



Pakistan Petroleum Limited

Serving the
NATION



Half Yearly Report December 2016

Contents

- 02 Vision - Mission
- 03 Core Values
- 04 Company Information
- 05 Directors' Interim Review
- 24 Directors' Interim Review (urdu)
- 25 Auditors' Interim Review Report on Unconsolidated Accounts
- 26 Unconsolidated Condensed Interim Balance Sheet
- 27 Unconsolidated Condensed Interim Profit and Loss Account (Unaudited)
- 28 Unconsolidated Condensed Interim Statement of Comprehensive Income (Unaudited)
- 29 Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)
- 30 Unconsolidated Condensed Interim Statement of Changes in Equity (Unaudited)
- 31 Notes to and Forming Part of the Unconsolidated Condensed Interim
Financial Statements (Unaudited)
- 46 Auditors' Interim Review Report on Consolidated Accounts
- 47 Consolidated Condensed Interim Balance Sheet
- 48 Consolidated Condensed Interim Profit and Loss Account (Unaudited)
- 49 Consolidated Condensed Interim Statement of Comprehensive Income (Unaudited)
- 50 Consolidated Condensed Interim Cash Flow Statement (Unaudited)
- 51 Consolidated Condensed Interim Statement of Changes in Equity (Unaudited)
- 52 Notes to and Forming Part of the Consolidated Condensed Interim
Financial Statements (Unaudited)

Vision

To achieve energy self-sufficiency for Pakistan by becoming the most successful and efficient discoverer and producer of oil and gas.

Mission

To serve the people of Pakistan in an area critical to their economic development by employing, training and developing the best people available and empowering them to deliver extraordinary results while insisting that they conform to the highest standards of professional and ethical conduct.

Core VALUES

- Promote Leadership, Empowerment and Accountability.
- Pursue Highest Standards of Integrity.
- Value people as the most important resource.
- Promote innovation and value creation.
- Ensure excellence in all spheres of performance.
- Advocate Teamwork aligned with business objectives.
- Conserve Environment by minimising carbon footprint.

Company INFORMATION

Board of Directors

- Mr. Syed Wamiq Bokhari (Managing Director / Chief Executive Officer)
- Mr. Aftab Nabi (Independent, Non-Executive Director)
- Mr. Arshad Mirza (Non-Executive Director)
- Mr. Asif Baigmoahmed (Independent, Non-Executive Director)
- Mr. Imtiaz Hussain Zaidi (Independent, Non-Executive Director)
- Mr. Muhammad Ashraf Iqbal Baluch (Independent, Non-Executive Director)
- Mr. Nadeem Mumtaz Qureshi (Independent, Non-Executive Director)
- Mr. Saeed Ullah Shah (Non-Executive Director)

Company Secretary

Ms. Shahana Ahmed Ali

Auditors

A.F. Ferguson & Co.

Chartered Accountants

Registered Office

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Legal Advisors

Surrige & Beecheno

Directors' INTERIM REVIEW

Your directors are pleased to present the unaudited condensed interim financial statements for the half year ended December 31, 2016 and a brief review of the Company's operations.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational Highlights

The key operational highlights for the half year ended December 31, 2016 are as follows:

Discoveries

One discovery has been made, during the half year under review, in PPL operated Hala Block (Bashar X-1 ST), as compared to five discoveries in the corresponding period.

Seismic Activities

In PPL Operated blocks, 2D and 3D seismic data acquisitions of 380 Line Km and 897 Sq. Km, respectively, were carried out during the period, as compared to 2D and 3D seismic data acquisitions of 851 Line Km and 733 Sq. Km, respectively in the corresponding period.

Drilling Activities

In PPL operated blocks, nine wells (four exploratory and five development wells) were spudded during the current period, as compared to five wells (three exploratory and two development wells) in the corresponding period.

Financial Highlights

The key financial results of the Company for the half year ended December 31, 2016 are as follows:

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	Rs Million	
Sales revenue (net)	40,025	41,312
Profit before taxation	16,360	16,133
Taxation	(4,563)	(4,237)
Profit after taxation	11,797	11,896
Basic and Diluted Earnings Per Share (Rs)	5.98	6.03

Sales Revenue

Sales revenue decreased by Rs 1,287 million during the current period as compared to the corresponding period. Negative variances on account of crude oil price amounting to Rs 4,779 million, were partially offset by positive volume and exchange rate variance of Rs 2,976 million and Rs 516 million, respectively.

Directors' INTERIM REVIEW

Positive volume variance is attributable to the combined effect of 10% increase in oil sales volumes, 6% increase in gas sales volumes and 24% increase in LPG volumes partially offset by 32% decrease in barytes sales volumes. Surge in oil sales volume is mainly due to increase in production from Tal, Adhi, Nashpa and Gambat South fields. Whereas, gas sales volumes increased mainly due to higher production from Sui, Kandhkot, Adhi, Hala and Gambat South fields, partially offset by decline in gas sales volumes from Tal, Latif, Qadirpur, Gambat, Miano, Nashpa and Sawan fields. Higher LPG sales volumes are mainly due to increase in production from Tal and Adhi fields.

A comparison of the Company's share of sales volumes from all PPL-operated and partner-operated fields is given below:

	Unit	Half year ended December 31, 2016	Half year ended December 31, 2015
Natural Gas	MMCF	146,541	138,471
Crude Oil / Natural Gas Liquids (NGL) /Condensate	BBL	2,865,865	2,601,013
Liquefied Petroleum Gas (LPG)	Tonnes	37,826	30,531
Barytes	Tonnes	16,830	24,603

Profitability

Profitability of the Company reduced by 1% mainly due to lower sales revenue and other income, partially offset by decrease in other operating expenses. Major reason for reduction in other operating expenses is impairment loss recorded on investment in PPL Europe in the corresponding period.

CORPORATE STRATEGY AND FOCUS AREAS

During the period, the operations of the Company remained in line with its Corporate Strategy.

Exploration

The Exploration Directorate consists of three Assets, namely North, South and Frontier Assets (Frontier Assets also include blocks in Iraq, Yemen and new ventures). At present, the Company's portfolio, together with its subsidiaries, consists of forty-five exploratory blocks, out of which twenty-seven are PPL operated (including Block-8 in Iraq being operated by PPL Asia) and remaining eighteen, including three offshore blocks in Pakistan and two onshore blocks in Yemen, are partner operated. Details of major activities are as follows:

Exploration South Assets

In Hala block, preparations are underway to spud in 6th exploratory well Zarbab X-1.

In Gambat South and Kotri North blocks, 3D seismic surveys have been completed, whereas, in Sirani and Kotri blocks, the surveys are in progress.

In Gambat South block, drilling of 13th exploratory well Samar X-1 has been completed and the well has been suspended for further evaluation. Whereas, preparations are underway to spud in 14th exploratory well Zafir X-1.

In Kotri block, 2nd exploratory well Kotri X-2 was plugged and abandoned.

Preparations are underway to spud in 1st exploratory well Manchar X-1 in Zamzama South block.

In Naushahro Firoz block, preparations are underway to spud in appraisal well NF-1 (Re-entry) to appraise the Naushahro Firoz X-1 Tight Gas discovery.

Exploration North Assets

Preparations are underway to spud in 1st exploratory well Talagang X-1 in Karsal block.

In Dhok Sultan block, 2D and 3D seismic surveys are in progress. Whereas, Dhok Sultan X-1 well is suspended due to mechanical failure and currently detailed study is in progress to address the issue, after which re-entry will be performed.

G&G studies are underway to mature prospect for drilling in Hisal and Sadiqabad blocks.

In Zindan block, application has been submitted to Government of Pakistan (GoP) for relinquishment of block w.e.f. November 15, 2016.

Exploration Frontier Assets

In Hub block, preparations are underway to spud in 1st exploratory well Hub X-1.

In Kharan block, 1st exploratory well Kharan X-1 was spudded in February 2017 and currently drilling is in progress.

Exploratory well Mazarani Deep-1 has been plugged and abandoned as a dry hole.

Preparations are underway to spud in exploratory wells in Kalat (Kalat X-1) and Nausherwani (Nausherwani X-1).

In Barkhan block, 2nd exploratory well Miriwah East X-1 was plugged & abandoned as a dry hole.

Partner-Operated Areas

In Tal block, testing of appraisal well Mardan Khel-3 and drilling of appraisal well Mardan Khel-2 is in progress. Further, acquisition of remaining 30% of Manzalai West gravity survey has been completed.

In Nashpa block, 3rd exploratory well (Shawa-1) was plugged and abandoned due to mechanical failure.

Directors'

INTERIM REVIEW

Exploratory well Khanan-1 in Latif block was spudded in February 2017 and currently drilling is in progress.

In Digri block, 3rd exploratory well Sadar-1, spudded in January 2017, was temporarily suspended for further evaluation.

Producing Fields and Development

Sui Asset

Development well Sui-95 was commissioned into production network in November 2016 adding approximately 10 MMscfd gas in the system. Further, completion of development well Sui-101(U) is in progress, whereas, drilling of Sui-100(U) is planned after completion of Sui-101(U).

Furthermore, Memorandum of Agreement (MoA) was executed between the GoP and the Government of Balochistan (GoB) for grant of Development & Production Lease (D&PL) to the Company over the Sui gas field, with effect from June 01, 2015. The MoA has been approved by the Economic Coordination Committee (ECC) of the Cabinet of the GoP dated December 13, 2016, and accordingly D&PL will be formally granted in due course of time. In addition, Field Development Plan (FDP) for Sui D&PL has been submitted to GoP in January 2017.

Kandhkot Asset

In Kandhkot asset, development wells KDT-34(M), KDT-35(M) and KDT-38(H) were successfully completed and commissioned, resulting in enhanced field deliverability by approximately 40 MMscfd. Further, well KDT-40(H) was spudded in February 2017 and drilling has been completed. Furthermore, sub-surface maturation of eight development wells [KDT-37 to KDT-44] has been carried out. In-house full field simulation models were developed which assisted in finalisation of optimum locations for future wells.

Contracts for revamping and re-location of HRL compressors from Sui to Kandhkot have been awarded and currently the job is in progress.

Adhi Asset

In Adhi asset, development well Adhi-27 was commissioned in October 2016, resulting in additional production of around 6 MMscfd gas and 450 BBLs of oil per day, whereas, drilling of development well Adhi-26(T/K) was completed satisfactorily. Further, well Adhi-28 was spudded in November 2016 and currently drilling is in progress. In addition, workovers of wells Adhi-15 and Adhi-17 were completed, resulting in significantly enhanced production from well Adhi-15, which is now producing 16 MMscfd gas and 2,000 BBLs of oil per day.

Moreover, FEED Study for Adhi Compression Facility has been completed after revision in wells production profile and composition. Technical Specifications for Nodal Reciprocating Gas Compression Packages have been finalised.

Gambat South / Hala / Mazarani Assets

In Gambat South Asset, upgrade of Gas Processing Facility (GPF)-I has been completed as per schedule. Commissioning of GPF-II has also been completed and first gas sales commenced on August 09, 2016. GPF-III project is progressing and is currently in procurement and construction phase.

Further, reserves certification was completed for Gambat South discoveries at Shahdadpur and Shahdadpur West. Reserves certification letters have been sent to GoP for the approval and grant of Declaration of Commerciality (DoC) and D&PL. In addition, application for Shahdadpur East was also submitted to GoP for approval and grant of DoC and D&PL.

In Hala Asset, reserves certification for Adam West discovery and technical & commercial evaluation of Hala GPF-II was completed.

In Mazarani Asset, development well Mazarani-5 was spudded in December 2016 and has been successfully completed and tied-in to production network.

Partner-Operated Assets

In Kirthar block, development well Rehman-2 was successfully completed as a gas producer, whereas, drilling of development well Rehman-3, spudded in November 2016, is in progress.

In Tal block, development well Maramzai-4 was successfully completed as gas/condensate producer. Drilling of development well Makori East-6, spudded in January 2017, is in progress.

In Nashpa block, drilling of development well Mela-5 is in progress. EPCC project for installation of LPG / NGL plant is currently in progress.

In Miano field, development well Miano-20 was plugged and suspended for further evaluation, whereas, development well Miano-21 was plugged and abandoned.

In Qadirpur field, development well Qadirpur-56 (SUL) was successfully completed as a gas producer, whereas, development well Qadirpur-57 (SUL) was spudded in January 2017 and currently drilling is in progress.

Bolan Mining Enterprises

Mining and Grinding operations for production of Barytes at Khuzdar remained satisfactory. Sales of baryte powder to local E&P companies was as per expectations, however, ore export was lower due to low demand from customers. Efforts are being made to increase ore export by offering competitive prices.

As part of preparation of bankable feasibility report for exploration of Baryte-Lead-Zinc at Gunga, Khuzdar, resource drilling of approximately 10,000 meters spanned over 27 holes is planned to establish commercial viability of the project. In this context, drilling contract has been awarded

Directors'

INTERIM REVIEW

and the contractor has been mobilised, and currently drilling of six holes of about 2,200 meters has been completed with satisfactory recovery of cores.

Resource Evaluation studies at Nokkundi Iron Projects remained in abeyance due to litigation on Mining leases.

Corporate Social Responsibility

PPL, as a responsible corporate organisation, plays a vital role to bring positive changes in the lives of local communities residing in the surrounding of its exploratory and producing areas through social development projects of mass benefit. PPL undertakes social welfare schemes cogitating the development of the areas and sustainability of the schemes. Our CSR initiatives over the years and in the period under review focused on education, health care, infrastructure development, water resource development and improvement of environment.

Education

PPL sponsored three PPL-TCF Schools and two Government Schools at UC Ghaibi Dero, which operated satisfactorily. Established computer laboratory at Virtual University campus, Sui. Further, construction work continued at four school buildings and one examination hall at Barkhan, Awaran, Khuzdar, Kalat and Washuk. Furthermore, against various scholarships schemes sponsored by PPL, a large number of applications have been received.

Healthcare

PPL Public Welfare Hospital, Sui operated satisfactorily where 18,500 patients (Average 205 patients per day) were provided free consultation, treatment and medicines through OPD and emergency facilities. All three Mobile Medical Dispensaries operated satisfactorily in surrounding communities of Kandhkot, Chachar and Mazarani, benefitting approximately 8,500 patients. In addition, 3-day free surgical eye camp was held at Adhi, benefitting around 1,750 patients. At PPL supported Public Dispensary Mastala (near Adhi Field), around 1,300 patients were provided free of cost consultation and treatment. Further, PPL adopted Marie Adelaide Leprosy Center's Triple Merger Center, Kandhkot also operated satisfactorily wherein free treatment was provided to the patients suffering from leprosy, tuberculosis and blindness.

Water Supply

Construction work continued on twenty eight water supply schemes at District Lasbela, Awaran, Kharan, Washuk, Lakki Marwat, Kalat, Dera Ismail Khan and Kashmore.

Technical & Skill Development

Women Vocational Training Centre, Mastala near Adhi Field operated satisfactorily, twenty females completed training during the period. Vocational Training Institute, Sui stitching unit also operated satisfactorily. Fifteen students of District Dera Bugti, Matiari and Sanghar completed one year City & Guilds diploma course from The Hunar Foundation campus at District Tando Allah Yar.

Other Activities

To promote sports and healthy lifestyle in Balochistan, PPL successfully held the inaugural edition of PPL Balochistan Football tournament, played between all 32 districts of Balochistan. The event was well acknowledged by all the stakeholders especially general public.

Human Resources

PPL continues to provide employees with good opportunities for professional and personal development with focus on in-house training to develop technical and soft skills. Many initiatives have been taken for the competency development of staff, including modular leadership programs for senior staff, leadership assessment and development for senior management, technical training through foreign trainers and awareness sessions on health and information technology.

The Company believes in providing equal opportunity in recruitment, career development, promotion, training and rewards to all employees. To reinforce a culture that promotes a right to work with dignity and fosters inclusion, mandatory awareness sessions on preventing harassment at the workplace have been conducted.

To provide learning opportunity to young professionals in the surrounding areas of PPL producing fields, a batch of engineers / diploma holders was inducted on two-years on-job training in October 2016, which include classroom training and cross-functional rotation in the first year.

Quality, Health, Safety and Environment (QHSE)

Based on the recommendations of Process Safety Management (PSM) System Evaluation Study undertaken through DuPont Sustainable Solutions (DSS) during last year, a corporate level strategy, governance structure comprising of PSM Steering & Sub Committees and action plan has been formulated, focusing on areas requiring quick intervention.

As part of the Company's drive to align Management System with recognised International Standards, QHSE Internal Audits were conducted for Exploration Department and QHSE Function whereas, QHSE External Audits against ISO & OHSAS standards were carried out at Sui Field Gas Compressor Station, Sui Field Hospital, Kandhkot Asset, Hala / Gambat South / Mazarani Asset and Production Engineering Department by external Certification Agency.

Pre-Mobilisation workshops and Pre-spud QHSE inspections / meetings remained a customary feature for all seismic and drilling activities to ensure QHSE requirements are complied with by the Contractors as part of the Company's QHSE improvement drive.

Environmental statutory compliance remained a priority area. During the period, Initial Environmental Examination studies were conducted for Exploration & Drilling Works in Sirani and Kharan blocks. In addition to this, Ambient Air Monitoring was carried out at Gambat South & Sui Gas Fields.

Directors' INTERIM REVIEW

Considering the Company's enhanced movement on roads, a transport safety workgroup was formulated in order to benchmark Company's transport safety management system against the international best practices.

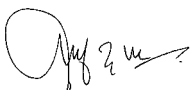
As part of Process Safety Management effort, Process Safety Competence week was held for staff, Hazard and Operability (HAZOP) Studies were conducted for Kandhkot and Gambat Plants and revalidation of piping inspections was undertaken at Sui Field Gas Compressor Station.

Industrial Relations

Harmonious working environment and cordial industrial relations atmosphere prevailed at all locations of the Company, including Sui Gas Field.

ACKNOWLEDGEMENT

The Company's achievements could not have been possible without the continuous efforts of our Employees, who deserve full compliments. We are also thankful to the continued support of the Government of Pakistan and shareholders, whose unfaltering trust and confidence has enabled us to aim and achieve the best.



M. Ashraf Iqbal Baluch
DIRECTOR

Karachi
March 21, 2017

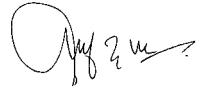
گیا جس کے تحت کندھ کوٹ اور گمٹ ساؤتھ کے پلانٹس کے لئے ان کے جاری امور میں خطرات کے تجربے کی ایک منظم تحقیق (HAZOP) کروائی گئی جبکہ سوئی فیلڈ گیس کمپریشن اسٹیشن کے پائپوں کی جانچ کی از سر نو توثیق کی گئی۔

انڈسٹریل ریلیشنز

کمپنی کی تمام لوکیشنز بشمول سوئی گیس فیلڈ میں ہم آہنگ کاروباری ماحول اور خوش گوار صنعتی فضا کو پروان چڑھایا گیا۔

اعتراف

کمپنی کی کامیابیاں ہمارے عملے کی جانفشانی کے بغیر ممکن نہیں تھیں، جو بھرپور ستائش کے حقدار ہیں۔ ہم حکومت پاکستان اور حصص داروں کے مسلسل تعاون پر بھی شکر گزار ہیں جو ہم پر غیر متزلزل بھروسہ کرتے ہیں اور ہمیں اس قابل بناتے ہیں کہ ہم اپنے اہداف کو بہترین طریقے سے حاصل کر سکیں۔



(ایم اشرف اقبال بلوچ)

ڈائریکٹر

کراچی

21 مارچ، 2017

دوران تربیتی نشستوں کے ساتھ ساتھ مختلف شعبہ جاتی گردش کے ذریعے سیکھنے کا عمل شامل ہے۔

معیار، صحت، تحفظ و ماحول (کیو ایچ ایس ای)

پچھلے سال ڈوپونٹ سسٹیم ایبل سلوشنز کے تحت کام کے دوران تحفظ کے انتظام (پی ایس ایم) کی تجزیاتی تحقیق کے نتیجے میں سامنے آنے والی تجاویز کی روشنی میں کاروباری/کمپنی کی سطح پر حکمت عملی، گورننس کا ڈھانچہ جو کہ پی ایس ایم اسٹیرنگ و ذیلی کمیٹیوں اور لائحہ عمل پر مبنی ہے، ترتیب دیا گیا ہے تاکہ وہ عناصر جس پر فوری کام کی ضرورت ہے پر توجہ دی جاسکے۔

کمپنی کی اپنے انتظامی نظام کو معروف عالمی معیار سے ہم آہنگ کرنے کی کوششوں کے تحت کیو ایچ ایس ای کے داخلی آڈٹس ایکسپلوریشن اور کیو ایچ ایس ای کے شعبہ جات کے لئے مکمل ہو گئے۔ ساتھ ہی ISO اور OHSAS کے معیار کے حوالے سے سوئی فیلڈ گیس کپریشن اسٹیشن، سوئی فیلڈ ہیپتال، کنڈھکوٹ اثاثے، ہال/گمٹ ساؤتھ/مزرانی اثاثے اور پروڈکشن انجنیرنگ کے لئے بیرونی سند دینے والی ایجنسی سے کیو ایچ ایس ای کے بیرونی آڈٹ مکمل ہو گئے۔

کمپنی میں کیو ایچ ایس ای پر عمل درآمد میں بہتری لانے کے حوالے سے مہم کے تحت سائزک اور کھدائی کی تمام سرگرمیوں بشمول عملے کی روانگی سے پہلے آگاہی ورکشاپس، کنوین کی کھدائی سے قبل ہدایتی نشستیں، آڈٹ/جائزے منعقد کئے گئے تاکہ اس بات کا اطمینان کر لیا جائے کہ ٹھیکیدار کیو ایچ ایس ای کی ضروریات کی مکمل سمجھ حاصل کریں اور اس پر عمل درآمد کو ممکن بنائے۔

ماحولیاتی قوانین کی پاسداری اہم ستون رہا ہے۔ اس ضمن میں سیرانی اور خاران بلاکس میں دریافتی و کھدائی کی سرگرمیوں کے لئے ابتدائی ماحولیاتی تجزیاتی تحقیقات کی گئیں ہیں۔ ساتھ ہی گمٹ ساؤتھ بلاک اور سوئی گیس فیلڈ میں ارد گرد کی ہوا (کی ماحولیاتی اثر اندازی کی) جانچ بھی کروائی گئی۔

کمپنی کے بڑھتے امور کے حوالے سے عملے کی سرکوں پر زیادہ آمد و رفت اور اس ضمن میں ان کے تحفظ کو مد نظر رکھتے ہوئے ٹرانسپورٹ کے تحفظ کے لئے ایک ورک گروپ تشکیل دیا گیا ہے تاکہ کمپنی کے ٹرانسپورٹ کے تحفظ کے انتظامی نظام کو عالمی معیار سے ہم آہنگ کیا جاسکے۔

کام کے دوران تحفظ کے انتظام (پی ایس ایم) کے نفاذ کے حوالے سے عملے کے لئے کام کے دوران تحفظ کی کارکردگی کا ہفتہ منایا

تکنیکی مہارت میں اضافہ

مستلہ نزد آدہی فیلڈ میں خواتین کا ووکیشنل تربیتی سینٹر تسلی بخش طریقے سے کام کر رہا ہے۔ زیر نظر عرصے میں 20 خواتین نے سینٹر سے تربیت مکمل کی۔ سوئی میں ووکیشنل تربیتی انسٹیٹیوٹ (سلائی کا مرکز) تسلی بخش طریقے سے کام انجام دے رہے ہیں۔ اسکے علاوہ ڈیرہ بگٹی، میاری اور ساکھڑ اضلاع سے 15 طالب علموں نے ہنر فاؤنڈیشن سے ایک سالہ ڈپلومہ، جو برطانیہ کے معروف تربیتی ادارے سٹی وگلڈز سے سند یافتہ ہے، مکمل کیا۔

دیگر سرگرمیاں

بلوچستان کے نوجوانوں میں کھیل اور صحت مند سرگرمیوں کو فروغ دینے کے لئے کمپنی نے پی ایل بلوچستان فٹبال ٹورنامنٹ کا کامیابی سے آغاز کیا جس میں صوبے کے تمام اضلاع (32) کی ٹیموں نے شرکت کی۔ اس ٹورنامنٹ کو بلوچستان کے تمام حلقوں، خصوصاً عوام الناس، سے پذیرائی حاصل ہوئی ہے۔

انسانی وسائل

پی ایل اپنے عملے کی پیشہ وارانہ اور ذاتی ترقی کے ضمن میں تکنیکی اور قائدانہ دیگر صلاحیتوں میں اضافے کے لئے این ہاؤس تربیتی پروگراموں پر توجہ دیتی ہے۔ اس حوالے سے کئی اقدامات کئے گئے ہیں جن میں سینئر عملے کے لئے ماڈیولر لیڈر شپ پروگرام، اعلیٰ انتظامی عملے کے لئے قیادت کی نشاندہی اور ترقی، بین الاقوامی سہولت کاروں کے ذریعے تکنیکی تربیتی پروگراموں کے انعقاد کے ساتھ ساتھ صحت عامہ اور انفارمیشن ٹیکنالوجی پر آگاہی نشستیں شامل ہیں۔

کمپنی بھرتیوں، پیشہ وارانہ تربیت و ترقی اور اجر کے لئے مساوی مواقع فراہم کرنے پر یقین رکھتی ہے۔ کمپنی میں ایک ایسی روایت کے فروغ کے لئے جہاں وقار کے ساتھ کام کرنے کے حق اور تمام لوگوں کی یکساں شمولیت کو یقینی بنانے پر زور دیا جائے، کام کی جگہ پر ہراساں کرنے کو روکنے کے لئے لازمی نشستوں کا انعقاد کرتی ہے۔

پی ایل کی پیداواری فیلڈز کے گرد و نواح کے مقامی نوجوانوں کو سیکھنے کے مواقع فراہم کرنے کے لئے انجینیئرز اور ڈپلومہ ہولڈرز کے ایک گروپ کو اکتوبر 2016 میں دو سالہ دوران ملازمت تربیت کے لئے شامل کیا گیا ہے جس میں پہلے سال کے

بنیادی ڈھانچوں اور آبائی وسائل کی فراہمی اور ماحول کی بہتری کے لئے کارفرما رہے ہیں۔

تعلیم

زیر جائزہ عرصے کے دوران کمپنی نے تین پی پی ایل۔ ٹی سی ایف اسکولوں اور نجی ڈیرو میں دوسرکاری اسکولوں کی اعانت جاری رکھی۔ ورچول یونیورسٹی کے سوئی کے کیمپس میں پی پی ایل نے کمپیوٹر لیبارٹری قائم کی ہے۔ علاوہ ازیں، بارکھان، آواران، خضدار، قلات اور واشوک میں چار اسکولوں اور ایک امتحانی ہال کی تعمیر جاری ہے۔ مزید یہ کہ، پی پی ایل کی جانب سے اعلان شدہ مختلف وظائف اسکیموں کے تحت بڑی تعداد میں درخواستیں موصول ہوئیں ہیں۔

صحت

سوئی میں پی پی ایل پبلک ویلفیئر ہسپتال تسلی بخش طریقے سے کام جاری رکھے ہوئے ہے جہاں یومیہ اوسطاً 205 مریضوں (جن کی تعداد اس ششماہی میں 18,500 تک جا پہنچی ہے) کو ایمرجنسی اور بیرونی مریضوں کے شعبے کے ذریعے مفت علاج و معالجے اور ادویات کی سہولت فراہم کی جاتی ہے۔ اسی طرح، تین موبائل میڈیکل ڈسپنسریاں سوئی، کندھ کوٹ و چاچڑ اور مزرانی گیس فیلڈ کے گرد و نواح کی مقامی آبادیوں کے لئے تسلی بخش خدمات انجام دے رہی ہیں جن سے تقریباً 8,500 مریض، جن میں زیادہ تر خواتین شامل ہیں، استفادہ حاصل کر رہے ہیں۔ مزید یہ کہ آدہی فیلڈ کے قریب مستالہ میں میڈیکل ڈسپنسری کے ذریعے 13,000 مریضوں کو مفت علاج و معالجے کی سہولت فراہم کی گئی۔

کندھ کوٹ اور تربت میں پی پی ایل کے تعاون سے چلنے والا میری ایڈیلیڈ لپروسی سینٹر نے جزام، تپ دق اور اندھے پن کے علاج کی فراہمی کے لئے تسلی بخش طریقے سے کام جاری رکھا ہوا ہے۔ اس کے ساتھ ساتھ آدہی فیلڈ کے گرد و نواح میں تین روزہ مفت آئی کیپ کا کامیابی سے انعقاد کیا گیا ہے جس سے 1,750 مریض مستفید ہوئے ہیں۔

پانی کی فراہمی

لسبیلہ، آواران، خاران، واشوک، ککی مروت، قلات، ڈیرہ اسماعیل اور کشمور اضلاع میں 28 پانی کی سپلائی اسکیموں پر کام جاری ہے۔

ننپا بلاک میں پیداواری کنوئیں میلہ -5 کی کھدائی جاری ہے۔ مزید یہ کہ ایل پی جی پلانٹ کی تنصیب کے لئے ای پی سی سی منصوبہ جاری ہے۔

میانو بلاک میں پیداواری کنوئیں میانو-20 کو مزید تجزئے کے لئے عارضی طور پر بند کر دیا گیا ہے۔ جبکہ پیداواری کنوئیں میانو 21 کو بند کر کے ترک کر دیا گیا ہے۔

قادر پور فیلڈ میں قادر پور-56 (ایس یو ایل) کو گیس کی پیداوار کرنے والے کنوئیں کے طور پر مکمل کر لیا گیا ہے۔ قادر پور-57 (ایس یو ایل) کی کھدائی کا آغاز جنوری 2017 کو ہوا جس پر کام ابھی جاری ہے۔

بولان مائننگ انٹرپرائزز

خضدار میں بیرائیٹ کی پیداوار کے لئے مائننگ اور گرائنڈنگ آپریشنز تسلی بخش رہے۔ مقامی پیداواری اور دریافتی کمپنیوں کو بیرائیٹ پاؤڈر کی فراہمی توقع کے مطابق رہی تاہم اس کی درآمد صارفین کی مانگ میں کمی کی وجہ سے متاثر ہوئی۔ درآمد میں اضافے کے لئے مسابقتی قیمتوں کی پیش کش کی گئیں۔

گگا، خضدار میں بیرائیٹ۔ لیڈ اور زنک کی تلاش و دریافت کے لئے ایک جامع امکان پذیری کی رپوٹ، جس کی بنیاد پر سرمایہ کاری کی جاسکے، کی تیاری کے حوالے سے 10,000 میٹر کے احاطے میں 27 ہول کی کھدائی کی منصوبہ بندی کی گئی ہے تاکہ منصوبے کے تجارتی طور پر قابل عمل ہونے کا تجزیہ کیا جاسکے۔ اس حوالے سے کھدائی کے معاہدے کا اجراء کر دیا گیا ہے اور ٹھیکیدار کو متحرک کر دیا گیا ہے، تاحال 2,200 میٹر کے 6 ہول کی کھدائی مکمل ہو چکی ہے جس سے cores کا اطمینان بخش حصول کیا گیا ہے۔

نوکنڈی آئرن منصوبے کے تحت ذخائر کی تجزیاتی تحقیق مائننگ لیز کی قانونی چارہ جوئی کے باعث تعطل کا شکار رہی۔

کاروباری سماجی ذمہ داری (سی ایس آر)

پی پی ایل، ایک ذمہ دار کارپوریٹ شہری کی حیثیت سے، اپنے پیداواری علاقوں کے ارد گرد مقامی آبادیوں کی زندگی پر مثبت اثرات ڈالنے کے لئے فلاح و بہبود کے ان منصوبوں کو جو بڑے پیمانے پر سماجی فوائد پہنچائیں، جاری رکھنے میں اہم کردار ادا کرتی ہے۔ کمپنی سماجی بھلائی کے منصوبوں کو وسیع تر مقصدیت اور پائیداری کے مطابق جاری رکھے ہوئے ہے تاکہ مقامی افراد کے معیار زندگی میں بہتری لائی جائے۔ سالہا سال سے اور دورانِ جائزہ عرصے میں بھی ہمارے سی ایس آر اقدامات تعلیم، صحت،

تیل کی پیداوار دے رہا ہے۔

مزید یہ کہ آدھی میں کپیریشن کی سہولت کی تنصیب کے حوالے سے FEED تحقیق مکمل ہو چکی ہے جس میں فیلڈ کے کنوؤں کی پیداواری نوعیت اور ترکیب کے اعادہ شدہ ڈیٹا کو مد نظر رکھا گیا ہے۔ Nodal Reciprocating Gas Compression Packages کی تکنیکی جزئیات کو حتمی شکل دے دی گئی ہے۔

گمبٹ ساؤتھ/ ہالہ/ مزرانی اثاثے

گمبٹ ساؤتھ اثاثے میں جی پی ایف-I منصوبہ کی تجدید اپنے مقررہ شیڈول کے مطابق مکمل ہو چکی ہے۔ جی پی ایف-II سے پیداوار کا آغاز کر دیا گیا ہے اور پلانٹ سے گیس کی فروخت 9 اگست 2016 کو شروع ہوئی۔ جی پی ایف-III منصوبے پر کام جاری ہے اور فی الحال سامان کی خریداری اور تعمیراتی کام چل رہا ہے۔

مزید یہ کہ گمبٹ ساؤتھ میں شہداد پور اور شہداد پور ویسٹ فیلڈز کی دریافتوں کے ذخائر کی اسناد مکمل کر لی گئی ہیں۔ ذخائر کی سند کے خطوط حکومت پاکستان کو ان فیلڈز سے ہونے والی پیداوار کی تجارتی بنیادوں پر اعلامیے اور ڈیولپمنٹ اور پروڈکشن لیز جاری کرنے کی منظوری کے لئے جمع کرا دئے گئے ہیں۔ اس کے ساتھ ساتھ شہداد پور ایسٹ ہونے والی پیداوار کی تجارتی بنیادوں پر اعلامیے اور ڈیولپمنٹ اور پروڈکشن لیز جاری کرنے کی درخواست منظوری کے لئے جمع کرا دی گئی ہے۔

ہالہ اثاثے میں، آدم ویسٹ کے ذخائر کی سند حاصل کرنے کا عمل اور ہالہ گیس پروسیسنگ فیسلیٹی-2 کا تکنیکی و تجارتی تجزیہ مکمل ہو چکا ہے۔

مزرانی اثاثے میں، پیداواری کنوئیں مزرانی-5 کی کھدائی دسمبر 2016 میں شروع ہوئی جسے کامیابی کے ساتھ مکمل کر کے پیداواری نیٹ ورک سے جوڑ دیا گیا ہے۔

پارٹنر-آپریٹڈ اثاثے

کیہر تھر بلاک میں پیداواری کنوئیں رحمان-2 کو گیس کے پیداوار کنندہ کے طور پر کامیابی سے مکمل کر لیا گیا ہے۔ جبکہ رحمان-3 کی کھدائی کا آغاز نومبر 2016 میں شروع ہوا جو ابھی جاری ہے۔

ٹل بلاک میں پیداواری کنوئیں مارم زئی-4 کو گیس/کنڈنسیٹ کے پیداوار کنندہ کے طور پر کامیابی سے مکمل کر لیا گیا ہے۔ ماکوڑی ایسٹ-6 کی کھدائی کا آغاز جنوری 2017 میں ہوا جس پر کام جاری ہے۔

میں یومیہ تقریباً 10 ایم ایم ایس سی ایف گیس کا اضافہ کر رہا ہے۔ ساتھ ہی سوئی۔(U) 101 کی تکمیل جاری ہے جبکہ سوئی۔(U) 100 کی کھدائی اس کے بعد ہوگی۔

مزید برآں یہ کہ حکومت پاکستان اور حکومت بلوچستان کے درمیان ایک مفاہمتی معاہدہ طے پایا جس کی رو سے پی پی ایل کو یکم جون 2015 سے سوئی گیس فیلڈ کے لئے ڈیولپمنٹ اور پروڈکشن لیز جاری کر دی گئی۔ مفاہمتی معاہدہ کی منظوری وفاقی کابینہ کی اقتصادی رابطہ کمیٹی نے 13 دسمبر 2016 کو دی جس کی رو سے ڈیولپمنٹ اور پروڈکشن لیز جلد ہی باقاعدہ طور جاری کر دی جائے گی۔ ساتھ ہی سوئی کی ڈیولپمنٹ اور پروڈکشن لیز کا فیلڈ ڈیولپمنٹ منصوبہ حکومت پاکستان کو جنوری 2017 میں جمع کر دیا گیا ہے۔

کندھ کوٹ اثاثہ

پیداواری کنوؤں KDT-34(M)، KDT-35(M) اور KDT-38(H) کی کھدائی کامیابی سے مکمل ہونے کے بعد ان سے پیداوار کا آغاز ہو چکا ہے جس کی بناء پر فیلڈ کی مجموعی پیداوار میں تقریباً یومیہ 40 ایم ایم ایس سی ایف اضافہ ہوا ہے۔ مزید یہ کہ KDT-40(H) کی کھدائی، جس کا آغاز فروری 2017 میں ہوا تھا، مکمل ہو چکی ہے۔ ساتھ ہی 8 پیداواری کنوؤں (KDT-37 تا KDT-44) کی کھدائی کے امکانات کو زیریں سطح پر پختہ کر لیا گیا ہے۔ ساتھ ہی عملے نے فیلڈ کی سطح پر مکمل سیمولیشن ماڈل کو تیار کیا جس کے ذریعے مستقبل میں کھودے جانے والے کنوؤں کی ممکنہ کھدائی کے مقامات کو پختہ کرنے میں مدد ملی ہے۔

HRL کمپریسر کی از سر نو تجدید اور اسکی سوئی سے کندھ کوٹ فیلڈ میں منتقلی کیلئے کنفریکٹ ایوارڈ کیا جا چکا ہے۔ فی الحال منصوبے پر کام جاری ہے۔

آدہی اثاثہ

پیداواری کنوئیں آدہی۔ 27 سے پیداوار کا آغاز اکتوبر 2016 میں کر دیا گیا جس سے یومیہ 6 ایم ایم ایس سی ایف گیس اور 450 بیرل تیل حاصل ہوئے۔ ساتھ ہی آدہی۔ 26 (T/K) کی تسلی بخش کھدائی مکمل ہو چکی ہے۔ اس کے علاوہ آدہی۔ 28 کی کھدائی کا آغاز نومبر 2016 میں ہوا جو ابھی جاری ہے۔ ساتھ ہی آدہی۔ 15 اور آدہی۔ 17 کا ورک اور مکمل ہو چکا ہے جس کے نتیجے میں آدہی۔ 15 سے پیداوار میں خاطر خواہ اضافہ ہوا ہے جو اب یومیہ 16 ایم ایم ایس سی ایف گیس اور 2,000 بیرل

صادق آباد اور حصال بلاکس میں ارضیاتی وارضی طبیعیاتی تحقیق (G & G) جاری ہے تاکہ کھدائی کے ممکنہ مقام کو پختہ کیا جاسکے۔
زندران بلاک کو ترک کرنے کے لئے درخواست حکومت پاکستان کو 15 نومبر، 2016 سے جمع کروادی گئی ہے۔

ایکسپلوریشن کے سرحدی اثاثے

حب بلاک میں 2D پہلے دریافتی کنوئیں حب-1 X کی کھدائی کی تیاریاں جاری ہیں
خاران بلاک میں پہلے دریافتی کنوئیں خاران-1 X کی کھدائی کا آغاز فروری 2017 میں ہوا جو اس وقت جاری ہے۔
دریافتی کنوئیں مزرانی ڈیپ-1 کوڈرائی ہول ہونے کی وجہ سے بند کر کے ترک کر دیا گیا۔
قلات اور نوشیروانی بلاکس میں بالترتیب قلات-1 X اور نوشیروانی-1 X کی کھدائی کی تیاریاں جاری ہیں۔
بارکھان بلاک میں دوسرے دریافتی کنوئیں میری واہ ایسٹ-1 X کوڈرائی ہول ہونے کی وجہ سے بند کر کے ترک کر دیا گیا۔

پارٹنر آپریٹڈ اثاثے

ٹل بلاک میں تجزیاتی کنوئیں مردان خیل-3 کی جانچ جاری ہے جبکہ مردان خیل-2 کی کھدائی ہو رہی ہے۔ ساتھ ہی منزلی
ویسٹ کا باقی رہ جانے والا 30 فیصد گریوٹی سروے مکمل ہو چکا ہے۔
تھپا بلاک میں تیسرے دریافتی کنوئیں شاد-1 کو میکینیکل ناکامی کی بناء پر بند کر کے ترک کر دیا گیا۔
لطیف بلاک میں دریافتی کنوئیں خانان-1 کی کھدائی کا آغاز فروری 2017 میں ہوا جو ابھی جاری ہے۔
ڈگری بلاک میں تیسرے دریافتی کنوئیں صدر-1 کی کھدائی کا آغاز جنوری 2017 میں ہوا۔ فی الحال کنوئیں کو عارضی طور پر بند کر
دیا گیا ہے تاکہ مزید جانچ کی جاسکے۔

پیدواری فیلڈز اور ان پر جاری کام

سوئی اثاثے

پیدواری کنوئیں سوئی-95 کو نیٹ ورک سے منسلک کر کے نومبر 2016 میں اس سے پیداوار کا آغاز کر دیا گیا ہے جو کہ سسٹم

کاروباری اسٹراکی بلاکس شامل ہیں) پر مشتمل ہے۔ اس وقت، کمپنی کے پاس 45 بلاکس ہیں، جن میں سے 27 پی پی ایل آپریٹڈ (بشمول عراق میں بلاک 8 جسے پی پی ایل ایشیا آپریٹ کرتی ہے) اور بقیہ 18 پارٹنر آپریٹڈ ہیں جن میں پاکستان میں تین آف شور اور یمن میں دو آن شور بلاکس بھی شامل ہیں۔

موجودہ عرصے میں اہم اقدامات کی تفصیل حسب ذیل ہے:

ایکسپلوریشن کے جنوبی اثاثے

ہالہ بلاک میں چھٹے دریافتی کنونٹس زر باب 1-X کی کھدائی کی تیاریاں جاری ہیں۔ گمبٹ ساؤتھ اور کوٹری ناتھ بلاکس میں 3D سائز کم سروے مکمل ہو چکا ہے جبکہ سیرانی اور کوٹریہ بلاکس میں یہ سروے ابھی جاری ہے۔

گمبٹ ساؤتھ بلاک میں تیرھویں دریافتی کنونٹس سمر 1-X کی کھدائی مکمل ہو چکی ہے اور کنونٹس کو مزید جانچ کے لئے عارضی طور پر بند کر دیا گیا ہے جبکہ چودھویں دریافتی کنونٹس ظفیر 1-X کی کھدائی کی تیاریاں جاری ہیں۔ کوٹری بلاک میں دوسرے دریافتی کنونٹس کوٹری 2-X کو بند کر کے ترک کر دیا گیا۔ زمزم ساؤتھ بلاک میں پہلے دریافتی کنونٹس منچھر 1-X کی کھدائی کی تیاریاں جاری ہیں۔ نوشہرو فیروز بلاک میں تجزیاتی کنونٹس این ایف-1 (دوبارہ داخل کئے گئے) کی کھدائی کی تیاریاں جاری ہیں تاکہ نوشہرو فیروز 1-X سے ہونے والی ٹائٹ گیس کی دریافت کی جانچ کی جاسکے۔

ایکسپلوریشن کے شمالی اثاثے

کرسل بلاک میں پہلے دریافتی کنونٹس تالہ گنگ 1-X کی کھدائی کے آغاز کی تیاریاں جاری ہیں۔ ڈھوک سلطان بلاک میں 2D اور 3D سائز کم سروے جاری ہیں۔ ڈھوک سلطان 1-X کنونٹس کو میکینیکل ناکامی کی بناء پر عارضی طور پر بند کر دیا گیا ہے۔ تاحال اس مسئلے سے نمٹنے کے لئے تفصیلی تحقیق جاری ہے جس کے بعد اس کو دوبارہ شامل کار کیا جائے گا۔

جزوی تلافی بھی کی۔ ایل پی جی کی فروخت کے حجم میں اضافہ ٹیل اور آدھی فیلڈز سے پیداوار میں اضافے سے ہوا۔

پی پی ایل۔ آپریٹڈ اور پارٹنر آپریٹڈ فیلڈز سے فروخت کے حجم میں کمپنی کے حصے کا تقابلی جائزہ حسب ذیل ہے:

یونٹ	ششماہی کا اختتام 31 دسمبر، 2016	ششماہی کا اختتام 31 دسمبر، 2015
قدرتی گیس	146,541	138,471
خام تیل/قدرتی گیس مائع (این جی ایل)/کنڈنسیٹ	2,865,865	2,601,013
مائع پٹرولیم گیس (ایل پی جی)	37,826	30,531
پیرامٹس	16,830	24,603

منفعت

فروخت آمدن اور دیگر آمدن میں کمی کی بناء پر کمپنی کے منافع میں 1 فیصد کمی ہوئی ہے جسے دیگر آپریٹنگ اخراجات میں ہونے والی کمی نے جزوی طور پر زائل کیا۔ دیگر آپریٹنگ اخراجات میں کمی دراصل تقابلی عرصے کے دوران کمپنی آمدنی کی مد میں غیر نقدی خرچ کے طور پر پیش کئے گئے، پی پی ایل یو پ ای اینڈ پی کمپنی لمیٹڈ میں اسکی سرمایہ کاری سے ہونے والے خسارے، کی وجہ سے ہوا ہے جو اس اثاثے کی مروجہ قیمت میں ہونے والی مسلسل کمی کی بناء پر ہے۔

کاروباری حکمت عملی اور اہم شعبہ جات

زیر نظر جائزے کے دوران کمپنی کے آپریشنز کاروباری حکمت عملی کے مطابق رہے۔

دریافتی سرگرمیاں

کمپنی کا دریافتی پروگرام/ڈائریکٹوریٹ تین اثاثوں بنام شمالی، جنوبی اور سرحدی اثاثوں (آخر الذکر میں عراق، یمن اور نئے

مالیاتی جھلکیاں/ مالیاتی سرگرمیوں کے اہم نکات
31 دسمبر 2016 کو ختم ہونے والی ششماہی پر کمپنی کے اہم مالیاتی نتائج حسب ذیل ہیں:

ششماہی کا اختتام 31 دسمبر، 2015 (اعادہ شدہ)	ششماہی کا اختتام 31 دسمبر، 2016	
ملین روپے		
41,312	40,025	فروخت آمدن (خالص)
16,133	16,360	قبل از ٹیکس منافع
(4,237)	(4,563)	ٹیکس
11,896	11,797	بعد از ٹیکس منافع
6.03	5.98	بنیادی اور تحلیل شدہ آمدن فی شیئر (روپے)

فروخت آمدن

موجودہ مدت میں تقابلی عرصے کے مقابلے میں فروخت آمدن میں 1,287 ملین روپے کی کمی آئی ہے۔ خام تیل کی قیمت میں منفی تبدیلی کی وجہ سے 4,779 ملین روپے کا منفی انحراف 2,976 ملین روپے کے فروخت کے حجم/مقدار (میں اضافے) اور 516 ملین روپے کی شرح تبدیلی کے مثبت تغیر سے جزوی طور پر زائل ہوا۔

حجم/مقدار کا مثبت تغیر تیل کی فروخت کے حجم میں 10 فیصد، گیس کی فروخت کے حجم میں 6 فیصد اور ایل پی جی کی فروخت کے حجم میں 24 فیصد اضافے کے مشترکہ اثر سے منسوب ہے جس نے بیرائٹس کی فروخت کے حجم میں 32 فیصد کمی کے اثر کو جزوی طور پر زائل کیا ہے۔ تیل کی فروخت کے حجم میں اضافہ دراصل ٹل، آدہی، نچا اور گمبٹ ساؤتھ کی فیلڈز سے پیداوار میں اضافے کی وجہ سے ہوا۔ جبکہ گیس کی فروخت کے حجم میں اضافہ سوئی، کندھ کوٹ، آدہی، ہالہ اور گمبٹ ساؤتھ کی فیلڈز سے زیادہ پیداوار کے حصول سے ہوا جس نے ٹل، لطیف، قادر پور، گمبٹ، میانو، نچا اور ساون فیلڈز سے گیس کی فروخت کے حجم میں ہونے والی کمی کی

ڈائریکٹر ان کا عبوری جائزہ

آپ کے ڈائریکٹر ان 31 دسمبر 2016 کو ختم ہونے والے غیر آڈٹ شدہ عبوری مالیاتی گوشواروں کے خلاصے اور کمپنی کے امور کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

آپریشنل و مالیاتی جھلکیاں / اہم نکات

آپریشنل جھلکیاں / آپریشنز کے اہم نکات

31 دسمبر 2016 کو ختم ہونے والی ششماہی کے دوران ہونے والے اہم کاروباری آپریشنز حسب ذیل ہیں:

دریافتیں

زیر جائزہ عرصے میں ایک دریافت پی پی ایل آپریٹڈ ہالہ بلاک میں بشر 1-X (سائڈ ٹریک) سے ہوئی ہے جبکہ تقابلی عرصے میں پانچ دریافتیں ہوئیں تھیں۔

سائز مک سرگرمیاں

پی پی ایل آپریٹڈ بلاکس میں 380 لائن کلومیٹر اور 897 مربع کلومیٹر پر بالترتیب 2D اور 3D سائز مک سروے کئے گئے جبکہ تقابلی عرصے میں 851 لائن کلومیٹر پر 2D اور 733 مربع کلومیٹر پر 3D سروے کیا گیا۔

کھدائی کی سرگرمیاں

موجودہ مدت میں پی پی ایل آپریٹڈ بلاکس میں نو کنوئیں (چار دریافتی اور پانچ پیداواری کنوئیں) کھودے گئے جبکہ پچھلے سال اسی عرصے کے دوران پانچ کنوئیں (تین دریافتی اور دو پیداواری کنوئیں) کھودے گئے تھے۔

Auditors' Report to the Members on review of UNCONSOLIDATED CONDENSED INTERIM Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of Pakistan Petroleum Limited (the Company) as at December 31, 2016 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim cash flow statement together with the notes forming part thereof for the six months period then ended (here-in-after referred to as the 'interim financial statements'). Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

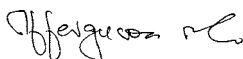
The figures included in the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and 2015 and the notes forming part thereof have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2016.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of the interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements as of and for the six months period ended December 31, 2016 are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants
Karachi.

Engagement Partner: Khurshid Hasan

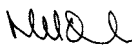
Dated: March 21, 2017

Unconsolidated Condensed Interim BALANCE SHEET

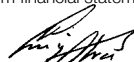
As at December 31, 2016

	Note	December 31, 2016 Unaudited	June 30, 2016 Audited
----- Rs '000 -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	129,425,422	127,920,186
Intangible assets		352,148	414,876
		129,777,570	128,335,062
Long-term investments	6	34,006,717	50,978,610
Long-term loans		1,201,447	1,203,901
Long-term deposits		7,676	7,676
Long-term receivables		333,000	333,000
		165,326,410	180,858,249
CURRENT ASSETS			
Stores and spares		4,184,508	4,140,258
Trade debts	7	58,348,585	57,835,214
Loans and advances		3,381,871	1,328,228
Trade deposits and short-term prepayments		423,876	572,510
Interest accrued		1,447,267	1,459,316
Current maturity of long-term investments	6	22,059,175	66,493
Current maturity of long-term receivables		81,978	81,978
Current maturity of long-term deposits		787,500	787,500
Other receivables		3,456,557	2,978,845
Short-term investments		20,857,500	19,012,500
Taxation - net		-	68,206
Cash and bank balances		2,924,642	3,273,024
		117,953,459	91,604,072
TOTAL ASSETS		283,279,869	272,462,321
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		19,717,295	19,717,295
Reserves		184,728,624	172,931,642
		204,445,919	192,648,937
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		20,413,221	20,201,454
Liabilities against assets subject to finance lease		175,547	238,385
Deferred liabilities		2,449,857	2,366,677
Deferred taxation	8	27,994,550	25,211,616
		51,033,175	48,018,132
CURRENT LIABILITIES			
Trade and other payables	9	26,473,184	31,669,572
Current maturity of liabilities against assets subject to finance lease		119,892	125,680
Taxation - net		1,207,699	-
		27,800,775	31,795,252
TOTAL LIABILITIES		78,833,950	79,813,384
TOTAL EQUITY AND LIABILITIES		283,279,869	272,462,321
CONTINGENCIES AND COMMITMENTS			

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.



Director



Chief Executive

Unconsolidated Condensed Interim PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the half year ended December 31, 2016

	Note	Quarter ended December 31, 2016	Quarter ended December 31, 2015 (Restated)	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
		----- Rs '000 -----	----- Rs '000 -----	----- Rs '000 -----	----- Rs '000 -----
Sales - net	11	21,215,492	20,701,666	40,025,103	41,311,969
Field expenditures	12	(11,337,658)	(9,052,099)	(20,103,107)	(20,042,457)
Royalties		(2,471,606)	(2,398,919)	(4,697,428)	(4,792,109)
		(13,809,264)	(11,451,018)	(24,800,535)	(24,834,566)
		7,406,228	9,250,648	15,224,568	16,477,403
Other income	13	1,111,376	1,512,238	2,235,329	3,042,624
Other operating expenses	14	(226,881)	(2,623,903)	(868,036)	(3,058,459)
Finance costs	15	(115,528)	(164,017)	(232,325)	(328,241)
Profit before taxation		8,175,195	7,974,966	16,359,536	16,133,327
Taxation	16	(2,126,971)	(1,995,233)	(4,562,554)	(4,236,882)
Profit after taxation		6,048,224	5,979,733	11,796,982	11,896,445
Basic and diluted earnings per share (Rs)	19	3.07	3.03	5.98	6.03

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.


Director

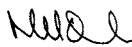

Chief Executive

Unconsolidated Condensed Interim Statement of COMPREHENSIVE INCOME (UNAUDITED)

For the half year ended December 31, 2016

	Quarter ended December 31, 2016	Quarter ended December 31, 2015 (Restated)	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	----- Rs '000 -----		----- Rs '000 -----	
Profit after taxation	6,048,224	5,979,733	11,796,982	11,896,445
Other comprehensive income				
Items not to be reclassified to profit and loss account in subsequent periods				
Remeasurement losses on defined benefit plans - net	-	-	-	-
Deferred taxation	-	-	-	-
	-	-	-	-
Total comprehensive income	6,048,224	5,979,733	11,796,982	11,896,445

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.



Director



Chief Executive

Unconsolidated Condensed Interim CASH FLOW STATEMENT (UNAUDITED)

For the half year ended December 31, 2016

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
Note		
	----- Rs '000 -----	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	55,177,487	56,202,468
Receipts of other income	87,961	278,296
Cash paid to suppliers / service providers and employees (net)	(21,449,459)	(13,575,803)
Payment of indirect taxes and Government levies including royalties	(17,708,593)	(18,079,653)
Income tax paid	(503,715)	(1,544,140)
Finance costs paid	(20,558)	(19,158)
Long-term loans (net)	3,583	4,175
Net cash generated from operating activities	15,586,706	23,266,185

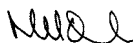
CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure (net)	(11,158,791)	(13,464,912)
Proceeds from sale of property, plant and equipment	9,550	10,858
Purchase of long-term investments	(9,627,286)	(10,520,308)
Disposal / redemption of long-term investments	4,569,148	2,462,344
Long-term receivables	-	60,632
Financial income received	2,187,108	2,338,685
Net cash used in investing activities	(14,020,271)	(19,112,701)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment of liabilities against assets subject to finance lease	(65,216)	(66,599)
Dividends paid	(4,601)	(7,874,895)
Net cash used in financing activities	(69,817)	(7,941,494)
Net increase / (decrease) in cash and cash equivalents	1,496,618	(3,788,010)
Cash and cash equivalents at the beginning of the period	22,285,524	23,568,971
Cash and cash equivalents at the end of the period	23,782,142	19,780,961

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.



Director



Chief Executive

Unconsolidated Condensed Interim Statement of CHANGES IN EQUITY (UNAUDITED)

For the half year ended December 31, 2016

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves					Total reserves	Total	
	Ordinary	Convertible preference		General and contingency reserve	Insurance reserve	Assets acquisition reserve	Dividend equalisation reserve	Unappropriated profit			Total
Rs '000											
Balance as at June 30, 2015 - Restated (Audited)	19,717,171	124	1,428	69,761	34,021,894	23,751,980	5,000,000	105,707,866	168,551,501	188,270,224	
Comprehensive income for the period											
Profit after taxation - Restated	-	-	-	-	-	-	-	11,896,445	11,896,445	11,896,445	
Other comprehensive income for the half year ended December 31, 2015 - Restated	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the half year ended December 31, 2015 - Restated	-	-	-	-	-	-	-	11,896,445	11,896,445	11,896,445	
Conversion of preference shares into ordinary shares	1	(1)	-	-	-	-	-	-	-	-	
Transaction with owners											
Final dividend on ordinary shares @ 40% for the year ended June 30, 2015	-	-	-	-	-	-	-	(7,886,868)	(7,886,868)	(7,886,868)	
Balance as at December 31, 2015 - Restated	19,717,172	123	1,428	69,761	34,021,894	23,751,980	5,000,000	109,717,443	172,561,078	192,279,801	
Balance as at June 30, 2016 (Audited)	19,717,173	122	1,428	69,761	34,021,894	23,751,980	5,000,000	110,086,579	172,930,214	192,849,937	
Comprehensive income for the period											
Profit after taxation	-	-	-	-	-	-	-	11,796,982	11,796,982	11,796,982	
Other comprehensive income for the half year ended December 31, 2016	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the half year ended December 31, 2016	-	-	-	-	-	-	-	11,796,982	11,796,982	11,796,982	
Conversion of preference shares into ordinary shares	2	(2)	-	-	-	-	-	-	-	-	
Balance as at December 31, 2016	19,717,175	120	1,428	69,761	34,021,894	23,751,980	5,000,000	121,883,561	184,727,196	204,445,919	

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.



Director



Chief Executive

Notes to and Forming Part of the Unconsolidated Condensed Interim FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended December 31, 2016

1. LEGAL STATUS AND OPERATIONS

- 1.1 Pakistan Petroleum Limited (the Company) was incorporated in Pakistan in 1950 with the main objectives of conducting exploration, prospecting, development and production of oil and natural gas resources. The shares of the Company are listed on the Pakistan Stock Exchange Limited and the registered office is located at PIDC House, Dr. Ziauddin Ahmed Road, Karachi.
- 1.2 These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company, in which investments in the below mentioned subsidiaries have been accounted for at cost less accumulated impairment losses, if any.

Wholly-owned subsidiaries as of the balance sheet date:

- a) PPL Europe E&P Limited (PPLE)
 - b) PPL Asia E&P B.V. (PPLA)
 - c) The Pakistan Petroleum Provident Fund Trust Company (Private) Limited (PPPFTC)
- 1.3 The Sui Mining Lease was due to expire on May 31, 2015. The Government of Pakistan (GoP) through various notifications allowed the Company to continue producing from the Sui gas field, the most recent being dated November 30, 2016, whereby allowing the Company to produce from Sui gas field for a further period of six months with effect from December 01, 2016.

During May 2016, a Memorandum of Agreement (MoA) was executed between the GoP and the Government of Balochistan (GoB) for grant of Development & Production Lease (D&PL) to the Company over the Sui gas field, with effect from June 01, 2015. The MoA has been approved by the Economic Coordination Committee (ECC) of the Cabinet of the GoP dated December 13, 2016, and accordingly D&PL will be formally granted in due course of time.

The effect of the Sui Mining Lease in these unconsolidated condensed interim financial statements has been incorporated on the basis consistent with the previous periods i.e. without taking into account the effects of the MoA, due to the fact that neither the D&PL has been granted nor the revised prices have been notified by the Oil and Gas Regulatory Authority (OGRA).

- 1.4 During the year ended June 30, 2016, the Company signed the 'Supplemental Agreement' with the GoP for conversion of Petroleum Concession Agreement (PCA) to the Petroleum Exploration and Production Policy, 2012 in respect of Mamikhel, Maramzai & Makori East discoveries in Tal block. Under the said arrangement price regime of Petroleum Policy (PP) 2007 will be applicable for Mamikhel, whereas, for Maramzai and Makori East average of price regime PP 2001 and PP 2009 will be applicable. The Ministry of Petroleum & Natural Resources has advised OGRA to revise the notifications of wellhead gas prices in accordance with the Tal block Supplemental Agreement for the period from the commencement of production from respective discoveries till June 30, 2015.

The operator of Tal block has submitted the request for revision in notifications to OGRA. Further, the revised prices, under the above mentioned price regimes, have only been notified for six months effective from July 01, 2015, whereas, for the remaining periods price notifications are still awaited. Accordingly, these unconsolidated condensed interim

Notes to and Forming Part of the Unconsolidated Condensed Interim FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended December 31, 2016

financial statements have been prepared without taking into account the effect of price revision for the period from the commencement of production of respective discoveries till June 30, 2015.

2. BASIS OF PREPARATION

2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 – 'Interim Financial Reporting' and 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. These unconsolidated condensed interim financial statements are unaudited and do not include all of the information and disclosures required in the audited unconsolidated financial statements and should be read in conjunction with the audited unconsolidated financial statements for the year ended June 30, 2016. Further, comparative unconsolidated condensed interim balance sheet is extracted from the audited unconsolidated annual financial statements as of June 30, 2016, whereas comparative unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity are stated from unaudited unconsolidated condensed interim financial statements for the half year ended December 31, 2015.

2.2 These unconsolidated condensed interim financial statements comprise of the unconsolidated condensed interim balance sheet as at December 31, 2016 and the unconsolidated condensed interim profit and loss account, the unconsolidated condensed interim statement of comprehensive income, the unconsolidated condensed interim statement of changes in equity, the unconsolidated condensed interim cash flow statement and notes thereto for the half year then ended which have been subjected to a limited review in accordance with the listing regulations but not audited. These unconsolidated condensed interim financial statements also include the unconsolidated condensed interim profit and loss account for the quarter ended December 31, 2016 which has neither been reviewed nor audited.

2.3 **Amendments to approved accounting standards which became effective during the six months period ended December 31, 2016**

There were certain amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's financial reporting and are, therefore, not disclosed in these unconsolidated condensed interim financial statements.

2.4 **New standards and amendments to approved accounting standards that are not yet effective and have not been early adopted by the Company**

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2017. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements. Further, the new standards are yet to be adopted by the SECP.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2016.

Further, certain comparative information disclosed in the profit and loss accounts for the quarter and the half year ended December 31, 2016, have been restated due to the change in accounting policy in respect of determination of Company's joint interest in Bolan Mining Enterprises (BME) as joint operation, as more fully explained in note 2.3(c)(i) to the unconsolidated financial statements for the year ended June 30, 2016. However, the impact of the above is not significant.

The Company follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in these unconsolidated condensed interim financial statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and apply judgments that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates, assumptions and judgments made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2016.

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated financial statements for the year ended June 30, 2016.

4.1 Implication of revised IFRS 2 (Share-based Payment) on Benazir Employees' Stock Option Scheme (BESOS)

In June 2011, the Securities & Exchange Commission of Pakistan on receiving representations from some of entities covered under Benazir Employees' Stock Option Scheme (the Scheme) and after having consulted the Institute of Chartered Accountants of Pakistan, granted exemption to such entities from the application of International Financial Reporting Standard (IFRS) - 2 "Share-based Payment" to the Scheme. There has been no change in the status of the Scheme as stated in note 2.4 to the unconsolidated financial statements for the year ended June 30, 2016. The management believes that the Scheme is being revamped by the GoP and all claims and disbursements to the unit holders are kept in abeyance by the Privatisation Commission since June 2010.

Notes to and Forming Part of the
Unconsolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

Had the exemption not been granted, retained earnings and reserves would have been lower and higher by Rs 18,879 million (June 30, 2016: Rs 18,879 million).

	December 31, 2016 Unaudited	June 30, 2016 Audited
	----- Rs '000 -----	
5. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	93,267,558	58,893,563
Additions to:		
- owned assets	5,459,809	39,015,865
- assets subject to finance lease	2,278	175,876
	5,462,087	39,191,741
	98,729,645	98,085,304
Disposals / adjustments during the period / year (NBV)	(6,627)	5,859,409
Depreciation / amortisation charged during the period / year	(6,757,748)	(10,677,155)
	91,965,270	93,267,558
Capital work-in-progress - note 5.1	37,460,152	34,652,628
	129,425,422	127,920,186
5.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	8,076,660	5,834,602
Exploration and evaluation (E&E) assets - note 5.1.1	9,196,112	8,835,450
Development and production assets	6,772,684	6,413,387
Lands, buildings and civil constructions	116,105	119,896
Capital stores for drilling and development	13,298,591	13,449,293
	37,460,152	34,652,628
5.1.1 Amounts under E&E assets are netted off by cost of dry wells charged to profit and loss account during the period / year, amounting to Rs 2,884 million (June 30, 2016: Rs 4,994 million).		

December 31, 2016 Unaudited	June 30, 2016 Audited
----- Rs '000 -----	

6. LONG-TERM INVESTMENTS

Investments in related parties

- Wholly owned subsidiaries

- PPPFTC
- PPLE
- PPLA

1	1
3,324,076	3,324,076
7,870,946	7,870,946
11,195,023	11,195,023

Other investments

- Held-to-maturity

- Term Finance Certificates (TFCs)
- Pakistan Investment Bonds (PIBs)
- Local currency term deposits with banks
- Foreign currency term deposits with banks

66,493	99,740
21,992,682	22,122,574
2,000,000	2,000,000
17,507,320	15,627,766
41,566,495	39,850,080

- Designated at fair value through profit or loss

- Mutual Funds - note 6.1

3,304,374	-
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Less: Current maturities

- TFCs
- PIBs

(66,493)	(66,493)
(21,992,682)	-
(22,059,175)	(66,493)
34,006,717	50,978,610

6.1 These investments have been categorised under Level 1 of the fair value hierarchy. IFRS - 7, 'Financial Instruments: Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to and Forming Part of the
Unconsolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

	December 31, 2016 Unaudited	June 30, 2016 Audited
	----- Rs '000 -----	-----
7. TRADE DEBTS		
Unsecured and considered good		
Related parties		
Central Power Generation Company Limited (GENCO-II)	10,416,894	7,881,749
Sui Northern Gas Pipelines Limited (SNGPL)	20,598,382	22,173,798
Sui Southern Gas Company Limited (SSGCL)	20,299,324	21,634,616
Pak-Arab Refinery Limited (PARCO)	748,550	784,867
Oil & Gas Development Company Limited (OGDCL)	37,104	20,328
	<u>52,100,254</u>	<u>52,495,358</u>
Non-related parties		
Attock Refinery Limited (ARL)	4,885,258	4,451,970
National Refinery Limited (NRL)	367,784	274,111
Others	995,289	613,775
	<u>6,248,331</u>	<u>5,339,856</u>
	<u>58,348,585</u>	<u>57,835,214</u>
Unsecured and considered doubtful		
Non-related party		
Byco Petroleum Pakistan Limited (Byco)	1,156,220	1,156,220
Less: Provision for doubtful debts - note 7.3	<u>(1,156,220)</u>	<u>(1,156,220)</u>
	<u>-</u>	<u>-</u>
	<u>58,348,585</u>	<u>57,835,214</u>
7.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	17,564,152	16,307,527
Past due but not impaired:		
Related parties		
- within 90 days	13,867,962	12,304,046
- 91 to 180 days	11,252,331	13,364,024
- over 180 days	14,276,939	14,601,392
	<u>39,397,232</u>	<u>40,269,462</u>
Non-related parties		
- within 90 days	1,278,767	1,135,090
- 91 to 180 days	14,054	7,046
- over 180 days	94,380	116,089
	<u>1,387,201</u>	<u>1,258,225</u>
	<u>58,348,585</u>	<u>57,835,214</u>
7.2 Trade debts include overdue amount of Rs 39,396 million (June 30, 2016: Rs 40,263 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 2,544 million (June 30, 2016: Rs 2,421 million) overdue receivable from refineries (i.e. ARL, Byco, PARCO, NRL and Pakistan Refinery Limited) and various LPG customers.		

Based on the measures being undertaken by the GoP, the Company considers the overdue amounts to be fully recoverable and therefore, no further provision for doubtful debts has been made in these unconsolidated condensed interim financial statements, except for provision against receivable from Byco.

- 7.3 The Company has filed a legal suit in the Sindh High Court (SHC) against Byco for recovery of overdues.

December 31, 2016 Unaudited	June 30, 2016 Audited
-----	-----
Rs '000	

8. DEFERRED TAXATION

(Deductible) / taxable temporary differences on:

Exploration expenditure	(2,781,000)	(2,866,000)
Provision for staff retirement and other benefits	(734,957)	(976,450)
Provision for obsolete / slow moving stores	(40,067)	(41,403)
Provision for doubtful debts	(462,488)	(462,488)
Unused tax losses - note 8.1	(3,568,778)	(5,315,277)
Provision for decommissioning obligation	1,062,121	1,200,946
Accelerated tax depreciation allowances	7,736,254	8,182,286
Exploratory wells cost	10,819,374	10,573,198
Development and production assets	15,934,747	14,897,151
Amortisation of intangible assets	14,265	14,218
Others	15,079	5,435
	<u>27,994,550</u>	<u>25,211,616</u>

- 8.1 Deferred tax asset of Rs 3,569 million (June 30, 2016: Rs 5,315 million) represents the impact of unadjusted losses against the aggregate tax liability computed on the profits and gains of the relevant Concession Agreements.

December 31, 2016 Unaudited	June 30, 2016 Audited
-----	-----
Rs '000	

9. TRADE AND OTHER PAYABLES

Creditors	876,003	498,975
Accrued liabilities	3,173,702	5,743,024
Security deposits from LPG distributors	453,010	515,450
Retention money	114,581	40,795
Unpaid and unclaimed dividends	242,578	247,179
Gas development surcharge (GDS)	7,988,405	5,804,283
Gas infrastructure development cess (GIDC)	1,896,616	1,541,186
Royalties	3,375,375	4,036,741
Current accounts with joint operation partners	7,207,101	12,124,811
Liabilities for staff retirement benefit plans	138,309	962,756
Workers' Profits Participation Fund (WPPF)	683,294	-
Others	324,210	154,372
	<u>26,473,184</u>	<u>31,669,572</u>

Notes to and Forming Part of the
Unconsolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

10. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and in total commitments as disclosed in the audited unconsolidated financial statements for the year ended June 30, 2016.

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	----- Rs '000 -----	-----
11. SALES - net		
Gross sales		
Natural gas	40,010,693	39,420,474
Gas supplied to Sui villages	87,651	109,066
Internal consumption of gas	52,097	66,134
Crude oil / Condensate / Natural Gas Liquids	13,491,897	12,933,262
LPG	1,879,463	1,702,314
Barytes	181,213	237,432
	<u>55,703,014</u>	<u>54,468,682</u>
Government levies / discounts		
Federal excise duty	(1,063,134)	(962,874)
Sales tax	(6,165,717)	(6,076,431)
GDS	(6,959,260)	(4,850,836)
GiDC	(1,477,644)	(1,247,468)
Discounts (Barytes)	(12,156)	(19,104)
	<u>(15,677,911)</u>	<u>(13,156,713)</u>
	<u>40,025,103</u>	<u>41,311,969</u>
12. FIELD EXPENDITURES		
Development and drilling	3,443,591	2,997,196
Exploration	5,248,008	6,716,173
Depreciation	3,059,829	2,147,437
Amortisation of intangible assets	70,293	56,788
Amortisation of decommissioning cost	878,039	288,810
Amortisation of development and production assets	2,819,880	2,294,151
Salaries, wages, welfare and other benefits	4,789,213	4,713,118
Employees' medical benefits	193,033	215,481
Manpower development	40,947	26,216
Travelling and conveyance	250,269	292,427
Communication	21,338	18,083
Stores and spares consumed	403,869	721,284
Fuel and power	102,797	116,381
Rent, rates and taxes	83,744	67,302
Insurance	284,279	260,301
Repairs and maintenance	235,054	242,492
Professional services	44,700	21,800
Auditors' remuneration	9,975	9,406
Free supply of gas to Sui villages	87,651	109,066
Donations	48,022	17,968
Social welfare / community development	64,503	48,658
Other expenses	97,047	124,768
	<u>22,276,081</u>	<u>21,505,306</u>
Recoveries	<u>(2,172,974)</u>	<u>(1,462,849)</u>
	<u>20,103,107</u>	<u>20,042,457</u>

Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
-----	-----
Rs '000	

13. OTHER INCOME

Income from financial assets

Income on loans and bank deposits	147,355	165,668
Income on term deposits	550,224	592,755
Income on long-term held-to-maturity investments	1,347,587	1,379,211
Income from investment in treasury bills	-	94,423
Gain on re-measurement / disposal of investments designated at fair value through profit or loss (net)	94,296	118,617
	<u>2,139,462</u>	<u>2,350,674</u>

Income from assets other than financial assets

Rental income on assets	627	174,413
Profit on sale of property, plant and equipment (net)	8,530	7,294
Exchange gain on foreign currency (net)	17,476	406,333
Share of profit on sale of LPG	65,429	82,491
Others	3,805	21,419
	<u>95,867</u>	<u>691,950</u>
	<u>2,235,329</u>	<u>3,042,624</u>

14. OTHER OPERATING EXPENSES

WPPF	862,620	850,964
Impairment loss	-	2,207,495
Others	5,416	-
	<u>868,036</u>	<u>3,058,459</u>

15. FINANCE COSTS

Financial charges for liabilities against assets subject to finance lease	20,268	19,158
Unwinding of discount on decommissioning obligation	211,767	308,748
Others	290	335
	<u>232,325</u>	<u>328,241</u>

16. TAXATION

Current		
- For the half year	1,779,620	2,279,071
- For the prior year	-	(472,943)
	<u>1,779,620</u>	<u>1,806,128</u>
Deferred	2,782,934	2,430,754
	<u>4,562,554</u>	<u>4,236,882</u>

Notes to and Forming Part of the
Unconsolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
-----	-----
Rs '000	

17. CASH AND CASH EQUIVALENTS

Cash and bank balances	2,924,642	1,483,461
Short-term highly liquid investments	20,857,500	18,297,500
	<u>23,782,142</u>	<u>19,780,961</u>

18. TRANSACTIONS WITH RELATED PARTIES

The related parties are comprised of state controlled entities, subsidiary companies, associated companies, joint operations, companies where directors also hold directorship, key management personnel and other related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
-----	-----
Rs '000	

**Sales of gas / barytes to State controlled entities
(including Government levies)**

- GENCO-II	12,326,654	9,588,930
- SSGCL	7,533,985	7,672,069
- SNGPL	20,150,054	22,159,475
- OGDCL	71,585	92,736
	<u>40,082,278</u>	<u>39,513,210</u>

**Long-term receivables, trade debts and other
receivables from State controlled entities
as at December 31**

51,786,668	48,058,789
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Transactions with subsidiaries

Receivable from PPLA as at December 31	1,677	25,839
Receivable from PPLA, Iraq Branch as at December 31	31,359	323,528
Receivable from PPLE as at December 31	17,239	16,571
Interest income on long-term loan to PPLE	22,853	19,953
Loan receivable from PPLE as at December 31	1,180,481	1,180,481
Payment of employees cost on secondment	21,342	32,747
Deposit for bank guarantee on behalf of PPLE - Block 29, Yemen	787,500	757,500

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	----- Rs '000 -----	
Transactions with Associated Companies		
Sales of crude oil / condensate	1,993,237	1,734,012
Expenses incurred	6,387	5,433
Transactions with Joint Operations		
Payments of cash calls to joint operations	22,506,769	22,711,194
Expenditures incurred by the joint operations	15,807,281	23,092,723
Under advance balances relating to joint operations as at December 31	3,941,080	2,685,396
Current account receivables relating to joint operations as at December 31	1,584,534	1,607,722
Current account payables relating to joint operations as at December 31	18,943	160,496
Income from rental of assets to joint operations	627	174,413
Purchase of goods from BME - net	163,832	120,357
Reimbursement of employee cost on secondment to BME	8,462	16,103
Other related parties		
Dividend to GoP	-	5,324,242
Dividend to Trust under BESOS	-	579,876
Transactions with retirement benefit funds	464,582	411,787
Remuneration to key management personnel	1,313,912	1,202,203
Payment of rental to Pakistan Industrial Development Corporation	49,279	39,330
Payment to National Insurance Company Limited (NICL)	334,127	682,173
Insurance claim received from NICL	-	1,016,812
Payment to Pakistan State Oil Company Limited	257,398	243,622

- 18.1 Aggregate amount charged in these unconsolidated condensed interim financial statements in respect of fees paid to six non-executive directors was Rs 2.550 million (December 2015: Rs 7.990 million to seven non-executive directors).
- 18.2 The Company has guaranteed the performance and fulfilment of obligations by PPLA under the Exploration, Development and Production Service Contract (EDPSC). Total financial commitment of PPLA is US\$ 100 million (Rs 10,480 million), out of which US\$ 73.096 million (Rs 7,661 million) is outstanding.
- 18.3 The Company has provided parent company guarantee amounting to US\$ 5.3 million (Rs 555 million) to Directorate General of Petroleum Concessions (DGPC) in respect of PPLE's exploration licences in Pakistan i.e., Barkhan, Harnai and Ziarat.
- 18.4 Gas sales are made to various State controlled entities, at prices notified by the GoP. Transactions with BME for purchase of goods are conducted at prices determined by reference to comparable goods sold in an economically comparable market to a buyer unrelated to the seller.

Notes to and Forming Part of the
Unconsolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
19. EARNINGS PER SHARE		
19.1 Basic earnings per share		
Profit after taxation (Rs'000)	11,796,982	11,896,445
Dividend on convertible preference shares (Rs'000)	(36)	(37)
Profit attributable to ordinary shareholders (Rs'000)	<u>11,796,946</u>	<u>11,896,408</u>
Weighted average number of ordinary shares in issue	<u>1,971,717,312</u>	<u>1,971,717,099</u>
Basic earnings per share (Rs)	5.98	6.03

19.1.1 Profit after taxation has been adjusted for dividend to a maximum rate of thirty percent per annum of the value of the total number of convertible preference shares held.

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
19.1.2 Diluted earnings per share		
Profit after taxation (Rs'000)	11,796,982	11,896,445
Weighted average number of ordinary shares in issue	1,971,717,312	1,971,717,099
Adjustment for convertible preference shares	12,143	12,356
Weighted average number of ordinary shares for diluted earnings per share	<u>1,971,729,455</u>	<u>1,971,729,455</u>
Diluted earnings per share (Rs)	5.98	6.03

20. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on March 21, 2017 by the Board of Directors of the Company.

21. DIVIDEND

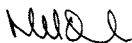
21.1 Final dividend, as disclosed in note 39 to the audited unconsolidated financial statements of the Company for the year ended June 30, 2016, was recommended by the Board in its reconvened meeting held on January 18, 2017 and the same has been approved by the shareholders in the Annual General Meeting held on February 28, 2017.

21.2 The Board of Directors in its meeting held on March 21, 2017 have approved interim cash dividend @ 30% amounting to Rs 5,915.153 million (December 2015: @ 22.5% amounting to Rs 4,436.364 million) on paid-up value of ordinary share capital and @ 30% amounting to Rs 0.036 million (December 2015: @ 22.5% amounting to Rs 0.028 million) on the paid-up value of convertible preference share capital.

22. GENERAL

22.1 Corresponding figures have been reclassified for the purpose of better presentation and comparison, where necessary.

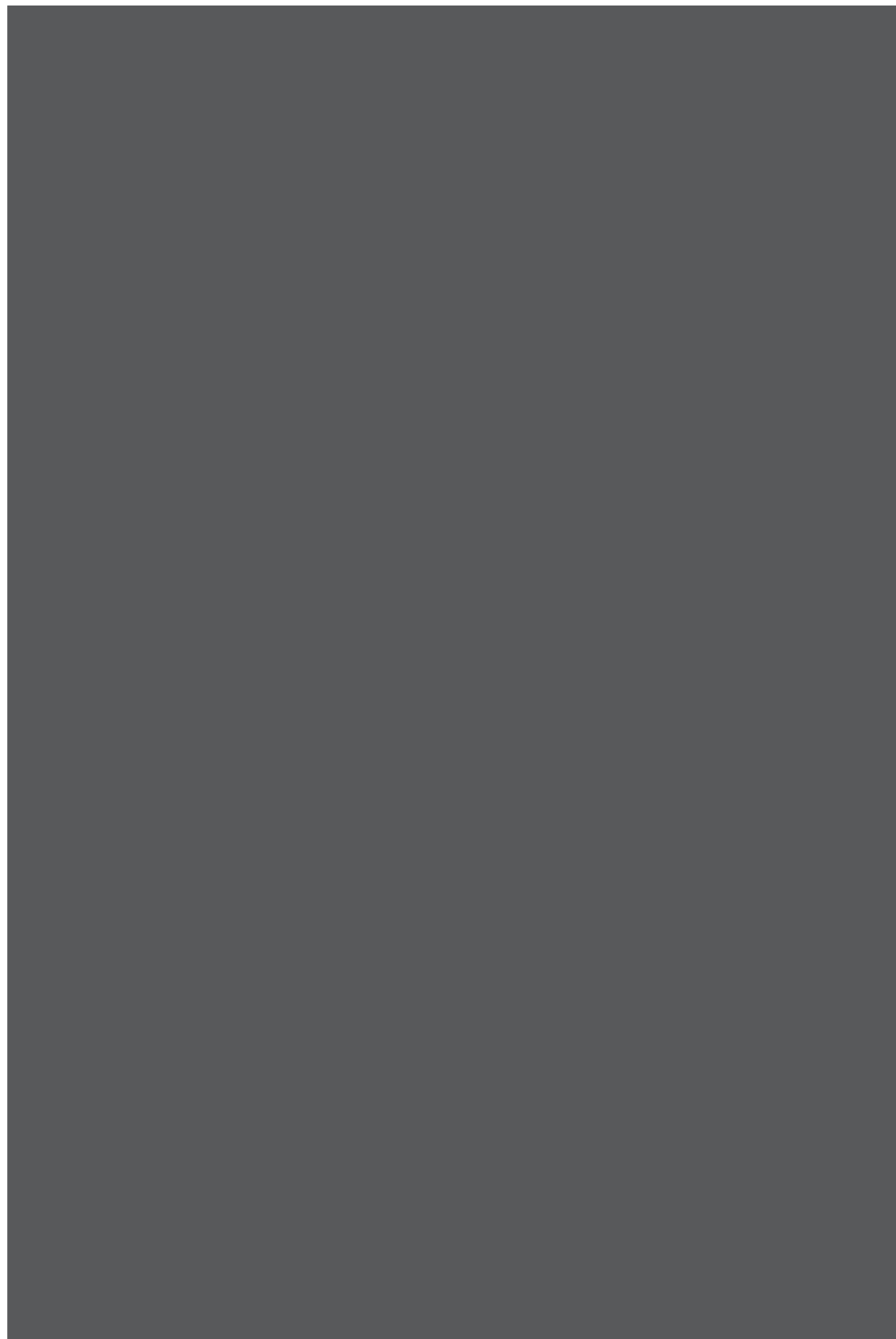
22.2 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.



Director



Chief Executive



Consolidated
Condensed Interim
FINANCIAL
STATEMENTS

Auditors' Report to the Members on review of CONSOLIDATED CONDENSED INTERIM Financial Statements

Introduction

We have reviewed the accompanying consolidated condensed interim balance sheet of Pakistan Petroleum Limited and its subsidiaries (together referred to as Group) as at December 31, 2016 and the related consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim cash flow statement together with the notes forming part thereof for the six months period then ended (here-in-after referred to as the 'consolidated condensed interim financial statements'). Management is responsible for the preparation and presentation of these consolidated condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

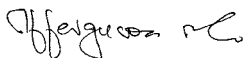
The figures included in the consolidated condensed interim profit and loss account and consolidated condensed interim statement of comprehensive income for quarters ended December 31, 2016 and 2015 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2016.

Scope of Review

We conducted our review in accordance with International Standards on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements as of and for the six months period ended December 31, 2016 are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants
Karachi.

Engagement Partner: Khurshid Hasan

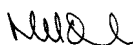
Dated: March 21, 2017

Consolidated Condensed Interim BALANCE SHEET

As at December 31, 2016

	Note	December 31, 2016 Unaudited	June 30, 2016 Audited
----- Rs '000 -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	6	134,534,661	132,462,661
Intangible assets		352,148	414,876
		134,886,809	132,877,537
Long-term investments	7	22,811,695	39,783,588
Long-term loans		20,966	24,549
Long-term deposits		7,676	7,676
Long-term receivables		333,000	333,000
		158,060,146	173,026,350
CURRENT ASSETS			
Stores and spares		4,184,508	4,140,258
Trade debts	8	58,434,566	57,954,553
Loans and advances		3,381,871	1,328,228
Trade deposits and short-term prepayments		427,087	575,052
Interest accrued		1,456,585	1,465,949
Current maturity of long-term investments	7	22,059,175	66,493
Current maturity of long-term receivables		81,978	81,978
Current maturity of long-term deposits		787,500	787,500
Other receivables		3,726,747	3,359,096
Short-term investments	9	28,386,782	28,056,720
Cash and bank balances		3,650,393	3,918,383
		126,577,192	101,734,210
TOTAL ASSETS		284,637,338	274,760,560
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		19,717,295	19,717,295
Reserves		183,953,255	172,929,206
		203,670,550	192,646,501
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		20,697,648	20,482,574
Liabilities against assets subject to finance lease		175,547	238,385
Deferred liabilities		2,449,857	2,366,677
Deferred taxation	10	27,994,550	25,211,616
		51,317,602	48,299,252
CURRENT LIABILITIES			
Trade and other payables	11	27,944,727	33,385,389
Current maturity of liabilities against assets subject to finance lease		119,892	125,680
Taxation - net		1,584,567	303,738
		29,649,186	33,814,807
TOTAL LIABILITIES		80,966,788	82,114,059
TOTAL EQUITY AND LIABILITIES		284,637,338	274,760,560
CONTINGENCIES AND COMMITMENTS			
	12		

The annexed notes 1 to 24 form an integral part of these consolidated condensed interim financial statements.



Director



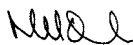
Chief Executive

Consolidated Condensed Interim PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the half year ended December 31, 2016

		Quarter ended December 31, 2016	Quarter ended December 31, 2015 (Restated)	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	Note	----- Rs '000 -----	----- Rs '000 -----	----- Rs '000 -----	----- Rs '000 -----
Sales - net	13	21,327,112	20,874,894	40,256,126	41,667,499
Field expenditures	14	(12,113,782)	(9,447,957)	(21,116,611)	(20,812,724)
Royalties		(2,482,364)	(2,413,979)	(4,718,810)	(4,826,998)
		(14,596,146)	(11,861,936)	(25,835,421)	(25,639,722)
		6,730,966	9,012,958	14,420,705	16,027,777
Other income	15	1,127,158	1,511,041	2,265,154	3,044,884
Other operating expenses	16	(14,832)	(3,005,096)	(868,036)	(3,439,652)
Finance costs	17	(117,007)	(166,491)	(235,593)	(333,222)
Profit before taxation		7,726,285	7,352,412	15,582,230	15,299,787
Taxation	18	(2,122,160)	(1,041,453)	(4,570,817)	(3,234,225)
Profit after taxation		5,604,125	6,310,959	11,011,413	12,065,562
Basic and diluted earnings per share (Rs)	21	2.84	3.20	5.58	6.12

The annexed notes 1 to 24 form an integral part of these consolidated condensed interim financial statements.



Director



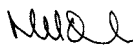
Chief Executive

Consolidated Condensed Interim Statement of COMPREHENSIVE INCOME (UNAUDITED)

For the half year ended December 31, 2016

	Quarter ended December 31, 2016	Quarter ended December 31, 2015 (Restated)	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	----- Rs '000 -----	----- Rs '000 -----	----- Rs '000 -----	----- Rs '000 -----
Profit after taxation	5,604,125	6,310,959	11,011,413	12,065,562
Other comprehensive income				
Items not to be reclassified to profit and loss account in subsequent periods				
Remeasurement losses on defined benefit plans - net	-	-	-	-
Deferred taxation	-	-	-	-
Items potentially reclassifiable to profit and loss account in subsequent periods				
Foreign exchange differences on translation of subsidiaries	6,569	10,059	12,636	565,644
Other comprehensive income, net of tax	6,569	10,059	12,636	565,644
Total comprehensive income	5,610,694	6,321,018	11,024,049	12,631,206

The annexed notes 1 to 24 form an integral part of these consolidated condensed interim financial statements.



Director



Chief Executive

Consolidated Condensed Interim CASH FLOW STATEMENT (UNAUDITED)

For the half year ended December 31, 2016

Note Half year ended
December 31,
2016
Half year ended
December 31,
2015
(Restated)
----- Rs '000 -----

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	55,478,711	56,679,742
Receipts of other income	87,961	278,504
Cash paid to suppliers / service providers and employees	(20,492,428)	(13,510,244)
Payment of indirect taxes and Government levies including royalties	(17,758,160)	(18,152,471)
Income tax paid	(504,155)	(1,544,577)
Finance costs paid	(20,558)	(22,769)
Long-term loans (net)	3,583	4,175
Net cash generated from operating activities	16,794,954	23,732,360

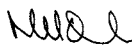
CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure (net)	(13,828,760)	(13,820,535)
Proceeds from sale of property, plant and equipment	9,550	10,858
Purchase of long-term investments	(9,627,286)	(10,520,308)
Disposal / redemption of long-term investments	4,569,148	2,462,344
Long-term receivables	-	60,632
Financial income received	2,201,445	2,338,948
Net cash used in investing activities	(16,675,903)	(19,468,061)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment of liabilities against assets subject to finance lease	(65,216)	(66,599)
Dividends paid	(4,601)	(7,874,895)
Net cash used in financing activities	(69,817)	(7,941,494)
Net increase / (decrease) in cash and cash equivalents	49,234	(3,677,195)
Cash and cash equivalents at the beginning of the period	31,975,103	33,635,580
Net foreign exchange differences	12,838	299,683
Cash and cash equivalents at the end of the period	32,037,175	30,258,068

The annexed notes 1 to 24 form an integral part of these consolidated condensed interim financial statements.



Director



Chief Executive

Consolidated Condensed Interim Statement of CHANGES IN EQUITY (UNAUDITED)

For the half year ended December 31, 2016

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves					Total reserves	
	Ordinary	Convertible preference		General and contingency reserve	Insurance reserve	Assets acquisition reserve	Dividend equalisation reserve	Unappropriated profit	Translation reserve	Total
Balance as at June 30, 2015 - Restated (Audited)	19,717,171	124	1,428	69,761	34,021,884	23,751,980	5,000,000	103,404,225	71,496	186,219,566
Rs '000										
Comprehensive income for the period										
Profit after taxation - Restated	-	-	-	-	-	-	-	12,065,562	-	12,065,562
Other comprehensive income for the half year ended December 31, 2015, net of tax	-	-	-	-	-	-	-	565,644	-	565,644
Total comprehensive income for the half year ended December 31, 2015 - Restated	-	-	-	-	-	-	-	12,631,206	-	12,631,206
Conversion of preference shares into ordinary shares	1	(1)	-	-	-	-	-	-	-	-
Transaction with owners										
Final dividend on ordinary shares @ 40% for the year ended June 30, 2015	-	-	-	-	-	-	-	(7,886,868)	-	(7,886,868)
Balance as at December 31, 2015 - Restated	19,717,172	123	1,428	69,761	34,021,884	23,751,980	5,000,000	109,582,919	637,140	173,083,694
Balance as at June 30, 2016 (Audited)	19,717,173	122	1,428	69,761	34,021,884	23,751,980	5,000,000	108,605,964	1,478,179	172,927,778
Comprehensive income for the period										
Profit after taxation	-	-	-	-	-	-	-	11,011,413	-	11,011,413
Other comprehensive income for the half year ended December 31, 2016, net of tax	-	-	-	-	-	-	-	12,636	-	12,636
Total comprehensive income for the half year ended December 31, 2016	-	-	-	-	-	-	-	11,011,413	12,636	11,024,049
Conversion of preference shares into ordinary shares	2	(2)	-	-	-	-	-	-	-	-
Balance as at December 31, 2016	19,717,175	120	1,428	69,761	34,021,884	23,751,980	5,000,000	119,617,377	1,490,815	183,951,827
										183,953,255
										203,670,550

The annexed notes 1 to 24 form an integral part of these consolidated condensed interim financial statements.



Director



Chief Executive

Notes to and Forming Part of the Consolidated Condensed Interim FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended December 31, 2016

1. LEGAL STATUS AND OPERATIONS

The Group consists of Pakistan Petroleum Limited (the Holding Company) and its subsidiary companies i.e. PPL Europe E&P Limited (PPLE), PPL Asia E&P B.V. (PPLA) and The Pakistan Petroleum Provident Fund Trust Company (Private) Limited (PPPFTC).

The Group, except PPPFTC, is principally engaged in conducting exploration, prospecting, development and production of oil and natural gas resources. Brief profiles of the Holding Company and its subsidiary companies are as follows:

1.1 Pakistan Petroleum Limited

The Holding Company was incorporated in Pakistan in 1950 with the main objectives of conducting exploration, prospecting, development and production of oil and natural gas resources. The shares of the Holding Company are listed on the Pakistan Stock Exchange Limited and the registered office is located at PIDC House, Dr. Ziauddin Ahmed Road, Karachi, Pakistan.

- 1.1.1 The Sui Mining Lease was due to expire on May 31, 2015. The Government of Pakistan (GoP) through various notifications allowed the Holding Company to continue producing from the Sui gas field, the most recent being dated November 30, 2016, whereby allowing the Holding Company to produce from Sui gas field for a further period of six months with effect from December 01, 2016.

During May 2016, a Memorandum of Agreement (MoA) was executed between the GoP and the Government of Balochistan (GoB) for grant of Development & Production Lease (D&PL) to the Holding Company over the Sui gas field, with effect from June 01, 2015. The MoA has been approved by the Economic Coordination Committee (ECC) of the Cabinet of the GoP dated December 13, 2016, and accordingly D&PL will be formally granted in due course of time.

The effect of the Sui Mining Lease in these consolidated condensed interim financial statements has been incorporated on the basis consistent with the previous periods i.e. without taking into account the effects of the MoA, due to the fact that neither the D&PL has been granted to the Holding Company nor the revised prices have been notified by the Oil and Gas Regulatory Authority (OGRA).

- 1.1.2 During the year ended June 30, 2016, the Holding Company signed the 'Supplemental Agreement' with the GoP for conversion of Petroleum Concession Agreement (PCA) to the Petroleum Exploration and Production Policy, 2012 in respect of Mamikhel, Maramzai & Makori East discoveries in Tal block. Under the said arrangement price regime of Petroleum Policy (PP) 2007 will be applicable for Mamikhel, whereas, for Maramzai and Makori East average of price regime PP 2001 and PP 2009 will be applicable. The Ministry of Petroleum & Natural Resources has advised OGRA to revise the notifications of wellhead gas prices in accordance with the Tal block Supplemental Agreement for the period from the commencement of production from respective discoveries till June 30, 2015.

The operator of Tal block has submitted the request for revision in notifications to OGRA. Further, the revised prices, under the above mentioned price regimes, have only been notified for six months effective from July 01, 2015, whereas, for the remaining periods price notifications are still awaited. Accordingly, these consolidated condensed interim financial statements have been prepared without taking into account the effect of price

revision for the period from the commencement of production of respective discoveries till June 30, 2015.

1.2 PPL Europe E&P Limited

The Holding Company acquired on March 21, 2013, 100% shareholding of MND Exploration and Production Limited, a company incorporated in England and Wales. Subsequent to acquisition, the name of the subsidiary was changed to PPL Europe E&P Limited.

PPLE's main objective is exploration and production of oil and gas and currently it has working interest in one producing field and three exploration blocks in Pakistan, as well as two exploration blocks in Yemen. The registered office of PPLE is situated at 6th Floor, One London Wall, London, United Kingdom.

1.3 PPL Asia E&P B.V.

The Holding Company established a wholly-owned subsidiary, PPLA on July 22, 2013, a company incorporated in Amsterdam, Kingdom of Netherlands. The registered office of PPLA is situated at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

PPLA's main objective is exploration and production of oil and natural gas resources and currently it owns 100% interest in Block-8, Iraq, under the Exploration, Development and Production Service Contract (EDPSC) with the Midland Oil Company, Iraq.

1.4 The Pakistan Petroleum Provident Fund Trust Company (Private) Limited

PPPFTC was incorporated in Pakistan as a private limited company on November 7, 1955. The Subsidiary is engaged in administrating the trusts formed for the benefits of the employees of the Holding Company.

2. BASIS OF CONSOLIDATION

The consolidated condensed interim financial statements include the financial statements of the Holding Company and its subsidiary companies, except PPPFTC as mentioned in note 3.3 to these consolidated financial statements.

A company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the profit and loss account from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies. However, the accounting policies of subsidiaries have been aligned with accounting policies of the Group, wherever required.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Notes to and Forming Part of the Consolidated Condensed Interim FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended December 31, 2016

The presentation and functional currency of the Holding Company, as well as, PPPFTC are Pakistani Rupee and the functional currency of other subsidiaries is US Dollar. For the purpose of consolidation, the financial statements of the subsidiaries are translated into functional currency of the Holding Company.

3. BASIS OF PREPARATION

3.1 These consolidated condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard – 34, 'Interim Financial Reporting' and 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. These consolidated condensed interim financial statements are unaudited and do not include all of the information and disclosures required in the audited consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended June 30, 2016. Further, comparative consolidated condensed interim balance sheet is extracted from the audited consolidated annual financial statements as of June 30, 2016, whereas comparative consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are stated from unaudited consolidated condensed interim financial statements for the half year ended December 31, 2015.

3.2 These consolidated condensed interim financial statements comprise of the consolidated condensed interim balance sheet as at December 31, 2016 and the consolidated condensed interim profit and loss account, the consolidated condensed interim statement of comprehensive income, the consolidated condensed interim statement of changes in equity, the consolidated condensed interim cash flow statement and notes thereto for the half year then ended which have been subjected to a limited review but not audited. These consolidated condensed interim financial statements also include the consolidated condensed interim profit and loss account for the quarter ended December 31, 2016 which has neither been reviewed nor audited.

3.3 The Securities and Exchange Commission of Pakistan (SECP) through its letter CLD/RD/CO.237/PPL/2004 dated July 6, 2004 has exempted the Holding Company from consolidation of financial statements in respect of its investment in PPPFTC, a wholly owned subsidiary under section 237 of the Companies Ordinance, 1984. Accordingly, the Group has not consolidated the subsidiary in its consolidated condensed interim financial statements for the half year ended December 31, 2016.

3.4 **Amendments to approved accounting standards which became effective during the six months period ended December 31, 2016**

There were certain amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Group's financial reporting and are, therefore, not disclosed in these consolidated condensed interim financial statements.

3.5 New standards and amendments to approved accounting standards that are not yet effective and have not been early adopted by the Group

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the annual accounting periods beginning on or after July 1, 2017. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these consolidated condensed interim financial statements. Further, the new standards are yet to be adopted by the SECP.

4. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2016.

Further, certain comparative information disclosed in the profit and loss accounts for the quarter and the half year ended December 31, 2016, have been restated due to the change in accounting policy in respect of determination of the Holding Company's joint interest in Bolan Mining Enterprises (BME) as joint operation, as more fully explained in note 3.3(c)(i) to the consolidated financial statements for the year ended June 30, 2016. However, the impact of the above is not significant.

The Group follows the practice of conducting actuarial valuation annually at the year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in these consolidated condensed interim financial statements.

5. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and apply judgments that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognised prospectively commencing from the period of revision.

Estimates, assumptions and judgments made by the management in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2016.

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended June 30, 2016.

Notes to and Forming Part of the Consolidated Condensed Interim FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended December 31, 2016

5.1 Implication of revised IFRS 2 (Share-based Payment) on Benazir Employees' Stock Option Scheme (BESOS)

In respect of the Holding Company, in June 2011, the SECP on receiving representations from some of entities covered under Benazir Employees' Stock Option Scheme (the Scheme) and after having consulted the Institute of Chartered Accountants of Pakistan, granted exemption to such entities from the application of International Financial Reporting Standard (IFRS)-2 "Share-based Payment" to the Scheme. There has been no change in the status of the Scheme as stated in note 3.4 to the consolidated financial statements for the year ended June 30, 2016. The management believes that the Scheme is being revamped by the GoP and all claims and disbursements to the unit holders are kept in abeyance by the Privatisation Commission since June 2010.

Had the exemption not been granted, retained earnings and reserves would have been lower and higher by Rs 18,879 million (June 30, 2016: Rs 18,879 million).

December 31, 2016 Unaudited	June 30, 2016 Audited
-----	-----
Rs'000	

6. PROPERTY, PLANT AND EQUIPMENT

Opening Net Book Value (NBV)	94,279,729	60,568,313
Additions to:		
- owned assets	5,457,481	39,078,983
- assets subject to finance lease	2,278	175,876
	5,459,759	39,254,859
	99,739,488	99,823,172
Disposals / adjustments during the period / year (NBV)	(11,904)	5,904,390
Depreciation / amortisation charged during the period / year	(7,036,192)	(11,390,296)
Impairment loss	-	(57,537)
	92,691,392	94,279,729
Capital work-in-progress - note 6.1	41,843,269	38,182,932
	<u>134,534,661</u>	<u>132,462,661</u>

6.1 Capital work-in-progress

Plant, machinery, fittings and pipelines	8,076,660	5,834,602
Exploration and evaluation (E&E) assets - note 6.1.1	13,579,229	12,365,754
Development and production assets	6,772,684	6,413,387
Lands, buildings and civil constructions	116,105	119,896
Capital stores for drilling and development	13,298,591	13,449,293
	<u>41,843,269</u>	<u>38,182,932</u>

- 6.1.1 Amounts under E&E assets are netted off by cost of dry wells charged to profit and loss account during the period / year, amounting to Rs 3,431 million (June 30, 2016: Rs 4,994 million).

December 31, 2016 Unaudited	June 30, 2016 Audited
-----	-----
Rs'000	

7. LONG-TERM INVESTMENTS

Investment in related party

- Wholly owned subsidiary

- PPPFTC - note 3.3

Other investments

- Held-to-maturity

- Term Finance Certificates (TFCs)
- Pakistan Investment Bonds (PIBs)
- Local currency term deposits with bank
- Foreign currency term deposits with banks

- Designated at fair value through profit or loss

- Mutual Funds - note 7.1

Less: Current maturities

- TFCs

- PIBs

1	1
66,493	99,740
21,992,682	22,122,574
2,000,000	2,000,000
17,507,320	15,627,766
41,566,495	39,850,080
3,304,374	-
(66,493)	(66,493)
(21,992,682)	-
(22,059,175)	(66,493)
22,811,695	39,783,588

7.1 These investments have been categorised under Level 1 of the fair value hierarchy. IFRS - 7, 'Financial Instruments: Disclosure' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to and Forming Part of the
Consolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

December 31, 2016 Unaudited	June 30, 2016 Audited
----- Rs'000 -----	

8 TRADE DEBTS

Unsecured and considered good

Related parties

Central Power Generation Company Limited (GENCO-II)	10,416,894	7,881,749
Sui Northern Gas Pipelines Limited (SNGPL)	20,634,612	22,227,581
Sui Southern Gas Company Limited (SSGCL)	20,349,075	21,700,172
Pak-Arab Refinery Limited (PARCO)	748,550	784,867
Oil & Gas Development Company Limited (OGDCL)	37,104	20,328
	<u>52,186,235</u>	<u>52,614,697</u>

Non-related parties

Attock Refinery Limited (ARL)	4,885,258	4,451,970
National Refinery Limited (NRL)	367,784	274,111
Others	995,289	613,775
	<u>6,248,331</u>	<u>5,339,856</u>
	<u>58,434,566</u>	<u>57,954,553</u>

Unsecured and considered doubtful

Non-related party

Byco Petroleum Pakistan Limited (Byco)	1,156,220	1,156,220
Less: Provision for doubtful debts - note 8.3	(1,156,220)	(1,156,220)
	<u>-</u>	<u>-</u>
	<u>58,434,566</u>	<u>57,954,553</u>

8.1 The ageing of trade debts is as follows:

Neither past due nor impaired	17,650,133	16,426,866
Past due but not impaired:		
Related parties		
- within 90 days	13,867,962	12,304,046
- 91 to 180 days	11,252,331	13,364,024
- over 180 days	14,276,939	14,601,392
	<u>39,397,232</u>	<u>40,269,462</u>
Non-related parties		
- within 90 days	1,278,767	1,135,090
- 91 to 180 days	14,054	7,046
- over 180 days	94,380	116,089
	<u>1,387,201</u>	<u>1,258,225</u>
	<u>58,434,566</u>	<u>57,954,553</u>

- 8.2** Trade debts include overdue amount of Rs 39,396 million (June 30, 2016: Rs 40,263 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 2,544 million (June 30, 2016: Rs 2,421 million) overdue receivable from refineries (i.e. ARL, Byco, PARCO, NRL and Pakistan Refinery Limited) and various LPG customers.

Based on the measures being undertaken by the GoP, the Group considers the overdue amounts to be fully recoverable and therefore, no further provision for doubtful debts has been made in these consolidated condensed interim financial statements, except for provision against receivable from Byco.

- 8.3** The Holding Company has filed a legal suit in the Sindh High Court (SHC) against Byco for recovery of overdues.

December 31, 2016 Unaudited	June 30, 2016 Audited
----- Rs'000 -----	

9. SHORT-TERM INVESTMENTS

Held-to-maturity

Local currency term deposits with banks	20,857,500	19,012,500
Foreign currency term deposits with banks	7,529,282	9,044,220
	<u>28,386,782</u>	<u>28,056,720</u>

10. DEFERRED TAXATION

(Deductible) / taxable temporary differences on:

Exploration expenditure	(2,781,000)	(2,866,000)
Provision for staff retirement and other benefits	(734,957)	(976,450)
Provision for obsolete / slow moving stores	(40,067)	(41,403)
Provision for doubtful debts	(462,488)	(462,488)
Unused tax losses - note 10.1	(3,568,778)	(5,315,277)
Provision for decommissioning obligation	1,062,121	1,200,946
Accelerated tax depreciation allowances	7,736,254	8,182,286
Exploratory wells cost	10,819,374	10,573,198
Development and production assets	15,934,747	14,897,151
Amortisation of intangible assets	14,265	14,218
Others	15,079	5,435
	<u>27,994,550</u>	<u>25,211,616</u>

- 10.1 Deferred tax asset of Rs 3,569 million (June 30, 2016: Rs 5,315 million) represents the impact of unadjusted losses against the aggregate tax liability computed on the profits and gains of the relevant Concession Agreements.

December 31, 2016 Unaudited	June 30, 2016 Audited
----- Rs'000 -----	

11. TRADE AND OTHER PAYABLES

Creditors	891,203	508,016
Accrued liabilities	3,296,700	6,443,609
Security deposits from LPG distributors	453,010	515,450
Retention money	114,581	40,795
Unpaid and unclaimed dividends	242,578	247,179
Gas development surcharge (GDS)	7,988,405	5,804,283
Gas infrastructure development cess (GIDC)	1,896,616	1,541,186
Sales tax (net)	6,498	8,167
Royalties	3,379,148	4,041,453
Current accounts with joint operation partners	7,645,094	12,285,840
Liabilities for staff retirement benefit plans	138,309	962,756
Workers' Profits Participation Fund (WPPF)	683,294	-
Contractual obligations for Iraq EDPSC	885,081	832,179
Others	324,210	154,476
	<u>27,944,727</u>	<u>33,385,389</u>

Notes to and Forming Part of the
Consolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

12. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and in total commitments as disclosed in the audited consolidated financial statements for the year ended June 30, 2016.

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	----- Rs'000 -----	
13. SALES - net		
Gross sales		
Natural gas	40,282,319	39,838,259
Gas supplied to Sui villages	87,651	109,066
Internal consumption of gas	52,097	66,134
Crude oil / Condensate / Natural Gas Liquids	13,491,897	12,933,262
LPG	1,879,463	1,702,314
Barytes	181,213	237,432
	<u>55,974,640</u>	<u>54,886,467</u>
Government levies / discounts		
Federal excise duty	(1,063,134)	(962,874)
Sales tax	(6,206,320)	(6,138,686)
GDS	(6,959,260)	(4,850,836)
GIDC	(1,477,644)	(1,247,468)
Discounts (Barytes)	(12,156)	(19,104)
	<u>(15,718,514)</u>	<u>(13,218,968)</u>
	<u>40,256,126</u>	<u>41,667,499</u>
14. FIELD EXPENDITURES		
Development and drilling	3,474,871	3,035,609
Exploration	5,914,034	6,992,827
Depreciation	3,059,983	2,148,036
Amortisation of intangible assets	70,293	56,788
Amortisation of decommissioning cost	884,136	298,979
Amortisation of development and production assets	3,092,073	2,706,177
Salaries, wages, welfare and other benefits	4,789,213	4,718,394
Employees' medical benefits	193,033	215,481
Manpower development	40,947	26,216
Travelling and conveyance	250,826	293,197
Communication	21,338	18,142
Stores and spares consumed	403,869	721,284
Fuel and power	102,797	116,438
Rent, rates and taxes	85,273	69,354
Insurance	284,649	260,893
Repairs and maintenance	235,059	243,588
Professional services	77,722	39,569
Auditors' remuneration	14,171	10,913
Free supply of gas to Sui villages	87,651	109,066
Donations	48,022	17,968
Social welfare / community development	64,503	48,658
Other expenses	95,122	127,996
	<u>23,289,585</u>	<u>22,275,573</u>
Recoveries	<u>(2,172,974)</u>	<u>(1,462,849)</u>
	<u>21,116,611</u>	<u>20,812,724</u>

Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
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----- Rs'000 -----

15. OTHER INCOME

Income from financial assets

Income on loans and bank deposits	147,771	145,715
Income on term deposits	579,603	618,135
Income on long-term held-to-maturity investments	1,347,587	1,379,211
Income from investment in treasury bills	-	94,423
Gain on re-measurement / disposal of investments designated at fair value through profit or loss (net)	94,296	118,617

2,169,257 2,356,101

Income from assets other than financial assets

Rental income on assets	627	174,413
Profit on sale of property, plant and equipment (net)	8,530	7,294
Exchange gain on foreign currency (net)	17,506	402,958
Share of profit on sale of LPG	65,429	82,491
Others	3,805	21,627

95,897 688,783

2,265,154 3,044,884

16. OTHER OPERATING EXPENSES

WPPF	862,620	850,964
Impairment loss	-	2,588,688
Others	5,416	-

868,036 3,439,652

17. FINANCE COSTS

Financial charges for liabilities against assets subject to finance lease	20,268	19,158
Unwinding of discount on decommissioning obligation	214,724	313,730
Others	601	334

235,593 333,222

18. TAXATION

Current	1,787,883	2,340,143
- For the half year	-	(349,939)
- For the prior year	1,787,883	1,990,204

Deferred

2,782,934 1,244,021

4,570,817 3,234,225

19. CASH AND CASH EQUIVALENTS

Cash and bank balances	3,650,393	2,242,364
Short-term highly liquid investments	28,386,782	28,015,704

32,037,175 30,258,068

Notes to and Forming Part of the
Consolidated Condensed Interim
FINANCIAL STATEMENTS (UNAUDITED)
For the half year ended December 31, 2016

20. TRANSACTIONS WITH RELATED PARTIES

The related parties are comprised of state controlled entities, associated companies, joint operations, companies where directors also hold directorship, key management personnel and other related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

	Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
	-----	-----
	Rs'000	
Sales of gas / barytes to State controlled entities (including Government levies)		
- GENCO-II	12,326,654	9,588,930
- SSGCL	7,681,263	7,866,828
- SNGPL	20,274,402	22,382,512
- OGDCL	71,585	92,736
	<u>40,353,904</u>	<u>39,931,006</u>
Long-term receivables, trade debts and other receivables from State controlled entities as at December 31	<u>51,872,649</u>	<u>48,123,746</u>
Transactions with Associated Companies		
Sales of crude oil / condensate	1,993,237	1,734,012
Expenses incurred	<u>6,387</u>	<u>5,433</u>
Transactions with Joint Operations:		
Payments of cash calls to joint operations	22,985,050	22,929,467
Expenditures incurred by the joint operations	<u>16,038,870</u>	<u>23,419,133</u>
Under advance balances relating to joint operations as at December 31	4,379,213	2,852,255
Current account receivables relating to joint operations as at December 31	<u>1,584,534</u>	<u>1,607,722</u>
Current account payables relating to joint operations as at December 31	18,943	160,496
Income from rental of assets to joint operations	627	174,413
Purchase of goods from BME - net	<u>163,832</u>	<u>120,357</u>
Reimbursement of employee cost on secondment to BME	<u>8,462</u>	<u>16,103</u>
Other related parties		
Dividend to GoP	-	5,324,242
Dividend to Trust under BESOS	-	579,876
Transactions with retirement benefit funds	464,582	411,787
Remuneration to key management personnel	<u>1,313,912</u>	<u>1,202,203</u>
Payment of rental to Pakistan Industrial Development Corporation	49,279	39,330
Payment to National Insurance Company Limited (NICL)	<u>334,127</u>	<u>682,173</u>
Insurance claim received from NICL	-	1,016,812
Payment to Pakistan State Oil Company Limited	<u>257,398</u>	<u>243,622</u>

- 20.1 Aggregate amount charged in these consolidated condensed interim financial statements in respect of fees paid to six non-executive directors of the Holding Company was Rs 2.550 million (December 2015: Rs 7.990 million to seven non-executive directors).
- 20.2 The Holding Company has guaranteed the performance and fulfilment of obligations by PPLA under EDPSC. Total financial commitment of PPLA is US\$ 100 million (Rs 10,480 million), out of which US\$ 73.096 million (Rs 7,661 million) is outstanding.
- 20.3 The Holding Company has provided parent company guarantee amounting to US\$ 5.3 million (Rs 555 million) to Directorate General of Petroleum Concessions (DGPC) in respect of PPLE's exploration licences in Pakistan i.e., Barkhan, Harnai and Ziarat.
- 20.4 Gas sales are made to various State controlled entities, at prices notified by the GoP. Transactions with BME for purchase of goods are conducted at prices determined by reference to comparable goods sold in an economically comparable market to a buyer unrelated to the seller.

Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
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21. EARNINGS PER SHARE

21.1 Basic earnings per share

Profit after taxation (Rs'000)	11,011,413	12,065,562
Dividend on convertible preference shares (Rs'000)	(36)	(37)
Profit attributable to ordinary shareholders (Rs'000)	11,011,377	12,065,525
Weighted average number of ordinary shares in issue	1,971,717,312	1,971,717,099
Basic earnings per share (Rs)	5.58	6.12

- 21.1.1 Profit after taxation has been adjusted for dividend to a maximum rate of thirty percent per annum of the value of the total number of convertible preference shares held.

Half year ended December 31, 2016	Half year ended December 31, 2015 (Restated)
---	---

21.2 Diluted earnings per share

Profit after taxation (Rs'000)	11,011,413	12,065,562
Weighted average number of ordinary shares in issue	1,971,717,312	1,971,717,099
Adjustment for convertible preference shares	12,143	12,356
Weighted average number of ordinary shares for diluted earnings per share	1,971,729,455	1,971,729,455
Diluted earnings per share (Rs)	5.58	6.12

Notes to and Forming Part of the Consolidated Condensed Interim FINANCIAL STATEMENTS (UNAUDITED)

For the half year ended December 31, 2016

22. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on March 21, 2017 by the Board of Directors of the Holding Company.

23. DIVIDEND

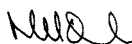
23.1 Final dividend, as disclosed in note 40 to the audited consolidated financial statements of the Group for the year ended June 30, 2016, was recommended by the Board of the Holding Company in its reconvened meeting held on January 18, 2017 and the same has been approved by the shareholders in the Annual General Meeting held on February 28, 2017.

23.2 The Board of Directors of the Holding Company in its meeting held on March 21, 2017 have approved interim cash dividend @ 30% amounting to Rs 5,915.153 million (December 2015: @ 22.5% amounting to Rs 4,436.364 million) on paid-up value of ordinary share capital and @ 30% amounting to Rs 0.036 million (December 2015: @ 22.5% amounting to Rs 0.028 million) on the paid-up value of convertible preference share capital.

24. GENERAL

24.1 Corresponding figures have been reclassified for the purpose of better presentation and comparison, where necessary.

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



Director



Chief Executive



Pakistan Petroleum Limited



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