



Oil & Gas Development Company Limited

# Exploring Possibilities

contributing in national growth



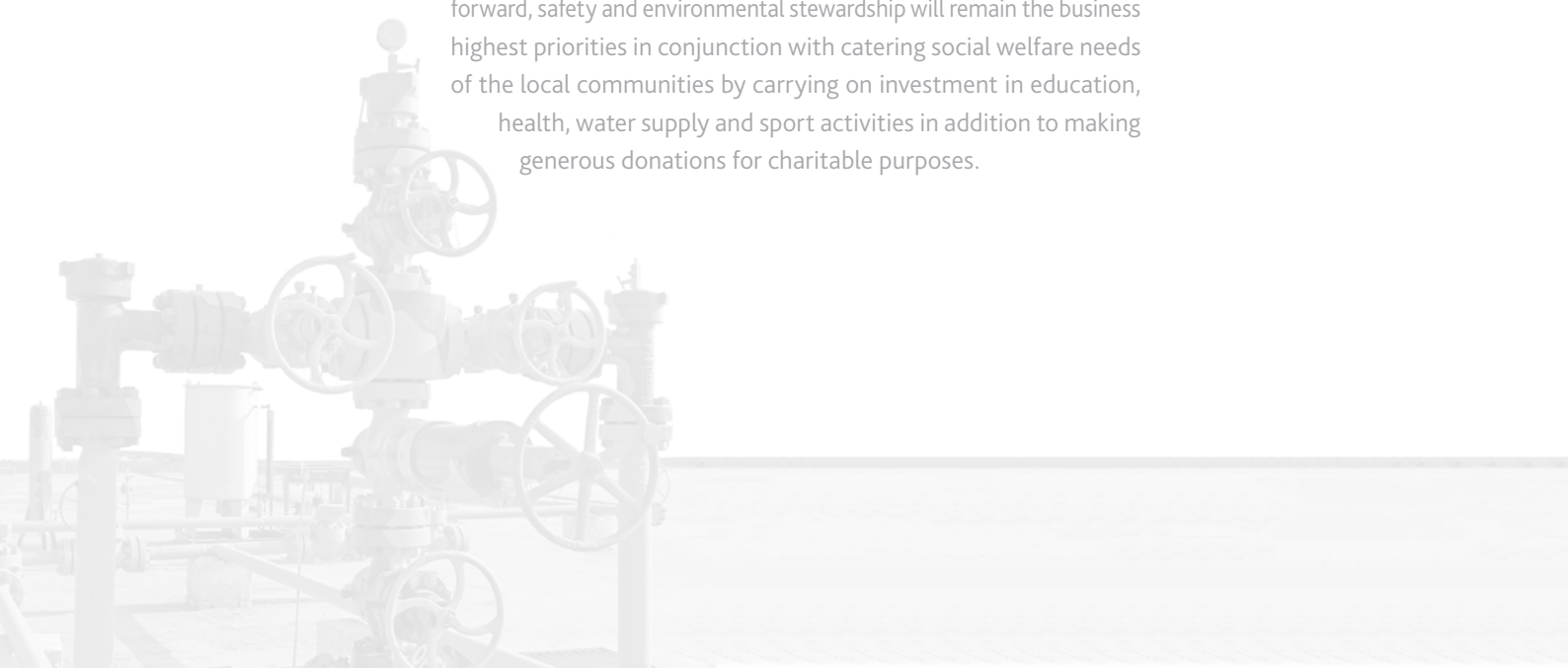
ANNUAL REPORT 2017

OGDCL is the national E&P Company of Pakistan which is engaged in the exploration, development and production of oil and gas resources to meet the energy demands of the nation. The Company was established in 1961 as a Public Sector Corporation and later converted to a Public Limited Company in October 1997. In October 2003, the Company was listed on Pakistan Stock Exchange and its Global Depository Shares started traded on London Stock Exchange with effect from December 2006. Government of Pakistan owns 74.97% shares of the Company as at 30 June 2017.

In pursuit to strong exploration endeavors, fast track completion of development projects and use of industry best production practices, OGDCL on 28 November 2016 recorded highest ever daily gross crude oil production of 50,354 barrels translating into an improved market share of 51% in the Country's total oil production during July 2016-June 2017 whereas gas volumes were steady at 28%. Moreover, the Company during the year under review successfully safeguarded its position as a market leader in terms of exploration acreage, 2D seismic acquisition, oil and gas reserves and production contribution in the Country. (Source: PPIS)

On the financial side, increase in sales volume of crude oil and LPG coupled with moderate recovery in international oil prices and exhibiting financial discipline led OGDCL to register improved financial results for the year ended 30 June 2017. The Company's oil and gas production besides saving significant foreign exchange as import substitution also contributed a sum of Rs 90.310 billion to the national exchequer on account of corporate tax, dividend, royalty, general sales tax, gas infrastructure development cess and excise duty.

Guided by its vision and mission, OGDCL is "**Exploring Possibilities – Contributing in National Growth**" by striving to locate commercial hydrocarbon reserves to support the growing momentum of oil and gas production and enhance energy security of Pakistan. Moving forward, safety and environmental stewardship will remain the business highest priorities in conjunction with catering social welfare needs of the local communities by carrying on investment in education, health, water supply and sport activities in addition to making generous donations for charitable purposes.





# Contents

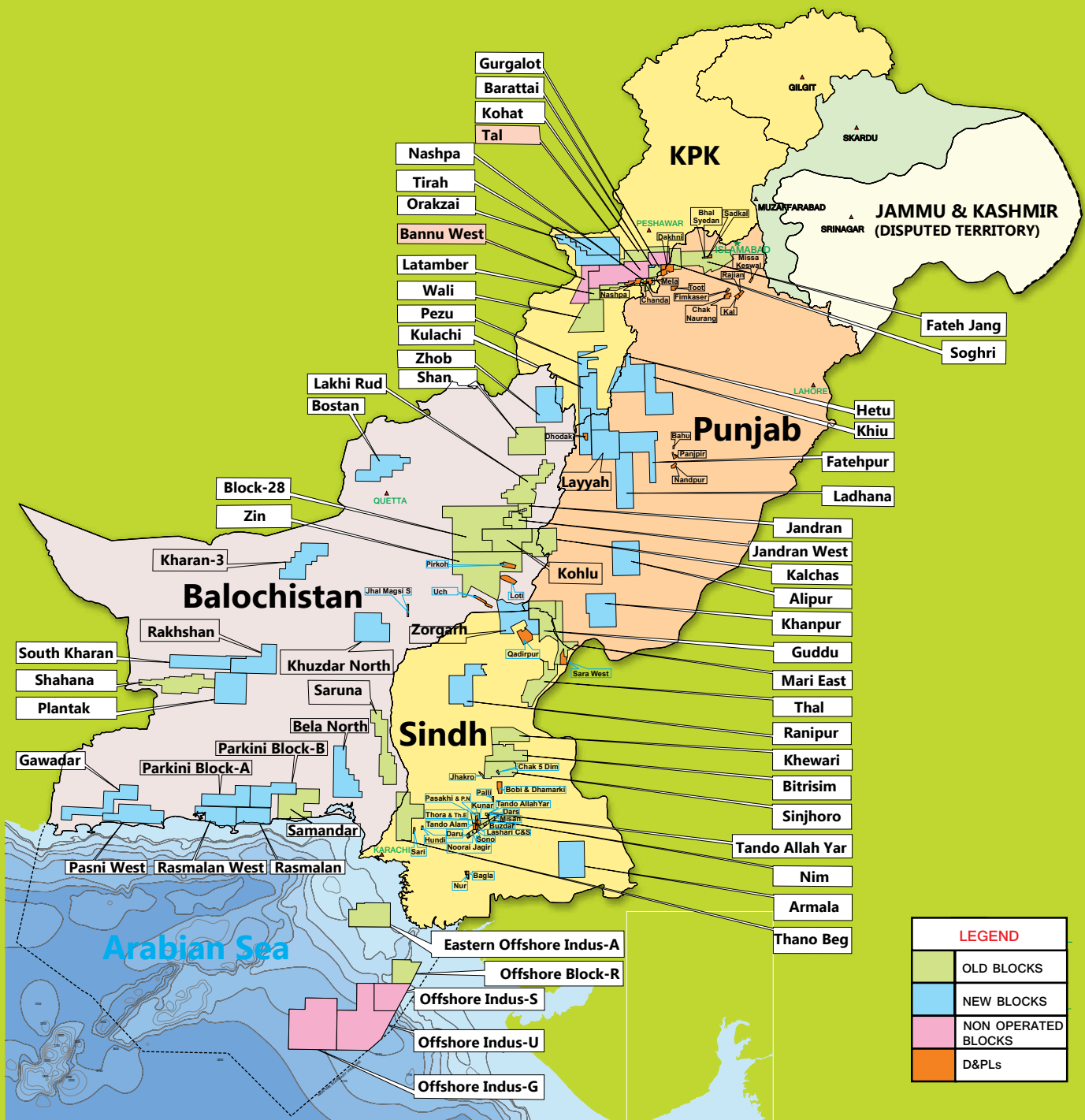
2	Geographical Presence	40	Managing Director's Review
4	Product Portfolio	42	Directors' Report
5	Notice of Annual General Meeting	58	Corporate Social Responsibility Activities
8	Calendar of Major Events	60	Health, Safety, Environment and Quality Activities
10	Highlights of the Year	62	Principal Risks/Uncertainties and Mitigation Measures
12	Vision and Mission	64	Risk Management Policy and Business Continuity Plan
13	Core Values and Goals	65	Review Report to the Members on the Statement of Compliance with the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013
14	Code of Conduct	66	Statement of Compliance with the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013
16	Corporate Information	71	Auditors' Report to the Members
17	Core Management Team	72	Balance Sheet
18	Board of Directors	74	Profit and Loss Account
22	Committees of the Board	75	Statement of Comprehensive Income
24	Attendance of the Board and Committee Meetings	76	Cash Flow Statement
26	Organizational Chart	77	Statement of Changes in Equity
27	Management Objectives and Strategies	78	Notes to and Forming Part of the Financial Statements
28	Risk and Opportunity Report	130	Pattern of Shareholding
29	Exploration Licenses	132	Categories of Shareholders
30	Development and Production/Mining Leases	165	Directors' Report (اردو میں)
32	Six Years Performance	166	Abbreviations
35	Vertical and Horizontal Analysis		Form of Proxy/E-Voting
36	Statement of Value Addition		Form for Video Conference Facility
37	DuPont Analysis		Entry Card
37	Analysis of Variation in Results Reported in Interim Reports		
38	Share Price Sensitivity Analysis		
39	Investor Relations		
39	Relationship and Engagement with Stakeholders		

# Geographical Presence

## Exploration Licenses

As on 30 June 2017

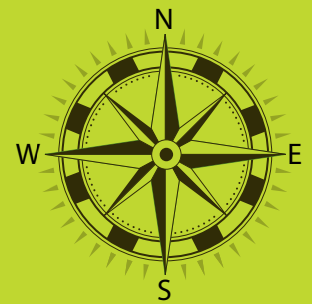
Summary of Exploration Licenses		
Province/Area	Operated	Non-Operated
Punjab	10	-
Sindh	11	-
Balochistan	25	-
KPK	10	2
Offshore	2	3
<b>Total</b>	<b>58</b>	<b>5</b>



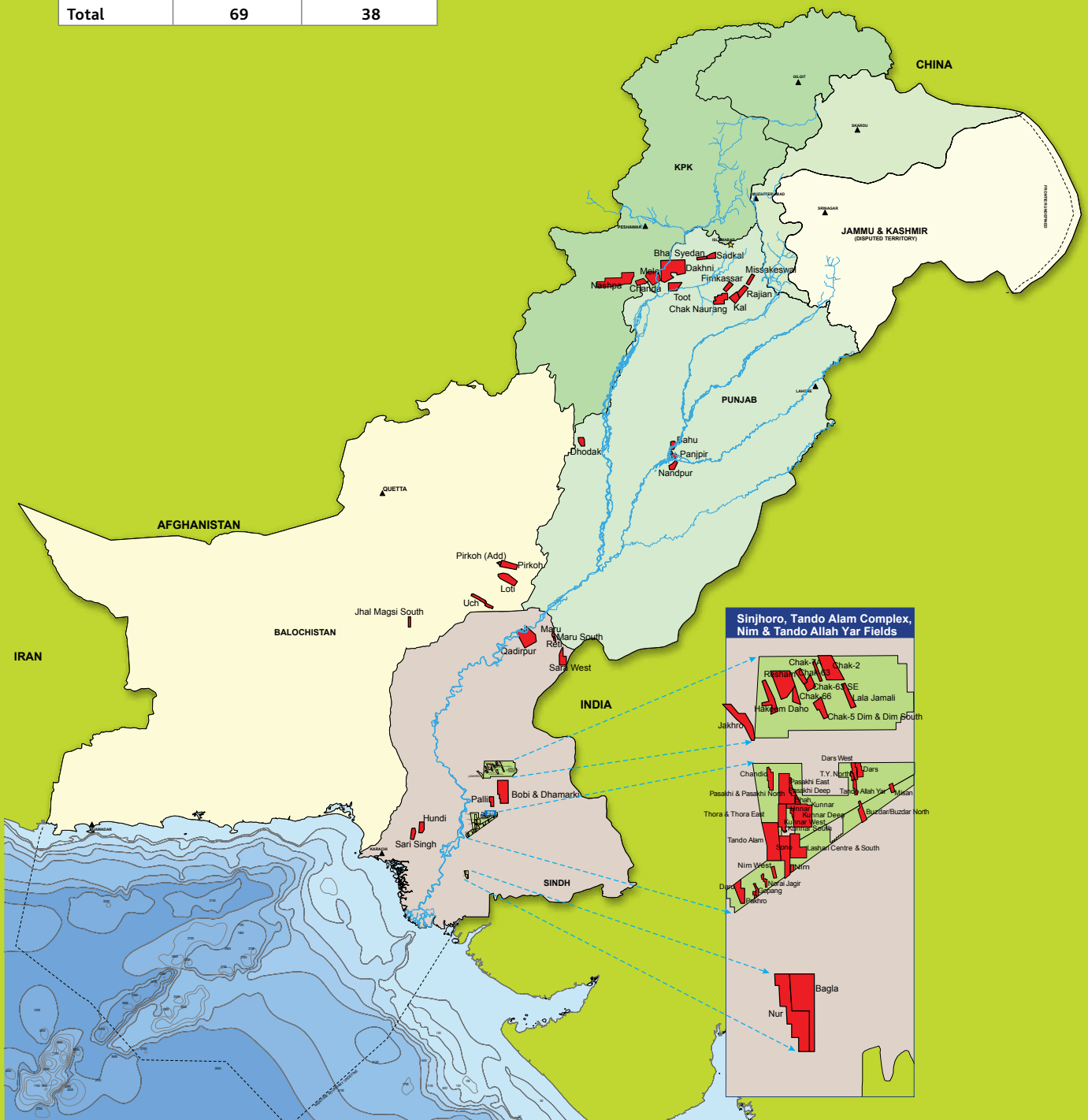
LEGEND	
Light Green	OLD BLOCKS
Light Blue	NEW BLOCKS
Pink	NON OPERATED BLOCKS
Orange	D&PLs

# Development and Production/Mining Leases

As on 30 June 2017



Summary of Leases		
Province	Operated	Non-Operated
Punjab	13	5
Sindh	48	24
Balochistan	5	-
KPK	3	9
<b>Total</b>	<b>69</b>	<b>38</b>





# Product Portfolio

and Net Saleable Production during the Fiscal Year 2016-17



Crude Oil

44,041

Barrels per day

Major Fields: Nashpa, Kunnar, Pasakhi, Sinjhor, Rajian



Gas

1,051

MMcf per day

Major Fields: Qadirpur, Uch, KPD-TAY, Nashpa, Sinjhor



LPG

455

Tons per day

Major Fields: Sinjhor, KPD-TAY, Bobi, Kunnar



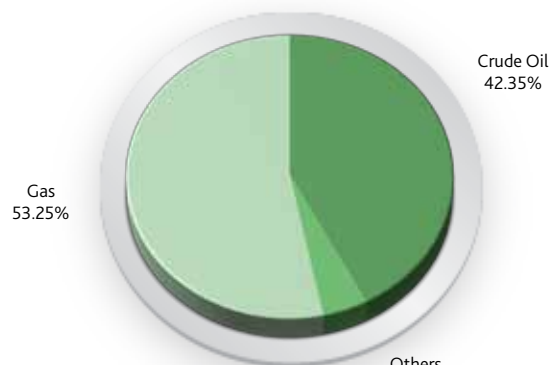
Sulphur

63

Tons per day

Field: Dakhni

## Product wise contribution in Net Sales



Net Sales Rs 171.829 billion

# Notice of Annual General Meeting

Notice is hereby given that the 20th Annual General Meeting of Oil & Gas Development Company Limited will be held at Marriott Hotel, Islamabad on 24 October 2017 at 9:00 a.m to transact the following business:

## ORDINARY BUSINESS

- 1) To confirm the minutes of the 19th Annual General Meeting held on 26 October 2016.
- 2) To receive, consider and adopt the audited accounts of the Company for the year ended 30 June 2017 together with the Directors' and Auditors' Reports thereon.
- 3) To approve the final cash dividend @ 20% i.e. Rs 2.00 per share for the year ended 30 June 2017 as recommended by the Board of Directors. This is in addition to three interim cash dividends totaling 40% i.e. Rs 4.00 per share already paid during the year.
- 4) To appoint Auditors for the year 2017-18 and fix their remuneration. The present auditors KPMG Taseer Hadi & Co., Chartered Accountants and A.F. Ferguson & Co., Chartered Accountants will stand retired on the conclusion of this meeting.
- 5) To elect 11 directors as fixed by the Board in its meeting held on 15 September 2017 in place of retiring directors namely:

1.	Mr. Zahid Muzaffar	Chairman
2.	Mr. Aurangzeb Haque	Director
3.	Mr. Mohammad Jalal Sikandar Sultan	Director
4.	Mr. Iskander Mohammed Khan	Director
5.	Mr. Hamid Farooq	Director
6.	Mr. Muhammad Ali Tabba	Director
7.	Mr. Zafar Masud	Director
8.	Prince Ahmed Omar Ahmedzai	Director
9.	Sayed Shafqat Ali Shah	Director
10.	Mr. Rahmat Salam Khattak	Director
11.	Mr. Muhammad Yawar Irfan Khan	Director
12.	Mr. Zahid Mir	Director/MD & CEO

- 6) To transact any other business with the permission of the Chair.

By order of the Board

26 September 2017  
Islamabad

(Ahmed Hayat Lak)  
Company Secretary

## NOTES:

### 1- Participation in the Annual General Meeting

A member entitled to attend and vote at this meeting is entitled to appoint another person as his/her proxy to attend and vote. Proxies in order to be effective must be received at the registered office of the Company duly stamped and signed not less than 48 hours before the meeting.

## 2. Eligibility of Candidates to Contest Election

Any person seeking to contest the election of directors shall lodge with the Company at its registered office not later than fourteen (14) days before the date of the meeting a letter of intention to offer himself/herself for election as a director in terms of Section 159(3) of the Companies Act, 2017 along with the following documents:

- a. A letter of consent to act as a director of the Company, if elected.
- b. A declaration under Rule 3(4) of the Public Sector Companies (Corporate Governance) Rules, 2013 that he or she is not serving as director of more than five public sector companies or listed companies except subsidiaries thereof.
- c. A declaration that the person is aware of the duties and powers of directors under the Companies Act, 2017, the Memorandum and Articles of Associations of the Company, the Pakistan Stock Exchange Rules and Public Sector Companies (Corporate Governance) Rules, 2013, and has read the provisions contained therein.
- d. A declaration that he or she is a registered tax payer and has not been convicted by any court of competent jurisdiction as a defaulter in the payment of any loan to a banking company, development financial institution or a non-banking financial institution and neither he/she or his/her spouse is engaged in the business of stock brokerage.

## 3. CDC Account Holders will further have to follow the under mentioned guidelines:

- a. For attending the meeting  
In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.  
  
In the case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
- b. For appointing proxies
  - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per regulations, shall submit the proxy form as per the above requirement.
  - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
  - iii) Attested copies for CNIC or the passport of the beneficial owners and of the proxy shall be furnished with the proxy form.
  - iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
  - v) In the case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
- c. E-Voting  
Pursuant to SECP Companies (E-voting) Regulations 2016, members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of the meeting to the Company on the appointment of Execution Officer by the intermediary as proxy.

## 4. Video Conference Facility

Pursuant to provisions of SECP Circular No. 10 of 2014 dated 21 May 2014 and section 132(2) of Companies Act 2017, if the Company receives consent from members holding aggregate 10% or more shareholding residing in geographical location to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In order to vote through e-voting and avail video conference facility, please fill the requisite forms and submit to Company within time frame as mentioned in forms. The forms are being sent to each individual shareholder through post and are also available on the Company's website.

## 5. Closure of Share Transfer Books

The share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from 18 October 2017 to 24 October 2017 (both days inclusive). Transfers received in order at the share registrars' office by the close of business on 17 October 2017 will be treated in time for the purpose of payment of final cash dividend, if approved by the shareholders.



6. **Change in Address**

Members are requested to promptly notify any change in their address.

7. **Notice of Shareholders who have not provided their CNICs**

In accordance with the notification of the Securities and Exchange Commission of Pakistan (SECP), SRO 831(I) 2012 dated 5 July 2012, dividend warrants should bear CNIC number of the registered member or the authorized person. Accordingly members who have not yet submitted copy of their valid CNIC/NTN (in case of corporate entities) are requested to submit the same to the Company with members folio no. mentioned thereon. It may kindly be noted that in case of non-receipt of the copy of valid CNIC, the Company in the light of SECP Notification No. S.R.O 275 (I)/2016 dated 31 March 2016 would be constrained to consider withholding dividend. List of shareholders who have not provided copies of their CNICs/NTN has been uploaded on the Company's website for shareholders' information.

8. **Dissemination of Annual Audited Accounts to Shareholders**

In the light of SRO No. 470(I)/2016 dated 31 May 2016 as notified by Securities & Exchange Commission of Pakistan, shareholders of the Company in the 10th Extraordinary General meeting held on 23 August 2016 approved dissemination of information regarding annual audited accounts in soft form i.e CD/DVD/USB. Shareholder who opt to receive annual audited accounts at their registered addresses or through email, are requested to fill the Standard Request Form uploaded on the Company's website and send the same duly signed by the shareholder to our Share Registrar, Central Depository Company of Pakistan Limited.

9. **Dividend Payments through Electronic Mode**

In order to receive the future dividends through electronic mode as per the requirements of Section 242 of the Companies Act, 2017, shareholders are requested to provide the following detail to our share registrar Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400:-

Name of Shareholder:	
Folio/CDS Account No.:	
CNIC No.:	
Email:	
Title of Bank Account:	
Bank Account (IBAN) Number (24-digits):	
Bank Name:	
Branch Name and Address:	
Contact No.:	

# Calendar of Major Events

During the Fiscal Year 2016-17



## 1st Quarter

Inauguration ceremony of OGDCL-National Talent Hunt Program 2016, hosted by IBA Sukkur.

Celebrated Pakistan's 70th Independence Day at Head Office, field locations and other offices.

10th Extraordinary General Meeting held in Marriott Hotel, Islamabad on 23 August 2016.

Board of Directors announced the financial results for the year ended 30 June 2016 and final cash dividend of Rs 2.00 per share on 24 August 2016.

Attended the Bank of New York Mellon's seminar held in London and Paris on 14-17 September 2016.

Attended 5th Frontier Market Symposium in London on 27-29 September 2016.

Participated in the inauguration ceremony of Victor International Institute of Petroleum Training, China.



## 2nd Quarter

Three (3) new oil and gas discoveries witnessed namely Gundanwari-1, Mithri-1 and Khamiso-1 in Sindh province.

Annual Report 2015 won the Best Corporate Report Award.

Visit of a high level delegation from Belarus at OGDCL Head Office, Islamabad on 4 October 2016.

19th Annual General Meeting convened at Marriott Hotel, Islamabad on 26 October 2016.

Board of Directors announced the financial results for the quarter ended 30 September 2016 and first interim cash dividend of Rs 1.50 per share on 27 October 2016.

Participated in the Abu Dhabi International Petroleum Exhibition and Conference on "Transitional Strategies for an Efficient and Resilient Energy Industry" on 7-9 November 2016.

Participated in 23rd Annual Technical Conference on "Oil Price, Domestic Challenges and E&P Strategies" held on 22 November 2016.

Achieved highest ever gross crude oil production of 50,354 barrels per day on 28 November 2016.

## 3rd Quarter

Launched an Overseas Pakistani Professional Forum on 1 January 2017 to improve technical expertise of the professionals.

Arranged Eid Milad-un-Nabi (SAW) function at Head Office, Islamabad on 6 January 2017.

Gas condensate discovery witnessed at Chhutto-1 in Sindh province.

Annual Report 2015 declared the winner of "Best Presented Annual Report Awards 2015" by the SAFA on 27 January 2017.

Corporate Philanthropy Award presented by the Honorable President of Pakistan, Mr. Mamnoon Hussain in a ceremony held on 8 February 2017.

Annual Dinner function arranged in honor of the Company officials by OGDCL's Officer Association on 10 February 2017.

Board of Directors announced the financial results for the half year ended 31 December 2016 and second interim cash dividend of Rs 1.00 per share on 17 February 2017.

Awarded "Certificate of Excellence" in oil and gas exploration sector by MAP at the 32nd Corporate Excellence Award ceremony held on 28 February 2017.

Commencement of commercial production from Kunnar Pasakhi Deep and Dars fields.

Visits of high level delegations from Gazprom International, Russia to discuss opportunities available in E&P sector of Pakistan.



## 4th Quarter

Gas condensate discovery witnessed at Chabaro-1 in Sindh province.

Board of Directors announced the financial results for the nine months ended 31 March 2017 and third interim cash dividend of Rs 1.50 per share on 21 April 2017.

Awarded 80 and 25 numbers of educational scholarships under "OGDCL-HEC Need Based Scholarship Program" to students of Quaid-e-Azam University, Islamabad and International Islamic University, Islamabad respectively.

Hosted an inland study tour of delegates from National School of Public Policy, Lahore at OGDCL Head Office, Islamabad on 26 April 2017.

Assigned medium to long term entity rating 'AAA' (Triple A) and short term entity rating 'A-1 +' (A One Plus) by JCR-VIS Credit Rating Company Limited.

Uch Gas Field awarded ISO 14001 and OHSAS 18001 certifications by the certification body namely Bureau Veritas, France.





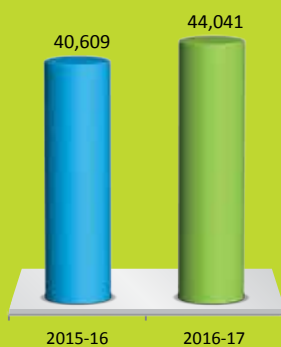
# Highlights of the Year



## Operational Highlights

- Five (5) gas/condensate discoveries made namely Gundanwari-1, Mithri-1, Chabaro-1, Khamiso-1 and Chhutto-1
- Crude oil production on working interest basis averaged 44,041 barrels per day
- Saleable gas production on working interest basis averaged 1,051 MMcf per day
- LPG production on working interest basis averaged 455 Tons per day
- Seismic data acquisition of 4,034 Line km of 2D and 1,153 sq. km of 3D
- Twenty two (22) new wells spud including eleven (11) exploratory/appraisal wells and eleven (11) development wells
- Twenty two (22) operated wells brought into the production gathering system, which cumulatively yielded gross crude oil and gas production of 2,012,718 barrels and 17,185 MMcf respectively

**Crude Oil Production**  
(Barrels per day)



**Saleable Gas Production**  
(MMcf per day)



**Wells Spud**  
(Numbers)



## Financial Highlights

- Total assets increased to Rs 627.3 billion from Rs 589.6 billion

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- Net realized prices of crude oil and gas averaged US\$ 44.04/ barrel and Rs 239.08/Mcf respectively (2015-16: US\$ 39.07/ barrel and Rs 253.77/Mcf)

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- Sales revenue for the year Rs 171.8 billion (2015-16: Rs 162.9 billion)

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- Profit for the year Rs 63.8 billion (2015-16: Rs 60.0 billion)

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- Earnings per share for the year Rs 14.83 (2015-16: Rs 13.94)

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- Total cumulative dividend declared Rs 6.00 per share (2015-16: Rs 5.20 per share)

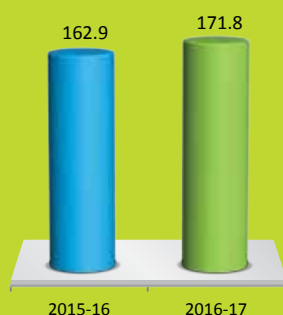
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- Contribution to national exchequer Rs 90.3 billion (2015-16: Rs 81.6 billion)

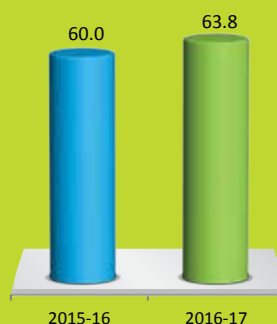
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**Sales Revenue**  
(Rs in billion)



**Profit for the Year**  
(Rs in billion)





## Vision

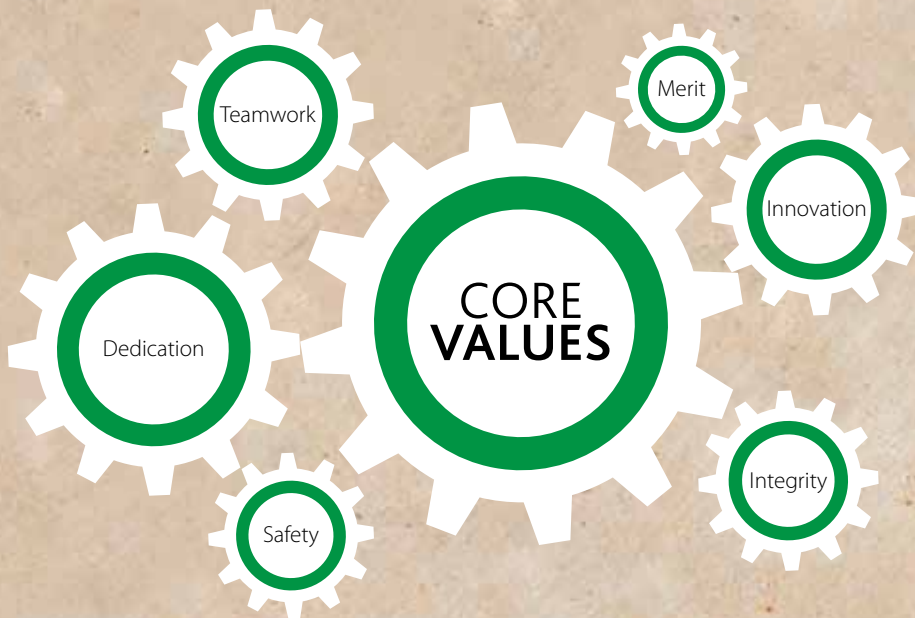
To be a leading multinational Exploration and Production Company.

## Mission

To become the leading provider of oil and gas to the Country by increasing exploration and production both domestically and internationally, utilizing all options including strategic alliances;

To continuously realign ourselves to meet the expectations of our stakeholders through best management practices, the use of latest technology and innovation for sustainable growth while being socially responsible.





## Goals

### Financial

- Build strategic reserves for future growth/expansion
- Growth and superior returns to all stakeholders
- Double the value of the Company in the next five (5) years
- Make investment decisions by ranking projects on the basis of best economic indicators
- Maximize profits by investing surplus funds in profitable avenues
- Reduce cost and time overruns to improve performance results

### Learning and Growth

- Motivate our workforce and enhance their technical, managerial and business skills through modern HR practices
- Acquire, learn and apply state-of-the-art technology
- Emphasize organizational learning and research through effective use of knowledge management systems
- Fill the competency gap within the organization by attracting and retaining best professionals
- Attain full autonomy in financial and decision making matters

### Customers

- Continuously improve quality of service and responsiveness to maintain a satisfied customer base
- Improve reliability and efficiency of supply to the customer
- Be a responsible corporate citizen

### Internal Process

- Evolve consensus through consultative process interlinking activities of all departments
- Excel in exploration, development and commercialization
- Be transparent in all business transactions
- Synergize through effective business practices and teamwork
- Have well-defined SOPs with specific ownerships and accountabilities
- Improve internal controls
- Improve internal business decision making and strategic planning through state of the art Management Information System
- Periodic business process reengineering

# Code of Conduct

## 1. OBJECTIVE

To ensure that Oil & Gas Development Company Limited ("the Company") conducts and is seen to conduct its operations in accordance with highest business ethical consideration complying with all statutory regulations and universally accepted standards of a good corporate citizen. The Company's core values are Merit, Teamwork, Dedication, Integrity, Safety and Innovation. It is towards this end of fostering the core values in the corporate culture of the Company that the Company has adopted this Code of Conduct ("the Code").

## 2. APPLICATION

In compliance with the requirements of Clause No. v (a) of the Code of Corporate Governance, this Code applies to all directors and employees of the Company.

## 3. IMPLEMENTATION

The Code implies as follows:

### Use of Company's Assets/Record Keeping

- 3.1 The directors and employees of the Company seek to protect the Company's assets and to ensure that the Company's assets and services are used solely for legitimate business purposes of the Company. The use of Company's funds for political contributions to any organization or to any candidate for public office is prohibited.
- 3.2 The Company must make and keep books and records that accurately and fairly reflect the Company's transactions and the disposition of its assets in accordance with Generally Accepted Accounting Principles (GAAP) and applicable laws and regulations.
- 3.3 Any accounting adjustments that materially depart from GAAP must be reported to the Audit Committee of the Board, Board of Directors and the Company's statutory auditors. In addition, any off-balance sheet transactions, arrangements and obligations, contingent or otherwise, and other relationships of the Company with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components or revenues or expenses must also be disclosed to the Audit Committee of the Board, Board of Directors and the Company's statutory auditors.

### Legal Compliance and Conflict of Interest

- 3.4 The directors and employees adhere in letter and spirit to all laws and conform to the accepted standards of good corporate governance and avoid conflict of interest. The conflict of interest, if any, real or perceived including potential conflicts must be notified to the Company in writing immediately. (A conflict of interest may arise when a director or an employee is in a position to influence a decision or situation that may result in personal gain for such employee or the employee's family or friends at the expense of the Company or its customers).
- 3.5 The directors and employees shall not place themselves in a position where their loyalty to the Company becomes divided for any reason including their direct or indirect financial interest in a competitor, supplier, consultant or customer.
- 3.6 The Company respects the interests of all the stakeholders and enters into transparent and fairly negotiated contracts. It will do business with customers and suppliers of sound business character and reputation only. All business dealings by the Company with third parties shall be on an arm's length and commercial basis.

### Corruption

- 3.7 The directors and employees reject corruption in all forms – direct, indirect, public or private and do not directly or indirectly engage in bribery, kick-backs, payoffs or any other corrupt business practices. No employee of the Company shall accept any funds, loans, favours or other assets (including those provided as preferential treatment) to obtain business from the Company or that might tend to influence an employee's business decisions. Acceptance of any gift will be subject to the Company's policy.

- 3.8 In the course of their normal business duties, employees may be offered entertainment such as lunch, dinner, theatre, a sporting event and the like. Accepting these offers is appropriate if those are reasonable and occur in the course of a meeting or on an occasion the purpose of which is to hold bona fide business discussions or to foster better business relations. Employees should not accept tickets or invitations to entertainment when the prospective host will not be present at the event with the employee.
- 3.9 Employees may offer tips or hospitality of a customary amount or value for routine services or exchange of customary reciprocal courtesies to promote general business goodwill provided it does not influence business decisions or dealings of the Company.

#### **Confidentiality**

- 3.10 The Company respects the privacy of data relating to individual persons (whether employees or third parties) which it may hold or handle as part of its information processing activities or otherwise. Employees maintain confidentiality of the Company's and its customers' confidential information which is disclosed to them.
- 3.11 The directors and employees may not take advantage of the Company's information or property, or their position with the Company, to develop inappropriate personal gains or opportunities.

#### **General**

- 3.12 The Company is an equal opportunity employer and does not discriminate on the basis of sex, colour, religion or creed.
- 3.13 Employees may offer tips, gratuity or hospitality of a customary amount or value for routine services or courtesies received as per the Company policy.
- 3.14 If an employee becomes aware that another employee has violated this Code, he or she is obligated to report that violation to the Company.

### **4. RESPONSIBILITY FOR ENFORCEMENT/INTERPRETATION**

- 4.1 All directors and employees of the Company and its subsidiary/subsidiaries are responsible for the continuing enforcement and compliance of this Code. If any employee has any question about any part of this Code, he or she should direct such question to his or her immediate supervisor or to the Executive Director (Human Resources) or to the Company Secretary. Non-compliance with this Code will result in disciplinary action as per rules of the Company.
- 4.2 Good faith reports of the violations will be promptly and thoroughly investigated. All employees must cooperate in the investigation of reported violations.
- 4.3 The Investigating Officer will not, to the extent practical and appropriate under the circumstances, disclose the identity of anyone who reports a suspected violation or who participates in the investigation.
- 4.4 The Company does not permit retaliation against an employee who in good faith seeks advice or reports misconduct. Retaliation in any form against an individual, who in good faith reports a violation of this Code or the law, even if the report is mistaken, or who assists in the investigation of a reported violation, is itself a serious violation of this Code. Anyone who engages in retaliation will be subject to disciplinary action, including termination from the service of the Company.



# Corporate Information

## Board of Directors

Mr. Zahid Muzaffar	Chairman
Mr. Aurangzeb Haque	Director
Mr. Mohammad Jalal Sikandar Sultan	Director
Mr. Iskander Mohammed Khan	Director
Mr. Hamid Farooq	Director
Mr. Muhammad Ali Tabba	Director
Mr. Zafar Masud	Director
Prince Ahmed Omar Ahmedzai	Director
Sayed Shafqat Ali Shah	Director
Mr. Rahmat Salam Khattak	Director
Mr. Muhammad Yawar Irfan Khan	Director
Mr. Zahid Mir	Director/MD & CEO

## Chief Financial Officer

Mr. Irteza Ali Qureshi

## Company Secretary

Mr. Ahmed Hayat Lak

## Auditors

M/s KPMG Taseer Hadi & Co., Chartered Accountants  
M/s A.F. Ferguson & Co., Chartered Accountants

## Legal Advisor

M/s Khokhar Law Chambers

## Tax Advisor

M/s A.F. Ferguson & Co., Chartered Accountants

## Bankers

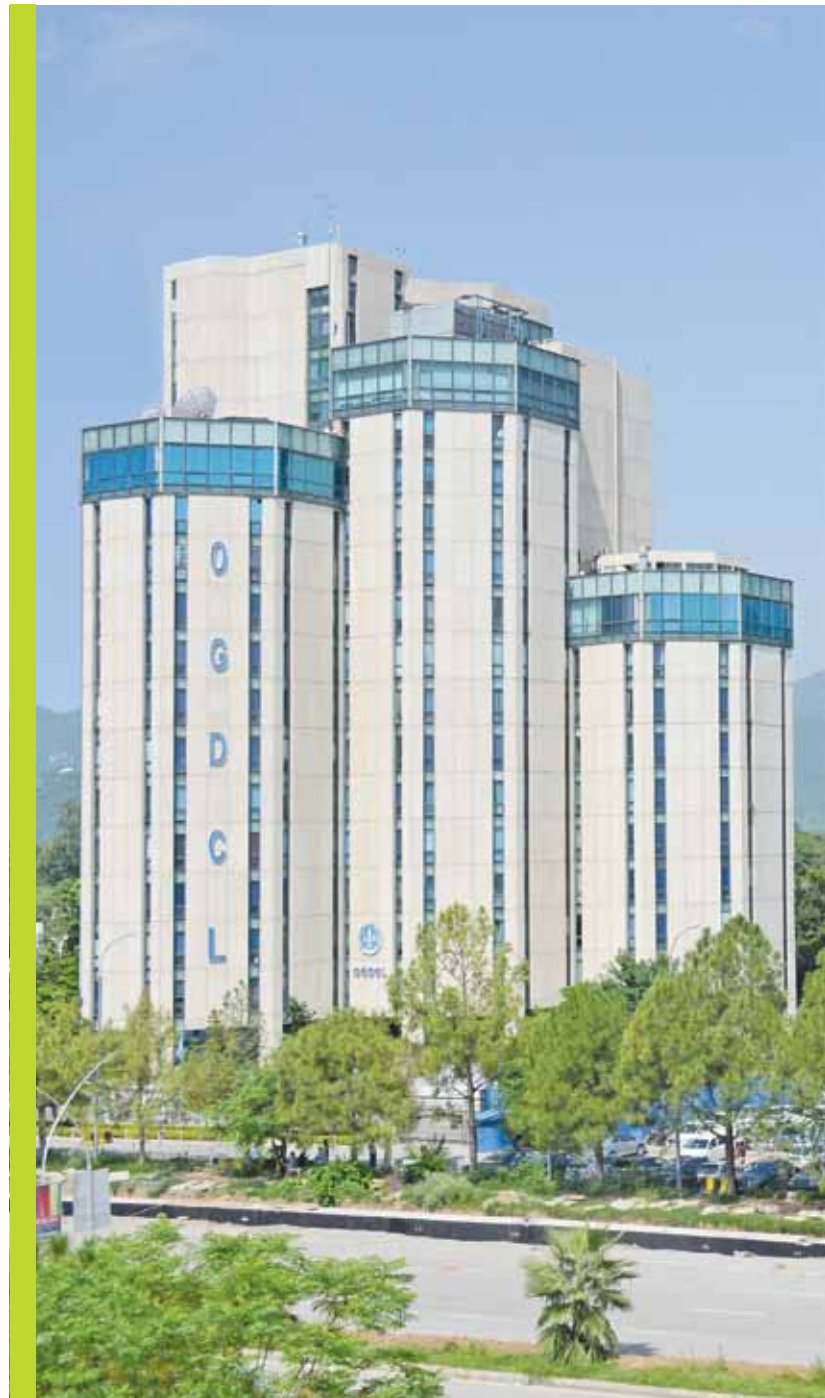
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Barclays Bank PLC  
Citibank  
Deutsche Bank  
Dubai Islamic Bank  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank  
United Bank Limited

## Registered Office

OGDCL House, Plot No. 3, F-6/G-6, Blue Area,  
Jinnah Avenue, Islamabad.  
Phone: (PABX) +92 51 9209811-8  
Fax: +92 51 9209804-6, 9209708  
Website: [www.ogdcl.com](http://www.ogdcl.com)  
Email: [info@ogdcl.com](mailto:info@ogdcl.com)

## Registrar Office

Central Depository Company of Pakistan Limited,  
CDC House, 99-B, Block-B, S.M.C.H.S,  
Main Shahrah-e-Faisal, Karachi-74400.  
Phone: +92 21 111 111 500  
Fax: +92 21 34326053  
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# Core Management Team

Mr. Zahid Mir  
Managing Director & CEO

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Mr. Khan Alam  
Acting Executive Director (Petroserv)

---

Mr. Irteza Ali Qureshi  
Chief Financial Officer

---

Mr. Malik Muhammad Arshad  
Acting Executive Director (HR/Administration)

---

Mr. Masood Nabi  
Executive Director (Business Development and Joint Venture)

---

Dr. Naseem Ahmad  
Acting Executive Director (Production)

---

Dr. Mohammad Saeed Khan Jadoon  
Acting Executive Director (Exploration)

---

Mr. Ahmed Hayat Lak  
Company Secretary/General Manager (Legal Services)

---



Sitting from left to right:

Mr. Masood Nabi, Mr. Irteza Ali Qureshi, Mr. Zahid Mir, Dr. Mohammad Saeed Khan Jadoon, Mr. Malik Muhammad Arshad

Standing from left to right:

Mr. Ahmed Hayat Lak, Mr. Khan Alam, Dr. Naseem Ahmad

# Board of Directors



**Mr. Zahid Muzaffar**  
Chairman

Mr. Zahid Muzaffar has over 40 years of diversified experience in energy sector, in both upstream and downstream oil and gas operations, including transportation of gas via terrestrial pipelines as well as liquefied natural gas ("LNG"). Mr. Muzaffar has developed successful working relationships with business professionals and government officials internationally, particularly in the Far East, South Asia, the Middle East and North Africa. Mr. Muzaffar has served on the board of directors of London and Scottish Marine Oil plc in Pakistan and many other international E&P and refining companies. He headed the acquisition of the largest oil refining company in the Mediterranean, (RA's LANUF Refinery

Libya) and was appointed on the board of LIBYAN EMIRATES oil Refinery Company (LERCO). He was associated with a consortium of Spanish and Turkish oil and gas companies for a cross-country gas pipeline and LNG terminal in Turkey.

Mr. Zahid Muzaffar holds a Bachelor of Economics from the University of the Punjab, Pakistan and has attended various management courses at the College of Petroleum Studies and St. Catherine's College, Oxford, U.K., the Edwin H. Cox School of Business at Southern Methodist University, Dallas Texas, U.S.A., WENTWORTH Consultants, HUDDERSFIELD UK and IMD Switzerland.



**Mr. Aurangzeb Haque**  
Director

Mr. Aurangzeb Haque is a BS-22 officer of the Pakistan Administrative Service and is presently serving as Chief Secretary of Balochistan.

Mr. Haque during his service career has served at various positions at Federal as well as Provincial Governments. He has also served as Secretary Narcotics Control Division, Additional Secretary Interior and Additional Secretary Establishment Division.

He has a B.Sc. degree in Electrical Engineering and has also studied micro economics at

Harvard University Institute of International Development. He attended Advance Course in public administration from NIPA, Lahore and Staff Course at Staff College Peshawar. Mr. Haque has also travelled abroad extensively in connection with official business/ work assignments.

He is currently Director on the Boards of Oil & Gas Development Company Limited, Hubco Pakistan and Inter State Gas Systems (Pvt.) Limited.

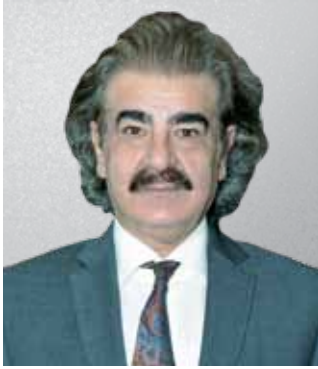


**Mr. Mohammad Jalal Sikandar Sultan**  
Director

Mr. Mohammad Jalal Sikandar Sultan has been educated in the most prestigious institutions of the Country. He did his F. Sc. from Cadet College Hassan Abdal and then went on to graduate from King Edward Medical College, Lahore with a degree in medicine. He got inducted into the civil services (DMG/PAS) through FPSC in 1987 and belongs to the 15th Common. He was first posted as Assistant Commissioner, Islamabad in 1989. He further went on to serve on many key positions such as Deputy Commissioner, Islamabad, Director General Excise and Taxation Punjab and was Secretary of Communications & Work, Services and General Administration and Local Government in Punjab.

He introduced various reforms for the benefits of the general public while serving as Director General Immigration and Passport and earned much praise for his efforts to curb corruption and ensure good governance in Gilgit Baltistan as Chief Secretary. He is known for his role in holding peaceful, free and fair election in AJK while serving there as Chief Secretary in 2016. He joined the Ministry of Energy on 18 April 2017 as Secretary. He is on the boards of Sui Northern Gas Company Limited, Pakistan Petroleum Limited and Pak-Arab Refinery Limited.





## Mr. Iskander Mohammed Khan

Director

Mr. Iskander Mohammed Khan is a Director of the Premier Group of Companies, including Premier Sugar Mills & Distillery Company Limited, Frontier Sugar Mills & Distillery Limited, Chashma Sugar Mills Limited, Arpak International Investments Limited and other non-listed subsidiaries of the Premier Group. He served as Chairman of the All Pakistan Sugar Mills Association between 2000 and 2004, Chairman of the Pakistan Polypropylene Woven Sack Manufacturers

Association, Chairman of the All Pakistan Sugar Mills Association (KPK) from 2005 to 2006, Director of the ISE in 2005 and was a member of the Managing Committee of the Federation of Pakistan Chambers of Commerce and Industry from 2005 to 2006. Mr. Khan holds a degree in Law (LLB) and Accountancy. He has become certified director during the year 2016 under directors' training program as specified by SECP.



## Mr. Hamid Farooq

Director

Mr. Hamid Farooq is currently the Managing Director of Pakistan Telecommunication Employees Trust (PTET), a 103 billion rupees fund serving over 40,000 pensioners. His 28 years of professional management experience includes 17 years C-level exposure and 8 years as CEO/MD, mostly with multinational companies. During his professional career, he has been exposed to a variety of functional areas including operations, project management, strategy development & implementation, financial, treasury / fund management, legal, human resource, procurement & logistics, customer care, public & government relations, process re-engineering and business development.

He is the founding Chairman of U Microfinance Bank (currently still a Board member), founding Chief Executive Officer of Warid Telecom and founding Team Member of Mobilink. In addition, he played a pivotal role in the setting up and expansion of a consultancy/managerial service and a courier & logistics network. He has worked for over 6 years with foreign oil companies. Hamid has extensive knowledge and experience in industry sectors of telecommunications, oil & gas, banking (microfinance and mobile financial services), consulting & advisory services and courier & logistics.

He has a solid track record of achieving results in difficult and complex business environments including tremendous growth in start-up companies that grew multiple times under his leadership. His core competencies and personal qualities include visionary leadership, commercial acumen, innovation, strategic approach & orientation, results driven, teamwork, flexibility & adaptability and collaborative management style.

Mr. Hamid Farooq did his Bachelor Degree in Commerce from Hailey College, University of Punjab, Pakistan and then completed his accountancy training from A. F. Ferguson & Co. (Member Firm of Price Waterhouse Coopers). He is an MBA, a Chartered Management Consultant, a Certified Financial Consultant (CFC) and holds an Advanced Diploma in Financial Consulting (ADipFC) as well. He has experience of serving on the boards of various companies (including board committees) and is a certified board director from Securities & Exchange Commission of Pakistan (SECP). He has attended various international and local trainings, seminars and workshops and is a member of various bodies and associations.



## Muhammad Ali Tabba

Director

Mr. Muhammad Ali Tabba is Chief Executive of Lucky Cement Ltd, a member of the Yunus Brothers Group, which holds diversified interests in textiles, energy, chemicals, cement and other construction related sectors. Muhammad Ali Tabba also heads Yunus Textile Mills, a home textiles unit with subsidiaries in the U.S.A., Europe, Canada and France. He also serves as Vice Chairman on the Board of Directors of ICI Pakistan. Mr. Tabba also sits on the Board of

Governors at several universities, institutions and foundations. He also runs the Aziz Tabba Foundation which works extensively in education, health and housing. The foundation also operates a kidney centre and a state-of-the art cardiac hospital. The World Economic Forum has bestowed the title of Young Global Leader on Mr. Tabba, recognizing his outstanding services and commitment to the social development sector in Pakistan.





## Mr. Zafar Masud Director

Mr. Zafar Masud is the Director and Co-Founder of Burj Capital, which is represented in Pakistan by Burj Capital Pakistan (Private) Limited, a global corporate finance and advisory house with a specific focus on the energy sector, particularly alternate energy and power. Mr. Zafar Masud is a member of the Central Board of the State Bank of Pakistan, having been appointed in March 2013 for a three year term. He is the Chairman of the Publications Review Sub-Committee and a member of the Human Resource and Nomination Sub-Committee as well as the Investment Sub-Committee of the Board. In the past he had also served as

Managing Director/Head of Southern Africa at Barclays Bank plc, Dubai Islamic Bank Pakistan Limited, Citigroup and American Express Bank. Mr. Zafar Masud obtained his M.B.A. in Banking from the Institute of Business Administration, Karachi and a Bachelor of Commerce from the Hailey College of Commerce, University of the Punjab, Lahore.



## Prince Ahmed Omar Ahmedzai Director

Prince Ahmed Omar Ahmedzai belongs to the Khan of the Kalat Family of Balochistan. He is the Executive Director of Agha Techy Construction, a planning and project administration firm, working on infrastructure projects at Gwadar. He is also the sole proprietor of Dynamic International, a construction firm and a Director/Executive of Dynamic Traders (Pvt) Ltd. He graduated from the University of Balochistan in Political

Science. He is a member of the Quetta Chamber of Commerce and the Gwadar Chamber of Commerce.



## Sayed Shafqat Ali Shah Director

Sayed Shafqat Ali Shah is Managing Director of Matiari Sugar Mills Ltd and CEO of Matol (Pvt) Limited. He is a Member of the Economic Advisory Council (EAC) of Government of Pakistan. He has been on the Board of Directors of the National Bank of Pakistan and a member of the National Commission on Government Reforms. He had also served in the past as Federal Minister for Agriculture, Food and Livestock, an Advisor and Minister under several different portfolios

in the Government of Sindh. He has taught International Relations at the University of Sindh and the University of Virginia. He has also led, and been a member, of various national and international bodies and institutions. He holds a Ph.D. in Foreign Affairs from the University of Virginia, a Master of Arts in Foreign Affairs from the University of Virginia, a Master of Arts in Political Science and a B.Sc. in Chemistry and Zoology from the University of Sindh.



## Mr. Rahmat Salam Khattak

Director

Mr. Rahmat Salam Khattak holds a Bachelor of Arts degree from the University of Peshawar. Mr. Khattak was elected District Nazim of Karak and performed functions as executive head of the district management and the council. He is well abreast with the problems being faced by E&P sector in Pakistan. As District Nazim he successfully managed & resolved long outstanding local issues of E&P companies operating in District Karak. He has also been associated with education and founder of first modern management sciences institute in Peshawar, the first of its kind in the province designed to equip young business managers with modern

management skills. He served as Chief Executive of the Institute of Management and Computer Sciences Peshawar; Hayatabad Science College Peshawar and Chief Executive of the Shenghar Children Academy Karak. Besides education sector, Mr. Khattak established a construction company and managed its operations. He also served in Saudi Arabia and Habib Bank Limited in various capacities. He has become certified director during the year 2016 under Directors' Training Program as specified by SECP.



## Muhammad Yawar Irfan Khan

Director

Mr. Muhammad Yawar Irfan Khan holds a Masters in Business Administration and is the Chairman of the Irfan Group of Companies which includes Famous Brands Pvt Ltd and Irfan Foods Pvt Ltd. He serves as Chairman of the Asifa Irfan Foundation Trust, a family-run charity organization. He is a board member of both the Pakistan School of Fashion Design, Lahore and the Government Chuna Mandi College for Women, Lahore, and

is a Life Member of the South Asian Association for Regional Cooperation ("SAARC") on behalf of the Chamber of Commerce and Industry. Previously, he served as a Director of the Lahore Transport Company, as Chairman of the Chief Minister of Punjab's Task Force for Industrial Development, and as Managing Director of the Punjab Small Industries Corporation.



## Mr. Zahid Mir

Director/MD & CEO

Mr. Zahid Mir is a Petroleum Engineer with over 27 years experience in the oil and gas industry with assignments relating to onshore and offshore operations having been involved at a senior level in all stages of upstream operations. He has strong HSE background, extensive experience as an oil and gas commercial negotiator and business developer, strategy, joint ventures and license management, new ventures, economic evaluations, mergers and acquisitions.

Mr. Zahid Mir had significant exposure to field operations including production, project development, development planning, conceptual

engineering and operational support. During the performance of his functions, he closely interacted with oil and gas producers both in Pakistan and United Kingdom like Shell Exploration Pakistan B.V., Premier Exploration Pakistan Limited, Premier-Kufpec Pakistan B.V., Premier Oil Pakistan and Premier Oil U.K.

He has done his B.Sc. in Petroleum Engineering in 1986 from University of Engineering and Technology Lahore and Masters in Business Administration (MBA) from Preston University, Islamabad.

# Committees of the Board

## Human Resource and Nomination Committee

Mr. Hamid Farooq	Chairman
Mr. Zahid Muzaffar	Member
Mr. Mohammad Jalal Sikandar Sultan	Member
Mr. Aurangzeb Haque	Member
Mr. Zafar Masud	Member
Mr. Rahmat Salam Khattak	Member
Company Secretary	Secretary

### Terms of Reference

- To deal with all employee related matters including recruitment, training, remuneration, performance evaluation, succession planning and measures for effective utilization of the employees of the Public Sector Company;
- Recommending to the Board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;
- Consideration and approval on recommendations of CEO on such matters for key management positions who report directly to CEO;
- Approval of appointments/promotions to EG-VI and EG-VII;
- Recommendations for appointment/promotions beyond EG-VII;
- Guidance/recommendations for CBA agreements;
- Restructuring of the organization;
- Review of compensation package;
- Review of HR policies including the policies required under the Code of Corporate Governance; and
- Consider any other issue or matter as may be assigned by the Board of Directors.

## Risk Management Committee

Mr. Zafar Masud	Chairman
Mr. Iskander Mohammad Khan	Member
Mr. Hamid Farooq	Member
Sayed Shafqat Ali Shah	Member
Mr. Muhammad Yawar Irfan Khan	Member
Company Secretary	Secretary

### Terms of Reference

- Review the risk identification and management process developed by management to confirm it is consistent with the Company's strategy and business plan;
- Review management's assessment of risk periodically and provide an update to the Board in this regard;
- Inquire of management and the independent auditors about significant business, political, financial and control risks or exposure to such risks;
- Oversee and monitor management's documentation of the material risks that the Company is exposed to and update as events change and risks shift;
- Assess the steps management has implemented to manage and mitigate identifiable risk, including the use of hedging,

- insurance and other measures taken by the management;
- Oversee and monitor management's review, periodically of the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks);
- Review the following with management, with the objective of obtaining reasonable assurance that all risks are being effectively managed and controlled:
  - management's tolerance for financial risks;
  - management's assessment of significant risks the Company is exposed to;
  - the Company's policies, procedures, plans, processes and any proposed changes to those policies for controlling significant financial/non-financial risks; and
  - to review with the Company's counsel, legal matters which could have a material impact on the Company's public disclosure, including financial statements.
- Consider any other issue or matter as may be assigned by the Board of Directors.

## Audit Committee

Mr. Iskander Mohammad Khan	Chairman
Mr. Aurangzeb Haque	Member
Mr. Hamid Farooq	Member
Mr. Muhammad Ali Tabba	Member
Prince Ahmed Omar Ahmedzai	Member
Company Secretary	Secretary

### Terms of Reference

- Recommend appointment of external auditors to the Board of Directors and consider any questions of resignation or removal of external auditors, audit fees, etc.;
- Recommend appointment of financial consultant for any service to the Company in addition to audit of its financial statements;
- Recommend appointment of suitable candidate(s) for the position of Head of Internal Audit;
- Determination of appropriate measures to safeguard the Company's assets;
- Review preliminary announcements of financial results prior to publication;
- Review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
  - major judgment areas;
  - significant adjustments resulting from the audit;
  - the going-concern assumption;
  - any changes in accounting policies and practices;
  - compliance with applicable accounting standards; and
  - compliance with listing regulations and other statutory and regulatory requirements.
- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- Review of management letter issued by external auditors and

- management's response thereto;
- Ensuring coordination between the internal and external auditors of the Company;
- Review the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- Consideration of major findings of internal investigations and management's response thereto;
- Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective;
- Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors;
- Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;
- Determination of compliance with relevant statutory requirements;
- Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and
- Consider any other issue or matter as may be assigned by the Board of Directors.

### Procurement, Operations and Finance Committee

Mr. Rahmat Salam Khattak	Chairman
Mr. Zahid Muzaffar	Member
Mr. Mohammad Jalal Sikandar Sultan	Member
Mr. Hamid Farooq	Member
Sayed Shafqat Ali Shah	Member
Company Secretary	Secretary

#### Terms of Reference

- To ensure transparency in procurement transactions and in dealing with the suppliers and financial institutions;
- Procurement of plant, machinery and store items etc., exceeding the powers delegated to Managing Director;
- Approval/recommendation for award of contracts for civil works, development of fields etc., exceeding the powers delegated to Managing Director;
- Review and recommend Business and Strategic Plans of the Company for approval by the Board of Directors;
- Formulation of Technical and Financial Policies and Controls including the policies required under the Code of Corporate Governance;
- Review and recommend policies for Investment of surplus funds of the Company and opening/closing of bank accounts;
- Review and recommend financing plans for Company's projects/operations including borrowing limits, loans from banks/financial institutions and other credit lines for approval by the Board of Directors;
- Review and recommend write-off cases involving the Company assets;

- Approval of Exploration Licenses and related work programmes within budgetary provision;
- Recommendations for Farm-in and Farm-out in concessions;
- Recommendations for participation in off shore and overseas opportunities;
- Recommend/review the physical targets;
- Formulation of Technical Policies required under the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013;
- Business Development;
- Field operations;
- Drilling operations;
- Business Plan;
- Formation of subsidiaries, acquisition etc.; and
- Consider any other issue or matter as may be assigned by the Board of Directors.

### Corporate Social Responsibility Committee

Mr. Prince Ahmed Omar Ahmedzai	Chairman
Mr. Zafar Masud	Member
Mr. Hamid Farooq	Member
Sayed Shafqat Ali Shah	Member
Mr. Rahmat Salam Khattak	Member
Company Secretary	Secretary

#### Terms of Reference

- To meet all obligatory requirements as prescribed under the Petroleum Concession Agreement (PCA);
- To meet non-obligatory projects under OGDCL's Corporate Social Responsibility (CSR) policy viz., education, health, water supply and sanitation, supply of gas, infrastructure, sports etc., as prescribed under the Company's CSR policy;
- The Committee will recommend the annual budget of CSR (along with a detailed list of all CSR related initiatives), at the beginning of each financial year, to the Board of Directors. Any deviation from this budget can only be made after approval from the Board of Directors;
- In the event of an emergency/natural calamity, such as earthquakes, floods etc., the CSR Council may recommend to the MD & CEO to approve a donation up to Rs 1,000,000/-. However, this must be in line with the approved CSR policy of the Company. The Board of Directors shall be informed of this by circular, to be ratified at its next meeting;
- The Committee will review and monitor the progress of ongoing CSR projects on a quarterly basis. A detailed report will be provided by Manager CSR to the Committee and Board of Directors;
- All activities carried out under the head CSR will be audited by an external auditor (each financial year) and the audit report will be circulated to the Board of Directors; and
- Consider any other issue or matter as may be assigned by the Board of Directors.



# Attendance of the Board and Committee Meetings

Name of Director	Remuneration (Rupees)	Board			HR & Nomination Committee			Sub Committee of HR & Nomination Committee		
		Member	Meetings <sup>1</sup>	Attendance	Member	Meetings <sup>1</sup>	Attendance	Member	Meetings <sup>1</sup>	Attendance
Mr. Zahid Muzaffar	1,530,000	*	8	8	*	5	5	-	-	-
Mr. Arshad Mirza **	340,000	*	5	2	-	3	2	-	-	-
Mr. Saif Ullah Chattha **	425,000	*	5	2	-	3	2	-	-	-
Mr. Iskander Mohammed Khan	1,190,000	*	8	6	-	-	-	*	1	1
Mr. Hamid Farooq	2,210,000	*	8	8	*	5	5	*	1	1
Mr. Muhammad Ali Tabba	-	*	8	0	-	-	-	-	-	-
Mr. Zafar Masud	1,700,000	*	8	8	*	5	5	-	-	-
Prince Ahmed Omar Ahmedzai	1,700,000	*	8	8	SI	2	2	-	-	-
Sayed Shafiqat Ali Shah	-	*	8	0	-	-	-	-	-	-
Mr. Rahmat Salam Khattak	1,700,000	*	8	8	*	5	5	*	1	1
Mr. Muhammad Yawar Irfan Khan	-	*	8	3	-	-	-	-	-	-
Mr. Mohammad Jalal Sikandar Sultan ***	255,000	*	3	2	*	1	1	-	-	-
Mr. Shoaib Mir ***	85,000	*	1	1	-	-	-	-	-	-
Mr. Aurangzeb Haque ****	170,000	*	2	2	*	-	-	-	-	-
Mr. Zahid Mir	-	*	8	8	SI	4	4	-	-	-

Name of Director	Risk Management Committee			Audit Committee			Procurement, Operations & Finance Committee			CSR Committee		
	Member	Meetings <sup>1</sup>	Attendance	Member	Meetings <sup>1</sup>	Attendance	Member	Meetings <sup>1</sup>	Attendance	Member	Meetings <sup>1</sup>	Attendance
Mr. Zahid Muzaffar	SI	1	1	-	-	-	*	4	3	SI	1	1
Mr. Arshad Mirza **	-	-	-	-	-	-	-	3	0	-	-	-
Mr. Saif Ullah Chattha **	-	-	-	-	3	1	-	-	-	-	-	-
Mr. Iskander Mohammed Khan	*	2	2	*	4	4	SI	1	1	-	-	-
Mr. Hamid Farooq	*	2	2	*	4	4	*	4	4	*	2	2
Mr. Muhammad Ali Tabba	-	-	-	*	4	0	-	-	-	-	-	-
Mr. Zafar Masud	*	2	2	SI	2	2	SI	1	1	*	2	2
Prince Ahmed Omar Ahmedzai	SI	2	2	*	4	4	SI	2	2	*	2	2
Sayed Shafqat Ali Shah	*	2	0	-	-	-	*	4	0	*	2	0
Mr. Rahmat Salam Khattak	-	-	-	-	-	-	*	4	4	*	2	2
Mr. Muhammad Yawar Irfan Khan	*	2	0	-	-	-	-	-	-	-	-	-
Mr. Mohammad Jalal Sikandar Sultan ***	-	-	-	-	-	-	*	-	-	-	-	-
Mr. Shoaib Mir ****	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Aurangzeb Haque *****	-	-	-	*	-	-	-	-	-	-	-	-
Mr. Zahid Mir	SI	2	2	-	-	-	SI	4	4	SI	2	2

**Notes:**

1 - Held during the period concerned Director was on the Board

\* Member of the Board/respective Committee

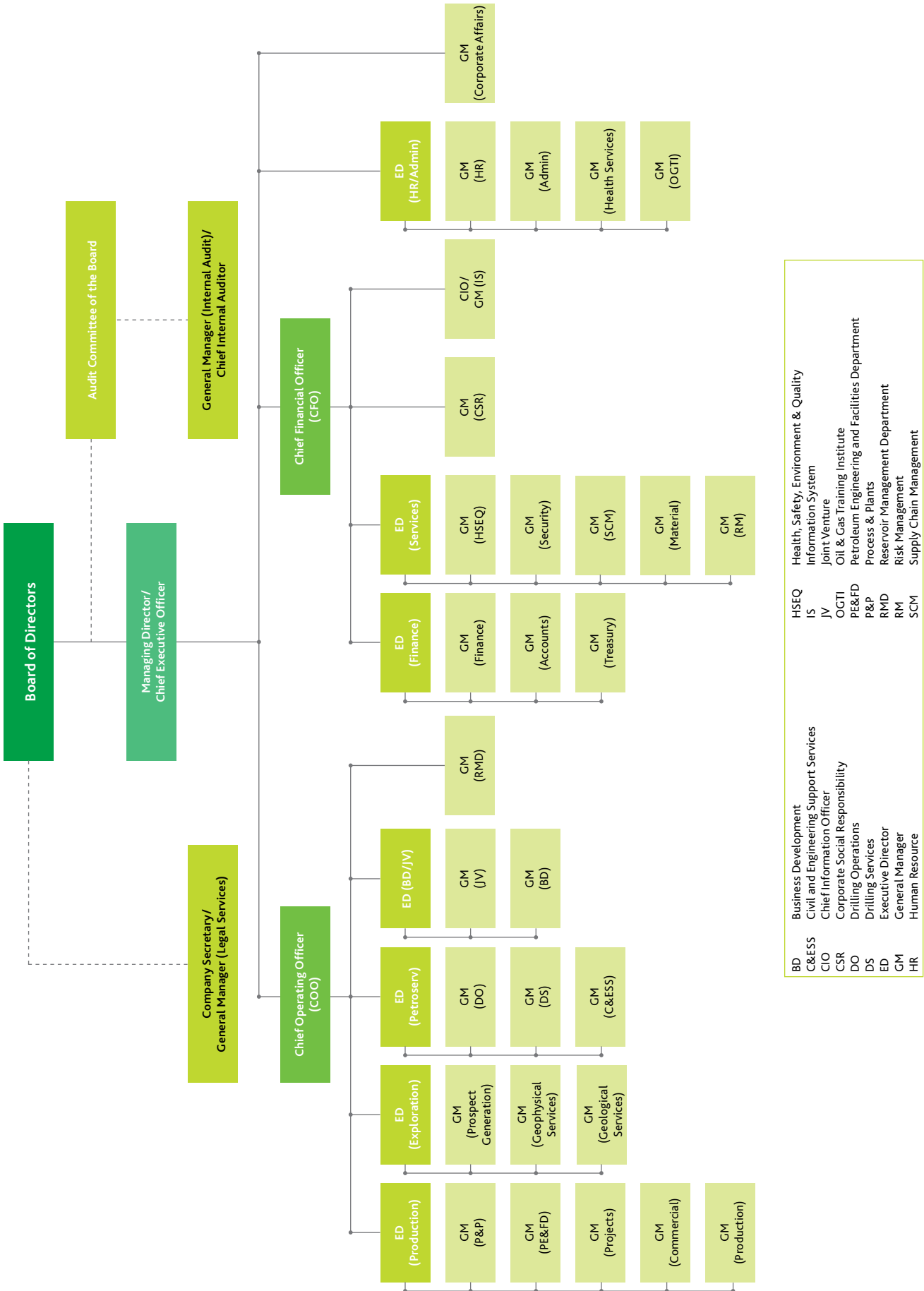
\*\* Mr. Arshad Mirza and Mr. Saif Ullah Chattha resigned on 21 April 2017

\*\*\* Mr. Mohammad Jalal Sikandar Sultan and Mr. Shoaib Mir appointed on 21 April 2017

\*\*\*\* Mr. Aurangzeb Haque appointed on 24 May 2017 whereas Mr. Shoaib Mir resigned on 24 May 2017

SI - Special Invitation

# Organizational Chart



# Management Objectives and Strategies

Management objectives and strategies are in line with OGDCL's strategic plan to improve the corporate performance and create material value for shareholders in the future. These objectives and strategies may change/alter depending upon change(s) in the internal and external environment.

Management objectives and strategies at present are as follows:

- Ensure the existence of a mixed exploration portfolio constituting exploration concessions in the established, promising and unexplored areas alongside keeping a balance between enhancing exploratory endeavors and mitigating risk with acceptable drilling success leading to reserves accretion and sustainable long term business growth;
  - Maintain and accelerate the exploratory endeavors including fast track seismic data acquisition, data processing/interpretation and active drilling campaigns to tap additional reserves and optimize hydrocarbon production to address energy challenges in the Country;
  - Seek production growth from owned and operated joint venture fields through expediting efforts for completion of ongoing development projects, fast track development of already discovered fields, utilizing latest production techniques and innovative technologies to maximize hydrocarbon recovery;
  - Based on low international oil prices impacting the business financials, a trend witnessed across the entire E&P industry, maintain a rigorous approach to capital allocation and operational spending to carry out exploration, development and production operations competitively and viably;
  - In line with the business vision, pursue such farm-in/farm-out opportunities and acquisition of concessions in domestic and international market that play to the business strengths and deemed financially viable for the purpose of reserve building, production enhancement and growth in distributions to shareholders;
  - Formulate value driven joint ventures with leading domestic and international E&P companies to introduce new partners with complementary skills and carry out operations cost effectively. In this respect, a MoU has been signed with Russia's Gazprom International aimed at mutual cooperation and use of state-of-the-art technology for production enhancement in the Company operated fields;
- 
- In carrying out intensified E&P activities, ensure adherence to high safety standards coupled with respecting the environment and local communities that may be affected by the operations;
  - Being a socially responsible entity, carry on CSR activities through investment in areas; education, health, water supply and sport activities in addition to providing generous donations in the case of natural calamities;
  - Improve efficiency and output of the employees by continuing to provide training in the form of workshops, seminars and conferences alongside building and maintaining strong relationships with the stakeholders to ensure sustainable growth and success; and
  - To exploit unconventional sources of energy, advance further with the study to evaluate shale gas/oil and tight gas/oil potential in the business operated blocks.



# Risk and Opportunity Report

## Risks

OGDCL's core activities including finding, developing and extracting of oil and gas resources are highly speculative in nature and characterized by inherent uncertainties, geological surprises and complexities, which may expose the business to following risks:

- Crude oil and gas reserves data are estimates and actual quantity of recoverable reserves may differ from the estimated proven and probable reserves. This may impact the business reserves estimation, production levels and operational cash flows;
- Strategy to maintain a robust business portfolio and drive production growth may not be sustainable on a long term basis as the business moving on cannot guarantee maintenance of high drilling success;
- Crude prices are linked to a basket of Middle East crude oil prices which are calculated taking into account average of Oman, Dubai and Das Blend prices. Fluctuation in these prices can significantly influence the business sales revenue and profit margins;
- Crude oil and gas prices are determined in US dollars and translated into Pak rupees using exchange rate established by the regulatory authority. Appreciation in the value of Pak rupee against US dollar has a negative bearing on the business earnings and vice versa;
- Security condition can adversely influence the business activities causing threat to lives of the workers in affected operational areas, damage to assets and suspension of exploration, development and production activities;
- Operational activities can expose business to well blowouts, unplanned plant shutdowns, uncontrollable leaks, oil spills, mechanical failures and adverse weather conditions which may interrupt E&P operations; and
- Changes in applicable laws and regulations pertaining to oil and gas sector may impact the business operational and financial performance.

## Opportunities

OGDCL in an effort to strengthen business competitive position and further contribute in the economic growth of the Country is committed to capture and exploit such opportunities which will enable the business to enhance hydrocarbon reserves and deemed commercially and financially feasible. In this respect, the Company is focused on the following opportunities:

- Continue fast track seismic data acquisition, swift processing/reprocessing of the seismic data and active drilling campaigns in the business exploration portfolio to replenish and increase reserves in the coming years;
- Based on prevailing energy crisis in the Country, carry on exploration, development and production activities alongside expediting efforts for completion of ongoing development projects to deliver enhanced oil, gas and LPG production;
- Exploit reduced cost of suppliers and oilfield service companies, existent due to low oil price era, to embark upon new growth opportunities. This would be potentially beneficial in the longer run especially when the discovered reserves are monetized under an improved oil price environment;
- Carry on formulation of value driven joint ventures with leading E&P companies, both within the Country and abroad to introduce new partners with complementary skills and to carry out operational activities cost effectively;
- Favorable pricing regimes enable the business to fetch improved prices for sale of the hydrocarbon products which in return positively influence the financial results;
- In pursuit to the business vision, seek favorable farm-in/farm-out opportunities and acquisition of concessions in domestic and international markets; and
- Locate unconventional sources of energy like shale gas/oil and tight gas/oil to boost reserves and sustain long term growth.

# Exploration Licenses

Held by OGDCL as on 30 June 2017

Sr. No.	Exploration License	Districts	Area (sq. km)	Date of Grant	Working Interest (%)
<b>OGDCL's 100% Owned Exploration Licenses</b>					
1	Fateh Jang	Islamabad, Rawalpindi & Attock	1,080.43	05.11.2002	OGDCL 100%
2	Jandaran	Barkhan, Kohlu & Loralai	408.00	20.09.1989	OGDCL 100%
3	Saruna	Khuzdar & Lasbella	2,431.62	17.02.2004	OGDCL 100%
4	Shahana	Washuk & Panjgur	2,445.06	29.12.2004	OGDCL 100%
5	Samandar	Awaran & Uthal	2,495.33	06.07.2005	OGDCL 100%
6	Latamber	Bannu & Tribal area adjacent to Bannu	331.47	24.10.2005	OGDCL 100%
7	Thano Beg	Lasbela, Jamshoro & Karachi	2,404.73	13.02.2006	OGDCL 100%
8	Thal	Khairpur, Sukkur & Ghotki	1,622.67	13.02.2006	OGDCL 100%
9	Wali	South Waziristan Agency, Bannu, Lakki Marwat & Tribal area adjacent to Tank	2,179.26	31.05.2006	OGDCL 100%
10	Soghri	Kohat & Attock	410.36	31.05.2006	OGDCL 100%
11	Shaan	Zhob, Qila Saifullah & Musakhel Bazar	2,489.80	13.07.2007	OGDCL 100%
12	Mari East	Ghotki, Rahim Yar Khan & Rajanpur	974.60	21.01.2010	OGDCL 100%
13	Lakhi Rud	Loralai, Musakhel, Barkhan & Kohlu	2,488.78	21.01.2010	OGDCL 100%
14	Jandran West	Kohlu & Barkhan	759.46	16.02.2010	OGDCL 100%
15	Eastern Offshore Indus-A	Offshore Area	2,500.00	05.07.2007	OGDCL 100%
16	Offshore Indus-R	Offshore Area	1,492.23	19.04.2007	OGDCL 100%
17	Ladhana	Muzaffargarh, Layyah & Multan	2,409.05	10.02.2014	OGDCL 100%
18	Fatehpur	Layyah, Muzaffargarh, Khanewal & Multan	2,430.84	10.02.2014	OGDCL 100%
19	Rasmalan	Gwadar, Awaran & Lasbela	1,463.74	10.02.2014	OGDCL 100%
20	Alipur	Multan, Bahawalpur, Rahim Yar Khan & Muzaffargarh	2,425.55	21.02.2014	OGDCL 100%
21	Parkani Block-B	Awaran	1,908.31	10.02.2014	OGDCL 100%
22	Parkini Block-A	Awaran & Kech	1,892.10	21.03.2014	OGDCL 100%
23	Rasmalan West	Gawadar & Awaran	1,639.69	21.03.2014	OGDCL 100%
24	Bostan	Ziarat, Pishin, Killah Abdullah & Quetta	2,337.50	21.03.2014	OGDCL 100%
25	Kharan-3	Kharan &	2,487.46	21.03.2014	OGDCL 100%
26	Bela North	Khuzdar, Awaran & Lasbela	2,045.73	21.03.2014	OGDCL 100%
27	Bhkiu	Bhakkar & Khushab	2,395.64	21.03.2014	OGDCL 100%
28	Layyah	Layyah, D.G. Khan & Muzaffargarh	2,459.20	21.03.2014	OGDCL 100%
		<b>Sub Total</b>	<b>52,408.61</b>		
<b>OGDCL's Operated JV Exploration Licenses (with GHPL, KPOGCL &amp; SEHCL)</b>					
1	Ranipur	Khairpur, Larkana & Naushahro Feroz	2,379.52	10.02.2014	OGDCL 95.00%, SEHCL 2.50%, GHPL 2.50%
2	Armala	Tharparkar	2,488.98	10.02.2014	OGDCL 97.50%, SEHCL 2.50%
3	Zorgarh	Ghotki, Jaffarabad, Kashmore, Dera Bugti & Rajanpur	2,402.48	28.02.2014	OGDCL 95.80%, SEHCL 1.70%, GHPL 2.50%
4	Baratai	Kohat	38.92	10.02.2014	OGDCL 97.50%, KPOGCL 2.50%
5	Orakzai	Kurram Agency, Orakzai Agency & Hangu	1,708.04	28.02.2014	OGDCL 95.34%, GHPL 4.66%
6	Tirah	Khyber, Kurram & Orakzai Agencies.	1,945.64	21.03.2014	OGDCL 95%, GHPL 5%
7	Pezu	D.G. Khan, Lakki Marwat, Tank, D.I. Khan & Tribal area of D.I. Khan	2,430.73	21.02.2014	OGDCL 95.88%, KPOGCL 1.62%, GHPL 2.50%
8	Hetu	Bhakkar & Mianwali	2,432.37	28.02.2014	OGDCL 97.14%, KPOGCL 0.36%, GHPL 2.50%
9	Zhob	Musa Khail Bazar & Tribal area of D.I. Khan	2,473.45	21.03.2014	OGDCL 97.50%, GHPL 2.50%
10	Pasni West	Gwadar & Kech	2,293.40	21.02.2014	OGDCL 97.50%, GHPL 2.50%
11	Khanpur	Rahim Yar Khan	2,494.92	21.02.2014	OGDCL 97.50%, GHPL 2.50%
12	Plantak	Washuk & Panjgur	2,457.01	21.03.2014	OGDCL 97.50%, GHPL 2.50%
13	Gawadar	Gwadar & Kech	2,407.01	21.03.2014	OGDCL 97.50%, GHPL 2.50%
14	Rakhshan	Washuk	2,459.17	21.03.2014	OGDCL 97.50%, GHPL 2.50%
15	South Kharan	Washuk	2,187.48	21.03.2014	OGDCL 97.50%, GHPL 2.50%
16	Khuzdar North	Khuzdar	2,451.44	21.03.2014	OGDCL 97.50%, GHPL 2.50%
17	Kulachi	D.I. Khan, D.G. Khan, Layyah & Bhakkar	2,494.89	07.01.2015	OGDCL 95.45%, KPOGCL 2.05%, GHPL 2.50%
		<b>Sub Total</b>	<b>37,545.45</b>		
<b>OGDCL's Operated JV Exploration Licenses (with GHPL)</b>					
1	Bitrisim	Shaheed Benazirabad, Khairpur & Sanghar	1,445.11	27.09.1997	OGDCL 95%, GHPL 5%
2	Khewari	Khairpur & Shaheed Benazirabad	1,276.40	29.12.1999	OGDCL 95%, GHPL 5%
3	Nim	Hyderabad & Tharparkar	229.58	29.12.1999	OGDCL 95%, GHPL 5%
4	Tando Allah Yar	Hyderabad & Tharparkar	369.83	27.09.1997	OGDCL 95%, GHPL 5%
5	Zin	Dera Bugti, Nasirabad, Kohlu & Sibbi	5,559.74	15.08.1996	OGDCL 95%, GHPL 5%
		<b>Sub Total</b>	<b>8,880.66</b>		
<b>OGDCL's Operated JV Exploration Licenses (with other E&amp;P companies)</b>					
1	Gurgalot	Kohat & Attock	346.92	28.06.2000	OGDCL 75%, POL 20%, GHPL 5%
2	Nashpa	Kohat, Karak, North Waziristan Agency & Mianwali	531.16	16.04.2002	OGDCL 65%, PPL 30%, GHPL 5%
3	Kohat	Kohat, Naushera, Orakzai Agency, Peshawar & Darra Adam Khel	1,107.21	03.02.2009	OGDCL 30%, Tullow 40%, MPCL 20%, Saif Energy 10%
4	Sinjhor	Sanghar & Khairpur	1,283.43	29.12.1999	OGDCL 76%, OPI 19%, GHPL 5%
5	Kalchas	Kohlu, Dera Bugti & Rajanpur	2,068.32	29.12.2004	OGDCL 50%, MPCL 20%, Tullow 30%
6	Kohlu	Kohlu, Dera Bugti & Barkhan	2,459.11	29.12.2004	OGDCL 40%, MPCL 30%, Tullow 30%
7	Guddu	Rajanpur, Rahim Yar Khan, Ghotki & Kashmore	2,093.40	04.12.2006	OGDCL 70%, IPRTOC 11.50%, SEPL 13.50%, GHPL 5%
8	Block-28	Kohlu, Dera Bugti & Barkhan	5,856.71	14.01.1991	OGDCL 5%, Tullow 95%
		<b>Sub Total</b>	<b>15,746.26</b>		
		<b>Total Operated</b>	<b>114,580.98</b>		
<b>OGDCL's Non-Operated JV Exploration Licenses</b>					
1	Bunnu West	Bannu & North Waziristan Agency	1,229.57	27.04.2005	MPCL 35%, OGDCL 35%, Tullow 20%, SEL 10%
2	Tal Block	Kohat, Karak, Bannu & Tribal area adjacent to Bannu	3,162.84	11.02.1999	MOL 10%, OGDCL 30%, PPL 30%, POL 25%, GHPL 5%
3	Offshore Indus-U	Offshore Area	6,294.28	21.07.2006	UEPL 72.50%, OGDCL 27.50%
4	Offshore Indus-S	Offshore Area	2,129.91	22.03.2007	UEPL 50%, OGDCL 50%
5	Offshore Indus-G	Offshore Area	5,972.82	12.12.2012	ENI 33.34%, OGDCL 33.33%, PPL 33.33%
		<b>Total Non-Operated</b>	<b>18,789.42</b>		

# Development and Production/Mining Leases

Held by OGDCL as on 30 June 2017

Sr. No.	Lease Name	Districts/Province	Area (sq. km)	Date of Grant	Working Interest (%)
<b>OGDCL's 100% Owned Leases</b>					
1	Bagla	Thatta & Badin, Sindh	29.70	27.02.1995	OGDCL 100%
2	Bahu	Jhang, Punjab	11.22	19.05.2008	OGDCL 100%
3	Bhal Syedan	Attock, Punjab	16.41	11.04.1994	OGDCL 100%
4	Bobi/Dhamrakhi (ML)	Sanghar, Sindh	128.93	23.01.1990	OGDCL 100%
5	Buzdar	Hyderabad, Sindh	6.58	13.12.1999	OGDCL 100%
6	Chak 5 Dim South	Sanghar, Sindh	15.92	18.03.1996	OGDCL 100%
7	Dakhni (ML)	Attock, Punjab & Kohat, KPK	267.83	23.04.1984	OGDCL 100%
8	Daru	Thatta, Sindh	10.26	07.04.1990	OGDCL 100%
9	Dhodak	Dera Ghazi Khan, Punjab	41.92	01.02.1995	OGDCL 100%
10	Fimkassar	Chakwal, Punjab	27.98	19.12.1992	OGDCL 100%
11	Hundi	Dadu, Sindh	15.04	21.09.2002	OGDCL 100%
12	Kal	Chakwal, Punjab	41.96	13.08.1996	OGDCL 100%
13	Kunnar (ML)	Hyderabad, Sindh	34.21	23.01.1990	OGDCL 100%
14	Kunnar Deep (ML)	Hyderabad, Sindh	16.07	17.05.2008	OGDCL 100%
15	Kunnar West (ML)	Hyderabad, Sindh	3.13	17.05.2008	OGDCL 100%
16	Lashari Centre & South	Hyderabad, Sindh	23.15	25.06.1989	OGDCL 100%
17	Loti (ML)	Dera Bugti Agency, Balochistan	204.20	14.11.1986	OGDCL 100%
18	Misan	Hyderabad, Sindh	2.50	12.07.1999	OGDCL 100%
19	Missa Keswal	Rawalpindi, Punjab	23.43	11.04.1994	OGDCL 100%
20	Nandpur	Multan & Jhang, Punjab	45.05	12.03.1996	OGDCL 100%
21	Nur	Thatta & Badin, Sindh	30.64	27.02.1995	OGDCL 100%
22	Pali	Hyderabad, Sindh	16.43	17.11.2001	OGDCL 100%
23	Panjpir	Multan & Jhang, Punjab	45.18	12.03.1996	OGDCL 100%
24	Pasahki & Pasahki North	Hyderabad, Sindh	27.95	27.01.1990	OGDCL 100%
25	Pasahki Deep	Hyderabad, Sindh	18.08	17.05.2008	OGDCL 100%
26	Pirkoh (ML)	Sibi (Bugti Tribal Territory), Balochistan	141.69	08.08.1977	OGDCL 100%
27	Pirkoh (ML) Additional	Dera Bugti Agency, Balochistan	13.57	14.07.1988	OGDCL 100%
28	Rajian	Chakwal & Jehlum, Punjab	39.09	28.02.1996	OGDCL 100%
29	Sadkal	Attock, Punjab	26.77	24.01.1994	OGDCL 100%
30	Sara West	Ghotki, Sindh	168.41	08.06.2001	OGDCL 100%
31	Sari Sing (ML)	Dadu, Sindh	25.89	30.07.1968	OGDCL 100%
32	Sono	Hyderabad, Sindh	25.08	23.07.1989	OGDCL 100%
33	Tando Alam (ML)	Hyderabad, Sindh	38.62	30.07.1985	OGDCL 100%
34	Thora/Thora East & Thora Add. (ML)	Hyderabad, Sindh	15.20	23.01.1990	OGDCL 100%
35	Toot (ML)	Attock, Punjab	67.97	02.11.1968	OGDCL 100%
36	Uch	Dera Bugti Agency, Balochistan	121.00	01.07.1996	OGDCL 100%
<b>OGDCL's Operated JV Leases</b>					
1	Baloch	Sanghar, Sindh	9.78	16.09.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
2	Chak Naurang (ML) (28.075q.Miles)	Chakwal, Punjab	72.70	14.11.1988	OGDCL 85%, POL 15%
3	Chak-2	Sanghar, Sindh	43.57	13.09.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
4	Chak-63	Sanghar, Sindh	50.95	06.05.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
5	Chak-63 South East	Sanghar, Sindh	9.60	23.05.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
6	Chak-66	Sanghar & Khairpur, Sindh	11.13	16.09.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
7	Chak-7A	Sanghar, Sindh	6.12	05.12.2012	OGDCL 62.5%, OPL 15%, GHPL 22.5%
8	Chanda	Kohat, KPK	32.32	01.06.2002	OGDCL 72%, GHPL 17.5%, ZPCL 10.5%
9	Chandio	Hyderabad, Sindh	8.11	07.02.2014	OGDCL 77.5%, GHPL 22.5%
10	Dars	Hyderabad, Sindh	6.02	24.01.2005	OGDCL 77.5%, GHPL 22.5%
11	Dars Deep	Hyderabad, Sindh	20.27	16.05.2014	OGDCL 77.5%, GHPL 22.5%
12	Dars West	Hyderabad, Sindh	5.20	24.01.2005	OGDCL 77.5%, GHPL 22.5%
13	Gopang	Hyderabad, Sindh	2.88	27.01.2014	OGDCL 77.5%, GHPL 22.5%
14	Hakeem Dahu	Sanghar & Khairpur, Sindh	23.46	13.09.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
15	Jakhro	Sanghar, Sindh	35.05	13.02.2002	OGDCL 77.5%, GHPL 22.5%
16	Jhal Magsi South & additional area	Jhal Magsi, Balochistan	17.71	24.07.2009	OGDCL 56%, POL 24%, GHPL 20%
17	Kunnar South	Hyderabad, Sindh	6.90	16.07.2013	OGDCL 77.5%, GHPL 22.5%
18	Lala Jamali	Sanghar, Sindh	13.57	23.05.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
19	Maru	Rahim Yar Khan, Punjab & Ghotki, Sindh	15.41	28.06.2013	OGDCL 57.76%, SPEL 10.66%, IPRTOC 9.08%, GHPL 22.5%
20	Maru South	Ghotki, Sindh	6.64	18.06.2013	OGDCL 57.76%, SPEL 10.66%, IPRTOC 9.08%, GHPL 22.5%
21	Mela	Kohat, KPK	77.57	02.04.2013	OGDCL 56.45%, PPL 28.55%, GHPL 15%
22	Nashpa	Karak, KPK	170.21	19.06.2013	OGDCL 56.45%, PPL 28.55%, GHPL 15%
23	Nim	Hyderabad, Sindh	2.14	01.01.2013	OGDCL 77.5%, GHPL 22.5%
24	Nim West	Hyderabad, Sindh	3.25	21.05.2012	OGDCL 77.5%, GHPL 22.5%
25	Norai Jagir	Hyderabad, Sindh	2.43	16.08.2008	OGDCL 77.5%, GHPL 22.5%
26	Pasahki East	Hyderabad, Sindh	4.16	12.12.2013	OGDCL 77.5%, GHPL 22.5%
27	Qadirpur	Ghotki & Kashmore, Sindh	389.16	18.08.1992	OGDCL 75%, PPL 7%, KUFPEC 8.5%, PKPEL-I 4.75%, PKPEL-II 4.75%
28	Resham	Sanghar, Sindh	9.37	23.05.2013	OGDCL 62.5%, OPL 15%, GHPL 22.5%
29	Reti	Ghotki, Sindh	8.60	25.06.2013	OGDCL 57.76%, SPEL 10.66%, IPRTOC 9.08%, GHPL 22.5%
30	Shah	Hyderabad, Sindh	2.37	16.09.2013	OGDCL 77.5%, GHPL 22.5%
31	Tando Allah Yar	Hyderabad, Sindh	3.35	24.01.2005	OGDCL 77.5%, GHPL 22.5%
32	Tando Allah Yar North	Hyderabad, Sindh	1.43	07.05.2014	OGDCL 77.5%, GHPL 22.5%
33	Unnar	Hyderabad, Sindh	1.88	01.10.2014	OGDCL 77.5%, GHPL 22.5%

## Development and Production/Mining Leases - continued

Sr. No.	Lease Name	Districts/Province	Area (sq. km)	Date of Grant	Working Interest (%)
<b>OGDCL's Non-Operated JV Leases</b>					
1	Jabo	Golarchi & Badin, Sindh	16.13	UEPL 51%	OGDCL 49%
2	Kato	Tando Muhammed Alam & Badin, Sindh	20.40	UEPL 51%	OGDCL 49%
3	Paniro	Matli & Badin, Sindh	10.00	UEPL 51%	OGDCL 49%
4	Pir	Golarchi & Badin, Sindh	43.84	UEPL 51%	OGDCL 49%
5	Rind	Tando Muhammed Alam & Badin, Sindh	17.00	UEPL 51%	OGDCL 49%
6	Jalal	Hyderabad, Sindh	34.25	UEPL 51%	OGDCL 49%
7	Zaur	Badin, Sindh	15.71	UEPL 51%	OGDCL 49%
8	Meyun Ismail	Hyderabad, Sindh	3.59	UEPL 51%	OGDCL 49%
9	Buzdar South	Badin, Sindh	25.13	UEPL 51%	OGDCL 49%
10	Jagir	Badin, Sindh	1.36	UEPL 76%	OGDCL 24%
11	Raj	Hyderabad, Sindh	21.70	UEPL 76%	OGDCL 24%
12	Muban	Hyderabad, Sindh	1.91	UEPL 76%	OGDCL 24%
13	Sakhi Deep	Tando Muhammad Khan, Sindh	4.71	UEPL 76%	OGDCL 24%
14	Jhaberi South	Badin, Sindh	4.13	UEPL 60%	OGDCL 15%, GHPL 25%
15	Ali Zaur	Badin, Sindh	6.23	UEPL 60%	OGDCL 15%, GHPL 25%
16	Shah Dino	Badin, Sindh	1.46	UEPL 60%	OGDCL 15%, GHPL 25%
17	Fateh Shah North	Thatta, Sindh	23.81	UEPL 60%	OGDCL 15%, GHPL 25%
18	Manzalai	Karak, Kohat & Bannu, KPK	382.89	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
19	Makori	Karak, KPK	50.70	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
20	Makori Deep	Kohat, KPK	40.64	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
21	Makori East	Karak, KPK	30.66	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
22	Maramzai	Kohat & Hangu, KPK	110.83	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
23	Mamikhel	Kohat & Hangu, KPK	61.74	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
24	Tolanj X-1	Kohat, KPK	19.08	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
25	Tolang West	Kohat, KPK	24.39	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
26	Tolang	Kohat, KPK	18.36	MOL 8.421%	OGDCL 27.7632%, PPL 27.7632%, GHPL 15%, POL 21.0526%
27	Adhi	Rawalpindi & Jehlum, Punjab	199.88	PPL 39%	OGDCL 50%, POL 11%
28	Ratana	Attock, Punjab	214.50	OPL 65.91%	OGDCL 25%, AOC 4.545%, POL 4.545%
29	Dhurnal	Attock, Punjab	24.76	OPL 70%	OGDCL 20%, AOC 5%, POL 5%
30	Bhangali	Gujjar Khan, Punjab	45.30	OPL 40%	OGDCL 50%, AOC 3%, POL 7%
31	Bhit	Dadu, Sindh	250.08	ENI 40%	OGDCL 20%, PKP KPBV 28%, PKP KIR B.V 6%, Premier Oil Pakistan Kirthar B.V 6%
32	Badhra	Dadu, Sindh	36.72	ENI 40%	OGDCL 20%, PKP KPBV 28%, PKP KIR B.V 6%, Premier Oil Pakistan Kirthar B.V 6%
33	Kadanwari	Khairpur, Sindh	457.82	ENI 18.42%	OGDCL 50%, PKP-Kad Ltd 15.79%, Premier Oil Pakistan Kadanwari Ltd 15.79%
34	Miano	Sukkur, Sindh	814.02	OMV 17.68%	OGDCL 52%, PPL 15.16%, ENI 15.16%
35	Pindori	Chakwal, Punjab	86.58	POL 35%	OGDCL 50%, AOC 15%
36	Badar	Kashmor, Sukkur & Ghotki, Sindh	122.00	PEL 26.32%	OGDCL 50%, SHERRITT 15.79%, SEPL 7.89%
37	Sara	Ghotki, Sindh	82.72	SEPL 60%	OGDCL 40%
38	Suri	Ghotki, Sindh	23.82	SEPL 60%	OGDCL 40%



# Six Years Performance

2011-12 2012-13 2013-14 2014-15 2015-16 2016-17

## Operational Performance

Seismic Survey - 2D	Line km	2,589	1,584	1,807	5,430	5,336	4,034
- 3D	sq. km	654	1,121	867	1,918	3,459	1,153
Wells Drilled	Numbers	17	24	17	25	26	22
Oil & Gas Discoveries	Numbers	2	3	2	4	6	5

## Quantity Sold

Crude Oil	Thousand barrels	13,713	14,183	14,734	14,591	14,461	15,744
Gas	MMcf	381,863	392,513	416,238	404,128	386,637	383,692
LPG	Tons	75,005	41,003	64,088	95,629	125,241	164,407
Sulphur	Tons	21,400	14,493	27,707	23,600	15,800	23,800

## Financial Results

Net Sales	Rs in billion	197.84	223.37	257.01	210.62	162.87	171.83
Other Revenues		9.75	15.80	19.24	20.23	16.89	17.85
Profit before Taxation		133.08	146.81	172.35	127.03	80.51	89.14
Profit for the Year		96.91	91.27	123.91	87.25	59.97	63.80

## Balance Sheet

Share Capital	Rs in billion	43.01	43.01	43.01	43.01	43.01	43.01
Reserves and Unappropriated Profit		220.37	269.26	352.66	399.51	435.62	469.98
Non-Current Liabilities		42.69	43.29	52.52	49.37	51.96	60.69
Current Liabilities		32.21	58.38	48.05	61.90	58.97	53.61
<b>Total Equity and Liabilities</b>		<b>338.29</b>	<b>413.93</b>	<b>496.23</b>	<b>553.79</b>	<b>589.57</b>	<b>627.29</b>
Fixed Assets		116.04	134.53	155.77	196.38	215.37	234.49
Long Term Investments, Loans, Receivables & Prepayments		7.40	145.15	146.30	137.63	119.40	50.34
Current Assets		214.85	134.25	194.16	219.78	254.80	342.46
<b>Total Assets</b>		<b>338.29</b>	<b>413.93</b>	<b>496.23</b>	<b>553.79</b>	<b>589.57</b>	<b>627.29</b>

## Cash Flow Summary

Net Cash from Operating Activities	Rs in billion	48.58	185.68	50.39	74.01	55.85	47.77
Net Cash used in Investing Activities		(14.66)	(164.80)	(25.47)	(53.65)	(35.59)	(27.72)
Net Cash used in Financing Activities		(30.61)	(33.92)	(27.22)	(37.95)	(23.76)	(24.01)
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>3.31</b>	<b>(13.04)</b>	<b>(2.30)</b>	<b>(17.59)</b>	<b>(3.49)</b>	<b>(3.96)</b>
Cash and Cash Equivalents at beginning of the Year		52.14	55.45	42.41	40.11	22.53	19.03
<b>Cash and Cash Equivalents at end of the Year</b>		<b>55.45</b>	<b>42.41</b>	<b>40.11</b>	<b>22.53</b>	<b>19.03</b>	<b>15.07</b>

## Key Indicators

### Profitability Ratios

Gross Profit Margin	%	70	71	69	63	54	55
Net Profit Margin	%	49	41	48	41	37	37
EBITDA Margin to Sales	%	74	69	73	67	58	58
Return on Average Capital Employed	%	42	32	35	21	13	13

### Liquidity Ratios

Current Ratio	Times	6.67	2.30	4.04	3.55	4.32	6.39
Acid Test/Quick Ratio	Times	6.26	2.01	3.65	3.27	4.01	6.04
Cash to Current Liabilities	Times	1.73	0.73	0.84	0.37	0.33	0.29
Cash Flow from Operations to Sales	%	59	125	63	79	74	66

### Activity/Turnover Ratios

Debtor Turnover in Days (1)	Numbers	200	158	111	192	261	244
Total Assets Turnover Ratio	%	66	59	56	40	28	28

### Investment/Market Ratios

Earnings per Share	Rupees	22.53	21.22	28.81	20.29	13.94	14.83
Price Earning Ratio	Times	7.12	10.78	9.07	8.84	9.90	10.09
Dividend Yield Ratio	%	5	4	4	4	4	4
Dividend Payout Ratio	%	32	39	32	38	37	40
Dividend Coverage Ratio	Times	3.11	2.57	3.11	2.62	2.68	2.47
Cash Dividend per Share	Rupees	7.25	8.25	9.25	7.75	5.20	6.00
Market Price per Share (2) - As on June 30	Rupees	160.44	228.75	261.28	179.24	138.07	149.69
- High during the Year		170.70	254.81	287.84	277.52	183.50	188.71
- Low during the Year		120.29	167.41	229.47	172.44	95.58	134.25
Break-up Value per Share	Rupees	61.24	72.60	92.00	102.89	111.29	119.27

## Contribution to National Exchequer

Rs in billion	100.55	129.62	132.26	123.70	81.64	90.31
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### Notes:

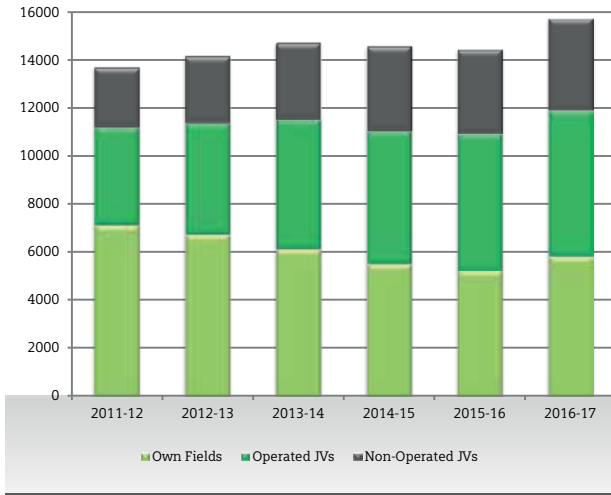
Previous year figures have been rearranged and/or reclassified, wherever, necessary for the purpose of comparison

- 366 days have been used for the year 2011-12 and 2015-16
- Source: Pakistan Stock Exchange

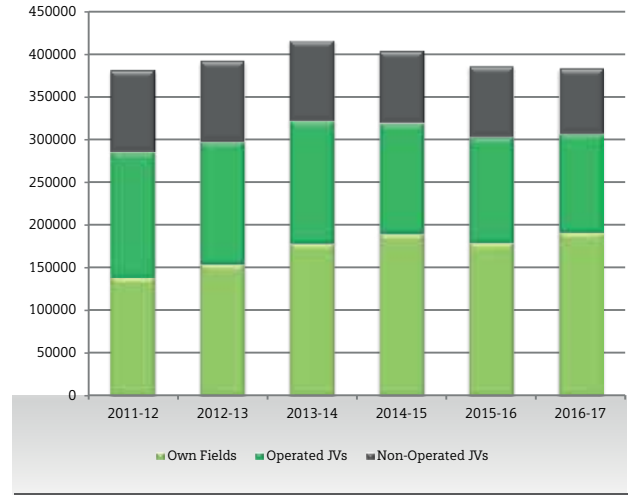
# Graphical Presentation

## Six Years Operational and Financial Performance

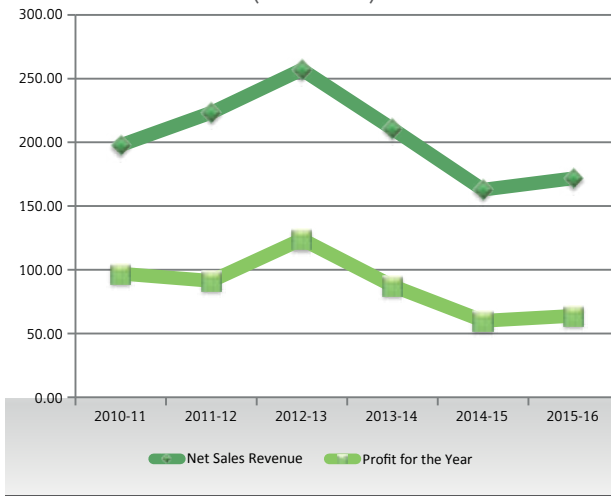
**Quantity Sold - Crude Oil/Condensate**  
(Thousand Barrels)



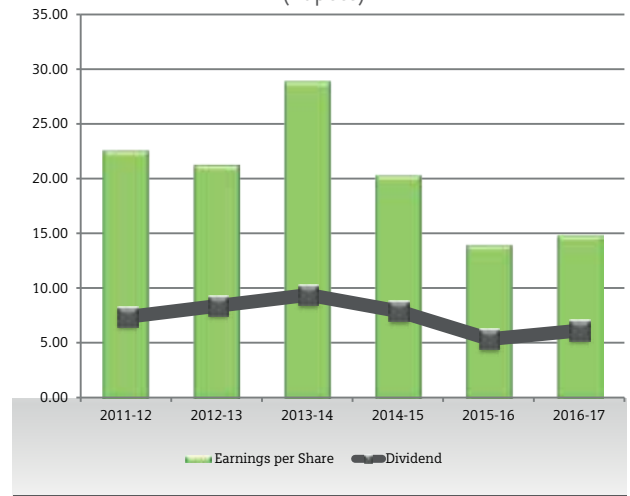
**Quantity Sold - Gas**  
(MMcf)



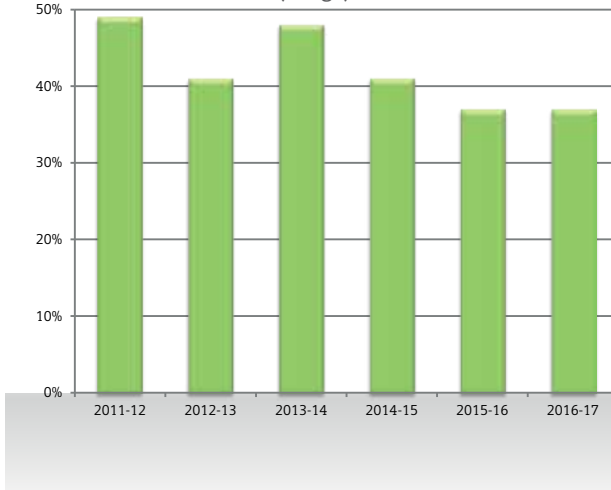
**Net Sales Vs Profit for the Year**  
(Rs in billion)



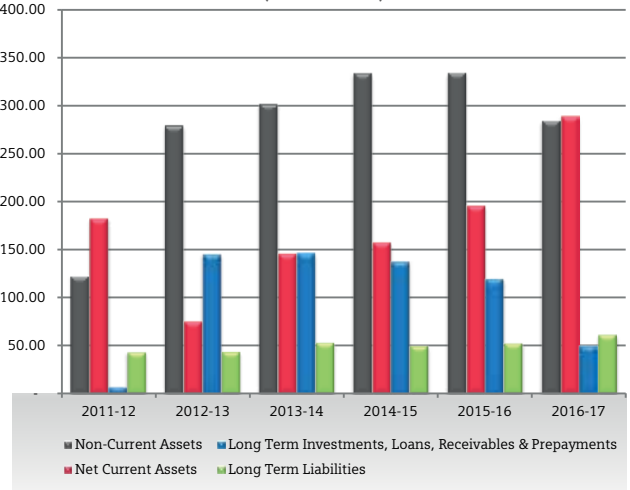
**Earnings and Dividend per Share**  
(Rupees)



**Net Profit Margin**  
(% age)



**Assets and Liabilities**  
(Rs in billion)



## Comments on Six Years Performance

A snapshot of OGDCL's operational and financial performance during the fiscal years 2011-12 to 2016-17 is as follows:

- 2D and 3D seismic survey acquired in 2016-17 is 4,034 Line km and 1,153 sq. km respectively against 2,589 Line km and 654 sq. km in 2011-12 portraying intensified seismic data acquisition to locate commercial oil and gas reserves;
- Twenty two (22) exploratory/appraisal and development wells were drilled during 2016-17 against seventeen (17) wells during 2011-12 representing strong drilling campaigns carried out to replenish and augment hydrocarbon reserves base;
- A total of twenty two (22) new oil and gas/condensate discoveries were made during the last six (6) fiscal years which significantly contributed in maintaining and enhancing oil and gas production;
- Quantity sold with respect to crude oil, gas, LPG and sulphur in 2016-17 were higher compared to 2011-12 on the back of fast track exploration activities, completion of significant development projects and increased production from owned and operated fields;
- Net Sales in 2016-17 were Rs 171.83 billion against Rs 197.84 billion in 2011-12 mainly due to fall in international oil prices resulting in lower realized price for hydrocarbon products;
- Profit after tax for 2016-17 stood at Rs 63.80 billion in comparison to Rs 96.91 billion in 2011-12 primarily due to low oil price environment and increased exploration and prospecting, operating and general and administration expenditures;
- Total Assets as on 30 June 2017 were Rs 627.29 billion against Rs 338.29 billion as on 30 June 2012 attributable to increase in fixed assets including property, plant and equipment and development and production assets coupled with higher long term loans, receivables and investment in Privately Placed Term Finance Certificates (PPTFCs) and Pakistan Investment Bonds (PIBs). Moreover, rise in current assets is largely due to current maturity of PPTFCs and PIBs, advance income tax and interest accrued;
- Cash and cash equivalents at end of 2016-17 were Rs 15.07 billion against Rs 55.45 billion at end of 2011-12 primarily owing to lower profit before tax and cash and cash equivalents balance at beginning of the year coupled with increase in capital expenditures; and
- A significant contribution of Rs 658.08 billion is made to national exchequer during 2011-12 to 2016-17 on account of corporate tax, dividend, royalty, general sales tax, gas infrastructure development cess, excise duty and development surcharge.

## Targets for the Fiscal Year 2017-18

During the fiscal year 2017-18, OGDCL has planned to drill twenty five (25) new wells including eighteen (18) exploratory/appraisal/shale wells and seven (7) development wells. Net Capital expenditure is estimated at Rs 45.6 billion; Rs 24.0 billion on exploratory, appraisal, shale and development wells (net of dry hole cost of Rs 9.4 billion) and Rs 21.6 billion on development projects and property, plant and equipment.

# Vertical and Horizontal Analysis

	2011-12	2012-13	2013-14	2014-15	2015-16	(%age) 2016-17
<b>Vertical Analysis</b>						
<b>Profit and Loss Account</b>						
Net Sales	100.0	100.0	100.0	100.0	100.0	100.0
Royalty	(11.7)	(11.6)	(11.6)	(11.3)	(11.1)	(10.8)
Operating Expenses	(17.4)	(16.5)	(19.0)	(25.1)	(33.8)	(32.9)
Transportation Charges	(1.0)	(1.0)	(0.9)	(0.9)	(1.2)	(1.0)
<b>Gross Profit</b>	69.9	70.9	68.5	62.7	54.0	55.3
Other Income	4.9	7.0	7.4	9.1	9.0	9.3
Exploration and Prospecting Expenditure	(2.0)	(6.7)	(3.4)	(5.5)	(8.9)	(7.7)
General and Administration Expenses	(1.1)	(1.1)	(1.2)	(2.0)	(2.3)	(2.5)
Finance Cost	(0.9)	(1.0)	(0.9)	(1.2)	(1.1)	(0.9)
Workers' Profit Participation Fund	(3.5)	(3.5)	(3.5)	(3.2)	(2.6)	(2.7)
Share of Profit in Associate	0.0	0.0	0.0	0.5	1.3	1.1
<b>Profit before Taxation</b>	67.3	65.7	67.1	60.3	49.4	51.9
Taxation	(18.3)	(24.9)	(18.8)	(18.9)	(12.6)	(14.7)
<b>Profit for the Year</b>	49.0	40.9	48.2	41.4	36.8	37.1
<b>Balance Sheet</b>						
Share Capital and Reserves	77.9	75.4	79.7	79.9	81.2	81.8
Non-Current Liabilities	12.6	10.5	10.6	8.9	8.8	9.7
Current Liabilities	9.5	14.1	9.7	11.2	10.0	8.5
<b>Total Equity and Liabilities</b>	100.0	100.0	100.0	100.0	100.0	100.0
Non-Current Assets	36.5	67.6	60.9	60.3	56.8	45.4
Current Assets	63.5	32.4	39.1	39.7	43.2	54.6
<b>Total Assets</b>	100.0	100.0	100.0	100.0	100.0	100.0

## Horizontal Analysis

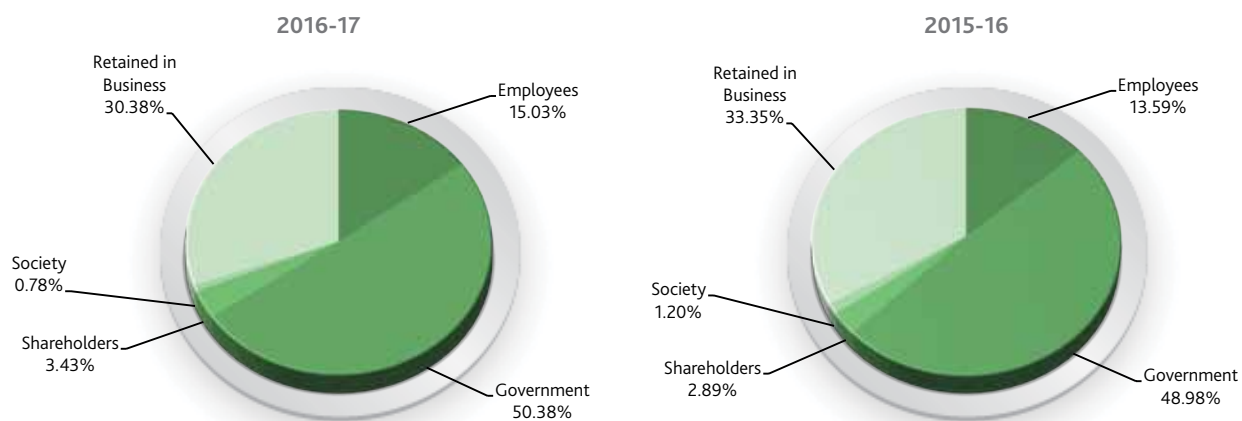
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Profit and Loss Account</b>						
Net Sales	100.0	112.9	129.9	106.5	82.3	86.9
Royalty	100.0	112.0	128.5	102.7	78.2	80.1
Operating Expenses	100.0	107.0	142.0	154.0	159.9	164.6
Transportation Charges	100.0	110.9	117.7	97.8	94.2	84.8
<b>Gross Profit</b>	100.0	114.6	127.3	95.4	63.5	68.7
Other Income	100.0	162.5	198.0	198.6	152.2	165.8
Exploration and Prospecting Expenditure	100.0	370.1	215.5	287.3	359.4	327.8
General and Administration Expenses	100.0	109.1	134.8	195.8	171.4	192.7
Finance Cost	100.0	134.7	128.3	148.4	100.0	88.1
Workers' Profit Participation Fund	100.0	110.3	129.5	95.4	60.5	67.0
Share of Profit in Associate	100.0	120.3	130.6	1,196.7	2,509.8	2,095.1
<b>Profit before Taxation</b>	100.0	110.3	129.5	95.4	60.5	67.0
Taxation	100.0	153.5	133.9	109.9	56.8	70.0
<b>Profit for the Year</b>	100.0	94.2	127.9	90.0	61.9	65.8
<b>Balance Sheet</b>						
Share Capital and Reserves	100.0	118.6	150.2	168.0	181.7	194.8
Non-Current Liabilities	100.0	101.4	123.0	115.6	121.7	142.2
Current Liabilities	100.0	181.2	149.1	192.2	183.1	166.4
<b>Total Equity and Liabilities</b>	100.0	122.4	146.7	163.7	174.3	185.4
Non-Current Assets	100.0	226.6	244.7	270.6	271.2	230.7
Current Assets	100.0	62.5	90.4	102.3	118.6	159.4
<b>Total Assets</b>	100.0	122.4	146.7	163.7	174.3	185.4



# Statement of Value Addition

	(Rs in Million)	
	2016-17	2015-16
Gross Revenue	198,939	190,736
<b>Less:</b>		
Operating, General & Administration, Transportation and Exploration Expenses	26,720	30,565
	<u>172,219</u>	<u>160,171</u>
<b>Add:</b>		
Income from Financial Assets	12,678	12,909
Income from Non-Financial Assets	3,342	1,794
Other	1,827	2,189
<b>Less:</b>		
Other Expenses	1,515	1,718
<b>Total Value Added</b>	<u><u>188,552</u></u>	<u><u>175,345</u></u>
<b>Distribution to:</b>		
<b>Employees as</b>		
Remuneration	24,701	20,180
Contribution to Employees' Benefits (Pension & Medical)	3,644	3,643
	<u>28,345</u>	<u>23,823</u>
<b>Government as</b>		
Corporate Tax	25,334	20,537
Dividends	19,347	15,155
Levies - Sales Tax	18,371	19,133
Excise Duty	3,117	3,157
Gas Infrastructure Development Cess (GIDC)	5,621	5,579
Royalty	18,519	18,079
Workers' Profit Participation Fund	4,691	4,237
	<u>95,001</u>	<u>85,877</u>
<b>Shareholders other than the Government as</b>		
Dividends	6,458	5,059
<b>Society</b>	1,471	2,107
<b>Retained in Business</b>		
Reserves	1,566	3,075
Depreciation	9,021	7,099
Amortization	13,901	15,267
Unappropriated Profit	32,788	33,038
	<u>57,276</u>	<u>58,479</u>
<b>Total Value Added</b>	<u><u>188,552</u></u>	<u><u>175,345</u></u>

## Distribution of Value Added



# DuPont Analysis

DuPont Analysis shows that OGDCL's Return on Equity (ROE) during the fiscal year 2016-17 is 13%, which is same as in the preceding year. This is despite a slight decline in Total Assets Turnover owing to lower increase in Sales Revenue in comparison to Total Assets which increased by a greater proportion primarily

on account of higher fixed assets, current maturity of PPTFCs and PIBs, trade debts and income tax advance. On the other hand, higher realized price and production of crude oil and LPG slightly increased Profit after Tax for the year ended 30 June 2017, thus maintaining the Company's ROE figure.

	Equity Multiplier	Total Assets Turnover	Net Profit Margin	Return on Equity
FY 2016-17	1.2	28.2%	37.1%	13%
FY 2015-16	1.2	28.5%	36.8%	13%

## Analysis of Variation in Results Reported in Interim Reports

### Item wise Quarterly Analysis

Quarter wise variations and commentary on the financial results of OGDCL during the fiscal year 2016-17 are as follows:

Quarter	Net Sales	Gross Profit	Profit before Tax	Profit after Tax	Earnings per Share
First Quarter	39.566	21.770	20.835	14.632	3.40
Second Quarter	41.516	21.291	19.668	15.377	3.58
Third Quarter	45.549	25.339	24.017	17.586	4.09
Fourth Quarter	45.200	26.605	24.618	16.209	3.77
<b>Total 2016-17</b>	<b>171.829</b>	<b>95.004</b>	<b>89.137</b>	<b>63.803</b>	<b>14.83</b>

- Net sales during the first three quarters consecutively improved mainly due to moderate recovery in international oil prices coupled with increase in oil and LPG production while during the fourth quarter increasing trend was impacted due to decline in the oil price and production.
- Gross profit reported for the fourth quarter in comparison to the remaining quarters is higher primarily due to lower operating expenses whereas higher operating expenses in the second quarter influenced the gross profit.
- Profit before tax (PBT) recorded for the fourth quarter in comparison with the remaining quarters is higher mainly attributable to higher gross profit. Conversely, PBT was lowest in the second quarter on account of higher operating expenses accompanied with decline in share of profit in associate.
- Profit after tax (PAT) consecutively increased during the first three quarters primarily on the back of higher net sales but in the fourth quarter greater provision for taxation broke the improving trend of PAT.
- Earnings per share variations follow the same trend as evident in the results of PAT and owing to same reasons as well.

# Share Price Sensitivity Analysis



OGDCL's E&P activities are exposed to various risks

In an uncertain financial and economic environment, OGDCL's E&P activities are exposed to various risks which may have potential impact on the business share price and results of its operations. In this regard, the key risk factors are as follows:

## Commodity Prices (Crude oil and HSFO)

Changes in the international crude oil/HSFO price impact business revenue thus influencing the share price. The same is witnessed by the prevalence of weak international oil price which impacted the sales revenue and profitability of oil and gas companies across the globe.

## Operational Activities

Share price responds positively to success achieved on operational fronts especially as a result of new oil and gas discoveries, enhancement of hydrocarbon production from owned and operated joint venture fields and completion of development projects. Failures such as dry and abandoned wells and operational catastrophes may create a contrary effect on the share price.

## Macroeconomic, Political and Security Environment

Changes in macroeconomic factors such as growth in economy, low inflation and stable interest/exchange rates have a positive bearing on the share price and vice versa. Moreover, political stability reduces the Country's risk premium and favorably affects the share price. Likewise, improvement in security situation enhances the E&P activities and reduces security related expenditures thus increasing the share price.

## Regulatory and Licensing Regimes

Improvement and stability in the regulatory regime and better pricing policies positively influence business earnings leading to a favorable effect on the share price.

## Infrastructure and Technology

Improvement in existing infrastructure and introduction of latest E&P technologies reduce exploration and production costs alongside providing access to untapped hydrocarbon reservoirs. This creates future growth opportunities thereby positively impacting the share price.

# Investor Relations (IR)

OGDCL's IR function serves to keep the investors and market participants informed of all the material information which could influence the business share price. This information is simultaneously communicated by the Company to Pakistan Stock Exchange and London Stock Exchange, accurately and timely. Moreover, all such material information is regularly posted and updated on OGDCL's website(www.ogdcl.com) including share price related data with graphical representations, financial reports, conference call presentations with transcript, credit rating, financial calendar, CSR news and other important notices to keep shareholders abreast of all material developments of the Company.

In line with the international best practices, OGDCL engages with local and foreign institutional investors/fund managers and research analysts through regulatory announcements, meetings, presentations and investor conferences. Personal communication is done through Annual General Meeting (AGM) and on the dates of presentation of annual and half year results, whereby shareholders and research analysts interface with the executive management through conference calls. In addition, notice of AGM is circulated along with dispatch of Annual Audited Accounts through DVD/hard copy (book form) to all the shareholders within the stipulated timeframe.

## Handling Investor Grievances

OGDCL in line with its mission to meet the expectations of the stakeholders welcome the enquiries and concerns raised by the shareholders and research analysts with respect to business operational and financial performance and future prospects. In response, the Company's IR program strives to provide a prompt reply to all the queries raised by the stakeholders. Moreover, investor grievances are aptly handled and all out efforts are made to redress their issues, if any.



# Relationship and Engagement with Stakeholders

OGDCL's stakeholder engagement activities aim at ensuring that the business is suitably prepared for and resourced to build and manage effective relations with all stakeholders including shareholders, Ministries, Divisions and Directorates of Federal and Provincial Governments, JV partners, customers, suppliers, employees and local communities. In this regard, the Company strives to provide timely response to stakeholder concerns on critical issues to uphold good corporate governance and protect business image of being a socially responsible corporate citizen.

E&P sector is regulated by the Ministry of Energy, DGPC and in this respect the Company fully complies with its directives/guidelines relating to gas pricing, crude oil and gas allocation to refineries and gas distribution companies, concession management, etc. Regarding shareholders, the Company respects their trust and confidence reposed in the business and carries out regular dialogue with them via; active IR program, maintaining and updating data on the Company's website and timely dissemination of material information to the stock exchanges.

OGDCL acknowledges remarkable contributions and relentless efforts exerted by its workforce in attaining and safeguarding the coveted status of market leader in E&P sector of Pakistan. In order to further excel the Company's performance, securing safety and satisfaction of the workers as well as rewarding best performing employees is a business priority. Moreover, the Company enjoys amicable relations with its joint venture partners and works alongside a number of E&P companies through joint venture agreements to explore, develop and produce oil and gas cost effectively in the Country. Likewise, the Company maintains positive relationship with its customers including crude oil refineries and gas distribution companies, suppliers and local communities with the ambition to maintain durable bonds with all the stakeholders and stay connected, informed and engaged as a group.



# Managing Director's Review



## OGDCL with an aim to replenish and augment oil and gas reserves carried on strong exploration activities

Due to persistence of low international oil prices, fiscal year 2016-17 proved to be another period of challenge for oil and gas companies to sustain business operations and deliver steady performance on operational and financial front. While navigating through weak oil price environment, OGDCL stood firm in conducting exploration and production operations efficiently and smartly alongside striving to address national energy imperatives as a key public sector entity. Its undeterred pursuance to strategic priorities; to carry on exploratory endeavors, focus on completion of ongoing development projects and utilization of latest production techniques, paved the way to register highest ever gross crude oil production of 50,354 barrels per day on 28 November 2016 translating into an improved market share of 51% whereas gas volumes were steady at 28% of Pakistan's total natural gas production during July 2016-June 2017 (source: PPIS). Moreover, the Company maintained its position as market leader in terms of exploration acreage, 2D seismic acquisition, oil and gas reserves and production contribution in the Country.

In line with its exploration led growth strategy, OGDCL with an aim to replenish and augment oil and gas reserves carried on strong exploration activities during the year under review. The Company acquired 4,034 Line km of 2D and 1,153 sq. km of 3D seismic data representing respectively 66% and 34% of total seismic data acquisition in the Country (source: PPIS). Regarding drilling of wells, the Company spud twenty two (22) new wells comprising eleven (11) exploratory/appraisal wells and eleven (11) development wells with an overall drilling of 81,774 meters recorded during the year. Furthermore, the Company continued with its track record of exploration successes by making five (5) new oil and gas discoveries at Gundanwari-1, Mithri-1, Chabaro-1, Khamiso-1 and Chhutto-1 in Sindh province. Expected cumulative daily production accredited to aforesaid discoveries is 53 MMcf of gas and 320 barrels of oil which will contribute to further bolster business production base.

In order to address energy challenges in Pakistan, OGDCL is making all viable endeavors to accomplish production targets and enhance oil and gas volumes from owned and operated joint venture fields. In this regard, as many as twenty two (22) new wells were injected in the production gathering system during the year which cumulatively yielded gross crude oil and gas production of 2,012,718 barrels and 17,185 MMcf respectively. Additionally on the back of hard work, use of industry best practices and deployment of latest production technology, the Company not only circumvented the impact of natural decline in its mature producing fields but also reported a healthy increase of 8.5% in its daily net crude production averaging 44,041 barrels while the gas sales were stable at 1,051 MMcf.

In addition to the above, OGDCL carried on development activities pertaining to its ongoing projects including Uch-II, Kunnar Pasakhi Deep-Tando Allah Yar (KPD-TAY), Nashpa and Soghri. With commissioning of hot oil system, amine and dehydration unit, overall completion of Uch-II project is achieved on 12 January 2017 and its current production is around 130 MMcf of gas per day. Regarding KPD-TAY, under phase-II commissioning of gas processing units has been completed and supply of on-spec gas to SSGC started with effect from 1 September 2016 while LPG production commenced on 14 December 2016. After completion of performance test of the equipment and optimization of parameters, KPD-TAY project is expected to render average daily production of 4,000 barrels of oil/condensate/NGL, 205 MMcf of gas and 350 Tons of LPG.

On the North side, under Nashpa development project, design phase and delivery of major equipment at site has been completed while installation/erection work is in final stage. On completion, daily incremental production of 1,100 barrels of crude oil/NGL, 10 MMcf of gas and 340 Tons of LPG is expected. Regarding Soghri development project, shifting of amine unit from Sinjhora field and procurement of necessary equipment have been completed while hiring of the PC contractor is in progress. Upon completion of the project, daily incremental production of 20 MMcf of gas is expected.

On the financial front, OGDCL recorded improvement in top and bottom line financial results primarily due to increase in crude oil, LPG and sulphur production coupled with slight rise in exchange rate in comparison to the corresponding period. Moreover, moderate recovery in basket and realized price of crude oil averaging US\$ 49.27/barrel and US\$ 44.04/barrel respectively against US\$ 42.50/barrel and US\$ 39.07/barrel in the preceding period led the Company to report higher Sales Revenue of Rs 171.829 billion (FY 2015-16: 162.867 billion). Similarly, Profit after Taxation increased to Rs 63.803 billion (FY 2015-16: 59.971 billion) translating into Earnings per Share of Rs 14.83 for the year ended 30 June 2017. Striding forward, planned capital spending and vigilance on operational expenditures will remain part and parcel of the business financial strategy to carry out exploration, development and production operations competitively and viably.

During July 2016-June 2017, OGDCL on account of corporate tax, dividend, royalty, general sales tax, gas infrastructure development cess and excise duty contributed a sum of Rs 90.310 billion to the national exchequer. Subsequent to the closing of year under review, OGDCL's liquidity position further strengthened owing to receipt of Rs 53.400 billion on maturity of Pakistan Investment Bonds (PIBs) on 19 July 2017. As per GoP plan for settlement of circular debt, PIBs were subscribed by the Company on 19 July 2012 to partially settle overdue receivables outstanding against oil refineries and gas companies.

As part of its business strategy to sustain and improve E&P activities, OGDCL is focused on formation of value driven joint ventures with the leading exploration and production companies operating both locally and internationally. In a major development, a Memorandum of Understanding is signed with Russia's Gazprom International aimed at mutual cooperation, joint ventures and use of state-of-the-art technology for production enhancement in the operated fields. Moreover, the Company is looking forward to favorable farm-in/farm-out opportunities and alternate sources of energy like shale gas/shale oil in its operated blocks.

Moving on, OGDCL while exploiting its low cost operator status will continue to spearhead the Country's exploration and development program to reap the long term benefits of business sustainability and maximization of value for the shareholders. As part of its commitment to enhance nation's energy supply, fast track seismic data acquisition, gearing up processing/reprocessing of acquired seismic data and active drilling campaigns will remain high on the Company's radar. Being firm in our resolve, we will show no relaxation in adhering to high safety standards coupled with respecting the environment and promoting social development of the communities residing around the Company's operational areas. As we enter fiscal year 2017-18, we will continue to seek support of all our stakeholders particularly GoP, Ministry of Energy, DGPC, Board of Directors, shareholders, joint venture partners and employees to carry on our exploration plan as well as to outperform industry standards relying on OGDCL's competitive edge.

15 September 2017  
Islamabad

(Zahid Mir)  
Managing Director & CEO

OGDCL  
recorded  
improvement  
in top and  
bottom line  
financial  
results

# Directors' Report



OGDCL during the year under review once again delivered successful performance on operational as well as financial fronts

## Dear Shareholders,

On behalf of the Board of Directors of the Company, I am pleased to present OGDCL's operational and financial performance accompanied with the audited financial statements and Auditors' Report for the year ended 30 June 2017.

Albeit the volatility in international oil prices, OGDCL during the year under review once again delivered successful performance on operational as well as financial fronts while maintaining its position as the industry leader in E&P sector of Pakistan. In order to ensure long term business sustainability and growth, the Company remained committed to exploration, development and production targets while maintaining financial discipline which resulted in highest ever gross crude oil production of 50,354 barrels per day on 28 November 2016. Moreover, net surge in crude oil production by 8.5% over the last year led the Company to record an improved market share contribution of 51% in the Country's total oil production during July 2016-June 2017 (source: PPIS). On the financial side, increase in sales volume of crude oil and LPG combined with moderate recovery in international oil prices led the Company to report higher Sales Revenue and Profit after Taxation of Rs 171.829 billion (FY 2015-16: Rs 162.867 billion) and Rs 63.803 billion (FY 2015-16: Rs 59.971 billion), respectively.

### Exploration and Development Activities

Exploration continues to be OGDCL's long term way of investing to secure new, valuable and material supplies of monetizable oil and gas reserves for sustained growth of the Company's E&P operations far into the future. With an aim to unlock value in the business operated assets and achieve production growth, the Company carried on the exploration activities in its awarded acreage which as of 30 June 2017 stood at 114,581 sq. km, representing the largest exploration area held by any E&P company in Pakistan. The Company's exploration portfolio spreads across all four provinces of Pakistan and currently constitutes fifty eight (58) owned and operated joint venture exploration licenses (ELs). Moreover, the Company holds working interest in five (5) blocks operated by other E&P companies.



In line with its exploration led growth strategy, OGDCL during July 2016-June 2017 acquired 4,034 Line km of 2D and 1,153 sq. km of 3D seismic data representing 66% and 34% of total seismic data acquisition respectively in the Country (source: PPIS). This seismic data has been gathered from exploratory blocks viz., Shaan, Mari East, Kulachi, Pezu, Ranipur, Khanpur, Dakhni, Nur-Baghla, Soghri, Shaan, Zorgarh, Kharan-3, Latamber, Rasmalan, Rasmalan West, Samandar, Wali, Kohat, Baratai, Parkini-A & B and Pasni West. In addition, the Company carried out a geological field work of 258 Line km in Zhob and Lakhi Rud ELs. Moreover, 6,744 Line km of 2D and 5,419 sq. km of 3D seismic data of numerous blocks has been processed/reprocessed using in-house resources.

Notwithstanding weaker oil price environment, OGDCL during the year under review carried on its drilling campaign and spud a total of twenty two (22) wells comprising eleven (11) exploratory/appraisal wells namely Gundanwari-1, Ranipur-1, Chabaro-1, Kachakhel-1, Bhambara-1, Dhok Hussain-1, Resham West-1, TAY SW-1, Khanjar-1, Thal West-2 and Thal East-3 and eleven (11) development wells namely Mela-5, Chanda-4, Rajian-10, Nashpa-8, Pasakhi Deep-7, Palli-3, Bitrism West-2, and Qadirpur-56, 57, 58 & HRL-12. Additionally, drilling of fifteen (15) ongoing wells from previous fiscal years continued, out of which drilling and testing of fourteen (14) wells have been completed. Total drilling recorded by the Company during the year is 81,774 meters.

In order to cope up with the volatility in international oil prices, OGDCL is focused on formation of value driven joint ventures with leading E&P companies to introduce new partners with complementary skills and ensure that ventures and projects remain value driven. To this end, a Memorandum of Understanding has been signed with Russian E&P company Gazprom International aimed at mutual cooperation, joint ventures and use of state-of-the-art technology for production enhancement in the Company's operated fields. Advancing further with the study to locate unconventional oil and gas resources like shale gas/oil and tight gas/oil study, a sweet spot has been identified for the purpose of drilling shale gas pilot well in the future.

Apart from the above, OGDCL in line with its vision seeks to embark on operations internationally by undertaking suitable farm-in/farm-out opportunities and through acquisition of concessions, wherein business low cost operator status comes into play. Moving forward, the Company based on weaker oil prices will continue to take the advantage of market dynamics particularly reduced cost of suppliers and oilfield service companies to step up exploration activities and preserve market leadership status as the largest oil and gas reserves holder in Pakistan.

### Discoveries

OGDCL's exploratory endeavors to locate new hydrocarbon reserves during the year under review culminated in five (5) new oil and gas discoveries having cumulative daily production potential of 53 MMcf of gas and 320 barrels of oil. These discoveries were witnessed at Gundanwari-1, Mithri-1 and Chabaro-1 in district Khairpur, Khamiso-1 in district Ghotki and Chhutto-1 in district Hyderabad, Sindh province. Preliminary reserves estimate attributable to the aforesaid discoveries is 124.47 billion cubic feet of gas and 0.82 million barrels of oil, combined 22.80 million barrels of oil equivalent. Subsequently in August 2017, another gas discovery having a production potential of 5.73 MMcf per day is reported at Bhambhra-1, district Sukkur, Sindh province.

### Oil and Gas Reserves

OGDCL's total gross remaining recoverable 3P reserves as of 30 June 2017 stood at 482.40 million barrels of oil and 11,281.78 billion cubic feet of gas. These reported reserves are in accordance with the Reserves Evaluation Study-2014 carried out by an independent consultant namely Bayphase Limited, UK for all OGDCL fields. Original reserves by Bayphase Limited, UK have been revised/updated during the reporting period based on production performance, workovers and development wells result of individual fields.

OGDCL is focused on formation of value driven joint ventures with leading E&P companies







OGDCL being the flag carrier of E&P sector in Pakistan is focused on intensifying field development activities

## Production

OGDCL being the flag carrier of E&P sector in Pakistan is focused on intensifying field development activities, completion of ongoing development projects and utilization of latest production techniques to augment oil and gas production volumes from its owned and operated joint venture fields. Pursuit to production optimization led the Company to record highest ever daily gross crude oil production of 50,354 barrels on 28 November 2016. Moreover, the Company contributed largest market share of around 51% and 28% in the Country's total oil and natural gas production respectively during July 2016-June 2017 (source: PPIS).

In an effort to ramp up production, OGDCL during the year under review injected twenty two (22) new operated wells in the production gathering system including Qadirpur HRL-11, Kunnar-11, Rajian-9, Nashpa-6 & 7, Unnar-1, Palli Deep-1, Thora Deep-1 & 2, Pasakhi West Deep-1, Pasakhi East-1, TAY-2, 3 & 4, Dars-1, Dars Deep-1, Dars West-1, Shah-1, Hakeem Daho-2, Khamiso-1 and Qadirpur-56 & 57. These injected wells cumulatively yielded gross crude oil and gas production of 2,012,718 barrels and 17,185 MMcf respectively. Additionally, production testing has been completed at Dachrapur-3, Qadirpur HRL-12 and Chhutto-1.

In order to arrest natural decline and revive production from mature wells, OGDCL during the reporting period carried out successful workover jobs with rig at wells; Palli Deep-1, Rajian-2, Kunnar-8 & 10, Pasakhi-5, Pasakhi Deep-6, Hakeem Daho-2 and Sono-8. Likewise, carrying out of rig-less workover jobs to sustain oil and gas production remained part and parcel of the production operations. Moreover to induce improvement in the current well flow parameters, pressure build-up survey jobs were completed at various wells of Uch, Bobi, Nashpa, Pasakhi, Sinjhoru, Maru East and Qadirpur fields. As part of preventive maintenance plan, Annual Turn Around (ATA) of gas processing plants were carried out at Sinjhoru, Chanda, Nashpa, Bobi, Uch, Maru-Reti, Nandpur, Qadirpur and Dakhni/Soghri fields.

Against the backdrop of natural decline in some of its mature producing fields, OGDCL's average daily net crude oil production witnessed strong increase of 8.5% compared to the preceding period. This is mainly due to higher production from Kunnar, Kunnar Pasakhi Deep (KPD), Rajian, Nashpa, Palli Deep, Sinjhoru and non-operated JV fields combined with production start-up from Tando Allah Yar (TAY) field. Regarding LPG, 33% production surge is recorded on account of production commencement from KPD and TAY fields in December 2016 and February 2017 respectively accompanied with production increase from Sinjhoru and non-operated JV fields.

However, OGDCL's average net saleable gas production remained stable at 1,051 MMcf per day compared to 1,056 MMcf per day last year despite production decline from non-operated JV fields mainly Kadanwari, Bhit, Badhra and Miano. Decrease in production is also observed in some of the operated fields including Qadirpur (high water cut at certain wells and no gas intake by Liberty Power Limited during 8-31 January 2017), Bahu (shut-in of Bahu-1 since 5 September 2016 due to sand production and ATA carried out by Fauji Kabirwala Power Company Limited), Mela (down hole problem at Mela-1) and Maru Reti (unscheduled ATA by Engro Fertilizer Limited on 6-31 October 2016 and shut-in of Maru East-1 since 28 January 2017 due to expiry of EWT).

By virtue of its efforts to boost hydrocarbon production, OGDCL's sales volume contributed favorably towards its financial results for the year ended 30 June 2017. Average daily net saleable production of crude oil, gas, LPG and sulphur including share in both operated and non-operated JV fields during the year under review is as follows:

Products	Unit of Measurement	FY 2016-17	FY 2015-16
Crude oil	Barrels per day	44,041	40,609
Gas	MMcf per day	1,051	1,056
LPG	Tons per day	455	342
Sulphur	Tons per day	63	39

Moving ahead, OGDCL remains steadfast in its resolve to carry on rapid exploration of new oil and gas fields, fast track development of already discovered fields, focus on completion of ongoing development projects and exhibit financial discipline to make more energy supplies available in the Country. While seeking production growth, the Company is fully cognizant that pursuit of economically sustainable growth opportunities comes hand in hand with local communities' development and safeguard of the environment as well as adherence to the best HSE standards.

### Market Share Information from an Independent Source

OGDCL during the year under review successfully maintained its market leadership status on account of possessing highest share in exploration acreage, 2D seismic data acquisition, oil and gas reserves and production contribution in comparison to other E&P companies operating in Pakistan. The Company's exploration portfolio comprises of fifty eight (58) owned and operated joint venture exploration licenses covering an area of 114,581 sq. km representing 33% of the Country's total exploration acreage awarded as of 30 June 2017. Its 2D seismic data acquisition is 66% of total 2D seismic data acquired in the Country during the year. Moreover, hydrocarbon reserves were 59% of oil and 32% of natural gas reserves in the Country as at 30 June 2017. Furthermore, the Company contributed around 51% and 28% of the Country's total oil and natural gas production respectively during July 2016- June 2017.

(Source: PPIS)

### Development Projects

In line with the business strategy to optimize hydrocarbon production from ongoing development projects, OGDCL's progressive efforts during the fiscal year 2016-17 resulted in the completion of KPD-TAY and Uch-II development projects. While Nashpa and Soghri development projects are at various stages of completion and are expected to render decent increase in crude oil, gas and LPG production in the near future.

OGDCL's development activities relating to its projects are outlined below:

#### KPD-TAY Development Project

KPD-TAY integrated development project is located adjacent to existing Kunnar LPG plant in district Hyderabad, Sindh province. OGDCL planned to complete this project in two (2) phases. Phase-I of the project was completed in-house by installation of oil recovery and gas dehydration system to produce 1,000 barrels of condensate per day and 100 MMcf of dehydrated gas per day. Under phase-II of the project, installation of well head facilities, gas gathering system, CO2 removal unit, LPG extraction unit, feed/sales gas compressors, power generation and allied utilities, piping and commissioning of gas processing units have been completed leading to supply of on-spec gas to SSGC with effect from 1 September 2016 while LPG production commenced on 14 December 2016.

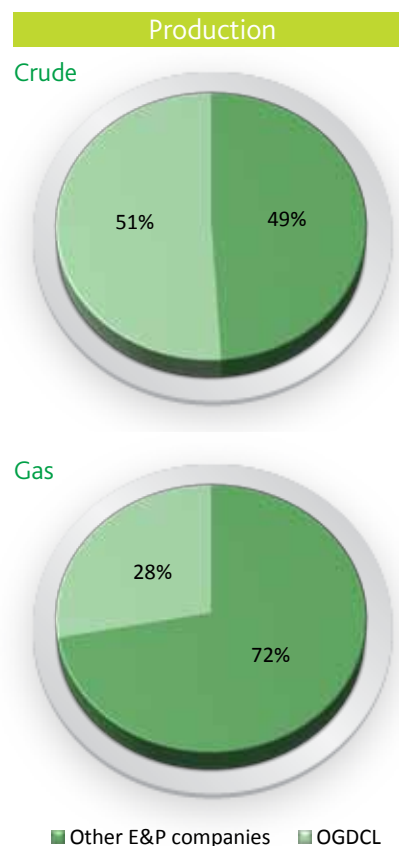
KPD-TAY field is currently producing around 3,600 barrels of oil/condensate/NGL per day, 170 MMcf of gas per day and 260 Tons of LPG per day. After completion of performance test of the equipment and optimization of parameters, KPD-TAY project is expected to yield average daily production of 4,000 barrels of oil/condensate/NGL, 205 MMcf of gas and 350 Tons of LPG.

#### Uch-II Development Project

Uch gas field is located about 67 kilometers South East of Dera Bugti, Balochistan province. Under interim arrangement, the Company has been supplying gas to Uch-II Power (Private) Limited from one amine unit as per demand since February 2014.

During the year under review, OGDCL expedited the completion activities to exhibit operational excellence in the supply of gas. With commissioning of hot oil system, amine and dehydration unit, overall completion of Uch-II development project was achieved on 12 January 2017. At present, Uch-II plant is in normal operational mode and producing around 130 MMcf of gas per day.

OGDCL  
successfully  
maintained its  
market  
leadership  
status





### Nashpa Development Project

Nashpa field is located in district Karak of Khyber Pakhtunkhwa province. OGDCL is the operator with 56.45% share while joint venture partners include PPL and GHPL with 28.55% and 15% working interest respectively. Project scope involves the installation of gas processing unit and LPG plant.

Regarding project development activities, EPC contractor has completed the design phase and delivery of major equipment at site while installation and erection works are in final stage. At present, Nashpa daily production is around 22,650 barrels of oil and 94 MMcf of gas. Daily incremental production envisaged upon completion of the project is 1,100 barrels of oil/NGL, 10 MMcf of gas and 340 Tons of LPG.

### Soghri Development Project

Soghri field is located in district Attock, Punjab province. Under Soghri development project, OGDCL plans to install gas sweetening unit and allied utilities at Dakhni site to process Soghri gas. At present, shifting of amine unit from Sinjhor field and procurement of necessary equipment has been completed while hiring of the PC contractor is in progress. On completion in June 2018, the project is anticipated to render incremental production of 20 MMcf of gas per day.

### OGDCL's Operated Fields

As of 30 June 2017, OGDCL's Development and Production Leases (D&PLs) portfolio constitutes sixty nine (69) owned and operated D&PLs. Adding to this strength, the Company holds working interest in thirty eight (38) leases operated by other exploration and production companies. A snapshot of some of the Company's producing fields during the fiscal year 2016-17 is as follows:

#### Qadirpur

Qadirpur field is located in districts Ghotki and Kashmore, Sindh province. This field is operated by OGDCL with a working interest of 75% while joint venture partners include KUFPEC, PPL, PKPEL-I and PKPEL-II having working interest of 8.5%, 7%, 4.75% and 4.75% respectively. During July 2016-June 2017, gross average daily production from Qadirpur field stood at 312 MMcf of gas and 440 barrels of oil.

#### Sinjhor

Sinjhor field is located near district Sanghar, Sindh province. This field is a joint venture among OGDCL, OPL and GHPL having 62.5%, 15% and 22.5% working interest respectively with OGDCL acting as the operator. Reported gross average daily production during the year under review from Sinjhor field is 2,700 barrels of oil, 30 MMcf of gas and 146 tons of LPG.

#### Uch-I

Uch gas field is located about 67 kilometers South East of Dera Bugti, Balochistan province. This field is 100% owned and operated by OGDCL. Uch-I gas field during the twelve months period contributed average daily production of 196 MMcf of gas and 35 barrels of condensate.

#### Rajian

Rajian field is located in districts Chakwal and Jhelum, Punjab province. Rajian field is 100% owned and operated by OGDCL while average daily production of the field during the year is 2,589 barrels of oil.

### Non-Operated Joint Ventures

OGDCL holds working interest in various exploration blocks and development and production leases operated by other exploration and production companies. During the fiscal year 2016-17, detail of the non-operated joint ventures activities is as follows:

#### TAL Concession

TAL block is located in Khyber Pakhtunkhwa province and spreads over Karak, Kohat, Hangu, Bannu, North Waziristan and Orakzai agency areas. The concession is operated by MOL Pakistan with OGDCL, PPL, POL and GHPL as joint venture partners. OGDCL has 27.76% working interest in TAL concession. In order to explore, appraise and develop the TAL block, a total of twenty two (22) exploratory/appraisal wells and fifteen (15) development wells have been drilled till date. Discoveries accredited to TAL concession include Manzalai, Makori, Makori East, Makori Deep, Mamikhel, Maramzai, Tolanj, Tolanj West and Mardankhel.



Development and Production Leases (D&PLs) portfolio constitutes sixty nine (69) owned and operated D&PLs

During the year under review, Mardankhel-1 has been successfully tied with the production facilities coupled with completion of wellhead surface facility and flow line construction at Makori-Deep. Moreover, drilling of appraisal wells Mardankhel-2 & 3 is completed whereas tie-in work with the central processing facilities is in progress. Furthermore, exploratory well Tolanj East-1 and development well Makori East-6 are under drilling. At present, TAL average daily production is 24,800 barrels of crude oil/condensate, 310 MMcf of gas and 500 Tons of LPG.

#### Adhi Field

Adhi oil field is located in district Rawalpindi, Punjab province, operated by PPL with OGDCL and POL as joint venture partners. OGDCL holds 50% working interest in Adhi field. During the reporting period, Adhi reservoir simulation study continued while drilling work is completed at Adhi-26, 27 & 28 and the same is underway at Adhi-29 & 30. Moreover, Adhi plant-III is in operational mode and producing saleable gas, LPG and NGL at design capacities since March 2017. Adhi average daily production during the year is 5,477 barrels of crude oil, 70 MMcf of gas, 1,802 barrels of NGL and 239 Tons of LPG.

#### Pindori Field

Pindori field is located in district Chakwal, Punjab province, operated by POL wherein OGDCL holds 50% working interest. The main productive reservoirs are fractured carbonates of the Eocene Sakesar formation and Paleocene Lockhart formation. To date, eleven (11) wells have been drilled including two (2) water injector wells. Presently, two (2) wells are on production cumulatively delivering around 189 barrels of crude oil per day and 0.61 MMcf of gas per day.

#### Kadanwari, Bhit and Badhra Fields

Kadanwari gas field is located in district Khairpur while Bhit and Badhra fields are located in district Dadu, Sindh province. ENI Pakistan is the operator of these fields and OGDCL possesses a working interest of 50% in Kadanwari field and 20% each in Bhit and Badhra fields.

During the reporting period, two (2) development wells have been drilled in Kadanwari field out of which one (1) well is successful while the other is plugged and suspended. At Bhit field, network optimization project resulted in significant cost saving in addition to fuel gas and downtime reduction. Average daily saleable production during the year from; Kadanwari is 27 MMcf of gas, Bhit is 110 MMcf of gas and 205 barrels of condensate and Badhra is 84 MMcf of gas and 35 barrels of condensate.

#### Badar Field

Badar gas field is located in Kashmore, Sukkur and Ghotki, Sindh province, operated by PEL with OGDCL holding 50% working interest. Badar field production during the year is around 18 MMcf of gas per day.

#### Miano Field

Miano gas field is located in district Sukkur, Sindh province, operated by OMV Pakistan with OGDCL, ENI and PPL as joint venture partners. OGDCL holds 52% working interest in Miano field. During the reporting period, drilling and fracking jobs at Miano TG-16 horizontal well have been completed and feasibility study for tie-in is underway. At present, there are eight (8) producing wells cumulatively producing around 81 MMcf of gas per day and 39 barrels of condensate per day.

#### Dhurnal, Bhangali and Ratana Fields

Dhurnal, Bhangali and Ratana fields are located in district Attock and Rawalpindi in Punjab province. These fields are operated by OPL with OGDCL holding 20%, 50% and 25% working interest respectively. Currently, Dhurnal-1, 2 & 6 are collectively producing around 400 barrels of oil per day and 1 MMcf of gas on an artificial lift system. Bhangali-1 is on intermittent flow and producing around 200 barrels of crude oil monthly. Ratana-2, 3 & 4 are cumulatively producing around 6.5 MMcf of gas per day, 275 barrels of condensate per day and 12 Tons of LPG per day.

#### Badin-II, Badin-IIR and Badin-III Fields

Badin-II, Badin-IIR and Badin-III fields are located in district Badin, Sindh province, operated by UEPL wherein OGDCL holds 49%, 24% and 15% working interest respectively. During the year, average daily gross production from the Badin fields is around 860 barrels of oil/condensate and 10 MMcf of gas.

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OGDCL holds working interest in various exploration blocks and development and production leases



### Sara and Suri Gas Fields

Sara and Suri gas fields are located in district Ghotki, Sindh province, operated by SEPL with OGDCL holding 40% working interest in each field. In order to commence production from shut-in wells namely Sara-4 and Suri-1 & 2, gas has been allocated to GENCO. However due to operational and economic feasibility issues, the operator has requested the regulator to allow the transmission of gas to the third party through virtual pipeline.

### Bannu West

Bannu West is located in Bannu and North Waziristan, KPK province and tribal areas of Pakistan. After approval by the DGPC, operatorship of the block has been transferred from OGDCL to MPCL on 20 March 2017. Joint venture partners include OGDCL and Tullow Pakistan Limited wherein OGDCL holds 35% working interest. During July 2016-June 2017, the operator purchased and reprocessed 2D seismic data along with completion of 350 Line km of geological field traverse, draft geological field map and interpretation and mapping of seismic data at three target reservoir levels.

### Indus-Offshore Blocks - S and U

OGDCL holds 50% and 27.5% working interest in offshore blocks S and U respectively. On the basis of operator UEPL's request for an extension in the grant period, the same has been permitted by the DGPC for a period of six (6) and three (3) years respectively.

### Offshore Block G

Block-G is located in Deep Offshore Indus Basin about 250 km from the coast of Karachi with water depths between 1,800 and 2,800 meters. The block is operated by ENI while joint venture partners include OGDCL and PPL wherein OGDCL holds a working interest of 33.33%. Within the block, Kekra structure has been evaluated as "high risk-high reward", a promising carbonate buildup with more than 425 sq. km area.

### Financial Performance

Impact on the earnings reported by oil and gas companies across the globe were sobering reminder of the challenges posed to the business profitability by low oil prices. Resultantly, many of the upstream companies curtailed their E&P activities in order to survive and avert liquidity crisis. Nevertheless, OGDCL being the largest E&P company of Pakistan continued to show resilience while pursuing its business strategy to carry out aggressive exploration activities, fast track completion of projects in hand and optimization of production, efficiently and cost effectively, to counter the impact of low commodity prices.

OGDCL's adherence to aforesaid business strategy has started to yield significant gains, foremost being strong increase in crude oil and LPG production volumes recorded during the year. Moreover, other factors contributing in its sales growth were moderate recovery in basket and realized price of crude oil averaging US\$ 49.27/barrel and US\$ 44.04/barrel respectively against US\$ 42.50/barrel and US\$ 39.07/barrel in the preceding period accompanied with positive exchange rate variance. This led the Company to register an improved Sales Revenue of Rs 171.829 billion (FY 2015-16: Rs 162.867 billion).

During the reporting period, OGDCL also registered increase in other income. However, the reported financials were partially offset by higher operating expenditures owing to increase in salaries and wages, depreciation of property, plant and equipment, decommissioning and workover charges. In addition, provision for tax has increased on account of prior years assessments and deferred taxation. Nevertheless, the Company registered Profit after Tax of Rs 63.803 billion (FY 2015-16: Rs 59.971 billion) translating into an Earnings per Share of Rs 14.83 (FY 2015-16: Rs 13.94).

OGDCL's financial success is attributable to well devised cost saving measures by the Company's Board and management encompassing adherence to investment discipline and exhibiting operational efficiency in service of maintaining balance sheet strength and to emerge as more stronger E&P company in the future. Moving on, the Company plans to carry on its exploration activities, ramp-up completion of ongoing development projects and exploit high impact growth opportunities to speed up the momentum of hydrocarbon production and create material value for the shareholders.



OGDCL being the largest E&P company of Pakistan continued to show resilience while pursuing its business strategy



## Liquidity and Cash flow Analysis

During the fiscal year 2016-17, OGDCL generated cash flow from operations of Rs 47.767 billion after working capital changes and payment of income tax of Rs 25.621 billion and royalty of Rs 20.398 billion. After adjusting cash outflows with respect to investment and financing activities of Rs 27.721 billion and Rs 24.007 billion respectively, the Company's cash and cash equivalents at the end of the year were Rs 15.075 billion.

As on 30 June 2017, OGDCL's current ratio and acid test/quick ratio were 6.39 and 6.04 respectively reflecting business sound liquidity and financial position. Subsequent to the closing date, Company's liquidity further increased owing to receipt of Rs 53.400 billion on maturity of Pakistan Investment Bonds on 19 July 2017 subscribed for a period of five years pursuant to partial settlement of overdue receivables. Looking ahead, the Company has adequate resources to carry out exploration, development and production operations for the foreseeable future. Thus the business continues to adopt the going concern basis of accounting in preparing the financial statements.

OGDCL's overdue receivables on account of inter-corporate circular debt issue prevailing in the energy sector stood at Rs 82.707 billion as on 30 June 2017. Out of outstanding amount, Rs 64.660 billion and Rs 13.048 billion are receivable from SSGC and SNGPL respectively. In order to expedite the recovery of outstanding receivables, vigorous follow-ups continued in the form of personal visits, telephonic calls and written letters to oil refineries and gas distribution companies. Moreover, Ministry of Finance and Ministry of Energy were regularly appraised of all such steps and position of receivables is reported on daily basis. The Government of Pakistan is also pursuing for satisfactory settlement of inter-corporate circular debt issue and the Company considers its receivable amount to be fully recoverable.

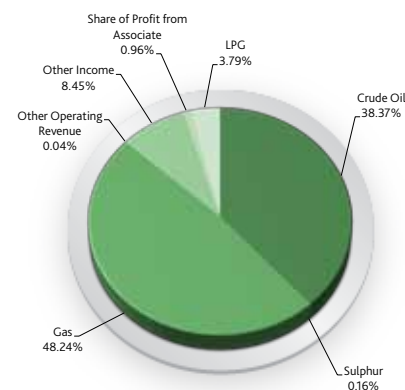
Financial results for the year ended 30 June 2017 are summarized below:

	(Rs in billion)
Profit before taxation	89.137
Taxation	(25.334)
<b>Profit for the year</b>	<b>63.803</b>
Un-appropriated profit brought forward	425.094
Other comprehensive loss	(3.644)
<b>Profit available for appropriations</b>	<b>485.253</b>
<b>Appropriations</b>	
Transfer to capital reserves	(1.566)
<b>Distribution through Dividends</b>	
Final dividend 2015-16 @ Rs 2.00 per share	(8.602)
First interim dividend 2016-17 @ Rs 1.50 per share	(6.451)
Second interim dividend 2016-17 @ Rs 1.00 per share	(4.301)
Third interim dividend 2016-17 @ Rs 1.50 per share	(6.451)
	(25.806)
<b>Unappropriated profit carried forward</b>	<b>457.881</b>

## Final Dividend

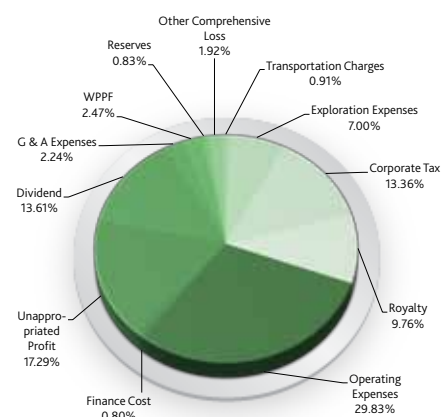
In spite of the prevailing circular debt issue in the energy sector, OGDCL during the year under review continues to uphold the tradition of healthy dividend distribution to honor the expectation of its valued shareholders. In this respect, the Company's Board of Directors recommended a final cash dividend of Rs 2.00 per share (20%) in addition to three (3) cumulative interim cash dividends of Rs 4.00 per share already declared and paid during the year. This makes a total dividend of Rs 6.00 per share (60%) for the year ended 30 June 2017.

## Sources of Net Income 2016-17



Total Rs 189.68 billion

## Utilization of Net Income 2016-17



Total Rs 189.68 billion

## OGDCL received 'Certificate of Excellence' from the Management Association of Pakistan



### Contribution to National Exchequer

During the fiscal year 2016-17, OGDCL being the leading E&P Company of Pakistan made a significant contribution of Rs 90.310 billion to the national exchequer on account of corporate tax, dividend, royalty, general sales tax, gas infrastructure development cess and excise duty. In addition, the Company's oil and gas production contributed towards foreign exchange savings as import substitution.

### Performance Measures and Indicators

OGDCL's key performance indicators reflecting business operational and financial performance during the last six years are given at page no. 32 of the Annual Report 2017.

### Awards Conferred

#### Best Corporate Report Award

OGDCL won the Best Corporate Report Award (BCR) for its Annual Report 2015 and was ranked third in fuel and energy sector by the Joint Committee of the Institute of Chartered Accountants of Pakistan and Institute of Cost and Management Accountants of Pakistan. Likewise, Annual Report 2016 also secured BCR Award for the Company. The aim of BCR awards is to encourage companies for the publication of timely, accurate, informative and well-presented annual reports for their stakeholders as well as to recognize the dedication, commitment and teamwork of each winner company in preparing such annual reports.

#### SAFA Award for Best Presented Annual Report

OGDCL's Annual Report 2015 achieved yet another distinction on account of being declared the Winner of Best Presented Annual Report Awards 2015 under the category of Public Sector Entities by the South Asian Federation of Accountants (SAFA) in a ceremony held in Dhaka, Bangladesh on 27 January 2017. Winning the SAFA Award is a matter of great pride for OGDCL as for the first time the Company's Annual Report received international recognition and adjudged as recipient of the Best Presented Annual Report Award 2015 by an eminent panel of judges from leading professional institutions across the SAARC region. SAFA awards are conferred on the basis of evaluation administered by the SAFA's committee to improve transparency, accountability and governance in the published Annual Reports of the South Asian Countries.

#### Certificate of Excellence

In recognition of business operational and financial performance and demonstrating progressive and enlightened corporate management practices during the fiscal year 2015-16, OGDCL received 'Certificate of Excellence' from the Management Association of Pakistan (MAP) at 32nd Corporate Excellence Awards ceremony held on 28 February 2017 in Karachi.

#### Corporate Social Responsibility Award

On account of being adjudged the largest corporate giver by the volume of donation, OGDCL won Corporate Philanthropy Award and was ranked first by the Pakistan Centre for Philanthropy in a ceremony held on 8 February 2017 in Islamabad. Honorable president of Pakistan, Mr. Mamnoon Hussain presented the prestigious award to Mr. Irteza Ali Qureshi, CFO, OGDCL.

#### Annual Environment Excellence Award

OGDCL won the 13th Annual Environment Excellence Award 2016 organized by National Forum for Environment and Health. The award is designed to recognize, appreciate and promote the organizations which make outstanding contribution towards sustainable development and in protecting the overall environment of Pakistan.

### Pattern of Shareholding

The pattern of shareholding as on 30 June 2017 is given at page no. 130 of the Annual Report 2017.

### Corporate Governance

OGDCL being a listed Company remains steadfast in upholding the highest standards of corporate governance to create value and improve efficiency, whilst maintaining accountability and transparency in all business dealings. Moreover, the Company is a public sector enterprise and operates under the framework enshrined in the Public Sector Companies (Corporate Governance) Rules, 2013. Overall superintendence of the Company rests with the Board of Directors which is accountable to the shareholders for good corporate governance while the management is

responsible for day to day operations, implementation of policies and disclosure requirements as envisaged in the Companies Ordinance, Rules, Regulations and the Code.

Specific statements to comply with requirements of the Code of Corporate Governance are as follows:

- The financial statements prepared by the management present fairly its state of affairs, result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure there from has been adequately disclosed.
- The Board has complied with the relevant principles of corporate governance and has identified the rules that have not been complied with, the period in which such non-compliance continued and reasons for such non-compliance.
- A sound system of internal control is established and maintained which is regularly reviewed and monitored with ongoing efforts to improve it further.
- There are no doubts upon the Company's ability to continue as a going concern.
- The appointment of the Chairman and other members of the Board and terms of their appointment along with the remuneration policy adopted are in the best interests of the Company as well as in line with the best practices.
- Disclosure on remuneration of Chief Executives, Directors and Executives is given at page no. 124 of the Annual Report 2017.
- There has been no material departure from the best practices of corporate governance as detailed in the SECP's listing regulations.
- Information about outstanding taxes and levies is given in the notes to the financial statements.
- Value of investments, including bank deposits, of various funds based on the latest audited accounts as of 30 June 2016 are as follows:

Pension Fund	Rs 61,709 million
General Provident Fund	Rs 4,083 million

### Auditors

The present auditors KPMG Taseer Hadi & Co., Chartered Accountants and A.F. Ferguson & Co., Chartered Accountants have completed their assignment for the year ended 30 June 2017 and shall retire on the conclusion of 20th Annual General Meeting scheduled to be held on 24 October 2017. In accordance with the Code of Corporate Governance, Audit Committee considered and recommended the reappointment of KPMG Taseer Hadi & Co., Chartered Accountants and A.F. Ferguson & Co., Chartered Accountants, as joint statutory auditors for the fiscal year 2017-18. The recommendations of Audit Committee are endorsed by the Board of Directors.

### Internal Control and Audit

Internal Audit provides independent and objective appraisal of the control environment thereby adding value to the organization through a continuous improvement process. The Internal Audit ensures that methods and measures are in place to safeguard the business assets, monitor compliance with the best practices of Corporate Governance, check the accuracy and reliability of accounting data and encourage adherence to prescribed rules and policies. In line with this function, OGDCL has an independent Internal Audit Department, the scope and role of which has been duly approved by the Board. The role corresponds to the responsibilities envisaged for the internal audit function under the Public Sector Companies (Corporate Governance) Rules, 2013. Internal Audit personnel have unrestricted access to all records and information to effectively perform their duties. Head of the Internal Audit Department functionally reports directly to the Audit Committee of the Board.

OGDCL has an independent Internal Audit Department, the scope and role of which has been duly approved by the Board.



## Code of Conduct: Business Ethics and Anti-Corruption Measures

OGDCL's Code of Conduct aims to ensure that the business operations are conducted in accordance with the highest business ethical consideration complying with all statutory regulations and standards of good corporate governance. The Code provides guidelines on fair employment practices, equitable treatment of the employees and procedures to report financial malpractices, damage to business assets and actions which are likely to harm the reputation of the Company. The directors and employees adhere in letter and spirit to all laws and avoid conflict of interest, which if any (real or perceived) are to be notified to the Company immediately. The Company's commitment to abide by the Code of Conduct and Business Ethics along with portraying excellent corporate governance in all its dealings will be pivotal to achieve growth and success in the future.



OGDCL's Board structure is in accordance with the Code of Corporate Governance

## Board of Directors

OGDCL Board of Directors comprises twelve (12) directors including Chairman and Managing Director & CEO. Mr. Zahid Muzaffar is serving as Chairman, Board of Directors since 20 May 2014 while Mr. Zahid Mir is fulfilling responsibilities as Managing Director & CEO since 15 April 2015. During the fiscal year 2016-17, the composition of the Board of Directors changed with the appointment of Mr. Mohammad Jalal Sikandar Sultan and Mr. Shoaib Mir in place of outgoing directors Mr. Arshad Mirza and Mr. Saif Ullah Chattha respectively on 21 April 2017. Subsequently, Mr. Aurangzeb Haque replaced Mr. Shoaib Mir upon his resignation on 24 April 2017.

The Board welcomed the newly appointed Board members and recorded its appreciation for the services rendered by the outgoing directors during their tenure.

OGDCL's present Board of Directors comprises the following:

Mr. Zahid Muzaffar	Chairman
Mr. Aurangzeb Haque	Director
Mr. Mohammad Jalal Sikandar Sultan	Director
Mr. Iskander Mohammed Khan	Director
Mr. Hamid Farooq	Director
Sayed Shafqat Ali Shah	Director
Mr. Muhammad Ali Tabba	Director
Mr. Zafar Masud	Director
Mr. Rahmat Salam Khattak	Director
Prince Ahmed Omar Ahmedzai	Director
Mr. Muhammad Yawar Irfan Khan	Director
Mr. Zahid Mir	Director/MD & CEO

## Board Structure and Committees

OGDCL's Board structure is in accordance with the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013 issued by the Securities and Exchange Commission of Pakistan. Presently, the Company's Board includes eight (8) Independent Directors, three (3) Non-Executive Directors and an Executive Director. The profile of the Board of Directors is given at page no. 18 of the Annual Report 2017.

In order to ensure effective implementation of sound internal control system and compliance with the Code of Corporate Governance, the Board has constituted various committees namely Human Resource and Nomination, Risk Management, Audit, CSR, and Procurement Operations and Finance. The composition of the Board committees and their TORs are given at page no. 22 of the Annual Report 2017.

## Role of Chairman and Managing Director & CEO

At OGDCL, there is a clear separation of the positions and roles between the Chairman and Managing Director & CEO to promote greater accountability and scrutiny of the business affairs. The positions of Chairman and Managing Director & CEO are held by two different individuals.

The Chairman is primarily responsible for running the Board and all matters relevant to overall governance of the Company where superintendence of the Board is necessary. Moreover, Chairman in consultation with the Board members formulate business policies and strategies and heads Board meetings including fixing the agenda of the meetings and overseeing Board evaluation.

Managing Director & CEO is involved in the management of day to day operations and procedures relating to operational, financial and other matters of the Company. Managing Director & CEO is also responsible for implementation of strategies and policies approved by the Board and making appropriate arrangements to ensure that business resources are properly safeguarded and utilized economically, efficiently and effectively in accordance with the statutory obligations and international best practices.

## Performance Evaluation

### Board, Managing Director & CEO and Senior Management

OGDCL's Board in accordance with the requirements laid down in the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013 has approved self-evaluation mechanism whereby questionnaire is disseminated amongst the Board members for the assessment of their performance. This evaluation exercise is undertaken on annual basis with the aim to enhance effectiveness and to better understand roles and responsibilities of the Board. Performance evaluation of Managing Director & CEO and senior management is done by the Board against their assigned targets and responsibilities.

## Formal Orientation and Continuous Professional Development Programs

In order to discharge duties effectively and to keep abreast with regulatory and governance updates, other developments and broad business trends, the Board members frequently attend training programs provided by professional institutions both local and foreign. At present, Mr. Zahid Muzaffar, Mr. Iskander Mohammed Khan, Mr. Rahmat Salam Khattak and Mr. Hamid Farooq are certified directors as per SECP requirement. Whereas, Mr. Muhammad Ali Tabba is exempted from Directors' Training Program as per criteria laid down in clause XI of Code of Corporate Governance 2012.

## Health, Safety, Environment and Quality (HSEQ)

OGDCL strives to provide a safe and healthy working environment to its workforce and contractors working throughout business operating facilities by establishing and upholding high safety and environmental standards while pursuing such capabilities and expertise which soften the impact of E&P activities on communities and natural environment. To ensure presence of strong HSE culture, the Company complies with Pakistan Environment Protection Act 1997 along with strictly adhering to the rules and regulations promulgated for protection of the environment. Initial Environment Examination and Environmental Impact Assessment are the permanent feature of the business routine operations and no project is initiated without acquiring No Objection Certificates from the respective Environmental Protection Agency. Details of business HSEQ activities during the fiscal year 2016-17 are given at page no. 60 of the Annual Report 2017.

## Human Resource (HR)

In line with its mission to be the leading oil and gas company in Pakistan, OGDCL employees have always been on the forefront in embracing new business challenges and accepting demanding tasks to maintain and further strengthen industry leadership position. Therefore, the Company highly values the importance of its human resource and fully respects their dignity and rights. Business workforce development policies are geared towards maintaining a steady flow of talent and promoting continued learning, development and technical training through structured development programs to enhance the employees' technical and functional skills. Additionally, its HR strategy is playing a significant role in embedding high performing culture in the organization hinging on business core values namely merit, teamwork, dedication, integrity, safety and innovation.

OGDCL's HR activities including employee induction, development, compensation, evaluation and promotion are carried out on the basis of merit, suitability and transparency. Moreover, performance based increments and awards are granted to inculcate competition and motivate the employees to take on further challenges. In addition, the Company continues to promote diversity and equal employment opportunity along with providing a safe workplace free from discrimination, hostility and harassment. Any discrimination against or harassment of an employee based on age, gender, race, religion, creed, marital status, ethnic group, etc., is regarded as violation of the business regulations and results in disciplinary action as per the Company rules.

OGDCL strives to provide a safe and healthy working environment to its workforce





## The Company is committed towards professional training and capacity building of its employees



As a major player in Pakistan's E&P sector, the Company prides itself in having a wide range of expertise in its workforce. As at 30 June 2017, OGDCL's manpower strength comprised a total of 10,837 employees working at Head Office, regional offices, field locations and at other operational areas. This strength is also inclusive of minorities, women and disabled employees working in the organization. The Company's improved financial performance coupled with registering record daily gross crude oil production of 50,354 barrels on 28 November 2016, especially in the backdrop of challenging oil price environment, underpins its manpower ability to deliver industry leading performance while remaining committed to meet the rising demands of oil and gas in the Country.

### Succession Planning

OGDCL is focused on career growth and development of its employees by ensuring that effective succession planning exists in the organization. This culture is preserved on account of making persistent efforts to continuously invest in critical positions that shall ensure the vitality of a strong leadership bench for succession planning purposes. Structured training programs and appropriate management courses are also regularly designed to train the successors to share the higher responsibilities.

### Industrial Relations

OGDCL maintained harmonious relations with the Collective Bargaining Agent (CBA) and industrial peace prevailed at all locations during the reporting period. The Management successfully negotiated and finalized 24th Memorandum of Settlement with CBA for a period of two (2) years with effect from 1 February 2017. Measures such as settlement of disputes and differences through bilateral negotiations, security of employment, provision of safe working environment, job satisfaction and maintaining continuous sympathy and understanding in addition to prompt dealing of cases relating to individual grievances served to ensure that relations between the workers and management remain cordial, poised towards meeting business goals and objectives.

### Grievance Redressal Committee

In order to promote a healthy work environment and amicably resolve employee related matters, OGDCL management recently constituted a committee to redress legitimate grievances of its employees. In this connection, the employee having any serious services related grievance may forward an application to the grievance redressal committee. After determining validity of the grievance in light of the Company's rules, regulations, policies and past precedents, etc., the grievance committee submits its recommendations to MD/CEO for soliciting necessary approval/ action.

### Training and Development

As a leading E&P Company of Pakistan, OGDCL recognizes the importance of continual human resource development to efficiently meet business challenges and carry on the track record of delivering industry leading performance. To this end, the Company is committed towards professional training and capacity building of its employees alongside keeping them abreast of technological changes in oil and gas industry. This objective of providing regular training and development is met through the Company's Oil & Gas Training Institute (OGTI), which was established in 1979 and equipped with modern day classrooms, well-established laboratories and other complimentary facilities.

OGTI in step with the consistently growing needs of training in Pakistan's petroleum sector provides regular training as per the requirements of domestic oil and gas companies and allied industry in the Country. Training programs are being offered ranging from technician to management levels in the fields of exploration, reservoir management, drilling, production and processing activities. In addition, the institute imparts education and training with respect to Health, Safety and Environment, Information Technology and Management. These training programs are developed and delivered by renowned trainers both from within OGDCL and experts from the local and foreign exploration and production companies.

During the year under review, a batch consisting of drillers, technicians and engineers successfully completed one (1) year training program in the disciplines of mechanical, electrical, instrumentation and telemetry at OGTI. This program was a delicate mix of classroom and on-job training to provide practical exposure to the trainees. Additionally, OGTI conducted 127 refresher training programs in the form of technical courses and workshops. About 2,400 professionals both from within OGDCL and other E&P companies benefited from these programs.

As part of Management Development Program, various technical and soft skills courses and workshops were conducted at the Institute and at the Company's major fields to facilitate the participants. Moreover, OGTI processed cases of 59 professionals relating to foreign training and visit. Also, offering of attachments to more than 900 students from various universities along with providing with one year internship program to 81 fresh graduates under National Internship Program is to OGTI's credit.

### Information Technology

OGDCL endeavors to acquire and maintain state of the art IT systems to stay abreast with the technological trends and carry out business processes efficiently and productively. As part of technology modernization plan, OGDCL during the year under review undertook following system development activities:

#### Deployment of Access Control System

Upon successful deployment of Access Control System (ACS) at Head Office and F-8 Medical Centre, Islamabad, ACS has also been implemented at I-9 Base Store Islamabad, Medical Center Rawalpindi and in Karachi at Regional Office, Korangi/Khadeji Base Stores and Medical Center. At present, record of attendance and overtime is being maintained through this system.

#### Computerized Maintenance Management System

It is an IBM Maximo Asset Management solution that manages physical assets on common platform allowing organizations to share and enforce best practices. This system is successfully running at Qadirpur and Dakhni fields. During the reporting period, the Company implemented the Computerized Maintenance Management System at Kunnar, KPD and Uch fields. Through implementation of this software, the Company expects reduction in corrective maintenance and enhancement in revenues at the aforesaid fields.

#### Oracle ERP Review for Up-gradation

To review new requirement and identify gaps in its currently implemented Oracle based ERP processes, the Company hired an ERP consultancy firm namely A.F. Ferguson & Co., Chartered Accountants to carry out an extensive review of currently installed processes, identify the gaps, conduct detailed ERP requirement analysis and prepare recommendations to improve efficiency and effectiveness of existing ERP System. After completion of the detailed study, the consultant carried out the needful and proposed standardized/customized solutions in line with the best practices.

#### Up-Gradation of Barracuda Spam Firewall

Spam firewall provided by Barracuda USA has been upgraded to its new version and instant replacement feature for the firewall is also purchased. This firewall is being used in data center to filter the spams and junk emails in addition to carry out integration in the in-house developed systems.

#### New Infrastructure for Production Database Management System

In order to replace the obsolete Production Database Management System's infrastructure, new infrastructure like Servers, SAN, Tape library etc., has been procured.

#### Service Level Agreement for E-mail Cloud Services

A Service Level Agreement with National Telecommunication Corporation (NTC) is signed for hosting of the Company's E-mail service at NTC cloud through use of their infrastructure.

### Corporate Social Responsibility (CSR)

OGDCL since its inception has always given top priority to the development of communities residing in and around the business operational areas. The Company's management understands that there is a need to strike a balance between overall objectives of achieving corporate excellence vis-à-vis social responsibility towards the community. In this regard, the Company has been diligently following the guidelines of DGPC, Ministry of Energy for utilization of social welfare funds. While fulfilling the CSR responsibility OGDCL exercises all possible measures to ensure that its voluntary and obligatory contributions are disbursed in the most transparent and efficient manner. Details of business CSR activities carried out during the fiscal year 2016-17 are given at page no. 58 of the Annual Report 2017.

OGDCL  
endeavors to  
acquire and  
maintain state  
of the art IT  
systems





## OGDCL's production strategy is aimed at augmenting the Company's oil and gas output and to make more energy supplies available in Pakistan

### Business Risks

OGDCL's core business activities include locating, acquiring, developing and commercially producing oil and gas reserves. By their very nature, the Company's operations may be exposed to a wide range of significant risks whose magnitude is influenced by the geographic range, operational diversity and technical complexity of business activities. The Company's future results of operations and liquidity depend on the ability to identify and mitigate the risks and hazards inherent to operating in the challenging E&P industry.

OGDCL has in hand effective risk management strategies and proactive risk mitigation techniques which play an imperative role to accomplish the strategic objectives and protect the business assets, personnel and reputation. Moreover, the Company's Risk Management Committee functions to identify and mitigate the potential impact of the risks and ensure quality decision making by timely assessing, treating and monitoring the broad spectrum of the risks which may occur while carrying out E&P activities. Details of principal business risks along with their mitigation measures are given at page no. 62 of the Annual Report 2017.

### Future Outlook

Building on the strong base provided by the highest ever net crude oil production of 44,041 barrels per day, completion of KPD-TAY and Uch-II development projects and improved financial results during July 2016-June 2017, OGDCL will strive to consolidate its gains in conjunction with making internal efforts to manage operational costs, preserve capital flexibility and focused spending on strategic activities. In this pursuit, exploration will remain an essence of the Company's E&P operations to discover more hydrocarbon reserves and enhance business value. The Company is committed towards maintaining consistent investment in seismic data acquisition, drilling campaigns and processing/reprocessing of acquired seismic data in the areas with greatest potential to generate strong and reliable growth suiting to the business experience, ability and knowledge to add value.

OGDCL's production strategy is aimed at augmenting the Company's oil and gas output and to make more energy supplies available in Pakistan. The Company believes that adoption of advanced technology and standardization will be the key to drive productivity improvements and supply hydrocarbon products sustainably and efficiently. Therefore, utilization of latest reservoir management practices and state of the art oil recovery methods will remain a business priority to revive and maximize production from mature fields. Moreover, carrying out of workover jobs at wells and annual turn around of plants will continue to ensure smooth and effective conduct of production operations.

In addition to the above, delivery of ongoing development projects is central to maintenance and growth in production profile. OGDCL to this end will carry on planned development activities at Nashpa and Soghri fields resulting in incremental production of 1,100 barrels of crude oil/NGL, 30 MMcf of gas and 340 tons of LPG. Moreover, all out efforts will be made to accelerate the process of bringing new resource discoveries to production coupled with materializing the results of shale gas/oil and tight gas/oil study in the business operated blocks. Growth in production profile will not only help to generate strong predictable cash flows in future but will also provide financial flexibility to develop and execute forward work programs.

Retaining its cost conscious approach to successfully manage and expand business operations, OGDCL is also focused on formation of value driven joint ventures with leading E&P companies to introduce new partners with complementary skills and maintain business liquidity by mutually sharing ventures/projects operational cost. These joint ventures enable the business to carry out mutual cooperation and utilize state of the art technology befitting the venture projects to enhance production efficiently and cost effectively. Moreover, the Company seeks to establish footprints abroad by undertaking suitable farm-in/farm-out opportunities and through acquisition of oil reserves wherein exploitation of business low cost operator status is possible.

Looking forward, safety and environmental stewardship remains one of the highest priorities whereby OGDCL is committed to protecting the health and safety of everyone who has a role in business operations and communities inhabiting the operational areas. The Company will continue to respect and care for the environment and systematically manage risk to drive sustainable business growth. Likewise, the Company will safeguard its status of responsible corporate citizen by fulfilling social welfare obligations with respect to education, health, water supply, generous donations and sponsoring sports activities in the Country.

### Acknowledgement

Looking back on the fiscal year 2016-17, wherein persistent low oil prices and volatility continued to challenge survival and growth of oil and gas industry, OGDCL remained firm to meet the growing energy demands of the nation while delivering yet another industry leading performance in E&P sector of Pakistan. The Company made significant achievements notably; record crude oil production, significant addition of production from completion of development projects, highest 2D seismic data acquisition and oil and gas contribution in the Country translating into improved top and bottom line business financial results for the year ended 30 June 2017.

OGDCL's success during the challenging period is a testament to the tenacity and determination of all of its stakeholders to strive for excellence and growth. In this respect, I would like to put on record my sincere appreciation for the enthusiasm, professionalism and entrepreneurship of management team and employees as well as to the Board of Directors for their continued stewardship of the business. I am also grateful to the trust and confidence reposed by the shareholders in all business dealings and acknowledge resolute support and guidance extended by other stakeholders particularly Ministry of Energy, DGPC and other divisions and departments of federal and provincial governments.

I close with the expression of confidence that as we approach fiscal year 2017-18, all of us at OGDCL are committed to long term value creation through an approach that returns capital to shareholders, maintains investment discipline and preserves a strong balance sheet. While striding forward, I assure you that we will continue to strengthen our distinctive capabilities and work hard every day to keep and earn your support in a way that is safe and responsible.

On behalf of the Board



(Zahid Muzaffar)  
Chairman

15 September 2017  
Islamabad



OGDCL's success during the challenging period is a testament to the tenacity and determination of all its stakeholders



# Corporate Social Responsibility (CSR) Activities



OGDCL believes that training and education are necessary to improve the lives of underprivileged communities

During the year under review, OGDCL carried on its CSR program focusing on education, health, water supply, sports activities and making generous donations for charitable purposes in the Country. The Company's CSR activities during the fiscal year 2016-17 are as follows:

## Education

OGDCL believes that training and education are necessary to improve the lives of underprivileged communities to work themselves out of the vicious circle of poverty. In this regard, the Company during the year undertook following promotional activities to expand education level and improve wellbeing and quality of life of disadvantaged communities:

- Under National Talent Hunt Program launched in collaboration with the Institute of Business Administration Sukkur, number of scholarships granted to students hailing from the backward areas were increased from 100 to 240 having an estimated cost of Rs 192 million;
- Provided a need based scholarship program for two (2) batches comprising 65 students each, whereby MOU has been signed with various engineering universities through Higher Education Commission amounting Rs 87.84 million;
- Another MOU through Higher Education Commission is signed with Quaid-e-Azam University and International Islamic University under which 70 and 50 numbers of need based scholarships will be awarded to the students at these universities respectively;
- Vocational training programs pertaining to Mechanical, Manufacturing Technology, Electrical, Electronics, Plumbing, Fabrication, Welding and Auto Motorcycle Mechanic were arranged for 52 students hailing from district Sanghar, Hyderabad, Tando Allah Yar and Ghotki;
- Constructed technical/vocational institute and building for Government Primary School Sardar Shah Wali Spina, district Zhob, Balochistan province costing Rs 37 million and Rs 4.48 million respectively;
- Provided Rs 3 million to Frontier Corps Public Schools at Pirkoh, Toba Nokhani and Loti district Dera Bugti, Balochistan province for purchase of furniture, books and repair/renovation;
- Establishment of women vocational training Institute with Pakistan Army at Miran Shah costing Rs 2.69 million;
- Construction of boundary wall of Government Middle school, District Awaran costing Rs 2.52 million;
- Provided furniture, computers, water coolers and electrical equipment to Government Primary and Middle School, district Hyderabad, Sindh province; and
- Rendered financial assistance for construction of class room at Government

Primary School, Rafique Mangrio near Reti, district Ghotki, Sindh province. In addition, financial support is given for construction of class room, verandah and boundary wall at Government Primary School, Hoti near Shawa well, district Karak, KPK province.

## Health

OGDCL regards provision of health care facilities as a pre-requisite for sustainable socio-economic development. In pursuance to fulfilling this CSR activity, the Company during the year provided free healthcare facilities to the local communities of Loti, Pirkoh, Sadqal, Toot, Dhodak, Chak Naurang, Fimkassar, Rajjan, Missakeswal, Tando Alam, Bobi, Sinjhora, Qadirpur, Chanda and Naspha fields. A medical camp pertaining to Chronic Obstructive Pulmonary Disease and Asthma has been organized at F-8 Medical Centre Islamabad. The Company also provided ambulance to Tehsil Head Quarter Hospital Jand, district Attock amounting Rs 3.31 million. Moreover, buildings for public welfare dispensaries were constructed at Began Jarwar, district Tando Allah Yar and near Bobi field, district Sanghar, Sindh province.



## Supply of Clean Drinking Water

OGDCL continued to supply clean drinking water through water tankers and bouzers to the locals of Loti, Pirkoh, Tando Alam, Daru, Sari/Hundi, Thal, Rajjan, Chak Naurang, Dhodak, Chanda and Naspha fields. Installation of pressure pumps and water hand pumps has also been carried out at different villages near Kunnar and Naspha fields. Moreover, the Company laid water pipelines at Takht-e-Nasrati, district Karak and at Nakband, district Kohat, KPK province in addition to installation of plastic water tanks in 53 goths of Union Council Liari, district Lasbella, Balochistan province.



## Donations

OGDCL's CSR program actively focuses on uplifting the living standards of low class segment of the society through rendering emergent support and grant of generous donations. During the reporting period, the Company made following significant contributions towards the fulfillment of this national cause:

- Provision of a cheque amounting Rs 1.5 million to Pakistan Centre of Philanthropy to enhance the volume and effectiveness of humanitarian activities in Pakistan;
- Supported women skill development by donating Rs 1 million for the purchase of stitching unit, furniture and renovation of showroom for Industrial Sanatkar at district Toba Tek Singh;
- Provided sewing and embroidery machines to Vocational Centre Ubaro, district Ghotki, Sindh province;
- Donated Rs 2.6 million to finance non-commercial FM radio service set up by the Multan Police;
- Sponsored iftar coupled with distribution of clothes and shoes to the blind members at Islamabad Community Centre of Blind; and
- Grant of eidi to 115 children of SOS village.



## Promotion of Sports Activities

OGDCL contribution towards promoting sports activities during the year under review include:

- Sponsored Desert Motor Rally at Jhal Magsi, Balochistan province, Football Tournament at district Karak and Kohat and Spring Sports Festival at Kahuta with an amount of Rs 1.11 million, Rs 0.56 million and Rs 0.50 million respectively;
- Provided financial support to Pakistan Junior National Tennis Players amounting to Rs 0.25 million; and
- Sponsored 5th Chief Minister Women Gold Cup Hockey Championship.





# Health, Safety, Environment and Quality (HSEQ) Activities



## Occupational Health, Safety and Environment Initiatives

OGDCL during the reporting period continued to rely on its prudently framed HSE policies, procedures, guidelines and oversight which have led to the establishment of safe work culture conducive to environmental preservation. As a result of sustainable measures pertaining to the safeguard of environment and society, OGDCL won 13th Annual Environment Excellence Award 2016 organized by National Forum for Environment and Health. Annual Environment Excellence Awards are designed to recognize, appreciate and promote the organizations which make outstanding contribution towards sustainable development and in protecting the overall environment of Pakistan.

## Consumer Protection Measures

OGDCL during the year continued to ensure that its business products supplied to the markets, consumers and other stakeholders are properly processed and bear minimum (allowable) potential for pollution. In order to mitigate unwanted and hazardous impact of gases, absorbents, scrubbers and desiccants/molecular sieves are utilized to guarantee continuous quality conscious operations at the fields and plants. In addition, it is ascertained that the remaining traces of gases are burnt in accordance with the international practice in the controlled-flare.

## HSE - key activities

Regarding HSE, OGDCL key activities during the reporting year are as follows:

- i. In order to effectively implement Risk Management Policy and to bring higher risks to low level i.e. As Low As Reasonably Practicable (ALARP), Hazard Identification Risk Assessment and Risk Control (HIRARC) training sessions were arranged at the Company's Head Office. All officers responsible to review the risk registers developed at field level were given detailed training on hazard, risk and calculation/prioritization of risks for development of the Company's overall risk register.
- ii. Regarding Environmental Management System and Safety Management System certifications, ISO 14001 and OHSAS 18001 certifications were already achieved for Dhodak, Qadirpur, Dakhni and Chanda/Mela plants. During the year, the Company's Uch plant is also declared as ISO 14001:2004 and OHSAS 18001:2007 certified. These certifications are assurance to the management, workforce and other stakeholders that on relative basis safety of operations are being measured better, environmental conductions are monitored more frequently and Accident and Pollution Prevention System is being continually improved.



- iii. To protect the environment from degradation, state of the art Sequencing Batch Reactor waste water treatment plant is installed at Qadirpur field. In addition to the presence of soak pits and septic tanks to treat wastewater, the Company opted to construct wastewater treatment plant leading to improved results with minimum cushion for environmental degradation.
- iv. Introduction of Floating Treatment Island/Wetland (FTW) at Rajian field proved to be a cost effective, efficient and aesthetically pleasing green wastewater treatment technology. On the basis of encouraging results achieved, this technology is also introduced at Dakhni field for treatment of waste water. FTW is established as a soil-less planting technology through integrating agronomy and ecological engineering whereby regionally suitable vegetation is trapped in self-buoyant mats to construct artificial floating wetlands.
- v. Publications and distribution of safety bulletin remained a continuous feature to create awareness among the employees and other stakeholders. Purpose of the safety bulletin is to keep the employees well versed with the HSE related activities and incidents along with informing the employees about new techniques being introduced in HSE field. The Company incidents are shared through safety bulletin with detailed reports so that their recurrence may be avoided in the future.
- vi. To promote best HSE practices and create a positive behavioral change, HSE awareness events were organized at field locations wherein all workers participated in view of the fact that health, safety and environment protection is a shared responsibility. Moreover, different informational and motivational events were celebrated at fields to motivate and educate the employees for making further advancement in HSE.
- vii. In addition to providing HSE and firefighting training to the delegates of National Institute of Fire Technology at

its operating fields, the Company officials from various operational departments were also imparted training in the following fields:

- a. Basic First Aid and Rescue Techniques
- b. Food handling and Food Safety Techniques
- c. Hazard Identification, Risk Assessment and Risk Control (HIRARC)
- d. Fire Prevention and Life Safety
- e. HSE Auditing - A management System Approach based on ISO 14001 & OHSAS 18001 Standards
- f. Accident Investigation through Root Cause and Failure Analysis
- viii. Safety audits of different fields conducted using in-house competency of HSE professionals.

### Major Energy Conservation Measures

In order to conserve and utilize energy efficiently, OGDCL continuously reviews operating processes at producing fields accompanied with exercising different measures to achieve maximum output with minimum energy consumption and least bearing on the environment. In addition, routine maintenance of the machines and prime movers is carried out to enhance efficiency of the field operations while avoiding any occurrence of accidents/injuries.

To check the impact of operations at field level, Ambient Air Monitoring of the fields continued during the year and recorded results were within the acceptable limits. Recommendations in this regard were given to the management of respective fields for bringing further improvement in the system along with carrying out tree plantation to keep the environmental parameters in acceptable range. Moreover, cathodic protection units installed at remote wells in all the producing fields have been converted to solar system to ensure continuous supply of electricity.

### Energy Saving Measures

During July 2016 - June 2017, energy saving measures carried out at OGDCL fields and offices through application of 4Rs philosophies; Reduce, Reuse, Recycle and Repair are as follows:

- I. Timely maintenance of engines and turbines to avoid incomplete combustion and fuel wastage;
- II. Preventive maintenance of machines based on condition monitoring to avoid efficiency drop;
- III. Proper insulation of pipelines and air ducts and use of heat tracing cables;
- IV. Decanting and secondary containment systems for condensate/crude oil, diesel and chemicals;
- V. Reuse of oil based mud in drilling operations;
- VI. Bioremediation of oil spills, oil based drill cuttings and oily sludge to rehabilitate soil;
- VII. Installation of solar systems; and
- VIII. Use of FTW technology to treat waste water in an environment friendly and cost effective manner.



# Principal Risks/Uncertainties and Mitigation Measures

At present, risks and uncertainties which are believed to be material in nature coupled with their mitigation techniques are outlined below:

## Strategic Risk

OGDCL's strategy aims at optimization of business portfolio and sustaining production growth in a cost effective manner to improve profit margins. Going forward, the Company cannot guarantee maintenance of high drilling success and effective execution of low cost strategy in conduct of E&P operations. Responding to the risk of strategic failure, the Company focuses on utilizing latest production techniques, advance reservoir management practices and modern technology to exploit new reserves and boost production while ensuring its low cost operator status. Additionally, the Company renews and repositions its exploration portfolio to embark upon future growth opportunities so as to ensure business sustainability and increased shareholders value.

## Commercial Risk

On account of operating in an energy deficient Country, OGDCL's production is readily absorbed in the indigenous market thus bearing no risk relating to sale of hydrocarbon products. However, following factors may unfavorably influence the Company's financial stature:

## Commodity Price Risk

Crude prices in Pakistan are linked to a basket of Middle East crude oil prices which are calculated by taking into account average prices of Oman, Dubai and Das Blend. Any volatility in the prices of the crude oil has a significant influence on OGDCL's financial performance. This is witnessed by the prevalence of low oil prices during the past few years having impacted the financial results of oil and gas companies across the globe.

However, OGDCL's gas sale is less prone to price risk as the gas prices of major fields are capped at fixed crude oil/HSFO prices and sales revenue is only affected provided international crude oil prices fall below the capped price. To counter the impact of low oil price and improve operational cashflows, the Company will continue to manage its operational costs and preserve capital flexibility while carrying on the exploration efforts to discover new reserves and optimize oil and gas production.



## Foreign Currency Risk

OGDCL's functional and reporting currency is Pak rupees. The Company is exposed to foreign currency risk with respect to crude oil and gas prices which are determined in US dollars and translated into Pak rupees using exchange rate established by the regulatory authority. Therefore, any decline in the value of Pak rupee against US dollar has a positive impact on the Company's earnings and vice versa. While currency risk arising due to foreign currency payments made for purchase of material, equipment and hiring of third party services is neutralized by natural hedging provided by the Company's pricing mechanism.

## Credit Risk

Against supply of crude oil and natural gas products, significant trade debts are payable to OGDCL by crude oil refineries and natural gas distribution companies. Settlement of such debts has been slow resulting in creation of Inter Corporate Circular Debt issue in the energy industry. Against this risk, OGDCL's management during the year continued to undertake all possible measures including vigorous follow-ups and constant liaison with Government of Pakistan to recover outstanding receivables and avert liquidity problems. Moreover, Government of Pakistan is also pursuing for satisfactory settlement of Inter Corporate Circular Debt issue and the Company considers its outstanding amount to be fully recoverable.

### Financial Risk

OGDCL's debt free balance sheet is reflection of the fact that the business is not exposed to any financial risk. However, prolonged nonpayment of trade debts by crude oil refineries and gas distribution companies may trigger the need for borrowing to carry out planned exploration, production and development activities/projects alongside ensuring timely discharge of statutory obligations including royalty, taxes/duties, dividend, etc.

### Reserves Risk

Proved reserves data are the estimated quantities of oil and gas that geo science and engineering data demonstrate with reasonable certainty to be economically producible in the future under existing economic conditions, operating methods and government regulations. Any downward revision in the Company's estimated quantities of proved reserves would indicate lower future production volumes which could adversely influence business results of operations and financial condition. In order to cope up with this risk, OGDCL internally evaluates and update reserves on quarterly basis based on the production performance, workover jobs and development wells results of individual fields. Also, the Company arranges reserves evaluation study for verification/up-dation of the reserves status in all fields which is carried out by an independent international expert after every three (3) years.

### Operational Risk

OGDCL operational activities may be exposed to the following risks:

#### Exploration, Drilling and Production Risk

The risks and hazards inherent in OGDCL's operational activities include well blowouts, explosions, uncontrollable leaks, down hole fires, oil spills, mechanical failures, adverse weather conditions, etc. Such risks may result in substantial losses in the form of injury to workers, loss of life, severe damage to property, plant and equipment, production loss, pollution and suspension of operations. In order to mitigate these risks, OGDCL focuses on routine check-ups and repair and maintenance of plant and machinery in addition to maintaining an insurance coverage in line with the customary industry practices against some of the potential operational risks.

In addition to the above, drilling of exploratory wells involve the risk that no commercially productive oil or gas reservoirs will be encountered which could adversely impact future production

levels and growth prospects. Exploration and production activities are often conducted in extremely challenging environments which heighten the risks of technical integrity failure and natural disasters. Moreover, exploring and developing oil and gas fields is a capital intensive activity requiring sufficient cash flows to finance the operations. The Company counters such risks by maintaining a strong financial discipline and through formulation of strategic alliances with other E&P companies possessing technical expertise and complementary skills to carry out the core operations in a safe, compliant and cost effective manner.

### Environmental Risk

Environmental risks relate to natural disasters in shape of earthquakes, cyclones, floods and other such events which cause the business operations to be disrupted or curtailed. OGDCL in this regard covers all insurable risks through insurance besides maintaining a contingency fund to cover uninsured damages.

### Security Risk

Security risk is in shape of insurgency and political instability which adversely influence the business operations causing threat to lives of the workers in affected operational areas, suspension of business activities, production limitations, etc. OGDCL is exposed to such risks particularly in the provinces of KPK and Balochistan. In this respect, the Company relies on a well thought-out plan for curbing or neutralizing potential security threats and collaborates with law enforcement agencies to deploy security personnel in the sensitive areas for protection of the workers and operational facilities.

### Competitive Risk

As award of the exploration licenses is done on a competitive basis, however OGDCL as a public sector entity does not enjoy any preferential treatment or relaxation of any sort in bidding for new exploration areas. Moving on, the Company may face increased competition in gaining access to new exploration licenses and utilization of advance equipment and technology by the competitors to more efficiently explore and develop oil and gas fields. To remain competitive in the market, the Company is focused on technological innovation, reduce unit costs and improve efficiency in the conduct of E&P activities. Moreover, the Company will continue to create and invest in new business opportunities to further bolster business reserves and production base.

# Risk Management Policy and Business Continuity Plan

Risk management creates value by enabling management to identify, mitigate and monitor potential risk events to face the challenges of the operating and external environment besides ensuring business continuity. In this perspective, OGDCL's Risk Management Policy and Business Continuity Plan are described below:



## Risk Management Policy

OGDCL recognizes that an effective system of risk management and internal control is critical for its business success. The Company is committed to managing risks in a manner consistent with the business practices in order to:

- Protect its people, communities, environment, assets and reputation;
- Ensure good governance and legal compliance; and
- Enable it to realize opportunities and create long-term shareholder value.

OGDCL's Board of Directors oversee the risk management and control framework of the Company to ensure that an appropriate control environment is established and maintained, spanning business operations, financial reporting and compliance activities. Audit and Risk Management Committees assist the Board in fulfilling its responsibilities by reviewing and monitoring financial and reporting matters along with risk management and internal control processes.

Management ensures implementation of risk management policy through the following:

- Formulation of Risk Management SOPs;
- Identification and recording of the risks on risk register;
- Use of appropriate and relevant risk management techniques and methodologies to analyze and quantify risks;
- Determination of mitigation/action plan for identified risks;
- Regular assessment of risks by Risk Management Committee of the Board; and
- Allocation of necessary/appropriate resources in support of risk management.

Identification and communication of vulnerabilities and changes to OGDCL's risk profile are an integral part of day-to-day management. In addition, all personnel are encouraged to identify and manage risks to develop a "risk aware" culture and an environment of continuous improvement.



## Business Continuity Plan

OGDCL's risk management policy ensures business continuity through enhancing Company's preparedness to identify and reduce the likelihood of crises/risks as well as to recover and restore business critical functions within a reasonable period of time. In line with this policy, the Company has well-defined and extensive Emergency Response Procedures in place at all field locations and operational areas to avoid operational disruptions and sustain business activities. Company has also established a Disaster Recovery Site for ERP applications at National Telecommunication datacenter, Islamabad to retrieve the data in the case of catastrophic consequences. Moreover, training sessions, mock exercises and HSEQ awareness events are regularly arranged to determine and enhance readiness in the event of an emergency or crisis.

# Review Report to the Members

## on the Statement of Compliance with the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013 (both herein referred to as 'Codes') prepared by the Board of Directors of Oil and Gas Development Company Limited for the year ended 30 June 2017 to comply with the requirements of Clause No. 5.19.23 of the Pakistan Stock Exchange Limited Regulations where the Company is listed and provisions of Public Sector Companies (Corporate Governance) Rules, 2013.

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

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

The Codes require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material aspects, with the best practices contained in the Codes as applicable to the Company for the year ended 30 June 2017.



A. F. Ferguson & Co.  
Chartered Accountants  
Islamabad

15 September 2017  
Engagement Partner: Asim Masood Iqbal



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Islamabad

15 September 2017  
Engagement Partner: Inam-ullah Kakra

# Statement of Compliance

## with the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013

### SCHEDULE I

[See paragraph 2(1)]

- I. This statement is being presented to comply with Code of Corporate Governance ("CCG") contained in the Clause No. 5.19.23 of Pakistan Stock Exchange Limited Regulations and Public Sector Companies (Corporate Governance) Rules, 2013 (hereinafter called "the Codes") issued for the purpose of establishing a frame work of good governance, whereby a public sector company is managed in compliance with the best practices of public sector governance. In case where there is inconsistency with the CCG, the provisions of Public Sector Companies (Corporate Governance) Rules, 2013 ("Rules") shall prevail.
- II. The company has complied with the provisions of the Rules in the following manner:

Sr. No.	Provision of the Rules	Rule No.	Y	N	Remarks																													
			Tick the relevant box																															
1.	The independent directors meet the criteria of independence as defined under the Rules.	2(d)	✓																															
2.	The Board has the requisite percentage of independent directors. At 30 June 2017 the board includes:	3(2)	✓																															
	<table border="1"> <thead> <tr> <th>Category</th> <th>Names</th> <th>Date of appointment</th> </tr> </thead> <tbody> <tr> <td rowspan="7">Independent Directors</td> <td>✓ Mr. Zahid Muzaffar</td> <td>24.10.14</td> </tr> <tr> <td>✓ Mr. Iskander Mohammed Khan</td> <td>24.10.14</td> </tr> <tr> <td>✓ Mr. Muhammad Ali Tabba</td> <td>24.10.14</td> </tr> <tr> <td>✓ Sayed Shafqat Ali Shah</td> <td>24.10.14</td> </tr> <tr> <td>✓ Mr. Rahmat Salam Khattak</td> <td>24.10.14</td> </tr> <tr> <td>✓ Mr. Hamid Farooq</td> <td>24.10.14</td> </tr> <tr> <td>✓ Prince Ahmed Omar Ahmedzai</td> <td>24.10.14</td> </tr> <tr> <td>✓ Mr. Muhammad Yawar Irfan Khan</td> <td>24.10.14</td> </tr> <tr> <td>Executive Director</td> <td>✓ Mr. Zahid Mir</td> <td>15.04.15</td> </tr> <tr> <td rowspan="3">Non-Executive Directors</td> <td>✓ Mr. Aurangzeb Haque</td> <td>24.05.17</td> </tr> <tr> <td>✓ Mr. Mohammad Jalal Sikandar Sultan</td> <td>21.04.17</td> </tr> <tr> <td>✓ Mr. Zafar Masud (All Independent Directors are also Non-Executive Directors)</td> <td>24.10.14</td> </tr> </tbody> </table>	Category	Names	Date of appointment	Independent Directors	✓ Mr. Zahid Muzaffar	24.10.14	✓ Mr. Iskander Mohammed Khan	24.10.14	✓ Mr. Muhammad Ali Tabba	24.10.14	✓ Sayed Shafqat Ali Shah	24.10.14	✓ Mr. Rahmat Salam Khattak	24.10.14	✓ Mr. Hamid Farooq	24.10.14	✓ Prince Ahmed Omar Ahmedzai	24.10.14	✓ Mr. Muhammad Yawar Irfan Khan	24.10.14	Executive Director	✓ Mr. Zahid Mir	15.04.15	Non-Executive Directors	✓ Mr. Aurangzeb Haque	24.05.17	✓ Mr. Mohammad Jalal Sikandar Sultan	21.04.17	✓ Mr. Zafar Masud (All Independent Directors are also Non-Executive Directors)	24.10.14			
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3.	All casual vacancies occurring on the Board were filled up by the Directors within 90 days.	3(4)	✓																															
4.	The Directors have confirmed that none of them is serving as a Director on more than five public sector companies and listed companies simultaneously, except their subsidiaries.	3(5)	✓																															
5.	The appointing authorities have applied the fit and proper criteria given in the Annexure to the Rules in making nominations of the persons for election as board members under the provisions of the Ordinance. All the nominations on the Board of Directors have been made by the Government of Pakistan (GoP).	3(7)			All the nomination on the Board of Directors are made by the GoP.																													
6.	The Chairman of the Board is working separately from the Chief Executive of the Company.	4(1)	✓																															
7.	The Chairman has been elected from amongst the Independent Directors.	4(4)	✓																															



Sr. No.	Provision of the Rules	Rule No.	Tick the relevant box		Remarks
			Y	N	
8.	The Board has evaluated the candidates for the position of the Chief Executive on the basis of the fit and proper criteria as well as the guidelines specified by the Commission.	5(2)	✓		During the year ended 30 June 2015, acting charge of CEO was given to Chief Operating Officer. However, the process to evaluate the candidates for the position of the Chief Executive on the basis of the fit and proper criteria as well as the guidelines specified by the Commission is in process.
9.	(a) The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures, including posting the same on the Company's website. (www.ogdcl.com)  (b) The Board has set in place adequate systems and controls for the identification and redressal of grievances arising from unethical practices.	5(4)	✓  ✓		
10.	The Board has established a system of sound internal control, to ensure compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty; and relationship with the stakeholders, in the manner prescribed in the Rules.	5(5)	✓		
11.	The Board has developed and enforced an appropriate conflict of interest policy to lay down circumstances or considerations when a person may be deemed to have actual or potential conflict of interests, and the procedure for disclosing such interest.	5(5) (b)(ii)	✓		
12.	The Board has developed and implemented a policy on anti-corruption to minimize actual or perceived corruption in the Company.	5(5) (b)(vi)	✓		
13.	(a) The Board has ensured equality of opportunity by establishing open and fair procedures for making appointments and for determining terms and conditions of service.  (b) A Committee has been formed to investigate deviations from the Company's Code of Conduct.	5(5)(c) (iii)  5(4)& 5(5) (c) (ii)	✓  ✓		Company has its own service regulation and cases of misconduct or discipline are governed as per the procedure given in the regulations. These regulations have statutory protection. Committees are formed depending on the nature and subject matter of the issue involved.
14.	The Board has ensured compliance with the law as well as the Company's internal rules and procedures relating to public procurement, tender regulations and purchasing and technical standards, when dealing with suppliers of goods and services.	5(5)(c) (iii)	✓		

Sr. No.	Provision of the Rules	Rule No.	Y	N	Remarks
			Tick the relevant box		
15.	The Board has developed a vision or mission statement, corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.	5(6)	✓		
16.	The Board has quantified the outlay of any action in respect of any service delivered or goods sold by the Company as a public service obligation, and has submitted its request for appropriate compensation to the Government for consideration.	5(8)			None
17.	(a) The Board has met at least four times during the year.	6(1)	✓		
	(b) Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings.	6(2)	✓		
	(c) The minutes of the meetings were appropriately recorded and circulated.	6(3)	✓		
18.	The Government has carried out performance evaluation of members of the Board, including the Chairman and the Chief Executive, on annual basis for which the Government has entered into performance contracts with members, at the time of appointment.	8(1)			Amendments in the PSCGC Rules, 2013 requiring Performance Evaluation of Board members by the Government were made via SRO 275(I)/2017 dated 21 April 2017. Only two appointments have been made in OGDCL Board after the said amendments. Both are senior civil servants i.e Federal Secretaries under employment contracts with the Government. Being civil servants, annual evaluation is done under the ACR System. Board, however continued with the practice of self-evaluation under previous requirement and accordingly evaluation of Board, Committees, Chairman, Directors and MD/CEO was conducted. OGDCL Board election is due in October, 2017 and it is expected that the Government will enter into performance contracts at the time of appointment for necessary annual evaluation.
	The Board has also monitored and assessed the performance of senior management on annual-basis.	8(2)	✓		
19.	The Board has reviewed and approved the related party transactions placed before it after recommendations of the Audit Committee. A party wise record of transactions entered into with the related parties during the year has been maintained.	9	✓		

Sr. No.	Provision of the Rules	Rule No.	Y	N	Remarks																			
			Tick the relevant box																					
20.	The Board has approved the profit and loss account for, and balance sheet as at the end of, the first, second and third quarter of the year as well as the financial year end, and has placed the annual financial statements on the Company's website. Monthly accounts were also prepared and circulated amongst the Board members.	10	✓																					
21.	All the Board members underwent an orientation course arranged by the Company to apprise them of the material developments and information as specified in the Rules.	11	✓																					
22.	<p>(a) The Board has formed the requisite committees, as specified in the Rules.</p> <p>(b) The Committees were provided with written term of reference defining their duties, authority and composition.</p> <p>(c) The minutes of the meetings of the Committees were circulated to all the Board members.</p> <p>(d) The Committees were chaired by the following non-executive directors:</p> <table border="1"> <thead> <tr> <th>Committee</th> <th>No. of Members</th> <th>Name of Chairman</th> </tr> </thead> <tbody> <tr> <td>Audit Committee</td> <td>5</td> <td>Mr. Iskander Mohammed Khan</td> </tr> <tr> <td>Risk Management Committee</td> <td>5</td> <td>Mr. Zafar Masud</td> </tr> <tr> <td>Human Resource &amp; Nomination Committee</td> <td>6</td> <td>Mr. Hamid Farooq</td> </tr> <tr> <td>Procurement Operation &amp; Finance Committee</td> <td>5</td> <td>Mr. Rahmat Salam Khattak</td> </tr> <tr> <td>Corporate Social Responsibilities (CSR) Committee</td> <td>5</td> <td>Prince Ahmed Omar Ahmedzai</td> </tr> </tbody> </table>	Committee	No. of Members	Name of Chairman	Audit Committee	5	Mr. Iskander Mohammed Khan	Risk Management Committee	5	Mr. Zafar Masud	Human Resource & Nomination Committee	6	Mr. Hamid Farooq	Procurement Operation & Finance Committee	5	Mr. Rahmat Salam Khattak	Corporate Social Responsibilities (CSR) Committee	5	Prince Ahmed Omar Ahmedzai	12	✓	✓	✓	
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23.	The Board has approved appointment of Chief Financial Officer, Company Secretary and Chief Internal Auditor, with their remuneration and terms and conditions of employment and as per their prescribed qualifications.	13/14	✓																					
24.	The Company has adopted International Financial Reporting Standards notified by the Commission under clause (i) of sub-section (3) of section 234 of the Ordinance.	16	✓																					
25.	The Directors' Report for this year has been prepared in compliance with the requirements of the Ordinance and the Rules and fully describes the salient matters required to be disclosed.	17	✓																					
26.	The Directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.	18	✓																					
27.	A formal and transparent procedure for fixing the remuneration packages of individual directors, who only includes one Executive Director, has been set in place. The criteria and details of remuneration of such director is adequately disclosed in Annual Report.	19	✓																					
28.	The financial statements of the Company were duly endorsed by the Chief Executive and Chief Financial Officer, before approval of the Board.	20	✓																					
29.	<p>The Board has formed an Audit Committee, with defined and written terms of reference, and having the following members as at 30 June 2017:</p> <table border="1"> <thead> <tr> <th>Name of Member</th> <th>Category</th> <th>Professional background</th> </tr> </thead> <tbody> <tr> <td>Mr. Iskander Mohammed Khan</td> <td>Independent Director</td> <td>Business Executive</td> </tr> <tr> <td>Mr. Aurangzeb Haque</td> <td>Non-Executive Director</td> <td>Government Service</td> </tr> <tr> <td>Mr. Mohammed Ali Tabba</td> <td>Independent Director</td> <td>Business Executive</td> </tr> <tr> <td>Mr. Hamid Farooq</td> <td>Independent Director</td> <td>Business Executive</td> </tr> <tr> <td>Prince Ahmed Omar Ahmedzai</td> <td>Independent Director</td> <td>Business Executive</td> </tr> </tbody> </table> <p>The Chief Executive and Chairman of the Board are not members of the Audit Committee.</p>	Name of Member	Category	Professional background	Mr. Iskander Mohammed Khan	Independent Director	Business Executive	Mr. Aurangzeb Haque	Non-Executive Director	Government Service	Mr. Mohammed Ali Tabba	Independent Director	Business Executive	Mr. Hamid Farooq	Independent Director	Business Executive	Prince Ahmed Omar Ahmedzai	Independent Director	Business Executive	21	✓			
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Sr. No.	Provision of the Rules	Rule No.	Y	N	Remarks
			Tick the relevant box		
30.	The Board has set up an effective internal audit function, which has an audit charter, duly approved by the Audit Committee, and which worked in accordance with the applicable standards.	22	✓		
31.	The Company has appointed its external auditors in line with the requirements envisaged under the Rules.	23	✓		
32.	The external joint auditors of the Company have confirmed that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as applicable in Pakistan.	23(4)	✓		
33.	The external joint auditors have not been appointed to provide non-audit services except that one of the joint auditors provides Taxation Services to the Company, and the joint auditors have confirmed that they have observed applicable guidelines issued by IFAC in this regard.	23(5)	✓		
34.	The Company has complied with all the corporate and financial reporting requirements of the Rules.		✓		

Certain additional disclosures as required under Code of Corporate Governance (CCG) 2012

- All the resident Directors of the Company are registered as tax payers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
- All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other Executive and Non-Executive Directors, have been taken by the Board/shareholders.
- The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
- The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of the Company's securities, was determined and intimated to Directors, employees and stock exchange(s).
- Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).

(Zahid Mir)  
Chief Executive Officer

15 September 2017

(Zahid Muzaffar)  
Chairman

# Auditors' Report to the Members

We have audited the annexed Balance Sheet of Oil and Gas Development Company Limited ("the Company") as at 30 June 2017 and the related Profit and Loss Account, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion -
  - (i) the Balance Sheet and Profit and Loss Account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
  - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
- (c) in our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit and Loss Account, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof conform with the approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2017 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.



A. F. Ferguson & Co.  
Chartered Accountants  
Islamabad

15 September 2017  
Engagement Partner: Asim Masood Iqbal



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Islamabad

15 September 2017  
Engagement Partner: Inam-ullah Kakra



# Balance Sheet

As at 30 June 2017

		2017	2016
	Note	------(Rupees '000)-----	
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	4	43,009,284	43,009,284
Reserves	5	12,093,287	10,529,373
Unappropriated profit		457,881,766	425,093,910
		512,984,337	478,632,567
<b>NON CURRENT LIABILITIES</b>			
Deferred taxation	6	19,638,412	15,579,499
Deferred employee benefits	7	19,026,984	14,971,638
Provision for decommissioning cost	8	22,027,796	21,412,687
		60,693,192	51,963,824
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	53,610,444	58,969,148
		627,287,973	589,565,539
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10		

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

  
Chief Executive

		2017	2016
	Note	------(Rupees '000)-----	
<b>NON CURRENT ASSETS</b>			
Fixed assets			
Property, plant and equipment	11	128,336,018	120,542,404
Development and production assets - intangible	12	95,159,850	87,990,960
Exploration and evaluation assets	13	10,996,011	6,834,078
		234,491,879	215,367,442
Long term investments	14	42,665,810	112,517,292
Long term loans and receivable	15	6,817,374	5,997,669
Long term prepayments		852,691	882,466
		284,827,754	334,764,869
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools	16	18,442,847	18,251,184
Stock in trade		376,390	291,904
Trade debts	17	118,574,468	111,204,186
Loans and advances	18	14,079,704	10,459,609
Deposits and short term prepayments	19	1,557,439	1,646,777
Interest accrued		21,873,164	21,085,027
Other receivables	20	440,997	182,211
Income tax - advance	21	49,601,329	41,599,042
Current maturity of term finance certificates and PIBs	14.2	102,059,086	30,750,000
Other financial assets	22	11,295,722	11,426,964
Cash and bank balances	23	4,159,073	7,903,766
		342,460,219	254,800,670
		627,287,973	589,565,539

  
 Director

# Profit and Loss Account

For the year ended 30 June 2017

		2017	2016
	Note	----- (Rupees '000) -----	
Sales - net	24	171,829,364	162,866,578
Royalty		(18,518,982)	(18,078,772)
Operating expenses	25	(56,585,214)	(54,986,250)
Transportation charges		(1,720,982)	(1,912,017)
		(76,825,178)	(74,977,039)
<b>Gross profit</b>		95,004,186	87,889,539
Other income	26	16,020,333	14,702,971
Exploration and prospecting expenditure	27	(13,268,575)	(14,548,295)
General and administration expenses	28	(4,239,642)	(3,770,607)
Finance cost	29	(1,514,634)	(1,717,889)
Workers' profit participation fund		(4,691,445)	(4,237,231)
Share of profit in associate - net of taxation	14.1	1,827,239	2,188,899
<b>Profit before taxation</b>		89,137,462	80,507,387
Taxation	30	(25,334,060)	(20,536,585)
<b>Profit for the year</b>		63,803,402	59,970,802
<b>Earnings per share - basic and diluted (Rupees)</b>	31	14.83	13.94

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

  
Chief Executive

  
Director

# Statement of Comprehensive Income

For the year ended 30 June 2017

	2017	2016
	----- (Rupees '000) -----	
<b>Profit for the year</b>	63,803,402	59,970,802
Other comprehensive income/(loss) for the year		
Items that will not be reclassified to profit or loss:		
Remeasurement loss on employee retirement benefit plans	(7,300,321)	(7,652,528)
Current tax credit related to remeasurement loss on employee retirement benefit plans	3,656,731	4,026,760
Share of other comprehensive loss of the associate - net of taxation	(434)	(17,125)
	(3,644,025)	(3,642,893)
<b>Total comprehensive income for the year</b>	<b>60,159,377</b>	<b>56,327,909</b>

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

  
Chief Executive

  
Director



# Cash Flow Statement

For the year ended 30 June 2017

	2017	2016
Note	----- (Rupees '000) -----	
<b>Cash flows from operating activities</b>		
Profit before taxation	89,137,462	80,507,387
<b>Adjustments for:</b>		
Depreciation	9,021,395	7,098,893
Amortization of development and production assets	13,900,593	15,266,568
Impairment on assets	-	1,886,551
Royalty	18,518,982	18,078,772
Workers' profit participation fund	4,691,445	4,237,231
Provision for employee benefits	4,870,101	2,932,900
Decommissioning cost	650,762	-
Un-winding of discount on provision for decommissioning cost	1,506,604	1,700,742
Interest income	(12,420,725)	(12,920,657)
Un-realized gain on investments at fair value through profit or loss	(84,404)	(6,356)
Dividend income	(20,431)	(19,296)
Loss/(gain) on disposal of property, plant and equipment	42,020	(60,458)
Provision for slow moving, obsolete and in transit stores	178,721	163,178
Share of profit in associate	(1,827,239)	(2,188,899)
Stores inventory written off	-	3,814
	128,165,286	116,680,370
<b>Changes in:</b>		
Stores, spare parts and loose tools	(370,384)	(1,571,144)
Stock in trade	(84,486)	25,572
Trade debts	(7,370,282)	10,207,299
Deposits and short term prepayments	89,338	(611,838)
Advances and other receivables	(4,698,586)	(2,479,290)
Trade and other payables	(1,948,329)	(1,905,586)
<b>Cash generated from operations</b>	113,782,557	120,345,383
Royalty paid	(20,397,735)	(19,338,668)
Employee benefits paid	(11,030,291)	(3,390,389)
Long term prepayments	29,775	-
Payment from self insurance reserve	(2,036)	(1,946)
Decommissioning cost paid	(1,357,317)	-
Payments to workers' profit participation fund-net	(7,637,231)	(6,685,550)
Income taxes paid	(25,620,703)	(35,076,467)
	(66,015,538)	(64,493,020)
Net cash from operating activities	47,767,019	55,852,363
<b>Cash flows from investing activities</b>		
Capital expenditure	(39,805,463)	(42,313,524)
Interest received	12,312,637	6,960,084
Dividends received	131,949	199,058
Purchase of investments	(422,366)	(522,843)
Proceeds from disposal of property, plant and equipment	62,430	91,112
Net cash used in investing activities	(27,720,813)	(35,586,113)
<b>Cash flows from financing activities</b>		
Dividends paid	(24,006,545)	(23,759,105)
Net cash used in financing activities	(24,006,545)	(23,759,105)
<b>Net decrease in cash and cash equivalents</b>	(3,960,339)	(3,492,855)
Cash and cash equivalents at beginning of the year	19,034,930	22,527,785
<b>Cash and cash equivalents at end of the year</b>	15,074,591	19,034,930

34

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



Chief Executive



Director

# Statement of Changes in Equity

For the year ended 30 June 2017

Share capital	Reserves					Unappropriated profit	Total equity
	Capital reserves			Other reserves			
	Capital reserve	Self insurance reserve	Share of capital redemption reserve fund in associated company	Share of self insurance reserve in associated company	Share of undistributed percentage return reserve in associated company		
43,009,284	836,000	6,620,000	-	-	-	392,055,684	442,520,968
-	-	-	-	-	-	59,970,802	59,970,802
-	-	-	-	-	-	(3,642,893)	(3,642,893)
-	-	-	-	-	-	56,327,909	56,327,909
-	-	851,946	-	-	-	(851,946)	-
-	-	(1,946)	-	-	-	-	(1,946)
-	-	-	-	-	85,373	(85,373)	-
-	-	-	2,118,000	-	-	(2,118,000)	-
-	-	-	-	20,000	-	(20,000)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(6,451,393)	(6,451,393)
-	-	-	-	-	-	(6,451,393)	(6,451,393)
-	-	-	-	-	-	(5,161,114)	(5,161,114)
-	-	-	-	-	-	(2,150,464)	(2,150,464)
-	-	-	-	-	-	(20,214,364)	(20,214,364)
43,009,284	836,000	7,470,000	2,118,000	20,000	85,373	425,093,910	478,632,567
43,009,284	836,000	7,470,000	2,118,000	20,000	85,373	425,093,910	478,632,567
-	-	-	-	-	-	63,803,402	63,803,402
-	-	-	-	-	-	(3,644,025)	(3,644,025)
-	-	-	-	-	-	60,159,377	60,159,377
-	-	1,452,036	-	-	-	(1,452,036)	-
-	-	(2,036)	-	-	-	-	(2,036)
-	-	-	-	-	13,914	(13,914)	-
-	-	-	-	100,000	-	(100,000)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(8,601,857)	(8,601,857)
-	-	-	-	-	-	(6,451,393)	(6,451,393)
-	-	-	-	-	-	(4,300,928)	(4,300,928)
-	-	-	-	-	-	(6,451,393)	(6,451,393)
-	-	-	-	-	-	(25,805,571)	(25,805,571)
43,009,284	836,000	8,920,000	2,118,000	120,000	99,287	457,881,766	512,984,337

Balance as at 1 July 2015

## Total comprehensive income for the year

Profit for the year  
Other comprehensive loss for the year  
Total comprehensive income for the year  
Transfer to self insurance reserve  
Charged to self insurance reserve  
Transfer to undistributed percentage return reserve by an associated company  
Transfer to capital redemption reserve fund by an associated company  
Transfer to self insurance reserve by an associated company

## Transactions with owners of the company

**Distributions**  
Final dividend 2015: Rs 1.50 per share  
First interim dividend 2016: Rs 1.50 per share  
Second interim dividend 2016: Rs 1.20 per share  
Third interim dividend 2016: Rs 0.50 per share  
Total distributions to owners of the company

Balance as at 30 June 2016

Balance as at 1 July 2016

## Total comprehensive income for the year

Profit for the year  
Other comprehensive loss for the year  
Total comprehensive income for the year  
Transfer to self insurance reserve  
Charged to self insurance reserve  
Transfer to undistributed percentage return reserve by an associated company  
Transfer to self insurance reserve by an associated company

## Transactions with owners of the company

**Distributions**  
Final dividend 2016: Rs 2.00 per share  
First interim dividend 2017: Rs 1.50 per share  
Second interim dividend 2017: Rs 1.00 per share  
Third interim dividend 2017: Rs 1.50 per share  
Total distributions to owners of the company

Balance as at 30 June 2017

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



Chief Executive



Director

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 1 LEGAL STATUS AND OPERATIONS

Oil and Gas Development Company Limited (OGDCL), 'the Company', was incorporated on 23 October 1997 under the Companies Ordinance, 1984. The Company was established to undertake exploration and development of oil and gas resources, including production and sale of oil and gas and related activities formerly carried on by Oil and Gas Development Corporation, which was established in 1961. The registered office of the Company is located at OGDCL House, Plot No. 3, F-6/G-6, Blue Area, Islamabad, Pakistan. Previously, the shares of the Company were quoted on Karachi, Lahore and Islamabad stock exchanges of Pakistan. However, due to integration of these stock exchanges into Pakistan Stock Exchange effective 11 January 2016, the shares of the Company are now quoted on Pakistan Stock Exchange Limited. The Global Depository Shares (1GDS = 10 ordinary shares of the Company) of the Company are listed on the London Stock Exchange.

## 2 BASIS OF PREPARATION

### 2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, shall prevail.

The Companies Act, 2017 was enacted on 30 May 2017 and SECP vide its circular 17 of 2017 has clarified that the companies whose financial year closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Companies Act, 2017 applicable for financial year beginning on 1 July 2017 requires certain additional disclosures.

### 2.2 BASIS OF MEASUREMENT

These financial statements have been prepared on the historical cost basis except for the following material items in the balance sheet;

- obligation under certain employee benefits and provision for decommissioning cost have been measured at present value; and
- investments at fair value through profit or loss have been measured at fair value.

The methods used to measure fair values are described further in their respective policy notes.

### 2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupee (PKR) which is the Company's functional currency.

### 2.4 SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of these financial statements in conformity with the approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that year, or in the year of the revision and any future year affected.

In the process of applying the Company's accounting policies, the management has made the following estimates, assumptions and judgments which are significant to these financial statements:

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 2.4.1 Property, plant and equipment

The Company reviews the useful lives and residual values of property, plant and equipment on the reporting date. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

## 2.4.2 Exploration and evaluation expenditure

The Company's accounting policy for exploration and evaluation expenditure results in certain items of expenditure being capitalized for an area of interest where it is considered likely to be recoverable by future exploration or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalized the expenditure under the policy, a judgment is made that recovery of the expenditure is unlikely, the relevant capitalized amount is written off to the profit and loss account.

## 2.4.3 Development and production expenditure

Development and production activities commence after project sanctioning by the appropriate level of management. Judgment is applied by the management in determining when a project is economically viable. In exercising this judgment, management is required to make certain estimates and assumptions similar to those described above for capitalized exploration and evaluation expenditure. Any such estimates and assumptions may change as new information becomes available. If, after having commenced development activity, a judgment is made that a development and production asset is impaired, the appropriate amount is written off to the profit and loss account.

## 2.4.4 Estimation of oil and natural gas reserves

Oil and gas reserves are an important element in calculation of amortization charge and for impairment testing of development and production assets of the Company. Estimates of oil and natural gas reserves are inherently imprecise, require the application of judgment and are subject to future revision. Proved reserves are estimated with reference to available reservoir and well information, including production and pressure trends for producing reservoirs and, in some cases, subject to definitional limits, to similar data from other producing reservoirs. All proved reserve estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms or development plans.

Changes to the estimates of proved developed reserves, affect the amount of amortization recorded and impairment, if any, in the financial statements for fixed assets related to hydrocarbon production activities.

## 2.4.5 Provision for decommissioning cost

Provision is recognized for the future decommissioning and restoration cost of oil and gas wells, production facilities and pipelines at the end of their economic lives. The timing of recognition requires the application of judgment to existing facts and circumstances, which can be subject to change. Estimates of the amount of provision recognized are based on current legal and constructive requirements, technology and price levels. Provision is based on the best estimates, however, the actual outflows can differ from estimated cash outflows due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future. The carrying amount of provision is reviewed annually and adjusted to take account of such changes.

During the year, the Company revised its estimates of well cost, discount and inflation rates. This has been treated as change in accounting estimates, applied prospectively, in accordance with IFRIC Interpretation-1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities".

Following line items would have been effected had there been no change in estimates:

	Rupees in million
Provision for decommissioning cost would have been higher by	1,522
Property, plant and equipment would have been higher by	417
Development and production assets would have been higher by	1,105
Amortization charge would have been higher by	719
Total comprehensive income would have been lower by	478

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 2.4.6 Employee benefits

Defined benefit plans are provided for permanent employees of the Company. The employees pension plan is structured as separate legal entity managed by trustees. The Company recognizes deferred liability for post retirement medical benefits and accumulating compensated absences. These calculations require assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration and pension benefit levels, medical benefit rate and the discount rate used to convert future cash flows to current values. The assumptions used vary for the different plans as they are determined by independent actuaries annually.

Pension or service cost primarily represents the increase in actuarial present value of the obligation for benefits earned on employees service during the year and the interest on the net liability/(asset) in respect of employee's service in previous years. Calculations are sensitive to changes in the underlying assumptions.

## 2.4.7 Taxation

The Company takes into account the current income tax laws and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

## 2.4.8 Stores and spares

The Company reviews the stores and spares for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of stores and spares with a corresponding affect on the provision.

## 2.4.9 Provision against trade debts, advances and other receivables

The Company reviews the recoverability of its trade debts, advances and other receivables to assess amount of bad debts and provision required thereagainst on annual basis.

## 2.5 NEW ACCOUNTING STANDARDS AND IFRIC INTERPRETATIONS THAT ARE NOT YET EFFECTIVE

The following standards, interpretations and the amendments are effective for accounting periods beginning from the dates specified below and are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

- Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after 1 January 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments are not likely to have an impact on Company's financial statements.
- Amendments to IAS 7 'Statement of Cash Flows' are part of IASB's broader disclosure initiative and are effective for annual periods beginning on or after 1 January 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.
- Amendments to IFRS 2 - Share-based Payment clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on Company's financial statements.



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

- Amendments to IFRS 4, 'Insurance contracts' regarding the implementation of IFRS 9, 'Financial instruments' (effective for annual periods beginning on or after 1 January 2018) introduce two approaches: an overlay approach and a deferral approach. The amended standard will:
  - give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and
  - give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39.
- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after 1 January 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on Company's financial statements.
- Annual improvements to IFRS standards 2014-2016 cycle. The new cycle of improvements addresses improvements to following approved accounting standards:

Amendments to IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after 1 January 2017) clarify that the requirements of IFRS 12 apply to an entity's interests that are classified as held for sale or discontinued operations in accordance with IFRS 5 – 'Non-current Assets Held for Sale and Discontinued Operations'. The amendments are not likely to have an impact on Company's financial statements.

Amendments to IAS 28 'Investments in Associates and Joint Ventures' (effective for annual periods beginning on or after 1 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on Company's financial statements.

- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 1 January 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax.
- IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 1 January 2018) replaces the guidance in IAS 39 'Financial Instruments: Recognition and Measurement'. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.
- IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 1 January 2018) specifies how and when an IFRS compliant entity will recognize revenue as well as requiring such entities to provide users of financial statements with more informative and relevant disclosures. The standard provides a single principle-based five-step model to be applied to all contracts with customers. The objective of IFRS 15 is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

- IFRS 16 'Leases' (effective for annual periods beginning on or after 1 January 2019) supersedes IAS 17 'Leases' and related interpretations. IFRS 16 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases. The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under IFRS 16 a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- IFRS 17 'Insurance Contracts' (effective for annual periods beginning on or after 1 January 2021) replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2017:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 14 – Regulatory Deferral Accounts

The following interpretations issued by the IASB have been waived off by SECP effective 16 January 2012:

- IFRIC 4 – Determining Whether an Arrangement Contains a Lease. Also refer note 41 to the financial statements.
- IFRIC 12 – Service Concession Arrangements.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company.

### 3.1 EMPLOYEE BENEFITS

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company. The accounting policy for pension, gratuity, post retirement medical benefits and accumulating compensated absences is described below:

#### 3.1.1 Pension, gratuity, post retirement medical benefits and accumulating compensated absences

The Company operates an approved funded pension scheme under an independent trust for its permanent employees regularized before 1 January 2016, as a defined benefit plan. The employees regularized from 1 January 2016 and onwards will be entitled to gratuity, a defined benefit plan and provident fund, a defined contributory plan instead of pension benefit. In contributory provident fund, the Company shall match the contribution by employees upto one basic salary annually. The contractual officers of the Company are also entitled to gratuity.

The Company also provides post retirement medical benefits to its permanent employees and their families as a defined benefit plan.

The Company also has a policy whereby its regular/contractual officers and regular staff are eligible to encash accumulated leave balance at the time of retirement in case of officers and at the time of retirement or during the service in case of regular staff.

The Company makes contributions or records liability in respect of defined benefit plans on the basis of actuarial valuations, carried out annually by independent actuaries. The latest actuarial valuations were carried out as of 30 June 2017. The calculations of actuaries are based on the Projected Unit Credit Method, net of the assets guaranteeing the plan, if any, with the obligation increasing from year to year, in a manner that it is proportional to the length of service of the employees.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the present value of the future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The interest element of the defined benefit cost represents the change in present value of scheme obligations resulting from the passage of time, and is determined by applying the discount rate to the net defined benefit liability/(asset).

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the year in which they arise.

Past service costs are recognized immediately in profit and loss account.

## 3.2 TAXATION

Taxation for the year comprises current and deferred tax. Taxation is recognized in the profit and loss account except to the extent that it relates to items recognized outside profit and loss account (whether in other comprehensive income or directly in equity), if any, in which case the tax amounts are recognized outside profit and loss account.

### 3.2.1 Current tax

Provision for current taxation is based on taxable income at the current rate of tax after taking into account applicable tax credits, rebates and exemptions available, if any, adjusted for payments to GoP for payments on account of royalty and any adjustment to tax payable in respect of previous years.

### 3.2.2 Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognized for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in associates and interest in joint arrangements to the extent that it is probable that they will not reverse in a foreseeable future and the investor/joint operator is able to control the timing of the reversal of the temporary difference. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date, adjusted for depletion allowance and set offs, where available, in respect of royalty payment to the Government of Pakistan. Accordingly, deferred tax for the year has been calculated at the tax rate of 28.24% (2016: 28.17%). The tax rate is reviewed annually.

## 3.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any except for freehold land and capital work in progress, which are stated at cost less impairment loss, if any. Cost in relation to property, plant and equipment comprises acquisition and other directly attributable costs and decommissioning cost as referred in the note 3.4.4 to the financial statements. The cost of self constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to working condition for their intended use. Software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Depreciation is provided on straight line method at rates specified in note 11 to the financial statements so as to write off the cost of property, plant and equipment over their estimated useful life. Depreciation on additions to property, plant and equipment is charged from the month in which property, plant and equipment is acquired or capitalized while no depreciation is charged for the month in which property, plant and equipment is disposed of.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit and loss account as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within "other income" in profit and loss account.

Capital work in progress is stated at cost less accumulated impairment losses, if any, and is transferred to the respective item of property, plant and equipment when available for intended use.

Impairment tests for property, plant and equipment are performed when there is an indication of impairment. At each year end, an assessment is made to determine whether there are any indications of impairment. The Company conducts annually an internal review of asset values which is used as a source of information to assess for any indications of impairment. External factors such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment. If any such indication exists, an estimate of the asset's recoverable amount is calculated being the higher of the fair value of the asset less cost to sell and the asset's value in use.

If the carrying amount of the asset exceeds its recoverable amount, the property, plant and equipment is impaired and an impairment loss is charged to the profit and loss account so as to reduce the carrying amount of the property, plant and equipment to its recoverable amount.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the property, plant and equipment in its present form and its eventual disposal. Value in use is determined by applying assumptions specific to the Company's continued use and does not take into account future development.

In testing for indications of impairment and performing impairment calculations, assets are considered as collective groups, referred to as cash generating units. Cash generating units are the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## 3.4 OIL AND GAS ASSETS

The Company applies the "Successful efforts" method of accounting for Exploration and Evaluation (E&E) costs.

### 3.4.1 Pre license costs

Costs incurred prior to having obtained the legal rights to explore an area are charged directly to the profit and loss account as they are incurred.

### 3.4.2 Exploration and evaluation assets

Under the successful efforts method of accounting, all property acquisitions, exploratory/evaluation drilling costs are initially capitalized as intangible E&E assets in well, field or specific exploration cost centres as appropriate, pending determination.

Costs directly associated with an exploratory well are capitalized as an intangible asset until the drilling of the well is completed and results have been evaluated. Major costs include employee benefits, material, chemical, fuel, well services and rig operational costs. All other exploration costs including cost of technical studies, seismic acquisition and data processing, geological and geophysical activities are charged against income as exploration and prospecting expenditure.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Tangible assets used in E&E activities, include the Company's vehicles, drilling rigs, seismic equipment and other property, plant and equipment used by the Company's exploration function and are classified as property, plant and equipment. However, to the extent that such a tangible asset is consumed in developing an intangible E&E asset, the amount reflecting that consumption is recorded as part of the cost of the intangible asset. Such intangible costs include directly attributable overheads, including the depreciation of property, plant and equipment utilized in E&E activities, together with the cost of other materials consumed during the exploration and evaluation phases.

Intangible E&E assets relating to each exploration license/field are carried forward, until the existence or otherwise of commercial reserves have been determined subject to certain limitations including review for indications of impairment. If commercial reserves have been discovered, the carrying value after any impairment loss of the relevant E&E assets is then reclassified as development and production assets and if commercial reserves are not found, the capitalized costs are written off as dry and abandoned wells and are charged to profit and loss account.

E&E assets are not amortized prior to the conclusion of appraisal activities.

### 3.4.3 Development and production assets - intangible

Development and production assets are accumulated on a field by field basis and represent the cost of developing the discovered commercial reserves and bringing them into production, together with the capitalized E&E expenditures incurred in finding commercial reserves transferred from intangible E&E assets as outlined in accounting policy 3.4.2 above. The cost of development and production assets also includes the cost of acquisition of such assets, directly attributable overheads, and the cost of recognizing provisions for future site restoration and decommissioning.

Expenditure carried within each field is amortized from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the year to the estimated quantities of proved developed reserves at the end of the year plus the production during the year, on a field by field basis. Changes in the estimates of commercial reserves or future field development costs are dealt with prospectively. Amortization is charged to profit and loss account.

### 3.4.4 Decommissioning cost

The activities of the Company normally give rise to obligations for site restoration. Restoration activities may include facility decommissioning and dismantling, removal or treatment of waste materials, land rehabilitation and site restoration.

Liabilities for decommissioning cost are recognized when the Company has an obligation to dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. The Company makes provision in full for the decommissioning cost on the declaration of commercial discovery of the reserves, to fulfill the obligation of site restoration and rehabilitation. Where an obligation exists for a new facility, such as oil and natural gas production or transportation facilities, this will be on construction or installation. An obligation for decommissioning may also crystallize during the period of operation of a facility through a change in legislation or through a decision to terminate operations. The amount recognized is the estimated cost of decommissioning, discounted to its net present value and the expected outflow of economic resources to settle this obligation is up to next twenty five years. Decommissioning cost, as appropriate, relating to producing/shut-in fields and production facilities is capitalized to the cost of development and production assets and property, plant and equipment as the case may be. The recognized amount of decommissioning cost is subsequently amortized/depreciated as part of the capital cost of the development and production assets and property, plant and equipment.

While the provision is based on the best estimate of future costs and the economic life of the facilities and property, plant and equipment there is uncertainty regarding both the amount and timing of incurring these costs. Any change in the present value of the estimated expenditure is dealt with prospectively and reflected as an adjustment to the provision and a corresponding adjustment to property, plant and equipment and development and production assets. The unwinding of the discount on the decommissioning provision is recognized as finance cost in the profit and loss account.

### 3.4.5 Impairment of oil and gas assets

E&E assets are assessed for impairment when facts and circumstances indicate that carrying amount may exceed the recoverable amount of E&E assets. Such indicators include, the point at which a determination is made that as to whether or not commercial reserves exist, the period for which the Company has right to explore has expired or will expire in the near future and is not expected to be renewed, substantive expenditure on further exploration and evaluation activities is not planned or budgeted and any other event that may give rise to indication that E&E assets are impaired.



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Impairment test of development and production assets is also performed whenever events and circumstances arising during the development and production phase indicate that carrying amount of the development and production assets may exceed its recoverable amount. Such circumstances depend on the interaction of a number of variables, such as the recoverable quantities of hydrocarbons, the production profile of the hydrocarbons, the cost of the development of the infrastructure necessary to recover the hydrocarbons, the production costs, the contractual duration of the production field and the net selling price of the hydrocarbons produced.

The carrying value is compared against expected recoverable amount of the oil and gas assets, generally by reference to the future net cash flows expected to be derived from such assets. The cash generating unit applied for impairment test purpose is generally field by field basis, except that a number of fields may be grouped as a single cash generating unit where the cash flows of each field are inter-dependent.

Where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the profit and loss account, net of any depreciation/ amortization that would have been charged since the impairment.

## 3.5 INVESTMENTS

All purchases and sale of investments are recognized using settlement date accounting. Settlement date is the date on which investments are delivered to or by the Company. All investments are derecognized when the right to receive economic benefits from the investments has expired or has been transferred and the Company has transferred substantially all the risks and rewards of ownership.

### 3.5.1 Investments in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of the associate have been incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the balance sheet at cost as adjusted for post acquisition changes in the Company's share of net assets of the associate, less any impairment in the value of investment. Losses of an associate in excess of the Company's interest in that associate (which includes any long term interest that, in substance, form part of the Company's net investment in the associate) are recognized only to the extent that the Company has incurred legal or constructive obligation or made payment on behalf of the associate.

### 3.5.2 Investments held to maturity

Investments with fixed or determinable payments and fixed maturity and where the Company has positive intent and ability to hold investments to maturity are classified as investments held to maturity. These are initially recognized at cost inclusive of transaction costs and are subsequently carried at amortized cost using the effective interest rate method, less any impairment losses.

### 3.5.3 Loans and receivables

These are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

### 3.5.4 Investments at fair value through profit or loss

An investment is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's investment strategy. All investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. At subsequent dates these investments are measured at fair value, determined on the basis of prevailing market prices, with any resulting gain or loss recognized directly in the profit and loss account.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 3.6 STORES, SPARE PARTS AND LOOSE TOOLS

Stores, spare parts and loose tools are valued at the lower of cost and net realizable value less allowance for slow moving, obsolete and in transit items. Cost is determined on the moving average basis and comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

Materials in transit are stated at cost comprising invoice value and other charges paid thereon.

## 3.7 STOCK IN TRADE

Stock in trade is valued at the lower of production cost and net realizable value. Net realizable value signifies the estimated selling price in the ordinary course of business less net estimated cost of production and selling expenses.

## 3.8 INTANGIBLES

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and that the cost of such asset can also be measured reliably. Intangible assets having definite useful life are stated at cost less accumulated amortization and are amortized based on the pattern in which the assets' economic benefits are consumed. Intangible assets which have indefinite useful life are not amortized and tested for impairment annually, if any.

## 3.9 REVENUE RECOGNITION

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of government levies. Effect of adjustments, if any, arising from revision in sale prices is reflected as and when the prices are finalized with the customers and/or approved by the GoP.

Revenue from services is recognized on rendering of services to customers and is measured at the fair value of the consideration received or receivable.

## 3.10 FINANCE INCOME AND EXPENSE

Finance income comprises interest income on funds invested, delayed payments from customers, dividend income, exchange gain and changes in the fair value of financial assets at fair value through profit or loss. Income on bank deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return. Income on investments is recognized on time proportion basis taking into account the effective yield of such securities. The Company recognizes interest, if any, on delayed payments from customers on receipt basis. Dividend income on equity investments is recognized when the right to receive the payment is established. Foreign currency gains and losses are reported on a net basis.

Finance cost comprises interest expense on borrowings (if any), unwinding of the discount on provisions and bank charges. Mark up, interest and other charges on borrowings are charged to income in the period in which they are incurred.

## 3.11 JOINT OPERATIONS

Investments in joint arrangements are classified as either joint operations or joint ventures depending on contractual rights and obligations of the parties to the arrangement. The Company has assessed the nature of its arrangements and determined them to be joint operations.

The Company has recognized its share of assets, liabilities, revenues and expenses jointly held or incurred under the joint operations on the basis of latest available audited financial statements of the joint operations and where applicable, the cost statements received from the operator of the joint venture, for the intervening period up to the balance sheet date. The difference, if any, between the cost statements and audited financial statements is accounted for in the next accounting year.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 3.12 FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into PKR at the rate of exchange ruling on the balance sheet date and exchange differences, if any, are charged to income for the year.

## 3.13 FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. These are derecognized when the Company ceases to be a party to the contractual provisions of the instrument.

Financial assets mainly comprise investments, loans, advances, deposits, trade debts, other receivables and cash and bank balances. Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities are trade and other payables.

All financial assets and liabilities are initially measured at fair value. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be.

## 3.14 OFFSETTING

Financial assets and liabilities and tax assets and liabilities are set off in the balance sheet, only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

## 3.15 TRADE DEBTS AND OTHER RECEIVABLES

Trade debts and other receivables are stated at original invoice amount as reduced by appropriate provision for impairment. Bad debts are written off when identified while debts considered doubtful of recovery are fully provided for. Provision for doubtful debts is charged to profit and loss account currently.

## 3.16 TRADE AND OTHER PAYABLES

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

## 3.17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and at bank and includes short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

## 3.18 DIVIDEND

Dividend is recognized as a liability in the period in which it is declared.

## 3.19 SELF INSURANCE SCHEME

The Company is following a policy to set aside reserve for self insurance of rigs, wells, plants, pipelines, vehicles, workmen compensation, losses of petroleum products in transit and is keeping such reserve invested in specified investments.

## 3.20 IMPAIRMENT

### 3.20.1 Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that assets except deferred tax assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit and loss account.

## 3.20.2 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

## 3.21 OPERATING SEGMENTS

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

## 4 SHARE CAPITAL

### Authorized share capital

2017 ------(Number of shares)-----	2016		2017 ------(Rupees '000)-----	2016
<u>5,000,000,000</u>	<u>5,000,000,000</u>	Ordinary shares of Rs 10 each	<u>50,000,000</u>	<u>50,000,000</u>

### Issued, subscribed and paid up capital

1,075,232,100	1,075,232,100	Ordinary shares of Rs 10 each issued for consideration other than cash (note 4.1)	10,752,321	10,752,321
3,225,696,300	3,225,696,300	Ordinary shares of Rs 10 each issued as fully paid bonus shares	32,256,963	32,256,963
<u>4,300,928,400</u>	<u>4,300,928,400</u>		<u>43,009,284</u>	<u>43,009,284</u>

4.1 In consideration for all the properties, rights, assets, obligations and liabilities of Oil and Gas Development Corporation vested in the Company, 1,075,232,100 ordinary fully paid shares of Rs 10 each were issued to Government of Pakistan (GoP) on 23 October 1997. Currently, GoP holds 74.97% (2016: 74.97%) paid up capital of the Company.

## 5 RESERVES

### Capital reserves:

	Note	2017 ------(Rupees '000)-----	2016
Capital reserve	5.1	836,000	836,000
Self insurance reserve	5.2	8,920,000	7,470,000
Capital redemption reserve fund - associated company	5.3	2,118,000	2,118,000
Self insurance reserve - associated company	5.4	120,000	20,000

### Other reserves:

Undistributed percentage return reserve - associated company	5.5	99,287	85,373
		<u>12,093,287</u>	<u>10,529,373</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

- 5.1 This represents bonus shares issued by former wholly owned subsidiary - Pirkoh Gas Company (Private) Limited (PGCL) prior to merger.
- 5.2 The Company has set aside a specific capital reserve for self insurance of rigs, buildings, wells, plants, pipelines, workmen compensation, vehicle repair and losses for petroleum products in transit. Refer note 14.2.1 for investments against this reserve. Accordingly, the reserve is not available for distribution to shareholders.
- 5.3 This represents Company's share of profit set aside by an associated company to redeem redeemable preference shares in the form of cash to the preference shareholders.
- 5.4 This represents Company's share of profit set aside by an associated company for self insurance of general assets, vehicles and personal accident for security personnel.
- 5.5 This represents Company's share of profit set aside by an associated company from distributable profits for the year related to undistributed percentage return reserve.

	Note	2017 ------(Rupees '000)-----	2016 -----
<b>6 DEFERRED TAXATION</b>			
The balance of deferred tax is in respect of following temporary differences:			
Accelerated depreciation on property, plant and equipment		11,725,333	7,419,066
Expenditure of exploration and evaluation, development and production assets		9,645,295	10,487,778
Provision for decommissioning cost		(1,563,704)	(1,870,834)
Long term investment in associate		755,246	414,961
Provision for doubtful debts, claims and advances		(87,036)	(87,175)
Provision for slow moving and obsolete stores		(836,722)	(784,297)
		<u>19,638,412</u>	<u>15,579,499</u>
<b>7 DEFERRED EMPLOYEE BENEFITS</b>			
Post retirement medical benefits	7.1	13,731,726	10,975,188
Accumulating compensated absences	7.2	5,295,258	3,996,450
		<u>19,026,984</u>	<u>14,971,638</u>
<b>7.1 Post retirement medical benefits</b>			
Movement in the present value of defined benefit obligation is as follows:			
Present value of defined benefit obligation at beginning of the year		10,975,188	8,083,396
Current service cost		374,480	175,262
Interest cost		973,357	783,067
Benefits paid		(320,219)	(505,446)
Remeasurement loss recognized in Other Comprehensive Income		1,728,920	2,438,909
Present value of defined benefit obligation at end of the year		<u>13,731,726</u>	<u>10,975,188</u>
Movement in liability recognized in the balance sheet is as follows:			
Opening liability		10,975,188	8,083,396
Expense for the year		1,347,837	958,329
Benefits paid		(320,219)	(505,446)
Remeasurement loss recognized in Other Comprehensive Income		1,728,920	2,438,909
Closing liability		<u>13,731,726</u>	<u>10,975,188</u>
Expense recognized is as follows:			
Current service cost		374,480	175,262
Interest cost		973,357	783,067
		<u>1,347,837</u>	<u>958,329</u>



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

	2017	2016
	------(Rupees '000)-----	
The expense is recognized in the following:		
Operating expenses - profit and loss account	712,753	504,610
General and administration expenses - profit and loss account	187,919	129,161
Technical services	447,165	324,558
	<u>1,347,837</u>	<u>958,329</u>

	2017	2016
Significant actuarial assumptions used were as follows:		
Discount rate per annum	9.25%	9%
Medical inflation rate per annum - retired	9.25%	9%
Medical inflation rate per annum - in service	8.25%	7%
Mortality rate	Adjusted SLIC 2001-2005	
Withdrawal rate	Low	Low
Weighted average duration of the obligation	11 years	10 years

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

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	------(Rupees '000)-----		
Discount	1%	(2,141,139)	2,759,300
Medical indexation	1%	2,787,248	(2,195,369)
Withdrawal	10%	7,473	(7,510)
		1 year setback	1 year set forward
		------(Rupees '000)-----	
Mortality		603,641	(543,349)

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

The expected medical expense for the next financial year is Rs 1,611.093 million.

	2017	2016
	------(Rupees '000)-----	
<b>7.2 Accumulating compensated absences</b>		
Present value of defined benefit obligation at beginning of the year	3,996,450	4,374,519
Charge for the year - net	2,590,157	1,018,489
Payments made during the year	(1,291,349)	(1,396,558)
Present value of defined benefit obligation at end of the year	<u>5,295,258</u>	<u>3,996,450</u>

The rates of discount at 9.25% per annum (2016: 9%) and long term salary increase rate of 9.25% per annum (2016: 9%) and short term salary increase rate (next one year) of 9.25% per annum (2016: 12%) were assumed.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

	2017	2016
Note	----- (Rupees '000) -----	
The expense is recognized in the following:		
Operating expenses - profit and loss account	1,364,408	540,555
General and administration expenses - profit and loss account	303,820	122,184
Technical services	921,929	355,750
	<u>2,590,157</u>	<u>1,018,489</u>

## 8 PROVISION FOR DECOMMISSIONING COST

Balance at beginning of the year	21,412,687	20,303,619
Provision during the year	1,337,053	1,101,437
Decommissioning cost incurred during the year - against provision	(706,556)	-
	<u>22,043,184</u>	<u>21,405,056</u>
Revision due to change in estimates	(1,521,992)	(1,693,111)
Unwinding of discount on provision for decommissioning cost	1,506,604	1,700,742
Balance at end of the year	<u>22,027,796</u>	<u>21,412,687</u>

The above provision for decommissioning cost is analyzed as follows:

Development and production wells	3,682,307	4,450,781
Production facilities	2,296,513	1,815,374
Unwinding of discount on provision for decommissioning cost		
Development and production wells	14,111,220	13,458,767
Production facilities	1,937,756	1,687,765
	<u>16,048,976</u>	<u>15,146,532</u>
	<u>22,027,796</u>	<u>21,412,687</u>

Significant financial assumptions used were as follows:

	2017	2016
Discount rate per annum	7.94%	7.99%
Inflation rate per annum	5.27%	5.98%

## 9 TRADE AND OTHER PAYABLES

	2017	2016
Note	----- (Rupees '000) -----	
Creditors	392,923	115,148
Accrued liabilities	13,940,426	14,359,034
Payable to partners of joint operations	5,415,565	4,573,507
Retention money payable	5,066,326	6,124,024
Royalty payable	620,618	2,499,371
Excise duty payable	-	235,912
General sales tax payable	-	526,179
Gas Infrastructure Development Cess (GIDC) Payable	929,625	2,137,525
Withholding tax payable	774,943	735,910
Trade deposits	118,298	119,298
Workers' profit participation fund - net	1,291,445	4,237,231
Employees' pension trust	8,833,994	9,272,728
Gratuity fund	122,881	69,009
Un-paid dividend	13,862,361	12,439,784
Un-claimed dividend	577,224	200,776
Advances from customers	1,486,121	1,133,572
Other payables	177,694	190,140
	<u>53,610,444</u>	<u>58,969,148</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

	2017	2016
	------(Rupees '000)-----	
<b>9.1 Workers' profit participation fund - net</b>		
Payable at beginning of the year	4,237,231	6,685,550
Paid to the fund during the year - net	(7,637,231)	(6,685,550)
Charge for the year	4,691,445	4,237,231
Payable at end of the year	<u>1,291,445</u>	<u>4,237,231</u>
<b>9.2 Employees' pension trust</b>		
The amount recognized in the balance sheet is as follows:		
Present value of defined benefit obligation	85,239,047	72,609,026
Fair value of plan assets	(76,405,053)	(63,336,298)
Net liability at end of the year	<u>8,833,994</u>	<u>9,272,728</u>
The movement in the present value of defined benefit obligation is as follows:		
Present value of defined benefit obligation at beginning of the year	72,609,026	61,669,438
Current service cost	2,611,515	2,236,272
Interest cost	6,717,574	5,950,393
Benefits paid	(4,458,735)	(4,331,014)
Remeasurement loss recognized in Other Comprehensive Income	7,759,667	7,083,937
Present value of defined benefit obligation at end of the year	<u>85,239,047</u>	<u>72,609,026</u>
The movement in the fair value of plan assets is as follows:		
Fair value of plan assets at beginning of the year	63,336,298	58,553,413
Expected return on plan assets	5,923,466	5,713,104
Contributions	9,418,723	1,486,261
Benefits paid	(4,458,735)	(4,331,014)
Remeasurement gain recognized in Other Comprehensive Income	2,185,301	1,914,534
Fair value of plan assets at end of the year	<u>76,405,053</u>	<u>63,336,298</u>
The movement in liability recognized in the balance sheet is as follows:		
Opening liability	9,272,728	3,116,025
Expense for the year	3,405,623	2,473,561
Remeasurement loss recognized in Other Comprehensive Income during the year	5,574,366	5,169,403
Payments to the fund during the year	(9,418,723)	(1,486,261)
Closing liability	<u>8,833,994</u>	<u>9,272,728</u>
Expense recognized is as follows:		
Current service cost	2,611,515	2,236,272
Net interest cost	794,108	237,289
	<u>3,405,623</u>	<u>2,473,561</u>
Remeasurement loss recognized in Other Comprehensive Income:		
Remeasurement loss on defined benefit obligation	7,759,667	7,083,937
Remeasurement gain on plan assets	(2,185,301)	(1,914,534)
	<u>5,574,366</u>	<u>5,169,403</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Plan assets comprise:	2017			2016		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	----- (Rupees '000) -----					
Bonds	-	-	-	-	21,898,643	21,898,643
Regular Income Certificates (RIC)	-	26,898,643	26,898,643	-	-	-
Special Saving Account	-	11,285,088	11,285,088	-	-	-
Mutual funds	1,766,253	-	1,766,253	1,035,688	-	1,035,688
Term Deposits Receipts (TDRs)	-	35,656,031	35,656,031	-	38,401,946	38,401,946
Cash and bank balances	-	799,038	799,038	-	2,000,021	2,000,021
	<u>1,766,253</u>	<u>74,638,800</u>	<u>76,405,053</u>	<u>1,035,688</u>	<u>62,300,610</u>	<u>63,336,298</u>

Quoted plan assets comprise of 2.31% (2016: 1.64%) of total plan assets.

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

The pension plan is a defined benefit final salary plan invested through approved trust fund. The trustees of the fund are responsible for plan administration and investment. The Company appoints the trustees. All trustees are employees of the Company.

The plan exposes the Company to various actuarial risks: investment risk, salary risk and longevity risk from the pension plan.

	2017	2016
	----- (Rupees '000) -----	
The expense is recognized in the following:		
Operating expenses - profit and loss account	1,639,735	1,187,622
General and administration expenses - profit and loss account	612,159	425,706
Technical services	1,153,729	860,233
	<u>3,405,623</u>	<u>2,473,561</u>
Actual return on plan assets	<u>8,108,767</u>	<u>7,627,638</u>

Significant actuarial assumptions used were as follows:

	2017	2016
Discount rate per annum	9.25%	9%
Long term salary increase rate per annum	9.25%	9%
Short term salary increase rate per annum (next one year)	9.25%	12%
Expected rate of return on plan assets per annum	9.25%	9%
Pension indexation rate per annum	5.25%	5%
Mortality rate	Adjusted SLIC 2001-2005	
Withdrawal rate	Low	Low
Weighted average duration of the obligation	11 years	10 years

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

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

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
		------(Rupees '000)-----	
Discount	1%	(8,123,281)	9,785,442
Salary increase	1%	716,008	(860,915)
Pension indexation	1%	6,000,829	(5,122,867)
Withdrawal	10%	(8,524)	8,524
		1 year setback	1 year set forward
		------(Rupees '000)-----	
Mortality		1,508,731	(1,389,397)

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

The Company expects to make a contribution of Rs 12,422 million (2016: Rs 12,583 million) to the employees' pension trust during the next financial year.

## 9.3 Gratuity fund

	2017	2016
	------(Rupees '000)-----	
Opening liability	69,009	-
Expense for the year	56,837	26,917
Other comprehensive income	(2,965)	44,216
Benefits paid during the year	-	(2,124)
Closing liability	122,881	69,009

The expense is recognized in the following:

Operating expenses - profit and loss account	25,997	5,620
General and administration expenses - profit and loss account	23,311	17,442
Technical services	7,529	3,855
	56,837	26,917

9.4 This includes an amount of Rs 13,250 million (2016: Rs 10,500 million) payable to OGDCL Employees' Empowerment Trust (OEET). The payment of dividend has been withheld since GoP is considering to revamp Benazir Employees' Stock Option Scheme (BESOS) as communicated to the Company by Privatization Commission of Pakistan (PCP). Further, PCP vide letter no. F. No. 12(1)L/PC/BESOS/2016 dated 16 August 2017 has informed that the matter of BESOS, as a scheme, is pending adjudication before the Honorable Supreme Court of Pakistan. Once finalised, OEET will be informed accordingly.



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 10 CONTINGENCIES AND COMMITMENTS

### 10.1 CONTINGENCIES

10.1.1 Claims against the Company not acknowledged as debts amounted to Rs 1,568.441 million at year end (2016: Rs 1,556.580 million).

10.1.2 Certain banks have issued guarantees on behalf of the Company in ordinary course of business aggregating Rs 1.321 million (2016: Rs 1.707 million), refer note 23.1 to the financial statements.

10.1.3 The Company's share of associate contingencies at year end are as follows:

Indemnity bonds given to Collector of Customs against duty concessions on import of vehicles amounted to Rs 1.045 million (2016: Rs 1.045 million).

10.1.4 For contingencies related to tax matters, refer note 21.1 to 21.3 and note 30.2

10.1.5 For contingencies related to sales tax and federal excise duty, refer note 18.1 and 18.2

### 10.2 COMMITMENTS

10.2.1 Commitments outstanding at period end amounted to Rs 30,237.700 million (2016: Rs 48,618.352 million). These include amounts aggregating to Rs 22,567.871 million (2016: Rs 24,779.797 million) representing the Company's share in the minimum work commitments under Petroleum Concession Agreements.

10.2.2 Letters of credit issued by various banks on behalf of the Company in ordinary course of the business, outstanding at year end amounted to Rs 6,644.095 million (2016: Rs 22,235.046 million).

10.2.3 The Company's share of associate commitments at year end is as follows:

	2017	2016
	----- (Rupees '000) -----	
Capital expenditure:		
Share in joint operations	992,261	1,218,299
Others	288,608	42,454
	1,280,869	1,260,753

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 11 PROPERTY, PLANT AND EQUIPMENT

(Rupees '000)															
Description	Freehold land	Leasehold land	Buildings, offices and roads on freehold land	Buildings, offices and roads on leasehold land	Plant and machinery	Rigs	Pipelines	Office and domestic equipment	Office and technical data computers	Furniture and fixtures	Vehicles	Decommissioning cost	Capital work in progress (Note 11.3)	Stores held for capital expenditure	Total
<b>Cost</b>															
Balance as at 1 July 2015	254,580	54,039	4,336,982	5,384,600	92,375,868	4,635,592	15,319,471	1,018,935	1,785,805	135,716	5,392,913	1,339,771	44,041,169	3,916,428	179,991,869
Additions during the year	1,678	-	103,141	261,848	11,636,241	401,193	933,261	159,427	144,646	16,263	306,467	269,947	15,164,178	1,928,020	31,325,310
Revision due to change in estimate	-	-	-	-	-	-	-	-	-	-	-	205,656	-	-	205,656
Disposals/transfers during the year	-	-	-	-	(177,960)	(13,342)	-	(3,316)	(23,582)	-	(191,910)	-	(9,542,219)	(3,177,210)	(13,129,539)
Adjustments	-	-	-	-	(67,094)	-	-	-	67,094	-	-	-	-	-	-
Balance as at 30 June 2016	256,258	54,039	4,440,123	5,646,448	103,767,055	5,023,443	16,252,732	1,174,046	1,973,963	151,979	5,507,470	1,815,374	49,663,128	2,667,238	198,393,296
Balance as at 1 July 2016	256,258	54,039	4,440,123	5,646,448	103,767,055	5,023,443	16,252,732	1,174,046	1,973,963	151,979	5,507,470	1,815,374	49,663,128	2,667,238	198,393,296
Additions during the year	8,068	-	74,748	1,018,107	48,419,917	87,789	3,296,028	92,521	84,930	8,078	266,713	898,055	13,872,787	340,009	68,467,750
Revision due to change in estimate	-	-	-	-	-	-	-	-	-	-	-	(416,916)	-	-	(416,916)
Disposals/transfers during the year	-	-	(61,331)	(27,950)	(35,593)	(5)	-	(862)	(19,794)	-	(123,963)	-	(49,379,841)	(739,247)	(50,388,586)
<b>Balance as at 30 June 2017</b>	<b>264,326</b>	<b>54,039</b>	<b>4,453,540</b>	<b>6,636,605</b>	<b>152,151,379</b>	<b>5,111,227</b>	<b>19,548,760</b>	<b>1,265,705</b>	<b>2,039,099</b>	<b>160,057</b>	<b>5,650,220</b>	<b>2,296,513</b>	<b>14,156,074</b>	<b>2,268,000</b>	<b>216,055,544</b>
<b>Depreciation</b>															
Balance as at 1 July 2015	-	50,839	1,935,352	1,597,383	46,614,221	1,713,507	9,753,832	707,812	1,545,187	97,533	4,630,555	923,880	-	102,983	69,673,084
Charge for the year	-	2,145	264,800	246,675	5,655,286	454,760	892,170	82,476	217,707	6,978	315,205	94,908	-	(10,892)	8,222,218
On disposals	-	-	-	-	(177,761)	(13,323)	-	(3,188)	(23,077)	-	(162,107)	-	-	-	(379,456)
Adjustments	-	-	-	-	(5,909)	718	-	-	5,191	-	-	-	-	-	-
Balance as at 30 June 2016	-	52,984	2,200,152	1,844,058	52,085,837	2,155,662	10,646,002	787,100	1,745,008	104,511	4,783,653	1,018,788	-	92,091	77,515,846
Balance as at 1 July 2016	-	52,984	2,200,152	1,844,058	52,085,837	2,155,662	10,646,002	787,100	1,745,008	104,511	4,783,653	1,018,788	-	92,091	77,515,846
Charge for the year	-	1,052	223,481	304,843	7,414,802	417,606	1,025,565	95,478	154,075	7,921	285,065	104,920	-	(1,126)	10,033,682
On disposals	-	-	(19,657)	(3,166)	(18,538)	(5)	-	(804)	(18,985)	-	(103,893)	-	-	-	(165,048)
<b>Balance as at 30 June 2017</b>	<b>-</b>	<b>54,036</b>	<b>2,403,976</b>	<b>2,145,735</b>	<b>59,482,101</b>	<b>2,573,263</b>	<b>11,671,567</b>	<b>881,774</b>	<b>1,880,098</b>	<b>112,432</b>	<b>4,964,825</b>	<b>1,123,708</b>	<b>-</b>	<b>90,965</b>	<b>87,384,480</b>
<b>Impairment</b>															
Balance as at 1 July 2015	-	-	61,204	128,386	143,717	-	333	-	-	-	1,079	327	-	-	335,046
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2016	-	-	61,204	128,386	143,717	-	333	-	-	-	1,079	327	-	-	335,046
Balance as at 1 July 2016	-	-	61,204	128,386	143,717	-	333	-	-	-	1,079	327	-	-	335,046
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2017</b>	<b>-</b>	<b>-</b>	<b>61,204</b>	<b>128,386</b>	<b>143,717</b>	<b>-</b>	<b>333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,079</b>	<b>327</b>	<b>-</b>	<b>-</b>	<b>335,046</b>
Carrying amount - 30 June 2016	256,258	1,055	2,178,767	3,674,004	51,537,501	2,867,781	5,606,397	386,946	228,955	47,468	722,738	796,259	49,663,128	2,575,147	120,542,404
<b>Carrying amount - 30 June 2017</b>	<b>264,326</b>	<b>3</b>	<b>1,988,360</b>	<b>4,362,484</b>	<b>92,525,561</b>	<b>2,537,964</b>	<b>7,876,860</b>	<b>383,931</b>	<b>159,001</b>	<b>47,625</b>	<b>684,316</b>	<b>1,172,478</b>	<b>14,156,074</b>	<b>2,177,035</b>	<b>128,336,018</b>
Rates of depreciation (%)	-	3.3-4	2.5-8	2.5-8	4-20	10	10	15	33.33	10	20	2.5-10	-	-	-

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

11.1 Cost and accumulated depreciation as at 30 June 2017 include Rs 49,729 million (2016: Rs 48,173 million) and Rs 29,756 million (2016: Rs 26,284 million) respectively being the Company's share in property, plant and equipment relating to joint operations operated by other working interest owners.

	Note	2017 ------(Rupees '000)-----	2016 ------(Rupees '000)-----	
11.2	The depreciation charge has been allocated to:			
	Operating expenses	25	8,824,249	6,893,094
	General and administration expenses	28	197,146	205,799
	Technical services		1,012,287	1,123,325
			<u>10,033,682</u>	<u>8,222,218</u>
11.3	Capital work in progress			
	Production facilities and other civil works in progress:			
	Wholly owned		4,709,830	47,809,254
	Joint operations		9,388,608	1,843,702
			<u>14,098,438</u>	<u>49,652,956</u>
	Construction cost of field offices and various bases/offices owned by the Company		57,636	10,172
			<u>14,156,074</u>	<u>49,663,128</u>

11.4	Details of property, plant and equipment sold:	Cost	Book value	Sale proceeds
			------(Rupees '000)-----	

Vehicles sold to following in-service/retiring employees as per Company's policy:

Mr. Farrukh Aftab	1,772	1,294	1,294
Mr. Manzoor Ahmad	1,752	735	735
Mr. Muhammad Zafarullah	1,752	638	638
Capt (R) M. Naseem	1,727	835	835
Mr. Muhammad Yousaf	1,727	745	745
Mr. M. Nasim Ijaz	1,727	667	667
Mr. Iftikhar Ahmed Bazmi	1,707	580	580
Mr. Bashir Ahmad	1,692	168	169
Mr. Ali Ahmad Farooqi	1,691	544	544
Mr. Muhammad Naveed Raza	1,691	352	352
Mr. Muhammad Aslam Khan Niazi	1,689	106	169
Mr. Jamil ur Rehman	1,626	1	163
Mr. Abdul Bari	1,571	118	157
Mr. Khalid Anis	1,571	1	157
Mr. Allah Nawaz Yousfani	1,571	1	157
Mr. Akhtar Raza Taqvi	1,571	1	157
Mr. Rafiq Ahmad Mughal	1,571	1	157
Mr. Ashraf Anis	1,569	56	157
Mr. Amjad Saeed Yazdani	1,569	1	157
Mr. Muhammad Ajmal	1,569	1	157
Mr. Imran Shaukat	1,569	1	157
Mr. Ahmad Hayat Lak	1,569	1	157
Mr. Tahir Mahmood Qureshi	1,569	1	157
Mr. Rashid Mahmood	1,569	1	157
Mr. Muhammad Tariq Iqbal	1,548	1,084	1,084
Ms. Shabina Anjum	1,539	1	154
Mr. Mukhtar Ahmad Khan	1,399	1	140

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Details of property, plant and equipment sold -continued:

	Cost	Book value	Sale proceeds
	------(Rupees '000)-----		
Mr. Liaqat Ali Bhatti	1,073	678	678
Mr. Rehmatullah Khan	1,073	721	721
Mr. Amjad Ali	1,073	634	634
Mr. Ghulam Abbas Soomro	1,073	616	616
Mr. Mian Naik Namdar	1,073	604	604
Mr. M. Iqbal Mirza	1,073	580	580
Mr. Zia ul Haq	1,073	558	558
Mr. Muhammad Ismail	1,073	523	523
Syed Saif ul Islam Kazmi	1,053	739	739
Mr. M. Ibrahim	1,024	398	398
Mr. Tariq Mehmood	1,024	426	426
Mr. Sajid Hussain Siddique	1,024	313	313
Mr. Farrukh Naseer	1,024	304	304
Dr. Mohammad Tayyab	1,024	234	234
Mr. Zahid Hassan	1,024	215	215
Mr. Mohsin Jaffery	1,023	349	349
Mr. Khalid Hussain Samoo	1,023	400	400
Mr. Izhar-ud-Din	1,003	302	302
Mr. Mehfooz ul Haq	1,003	302	302
Mr. Bashir Ahmad	1,003	325	325
Mr. M. Haroon	1,003	295	295
Mr. Noor Ahmad Samoo	1,003	269	269
Dr. Mariam Panhwar	925	67	93
Mr. Abdul Hamid Sayal	925	34	93
Mr. Aftab Anwar Qureshi	925	1	93
Dr. Nasira Tajamal	925	1	93
Dr. Zamir Ahmad Buriro	925	1	93
Mr. Karimullah Khan	925	1	93
Mr. Muhammad Aslam	925	1	93
Mr. Riaz Ahmed Mangi	925	1	93
Mr. Manzoor Hussain Qazi	925	1	93
Mr. Abdul Majeed	891	1	89
Mr. Ashraf Khan	891	1	89
Mr. Mulazim Hussain	891	1	89
Mr. Ghulam Dawood	891	1	89
Mr. Arshad Mahmood	891	1	89
Mr. Manzoor Ahmed	891	1	89
Mr. Tuaha Jamil	884	605	605
Mr. Khalid Javed	884	756	756
Mr. Khan Muhammad Shar	884	808	808
	83,043	20,003	23,478
Computers/mobiles sold to employees as per Company's policy	14,854	697	1,910
Aggregate of other items of property, plant and equipment with individual book value not exceeding Rs 50,000, sold through public auction	47,677	303	34,960
Items written off during the year	123,924	83,447	2,082
<b>30 June 2017</b>	<b>269,498</b>	<b>104,450</b>	<b>62,430</b>
30 June 2016	410,110	30,654	91,113

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 12 DEVELOPMENT AND PRODUCTION ASSETS - intangible

(Rupees '000)

Description	Producing fields		Shut-in fields		Wells in progress (Note 12.1)	Sub total	Decommissioning cost	Total
	Wholly owned	Joint operations	Wholly owned	Joint operations				
<b>Cost</b>								
Balance as at 1 July 2015	62,747,110	90,439,291	7,976,905	18,645,423	5,066,864	184,875,593	5,518,058	190,393,651
Adjustment	(191,393)	(596,044)	191,393	596,044	-	-	-	-
Additions during the year	-	-	-	-	17,728,636	17,728,636	831,490	18,560,126
Revision due to change in estimate	-	-	-	-	-	-	(1,898,767)	(1,898,767)
Transfer from exploration and evaluation assets during the year	1,531,998	1,887,665	2,150,270	4,652,100	-	10,222,033	-	10,222,033
Transfers in/(out) during the year	6,400,016	7,447,147	122,356	1,509,998	(15,479,517)	-	-	-
Balance as at 30 June 2016	70,487,731	99,178,059	10,440,924	25,403,565	7,315,983	212,826,262	4,450,781	217,277,043
Balance as at 1 July 2016	70,487,731	99,178,059	10,440,924	25,403,565	7,315,983	212,826,262	4,450,781	217,277,043
Adjustment	893,454	2,844,084	(893,454)	(2,844,084)	-	-	-	-
Additions during the year	-	-	-	-	18,374,740	18,374,740	438,998	18,813,738
Revision due to change in estimate	-	-	-	-	-	-	(1,105,076)	(1,105,076)
Transfer from exploration and evaluation assets during the year	-	157,474	-	3,203,347	-	3,360,821	-	3,360,821
Transfers in/(out) during the year	5,087,714	11,301,709	2,303,365	220,003	(18,912,791)	-	-	-
<b>Balance as at 30 June 2017</b>	<b>76,468,899</b>	<b>113,481,326</b>	<b>11,850,835</b>	<b>25,982,831</b>	<b>6,777,932</b>	<b>234,561,823</b>	<b>3,784,703</b>	<b>238,346,526</b>
<b>Amortization</b>								
Balance as at 1 July 2015	42,137,452	61,047,928	414,124	432,674	-	104,032,178	4,732,171	108,764,349
Adjustment	(320,545)	(413,375)	169,009	413,376	-	(151,535)	(440,826)	(592,361)
Charge/(reversal of charge) for the year	5,047,860	11,407,703	24,771	32,271	-	16,512,605	(1,246,037)	15,266,568
Balance as at 30 June 2016	46,864,767	72,042,256	607,904	878,321	-	120,393,248	3,045,308	123,438,556
Balance as at 1 July 2016	46,864,767	72,042,256	607,904	878,321	-	120,393,248	3,045,308	123,438,556
Adjustment	(270,508)	(870,198)	270,508	870,198	-	-	-	-
Charge/(reversal of charge) for the year	5,338,032	9,069,252	8,784	5,649	-	14,421,717	(521,124)	13,900,593
<b>Balance as at 30 June 2017</b>	<b>51,932,291</b>	<b>80,241,310</b>	<b>887,196</b>	<b>1,754,168</b>	<b>-</b>	<b>134,814,965</b>	<b>2,524,184</b>	<b>137,339,149</b>
<b>Impairment</b>								
Balance as at 1 July 2015	545,089	1,004,360	177,166	1,546,486	-	3,273,101	95,514	3,368,615
Adjustment	437,291	-	-	-	-	437,291	155,070	592,361
Charge for the year	709,154	-	788,869	373,810	-	1,871,833	14,718	1,886,551
Balance as at 30 June 2016	1,691,534	1,004,360	966,035	1,920,296	-	5,582,225	265,302	5,847,527
Balance as at 1 July 2016	1,691,534	1,004,360	966,035	1,920,296	-	5,582,225	265,302	5,847,527
Charge for the year	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2017</b>	<b>1,691,534</b>	<b>1,004,360</b>	<b>966,035</b>	<b>1,920,296</b>	<b>-</b>	<b>5,582,225</b>	<b>265,302</b>	<b>5,847,527</b>
Carrying amounts - 30 June 2016	21,931,430	26,131,443	8,866,985	22,604,948	7,315,983	86,850,789	1,140,171	87,990,960
<b>Carrying amounts -30 June 2017</b>	<b>22,845,074</b>	<b>32,235,656</b>	<b>9,997,604</b>	<b>22,308,367</b>	<b>6,777,932</b>	<b>94,164,633</b>	<b>995,217</b>	<b>95,159,850</b>

2017 2016  
------(Rupees '000)-----

### 12.1 Wells in progress at year end represent:

Wholly owned	3,320,371	3,277,101
Joint operations	3,457,561	4,038,882
	<b>6,777,932</b>	<b>7,315,983</b>



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

	Note	2017 ------(Rupees '000)-----	2016
<b>13 EXPLORATION AND EVALUATION ASSETS</b>			
Balance at beginning of the year		5,153,857	6,103,544
Additions during the year		10,954,246	14,182,070
		<u>16,108,103</u>	<u>20,285,614</u>
Cost of dry and abandoned wells during the year	27	(4,026,920)	(4,909,724)
Cost of wells transferred to development and production assets during the year		(3,360,821)	(10,222,033)
		<u>(7,387,741)</u>	<u>(15,131,757)</u>
		8,720,362	5,153,857
Stores held for exploration and evaluation activities	13.1	2,275,649	1,680,221
Balance at end of the year		<u>10,996,011</u>	<u>6,834,078</u>
<b>13.1 Stores held for exploration and evaluation activities</b>			
Balance at beginning of the year		1,680,221	2,035,892
Additions		2,154,659	1,155,565
Issuances		(1,559,231)	(1,511,236)
Balance at end of the year		<u>2,275,649</u>	<u>1,680,221</u>
<b>13.2 Liabilities, other assets and expenditure incurred on exploration and evaluation activities are:</b>			
Liabilities related to exploration and evaluation		<u>2,493,048</u>	<u>2,303,095</u>
Exploration and prospecting expenditure	27	<u>13,268,575</u>	<u>14,548,295</u>
<b>14 LONG TERM INVESTMENTS</b>			
Investment in related party	14.1	5,108,472	3,393,185
Investments held to maturity	14.2	37,557,338	109,124,107
		<u>42,665,810</u>	<u>112,517,292</u>
<b>14.1 Investment in related party - associate, quoted</b>			
Mari Petroleum Company Limited (MPCL)			
Cost of investment (22,050,000 (2016: 22,050,000) fully paid ordinary shares of Rs 10 each including 14,700,000 (2016: 14,700,000) bonus shares)		73,500	73,500
Post acquisition profits brought forward		3,319,685	1,327,673
		<u>3,393,185</u>	<u>1,401,173</u>
Share of profit for the year - net of taxation		1,827,239	2,188,899
Share of other comprehensive loss of the associate - net of taxation		(434)	(17,125)
Dividend received		(111,518)	(179,762)
		<u>1,715,287</u>	<u>1,992,012</u>
		<u>5,108,472</u>	<u>3,393,185</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

14.1.1 MPCL is incorporated in Pakistan and is principally engaged in exploration, production and sale of hydrocarbons. The Company has 20% (2016: 20%) holding in the associate. The market value of the investment in associate as of the year end is Rs 34,743 million (2016: Rs 20,026 million).

14.1.2 The tables below provides summarized financial statements for the associate that is material to the Company. The information disclosed reflects the amounts presented in the annual audited financial statements of the associate for the year ended 30 June 2017 (2016: year ended 30 June 2016) and not the Company's share of those amounts.

	2017	2016
	------(Rupees '000)-----	
<b>Summarized balance sheet</b>		
Current assets	65,303,768	32,727,282
Non-current assets	28,291,199	26,832,365
Current liabilities	(56,400,758)	(35,017,149)
Non-current liabilities	(11,656,539)	(7,576,575)
Net assets	<u>25,537,670</u>	<u>16,965,923</u>
<b>Reconciliation to carrying amounts:</b>		
Opening net assets	16,965,923	11,496,218
Total comprehensive income for the year	9,134,022	5,965,830
Dividends paid	(562,275)	(496,125)
Closing net assets	<u>25,537,670</u>	<u>16,965,923</u>
Company's percentage shareholding in the associate	20%	20%
Company's share in carrying value of net assets	5,107,534	3,393,185
Others	938	-
Carrying amount of investment	<u>5,108,472</u>	<u>3,393,185</u>
<b>Summarized statement of comprehensive income</b>		
Revenue for the year	<u>96,775,974</u>	<u>94,997,719</u>
Profit for the year	9,136,194	6,051,455
Other comprehensive (loss)/income for the year	(2,172)	(85,625)
Total comprehensive income for the year	<u>9,134,022</u>	<u>5,965,830</u>

14.1.3 Effective 1 July 2014, the cost plus wellhead gas pricing formula was replaced with a crude oil price linked formula which provides a discounted wellhead gas price to be gradually achieved in five (5) years from 1 July 2014. The revised formula provides dividend distribution to be continued for next ten years, from 2014, in line with the previous cost plus formula. Accordingly, the shareholders are entitled to a minimum return of 30%, net of all taxes, on shareholders' funds which is to be escalated in the event of increase in MPCL's gas or equivalent oil production beyond the level of 425 MMSCFD at the rate of 1%, net of all taxes, on shareholders' funds for each additional 20 MMSCFD of gas or equivalent oil produced, pro-rated for part thereof on annual basis, subject to a maximum of 45%. Any residual profits for the next ten years, from 2014, are to be reinvested for exploration and development activities in Mari as well as outside Mari field.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

	Note	2017 ------(Rupees '000)-----	2016
<b>14.2 Investments held to maturity</b>			
Term Deposit Receipts (TDRs)	14.2.1	6,807,338	6,384,972
Investment in Pakistan Investment Bonds (PIBs)	14.2.2	50,809,086	51,489,135
Investment in Term Finance Certificates (TFCs)	14.2.3	82,000,000	82,000,000
		139,616,424	139,874,107
Less: Current maturity of TFCs and PIBs		(102,059,086)	(30,750,000)
		<u>37,557,338</u>	<u>109,124,107</u>

**14.2.1** These represent investments in local currency TDRs. Face value of these investments is Rs 6,807 million (2016: Rs 6,385 million) and carry effective interest rate of 6.50% (2016: 7.35%) per annum. These investments are due to mature within next 12 months, however, these have not been classified as current assets based on the management's intention to reinvest them in the like investments for a longer term. These investments are earmarked against self insurance reserve as explained in note 5.2 to the financial statements.

**14.2.2** In 2013, Ministry of Finance, Government of Pakistan, approved the plan for partial settlement of circular debt issue prevailing in the energy sector. These PIBs were subscribed by the Company in order to settle its overdue receivables from oil refineries and gas companies. The face value of these PIBs is Rs 50.773 billion carrying interest rate of 11.50% per annum. These PIBs were issued on 19 July 2012 for a period of five years maturing on 19 July 2017. Premium on investment is amortized over the remaining term of the investment using effective interest method. The PIBs matured subsequent to year end on 19 July 2017 and were encashed by the Company.

**14.2.3** This represents investment in Privately Placed Term Finance Certificates (TFCs) amounting to Rs 82 billion. In 2013, the Government of Pakistan, for partial resolution of circular debt issue prevailing in the energy sector, approved issuance of TFCs amounting to Rs 82 billion by Power Holding (Private) Limited (PHPL). These TFCs were subscribed by the Company in order to settle its overdue receivables from oil refineries and gas companies.

As per original terms, TFCs are for a period of seven (7) years including grace period of three (3) years carrying interest rate of KIBOR + 1%, payable semi-annually. The principal portion of these TFCs shall be paid in eight (8) equal installments starting from 42nd month of date of transaction. National Bank of Pakistan executed the transaction on 10 September 2012 as Trustee. These TFCs are secured by Sovereign Guarantee, covering the principal, markup, and/or any other amount becoming due for payment in respect of investment in TFCs. Principal repayment amounting to Rs 30,750 million (2016: Rs 10,250 million) was past due as at 30 June 2017. Further, interest due as of 30 June 2017 was Rs 18,989 million (2016: Rs 18,139 million) of which Rs 17,179 million (2016: Rs 16,270 million) was past due as of the balance sheet date. The Company considers the principal and interest to be fully recoverable as these are backed by Sovereign Guarantee of Government of Pakistan.

	Note	2017 ------(Rupees '000)-----	2016
<b>15 LONG TERM LOANS AND RECEIVABLE</b>			
Long term loans:			
Secured	15.1	6,577,636	5,757,931
Un-secured	15.2	239,738	239,738
		<u>6,817,374</u>	<u>5,997,669</u>
<b>15.1 Long term loans - secured</b>			
Considered good:			
Executives		5,580,009	4,618,807
Other employees		2,146,087	2,095,113
		<u>7,726,096</u>	<u>6,713,920</u>
Current portion shown under loans and advances	18	(1,148,460)	(955,989)
		<u>6,577,636</u>	<u>5,757,931</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 15.1.1 Movement of carrying amount of loans to executives and other employees:

	Balance as at 1 July 2016	Disbursements during the year	Adjustments during the year	Repayments during the year	Balance as at 30 June 2017
------(Rupees '000)-----					
Due from:					
Executives	4,618,807	736,553	1,089,169	(864,520)	5,580,009
Other employees	2,095,113	1,407,430	(1,089,169)	(267,287)	2,146,087
<b>30 June 2017</b>	<b>6,713,920</b>	<b>2,143,983</b>	<b>-</b>	<b>(1,131,807)</b>	<b>7,726,096</b>
<b>30 June 2016</b>	<b>6,649,252</b>	<b>981,600</b>	<b>-</b>	<b>(916,932)</b>	<b>6,713,920</b>

15.1.2 The loans are granted to the employees of the Company in accordance with the Company's service rules. House building and conveyance loans are for maximum period of 15 and 5 years respectively. These loans are secured against the underlying assets. Included in these are loans of Rs 6,605.666 million (2016: Rs 5,635.351 million) which carry no interest. The balance amount carries an effective interest rate of 7.37% (2016: 10.53%) per annum. Interest free loans to employees have not been discounted as required by IAS 39 "Financial Instruments: Recognition and Measurement" as its effect is immaterial.

The maximum amount due from executives at the end of any month during the year was Rs 5,580.009 million (2016: Rs 4,618.807 million).

15.2 The Company and other working interest owners in Chanda, Nashpa and Tal joint operations have entered into an agreement dated 20 October 2010 with National Highway Authority (NHA) for provision of interest free loan to NHA amounting to Rs 700 million for construction of new Bridge on River Indus, District Kohat. The bridge will facilitate operations of these joint operations including transportation of crude oil & condensate, materials & equipment and staff etc. According to the agreement, share of Tal, Nashpa and Chanda joint operations in the loan will be 68.63%, 23.09% and 8.28% respectively and will be paid to NHA by the Company in stages based on percentage completion of work. Proportionate share in stage-wise payments of the loan will be recovered by the Company from other working interest owners.

As per terms and conditions of the agreement, NHA will design, construct, operate and maintain the new bridge and shall commission the bridge within 27 months from the date of agreement. NHA shall not charge the Company and other operator the toll tax for the use of new bridge till the entire loan stands repaid. The loan is repayable by NHA in seven years in 84 equal monthly installments, with grace period of one year, starting from one year after the commissioning of the bridge. The bridge has been inaugurated on 28 July 2014 and is currently operational. The amount of Rs 239.738 million as on 30 June 2017 (2016: Rs 239.738 million) represents the Company's net share, based on effective working interest ownership of 38.05% (2016: 38.05%) which has not been discounted as required by IAS 39 "Financial Instruments: Recognition and Measurement" as the amount involved is deemed immaterial.

	Note	2017 ------(Rupees '000)-----	2016
<b>16 STORES, SPARE PARTS AND LOOSE TOOLS</b>			
Stores, spare parts and loose tools		20,196,020	20,069,409
Stores and spare parts in transit		1,209,722	965,949
		<b>21,405,742</b>	<b>21,035,358</b>
Provision for slow moving, obsolete and in transit stores	16.1	(2,962,895)	(2,784,174)
		<b>18,442,847</b>	<b>18,251,184</b>
<b>16.1 Movement of provision for slow moving, obsolete and in transit stores</b>			
Balance as at 1 July		2,784,174	2,620,996
Provision for the year		178,721	163,178
Balance as at 30 June		<b>2,962,895</b>	<b>2,784,174</b>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

17	TRADE DEBTS	2017	2016
		----- (Rupees '000) -----	
	Un-secured, considered good	118,575,727	111,204,979
	Un-secured, considered doubtful	110,730	111,989
		<u>118,686,457</u>	<u>111,316,968</u>
	Provision for doubtful debts	(110,730)	(111,989)
	Trade debts written off	(1,259)	(793)
		<u>118,574,468</u>	<u>111,204,186</u>

17.1 Trade debts include overdue amount of Rs 82,707 million (2016: Rs 78,704 million) on account of Inter-Corporate Circular debt, receivable from oil refineries and gas companies out of which Rs 64,660 million (2016: Rs 59,395 million) and Rs 13,048 million (2016: Rs 16,525 million) is overdue from related parties, Sui Southern Gas Company Limited and Sui Northern Gas Pipeline Limited respectively. The Government of Pakistan (GoP) is pursuing for satisfactory settlement of Inter-Corporate Circular debt issue. The Company considers this amount to be fully recoverable.

17.2 Included in trade debts is an amount of Rs 2,981 million (2016: Rs 3,171 million) receivable from three Independent Power Producers and a fertilizer Company on account of Gas Infrastructural Development Cess (GIDC) and related sales tax paid/payable thereon.

18	LOANS AND ADVANCES	2017	2016
		----- (Rupees '000) -----	
	Advances considered good:		
	Suppliers and contractors	379,447	2,046,796
	Partners in joint operations	4,925,331	2,065,882
	Sales tax	5,848,419	4,816,374
	Gas Infrastructure Development Cess (GIDC)	753,857	-
	Excise duty	435,724	-
	Others	588,466	574,568
		<u>12,931,244</u>	<u>9,503,620</u>
	Current portion of long term loans - secured	1,148,460	955,989
		<u>14,079,704</u>	<u>10,459,609</u>
	Advances considered doubtful	187,835	187,033
		<u>14,267,539</u>	<u>10,646,642</u>
	Provision for doubtful advances	(187,835)	(187,033)
		<u>14,079,704</u>	<u>10,459,609</u>

18.1 This includes an amount of Rs 3,180 million (30 June 2016: Rs 3,180 million) paid under protest to Federal Board of Revenue (FBR) on account of sales tax demand raised in respect of capacity invoices from Uch Gas Field for the period July 2004 to March 2011. Based on Sales Tax General Order (STGO) 1 of 2000 dated 24 January 2000, the matter was argued before various appellate forums, however, the Supreme Court of Pakistan finally decided the issue against the Company on 15 April 2013. The FBR granted time relaxation to the Company for issuance of debit note for an amount of Rs 750 million for the period April 2011 to May 2012, accounted for as trade debt. Uch Power Limited (UPL) challenged the grant of time relaxation to the Company by FBR before Islamabad High Court. On 27 December 2013, the Honorable Court decided the matter in favor of the Company. In light of the Islamabad High Court decision, the Company has applied to FBR for obtaining condonation of time limit for issuing debit notes to UPL for the remaining amount of Rs 3,180 million for the period July 2004 to March 2011 and currently the matter is pending with FBR.

UPL filed an Intra Court appeal against the decision of the Islamabad High Court (IHC). IHC through its order dated 17 November 2016 dismissed the intra court appeal in favour of the Company. UPL has filed Civil Petition for Leave to Appeal (CPLA) before the Honorable Supreme Court of Pakistan against the decision of IHC. The Company and its legal advisors are confident that CPLA of UPL before Honorable Supreme Court of Pakistan will also be decided in favour of the Company and the amount will be recovered from UPL. Accordingly no provision in this respect has been made in these financial statements.



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

18.2 This also includes recoveries of Rs 317 million (2016: Rs 317 million) made by the tax department against sales tax and Federal Excise Duty (FED) demand of Rs 6,968 million (2016: Rs 6,699 million) relating to periods July 2011 to June 2014. Subsequently, on 1 August 2017, the Honorable Appellate Tribunal Inland Revenue (ATIR) has accepted the Company's appeal for tax year 2013-14 and annulled the demand of Rs 4,887 million passed by the authorities being ab-initio void and without jurisdiction. For the remaining demands, ATIR and Islamabad High Court (IHC) have granted stay against recovery of Rs 260 million and Rs 1,821 million respectively and appeals are pending before ATIR. These demands have been raised by tax authorities due to difference between computation of sales/production reported by the Company in its sales tax return and sales/production based on other sources of data. The Company believes that these demands have been raised without legal validity and are identical to the case decided by ATIR in favour of the Company, accordingly no provision has been made in these financial statements.

	Note	2017 ------(Rupees '000)-----	2016 -----
<b>19 DEPOSITS AND SHORT TERM PREPAYMENTS</b>			
Security deposits		26,718	22,112
Short term prepayments		1,530,721	1,624,665
		<u>1,557,439</u>	<u>1,646,777</u>
<b>20 OTHER RECEIVABLES</b>			
Development surcharge		80,391	80,391
Claims receivable		140,664	78,134
Others		219,942	23,686
		<u>440,997</u>	<u>182,211</u>
Claims considered doubtful		9,637	10,439
		<u>450,634</u>	<u>192,650</u>
Provision for doubtful claims		(9,637)	(10,439)
		<u>440,997</u>	<u>182,211</u>
<b>21 INCOME TAX - ADVANCE</b>			
Income tax- advance at beginning of the year		41,599,042	24,059,740
Income tax paid during the year		25,616,740	35,025,909
Income tax recovered by tax authorities during the year		3,963	50,558
Provision for current taxation - Profit and loss account	30	(21,275,147)	(21,563,926)
Tax credit related to rereasurement loss on employee retirement benefit plans for the year - Other Comprehensive Income		3,656,731	4,026,760
Income tax - advance at end of the year	21.1 to 21.3	<u>49,601,329</u>	<u>41,599,042</u>

21.1 This includes amount of Rs 17,819 million (2016: Rs 13,846 million) paid to tax authorities on account of disallowance of actuarial loss amounting to Rs 35,209 million which the Company claimed in its return for the tax years 2014, 2015 and 2016. This actuarial loss was recognized in the books as a result of retrospective application of IAS 19 (as revised in June 2011) 'Employee Benefits' from the year ended 30 June 2014 and onwards. The Commissioner Inland Revenue Appeals (CIRA) through its order dated 3 November 2015 related to tax year 2014, accepted the Company's viewpoint, however, ordered to claim the expenditure over a period of seven years. The Company has filed an appeal against the order of CIRA in Appellate Tribunal Inland Revenue which is currently pending. The management, based on opinion of its tax consultant, believes that there is reasonable probability that the matter will be decided in favor of the Company by appellate forums available under the law.

21.2 During the year ended 30 June 2014, tax authorities raised demands of Rs 13,370 million by disallowing effect of price discount on sale of crude from Kunnar field and have recovered Rs 5,372 million (2016: Rs 5,368 million) from the Company upto 30 June 2017. During the year ended 30 June 2015, appeal before Appellate Tribunal Inland Revenue (ATIR) against the said demands were decided against the Company. The Company filed a reference application before Islamabad High Court (IHC) against the decision of ATIR. The Islamabad High Court remanded the case back to ATIR with the instructions to pass a speaking order. Further, ATIR has granted stay of forty days with effect from 8 August 2017 or till the decision of the appeals, whichever is earlier. Management and its legal advisor are of the view that the price discount is not income of the Company and hence not liable to tax. Accordingly, management is confident that the matter will be resolved in favor of the Company as the discounted price for Kunnar field was finally determined by the Ministry of Energy (Petroleum Division) and the total amount of price discount amount has been paid to the Government of Pakistan (GoP) upon directions from the Ministry of Finance, to this effect.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

- 21.3 Income tax advance includes Rs 3,580 million (2016: Rs 5,805 million) mainly on account of disallowances made by the Additional Commissioner Inland Revenue (ACIR) against workers' profit participation fund expense for tax year 2016 and decommissioning cost for tax year 2015 claimed by the Company in its return of income for the years ended 30 June 2015 and 2016. The Company has filed an appeal with CIRA for tax year 2016 and ATIR for tax year 2015 against the said disallowances. Management believes that these disallowances are against income tax laws and regulations and accordingly no provision has been made in this respect in the financial statements.

		2017	2016
	Note	------(Rupees '000)-----	-----
<b>22 OTHER FINANCIAL ASSETS</b>			
Investment in Term Deposits	22.1	10,915,518	11,131,164
Investment at fair value through profit or loss - NIT units		380,204	295,800
		<u>11,295,722</u>	<u>11,426,964</u>

- 22.1 This includes foreign currency TDRs amounting to USD 104.086 million (2016: USD 106.305 million), carrying interest rate ranging from 2.75% to 3.35% (2016: 1.60% to 2.65%) per annum, having maturities of six months (2016: maturities between one month to three months).

		2017	2016
	Note	------(Rupees '000)-----	-----
<b>23 CASH AND BANK BALANCES</b>			
Cash at bank:			
Deposit accounts	23.1	3,992,865	7,692,851
Current accounts		117,366	146,976
		4,110,231	7,839,827
Cash in hand		48,842	63,939
		<u>4,159,073</u>	<u>7,903,766</u>

- 23.1 These deposit accounts carry interest rate of 0.20% to 5.70% (2016: 0.20% to 5.75%) per annum and include foreign currency deposits amounting to USD 6.808 million (2016: USD 4.995 million). Deposits amounting to Rs 1.321 million (2016: Rs 1.707 million) with banks were under lien to secure bank guarantees issued on behalf of the Company.

		2017	2016
		------(Rupees '000)-----	-----
<b>24 SALES - net</b>			
<b>Gross sales</b>			
Crude oil		72,774,702	59,080,776
Gas		117,298,735	125,009,124
Liquefied petroleum gas		8,419,685	6,285,313
Sulphur		348,103	299,907
Gas processing		97,358	60,698
		<u>198,938,583</u>	<u>190,735,818</u>
<b>Government levies</b>			
General sales tax		(18,370,843)	(19,132,696)
Gas Infrastructure Development Cess (GIDC)		(5,620,883)	(5,579,173)
Excise duty		(3,117,493)	(3,157,371)
		<u>(27,109,219)</u>	<u>(27,869,240)</u>
		<u>171,829,364</u>	<u>162,866,578</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

- 24.1 Gas sales include sales from Uch II and Nur-Bagla fields invoiced on provisional prices. There may be adjustment in revenue upon issuance of final wellhead prices notification by Ministry of Energy (Petroleum Division), impact of which cannot be determined at this stage.
- 24.2 Kunnar Pasahki Deep (KPD) field final prices will be agreed between Sui Southern Gas Company Limited and the Company upon execution of Gas Sale Agreement (GSA) and adjustment, if any, will be incorporated in the books on finalization of GSA. Additionally credit and debit notes issued in prior years in relation to M/s Jamshoro Joint Venture Limited are on provisional basis.
- 24.3 The Company has signed the supplemental Agreements with GoP for conversion of Petroleum Concession Agreements (PCAs) to the Petroleum Exploration and Production Policy, 2012 in respect of various blocks. Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from 27 November 2007 and for future exploratory efforts under respective blocks.

In terms of supplemental agreements, draft statements in respect of Sheikhan, Gopang, Pakhro and TAL block - Mamikhel, Maramzai & Makori East discoveries - have been submitted to the GoP during the year ended 30 June 2016. During the year, prices of Company's operated fields Sheikhan, Gopang and Pakhro, converted under Petroleum Policy 2012, have been notified by OGRA. The impact of these conversions on the revenue for year ended 30 June 2017 amounts to Rs 64.294 million (2016: Rs Nil) related to period prior to 1 July 2016 which has been incorporated in these financial statements. GoP shall facilitate for issuance of necessary gas price notifications for Tal Block (Mamikhel, Maramzai & Makori East). Effect of adjustment arising from revision in such sale price will be recognized upon issuance of related gas price notifications by OGRA.

## 25 OPERATING EXPENSES

	Note	2017 ------(Rupees '000)-----	2016
Salaries, wages and benefits	25.1	18,572,989	15,214,752
Stores and supplies consumed		1,339,252	1,439,904
Contract services		1,721,837	1,854,126
Joint operations expenses		1,943,713	2,250,488
Workover charges		1,681,124	1,398,851
Decommissioning cost		650,762	-
Traveling and transportation		524,715	800,648
Repairs and maintenance		945,506	935,596
Rent, fee and taxes		865,930	810,339
Insurance		167,833	215,869
Communication		41,842	42,544
Utilities		370,449	336,264
Land and crops compensation		449,958	736,160
Desalting, decanting and naphtha storage charges		115,104	58,104
Training, welfare and Corporate Social Responsibility (CSR)		1,471,368	2,107,025
Provision for slow moving, obsolete and in transit stores		178,721	163,178
Stores inventory written off		-	3,814
Depreciation	11.2	8,824,249	6,893,094
Amortization of development and production assets	12	13,900,593	15,266,568
Impairment on development and production assets		-	1,886,551
Transfer from general and administration expenses	28	2,898,070	2,538,202
Miscellaneous		5,685	8,601
		<b>56,669,700</b>	<b>54,960,678</b>
Stock of crude oil and other products:			
Balance at beginning of the year		291,904	317,476
Balance at end of the year		(376,390)	(291,904)
		<b>56,585,214</b>	<b>54,986,250</b>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

25.1 These include charge against employee retirement benefits of Rs 2,378 million (2016: Rs 1,698 million).

	Note	2017 ------(Rupees '000)-----	2016 -----
<b>26 OTHER INCOME</b>			
<b>Income from financial assets</b>			
Interest income on:			
Investments and bank deposits		12,127,451	12,908,363
Delayed payments from joint operations partners		-	10,241
Delayed payments from customers		293,274	2,053
		<u>12,420,725</u>	<u>12,920,657</u>
Dividend income from NIT units		20,431	19,296
Un-realized gain on investments at fair value through profit or loss		84,404	6,356
Exchange gain /(loss) - net		152,275	(37,543)
		<u>12,677,835</u>	<u>12,908,766</u>
<b>Income from non-financial assets</b>			
Signature bonus	26.1	2,500,566	1,055,706
(Loss)/ gain on disposal of property, plant and equipment		(42,020)	60,458
Gain on disposal of stores, spare parts and loose tools		38,950	40,421
Others		845,002	637,620
		<u>3,342,498</u>	<u>1,794,205</u>
		<u>16,020,333</u>	<u>14,702,971</u>

26.1 This represents amounts received as signature bonus in respect of allocation of LPG quota.

	Note	2017 ------(Rupees '000)-----	2016 -----
<b>27 EXPLORATION AND PROSPECTING EXPENDITURE</b>			
Cost of dry and abandoned wells	13	4,026,920	4,909,724
Prospecting expenditure		9,241,655	9,638,571
		<u>13,268,575</u>	<u>14,548,295</u>
<b>28 GENERAL AND ADMINISTRATION EXPENSES</b>			
Salaries, wages and benefits	28.1	6,128,367	4,965,364
Joint operations expenses		843,692	1,097,036
Unallocated expenses of technical services		936,519	896,277
Traveling and transportation		387,928	312,882
Repairs and maintenance		85,229	104,421
Stores and supplies consumed		99,874	124,642
Rent, fee and taxes		150,233	154,471
Communication		49,823	52,361
Utilities		56,072	57,149
Training and scholarships		32,953	30,971
Legal and professional services		47,315	50,377
Contract services		177,872	172,865
Auditors' remuneration	28.2	39,812	20,310
Advertising		77,808	83,293
Insurance		208	3,895
Depreciation	11.2	197,146	205,799
Miscellaneous		37,570	40,151
		<u>9,348,421</u>	<u>8,372,264</u>
Allocation of expenses to:			
Operations	25	(2,898,070)	(2,538,202)
Technical services		(2,210,709)	(2,063,455)
		<u>(5,108,779)</u>	<u>(4,601,657)</u>
		<u>4,239,642</u>	<u>3,770,607</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

28.1 These include charge against employee retirement benefits of Rs 823 million (2016: Rs 572 million).

## 28.2 Auditors' remuneration

	2017	2016
Note	------(Rupees '000)-----	
<b>M/s KPMG Taseer Hadi &amp; Co., Chartered Accountants</b>		
Annual audit fee	2,200	2,000
Half yearly review	880	800
Out of pocket expenses	308	280
Concession audit fee	4,417	4,391
Audit fee for claims lodged by employees under BESOS	262	262
Verification of Central Depository Company record	110	110
Certification of fee payable to OGRA	220	110
Dividend certification	210	300
	<b>8,607</b>	<b>8,253</b>
<b>M/s A. F. Ferguson &amp; Co., Chartered Accountants</b>		
Annual audit fee	2,200	2,000
Half yearly review	880	800
Out of pocket expenses	308	280
Concession audit fee	4,756	4,608
Verification of Central Depository Company record	110	110
Dividend certification	210	100
Tax services	10,715	4,159
Other non audit services	12,026	-
	<b>31,205</b>	<b>12,057</b>
	<b>39,812</b>	<b>20,310</b>

## 29 FINANCE COST

Unwinding of discount on provision for decommissioning cost	8	1,506,604	1,700,742
Others		8,030	17,147
		<b>1,514,634</b>	<b>1,717,889</b>

## 30 TAXATION

Current - charge/(credit)			
- for the year		17,766,128	21,853,820
- for prior year		3,509,019	(289,894)
		<b>21,275,147</b>	<b>21,563,926</b>
Deferred - charge/(credit)			
- for the year		4,058,913	(617,397)
- for prior year		-	(409,944)
		<b>4,058,913</b>	<b>(1,027,341)</b>
		<b>25,334,060</b>	<b>20,536,585</b>



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

	2017	2016
	----- (Rupees '000) -----	
<b>30.1 Reconciliation of tax charge for the year:</b>		
Accounting profit	89,137,462	80,507,387
Tax rate	47.41%	52.62%
Tax on accounting profit at applicable rate	42,260,071	42,362,987
Tax effect of royalty allowed for tax purposes	(7,940,763)	(7,032,918)
Tax effect of depletion allowance	(9,218,842)	(9,988,702)
Tax effect of amount not admissible for tax purposes	(679,697)	(782,751)
Tax effect of exempt income	(9,686)	(10,154)
Tax effect of income chargeable to tax at reduced corporate rate	(3,178,565)	(3,663,025)
Tax effect of prior years	3,509,019	(699,838)
Effect of super tax	1,392,565	410,559
Others	(800,042)	(59,573)
	<u>25,334,060</u>	<u>20,536,585</u>

**30.2** Various appeals in respect of assessment years 1992-93 to 2002-03, tax years 2003 to 2016 are pending at different appellate forums in the light of the order of the Commissioner of Inland Revenue (Appeals) and decision of the Adjudicator, appointed by both, the Company as well as the Federal Board of Revenue (FBR) mainly on the issues of decommissioning cost, depletion allowance, prospecting, exploration and development expenditure, tax rate and super tax. Total amount of tax demand against the major issues, raised in respect of assessment years 1992-93 to 2002-03 and tax years 2003-2016 amounts to Rs 77,037 million out of which an amount of Rs 73,696 million has been paid to tax authorities. Also refer to note 21.1 to 21.3 of the financial statements.

	2017	2016
<b>31 EARNINGS PER SHARE - BASIC AND DILUTED</b>		
Profit for the year (Rupees '000)	63,803,402	59,970,802
Average number of shares outstanding during the year ('000)	4,300,928	4,300,928
Earnings per share - basic (Rupees)	14.83	13.94

There is no dilutive effect on the earnings per share of the Company.

## 32 OPERATING SEGMENTS

The financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note 24.

Revenue from five major customers of the Company constitutes 76% (2016: 77%) of the total revenue during the year ended 30 June 2017.

## 33 FINANCIAL INSTRUMENTS

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board's Risk Management Committee assists the Board in the identification and monitoring of the principal risks and opportunities of the Company ensuring that appropriate systems and internal control framework are in place to manage these risks and opportunities, including, safeguarding the public reputation of the Company. The Committee is required to over-see, report and make recommendations to the Board in respect of financial and non-financial risks faced by the Company.

## 33.1 CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

The Company is exposed to credit risk from its operating and certain investing activities and the Company's credit risk exposures are categorized under the following headings:

### 33.1.1 Counterparties

The Company conducts transactions with the following major types of counterparties:

#### Trade debts

Trade debts are essentially due from oil refining companies, gas distribution companies and power generation companies and the Company does not expect these companies to fail to meet their obligations. Majority of sales to the Company's customers are made on the basis of agreements approved by GoP.

Sale of crude oil and natural gas is at prices determined in accordance with the agreed pricing formula as approved by GoP under respective agreements. Prices of liquefied petroleum gas are determined by the Company subject to maximum of preceding six months' average prices of Saudi Aramco. Sale of refined petroleum products is made at prices notified by OGRA.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade debts. This allowance is based on the management's assessment of a specific loss component that relates to individually significant exposures.

#### Bank balances and investments

The Company limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counterparties that have a credit rating of at least A1 and A. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations. In addition to the exposure with Banks, the Company also holds investments in Pakistan Investment Bonds and Term Finance Certificates issued by the State Bank of Pakistan and Power Holding (Private) Limited held by GoP respectively. Investment in TFCs and PIBs are secured by GoP guarantee.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

The credit rating of the counterparties is as follows:

	2017		2016		Credit rating agency
	Short term	Long term	Short term	Long term	
National Bank of Pakistan	A-1+	AAA	A-1+	AAA	JCR-VIS
Allied Bank of Pakistan	A1+	AA+	A1+	AA+	PACRA
Askari Bank Limited	A1+	AA+	A1+	AA+	PACRA
Bank Al-Falah Limited	A1+	AA+	A1+	AA	PACRA
Bank Al-Habib limited	A1+	AA+	A1+	AA+	PACRA
Standard Chartered Bank	A1+	AAA	A1+	AAA	PACRA
Barclays Bank	A-2	A-	A-1	A	Standard & Poor's
Deutsche Bank	A-2	A-	A-1	A	Standard & Poor's
Faysal Bank	A1+	AA	A1+	AA	PACRA
Habib Bank Limited	A-1+	AAA	A-1+	AAA	JCR-VIS
Habib Metropolitan Bank	A1+	AA+	A1+	AA+	PACRA
HSBC Bank of Middle East	P-1	A2	P-1	A2	Moody's
MCB Bank	A1+	AAA	A1+	AAA	PACRA
NIB Bank	A1+	AA-	A1+	AA-	PACRA
Soneri Bank Limited	A1+	AA-	A1+	AA-	PACRA
United Bank limited	A-1+	AAA	A-1+	AAA	JCR-VIS
Citibank N.A.	P-1	A1	P-1	A1	Moody's
Meezan Bank Limited	A-1+	AA	A1+	AA-	JCR-VIS

## 33.1.2 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2017	2016
	------(Rupees '000)-----	
Long term investments	37,557,338	109,124,107
Long term loans and receivable	6,817,374	5,997,669
Trade debts - net of provision	118,574,468	111,204,186
Loans and advances	5,513,797	3,596,439
Deposits	26,718	22,112
Other receivables	360,606	101,820
Interest accrued	21,873,164	21,085,027
Current maturity of TFCs and PIBs	102,059,086	30,750,000
Other financial assets	10,915,518	11,131,164
Bank balances	4,110,231	7,839,827
	<u>307,808,300</u>	<u>300,852,351</u>

The maximum exposure to credit risk for financial assets at the reporting date by type of customer was:

	2017	2016
	------(Rupees '000)-----	
Oil refining companies	15,209,166	12,270,830
Gas distribution companies	93,392,015	90,096,501
Power generation companies	8,552,991	7,669,316
State Bank of Pakistan	53,452,792	54,149,061
National Bank of Pakistan	7,116,236	6,853,504
Banks and financial institutions-others	14,956,793	18,788,801
Power Holding (Private) Limited	100,989,516	100,138,759
Others	14,138,791	10,885,579
	<u>307,808,300</u>	<u>300,852,351</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

	Note	2017 ------(Rupees '000)-----	2016 ------(Rupees '000)-----
<b>Investments</b>			
AAA	14.2.1	6,807,338	6,384,972
Unrated	14.2.2 & 14.2.3	132,809,086	133,489,135
		<u>139,616,424</u>	<u>139,874,107</u>
<b>Trade debts</b>			
Customers with no defaults in the past one year		92,563	-
Customers with some defaults in past one year which have been fully recovered		2,409,100	3,322,833
Customers with defaults in past one year which have not yet been recovered		30,677,460	25,792,369
		<u>33,179,123</u>	<u>29,115,202</u>
<b>Other financial assets</b>			
AA+	22.1	10,915,518	11,131,164
<b>Bank balances</b>			
AAA		1,682,444	2,036,297
AA+		180,760	1,855,424
AA		2,245,285	3,943,739
AA-		1,733	4,357
A1		9	10
	23	<u>4,110,231</u>	<u>7,839,827</u>

The Company's most significant customers, an oil refining company and a gas distribution company (related party), accounts for Rs 79,330 million of the trade debts carrying amount at 30 June 2017 (2016: Rs 69,420 million).

The maximum exposure to credit risk for trade debts at the reporting date by type of product was:

	2017 ------(Rupees '000)-----	2016 ------(Rupees '000)-----
Crude oil	15,301,729	12,270,727
Gas	103,120,999	98,845,594
Kerosene oil	1,984	1,984
High speed diesel oil	86	86
Naphtha	-	103
Liquefied petroleum gas	116,759	52,010
Other operating revenue	32,911	33,682
	<u>118,574,468</u>	<u>111,204,186</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 33.1.3 Impairment losses

The aging of trade debts at the reporting date was:

Note	30 June 2017		30 June 2016	
	Gross debts	Impaired	Gross debts	Impaired
	------(Rupees '000)-----			
Not past due	33,179,123	-	29,115,202	-
Past due 0-30 days	6,672,914	-	3,968,071	-
Past due 31-60 days	4,175,799	-	2,641,376	-
Past due 61-90 days	3,852,659	-	2,755,428	-
Over 90 days	70,804,703	(110,730)	72,836,098	(111,989)
17	<u>118,685,198</u>	<u>(110,730)</u>	<u>111,316,175</u>	<u>(111,989)</u>

The aging of trade debts from related parties at the reporting date was:

	Total	Not past due	Past due 0-30 days	Past due 31-60 days	Past due 61-90 days	Over 90 days	Impaired balance
	------(Rupees '000)-----						
<b>30 June 2017</b>							
Enar Petrotech Services Limited	1,462,469	1,675,715	-	-	-	(213,246)	-
Pak Arab Refinery Company Limited	2,195,180	2,143,796	51,384	-	-	-	-
Sui Northern Gas Pipelines Limited	22,250,325	8,648,457	2,252,470	1,378,063	2,032,594	7,938,741	-
Sui Southern Gas Company Limited	71,139,620	6,479,805	2,047,636	1,932,431	1,720,204	58,959,544	-
WAPDA	21,282	-	-	-	-	21,282	(21,282)
Pakistan State Oil	1,867	-	-	-	-	1,867	-
	<u>97,070,743</u>	<u>18,947,773</u>	<u>4,351,490</u>	<u>3,310,494</u>	<u>3,752,798</u>	<u>66,708,188</u>	<u>(21,282)</u>
<b>30 June 2016</b>							
Enar Petrotech Services Limited	988,108	1,186,570	-	-	-	(198,462)	-
Pak Arab Refinery Company Limited	2,136,263	2,136,263	-	-	-	-	-
Sui Northern Gas Pipelines Limited	25,864,252	8,517,438	2,178,193	1,561,909	1,576,118	12,030,594	-
Sui Southern Gas Company Limited	64,230,178	4,834,990	1,163,159	939,334	838,697	56,453,998	-
WAPDA	21,282	-	-	-	-	21,282	(21,282)
Pakistan State Oil	1,867	-	-	-	-	1,867	-
	<u>93,241,950</u>	<u>16,675,261</u>	<u>3,341,352</u>	<u>2,501,243</u>	<u>2,414,815</u>	<u>68,309,279</u>	<u>(21,282)</u>

The movement in the allowance for impairment in respect of trade debts during the year was as follows:

	2017	2016
	------(Rupees '000)-----	
Balance at beginning of the year	111,989	112,782
Written off during the year	(1,259)	(793)
Balance at end of the year	<u>110,730</u>	<u>111,989</u>

As explained in note 17 to the financial statements, the Company believes that no impairment allowance is necessary in respect of trade debts past due other than the amount provided. Trade debts are essentially due from oil refining companies, natural gas and liquefied petroleum gas transmission and distribution companies and power generation companies, the Company is actively pursuing for recovery of debts and the Company does not expect these companies to fail to meet their obligations.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

The movement in the allowance for impairment in respect of loans, advances and other receivables during the year was as follows:

	2017	2016
	----- (Rupees '000) -----	
Balance at beginning of the year	197,472	197,472
Provision made during the year	-	-
Balance at end of the year	<u>197,472</u>	<u>197,472</u>

The allowance accounts in respect of trade receivables, loans and advances are used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible, at that point the amount considered irrecoverable is written off against the financial asset directly.

The aging of principal amount of TFCs at the reporting date was:

	2017	2016
	----- (Rupees '000) -----	
Not past due	51,250,000	71,750,000
Past due	30,750,000	10,250,000
	<u>82,000,000</u>	<u>82,000,000</u>

The aging of interest accrued on TFCs at the reporting date was:

Not past due	1,810,043	1,868,432
Past due	17,179,473	16,270,327
	<u>18,989,516</u>	<u>18,138,759</u>

## 33.2 LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to close out market positions due to dynamic nature of the business. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The maturity profile of the Company's financial liabilities based on the contractual amounts is as follows:

	30 June 2017		30 June 2016	
	Carrying amount	Contractual cash flows	Carrying amount	Contractual cash flows
	----- (Rupees '000) -----			
Trade and other payables				
All the trade and other payables have maturity upto one year	<u>39,550,817</u>	<u>39,550,817</u>	<u>38,121,711</u>	<u>38,121,711</u>

## 33.3 MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, equity price and crude oil price will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 33.3.1 Foreign currency risk management

PKR is the functional currency of the Company and as a result currency exposure arise from transactions and balances in currencies other than PKR. The Company's potential currency exposure comprise;

- Transactional exposure in respect of non functional currency monetary items.
- Transactional exposure in respect of non functional currency expenditure and revenues.

The potential currency exposures are discussed below;

### Transactional exposure in respect of non functional currency monetary items

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically restated to PKR equivalent, and the associated gain or loss is taken to the profit and loss account. The foreign currency risk related to monetary items is managed as part of the risk management strategy.

### Transactional exposure in respect of non-functional currency expenditure and revenues

Certain operating and capital expenditure is incurred by the Company in currencies other than the functional currency. Certain sales revenue is earned in currencies other than the functional currency of the Company. These currency risks are managed as a part of overall risk management strategy. The Company does not enter into forward exchange contracts.

### Exposure to foreign currency risk

The Company's exposure to foreign currency risk was as follows based on carrying values:

	2017	2016
	----- (Rupees '000) -----	
<b>USD (\$)</b>		
Trade debts	81,965	67,059
Investments held to maturity	104,086	106,305
Cash and bank balances	6,808	4,995
Trade and other payables	(120,017)	(148,608)
	<u>72,842</u>	<u>29,751</u>
<b>Euro (€)</b>		
Trade and other payables	1,758	3,437

Foreign currency commitments outstanding at year end are as follows:

	2017	2016
	----- (Rupees '000) -----	
Euro (€)	1,757,195	6,173,974
USD (\$)	6,746,375	35,594,447
GBP (£)	11,092	14,540
	<u>8,514,662</u>	<u>41,782,961</u>

The following significant exchange rates were applied during the year:

	Average rate		Reporting date mid spot rate	
	2017	2016	2017	2016
	----- (Rupees) -----			
USD (\$) 1	<u>104.94</u>	<u>104.56</u>	<u>105.07</u>	<u>104.91</u>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## Foreign currency sensitivity analysis

A 10 percent strengthening of the PKR against the USD at 30 June 2017 would have decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 30 June 2016.

	2017	2016
	------(Rupees '000)-----	
Profit and loss account	765,351	312,118

A 10 percent weakening of the PKR against the USD at 30 June 2017 would have had the equal but opposite effect on USD to the amounts shown above, on the basis that all other variables remain constant.

## 33.3.2 Interest rate risk management

The interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. Sensitivity to interest rate risk arises from mismatches of financial assets and liabilities that mature in a given period. The Company adopts a policy to ensure that interest rate risk is minimized by investing in fixed rate investments like TDRs while the Company has no borrowings.

### Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	2017	2016	2017	2016
	------%-----		------(Rupees '000)-----	
<b>Fixed rate instruments</b>				
<b>Financial assets</b>				
Investments	6.50 to 11.5	7.35 to 11.5	57,616,424	57,874,107
Long term loans	7.37	10.53	1,120,430	1,078,569
Other financial assets	2.75 to 3.35	1.60 to 2.65	10,915,518	11,131,164
Cash and bank balances	0.20 to 5.70	0.20 to 5.75	3,992,865	7,692,851
			<b>73,645,237</b>	<b>77,776,691</b>
<b>Financial liabilities</b>			-	-
			<b>73,645,237</b>	<b>77,776,691</b>

## Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not have derivatives as hedging instruments recognized under fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

## 33.3.3 Other market price risk

The Company is following a policy to set aside reserve for self insurance of rigs, wells, plants, pipelines, vehicles, workmen compensation, losses of petroleum products in transit and is keeping such reserve invested in specified investments. The primary goal of the Company's investment strategy is to maximize investment returns on surplus funds. The Company's price risk arises from investments in NIT units which are designated at fair value through profit or loss, however, in accordance with the investment strategy the performance of NIT units is actively monitored and they are managed on a fair value basis.

### Sensitivity analysis of price risk

A change of Rs 5 in the value of investments at fair value through profit and loss would have increased or decreased profit and loss by Rs 22.701 million (2016: Rs 22.701 million).

### Sensitivity analysis of crude oil price risk

A change of USD 5 in average price of crude oil would increase or decrease profit by Rs 8,271 million (2016: Rs 7,585 million) on the basis that all other variables remain constant.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 33.4 FAIR VALUES AND RISK MANAGEMENT

The following table shows the carrying amounts and fair values of financial assets and liabilities. The fair value of financial assets measured at fair value is shown below. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

		Carrying Amount				
		Loans and receivables	Investments at fair value through profit or loss	Held to maturity	Other financial liabilities	Total
30 June 2017	Note	----- (Rupees '000) -----				
<b>Financial assets measured at fair value</b>						
Other financial assets - NIT units	22	-	380,204	-	-	380,204
<b>Financial assets not measured at fair value</b>						
Long term investments	14.1 & 14.2	5,108,472	-	37,557,338	-	42,665,810
Long term loans and receivable	15	6,817,374	-	-	-	6,817,374
Trade debts - net of provision	17	118,574,468	-	-	-	118,574,468
Loans and advances	18	5,513,797	-	-	-	5,513,797
Deposits	19	26,718	-	-	-	26,718
Interest accrued		21,873,164	-	-	-	21,873,164
Other receivables	20	360,606	-	-	-	360,606
Current maturity of TFCs and PIBs	14.2	-	-	102,059,086	-	102,059,086
Other financial assets	22	10,915,518	-	-	-	10,915,518
Cash and bank balances	23	4,159,073	-	-	-	4,159,073
		<b>173,349,190</b>	<b>380,204</b>	<b>139,616,424</b>	<b>-</b>	<b>313,345,818</b>
<b>Financial liabilities not measured at fair value</b>						
Trade and other payables	9	-	-	-	39,550,817	39,550,817
		<b>-</b>	<b>-</b>	<b>-</b>	<b>39,550,817</b>	<b>39,550,817</b>

		Carrying Amount				
		Loans and receivables	Investments at fair value through profit or loss	Held to maturity	Other financial liabilities	Total
30 June 2016	Note	----- (Rupees '000) -----				
<b>Financial assets measured at fair value</b>						
Other financial assets - NIT units	22	-	295,800	-	-	295,800
<b>Financial assets not measured at fair value</b>						
Long term investments	14.1 & 14.2	3,393,185	-	109,124,107	-	112,517,292
Long term loans and receivable	15	5,997,669	-	-	-	5,997,669
Trade debts - net of provision	17	111,204,186	-	-	-	111,204,186
Loans and advances	18	3,596,439	-	-	-	3,596,439
Deposits	19	22,112	-	-	-	22,112
Interest accrued		21,085,027	-	-	-	21,085,027
Other receivables	20	101,820	-	-	-	101,820
Current maturity of TFCs	14.2	-	-	30,750,000	-	30,750,000
Other financial assets	22	11,131,164	-	-	-	11,131,164
Cash and bank balances	23	7,903,766	-	-	-	7,903,766
		<b>164,435,368</b>	<b>295,800</b>	<b>139,874,107</b>	<b>-</b>	<b>304,605,275</b>
<b>Financial liabilities not measured at fair value</b>						
Trade and other payables	9	-	-	-	38,121,711	38,121,711
		<b>-</b>	<b>-</b>	<b>-</b>	<b>38,121,711</b>	<b>38,121,711</b>

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. Since the majority of the financial assets are fixed rate instruments, there is no significant difference in market rate and the rate of instrument, fair value significantly approximates to carrying value.

## Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3
	----- (Rupees '000) -----		
<b>30 June 2017</b>			
<b>Financial assets measured at fair value</b>			
Other financial assets - NIT units	380,204	-	-
<b>30 June 2016</b>			
<b>Financial assets measured at fair value</b>			
Other financial assets - NIT units	295,800	-	-

## Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

### Investment at fair value through profit and loss account - held for trading

The fair value of held for trading investment is determined by reference to their quoted closing repurchase price at the reporting date.

### Investment in associate

The fair value of investment in associate is determined by reference to their quoted closing bid price at the reporting date. The fair value is determined for disclosure purposes.

### Non-derivative financial assets

The fair value of non-derivative financial assets is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

### Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 33.5 CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and/or issue new shares. There were no changes to Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirement.

	Note	2017 ------(Rupees '000)-----	2016 -----
<b>34 CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	23	4,159,073	7,903,766
Short term highly liquid investments	22	10,915,518	11,131,164
		<u>15,074,591</u>	<u>19,034,930</u>

## 35 NUMBER OF EMPLOYEES

Total number of employees at the end of the year were as follows:

	2017	2016
Regular	8,862	9,077
Contractual	1,975	299
	<u>10,837</u>	<u>9,376</u>

Average number of employees during the year were as follows:

	2017	2016
Regular	8,970	9,276
Contractual	1,137	163
	<u>10,107</u>	<u>9,439</u>

## 36 RELATED PARTIES TRANSACTIONS

Government of Pakistan owns 74.97% (2016: 74.97%) shares of the Company. Therefore, all entities owned and controlled by the Government of Pakistan are related parties of the Company. Other related parties comprise associated company, major shareholders, directors, companies with common directorship, key management personnel, OGDCL employees empowerment trust and employees pension trust. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan which are not material, hence not disclosed in these financial statements. Transactions of the Company with related parties and balances outstanding at year end are as follows:

	2017 ------(Rupees '000)-----	2016 -----
<b>Associated company - MPCL</b>		
Share of profit in associate - net of taxation	1,827,239	2,188,899
Dividend received	111,518	179,762
Share (various fields) - net receivable	70,552	52,397
<b>Major shareholders</b>		
<b>Government of Pakistan</b>		
Dividend paid	18,863,521	17,267,376
Dividend paid - Privatization Commission of Pakistan	2,095,996	1,918,642
Payment on account of Kunnar discount	-	2,085,112
Dividend payable as at 30 June	-	1,451,040

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## RELATED PARTIES TRANSACTIONS - continued

	2017	2016
	------(Rupees '000)-----	
<b>OGDCL Employees' Empowerment Trust (OEET)</b>		
Dividend paid	–	756,331
Dividend payable	13,249,922	10,500,000
<b>Related parties by virtue of common directorship and GoP holdings</b>		
<b>Government Holdings (Private) Limited (GHPL)</b>		
GHPL share (various fields) - net receivable	1,629,975	740,625
<b>Power Holding (Private) Limited (PHPL)</b>		
Markup earned	5,850,756	6,636,923
Balance of investment in TFCs receivable not yet due as at 30 June	51,250,000	71,750,000
Balance of past due principal repayment on TFCs as at 30 June	30,750,000	10,250,000
Balance of markup receivable on TFCs not yet due as at 30 June	1,810,043	1,868,432
Balance of past due markup receivable on TFCs as at 30 June	17,179,473	16,270,327
<b>State Bank of Pakistan</b>		
Interest earned on Pakistan Investment Bonds (PIBs)	5,822,641	5,867,299
Balance of investment in PIBs and markup receivable as at 30 June	53,452,792	54,149,061
<b>National Bank of Pakistan</b>		
Balance of accounts as at 30 June	308,898	468,532
Balance of Investment (TDR) as at 30 June	6,807,338	6,384,972
Interest earned during the year	514,189	421,181
<b>Pak Arab Refinery Company Limited</b>		
Sale of crude oil	13,145,197	7,951,721
Trade debts as at 30 June	2,195,180	2,136,263
<b>Pakistan Petroleum Limited</b>		
Payable as at 30 June	206	115
Share (various fields) - net payable	486,696	942,136
<b>Sui Northern Gas Pipelines Limited</b>		
Sale of natural gas	50,193,198	53,793,498
Trade debts as at 30 June	22,250,325	25,864,252
Payable as at 30 June	73,880	73,880
<b>Sui Southern Gas Company Limited</b>		
Sale of natural gas	31,990,649	38,070,256
Pipeline rental charges	36,660	36,660
Payment against supply of gas to locals	72,456	–
Trade debts as at 30 June	71,139,620	64,230,178
<b>Pakistan State Oil Company Limited</b>		
Sale of liquefied petroleum gas	273,346	–
Purchase of petroleum, oil and lubricants	3,460,229	4,262,212
Trade debts as at 30 June	1,867	1,867
Payable as at 30 June	2,600	2,700
<b>National Insurance Company Limited</b>		
Insurance premium paid	311,727	624,631



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

RELATED PARTIES TRANSACTIONS - continued	Note	2017 ------(Rupees '000)-----	2016 ------(Rupees '000)-----
<b>National Logistic Cell</b>			
Crude transportation charges paid		1,186,801	1,822,565
Payable as at 30 June		386,592	365,400
<b>Enar Petrotech Services Limited</b>			
Consultancy services		42,216	106,926
Payable as at 30 June		3,657	-
<b>Enar Petroleum Refining Facility</b>			
Sale of crude oil		8,288,293	7,798,062
Trade debts as at 30 June		1,462,469	988,108
<b>Other related parties</b>			
Contribution to staff benefit funds		9,418,723	1,486,261
Remuneration including benefits and perquisites of key management personnel	36.1	579,801	489,455

## 36.1 Key management personnel

Key management personnel comprises chief executive, executive directors and general managers of the Company.

	2017 ------(Rupees '000)-----	2016 ------(Rupees '000)-----
Managerial remuneration	192,003	174,233
Housing and utilities	137,899	123,680
Other allowances and benefits	203,144	150,694
Medical benefits	2,529	3,117
Leave encashment	4,843	10,222
Contribution to pension fund	39,383	27,509
	<u>579,801</u>	<u>489,455</u>
Number of persons	<u>30</u>	<u>31</u>

36.2 The amounts of the trade debts outstanding are unsecured and will be settled in cash. No expense has been recognized in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 37 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements for the remuneration of the chief executive and executives was as follows:

	2017		2016	
	Chief Executive	Executives	Chief Executive	Executives
	------(Rupees '000)-----			
Managerial remuneration	16,916	3,783,041	14,912	3,529,780
Housing and utilities	9,304	2,984,363	8,090	2,757,985
Other allowances and benefits	15,247	4,806,472	13,501	3,859,869
Medical benefits	53	225,409	5	226,439
Leave encashment	-	45,508	556	48,737
Contribution to pension fund	3,470	775,963	2,325	557,946
	<u>44,990</u>	<u>12,620,756</u>	<u>39,389</u>	<u>10,980,756</u>
Number of persons including those who worked part of the year	1	2,184	1	2,153

- Executive means any employee whose basic salary exceeds Rs 500,000 (2016: Rs 500,000) per year.
- The aggregate amount charged in these financial statements in respect of fee to 14 directors (2016: 11) was Rs 11,305 million (2016: 11,390 million).

## 38 INFORMATION RELATING TO PROVIDENT FUND

Oil and Gas Development Company Limited (OGDCL) Employees' Provident Fund is a contribution plan for benefit of permanent employees of the Company. For employees regularized before 01 January 2016, the Company does not contribute to the fund in respect of employees who are eligible for pension benefits and the contributions are made by the employees only. The details based on unaudited financial statements of the fund are as follows:

	2017	2016
	------(Rupees '000)-----	
Net assets	5,523,800	4,724,312
Cost of investments made	5,339,262	4,653,623
Percentage of investments made	97%	99%
Fair value of investments	5,754,488	4,852,507
<b>Break-up of investments at cost:</b>		
NIT units	545,229	545,229
Term Deposit Receipts	1,500,000	2,800,000
Regular Income Certificates	850,000	850,000
Special Saving Account	1,813,308	-
Bank Balances	630,725	458,394
	<u>5,339,262</u>	<u>4,653,623</u>

All investments out of Provident Fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

During the year ended 30 June 2016, the Company changed its policy for entitlement of pension fund whereby employees regularized after 01 January 2016 will contribute one basic salary towards provident fund annually and the Company shall match the contribution. Contributory provident fund trust in this respect has not yet been created.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 39 DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

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

Description	Explanation	
i) Long term investments - asset	Interest bearing	
ii) Long term loans and receivables - asset	Interest bearing/Non-interest bearing (Refer note 15)	
iii) Other financial assets	Interest bearing	
iv) Loans and advances - asset	Non-interest bearing	
v) Deposits - asset	Non-interest bearing	
vi) Segment revenue	Disclosed in note 32	
vii) Relationship with banks having Islamic windows	Meezan Bank Limited	
		(Rupees '000)
viii) Bank balances as at 30 June 2017	Placed under interest arrangement	3,991,209
	Placed under Shariah permissible arrangement	1,656
		<u>3,992,865</u>
ix) Interest income on bank deposits for the year ended 30 June 2017	Placed under interest arrangement	359,449
	Placed under Shariah permissible arrangement	316
		<u>359,765</u>
x) Interest income on investments for the year ended 30 June 2017	Placed under interest arrangement	11,935,620
	Placed under Shariah permissible arrangement	-
		<u>11,935,620</u>
xi) All sources of other income	Disclosed in note 26	
xii) Exchange gain	Earned from actual currency fluctuations	

Disclosures other than above are not applicable to the Company.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## 40 INTEREST IN JOINT OPERATIONS

This disclosure is given to comply with the requirements of IFRS 11 'Joint Arrangements' and on the basis of management's interpretation, the Company has working interest in the following operated and non operated exploration licenses/ leases in Pakistan:

Exploration Licenses /Leases	Working interest	
	2017	2016
	----- % -----	
<b>Operated by OGDCL</b>		
Nim Petroleum Concession		
- Exploratory	95.00	95.00
- Development	77.50	77.50
Tando Allah Yar Petroleum Concession		
- Exploratory	95.00	95.00
- Development	77.50	77.50
Nashpa Petroleum Concession		
- Exploratory	65.00	65.00
- Development	56.45	56.45
Sinjhero Petroleum Concession		
- Exploratory	76.00	76.00
- Development	62.50	62.50
Guddu Petroleum Concession		
- Exploratory	70.00	70.00
- Development	57.76	57.76
Jakhro Development and Production Lease	77.50	77.50
Chaknaurang Mining Lease	85.00	85.00
Qadirpur Development and Production Lease	75.00	75.00
Jhal Magsi South Development and Production Lease	56.00	56.00
Chanda Mining Lease	72.00	72.00
Gurgalot Petroleum Concession	75.00	75.00
Khewari Petroleum Concession	95.00	95.00
Zin Petroleum Concession	95.00	95.00
Bitrism Petroleum Concession	95.00	95.00
Kohlu Petroleum Concession	40.00	40.00
Kalchas Petroleum Concession	50.00	50.00
Kohat Petroleum Concession	30.00	30.00
Armala Petroleum Concession	97.50	97.50
Baratai Petroleum Concession	97.50	97.50
Khuzdar North Petroleum Concession	97.50	97.50
Block 28 Petroleum Concession	5.00	5.00
Hetu Petroleum Concession*	97.14	97.14
Pezu Petroleum Concession*	95.74	95.74
Ranipur Petroleum Concession*	95.00	95.00
Zorgarh Petroleum Concession*	95.80	95.80
Orakzai Petroleum Concession*	95.34	97.16
Tirah Petroleum Concession*	95.00	97.50
Pasni West Petroleum Concession*	97.50	97.50
Khanpur Petroleum Concession*	97.50	97.50
Plantak Petroleum Concession*	97.50	97.50
Gawadar Petroleum Concession*	97.50	97.50
Rakhshan Petroleum Concession*	97.50	97.50
South Kharan Petroleum Concession*	97.50	97.50
Warnali Petroleum Concession*	97.50	97.50
Kulachi Petroleum Concession*	95.45	95.45

\*Deeds of assignment of these Concessions have not yet been finalized.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

## Exploration Licenses /Leases - continued

Non Operated	Operator	Working interest	
		2017	2016
		----- % -----	
Badin II Petroleum Concession	United Energy Pakistan Limited	49.00	49.00
Badin II (Revised) Petroleum Concession	United Energy Pakistan Limited	24.00	24.00
Badin III Petroleum Concession	United Energy Pakistan Limited	15.00	15.00
TAL Petroleum Concession			
- Exploratory	MOL Pakistan Oil and Gas Company B.V	30.00	30.00
- Development	MOL Pakistan Oil and Gas Company B.V	27.76	27.76
North Potwar Petroleum Concession	Ocean Pakistan Limited	20.00	20.00
Soan Petroleum Concession	Ocean Pakistan Limited	50.00	50.00
Ratana Petroleum Concession	Ocean Pakistan Limited	25.00	25.00
Pindori D&P Lease	Pakistan Oilfields Limited	50.00	50.00
East Potwar Petroleum Concession	Pakistan Petroleum Limited	50.00	50.00
Tajjal Petroleum Concession	ENI Pakistan Limited	50.00	50.00
Kirthar Petroleum Concession	ENI Pakistan Limited	20.00	20.00
East Badin Extn. Block B Petroleum Concession	Spud Energy (Pty) Limited	40.00	40.00
Block 20 Petroleum Concession	OMV (Pakistan) Exploration GmbH	52.00	52.00
Ghouspur Petroleum Concession	Petroleum Exploration (Pvt) Limited	50.00	50.00
Bannu West Petroleum Concession	Mari Petroleum Company Limited	35.00	40.00
Offshore Block G Petroleum Concession	ENI Pakistan Limited	33.33	33.33
Offshore Block U Petroleum Concession	United Energy Pakistan Limited	27.50	27.50
Offshore Block S Petroleum Concession	United Energy Pakistan Limited	50.00	50.00

#### 41 APPLICABILITY OF IFRIC 4 "DETERMINING WHETHER AN ARRANGEMENT CONTAINS A LEASE"

International Accounting Standards Board (IASB) has issued IFRIC-4 "Determining whether an Arrangement contains a Lease", which is effective for financial periods beginning on or after 1 January 2006. According to the said interpretation an arrangement conveys the right to use the asset, if the arrangement conveys to the purchaser (lessee) the right to control the use of the underlying asset. The right to control the use of the underlying asset is conveyed when the purchaser has the ability or right to operate the asset or direct others to operate the asset in a manner it determines while obtaining or controlling more than an insignificant amount of the output or other utility of the asset. Such arrangements are to be accounted for as a finance lease in accordance with the requirements of IAS 17- "Leases".

The Company signed gas sale agreements with Uch Power Limited and Uch II Power (Private) Limited, Independent Power Producers (IPPs), for supply of total output by production facilities at Uch and Uch II fields respectively. Both arrangements appear to fall in the definition of lease under the criteria specified in IFRIC 4. However, Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O No. 24(I)/2012 has decided to defer the implementation of IFRIC 4 to all companies which have executed implementation agreements with the Government/Authority or entity, this relaxation would be available till the conclusion of their agreements, entered on or before 30 June 2010. However, impact of IFRIC-4 is mandatory to be disclosed in the financial statements as per requirements of IAS-8.

# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

Had this interpretation been applied, following adjustments to profit and loss account and balance sheet would have been made:

	2017	2016
	------(Rupees '000)-----	
Profit for the year	63,803,402	59,970,802
Depreciation reversed	1,128,291	293,940
Amortization reversed	512,078	472,550
Finance income recognized	8,807,943	8,775,929
Addition to property, plant and equipment reversed	(101,661)	(287,348)
Sales revenue reversed	(8,554,473)	(8,435,679)
Tax impact at estimated effective rate	(389,261)	(231,150)
Adjusted profit for the year	<u>65,206,319</u>	<u>60,559,044</u>

Carried forward balance of unappropriated profit at the end of year would have been as follows:

Adjusted unappropriated profit brought forward	442,024,765	408,398,297
Adjusted profit for the year	<u>65,206,319</u>	<u>60,559,044</u>
	507,231,084	468,957,341
Transfer to capital and other reserves	(1,565,950)	(3,075,319)
Other Comprehensive Income	(3,644,025)	(3,642,893)
Dividend paid	(25,805,571)	(20,214,364)
Adjusted unappropriated profit at end of the year	<u>476,215,538</u>	<u>442,024,765</u>
Unadjusted unappropriated profit at end of the year	<u>457,881,766</u>	<u>425,093,910</u>

## 42 APPLICATION OF IFRS 2 - 'SHARE BASED PAYMENT'

On August 14, 2009, the Government of Pakistan (GoP) launched Benazir Employees' Stock Option Scheme (the "Scheme") for employees of certain State Owned Enterprises (SOEs) and non-State Owned Enterprises where GoP holds significant investments (non-SOEs). The Scheme is applicable to permanent and contractual employees who were in employment of these entities on the date of launch of the Scheme, subject to completion of five years vesting period by all contractual employees and by permanent employees in certain instances.

The Scheme provides a cash payment to employees on retirement or termination based on the price of shares of respective entities. To administer this Scheme, GoP shall transfer 12% of its investment in such SOEs and non-SOEs to a Trust Fund to be created for the purpose by each of such entities. The eligible employees would be allotted units by each Trust Fund in proportion to their respective length of service and on retirement or termination such employees would be entitled to receive such amounts from Trust Funds in exchange for the surrendered units as would be determined based on market price of listed entities or breakup value for non-listed entities. The shares relating to the surrendered units would be transferred back to GoP.

The Scheme also provides that 50% of dividend related to shares transferred to the respective Trust Fund would be distributed amongst the unit-holder employees. The balance 50% dividend would be transferred by the respective Trust Fund to the Central Revolving Fund managed by the Privatization Commission of Pakistan for the payment to employees against surrendered units. The deficit, if any, in Trust Funds to meet the re-purchase commitment would be met by GoP.



# Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2017

The Scheme, developed in compliance with the stated GoP policy of empowerment of employees of the State Owned Enterprises need to be accounted for by the covered entities, including the Company, under the provisions of the amended International Financial Reporting Standard to share based payment (IFRS 2). However, keeping in view the difficulties that may be faced by the entities covered under the Scheme, the Securities and Exchange Commission of Pakistan on receiving representation from some of the entities covered under the scheme and after having consulted the Institute of Chartered Accountants of Pakistan vide their Letter No. CAIDTS/PS&TAC/2011-2036 dated 02 February 2011 has granted exemption to such entities from the application of IFRS 2 to the Scheme vide SRO 587 (I)/2011 dated 07 June 2011.

Had the exemption not been granted the staff costs of the Company for the year would have been higher by Rs Nil (2016: Rs Nil), profit after taxation and unappropriated profit would have been lower by Rs Nil (2016: Rs Nil), earnings per share would have been lower by Rs Nil (2016: Rs Nil) per share and reserves would have been higher by Rs 30,137 million (2016: Rs 30,137 million).

The Privatization Commission has not paid any claims to unit holders since June 2011. The management believes that GoP is considering changes to the Scheme, and impact of any such changes cannot be determined as of 30 June 2017. Also refer note 9.4.

## 43 NON ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors recommended final cash dividend at the rate of Rs 2.00 per share amounting to Rs 8,602 million in its meeting held on 15 September 2017.

## 44 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 15 September 2017 by the Board of Directors of the Company.

## 45 GENERAL

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



Chief Executive



Director

# Pattern of Shareholding

As of 30 June 2017

Number of Shareholders	Shareholding Slab		Total Shares Held
	from	to	
1681	1	100	101,481
8719	101	500	4,010,963
5932	501	1000	5,736,180
4215	1001	5000	9,567,523
666	5001	10000	5,155,910
238	10001	15000	3,014,363
141	15001	20000	2,559,333
99	20001	25000	2,306,046
80	25001	30000	2,252,996
35	30001	35000	1,144,704
42	35001	40000	1,620,030
31	40001	45000	1,310,071
32	45001	50000	1,544,007
21	50001	55000	1,122,617
6	55001	60000	353,665
16	60001	65000	1,001,980
11	65001	70000	746,651
14	70001	75000	1,016,017
18	75001	80000	1,405,687
5	80001	85000	416,579
9	85001	90000	787,511
6	90001	95000	560,236
23	95001	100000	2,277,820
4	100001	105000	410,965
3	105001	110000	325,100
4	110001	115000	457,500
5	115001	120000	593,183
4	120001	125000	491,288
3	125001	130000	383,000
6	130001	135000	796,969
4	135001	140000	551,681
4	140001	145000	568,737
3	145001	150000	440,620
7	150001	155000	1,073,729
2	155001	160000	314,400
3	160001	165000	484,449
2	165001	170000	331,506
5	170001	175000	868,896
2	175001	180000	355,800
4	180001	185000	727,177
7	185001	190000	1,315,104
3	190001	195000	581,044
1	195001	200000	200,000
2	200001	205000	409,100
6	205001	210000	1,248,349
3	210001	215000	636,080
2	215001	220000	438,363
7	220001	225000	1,561,403
3	225001	230000	684,100
1	230001	235000	233,300
1	235001	240000	240,000
4	240001	245000	968,600
3	245001	250000	744,703
2	250001	255000	503,000
2	255001	260000	514,335
2	260001	265000	526,700
1	265001	270000	268,600
3	270001	275000	823,800
1	275001	280000	278,600

Number of Shareholders	Shareholding Slab		Total Shares Held
	from	to	
1	280001	285000	280,200
1	290001	295000	295,000
3	295001	300000	896,346
5	305001	310000	1,543,260
2	310001	315000	626,770
1	320001	325000	323,000
3	325001	330000	983,647
1	340001	345000	341,300
1	345001	350000	350,000
1	355001	360000	355,095
1	360001	365000	362,400
1	365001	370000	367,300
2	370001	375000	741,400
2	375001	380000	755,500
1	390001	395000	395,000
3	395001	400000	1,200,000
3	405001	410000	1,227,300
1	410001	415000	410,800
1	415001	420000	419,900
1	420001	425000	423,143
1	425001	430000	425,200
1	430001	435000	433,546
1	440001	445000	443,000
1	445001	450000	447,600
1	455001	460000	460,000
2	460001	465000	925,700
1	465001	470000	465,800
1	485001	490000	488,500
1	490001	495000	492,300
4	495001	500000	2,000,000
1	505001	510000	509,700
1	525001	530000	527,500
1	535001	540000	538,450
1	545001	550000	550,000
1	560001	565000	563,200
2	570001	575000	1,149,400
1	575001	580000	575,200
1	585001	590000	585,196
1	595001	600000	597,262
1	600001	605000	604,900
1	625001	630000	626,700
1	645001	650000	647,100
1	650001	655000	651,400
1	660001	665000	663,000
2	675001	680000	1,356,155
1	680001	685000	680,300
1	690001	695000	694,700
1	700001	705000	702,500
1	705001	710000	705,500
2	710001	715000	1,426,410
2	715001	720000	1,438,200
2	725001	730000	1,453,421
1	730001	735000	730,700
1	755001	760000	757,278
1	770001	775000	774,693
1	790001	795000	793,952
1	795001	800000	800,000
2	805001	810000	1,618,000
1	830001	835000	830,500

# Pattern of Shareholding

As of 30 June 2017

Number of Shareholders	Shareholding Slab		Total Shares Held
	from	to	
1	845001	850000	848,576
2	860001	865000	1,726,600
1	895001	900000	900,000
1	900001	905000	902,600
2	905001	910000	1,813,690
1	915001	920000	915,600
1	945001	950000	950,000
1	955001	960000	957,216
1	960001	965000	961,100
1	980001	985000	982,900
1	985001	990000	985,700
1	1005001	1010000	1,007,300
1	1040001	1045000	1,043,000
1	1050001	1055000	1,054,540
1	1055001	1060000	1,056,800
1	1065001	1070000	1,066,500
1	1080001	1085000	1,084,744
1	1090001	1095000	1,090,100
1	1120001	1125000	1,122,391
1	1135001	1140000	1,140,000
1	1165001	1170000	1,166,800
1	1170001	1175000	1,173,400
1	1210001	1215000	1,211,200
2	1225001	1230000	2,455,898
1	1230001	1235000	1,233,300
1	1240001	1245000	1,244,000
1	1250001	1255000	1,253,400
1	1275001	1280000	1,279,900
1	1280001	1285000	1,284,600
1	1285001	1290000	1,289,200
1	1325001	1330000	1,325,500
1	1340001	1345000	1,345,000
2	1345001	1350000	2,694,518
1	1370001	1375000	1,370,401
1	1375001	1380000	1,379,900
1	1380001	1385000	1,382,580
2	1390001	1395000	2,782,600
1	1395001	1400000	1,400,000
1	1415001	1420000	1,415,200
1	1420001	1425000	1,420,749
1	1445001	1450000	1,449,198
1	1460001	1465000	1,463,100
1	1470001	1475000	1,472,400
1	1545001	1550000	1,546,152
1	1550001	1555000	1,554,900
1	1610001	1615000	1,613,762
1	1670001	1675000	1,674,300
1	1705001	1710000	1,708,500
1	1750001	1755000	1,752,900
1	1765001	1770000	1,768,300
1	1770001	1775000	1,773,500
1	1795001	1800000	1,800,000
1	1800001	1805000	1,802,400
1	1835001	1840000	1,837,200
1	1840001	1845000	1,843,800
1	1880001	1885000	1,885,000
1	1955001	1960000	1,957,172
1	2045001	2050000	2,047,600

Number of Shareholders	Shareholding Slab		Total Shares Held
	from	to	
2	2070001	2075000	4,146,512
1	2090001	2095000	2,094,900
1	2105001	2110000	2,106,600
1	2285001	2290000	2,287,600
1	2365001	2370000	2,365,700
1	2380001	2385000	2,382,600
1	2450001	2455000	2,454,600
1	2475001	2480000	2,478,971
1	2490001	2495000	2,491,300
1	2505001	2510000	2,506,500
1	2565001	2570000	2,569,500
1	2570001	2575000	2,571,300
1	2655001	2660000	2,657,300
1	2675001	2680000	2,676,400
1	2735001	2740000	2,736,060
1	2755001	2760000	2,756,300
1	2955001	2960000	2,960,000
1	3045001	3050000	3,050,000
1	3080001	3085000	3,080,300
1	3105001	3110000	3,109,400
1	3145001	3150000	3,145,381
1	3170001	3175000	3,171,872
1	3410001	3415000	3,412,600
1	3475001	3480000	3,478,740
1	3480001	3485000	3,484,507
1	3520001	3525000	3,523,600
1	3595001	3600000	3,600,000
1	3780001	3785000	3,781,900
1	4000001	4005000	4,002,895
1	4055001	4060000	4,056,097
1	4295001	4300000	4,298,100
1	4330001	4335000	4,334,400
1	4595001	4600000	4,599,100
1	4660001	4665000	4,661,035
1	5055001	5060000	5,057,200
1	6095001	6100000	6,096,800
1	6200001	6205000	6,203,200
1	6470001	6475000	6,471,300
1	7105001	7110000	7,106,972
1	7270001	7275000	7,273,741
1	8305001	8310000	8,306,587
1	8485001	8490000	8,487,200
1	8580001	8585000	8,580,990
1	9980001	9985000	9,984,100
1	10180001	10185000	10,185,000
1	11230001	11235000	11,231,900
1	12995001	13000000	13,000,000
1	15205001	15210000	15,209,386
1	25995001	26000000	25,998,300
1	43445001	43450000	43,449,649
1	147995001	148000000	147,995,323
1	322460001	322465000	322,460,900
1	322465001	433000000	432,189,039
1	2902145001	2902150000	2,902,148,181
<b>22361</b>			<b>4,300,928,400</b>

# Categories of Shareholders

As of 30 June 2017

Categories of Shareholders	Shareholders	Shares Held	Percentage
<b>Government</b>			
Government of Pakistan	1	2,902,148,181	67.48
OGDCL - Employees Empowerment Trust	1	432,189,039	10.05
Privatisation Commission of Pakistan, Ministry of Privatisation & Investment	1	322,460,900	7.50
<b>Associated Companies, Undertakings and Related Parties</b>	-	-	-
<b>Mutual Funds</b>	94	95,901,456	2.23
<b>Directors, Chief Executive and their Spouse and Minor Children</b>			
Hamid Farooq	1	2,353	0.00
<b>Executives</b>	-	-	-
<b>Public Sector Companies and Corporations</b>	6	16,486,863	0.38
<b>Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful Companies and Modarabas</b>	52	41,501,284	0.96
<b>General Public</b>			
Local	21519	51,304,547	1.19
Foreign Investors	245	402,817,408	9.37
<b>Others</b>	441	36,116,369	0.84
<b>Total</b>	<b>22361</b>	<b>4,300,928,400</b>	<b>100.00</b>

Shareholders holding 5% or more	Shares Held	Percentage
Government of Pakistan	2,902,148,181	67.48
OGDCL - Employees Empowerment Trust	432,189,039	10.05
Privatisation Commission of Pakistan, Ministry of Privatisation & Investment	322,460,900	7.50

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
<b>Government Holding</b>				
1	-	GOVERNMENT OF PAKISTAN	2,902,148,181	67.48
2	-	OGDCL - EMPLOYEES EMPOWERMENT TRUST	432,189,039	10.05
3	04705-35398	PRIVATISATION COMMISSION OF PAKISTAN, MINSITRY OF PRIVATISATION & INVESTMENT	322,460,900	7.50
		<b>3</b>	<b>3,656,798,120</b>	<b>85.02</b>
<b>Associated Companies, Undertakings and Related Parties</b>				
		NIL		
<b>Mutual Funds</b>				
1	05371-28	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	2,571,300	0.06
2	05454-28	MCBFSL - TRUSTEE JS VALUE FUND	152,000	0.00
3	05645-24	CDC - TRUSTEE PICIC INVESTMENT FUND	985,700	0.02
4	05777-29	CDC - TRUSTEE PICIC GROWTH FUND	1,837,200	0.04
5	05819-23	CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	647,100	0.02
6	05959-27	CDC - TRUSTEE ATLAS STOCK MARKET FUND	900,000	0.02
7	05991-23	CDC - TRUSTEE MEEZAN BALANCED FUND	2,676,400	0.06
8	06072-23	CDC - TRUSTEE FIRST DAWOOD MUTUAL FUND	30,000	0.00
9	06197-29	CDC - TRUSTEE ALFALAH GHP VALUE FUND	575,200	0.01
10	06411-21	CDC - TRUSTEE AKD INDEX TRACKER FUND	144,737	0.00
11	06437-29	CDC - TRUSTEE PICIC ENERGY FUND	462,900	0.01
12	06619-26	CDC - TRUSTEE AKD OPPORTUNITY FUND	800,000	0.02
13	06627-25	CDC - TRUSTEE NAFA INCOME OPPORTUNITY FUND	2,506,500	0.06
14	06726-23	CDC - TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	362,400	0.01
15	07062-23	CDC - TRUSTEE AL MEEZAN MUTUAL FUND	3,109,400	0.07
16	07070-22	CDC - TRUSTEE MEEZAN ISLAMIC FUND	25,998,300	0.60
17	07377-26	CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	1,415,200	0.03
18	09449-25	CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	725,500	0.02
19	09456-24	CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	2,569,500	0.06
20	09480-21	CDC - TRUSTEE NAFA STOCK FUND	3,145,381	0.07
21	09506-26	CDC - TRUSTEE NAFA MULTI ASSET FUND	173,096	0.00
22	10108-22	CDC - TRUSTEE ASKARI ASSET ALLOCATION FUND	28,000	0.00
23	10397-29	CDC - TRUSTEE MEEZAN TAHAFUZ PENSION FUND - EQUITY SUB FUND	2,094,900	0.05
24	10603-21	CDC - TRUSTEE APF-EQUITY SUB FUND	79,000	0.00
25	10710-28	CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	3,781,900	0.09
26	10728-27	CDC - TRUSTEE HBL - STOCK FUND	1,752,900	0.04
27	10801-27	CDC - TRUSTEE NAFA ISLAMIC ASSET ALLOCATION FUND	2,756,300	0.06
28	10900-25	CDC - TRUSTEE APIF - EQUITY SUB FUND	117,500	0.00
29	11056-28	CDC - TRUSTEE HBL MULTI - ASSET FUND	193,700	0.00
30	11262-23	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	50,000	0.00
31	11809-26	CDC - TRUSTEE ALFALAH GHP STOCK FUND	651,400	0.02
32	11924-22	CDC - TRUSTEE ALFALAH GHP ALPHA FUND	425,200	0.01
33	12021-20	CDC - TRUSTEE NIT STATE ENTERPRISE FUND	7,106,972	0.17
34	12120-28	CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1,370,401	0.03
35	12195-21	CDC - TRUSTEE ABL STOCK FUND	1,166,800	0.03
36	12278-21	MCFSL - TRUSTEE ASKARI ISLAMIC ASSET ALLOCATION FUND	20,000	0.00
37	12310-25	CDC - TRUSTEE FIRST HABIB STOCK FUND	89,000	0.00
38	12336-23	CDC - TRUSTEE LAKSON EQUITY FUND	1,233,300	0.03
39	12625-27	CDC - TRUSTEE NAFA ASSET ALLOCATION FUND	341,300	0.01
40	12880-27	CDC - TRUSTEE NAFA SAVINGS PLUS FUND - MT	15,100	0.00
41	13136-26	CDC - TRUSTEE MCB DYNAMIC CASH FUND - MT	2,200	0.00
42	13391-26	CDC - TRUSTEE HBL ISLAMIC STOCK FUND	307,000	0.01
43	13607-28	CDC - TRUSTEE PICIC STOCK FUND	145,400	0.00
44	13698-29	CDC - TRUSTEE HBL IPF EQUITY SUB FUND	60,700	0.00
45	13714-25	CDC - TRUSTEE HBL PF EQUITY SUB FUND	57,300	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
46	13813-23	CDC - TRUSTEE ASKARI EQUITY FUND	33,000	0.00
47	13862-28	CDC - TRUSTEE ALFALAH GHP INCOME FUND - MT	37,500	0.00
48	13946-28	CDC - TRUSTEE KSE MEEZAN INDEX FUND	1,348,818	0.03
49	13953-27	MCBFSL - TRUSTEE PAK OMAN ADVANTAGE ASSET ALLOCATION FUND	70,000	0.00
50	13961-26	MCBFSL - TRUSTEE PAK OMAN ISLAMIC ASSET ALLOCATION FUND	100,000	0.00
51	14092-21	CDC - TRUSTEE LAKSON INCOME FUND - MT	28,400	0.00
52	14126-26	CDC-TRUSTEE FIRST HABIB ISLAMIC STOCK FUND	61,000	0.00
53	14134-25	CDC - TRUSTEE ATLAS INCOME FUND - MT	119,000	0.00
54	14373-27	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	713,400	0.02
55	14415-21	CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT	186,300	0.00
56	14431-29	CDC - TRUSTEE NAFA ISLAMIC PENSION FUND EQUITY ACCOUNT	240,600	0.01
57	14472-25	CDC - TRUSTEE UBL ASSET ALLOCATION FUND	194,200	0.00
58	14514-28	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	30,000	0.00
59	14605-27	CDC - TRUSTEE AL-AMEEN ISLAMIC ASSET ALLOCATION FUND	574,400	0.01
60	14845-29	CDC - TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND	377,700	0.01
61	14860-27	CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	323,000	0.01
62	14902-21	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1,227,443	0.03
63	14969-25	CDC - TRUSTEE PICIC ISLAMIC STOCK FUND	181,600	0.00
64	15362-27	CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	33,500	0.00
65	15388-25	CDC - TRUSTEE ABL PENSION FUND - EQUITY SUB FUND	22,800	0.00
66	15719-23	CDC-TRUSTEE PAKISTAN ISLAMIC PENSION FUND - EQUITY SUB FUND	114,500	0.00
67	15727-22	CDC - TRUSTEE PAKISTAN PENSION FUND - EQUITY SUB FUND	158,500	0.00
68	15974-23	CDC - TRUSTEE NAFA ISLAMIC STOCK FUND	2,106,600	0.05
69	16022-26	CDC - TRUSTEE NAFA INCOME OPPORTUNITY FUND - MT	17,800	0.00
70	16139-23	CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	1,708,500	0.04
71	16162-20	CDC - TRUSTEE NITIPF EQUITY SUB-FUND	44,000	0.00
72	16188-28	CDC - TRUSTEE NITPF EQUITY SUB-FUND	33,000	0.00
73	16246-20	MCBFSL - TRUSTEE NAFA INCOME FUND - MT	47,200	0.00
74	16386-24	CDC - TRUSTEE AL AMEEN ISLAMIC DEDICATED EQUITY FUND	3,523,600	0.08
75	16402-20	CDC - TRUSTEE NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND	915,600	0.02
76	16436-27	CDC - TRUSTEE HBL ISLAMIC ASSET ALLOCATION FUND	233,300	0.01
77	16501-27	CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND	1,768,300	0.04
78	16519-26	CDC - TRUSTEE NAFA ISLAMIC ENERGY FUND	1,244,000	0.03
79	16535-24	CDC - TRUSTEE LAKSON TACTICAL FUND	220,903	0.01
80	16626-23	CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND	36,105	0.00
81	16675-28	CDC - TRUSTEE MEEZAN ENERGY FUND	1,043,000	0.02
82	16733-20	MCBFSL - TRUSTEE ABL ISLAMIC DEDICATED STOCK FUND	809,000	0.02
83	16782-25	CDC - TRUSTEE AGIPF EQUITY SUB-FUND	12,600	0.00
84	16808-21	CDC - TRUSTEE AGPF EQUITY SUB-FUND	12,300	0.00
85	06031-27	CDC - TRUSTEE UBL GROWTH AND INCOME FUND	19,500	0.00
86	10025-22	CDC - TRUSTEE FIRST HABIB INCOME FUND	85,500	0.00
87	10496-27	CDC - TRUSTEE DAWOOD ISLAMIC FUND	20,000	0.00
88	11882-28	CDC - TRUSTEE PAKISTAN INCOME ENHANCEMENT FUND	4,000	0.00
89	14803-23	CDC - TRUSTEE FAYSAL SAVINGS GROWTH FUND - MT	700	0.00
90	15115-26	CDC - TRUSTEE ASKARI HIGH YIELD SCHEME - MT	81,700	0.00
91	16048-24	CDC - TRUSTEE FIRST HABIB INCOME FUND - MT	6,000	0.00
92	16303-22	CDC - TRUSTEE ALFALAH GHP INCOME MULTIPLIER FUND - MT	43,000	0.00
93	16360-26	MCBFSL - TRUSTEE MCB PAKISTAN FREQUENT PAYOUT FUND	48,000	0.00
94	16758-28	CDC - TRUSTEE UNITED GROWTH AND INCOME FUND - MT	7,500	0.00
		<b>94</b>	<b>95,901,456</b>	<b>2.23</b>
<b>Directors, Chief Executive and their Spouse(s) and Minor Children</b>				
1	01826-3202	HAMID FAROOQ	2,353	0.00
		<b>1</b>	<b>2,353</b>	<b>0.00</b>



# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
<b>Executives</b>				
		NIL		
<b>Public Sector Companies and Corporations</b>				
1	01867-22	PAKISTAN KUWAIT INVESTMENT CO. (PVT) LTD.	626,700	0.01
2	02683-23	STATE LIFE INSURANCE CORP. OF PAKISTAN	15,209,386	0.35
3	03889-28	NATIONAL BANK OF PAKISTAN	477	0.00
4	03889-44	NATIONAL BANK OF PAKISTAN	550,000	0.01
5	04812-24	PAK-OMAN INVESTMENT COMPANY LTD.	85,000	0.00
6	11304-27	PAIR INVESTMENT COMPANY LIMITED	15,300	0.00
		<b>6</b>	<b>16,486,863</b>	<b>0.38</b>
<b>Banks, Development Financial Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful Companies and Modarabas</b>				
1	00307-40281	INNOVATIVE INVESTMENT BANK LIMITED	34,000	0.00
2	00547-8693	UNILEVER PENSION PLAN	4,100	0.00
3	02113-21	FIRST EQUITY MODARABA	65,900	0.00
4	02139-29	PREMIER INSURANCE LIMITED	213,700	0.00
5	02246-42	HABIB BANK LIMITED-TREASURY DIVISION	3,050,000	0.07
6	02295-39	FAYSAL BANK LIMITED	210,000	0.00
7	02451-21	JUBILEE GENERAL INSURANCE COMPANY LIMITED	1,345,000	0.03
8	02618-20	HABIB METROPOLITAN BANK LIMITED	694,700	0.02
9	02832-32	MEEZAN BANK LIMITED	862,000	0.02
10	03079-42	SONERI BANK LIMITED - ORDINARY SHARES	1,800,000	0.04
11	03111-46	UNITED BANK LIMITED - TRADING PORTFOLIO	3,600,000	0.08
12	03277-2184	EFU GENERAL INSURANCE LIMITED	225,000	0.01
13	03277-2538	EFU LIFE ASSURANCE LTD	6,203,200	0.14
14	03277-4962	FIRST ALNOOR MODARABA	3,500	0.00
15	03277-6454	ALPHA INSURANCE CO. LTD.	11,300	0.00
16	03277-7330	RELIANCE INSURANCE COMPANY LTD.	25,076	0.00
17	03277-8372	EXCEL INSURANCE CO.LTD.	135,000	0.00
18	03277-9371	JUBILEE LIFE INSURANCE COMPANY LIMITED	8,306,587	0.19
19	03277-9404	ALLIANZ EFU HEALTH INSURANCE LIMITED	100,000	0.00
20	03277-12023	EAST WEST INSURANCE CO.LTD	205,300	0.00
21	03277-15009	CENTURY INSURANCE COMPANY LTD.	81,879	0.00
22	03277-57588	ATLAS INSURANCE LIMITED	310,000	0.01
23	03277-90405	DAWOOD FAMILY TAKAFUL LIMITED	14,500	0.00
24	03277-90406	DAWOOD FAMILY TAKAFUL LIMITED	14,500	0.00
25	03277-90408	DAWOOD FAMILY TAKAFUL LIMITED	6,000	0.00
26	03335-57	BANK ALFALAH LIMITED	2,960,000	0.07
27	04127-28	MCB BANK LIMITED - TREASURY	4,661,035	0.11
28	04598-22	FIRST WOMEN BANK LIMITED	40,000	0.00
29	06700-11865	ESCORTS INVESTMENT BANK LIMITED	107	0.00
30	07245-25440	TRUST MODARABA	2,000	0.00
31	07393-24	SUMMIT BANK LIMITED	20,300	0.00
32	09944-24	AL BARAKA BANK (PAKISTAN) LIMITED	295,000	0.01
33	12690-996	IGI LIFE INSURANCE LIMITED	6,300	0.00
34	12724-25	SINDH BANK LIMITED	1,885,000	0.04
35	13748-501	ADAMJEE LIFE ASSURANCE CO.LTD-IMF	864,600	0.02
36	13748-915	ADAMJEE LIFE ASSURANCE CO.LTD - DGF	4,500	0.00
37	13755-21	ADAMJEE INSURANCE COMPANY LIMITED	1,674,300	0.04
38	14357-29	ALFALAH INSURANCE COMPANY LIMITED	91,100	0.00
39	14506-11	NIB BANK LIMITED - MT	229,400	0.01
40	04127-69	MCB BANK LIMITED - TREASURY	250,000	0.01
41	04606-29	SILKBANK LIMITED	314,900	0.01
42	05132-26	ASKARI BANK LIMITED	100,000	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
43	06510-28	BANKISLAMI PAKISTAN LIMITED	7,500	0.00
44	00539-18917	PAK QATAR FAMILY TAKAFUL LIMITED	10,000	0.00
45	03038-44838	PAK QATAR FAMILY TAKAFUL LIMITED	3,300	0.00
46	03277-71690	ADAMJEE LIFE ASSURANCE COMPANY LIMITED	75,800	0.00
47	03277-73166	PAK QATAR FAMILY TAKAFUL LIMITED	32,500	0.00
48	13748-550	ADAMJEE LIFE ASSURANCE COMPANY LIMITED-ISF	247,400	0.01
49	13748-568	ADAMJEE LIFE ASSURANCE COMPANY LIMITED-ISF-II	190,000	0.00
50	07450-4077	CRESCENT STANDARD MODARABA	5,000	0.00
51	02113-708	First UDL Modaraba	2,000	0.00
52	11320-25	B.R.R. GUARDIAN MODARABA	8,000	0.00
		52	41,501,284	0.96
<b>General Public - Local</b>				
		21519	51,304,547	1.19
<b>Foreign Investors</b>				
1	00364-15220	Rafique Suleman	128	0.00
2	00364-137065	DR. OMAR ABDUL MONEM YOUSUF AL ZAWAWI	20,000	0.00
3	02832-2764	H.E. SH. EBRAHIM KHALIFA ALI AL KHALIFA	182,000	0.00
4	03277-85443	ABDUL KHALIQUE BHATTI	2,000	0.00
5	03533-2587	SAQIB SHEERAZ	15,000	0.00
6	03590-2631	FAZAL REHMAN	12,900	0.00
7	06452-25768	FAIZAN KAMRAN KHAN	4,000	0.00
8	06452-27426	MOHAMMED ANWAR PERVEZ	443,000	0.01
9	07450-21022	FARZANA BADAR	400	0.00
10	00695-6633	The Wellcome Trust Limited (787-6)	2,454,600	0.06
11	00521-502	STATE STREET BANK AND TRUST CO.	10,500	0.00
12	00521-700	DEUTSCHE BANK AG LONDON BRANCH	3,484,507	0.08
13	00521-1468	CHALLENGE FUNDS	92,500	0.00
14	00521-2532	CANADA POST CORPORATION REGISTERED PENSION PLAN	1,345,700	0.03
15	00521-2680	ROBECO CAPITAL GROWTH FUNDS	1,613,762	0.04
16	00521-2920	EATON VANCE COLLECTIVE INV TRT FOR EMP BENEFIT PLANS	902,600	0.02
17	00521-2938	LAZARD/WILMINGTON COLLECTIVE TRUST (SUDAN FREE)	4,056,097	0.09
18	00521-2979	LAZARD RETIREMENT EMERGING MKT EQT PRFTL	3,080,300	0.07
19	00521-2987	LAZARD/WILMINGTON COLLECTIVE TRUST	757,278	0.02
20	00521-2995	LAZARD EMERGING MARKETS EQUITY PORTFOLIO	43,449,649	1.01
21	00521-3068	SANOFI-AVENTIS US PENSION TRUST	189,000	0.00
22	00521-3266	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	5,057,200	0.12
23	00521-3415	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	256,324	0.01
24	00521-3431	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	848,576	0.02
25	00521-3449	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	6,096,800	0.14
26	00521-3456	MORGAN STANLEY INST FD INC FRONTIER EMERGING MKT PORTFOLIO	9,984,100	0.23
27	00521-3498	GENERAL CONFERENCE CORPORATION OF SEVENTH DAY ADVENTISTS	105,100	0.00
28	00521-3530	STATE OF NEW JERSEY COMMON PENSION FUND D	1,420,749	0.03
29	00521-3639	UPS GROUP TRUST	2,478,971	0.06
30	00521-3662	PARAMETRIC EMERGING MARKETS FUND	1,122,391	0.03
31	00521-3688	PARAMETRIC TAX-MANAGED EMERGING MARKETS FUND	1,325,500	0.03
32	00521-3845	LAZARD EMERGING MARKETS FUND	2,365,700	0.06
33	00521-3944	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	2,657,300	0.06
34	00521-3951	GOLDMAN SACHS FUNDS-GOLDMAN SACHS N-11(R) EQUITY PORTFOLIO	1,773,500	0.04
35	00521-4082	THE JAMES IRVINE FOUNDATION	209,900	0.00
36	00521-4793	TEACHER RETIREMENT SYSTEM OF TEXAS	244,500	0.01
37	00521-4801	TEACHER RETIREMENT SYSTEM OF TEXAS	4,334,400	0.10
38	00521-4934	EMERGING MARKETS EQUITY GROUP TRUST	3,412,600	0.08
39	00521-4942	EARNST INSTITUTIONAL LLC	36,646	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
40	00521-5121	SSB & TRT CO INVESTMENT FUND FOR TAX EXEMPT RETIRE PLANS	950,000	0.02
41	00521-5147	POLUNIN CAPITAL PARTNERS EMERGING MARKETS ACTIVE FUND	273,800	0.01
42	00521-5162	ADVANCE SERIES TRUST - AST PARAMETRIC EMERGING MKTS EQT PRTF	173,900	0.00
43	00521-5246	EATON VANCE TRT CO CM TRT FD-PARMTD STR EME MKT EQT CM TRT F	161,100	0.00
44	00521-5329	ONTARIO PENSION BOARD	1,546,152	0.04
45	00521-5535	THE EMERGING FRONTIERS MASTER FUND LTD	99,055	0.00
46	00521-5659	EURIZON EASYFUND	957,216	0.02
47	00521-5774	FRONTIER MKTS EX-GULF COO COUNCIL COUNT ESG SCREENED FUND B	585,196	0.01
48	00521-5790	BLACKROCK FRONTIER MARKETS FUND	727,921	0.02
49	00521-5808	FRONTIER MARKETS ESG SCREENED FUND B	774,693	0.02
50	00521-5980	ISHARES MSCI FRONTIER 100 ETF	2,382,600	0.06
51	00521-6004	CREDIT SUISSE (HONG KONG) LIMITED	1,382,580	0.03
52	00521-6269	MSAM SA ACTING ON BEHALF OF MORGAN STANLEY GALAXY FUND	10,185,000	0.24
53	00521-6368	STICHTING F&C MULTI MANAGER EMERGING EQUITY ACTIVE	793,952	0.02
54	00521-6483	MONETARY AUTHORITY OF SINGAPORE	1,289,200	0.03
55	00521-6590	CITY OF NEW YORK GROUP TRUST	242,400	0.01
56	00521-6681	STICHTING BEWAARDER BELEGGINGEN MENZIS	48,300	0.00
57	00521-7184	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	42,800	0.00
58	00521-7366	COLLEGE RETIREMENT EQUITIES FUND	1,253,400	0.03
59	00521-7382	TEACHER RETIREMENT SYSTEM OF TEXAS	370,400	0.01
60	00521-7416	PUBLIC SCHOOL TEACHERS PENSION AND RETIREMENT FD OF CHICAGO	45,100	0.00
61	00521-7515	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	51,200	0.00
62	00521-7549	PENSION RESERVES INVESTMENT TRUST FUND	114,000	0.00
63	00521-7580	LAZARD EMERGING MARKETS INSTITUTIONAL TRUST	145,220	0.00
64	00521-7606	GOLDMAN SACHS FUNDS II - GOLDMAN SACHS GMS EME EQU PORTFOLIO	367,300	0.01
65	00521-7648	GUGGENHEIM FRONTIER MARKETS ETF	258,011	0.01
66	00521-7655	MANAGED PENSION FUNDS LIMITED	395,000	0.01
67	00521-7812	JNL/LAZARD EMERGING MARKETS FUND	3,171,872	0.07
68	00521-7903	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	72,400	0.00
69	00521-7960	FIDELITY EMERGING MARKETS EQUITY INVESTMENT TRUST	220,200	0.01
70	00521-8042	VANGUARD FTSE ASIA EX JAPAN HIGH DIVIDEND YIELD INDEX ETF	9,800	0.00
71	00521-8083	ST STR TR HK LT AS TRS F VN ETF SER - VAN FTSE A EX JA IN ET	5,900	0.00
72	00521-8257	VANGUARD INTERNATIONAL HIGH DIVIDEND YIELD INDEX FUND	27,800	0.00
73	00521-8307	LAZARD INVESTMENT FUNDS-LAZARD EMERGING MARKETS FUND	4,002,895	0.09
74	00521-8349	GOLDMAN SACHS TRUST II GOLDMAN SACHS MULTI-MANGER GL EQ FUND	20,400	0.00
75	00521-8356	FIDELITY FRONTIER EMERGING MARKETS FUND	307,800	0.01
76	00521-8414	PARAMETRIC EMERGING MARKETS CORE FUND	3,400	0.00
77	00521-8463	WASHINGTON STATE INVESTMENT BOARD	16,500	0.00
78	00521-8513	E VAN TR C CIT FOR EM BEN PLN EVTC PARA SE COR EQT FD	87,500	0.00
79	00521-8554	MERCER QIF FUND PUBLIC LIMITED COMPANY	140,200	0.00
80	00521-8828	ST STREET MSCI ACWI EX-USA IMI SCREE NON-LEND COMM TRT FD	34,500	0.00
81	00521-8836	STA STRE EMER MKTS MANGD VOLATI NON-LENDING QIB COMM TRT FD	27,800	0.00
82	00521-8869	STATE STREET EMERGING MARKETS EQUITY INDEX FUND	63,900	0.00
83	00521-8901	SPDR MSCI EMERGING MARKETS STRATEGICFACTORS ETF	5,662	0.00
84	00521-8919	MORGAN STAN INSTI FD INC EME MKTS BREAKOUT NATIONS PRT	26,200	0.00
85	00521-8927	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	98,385	0.00
86	00521-8935	VANGUARD INV FNDS ICVC-VANGUARD FTSE GL AL CAP IN FD	1,100	0.00
87	00521-9099	LAZARD GLOBAL ACTIVE FUNDS PLC-LAZARD EMERGING MKTS EQUITY F	3,478,740	0.08
88	00521-9107	EMERGING MKTS EQ FD SERIES OF MOUNTAIN PAC FUT WORLD FDS LLC	175,800	0.00
89	00521-9214	NATIONAL PENSION SERVICE	224,400	0.01
90	00521-9248	EMERGING MARKETS INDEX NON-LENDABLE FUND B	460,000	0.01
91	00521-9255	EMERGING MARKETS INDEX NON-LENDABLE FUND	1,391,800	0.03
92	00521-9289	EMERGING MARKETS EQUITY INDEX PLUS FUND	67,500	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
93	00521-9297	EMERGING MARKETS EQUITY ESG SCREENED FUND B	25,200	0.00
94	00521-9388	ISHARES CORE MSCI EMERGING MARKETS ETF	4,599,100	0.11
95	00521-9396	ISHARES MSCI EMERGING MARKETS ASIA ETF	66,900	0.00
96	00521-9412	ISHARES MSCI EMERGING MARKETS ETF	4,298,100	0.10
97	00521-9420	ISHARES MSCI GLOBAL ENERGY PRODUCERS ETF	10,800	0.00
98	00521-9495	ISHARES MSCI ALL COUNTRY ASIA EX JAPAN ETF	563,200	0.01
99	00521-9503	EMERGING MARKETS EQUITY INDEX MASTER FUND	1,066,500	0.02
100	00521-9511	ISHARES MSCI ACWI ETF	31,600	0.00
101	00521-9529	CAISSE DE DEPOT ET PLACEMENT DU QUEBEC	1,843,800	0.04
102	00521-9594	BLACKROCK GLBL IND FDS-BLACKROCK EME MKTS EQUITY INDEX FUND	65,600	0.00
103	00521-9602	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	224,200	0.01
104	00521-9610	BLACKROCK MSCI ASIA EX JAPAN INDEX FUND OF BLACKROCK FUNDS	16,800	0.00
105	00521-9628	NATIONAL PENSION SERVICE	241,100	0.01
106	00521-9636	EMERGING MARKETS SUDAN FREE EQUITY INDEX FUND	41,300	0.00
107	00521-9644	BLACKROCK CDN MSCI EMERGING MARKETS INDEX FUND	48,300	0.00
108	00521-9651	TOTAL INTL EX U.S. INDEX MSTR PORTFOLIO OF MASTER INVEST PRT	11,100	0.00
109	00521-9669	EMERGING MARKETS EX-CONTROVERSIAL WEAPONS EQUITY INDEX FD B	37,000	0.00
110	00521-9677	KAPITALFORENINGEN LAEGERNES INVE KLI AKTIER EMER MKTS INDEKS	96,600	0.00
111	00521-9693	TEACHERS RETIREMENT SYSTEM OF TEXAS	51,672	0.00
112	00521-9701	STATE STREET MSCI PAKISTAN INDEX NON-LENDING COMMON TRUST FD	2,071,800	0.05
113	00521-9743	CREDIT SUISSE INDEX FUND (LUX)-EQUITIES EMERGING MARKETS	53,200	0.00
114	00521-9768	CITY OF NEW YORK GROUP TRUST	206,700	0.00
115	00521-9792	PEOPLES BANK OF CHINA	240,000	0.01
116	00521-9800	MERCER QIF FUND PUBLIC LIMITED COMPANY	45,000	0.00
117	00521-9834	SSGA SPDR ETFS EUROPE I PUBLIC LIMITED COMPANY	46,000	0.00
118	00521-9842	THE BANK OF NEW YORK MELLON EMP BENE COLL INVST FD PLAN	447,600	0.01
119	00521-9859	STA STR GBL ADV LUX SICAV-STA STR GBL EME MKTS INDEX EQT FD	15,400	0.00
120	00521-9925	SUNSUPER SUPERANNUATION FUND	119,100	0.00
121	00521-9933	PEOPLES BANK OF CHINA	1,463,100	0.03
122	00521-9941	BLACKROCK MSCI EQUITY INDEX FUND-PAKISTAN	2,491,300	0.06
123	00521-9958	MSCI EQUITY INDEX FUND B-PAKISTAN	2,047,600	0.05
124	00521-9974	IBM 401K PLUS PLAN	70,500	0.00
125	00521-9982	BMO UCITS ETF ICAV-BMO MSCI EME MKTS INCOME LEAD UCITS ETF	6,700	0.00
126	00521-9990	BRUNEI INVESTMENT AGENCY	32,200	0.00
127	00521-10006	ISHARES III PLC-ISHARE MSCI EM UCITS ETF USD (ACC)	155,900	0.00
128	00521-10014	ISHARES VII PLC-SHARES MSCI EM ASIA UCITS ETF	60,500	0.00
129	00521-10048	ISHARES PLC-ISHARES MSCI EM UCITS ETF USD (DIST)	730,700	0.02
130	00521-10055	ISHARES PLC-ISHARES CORE MSCI EM IMI UCITS ETF	702,500	0.02
131	00521-10436	VOYA EMERGING MARKETS INDEX PORTFOLIO	99,000	0.00
132	00521-10501	SAUDI ARABIAN MONETARY AGENCY	62,200	0.00
133	00521-10741	CSIF (CH) EMERGING MARKETS INDEX BLUE	171,900	0.00
134	00521-10774	UBS ETF-MSCI EMERGING MARKETS UCITS ETF	63,300	0.00
135	00521-10782	MM SELECT EQUITY ASSET FUND	8,400	0.00
136	00521-10790	GAM IN MANG (SWITZ) A F ZUR IN INSTI FDS-ZIF AKTI EM MKT PAS	14,400	0.00
137	00521-10816	FRANKLIN TEMPLETON ETF TRT - FRANK LIBERTYQ EME MKTS ETF	189,000	0.00
138	00521-10824	MGI FUNDS PUBLIC LIMITED COMPANY	99,400	0.00
139	00521-10832	MONETARY AUTHORITY OF SINGAPORE	183,500	0.00
140	00521-10840	SOCIETE GENERALE	492,300	0.01
141	00521-10865	TEACHERS RETIREMENT SYSTEM OF THE STATE OF ILLINOIS	6,300	0.00
142	00547-6622	BNP PARIBAS ARBITRAGE	1,284,600	0.03
143	00695-3242	The Bank of New York [414-2]	8,580,990	0.20
144	00695-3978	JPMorgan Chase Bank [540-4]	119,170	0.00
145	00695-6468	Abu Dhabi Investment Authority (767-0)	2,287,600	0.05

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
146	00695-8381	Barclays Capital Securities Limited (967-4)	423,143	0.01
147	00695-9892	MORGAN STANLEY MAURITIUS COMPANY LIMITED(1130-1)	89,011	0.00
148	00695-10353	STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY POOL	132,000	0.00
149	00695-10817	GOLDMAN SACHS INVESTMENTS (MAURITIUS) I LIMITED [1400-5]	2,736,060	0.06
150	00695-11450	FRANKLIN TEMPLETON INVESTMENTS CORP. [1453-4]	809,000	0.02
151	00695-11708	GLOBAL X FUNDS - GLOBAL X MSCI PAKISTAN ETF	409,900	0.01
152	00695-13944	Morgan Stanley & Co Int'l PLC [163-2]	6,900	0.00
153	00695-14868	MONETARY AUTHORITY OF SINGAPORE	1,228,455	0.03
154	03533-698	Habib Bank AG Zurich, Zurich,Switzerland	124,288	0.00
155	03533-722	HABIB BANK AG ZURICH, DEIRA DUBAI	219,263	0.01
156	06502-755	HABIBSONS BANK LTD - CLIENT ACCOUNT	538,450	0.01
157	00695-14876	GOVERNMENT OF SINGAPORE	7,273,741	0.17
158	93263	M/S STATE STREET BANK & TRUST CO	1	0.00
159	00547-2068	MERRILL LYNCH INTERNATIONAL	1,957,172	0.05
160	00547-2142	LEGAL AND GENERAL ASSURANCE SOCIETY LTD.	79,200	0.00
161	00547-2241	STICHTING PENSIOENFONDS METAAL EX TECHN	96,100	0.00
162	00547-2407	LEGAL & GENERAL ASSURANCE (PENSIONS MANAGEMENT) LTD	2,074,712	0.05
163	00547-2761	J.P. MORGAN SECURITIES PLC	1,449,198	0.03
164	00547-6606	CLSA GLOBAL MARKETS PTE. LTD.	713,010	0.02
165	00547-7133	LEGAL & GENERAL GLOBAL EMERGING MARKETS INDEX FUND	185,804	0.00
166	00547-7141	FUTURE FUND BOARD OF GUARDIANS	187,500	0.00
167	00547-7406	HARDING LOEVNER FUNDS INC-FRONTIER EMERGING MARKET PORTFOLIO	1,173,400	0.03
168	00547-7778	STICHTING PENSIOENFONDS VAN DE METALEKTRO (PME)	48,300	0.00
169	00547-7927	PICTET GLOBAL SELECTION FUND-GLOBAL HIGH YIELD EME. EQ. FUND	6,471,300	0.15
170	00547-8115	EATON VANCE INTL IRLND F.P-EATN V.INTL IRLND PRAMTRIC E.M.F	311,870	0.01
171	00547-8487	NTGI-QM COMMON DIVERSIFIED FRONTIER MARKETS INDEX FUND	1,084,744	0.03
172	00547-8834	ASHMORE SICAV EMERGING MARKET FRONTIER EQUITY FUND	680,300	0.02
173	00547-8859	THE HARDING LOEVNER FRONTIER MARKETS EQUITY FUND	31,200	0.00
174	00547-9089	UNILEVER OVERSEAS HOLDINGS LIMITED	100	0.00
175	00547-9485	HSBC GLOBAL INVESTMENT FUNDS	410,800	0.01
176	00547-9659	ASHMORE EMERGING MARKETS FRONTIER EQUITY FUND	409,400	0.01
177	00547-10012	STCTNG BEDRIJFSTAKPENSIOENFONDS VOR HET BEROEPSVERVOER O.D.W	1,279,900	0.03
178	00547-10053	PICTET GLOBAL SELECTION FUND-GLOBAL GROWING MARKET FUND	28,008	0.00
179	00547-10111	PICTET-EMERGING MARKETS HIGH DIVIDEND	228,500	0.01
180	00547-10681	FANDANGO LIMITED	65,000	0.00
181	00547-11101	EATON VANCE INTERNATIONAL (IRELAND) FUNDS PUBLIC LTD COMPANY	4,400	0.00
182	00547-11275	PICTET-EMERGING MARKETS INDEX	127,500	0.00
183	00547-11341	AUSTRALIAN CATHOLIC SUPERANNUATION AND RETIREMENT FUND	79,100	0.00
184	00547-11465	HARDING LOEVNER FUNDS INC-EMERGING MARKET RESEARCH PORTFOLIO	23,700	0.00
185	00547-11481	LEGAL AND GENERAL ICAV	8,000	0.00
186	00547-11523	LANSFORSKRINGAR TILLVAXTMARKNAD INDEXNARA	77,200	0.00
187	00547-11564	LEGAL & GENERAL COLLECTIVE INVESTMENT TRUST	54,900	0.00
188	00547-11606	VERDIPAPIRFONDET KLP AKSJE FREMVOKSENDE MARKEDER INDEKS I	175,000	0.00
189	00547-11838	PICTET (CH) INSTITUTIONAL-EMERGING MARKETS TRACKER	408,000	0.01
190	00547-11846	DPAM EQUITIES L	100,000	0.00
191	00547-11879	KUWAIT INVESTMENT AUTHORITY	604,900	0.01
192	00547-11895	ISHARES CORE MSCI AC ASIA EX JAPAN INDEX ETF	137,381	0.00
193	00547-11952	STICHTING CUSTODY ROBECO INSTITUTIONAL	138,300	0.00
194	00547-11978	EMERGING EQUITY MOTHER FUND	26,300	0.00
195	00547-11994	STICHTING MN SERVICES AANDELENFONDS EMERGING MARKETS	10,000	0.00
196	00547-12018	NTGI-QM COMON DALY ALL CNTRY WORLD EX-US EQ INDX FND LNDING	27,200	0.00
197	00547-12034	NTGI-QM COMMON DAILY EME MKT EQUITY INDEX FND-NON-LENDIN	76,900	0.00
198	00547-12042	FIDELITY SALEM STREET TRUST FIDELITY SERIES GL EX US INDEX F	143,300	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
199	00547-12083	NORTHERN TRUST COLLECTIVE EME MKT INDX FND-NON-LNDING	1,007,300	0.02
200	00547-12109	NORTHERN TRUST COLLECTIVE EMER MKT INDEX FUND-LENDING	7,600	0.00
201	00547-12133	NORTHERN EMERGING MARKETS EQUITY INDEX FUND	327,100	0.01
202	00547-12158	IRISH LIFE ASSURANCE PUBLIC LIMITED COMPANY	204,100	0.00
203	00695-13084	FIDELITY INVESTMENTS MONEY MANAGEMENT INC. [000911900249]	23,500	0.00
204	06502-5283	TARIIC HOLDING COMPANY BSC (CLOSED)	75,000	0.00
205	00695-12904	COAL STAFF SUPERANNUATION SCHEME TRUSTEES LIMITED [1605-1]	41,600	0.00
206	00695-8464	Morgan Stanley Investment Funds (975-6)	1,390,800	0.03
207	00695-10874	CONSULTING GROUP CAPITAL MARKETS FUNDS [1363-5]	597,262	0.01
208	00695-11302	GOLDMAN SACHS TRUST -GOLDMAN SACHS N-11 EQUITY FUND [1443-1]	462,800	0.01
209	00695-11724	FIDELITY SALEM STREET TRUST [1486-4]	152,100	0.00
210	00695-12193	VANGUARD FUNDS PLC - VG FTSE ALL-WORLD UCITS ETF [1533-0]	37,700	0.00
211	00695-12201	VANGUARD FUNDS PLC - VANGUARD FTSE EM UCITS ETF [1534-4]	225,000	0.01
212	00695-12342	KAPITALFORENINGEN LAERERNES PENSION INVEST [1547-5]	1,554,900	0.04
213	00695-12417	BMA FUNDS LIMITED [PK1555-0]	100,000	0.00
214	00695-12581	VANGUARD FUNDS PUBLIC LIMITED COMPANY [1573-5]	18,000	0.00
215	00695-12953	FRANKLIN TEMPLETON INVESTMENT FUNDS [1610-5]	147,995,323	3.44
216	00695-13308	T. ROWE PRICE FUNDS SICAV - FRONTIER MKTS EQ F[000912600018]	419,900	0.01
217	00695-13373	T.ROWE PRICE INSTITUTIONAL FRONTIER MAKTS EQTY FD[911900257]	161,900	0.00
218	00695-13548	JPMORGAN DIVERSIFIED RETURN EMERGING MARKETS EQUITY ETF	22,700	0.00
219	00695-13589	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	8,487,200	0.20
220	00695-13613	VANGUARD FTSE ALL-WORLD EX-US INDEX FUND	961,100	0.02
221	00695-13621	VANGUARD EMERGING MARKETS STOCK INDEX FUND	11,231,900	0.26
222	00695-13639	VANGUARD TOTAL WORLD STOCK INDEX FUND	122,500	0.00
223	00695-13712	KRANESHARES FTSE EMERGING MARKETS PLUS ETF	10,465	0.00
224	00695-14363	BUMA-UNIVERSAL-FONDS I MGD BY UNIVERSAL-INV-GESELLSCHAFT MBH	226,200	0.01
225	00695-14397	JNL/MELLON CAPITAL EMERGING MARKETS INDEX FUND	280,200	0.01
226	00695-14850	STICHTING PENSIOENFONDS VOOR HUISARTSEN	86,200	0.00
227	00695-14884	GLOBAL X FUNDS-GLOBAL X MSCI PAKISTAN ETF	1,054,540	0.02
228	00695-14892	GLOBAL X FUNDS-GLOBAL X NEXT EMERGING & FRONTIER ETF	12,300	0.00
229	00695-14975	BLACKROCK EMERGING MARKETS INDEX SUB-FUND	1,379,900	0.03
230	00695-15055	INTERNATIONAL EMG STOCK INDEX MSCI EMG NO HEDGE MOTHER FUND	13,000	0.00
231	00695-15162	FSST: FIDELITY GLOBAL EX U.S. INDEX FUND	88,300	0.00
232	00695-15196	FSST-FIDELITY SAI EMERGING MARKETS INDEX FUND	527,500	0.01
233	00695-15204	TCSB AS TRUSTEE FOR MTB PENSION INVESTMENT FUND TRUST 31	8,000	0.00
234	00695-15220	TCSB AS TRUSTEE FOR EMERGING EQUITY PASSIVE MOTHER FUND	42,300	0.00
235	00695-15238	BLACKROCK INDEXED EMERGING MARKETS IMI EQUITY FUND	79,700	0.00
236	00695-15295	VANGUARD INVESTMENT SERIES PLC/VANGUARD EMG MKTS STO IND FD	1,211,200	0.03
237	00695-15311	KYBURG INSTITUTIONAL FUND-AKTIEN EMERGING MARKETS	71,900	0.00
238	00695-15352	THE MASTER TRUST BANK OF JAPAN LTD. AS TRU FOR MUTB400045794	830,500	0.02
239	00695-15360	THE MASTER TRUST BANK OF JAPAN LTD. AS TRU FOR MUTB400045792	250,100	0.01
240	00695-15378	THE MASTER TRUST BANK OF JAPAN LTD. AS TRU FOR MTBJ400045835	221,700	0.01
241	00695-15386	THE MASTER TRUST BANK OF JAPAN LTD. AS TRU FOR MUTB400045796	371,000	0.01
242	00695-15394	THE MASTER TRUST BANK OF JAPAN LTD. AS TRU FOR MUTB400045795	678,600	0.02
243	00695-15402	THE MASTER TRUST BANK OF JAPAN LTD. AS TRU FOR MTBJ400045828	500,000	0.01
244	00695-15436	VANGUARD EMERGING MARKETS SHARES INDEX FUND	129,800	0.00
245	00547-6945	HSBC TRSTE (CAYMAN)LTD AS TRSTE OF FULLERTON FND C1-FVPIC F	328,047	0.01
		<b>245</b>	<b>402,817,408</b>	<b>9.37</b>
<b>Others</b>				
1	483	M/S. ALBARAKA BANK (PAKISTAN) LIMITED - STAFF PROVIDENT FUND	2,053	0.00
2	8369	M/S TRUSTEES NRL WORKMEN PROVIDENT FUND	30,925	0.00
3	8455	M/S ZEENAT HUSSAIN FOUNDATION	5,511	0.00
4	9214	M/S RELIANCE COMMODITIES (PVT) LTD	12,880	0.00



# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
5	9893	M/S TRI-PACK FILMS LTD EMPLOYEES GRATUITY FUND	5,361	0.00
6	9894	M/S TRI-PACK FILMS LTD. EMPLOYEES PROVIDEND FUND	5,361	0.00
7	13522	M/S SEC MANAGEMENT PENSION FUND	15,888	0.00
8	13898	M/S SHAIKH SALIM ALI ALLY ARMS CO.	1,000	0.00
9	16323	M/S EMPLOYEES PENSION FUND-PAKISATAN SECURITY PRINTING	677,555	0.02
10	19205	M/S RELIANCE INSURANCE COMPANY LTD. EMP. PROVIDENT FUND	3,105	0.00
11	23395	M/S TRUSTERS NRL NON, MANAGEMENT STAFF GRATUITY FUND	30,925	0.00
12	24126	M/S SSG NON-EXEC. STAFF GRATUITY FUND	45,963	0.00
13	24127	M/S SSG EXEC. STAFF PROVIDENT FUND	211,380	0.00
14	24128	M/S SSG NON-EXEC. STAFF PROVIDENT FUND	151,229	0.00
15	24129	M/S SSG EXEC. STAFF GRATUITY FUND	45,963	0.00
16	24567	M/S DESCON STAFF PROVIDENT FUND TRUST	10,173	0.00
17	32163	M/S HIGHNOON LABORATORIES LTD STAFF PROVIDENT FUND	4,609	0.00
18	36417	M/S SIEMENS PAK SPECIAL ASSIST	14,985	0.00
19	37971	M/S ANOUD GAS LIMITED	2,353	0.00
20	38959	M/S FATIMA FOUNDATION	2,353	0.00
21	44076	M/S LOWE & PAUF STAFF PROVIDENT FUND	8,369	0.00
22	44281	M/S ROCHE PAKISTAN LIMITED NON MANAGEMENT STAFF GR. FUND	1,301	0.00
23	44438	M/S AIDY VEE & COMPANY (PVT) LTD. STAFF PROVIDEND FUND	1,602	0.00
24	44999	M/S INTERNATIONAL AERADIO PAKISTAN LTD. STAFF PRV. FUND	1,301	0.00
25	46298	M/S DIVERSIFIED LOGISTICS PVT.	1,000	0.00
26	46350	M/S KARACHI AMERICAN SOCIETY SCHOOL EMPL. PROVIDENT FUND	5,361	0.00
27	46538	M/S TRANSCONTINENTAL SERVICES STAFF P.F.	1,301	0.00
28	46545	M/S TAQ ENTERPRISES STAFF PROV.	2,353	0.00
29	46554	M/S TAQ INTERNATIONAL STAFF	2,654	0.00
30	47230	M/S THE EASTERN TRADE DISTRIBUTION COMP (PVT) LTD.	1,000	0.00
31	47234	M/S SURGE LABORATORIES (PVT) LTD. EMPLOYEES PROVIDENT FUND	1,301	0.00
32	47239	M/S NABIQASIM INDUSTES (PVT) LTD. EMPLOYEES PROVIDENT FUND	2,504	0.00
33	51285	M/S RURAL DEVELOPMENT FOUNDATION	1,752	0.00
34	66664	M/S SHAIKH SALIM ALI TRUST	1,000	0.00
35	82298	M/S H.M NASIR & CO	500	0.00
36	85417	M/S FATIMA FOUNDATION WELFARE TRUST	835	0.00
37	88189	M/S REDCO TEXTILE LTD.	500	0.00
38	88569	M/S DYNAMIC COMPUTER SYSTEM	500	0.00
39	89143	M/S KARACHI AMERICAN SOCIETY SCHOOL EMPLOYEES PROVIDENT FUND	3,681	0.00
40	89144	M/S KARACHI AMERICAN SOCIETY SCHOOL EMPLOYEES GRATUITY FUND	3,681	0.00
41	90072	M/S CAPITAL FLOUR MILLS LIMITED	500	0.00
42	90073	M/S S. SALIM ALI (PVT.) LIMITED	500	0.00
43	90074	M/S ALLY BROS & CO.	500	0.00
44	93300	M/S AHMED GARIB FOUNDATION	4,000	0.00
45	94473	MST. PHILLIPA DARGO JANJUA	1,000	0.00
46	00307-70213	PAKISTAN HERALD PUBLICATIONS (PVT) LTD. STAFF PENSION FUND	7,000	0.00
47	00356-3631	QUICE FOOD INDUSTRIES LIMITED	4,000	0.00
48	00364-13688	Trustees Kuehne & Nagel Pakistan SPF	500	0.00
49	00364-16558	Trustees Himont Pharama Employee P.F.	8,369	0.00
50	00364-19255	PRUDENTIAL STOCKS FUND LTD (03360)	6,500	0.00
51	00513-32	RAHAT SECURITIES LIMITED	500	0.00
52	00521-5865	DESCON CHEMICALS LIMITED GRATUITY FUND	1,600	0.00
53	00547-6424	TRUSTEE - IBM ITALIA S.P.A. PAKISTAN EMPLOYEES PENSION FUND	620	0.00
54	00547-6432	TRUSTEE - IBM ITALIA S.P.A. PAKISTAN EMPLOYEES GRATUITY FUND	1,040	0.00
55	00547-6457	TRUSTEE - IBM SEMEA EMPLOYEES PROVIDENT FUND	23,250	0.00
56	00547-8651	UNILEVER PAKISTAN LIMITED NON-MANAGEMENT STAFF GRATUITY FUND	1,730	0.00
57	00547-8669	THE UNION PAKISTAN PROVIDENT FUND	60,500	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
58	00547-8685	UNILEVER PAKISTAN DC PENSION FUND (SUB FUND B)	27,500	0.00
59	00547-8701	TRUSTEE-RAFHAN BEST FOODS EMPLOYEES PROVIDENT FUND	8,100	0.00
60	00547-8719	TRUSTEE-RAFHAN BEST FOODS LIMITED EMPLOYEES GRATUITY FUND	560	0.00
61	00547-10186	WYETH PAKISTAN DC PENSION FUND	5,200	0.00
62	00547-10194	PFIZER PAKISTAN DC PENSION FUND	27,200	0.00
63	00547-10251	PFIZER PAKISTAN PROVIDENT FUND	34,600	0.00
64	00547-11176	ENI PAKISTAN PROVIDENT FUND	12,500	0.00
65	00596-34	CAPITAL ONE EQUITIES LIMITED.	500	0.00
66	00620-21	TAURUS SECURITIES LIMITED	8	0.00
67	00695-10684	TRUSTEE PAK TOBACCO CO. LTD MANAGEMENT PROV FUND (1386-2)	54,000	0.00
68	00695-10692	TRUSTEE PAK TOBACCO CO. LTD EMPLOYEES PROVIDENT FUND(1385-5)	49,300	0.00
69	00695-10700	TRUSTEE PAK TOBACCO CO LTD EMPLOYEES GRATUITY FUND(1383-4)	79,900	0.00
70	00695-10718	TRUSTEE PAK TOBACCO CO LTD STAFF DEF CONTRI PEN FD (1384-1)	18,150	0.00
71	00695-10759	TRUSTEE PAK TOBACCO CO LTD STAFF PENSION FUND [1390-2]	328,500	0.01
72	00695-14066	TRUSTEE-SHELL PAKISTAN MANAGEMENT STAFF PROVIDENT FUND	25,100	0.00
73	00695-14074	TRUSTEE-SHELL PAKISTAN MANAGEMENT STAFF GRATUITY FUND	1,600	0.00
74	00695-14082	TRUSTEE-SHELL PAKISTAN LABOUR & CLERICAL STAFF GRATUITY FUND	4,400	0.00
75	00695-14090	TRUSTEE-SHELL PAKISTAN LABOUR PROVIDENT FUND	4,700	0.00
76	00695-14108	TRUSTEE-SHELL PAKISTAN DC PENSION FUND	36,000	0.00
77	00695-14116	TRUSTEE-SHELL PAKISTAN STAFF PENSION FUND	740	0.00
78	00695-14132	TRUSTEE-SHELL PAKISTAN MANAGEMENT STAFF PENSION FUND	55,000	0.00
79	00935-38040	TRUSTEE CITY SCHOOLS PROVIDENT FUND TRUST	30,000	0.00
80	01339-34	INTERMARKET SECURITIES LIMITED	1,500	0.00
81	01446-866	Trustee - MCB Employees Pension Fund	400,000	0.01
82	01651-13749	TARIK RASHID (PRIVATE) LIMITED	1,600	0.00
83	01651-19506	TRUSTEE PAK HERALD PUBLICATIONS (PVT) LTD STAFF GRATUITYFUND	9,500	0.00
84	01651-24811	Trustee Pak Herald Publications (Pvt) Ltd Staff Pension Fund	19,000	0.00
85	01651-24852	TRUSTEE OF CITY SCHOOLS PROVIDENT FUND TRUST	10,000	0.00
86	01669-26	SHAFFI SECURITIES (PVT) LIMITED	910	0.00
87	01826-34	BMA CAPITAL MANAGEMENT LTD.	17,300	0.00
88	01826-44891	TRUSTEE - ENGRO FOODS LTD EMPLOYEES GRATUITY FUND	15,000	0.00
89	01826-65920	TRUSTEE - THE PAKISTAN MEMON EDUCATIONAL & WELAFRE SOCIETY	9,000	0.00
90	01826-66951	TRUSTEE - SULAIMANIYAH TRUST	20,000	0.00
91	01826-76562	UNITED TRADING & MANUFACTURING (PVT) LTD	3,000	0.00
92	01826-79632	TRUSTEE - BMA ASSET MANAGEMENT CO LTD. STAFF PROVIDENT FUND	500	0.00
93	01826-80234	TRUSTEE - AZAN WELFARE TRUST	3,000	0.00
94	01826-87163	M. N. TEXTILES (PRIVATE) LIMITED	10,000	0.00
95	01826-89086	TRUSTEE-ALCATEL-LUCENT PAKISTAN LIMITED GRATUITY FUND TRUST	17,000	0.00
96	01826-93476	SIDDIQ LEATHER WORKS (PVT) LIMITED	45,000	0.00
97	01917-33	PRUDENTIAL SECURITIES LIMITED	1,861	0.00
98	02543-623	W. H. Associates (Pvt) Ltd.	3,000	0.00
99	02832-2798	IMPERIAL DEVELOPERS AND BUILDER (PRIVATE) LIMITED	165,800	0.00
100	03277-385	NATIONWIDE (PVT) LTD	2,000	0.00
101	03277-460	DAWOOD FOUNDATION	23,100	0.00
102	03277-1339	PREMIER FASHIONS (PVT) LTD	211,000	0.00
103	03277-2083	TRUSTEES OF ABBOTT LAB PAK STAFF P.F	247,303	0.01
104	03277-2102	THE AGA KHAN UNIVERSITY FOUNDATION	268,600	0.01
105	03277-2132	TARIK RASHID (PVT) LIMITED	300	0.00
106	03277-2404	MOHAMAD AMIN BROS (PVT) LIMITED	6,500	0.00
107	03277-2509	TRUSTEES GATRON IND LTD WORKERS PRV FUND	5	0.00
108	03277-3397	PAKISTAN MEMON EDUCATIONAL & WELFARE SOC	4,000	0.00
109	03277-3785	TRUSTEE CHERAT CEMENT CO.LTD.EMP.PRO.FND	20,369	0.00
110	03277-4230	CRESCENT STEEL AND ALLIED PRODUCTS LTD.	70,000	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
111	03277-4231	TRUSTEES MOOSA LAWAI FOUNDATION	6,000	0.00
112	03277-4275	TRUSTEES NRL OFFICERS PROVIDENT FUND	11,353	0.00
113	03277-4841	BULK MANAGEMENT PAKISTAN (PVT.) LTD.	296,346	0.01
114	03277-4865	SHAKOO (PVT) LTD.	65,051	0.00
115	03277-4931	SOFIAN BUSINESS CORPORATION (PRIVATE) LIMITED	263,000	0.01
116	03277-5061	FREEDOM ENTERPRISES (PVT) LTD	6,000	0.00
117	03277-5360	TRUSTEES ROCHE PAK LTD.MANG.STAFF PEN.FD	5,511	0.00
118	03277-5361	TRUSTEES ROCHE PAK LTD.EMP.PROV FUND	5,511	0.00
119	03277-5362	TRUSTEES ROCHE PAK LTD.MAN.STAFF GR.FND	3,105	0.00
120	03277-6084	THE HUSEIN EBRAHIM FOUNDATION	11,057	0.00
121	03277-6150	THE OKHAI MEMON ANJUMAN	42,000	0.00
122	03277-7146	THE OKHA MANDAL CO-OP HOUSING SOC. LTD	3	0.00
123	03277-7421	TRUSTEES SAEEDA AMIN WAKF	300,000	0.01
124	03277-7633	TRUSTEES MOHAMAD AMIN WAKF ESTATE	500,000	0.01
125	03277-7652	ISMAILIA YOUTH SERVICES	30,000	0.00
126	03277-7927	TRUSTEES BARRETT HODGSON PAK PVT.LTD.G.F	4,308	0.00
127	03277-7928	TRUSTEES BARRETT HODGSON PAK PVT.LTD.P.F	4,158	0.00
128	03277-8265	TRUSTEES ALAUDDIN FEERASTA TRUST	5,000	0.00
129	03277-8809	TRUSTEES PAKISTAN PETROLEUM JUNIOR P.F	26,181	0.00
130	03277-8810	TRUSTEES PAKISTAN PETROLEUM SENIOR P.F	38,585	0.00
131	03277-8811	TRUSTEES PAK.PETROLEUM EXEC.STAFF PN.F	102,465	0.00
132	03277-8812	TRUSTEES PAK.PETROLEUM NON-EXEC.STF PN.F	21,695	0.00
133	03277-8813	TRUSTEES PAK.PETROLEUM EXEC.STAFF GR.F	16,351	0.00
134	03277-8814	TRUSTEES PAK.PETROLEUM NON-EXEC.STF GR.F	19,950	0.00
135	03277-9199	LOADS LIMITED	63	0.00
136	03277-9292	TRUSTEE QASIM INT CONT TER. PAK EMP P.F.	162	0.00
137	03277-9352	TRUSTEES CRESCENT STEEL&ALLIED PROD PN.F	10,000	0.00
138	03277-9981	TRUSTEES OF FAROUKH&ROSHEN KARANI TRUST	5,000	0.00
139	03277-11151	BANDENAWAZ (PVT) LTD	5,000	0.00
140	03277-11276	TURSTEES CLOVER PAK LTD EMP.CONT.P.F	1,500	0.00
141	03277-11277	TRUSTEES COLGATE PALMOLIVE PAK E.C.P.F	24,910	0.00
142	03277-11278	TRUSTEES COLGATE PALMOLIVE PAK LTD E.G.F	12,880	0.00
143	03277-11284	TRUSTEES OF PHILIP MORRIS (PAKISTAN) LIMITED EMPL G.F TRUST	12,300	0.00
144	03277-11285	TRUSTEES OF PHILIP MORRIS (PAKISTAN) LIMITED E.C.P.F TRUST	26,500	0.00
145	03277-11413	TRUSTEES OF FFC MGNT STAFF PENSION FUND	100,000	0.00
146	03277-11924	FAZAL HOLDINGS (PVT.) LIMITED	1,400,000	0.03
147	03277-12637	TRUSTEES LOTTE CHEMICAL PAKISTAN MNGT STAFF GRATUITY FUND	10,100	0.00
148	03277-12796	TRUSTEES OF ZEL EMPLOYEES P.FUND	2,353	0.00
149	03277-13122	MANG.COM.KARACHI ZARTHOSTI BANU MANDAL	3,857	0.00
150	03277-13154	TRUSTEES HOMMIE&JAMSHED NUSSERWANJEE C.T	50,000	0.00
151	03277-13417	MNG. COMMITTEE OKHAI MEMON MADRESSAH ASSO	75,609	0.00
152	03277-14004	TRUSTEES LOTTE CHEMICAL PAKISTAN NON MGN STAFF G.FUND	240	0.00
153	03277-14005	TRUSTEES LOTTE CHEMICAL PAKISTAN MNG STAFF PROVIDENT FUND	18,000	0.00
154	03277-14818	TRUSTEES ADAMJEE ENTERPRISES STAFF P.F	4,500	0.00
155	03277-15506	TRUSTEES PERAC MNG&SUPERVISORY S.PEN FND	1,472	0.00
156	03277-16893	TRUSTEES AUTOMOTIVE BATTERY CO.EMP.P.F	2,353	0.00
157	03277-16894	TRUSTEES AUTOMOTIVE BATTERY CO.EMP.GR.F	2,353	0.00
158	03277-18010	TRUSTEES-ICI M.S.D.C SUPERANNUATION FUND	517	0.00
159	03277-18575	TRUSTEES MOHAMMAD USMAN HAJRABI TRUST	2,605	0.00
160	03277-18963	TRUSTEES OF HAJI MOHAMMED WELFARE TRUST	140,000	0.00
161	03277-19048	TRUSTEES LOTTE CHEMICAL PAKISTAN MGT.STAFF DEF. CONT. S.FUND	14,500	0.00
162	03277-19140	TRUSTEES OF ICI PAKISTAN MNG STAFF GF	516	0.00
163	03277-21988	TRUSTEES EXIDE PAKISTAN LTD EMP.GR.FUND	2,654	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
164	03277-22406	MEHRAN SUGAR MILLS LTD	100,000	0.00
165	03277-23841	TRUSTEES MCB EMPLOYEES FOUNDATION	8,369	0.00
166	03277-26842	TRUSTEES AL-BADER WELFARE TRUST	37,800	0.00
167	03277-26972	WESTBURY (PRIVATE) LTD	509,700	0.01
168	03277-34600	TRUSTEES LINDE PAKISTAN LTD MANAGEMENT STAFF PENSION FUND	8,369	0.00
169	03277-34620	TRUSTEES LINDE PAKISTAN LIMITED PAKISTAN EMP GRATUITY FUND	5,361	0.00
170	03277-38435	PREMIER MERCANTILE SERVICES (PRIVATE) LIMITED	5,000	0.00
171	03277-41265	MANAGEMENT & ENTERPRISES (PVT) LIMITED	1,602	0.00
172	03277-44509	MANAGING COMMITTEE OF MEMON EDUCATIONAL BOARD	2,500	0.00
173	03277-45542	NAVEENA EXPORTS (PVT) LTD	465,800	0.01
174	03277-45638	TRUSTEES GLAXO SMITHKLINE PAK LTD. EMPLOYEES GRATUITY FUND	73,000	0.00
175	03277-45640	TRUSTEES WELLCOME PAKISTAN LTD. PROVIDENT FUND	75,200	0.00
176	03277-45641	TRUSTEES GLAXO LABORATORIES PAKISTAN LTD. PROVIDENT FUND	9,000	0.00
177	03277-45642	TRUSTEES GLAXO LABORATORIES PAK LTD. LOCAL STAFF P.F	20,500	0.00
178	03277-45643	TRUSTEES SMITH KLINE & FRENCH OF PAK LTD. PROVIDENT FUND	42,000	0.00
179	03277-47074	GULISTAN FIBRES LIMITED	16	0.00
180	03277-48792	TRUSTEES OF GREAVES PAKISTAN (PVT) LTD. EMP PROVIDENT FUND	12,000	0.00
181	03277-50199	VALIKA TRADING HOUSE (PRIVATE) LIMITED	500	0.00
182	03277-50590	TECHNOLOGY LINKS (PVT.) LIMITED	39,000	0.00
183	03277-51945	TRUSTEES E.F.U. GENERAL INS. LTD. EFU OFFICER'S PENSION FUND	21,000	0.00
184	03277-51947	TRUSTEES E.F.U. GENERAL INSURANCE LIMITED EMP. GRATUITY FUND	65,000	0.00
185	03277-52198	TRUSTEES OF CHERAT PACKAGING LTD EMPLOYEES PROVIDENT FUND	4,609	0.00
186	03277-55836	LINES (PRIVATE) LIMITED	500	0.00
187	03277-57693	MAGNUS INVESTMENT ADVISORS LIMITED	100	0.00
188	03277-61129	TRUSTEE NATIONAL REFINERY LTD. MANAGEMENT STAFF PENSION FUND	46,828	0.00
189	03277-61170	HABIB SAFE DEPOSIT VAULT (PVT) LTD	5,000	0.00
190	03277-63669	TRUSTEE OF HAJI MOHAMMED BENEVOLENT TRUST	46,000	0.00
191	03277-64627	DOSSA COTTON & GENERAL TRADING (PVT) LIMITED	110,000	0.00
192	03277-72926	TRUSTEE OF FIRST HABIB MODARABA EMPLOYEES CONTRIBUTORY P.F	5,000	0.00
193	03277-74182	THE TRUSTEES OF EXIDE PAKISTAN LTD. SENIOR STAFF PROV. FUND	3,857	0.00
194	03277-74416	THE TRUSTEES OF EXIDE PAKISTAN LIMITED PROVIDENT FUND	2,955	0.00
195	03277-74557	TRUSTEES OF ADAMJEE INSURANCE COMPANY LTD. EMP. PROV. FUND	8,369	0.00
196	03277-74694	TRUSTEES OF MAGNUS INVESTMENT ADVISORS LTD. EMPL. PROV. FUND	700	0.00
197	03277-76863	TRUSTEES OF PAKISTAN REFINERY LTD MANAG. STAFF GRATUITY FUND	4,000	0.00
198	03277-76866	TRUSTEES OF PAKISTAN REFINERY LTD PROVIDENT FUND	29,000	0.00
199	03277-78335	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	77,700	0.00
200	03277-78616	TRUSTEES THE GENERAL TYRE&RUBBER CO OF PAKISTAN LTD EMPL G.F	6,500	0.00
201	03277-78974	CS CAPITAL (PVT) LTD	86,000	0.00
202	03277-79595	TRUSTEES OF ZENSOFT (PVT) LTD EMPL. PROVIDENT FUND	1,500	0.00
203	03277-81682	TRUSTEES OF CRESENT STEEL & ALLIED PRODUCTS LTD-PENSION FUND	3,085	0.00
204	03277-82127	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	2,726	0.00
205	03277-82362	TRUSTEES OF KHATIDA ADAMJEE FOUNDATION	2,500	0.00
206	03277-83462	NADEEM INTERNATIONAL (PVT.) LTD.	1,000	0.00
207	03277-86315	SKYLINE ENTERPRISES (PVT) LTD	309,860	0.01
208	03277-86759	SOORTY ENTERPRISES (PVT) LTD.	906,690	0.02
209	03277-89136	ABRIS (PVT) LTD	85,000	0.00
210	03277-91890	TRUSTEES H. J. BEHRANA PARSİ FIRE TEMPLE T	25,000	0.00
211	03277-92131	ARKAD CONSULTANTS PRIVATE LIMITED	2,075	0.00
212	03277-93071	EFULAL-MANAGED GROWTH FUND	400,000	0.01
213	03277-93469	TRUSTEES OF BRISTOL-MYERS SAQUIBB PAKISTAN(PVT)LTD EMP P.F	5,500	0.00
214	03350-22	ZAHİD LATİF KHAN SECURITIES (PVT) LTD.	4,402	0.00
215	03525-1974	NAGINA COTTON MILLS LIMITED	25,000	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
216	03525-1990	ELLCOT SPINNING MILLS LIMITED	25,000	0.00
217	03525-2002	PROSPERITY WEAVING MILLS LTD.	25,000	0.00
218	03525-6645	TRUSTEES PACKAGES LTD.MGT.STAFF PEN.FUND	4,158	0.00
219	03525-15026	PAK PING CARPETS (PVT)LTD	2,602	0.00
220	03525-48327	SURAJ COTTON MILLS LTD.	400,000	0.01
221	03525-48329	CRESCENT POWERTEC LIMITED	20,000	0.00
222	03525-61184	PITCO (PVT) LTD	9,398	0.00
223	03525-63817	NH SECURITIES (PVT) LIMITED.	6	0.00
224	03525-64045	NH CAPITAL FUND LTD	1,000	0.00
225	03525-66811	TRUSTEES NESTLE PAKISTAN LTD MANAGERIAL STAFF PENSION FUND	207,949	0.00
226	03525-66812	TRUSTEES NESTLE PAKISTAN LTD EMPLOYEES PROVIDENT FUND	180,077	0.00
227	03525-66813	TRUSTEES NESTLE PAKISTAN LTD EMPLOYEES GRATUITY FUND	131,612	0.00
228	03525-86739	COMBINED FABRICS LIMITED	15,000	0.00
229	03525-87235	MAPLE LEAF CAPITAL LIMITED	1	0.00
230	03525-89276	SIDDIQ LEATHER WORKS (PVT.) LIMITED	55,000	0.00
231	03525-89724	SUNRAYS TEXTILE MILLS LIMITED	17,200	0.00
232	03525-91079	TRUSTEES LEINER PAK GELATINE LTD EMPLOYEES PROVIDENT FUND	2,500	0.00
233	03574-25	PROGRESSIVE INVESTMENT MANAGEMENT (PVT) LTD.	2,100	0.00
234	04010-21	FAWAD YUSUF SECURITIES (PVT.) LIMITED	263,700	0.01
235	04085-24	MRA SECURITIES LIMITED	1,500	0.00
236	04143-1297	AL MASOOM (PVT) LTD	7,000	0.00
237	04184-22	AZEE SECURITIES (PRIVATE) LIMITED	100	0.00
238	04218-27	LAKHANI SECURITIES (PVT) LTD.	75,000	0.00
239	04234-25	RAFI SECURITIES (PRIVATE) LIMITED	5,000	0.00
240	04317-25	DALAL SECURITIES (PVT) LTD.	2,500	0.00
241	04317-9927	DHORAJI YOUTH SERVICES FOUNDATION	5,000	0.00
242	04333-8109	MYCON PVT LIMITED	28	0.00
243	04341-22	ORIENTAL SECURITIES (PVT) LTD.	2,000	0.00
244	04366-20	MULTILINE SECURITIES (PVT) LIMITED	9,500	0.00
245	04440-20	ZAFAR MOTI CAPITAL SECURITIES (PVT) LTD.	9,701	0.00
246	04481-26	DOSSLANI'S SECURITIES (PVT) LIMITED	600	0.00
247	04705-5470	BOARD OF TRUSTEES, FEB & GIF, IBD	355,095	0.01
248	04705-10542	TRUSTEES OF FFC EMPLOYEES PROVIDENT FUND	575,000	0.01
249	04705-48962	SHAKIL EXPRESS (PVT) LTD	16,388	0.00
250	04705-51363	KASHMIR WALA SON'S (PVT) LIMITED	500	0.00
251	04705-65373	ASSOCIATED CONSULTANCY CENTRE (PVT) LIMITED	2,000	0.00
252	04705-66337	TRUSTEES FAUJI FERTILIZER BIN QASIM LTD. PROVIDENT FUND	150,000	0.00
253	04705-69173	TRUSTEES OF ARL MANAGEMENT STAFF PENSION FUND	5,000	0.00
254	04705-78456	TRUSTEES OF PAKISTAN MOBILE COMMUNICATION LTD-PROVIDENT FUND	79,000	0.00
255	04804-20205	FORTRESS TEXTILE PRIVATE LIMITED	38,800	0.00
256	04879-28	AKHAI SECURITIES (PRIVATE) LIMITED	4,912	0.00
257	05074-966	Frontier Education Foundation	46,985	0.00
258	05074-1162	Trustees Basic Education & Skill Develop	47,768	0.00
259	05264-21	JS GLOBAL CAPITAL LIMITED	20,000	0.00
260	05264-1276	JAHANGIR SIDDIQUI & CO. LTD.	180,000	0.00
261	05264-3751	TRUSTEE-THE BHAIMIA FOUNDATION	70,776	0.00
262	05264-21035	NATIONAL RURAL SUPPORT PROGRAMM	94,636	0.00
263	05306-25	FAIR EDGE SECURITIES (PRIVATE) LIMITED	5,000	0.00
264	05314-24	INVESTFORUM (SMC-PVT) LIMITED	500	0.00
265	05348-21	HH MISBAH SECURITIES (PRIVATE) LIMITED	1,000	0.00
266	05512-73604	TRUSTEE - CITY SCHOOLS PROVIDENT FUND TRUST	20,000	0.00
267	05660-1806	STANLEY HOUSE INDUSTRIES (PVT) LTD.	25,000	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
268	05660-12829	COMBINED FABARICS LIMITED	55,000	0.00
269	05736-15	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	663,000	0.02
270	05884-4606	ORION INVESTMENTS (PVT) LTD. 001158	500	0.00
271	05892-25	MONEYLINE SECURITIES (PRIVATE) LIMITED	750	0.00
272	06270-29	GROWTH SECURITIES (PVT) LTD.	500	0.00
273	06353-29	SHIRAZI INVESTMENTS (PVT) LIMITED	208,500	0.00
274	06452-3112	SIDDIQSONS DENIM MILLS LTD.STAFF PROVIDENT FUND	50	0.00
275	06452-15645	TRUSTEE GREAVES PAKISTAN (PVT) LTD EMPLOYEES PROVIDENT FUND	5,000	0.00
276	06452-22971	TRUSTEE GREAVES PAKISTAN (PVT) LTD STAFF GRATUITY FUND	5,000	0.00
277	06452-28028	TRUSTEE FEROSONS LABORATORIES LTD EMPLOYEES P.F	5,000	0.00
278	06452-36443	TRUSTEE HI-TECH LUBRICANTS LTD EMP PROVIDENT FUND TRUST	10,000	0.00
279	06452-37920	RELIANCE SACKS LIMITED	2,000	0.00
280	06502-4740	PERIDOT PRODUCTS (PVT) LIMITED	33,000	0.00
281	06601-11354	HIGHLINK CAPITAL (PVT)LIMITED	1,000	0.00
282	06650-22	SAAO CAPITAL (PVT) LIMITED	5,000	0.00
283	06676-2323	TRUSTEES THAL LTD. - EMPLOYEES PROVIDENT FUND	88	0.00
284	06676-3412	BANDENAWAZ (PVT) LTD.	3,500	0.00
285	06676-4287	RAHIMTOOLA MANAGEMENT (PVT) LTD	500	0.00
286	06676-6076	TRUSTEE - IFFAT INAMUR RAHIM WELFARE TRUST	2,000	0.00
287	06676-6712	TRUSTEES AGRIAUTO IND.LTD. EMPL.PROV.FUND	3,105	0.00
288	06874-3731	RYK MILLS LIMITED	100	0.00
289	06981-23	FAIR DEAL SECURITIES (PVT) LTD.	321	0.00
290	07054-24	BHAYANI SECURITIES (PVT) LTD.	1,000	0.00
291	07179-5623	MUHAMMAD BASHIR KASMANI SECURITIES (PVT) LIMITED	5,200	0.00
292	07278-28	WASI SECURITIES (SMC-PVT) LTD.	4	0.00
293	07286-27	DR. ARSLAN RAZAQUE SECURITIES (SMC-PVT) LTD.	72	0.00
294	07328-21	TS SECURITIES (PVT) LTD.	2,000	0.00
295	07344-29	GMI CAPITAL SECURITIES (PVT) LTD.	10,000	0.00
296	07351-697	COLONY MILLS LIMITED(22003)	89	0.00
297	07385-25	ISMAIL ABDUL SHAKOOR SECURITIES (PRIVATE) LIMITED	19	0.00
298	07419-11316	FALCON-I (PRIVATE) LIMITED	1,000	0.00
299	07450-26	DAWOOD EQUITIES LTD.	5,000	0.00
300	08847-1447	Crescent Standard Business Management (Pvt) Limited	1	0.00
301	09787-24	SNM SECURITIES (PVT) LTD.	1,000	0.00
302	10231-27	MSMANIAR FINANCIALS (PVT) LTD.	851	0.00
303	10298-1755	TRUSTEES BILQUIS LATIF JAMAL TRUST	51	0.00
304	10298-6432	SAFE WAY FUND LIMITED	350,000	0.01
305	10470-29	GPH SECURITIES (PVT.) LTD.	25,000	0.00
306	10611-20	AKD SECURITIES LIMITED - AKD TRADE	5	0.00
307	10629-1118	TRUSTEE KARACHI PARSII ANJUMAN TRUST FUND	5,000	0.00
308	10629-49752	DMS RESEARCH (PVT) LTD	79	0.00
309	10629-64934	TRUSTEE CHERAT CEMENT COMPANY LTD.STAFF GRATUITY FUND	15,000	0.00
310	10629-135023	THE SHAHID JAVED BURKI INSTITUTE OF PUBLIC POLICY AT NET SOL	7,500	0.00
311	11072-16436	SOFCOM (PRIVATE) LIMITED	200	0.00
312	11544-5159	PRUDENTIAL DISCOUNT & GUARANTEE HOUSE LIMITED	2,000	0.00
313	11544-5332	TRUSTEE - GREAVES PAKISTAN (PVT) LTD. - STAFF GRATUITY FUND	2,000	0.00
314	11544-6959	UNITED TOWEL EXPORTERS (PVT) LIMITED	8,700	0.00
315	11544-11520	HABIB EDUCATION TRUST STAFF PROVIDENT FUND	7,000	0.00
316	11692-21	ABA ALI HABIB SECURITIES (PVT) LIMITED	50,000	0.00
317	12203-12148	MERIN (PRIVATE) LIMITED	6,500	0.00
318	12286-20	JSK SECURITIES LIMITED	1,500	0.00
319	12369-20	INA SECURITIES (PVT) LTD	5,000	0.00
320	12401-701	TRUSTEE-AL-MUSTAFA TRUST	1,000	0.00



# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
321	12666-585	Trustees of PharmEvo Pvt. Ltd. Employees Provident Fund	13,400	0.00
322	12666-601	Trustees of Karachi Sheraton Hotel Employees Provident Fund	568	0.00
323	12666-700	ISPI Corporation (Private) Limited	21,500	0.00
324	12666-858	Trustees Engro Corporation Limited Provident Fund	187,500	0.00
325	12666-890	Trustees of TCS (Pvt.)Ltd.Employee Provident Fund Trust	12,050	0.00
326	12666-908	Trustees of GETZ PHARMA Pakistan (Pvt) Limited-EPF	12,600	0.00
327	12666-1120	Trustees of Pakistan Human Development Fund	53,500	0.00
328	12666-1203	TRUSTEE DESCON POWER SOLUTIONS (PVT) LTD EMP PROV FUND TRUST	12,700	0.00
329	12666-1302	Trustee of Pak. Herald Publications (Pvt.) Ltd.-SPF	18,000	0.00
330	12666-1476	ELLCOT SPINNING MILLS. LIMITED	42,500	0.00
331	12690-509	TRUSTEES INTERNATIONAL INDUST. LTD EMPLOYEES PROVIDENT FUND	19,200	0.00
332	12690-517	TRUSTEES INTERNATIONAL INDUST. LTD EMPLOYEES GRATUITY FUND	27,500	0.00
333	12690-533	TRUSTEES INTERNATIONAL STEELS LTD EMPLOYEES GRATUITY FUND	4,600	0.00
334	12690-541	TRUSTEES INTERNATIONAL STEELS LTD EMPLOYEES PROVIDENT FUND	6,100	0.00
335	12690-566	TRUSTEES THALL LIMITED- EMPLOYEES RETIREMENT BENEFIT FUND	4,500	0.00
336	12690-574	TRUSTEES THALL LIMITED- EMPLOYEES PROVIDENT FUND	30,900	0.00
337	12690-608	TRUSTEES MAPLE LEAF CEMENT FACTORY LTD EMPLOYEES PROV FUND	12,100	0.00
338	12690-822	TRUSTEES INDUS MOTOR COMPANY LTD EMPLOYEES PROVIDENT FUND	43,400	0.00
339	12690-830	TRUSTEES INDUS MOTOR COMPANY LIMITED EMPLOYEES PENSION FUND	23,800	0.00
340	12690-863	TRUSTEES ENGR CORP LTD MPT EMPLOYEES DEF CONT GRATUITY FUND	15,000	0.00
341	12690-871	TRUSTEES ENGR CORP LTD MPT EMPLOYEES DEF CONTR PENSION FUND	86,000	0.00
342	12690-889	TRUSTEES ENGR CORP LTD MPT EMPLOYEES DEF CONTR PENSION FUND	42,700	0.00
343	12690-897	TRUSTEES HABIB HIGH SCHOOL TRUST	10,900	0.00
344	12690-905	TRUSTEES HABIB GIRLS SCHOOL TRUST	5,700	0.00
345	12690-947	PROSPERITY WEAVING MILLS LIMITED	32,700	0.00
346	12690-1002	NAGINA COTTON MILLS LIMITED	20,200	0.00
347	12690-1028	TRUSTEES RECKITT BENCKISER PAKISTAN LTD STAFF PROVIDENT FUND	5,000	0.00
348	12690-1069	PAKISTAN CENTRE FOR PHILANTHROPY	6,800	0.00
349	12724-751	SINDH GENERAL PROVIDENT INVESTMENT FUND	1,140,000	0.03
350	13748-592	TRUSTEE-MILLAT TRACTORS LTD. EMPLOYEES PENSION FUND	61,900	0.00
351	13748-659	TRUSTEE-THE KOT ADDU POWER CO. LTD. EMPLOYEES PROVIDENT FUND	22,200	0.00
352	13748-667	TRUSTEE-THE KOT ADDU POWER CO. LTD. EMPLOYEES PENSION FUND	62,700	0.00
353	13748-691	AKHUWAT	6,300	0.00
354	13748-857	SUKKUR INSTITUTE OF BUSINESS ADMINISTRATION	1,300	0.00
355	13748-980	TRUSTEE - GUL AHMED TEXTILE MILLS LTD. EMP. PROVIDENT FUND	5,000	0.00
356	14084-22	FORTRESS FINANCIAL SERVICES (PVT.) LIMITED	10,000	0.00
357	14613-26	GOVERNMENT OF SINDH - PROVINCIAL PENSION FUND	13,000,000	0.30
358	14753-20	ARIF HABIB LIMITED - MF	200	0.00
359	15073-22	AKY SECURITIES (PVT) LTD.	9,369	0.00
360	15818-21	RELIANCE SECURITIES LIMITED	1,000	0.00
361	15867-26	MARGALLA FINANCIAL (PRIVATE) LIMITED	2,000	0.00
362	15982-22	KHAYYAM SECURITIES (PRIVATE) LIMITED	1,000	0.00
363	15990-21	K & I GLOBAL CAPITAL (PVT) LTD.	2,000	0.00
364	16352-27	RELIANCE SECURITIES LIMITED - MF	1,000	0.00
365	16857-26	MRA SECURITIES LIMITED - MF	11,900	0.00
366	03277-82969	TRUSTEE MOMIN ADAMJEE WELFARE TRUST	10,000	0.00
367	04424-28221	TRUSTEE MOMIN ADAMJEE WELFARE TRUST	10,000	0.00
368	14621-1320	KIRAN FOUNDATION	3,000	0.00
369	01826-69559	TRUSTEE-CHERAT CEMENT COMPANY LTD. EMPLOYEES PROVIDENT FUND	10,000	0.00
370	15545-735	TRUSTEE OF WATEEN TELECOM LTD EMPLOYEES PROVIDENT FUND	15,000	0.00
371	12690-1135	TRUSTEES HABIB UNIVERSITY FOUNDATION -ENDOWMENT FUND ACCOUNT	63,000	0.00
372	01826-94904	TRUSTEE-EXALO DRILLING S.A. GRATUITY FUND	2,000	0.00
373	06452-13335	TRUSTEE CHERAT CEMENT COMPANY LTD STAFF GRATUITY FUND	10,000	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
374	06452-26410	TRUSTEE THE AGA KHAN UNIVERSITY EMPLOYEES GRATUITY FUND	10,000	0.00
375	12690-1085	TRUSTEES SANOFI-AVENTIS PAKISTAN EMPLOYEES GRATUITY FUND	20,000	0.00
376	00539-17174	PAK QATAR INDIVIDUAL FAMILY PARTICIPANT INVESTMENT FUND	42,500	0.00
377	07419-8676	PAK QATAR INDIVIDUAL FAMILY PARTICIPANT INVEST FUND	705,500	0.02
378	07419-13130	PAK QATAR INVESTMENT ACCOUNT	1,056,800	0.02
379	12666-882	Habib Insurance Company Limited	17,000	0.00
380	05348-33055	ASSET CARE (PVT.) LIMITED	1,000	0.00
381	13904-22	CYAN LIMITED	500,000	0.01
382	01826-42036	MUHAMMAD SHAFI TANNERIES (PVT) LIMITED	15,000	0.00
383	01826-76778	SHAFI FOODS (PRIVATE) LIMITED	10,000	0.00
384	01826-80424	EVERFRESH FARMS (Pvt) LIMITED	10,000	0.00
385	02113-3850	CAPITAL FINANCIAL SERVICES (PVT.) LIMITED	29,800	0.00
386	03038-61	STANDARD CAPITAL SECURITIES (PVT) LIMITED	50,000	0.00
387	03038-51197	SHEHZAD CHAMDIA SECURITIES (PRIVATE) LIMITED	5,000	0.00
388	03038-53052	SHADAB INNOVATIONS (PRIVATE) LIMITED	5,000	0.00
389	03228-27	ABBASI & COMPANY (PRIVATE) LIMITED	3,300	0.00
390	03277-1340	SIZA (PRIVATE) LIMITED	20,000	0.00
391	03277-87758	TERMINAL ONE LIMITED	100	0.00
392	03277-97156	INTERACTIVE SECURITIES (PVT.) LIMITED	15,000	0.00
393	03525-9033	SARGODHA JUTE MILLS LIMITED	30,000	0.00
394	03939-21	PEARL SECURITIES LIMITED	114,000	0.00
395	04226-26	ZILLION CAPITAL SECURITIES (PVT) LTD.	1,400	0.00
396	04226-42	ZILLION CAPITAL SECURITIES (PVT) LTD.	5,000	0.00
397	04291-29	IRFAN MAZHAR SECURITIES (PVT) LTD.	1,000	0.00
398	04366-29417	SUPER PETROCHEMICALS PRIVATE LIMITED	25,000	0.00
399	05470-26	B & B SECURITIES (PRIVATE) LIMITED	2,000	0.00
400	05512-29	ALFALAH SECURITIES (PRIVATE) LIMITED	75	0.00
401	05512-73547	SHAFI FOODS (PVT) LIMITED	10,000	0.00
402	05512-82985	NASEEM ENTERPRISES & TRADING (PRIVATE) LIMITED	50,000	0.00
403	06361-28	A. H. M. SECURITIES (PRIVATE) LIMITED	10,000	0.00
404	06452-38258	CRESCENT POWERTEC LIMITED	30,000	0.00
405	06684-29	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES (PVT.) LTD.	74,300	0.00
406	06700-21104	GARIBSONS (PVT) LTD	10,000	0.00
407	06890-24	MAYARI SECURITIES (PVT) LIMITED	20,000	0.00
408	07039-26	N.U.A SECURITIES (PRIVATE) LIMITED	70,000	0.00
409	10363-22	SALIM SOZER SECURITIES (PVT.) LTD.	40,000	0.00
410	10629-29	AKD SECURITIES LIMITED	13,600	0.00
411	10629-141740	SHADAB INNOVATIONS (PRIVATE) LIMITED	1,400	0.00
412	11478-28	CMA SECURITIES (PVT) LIMITED	10,000	0.00
413	12674-22	SHAJAR CAPITAL PAKISTAN (PRIVATE) LIMITED	10,000	0.00
414	12690-1168	RELIANCE COTTON SPINNING MILLS LTD	60,000	0.00
415	14118-27	ASDA SECURITIES (PVT.) LTD.	10,000	0.00
416	14670-20	MULTILINE SECURITIES (PVT) LIMITED - MF	2,000	0.00
417	14696-28	ISMAIL IQBAL SECURITIES (PVT) LTD. - MF	1,800	0.00
418	14944-27	ADAM SECURITIES LTD. - MF	500	0.00
419	15545-24	IAK SECURITIES (PVT.) LTD	100	0.00
420	16212-23	BIPL SECURITIES LIMITED - MF	6,200	0.00
421	16261-28	AXIS GLOBAL LIMITED - MF	1,000	0.00
422	16311-21	DIN CAPITAL LTD. - MF	17,000	0.00
423	16576-20	INTERMARKET SECURITIES LIMITED - MF	39,900	0.00
424	16642-21	A.N. EQUITIES (PVT.) LTD. - MF	10,000	0.00
425	16865-25	BAWA SECURITIES (PVT) LTD. - MF	20,000	0.00

# Categories of Shareholders

Name Wise Detail as of 30 June 2017

Sr. No.	Folio No.	Name of Shareholder	Number of Shares Held	Percentage
426	16899-22	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES(P)LTD - MF	11,200	0.00
427	17004-27	FAWAD YUSUF SECURITIES (PRIVATE) LIMITED - MF	25,000	0.00
428	00620-54317	UNICOL LIMITED EMPLOYEES PROVIDENT FUND	5,000	0.00
429	06684-179500	FABTEX CORPORATION	4,000	0.00
430	05264-7307	TRUSTEE-JS GLOBAL CAPITAL LIMITED STAFF PROVIDENT FUND	4,000	0.00
431	06452-26428	TRUSTEE THE AGA KHAN UNIVERSITY EMPLOYEES PROVIDENT FUND	10,000	0.00
432	12690-1093	TRUSTEES SANOFI-AVENTIS PAKISTAN EMPLOYEES PROVIDENT FUND	28,000	0.00
433	12690-1143	DESCON OXYCHEM LTD. EMPLOYEES PROVIDENT FUND	1,100	0.00
434	12690-1150	INSPECTEST (PVT.) LIMITED EMPLOYEES PROVIDENT FUND	1,600	0.00
435	12666-1559	ISPI CORPORATION (PRIVATE) LIMITED	16,200	0.00
436	03277-76635	TRUSTEES OF THE GENERAL TYRE & RUBBER CO. - LOCAL STAFF P.F.	28,500	0.00
437	16659-20	LSE FINANCIAL SERVICES LIMITED - MT	300	0.00
438	06452-10604	TRUSTEE CHERAT CEMENT CO. LTD EMPLOYEES PROVIDENT FUND	10,000	0.00
439	12690-1077	TRUSTEES SANOFI-AVENTIS PAK. SENIOR EXECUTIVE PENSION FUND	28,100	0.00
440	16527-25	PAK-OMAN INVESTMENT COMPANY LTD. - MT	982,900	0.02
441	05520-28	GOLDEN ARROW SELECTED STOCKS FUND LIMITED	500,000	0.01
		<b>441</b>	<b>36,116,369</b>	<b>0.84</b>
	<b>Total</b>	<b>22361</b>	<b>4,300,928,400</b>	<b>100.00</b>

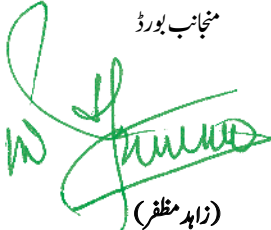
سلسلے میں نشا اور سو غری فیلڈ میں ایسی حکمت عملی مرتب کی ہے کہ پیداوار میں 1,100 بیرل خام تیل، 30 MMcf گیس اور 340 ٹن LPG کا اضافہ ہو۔ اس کے علاوہ مزید ذخائر کے تلاش کی کوششیں تیز تر کی جائیں گی تاکہ کمپنی کے بلاکس میں شیل گیس / تیل، ٹائٹ گیس / تیل کے نتائج بہتر ہوں اور پیداواری صلاحیت میں اضافہ ہو۔ اس طرح نہ صرف فلو میں اضافے کا باعث ہوگا بلکہ مستقبل کے درک پروگرام کو عملی جامہ پہنانے کیلئے مالی مدد فراہم ہوگی اس ضمن میں اخراجات کو کامیابی سے کنٹرول کیا گیا اور کاروباری آپریشنز میں اضافہ ہوا، OGDCL کی یہ کوشش ہے کہ وہ مشترکہ شراکت داری کے قیام پر توجہ دے تاکہ کاروبار میں لیکویڈیٹی مشترکہ شیئر حاصل ہو سکیں۔

کمپنی کی یہ خواہش ہے کہ وہ مناسب فارم ان / فارم آؤٹ مواقع قائم کرے تاکہ اخراجات میں کمی اور ذخائر میں اضافہ ہو۔ حفاظت اور ماحول کے حوالے سے OGDCL کا عزم مضبوط ہے کہ وہ تمام افراد کی صحت اور تحفظ کو یقینی بنائے گی جو اس کے کاروباری آپریشن کا حصہ ہیں۔ کمپنی ان تمام لوگوں کو جو کاروباری نظم و نسق میں اپنا کردار ادا کر رہے ہیں محترم سمجھتی ہے وہ نہ صرف شہریوں کی حفاظت کی ذمہ دار ہے بلکہ سوشل ویلفیئر کی ذمہ داریوں کو بھی نبھائے گی جس میں تعلیم، صحت، پانی کی سپلائی، عطیات اور اسپورٹس سرگرمیوں کی اسپانسر شپ شامل ہیں۔

## اظہار تشکر

مالی سال 2016-17 کے دوران جبکہ تیل کی قیمتوں میں کمی اور عدم استحکام رہا اور تیل اور گیس کی صنعت کی بقا اور ترقی کو چیلنجز درپیش رہے، OGDCL جو کہ ایک قومی کمپنی ہے ملک کی بڑھتی ہوئی توانائی کی ضروریات کو پورا کرنے اور انڈسٹری قیادت کا کردار ادا کرنے میں ثابت قدم رہی۔ کمپنی نے اہم کامیابیاں حاصل کی ہیں جو کہ تیل کی ریکارڈ پیداوار اور ترقیاتی منصوبوں کی تکمیل، پیداوار میں قابل قدر اضافہ، ملک میں 2D سیمک ڈیٹا کے بلند ترین درجے کا حصول اور ملک میں تیل اور گیس کی سب سے زیادہ فراہمی ہے۔ جو کہ مالی سال 2016-17 میں کمپنی کے مالی نتائج کی ٹاپ اور بائٹ لائن میں بہتری کا باعث بنا۔ چیلنجنگ مدت کے دوران OGDCL کی کامیابی اس کے تمام اسٹیک ہولڈرز کا اعلیٰ کارکردگی اور ترقی کے مصمم عزم کا ثبوت ہے۔ میں OGDCL مینجمنٹ اور ملازمین کو ان کے جوش و جذبہ، پیشہ وارانہ اور قائدانہ کردار اور ساتھ ساتھ بورڈ آف ڈائریکٹرز کو ان کی مسلسل کاروباری رہنمائی پر خراج عقیدت پیش کرتا ہوں۔ اسی طرح میں تمام شیئر ہولڈرز کا بھی مشکور ہوں جنہوں نے تمام کاروباری معاملات میں ہم پر اپنا اعتماد اور بھروسہ قائم رکھا۔ اس کے ساتھ ساتھ دوسرے اسٹیک ہولڈرز بالخصوص وزارت توانائی، DGPC اور دوسرے وفاقی و صوبائی ڈویژن اور ڈیپارٹمنٹ کا بھی بھرپور تعاون اور رہنمائی پر شکریہ ادا کرتا ہوں۔

میں اس اعتماد کے اظہار کے ساتھ اس رپورٹ کا اختتام کرتا ہوں کہ آنے والے مالی سال 2017-18 میں OGDCL کی جانب سے ہم طویل المعیاد افزائش قدر (value creation) کے لئے پر عزم ہیں، بذریعہ اس حکمت عملی کے جو شیئر ہولڈرز کو سرمائے کی واپسی، سرمایہ کاری میں نظم اور مضبوط بیلنس شیٹ کے استحکام کو قائم رکھنے پر مبنی ہے۔ میں آپ کو یقین دلاتا ہوں کہ آگے بڑھتے ہوئے ہم اپنی امتیازی صلاحیتوں کو مزید مضبوط بنائیں گے اور انتھک محنت کرتے ہوئے محفوظ اور ذمہ دارانہ طریقے سے آپکی اعانت کے متمنی رہیں گے۔

منجانب بورڈ  
  
 (زاہد مظفر)  
 چیئرمین

15 ستمبر 2017  
 اسلام آباد

## Barracuda Spam Firewall کی آپ گریڈیشن

Barracuda امریکہ کی طرف سے فراہم کردہ Spam Firewall کو اس کے نئے ورژن میں اپ گریڈ کیا گیا ہے اور فائر وال کے لئے فوری متبادل خصوصیت کی بھی خریداری کی گئی ہے۔ یہ Firewall ڈیٹا سینٹر میں استعمال کیا جا رہا ہے جس سے Spam اور Junk ای میلز کو فلٹر کرنے کے ساتھ ساتھ اپنے ذرائع سے تیار کردہ سسٹم میں انضمام کا کام بھی کرتا ہے۔

## پروڈکشن مینجمنٹ ڈیٹا بیس سسٹم کا نیا بنیادی ڈھانچہ

فروڈکشن پروڈکشن ڈیٹا بیس مینجمنٹ کے بنیادی ڈھانچے کو تبدیل کرنے کے لیے نئے سرورز، SAN، ٹیپ لائبریری وغیرہ کی خریداری ہو چکی ہے۔

## Email Cloud کی سہولیات کیلئے سروس لیول کا معاہدہ

نیشنل ٹیلی کمیونیکیشن کارپوریشن (NTC) کے ساتھ ایک سروس لیول کا معاہدہ طے پا چکا ہے تاکہ کمپنی کی ای میلز کی سروسز کو NTC Cloud کے ڈھانچے کے ذریعے سے مہیا کیا جاسکے۔

## کارپوریٹ سماجی ذمہ داری (CSR)

OGDCL نے اپنے قیام سے لے کر اب تک کاروباری آپریشنل علاقوں میں رہنے والی کمیونٹی کی ترقی کو ہمیشہ ترجیح دی ہے۔ کمپنی انتظامیہ کو اس بات کا بخوبی ادراک ہے کہ کارپوریٹ برتری اور مقامی کمیونٹی کی معاشرتی ذمہ داری کی ادائیگی کے لیے تمام اغراض و مقاصد کے درمیان توازن قائم رکھنے کی ضرورت ہے۔ اس سلسلہ میں کمپنی سماجی فلاح و بہبود کے فنڈز کے بہترین استعمال کے لئے وزارت توانائی کی ہدایات پر عمل پیرا ہے۔ سماجی ذمہ داریوں کو نبھاتے ہوئے کمپنی اس امر کو یقینی بناتی ہے کہ اپنی رضا کارانہ اور لازمی فلاحی فنڈز کا استعمال صاف و شفاف طریقے سے کرے۔ زیر جائزہ سال کے دوران OGDCL نے اپنے CSR پروگرام کے سلسلے میں فروغ تعلیم، صحت، فراہمی آب، کھیلوں کی ترویج اور ملک کے اندر خیراتی مقاصد کیلئے عطیات فراہم کئے۔ مالی سال 17-2016 کے دوران کارپوریٹ سماجی ذمہ داریوں کی تفصیلات سالانہ رپورٹ 2017 کے صفحہ نمبر 58 پر دی گئی ہیں۔

## کاروباری خطرات

OGDCL کے بزنس کی بنیادی سرگرمیوں میں تیل و گیس کے ذخائر کی تلاش، حصول، ترقی اور کمرشل پیداوار شامل ہیں۔ یہ سرگرمیاں اپنی نوعیت کی وجہ سے کمپنی کے آپریشنز کو بہت سے نمایاں خطرات سے دوچار کر سکتی ہیں جن کی شدت کا انحصار جغرافیائی رینج، آپریشنز کا تنوع اور کاروباری امور کی تکنیکی پیچیدگیوں پر منحصر ہے۔ کمپنی کے آپریشنز سے وابستہ مستقبل کے نتائج اور لکویڈٹی اسکی E&P انڈسٹری میں موجود خطرات کو جانچنے اور ان میں کمی لانے کی قابلیت پر ہے۔ اور اس مقاصد کے حصول اور کاروباری اثاثہ جات، افراد اور بزنس کی شہرت کی حفاظت کیلئے کمپنی کے پاس خطرات سے نمٹنے کیلئے فعال اور موثر حکمت عملی موجود ہے۔ علاوہ ازیں کمپنی کی خطرات سے نمٹنے کی کمیٹی ممکنہ خطرات کی نشاندہی اور کمی کیلئے مصروف عمل رہتی ہے، اور ایسے معیاری فیصلے کرنے پر توجہ مرکوز رکھتی ہے جن سے تلاش و پیداوار کی سرگرمیوں سے اُجاگر ہونے والے خطرات کا بروقت اندازہ لگانے کے ساتھ ساتھ، نمٹنے اور نگرانی کرنے کو ممکن بنایا جاسکے۔ بزنس کو دوچار خطرات اور ان سے نمٹنے کے طریقہ کار کی تفصیلات سالانہ رپورٹ 2017 کے صفحہ نمبر 62 پر درج ہیں۔

## مستقبل کا نقطہ نظر

جولائی 2016 تا جون 2017 کے دوران KPDTAY اور اوچ ڈویلپمنٹ منصوبے کے مکمل ہونے سے مضبوط بنیاد پر خام تیل کی خالص یومیہ پیداوار 44,041 بیرلز تھی OGDCL کی کوشش ہوگی کہ وہ آپریشنل اخراجات میں توازن رکھے اور ایسی حکمت عملی مرتب کرے جسکے تحت ہائیڈرو کاربن کے مزید ذخائر دریافت ہوں تاکہ اسے کاروباری تقویت حاصل ہو۔ کمپنی اس سلسلے میں پر عزم ہے کہ حاصل شدہ سیمک ڈیٹا ایسے متعلقہ علاقوں میں متعارف کروائے گی جہاں پیداواری مواقع زیادہ میسر ہوں اور کاروباری مناسبت سے تجربہ اور مہارت میں اضافہ ہو۔

OGDCL کی حکمت عملی کا مقصد پاکستان میں تیل اور گیس کی پیداوار کو بڑھانا ہے اور کمپنی یہ یقین رکھتی ہے کہ ایڈوانس ٹیکنالوجی کے استعمال اور معیار کو قائم رکھنے سے ہائیڈرو کاربن پروڈکٹس کی پیداوار میں بھی بہتری ہوگی۔ لہذا حالیہ انتظامیہ بہترین کارکردگی اور تیل نکالنے کے جدید طریقوں کو بروئے کار لاتے ہوئے زیادہ پیداوار حاصل کرنے کی جانب گامزن ہے۔ مزید برآں سالانہ ٹرن اراؤنڈ اور ورک اور جاب جاری رکھی جائے گی جو کہ مستقل طور پر پیداوار کے آپریشن کیلئے موثر ہوگی علاوہ ازیں مذکورہ بالا ترقیاتی منصوبہ سازی کی ڈیوری جو کہ پیداواری صلاحیت کو برقرار رکھنے کا مرکزی کردار ادا کرتی ہے، OGDCL نے اس

سے واقف رہیں۔ 1979 میں OGTI کا قیام بھی اسی سلسلے کی ایک کڑی ہے OGTI میں لیبارٹریز اور دیگر تمام جدید سہولیات فراہم کی گئی ہیں جو کہ ٹریننگ پروگرام سے متعلقہ ہیں۔

زیر جائزہ سال کے دوران، ایک بیچ میں جو کہ ڈرلرز، ٹیکنیشنز اور انجینئرز پر مشتمل تھا ایک سالہ ٹریننگ پروگرام جو کمینیکل، الیکٹریکل، انسٹرومینٹیشن اور ٹیلی میٹری سے متعلقہ تھا کامیابی سے مکمل کیا۔ اس پروگرام کے ذریعے جو کہ کلاس روم ٹریننگ اور کام کے دوران عملی تربیت کا حسین امتزاج تھا ٹریننگ کو عملی بے نقاب (practical exposure) دی گئی۔ اس کے علاوہ OGTI میں 127 ریفریشر پروگرامز جو کہ تکنیکی کورسز اور ورکشاپوں کی شکل میں تھے منعقد کئے۔ تقریباً 2400 ماہرین جن کا تعلق OGDCL اور دوسری E&P کمپنیوں سے تھا ان پروگرامز سے مستفید ہوئے۔

پاکستان کے پیٹرولیم سیکٹر میں جدید تربیت کی ضرورت کو مد نظر رکھتے ہوئے، OGTI کا تار ایسے کورسز منعقد کروا رہی ہے جو آئل کمپنیوں میں ٹیکنیشن سے انتظامیہ تک، فیلڈ ورک میں کھدائی سے خام تیل کی فراہمی اور صفائی تک کے ہر مرحلے میں ضرورت کے مطابق مہمو معاون ثابت ہو رہے ہیں۔ اسی نوعیت کے تربیتی پروگرام OGDCL کے اپنے اور اندرون اور بیرون ملک سے مستند ماہرین کے ذریعے منعقد کروائے جاتے ہیں۔ انتظامی امور میں ترقی کیلئے بہت سے ایسے تربیتی پروگرام نہ صرف ادارے کے اندر بلکہ فیلڈز میں بھی کاربگروں اور منتظمین کو جدید تکنیکی اصولوں سے روشناس کروانے کیلئے منعقد ہو چکے ہیں۔ OGTI 59 ملازمین کو پروفیشنل ٹریننگ کیلئے بیرون ملک بھیجا چکی ہے۔ 900 سے زائد طلباء ملک کی مختلف یونیورسٹیوں سے دوران تعلیم انٹرن شپ پروگرام کر چکے ہیں اور 81 فریش گریجویٹ ایک سالہ ٹینٹل انٹرن شپ پروگرام کر رہے ہیں OGTI کے تحت ایسے کورسز بھی ترتیب دیئے گئے ہیں جو ماحولیات کے تحفظ، صحت، IT اور انتظامی امور سے متعلقہ ہوں۔

## انفارمیشن ٹیکنالوجی

OGDCL جدید IT کے نظام کو حصول اور برقرار رکھنے کے لئے مسلسل کوشاں رہتی ہے۔ تاکہ جدید ٹیکنیکی رجحانات کے ساتھ ساتھ بزنس کو فعال اور موثر طریقے سے سرانجام دیا جاسکے۔ ٹیکنالوجی میں جدت کی منصوبہ بندی کے تحت اس سال کے دوران OGDCL نے مندرجہ ذیل سسٹم کی ترقی کی سرگرمیوں کا آغاز کیا ہے:

### رسائی کنٹرول سسٹم (Access Control System) کا نفاذ

ہیڈ آفس اور F8 میڈیکل سینٹر، اسلام آباد میں کامیاب نفاذ کے بعد رسائی کنٹرول سسٹم کی I-9 اسٹور اسلام آباد، راولپنڈی میڈیکل سینٹر اور کراچی کے علاقائی آفس، کورنگی / کھادیجی بیس اسٹور اور میڈیکل سینٹر میں بھی نفاذ کیا گیا ہے۔ اس وقت حاضری اور اوور ٹائم کارڈنگ بھی اس نظام کے ذریعے برقرار رکھا جا رہا ہے۔

### کمپیوٹرائیزڈ میئنٹیننس مینجمنٹ سسٹم

یہ IBM کا Maximo ایمسٹ مینجمنٹ سوفٹ ویئر ہے جس میں ایک پلیٹ فارم پر اثاثہ جات کا انتظام کیا جاتا ہے جو کمپنی کو بہترین معیار کے نفاذ اور معلومات شیئر کرنے میں مدد کرتا ہے۔ یہ نظام قادر پور اور دکھنی فیلڈز میں کامیابی سے چل رہا ہے۔ زیر جائزہ مدت کے دوران کمپنی نے کمر، KPD، اور اوچ میں بھی اس نظام کا نفاذ کیا ہے۔ اس سوفٹ ویئر کا نفاذ کمپنی کے مندرجہ بالا فیلڈز میں میئنٹیننس اخراجات میں کمی اور آمدنی میں اضافے کا باعث ہو گا۔

### اوریکل ERP کی آپ گریڈیشن کا جائزہ

موجود نفاذ شدہ ERP کے آپریشنز میں نئی ضروریات اور کمی کی شناخت کیلئے کمپنی نے ایک ERP کنسلٹنٹس فرم اے ایف فرگوسن اینڈ کمپنی پارٹنرڈ اکاؤنٹنٹس کے ساتھ کنٹریکٹ کیا تاکہ موجودہ پروسیجرز میں کمی کی شناخت، ERP کی ضروریات کا جائزہ لیا جاسکے ان کو مزید بہتر اور موثر بنانے کیلئے سفارشات کو مرتب کیا۔ اس تفصیلی جائزہ کے مکمل ہونے کے بعد کنسلٹنٹ نے مطلوبہ ضروریات کو پورا کرتے ہوئے بہترین معیار کے مطابق حل پیش کئے۔



احترام کرتی ہے۔ کاروباری افرادی قوت کی ترقیاتی پالیسیوں کو اس انداز سے ترتیب دیا گیا ہے جس سے ٹیلنٹ کے مستحکم بہاؤ کا عمل قائم رہے اور مسلسل سیکھنے اور ترقی کرنے اور تکنیکی تربیت بذریعہ خصوصی تیار کردہ ترقیاتی پروگرامز کو فروغ ہو تا کہ ملازمین کی تکنیکی اور فعال صلاحیتوں کو بڑھوتری ملے۔ اس کے علاوہ کمپنی کی HR حکمت عملی ملازمین میں ایسا اعلیٰ کارکردگی کا ماحول پیدا کرنے، جو کاروباری بنیادی اقدار یعنی میرٹ، ٹیم ورک، کام سے لگاؤ، دیانت، تحفظ اور جدت پر مبنی ہو، کیلئے اہم کردار ادا کرتی ہے۔

OGDCL کی HR سرگرمیاں بشمول ملازم کی بھرتی، ترقی، معاوضہ، جانچ پڑتال اور اس کی پروموشن، میرٹ، موزونیت اور شفافیت کی بنیاد پر کی جاتی ہیں مزید برآں ملازمین میں مسابقت اور حوصلہ افزائی کے ماحول کو رائج کرنے کے لئے کارکردگی کی بنیاد پر انکم بیمنٹ اور ایوارڈ دیئے جاتے ہیں۔ علاوہ ازیں تنوع اور مساوی بنیاد پر روزگار کی فراہمی کے فروغ کے ساتھ ساتھ کام کی جگہ (ورک پلیس) کو تفریق/ امتیازی سلوک، دشمنی اور ہراساں کرنے والے ماحول سے پاک کرنے کے لیے کمپنی مسلسل کوشاں ہے۔ کسی بھی طرح کی تفریق یا ہراساں کرنے کی کوشش چاہے وہ عمر، جنس، نسل، مذہب، عقیدہ، ازدواجی حیثیت، نسلی گروہ کی بنیاد پر ہو کاروباری قواعد و ضوابط کی خلاف ورزی سمجھا جاتا ہے جو کہ کمپنی کے قواعد کے مطابق قابل انضباط فعل ہے۔

پاکستان کے E&P سیکٹر کا ایک اہم کھلاڑی ہونے کے ناطے کمپنی اس بات پر فخر محسوس کرتی ہے کہ اس کی افرادی قوت کے پاس وسیع تربیت پر مہارت ہے۔ 30 جون 2017 کو OGDCL کی افرادی قوت 10,837 ملازمین پر مشتمل تھی جو ہیڈ آفس، علاقائی دفاتر، فیلڈ لوکیشن، اور دوسرے آپریشنل علاقوں میں تعینات ہے۔ اس افرادی قوت میں اقلیتیں، خواتین اور معذور ملازم بھی شامل ہیں۔ کمپنی کی بہترین مالیاتی کارکردگی اور اس کی 28 نومبر 2016 کو 50,354 بیرلز یومیہ کی ریکارڈ پیداوار بالخصوص تیل کی قیمت کے چیلنجنگ ماحول کے تناظر میں اس کی افرادی قوت کی وہ صلاحیت جس سے اس کی مہارت ملک کی بڑھتی ہوئی تیل و گیس کی طلب کو پورا کرنے پر مرکوز ہے۔

### جانشینی کی منصوبہ بندی (Succession Planning)

OGDCL اس بات کو یقینی بنانے کے لیے کہ ادارے میں جانشینی کی منصوبہ بندی موجود رہے اپنے ملازمین کے کیریئر کی ترقی اور نشوونما پر توجہ مرکوز کئے ہوئے ہے۔ اس کھچر کو جہد مسلسل سے قائم رکھتے ہوئے کمپنی اہم عہدوں پر مسلسل سرمایہ کاری کرتی ہے تاکہ جانشینی منصوبہ بندی کے لیے ایک مضبوط قیادت فراہم رہے۔ جانشینوں کو اعلیٰ ذمہ داریوں کے نبھانے کے لیے منظم تربیتی پروگرام اور مناسب مینجمنٹ کورسز تسلسل کے ساتھ تربیت دیئے جاتے ہیں۔

### صنعتی تعلقات

اس مدت کے دوران OGDCL نے CBA کے ساتھ تعلقات میں ہم آہنگی برقرار رکھی اور تمام مقامات پر صنعتی امن کا راج رہا۔ مینجمنٹ نے CBA کے ساتھ 24 ویں معاہدے پر جو دو سال کی مدت کے لئے 1 فروری 2017 سے نافذ العمل ہے کامیابی کے ساتھ مذاکرات کیے اور اسے تکمیل تک پہنچایا۔ باہمی مذاکرات، ملازمت کا تحفظ، محفوظ کام کے ماحول کی فراہمی، تسلی بخش کام اور مسلسل ہمدردی اور مفاہمت مزید برآں افرادی شکایات کے متعلق معاملات کا بروقت حل مزدور اور انتظامیہ کے درمیان گرم جوشی کا ماحول کاروباری احوال کے حصول میں معاون ثابت ہوئے۔

### شکایت تلافی کمیٹی

ایک صحت مندانہ کام کے ماحول کو فروغ دینے اور ملازمین کے مسائل کو قابل قبول انداز میں حل کرنے کے لئے حال ہی میں OGDCL انتظامیہ نے ایک کمیٹی تشکیل دی تاکہ ملازمین کی جائز شکایات کا ازالہ کیا جاسکے اس ضمن میں کوئی بھی ملازم جسے ملازمت سے متعلقہ کوئی سنگین شکایت ہو وہ شکایت کمیٹی کو درخواست پیش کر سکتا ہے کمپنی کے قواعد و ضوابط، پالیسیز اور سابقہ فیصلوں کی روشنی میں شکایت کی درستگی کا اطمینان کرنے کے بعد شکایت کمیٹی درکار منظوری حاصل کرنے کے لیے اپنی سفارشات مینجنگ ڈائریکٹر کو پیش کرتی ہے۔

### تربیت اور ترقی

پاکستان کی ایک معروف E&P کمپنی کے طور پر OGDCL کاروباری چیلنجز کا مقابلہ کرنے کیلئے انسانی وسائل کے مسلسل فروغ کی اہمیت کا اعتراف کرتی ہے اور اس اہمیت سے بخوبی آگاہ ہے کہ کمپنی کی کارکردگی کا معیار انسانی ذرائع کی ترقی سے منسلک ہے۔ اس سلسلے میں کمپنی اپنے ملازمین کو آئل کمپنیز میں آئیوئی ٹیکنیکل تبدیلیوں سے آگاہ رکھنے کیلئے پیشہ وارانہ تربیتی کورسز کا اجراء کرنے پر یقین رکھتی ہے تاکہ کمپنی کے ملازمین وقت کے ساتھ تبدیل ہوتی صورت حال

مضبوط انٹرنل کنٹرول نظام اور CCG پر مؤثر عملدرآمد کو یقینی بنانے کیلئے، بورڈ نے کئی کمیٹیاں تشکیل دیں ہیں جن میں ہیومن ریسورس اینڈ نو منیشن، رسک مینجمنٹ، آڈٹ، CSR اور پروکیورمنٹ آپریشنز اور فننس شامل ہیں۔ بورڈ کی کمیٹیوں اور ان سے متعلقہ TORs کی تفصیلات سالانہ رپورٹ 2017 کے صفحہ نمبر 22 پر درج ہیں۔

## چیئر مین اور بیجنگ ڈائریکٹر/CEO کا کردار

OGDCL میں چیئر مین اور بیجنگ ڈائریکٹر/CEO کی پوزیشنز اور کردار علیحدہ علیحدہ ہیں تاکہ بزنس کے امور کا احتساب اور جانچ پڑتال بہتر طریقے سے ہو سکے۔ چیئر مین اور بیجنگ ڈائریکٹر/CEO کے عہدے دو مختلف افراد کے پاس ہیں۔ چیئر مین کا بنیادی مقصد بورڈ کو چلانا اور وہ تمام امور دیکھنا ہیں جو کہ کمپنی کی گورننس کے ساتھ منسلک ہیں اور جہاں بورڈ کی نگرانی کی ضرورت ہے۔ علاوہ ازیں چیئر مین بورڈ کے ممبران کے ساتھ مشاورت سے کاروباری پالیسیوں اور حکمت عملی مرتب کرنے کے ساتھ ساتھ بورڈ میٹنگز کی صدارت بھی کرتا ہے جن میں میٹنگز کے ایجنڈا کی تیاری اور بورڈ کی کارکردگی کی نگرانی کے امور شامل ہیں۔

بیجنگ ڈائریکٹر/CEO کمپنی کے روز مرہ کے آپریشنز کے ساتھ ساتھ بزنس کے آپریشنل، مالیاتی اور دیگر امور دیکھنے کا ذمہ دار ہے۔ اس کے علاوہ بیجنگ ڈائریکٹر/CEO بورڈ کی جانب سے منظور کردہ حکمت عملی اور پالیسیوں پر عملدرآمد کرنے کا ذمہ دار ہے۔ اور ایسے مناسب اقدامات کرنا بھی شامل ہیں جن سے کاروبار کے وسائل کی حفاظت اور ان کو معاشیاتی اور مؤثر طریقے سے قانونی ذمہ داریوں اور بہترین بین الاقوامی معیار کے مطابق استعمال کیا جاسکے۔

## بورڈ، بیجنگ ڈائریکٹر/CEO اور سینیئر مینجمنٹ کی کارکردگی کا جائزہ

OGDCL بورڈ کوڈ آف کارپوریٹ گورننس اور پبلک سیکٹر کمپنیز (کارپوریٹ گورننس) رولز 2013 کے تحت اپنی کارکردگی کے جائزے کا طریقہ کار بھی منظور کر چکا ہے جس حوالے سے کارکردگی کو جانچنے کیلئے سوانامہ بورڈ ممبران میں تقسیم کیا جاتا ہے۔ اس کارکردگی کے جائزے کا مقصد بورڈ کی کارکردگی کو مزید مؤثر بنانا اور اپنی ذمہ داریوں کو احسن طریقے سے ادا کرنا ہے۔ اس کے علاوہ بیجنگ ڈائریکٹر/CEO اور سینیئر مینجمنٹ انتظامیہ کی کارکردگی کا جائزہ بورڈ کی جانب سے قائم کردہ اہداف اور ذمہ داریوں کے تحت کیا جاتا ہے۔

## رسمی آگاہی اور مستقل پیشہ ورانہ ترقیاتی پروگرامز

فرائض کو مؤثر طور پر انجام دینے اور قواعد، انتظامات، دیگر پیش رفت اور وسیع کاروباری رجحانات سے آگاہی حاصل کرنے کی غرض سے بورڈ کے ممبران متواتر مقامی وغیر ملکی پیشہ ورانہ اداروں کے فراہم کردہ تربیتی پروگرامز میں شرکت کرتے ہیں۔ اس وقت جناب زاہد مظفر، جناب اسکندر محمد خان، جناب رحمت سلام خٹک اور جناب حامد فاروق SECP کے رولز کے مطابق مصدقہ ڈائریکٹرز ہیں جبکہ جناب محمد علی مہ جو کہ کوڈ آف کارپوریٹ گورننس 2012 کی شق XI کے مطابق ڈائریکٹران کے تربیتی پروگرام سے مستثنیٰ ہیں۔

## صحت، حفاظت، ماحول اور معیار (HSEQ)

OGDCL نے ہمیشہ اپنے ملازمین اور ٹھیکیداروں کو محفوظ اور صحت مند ورکنگ ماحول مہیا کرنے کی کوشش کی جو کہ کاروبار کے تمام آپریشنل فیئڈز میں اپنے فرائض سر انجام دے رہے ہیں اور یہ تمام بہترین ماحولیاتی معیار کو قائم رکھنے اور مزید فروغ دینے کے ساتھ ساتھ ایسی قابلیت اور ہنر کے استعمال سے ممکن ہوا جس سے کمپنی کی تلاش و پیداواری سرگرمیوں کا اثر قدرتی ماحول پر کم سے کم ہو۔ مضبوط HSE کلچر کو قائم رکھنے کیلئے کمپنی پاکستان انوائزمنٹ ایکٹ 1997 پر سختی سے عمل پیرا ہے اور اسکے ساتھ ساتھ ماحول سے متعلق حفاظت کے دیگر قواعد و ضوابط پر بھی عمل کرتی ہے۔ ابتدائی ماحولیاتی جائزہ اور ماحولیات پر اثر کا تخمینہ کمپنی کے روز مرہ کے آپریشنز کا لازمی جزو ہے اور کوئی بھی ترقیاتی منصوبہ متعلقہ ماحولیاتی حفاظت کی ایجنسی سے نو آئیجیکشن سرٹیفیکٹ NOC حاصل کئے بغیر شروع نہیں کیا جاتا۔ مالی سال 17-2016 کے دوران کمپنی کی صحت، حفاظت، ماحول اور معیار سے متعلق تفصیلات سالانہ رپورٹ 2017 کے صفحہ نمبر 60 پر دی گئی ہیں۔

## افراد و وسائل (HR)

OGDCL کا یہ مشن کہ وہ پاکستان میں قائدانہ کردار ادا کرتی ہوئی کمپنی ہو اور OGDCL ملازمین نئے کاروباری چیلنجز اور سخت مطالباتی کام کو قبول کرتے ہیں تاکہ کاروباری قیادت کو قائم اور مزید مضبوط کیا جاسکے۔ اس لیے کمپنی اپنے انسانی وسائل کو بہت زیادہ اہمیت دیتی ہے اور ان کے وقار اور حقوق کا پورا

کا ایک خود مختار انٹرنل آڈٹ ڈیپارٹمنٹ ہے جس کا دائرہ کار اور کردار بورڈ کا منظور شدہ ہے یہ کردار پبلک سیکٹر کمپنیز (کارپوریٹ گورننس) رولز 2013 کے تحت دی گئی انٹرنل آڈٹ کی ذمہ داریوں کے مطابق ہیں۔ انٹرنل آڈٹ کے لوگوں کو اپنے فرائض موثر انداز میں انجام دینے کے لیے تمام ریکارڈ اور معلومات تک غیر محدود رسائی حاصل ہے۔ انٹرنل آڈٹ کا سربراہ بورڈ کی انٹرنل آڈٹ کمیٹی کو براہ راست رپورٹ کرتا ہے۔

## ضابطہ اخلاق: کاروباری اصولوں اور کرپشن کے خلاف اقدامات

OGDCL کا ضابطہ اخلاق اس امر کو یقینی بناتا ہے کہ کاروباری سرگرمیاں، اعلیٰ ترین کاروباری اصولوں کے مطابق تمام قانونی ضابطوں اور اچھے تنظیمی نظم و ضبط کے معیارات پر عمل پیرا ہوتے ہوئے انجام دی جائیں۔ یہ ضابطہ صاف اور واضح ملازمتی امور کی ادائیگی، ملازمین کے مساوی برتاؤ اور بے قاعدگیوں کی اطلاع دینے کے طریقہ کار، کاروباری اثاثوں کو نقصان اور وہ عمل جن سے کہ کمپنی کی ساکھ متاثر ہونے کے لئے رہنما ہدایات فراہم کرتا ہے۔ ڈائریکٹرز اور ملازمین تمام قوانین پر اس کی حقیقی روح کے ساتھ وابستہ رہتے ہیں اور مفادات کے تصادم سے گریز کرتے ہیں، جو اگر ہوں (حقیقی یا خیالی) تو فوری طور پر کمپنی کو مطلع کیا جاسکتا ہے۔ تمام معاملات میں کمپنی کے اعلیٰ ترین تنظیمی اصولوں کے عملی مظاہرے کے ساتھ ضابطہ اخلاق اور کاروباری اصولوں کی پاسداری کا عہد مستقبل میں ترقی اور کامیابی کے حصول میں مرکزی اہمیت کا حامل ہے۔

## بورڈ آف ڈائریکٹرز

OGDCL بورڈ 12 ڈائریکٹرز بشمول چیئرمین اور نیجنگ ڈائریکٹر/CEO پر مشتمل ہے۔ جناب زاہد مظفر 20 مئی 2014 سے بطور چیئرمین بورڈ کے طور پر کام کر رہے ہیں جبکہ جناب زاہد میر نیجنگ ڈائریکٹر/CEO کی حیثیت سے 15 اپریل 2015 سے اپنی ذمہ داریاں سرانجام دے رہے ہیں۔ مالی سال 2016-17 کے دوران OGDCL کے بورڈ میں تب تبدیلی آئی جب جناب محمد جلال سکندر سلطان اور جناب شعیب میر کو رخصت ہونے والے ڈائریکٹرز جناب ارشد مرزا اور جناب سیف اللہ چٹھہ کی جگہ پر 21 اپریل 2017 کو مقرر کیا گیا۔ بعد ازاں جناب شعیب میر کے 24 اپریل 2017 کے استعفیٰ پر جناب اورنگزیب حق کو بورڈ آف ڈائریکٹرز میں نامزد کیا گیا۔

OGDCL کا موجودہ بورڈ درج ذیل ڈائریکٹرز پر مشتمل ہے:-

جناب زاہد مظفر	چیئرمین
جناب اورنگزیب حق	ڈائریکٹر
جناب محمد جلال سکندر سلطان	ڈائریکٹر
جناب اسکندر محمد خان	ڈائریکٹر
جناب حامد فاروق	ڈائریکٹر
سید شفیقت علی شاہ	ڈائریکٹر
جناب محمد علی نبہ	ڈائریکٹر
جناب ظفر مسعود	ڈائریکٹر
جناب رحمت سلام خٹک	ڈائریکٹر
پرنس احمد عمر زئی	ڈائریکٹر
جناب محمد یاور عرفان خان	ڈائریکٹر
جناب زاہد میر	نیجنگ ڈائریکٹر/CEO

## بورڈ کا ڈھانچہ اور کمیٹیاں

OGDCL کے بورڈ کا ڈھانچہ کوڈ آف کارپوریٹ گورننس (CCG) اور پبلک سیکٹر کمپنیز (کارپوریٹ گورننس) رولز 2013 کے مطابق ہے جو کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ ہیں۔ اس وقت کمپنی کے بورڈ پر 8 غیر جانبدار، 3 غیر ایگزیکٹو اور ایک ایگزیکٹو ڈائریکٹر ہے۔ بورڈ کے ڈائریکٹرز کا تعارف سالانہ رپورٹ 2017 کے صفحہ نمبر 18 پر دیا گیا ہے۔

## حصص کا انداز

30 جون 2017 تک حصص کا انداز سالانہ رپورٹ 2017 کے صفحہ نمبر 130 پر دیا گیا ہے۔

## کارپوریٹ گورننس

OGDCL بطور لسٹڈ کمپنی اپنے تمام کاروباری معاملات میں جوابدہی، شفافیت کو برقرار رکھتے، قدر پیدا کرتے اور کارکردگی کی بہتری کے لیے کارپوریٹ گورننس کے اعلیٰ معیار کو بروئے کار رکھنے میں ثابت قدم رہی۔ علاوہ ازیں کمپنی ایک پبلک سیکٹر ادارہ ہے جو پبلک سیکٹر کمپنیز (کارپوریٹ گورننس) رولز 2013 میں دیئے گئے فریم ورک کے تحت کام کرتا ہے۔ کمپنی کی مجموعی نگرانی کی ذمہ داری اس کے بورڈ آف ڈائریکٹرز پر ہے جو بہتر کارپوریٹ گورننس کے معاملے میں شیر ہولڈرز کو جوابدہ ہیں جبکہ مینجمنٹ کمپنی کے روزمرہ آپریشنز، پالیسیز کے نفاذ اور کمپنیز آرڈیننس، رولز، ریگولیشن اور کوڈ میں دی گئی ڈسکلوزر ریگولیشنز منٹس کی ذمہ دار ہے کوڈ آف کارپوریٹ گورننس کی ضروریات کی تعمیل کی بابت مخصوص بیانات درج ذیل ہیں:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے تمام معاملات کو واضح پیش کرتے ہیں جن میں آپریشنز کے نتائج، رقم کی آمدورفت اور کاروباری سرمائے کی تبدیلیاں شامل ہیں۔
- کمپنی کے کھاتوں (بگس آف اکاؤنٹس) کا باقاعدہ حساب رکھا جاتا ہے۔
- مالیاتی گوشواروں کی تیاری کے لیے ہمیشہ مناسب اور متعلقہ اکاؤنٹنگ پالیسیز تسلسل کے ساتھ اختیار کی جاتی ہیں اور حساب داری کے اندازے ہمیشہ انتہائی منطقی اور محتاط اندازوں پر مشتمل ہوتے ہیں۔
- پاکستان میں رائج بین الاقوامی مالیاتی رپورٹنگ کے معیارات کو حساب داری کے گوشواروں کے لیے بروئے کار لایا گیا ہے اور اس سے کسی بھی قسم کے انحراف کو باقاعدہ طریقے سے ظاہر کیا گیا ہے۔
- بورڈ نے متعلقہ کارپوریٹ گورننس کے اصولوں پر عمل کیا ہے اور ان رولز جن پر عمل نہیں ہوا اور وہ دوران مدت جس میں ان کی تعمیل نہیں ہوئی، انکی عدم تعمیل کی وجوہات کی نشاندہی کی ہے۔
- انٹرنل کنٹرول کا مستند مضبوط نظام نافذ ہے جس کی باقاعدگی کے ساتھ نظر ثانی اور نگرانی کی جاتی رہی ہے۔
- کمپنی کی قائم رہنے کی اہلیت کے حوالے سے کسی قسم کا کوئی خدشہ نہیں پایا جاتا۔
- چیئرمین اور بورڈ کے دیگر ممبران کی تقرری کی شرائط اور مقرر کردہ معاوضے کی پالیسی کمپنی کے بہترین مفاد میں اور بہترین اصولوں پر استوار ہیں۔
- چیف ایگزیکٹو، ڈائریکٹرز اور ایگزیکٹوز کا معاوضہ سالانہ رپورٹ 2017 کے صفحہ نمبر 124 پر دیئے گئے ہیں۔
- لسٹنگ ریگولیشنز میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں کی کسی بھی قسم کی خلاف ورزی / انحراف نہیں کیا گیا ہے۔
- واجب الادا ٹیکس اور لیویز مالیاتی گوشوارے کے نوٹس میں دیئے گئے ہیں۔
- آخری آڈٹ شدہ اکاؤنٹس مورخہ 30 جون 2016 تک کی مختلف فنڈز سے سرمایہ کاری کی مالیت بشمول پیکیڈ ڈیپازٹس درج ذیل ہیں:  
پینشن فنڈ - 61,709 ملین روپے  
جزل پروویڈینٹ فنڈ - 4,083 ملین روپے

## آڈیٹرز

OGDCL کے موجودہ آڈیٹرز بنام کے پی ایم جی، تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اور اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے 30 جون 2017 کو اختتام پزیر سال کیلئے اپنی ذمہ داریاں پوری کر لی ہیں اور 24 اکتوبر 2017 کو منعقد ہونے والے 20 ویں سالانہ اجلاس عام کے اختتام پر اپنی خدمات سے سبکدوش ہو جائیں گے۔ کوڈ آف کارپوریٹ گورننس کے تحت اگلے مالی سال 2017-18 کیلئے آڈٹ کمیٹی نے انہی آڈیٹرز کی مشترکہ آئینی آڈیٹرز کے طور پر دوبارہ تقرری پر غور کرتے ہوئے بورڈ کو انکی دوبارہ تقرری کرنے کیلئے تجویز سفارش کی۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی تقرری کی سفارش کی حمایت کی ہے۔

## انٹرنل کنٹرول اور آڈٹ

انٹرنل آڈٹ، کنٹرول ماحول کا غیر جانبدارانہ اور حقیقی جائزہ دیتا ہے۔ جس سے مسلسل بہتری کے عمل کے ذریعے ادارے کی قدر میں اضافہ کا سبب ہوتا ہے۔ انٹرنل آڈٹ اس امر کو بھی یقینی بناتا ہے کہ ایسے تمام طریقے اور اقدامات لاگو ہیں جس سے کاروباری اثاثہ جات محفوظ ہیں کارپوریٹ گورننس کی بہترین مشقوں کی تعمیل کی نگرانی ہو، اکاؤنٹنگ ڈیٹا کی درستگی اور قابل اعتماد ہونا اور مرؤجہ قواعد و ضوابط پر عمل پیرا ہونے کو فروغ ملے۔ اس کے مطابق OGDCL

## قومی خزانے میں کنٹری بیوشن

مالی سال 2016-17 کے دوران OGDCL نے پاکستان کی سر فہرست E&P کمپنی ہونے کے ناطے کارپوریٹ ٹیکس، منافع منقسمہ، رائلٹی، جنرل سیلز ٹیکس، گیس انفراسٹرکچر ڈولپمنٹ سبب اور ایکسائز ڈیوٹی کی مد میں قومی خزانے میں مبلغ 90.310 ارب روپے جمع کروائے۔ اس کے علاوہ کمپنی کی تیل اور گیس کی پیداوار نے غیر ملکی زر مبادلہ کی بچت میں اہم کردار ادا کیا۔

## کارکردگی کے پیمانے اور اشاریے

OGDCL کی پچھلے 6 سالوں میں آپریشنل اور مالیاتی کارکردگی کو جانچنے کے لئے اہم پیمانے اور اشاریے سالانہ رپورٹ 2017 کے صفحہ نمبر 32 پر دیئے گئے ہیں۔

## وصول شدہ ایوارڈز

### بہترین کارپوریٹ رپورٹ ایوارڈ

OGDCL کی سالانہ رپورٹ 2015 نے بہترین کارپوریٹ ایوارڈ جیتنے ہوئے فیول اور انرجی سیکٹر میں جوائنٹ کمیٹی آف انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان اور انسٹی ٹیوٹ آف کاسٹ اینڈ مینجمنٹ اکاؤنٹنٹس آف پاکستان کی طرف سے تیسری پوزیشن حاصل کی۔ اسی طرح کمپنی کی سالانہ رپورٹ 2016 نے بھی بہترین کارپوریٹ ایوارڈ جیتا۔ بہترین کارپوریٹ رپورٹ ایوارڈ کا مقصد کمپنیوں کی جانب سے اپنے اسٹیک ہولڈرز کے لئے بر وقت اشاعت، درست، معلوماتی اور اچھی طرح سے پیش کردہ سالانہ رپورٹس کی تیاری کے ساتھ ساتھ جیتنے والی کمپنیوں کی لگن، عزم اور اجتماعی کوششوں کو سراہنا ہے۔

### بہترین سالانہ رپورٹ پیش کرنے پر SAFA ایوارڈ

OGDCL کی سالانہ رپورٹ 2015 نے ایک اور امتیاز حاصل کرتے ہوئے ساؤتھ ایشین فیڈریشن آف اکاؤنٹنٹس (SAFA) کی جانب سے 27 جنوری 2017 کو ڈھاکہ، بنگلہ دیش میں منعقد ہونے والی تقریب میں پبلک سیکٹر کیٹیگری کے اندر بہترین تیار کردہ سالانہ رپورٹ 2015 کا اعزاز حاصل کیا۔ SAFA ایوارڈ حاصل کرنا OGDCL کے لئے بڑا اعزاز ہے کیونکہ پہلی بار کمپنی کی سالانہ رپورٹ نے عالمی شناخت حاصل کی اور بہترین سالانہ رپورٹ ایوارڈ 2015 جیتا جو کہ SAARC ریجن کے مشہور و معروف پیشہ ورانہ انسٹی ٹیوشن کے ججز کے پیپل نے دیا۔ SAFA ایوارڈ تشخیص کی بنیاد پر SAFA کمیٹی تفویض کرتی ہے تاکہ ساؤتھ ایشین ممالک کی شائع کردہ سالانہ رپورٹس کو شفافیت، ذمہ داری اور انتظامی امور میں بہتری حاصل ہو۔

## سرٹیفکیٹ آف ایکسیلنس

مالی سال 2015-16 کے دوران کاروباری آپریشنز اور مالیاتی کارکردگی کی شناخت، ترقی پسند اور روشن خیالی کی پریکٹس کا مظاہرہ کرنے کی بنیاد پر OGDCL کراچی میں 28 فروری 2017 کو 32 ویں کارپوریٹ ایکسیلنس ایوارڈز کی تقریب میں مینجمنٹ ایسوسی ایشن آف پاکستان (MAP) کی جانب سے سرٹیفکیٹ آف ایکسیلنس وصول کیا۔

## کارپوریٹ معاشرتی ذمہ داری کا ایوارڈ

عطیات دینے کے حوالے سے بڑے کارپوریٹ ادارے کے طور پر OGDCL نے 8 فروری 2017 کو اسلام آباد میں منعقدہ ایک تقریب میں پاکستان سینٹر برائے فلانٹراپی کی طرف سے کارپوریٹ فلانٹراپی ایوارڈ جیتنے ہوئے پہلی پوزیشن حاصل کی۔ محترم صدر جناب ممنون حسین نے یہ اعلیٰ ایوارڈ جناب ارتضیٰ علی قریشی CFO، OGDCL کو پیش کیا۔

## سالانہ ماحولیاتی ایکسیلنس ایوارڈ

OGDCL نے 13 واں سالانہ ماحولیاتی ایکسیلنس ایوارڈ 2016 جیتا جس کا اہتمام نیشنل فورم برائے ماحولیات اور صحت نے کیا۔ یہ ایوارڈ ان کمپنیوں کی شناخت، تعریف اور ترقی کے لئے ڈیزائن کیا گیا ہے جو پائیدار ترقی اور پاکستان میں مجموعی ماحولیات کی حفاظت میں اہم ترین کردار ادا کر رہی ہیں۔

30 جون 2017 کو OGDCL کی Current Ratio اور Acid Test/Quick Ratio بالترتیب 6.39 اور 6.04 درج آؤٹ کی گئیں جو کہ کاروبار کی مضبوط لیکویڈٹی اور مالیاتی پوزیشن کی عکاسی کرتی ہیں۔ زیر جائزہ سال کے اختتام پذیر ہونے کے بعد کمپنی کی لیکویڈٹی پوزیشن 19 جولائی 2017 کو پاکستان انویسٹمنٹ بانڈز میں سرمایہ کاری کی مدت ختم ہونے کے بعد 53.400 ارب روپے کی وصولی سے مزید بہتر ہو گئی جبکہ یہ سرمایہ کاری کمپنی نے پانچ سال کے لئے اپنی زائد المیاد قابل وصول رقم (overdue receivables) کے جزوی حل کے طور پر کی۔ کمپنی یہ سمجھتی ہے کہ تلاش، ڈویلپمنٹ اور پیداواری سرگرمیوں کو مستقبل میں انجام دینے کے لئے اُس کے پاس وافر وسائل موجود ہیں۔ اس بناء پر کمپنی اپنے مالیاتی گوشواروں کی تیاری اکاؤنٹنگ کے اصول، روایتی تجارت کی بنیاد (going concern basis) پر جاری رکھے ہوئے ہے۔

انرجی سیکٹر میں انٹر کارپوریٹ گردش قرضے کے مسئلہ کی بناء پر 30 جون 2017 کو OGDCL کی قابل وصول رقم 82.707 ارب روپے ہے۔ اس قابل وصول رقم میں سے 64.660 ارب روپے اور 13.048 ارب روپے بالترتیب SSGC اور SNGPL سے قابل وصول ہیں۔ طویل عرصہ تک گردش قرضے کے مسئلے کا حل نہ ہونے سے کمپنی کی E&P کی سرگرمیاں اور قانونی ادائیگیوں کو بروقت ادا کرنے پر منفی اثرات مرتب ہو سکتے ہیں۔ قابل وصول رقم کی تیزی کے ساتھ وصولی کے لئے آئل ریفاؤنڈریز اور گیس ڈسٹری بیوشن کمپنیز میں ذاتی دورے، ٹیلیفونک رابطے اور تحریری خطوط کی شکل میں بھرپور پیروی کی جارہی ہے۔ علاوہ ازیں وزارت مالیات اور وزارت توانائی کو تمام کاوشوں سے آگاہی کا سلسلہ جاری رکھتے ہوئے قابل وصول رقم کی روزانہ کی بنیاد پر رپورٹنگ بھی کی جارہی ہے۔ حکومت پاکستان بھی انٹر کارپوریٹ گردش قرضے کے مسئلے کے تسلی بخش حل کے لئے کوشاں ہے اور اسی بناء پر کمپنی اپنی اس رقم کو کلی طور پر قابل وصول سمجھتی ہے۔

30 جون 2017 کو اختتام پذیر سال کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:-

ارب روپے		
89.137		قبل از ٹیکس منافع
(25.334)		ٹیکس
<b>63.803</b>		<b>منافع برائے سال</b>
425.094		آگے لایا ہوا غیر تقسیم شدہ منافع
(3.644)		دیگر جامع خسارہ
<b>485.253</b>		<b>تقسیم کے لئے دستیاب منافع</b>
		منافع کی تقسیم
(1.566)		کسیٹل ذخائر میں منتقلی
		تقسیم بذریعہ منافع منقسمہ
	(8.602)	حتمی منافع منقسمہ 2015-16 2.00 روپے فی شیئر
	(6.451)	پہلا عبوری منافع منقسمہ 2016-17 1.50 روپے فی شیئر
	(4.301)	دوسرا عبوری منافع منقسمہ 2016-17 1.00 روپے فی شیئر
	(6.451)	تیسرا عبوری منافع منقسمہ 2016-17 1.50 روپے فی شیئر
(25.806)		
<b>457.881</b>		<b>آگے لیجانے والا غیر تقسیم شدہ منافع</b>

### حتمی منافع منقسمہ

سرکلر ڈیٹ کے باوجود OGDCL نے زیر جائزہ سال کے دوران اپنے معزز شیئرز ہولڈرز کی توقع کے مطابق منافع منقسمہ کی روایت کو برقرار رکھا۔ اس حوالے سے کمپنی کے بورڈ آف ڈائریکٹرز نے حتمی منافع منقسمہ مبلغ 2.00 روپے فی شیئر (20 فیصد) کا اعلان کیا۔ اسکے علاوہ 3 مجموعی عبوری منافع منقسمہ مبلغ 4.00 روپے فی شیئر سال کے دوران اعلان اور ادائیگی کر دی گئی ہے۔ اس طرح ختم ہونے والے مالی سال 30 جون 2017 کے لئے کل منافع منقسمہ مبلغ 6.00 روپے فی شیئر (60 فیصد) ہے۔



## انڈس آف شور بلاکس S اور U

OGDCL کا آف شور بلاکس S اور U میں عملی مفاد بالترتیب 50 فیصد اور 27.5 فیصد ہے۔ آپریٹر UEPL کی تلاش کے لائسنس کی مدت میں توسیع کی درخواست پر DGPC نے بالترتیب 6 اور 3 سال کی توسیع کی منظوری دے دی ہے۔

## آف شور بلاک G

بلاک G کراچی کے ساحل سے 250 کلومیٹر کے فاصلے پر ڈیپ آف شور انڈس میں واقع ہے جہاں پر پانی کی گہرائی 1,800 اور 2,800 میٹرز کے مابین ہے۔ اس بلاک کو ENI آپریٹ کر رہا ہے جبکہ مشترکہ پارٹنرز میں OGDCL اور PPL شامل ہیں اور اس بلاک میں OGDCL کا عملی مفاد 33.33 فیصد ہے۔ آف شور بلاک G میں کیکرا کی ساخت کو "high risk-high reward" قرار دیا گیا ہے اور اس میں کاربونیٹ کا ایریا 425 مربع کلومیٹر سے زائد ہے۔

## مالیاتی کارکردگی

عالمی سطح پر تیل کی کم قیمتوں نے دنیا بھر کی تیل اور گیس کمپنیوں کے کاروباری منافع پر منفی اثرات مرتب کئے۔ نتیجتاً، بہت سی تیل اور گیس تلاش کرنے والی کمپنیوں نے اپنے کاروبار کو جاری رکھنے اور مالی بحران سے بچنے کی غرض سے اپنی E&P کی سرگرمیوں کو محدود کر دیا جبکہ OGDCL (جو کہ پاکستان کی سر فہرست E&P کمپنی ہے) نے تیل کی قیمتوں میں کمی کا مقابلہ کرنے کے لئے پوری توانائی کے ساتھ اپنی کاروباری حکمت عملی پر عمل پیرا رہتے ہوئے جارحانہ تلاش کی سرگرمیوں، ترقیاتی منصوبوں کی تیز تر تکمیل اور مؤثر اور کم لاگت پر پیداوار میں اضافہ کرنے کی کوششوں کو جاری رکھا۔

مذکورہ بالا کاروباری حکمت عملی کی پیروی کی وجہ سے OGDCL کو اہم ثمرات کے حصول کا آغاز ہو گیا ہے جس سے رواں سال میں خام تیل اور LPG کی پیداوار میں قابل ذکر اضافہ ہوا ہے۔ اس کے علاوہ دیگر عوامل جن کی وجہ سے آمدنی میں اضافہ دیکھا گیا ان میں تیل کی اوسط باسکٹ قیمت اور حاصل شدہ قیمت میں مثبت تبدیلی ہے جو کہ بالترتیب 149.27 امریکی ڈالر فی بیرل اور 144.04 امریکی ڈالر فی بیرل ریکارڈ کی گئیں جبکہ تقابلی دورانیہ میں یہ قیمتیں 142.50 امریکی ڈالر فی بیرل اور 139.07 امریکی ڈالر فی بیرل تھیں اور اس کے ساتھ شرح مبادلہ میں اضافے نے بھی آمدنی کو تقویت فراہم کی۔ ان سب عوامل کی وجہ سے کمپنی کی حاصل شدہ آمدن میں بہتری آئی جو کہ زیر جائزہ سال میں 171.829 ارب روپے ہے (162.861 ارب روپے: 2015-16 FY)۔

زیر جائزہ مدت کے دوران OGDCL کی دوسرے ذرائع (other income) سے حاصل ہونے والی آمدن میں بھی اضافہ رقم کیا گیا۔ البتہ، تنخواہوں، اجرتوں، اثاثہ جات، پلانٹ اور آلات کی فرسودگی (depreciation)، ڈی کمیٹنگ اور ورک اور چارجز میں اضافے کی وجہ سے کمپنی کے عملی اخراجات میں بڑھاد دیکھا گیا جو کمپنی کے مالیاتی نتائج پر جزوی طور پر اثر انداز ہوئے۔ علاوہ ازیں پچھلے سالوں سے متعلقہ ٹیکس اور ڈیفریڈ ٹیکس کی وجہ سے ٹیکس پروویژن میں بھی اضافہ ہوا۔ ان سب کے باوجود کمپنی نے زیر جائزہ سال میں 63.803 ارب روپے کا بعد از ٹیکس منافع ریکارڈ کیا (59.971 ارب روپے: 2015-16 FY) جو کہ 14.83 ارب روپے فی شیئر پر منج ہوا (13.94 ارب روپے: 2015-16 FY)۔

OGDCL کی مالیاتی کامیابی کمپنی کے بورڈ اور انتظامیہ کی جانب سے اخراجات میں کمی لانے کے بہترین و احسن اقدامات کی وجہ سے ممکن ہوئی جن میں مالیاتی نظم و ضبط کی پابندی اور آپریشنز کو بااثر طریقہ سے چلانا شامل ہیں تاکہ بیلنس شیٹ کو مضبوطی اور کمپنی کو مستقبل میں مزید استحکام حاصل ہو۔ آگے بڑھتے ہوئے کمپنی اس بات کا ارادہ رکھتی ہے کہ اپنی تلاش کی سرگرمیوں، ترقیاتی منصوبوں کی تکمیل میں تیزی اور اعلیٰ ترقی کے مواقعوں سے فائدہ اٹھاتے ہوئے ہائیڈروکاربن کی پیداوار اور شیئر ہولڈرز کی سرمایہ کاری کی قدر میں اضافے کی رفتار کو بڑھایا جائے۔

## لیکویڈٹی اور کیش فلو کا جائزہ

OGDCL نے مالی سال 2016-17 میں ورکنگ کپیٹل میں تبدیلی اور 25.621 ارب روپے انکم ٹیکس کی ادائیگی اور 20.398 ارب روپے رائلٹی کی ادائیگی کے بعد آپریشنز سے 47.767 ارب روپے کا کیش فلو حاصل کیا۔ سرمایہ کاری اور مالیاتی سرگرمیوں سے بالترتیب 27.721 ارب روپے اور 24.007 ارب روپے کا کیش آؤٹ فلو ہونے کی وجہ سے کمپنی کا کیش بیلنس زیر جائزہ سال کے آخر پر 15.075 ارب روپے تھا۔

## کدن واری، بھٹ اور بدھرا فیلڈز

کدن واری گیس فیلڈ ضلع خیرپور میں جبکہ بھٹ اور بدھرا فیلڈز ضلع دادو صوبہ سندھ میں واقع ہیں۔ ENI پاکستان ان فیلڈز کا آپریٹر ہے اور OGDCL کدن واری میں 50 فیصد اور بھٹ اور بدھرا فیلڈز میں 20، 20 فیصد کا عملی مفاد ہے۔ زیر جائزہ مدت کے دوران کدن واری فیلڈ میں 2 ترقیاتی کنویں کی ڈرلنگ کی گئی جن میں سے ایک کنواں کامیاب رہا جبکہ دوسرے کنویں کو پلگ اور متروک کر دیا گیا ہے۔ بھٹ فیلڈ پر نیٹ ورک کو بہتر بنانے والے پراجیکٹ کی بدولت اخراجات میں کافی بچت کے ساتھ ساتھ فیول گیس اور ڈاؤن ٹائم میں کمی واقع ہوئی ہے۔ سال کے دوران قابل فروخت یومیہ پیداوار کدن واری سے 27 MMcf گیس، بھٹ سے 110 MMcf گیس اور 250 بیرلز تیل اور بدھرا سے 84 MMcf گیس اور 35 بیرلز تیل رہی۔

## بدر فیلڈ

بدر گیس فیلڈ صوبہ سندھ میں کشمور، سکھر اور گھونگی کے اضلاع میں واقع ہے جس کا آپریٹر PEL جبکہ OGDCL اُس کے ساتھ مشترکہ پارٹنر ہے اور اس فیلڈ میں OGDCL کا عملی مفاد 50 فیصد ہے۔ زیر جائزہ سال کے دوران بدر فیلڈ کی یومیہ پیداوار 18 MMcf گیس رہی۔

## میانو فیلڈ

میانو گیس فیلڈ صوبہ سندھ کے ضلع سکھر میں واقع ہے جسے OMV آپریٹ کر رہا ہے جبکہ OGDCL، ENI اور PPL اُس کے مشترکہ پارٹنر ہیں۔ OGDCL کا میانو فیلڈ میں 52 فیصد عملی مفاد ہے۔ زیر جائزہ مدت کے دوران اُفتی کنویں میانو TG-16 پر ڈرلنگ اور فریٹنگ کا کام مکمل ہو چکا ہے جبکہ اس کو پیداواری نظام میں شامل کرنے کے لئے فزہ بلیٹی اسٹڈی جاری ہے۔ اس وقت 8 کنویں پیداوار دے رہے ہیں جن کی مجموعی یومیہ پیداوار 81 MMcf گیس اور 39 بیرلز تیل ہے۔

## دھرنال، بھگالی اور رتانہ فیلڈز

دھرنال، بھگالی اور رتانہ فیلڈز صوبہ پنجاب میں ضلع اٹک اور راولپنڈی میں واقع ہیں اور یہ فیلڈز OPL کی آپریٹر شپ میں ہیں جبکہ OGDCL کا ان فیلڈز میں عملی مفاد بالترتیب 20، 50 اور 25 فیصد ہے۔ اس وقت دھرنال 1، 2 اور 6 کنویں سے مجموعی یومیہ پیداوار مصنوعی لفٹ سسٹم کے تحت 400 بیرلز تیل اور 1 MMcf گیس ہے۔ بھگالی-1 سے تیل کی وقفے وقفے سے (intermittent flow) پیداوار 200 بیرلز ماہانہ ہے۔ رتانہ 2، 3 اور 4 کنویں کی مجموعی یومیہ پیداوار 6.5 MMcf گیس، 275 بیرلز تیل اور 12 ٹن LPG ہے۔

## بدین II، بدین IIR اور بدین III فیلڈز

بدین II، بدین IIR اور بدین III فیلڈز ضلع بدین صوبہ سندھ میں واقع ہیں جسے UEPL آپریٹ کر رہا ہے اور OGDCL کا ان فیلڈز میں عملی مفاد بالترتیب 49، 24 اور 15 فیصد ہے۔ سال کے دوران بدین فیلڈز سے یومیہ پیداوار 860 بیرلز تیل اور 10 MMcf گیس رہی۔

## سارا اور سُوری گیس فیلڈز

سارا اور سُوری گیس فیلڈز صوبہ سندھ کے ضلع گھونگی میں واقع ہیں جن کو SEPL آپریٹ کر رہا ہے جبکہ OGDCL کا ان فیلڈز میں عملی مفاد 40، 40 فیصد ہے۔ Shut-in کنویں بنام سارا 4- اور سُوری 1- اور 2 سے پیداوار شروع کرنے کے لئے گیس کی فراہمی GENCO کو مختص کی جا چکی ہے۔ البتہ آپریشن اور اقتصادی فزہ بلیٹی کے مسائل کی وجہ سے آپریٹر نے ریگولیشن کو درخواست کی ہے کہ گیس کی فراہمی بذریعہ ورچوئل پائپ لائن تیسرے فریق کو کی جائے۔

## بنوں ویسٹ

بنوں ویسٹ بنوں اور شمالی وزیرستان، صوبہ KPK اور پاکستان کے قبائلی علاقوں میں واقع ہے۔ DGPC کی منظوری کے بعد بلاک کی آپریٹر شپ OGDCL سے MPCL کو 20 مارچ 2017 سے منتقل کی جا چکی ہے۔ مشترکہ پارٹنرز میں OGDCL اور Tullow شامل ہیں جس میں OGDCL کا عملی مفاد 35 فیصد ہے۔ آپریٹر نے جولائی 2016 تا جون 2017 کے دوران 2D سیممک ڈیٹا خرید کر اس کی پراسنگ/ری پراسنگ کے ساتھ ساتھ 350 لائن کلومیٹر کا جیولوجیکل فیلڈ ٹریورس اور ڈرافٹ جیولوجیکل فیلڈ میپ کے ساتھ ساتھ 3 ذخائر کی سطح کے اہداف سے متعلقہ سیممک ڈیٹا کی تشریح اور نقشہ بندی بھی کر لی ہے۔

## سنجھورو

سنجھورو فیلڈ ضلع ساگھڑ صوبہ سندھ میں واقع ہے۔ اس فیلڈ کے مشترکہ شراکت داروں میں OPL, OGDCL اور GHPL شامل ہیں جن کا عملی مفاد بالترتیب 62.5 فیصد، 15 فیصد اور 22.5 فیصد ہے اور OGDCL کو آپریٹر کی حیثیت حاصل ہے۔ زیر جائزہ سال میں سنجھورو فیلڈ کی مجموعی اوسط یومیہ پیداوار 2,700 بیرلز تیل، 30 MMcf گیس اور 146 ٹن LPG ہے۔

## I- اوچ

اوچ گیس فیلڈ ڈیرہ گبٹی کے جنوب مشرق میں تقریباً 67 فیصد کلومیٹر کے فاصلے پر واقع ہے۔ یہ فیلڈ OGDCL کے زیر انتظام کل ملکیتی فیلڈ ہے۔ اوچ گیس فیلڈ سے بارہ ماہ کے دوران حاصل ہونے والی اوسط یومیہ پیداوار 196 MMcf گیس اور 35 بیرلز تیل ہے۔

## راجپان

راجپان فیلڈ ضلع چکوال اور جہلم، صوبہ پنجاب میں واقع ہے۔ راجپان فیلڈ OGDCL کے زیر انتظام کل ملکیتی فیلڈ ہے اور اس فیلڈ کی زیر جائزہ سال میں اوسط یومیہ پیداوار 2,589 بیرلز تیل ہے۔

## غیر انتظام شدہ مشترکہ منصوبے

OGDCL پیداواری اور تلاش کرنے والی دیگر کمپنیوں کے زیر انتظام مختلف بلاکس اور D&P لیزز میں عملی مفادات کی حامل ہے۔ زیر جائزہ مالیاتی سال 2016-17 کے دوران غیر انتظام شدہ مشترکہ منصوبوں میں جو کام ہوا ہے اس کی تفصیل درج ذیل ہے:

## TAL بلاک

TAL بلاک صوبہ خیبر پختونخواہ میں واقع ہے اور یہ بلاک کرک، کوہاٹ، ہنگو، بنو، شمالی وزیرستان اور اورک زئی ایجنسی کے علاقوں پر پھیلا ہوا ہے۔ MOL پاکستان اس کنسیشن کا آپریٹر ہے جبکہ OGDCL، PPL، POL اور GHPL مشترکہ شراکت دار ہیں۔ OGDCL کا TAL کنسیشن میں 27.76 فیصد عملی مفاد ہے۔ TAL بلاک میں تلاش، تشخیص اور پیداوار کو بڑھانے کیلئے کل 22 تلاش / تشخیصی کنویں اور 15 پیداواری کنوؤں کی ڈرلنگ آج تک کی جا چکی ہے۔ TAL کنسیشن میں کی گئی دریافتوں میں منزلائی، کوری، مامی خیل، مارم زئی، کوری ایسٹ، کوری ڈیپ، تونج، تونج ویسٹ اور مردان خیل شامل ہیں۔ زیر جائزہ مدت کے دوران مردان خیل 1- کو کامیابی کے ساتھ پیداواری نظام میں شامل کر لیا گیا ہے اور کوری ڈیپ پر کنویں کی تنصیب اور پائپ لائن کا تعمیراتی کام مکمل ہو چکا ہے۔ اسکے علاوہ، آزمائشی کنواں تونج ایسٹ 1- اور ترقیاتی کنواں کوری ایسٹ 6 کی ڈرلنگ جاری ہے۔ TAL کنسیشن کی حالیہ یومیہ پیداوار 24,800 بیرلز خام تیل، 310 MMcf گیس اور 500 ٹن LPG ہے۔ علاوہ ازیں، مردان خیل 2 اور 3 کے تشخیصی کنوؤں کی ڈرلنگ مکمل ہو چکی ہے جبکہ ان کا پیداواری نظام میں شامل کرنے کا کام باقی ہے۔

## آدہی فیلڈ

آدہی آئل فیلڈ صوبہ پنجاب کے ضلع راولپنڈی میں واقع ہے اور اسے PPL آپریٹ کر رہا ہے جبکہ OGDCL اور POL اس میں مشترکہ پارٹنر ہیں۔ آدہی آئل فیلڈ میں OGDCL کا عملی مفاد 50 فیصد ہے۔ زیر جائزہ مدت میں آدہی پر ذخائر سے متعلقہ سٹڈی جاری رہی جبکہ آدہی 26، 27، 28 کنوؤں پر ڈرلنگ کا کام مکمل ہو چکا ہے اور آدہی 29 اور 30 کنوؤں پر کام جاری ہے۔ علاوہ ازیں آدہی پلانٹ 3 معمول کے مطابق آپریشنل رہا جس سے قابل فروخت گیس، LPG اور NGL ڈیزائن کردہ صلاحیت کے مطابق مارچ 2017 سے فراہم کی جا رہی ہے۔ آدہی کی دوران سال یومیہ پیداوار 5,477 بیرلز خام تیل، 70 MMcf گیس، 1,802 بیرلز NGL اور 239 ٹن LPG رہی۔

## پنڈوری فیلڈ

پنڈوری فیلڈ صوبہ پنجاب کے ضلع چکوال میں واقع ہے جسے POL آپریٹ کر رہا ہے اس میں OGDCL کا عملی مفاد 50 فیصد ہے جو کہ اہم پیداواری ذخائر Paleocene Lockhart اور Eocene Sakesar فارمیشن منجمد کاربونیٹس پر مشتمل ہیں۔ اب تک 11 کنوؤں کی ڈرلنگ ہو چکی ہے جن میں 2 واٹر انجیکٹر بھی شامل ہیں۔ اس وقت 2 کنویں پروڈکشن پر ہیں اور کل یومیہ پیداوار 189 بیرلز خام تیل اور 0.61 MMcf گیس ہے۔

پروسیسنگ یونٹس کی مکینیکل، پائپنگ اور کمیشننگ کا کام مکمل ہو چکا ہے جس کے نتیجے میں SSGC کو تخصیصی گیس کی فراہمی کا آغاز یکم ستمبر 2016 سے جبکہ LPG کی ابتداء 14 دسمبر 2016 سے ہو چکا ہے۔

KPD-TAY فیلڈ کی حالیہ پیداوار 3,600 بیرلز یومیہ تیل / NGL، 170 MMcf، یومیہ گیس اور 260 ٹن یومیہ LPG ہے۔ آلات اور پیرامیٹرز کی آزمائش (testing) کے مکمل ہونے کے بعد KPD-TAY منصوبہ کی کل یومیہ پیداوار 4,000 بیرلز تیل / NGL، 205 MMcf، گیس اور 350 ٹن LPG ہونے کی توقع ہے۔

### اوچ-II ترقیاتی منصوبہ

اوچ گیس فیلڈ صوبہ بلوچستان میں ڈیرہ بگٹی کے جنوب مشرق میں تقریباً 67 کلو میٹر کے فاصلے پر واقع ہے۔ کمپنی عبوری انتظام کے تحت اوچ-II پاور پرائیویٹ لمیٹڈ کو طلب کے مطابق فروری 2014 سے گیس فراہم کر رہی ہے۔

OGDCL نے رواں سال کے دوران اوچ-II کی تکمیل کی سرگرمیوں کو بڑھایا ہے۔

ہائڈروکربن سسٹم، امائن اور ڈی ہائیڈریشن یونٹس کی کمیشننگ مکمل کر کے اوچ-II سے گیس کی اعلیٰ مہارت کے ساتھ فراہمی کو ممکن بناتے ہوئے ترقیاتی منصوبے کی تکمیل 12 جنوری 2017 کو کی۔ اوچ-II پلانٹ اس وقت معمول کے مطابق آپریٹ کرتے ہوئے تقریباً 130 MMcf یومیہ گیس فراہم کر رہا ہے۔

### نشپا ترقیاتی منصوبہ

نشپا فیلڈ صوبہ خیبر پختونخواہ کے ضلع کرک میں واقع ہے۔ OGDCL 56.45 فیصد شیئرز کے ساتھ اس فیلڈ کا آپریٹر ہے جبکہ دیگر مشترکہ پارٹنرز میں PPL اور GHPL شامل ہیں۔ اس منصوبے کے دائرہ کار میں گیس پراسسنگ پلانٹ اور LPG پلانٹ کی تنصیب شامل ہے۔ EPCC ٹھیکیدار نے منصوبے کی ترقیاتی سرگرمیوں سے متعلق سائٹ پر ڈیزائن کا مرحلہ اور آلات کی ترسیل مکمل کر لی ہے جبکہ تنصیب اور تعمیراتی کام آخری مراحل میں ہیں۔ نشپا فیلڈ کی حالیہ یومیہ پیداوار تقریباً 22,650 بیرلز تیل اور 94 MMcf گیس ہے۔ منصوبے کی تکمیل پر 1,100 بیرلز یومیہ تیل / NGL، 10 MMcf، یومیہ گیس اور 340 ٹن یومیہ LPG کی اضافی پیداوار حاصل ہوگی۔

### سوغری ترقیاتی منصوبہ

سوغری فیلڈ ضلع انک صوبہ پنجاب میں واقع ہے۔ سوغری ترقیاتی منصوبے کے تحت OGDCL دکنی سائٹ پر گیس سوئینگ یونٹ اور متعلقہ یوٹیلٹیز نصب کر کے سوغری گیس کو پراسس کرنے کا ارادہ رکھتی ہے۔ اس غرض سے سمجھوتہ فیلڈ سے امائن یونٹ کی شفٹنگ اور ضروری سامان کی خریداری مکمل کر لی گئی ہے جبکہ PC ٹھیکیدار کی تقرری زیر عمل ہے۔ جون 2018 میں منصوبے کی تکمیل پر 20 MMcf یومیہ گیس کی اضافی پیداوار متوقع ہے۔

## OGDCL کے زیر انتظام فیلڈز

30 جون 2017 کو OGDCL کی ترقیاتی و پیداواری لیزرز (D&PLs) کا پورٹ فولیو 69 اپنی اور انتظام شدہ D&PLs پر مشتمل ہے ان کے علاوہ تلاش و پیداوار کی دیگر کمپنیوں کے زیر انتظام 38 D&PLs میں عملی مفادات ہونے کی بناء پر کمپنی کے پورٹ فولیو کو مزید تقویت حاصل ہوئی ہے مالی سال 2016-17 میں کمپنی کے کچھ پیداواری فیلڈز کا مختصر جائزہ درج ذیل ہے:

### قادر پور

قادر پور فیلڈ ضلع گھونگی اور کشمور، صوبہ سندھ میں واقع ہے۔ یہ فیلڈ OGDCL کے زیر انتظام ہے اور اس میں کمپنی کا عملی مفاد 75 فیصد ہے جبکہ مشترکہ شراکت داروں میں PPL، KUFPEC، PKPEL-I اور PKPEL-II شامل ہیں جن کا عملی مفاد بالترتیب 85 فیصد، 7 فیصد، 4.75 فیصد اور 4.75 فیصد تھے۔ جولائی 2016 تا جون 2017 کی مدت میں قادر پور فیلڈ کے ہونے والی مجموعی اوسط یومیہ پیداوار 312 MMcf گیس اور 440 بیرلز تیل ہے۔

جبکہ OGDCL کی خالص قابل فروخت گیس کی پیداوار 1,051 MMcf یومیہ پر مستحکم رہی جو کہ گزشتہ سال میں 1,056 MMcf یومیہ تھی باوجود اس کے کہ غیر انتظام شدہ مشترکہ فیلڈز بالخصوص کدن واری، بھٹ، بدھر اور میانو سے پیداوار میں کمی دیکھی گئی۔ اسی طرح کچھ انتظام شدہ فیلڈز بشمول قادر پور (کچھ کنوؤں میں بڑے پیمانے پر پانی کے کٹاؤ اور 31-8 جنوری 2017 کے دوران لبرٹی پاور لمیٹڈ کی جانب سے گیس کا حصول نہیں ہوا)، باہو (باہو-1 مورخہ 5 ستمبر 2016 سے ریت کی پیداوار اور فوجی کیمپ والا پاور کمپنی لمیٹڈ کے ATA کی وجہ سے بند رہا)، میلا (میلا-1 میں ڈاؤن ہول کا مسئلہ) اور مارو ریتی (31-6 اکتوبر 2016 کو اینگرو فریڈا نر لمیٹڈ کی جانب سے غیر شیڈول کردہ ATA اور مارو ایسٹ-1 EWT کے اختتام کی وجہ سے مورخہ 28 جنوری 2017 سے بند ہے) سے پیداوار کی کمی دیکھنے میں آئی۔

ہائیڈروکاربن ذخائر کی پیداوار میں بڑھوتری کی کوششوں کے نتیجے میں OGDCL کے 30 جون 2017 کے مالیاتی نتائج میں بہتری دیکھی گئی۔ زیر جائزہ دورانیہ میں بشمول کمپنی کے زیر انتظام اور غیر انتظام شدہ مشترکہ فیلڈز سے تیل، گیس، LPG اور سلفر کی یومیہ خالص قابل فروخت پیداوار کی تفصیل درج ذیل ہے:

مصنوعات	پیمائش کی اکائیاں	مالیاتی سال 2016-17	مالیاتی سال 2015-16
خام تیل	بیر لزیومیہ	44,041	40,609
گیس	MMcf یومیہ	1,051	1,056
LPG	ٹن یومیہ	455	342
سلفر	ٹن یومیہ	63	39

آگے بڑھتے ہوئے تیل اور گیس کے نئے کنوؤں کی تلاش کی بھرپور کوششوں، دریافت شدہ فیلڈز کی تیز ترین ڈویلپمنٹ، جاری ترقیاتی منصوبوں کی تکمیل اور مالیاتی نظم و ضبط کی پابندی کرتے ہوئے OGDCL ملک کے اندر توانائی کی فراہمی میں اضافہ کرنے کے لیے پرعزم ہے۔ پیداواری صلاحیت کو بڑھانے کیلئے کمپنی اس بات ہر عمل پیرا ہے کہ پائیدار اقتصادی ترقی کے مواقع، مقامی آبادی کی خدمت، ماحول کے تحفظ اور HSE کے بہتر معیار کو مد نظر رکھا جائے۔

## آزاد ذرائع سے مارکیٹ شیئر کی تفصیلات

OGDCL نے رواں سال میں پاکستان میں مصروف عمل دیگر E&P کمپنیوں کے مقابلے میں سب سے زیادہ تلاش کا رقبہ، 2D سیمسک ڈیٹا کا حصول، تیل اور گیس کے ذخائر اور پیداوار میں شراکت کی بناء پر مارکیٹ میں قیادت کی حیثیت قائم رکھی۔ کمپنی کے زیر انتظام تلاش کے اجازت نامے 58 کل ملکیتی اور مشترکہ بلاکس پر مشتمل ہیں جو کہ 114,581 مربع کلومیٹر پر محیط ہیں اور ملک کے کل زیر تلاش رقبے کا 33 فیصد ہیں۔ زیر جائزہ سال کے دوران کمپنی کا 2D سیمسک ڈیٹا کا حصول ملک میں کل حاصل کردہ 2D سیمسک ڈیٹا کا 66 فیصد ہے۔ علاوہ ازیں 30 جون 2017 کو کمپنی کے ہائیڈروکاربن ذخائر ملک میں تیل کے ذخائر کا 59 فیصد اور گیس کے ذخائر کا 32 فیصد تھے۔ مزید یہ کہ دوران جائزہ مدت میں کمپنی نے ملک کی کل تیل اور قدرتی گیس کی پیداوار میں کمپنی کا حصہ بالترتیب 51 فیصد اور 28 فیصد رہا۔ (ماخذ: PPIS)

## ترقیاتی منصوبہ جات

OGDCL نے اپنی کاروباری حکمت عملی کے تحت ہائیڈروکاربن کی پیداوار کو مزید بہتر کرنے کیلئے مالیاتی سال 2016-17 کے دوران اپنے جاری ترقیاتی منصوبہ جات پر کام کیا جس کے نتیجے میں KPD-TAY اور اوچ-II پائپ لائنیں کو پمپنگ۔ جبکہ نشا اور سوغری کے ترقیاتی منصوبے تکمیل کے مختلف مراحل میں ہیں جو مستقبل قریب میں تیل، گیس اور LPG کی پیداوار کو بڑھانے کی اہلیت رکھتے ہیں۔

OGDCL کے ترقیاتی منصوبوں کی تفصیل درج ذیل ہے:

### KPD-TAY ترقیاتی منصوبہ

KPD-TAY ترقیاتی منصوبہ ضلع حیدرآباد صوبہ سندھ میں موجود کمر LPG پلانٹ کے سامنے واقع ہے۔ OGDCL کی ترقیاتی منصوبہ بندی کے تحت اس منصوبہ نے 2 فیزز میں تکمیل پانا ہے۔ اس سلسلے میں منصوبہ کا فیز-I اندرونی وسائل کو استعمال کرتے ہوئے آئل ریکوری اور گیس ڈی ہائیڈریشن کی تنصیب کے ساتھ تکمیل کو پہنچ چکا ہے اور اسکی حالیہ پیداوار 1,000 بیرل یومیہ تیل اور 100 MMcf یومیہ ڈی ہائیڈریٹڈ گیس ہے۔ منصوبہ کے فیز-II کے تحت کنوؤں کی تنصیبات، گیس کو اکٹھا کرنے کا نظام، CO<sub>2</sub> ریووولونٹ، LPG ایکسٹریکشن یونٹ، فیلڈ / سیلز گیس کمپریسر، پاور جنریشن اور متعلقہ یونٹیلٹیز کی تنصیب کا کام مکمل کیا جا چکا ہے۔ اس کے علاوہ فیز-II پر گیس

مذکورہ بالا حقائق کے علاوہ، OGDCL اپنے وزن کے تحت اپنے آپ کو بین الاقوامی سطح پر متعارف کروانے کیلئے موزوں فارم ان / فارم آؤٹ کے مواقعوں کی تلاش اور ایسے بلاکس کے حصول کیلئے کوشاں رہی جہاں بالخصوص بزنس کے کم اخراجات پر مبنی آپریٹنگ کی حیثیت کو استعمال میں لایا جاسکے۔ آگے بڑھتے ہوئے، اور تیل کی کم قیمتوں سے فائدہ اٹھاتے ہوئے، جس کے نتیجے میں بالخصوص سپلائر اور آئل فییلڈز سروس کمپنیوں کے ریٹس میں کمی واقع ہوئی، کمپنی تلاش کی سرگرمیوں میں اضافہ کرنے کا ارادہ رکھتی ہے۔ تاکہ پاکستان میں تیل اور گیس کے ذخائر کے حوالے سے مارکیٹ میں کمپنی کی قیادت کی حیثیت کو برقرار رکھا جاسکے۔

## تیل اور گیس کی دریافتیں

نئے ہائیڈروکاربن ذخائر کی تلاش کی کوششوں کی بدولت OGDCL نے زیر جائزہ مدت کے دوران 5 نئی تیل اور گیس کی دریافتیں کیں۔ جن کی اجتماعی یومیہ پیداواری صلاحیت 53MMcf گیس اور 320 بیرلز تیل ہے۔ یہ دریافتیں گندن واری-1، مٹھری-1 اور چابارو-1 ضلع خیر پور، خمیسو-1 ضلع گھوگی اور چھٹو-1 ضلع حیدرآباد صوبہ سندھ میں ہیں۔ مذکورہ دریافتوں کے حوالے سے ابتدائی مجموعی ذخائر کا تخمینہ 124.47 ملین کیوبک فٹ گیس اور 0.82 ملین بیرلز تیل کا لگایا گیا جو کہ مشترکہ طور پر 22.80 ملین بیرلز تیل کے مساوی ہے۔ بعد ازاں اگست 2017 میں ایک اور گیس کا کنواں دریافت ہوا جو کہ بھمبرہ-1 ضلع سکھر صوبہ سندھ میں ہے جس کی یومیہ پیداواری صلاحیت 5.73 MMcf ہے۔

## تیل اور گیس کے ذخائر

OGDCL کے کل مجموعی بقیہ قابل حصول 3P ذخائر مورخہ 30 جون 2017 کو 482.40 ملین بیرلز تیل اور 11,281.78 ملین کیوبک فٹ گیس ہیں۔ ان ذخائر کا تخمینہ انفرادی طور پر کنسلٹنٹ بنام Bayphase Limited, UK کی ذخائر تخمینہ رپورٹ 2014 کے مطابق ہے جس میں تمام OGDCL کے فییلڈز شامل ہیں۔ جنہیں Bayphase Limited, UK کی رپورٹ کردہ ذخائر کو زیر جائزہ مدت کے دوران فییلڈز کی پیداواری کارکردگی، ورک اوور اور ترقیاتی کنوؤں کے نتائج کو مد نظر رکھتے ہوئے آپ ڈیٹ کیا گیا ہے۔

## تیل اور گیس کی پیداوار

OGDCL جو کہ پاکستان کے E&P سیکٹر کی سرفہرست کمپنی ہے، جس کی توجہ فییلڈز کی ترقیاتی سرگرمیوں، جاری شدہ ترقیاتی منصوبوں کی تکمیل اور جدید تکنیک کو استعمال کرتے ہوئے اپنے کل ملکیتی اور مشترکہ فییلڈز سے تیل اور گیس کی پیداوار کو بڑھانے کی طرف مرکوز ہے۔ ان پیداواری اضافے کی کوشش کے نتیجے میں کمپنی نے مورخہ 28 نومبر 2016 کو خام تیل کی مجموعی بلند ترین سطح 50,354 بیرلز یومیہ ریکارڈ کی۔ اس کے علاوہ جولائی 2016 تا جون 2017 کی مدت کے دوران ملک کی کل تیل اور گیس کی پیداوار میں کمپنی کا مارکیٹ شیئر بالترتیب 51 فیصد اور 28 فیصد رہا (ماخذ: PPIS)۔

پیداوار میں اضافہ کرنے کی غرض سے OGDCL نے زیر جائزہ مدت میں اپنے زیر انتظام 22 نئے کنوؤں پیداوار اکھٹا کرنے کے نظام میں شامل (inject) کئے، جن میں قادر پور HRL-11، کئر-11، راجیان-9، نشپا-6 اور 7، انز-1، پالی ڈیپ-1، تھورا ڈیپ 2&1، پسانخی ویسٹ ڈیپ-1، پسانخی ایسٹ-1، TAY-2,3&4، درس-1، درس ڈیپ-1، درس ویسٹ-1، شاہ-1، حکیم داہو-2، خمیسو-1، اور قادر پور 56&57 شامل ہیں۔ ان کنوؤں کی شمولیت سے دوران جائزہ مدت میں خام تیل اور گیس کی بالترتیب 2,012,718 بیرلز اور 17,185 MMcf اضافی پیداوار ہوئی۔ اس کے علاوہ دچر پور-3، قادر پور HLR-12 اور چھٹو-1 پر پیداواری آزمائش (testing) مکمل کی جا چکی ہے۔

پختہ (mature) کنوؤں کی پیداوار میں قدرتی کمی پر قابو پانے اور پیداوار کے احیاء کیلئے OGDCL نے زیر جائزہ مدت کے دوران پالی ڈیپ-1، راجیان-2، کئر-10 & 8، پسانخی-5، پسانخی ڈیپ-6، حکیم داہو-2 اور سونو-8 پر ورک اوور انجام دیئے۔ پیداواری عمل کے لازمی جزو کے طور پر رگ لیس ورک اوور بھی انجام دیئے۔ اس کے علاوہ کنوؤں کے بہاؤ کے موجودہ دائرہ کار میں بہتری لانے کی خاطر اوچ، بوبلی، نشپا، پسانخی، سنجھورو، مارو ایسٹ اور قادر پور فییلڈز میں دباؤ بننے کے سروے کا کام مکمل کیا گیا۔ حفاظتی مینٹیننس پلان کے تحت سنجھورو، چندا، نشپا، بوبلی، اوچ، مارویتی، مندپور، قادر پور اور دکھنی / سوغری پلانٹس پر سالانہ ٹرن اراؤنڈ انجام دیا گیا۔

پختہ (mature) پیداواری فییلڈز میں قدرتی طور پر کمی ہونے کے باوجود OGDCL کی یومیہ خام تیل کی اوسط خالص پیداوار میں گزشتہ سال کے مقابلے میں 8.5 فیصد اضافہ دیکھا گیا۔ جس کی اہم وجہ کئر، KPD، راجیان، نشپا، پالی ڈیپ، سنجھورو اور غیر انتظام شدہ مشترکہ فییلڈز کی پیداوار میں اضافے کے علاوہ TAY فییلڈز سے پیداوار کا آغاز ہے۔ جہاں تک LPG کی پیداوار کا تعلق ہے تو دسمبر 2016 میں KPD فییلڈ، فروری 2017 میں TAY فییلڈ سے پیداوار کے آغاز کے ساتھ ساتھ سنجھورو اور غیر انتظام شدہ مشترکہ فییلڈز سے پیداوار میں اضافہ کے باعث 33 فیصد بہتری کاریکارڈ رہا۔



# ڈائریکٹر رپورٹ

## محترم شیئر ہولڈرز!

آئل اینڈ گیس ڈیولپمنٹ کمپنی لمیٹڈ (OGDCL) کے بورڈ آف ڈائریکٹرز 30 جون 2017ء کو ختم ہونے والے مالی سال میں کمپنی کی آپریشنل اور مالیاتی کارکردگی بشمول جانچ شدہ مالیاتی معلومات اور آڈٹ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

عالمی مارکیٹ میں تیل کی قیمتوں میں کمی کے باوجود زیر جائزہ مالی سال کے دوران OGDCL نے ایک بار پھر کامیاب آپریشنل اور مالیاتی کارکردگی کا مظاہرہ کیا اور پاکستان کے E&P شعبہ میں بطور انڈسٹری لیڈر اپنی حیثیت کو برقرار رکھا۔ بزنس کو طویل مدت تک جاری رکھنے اور ترقی کے فروغ کیلئے کمپنی کے مالیاتی نظم و ضبط کو برقرار رکھتے ہوئے تلاش، ترقیاتی اور پیداواری مقاصد کے حصول کیلئے پر عزم رہی جس کا ثمر 28 نومبر 2016ء کو خام تیل 50,354 بیرلز یومیہ کی بلند ترین مجموعی پیداوار کی صورت میں نکلا۔ علاوہ ازیں گذشتہ سال کے مد مقابل خام تیل کی پیداوار میں 8.5 فیصد اضافہ ریکارڈ کیا گیا جس کی وجہ سے جولائی 2016 تا جون 2017 کے دورانیہ میں مجموعی خام تیل کی پیداوار میں کمپنی کا حصہ بڑھ کر 51 فیصد ہو گیا (ماخذ: پاکستان پیٹرولیم انفارمیشن سروسز (PPIS))۔ مالیاتی پہلو سے خام تیل اور LPG کی فروخت میں اضافے اور بین الاقوامی تیل کی قیمتوں میں بہتری کی وجہ سے کمپنی کی آمدنی اور بعد از ٹیکس منافع بالترتیب 171.829 ارب روپے (162.867 ارب روپے: 16-2015 FY) اور 63.803 ارب روپے (59.971 ارب روپے: 16-2015 FY) رہا۔

## تیل اور گیس کی تلاش اور ترقیاتی سرگرمیاں

OGDCL نے E&P آپریشنز کی طویل مدتی ترقی کیلئے تلاش کی سرگرمیوں میں سرمایہ کاری کو جاری رکھا تاکہ نئی، قیمتی اور مربوط تیل و گیس کی فراہمی کو مستقبل میں لے کرے تک ممکن بنایا جاسکے۔ کاروباری اثاثہ جات اور پیداوار کی بڑھوتری کیلئے کمپنی نے اپنے زیر تلاش رقبے میں تلاش کی سرگرمیاں انجام دیں، یہ رقبہ 30 جون 2017 کو 114,581 مربع کلومیٹر تھا جو کہ ملک کے زیر تلاش رقبے کا سب سے بڑا حصہ ہے۔ کمپنی کا زیر تلاش رقبہ ملک کے چاروں صوبوں میں پھیلا ہوا ہے جن میں سے تلاش کے 58 کل ملکیٹی اور مشترک بلاکس کے اجازت نامے کمپنی کے زیر انتظام ہیں۔ ان کے علاوہ دیگر کمپنیوں کے زیر انتظام تلاش و پیداوار کے رقبے میں سے 5 بلاکس میں کمپنی کے عملی مفادات / ورکنگ انٹریٹ شامل ہیں۔

OGDCL نے تیل اور گیس کی تلاش کی حکمت عملی کے تحت جولائی 2016 تا جون 2017 کے دوران 4,034 لائن کلومیٹر 2D سیمک اور 1,153 مربع کلومیٹر 3D سیمک ڈیٹا حاصل کیا جو کہ ملک میں حاصل کئے گئے کل سیمک ڈیٹا کا بالترتیب 66 فیصد اور 34 فیصد ہے (ماخذ: PPIS)۔ یہ سیمک ڈیٹا مختلف بلاکس جیسا کہ شان، ماری ایٹ، کولاجی، بیڑو، رانی پور، خان پور، دکھنی، نور بغلا، سوغری، شان، زور گڑھ، کھاران-3، لتامبر، رسملان، ویسٹ، سمندر، والی، کوہاٹ، باراتی، پارکنی اسے اور بی اور پسینی ویسٹ سے حاصل کیا گیا۔ اس کے علاوہ کمپنی نے ڈوب اور کئی رڈ ELS میں 258 لائن کلومیٹر کا جیولوجیکل فیلڈ ورک کیا۔ مزید برآں مختلف بلاکس میں 6,744 لائن کلومیٹر 2D اور 5,419 مربع کلومیٹر 3D سیمک ڈیٹا اپنے ذرائع سے پراسیس / ری-پراسیس کیا۔

باوجود تیل کی کم قیمتوں کے OGDCL نے زیر جائزہ سال کے دوران اپنی ڈرلنگ جاری رکھتے ہوئے کل 22 نئے کنوؤں کی کھدائی کی جن میں 11 آزمائشی / تشخیصی کنوؤں بنام گندن واری-1، رانی پور-1، چابو-1، کچاخیل-1، بھمبرا-1، ڈھوک حسین-1، ریٹیم ویسٹ-1، TAY SW-1، خنجر-1، تھل ویسٹ-2 اور تھل ایسٹ-3، اور 11 پیداواری کنوؤں بنام میلا-5، چندا-4، راجیان-10، نشپا-8، پسانخی ڈیپ-7، پالی-3، بٹرم ویسٹ-2، قادر پور-56، 57، 58 اور HRL-12 شامل ہیں۔ اس کے علاوہ، پچھلے سال سے جاری 15 کنوؤں پر ڈرلنگ کا کام بھی جاری رکھا جن میں سے 14 کی کھدائی اور آزمائش (testing) مکمل کر لی گئی ہے۔ زیر جائزہ مدت میں کمپنی نے کل 81,774 میٹرز کی کھدائی ریکارڈ کی۔

تیل کی عالمی قیمتوں میں ردوبدل کو مد نظر رکھتے ہوئے OGDCL نے اپنی توجہ معروف E&P کمپنیوں کے ساتھ مشترکہ منصوبوں پر مرکوز رکھی تاکہ نئے شراکت داروں کی مہارتوں کو بروئے کار لایا جاسکے۔ اس حوالے سے ریٹیم E&P کمپنی Gazprom International کے ساتھ ایک مفادمتی یادداشت (MoU) پر دستخط کئے جس کا مقصد مشترکہ منصوبوں میں تعاون اور جدید ٹیکنالوجی کو بروئے کار لانا اور کمپنی کے زیر انتظام فیلڈز سے پیداواری اضافہ کو ممکن بنانا ہے۔ مزید برآں تیل اور گیس کے غیر روایتی (unconventional) ذرائع جیسا کہ شیل گیس / تیل اور ٹائٹ گیس / تیل کی تلاش / شیل گیس پالمیٹ کنوؤں کی مستقبل میں ڈرلنگ کی غرض سے جگہ (sweet spot) کا انتخاب کیا جا چکا ہے۔

# Abbreviations

AGM	Annual General Meeting	KUFPEC	Kuwait Foreign Petroleum Exploration Company
AOC	Attock Oil Company	LPG	Liquefied Petroleum Gas
BD	Business Development	MAP	Management Association of Pakistan
BESOS	Benazir Employees Stock Option Scheme	MBA	Master of Business Administration
BTU	British Thermal Unit	Mcf	Thousand cubic feet
CBA	Collective Bargaining Agent	MD	Managing Director
CDC	Central Depository Company	ML	Mining Lease
CEO	Chief Executive Officer	MMcf	Million cubic feet
CFO	Chief Financial Officer	MOL	MOL Pakistan Oil & Gas Co. B.V.
CNIC	Computerized National Identity Card	MOU	Memorandum of Understanding
D&PL	Development and Production Lease	MPCL	Mari Petroleum Company Limited
DFI	Development Finance Institution	NBFI	Non-Bank Financial Institution
DGPC	Directorate General of Petroleum Concessions	NGL	Natural Gas Liquids
DSC	Defence Saving Certificate	NHA	National Highway Authority
E&E	Exploration and Evaluation	NIT	National Investment Trust
E&P	Exploration and Production	OEET	OGDCL Employees Empowerment Trust
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization	OGRA	Oil & Gas Regulatory Authority
EG	Executive Grade	OHSAS	Occupational Health and Safety Assessment Series
ENI	Eni Pakistan Limited	OMV	OMV (Pakistan) Exploration Gmbh
EPCC	Engineering, Procurement, Construction and Commissioning	OPL	Ocean Pakistan Limited
ERP	Enterprise Resource Planning	PEL	Petroleum Exploration (Pvt) Limited
FBR	Federal Board of Revenue	PIB	Pakistan Investment Bond
FTW	Floating Treatment Wetland	PKPEL	Pakistan Petroleum Exploration Limited
GHPL	Government Holdings (Private) Limited	PKR	Pak Rupee
GoP	Government of Pakistan	POL	Pakistan Oilfields Limited
HSE	Health, Safety and Environment	PPIS	Pakistan Petroleum Information Services
HSEQ	Health, Safety, Environment and Quality	PPL	Pakistan Petroleum Limited
HSFO	High Sulphur Fuel Oil	PPTFC	Privately Placed Term Finance Certificate
IAS	International Accounting Standards	SAFA	South Asian Federation of Accountants
IASB	International Accounting Standards Board	SECP	Securities and Exchange Commission of Pakistan
ICI	Imperial Chemical Industries	SEHCL	Sindh Energy Holding Company (Pvt) Limited
IFRIC	International Financial Reporting Interpretations Committee	SEL	Saif Energy Limited
IFRS	International Financial Reporting Standards	SEPL	Spud Energy Pty Limited
IPRTOC	IPR Transoil Corporation	SHERRITT	Sherritt International Oil and Gas
ISE	Islamabad Stock Exchange	SLIC	State Life Insurance Corporation of Pakistan
ISO	International Organization for Standardization	SNGPL	Sui Northern Gas Pipelines Limited
IT	Information Technology	SOP	Standard Operating Procedure
JV	Joint Venture	sq. km	Square Kilometer
km	Kilometer	SSGC	Sui Southern Gas Company
KPD	Kunnar Pasakhi Deep	TAY	Tando Allah Yar
KPK	Khyber Pakhtunkhwa	TDR	Term Deposit Receipt
KPOGCL	Khyber Pakhtunkhwa Oil and Gas Company Limited	TFC	Term Finance Certificate





# Form for Video Conference Facility

## 20th Annual General Meeting

Date: \_\_\_\_\_

Share Registrar Department,  
Central Depository Company of Pakistan Limited,  
CDC House, 99-B, Block – B,  
S.M.C.H.S., Main Shahrah-e-Faisal,  
Karachi - 74400.

I/We, \_\_\_\_\_ being a member of Oil & Gas Development Company Limited Company Limited, holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio No./CDC Account No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of member

**Note:**

Please send this form duly filled and signed at least 10 days before holding of Annual General Meeting at the registered office of the Company or Share Registrar of the Company.









**Oil & Gas Development Company Limited**  
OGDCL House, Plot No. 3, F-6/G-6, Blue Area,  
Jinnah Avenue, Islamabad - Pakistan.  
[www.ogdcl.com](http://www.ogdcl.com)

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