considered good		
Due from related parties - note 20.1	1,442,801	1,186,086
Others	1,850,165	2,149,875
	3,292,966	3,335,961
20.1 Due from related parties		
Associated companies		
Attock Refinery Limited	1,298,647	1,041,818
National Refinery Limited	144,154	144,268
	1,442,801	1,186,086

Ageing analysis of trade debts receivable from related parties is given in note 35.3 to the financial statements.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
21. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Loans and advances - considered good		
Employees - note 17	23,337	22,302
Suppliers	129,279	133,869
	152,616	156,171
Trade deposits and short term prepayments		
Deposits	114,395	221,738
Short-term prepayments	236,689	293,533
	351,084	515,271
Interest income accrued	39,381	27,470
Other receivables		
Joint operating partners	352,183	348,901
Due from related parties		
Parent company		
The Attock Oil Company Limited	33,201	42,981
Subsidiary company		
Capgas (Pvt) Limited	1,933	-
Staff Provident Fund	5,217	-
General Staff Provident Fund	345	-
Workers Profit Participation Fund - note 21.1	38,150	20,398
Gratuity Fund - note 36.1	58,487	55,085
Sales tax	238,037	256,902
Other receivables (net of provision for doubtful receivable Rs 310 thousand (2016: Rs 310 thousand))	35,847	40,753
	763,400	765,020
	1,306,481	1,463,932
21.1 Workers' Profit Participation Fund		
Balance at beginning of the year	20,398	205,647
Amount allocated for the year	(662,074)	(471,623)
Amount paid to the Fund's trustees	679,826	286,374
Receivable balance at year end	38,150	20,398
22. CASH AND BANK BALANCES		
Bank balance on		
Short term deposits	12,615,073	9,082,080
Interest/mark-up bearing saving accounts	1,543,023	1,551,667
Current accounts	20,534	127,124
	14,178,630	10,760,871
Cash in hand	2,898	2,930
	14,181,528	10,763,801

Balance with banks include foreign currency balances of US \$ 73,533 thousand (2016: US \$ 67,174 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 0.25% to 6.85% (2016: 0.25% to 7.60%).

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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	2017	2016
	Rupees ('000)	
23. NET SALES		
Crude oil	12,035,771	9,651,969
Gas - note 23.1	9,499,633	9,626,720
POLGAS - Refill of cylinders	5,607,990	5,372,808
Solvent oil	131,255	186,456
Sulphur	5,800	10,265
	27,280,449	24,848,218

23.1 The Company has signed the Supplemental Agreements with the Government of Pakistan (the Government) for conversion of Petroleum Concession Agreements (PCA) to Petroleum Exploration & Production Policy 2012 in respect of Ikhlas, DG Khan, Kirthar South, Margala, Margala North, Gurgalot and Tal Block. 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 blocks.

In terms of supplemental agreements, draft statements specifying sums aggregating US \$ 34.39 million till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block and Domial discovery in Ikhlas block have been submitted to the Government. The Government shall facilitate issuance of necessary gas price notifications and payments to be made to the parties within twelve months of the statements being finalized. Effect of adjustment arising from revision in sale price will be recognised upon finalization of the statements and issuance of gas price notifications by the Government.

	2017	2016
	Rupees ('000)	
24. OPERATING COSTS		
Operating cost - Own fields	1,065,976	869,467
- Share in joint operations	2,315,194	2,932,238
Well workovers	197,939	573,387
POLGAS -Cost of gas/LPG, carriage etc.	3,059,653	3,129,277
Head office and insurance charges	61,079	167,343
Pumping and transportation cost	33,064	34,759
Depreciation	1,497,009	1,393,075
	8,229,914	9,099,546
Opening stock of crude oil and other products	375,521	147,929
Closing stock of crude oil and other products	(221,893)	(375,521)
	8,383,542	8,871,954
25. AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS		
Amoritzation charge for the year - note 13	2,810,069	2,447,702
Revision in estimates of provision for decommissioning costs in excess of related decommissioning costs asset credited to profit and loss - note 9.2.1	(600,763)	-
	2,209,306	2,447,702

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
26. EXPLORATION COSTS		
Geological and geophysical cost		
Own fields	2,649	426
Share in joint operations operated by the Company		
- Kirthar South	34,194	49,313
- Ikhlas	112,871	21,717
- Pindori	392	(8,666)
- DG Khan	22,816	33,376
Share in joint operations operated by others		
MOL Pakistan Oil and Gas Company B.V.		
- TAL Block	4,860	14,353
- Margala Block	63,688	11,467
- Margala North Block	(13,179)	17,646
- Tolanj South	23,193	294
- KOT	207	-
- Malgin	246	-
Oil and Gas Development Company Limited		
- Kotra	822	(318)
- Gurgalot	39,310	26,226
- Chak Naurang	(1,776)	423
Pakistan Petroleum Limited	185,576	-
Ocean Pakistan Limited	21,171	618
	497,040	166,875
Dry and abandoned wells cost - note 14		
Share in joint operations operated by others		
Oil and Gas Development Company Limited	971,285	-
MOL Pakistan Oil and Gas Company B.V.		
- Tolanj South	-	759,321
- Margalla North	-	1,125,921
	971,285	1,885,242
	1,468,325	2,052,117

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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	2017	2016
	Rupees ('000)	
27. ADMINISTRATION EXPENSES		
Establishment charges	162,410	219,791
Telephone and telex	1,193	1,263
Medical expenses	6,472	7,780
Printing, stationery and publications	8,848	8,639
Insurance	3,192	3,436
Traveling expenses	2,089	2,707
Motor vehicle running expenses	9,112	10,826
Rent, repairs and maintenance	35,265	36,408
Auditor's remuneration - note 27.1	5,529	5,002
Legal and professional charges	4,887	8,610
Stock exchange and CDC fee	1,241	1,543
Computer support and maintenance charges	25,416	23,612
Donation*	90	500
Other expenses	4,745	4,395
	270,489	334,512
Less: Amount allocated to field expenses	161,477	194,978
	109,012	139,534
* No director or his spouse had any interest in the donee institutions.		
27.1 Auditor's remuneration:		
Statutory audit	1,614	1,467
Review of half yearly accounts, audit of consolidated accounts, staff funds, special certifications	927	843
Tax services	2,650	2,500
Out of pocket expenses	338	192
	5,529	5,002
28. FINANCE COSTS		
Provision for decommissioning costs - note 9.2		
- Unwinding of discount	715,594	771,424
- Exchange loss	28,012	247,746
Banks' commission and charges	2,759	2,776
	746,365	1,021,946
29. OTHER CHARGES		
Workers' Profit Participation Fund	662,074	471,623
Workers' Welfare Fund	146,837	88,709
	808,911	560,332

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
30. OTHER INCOME		
Income from financial assets		
Income on bank deposits	444,079	349,223
Exchange (loss)/gain on financial assets	(65,353)	196,946
Dividend on available-for-sale investments - note 30.1	362	417
Income from investments in subsidiary and associated companies		
Dividend from subsidiary and associated companies - note 30.2	650,214	444,367
Income from assets other than financial assets		
Rental income (net of related expenses Rs 61,031 thousand; 2016: Rs 52,905 thousand)	154,242	129,209
Crude oil/gas transportation income (net of related expenses Rs 221,666 thousand; 2016: Rs 134,201 thousand)	187,811	103,029
Gas processing fee	110,914	174,165
(Loss)/profit on sale of property, plant and equipment	(20,277)	7,822
Sale of stores and scrap	4,066	3,432
Others	7,172	2,470
	1,473,230	1,411,080
30.1 Dividend on available-for-sale investments		
Meezan Sovereign Fund	29	56
Pakistan Cash Management Fund	50	34
IGI Money Market Fund	80	96
Atlas Money Market Fund	33	34
UBL Liquidity Plus Fund	77	67
Atlas Asset Management Company	93	130
	362	417
30.2 Dividend from subsidiary and associated companies		
Subsidiary company		
Capgas (Pvt) Limited	17,557	29,089
Associated companies		
National Refinery Limited	399,833	199,916
Attock Petroleum Limited	232,824	215,362
	650,214	444,367

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	2017	2016
	Rupees ('000)	
31. PROVISION FOR TAXATION		
Current		
- for the year	2,473,400	1,212,269
- for prior years	(369,526)	-
	2,103,874	1,212,269
Deferred		
- for the year	390,405	433,865
- for prior years	239,508	-
	629,913	433,865
	2,733,787	1,646,134
31.1 Reconciliation of tax charge for the year		
Accounting profit	12,412,293	8,879,949
* Tax at applicable tax rate of 49.75% (2016: 50.26%)	6,175,116	4,463,018
Tax effect of depletion allowance and royalty payments	(2,774,525)	(2,443,772)
Tax effect of income that is not taxable or taxable at reduced rates	(351,159)	(223,551)
Tax effect of prior years	(130,018)	-
Others	(185,627)	(149,561)
Tax charge for the year	2,733,787	1,646,134

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

32. OPERATING SEGMENTS

The financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note 23.

Revenue from two major customers of the Company constitutes 64% of the total revenue during the year ended June 30, 2017 (June 30, 2016: 61%).

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
33. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	12,412,293	8,879,949
Adjustments for:		
Depreciation	1,577,936	1,423,522
Measurement (loss)/gain on staff retirement benefit plans	(78,872)	24,713
Amortization of development and decommissioning costs	2,209,306	2,447,702
Finance costs	743,606	1,019,170
Exchange loss/(gain) on financial assets	65,353	(196,946)
Loss/(gain) on sale of assets	20,277	(7,822)
Dividend from subsidiary and associated companies	(650,214)	(444,367)
Income on bank deposits	(444,079)	(349,223)
Dividend on available-for-sale investments	(362)	(417)
Provision for staff compensated absences	(478)	(1,585)
Provision for slow moving stores and spares	54,987	68,057
Cash flows before working capital changes	15,909,753	12,862,753
Effect on cash flows due to working capital changes:		
Decrease in stores and spares	284,026	(28,477)
Decrease/(increase) in stock in trade	153,628	(227,592)
Decrease in trade debts	42,995	141,032
Decrease in advances, deposits, prepayments and other receivables	169,362	281,574
Increase in trade and other payables	348,514	656,380
	998,525	822,917
Cash flows generated from operations	16,908,278	13,685,670
(Increase)/decrease in long term loans and advances	(4,787)	2,784
Increase in long term deposits	15,843	106,252
Taxes paid	(1,245,150)	(1,327,288)
Net cash generated from operating activities	15,674,184	12,467,418

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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34. 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 company are given below:

	Chief Executive		Executives	
	2017	2016	2017	2016
	Rupees ('000)		Rupees ('000)	
Managerial remuneration	6,920	6,920	133,812	120,168
Bonus	3,460	4,037	51,232	58,165
Housing, utility and conveyance	5,456	5,192	142,886	120,345
Company's contribution to pension, gratuity and provident funds	-	-	53,468	48,596
Leave passage	1,153	1,153	18,573	17,878
Other benefits	3,832	4,105	36,181	32,531
	20,821	21,407	436,152	397,683

No. of persons, including those who worked part of the year	1	1	119	109
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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.

Directors and the Chief Executive of the Company were paid meeting fee aggregating Rs 4,734 thousand (2016: Rs 4,288 thousand) based on actual attendance.

Remuneration of executives is net of charge to subsidiary and associated companies of Rs 13,724 thousand (2016: Rs 12,650 thousand).

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

35. FINANCIAL INSTRUMENTS

35.1 Financial assets and liabilities

	Loans and receivables	Available-for- sale Investments	Total
Rupees ('000)			
June 30, 2017			
Financial assets			
Maturity up to one year			
Trade debts	3,292,966	-	3,292,966
Advances, deposits and other receivables	664,326	-	664,326
Cash and bank balances	14,181,528	-	14,181,528
Maturity after one year			
Other long term investments	-	6,255	6,255
Long term loans and advances	17,639	-	17,639
	18,156,459	6,255	18,162,714
Financial liabilities			
		Other financial liabilities	Total
Rupees ('000)			
Maturity up to one year			
Trade and other payables		5,015,569	5,015,569
Maturity after one year			
Long term deposits		846,958	846,958
Provision for decommissioning costs		8,578,227	8,578,227
Provision for staff compensated absences		10,075	10,075
		14,450,829	14,450,829

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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	Loans and receivables	Available-for- sale Investments	Total
Rupees ('000)			
June 30, 2016			
Financial assets			
Maturity up to one year			
Trade debts	3,335,961	-	3,335,961
Advances, deposits and other receivables	759,230	-	759,230
Cash and bank balances	10,763,801	-	10,763,801
Maturity after one year			
Other long term investments	-	5,975	5,975
Long term loans and advances	12,852	-	12,852
	14,871,844	5,975	14,877,819

Financial liabilities	Other financial liabilities	Total
Rupees ('000)		
Maturity up to one year		
Trade and other payables	4,308,964	4,308,964
Maturity after one year		
Long term deposits	831,115	831,115
Provision for decommissioning costs	9,821,240	9,821,240
Provision for staff compensated absences	10,553	10,553
	14,971,872	14,971,872

35.2 Credit quality of financial assets

The credit quality of Company's financial assets have been assessed below by reference to external credit ratings of counterparties 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	Rating	2017	2016
Rupees ('000)			
Trade debts			
Counterparties with external credit rating	A1+	1,666,094	1,596,793
	A1	1,186,945	1,404,134
	A2	52,260	163,232
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		387,667	171,802
		3,292,966	3,335,961
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	69,304	57,393
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		436,655	540,716
Receivable from employees/ employee benefit plans		87,386	77,387
Receivable from parent company		33,201	42,981
Others		37,780	40,753
		664,326	759,230
Bank balances			
Counterparties with external credit rating	A1+	14,178,384	10,760,630
	A1	219	215
	A2	27	26
		14,178,630	10,760,871
Long term loans and advances			
Counterparties without external credit rating			
Receivable from employees		17,639	12,852
Available for sale investments			
Counterparties with external credit rating	AAA	655	617
	AA	2,480	3,599
	AA+	1,287	-
	AM2+	1,833	1,759
		6,255	5,975

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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35.3 FINANCIAL RISK MANAGEMENT

35.3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rates risk and price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

(a) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

As of June 30, 2017, trade debts of Rs 799,434 thousand (2016: Rs 432,809 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2017	2016
	Rupees ('000)	
Due from related parties		
Up to 3 months	200,409	132,893
3 to 6 months	1,470	15,470
6 to 12 months	2,381	62,219
Above 12 months	74,498	50,402
	278,758	260,984
Due from others		
Up to 3 months	248,555	67,524
3 to 6 months	127,248	65,492
6 to 12 months	46,222	8,539
Above 12 months	98,651	30,270
	520,676	171,825
	799,434	432,809

(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, 2017, the Company had financial assets of Rs 18,162,714 thousand (2016: Rs 14,877,819 thousand).

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet 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, 2017

PAKISTAN OILFIELDS LIMITED

	Less than 1 year	Between 1 to 5 years	Over 5 years
	Rupees ('000)		
At June 30, 2017			
Long term deposits	-	846,958	-
Provision for decommissioning costs	-	6,322,376	7,580,770
Provision for staff compensated absences	-	10,075	-
Trade and other payables	5,015,569	-	-
At June 30, 2016			
Long term deposits	-	831,115	-
Provision for decommissioning costs	-	9,669,984	2,841,266
Provision for staff compensated absences	-	10,553	-
Trade and other payables	4,308,964	-	-

(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 and provision for decommissioning costs.

Financial assets include Rs 9,432,398 thousand (2016: Rs 9,015,982 thousand) and financial liabilities include Rs 10,115,687 thousand (2016: Rs 11,144,291 thousand) which are subject to currency risk.

If exchange rates had been 10% higher/ lower with all other variables held constant, profit after tax for the year would have been Rs 47,147 thousand lower/higher (2016: Rs 144,725 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 14,158,096 thousand (2016: Rs 10,710,697 thousand) and financial liabilities include Rs 8,578,227 thousand (2016: Rs 9,821,240 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 85,797 thousand (2016: Rs 72,368 thousand) higher/ lower, mainly as a result of higher/ lower interest income from these financial assets.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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(iii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the balance sheet as available for sale. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the investment policy of the Company.

Available for sale investments include Rs 6,255 thousand (2016: Rs 5,975 thousand) which were subject to price risk.

35.3.2 Capital risk management

The Company's objectives when managing capital are to ensure the Company's ability not only to continue as a going concern but also to meet its requirements for expansion and enhancement of its business, maximize return of shareholders and optimize benefits for other stakeholders to maintain an optimal capital structure and to reduce the cost of capital.

In order to achieve the above objectives, the Company may adjust the amount of dividends paid to shareholders, issue new shares through bonus or right issue or sell assets to reduce debts or raise debts, if required.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The gearing ratio of the Company has always been low and the Company has mostly financed its projects and business expansions through equity financing. Further, the Company is not subject to externally imposed capital requirements.

35.3.3 Fair value of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The company held the following financial assets at fair value:

	Level 1	Level 2	Level 3	Total
	Rupees ('000)			
June 30, 2017				
Other long term investments Available-for-sale investment	6,255	-	-	6,255
June 30, 2016				
Other long term investments Available-for-sale investment	5,975	-	-	5,975

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

36. STAFF RETIREMENT BENEFITS

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

36.1 The amounts recognized in the balance sheet are as follows:

	2017	2016
	Rupees ('000)	
Present value of defined benefit obligations	1,437,088	1,381,416
Fair value of plan assets	(1,442,701)	(1,413,566)
	(5,613)	(32,150)
Amounts in the balance sheet:		
Gratuity Fund-(Asset)	(58,487)	(55,085)
Management Staff Pension Fund-Liability	52,874	22,935
Net Assets	(5,613)	(32,150)

36.2 The amounts recognized in the profit and loss account are as follows:

Current service cost	31,975	32,127
Net interest cost	(5,371)	(363)
	26,604	31,764

36.3 The amounts recognised in other comprehensive income are as follows:

Remeasurement due to:		
Change in financial assumptions	(7,133)	-
Experience adjustments	77,278	(39,849)
Investment return	8,727	15,136
	78,872	(24,713)

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

Opening defined benefit obligation	1,381,416	1,392,170
Current service cost	31,975	32,127
Interest cost	98,183	132,443
Measurement	70,144	(39,849)
Benefits paid	(144,630)	(135,475)
Closing defined benefit obligation	1,437,088	1,381,416

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

Opening fair value of plan assets	1,413,566	1,360,238
Interest income	103,554	132,806
Measurement	(8,727)	(15,136)
Contribution by employer	78,938	71,133
Benefits paid	(144,630)	(135,475)
Closing fair value of plan assets	1,442,701	1,413,566

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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

	2017		2016	
	Rupees ('000)	%	Rupees ('000)	%
Government bonds	1,399,777	97	1,073,780	76
National savings deposits	32,792	2	24,211	2
Cash and cash equivalents	10,132	1	329,591	23
Benefits due	-	-	(5,320)	-
Allocated to holding company	-	-	(8,696)	(1)
	1,442,701	100	1,413,566	100

Government bonds are valued at quoted market price and are therefore level 1. Cash equivalents and National Government bonds are valued at quoted market price and are therefore level 1. Cash equivalents and National Savings deposits include level 2 assets.

Both funds covered were invested within limits specified by regulations governing investment of approved retirement funds in Pakistan. The funds have no investment in the company's own securities.

36.7 Principal actuarial assumptions

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

	2017	2016
	%	%
Discount rate	8.20	7.50
Expected rate of salary increase	6.10	5.45
Expected rate of pension increase	3.00	2.40

36.8 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2016 and 2017.

36.9 The pension and gratuity plans are defined benefits final salary plans 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.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

36.10 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of a change in respective assumptions by one percent.

	Defined benefit obligation	
	1 percent increase	1 percent decrease
Discount rate	(116,361)	138,286
Salary increase	33,802	(31,033)
Pension increase	85,325	(106,383)

If life expectancy increases by 1 year, the obligation increases by Rs 41,156 thousand.

The impact of changes in financial assumptions has been determined by revaluation of the obligations on different rates. The impact of increase in longevity has been calculated on the aggregate for each class of employees.

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

Plan Duration	Pension	Gratuity
	Years	
June 30, 2017	11.5	4.7
June 30, 2016	11.6	4.6

36.12 The Company contributes to the pension and gratuity funds on the advice of the fund's actuary. The contributions are equal to the current service cost with adjustment for any deficit.

Projected payments	Pension	Gratuity
	Rupees ('000)	
Contributions FY 2018	29,481	59,029
Benefit payments:		
FY 2018	74,028	61,380
FY 2019	79,329	75,844
FY 2020	82,308	47,960
FY 2021	89,550	82,320
FY 2022	91,392	22,601
FY 2023-27	484,613	117,515

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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37. EARNINGS PER SHARE - BASIC AND DILUTED

	2017	2016
	Rupees ('000)	
Profit for the year (in thousand rupees)	9,678,506	7,233,815
Weighted average number of ordinary shares in issue during the year (in thousand shares)	236,546	236,546
Basic and diluted earnings per share (Rupees)	40.92	30.58

38. TRANSACTIONS WITH RELATED PARTIES

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:

	2017	2016
	Rupees ('000)	
Parent company - The Attock Oil Company Limited		
Purchase of petroleum products	19,884	32,082
Purchase of services	32,766	26,809
Dividend paid	4,367,229	4,991,118
Subsidiary company - Cargas (Private) Limited		
Sale of services	20,898	20,904
Purchase of services	6,679	5,126
Dividend received	17,557	29,089
Associated companies		
Attock Refinery Limited		
Sale of crude oil and gas	9,103,202	5,809,524
Crude oil and gas transmission charges	4,776	7,784
Sale of services	3,362	3,664
Purchase of LPG	102,558	106,761
Purchase of fuel	9,879	13,243
Purchase of services	21,838	16,667
National Refinery Limited		
Sale of crude oil	493,502	1,233,104
Purchase of LPG	291,824	184,678
Purchase of services	903	1,988
Dividend received	399,833	199,916
Attock Petroleum Limited		
Purchase of fuel and lubricants	523,701	422,123
Sale of solvent oil	152,891	217,707
Sale of services	13,240	12,371
Purchase of services	940	261
Dividend received	232,824	215,362

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
Attock Information Technology (Private) Limited Purchase of services	45,660	38,043
Attock Cement Pakistan Limited Purchase of services	8	5
Attock Hospital (Private) Limited Purchase of medical services	9,612	7,689
Other Associated Companies Dividend Paid	12,983	15,181
Other related parties		
Dividend paid to key management personnel	83,808	95,965
Contribution to staff retirement benefits plans Management Staff Pension Fund and Gratuity Fund Approved Contributory Provident Funds	78,938 27,718	71,133 25,689
Contribution to Workers' Profit Participation Fund	662,074	471,623
39. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents comprise		
Cash and bank balances	14,181,528	10,763,801

40. CONTRIBUTORY PROVIDENT FUND

Details of the provident funds based on unaudited financial statements of the funds are as follows:

	2017	2016
	Rupees ('000)	
Net assets	685,884	724,064
Cost of investments made	606,679	641,154
%age of investments made	88%	89%
Fair value of investments made	636,661	674,466
	2017	
Breakup of investments - at cost	Rupees ('000)	%age
Term Finance Certificates	925	0.15
Mutual Funds	4,977	0.82
Government bonds	591,450	97.49
Cash and cash equivalents	9,327	1.54
	606,679	100.00
	2016	
	Rupees ('000)	%age
Term Finance Certificates	925	0.14
Mutual Funds	4,977	0.78
Government bonds	631,236	98.45
Cash and cash equivalents	4,016	0.63
	641,154	100.00

Investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for the purpose.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

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41. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed with reference to circular no. 29 of 2016 dated September 5, 2016, issued by the Securities and Exchange Commission of Pakistan relating to "All Shares Islamic Index".

Description	Explanation	2017	2016
		Rupees ('000)	
i) Loans and advances	Non-interest bearing		
ii) Deposits	Non-interest bearing		
iii) Segment revenue	Disclosed in note 32		
iv) Bank Balances			
Placed under interest arrangements		14,055,319	10,573,524
Placed under Shariah permissible arrangements		102,840	60,223
		14,158,159	10,633,747
v) Income on bank deposits			
Placed under interest arrangements		443,568	346,316
Placed under Shariah permissible arrangements		511	2,907
		444,079	349,223
vi) Gain/(loss) on available-for-sale investments	Disclosed in note 16.1.1		
vii) Dividend income	Disclosed in note 30.1 & 30.2		
viii) All sources of other income	Disclosed in note 30		
ix) Exchange gain	Earned from actual currency		
x) Relationship with banks having Islamic windows	Following is the list of banks with which the Company has a relationship with Islamic window of operations: 1. Meezan Bank Limited 2. Bank Islami Pakistan Limited 3. Albaraka Islamic Investment bank		

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2017

42. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on September 11, 2017 has proposed a final dividend for the year ended June 30, 2017 @ Rs 25 per share, amounting to Rs 5,913,648 thousand for approval of the members in the Annual General Meeting to be held on October 19, 2017.

43. GENERAL

43.1 Capacity

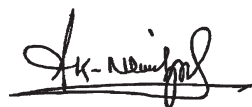
Considering the nature of the Company's business, information regarding capacity has no relevance.

43.2 Number of employees

Total number of employees at the end of the year were 709 (2016: 746). Average number of employees during the year were 730 (2016: 770).

43.3 Date of authorization

These financial statements were authorized for issue by the Board of Directors of the Company on September 11, 2017.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director



**CONSOLIDATED
FINANCIAL
STATEMENTS**

Auditors' Report to the Members

We have audited the annexed consolidated financial statements comprising consolidated balance sheet of Pakistan Oilfields Limited and its subsidiary company, Capgas (Private) Limited as at June 30, 2017 and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof, for the year then ended. We have also expressed separate opinions on the financial statements of Pakistan Oilfields Limited and Capgas (Private) Limited. These financial statements are the responsibility of Pakistan Oilfields Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was conducted in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements present fairly the financial position of Pakistan Oilfields Limited and its subsidiary company as at June 30, 2017 and the results of their operations for the year then ended.



Chartered Accountants
Islamabad
September 11, 2017

Engagement Partner: M. Imtiaz Aslam

Consolidated Balance Sheet

As at June 30, 2017

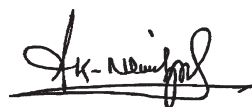
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	Note	2017 Rupees ('000)	2016
SHARE CAPITAL AND RESERVES			
Equity attributable to owners of POL			
Authorised capital	6	5,000,000	5,000,000
Issued, subscribed and paid up capital	6	2,365,459	2,365,459
Capital reserves	7	2,015,858	1,022,499
Revenue reserves	8	33,841,980	31,270,183
Fair value gain on available-for-sale investments		2,003	1,995
		38,225,300	34,660,136
Non-Controlling Interest		106,317	100,216
		38,331,617	34,760,352
NON CURRENT LIABILITIES			
Long term deposits	9	1,004,620	988,377
Deferred liabilities	10	15,823,456	15,649,693
		16,828,076	16,638,070
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	11	6,038,213	5,584,931
Provision for income tax		4,406,640	3,553,392
		10,444,853	9,138,323
CONTINGENCIES AND COMMITMENTS			
	12		
		65,604,546	60,536,745

	Note	2017 Rupees ('000)	2016
FIXED ASSETS			
Property, plant and equipment	13	9,935,172	10,516,786
Development and decommissioning costs	14	13,372,854	14,584,913
Exploration and evaluation assets	15	1,884,356	900,813
Other intangible assets	16	283,363	71,941
		25,475,745	26,074,453
LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES			
	17	17,044,413	14,017,705
OTHER LONG TERM INVESTMENTS			
	18	6,255	5,975
LONG TERM LOANS AND ADVANCES			
	19	17,639	12,852
CURRENT ASSETS			
Stores and spares	20	3,898,248	4,236,489
Stock in trade	21	245,060	380,087
Trade debts	22	3,293,220	3,336,440
Advances, deposits, prepayments and other receivables	23	1,325,306	1,477,912
Short term investments	24	-	130,139
Cash and bank balances	25	14,298,660	10,864,693
		23,060,494	20,425,760
		65,604,546	60,536,745

The annexed notes 1 to 49 form an integral part of these financial statements.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

Consolidated Profit And Loss Account

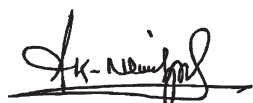
For the year ended June 30, 2017

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		2017	2016
	Note	Rupees ('000)	
SALES		30,599,832	28,204,272
Sales tax		(2,700,009)	(2,647,798)
NET SALES	26	27,899,823	25,556,474
Operating costs	27	(8,910,759)	(9,464,588)
Excise duty		(271,619)	(264,855)
Royalty		(2,344,306)	(2,020,909)
Amortization of development and decommissioning costs	28	(2,209,306)	(2,447,702)
		(13,735,990)	(14,198,054)
GROSS PROFIT		14,163,833	11,358,420
Exploration costs	29	(1,468,325)	(2,052,117)
		12,695,508	9,306,303
Administration expenses	30	(137,968)	(168,777)
Finance costs	31	(747,079)	(1,022,752)
Other charges	32	(814,062)	(567,009)
		(1,699,109)	(1,758,538)
		10,996,399	7,547,765
Other income	33	833,571	977,963
		11,829,970	8,525,728
Share in profits of associated companies	17 & 34	2,387,070	2,192,888
Reversal of impairment on investment in associated company	17	1,254,835	1,071,269
PROFIT BEFORE TAXATION		15,471,875	11,789,885
Provision for taxation	35	(3,566,803)	(1,668,358)
PROFIT FOR THE YEAR		11,905,072	10,121,527
Attributable to:			
Owners of Pakistan Oilfields Limited (POL)		11,882,059	10,088,246
Non - Controlling Interest		23,013	33,281
		11,905,072	10,121,527
Earnings per share attributable to owners of POL - Basic and diluted (Rupees)	42	50.23	42.65

The annexed notes 1 to 49 form an integral part of these financial statements.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

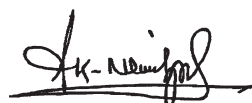
Consolidated Statement of Comprehensive Income

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
Profit for the year	11,905,072	10,121,527
Other comprehensive income for the year:		
Items that will not be reclassified to profit or loss		
Measurement (loss)/gain on staff retirement benefit plans	(79,002)	24,753
Tax credit /(charge) relating to remeasurement gain on staff retirement benefit plans	23,702	(7,426)
	(55,300)	17,327
Share of other comprehensive income/(loss) of associated companies - net of tax	17,460	(50,080)
	(37,840)	(32,753)
Items that may be subsequently reclassified to profit or loss		
Fair value adjustments on available-for-sale investments	8	(64)
Other comprehensive loss for the year, net of tax	(37,832)	(32,817)
Total comprehensive income	11,867,240	10,088,710
Attributable to:		
Owners of Pakistan Oilfields Limited (POL)	11,844,271	10,055,415
Non - Controlling Interest	22,969	33,295
	11,867,240	10,088,710

The annexed notes 1 to 49 form an integral part of these financial statements.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

Consolidated Cash Flow Statement

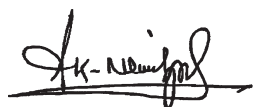
For the year ended June 30, 2017

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	Note	2017	2016
		Rupees ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		28,479,470	26,300,369
Operating and exploration costs paid		(9,096,650)	(10,349,410)
Royalty paid		(2,281,238)	(2,041,249)
Taxes paid		(1,273,489)	(1,353,406)
Cash provided by operating activities	46	15,828,093	12,556,304
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed assets additions		(5,261,460)	(3,956,930)
Proceeds from disposal of property, plant and equipment		14,634	14,243
Investment in mutual funds		(272)	(313)
Income on bank deposits and held-to-maturity investments		446,855	345,112
Dividend received from associated companies		633,019	415,695
Cash used in investing activities		(4,167,224)	(3,182,193)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(8,274,820)	(9,443,706)
Dividend paid to non - controlling interest holders		(16,868)	(27,949)
Cash used in financing activities		(8,291,688)	(9,471,655)
EFFECT OF EXCHANGE RATE CHANGES		(65,353)	196,946
INCREASE IN CASH AND CASH EQUIVALENTS		3,303,828	99,402
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		10,994,832	10,895,430
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		14,298,660	10,994,832

The annexed notes 1 to 49 form an integral part of these financial statements.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

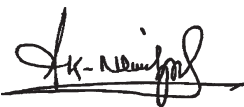
Consolidated Statement of Changes In Equity

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	Attributable to owners of Pakistan Oilfields Limited							Fair value gain/ (loss) on available-for-sale investments	Total	Non-controlling interest	Total
	Share capital	Capital Reserves			Revenue reserves		Unappropriated profit				
		Bonus shares issued by subsidiary/ associated companies	Special reserve	Utilised Special reserve	Insurance reserve	General reserve					
	Rupees ('000)										
Balance at June 30, 2015	2,365,459	59,754	476,539	-	200,000	4,352,325	26,610,422	2,059	34,066,558	94,870	34,161,428
Total comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	10,088,246	-	10,088,246	33,281	10,121,527
Other comprehensive income/(loss)	-	-	-	-	-	-	(32,767)	(64)	(32,831)	14	(32,817)
Transferred to general reserve by an associated company	-	-	-	-	-	-	10,055,479	(64)	10,055,415	33,295	10,088,710
Transferred to special reserve by associated companies	-	-	486,206	-	-	750,000	(486,206)	-	-	-	-
POL dividends:											
Final dividend @ Rs 25 per share - Year ended June 30, 2015	-	-	-	-	-	-	(5,913,648)	-	(5,913,648)	-	(5,913,648)
Interim dividend @ Rs 15 per share - Year ended June 30, 2016	-	-	-	-	-	-	(3,548,189)	-	(3,548,189)	-	(3,548,189)
Dividend to CAPGAS non - controlling interest holders	-	-	-	-	-	-	-	-	-	(12,404)	(12,404)
Final dividend @ Rs 37.5 per share - Year ended June 30, 2015	-	-	-	-	-	-	-	-	-	(15,545)	(15,545)
Interim dividend @ Rs 47 per share - Year ended June 30, 2016	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	(9,461,837)	-	(9,461,837)	(27,949)	(9,489,786)
Balance at June 30, 2016	2,365,459	59,754	962,745	-	200,000	5,102,325	25,967,858	1,995	34,660,136	100,216	34,760,352
Total comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	11,882,059	-	11,882,059	23,013	11,905,072
Other comprehensive income/(loss)	-	-	-	-	-	-	(37,796)	8	(37,788)	(44)	(37,832)
Transferred to general reserve by an associated company	-	-	-	-	-	1,000,000	(1,000,000)	-	-	-	-
Transferred to special reserve by associated companies	-	-	993,359	-	-	-	(993,359)	-	-	-	-
Transferred to utilised special reserve by an associated company	-	-	(1,941,044)	1,941,044	-	-	-	-	-	-	-
POL dividends:											
Final dividend @ Rs 20 per share - Year ended June 30, 2016	-	-	-	-	-	-	(4,730,918)	-	(4,730,918)	-	(4,730,918)
Interim dividend @ Rs 15 per share - Year ended June 30, 2017	-	-	-	-	-	-	(3,548,189)	-	(3,548,189)	-	(3,548,189)
Dividend to CAPGAS non - controlling interest holders	-	-	-	-	-	-	-	-	-	(9,923)	(9,923)
Final dividend @ Rs 30 per share - Year ended June 30, 2016	-	-	-	-	-	-	-	-	-	(6,945)	(6,945)
Interim dividend @ Rs 21 per share - Year ended June 30, 2017	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	(8,279,107)	-	(8,279,107)	(16,868)	(8,295,975)
Balance at June 30, 2017	2,365,459	59,754	15,060	1,941,044	200,000	6,102,325	27,539,655	2,003	38,225,300	106,317	38,331,617

The annexed notes 1 to 49 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 Consolidated Financial Statements

For the year ended June 30, 2017

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1. LEGAL STATUS AND OPERATIONS

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. 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 Bay View International Group S.A.

CAPGAS (Private) Limited (CAPGAS), the subsidiary company is incorporated in Pakistan as a private limited company under the Companies Ordinance, 1984 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 Company.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with provisions of the repealed Companies Ordinance, 1984. Accordingly, approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

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

		Effective date (annual reporting periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2017
IAS 12	Income Taxes (Amendments)	January 1, 2017
IAS 28	Investment in Associates and Joint Ventures (Amendments)	January 1, 2018
IAS 40	Investment property (Amendments)	January 1, 2018
IFRS 2	Share-based Payment (Amendments)	January 1, 2018
IFRS 4	Insurance contracts (Amendments)	January 1, 2018
IFRS 12	Disclosure of Interests in Other Entities (Amendments)	January 1, 2017
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 1, 2018

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

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

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

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 9	Financial Instruments
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance contracts

- 3.3** The following interpretations issued by the IASB have been waived off by SECP:

IFRIC 4	Determining whether an arrangement contains lease
IFRIC 12	Service concession arrangements

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of measurement

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

4.2 Basis of consolidation

The consolidated financial statements include the financial statements of POL and its subsidiary CAPGAS with 51% holding (2016: 51%).

a) Subsidiary

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company 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 Company. They are deconsolidated from the date that control ceases.

The assets and liabilities of subsidiary company have been consolidated on a line by line basis and the carrying value of investments held by the parent company is eliminated against the subsidiary shareholders' equity in the consolidated financial statements.

Material intra-group balances and transactions have been eliminated.

Non - controlling interests are that part of the net results of the operations and of net assets of the subsidiary attributable to interests which are not owned by the parent company. Non - controlling interest are presented as a separate item in the consolidated financial statements.

b) Associates

Associates are all entities over which the company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in associates are

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

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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 Company'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 profit and loss account where applicable.

The Company's share of post-acquisition profit is recognized in the profit and loss account, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with the corresponding adjustment to the carrying amount of the investment. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Company determines at each reporting date whether there is any objective evidence in the associate is impaired. If this is the case, the Company 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 profit and loss account.

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 Company has a single reportable segment as the Board of Directors views the Company'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 Company operates. The financial statements are presented in Pakistan Rupees, which is the Company'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 balance sheet. Exchange differences are dealt with through the profit and loss account.

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 of POL has been calculated at the estimated effective rate of 30% after taking into account availability of future depletion allowance and set off available in respect of royalty payments to the Government where as deferred tax liability of CAPGAS has been calculated at applicable tax rate.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

4.7 Provisions

Provisions are recognized when the Company 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.

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 ranging from 1.14% p.a. to 2.67% p.a. (2016: 1.74% p.a.). The increase in provision due to unwinding of discount is recorded as finance cost.

4.9 Employee compensated absences

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

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, 2017.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

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Actuarial gains and losses arising from experience adjustment 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 in immediately in income.

Since both are complementary plans, combined details and valuation for pension plan and gratuity plan are given in note 39.

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

CAPGAS

The subsidiary is operating a non funded gratuity plan for management and non-management employees. The liability for gratuity plan is provided on the basis of actuarial valuation conducted as at June 30, 2017 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 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.

4.13 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 to the financial statements. Depreciation is charged on additions from the month the asset become available for the intended use upto the month in which these are derecognized.

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

4.14 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

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

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.

Foreign currency transactions

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 balance sheet 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 balance sheet 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,

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

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net of depreciation or amortization, if no new impairment loss had been recognised. An impairment loss or reversal of impairment loss is recognized in income for the year.

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4.19 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. All financial assets and liabilities other than at fair value through profit or loss assets and liabilities are initially recognized at fair value plus transaction costs. Financial assets and liabilities carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are charged to income for the year. These are subsequently measured at fair value, amortized cost or cost, as the case may be. Any gain or loss on derecognition of financial assets and financial liabilities is included in income for the year.

4.20 Financial assets

The Company classifies its financial assets in the following categories: investments at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available for sale investments. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the company commits to purchase or sell the asset.

(i) Investments at fair value through profit or loss

Investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. At subsequent dates these investments are measured at fair value with any resulting gains or losses charged directly to income. The fair value of such investments is determined on the basis of prevailing market prices.

(ii) Held-to-maturity investments

Investments with fixed payments and maturity that the Company has the intent and ability to hold to maturity are classified as held-to-maturity investments and are carried at amortized cost less impairment losses.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Company's loans and receivables comprise 'Long term loans and advances', 'Trade debts', 'Advances, deposits and other receivables', and 'Cash and bank balances' in the balance sheet. Loans and receivables are carried at amortized cost using the effective interest method less allowance for any uncollectible amounts.

An allowance for uncollectible amounts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the counter party, probability that the counter party will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than the credit period specified in sales agreements) are considered indicators that the amount is uncollectible. When the amount is uncollectible, it is written off against the allowance.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

(iv) Available-for-sale investments

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Available-for-sale investments are initially recognized at cost and carried at fair value at the balance sheet date. Fair value of a quoted investment is determined in relation to its market value (current bid prices) at the balance sheet date. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques/ Net Asset Values (NAVs) quoted by the respective Asset Management Company. Adjustment arising from remeasurement of investment to fair value is recorded in the statement of comprehensive income and taken to income on disposal of the investment or when the investment is determined to be impaired.

4.21 Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

4.22 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognized amounts and the Company intends to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.23 Revenue recognition

Revenue from sales is recognized on dispatch of products to customers. Revenue from services is recognized when the related services are rendered. 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.

Income on held-to-maturity investments 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.

4.24 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 upto the balance sheet date.

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4.25 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.

4.26 Dividend distribution

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

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) Estimate of recoverable amount of investment in associated companies - note 17
- ii) Estimated crude oil/gas reserves used for amortization of development and decommissioning costs - note 14
- iii) Estimated useful life of property, plant and equipment - note 13.1
- iv) Estimated costs and discount rate used for provision for decommissioning costs - note 4.8
- v) Estimated value of staff retirement benefits obligations - note 39
- vi) Provision for taxation - note 4.6
- vii) Price adjustment related to crude oil sales - note 4.23

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
6. SHARE CAPITAL		
Authorised capital		
500,000,000 (2016: 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 (2016: 20,200,000) ordinary shares	202,000	202,000
Shares issued as fully paid bonus shares 216,345,920 (2016: 216,345,920) ordinary shares	2,163,459	2,163,459
236,545,920 (2016: 236,545,920) ordinary shares of Rs 10 each	2,365,459	2,365,459

The Company is a subsidiary of The Attock Oil Company Limited which held 124,776,965 (2016: 124,776,965) ordinary shares at the year end.

	2017	2016
	Rupees ('000)	
7. CAPITAL RESERVE		
Bonus shares issued by subsidiary/associated companies	59,754	59,754
Special reserve - note 7.1	15,060	962,745
Utilised special reserve - note 7.2	1,941,044	-
	2,015,858	1,022,499

7.1 This represents the Company'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 14,843 thousand (2016: Rs 962,535 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 217 thousand (2016: Rs 210 thousand) retained by an associated company to pay for major maintenance expenses in terms of Power Purchase Agreement. Special reserves are not available for distribution.

7.2 This represents the Company's share of amounts utilised by associated companies out of the Special Reserve for upgradation and expansion of the refineries.

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	2017	2016
	Rupees ('000)	
8. REVENUE RESERVES		
Insurance reserve - note 8.1	200,000	200,000
General reserve	6,102,325	5,102,325
Unappropriated profit	27,539,655	25,967,858
	33,841,980	31,270,183

8.1 The Company has set aside an insurance reserve for self insurance of assets which have not been insured and for deductibles against insurance claims.

	2017	2016
	Rupees ('000)	
9. LONG TERM DEPOSITS		
Security deposits from distributors against equipment	953,584	937,396
Security deposits from distributors against distributorship and others	51,036	50,981
	1,004,620	988,377

10. DEFERRED LIABILITIES		
Provision for deferred income tax - note 10.1	7,229,001	5,812,637
Provision for decommissioning costs - note 10.2	8,578,227	9,821,240
Provision for staff compensated absences	10,075	10,553
Provision for un-funded gratuity plan - CAPGAS	6,153	5,263
	15,823,456	15,649,693

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	7,430,293	5,973,731
Provision for stores and spares	(121,639)	(105,143)
Provision for doubtful receivable	(93)	(93)
Deferred tax on remeasurement loss on staff retirement benefit plans	(79,560)	(55,858)
	7,229,001	5,812,637

10.2 Provision for decommissioning costs

Balance brought forward	9,821,240	8,442,955
Revision due to change in estimates- 10.2.1	(2,108,373)	110,825
Provision during the year	121,754	248,290
Unwinding of discount	715,594	771,424
Exchange loss	28,012	247,746
	8,578,227	9,821,240

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
10.2.1 Revision due to change in estimates		
Credited to decommissioning costs - note 14	(1,507,610)	110,825
Revision in excess of related decommissioning costs asset credited to profit and loss - note 28	(600,763)	-
	(2,108,373)	110,825
11. TRADE AND OTHER PAYABLES		
Creditors	499,402	383,613
Due to related parties		
Attock Hospital (Pvt) Limited	694	2,107
Attock Petroleum Limited	17,419	-
Management Staff Pension Fund	52,874	22,935
Staff Provident Fund	-	1,485
General Staff Provident Fund	-	1,093
Workers' Profit Participation Fund - note 11.1	3,648	4,839
Due to joint operating partners		
The Attock Oil Company Limited	59,482	3,529
Others	2,158,196	1,456,356
Accrued liabilities	2,087,546	2,310,259
Advance payment from customers	88,104	112,820
Royalty	296,177	233,109
Excise duty	2,439	2,445
Workers' Welfare Fund	509,627	905,443
Liability for staff compensated absences	5,064	4,671
Unclaimed dividends	139,722	135,435
Signature bonus on account of LPG quota payable to OGDCL	113,952	-
Others	3,867	4,792
	6,038,213	5,584,931
11.1 Workers' Profit Participation Fund		
Balance at beginning of the year	(15,559)	(197,123)
Amount allocated for the year	665,722	476,462
Amount paid to the Fund's trustees	(684,665)	(294,898)
Balance at year end	(34,502)	(15,559)
Less: Receivable balance related to POL		
shown under other receivables - note 23	(38,150)	(20,398)
	3,648	4,839

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12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

	2017	2016
	Rupees ('000)	
12.1.1 POL		
a) Guarantees issued by banks on behalf of the POL	3,083	28,755
b) The Company is currently contesting applicability of super tax @ 3% of taxable profits from oil and gas operations under Petroleum Concession Agreements (PCAs) and has filed writ petitions in Islamabad High Court on the grounds that the Company being an exploration and production company falls under Special Tax Regime as granted under PCAs. Management based on legal advise is confident that the writ petitions will be decided in favour of the company, accordingly provision of Rs 522 million has not been made in these financial statements in respect of years ended June 30, 2015, June 30, 2016 and June 30, 2017.		

12.1.2 CAPGAS

Guarantees and letter of credit issued by the bank on behalf of CAPGAS amounted to Rs 8.70 million in favour of LPG suppliers. (June 2016: Rs 8.70 million).

	2017	2016
	Rupees ('000)	
12.2 Company's share in contingencies of associated companies		
a) Claims not acknowledged as debt by the Company including claims in respect of delayed payment charges by crude oil suppliers and freight claims	1,142,500	1,130,000
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	558,990	324,396
12.3 Capital expenditure commitments outstanding		
POL		
Share in joint operations	7,622,953	9,828,653
Own fields	2,774,835	2,081,931
Letter of credit issued by banks on behalf of POL	56,868	157,138
13. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - note 13.1	9,022,444	9,724,414
Capital work in progress - note 13.5	912,728	792,372
	9,935,172	10,516,786

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PAKISTAN OILFIELDS LIMITED

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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, 2015										
Cost	31,824	355,963	1,841,562	11,326,906	609,215	845,780	491,000	133,836	414,625	16,050,711
Accumulated depreciation	-	(174,582)	(753,752)	(5,106,901)	(382,218)	(562,767)	(344,270)	(85,251)	(277,551)	(7,687,292)
Net book value	31,824	181,381	1,087,810	6,220,005	226,997	283,013	146,730	48,585	137,074	8,363,419
Year ended June 30, 2016										
Opening net book value	31,824	181,381	1,087,810	6,220,005	226,997	283,013	146,730	48,585	137,074	8,363,419
Additions	-	122,978	105,744	2,385,499	18,069	98,672	22,112	14,564	37,431	2,805,069*
Disposals										
Cost	(1,911)	-	(13,748)	(20,800)	(2,997)	(7,274)	(6,696)	(3,020)	(11,028)	(67,474)*
Depreciation	-	-	12,056	18,480	2,997	7,274	6,696	2,906	11,028	61,437
	(1,911)	-	(1,692)	(2,320)	-	-	-	(114)	-	(6,037)
Depreciation charge	-	(16,204)	(154,556)	(1,054,349)	(38,563)	(41,656)	(60,616)	(11,933)	(60,160)	(1,438,037)
Closing net book value	29,913	288,155	1,037,306	7,548,835	206,503	340,029	108,226	51,102	114,345	9,724,414
As at July 1, 2016										
Cost	29,913	478,941	1,933,558	13,691,605	624,287	937,178	506,416	145,380	441,028	18,788,306
Accumulated depreciation	-	(190,786)	(896,252)	(6,142,770)	(417,784)	(597,149)	(398,190)	(94,278)	(326,683)	(9,063,892)
Net book value	29,913	288,155	1,037,306	7,548,835	206,503	340,029	108,226	51,102	114,345	9,724,414
Year ended June 30, 2017										
Opening net book value	29,913	288,155	1,037,306	7,548,835	206,503	340,029	108,226	51,102	114,345	9,724,414
Additions	-	32,439	265,081	491,779	64,788	16,160	26,061	7,158	22,629	926,095*
Disposals										
Cost	-	(1,268)	(62,133)	(50,416)	(2,079)	(10,422)	(9,954)	(1,342)	(741)	(138,355)*
Depreciation	-	706	35,277	43,102	2,075	10,422	9,954	1,165	741	103,442
	-	(562)	(26,856)	(7,314)	(4)	-	-	(177)	-	(34,913)
Depreciation charge	-	(22,048)	(170,138)	(1,179,794)	(43,377)	(54,507)	(52,854)	(12,718)	(57,716)	(1,593,152)
Closing net book value	29,913	297,984	1,105,393	6,853,506	227,910	301,682	81,433	45,365	79,258	9,022,444
As at June 30, 2017										
Cost	29,913	510,112	2,136,506	14,132,968	686,996	942,916	522,523	151,196	462,916	19,576,046
Accumulated depreciation	-	(212,128)	(1,031,113)	(7,279,462)	(459,086)	(641,234)	(441,090)	(105,831)	(383,658)	(10,553,602)
Net book value	29,913	297,984	1,105,393	6,853,506	227,910	301,682	81,433	45,365	79,258	9,022,444
Annual rate of Depreciation (%)	-	5	10	10	10	10	20	12.5-20	25	

* Additions and disposals include inter-transfers of assets having book value of Rs Nil; cost of Rs 3,780 thousand and depreciation of Rs 3,780 thousand (2016: book value of Rs 1,392 thousand; cost of Rs 1,692 thousand and depreciation of Rs 300 thousand).

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13.2 Cost and accumulated depreciation include:

	Cost		Accumulated depreciation	
	2017	2016	2017	2016
	Rupees ('000)		Rupees ('000)	
Share in joint operations operated by the Company	1,333,515	1,397,414	1,211,438	1,194,834
Assets not in possession of the Company				
Share in joint operations operated by others	11,487,366	10,980,092	10,980,092	4,083,147
Gas cylinders - in possession of distributors	843,301	861,315	559,501	555,839
	13,664,182	13,238,821	12,751,031	5,833,820

13.3 The depreciation charge has been allocated as follows:

Operating costs	1,511,810	1,406,756
Other income - Crude transportation income	80,927	30,447
Administrative expenses	415	534
Inter-transfers	-	300
	1,593,152	1,438,037

13.4 Property, plant and equipment disposals:

There were no disposals of property, plant and equipment having a net book value in excess of Rs 50,000 during the year.

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PAKISTAN OILFIELDS LIMITED

13.5 Capital work in progress

	Buildings	Plant and machinery/ Pipelines and pumps	Computers and software and development	Total
Rupees ('000)				
Balance as at July 1, 2015	119,540	2,088,536	14,505	2,222,581
Additions during the year	8,643	385,117	7,115	400,875
Transfers during the year	(118,107)	(1,696,307)	(16,670)	(1,831,084)
Balance as at June 30, 2016	10,076	777,346	4,950	792,372
Balance as at July 1, 2016	10,076	777,346	4,950	792,372
Additions/(adjustments) during the year	11,816	444,169	(3,551)	452,434
Transfers during the year	(21,892)	(308,787)	(1,399)	(332,078)
Balance as at June 30, 2017	-	912,728	-	912,728

	2017	2016
Rupees ('000)		
13.6 Break up of capital work in progress at June 30 is as follows:		
POL		
Own fields	4,016	78,859
POLGAS plant	-	1,736
Share in joint operations operated by the Company		
- Ikhlas	21,125	-
- Pindori	-	897
Share in joint operations operated by others		
MOL Pakistan Oil and Gas Company B.V.		
- TAL Block	427,584	253,476
- Margala Block	269	269
Oil and Gas Development Company Limited		
- Kotra	454,530	457,135
Pakistan Petroleum Limited		
- Adhi	5,204	-
	912,728	792,372

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14. DEVELOPMENT AND DECOMMISSIONING COSTS

	Development Cost	Decommissioning Cost	Total
	Rupees ('000)		
As at July 1, 2015			
Cost	29,988,173	3,700,715	33,688,888
Accumulated amortization	(19,197,478)	(2,078,969)	(21,276,447)
Net book value	10,790,695	1,621,746	12,412,441
Year ended June 30, 2016			
Opening net book value	10,790,695	1,621,746	12,412,441
Additions	1,564,472	248,290	1,812,762
Revision due to change in estimates note 10.2.1	-	110,825	110,825
Well Cost transferred from exploration and evaluation assets - note 15	2,696,587	-	2,696,587
Amortization for the year	(2,402,734)	(44,968)	(2,447,702)
Closing net book value	12,649,020	1,935,893	14,584,913
As at July 1, 2016			
Cost	34,249,232	4,059,830	38,309,062
Accumulated amortization	(21,600,212)	(2,123,937)	(23,724,149)
Net book value	12,649,020	1,935,893	14,584,913
Year ended June 30, 2017			
Opening net book value	12,649,020	1,935,893	14,584,913
Additions	2,039,456	121,754	2,161,210
Revision due to change in estimates note 10.2.1	-	(1,507,610)	(1,507,610)
Well Cost transferred from exploration and evaluation assets - note 15	944,410	-	944,410
Amortization for the year	(2,719,058)	(91,011)	(2,810,069)
Closing net book value	12,913,828	459,026	13,372,854
As at June 30, 2017			
Cost	37,233,098	2,673,974	39,907,072
Accumulated amortization	(24,319,270)	(2,214,948)	(26,534,218)
Net book value	12,913,828	459,026	13,372,854

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
15. EXPLORATION AND EVALUATION ASSETS		
Balance brought forward	900,813	2,661,303
Additions during the year	2,899,238	2,821,339
Wells cost transferred to development cost - note 14	3,800,051	5,482,642
Dry and abandoned wells cost charged to the profit and loss account - note 29	(944,410)	(2,696,587)
	(971,285)	(1,885,242)
	1,884,356	900,813
15.1 Break up of exploration and evaluation assets at June 30 is as follows:		
Own fields		
- Khaur	36,055	-
Share in joint operations operated by the Company		
- Ikhlas	1,640,789	45,684
Share in joint operations operated by others		
MOL Pakistan Oil and Gas Company B.V. - TAL Block	184,844	134,237
Pakistan Petroleum Limited - Adhi	22,668	-
Oil and Gas Development Company Limited - Gurgalot	-	720,892
	1,884,356	900,813

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	2017	2016
	Rupees ('000)	
16. OTHER INTANGIBLE ASSETS		
LPG Quota		
Written down value	71,941	9,360
Additions during the year	247,600	81,501
Less: Amortization for the year	36,178	18,920
	283,363	71,941
Annual rate of amortization (%) - straight line	20	20
17. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES - EQUITY BASIS		
Beginning of the year	14,017,705	11,218,906
Share of profit of associated companies	2,387,070	2,192,888
Share of other comprehensive income of associated companies	17,460	(50,080)
Impairment reversal against investment in National Refinery Limited	1,254,835	1,071,269
Dividend received during the year	(632,657)	(415,278)
End of the year	17,044,413	14,017,705
17.1 The Company's interest in associates are as follows:		
Quoted		
National Refinery Limited - note 17.2		
19,991,640 (2016: 19,991,640) fully paid ordinary shares including 3,331,940 (2016: 3,331,940) bonus shares of Rs 10 each		
Cost Rs 8,046,635 thousand (2016: 8,046,635 thousand)		
Quoted market value as at June 30, 2017:		
Rs 14,513,731 thousand (2016: Rs 9,504,026 thousand)	14,637,479	11,753,285
Attock Petroleum Limited (APL) - note 17.2		
5,820,595 (2016: 5,820,595) fully paid ordinary shares including 2,452,195 (2016: 2,452,195) bonus shares of Rs 10 each		
Cost Rs 1,562,938 thousand (2016: 1,562,938 thousand)		
Quoted market value as at June 30, 2017:		
Rs 3,646,195 thousand; (2016: Rs 2,546,743 thousand)	2,386,447	2,247,689
Unquoted		
Attock Information Technology Services (Pvt) Limited (AITSL)		
450,000 (2016: 450,000) fully paid ordinary shares of Rs 10 each	20,487	16,731
	17,044,413	14,017,705

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All associated companies are incorporated in Pakistan. All associated companies have share capital consisting solely of ordinary shares, which are held directly by the Company. 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.

17.2 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, 2017 (2016: June 30, 2016) and not the reporting entity's share of those amounts.

	National Refinery Limited		Attock Petroleum Limited		Attock Information Technology Services (Pvt) Limited	
	2017	2016	2017	2016	2017	2016
Rupees ('000)						
Summarised balance sheet						
Current assets	22,751,593	29,956,587	32,500,125	26,001,840	168,655	141,568
Non- current assets	38,634,352	23,703,944	5,867,006	4,523,465	53,880	43,513
Current liabilities	16,683,185	16,240,546	21,339,059	15,581,980	13,768	14,040
Non- current liabilities	1,362,880	597,542	733,581	626,159	3,901	3,731
Net assets	43,339,880	36,822,443	16,294,491	14,317,166	204,866	167,310
Reconciliation to carrying amounts:						
Net assets as at July 1	36,822,443	30,133,707	14,317,166	13,559,805	167,310	145,327
Profit for the year	8,045,781	7,688,076	5,299,168	3,828,585	37,557	21,983
Other comprehensive income/(loss)	70,987	(199,674)	(4,083)	(2,296)	-	-
Dividends paid	(1,599,331)	(799,666)	(3,317,760)	(3,068,928)	-	-
Net assets as at June 30	43,339,880	36,822,443	16,294,491	14,317,166	204,867	167,310
Company's percentage shareholding in the associate	25%	25%	7.0175%	7.0175%	10%	10%
Company's share in net assets	10,834,970	9,205,611	1,143,465	1,004,707	20,487	16,731
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	17,206,325	15,576,966	2,386,447	2,247,689	20,487	16,731
Impairment	(2,568,846)	(3,823,681)	-	-	-	-
Carrying amount of investment	14,637,479	11,753,285	2,386,447	2,247,689	20,487	16,731
Summarised statements of comprehensive income						
Net revenue	107,447,444	93,788,378	138,660,665	109,234,361	83,050	83,050
Profit for the year	8,045,781	7,688,076	5,299,168	3,828,585	37,557	21,983
Other comprehensive income	70,987	(199,674)	(4,083)	(2,296)	-	-
Total comprehensive income	8,116,768	7,488,402	5,295,085	3,826,289	37,557	21,983
Dividend received from associates	399,833	199,916	232,824	215,362	-	-

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17.3 The carrying value of investment in National Refinery Limited at June 30, 2017 is net of impairment loss of Rs 2,568,846 thousand (2016: Rs 3,823,681 thousand). The carrying value is based on a valuation analysis carried out by an external investment advisor engaged by the Company. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology which assumes an average gross profit margin of 4.96% (2016: 5%), a terminal growth rate of 4.0% (2016: 4.0%) and a capital asset pricing model based discount rate of 11.67% (2016: 12.84%).

	2017	2016
	Rupees ('000)	
18. OTHER LONG TERM INVESTMENTS		
Available-for-sale investments - note 18.1	6,255	5,975
18.1 Available-for-sale investment - at fair value		
Balance at the beginning of the year	5,975	5,726
Additions during the year	272	313
Fair value adjustment	8	(64)
Balance at the end of the year	6,255	5,975

	2017			2016
	Number of shares/units	Cost less impairment loss	Adjustment arising from remeasurement to fair value	Fair value
18.1.1 Available-for-sale investments at June 30 include the following:				
				Fair value

		Rupees ('000)			
Listed securities:					
Meezan Sovereign Fund	10,965	442	123	565	535
Pakistan Cash Management Fund	13,049	492	163	655	617
IGI Money Market Fund	13,208	993	294	1,287	1,237
Atlas Money Market Fund	1,143	455	118	573	548
UBL Liquidity Plus Fund	13,318	1,004	338	1,342	1,280
Unlisted securities:					
Atlas Asset Management Company	3,581	866	967	1,833	1,758
		4,252	2,003	6,255	5,975

18.1.2 The fair value of listed securities is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair values of unlisted securities are the Net Asset Values (NAV) as at June 30, 2017 as quoted by the respective Asset Management Company.

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
19. LONG TERM LOANS AND ADVANCES, CONSIDERED GOOD		
Executives - note 19.1	18,257	16,595
Other employees	22,800	18,651
	41,057	35,246
Less: Amount due within twelve months, shown under current loans and advances - note 23	23,418	22,394
	17,639	12,852

19.1 Movement in loans to Executives

	Balance as at June 30, 2016	Disbursements	Repayments	Balance as at June 30, 2017
	Rupees ('000)			
Executives	16,595	19,188	(17,526)	18,257

19.2 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. The aggregate maximum amount due from Executives at the end of any month during the year was Rs 18,257 thousand (2016: Rs 20,225 thousand) respectively.

	2017	2016
	Rupees ('000)	
20. STORES AND SPARES		
Stores and spares - note 20.1	4,303,710	4,586,964
Less: Provision for slow moving items - note 20.2	405,462	350,475
	3,898,248	4,236,489
20.1 Stores and spares include:		
Share in joint operations operated by the Company	302,524	313,106
Share in joint operations operated by others (assets not in possession of the Company)	1,671,689	1,694,885
	1,974,213	2,007,991

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	2017	2016
	Rupees ('000)	
20.2 Provision for slow moving items		
Balance brought forward	350,475	282,418
Provision for the year	54,987	68,057
	405,462	350,475

21. STOCK IN TRADE

Crude oil and other products	245,060	380,087
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These include Rs 142,800 thousand (2016: Rs 272,642 thousand) being the Company's share in joint operations.

	2017	2016
	Rupees ('000)	
22. TRADE DEBTS - Considered good		
Due from related parties - note 22.1	1,442,801	1,186,086
Others	1,850,419	2,150,354
	3,293,220	3,336,440
22.1 Due from related parties		
Associated companies		
Attock Refinery Limited	1,298,647	1,041,818
National Refinery Limited	144,154	144,268
	1,442,801	1,186,086

Ageing analysis of trade debts receivable from related parties is given in note 38.3 to the financial statements.

Notes to and Forming Part of the Consolidated Financial Statements

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
23. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Loans and advances - considered good		
Employees - note 19	23,418	22,394
Suppliers	135,455	133,869
	158,873	156,263
Trade deposits and short term prepayments		
Deposits	123,985	229,661
Short-term prepayments	237,689	295,687
	361,674	525,348
Interest income accrued	39,552	31,539
Other receivables		
Joint Operating partners	352,183	348,901
Due from related parties		
Parent company		
The Attock Oil Company Limited	33,201	42,981
Staff Provident Fund	5,217	-
General Staff Provident Fund	345	-
Workers Profit Participation Fund - note 11.1	38,150	20,398
Gratuity Fund - note 39.2	58,487	55,085
Sales tax	241,777	256,644
Other receivables (net of provision for doubtful receivable Rs 310 thousand (2016: Rs 310 thousand))	35,847	40,753
	765,207	764,762
	1,325,306	1,477,912
24. SHORT TERM INVESTMENTS		
Held to maturity investments:		
Treasury bills	-	130,139

24.1 The effective interest on Treasury bills ranged between 6.21% to 6.93% per annum (2016: 6.21% to 6.93% per annum). These treasury bills matured during the year.

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	2017	2016
	Rupees ('000)	
25. CASH AND BANK BALANCES		
Bank balance on		
Short term deposits	12,615,073	9,117,080
Interest/mark-up bearing saving accounts	1,655,764	1,617,146
Current accounts	24,848	127,505
	14,295,685	10,861,731
Cash in hand	2,975	2,962
	14,298,660	10,864,693

Balance with banks include foreign currency balances of US \$ 73,533 thousand (2016: US \$ 67,174 thousand). The balances in saving accounts and short term deposits earned interest/ mark-up ranging from 0.25% to 6.85% (2016: 0.25% to 8.45%).

	2017	2016
	Rupees ('000)	
26. NET SALES		
Crude oil	12,035,771	9,651,969
Gas - note 26.1	9,499,633	9,626,720
POLGAS/CAPGAS - Refill of cylinders	6,227,364	6,081,064
Solvent oil	131,255	186,456
Sulphur	5,800	10,265
	27,899,823	25,556,474

26.1 The Company has signed the Supplemental Agreements with the Government of Pakistan (the Government) for conversion of Petroleum Concession Agreements (PCA) to Petroleum Exploration & Production Policy 2012 in respect of Ikhlas, DG Khan, Kirthar South, Margala, Margala North, Gurgalot and Tal Block. 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 blocks.

In terms of supplemental agreements, draft statements specifying sums aggregating US \$ 34.39 million till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block and Domial discovery in Ikhlas block have been submitted to the Government. The Government shall facilitate issuance of necessary gas price notifications and payments to be made to the parties within twelve months of the statements being finalized. Effect of adjustment arising from revision in sale price will be recognized upon finalization of the statements and issuance of gas price notifications by the Government.

Notes to and Forming Part of the Consolidated Financial Statements

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
27. OPERATING COSTS		
Operating cost - Own fields	1,094,791	878,165
- Share in joint operations	2,315,194	2,932,238
Well work over	197,939	573,387
POLGAS/CAPGAS - Cost of gas/LPG, carriage etc.	3,524,230	3,665,556
Head office and insurance charges	62,526	168,785
Pumping and transportation cost	33,064	34,759
Depreciation and amortization	1,547,988	1,425,676
	8,775,732	9,678,566
Opening stock of crude oil and other products	380,087	166,109
Closing stock of crude oil and other products	(245,060)	(380,087)
	8,910,759	9,464,588
28. AMORTIZATION OF DEVELOPMENT AND DECOMMISSIONING COSTS		
Amortization charge for the year - note 14	2,810,069	2,447,702
Revision in estimates of provision for decommissioning costs in excess of related decommissioning costs asset credited to profit and loss - note 10.2.1	(600,763)	-
	2,209,306	2,447,702

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		2017	2016
		Rupees ('000)	
29.	EXPLORATION COSTS		
	Geological and geophysical cost		
	Own fields	2,649	426
	Share in joint operations operated by the Company		
	- Kirthar South	34,194	49,313
	- Ikhlas	112,871	21,717
	- Pindori	392	(8,666)
	- DG Khan	22,816	33,376
	Share in joint operations operated by the others		
	MOL Pakistan Oil and Gas Company B.V.		
	- TAL Block	4,860	14,353
	- Margala Block	63,688	11,467
	- Margala North Block	(13,179)	17,646
	- Tolanj South	23,193	294
	- KOT	207	-
	- Malgin	246	-
	Oil and Gas Development Company Limited		
	- Kotra	822	(318)
	- Gurgalot	39,310	26,226
	- Chak Naurang	(1,776)	423
	Pakistan Petroleum Limited		
	- Hisal	185,576	-
	Ocean Pakistan Limited		
	- Ratana	21,171	618
		497,040	166,875
	Dry and abandoned wells cost - note 15		
	Share in Joint Ventures operated by others		
	Oil and Gas Development Company Limited		
	- Gurgalot	971,285	-
	MOL Pakistan Oil and Gas Company B.V.		
	- Tolanj South	-	759,321
	- Margalla North	-	1,125,921
		971,285	1,885,242
		1,468,325	2,052,117

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
30. ADMINISTRATION EXPENSES		
Establishment charges	186,055	242,731
Telephone and telex	1,321	1,398
Medical expenses	6,472	7,780
Printing, stationery and publications	8,921	8,715
Insurance	3,232	3,477
Traveling expenses	2,440	2,923
Motor vehicle running expenses	9,165	10,898
Rent, repairs and maintenance	35,265	36,408
Auditor's remuneration - note 30.1	7,319	6,518
Legal and professional charges	5,547	10,048
Stock exchange and CDC fee	1,241	1,543
Computer support and maintenance charges	25,416	23,612
Depreciation	415	534
Donation*	90	500
Other expenses	6,546	6,670
	299,445	363,755
Less: Amount allocated to field expenses	161,477	194,978
	137,968	168,777
* No director or his spouse had any interest in the donee institutions.		
30.1 Auditor's remuneration:		
Statutory audit - POL	1,614	1,467
- Caggas	368	350
Review of half yearly accounts, audit of consolidated accounts, staff funds, special certifications	927	843
Tax services	4,002	3,631
Out of pocket expenses	408	227
	7,319	6,518

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	2017	2016
	Rupees ('000)	
31. FINANCE COSTS		
Provision for decommissioning cost - note 10.2		
- Unwinding of discount	715,594	771,424
- Exchange loss	28,012	247,746
Banks' commission and charges	3,473	3,582
	747,079	1,022,752
32. OTHER CHARGES		
Workers' Profit Participation Fund	665,722	476,462
Workers' Welfare Fund	148,340	90,547
	814,062	567,009
33. OTHER INCOME		
Income from financial assets		
Income on bank deposits	448,852	355,868
Income on held-to-maturity investments	6,016	8,016
Exchange (loss)/gain on financial assets	(65,353)	196,946
Dividend on available-for-sale investments - note 33.1	362	417
Income from assets other than financial assets		
Rental income (net of related expenses Rs 61,031 thousand; 2016: Rs 52,905 thousand)	152,838	127,805
Crude oil/gas transportation income (net of related expenses Rs 221,666 thousand; 2016: Rs 134,201 thousand)	187,811	103,029
Gas processing fee	110,914	174,165
(Loss)/profit on sale of property, plant and equipment	(20,279)	7,906
Sale of stores and scrap	4,487	3,524
Others	7,923	287
	833,571	977,963

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
33.1 Dividend on available for sale investments		
Meezan Sovereign Fund	29	56
Pakistan Cash Management Fund	50	34
IGI Money Market Fund	80	96
Atlas Money Market Fund	33	34
UBL Liquidity Plus Fund	77	67
Atlas Asset Management Company	93	130
	362	417

34. SHARE IN PROFITS OF ASSOCIATED COMPANIES

Share in 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, 2017.

	2017	2016
	Rupees ('000)	
35. PROVISION FOR TAXATION		
Current		
- for the year	2,496,263	1,240,572
- for prior years	(369,526)	(1,880)
	2,126,737	1,238,692
Deferred		
- for the year	1,200,558	434,222
- for prior years	239,508	(4,556)
	1,440,066	429,666
	3,566,803	1,668,358

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	2017	2016
	Rupees ('000)	
35.1 Reconciliation of tax charge for the year		
Accounting profit	15,471,875	11,789,885
* Tax at applicable tax rate of 46.04% (2016: 45.75%)	7,123,251	5,393,872
Tax effect of depletion allowance and royalty payments	(2,742,442)	(2,405,854)
Tax effect of income that is not taxable or taxable at reduced rates	(1,057,166)	(1,540,151)
Tax effect of prior year	(130,018)	(6,436)
Others	373,178	226,927
Tax charge for the year	3,566,803	1,668,358

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

36. OPERATING SEGMENTS

The financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note 26.

Revenue from two major customers of the Company constitutes 63% of the total revenue during the year ended June 30, 2017 (June 30, 2016: 59%).

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PAKISTAN OILFIELDS LIMITED

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statement in respect of remuneration, including benefits and perquisites to the chief executive, directors and executives of the company are given below:

	Chief Executive		Executives	
	2017	2016	2017	2016
	Rupees ('000)		Rupees ('000)	
Managerial remuneration	6,920	6,920	138,875	125,265
Bonus	3,460	4,037	51,232	58,165
Housing, utility and conveyance	5,456	5,192	142,886	120,345
Company's contribution to pension, gratuity and provident funds	-	-	53,468	48,596
Leave passage	1,153	1,153	18,573	17,878
Other benefits	3,832	4,105	48,997	45,449
	20,821	21,407	454,031	415,698

No. of persons, including those who worked part of the year	1	1	122	112
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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.

Directors and the Chief Executive of the Company were paid meeting fee aggregating Rs 4,734 thousand (2016: Rs 4,288 thousand) based on actual attendance.

Remuneration of executives is net of charge to associated companies amounting to Rs 8,451 thousand (2016: Rs 7,993 thousand).

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38. FINANCIAL INSTRUMENTS

38.1 Financial assets and liabilities

	Held to Maturity Investments	Loans and receivables	Available-for- sale Investments	Total
Rupees ('000)				
June 30, 2017				
Financial assets				
Maturity up to one year				
Trade debts	-	3,293,220	-	3,293,220
Advances, deposits and other receivables	-	672,235	-	672,235
Cash and bank balances	-	14,298,660	-	14,298,660
Maturity after one year				
Other long term investments	-	-	6,255	6,255
Long term loans and advances	-	17,639	-	17,639
	-	18,281,754	6,255	18,288,009
Financial liabilities			Other financial liabilities	Total
Rupees ('000)				
Maturity up to one year				
Trade and other payables			5,138,218	5,138,218
Maturity after one year				
Long term deposits			1,004,620	1,004,620
Provision for decommissioning cost			8,578,227	8,578,227
Provision for staff compensated absences			10,075	10,075
Provision for gratuity			6,153	6,153
			14,737,293	14,737,293

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PAKISTAN OILFIELDS LIMITED

	Held to Maturity Investments	Loans and receivables	Available-for- sale Investments	Total
Rupees ('000)				
June 30, 2016				
Financial assets				
Maturity up to one year				
Trade debts	-	3,336,440	-	3,336,440
Advances, deposits and other receivables	-	771,314	-	771,314
Short term investments	130,139	-	-	130,139
Cash and bank balances	-	10,864,693	-	10,864,693
Maturity after one year				
Other long term investments	-	-	5,975	5,975
Long term loans and advances	-	12,852	-	12,852
	130,139	14,985,299	5,975	15,121,413

		Other financial liabilities	Total
Rupees ('000)			
Maturity up to one year			
Trade and other payables		4,326,275	4,326,275
Maturity after one year			
Long term deposits		988,377	988,377
Provision for decommissioning cost		9,821,240	9,821,240
Provision for staff compensated absences		10,553	10,553
Provision for gratuity		5,263	5,263
		15,151,708	15,151,708

38.2 Credit quality of financial assets

The credit quality of Company's financial assets have been assessed below by reference to external credit ratings of counterparties 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.

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		2017	2016
	Rating	Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	1,666,094	1,596,793
	A1	1,186,945	1,404,134
	A2	52,260	163,232
Counterparties without external credit rating			
Existing customers/ joint venture partners with no default in the past		387,921	172,281
		3,293,220	3,336,440
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	79,065	65,319
Counterparties without external credit rating			
Existing customers/ joint operating partners with no default in the past		436,655	540,716
Receivable from employees/ employee benefit plans		87,467	77,479
Receivable from parent company		33,201	42,981
Others		35,847	44,819
		672,235	771,314
Bank balances			
Counterparties with external credit rating	A1+	14,295,439	10,826,490
	A+	-	35,000
	A1	219	215
	A2	27	26
		14,295,685	10,861,731
Held-to-maturity investments			
Counterparties without external credit rating			
Securities issued by Government of Pakistan		-	130,139
Available for sale investments			
Counterparties with external credit rating	AAA	655	617
	AA	2,480	3,599
	AA+	1,287	-
	AM2+	1,833	1,759
		6,255	5,975
Long term loans and advances			
Counterparties without external credit rating			
Receivable from employees		17,639	12,852

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PAKISTAN OILFIELDS LIMITED

38.3 FINANCIAL RISK MANAGEMENT

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

As of June 30, 2017, trade debts of Rs 799,688 (2016: Rs 433,288 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2017	2016
	Rupees ('000)	
Up to 3 months	200,409	132,893
3 to 6 months	1,470	15,470
6 to 12 months	2,381	62,219
Above 12 months	74,498	50,402
	278,758	260,984
Due from others		
Up to 3 months	248,809	68,003
3 to 6 months	127,248	65,492
6 to 12 months	46,222	8,539
Above 12 months	98,651	30,270
	520,930	172,304
	799,688	433,288

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(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, 2017, the Company had financial assets of Rs 18,288,009 thousand (2016: Rs 15,121,413 thousand).

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet 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, 2017			
Long term deposits	-	1,004,620	-
Provision for decommissioning cost	-	6,322,376	7,580,770
Provision for staff compensated absences	-	10,075	-
Provision for gratuity plan - CAPGAS	-	6,153	-
Trade and other payables	5,138,218	-	-
At June 30, 2016			
Long term deposits	-	988,377	-
Provision for decommissioning cost	-	9,669,984	2,841,266
Provision for staff compensated absences	-	10,553	-
Provision for gratuity plan - CAPGAS	-	5,263	-
Trade and other payables	4,326,275	-	-

(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 and provision for decommissioning cost.

Financial assets include Rs 9,432,398 thousand (2016: Rs 9,015,982 thousand) and financial liabilities include Rs 10,115,687 thousand (2016: Rs 11,144,291 thousand) which are subject to currency risk.

If exchange rates had been 10% higher/ lower with all other variables held constant, profit after tax for the year would have been Rs 47,147 thousand lower/higher (2016: Rs 144,725 thousand higher/lower).

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PAKISTAN OILFIELDS LIMITED

(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 14,270,837 thousand (2016: Rs 10,734,226 thousand) and financial liabilities include Rs 8,578,227 thousand (2016: Rs 9,821,240 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 98,469 thousand (2016: Rs 73,878 thousand) higher/lower, mainly as a result of higher/lower interest income from these financial assets.

(iii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the balance sheet as available for sale. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the investment policy of the Company.

Available for sale investments include Rs 6,255 thousand (2016: Rs 5,975 thousand) which were subject to price risk.

38.3.2 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.

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For the year ended June 30, 2017

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38.3.3 Fair value of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The company held the following financial assets at fair value;

	Level 1	Level 2	Level 3	Total
	Rupees ('000)			
June 30, 2017				
Other long term investments Available-for-sale investment	6,255	-	-	6,255
June 30, 2016				
Other long term investments Available-for-sale investment	5,975	-	-	5,975

39. STAFF RETIREMENT BENEFITS

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

39.1 Funded gratuity and pension plan

39.2 The amounts recognized in the balance sheet are as follows:

	2017	2016
	Rupees ('000)	
Present value of defined benefit obligations	1,437,088	1,381,416
Fair value of plan assets	(1,442,701)	(1,413,566)
	(5,613)	(32,150)
Amounts in the balance sheet:		
Gratuity Fund (Asset)	(58,487)	(55,085)
Management Staff Pension Fund Liability	52,874	22,935
Net (asset)/ liability	(5,613)	(32,150)

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2017

PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
39.3 The amounts recognized in the profit and loss account are as follows:		
Current service cost	31,975	32,127
Net interest cost	(5,371)	(363)
	26,604	31,764
39.4 The amounts recognized in other comprehensive income are as follows:		
Remeasurement due to:		
Change in financial assumptions	(7,133)	-
Experience adjustments	77,278	(39,849)
Investment return	8,727	15,136
	78,872	(24,713)
39.5 Changes in the present value of defined benefit obligation are as follows:		
Opening defined benefit obligation	1,381,416	1,392,170
Current service cost	31,975	32,127
Interest cost	98,183	132,443
Measurement	70,144	(39,849)
Benefits paid	(144,630)	(135,475)
Closing defined benefit obligation	1,437,088	1,381,416
39.6 Changes in fair value of plan assets are as follows:		
Opening fair value of plan assets	1,413,566	1,360,238
Interest income	103,554	132,806
Measurement	(8,727)	(15,136)
Contribution by employer	78,938	71,133
Benefits paid	(144,630)	(135,475)
Closing fair value of plan assets	1,442,701	1,413,566

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39.7 The major categories of plan assets as a percentage of total plan assets of defined pension plan are as follows:

	2017		2016	
	Rupees ('000)	%age	Rupees ('000)	%age
Government bonds	1,399,777	97	1,073,780	76
National savings deposits	32,792	2	24,211	2
Cash and cash equivalents	10,132	1	329,591	23
Benefits due	-	-	(5,320)	-
Allocated to holding company	-	-	(8,696)	(1)
	1,442,701	100	1,413,566	100

Government bonds are valued at quoted market price and are therefore level 1. Corporate bonds are level 2 assets. Cash equivalents and National Savings deposits include level 2 assets.

Both funds covered were invested within limits specified by regulations governing investment of approved retirement funds in Pakistan. The funds have no investment in the company's own securities.

39.8 Principal actuarial assumptions

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

	2017 %	2016 %
Discount rate	8.20	7.50
Expected rate of salary increase	6.10	5.45
Expected rate of pension increase	3.00	2.40

39.9 Mortality was assumed to be 70% of the EFU(61-66) Table at valuations on both dates, June 30, 2017 and 2016.

39.10 The pension gratuity plans are defined benefits final salary plans 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 gratuity fund to reduce its future contributions or can apply to the commissioner of Income Tax for a refund.

39.11 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased (decreased) as a result of a change in respective assumptions by one percent.

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PAKISTAN OILFIELDS LIMITED

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	Defined benefit obligation 1 percent increase	1 percent decrease
Discount rate	(116,361)	138,286
Salary increase	33,802	(31,033)
Pension increase	85,325	(106,383)

If life expectancy increases by 1 year, the obligation increases by Rs 41,156 thousand.

The impact of changes in financial assumptions has been determined by revaluation of the obligations on different rates. The impact of increase in longevity has been calculated on the aggregate for each class of employees.

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

Plan Duration Years	Pension	Gratuity
June 30, 2017	11.5	4.7
June 30, 2016	11.6	4.6

39.13 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 2018	29,481	59,029
Benefit payments:		
FY 2018	74,028	61,380
FY 2019	79,329	75,844
FY 2020	82,308	47,960
FY 2021	89,550	82,320
FY 2022	91,392	22,601
FY 2023-27	484,613	117,515

40. INTEREST IN SUBSIDIARY

40.1 CAPGAS is only subsidiary of POL as at June 30, 2017. 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% (2016: 51%) interest in CAPGAS. There are no significant restrictions on Company's ability to use assets, or settle liabilities of CAPGAS.

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40.2 Non-controlling interest

Following is the summarised financial information of CAPGAS that has 49% (2016: 49%) ownership interest held by non-controlling interests. The amounts disclosed are before inter-company eliminations:

	2017	2016
	Rupees ('000)	
Summarised balance sheet		
Current assets	160,073	250,664
Non-current assets	364,004	167,330
Current liabilities	137,520	43,159
Non-current liabilities	169,584	170,313
Net assets	216,973	204,522
Accumulated NCI	106,317	100,216
Summarised statement of comprehensive income		
Net revenue	619,374	708,256
Profit for the year	46,966	67,921
Other comprehensive income	(90)	28
Total comprehensive income for the year	46,876	67,949
Profit attributable to NCI	23,013	33,281
Total comprehensive income attributable to NCI	22,969	33,295
Dividend paid to NCI	16,868	27,949
Summarised cash flow statement		
Cash flow from operating activities	36,739	88,885
Cash flow from investing activities	(84,431)	(83,030)
Cash flow from financing activities	(34,425)	(57,038)
Net (decrease) in cash and cash equivalent	(82,117)	(51,183)

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41. INTEREST IN JOINT OPERATIONS

The Company has working interests in the following operated and non operated exploration licenses/leases in Pakistan:

Exploration licenses/Leases	Working Interest	
	2017	2016
	%	%
<u>Operated by Pakistan Oilfields Limited</u>		
Ikhlas Petroleum Concession (3372-18)	80.00	80.00
Kirthar South Petroleum Concession (2567-7)	85.00	85.00
D.G. Khan Petroleum Concession (2969-10)	70.00	70.00
Minwal D&P Lease (123/PAK/98)	82.50	82.50
Pariwali D&P Lease (119/PAK/97)	82.50	82.50
Pindori D&P Lease (105/PAK/96)	35.00	35.00
Turkwal D&P Lease (133/PAK/99)	67.37	67.37
<u>Non-operated</u>		
	Operator	
Gurgalot Petroleum Concession (3371-5)	} Oil & Gas Development Company Limited	20.00
Chaknaurang Mining Lease (125/PAK/98)		15.00
Jhal Magsi D&P Lease (183/PAK/2009)	} Pakistan Petroleum Limited	24.00
Adhi Mining Lease (72/PAKISTAN)		11.00
Hisal Petroleum Concession (3372-23)	} Ocean Pakistan Limited	25.00
Bhangali D&P Lease (65/PAK/90)		7.00
Dhumal Mining Lease (59/PAKISTAN)	} MOL Pakistan Oil and Gas	5.00
Ratana D&P Lease (94/PAK/94)		4.55
Margala Petroleum Concession (3372-20)	} MOL Pakistan Oil and Gas	30.00
Margala North Petroleum Concession (3372-21)		30.00
TAL Petroleum Concession (3370-3)		25.00 *
Manzalai D&Production lease (175/PAK/2007)		25.00 *
Makori D&Production lease (184/PAK/2012)		
Makori East D&Production lease (205/PAK/2013)		

* Pre-commerciality interest

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

Profit for the year attributable to owners of POL (in thousand rupees)	11,882,059	10,088,246
Weighted average number of ordinary shares in issue during the year (in thousand shares)	236,546	236,546
Basic and diluted earnings per share (Rupees)	50.23	42.65

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43. TRANSACTIONS WITH RELATED PARTIES

Aggregate transactions with related parties, other than remuneration to the chief executive, directors and executive of the Company under their terms of employment, were as follows:

	2017	2016
	Rupees ('000)	
Parent company - The Attock Oil Company Limited		
Purchase of petroleum products	19,884	32,082
Purchase of services	32,766	26,809
Dividend paid	4,367,229	4,991,118
Associated companies		
Attock Refinery Limited		
Sale of crude oil and gas	9,103,202	5,809,524
Crude oil and gas transmission charges	4,776	7,784
Sale of services	3,362	3,664
Purchase of LPG	102,558	106,761
Purchase of fuel	9,879	13,243
Purchase of services	21,838	16,667
National Refinery Limited		
Sale of crude oil	493,502	1,233,104
Purchase of LPG	291,824	184,678
Purchase of services	903	1,988
Dividend received	399,833	199,916
Attock Petroleum Limited		
Purchase of fuel and lubricants	523,701	422,123
Sale of solvent oil	152,891	217,707
Sale of services	13,240	12,371
Purchase of services	940	261
Dividend received	232,824	215,362
Attock Information Technology (Private) Limited		
Purchase of services	45,660	38,043
Attock Cement Pakistan Limited		
Purchase of services	8	5
Attock Hospital (Private) Limited		
Purchase of medical services	9,612	7,689
Other Associated Companies		
Dividend Paid	12,983	15,181

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PAKISTAN OILFIELDS LIMITED

	2017	2016
	Rupees ('000)	
Other related parties		
Dividend paid to key management personnel	83,808	95,965
Contribution to staff retirement benefits plans Management Staff Pension Fund and Gratuity Fund Approved Contributory Provident Funds	78,938 27,718	71,133 25,689
Contribution to Workers' Profit Participation Fund	662,074	476,462
44. CONTRIBUTORY PROVIDENT FUND		
Details of the provident funds are as follows:		
Net assets	685,884	724,064
Cost of investments made	606,679	641,154
%age of investments made	88%	89%
Fair value of investments made	636,661	674,466

Breakup of Investment - at cost	2017		2016	
	Rupees ('000)	%age	Rupees ('000)	%age
Term Finance Certificates	925	0.15	925	0.14
Mutual Funds	4,977	0.82	4,977	0.78
Government bonds	591,450	97.49	631,236	98.45
Cash and cash equivalents	9,327	1.54	4,016	0.63
	606,679	100.00	641,154	100.00

Investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for the purpose.

45. CASH AND CASH EQUIVALENTS

	2017	2016
	Rupees ('000)	
Cash and cash equivalents comprise		
Cash and bank balances	14,298,660	10,864,693
Short term investments	-	130,139
	14,298,660	10,994,832

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46. CASH FLOWS FROM OPERATING ACTIVITIES

	2017	2016
	Rupees ('000)	
Profit before taxation	15,471,875	11,789,885
Adjustments for:		
Depreciation	1,593,152	1,437,737
Amortization of other intangible assets	36,178	18,920
Measurement (loss)/gain on staff retirement benefit plans	(79,002)	24,741
Amortization of development and decommissioning costs	2,209,306	2,447,702
Finance costs	743,606	1,019,170
Exchange loss/(gain) on financial assets	65,353	(196,946)
Loss/(gain) on sale of assets	20,279	(7,906)
Share in profits of associated companies	(2,387,070)	(2,192,888)
Reversal of impairment on investment in associated company	(1,254,835)	(1,071,269)
Income on bank deposits	(448,852)	(355,868)
Income on held-to-maturity investments	(6,016)	(8,016)
Dividend on available-for-sale investments	(362)	(417)
Provision for staff compensated absences	(478)	(1,585)
Provision for un-funded gratuity plan - CAPGAS	890	737
Provision for slow moving stores and spares	54,987	68,057
Cash flows before working capital changes	16,019,011	12,972,054
Effect on cash flows due to working capital changes:		
Decrease/(increase) in stores and spares	283,254	(28,477)
Decrease/(increase) in stock in trade	135,027	(213,978)
Decrease in trade debts	43,220	141,342
Decrease in advances, deposits, prepayments and other receivables	160,619	296,946
Increase in trade and other payables	448,995	626,448
	1,071,115	822,281
Cash flows generated from operations	17,090,126	13,794,335
(Increase)/decrease in long term loans and advances	(4,787)	2,784
Increase in long term deposits	16,243	112,591
Taxes paid	(1,273,489)	(1,353,406)
Net cash generated from operating activities	15,828,093	12,556,304

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PAKISTAN OILFIELDS LIMITED

47. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed with reference to circular no. 29 of 2016 dated September 5, 2016, issued by the Securities and Exchange Commission of Pakistan relating to "All Shares Islamic Index".

Description	Explanation	2017	2016
		Rupees ('000)	
i) Loans and advances	Non-interest bearing		
ii) Deposits	Non-interest bearing		
iii) Segment revenue	Disclosed in note 36		
iv) Bank Balances			
Placed under interest arrangements		14,168,060	10,674,003
Placed under Shariah permissible arrangements		102,840	60,223
		14,270,900	10,734,226
v) Income on bank deposits			
Placed under interest arrangements		454,357	360,357
Placed under Shariah permissible arrangements		511	2,907
		454,868	363,264
vi) Gain/(loss) on available-for-sale investments	Disclosed in note 18.1.1		
vii) Dividend income	Disclosed in note 33.1		
viii) All sources of other income	Disclosed in note 33		
ix) Exchange gain	Earned from actual currency		
x) Relationship with banks having Islamic windows	Following is the list of banks with which the Company has a relationship with Islamic window of operations: <ol style="list-style-type: none"> 1. Al Baraka Bank (Pakistan) Limited 2. Meezan Bank Limited 3. Bank Islami Pakistan Limited 		

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48. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on September 11, 2017 has proposed a final dividend for the year ended June 30, 2017 @ Rs. 25, amounting to Rs 5,913,648 thousand for approval of the members in the Annual General Meeting to be held on October 19, 2017.

49. GENERAL

49.1 Capacity

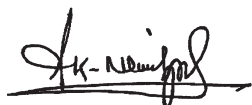
Considering the nature of the Company's business, information regarding capacity has no relevance.

49.2 Number of employees

Total number of employees at the end of the year were 726 (2016: 763). Average number of employees during the year were 747 (2016: 787).

49.3 Date of authorization

These financial statements were authorized for issue by the Board of Directors of the Company on September 11, 2017.



Khalid Nafees
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

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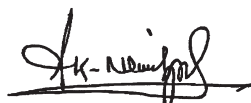
Notice is hereby given that the 66th Sixty Sixth Annual General Meeting (being the 86th EIGHTY SIXTH General Meeting) of the Company will be held on Thursday, October 19, 2017 at 11:00 hours at Attock House, Morgah, Rawalpindi, to transact the following business:

ORDINARY BUSINESS

- i. To receive, consider and approve the audited accounts of the Company together with the Directors' and Auditors' Reports for the year ended June 30, 2017.
- ii. To approve final cash dividend of Rs. 25 per share i.e. 250% as recommended by the Board of Directors. It is in addition to the interim cash dividend of Rs. 15.00 per share i.e. 150% already paid to the shareholders, thus making a total cash dividend of Rs. 40 per share i.e. 400% for the year ended June 30, 2017.
- iii. To appoint auditors for the year ending June 30, 2018 and fix their remuneration. The present auditors Messrs A.F. Ferguson & Co., Chartered Accountants, retire and being eligible, offer themselves for reappointment.
- iv. To transact any other business with the permission of the Chairman.

BY ORDER OF THE BOARD

Registered Office:
POL House,
Morgah, Rawalpindi.
September 27, 2017



(Khalid Nafees)
Company Secretary

Note:

1. 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 October 12, 2017 to October 19, 2017 (both days inclusive). Transfers received in order at the Registered Office of the Company by the close of business on October 11, 2017 will be treated in time for the purpose of payment of the final cash dividend, if approved by the shareholders.

2. PARTICIPATION IN THE ANNUAL GENERAL MEETING:

A member entitled to attend and vote at this meeting is also entitled to appoint another proxy to attend 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.

3. CDC ACCOUNT HOLDERS WILL HAVE TO FOLLOW FURTHER UNDER MENTIONED GUIDELINES AS LAID DOWN BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN:

a. For attending the meeting

- (i) In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per regulations shall authenticate their identity by showing their original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting..

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(ii) In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the nominees shall be produced (unless it has not been provided earlier) at the time of the meeting.

b. For appointing proxies

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 form. Copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form. The proxies shall produce their original CNIC or original passport at the time of the meeting.

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 FOR FILING STATUS OF INCOME TAX RETURN FOR APPLICATION OF REVISED RATES PURSUANT TO THE PROVISIONS OF FINANCE ACT, 2017:

Pursuant to the provisions of Finance Act, 2017, effective July 01, 2017, reforms have been made with regards to deduction of income tax. For cash dividend, the rates of deduction of income tax, under section 150 of the Income Tax Ordinance, 2001 have been revised as follows:

a.	Rate of tax deduction for filer of income tax returns	15.00%
b.	Rate of tax deduction for non filer of income tax returns	20.00%

In case of joint account, each holder is to be treated individually as either a filer or non filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing to the Company by sending following detail on the registered address of the Company and the members who have deposited their shares into Central Depository Company of Pakistan Limited (CDC) are requested to send a copy of detail regarding tax payment status also to the relevant member stock exchange or to CDC if maintaining CDC investor account. If no notification is received, each joint holder shall be assumed to have an equal number of shares.

Company Name	Folio/ CDS ID/AC#	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC No.	Shareholding proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time.

5. EXEMPTION FROM DEDUCTION OF INCOME TAX / ZAKAT:

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduce rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

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 bank account detail to receive their cash dividend directly in to their bank accounts instead of receiving it through 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 detail. In the absence of a member's valid bank account detail by October 31, 2017, the Company will be constrained to withhold dispatch of dividend warrants to 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 2016-17:

Pursuant to the directives of the Securities and Exchange Commission of Pakistan (SECP), CNIC number of shareholders are MANDATORILY required to be mentioned on dividend warrants. Shareholders are therefore, requested to submit a copy of their valid CNIC (if not already provided) to the Company on its registered address, Pakistan Oilfields Limited, POL House, Morgah, Rawalpindi. In the absence of a member's valid CNIC, the Company will be constrained to withhold dispatch of dividend warrants 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. CIRCULATION OF ANNUAL AUDITED FINANCIAL STATEMENTS TO SHAREHOLDERS THROUGH EMAIL/CD/USB/DVD OR ANY OTHER MEDIA:

Pursuant to the directions given by the SECP through its SRO 787(1)/2014 dated September 8, 2014 and SRO 470(1)/2016 dated May 31, 2016 that have allowed the companies to circulate its Annual Audited Accounts (i.e. Annual Balance Sheet, Profit and Loss Accounts, Statements of Comprehensive Income, Cash Flow Statement, Notes to the Financial Statements, Auditor's and Director's Report) to its members through Email/ CD/DVD/USB/ or any other Electronic Media at their registered Addresses.

Shareholder who wish to receive the hard copy of Financial Statements shall have to fill the attached standard request form (available on the company's website www.pakoil.com.pk) and send it to the Company address.

CDC account holders are requested to provide their email addresses to the relevant member stock exchange or to CDC if maintaining CDC investor account.

9. STATEMENT OF UNCLAIMED OR UNPAID AMOUNTS UNDER SECTION 244 OF THE COMPANIES ACT, 2017:

The Securities and Exchange Commission of Pakistan, pursuant to section 244 read with section 510 of the Companies Act 2017 (the "Act"), directs all Companies to submit a statement to the Commission through eServices portal (<https://eservices.secp.gov.pk/eServices/>) stating therein the number or amounts, as the case may be, which remain unclaimed or unpaid for a period of three years from the date it is due and payable

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as of 30th May, 2017 in respect of shares of a company/dividend and any other instrument or amount which remain unclaimed or unpaid, as may be specified.

Through this notice, the shareholders are intimated to contact with the company for any unclaimed dividend/shares within a period of seven days after publishing this notice to meet the compliance of SECP Direction # 16 of 2017 dated July 7, 2017. List of Shareholders having unclaimed dividend/shares are available on the company's website www.pakoil.com.pk.

The shareholders are requested to contact the company on its registered address regarding any unclaimed dividends or undelivered shares (if any).

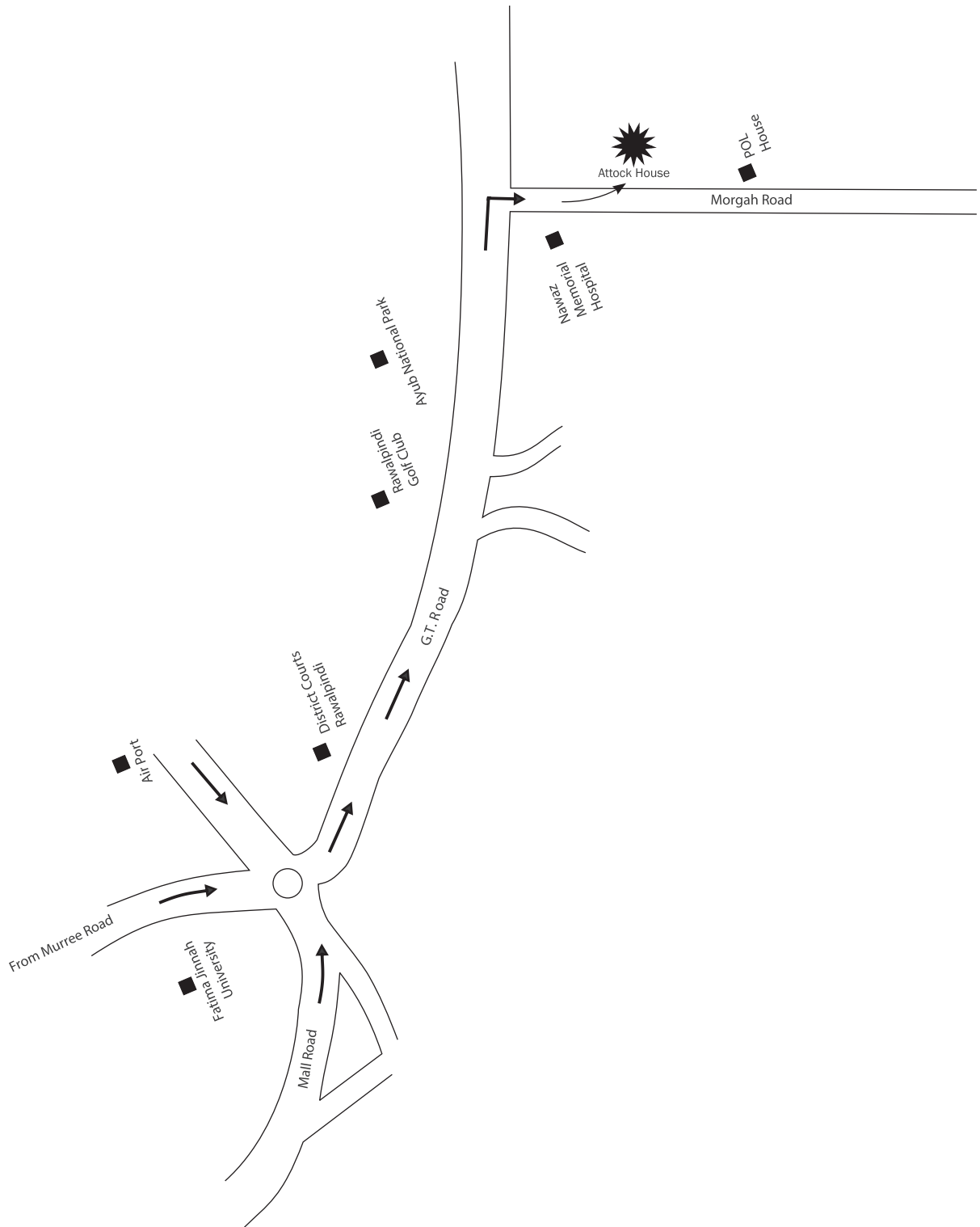
10. CHANGE IN ADDRESS:

The members are requested to promptly notify any change in their particulars, i.e. address, contact number etc.

11. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE:

The audited financial statements of the Company for the year ended June 30, 2017 have been made available on the Company's website www.pakoil.com.pk, at least 21 days before the date of Annual General Meeting.

Location Map for Annual General Meeting



GLOSSARY

ANNUAL REPORT 2017

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2D Seismic	Exploration method of sending energy waves or sound waves into the earth and recording the wave reflections to indicate the type, size, shape, and depth of subsurface rock formations. 3-D seismic provides two dimensional information.	MGPF	Makori Gas Processing Facility
		Mscf	Million Standard Cubic Feet Per Day
		Mtd	Metric Ton Per Day
		NTS	National Testing Service
		NFPA	National Fire Protection Association
3D Seismic	Exploration method of sending energy waves or sound waves into the earth and recording the wave reflections to indicate the type, size, shape, and depth of subsurface rock formations. 3-D seismic provides three dimensional information.	OGDCL	Oil & Gas Development Company Limited
		OHSAS	Occupational Health & Safety Advisory Services
		Operational Risk	Risks resulting from breakdowns in internal procedures, people and systems
BPD	Barrels per day		
Commercial Risk	Potential losses arising from the trading partners or the market.	PSI	Pounds per square inch
Contractual Risk	Probability of loss arising from failure in contract performance.	Reservoir	Porous and permeable underground formation that contains a natural accumulation of producible oil or gas. The formation is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.
E & P Companies	Exploration and Production Companies		
Exploratory well	A well drilled to find and produce oil or gas in an unproved area, find a new reservoir in a field previously found to be productive in another reservoir, or extend a known reservoir.	Seismic interpretation	To interpret the extent and geometry of rocks in the subsurface from 2D or 3D seismic data
G & G	Geological & Geophysical	Spud	Commencement of actual drilling operations.
Hydrocarbon	An organic compound of hydrogen and carbon (i.e., oil, gas, and NGL).	SSGCL	Sui Southern Gas Company Limited
ISO	International Organisation for Standardisation	TEVTA	Technical Education of Vocational Training Authority
JVP	Joint Venture Partner	VTC	Vocational Training Center
LEL Gas	Lower Explosion Limit Gas	VFD	Variable Frequency Density
LPG	Liquefied petroleum gas.	MGC	Meyal Gas Complex

FORM OF PROXY

66th Annual General Meeting

I/We _____ of _____ being a member of Pakistan Oilfields Limited and holder of _____ ordinary shares as per share register Folio No. _____ hereby appoint _____ of _____ another member of the company Folio No. _____ (or failing him/her _____ of _____ who is also member of the Company, Folio No. _____

For beneficial owners as per CDC List
 CDC Participant I.D. No. _____ Sub-Account No. _____

CNIC No. or Passport No. _____

hereby appoint _____ of _____ who is also a member of the Company, Folio No. _____ or failing him/her _____ of _____ who is also a member of the Company, Folio No. _____ as my/our proxy to vote and act for me/our behalf at the SIXTY SIXTH Annual General Meeting of the Company to be held on Thursday, October 19, 2017 at 11.00 a.m or at any adjournment thereof.



 Signature of Shareholder
 (The signature should agree with the specimen registered with the Company)

Dated this _____ day of _____ 2017
 For beneficial owners as per CDC list

Signature of Proxy _____

Witnesses:

1. Signature _____
 Name _____
 Address _____

2. Signature _____
 Name _____
 Address _____

CNIC or Passport No. _____

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.

CDC 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.



The Secretary,
PAKISTAN OILFIELDS LIMITED
POL House, Morgah, Rawalpindi.
Tel: (051) 5487589-97, Fax: (051) 5487598-99

پراکسی فارم

۶۶ واں سالانہ اجلاس عام

میں / ہم..... پاکستان آنکل فیلڈز کے ممبر کی حیثیت سے کمپنی کے..... عمومی شیئر (ز) کنندہ رجسٹرڈ فلیو نمبر..... اور ممبر کی صورت میں جنہوں نے اپنے شیئرز سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ (سی ڈی سی) 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..... فلیو نمبر / سی ڈی سی اکاؤنٹ نمبر (اگر ممبر ہے).....
یا اُن کے بجائے، جناب..... فلیو 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 ۶۶ ویں سالانہ اجلاس عام میں جو ۱۹ (نیس) اکتوبر ۲۰۱۷ء کو منعقد ہو رہا ہے یا اُس کے التوائی اجلاس میں میری / ہماری طرف سے شرکت کر سکے یا ووٹ دے سکے۔

۵ روپے کارسیدی ٹکٹ
یہاں چسپاں کریں

دستخط رکن

آج بروز..... تاریخ..... ۲۰۱۷

2- گواہ

1- گواہ

دستخط

دستخط

نام

نام

پتہ

پتہ

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر.....

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر.....

اور پاسپورٹ نمبر.....

اور پاسپورٹ نمبر.....

نوٹس

۱- مکمل اور دستخط شدہ فارم اجلاس سے کم از کم اڑتالیس کھنٹے 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۔

دی سیکرٹری
پاکستان آئل فیلڈ لمیٹڈ
پی۔ او۔ ایل ہاؤس، مورگاہ، راولپنڈی
فون: (051) 5487589-97
فیکس: (051) 5487598-99

INCOME TAX RETURN FILING STATUS FORM

Confirmation for filing status of income tax return for application of revised rates pursuant to the provisions of Finance Act, 2017.

The Company Secretary
Pakistan Oilfields Limited
POL House, Morgah,
Rawalpindi

I, Mr./Mrs./Ms.....S/O,D/O,W/O..... hereby confirm that I am registered as National Tax Payer. My relevant detail is given below:

Folio/CDC ID/AC#	Name	National Tax #	CNIC # (in case of individuals)**	Income Tax return for the year 2017 filed (Yes or No)***

It is stated that the above-mentioned information is correct.

Signature of the Shareholder

The Shareholders having their accounts with Central Depository Company (CDC) have also to communicate confirmation of tax payment status information to relevant Member Stock Exchange in addition to the Company Secretary.

**Please attach attested photocopy of the CNIC.

***Please attach attested photocopy of receipt of income tax return.

DIVIDEND MANDATE FORM

To:
*

I, Mr./Mrs./Ms.....S/O,D/O,W/O..... hereby authorize Pakistan Oilfields Limited to directly credit cash dividend declared by it, if any, in the below mentioned bank account.

(i) Shareholder's Detail	
Name of the Shareholder	
Folio No./CDC Participants ID A/C No.	
CNIC No.**	
Passport No. (in case of foreign Shareholder)***	
Land Line Phone Number	
Cell Number	

(ii) Shareholder's Bank Detail	
Title of Bank Account	
Bank Account Number	
Bank's Name	
Branch Name and Address	

It is stated that the above-mentioned information is correct and that I will intimate the changes in the above mentioned information to the Company and the concerned Share Registrar as soon as these occur.

Signature of the Shareholder

*The Shareholders having physical shares have to address the Company Secretary POL on the address given below:

The Company Secretary,
Pakistan Oilfields Limited,
POL House, Morgah,
Rawalpindi.

and Shareholders having their accounts with Central Depository Company (CDC) have to communicate mandate information to relevant Member Stock Exchange.

**Please attach attested photocopy of the CNIC.
***Please attach attested photocopy of the Passport

JOINT ACCOUNT HOLDER FORM

Date: _____

Company Secretary,
Pakistan Oilfields Limited
POL House, Morgah,
Rawalpindi.

Dear Sir,

In terms of FBR clarifications vide letter # 1(54) Exp/2014-132872-2 dated September 24, 2014 in regard to deduction of withholding tax on dividend warrant in case of joint account holder.

Mentioned below is the detail of shareholding in the Company's shares

Folio No. _____

Name of Principal Shareholder/ Joint Shareholders	Shareholding%	CNIC No. (Copy attached)	Signatures

Regards,

Shareholder Name

Signature: _____

















The Secretary,
PAKISTAN OILFIELDS LIMITED
POL House, Morgah, Rawalpindi.
Tel: (051) 5487589-97, Fax: (051) 5487598-99



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Pakistan Oilfields Limited
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Tel: (051) 548 7589-97 | Fax: (051) 548 7598-99
Web: www.pakoil.com.pk