

Nine Months Report  
March 2016

# Unlocking POTENTIAL



Pakistan Petroleum Limited



## **DIRECTORS' INTERIM REVIEW**

Your directors are pleased to present the unaudited condensed interim financial statements for the nine months period ended March 31, 2016 and a brief review of the Company's operations.

### **OPERATIONAL AND FINANCIAL HIGHLIGHTS**

#### **Operational Highlights**

The key operational highlights for the nine months period ended March 31, 2016 are as follows:

##### **Discoveries**

As compared to four discoveries in the corresponding period, six discoveries have been made during the period under review; PPL Operated Blocks: two in Gambat South (ninth exploratory well Kabir X-1 and tenth exploratory well Hatim X-1) and one each in Hala (fourth exploratory well Fazl X-1) and Dhok Sultan Blocks (first exploratory well Dhok Sultan X-1). Partner Operated Blocks: One each in Latif (exploratory well Latif South-1) and Nashpa Blocks (exploratory well Nashpa X-5).

##### **Seismic Activities**

In PPL Operated blocks, 2D and 3D seismic acquisitions of 1,122 Line Km and 853 Sq. Km, respectively, were carried out during the period, representing operationally required decrease of 8% in 2D seismic and 40% in 3D seismic in comparison to the corresponding period.

##### **Drilling Activities**

In PPL operated blocks, fifteen wells (seven exploratory and eight development wells) were spudded during the current period, as compared to ten wells (six exploratory and four development wells) during the corresponding period.

#### **Financial Highlights**

The key financial results of the Company during the nine months period ended March 31, 2016 are as follows:

	<b>Nine months ended March 31, 2016</b>	<b>Nine months ended March 31, 2015</b>
	<b>Rs Million</b>	
Sales revenue (net)	59,233	80,584
Profit before taxation	21,653	43,588
Taxation	(6,088)	(13,640)
Profit after taxation	15,565	29,948
Basic and Diluted Earnings Per Share (Rs)	7.89	15.19

#### **Sales revenue**

Sales revenue decreased by Rs 21,351 million during the current period as compared to the corresponding period. Negative variances on account of crude oil price and volume amounting to Rs 24,346 million and Rs 883 million respectively, were partially offset by positive exchange rate variance of Rs 3,878 million.

Negative volume variance is attributable to the combined effect of 8% decrease in oil sales volumes, partially offset by 2% increase in gas sales volumes and 15% increase in LPG volumes. Unfavourable Oil sales volume variance is due to decline in volumes from Tal, Hala, Adhi, Nashpa and Ghauri fields. Whereas, gas sales volumes increased mainly due to higher production from Sui, Adhi, Miano, Tal, Chachar, Hala and Nashpa fields, and commencement of production from Gambat South during March 2015, partially offset by decline in gas sales volumes from Kandhkot, Latif, Qadirpur, Mazarani, Kirthar, Gambat and Sawan fields. Higher LPG sales volumes are mainly due to increase in production from Tal field.

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

	Unit	Nine months ended March 31, 2016	Nine months ended March 31, 2015
Natural Gas	MMCF	203,431	199,751
Crude Oil / Natural Gas Liquids (NGL) / Condensate	BBL	3,790,665	4,114,691
Liquefied Petroleum Gas (LPG)	Tonnes	48,826	42,554

### **Profitability**

In addition to decline in sales revenue, profitability of the Company has also decreased, mainly due to increase in field expenditures by Rs 2,634 million, which is around 9% higher as compared to the corresponding period. Major reason for increase in field expenditures is due to dry hole cost of wells Nooriabad X-1 (Jungshahi), Jhim X-1 and Kundan X-1 (Jati), Duljan East (Gambat), Misri Bhambro X-1 (South West Miano-II), Lakki X-1 (Zindan), Malgin X-1 (Tal Block) and seismic activities at Sadiqabad, Gambat South, Shah Bandar, Bela West, Hab, Khipro East, Kirthar and Ghauri blocks.

In addition to the above, profitability was impacted because the Company booked a non-cash charge to income due to an impairment loss of Rs 2,207 million (Rs 2,457 million in the corresponding period), recognized by the Company on its investment in PPL Europe E&P Limited. The main reason for the loss is decline in crude oil prices. For details please refer to note 6.1 to the unconsolidated condensed interim financial statements and note 6.2 to the consolidated condensed interim financial statements.

### **CORPORATE STRATEGY AND FOCUS AREAS**

The operations of the Company are in line with the Corporate Strategy, to enhance exploration and drilling activities and to optimise production.

#### **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 consists of forty seven exploratory blocks, out of which twenty seven are PPL operated (including Block-8 in Iraq being operated by PPL Asia) and remaining twenty, including three offshore blocks in Pakistan and two onshore blocks in Yemen, are partner operated. New and ongoing activities that took place during the current period are as follows:

## **Exploration South Assets**

In Shah Bandar Block, 3D seismic survey is in progress, whereas, in Kotri North Block, crew has been mobilised for 3D seismic survey.

In Gambat South Block, deepening of well Faiz X-1 is in progress to appraise the Hatim X-1 discovery. New well Hadi X-1A was spudded (after abandoning 11<sup>th</sup> exploratory well Hadi X-1 due to mechanical failure) in February 2016 and currently drilling is in progress. Furthermore, preparations are underway to spud in 12<sup>th</sup> exploratory well Taban X-1.

In Hala Block, 5<sup>th</sup> exploratory well Bashar X-1 was spudded in February 2016 and currently drilling is in progress.

In Kotri Block, 1<sup>st</sup> exploratory well Kotri X-1 was spudded in February 2016 and currently drilling is in progress, while preparations are underway to spud in 2<sup>nd</sup> exploratory well Kotri X-2.

In Zamzama South and Malir Blocks, preparations are underway to spud in exploratory wells Zamzama South X-1 and Malir X-1, respectively.

## **Exploration North Assets**

2D seismic survey is in progress in Hisal Block.

Preparations are underway to spud in 1<sup>st</sup> exploratory well in Karsal Block.

Preparations are underway to spud in two exploratory wells in Sadiqabad Block.

## **Exploration Frontier Assets**

2D seismic survey is in progress in Hub Block.

In Mazarani Field, preparations are underway to spud in exploratory well Mazarani Deep-1.

## **Partner-Operated Areas**

3D seismic data acquisition has been completed in Ghauri Block, while in Kirthar Block seismic data acquisition is in progress.

In Jati Block, 2<sup>nd</sup> exploratory well Kundan-1 was plugged & abandoned as dry hole.

In Tal Block, drilling of exploratory wells Makori Deep-1, Tolanj West-1 and testing of Tolanj South-1 are in progress. Moreover, 70% of gravity survey in the block has been completed and remaining 30% will be recorded after security clearance.

In Nashpa Block, exploratory well Nashpa X-5 was completed as an oil & gas discovery in a new compartment, whereas, drilling of exploratory well Shawa-1 is in progress.

## **Producing Fields and Development**

### **Sui Asset**

Subsequent to successful drilling and completion, the development well Sui-96 was commissioned into production network. Drilling of well Sui-94 was completed and tie-in activities are in progress. Drilling of development well Sui-95 commenced in March 2016. Further, workover of well Sui-80 for deepening was completed. Furthermore, revamping of all seven SML compressors has been successfully completed, which has enhanced the field deliverability by approximately 30 MMscfd.

## **Kandhkot Asset**

Development well KDT-33(H) Hor, spudded in January 2016, was successfully completed and commissioned after testing at 19.5 MMscfd gas flow. Intervention was carried out at well KDT-24(M) which resulted in incremental production of around 1.3 MMscfd. Further, effluent well KDT-36 was spudded in March 2016 and completed in April 2016. Furthermore, well KDT-34(M) Hor was spudded in April 2016 and currently drilling is in progress.

## **Adhi Asset**

Development well Adhi-25(T/K) was spudded in October 2015 and currently well completion is in progress. Further, development well Adhi-9(K) was commissioned after successful well intervention with acid wash. Production rate of 1 MMscfd of gas and 800 bbl per day of oil was achieved. First gas of Adhi NGL/LPG Plant-III was achieved as part of commissioning activities in November 2015. Plant is currently in operation and sales of Gas, LPG and NGL continues.

## **Gambat South / Hala / Mazarani Assets**

In Gambat South Asset, tie-in of Gas Processing Facility (GPF)-I with upgradation equipment has been completed. Upgradation Project is progressing as per schedule. At GPF-II, mechanical completion is fast approaching and the facilities are planned to be commissioned by May 2016. Bids for GPF-III project have been received and Technical and Commercial evaluation has been completed. Letter of Award has been issued to technically compliant and commercially lowest bidder.

Further, development well Sharf-2 was spudded in March 2016 and currently drilling is in progress. Furthermore, applications have been submitted to Government of Pakistan (GoP) for Declaration of Commerciality (DoC) and Development and Production Lease (D&PL) at Wafiq, Nasr, Sharf and Shahdad discoveries.

Moreover, Asia Resources Oil Limited (AROL), a Working Interest Owner holding 10% share in Gambat South Block, had failed to pay its share of cash calls in accordance with the Joint Operating Agreement (JOA). Consequently, default procedure was invoked on September 22, 2015, in accordance with the provisions of JOA, which would eventually result in forfeiture and acquisition of AROL's 10% share, by PPL (65% share) and GHPL (25% share) in accordance with the JOA. Similar procedure was adopted by PPL in respect of Naushahro Firoz and Kotri North Blocks, where PPL's and AROL's shares are 90% and 10% respectively.

On December 23, 2015 PPL sought approval from the GoP for forfeiture and acquisition of AROL's 10% Working Interest in each of the above mentioned blocks. On February 29, 2016, AROL has filed suit before the Sindh High Court (SHC) at Karachi. In this suit, AROL has challenged default and forfeiture procedures, and has obtained stay order from the SHC. The SHC has suspended the operations of forfeiture notices issued to AROL and has also restrained GoP from according approvals for forfeiture of AROL's working interest in the three blocks. The matter is pending adjudication before the SHC.

In Hala Asset, FEED study and Invitation to Bid (ITB) document preparation for Hala GPF-II has been completed. Tendering will be carried out after the results of exploratory well Bashar X-1.

In Mazarani Asset, development well Mazarani-5 has been staked and well site preparation is in progress. Well is expected to spud in by end June 2016.

## **Partner-Operated Fields**

In Tal Block, drilling of development well Makori East-5 is in progress.

Drilling of development wells Nashpa-6 and Nashpa-7 is in progress in Nashpa Field. EPCC project for Nashpa LPG / NGL Plant is progressing as per schedule, with target completion in June 2017.

In Qadirpur Field, development wells Qadirpur-55, HRL-9 and HRL-10 have been completed as gas producers, whereas, drilling of development well Qadirpur-54 is in progress.

In Latif Block, development well Latif-5 ST has been completed as gas producer, whereas, drilling of development well Latif-14 is in progress.

## **Corporate Social Responsibility**

PPL, as a responsible corporate citizen, continued to positively touch the lives of indigenous communities of the society. The Company takes on social welfare schemes with greater objectivity and sustainability to help improve the lives of its local communities. Our CSR initiatives over the years and in the period under review focused on education, healthcare, infrastructure development, water resource development and improvement of environment.

### **Education**

PPL continued to work for promotion of education at its producing and exploratory areas across the Country. During the period, Deputy Commissioner-District Khuzdar formally inaugurated PPL constructed academic block at Government Boys High School-Karkh, Khuzdar. Construction work has been completed at PPL-TCF Secondary School, Kandhkot, computer hall at Government Boys Elementary School, Langah and examination hall at Government Boys High School, Naban Janjua, near Adhi Field. Moreover, construction work continued at seven school buildings and one examination hall at Barkhan, Khuzdar, Washuk and Adhi Field. PPL Higher Professional Education Scholarships were awarded to local students hailing from District Dera Bugti, District Kashmore, District Kambar-Shahdadkot, District Sanghar and Tehsil Gujjar Khan. Similarly, list of eligible scholars has been finalized for students of Balochistan to pursue quality education from grade 9 to 12 as per scholarship criterion.

### **Healthcare**

At Sui, PPL Public Welfare Hospital is operating satisfactorily where on average 250 patients per day were provided free treatment and medicines. Similarly, all three Mobile Medical Dispensaries are operating satisfactorily in surrounding communities of Sui, Kandhkot, Chachar and Mazarani gas fields benefitting around 20,000 local patients. Moreover, in order to provide primary healthcare facility at the doorstep of local communities, a vehicle was purchased to commence operations of Mobile Medical Unit around Gambat South and Hala fields in district Sanghar. In addition, three days free surgical eye camps were successfully held at Adhi (District Rawalpindi), Shahdadpur (District Sanghar) and Baikar (District Dera Bugti) benefitting some 5,000 patients and surgeries of over 400 patients. Furthermore, PPL adopted Marie Adelaide Leprosy Center's operated triple merger centers and continued to satisfactorily operate and provide free treatment of Leprosy, TB and blindness at Kandhkot, Parijgur & Turbat.

### **Infrastructure Development**

PPL constructed 8.5 km road from Indus highway to village Punhal Khan Golo at Kandhkot and repaired link road from Gujjar Khan Road to village Takhra near Adhi Field. During the period, PPL constructed road to village Kanyal Bajrana nearby Adhi Field.

## **Technical & Skill Development**

Women Vocational Training Centre, Mastala near Adhi Field is operating satisfactorily. Construction of Women Vocational & Skill Development Centre at Kotri, District Jamshoro has been completed. At Vocational Training Institute, Sui stitching unit was made functional while establishment of Computer laboratory is in progress. Fifteen locals, belonging to District Dera Bugti, Matiari and Sanghar were awarded scholarships to study one year City & Guilds Diploma course at The Hunnar Foundation campus at District Tando Allah Yar.

## **Other Activities**

During the period, plantation of new saplings over 19 acres land was carried out at PPL-Badani afforestation project at Kandhkot Budhani Forest.

## **Human Resources**

The Company continues to provide employees with good opportunities for professional and personal development with focus on in-house training to develop technical and soft skills. Based on enthusiastic response from staff and in-line with Board's vision to invest in the competence of employees, the capacity of the Training Center has been doubled by establishing a new training hall allowing HR to run two training programs simultaneously for maximum number of staff.

A key development has been the introduction of 'E-LEARN' - an online learning platform through which employees have access to international courses to further augment their professional knowledge and skills.

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 initiated. Moreover, Biometric Time Management system has been integrated with SAP for all employees at PPL Head Office, West Wharf, City Clinic and Islamabad Office.

In line with Company's goals for facilitating capacity building of youth and building a talent pipeline, an Associate program has been launched with induction of 75 young graduates after a transparent selection process based on external testing. It comprises of a two year structured cross functional rotation and training program which will enhance the potential of young graduates manifold and help the Company grow.

## **Quality, Health, Safety and Environment (QHSE)**

The Company's Senior Management is strongly committed to recognise QHSE as a core value for sustainable business growth and profitability. Management Audits continue to serve as a key tool for fostering QHSE culture in the Company through staff engagement on QHSE issues and demonstration of leadership commitment.

During the period, Process Safety Management (PSM) System Evaluation study was undertaken through DuPont Sustainable Solutions, a reputed international consulting firm, to identify opportunities for improvement in all spheres of the Company's operations. In this connection, a Safety Perception Survey was also launched through DuPont as part of PSM System Evaluation Study to gauge the awareness and maturity level of QHSE amongst the employees.



In addition to Company's existing QHSE training plans, an additional training campaign has also been launched in order to educate employees with the basic QHSE protocols. This includes mandatory sessions on basic QHSE awareness and specialised trainings on Defensive Driving, Fire Fighting and First Aid for all employees spread over four years.

QHSE Function and Exploration Department successfully retained ISO & OHSAS International Standard Certifications. During the period, Safety Management System Gap Analysis exercise was undertaken for Drilling Rigs and various pre-mobilisation workshops were carried out with the Seismic and Drilling Contractors.

Process Safety Management Manual and protocols for Management of Personnel Change and Incident Investigation have been developed. Existing protocols on Contractor Safety, Emergency Planning & Response, Occupational Health, Risk Assessment and Safe Work Practices are also being upgraded.

Risk Based Inspection exercise has been initiated for Sui Purification Plant with an aim to assess risk profile of plant's static equipment's, extend their operating life, ensure safe & reliable operation and optimise inspection & maintenance cost. Automation of QHSE processes including Incident Investigation and Risk Assessment have been initiated to embark on integrated risk reduction philosophy and improved performance measurement.

On the environmental front, Company's corporate level QHSE framework on Waste Management has been revised to meet current organisational needs. Ambient Air Quality Monitoring has been carried out at Kandhkot and Mazarani Gas Fields. Moreover, Initial Environmental Examination Study for plant installation in Hala Block has been initiated in order to proactively evaluate & mitigate environmental impacts and comply with statutory requirements.

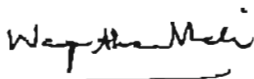
On March 18, 2016, a charter aircraft en-route to Sui, carrying eighteen passengers (10 PPL employees and 8 contractors including 3 foreigners), did emergency belly landing at Quaid-e-Azam International Airport, Karachi, soon after its take-off. Four persons received minor injuries and later discharged from the hospital after treatment. Management is taking necessary actions in this regard.

### **Industrial Relations**

Harmonious working environment and cordial industrial relations atmosphere prevailed at all locations of the Company, including Sui Gas Field. Annual Awards Function for Head Office and West Wharf staff was held in February 2016.

### **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.



**(WAQAR A. MALIK)**

CHAIRMAN

Karachi

April 28, 2016

اعتراف

تسبیح کی کامیابیاں ہمارے عملے کی جانفشانی کے بغیر ممکن نہیں تھیں، جو بھرپور دستاویز 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۔

وٹارہ ملک

وٹارہ اے ملک

چیرمین

کراچی

28 اپریل 2016

زیر غور مدت کے دوران، ایک معروف بین الاقوامی مشاورتی کمپنی، ڈیو پونٹ سسٹمز، ایمل سولوشنز کے ذریعے کمپنی کے امور میں بہتری لانے کے لئے پروسس سینفی مینجمنٹ (پی ایس ایم) نظام کی تشخیصی تحقیق انجام دی گئی۔ اس ضمن میں، ملازمین کی کیو ایچ ایس ای کے بارے میں شعور اور پختگی کی سطح کا اندازہ لگانے کے لئے پی ایس ایم نظام کی تشخیصی تحقیق کے ایک حصے کے طور پر تحفظ کے بارے میں رائے کے لئے ڈیو پونٹ سے ایک سروے بھی کرایا گیا۔

کمپنی کے موجودہ کیو ایچ ایس ای تربیتی منصوبوں کے ساتھ ساتھ تمام ملازمین کو کیو ایچ ایس ای کے بنیادی تقاضوں پر عمل پیرا کرنے کے بارے میں آگاہی دینے کے لئے ایک اضافی تربیتی مہم شروع کی گئی ہے۔ اس حوالے سے چار سال کے عرصے پر محیط پروگرام کے تحت تمام ملازمین کیلئے لازمی تربیتی نشستوں میں کیو ایچ ایس ای سے بنیادی واقفیت اور دفاعی ڈرائیونگ، آگ بجھانے اور ابتدائی طبی امداد کی خصوصی تربیت شامل ہے۔

کیو ایچ ایس ای اور ایک پلوریٹیشن شعبہ جات نے ISO اور OHSAS بین الاقوامی معیار کے سرٹیفیکیٹس کے تقاضوں پر عمل درآمد کرتے ہوئے اسے کامیابی سے برقرار رکھا۔ اس مدت کے دوران، کھدائی کی رگز کے لئے سینفی مینجمنٹ سسٹم گپ کا تجزیہ کیا گیا اور سائزنگ دکھائی کرنے والے ٹھیکیداروں کے ساتھ کام شروع کرنے سے قبل کئی ورکشاپس منعقد کی گئیں۔

افراد کی تہہ ملی کی انتظام کاری اور حادثے کی تحقیق کے لئے پروسس سینفی مینجمنٹ مینول اور معیاری طریقہ کار تیار کئے گئے ہیں۔ ٹھیکیداروں کے تحفظ، ہنگامی منصوبہ بندی اور رپڈ عمل، پیشہ وارانہ صحت، خطرات کے تجزیے اور کام کے محفوظ طریقوں کے پروٹوکول کو بھی اپ - گریڈ کیا گیا ہے۔

سوئی پور ٹیکسٹائٹ پلانٹ کے لئے رسک / خطرات کے حوالے سے معائنہ مشقیں شروع کی گئیں جن کا مقصد پلانٹ کے چالاکات کو / سے متعلق خطرات، ان کے کام کرنے کی مدت میں توسیع، ان کے ذریعے محفوظ اور قابل اعتماد آپریشنز کو یقینی بنانا اور ان کے معائنے و دیکھ بھال پر نکلنے والی لاگت کے بہتر انتظام کے لئے تجزیہ کرنا تھا۔ کیو ایچ ایس ای کے طریقہ کار کو خود کار بنانے کا عمل جس میں حادثے کی تحقیق اور خطرے کا تجزیہ شامل ہیں، شروع کیا گیا ہے تاکہ خطرات کو کم کرنے کے مربوط فلسفے اور بہتر کارکردگی کی پیمائش کی جاسکے۔

ماحولیات کے ضمن میں، کمپنی کی موجودہ ضروریات کو پورا کرنے کے لئے کچرے / فضلے کے انتظام کے کاروباری کیو ایچ ایس ای فریم ورک پر نظر ثانی کی گئی ہے۔ کندھ کوٹ اور مزرانی گیس فیلڈز میں اطراف کی ہوا کے معیار (کو بہتر کرنے کے حوالے سے) آلودگی کی نگرانی کی گئی۔ علاوہ ازیں، ہال بلاک میں پلانٹ کی تنصیب کے لئے ابتدائی ماحولیاتی جانچ کی تحقیق کا آغاز کیا گیا ہے تاکہ قانونی تقاضوں کو پورا کرتے ہوئے مستعدی سے تجزیہ کرتے ہوئے ماحولیاتی اثرات کو کم کیا جاسکے۔

18 مارچ 2016 کو ایک چارٹرڈ طیارہ جو سوئی جار ہوا تھا، جس میں اٹھارہ افراد (دس پی پی ایل کے ملازمین اور آٹھ ٹھیکیداران بشمول تین غیر ملکی) سوار تھے، نے قائد اعظم انٹرنیشنل ایئر پورٹ، کراچی میں نقصان اڑتے ہی فوری طور پر ہنگامی لینڈنگ کر دی۔ اس واقعے میں چار افراد معمولی زخمی ہوئے جنہیں بعد از علاج ہسپتال سے فارغ کر دیا گیا۔ انتظامیہ اس سلسلے میں ضروری اقدامات کر رہی ہے۔

ایڈمنسٹریٹو ریلیشنز

کمپنی کی تمام لوکیشنز بشمول سوئی گیس فیلڈ میں ہم آہنگ کاروباری ماحول اور خوش گوار صنعتی فضا کو پروان چڑھایا گیا۔ ہیڈ آفس اور ویسٹ وہارف کے ملازمین کے لئے سالانہ ایوارڈز کی تقریب فروری 2016 میں منعقد ہوئی۔

سرجری کی گئی۔ پی پی ایل کی معاونت سے کندھ کوٹ، پنجکو را اور تربت میں چلنے والے سیری ایڈیلینڈ لپروسی سینٹر کے ٹین ٹریل مریٹر سینٹر جزام، چپ دن اور اندھے پن کے تسلی بخش و مفت علاج کی فراہمی کو جاری رکھے ہوئے ہیں۔

### تعمیرات و بنیادی ڈھانچے

پی پی ایل نے ایڈس ہائی وے سے کندھ کوٹ کے ٹمبل خان گلو قبضے تک 8.5 کلومیٹر روڈ تعمیر کیا اور گوبر خان روڈ سے آدھی فیلڈ کے قریب قبضے ٹاکھرا تک لنک روڈ کی مرمت بھی کی۔ زیر غور مدت کے دوران کچہری نے آدھی فیلڈ کے نزدیک دیہات کنیال، بجرانہ تک سڑک تعمیر کی ہے۔

### تکنیکی مہارت میں اضافہ

مستالہ نزد آدھی فیلڈ میں خواتین کا وکیشنل تربیتی سینٹر تسلی بخش طریقے سے کام انجام دے رہا ہے۔ کوڑی، ضلع جاشور میں خواتین کے وکیشنل واسکل ڈیولپمنٹ سینٹر کی تعمیر مکمل ہو چکی ہے۔ وکیشنل تربیتی ادارہ، سوئی میں سلائی کا مرکز کامیابی سے شروع کر دیا گیا ہے جبکہ کیوئر لیباریٹری کی تعمیر جاری ہے۔ ہنزاق و ٹرین کیمپس، ضلع ٹنڈوالہ یار میں ایک سالہ سی ڈی گھڈڑ ڈیولپمنٹ کورس میں شرکت کے لئے ضلع ڈیرہ بگٹی، نیاری اور ساگھڑ کے 15 مقامی طلباء کو وظائف کا اجرا کیا جا چکا ہے۔

### دیگر سرگرمیاں

اس مدت کے دوران، کندھ کوٹ میں پی پی ایل-بادانی شجرکاری منصوبے کے تحت ضلع کے بادانی جنگلات کے 119 ایکڑ رقبے پر نئے پودے لگائے گئے۔

### انسانی وسائل

کچہری تکنیکی دیگر مہارتوں میں اضافے کے لئے ان-ہاؤس تربیتی پروگرام کے ذریعے ملازمین کو پیشہ وارانہ اور انفرادی ترقی کے بہتر مواقع فراہم کرتی ہے۔ عملے کی جانب سے ہندجوش روٹل اور ملازمین کی اہلیت میں اضافے کے لئے اقدامات بہتر کرنے کے بورڈ کے عزم کو مد نظر رکھتے ہوئے کچہری کے تربیتی مرکز میں ایک نئے ہال کی تعمیر کے ذریعے اسکی گنجائش دوگنی کر دی گئی جس کی بناء پر یک وقت دتر تربیتی پروگراموں کا انعقاد ممکن ہو گیا ہے جس کے ذریعے زیادہ سے زیادہ عملے کی شرکت کو یقینی بنایا گیا ہے۔

ایک اہم پیش رفت 'ای-لرن' (E-learn) - سیکھنے کے ایک آن لائن پلیٹ فارم کا آغاز ہے جس کے ذریعے ملازمین اپنے پیشہ وارانہ علوم اور مہارت میں اضافے کے لئے بین الاقوامی کورسز تک رسائی حاصل کر سکتے ہیں۔

کچہری تمام عملے کو ملازمت میں شمولیت، کیریئر میں آگے بڑھنے، ترقی، تربیت اور صلہ دینے میں یکساں مواقع فراہم کرنے پر یقین رکھتی ہے۔ تمام ملازمین کی یکساں شمولیت اور وقار کے ساتھ کام کرنے کے حق کو فروغ دینے کے رواج کو پروان چڑھانے کے لئے کام کی جگہوں پر ہراساں کرنے کی روک تھام کے حوالے سے آگاہی نشستیں شروع کی گئیں ہیں جن میں تمام ملازمین کی شرکت کو لازمی قرار دیا گیا ہے۔ مزید برآں، پی پی ایل صدر دفتر، ویسٹ دیار ف، ٹی ٹیکنک اور اسلام آباد وقار میں بائیو میٹرک ڈائم ٹیجنٹ سسٹم SAP سے مربوط کر دیا گیا ہے۔

نوجوانوں کی استعداد میں اضافے کے لئے اقدامات اور ہنرمند افراد کی فراہمی کے تسلسل کو یقینی بنانے کے کچہری کے عزم کے تحت ایک ایسوی ایٹ پروگرام شروع کیا گیا جس میں بیرونی ادارے کے تعاون سے جانچ کے ایک شفاف انتخابی عمل کے بعد 75 نوجوان گریجویٹس کو منتخب کیا گیا ہے۔ یہ دو سالہ پروگرام بین الشعبہ جاتی مہارتوں کے حصول کے لئے گریجویٹس کی روٹیشن اور تربیتی پروگرام پر مشتمل ہے جو انکی صلاحیتوں کو کئی گنا بڑھا کر کچہری کی ترقی میں معاون ثابت ہوگا۔

### معیار، محنت، تحفظ و ماحول (کیو ایچ ایس ای)

کچہری کی سینئر انتظامیہ کیو ایچ ایس ای کو پائیدار کاروباری ترقی اور منفعت کے لئے بنیادی قدر کے طور پر تسلیم کرنے کے عہد پر سختی سے کاربند ہے۔ انتظامیہ کی جانب سے متعلقہ اقدامات کا مسلسل جائزہ، عملے کی اس حوالے سے شمولیت اور قیادت کے عزم کے اظہار کے ذریعے، کچہری میں کیو ایچ ایس ای کے بہترین رواج کو فروغ دینے کا ایک اہم ذریعہ ہے۔

ناوہندگی اور کاروباری شراکت ضبط کرنے کیلئے نوٹس دینے کے عمل کو معطل کر دیا ہے اور حکومت پاکستان کو اے آر ایل کی تینوں بلاکس میں کاروباری حصہ داری ضبط کرنے کو تسلیم کرنے سے روک دیا ہے۔ معاملہ ایس ایچ سی میں انصاف طلبی کے لئے زیر التوا ہے۔

ہالڈاٹھے میں جی پی ایف-11 منصوبے کی FEED تحقیق اور بولی کے لئے منصوبے کی تفصیلات (آئی ٹی بی) کی دستاویز مکمل ہو گئی ہے۔ دریا فنی کنویں بشر 1-X (کی کھدائی) کے نتائج کے بعد بولی کے سلسلے کو آگے بڑھایا جائے گا۔

مزرانی اٹاٹھے میں پیداواری کنویں مزرانی-5 کی کھدائی کے لئے مقام کا تعین کر لیا گیا ہے اور کھدائی کے حوالے سے تیاریاں جاری ہیں۔ جون 2016 کے ادوار میں کنویں کی کھدائی کی منصوبہ بندی کی گئی ہے۔

#### پانثر۔ آپرینڈ فیلڈز

نل بلاک میں پیداواری کنویں ماڈری ایسٹ-5 کی کھدائی جاری ہے۔

نخا فیلڈ میں پیداواری کنوؤں تھپا-6 اور تھپا-7 کی کھدائی جاری ہے۔ نخا ایل پی جی/این جی ایل پلانٹ کے لئے ای پی سی سی (EPCC) منصوبہ شیڈول کے مطابق آگے بڑھ رہا ہے، جس کی تکمیل جون 2017 تک متوقع ہے۔

قادر پور فیلڈ میں قادر پور-55، ایچ آر ایل-9 اور ایچ آر ایل-10 گیس کے پیداواری کنوؤں کے طور پر مکمل ہو چکے ہیں جبکہ پیداواری کنویں قادر پور-54 کی کھدائی جاری ہے۔ لطیف بلاک میں پیداواری کنوؤں لطیف-5 ST گیس کی پیداوار دینے والے کنوئیں کے طور پر مکمل ہوا جبکہ پیداواری کنویں لطیف-14 کی کھدائی جاری ہے۔

#### کاروباری سماجی ذمہ داری (سی ایس آر)

پی پی ایل، ایک ذمہ دار کارپوریشن شہری کی حیثیت سے، معاشرے کی مقامی آبادیوں کی زندگیوں پر مثبت طرز پر اثر انداز ہونے کی روایت کو جاری رکھے ہوئے 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، بنیادی ڈھانچوں اور آب و ہوا کی فزائمی اور ماحول میں بہتری کے لئے کارفرما رہے ہیں۔

#### تعلیم

پی پی ایل ملک بھر میں اپنے پیداواری اور دریافتی علاقوں میں تعلیم کے فروغ کے لئے مسلسل کام جاری رکھے ہوئے ہے۔ حالیہ عرصے کے دوران، ڈی پی کشنر ضلع خضدار نے گورنمنٹ ہائر ہائی اسکول، کرکھ، خضدار میں پی پی ایل کے تعمیر کردہ تعلیمی بلاک کا باقاعدہ افتتاح کیا۔ پی پی ایل-ٹی ایف سیکنڈری اسکول، کندھ کوٹ، گورنمنٹ ہائر ایلمینٹری اسکول، لنگہ میں کمپیوٹر ہال اور آدھی فیلڈ کے نزدیک گورنمنٹ ہائر ہائی اسکول، ننان، جنوعد میں استانی ہال کی تعمیر مکمل ہو چکی ہے۔ ساتھ ہی بارکان، خضدار، وشوک اور آدھی فیلڈ میں سات اسکولوں کی عمارتوں اور ایک استانی ہال کی تعمیر جاری ہے۔ پی پی ایل ہائر پروفیشنل ایجوکیشن اسکالرشپ کے تحت ضلع ڈیرہ گلی، کشمور، قمبر، شہدادکوٹ، ساگھڑ اور تحصیل گوجر خان کے مقامی طلباء کو اعلیٰ پیشہ وارانہ تعلیم کے لئے وظائف دیئے گئے ہیں۔ اسی طرح، بلوچستان سے تعلق رکھنے والے طلباء کے لئے جماعت نہم تا بارہویں میں معیاری تعلیم کے حصول کی وظائف اسکیم کے تحت موزوں امیدواروں کی حتیٰ فہرست تیار کر لی گئی ہے۔

#### صحت

سوئی میں پی پی ایل پبلک ویلنٹیر ہسپتال تسلی بخش طریقے سے کام جاری رکھے ہوئے ہے جہاں یومیہ اوسطاً 250 مریضوں کو مفت علاج و معالجے اور ادویات کی سہولیات فراہم کی جاتی ہیں۔ اسی طرح، تین سو بائیل میڈیکل ڈسپنسریاں سوئی، کندھ کوٹ و چاچا اور مزرانی گیس فیلڈ کے گرد و نواح کی مقامی آبادیوں کے لئے تسلی بخش خدمات انجام دے رہی ہیں جن سے تقریباً 20,000 مریض استفادہ حاصل کر رہے ہیں۔ مزید یہ کہ ضلع ساگھڑ میں بھی گمبٹ ساؤتھ اور ہالہ فیلڈ کی مقامی آبادی کو سو بائیل میڈیکل ڈسپنسری کے ذریعے حفظانِ صحت کی ابتدائی سہولیات بہم پہنچانے کا کام شروع کرنے کے لئے ایک گاڑی خرید لی گئی ہے۔ مزید برآں، آدھی (ضلع راولپنڈی)، شہداد پور (ضلع ساگھڑ) اور بیکر (ضلع ڈیرہ گلی) میں تین روزہ مفت آئی کیسپس کا کامیابی سے انعقاد کیا گیا جس سے تقریباً 5,000 سے زائد مریضوں کی آنکھوں کا معائنہ اور 400 سے زائد مریضوں کی

## پیداواری فیڈ ز اور ان پر جاری کام

### سوئی اثاثہ

پیداواری کنوئیں سوئی-96 کی کامیابی سے کھدائی اور تکمیل کے بعد اس سے پیداوار کا آغاز کر دیا گیا۔ سوئی-94 کی کھدائی مکمل ہو چکی ہے اور اسے پیداواری نیٹ ورک سے جوڑنے کی تیاریاں جاری ہیں۔ پیداواری کنوئیں سوئی-95 کی کھدائی کا آغاز مارچ 2016 میں ہوا۔ سوئی-80 کو گہرا کرنے کے لئے اس پر ورک اور مکمل ہو چکا ہے۔ مزید یہ کہ تمام سات SML کپریٹر ڈکو بہتر بنانے/تبدیل کرنے کا کام کامیابی سے مکمل ہو چکا ہے جس سے فیڈ کی پیداواریت میں یومیہ تقریباً 130 ایم ایم ایس سی ایف کا اضافہ ہوا ہے۔

### کندھ کوٹ اثاثہ

پیداواری کنوئیں KDT-33(H) Hor کی کھدائی جنوری 2016 میں شروع کی گئی جو یومیہ 19.5 ایم ایم ایس سی ایف گیس کے بہاؤ کی جانچ کے ساتھ کامیابی سے مکمل ہوا اور اس سے پیداوار کا آغاز کر دیا گیا۔ پیداواری کنوئیں KDT-24(M) میں کی گئی تبدیلیوں/کام کے نتیجے میں گیس کی پیداوار میں تقریباً یومیہ 1.3 ایم ایم ایس سی ایف کا اضافہ ہوا ہے، ساتھ ہی effluent کنوئیں KDT-36 کی کھدائی مارچ 2016 میں شروع ہوئی جو اپریل 2016 میں مکمل ہوئی۔ مزید یہ کہ KDT-34(M) Hor کی کھدائی کا آغاز اپریل 2016 میں ہوا جو ابھی جاری ہے۔

### آدبی اثاثہ

پیداواری کنوئیں آدبی-25 (T/K) کی کھدائی کا آغاز اکتوبر 2015 میں ہوا اور اس وقت کنوئیں کی تکمیل کا کام جاری ہے۔ تیزابی عمل سے گزرنے کے بعد پیداواری کنوئیں آدبی-9 (K) نے پیداوار شروع کر دی ہے جس سے پیداواری شرح یومیہ 1 ایم ایم ایس سی ایف گیس اور 800 بی بی ایل تیل رہی۔ آدبی LPG/NGL پلانٹ-III سے پیداوار کو پرسیس کرنے کی سرگرمیوں کا آغاز نومبر 2015 میں ہوا جس کے نتیجے میں پلانٹ سے پہلی گیس حاصل ہوئی۔ اس وقت پلانٹ حالت عمل میں ہے اور گیس، ایل پی جی اور این جی ایل کی فروخت جاری ہے۔

### گمبٹ ساؤتھ/ہالہ/مراٹھی اثاثے

گمبٹ ساؤتھ اثاثے میں گیس پروسیسنگ فیکٹری (جی پی ایف)-I کے آلات کو بہتر بنا کر پلانٹ کا حصہ بنادیا گیا ہے۔ جبکہ پلانٹ کے دیگر آلات کو بہتر بنانے کا منصوبہ اپنے مقررہ شیڈول کے مطابق جاری ہے۔ جی پی ایف-II پر مکمل کام تیز رفتاری سے جاری ہے اور مئی 2016 تک اسکے آغاز کی منصوبہ بندی کی گئی ہے۔ جی پی ایف-III منصوبے کے لئے وصول شدہ یوٹیلٹی اور کاروباری تجربہ مکمل ہو چکا ہے۔ تکنیکی معیار پر پورا اترنے اور لاگت کے اعتبار سے سب سے کم بولی لگانے والے کو منصوبے پر کام کرنے کا اجازت نامہ جاری کر دیا گیا ہے۔ پیداواری کنوئیں شرف-2 کی کھدائی کا آغاز مارچ 2016 میں ہوا جو ابھی جاری ہے۔ مزید برآں، واقعی، نصر، شرف اور شہداد دریاؤں کی پیداوار کا تجارتی بنیادوں پر اعلامیہ (ڈی او سی) اور ترقیاتی و پیداواری لیز (ڈی او پی ایل) کے لئے درخواستیں حکومت پاکستان کو جمع کرا دی گئی ہیں۔

مزید یہ کہ ایشیا ریسورسز آئل لمیٹڈ (اے آراو ایل)، جو کہ گمبٹ ساؤتھ بلاک میں 10 فیصد کاروباری حصہ داری رکھتا ہے، نے کاروباری شراکت (جے اے او) کے معاہدے کے تحت اپنے حصے کے واجب الادا نقد واجبات کی ادائیگی نہیں کی ہے۔ چنانچہ کاروباری شراکت کے معاہدے میں دی گئی شرائط کی رو سے 22 ستمبر 2015 کو نادہندگی (سے نمٹنے) کے طریقہ کار کو عمل میں لایا گیا جس کے نتیجے میں بالآخر اے آراو ایل کی 10 فیصد کاروباری حصہ داری ضبط کر لی جائیگی اور اسے بلاک کے دیگر شراکت دار پی پی ایل (65 فیصد شراکت) اور گورنمنٹ ہولڈنگز پرائیویٹ لمیٹڈ (25 فیصد شراکت) شراکتی معاہدے کی رو سے حاصل کر لیں گے۔ پی پی ایل نے اسی طرز پر نوشہرہ و فیروز اور کوٹری ناتھ بلاکس میں، جہاں پی پی ایل اور اے آراو ایل کی کاروباری شراکت بالترتیب 90 فیصد اور 10 فیصد ہے، نادہندگی (سے نمٹنے) کے طریقہ کار کو اختیار کیا ہے۔

پی پی ایل نے ان بلاکس میں سے ہر ایک سے اے آراو ایل کی 10 فیصد کاروباری شراکت ضبط کر کے اسے دوسرے پارٹنرز کو منتقل کرنے کی درخواست حکومت پاکستان کو 23 دسمبر 2015 کو بھیج دی تھی۔ اے آراو ایل نے 29 فروری 2016 کو سندھ ہائی کورٹ (ایس ایچ سی) میں اس حوالے سے ایک مقدمہ دائر کر دیا۔ جس کے تحت اے آراو ایل نے کاروباری شراکت ضبط کرنے اور اسے نادہندہ قرار دینے کو چیلنج کر دیا ہے اور ایس ایچ سی سے حکم اتنائی حاصل کر لیا ہے۔ ایس ایچ سی نے اپنے حکم کے ذریعے اے آراو ایل کی

## دریافتی سرگرمیاں

کمپنی کا دریافتی پروگرام/ڈائریکٹوریٹ تین اثاثوں بنام شمالی، جنوبی اور سرحدی (سرحدی اثاثوں میں عراق، یمن اور نئے اثاثے بھی شامل ہیں) پر مشتمل ہے۔ اس وقت، کمپنی کے پاس 47 بلاکس ہیں، جن میں سے 27 پی پی ایل آپریٹڈ (بشمول عراق میں پی پی ایل ایشیا آپریٹڈ بلاک 8) ہیں اور بھاری 20 پارنٹر آپریٹڈ ہیں جن میں پاکستان میں تین آف شور بلاکس اور یمن میں دو آن شور بلاکس بھی شامل ہیں۔

موجودہ عرصے میں نئے اور جاری اقدامات حسب ذیل ہیں:

### ایکسپلوریشن کے جنوبی اثاثے

شاہ بندر بلاک میں 3D سائز مک سروے جاری ہے جبکہ کوڑی تار تھ بلاک میں عملے کو 3D سائز مک سروے کے لئے متحرک کر دیا گیا ہے۔ گمبٹ ساؤتھ بلاک میں دریافتی کنونٹس حاتم 1-X کی دریافت شدہ فارمیشن کی وسعت/حد کا اندازہ لگانے کے لئے دریافتی کنونٹس فیض 1-X کو گہرا کرنے کا عمل جاری ہے۔ گیارہویں دریافتی کنونٹس ہادی 1-X کی کھدائی میں حائل ٹیکنیکل تاقا کی باعث اسے ترک کرنے کے بعد نئے دریافتی کنونٹس ہادی 1A-X کی کھدائی کا آغاز فروری 2016 میں کر دیا گیا ہے۔ مزید برآں، بارہویں دریافتی کنونٹس تابان 1-X کی کھدائی کی تیاریاں جاری ہیں۔ ہالہ بلاک میں پانچویں دریافتی کنونٹس بشر 1-X کی کھدائی کا آغاز فروری 2016 میں ہوا جو ابھی جاری ہے۔ کوڑی بلاک میں پہلے دریافتی کنونٹس کوڑی 1-X کی کھدائی کا آغاز فروری 2016 میں ہوا جو ابھی جاری ہے۔ جبکہ دوسرے دریافتی کنونٹس کوڑی 2-X کی کھدائی کی تیاریاں جاری ہیں۔

زمزم ساؤتھ اور طیر بلاکس میں دریافتی کنوڈس بالترتیب زمزم ساؤتھ 1-X اور طیر 1-X کی کھدائی کی تیاریاں جاری ہیں۔

### ایکسپلوریشن کے شمالی اثاثے

حصال بلاک میں 2D سائز مک سروے جاری ہے۔ کرسل جناک میں پہلے دریافتی کنونٹس کی کھدائی کی تیاریاں جاری ہیں۔ صادق آباد بلاک میں دو دریافتی کنوڈس کی کھدائی کی تیاریاں جاری ہیں۔

### ایکسپلوریشن کے سرحدی اثاثے

حب بلاک میں 2D سائز مک سروے جاری ہے۔ مزرانی فیلڈ میں دریافتی کنونٹس مزرانی ڈیپ 1-X کی کھدائی کی تیاریاں جاری ہیں۔

### پارنٹر آپریٹڈ اثاثے

غوری بلاک میں 3D سائز مک سروے مکمل ہو چکا ہے جبکہ کیرتھر بلاک میں سائز مک سروے سے ڈیٹا کا حصول جاری ہے۔ جٹی بلاک میں دوسرے دریافتی کنونٹس کنڈن 1-X کو خاطر خواہ نتائج حاصل نہ ہونے (ڈرائی ہول) کی بناء پر ترک کر دیا گیا۔ ٹل بلاک میں دریافتی کنوڈس باکوڑی ڈیپ 1-X اور ٹولنج ڈیسٹ 1-X کی کھدائی جبکہ ٹولنج ساؤتھ 1-X کی جانچ جاری ہے۔ مزید یہ کہ اس بلاک میں گریوٹی (gravity) سروے 70 فیصد مکمل ہو چکا ہے جبکہ بقیہ 30 فیصد سکیورٹی میسر ہونے پر ریکارڈ کر لیا جائے گا۔ نیپا بلاک میں دریافتی کنوڈس 5-X ذخیرے کے نئے کمپارٹمنٹ (حصے) میں تیل و گیس کی دریافت پر مکمل ہوا جبکہ دریافتی کنونٹس شادا 1-X کی کھدائی جاری ہے۔

## فروخت آمدن

موجودہ مدت میں تقابلی عرصے کے مقابلے میں فروخت آمدن میں 21,351 ملین روپے کی کمی آئی ہے۔ خام تیل کی قیمت اور فروخت کے حجم/مقدار میں منفی تبدیلی کی وجہ سے بالترتیب 24,346 ملین روپے اور 883 ملین روپے کا منفی انحراف 3,878 ملین روپے کی شرح تبدیلی کے مثبت تغیر سے جزوی طور پر زائل ہوا۔

حجم/مقدار کا منفی تغیر تیل کی فروخت کے حجم میں 8 فیصد کمی کے مجموعی اثر سے منسوب ہے جسے گیس کی فروخت کے حجم میں 2 فیصد اور ایل پی جی کی فروخت کے حجم میں 15 فیصد اضافے نے جزوی طور پر زائل کیا ہے۔ تیل کی فروخت کے حجم میں منفی تغیر ٹیل، ہالہ، آدھی، خنپا اور غوری فیلڈز سے حجم میں کمی کی بناء پر ظاہر ہوا جبکہ گیس کی فروخت کے حجم میں اضافہ دراصل سوئی، آدھی، میانو ٹیل، چاچڑ، ہالہ اور خنپا فیلڈز سے زیادہ پیداوار اور مارچ 2015 کے دوران گھٹ ساؤتھ سے پیداوار کے آغاز سے ہوا جس نے کندھ کوٹ، لطیف، نقاد پور، مزرانی، کیرتھر، گھٹ اور ساون فیلڈز سے گیس کی فروخت کے حجم میں ہونے والی کمی کی جزوی تلافی بھی کی۔ ایل پی جی کی فروخت کے حجم میں اضافہ دراصل ٹیل فیلڈز سے پیداوار میں اضافے سے ہوا۔

پی پی ایل۔ آپریٹنگ اور پائٹنر آپریٹنگ فیلڈز سے فروخت کے حجم میں کمی کے حصے کا تقابلی جائزہ حسب ذیل ہے:

نواہ کا اختتام	نواہ کا اختتام	یونٹ	
نواہ کا اختتام	نواہ کا اختتام		
31 مارچ، 2015	31 مارچ، 2016		
199,751	203,431	ایم ایم سی ایف	قدرتی گیس
4,114,691	3,790,665	بی پی ایل	خام تیل/قدرتی گیس مائع (این جی ایل)/کنڈنسیٹ
42,554	48,826	ٹن	مائع پٹرولیم گیس (ایل پی جی)

## منفعت

فروخت آمدن میں کمی کے ساتھ ساتھ کمپنی کے منافع میں بھی کمی ہوئی ہے جس کی بنیادی وجہ فیلڈ کے اخراجات میں 2,634 ملین روپے تک کا اضافہ ہے جو تقابلی عرصے سے تقریباً 9 فیصد زائد ہے۔ فیلڈ کے اخراجات میں اضافے کی اہم وجہ جنگ شاہی بلاک میں نوری آباد X-1، جٹی بلاک میں جھم X-1 اور کنڈن X-1، گھٹ بلاک میں دلجان ایسٹ، ساؤتھ ویسٹ میانو 11 بلاک میں مصری بھمبر X-1، زندان بلاک میں لکی X-1 اور ٹیل بلاک میں ملکن X-1 کنوڈس کی کھدائی پر ہونے والے اخراجات، جنہیں کوئی دریافت نہ ہونے کی بناء پر ترک کر دیا گیا ساتھ ہی صادق آباد، گھٹ ساؤتھ، شاہ بندر، بیلا ویسٹ، حب، کچھر ویسٹ، کیرتھر اور غوری بلاکس میں سائزنگ سرگرمیوں پر ہونے والے اخراجات ہیں۔

مندرجہ بالا کے علاوہ، کمپنی کی منفعت پر ہونے والا اثر، اسکی آمدنی کی مدد میں غیر نقدی خرچ کے طور پر پیش کئے گئے، پی پی ایل یورپ ائی اینڈ پی کمپنی لمیٹڈ میں اسکی سرمایہ کاری سے 2,207 ملین روپے (جو پچھلے متعلقہ عرصے میں 2,457 ملین روپے تھا) کے ہونے والے کمپنی کے تسلیم شدہ خسارے کی وجہ سے بھی ہوا ہے جو اس اثاثے کی مروجہ قیمت میں ہونے والی مسلسل کمی کی بناء پر ہے۔ خسارے کی اہم وجہ خام تیل کی گرتی ہوئی قیمتیں ہیں۔ تفصیلات نوٹ 6.1 پر غیر اشتمال شدہ عبوری مالیاتی گوشواروں کے خلاصے اور نوٹ 6.2 میں اشتمال شدہ عبوری مالیاتی گوشواروں کے خلاصے میں ملاحظہ کریں۔

## کاروباری حکمت عملی اور اہم شعبہ جات

کمپنی کے آپریٹنگ کاروباری حکمت عملی کے مطابق دریافتی و پیداواری اور کھدائی کی سرگرمیوں کو بڑھا کر پیداوار میں زیادہ سے زیادہ اضافے پڑھتی ہیں۔



## ڈائریکٹران کا عبوری جائزہ

آپ کے ڈائریکٹران 31 مارچ، 2016 کو ختم ہونے والے نو ماہ کے غیر آڈٹ شدہ عبوری مالیاتی گوشواروں کا خلاصہ اور کمپنی کے اسود کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

آپریٹل و مالیاتی جھلکیاں / اہم نکات

آپریٹل جھلکیاں / آپریٹرز کے اہم نکات

31 مارچ، 2016 کو ختم ہونے والے نو ماہ کے دوران اہم کاروباری آپریٹرز حسب ذیل ہیں:

دریافتیں:

گزشتہ سال اس مدت میں چار دریافتوں کے مقابلے میں، زیر جائزہ عرصے میں چھ دریافتیں ہوئی ہیں، جو پی پی ایل آپریٹڈ بلاکس: گمبٹ ساؤتھ بلاک میں دو (نویں دریافتی کنونٹیں کیئر X-1 اور دسویں دریافتی کنونٹیں حاتم X-1)، ہالہ بلاک میں (چوتھے دریافتی کنونٹیں فضل X-1) اور ڈھوک سلطان بلاک میں (پہلے دریافتی کنونٹیں ڈھوک سلطان X-1)، پائرنٹ آپریٹڈ بلاکس: لطیف بلاک میں (دریافتی کنونٹیں لطیف ساؤتھ 1) اور خپا بلاک میں (دریافتی کنونٹیں خپا 5-X) پر مشتمل ہیں۔

سائز کم سرگرمیاں:

پی پی ایل آپریٹڈ بلاکس میں 1,122 لائن کلومیٹرز اور 853 مربع کلومیٹرز پر بالترتیب 2D اور 3D سائز کم سر دے کئے گئے جس کی شرح گزشتہ سال کے اسی دورانیے کے مقابلے میں آپریٹل تقاضوں کے تحت 2D میں 8 فیصد اور 3D میں 40 فیصد کم ہے۔

کھدائی کی سرگرمیاں:

موجودہ مدت میں پی پی ایل آپریٹڈ بلاکس میں پندرہ کنونٹیں (سات دریافتی اور آٹھ پیداواری کنونٹیں) کھودے گئے جبکہ پچھلے سال اسی عرصے کے دوران دس کنونٹیں (چھ دریافتی اور چار پیداواری کنونٹیں) کھودے گئے تھے۔

مالیاتی جھلکیاں / مالیاتی سرگرمیوں کے اہم نکات

31 مارچ، 2016 کو ختم ہونے والے نو ماہ میں کمپنی کے اہم مالیاتی نتائج حسب ذیل ہیں:

نواہ کا اختتام 31 مارچ، 2015	نواہ کا اختتام 31 مارچ، 2016	
ملین روپے		
80,584	59,233	فروخت آمدن (خالص)
43,588	21,653	قبل از ٹیکس منافع
(13,640)	(6,088)	ٹیکس
29,948	15,565	بعد از ٹیکس منافع
15.19	7.89	بنیادی اور تحلیل شدہ آمدن فی شیئر (روپے)

# Unconsolidated Condensed Interim Financial Statements

**PAKISTAN PETROLEUM LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET**  
**AS AT MARCH 31, 2016**

	Note	March 31, 2016 Unaudited	June 30, 2015 Audited
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed assets</b>			
Property, plant and equipment	5	107,059,878	93,773,934
Intangible assets		259,022	259,294
		<u>107,318,900</u>	<u>94,033,228</u>
Long-term investments	6	64,413,160	53,701,019
Long-term loans		22,695	1,172,140
Long-term deposits		795,176	765,176
Long-term receivables		253,352	315,418
		<u>172,803,283</u>	<u>149,986,981</u>
<b>CURRENT ASSETS</b>			
Stores and spares		4,623,005	3,890,333
Trade debts	7	56,872,722	58,754,078
Loans and advances		2,936,891	2,156,096
Trade deposits and short-term prepayments		201,856	76,791
Interest accrued		821,544	1,435,212
Current maturity of long-term investments	6	182,953	648,238
Current maturity of long-term receivables		62,066	60,632
Other receivables		1,271,514	7,022,637
Short-term investments		13,496,000	21,455,000
Taxation - net		943,617	922,998
Cash and bank balances		4,293,277	1,266,827
		<u>85,705,445</u>	<u>97,688,842</u>
<b>TOTAL ASSETS</b>		<u><b>258,508,728</b></u>	<u><b>247,675,823</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		19,717,295	19,717,295
Reserves		175,481,591	172,239,921
		<u>195,198,886</u>	<u>191,957,216</u>
<b>NON-CURRENT LIABILITIES</b>			
Provision for decommissioning obligation		12,194,937	11,731,814
Liabilities against assets subject to finance leases		226,944	209,647
Deferred liabilities		2,274,516	2,098,135
Deferred taxation	8	23,064,883	18,691,138
		<u>37,761,280</u>	<u>32,730,734</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	25,441,700	22,870,753
Current maturity of liabilities against assets subject to finance leases		106,862	108,120
		<u>25,548,562</u>	<u>22,987,873</u>
<b>TOTAL LIABILITIES</b>		<u><b>63,309,842</b></u>	<u><b>55,718,607</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>258,508,728</b></u>	<u><b>247,675,823</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

  
**CHIEF EXECUTIVE**

  
**CHIEF EXECUTIVE**

**PAKISTAN PETROLEUM LIMITED**

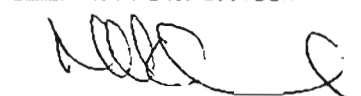
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**


**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

	Note	Quarter ended March 31, 2016	Quarter ended March 31, 2015	Nine months ended March 31, 2016	Nine months ended March 31, 2015
		Rs '000		Rs '000	
Sales - net	11	18,114,119	22,773,613	59,232,602	80,584,455
Field expenditures	12	(11,107,426)	(11,006,901)	(31,081,264)	(28,446,899)
Royalties		(2,037,060)	(2,611,846)	(6,820,719)	(9,431,942)
		(13,144,486)	(13,618,747)	(37,901,983)	(37,878,841)
		4,969,633	9,154,866	21,330,619	42,705,614
Other income	13	1,151,587	2,017,179	4,162,557	6,048,400
Other operating expenses	14	(297,808)	(551,690)	(3,347,131)	(4,751,063)
Finance costs	15	(165,026)	(138,239)	(492,932)	(415,076)
Profit before taxation		5,658,386	10,482,116	21,653,113	43,587,875
Taxation	16	(1,851,301)	(2,673,134)	(6,088,183)	(13,639,941)
Profit after taxation		3,807,085	7,808,982	15,564,930	29,947,934
Basic and diluted earnings per share (Rs)	19	1.93	3.96	7.89	15.19

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

  
CHIEF EXECUTIVE

  
CHIEF EXECUTIVE

**PAKISTAN PETROLEUM LIMITED**

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

	Quarter ended March 31, 2016	Quarter ended March 31, 2015	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	Rs '000		Rs '000	
Profit after taxation	3,807,085	7,808,982	15,564,930	29,947,934
Other comprehensive income	-	-	-	-
Total comprehensive income	<u>3,807,085</u>	<u>7,808,982</u>	<u>15,564,930</u>	<u>29,947,934</u>

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

  
CHIEF FINANCIAL OFFICER



DIRECTOR

  
CHIEF EXECUTIVE

  
CHIEF EXECUTIVE

**PAKISTAN PETROLEUM LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

Note	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	Rs '000	

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash receipts from customers	80,126,154	97,456,200
Receipts of other income	488,791	332,624
Cash paid to suppliers / service providers and employees	(19,184,305)	(22,768,129)
Payment of indirect taxes and Government levies including royalties	(25,088,625)	(28,830,380)
Income tax paid	(1,735,057)	(10,668,735)
Finance costs paid	(29,809)	(28,456)
Long-term loans (net)	3,951	(187,502)
Net cash generated from operating activities	34,581,100	35,285,622

**CASH FLOWS FROM INVESTING ACTIVITIES**

Capital expenditure (net)	(20,393,221)	(18,248,980)
Proceeds from sale of property, plant and equipment	23,645	19,466
Purchase of long-term investments	(15,420,394)	(4,540,537)
Disposal / redemption of long-term investments	3,138,054	2,930,020
Long-term deposits	(30,000)	-
Long-term receivables	60,632	-
Financial income received	4,070,703	5,083,430
Net cash used in investing activities	(28,550,581)	(14,756,601)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payment of liabilities against assets subject to finance leases	(88,109)	(82,303)
Dividends paid	(10,874,960)	(20,757,169)
Net cash used in financing activities	(10,963,069)	(20,839,472)
Net decrease in cash and cash equivalents	(4,932,550)	(310,451)
Cash and cash equivalents at the beginning of the period	22,721,827	21,625,912
Cash and cash equivalents at the end of the period	17,789,277	21,315,461

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

  
**CHIEF EXECUTIVE**

  
**CHIEF EXECUTIVE**

**PAKISTAN PETROLEUM LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

Subscribed and paid-up share capital	Capital reserve	Revenue reserves					Total reserves	Total
		General and contingency reserve	Insurance reserve	Assets acquisition reserve	Dividend equalisation reserve	Unappropriated profit		
Ordinary	Convertible preference							
19,717,157	138	69,761	29,021,894	18,751,980	5,000,000	109,355,000	162,198,635	181,917,358
-	-	-	-	-	-	29,947,934	29,947,934	29,947,934
-	-	-	-	-	-	29,947,934	29,947,934	29,947,934
-	-	-	5,000,000	-	-	(5,000,000)	-	-
-	-	-	-	5,000,000	-	(5,000,000)	-	-
14	(14)	-	-	-	-	-	-	-
-	-	-	-	-	-	(14,787,878)	(14,787,878)	(14,787,878)
-	-	-	-	-	-	(8,872,727)	(8,872,727)	(8,872,727)
-	-	-	-	-	-	(37)	(37)	(37)
19,717,171	124	69,761	34,021,894	23,751,980	5,000,000	109,394,858	168,487,355	188,204,650
19,717,171	124	69,761	34,021,894	23,751,980	5,000,000	109,394,858	172,238,493	191,957,216
-	-	-	-	-	-	15,564,930	15,564,930	15,564,930
2	(2)	-	-	-	-	15,564,930	15,564,930	15,564,930
-	-	-	-	-	-	(7,886,868)	(7,886,868)	(7,886,868)
-	-	-	-	-	-	(4,436,364)	(4,436,364)	(4,436,364)
-	-	-	-	-	-	(28)	(28)	(28)
19,717,173	122	69,761	34,021,894	23,751,980	5,000,000	112,636,528	175,480,163	195,198,886

The annexed notes 1 to 31 form an integral part of these unconsolidated condensed interim financial statements.

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

  
**CHIEF EXECUTIVE**

  
**CHIEF EXECUTIVE**

# **Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)**

For the nine months period ended March 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. The registered office of the Company 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 subsidiaries and Bolan Mining Enterprises (BME) have been accounted for at cost less accumulated impairment losses, if any.

There has been no change in the investment in subsidiaries, BME and joint arrangements, as disclosed in note 6 and note 33 to the audited unconsolidated financial statements for the year ended June 30, 2015.

1.3. The Sui Mining Lease expired on May 31, 2015. Accordingly, application for extension / renewal was filed by the Company with the Government of Pakistan (GoP). The GoP, through SRO. (I)/2015 dated May 30, 2015, allowed the Company to continue production from the Sui Mining Lease area for a further period of one year with effect from the expiry of the existing lease period i.e. May 31, 2015.

The management is confident that the Company will be allowed further extension in order to continue production from the Sui Mining Lease.

## **2. BASIS OF PREPARATION**

2.1. The 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 where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2. These unconsolidated condensed interim financial statements are unaudited and do not include all the information and disclosures required in the annual unconsolidated financial statements and should be read in conjunction with the audited unconsolidated financial statements of the Company for the year ended June 30, 2015.



# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

---

## 2.3. Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

Following standards, amendments to standards and interpretations have been published and are mandatory for accounting periods beginning on or after July 1, 2015 and are considered to be relevant to the Company's operations.

- IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in determination of control where this is difficult to assess. The single model to be applied in the control analysis requires that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Standard has made consequential changes to IAS 27 which is now called 'Separate Financial Statements' and will deal with only separate financial statements. However, the aforesaid revision in control framework has no impact on the Company's financial statements.
- Under IFRS 11 'Joint Arrangements', the Company classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Company's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Company considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. The Company has assessed the nature of its joint arrangements and determined them to be joint operations. In respect of investment in BME, the Company has a Joint Venture Agreement with Government of Balochistan. In view of possible changes the final assessment of the subject arrangement is expected to be finalised by the year end.
- IFRS 12 'Disclosure of interest in Other entities' combines the disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structured entities, into one place. The standard will affect some disclosures in the financial statements of the Company.
- IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirement for use across IFRSs. The requirement does not extend the use of fair value accounting but provides guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. The standard affects the determination of fair value and its related disclosures in the financial statements of the Company.

Other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2015 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

---

## 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, 2015.

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 the unconsolidated condensed interim financial statements.

## 4. ACCOUNTING ESTIMATES, 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 use judgments that affect the application of 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 recognized prospectively commencing from the period of revision.

Judgments and estimates 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, 2015.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2015.

### 4.1. Implication of revised IFRS-2 (Share Based Payments) on 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 2.2 to the audited unconsolidated financial statements for the year ended June 30, 2015. The management believes that the Scheme is being revamped by the Government of Pakistan (GoP) and all claims and disbursements to 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, 2015: Rs 18,879 million).

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

March 31, 2016 Unaudited	June 30, 2015 Audited
----- Rs '000 -----	

## 5. PROPERTY, PLANT AND EQUIPMENT

Opening Net Book Value (NBV)	58,800,380	58,696,396
Additions to:		
- owned assets	10,474,776	14,582,404
- assets subject to finance leases	44,934	161,547
	10,519,710	14,743,951
	69,320,090	73,440,347
Disposals / adjustments during the period / year (NBV)	(14,758)	(5,467,587)
Depreciation / amortisation charged during the period / year	(7,112,269)	(9,172,380)
	62,193,063	58,800,380
Capital work-in-progress - note 5.1	44,866,815	34,973,554
	<b>107,059,878</b>	<b>93,773,934</b>

### 5.1. Capital work-in-progress

Plant, machinery, fittings and pipelines	10,681,855	10,663,290
Prospecting and development expenditures	20,150,932	11,634,341
Land, buildings and civil constructions	170,031	384,023
Capital stores for drilling and development	13,863,997	12,291,900
	<b>44,866,815</b>	<b>34,973,554</b>

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	March 31, 2016 Unaudited	June 30, 2015 Audited
	----- Rs '000 -----	
<b>6. LONG-TERM INVESTMENTS</b>		
<b>Investment in related parties</b>		
- <b>Wholly owned subsidiaries</b>		
- The Pakistan Petroleum Provident Fund Trust Company (Private) Limited	1	1
- PPL Europe E&P Limited (PPLE) - note 6.1	8,103,972	10,311,467
- PPL Asia E&P B.V. (PPLA)	7,870,946	7,870,946
	15,974,919	18,182,414
- <b>Investment in BME</b>	15,000	15,000
<b>Other investments</b>		
- <b>Held-to-maturity</b>		
- Term Finance Certificates (TFCs)	99,760	99,780
- Pakistan Investment Bonds (PIBs)	22,338,460	22,523,986
- GoP Ijara Sukuk	-	500,000
- Local currency term deposits with banks	2,000,000	2,000,000
- Foreign currency term deposits with banks	14,461,196	11,028,077
	38,899,416	36,151,843
- <b>Designated at fair value through profit or loss</b>		
- Mutual Funds	9,706,778	-
Less: Current maturities		
- TFCs	(33,267)	(40)
- PIBs	(149,686)	(148,198)
- GoP Ijara Sukuk	-	(500,000)
	(182,953)	(648,238)
	<b>64,413,160</b>	<b>53,701,019</b>

**6.1.** During the period, the Company carried out impairment testing of its investment in PPLE as required under IAS 36 'Impairment of Assets'. The Company considers the relationship between international crude oil prices and carrying value of its investment, among other factors, when reviewing for indicators of impairment. As at December 31, 2015, the international crude oil prices had further declined as compared to the forecasted oil prices used for the evaluation of recoverable amount of the investment as at June 30, 2015, indicating a potential impairment of its investment. The recoverable amount of the investment is Rs 8,104 million, which has been determined using the 'value-in-use' computations.

In assessing the value-in-use, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the expected reserves and fields' profile. The pre-tax discount rate applied to cash flow projections is 15.11 % (June 30, 2015: 15.50%).

As a result of the factors explained above, the Company has recorded a non-cash charge to income of Rs 2,207 million as impairment loss during the period and reduced the carrying amount of the investment accordingly.

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

As at March 31, 2016, the international crude oil prices have slightly appreciated as compared to the prices prevailing as at December 31, 2015, therefore, the impairment calculation has not been revised due to immaterial effect.

March 31, 2016 Unaudited	June 30, 2015 Audited
----- Rs '000 -----	

## 7. TRADE DEBTS

### Unsecured and considered good

#### Related parties

Central Power Generation Company Limited  
(GENCO-II)  
Sui Northern Gas Pipelines Limited (SNGPL)  
Sui Southern Gas Company Limited (SSGCL)  
Pak-Arab Refinery Limited (PARCO)

7,121,467	8,787,638
21,626,767	17,911,494
21,881,251	22,420,463
1,553,733	740,110
52,183,218	49,859,705

#### Non-related parties

Attock Refinery Limited (ARL)  
National Refinery Limited (NRL)  
Others

3,242,314	7,763,800
739,493	626,508
707,697	504,065
4,689,504	8,894,373
56,872,722	58,754,078

### Unsecured and considered doubtful

#### Non-related party

Byco Petroleum Pakistan Limited (Byco)  
Less: Provision for doubtful debts

1,156,220	1,156,220
(1,156,220)	(1,156,220)
-	-
56,872,722	58,754,078

### 7.1. The ageing of trade debts is as follows:

Neither past due nor impaired	13,469,524	17,974,406
Past due but not impaired:		
Related parties		
- within 90 days	15,889,781	13,230,409
- 91 to 180 days	11,709,894	9,896,373
- over 180 days	12,570,006	13,947,846
	40,169,681	37,074,628
Non-related parties		
- within 90 days	2,853,727	3,589,442
- 91 to 180 days	141,738	16,875
- over 180 days	238,052	98,727
	3,233,517	3,705,044
	56,872,722	58,754,078

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

- 7.2. Trade debts include overdue amount of Rs 39,513 million (June 30, 2015: Rs 37,073 million) receivable from the State controlled utility companies (GENCO-II, SNGPL and SSGCL) and Rs 5,046 million (June 30, 2015: Rs 4,863 million) overdue receivable from refineries (ARL, Byco, PARCO, NRL and Pakistan Refinery Limited) and various LPG customers.

Based on the measures being undertaken by the Government of Pakistan (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.

March 31, 2016 Unaudited	June 30, 2015 Audited
----- Rs '000 -----	

## 8. DEFERRED TAXATION

(Deductible) / taxable temporary differences arising on account of:

Exploration expenditure	(2,910,000)	(3,332,000)
Provision for staff retirement and other benefits	(705,100)	(928,386)
Provision for obsolete / slow moving stores	(40,553)	(41,861)
Provision for doubtful debts	(462,488)	(462,488)
Provision for decommissioning obligation	(337,245)	(444,393)
Amortisation of intangible assets	489	2,048
Accelerated tax depreciation allowances	6,419,948	5,848,653
Exploratory wells cost	8,202,838	7,755,838
Prospecting and development expenditures	12,912,349	10,288,414
Others	(15,355)	5,313
	<b>23,064,883</b>	<b>18,691,138</b>

## 9. TRADE AND OTHER PAYABLES

Creditors	126,447	536,042
Accrued liabilities	4,791,908	3,925,183
Security deposits from LPG distributors	667,233	602,618
Retention money	31,745	57,913
Unpaid and unclaimed dividends	1,679,954	231,654
Gas development surcharge (GDS)	6,078,618	5,162,115
Gas infrastructure development cess (GIDC)	1,611,609	1,957,188
Sales tax (net)	494,917	-
Royalties	3,039,036	5,191,988
Current accounts with joint operations partners	5,610,061	4,348,976
Liabilities for staff retirement benefit plans	-	803,071
Workers' Profits Participation Fund (WPPF)	1,139,636	-
Others	170,536	63,005
	<b>25,441,700</b>	<b>22,879,753</b>

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

## 10. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and commitments as disclosed in the audited annual unconsolidated financial statements for the year ended June 30, 2015.

Nine months ended March 31, 2016	Nine months ended March 31, 2015
----- Rs '000 -----	

## 11. SALES - net

### Gross sales

Natural gas	58,834,375	66,231,299
Gas supplied to Sui villages	161,455	284,033
Internal consumption of gas	94,720	141,532
Crude oil / Condensate / NGL	16,525,023	31,464,165
LPG	2,629,225	3,142,801
	<b>78,244,798</b>	<b>101,263,830</b>

### Government levies

Federal excise duty	(1,416,435)	(1,397,884)
Sales tax	(9,043,974)	(10,216,111)
GDS	(6,847,662)	(5,354,789)
GIDC	(1,704,125)	(3,710,591)
	<b>(19,012,196)</b>	<b>(20,679,375)</b>
	<b>59,232,602</b>	<b>80,584,455</b>

## 12. FIELD EXPENDITURES

Exploration	10,455,223	7,670,563
Development and drilling - note 12.1	5,165,526	5,090,797
Depreciation	3,197,711	3,122,935
Amortisation of intangible assets	84,673	136,774
Amortisation of decommissioning cost	426,936	923,872
Amortisation of prospecting and development expenditures	3,487,622	3,344,687
Salaries, wages, welfare and other benefits	6,847,834	6,159,224
Employees' medical benefits	347,232	327,399
Manpower development	55,858	36,303
Travelling and conveyance	440,097	428,514
Communication	26,194	23,792
Stores and spares consumed	1,058,133	1,123,259
Fuel and power	171,800	216,205
Rent, rates and taxes	96,578	79,550
Insurance	392,352	423,648
Repairs and maintenance	402,858	320,367
Professional services	61,287	41,100
Auditors' remuneration	5,311	3,308
Free supply of gas to Sui villages	161,455	284,033
Donations	21,642	82,501
Social welfare / community development	46,020	47,466
Other expenses	130,137	114,719
	<b>33,082,479</b>	<b>30,001,016</b>
Recoveries	<b>(2,001,215)</b>	<b>(1,554,117)</b>
	<b>31,081,264</b>	<b>28,446,899</b>

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

- 12.1. These are net of insurance claim received of Rs 1,017 million (March 2015: Rs 97 million) during the current period in respect of sabotage activity at Sui gas field during the year ended June 30, 2011.

Nine months ended March 31, 2016	Nine months ended March 31, 2015
----- Rs '000 -----	

## 13. OTHER INCOME

### Income from financial assets

Income on loans and bank deposits  
Income on term deposits  
Income on long-term held-to-maturity investments  
Income from investment in treasury bills  
Gain on re-measurement / disposal of investments  
designated at fair value through profit or loss (net)

222,675	338,878
878,957	1,485,983
2,046,132	2,269,864
94,423	293,360
217,791	812,042
3,459,978	5,200,127

### Income from assets other than financial assets

Rental income on assets  
Profit on sale of property, plant and equipment (net)  
Profit on sale of stores and spares (net)  
Exchange gain on foreign currency  
Share of profit on sale of LPG  
Others

174,726	62,166
14,247	8,440
1,332	12,164
367,466	507,211
129,493	246,508
15,315	11,784
702,579	848,273
4,162,557	6,048,400

## 14. OTHER OPERATING EXPENSES

WPPF  
Impairment loss - note 6.1

1,139,636	2,294,104
2,207,495	2,456,959
3,347,131	4,751,063

## 15. FINANCE COSTS

Interest on WPPF  
Finance charges for liabilities against assets subject to  
finance leases  
Unwinding of discount on decommissioning  
obligation

-	76
29,809	28,380
463,123	386,620
492,932	415,076

## 16. TAXATION

Current  
- For the nine months period  
- For the prior year  
  
Deferred

2,187,381	10,116,867
(472,943)	97,246
1,714,438	10,214,113
4,373,745	3,425,828
6,088,183	13,639,941



# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

## 17. CASH AND CASH EQUIVALENTS

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
Cash and bank balances	4,293,277	5,735,461
Short-term highly liquid investments	13,496,000	15,580,000
	<b>17,789,277</b>	<b>21,315,461</b>

## 18. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise state controlled entities, subsidiary companies, associated companies, joint arrangements, 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:

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	<b>Rs '000</b>	<b>Rs '000</b>
<b>Sale of gas to State controlled entities (including Government Levies)</b>		
- GENCO-II	13,328,953	15,777,455
- SSGCL	11,636,179	12,013,619
- SNGPL	33,869,242	38,440,226
	<b>58,834,374</b>	<b>66,231,300</b>
<b>Trade debts and other receivables from State controlled entities</b>	<b>50,967,199</b>	<b>47,494,010</b>
<b>Transactions with subsidiaries</b>		
Receivable from PPLA	264	23,228
Receivable from PPLA, Iraq Branch	24,298	201,178
Receivable from PPLE	6,284	-
Interest income on loan to PPLE	30,658	17,667
Loan receivable from PPLE	1,175,967	1,145,495
Payment of employees cost on secondment	43,139	22,190
Deposit for Bank Guarantee on behalf of PPLE - Block 29, Yemen	787,500	757,500
<b>Transactions with Associated Companies</b>		
Sales of crude oil / condensate	3,636,024	4,308,302
<b>Transactions with Bolan Mining Enterprises</b>		
Purchase of goods	83,487	60,825
Reimbursement of employee cost on secondment	19,476	15,397

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	Rs '000	
<b>Transactions with Joint Operations</b>		
Payments of cash calls to joint operations	32,331,565	27,637,623
Expenditures incurred by the joint operations	33,844,232	27,709,732
Current account receivables relating to joint operations	966,207	2,915,003
Current account payables relating to joint operations	157,695	123,503
Under advance balances relating to joint operations	3,816,534	779,441
Income from rental of assets to joint operations	174,726	62,166
<b>Other related parties</b>		
Dividends to GoP	8,319,129	15,972,728
Dividend to Trust under BESOS	579,876	1,087,268
Transactions with retirement benefit funds	620,951	560,043
Remuneration to key management personnel	1,654,847	1,235,374
Payment of rental to Pakistan Industrial Development Corporation	59,367	49,881
Payment to National Insurance Company Limited (NICL)	700,876	429,937
Insurance Claim received from NICL	1,016,812	97,153
Payment to Pakistan State Oil Company Limited	302,329	369,534
<b>18.1. Aggregate amount charged in these unconsolidated condensed interim financial statements in respect of fees paid to seven non-executive directors was Rs 10 million (March 2015: Rs 11 million to thirteen non-executive directors).</b>		
	Nine months ended March 31, 2016	Nine months ended March 31, 2015
<b>19. EARNINGS PER SHARE</b>		
<b>19.1. Basic earnings per share</b>		
Profit after taxation (Rs'000)	15,564,930	29,947,934
Dividend on convertible preference shares (Rs'000)	(37)	(37)
Profit attributable to ordinary shareholders (Rs'000)	15,564,893	29,947,897
<b>Weighted average number of ordinary shares in issue</b>	1,971,717,120	1,971,716,748
<b>Basic earnings per share (Rs)</b>	7.89	15.19

# Notes to and Forming Part of the Unconsolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
<b>19.2. Diluted earnings per share</b>		
Profit after taxation (Rs'000)	15,564,930	29,947,934
Weighted average number of ordinary shares in issue	1,971,717,120	1,971,716,748
Adjustment for convertible preference shares	12,335	12,707
Weighted average number of ordinary shares for diluted earnings per share	1,971,729,455	1,971,729,455
<b>Diluted earnings per share (Rs)</b>	<b>7.89</b>	<b>15.19</b>

## 20. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on April 28, 2016 by the Board of Directors of the Company.

## 21. GENERAL

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

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE



CHIEF EXECUTIVE

# Consolidated Condensed Interim Financial Statements

**PAKISTAN PETROLEUM LIMITED**  
**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET**  
**AS AT MARCH 31, 2016**

	Note	March 31, 2016 Unaudited	June 30, 2015 Audited
		----- Rs '000 -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Property, plant and equipment	6	117,406,069	106,696,685
Intangible assets		259,022	259,294
		<u>117,665,091</u>	<u>106,955,979</u>
Equity-accounted investment		1,191,687	973,687
Long-term investments	7	48,423,242	35,503,606
Long-term loans		22,695	26,646
Long-term deposits		795,176	765,176
Long-term receivables		253,352	315,418
		<u>168,351,243</u>	<u>144,540,512</u>
<b>CURRENT ASSETS</b>			
Stores and spares		4,623,005	3,890,333
Trade debts	8	56,984,845	58,892,017
Loans and advances		1,760,924	2,156,096
Trade deposits and short-term prepayments		207,989	81,327
Interest accrued		822,231	1,420,963
Current maturity of long-term investments	7	182,953	648,238
Current maturity of long-term receivables		62,066	60,632
Other receivables		1,587,361	7,191,851
Short-term investments	9	22,764,442	29,610,259
Taxation - net		583,405	743,599
Cash and bank balances		5,017,101	3,178,177
		<u>94,596,322</u>	<u>107,873,492</u>
<b>TOTAL ASSETS</b>		<u><b>262,947,565</b></u>	<u><b>252,414,004</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		19,717,295	19,717,295
Reserves		177,645,070	173,552,154
		<u>197,362,365</u>	<u>193,269,449</u>
<b>NON-CURRENT LIABILITIES</b>			
Provision for decommissioning obligation		12,548,670	12,068,746
Liabilities against assets subject to finance leases		226,944	209,647
Deferred liabilities		2,274,516	2,098,135
Deferred taxation	10	24,027,433	20,829,177
		<u>39,077,563</u>	<u>35,205,705</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	26,400,775	23,830,730
Current maturity of liabilities against assets subject to finance leases		106,862	108,120
		<u>26,507,637</u>	<u>23,938,850</u>
<b>TOTAL LIABILITIES</b>		<u><b>65,585,200</b></u>	<u><b>59,144,555</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>262,947,565</b></u>	<u><b>252,414,004</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	12		

The annexed notes 1 to 23 form an integral part of these consolidated condensed interim financial statements.

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

  
**CHIEF EXECUTIVE**

  
**CHIEF EXECUTIVE**

**PAKISTAN PETROLEUM LIMITED**

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**

**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

		Quarter ended March 31, 2016	Quarter ended March 31, 2015	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	Note	Rs '000	Rs '000	Rs '000	Rs '000
Sales - net	13	18,274,789	23,039,329	59,748,802	81,458,425
Field expenditures	14	(11,355,747)	(11,330,209)	(32,099,852)	(29,492,956)
Royalties		(2,053,814)	(2,641,097)	(6,872,362)	(9,524,571)
		(13,409,561)	(13,971,306)	(38,972,214)	(39,017,527)
		4,865,228	9,068,023	20,776,588	42,440,898
Share of profit in equity-accounted investment		81,680	50,800	218,000	216,400
Other income	15	1,161,960	2,029,848	4,175,190	6,080,820
Other operating expenses	16	(297,808)	(551,690)	(3,728,324)	(4,263,742)
Finance costs	17	(204,284)	(141,156)	(537,171)	(446,123)
Profit before taxation		5,606,776	10,455,825	20,904,283	44,028,253
Taxation	18	(1,820,019)	(2,647,400)	(5,054,244)	(13,573,288)
Profit after taxation		3,786,757	7,808,425	15,850,039	30,454,965
Basic and diluted earnings per share (Rs)	21	1.92	3.96	8.04	15.45

The annexed notes 1 to 23 form an integral part of these consolidated condensed interim financial statements.



CHIEF FINANCIAL OFFICER

DIRECTOR




CHIEF EXECUTIVE



CHIEF EXECUTIVE

**PAKISTAN PETROLEUM LIMITED****CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

	Quarter ended March 31, 2016	Quarter ended March 31, 2015	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	Rs '000	Rs '000	Rs '000	Rs '000
Profit after taxation	3,786,757	7,808,425	15,850,039	30,454,965
Other comprehensive income potentially reclassifiable to profit and loss account in subsequent years				
Foreign exchange differences on translation of subsidiaries	493	257,984	566,137	686,392
Total comprehensive income	<u>3,787,250</u>	<u>8,066,409</u>	<u>16,416,176</u>	<u>31,141,357</u>

The annexed notes 1 to 23 form an integral part of these consolidated condensed interim financial statements.



CHIEF FINANCIAL OFFICER

DIRECTOR



CHIEF EXECUTIVE



CHIEF EXECUTIVE

**PAKISTAN PETROLEUM LIMITED****CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
Note	----- Rs '000 -----	

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash receipts from customers	80,846,615	98,462,408
Receipts of other income	488,791	332,624
Cash paid to suppliers / service providers and employees	(19,275,397)	(23,060,369)
Payment of indirect taxes and Government levies including royalties	(25,304,218)	(28,910,334)
Income tax paid	(1,744,078)	(10,711,945)
Finance costs paid	(66,696)	(52,025)
Long-term loans (net)	3,951	(1,843)
Net cash generated from operating activities	34,948,968	36,058,516

**CASH FLOWS FROM INVESTING ACTIVITIES**

Capital expenditure (net)	(21,147,248)	(18,595,901)
Proceeds from sale of property, plant and equipment	23,645	19,466
Purchase of long-term investments	(15,420,394)	(4,540,537)
Disposal / redemption of long-term investments	3,138,054	2,930,020
Long-term deposits	(30,000)	-
Long-term receivables	60,632	-
Financial income received	4,075,589	5,111,983
Net cash used in investing activities	(29,299,722)	(15,074,969)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payment of liabilities against assets subject to finance leases	(88,109)	(82,303)
Dividends paid	(10,874,960)	(20,757,169)
Net cash used in financing activities	(10,963,069)	(20,839,472)
Net (decrease) / increase in cash and cash equivalents	(5,313,823)	144,075
Cash and cash equivalents at the beginning of the period	32,788,436	30,971,791
Net foreign exchange differences	306,930	251,269
Cash and cash equivalents at the end of the period	19 27,781,543	31,367,135

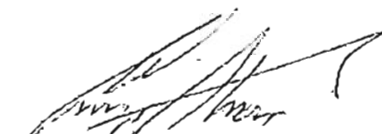
The annexed notes 1 to 23 form an integral part of these consolidated condensed interim financial statements.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE





CHIEF EXECUTIVE



**PAKISTAN PETROLEUM LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (IN AUDITTED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 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	Translation reserve	Total		
Balance as at July 1, 2014 (Audited)	19,717,177	138	1,428	69,761	29,021,894	18,751,980	5,000,000	109,357,106	(353,603)	161,847,138	161,848,566	181,565,861
Comprehensive Income for the period	-	-	-	-	-	-	-	30,454,965	-	30,454,965	30,454,965	30,454,965
Profit after taxation	-	-	-	-	-	-	-	686,392	-	686,392	686,392	686,392
Other comprehensive income for the nine months period ended March 31, 2015 - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2015	-	-	-	-	-	-	-	30,454,965	-	30,454,965	30,454,965	30,454,965
Appropriation of insurance reserve for the year ended June 30, 2014	-	-	-	-	5,000,000	-	-	(5,000,000)	-	-	-	-
Appropriation of assets acquisition reserve for the year ended June 30, 2014	-	-	-	-	-	5,000,000	-	(5,000,000)	-	-	-	-
Conversion of preference shares into ordinary shares	14	(14)	-	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	(14,787,878)	-	(14,787,878)	(14,787,878)	(14,787,878)
Final dividend on ordinary shares @ 75% for the year ended June 30, 2014	-	-	-	-	-	-	-	-	-	-	-	-
Interim dividend for the year ended June 30, 2015	-	-	-	-	-	-	-	(8,872,727)	-	(8,872,727)	(8,872,727)	(8,872,727)
Ordinary shares - 45%	-	-	-	-	-	-	-	(37)	-	(37)	(37)	(37)
Convertible preference shares - 30%	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2015 (Unaudited)	19,717,171	124	1,428	69,761	34,021,894	23,751,980	5,000,000	106,151,429	232,789	169,327,853	169,329,281	189,046,576
Balance as at July 1, 2015 (Audited)	19,717,173	124	1,428	69,761	34,021,894	23,751,980	5,000,000	110,476,313	280,758	173,550,776	173,552,154	193,369,449
Comprehensive Income for the period	-	-	-	-	-	-	-	15,850,039	-	15,850,039	15,850,039	15,850,039
Profit after taxation	-	-	-	-	-	-	-	566,137	-	566,137	566,137	566,137
Other comprehensive income for the nine months period ended March 31, 2016 - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2016	-	-	-	-	-	-	-	15,850,039	-	15,850,039	15,850,039	15,850,039
Conversion of preference shares into ordinary shares	2	(2)	-	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	(7,886,868)	-	(7,886,868)	(7,886,868)	(7,886,868)
Final dividend on ordinary shares @ 40% for the year ended June 30, 2014	-	-	-	-	-	-	-	-	-	-	-	-
Interim dividend for the year ending June 30, 2016	-	-	-	-	-	-	-	(4,436,364)	-	(4,436,364)	(4,436,364)	(4,436,364)
Ordinary shares - 22.5%	-	-	-	-	-	-	-	(28)	-	(28)	(28)	(28)
Convertible preference shares - 22.5%	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2016 (Unaudited)	19,717,173	122	1,428	69,761	34,021,894	23,751,980	5,000,000	113,953,112	846,895	177,643,642	177,645,070	197,362,365

The annexed notes 1 to 23 form an integral part of these consolidated condensed interim financial statements

  
**CHIEF FINANCIAL OFFICER**  
  
**DIRECTOR**

  
**CHIEF EXECUTIVE**  
  
**CHIEF EXECUTIVE**

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 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).

- 1.1. 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:

### **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. The registered office of the Holding Company is located at PIDC House, Dr. Ziauddin Ahmed Road, Karachi, Pakistan.

The Sui Mining Lease expired on May 31, 2015. Accordingly, application for extension / renewal was filed by the Holding Company with the Government of Pakistan (GoP). The GoP, through SRO. (I)/2015 dated May 30, 2015, allowed the Holding Company to continue production from the Sui Mining Lease area for a further period of one year with effect from the expiry of the existing lease period i.e. May 31, 2015.

The management is confident that the Holding Company will be allowed further extension in order to continue production from the Sui Mining Lease.

### **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.

### **PPL Asia E&P B.V.**

The Holding Company has 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 gas 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.

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

---

## **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.

- 1.2. There has been no change in the investment in BME and joint arrangements, as disclosed in note 7 and note 35 to the audited consolidated financial statements for the year ended June 30, 2015.

## **2. BASIS OF CONSOLIDATION**

The consolidated 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, here-in-after referred to as “the Group”.

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 changed to conform with accounting policies of the Group, wherever needed.

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

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

## **3. BASIS OF PREPARATION**

- 3.1. The consolidated condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard – 34, ‘Interim Financial Reporting’ as applicable in Pakistan and the provisions and directives of the Companies Ordinance, 1984 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 3.2. These consolidated condensed interim financial statements are unaudited and do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended June 30, 2015.

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

---

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 nine months period ended March 31, 2016.

## 3.4. Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

Following standards, amendments to standards and interpretations have been published and are mandatory for accounting periods beginning on or after July 1, 2015 and are considered to be relevant to the Group's operations.

- IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in determination of control where this is difficult to assess. The single model to be applied in the control analysis requires that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Standard has made consequential changes to IAS 27 which is now called 'Separate Financial Statements' and will deal with only separate financial statements. However, the aforesaid revision in control framework has no impact on the Group's financial statements.
- Under IFRS 11 'Joint Arrangements', the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. The Group has assessed the nature of its joint arrangements and determined them to be joint operations. In respect of investment in BME, the Holding Company has a Joint Venture Agreement with Government of Balochistan. In view of possible changes the final assessment of the subject arrangement is expected to be finalised by the year end.
- IFRS 12 'Disclosure of interest in Other entities' combines the disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structured entities, into one place. The standard will affect some disclosures in the financial statements of the Group.
- IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirement for use across IFRSs. The requirement does not extend the use of fair value accounting but provides guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. The standard affects the determination of fair value and its related disclosures in the financial statements of the Group.

# **Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)**

For the nine months period ended March 31, 2016

---

Other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2015 are considered not to be relevant or to have any significant effect on the Group's financial reporting and operations.

## **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, 2015.

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 the consolidated condensed interim financial statements.

## **5. ACCOUNTING ESTIMATES, 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 use judgments that affect the application of 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.

Judgments and estimates 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, 2015.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2015.

### **5.1. Implication of revised IFRS-2 (Share Based Payments) on BESOS**

In respect of the Holding Company, 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 3.2 to the audited consolidated financial statements for the year ended June 30, 2015. The management believes that the Scheme is being revamped by the GoP and 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, 2015: Rs 18,879 million).

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

March 31, 2016 Unaudited	June 30, 2015 Audited
----- Rs'000 -----	

## 6. PROPERTY, PLANT AND EQUIPMENT

Opening Net Book Value (NBV)	60,542,740	61,507,149
Additions to:		
- owned assets	10,538,749	14,730,575
- assets subject to finance leases	44,934	161,547
	10,583,683	14,892,122
	71,126,423	76,399,271
Disposals / adjustments during the period / year (NBV)	32,853	(5,385,444)
Impairment loss - note 6.2	(380,124)	(249,706)
Depreciation / amortisation charged during the period / year	(7,695,119)	(10,221,381)
	63,084,033	60,542,740
Capital work-in-progress - note 6.1	54,322,036	46,153,945
	117,406,069	106,696,685

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

March 31, 2016 Unaudited	June 30, 2015 Audited
Rs'000	

## 6.1. Capital work-in-progress

Plant, machinery, fittings and pipelines	10,686,093	10,667,528
Prospecting and development expenditures	31,525,564	23,628,979
Land, buildings and civil constructions	170,031	384,023
Capital stores for drilling and development	14,148,912	12,608,682
	<u>56,530,600</u>	<u>47,289,212</u>
Impairment loss on prospecting and development expenditures - note 6.2	(2,208,564)	(1,135,267)
	<u>54,322,036</u>	<u>46,153,945</u>

- 6.2. During the period, the Group carried out impairment testing of the cash-generating unit (CGU) i.e. PPL Europe E&P Limited as required under IAS 36 - 'Impairment of Assets'. The Group considers the relationship between international crude oil prices and carrying value of the CGU, among other factors, when reviewing for indicators of impairment. As at December 31, 2015, the international crude oil prices had further declined as compared to the forecasted oil prices used for the evaluation of recoverable amount of the CGU as at June 30, 2015, indicating a potential impairment. The recoverable amount of the CGU has been determined using 'value-in-use' computations.

In assessing the value-in-use, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the expected reserves and fields' profile. The pre-tax discount rate applied to cash flow projections is 15.11% (June 30, 2015: 15.50%).

As a result of the factors explained above, the Group has recorded a non-cash charge to income of Rs 2,589 million as impairment loss during the period and allocated to the assets of the CGU prorata on the basis of carrying amount of each asset in the CGU. Consequently, impact of reversal of deferred tax liability due to recognition of impairment loss, has also been accounted for in these consolidated condensed interim financial statements.

As at March 31, 2016, the international crude oil prices have slightly appreciated as compared to the prices prevailing as at December 31, 2015, therefore, the impairment calculation has not been revised due to immaterial effect.

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

## 7. LONG-TERM INVESTMENTS

### - Investment in related party

#### - Wholly owned subsidiary

- Fully paid shares in PPPFTC - note 3.3

1

1

### - Other investments

#### - Held-to-maturity

- Term Finance Certificates (TFCs)

99,760

99,780

- Pakistan Investment Bonds (PIBs)

22,338,460

22,523,986

- GoP Ijara Sukuk

-

500,000

- Local currency term deposits with banks

2,000,000

2,000,000

- Foreign currency term deposits with banks

14,461,196

11,028,077

38,899,416

36,151,843

### - Designated at fair value through profit or loss

- Mutual Funds

9,706,778

-

Less: Current maturities

- TFCs

(33,267)

(40)

- PIBs

(149,686)

(148,198)

- GoP Ijara Sukuk

-

(500,000)

(182,953)

(648,238)

48,423,242

35,503,606

## 8. TRADE DEBTS

### Unsecured and considered good

#### Related parties

Central Power Generation Company Limited  
(GENCO-II)

7,121,467

8,787,638

Sui Northern Gas Pipelines Limited (SNGPL)

21,692,893

17,987,842

Sui Southern Gas Company Limited (SSGCL)

21,927,248

22,482,054

Pak-Arab Refinery Limited (PARCO)

1,553,733

740,110

52,295,341

49,997,644

#### Non-related parties

Attock Refinery Limited (ARL)

3,242,314

7,763,800

National Refinery Limited (NRL)

739,493

626,508

Others

707,697

504,065

4,689,504

8,894,373

56,984,845

58,892,017

### Unsecured and considered doubtful

#### Non-related party

Byco Petroleum Pakistan Limited (Byco)

1,156,220

1,156,220

Less: Provision for doubtful debts

(1,156,220)

(1,156,220)

-

-

56,984,845

58,892,017



# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

March 31, 2016 Unaudited	June 30, 2015 Audited
Rs'000	

## 8.1. The ageing of trade debts is as follows:

Neither past due nor impaired	13,581,647	18,112,345
Past due but not impaired:		
Related parties		
- within 90 days	15,889,781	13,230,409
- 91 to 180 days	11,709,894	9,896,373
- over 180 days	12,570,006	13,947,846
	40,169,681	37,074,628
Non-related parties		
- within 90 days	2,853,727	3,589,442
- 91 to 180 days	141,738	16,875
- over 180 days	238,052	98,727
	3,233,517	3,705,044
	<b>56,984,845</b>	<b>58,892,017</b>

## 8.2. Trade debts include overdue amount of Rs 39,513 million (June 30, 2015: Rs 37,073 million) receivable from the State controlled utility companies (GENCO-II, SNGPL and SSGCL) and Rs 5,046 million (June 30, 2015: Rs 4,863 million) overdue receivable from refineries (ARL, Byco, PARCO, NRL and Pakistan Refinery Limited) and various LPG customers.

Based on the measures being undertaken by the GoP, the Holding Company considers the overdue amount 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 Company has filed a legal suit in the Sindh High Court (SHC) against Byco for recovery of overdues.

March 31, 2016 Unaudited	June 30, 2015 Audited
Rs'000	

## 9. SHORT-TERM INVESTMENTS

### Held-to-maturity

Local currency term deposits with banks	13,496,000	21,455,000
Foreign currency term deposits with banks	9,268,442	8,155,259
	<b>22,764,442</b>	<b>29,610,259</b>

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

March 31, 2016 Unaudited	June 30, 2015 Audited
Rs'000	

## 10. DEFERRED TAXATION

(Deductible) / taxable temporary differences arising on account of:

Exploration expenditure	(2,910,000)	(3,332,000)
Provision for staff retirement and other benefits	(705,100)	(928,386)
Provision for obsolete / slow moving stores	(40,553)	(41,861)
Provision for doubtful debts	(462,488)	(462,488)
Provision for decommissioning obligation	(337,245)	(444,393)
Accelerated tax depreciation allowances	6,214,041	5,681,404
Exploratory wells cost	8,202,838	7,755,838
Prospecting and development expenditures	14,080,806	12,631,399
Amortisation of intangible assets	489	2,048
Tax losses and credits	-	(37,697)
Others	(15,355)	5,313
	<b>24,027,433</b>	<b>20,829,177</b>

## 11. TRADE AND OTHER PAYABLES

Creditors	126,447	536,042
Accrued liabilities	4,826,339	3,989,176
Security deposits from LPG distributors	667,233	602,618
Retention money	31,745	57,913
Unpaid and unclaimed dividends	1,679,954	231,654
Gas development surcharge (GDS)	6,078,618	5,162,115
Gas infrastructure development cess (GIDC)	1,611,609	1,957,188
Sales tax (net)	503,492	9,662
Royalties	3,044,894	5,191,988
Current accounts with joint operations partners	5,712,507	4,493,899
Liabilities for staff retirement benefit plans	-	803,071
Workers' Profits Participation Fund (WPPF)	1,139,636	-
Contractual obligations for Iraq EDPSC	762,744	716,779
Others	215,557	78,625
	<b>26,400,775</b>	<b>23,830,730</b>

## 12. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and commitments as disclosed in the audited consolidated financial statements for the year ended June 30, 2015.

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	----- Rs'000 -----	
<b>13. SALES - net</b>		
<b>Gross sales</b>		
Natural gas	59,441,008	67,257,061
Gas supplied to Sui villages	161,455	284,033
Internal consumption of gas	94,720	141,532
Crude oil / Condensate / NGL	16,525,023	31,464,165
LPG	2,629,225	3,142,801
	<b>78,851,431</b>	<b>102,289,592</b>
<b>Government levies</b>		
Federal excise duty	(1,416,435)	(1,397,884)
Sales tax	(9,134,407)	(10,367,903)
GDS	(6,847,662)	(5,354,789)
GIDC	(1,704,125)	(3,710,591)
	<b>(19,102,629)</b>	<b>(20,831,167)</b>
	<b>59,748,802</b>	<b>81,458,425</b>
<b>14. FIELD EXPENDITURES</b>		
Exploration	10,506,696	7,906,059
Development and drilling - note 14.1	5,489,703	5,163,931
Depreciation	3,198,482	3,129,214
Amortisation of intangible assets	84,673	136,774
Amortisation of decommissioning cost	442,177	932,834
Amortisation of prospecting and development expenditures	4,054,460	3,985,628
Salaries, wages, welfare and other benefits	6,853,124	6,191,660
Employees' medical benefits	347,232	327,399
Manpower development	59,025	36,303
Travelling and conveyance	440,886	431,556
Communication	26,253	24,052
Stores and spares consumed	1,058,133	1,123,259
Fuel and power	171,840	216,707
Rent, rates and taxes	99,397	85,919
Insurance	393,162	424,825
Repairs and maintenance	404,114	321,974
Professional services	85,573	46,844
Auditors' remuneration	11,722	3,876
Free supply of gas to Sui villages	161,455	284,033
Donations	21,642	82,501
Social welfare / community development	46,020	47,466
Other expenses	145,298	144,259
	<b>34,101,067</b>	<b>31,047,073</b>
Recoveries	(2,001,215)	(1,554,117)
	<b>32,099,852</b>	<b>29,492,956</b>

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

- 14.1. These are net of insurance claim received of Rs 1,017 million (March 2015: Rs 97 million) during the current period in respect of sabotage activity at Sui gas field during the year ended June 30, 2011.

Nine months ended March 31, 2016	Nine months ended March 31, 2015
----- Rs'000 -----	

## 15. OTHER INCOME

### Income from financial assets

Income on loans and bank deposits	192,017	369,688
Income on term deposits	922,248	1,485,983
Income on long-term held-to-maturity investments	2,046,132	2,269,864
Income from investment in treasury bills	94,423	293,360
Gain on re-measurement / disposal of investments designated at fair value through profit or loss (net)	217,791	812,042
	3,472,611	5,230,937

### Income from assets other than financial assets

Rental income on assets	174,726	62,166
Profit on sale of property, plant and equipment (net)	14,247	8,440
Profit on sale of stores and spares (net)	1,332	12,164
Exchange gain on foreign currency (net)	367,466	507,211
Share of profit on sale of LPG	129,493	246,508
Others	15,315	13,394
	702,579	849,883
	<u>4,175,190</u>	<u>6,080,820</u>

## 16. OTHER OPERATING EXPENSES

WPPF	1,139,636	2,294,104
Impairment loss - note 6.2	2,588,688	1,969,638
	<u>3,728,324</u>	<u>4,263,742</u>

## 17. FINANCE COSTS

Interest on WPPF	-	76
Financial charges for liabilities against assets subject to finance leases	66,557	59,427
Unwinding of discount on decommissioning obligation	470,614	386,620
	<u>537,171</u>	<u>446,123</u>

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	----- Rs'000 -----	
<b>18. TAXATION</b>		
Current		
- For the nine months period	2,258,950	10,116,867
- For the prior year	(349,610)	97,146
	1,909,340	10,214,013
Deferred	3,144,904	3,359,275
	<b>5,054,244</b>	<b>13,573,288</b>

## 19. CASH AND CASH EQUIVALENTS

Cash and bank balances	5,017,101	7,643,374
Short-term highly liquid investments	22,764,442	23,723,761
	<b>27,781,543</b>	<b>31,367,135</b>

## 20. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of state controlled entities, associated companies, joint arrangements, 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:

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	----- Rs'000 -----	
<b>Sale of gas to State controlled entities (including Government Levies)</b>		
- GENCO-II	13,328,953	15,777,455
- SSGCL	11,906,787	12,093,631
- SNGPL	34,205,267	39,385,976
	<b>59,441,007</b>	<b>67,257,062</b>
<b>Trade debts and other receivables from State controlled entities</b>	<b>51,079,322</b>	<b>47,683,270</b>
<b>Transactions with Associated Companies</b>		
Sales of crude oil / condensate	<b>3,636,024</b>	<b>4,308,302</b>
<b>Transactions with Bolan Mining Enterprises</b>		
Purchase of goods	<b>83,487</b>	<b>60,825</b>
Reimbursement of employee cost on secondment	<b>19,476</b>	<b>15,397</b>

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
	----- Rs'000 -----	
<b>Transactions with Joint Operations</b>		
Payments of cash calls to joint operations	33,703,651	27,738,784
Expenditures incurred by the joint operations	34,195,641	28,082,008
Current account receivables relating to joint operations	981,969	2,960,900
Current account payables relating to joint operations	260,141	255,454
Under advance balances relating to joint operations	3,816,534	779,441
Income from rental of assets to joint operations	174,726	62,166
<b>Other related parties</b>		
Dividends to GoP	8,319,129	15,972,728
Dividend to Trust under BESOS	579,876	1,087,268
Transactions with retirement benefit funds	620,951	563,694
Remuneration to key management personnel	1,660,167	1,259,307
Payment of rental to Pakistan Industrial Development Corporation	59,367	49,881
Payment to National Insurance Company Limited (NICL)	700,876	429,937
Insurance claim received from NICL	1,016,812	97,153
Payment to Pakistan State Oil Company Limited	302,329	369,534

- 20.1.** Aggregate amount charged in these consolidated condensed interim financial statements in respect of fees paid to seven non-executive directors was Rs 10 million (March 2015: Rs 11 million to thirteen non-executive directors).

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
<b>21. EARNINGS PER SHARE</b>		
<b>21.1. Basic earnings per share</b>		
Profit after taxation (Rs'000)	15,850,039	30,454,965
Dividend on convertible preference shares (Rs'000)	(37)	(37)
Profit attributable to ordinary shareholders (Rs'000)	15,850,002	30,454,928
Weighted average number of ordinary shares in issue	1,971,717,120	1,971,716,748
<b>Basic earnings per share (Rs)</b>	<b>8.04</b>	<b>15.45</b>

# Notes to and Forming Part of the Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016	Nine months ended March 31, 2015
<b>21.2. Diluted earnings per share</b>		
Profit after taxation (Rs'000)	<u>15,850,039</u>	<u>30,454,965</u>
Weighted average number of ordinary shares in issue	1,971,717,120	1,971,716,748
Adjustment for convertible preference shares	<u>12,335</u>	<u>12,707</u>
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)	<u>8.04</u>	<u>15.45</u>


## 22. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on April 28, 2016 by the Board of Directors of the Holding Company.

## 23. GENERAL

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

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE



CHIEF EXECUTIVE

This page is intentionally left blank







## Pakistan Petroleum Limited

P.I.D.C. House, Dr. Ziauddin Ahmed Road  
P.O. Box 3942, Karachi-75530, Pakistan  
UAN: +92 (21) 111 568 568  
Fax: +92 (21) 35680005, 35682125  
Email: [info@ppl.com.pk](mailto:info@ppl.com.pk)  
Website: [www.ppl.com.pk](http://www.ppl.com.pk)