



Pakistan Petroleum Limited

P.I.D.C. House, Dr. Ziauddin Ahmed Road,
P. O. Box 3942, Karachi-75530, Pakistan
Tel: 92-21-35681391-95, 35683853-57, 35657730-39
UAN: 92-21-111-568-568
Fax: 92-21-35680005 & 35682125
Website: www.ppl.com.pk

Our reference:

CS/SE-0091

Your reference:

Date: 30th April 2021

By PUCARS

The Pakistan Stock Exchange
Stock Exchange Building
Stock Exchange Road
Karachi.

Attention: Ms. Asmaa Saleem Malik
Deputy General Manager
Listing Department

Dear Sirs,

Re: Report for the Third Quarter Ended 31st March 2021

Pursuant to Rule 5.6.9 (c) of the Rules of the Pakistan Stock Exchange, we enclose the quarterly report for the period ended 31st March 2021 for dissemination among your members.

Yours truly,


Ali Jaffar
Company Secretary

Enclosed as above.

Nine Months Report March **2021**



STANDING TALL



COMPANY INFORMATION

Board of Directors

Mr. Shahab Rizvi
Chairman

Mr. Moin Raza Khan
Chief Executive Officer /
Managing Director

Mr. Abid Sattar

Mr. Aftab Ahmad

Mr. Imtiaz A.H. Laliwala

Ms. Khurshid Bhaimia

Mr. Mian Imtiazuddin

Mr. Nadeem Irshad Kayani

Mr. Sajid Mehmood Qazi

Company Secretary

Mr. Ali Jaffar

Registered Office

P.I.D.C. House
Dr. Ziauddin Ahmed Road
P.O. Box 3942
Karachi-75530

Contact Details

UAN: +92 (21) 111 568 568
Fax: +92 (021) 35680005 & 35682125
Website: www.ppl.com.pk

Registration Number

CUIN: 0000378

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank AL Habib Limited
Dubai Islamic Bank
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Shares Registrar

Messrs. FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Nursery Block-6
P.E.C.H.S., Shahra-e-Faisal
Karachi.
Tel: +92 (21) 34380101-05
Fax: +92 (21) 34380106

Legal Advisors

Messrs. Surridge & Beecheno

DIRECTORS' INTERIM REVIEW

Your directors are pleased to present the unaudited condensed interim financial statements for the nine months period ended March 31, 2021 and a brief review of the Company's operations.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational Highlights

The key operational highlights for the nine months period ended March 31, 2021 are as follows:

Discovery

One discovery has been made during the period under review in partner operated block i.e. Mamikhel South-1 (Tal block).

Drilling Activities

In PPL operated blocks, three development wells were spud-in during the period under review, as compared to four wells (two exploratory and two development) in the corresponding period.

Geophysical Surveys

In PPL operated blocks, gravity and magnetic data of 1,960 Line Km was acquired during the current period in addition to acquisition of 130 Sq. km 3D seismic data.

Financial Highlights

The key financial results of the Company for the nine months period ended March 31, 2021 are as follows:

	Nine months ended March 31, 2021	Nine months ended March 31, 2020
	Rs Million	
Sales revenue (net)	112,235	126,228
Profit before taxation	51,328	54,530
Taxation	(13,210)	(15,301)
Profit after taxation	38,118	39,229
Basic and Diluted Earnings Per Share (Rs)	14.01	14.42

Sales revenue

Sales revenue decreased by Rs 13,993 million during the current period as compared to the corresponding period. The decline is due to negative variance on account of price (including change in exchange rate) amounting to Rs 10,686 million, coupled with negative volume variance of Rs 3,307 million.

Negative price variance is due to decrease in average international crude oil prices from US\$ 58.94 / bbl in the corresponding period to US\$ 49.04 / bbl during the current period, partially offset by devaluation of Pak rupee against US dollar (average exchange rate for the current period

was PKR 162.28 as compared to PKR 156.68 during the corresponding period). In addition, negative volume variance is mainly attributable to Kandhkot (lower offtakes by the customer), Sui, Dhok Sultan, Tal, Qadirpur, Sawan, Miano and Kotri North fields, partially offset by higher production from Gambat South, Nashpa, Kirthar, Hala and Adhi fields.

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

	Unit	Nine months ended March 31, 2021	Nine months ended March 31, 2020
Natural Gas	MMscf	180,132	190,355
Crude Oil / Natural Gas Liquids / Condensate	BBL	3,928,114	4,001,689
Liquefied Petroleum Gas (LPG)	Tonnes	86,471	86,036
Barytes	Tonnes	46,530	54,736

Profitability

Profitability decreased by 3% as compared to the corresponding period. The main drivers are decline in sales revenue (as explained above) and other income, partially offset by reduced exploration expenses.

Decline in other income is mainly attributable to booking of exchange loss during the current period due to PKR appreciation at the period end, whereas exchange gain was booked in the corresponding period.

Reduction in exploration expenses is due to lower cost of dry wells charged to profit or loss during the current period.

LIQUIDITY MANAGEMENT AND CASH FLOW POSITION

Overall collections from customers significantly improved as compared to the corresponding period, thus restricting the increase in trade debts to less than 6%, which stood at Rs 279 billion (June 30, 2020: Rs 264 billion). However, Circular Debt continues to be considered as a critical risk in the achievement of the Company's strategic objectives. The Company remained actively engaged with all stakeholders including relevant Ministries for both temporary relief to meet short-term cash flow requirements, as well as long-term permanent solution to Circular Debt.

FOCUS AREAS

Exploration

At present, the Company's portfolio, together with its subsidiaries, consists of forty-six exploratory blocks, out of which twenty-six are operated (including Block-8 in Iraq being operated by PPL Asia) and remaining twenty, including two offshore blocks in Pakistan and one onshore block in Yemen, are partner operated. Update of major activities is as follows:

Exploration South Assets

In Khipro East block, letter of award has been issued to contractor for high spec rig for drilling of exploratory well Khipro East X-1. The well is expected to be spud-in in the first quarter of the next fiscal year.

Exploration Frontier Assets

In Musakhel block, acquisition of gravity & magnetic survey is in progress, whereas, crew mobilisation for gravity & magnetic survey is in progress in Kharan South and Kharan East blocks.

Exploration North Assets

To appraise the Dhok Sultan discovery, drilling of appraisal well Dhok Sultan-2 has been completed and preparations are underway to evaluate and test the well.

In Punjab block, preparations are underway to commence the gravity & magnetic survey.

Partner-Operated Exploration Blocks

Civil works for construction of access road and wellsite for exploratory well Khanot X-1 is in progress in Kotri North block. The well is planned to be spud-in by May 2021.

In Digri block, exploratory well Saindad-1 has been suspended for further evaluation. Post well analysis and evaluation of remaining block prospectivity in progress.

Exploratory well Qadirpur Deep X-1A was plugged and abandoned and has been charged to profit or loss as dry well.

Producing Fields

Sui

Development wells Sui-111(U) and Sui-112(U) were commissioned into production network adding around 5.7 MMscfd of gas, whereas, site construction activities for Sui-72(M) workover have been initiated.

Debottlenecking job at SML Pipeline Network was carried out, which resulted in additional production gain of around 6 MMscfd.

Further, maintenance and enhancement of reliability activities were undertaken at Purification Plant which include major overhaul of a boiler. The replacement of 8 kilometers segment of Sui-KPS water pipeline was also carried out to ensure uninterrupted water supply to Sui field and local community.

Kandhkot

Maintenance and upgrade/enhancement of plant reliability activities were undertaken at Kandhkot gas field, including annual turnaround maintenance at Dehydration Plant, major maintenance of Turbo-Compressor and cleaning and inspection of Glycol Contactor Tower along with TEG replacement.

Gas sales during the period averaged around 117 MMscfd as against field potential of ~220 MMscfd, due to significantly lower offtakes by the customer i.e. GENCO-II.

Gambat South / Hala / Mazarani

Development wells Sharf-3 and Nasr X-1 have been commissioned at Gas Processing Facility (GPF) IV.

With respect to Zafir-GPF (Rehabilitation of GPF-III), the Company is constrained to execute the project due to legal impediments and making efforts to sort out the issues. In the meantime, major long lead items have arrived at site and engagement of contractor for the construction of the Facility is in progress, while procurement process for Gambat South Compression Project is in progress.

Further, various ISO and OHSAS certifications were obtained in Gambat South, Hala and Mazarani fields.

Dhok Sultan

Letters of award for Oil Handling Facility on Build-Operate-Maintain (BOM) basis and for construction works of Gas processing at Meyal field, have been issued.

Bolan Mining Enterprise (BME)

Mining lease for Baryte Lead Zinc project has been awarded for an area of 30 Sq. km, as against the area of 100 Sq. km applied for by PPL/BME. The case for grant of mining lease over the remaining area applied for is being vigorously pursued before the relevant forum.

Mine upgradation and overburden removal process initiated at existing mine site at Gunga Khuzdar for the extraction of high-grade barite ore to cater to export demand.

Partner-Operated Assets

In Latif, drilling of development well Latif-22 has been completed and logging is in progress.

Diversification

In view of declining discoveries / reserves addition, production trend and consequent impact on revenue, and leveraging on the Company's mining experience through BME, the Company's diversification into Mineral Sector on a larger scale is inevitable. Given the huge potential of revenue increase by acquiring Exploration & Mining rights in the Metallogenic Belt of Balochistan and northern areas, plans are at hand to materialise this concept into reality to ensure the increased profitability as well as longevity of the Company. The Company will continue its efforts to explore in the under or unexplored frontier onshore areas and shallow water offshore where the chances of finding big discoveries exist albeit at high cost and higher risk.

Corporate Social Responsibility

Despite restrictions due to COVID-19, the Company continued to work for promotion of education at its producing and exploratory areas across the country and in this respect (i) completed construction of two school buildings (ii) provided furniture to various schools and (iii) released 43 scholarships under Higher Professional Education Scholarship programme to students and (iv) awarded 100 scholarships to various students at Sui and its surrounding areas.

Further, two Reverse Osmosis (RO) plants at district Shaheed Benazirabad and three water supply schemes at district Kharan were completed.

Furthermore, the Company continued to provide health care services to the population of Sui through Public Welfare Hospital, Sui. Further, one (4x4) single cabin ambulance was handed over to Basic Health Unit Dhamach, district Jamshoro.

Quality, Health, Safety and Environment (QHSE)

Third wave / resurgence of COVID-19 was encountered during the reporting period across the country. Management's focus and efforts continued for coping up with the changing scenario at national and global levels. Regular Incident Management Team meetings were conducted to safely manage recurring challenges faced by the organization.

Work From Home (WFH) for office staff (Medically at High Risk) and Journey Risk Management for field staff changeover have been exercised as some of the key control measures.

Training and awareness sessions on the Company COVID-19 Guidelines were conducted to keep everyone engaged / on-board in the process.

9.82 million safe manhours were completed (including company and contractors) by end of March 2021.

Human Resources and Industrial Relations

The Company remains committed to providing equal opportunity in recruitment, promotion, rewards, training and career development to all employees, which has helped the Company in keeping a competitive edge in the industry. In order to overcome the skill shortages, the Company, despite COVID-19, continues to focus on skills and competencies development of staff, through leadership programs, soft skills / technical trainings and awareness sessions.

The Company's efforts were also recognised by the Employers' Federation of Pakistan (EFP) as the Company participated and won the 'Silver' Award in the large national companies' category, in a ceremony graced by the President of Pakistan, Dr. Arif Alvi. The areas recognised for the award included corporate, general and human resource management, health and safety, labour laws and core International Labour Standards Compliance, corporate social responsibility, training and skill development initiatives, sustainable development, women empowerment and response to COVID-19 challenges.

Moreover, harmonious working environment and cordial industrial relations atmosphere prevailed at all locations of the Company. Consequent to finalization of negotiations on Charter of Demands 2018-2019, formal agreement was signed on January 22, 2021.

Subsequent Events

The Company has received an amount of Rs 903.218 million from the National Accountability Bureau (NAB) against long outstanding receivables of the Company from Byco Petroleum Pakistan Limited (Byco). The Company had recognised a provision against the debts due from Byco to the tune of the principal amount of Rs. 1,156.220 million. The provision will be reversed to the extent of the aforementioned amount of Rs 903.218 million.

The Company is pursuing recovery of the remaining amount (principal as well as late payment surcharge) through the NAB and the suit for recovery filed by it in the High Court of Sindh at Karachi.

ACKNOWLEDGEMENT

In these unprecedented times arising as a result of the COVID-19 pandemic, the Company is continuing to do well and is geared to tackle the evolving circumstances as they come. This was made possible with the enthusiasm, resilience and commitment shown by our employees, who deserve full credit. We are also thankful for the continued support of the GoP and shareholders, whose unwavering trust and confidence has enabled us to remain on track in the achievement of our strategic objectives.



DIRECTOR



**MANAGING DIRECTOR /
CHIEF EXECUTIVE OFFICER**

Karachi: April 29, 2021

بعد میں رد نما ہونے والے واقعات


کمپنی کو بانیکو پیٹرولیم پاکستان لمیٹڈ (بانیکو) سے طویل عرصے سے وصول کیے جانے والی وصولیوں کے عوض قومی احتساب بیورو (NAB) کے توسط سے 903.218 ملین روپے وصول ہوئے ہیں۔ کمپنی نے اس بات کو واضح کیا ہے کہ بانیکو پر واجب الادا قرض کی اصل رقم 1,156.220 ملین روپے ہے۔ نیب کے توسط سے بانیکو سے حاصل ہونے والی 903.218 ملین روپے کی رقم کو بانیکو کے بقایا جات سے کم کر کے (reverse) وصولی کے کھاتے میں ڈال دیا جائے گا۔

کمپنی نیب کے ذریعے بقیہ رقم (اصل رقم کے ساتھ ساتھ دیر سے ادائیگی کا سرچارج) کی وصولی اور کراچی میں سندھ ہائی کورٹ کے ذریعے وصولی کے مقدمے کی سماعت کے لئے تیز تر اقدامات کر رہی ہے۔

اعتراف

COVID-19 وبائی مرض کے نتیجے میں اس مشکل وقت میں، کمپنی اچھی کارکردگی کا مظاہرہ کر رہی ہے اور رد نما ہونے والے حالات سے نمٹنے کے لیے تیار ہے۔ یہ ہمارے ملازمین کی مستقل مزاجی، عزم اور مشکلات سے نبرد آزما ہونے کی غیر معمولی صلاحیتوں سے ممکن ہوا ہے، جس کے لئے وہ خراج تحسین کے مستحق ہیں۔ ہم حکومت پاکستان اور حصص یافتگان کے مسلسل تعاون کے لیے ان کے بھی شکرگزار ہیں، جن کے غیر متزلزل یقین اور اعتماد نے ہمیں اپنی حکمت عملی کے مقاصد کے حصول کی راہ پر گامزن رہنے کے قابل بنایا ہے۔


نیجنگ ڈائریکٹر ایگزیکٹو ایفیر


ڈائریکٹر

کراچی: 29 اپریل، 2021

مزید برآں، کمپنی ویلفیئر اسپتال، سوئی کے ذریعے سوئی کی آبادی کو صحت کی دیکھ بھال کی خدمات فراہم کرتی رہی ہے۔ اس کے علاوہ، ایک (4x4) سنگل کیمپن ایسویٹس بنیادی صحت کے مرکز، دھماج، ضلع جام شورو کو بطور عطیہ دی گئی۔

معیار، صحت، تحفظ و ماحول (QHSE)

زیر نظر مدت کے دوران ملک بھر میں COVID-19 کی تیسری لہر کا سامنا کرنا پڑا۔ قومی اور عالمی سطح پر بدلتے ہوئے منظر نامے سے نمٹنے کے لیے انتظامیہ کی توجہ اور کوششیں جاری ہیں۔ اس ضمن میں ادارے کو دور پیش متواتر چیلنجز کا بحفاظت انتظام کرنے کے لیے حادثات کی انتظامی ٹیم کے اجلاس باقاعدگی سے منعقد کیے گئے۔

دو دفتری غلہ جو طبی طور پر انتہائی خطرے میں احساس ہے، کے لیے گھر سے کام کرنے کو اور فیلڈ پر متعین عملے کے لئے متبادل عملے کی انتظام کاری کے دوران 'سفری خطرات کی انتظام کاری (جرنی رسک مینجمنٹ)' جیسے کچھ کلیدی اقدامات اٹھائے گئے۔

اس ٹمبل میں ہر ایک کو شامل کار رکھنے کے لیے کمپنی کے COVID-19 سے متعلق رہنما اصولوں کی روشنی میں تربیت اور آگاہی نشستوں کا انعقاد کیا گیا۔ مارچ 2021 کے آخر تک 9.82 ملین سیف مین آؤرز (کمپنی اور ٹھیکے داروں سمیت) مکمل ہو گئے۔

انسانی وسائل اور صنعتی تعلقات

کمپنی تمام ملازمین کے لیے بھرتی، ترقی، مراعات، تربیت اور کیئر کے ارتقاء میں یکساں مواقع فراہم کرنے کے لیے پُر عزم ہے۔ اس سے کمپنی کو صنعت میں مسابقتی برتری برقرار رکھنے میں مدد ملی ہے۔ عملے کی مہارتوں میں اضافہ کرنے کے لیے کمپنی COVID-19 کے باوجود، قاعدانہ پروگراموں، باہمی تعلقات پر مبنی مہارتیں (سوفٹ اسکلز) / تکنیکی تربیت و آگاہی سیشنز کے ذریعے، عملے کی مہارتوں اور صلاحیتوں کی نشوونما پر توجہ مرکوز کیے ہوئے ہے۔

کمپنی کی کاوشوں کو ایمپلائز فیڈریشن آف پاکستان (EFP) نے بھی تسلیم کیا ہے۔ اس حوالے سے پی پی ایل کو بڑی قومی کمپنی درجہ بندی کے تحت 'سلور ایوارڈ' سے نوازا گیا۔ یہ ایوارڈ اس سلسلے میں منعقد ہونے والی ایک تقریب میں عزت مآب پاکستان کے صدر جناب عارف علوی نے دیا جو تقریب کے مہمان خصوصی بھی تھے۔ ایوارڈ کے منتخب کئے جانے کے معیار میں اداروں کی کاروباری، عمومی اور انسانی وسائل کی انتظام کاری، صحت اور تحفظ، لیبر قوانین اور بنیادی بین الاقوامی لیبر معیارات کی تعمیل، کاروباری سماجی ذمہ داری، تربیت اور ہنر کے فروغ کے اقدامات، پائیدار ترقی، خواتین کو بااختیار بنانے اور COVID-19 چیلنجز کا رد عمل شامل ہے۔

مزید یہ کہ کمپنی کے تمام مقامات پر ہم آہنگی سے کام کرنے والا ماحول اور خوش گوار صنعتی تعلقات کی فضا غالب تھی۔ چارٹرڈ آف ڈیمانڈ 2018-2019 پر مذاکرات کو حتمی شکل دینے کے نتیجے میں باضابطہ معاہدے پر 22 جنوری 2021 کو دستخط ہوئے۔

اس کے علاوہ، گمبٹ ساؤتھ کے ساتھ ساتھ ہالڈ اور مزارانی فیلڈز میں OHSAS اور ISO کے مختلف سرٹیفیکیشن حاصل کیے گئے۔

ڈھوک سلطان

ڈھوک سلطان فیلڈ سے حاصل ہونے والی تیل کی پیداوار کو پروسیس کرنے کے لئے آئل ہینڈلنگ کی سہولت جو کہ تعمیر-پلانٹ کو چلانے-پلانٹ کے انتظام (BOM) کی بنیاد پر ہوگی اور میال فیلڈ میں گیس کو پروسیسنگ کرنے کے لئے تعمیراتی کام کے حوالے سے لیٹر ز آف ایوارڈز (کام شروع کرنے کا اجازت نامہ) جاری کر دیے گئے ہیں۔

بولان مائننگ انٹرپرائز (BME)

بیرائٹ-لیڈ-زینک منصوبے کے لیے مائننگ لیز پی پی ایل/بی ایم ای کی جانب سے 100 مربع کلومیٹر رقبے کی درخواست کے عوض 30 مربع کلومیٹر رقبے کے لیے دی گئی ہے۔ درخواست دیے گئے بقیہ علاقے پر مائننگ لیز دینے کے حوالے سے متعلقہ حکام کے ساتھ تندی سے بات چیت جاری ہے۔

برآمدی طلب کو پورا کرنے کے لیے، گنگا، خضدار کی موجودہ مائن سائٹ/کان کنی کی جگہ پر مائن آپ گریڈیشن/کان کی تجدید اور کان سے بہتر معدنیات حاصل کرنے کیلئے سطح سے چٹان کو ہٹا (overburden removal) کا عمل شروع کیا گیا۔

پارٹنر آپریٹڈ اثاثے

لطیف میں، پیداواری کنونسل لطیف-22 کی کھدائی کا کام مکمل ہو چکا ہے اور لاگنگ جاری ہے۔

تنوع

دریافتوں میں کمی اذخار میں اضافے، پیداواری رجحان اور اس کے نتیجے میں آمدن پر ہونے والے اثرات اور بی ایم ای کے ذریعے کمپنی کے مائننگ کے تجربے سے فائدہ اٹھانے کے پیش نظر، کمپنی کی معدنیات کے شعبے میں بڑے پیمانے پر تنوع ناگزیر ہے۔ بلوچستان اور شمالی علاقوں کے دھاتی بیلٹ میں دریافت اور مائننگ کے حقوق حاصل کر کے آمدنی میں اضافے کے وسیع امکانات کو مد نظر رکھتے ہوئے، کمپنی کے منافع میں اضافے کو طویل عرصے کے لئے یقینی بنانے کی خاطر منصوبہ بندی کی گئی ہے تاکہ اس تصور پر عمل درآمد ہو سکے۔

ساتھ ہی کمپنی، غیر یا کم دریافت شدہ سرحدی علاقوں اور سطحی پانی کے سمندری بلاکس میں ہائیڈروکاربن کی تلاش کے لیے اپنی کوششیں جاری رکھے گی جو زیادہ پرخطر اور لاگت والے ہونے کے باوجود بڑی دریافتوں کے امکانات رکھتے ہیں۔

کاروباری سماجی ذمہ داری

COVID-19 کی وجہ سے پابندیوں کے باوجود، کمپنی نے ملک بھر میں اپنے پیداواری اور دریافتی علاقوں میں تعلیم کے فروغ کے لیے کام جاری رکھا اور اس سلسلے میں (i) دو اسکولوں کی عمارتوں کی تعمیر مکمل ہوئی (ii) مختلف اسکولوں کو فرنیچر فراہم کیا (iii) اعلیٰ پیشہ وارانہ تعلیمی وظائف پروگرام کے تحت 43 وظائف دیئے گئے (iv) سوئی اور اس کے گرد و نواح کے علاقوں میں مختلف طلباء کو 100 وظائف دیئے گئے۔

اس کے علاوہ ضلع شہید بے نظیر آباد میں دو آراو پلانٹس اور ضلع خاران میں تین پانی کی فراہمی کی اسکیمیں مکمل ہوئیں۔

ڈگری بلاک میں، دریافتی کنوئیں سائیں داد-1 کو مزید تشخیص کے لیے معطل کر دیا گیا ہے۔ کنوئیں کی کھدائی کے بعد کے تجزیے اور بقیہ بلاک کے امکانات کے جائزے پر کام جاری ہے۔

دریافتی کنوئیں قادر پور ڈیپ X-1 کو بند کر کے ترک کر دیا گیا تھا اور اسے خشک کنوئیں کے طور پر نفع یا نقصان کے کھاتے میں درج کر دیا گیا تھا۔

پیداواری فیلڈز

سوئی

پیداواری کنوئیں سوئی-111 (U) اور سوئی-112 (U) کو پیداواری سلسلے میں شامل کر دیا گیا ہے جس سے یومیہ تقریباً 5.7 ایم ایم ایس سی ایف گیس پیداواری سلسلے میں شامل ہو گئی ہے، جب کہ سوئی-72 (M) کی کھدائی کی جگہ کے لیے تعمیراتی سرگرمیاں شروع کر دی گئی ہیں۔

ایس ایم ایل (SML) پائپ لائن نیٹ ورک سے دشواریوں کو دور کر دیا گیا ہے، جس کے نتیجے میں یومیہ 6 ایم ایم ایس سی ایف گیس کی اضافی پیداوار حاصل ہوئی ہے۔

مزید یہ کہ پیوریفیکیشن پلانٹ کی بحالی اور بہتری کا کام شروع کیا گیا جس میں بوائلر کی وسیع پیمانے پر بحالی شامل ہے۔ کھیوالی پمپنگ اسٹیشن، سوئی (کے پی ایس) کی پانی کی پائپ لائن کے آٹھ کلومیٹر حصے کی تبدیلی بھی سوئی فیلڈ اور مقامی آبادی کو بلا تعطل پانی کی فراہمی کو یقینی بنانے کے لیے کی گئی۔

کندھ کوٹ

کندھ کوٹ گیس فیلڈ میں پلانٹ کی پیداواری سرگرمیوں کی بحالی اور اپ گریڈ / بہتری کا کام شروع کیا گیا، جس میں ڈی ہائیڈریشن پلانٹ کی سالانہ مرمت، ٹر بولکمپریسر کی وسیع پیمانے پر بحالی اور ٹی ای جی کی تبدیلی کے ساتھ گلائکول کنٹریکٹر ٹاور کی صفائی اور معائنہ شامل ہیں۔

صارف جینکو-II کی جانب سے گیس کی نمایاں طور پر کم خریداری کی وجہ سے، اس عرصے کے دوران گیس کی فروخت اوسطاً 117 ایم ایم ایس سی ایف گیس رہی جبکہ یومیہ پیداواری صلاحیت 220 تھی۔

گمبٹ ساؤتھ 1 ہالہ امزارانی

پیداواری کنوئیں شرف-3 اور نصر-1 X سے گیس پروسسنگ فیسٹی-IV کے ذریعے پیداوار کا آغاز ہو چکا ہے۔

خاطر- گیس پروسسنگ فیسٹی (جی پی ایف-II کی بحالی) کے سلسلے میں، کمپنی قانونی رکاوٹوں کی وجہ سے اس منصوبے پر عمل درآمد کرنے سے قاصر ہے اور معاملات کو حل کرنے کی کوشش کر رہی ہے۔ اس دوران، وہ تعمیراتی و دیگر سامان جس کی خریداری حصول میں زیادہ وقت درکار ہوتا ہے (لانگ لیڈ آئٹمز) میں سے بیشتر سامان کا حصول کر لیا گیا ہے اور اسے منصوبے کی جگہ (سائٹ) پر پہنچا دیا گیا ہے۔ ساتھ ہی اس سہولت کی تعمیر کے لیے ٹھیکے دار کو نافذ کرنے کا کام جاری ہے۔ جب کہ گمبٹ ساؤتھ کمپریشن منصوبے کے لیے خریداری کا عمل جاری ہے۔

سیالیت/لیکویڈیٹی کی انتظام کاری اور کیش فلو کی صورتحال

تقابلی مدت کے مقابلے زیر نظر عرصے کے دوران صارفین کی جانب سے مجموعی وصولیوں میں نمایاں بہتری آئی، اسی طرح تجارتی قرضوں میں اضافے کو 6 فیصد سے کم تک محدود کر دیا گیا، جو 279 ارب روپے رہا (30 جون 2020: 264 ارب روپے) تاہم، گردش قرضے کو کمپنی کی حکمت عملی کے مقاصد کے حصول میں سب سے اہم خطرہ سمجھا جاتا ہے۔ کمپنی تمام شراکت داروں بشمول متعلقہ وزارتوں کے ساتھ مختصر مدت کے کیش فلو کی ضروریات کو پورا کرنے اور عارضی ریلیف کے ساتھ ساتھ گردش قرضے کے طویل مدتی مستقل حل کے لیے فعال طور پر مصروف عمل رہی۔

اہم امور

دریافتی سرگرمیاں

اس وقت، پی پی ایل اور اسکی ذیلی کمپنیوں کے پاس 46 دریافتی بلاکس ہیں، جن میں سے 26 پی پی ایل آپریٹڈ (بشمول عراق میں بلاک 8 جسے پی پی ایل ایشیا آپریٹ کرتی ہے) اور بقیہ 20 پارٹنر آپریٹڈ ہیں جن میں پاکستان میں 2 آف شور اور بین میں 1 آن شور بلاکس بھی شامل ہیں۔ حالیہ اہم سرگرمیوں کی تفصیل درج ذیل ہے:

جنوبی دریافتی اثاثے

کھیر ایسٹ بلاک میں دریافتی کنونٹس کھیرو ایسٹ 1-X کی کھدائی کے لیے ٹھیکے دار کو اعلیٰ معیار/اعلیٰ خصوصیات کی حامل رگ فراہم کرنے کے لیے لیٹر آف ایوارڈ/کام شروع کرنے کا احکام جاری کر دیا گیا ہے۔ توقع ہے کہ اگلے مالی سال کی پہلی سہ ماہی میں اس کنونٹس کی کھدائی کی جائے گی۔

سرحدی دریافتی اثاثے

موسیٰ خیل بلاک میں، کشش ثقل اور مقناطیسی سروے کے حصول کا کام جاری ہے، جب کہ خاران ساؤتھ اور خاران ایسٹ بلاکس میں کشش ثقل اور مقناطیسی سروے کے لیے عملے کی متحرک کاری جاری ہے۔

شمالی دریافتی اثاثے

ڈھوک سلطان کی دریافت کا اندازہ لگانے کے لیے، تجزیاتی کنونٹس ڈھوک سلطان-2 کی کھدائی مکمل ہو چکی ہے اور کنونٹس کا جائزہ لینے اور جانچ کی تیاریاں جاری ہیں۔

پنجاب بلاک میں کشش ثقل اور مقناطیسی سروے شروع کرنے کے لیے تیاریاں جاری ہیں۔

پارٹنر آپریٹڈ دریافتی بلاکس

کوٹری ناتھ بلاک میں دریافتی کنونٹس خانوٹ 1-X کے لیے رسائی سڑک اور کنونٹس کی سائٹ کا تعمیراتی کام جاری ہے۔ اس کنونٹس کا مئی 2021 تک کھدائی کا منصوبہ ہے۔

فروخت آمدن

موجودہ مدت میں تقابلی عرصے کے مقابلے میں فروخت آمدن میں 13,993 ملین روپے کمی ہوئی۔ یہ کمی منفی تغیر کی وجہ سے ہوئی ہے جو قیمت (بشمول زرمبادلہ کی شرح) کی مد میں 10,686 ملین روپے رہا جس کے ساتھ ساتھ حجم کی مد میں 3,307 ملین روپے کا منفی تغیر بھی رہا۔

قیمت میں منفی تغیر کی بنیادی وجہ عالمی منڈی میں خام تیل کی اوسط بین الاقوامی قیمتوں میں ہونے والی کمی ہے جو تقابلی سال میں 58.94/bbl امریکی ڈالر کے مقابلے میں موجودہ سال کے دوران 49.04/bbl امریکی ڈالر ہو گئی جسے امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں ہونیوالی کمی (زیر نظر عرصے کے دوران زرمبادلہ کی اوسط شرح 162.28 روپے فی امریکی ڈالر تھی جبکہ تقابلی سال کے دوران یہ شرح 156.68 روپے فی امریکی ڈالر تھی) کے اثر نے جزوی طور پر زائل کیا۔ اس کے ساتھ ساتھ حجم میں منفی تغیر خصوصاً کندھ کوٹ (حصار ف کی جانب سے گیس کی کم خریداری) سوئی، ڈھوک سلطان، ٹل، قنور پور، ساوان، میانو اور کوٹری نار تھ فیلڈز کی وجہ سے رہا جس کے اثر کو گمبٹ ساؤتھ، ناشپا، کیرتھر، ہالہ اور آدسی سے ہونے والی زیادہ پیداوار نے جزوی طور پر زائل کیا۔

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

نوماء کی مدت کا اختتام 31 مارچ 2020	نوماء کی مدت کا اختتام 31 مارچ 2021	یونٹ	
190,355	180,132	ایم ایم سی ایف	قدرتی گیس
4,001,689	3,928,114	بی بی ایل	خام تیل/قدرتی گیس مائع (این جی ایل)/کنڈنسٹ
86,036	86,471	ٹن	مائع پرولیم گیس (ایل پی جی)
54,736	46,530	ٹن	بیرائٹس

منافع

کمپنی کی منفعت میں تقابلی عرصے کے مقابلے میں 3 فیصد کمی ہوئی ہے۔ جس کی بنیادی وجہ فروخت آمدن میں ہونے والی کمی (جو کہ اوپر بیان کی گئی ہے) کے ساتھ ساتھ دیگر آمدن میں کمی ہے جسے دریافتی اخراجات کے ساتھ ساتھ دیگر اخراجات میں ہونے والی کمی نے جزوی طور پر زائل کیا۔

دیگر آمدنی میں کمی بنیادی طور پر موجودہ مدت کے دوران زرمبادلہ کے نقصان کو درج کرنے سے منسوب ہے جو مدت کے اختتام پر پاکستانی روپے کی قدر میں اضافے کی وجہ سے ہوئی، جب کہ زرمبادلہ میں ہونے والا منافع تقابلی مدت میں بک کروایا گیا تھا۔

دریافتی سرگرمیوں میں ہونے والی کمی کی وجہ خشک کنوؤں پر لگنے والی لاگت میں کمی ہے جسے زیر نظر عرصے میں نفع و نقصان کے کھاتے میں درج کر دیا گیا ہے۔

ڈائریکٹرز کا عبوری جائزہ

آپ کے ڈائریکٹرز 31 مارچ 2021 کو ختم ہونے والی نو ماہ کی مدت کے لیے غیر آڈٹ شدہ مجمع عبوری مالیاتی گوشواروں کے خلاصے اور کمپنی کے امور کا مختصر جائزہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

آپریشنل اور مالی جھلکیاں

آپریشنل جھلکیاں

31 مارچ 2021 کو ختم ہونے والی نو ماہ کی مدت کی کلیدی آپریشنل جھلکیاں مندرجہ ذیل ہیں:

دریافت

پارٹنر آپریٹڈ بلاک یعنی مای خیل ساؤتھ - 1 (ٹل بلاک) میں زیر غور مدت کے دوران ایک دریافت ہوئی ہے۔

کھدائی کی سرگرمیاں

زیر غور مدت کے دوران پی پی ایل آپریٹڈ بلاکس میں چار (4) کنوؤں (دو دریافتی اور دو پیداواری) کے مقابلے میں، زیر جائزہ مدت کے دوران تین (3) پیداواری کنوئیں کھودے گئے۔

ارضی طبعیاتی سروے

موجودہ مدت کے دوران پی پی ایل آپریٹڈ بلاکس میں 130 مربع کلومیٹر کا 3D سائزنگ ڈیٹا حاصل کرنے کے علاوہ 1,960 لائن کلومیٹر کا کٹش نقل اور مقناطیسی ڈیٹا حاصل کیا گیا۔

مالی جھلکیاں

31 مارچ 2021 کو ختم ہونے والی نو ماہ کی مدت کے لیے کمپنی کے اہم مالیاتی نتائج حسب ذیل ہیں:

نومہ کا اختتام 31 مارچ 2020	نومہ کا اختتام 31 مارچ 2021	
ملین روپے		
126,228	112,235	فروخت آمدن (خالص)
54,530	51,328	قبل از ٹیکس منافع
(15,301)	(13,210)	ٹیکس
39,229	38,118	بعد از ٹیکس منافع
14.42	14.01	بنیادی اور تحلیل شدہ آمدن فی شیئر (روپے)

PAKISTAN PETROLEUM LIMITED

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021

	Note	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	7	150,224,669	158,658,675
Intangible assets		242,875	338,417
		<u>150,467,544</u>	<u>158,997,092</u>
Long-term investments	8	3,798,095	3,798,095
Long-term loans		56,524	41,720
Long-term deposits		7,676	7,676
Long-term receivables		41,905	41,905
		<u>154,371,744</u>	<u>162,886,488</u>
CURRENT ASSETS			
Stores and spares		4,673,791	4,060,735
Trade debts	9	278,620,943	263,926,656
Loans and advances		620,305	669,269
Trade deposits and short-term prepayments		541,572	537,275
Interest accrued		270,744	454,596
Current maturity of long-term loans		23,341	19,920
Current maturity of long-term deposits		1,248,000	1,175,250
Current maturity of long-term receivables		192,901	152,841
Other receivables		4,450,476	3,223,266
Short-term investments	10	75,602,556	51,410,933
Cash and bank balances		3,037,087	5,159,749
		<u>369,281,716</u>	<u>330,790,490</u>
TOTAL ASSETS		<u>523,653,460</u>	<u>493,676,978</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		348,703,752	317,388,083
		<u>375,913,588</u>	<u>344,597,919</u>
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		27,378,137	27,645,286
Lease liabilities		-	414
Deferred liabilities		2,934,175	2,840,852
Deferred taxation - net		31,723,118	36,524,772
		<u>62,035,430</u>	<u>67,011,324</u>
CURRENT LIABILITIES			
Trade and other payables	11	62,379,824	67,103,728
Unpaid and unclaimed dividends		4,387,541	299,912
Current maturity of lease liabilities		423	19,361
Taxation - net		18,936,654	14,644,734
		<u>85,704,442</u>	<u>82,067,735</u>
TOTAL LIABILITIES		<u>147,739,872</u>	<u>149,079,059</u>
TOTAL EQUITY AND LIABILITIES		<u>523,653,460</u>	<u>493,676,978</u>
CONTINGENCIES AND COMMITMENTS			

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


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Note	Quarter ended March 31, 2021	Quarter ended March 31, 2020	Nine months ended March 31, 2021	Nine months ended March 31, 2020
(Rupees in thousand)					
Revenue from contracts with customers	13	36,696,329	40,817,741	112,235,396	126,227,846
Operating expenses	14	(10,480,255)	(11,707,616)	(32,452,724)	(33,046,864)
Royalties and other levies		(5,313,601)	(6,206,237)	(16,669,870)	(18,886,757)
		(15,793,856)	(17,913,853)	(49,122,594)	(51,933,621)
Gross profit		20,902,473	22,903,888	63,112,802	74,294,225
Exploration expenses	15	(470,254)	(2,019,715)	(3,616,811)	(13,761,606)
Administrative expenses		(914,224)	(827,647)	(2,680,914)	(2,164,054)
Finance costs		(269,684)	(268,297)	(850,533)	(787,674)
Other charges	16	(3,655,097)	164,893	(7,541,071)	(7,158,502)
		15,593,214	19,953,122	48,423,473	50,422,389
Other income	17	1,046,025	1,640,545	2,904,897	4,107,441
Profit before taxation		16,639,239	21,593,667	51,328,370	54,529,830
Taxation	18	(4,758,536)	(6,919,393)	(13,210,242)	(15,301,113)
Profit after taxation		11,880,703	14,674,274	38,118,128	39,228,717
Basic and diluted earnings per share (Rs)	21	4.37	5.40	14.01	14.42

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


Chief Financial Officer


Chief Executive Officer


Chief Financial Officer


Director


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Quarter ended March 31, 2021	Quarter ended March 31, 2020	Nine months ended March 31, 2021	Nine months ended March 31, 2020
	(Rupees in thousand)			
Profit after taxation	11,880,703	14,674,274	38,118,128	39,228,717
Other comprehensive income / (loss):				
Items that will not be subsequently reclassified to profit or loss				
Remeasurement gains / (losses) on defined benefit plans - net	-	-	-	-
Deferred taxation	-	-	-	-
Total comprehensive income for the period	<u>11,880,703</u>	<u>14,674,274</u>	<u>38,118,128</u>	<u>39,228,717</u>

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


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	Note	Nine months ended March 31, 2021	Nine months ended March 31, 2020 (Restated) (Rupees in thousand)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		121,987,623	91,222,193
Receipts of other income		439,221	722,120
Payment to suppliers / service providers and employees - net		(34,601,719)	(26,823,925)
Payment of indirect taxes and Government levies including royalties		(41,488,339)	(35,103,489)
Income tax paid		(13,719,976)	(9,759,541)
Finance costs paid		(1,946)	(5,751)
Long-term loans to employees - net		(18,225)	(16,304)
Net cash generated from operating activities		<u>32,596,639</u>	<u>20,235,303</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(10,217,180)	(19,990,786)
Proceeds from sale of property, plant and equipment		32,476	14,973
Short-term investments		3,780,481	10,909,224
Capital contribution in cash paid to PPLA		(336,819)	-
Purchase of mutual funds – net		(5,690,734)	(4,709,515)
Long-term deposits		(72,750)	(263,400)
Long-term receivables		(40,060)	14,778
Finance income received		2,840,837	2,788,088
Net cash used in investing activities		<u>(9,703,749)</u>	<u>(11,236,638)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(19,352)	(40,766)
Dividends paid		(2,714,830)	(4,530,217)
Net cash used in financing activities		<u>(2,734,182)</u>	<u>(4,570,983)</u>
Net increase in cash and cash equivalents		<u>20,158,708</u>	<u>4,427,682</u>
Cash and cash equivalents at beginning of the period		<u>19,725,805</u>	<u>25,719,220</u>
Cash and cash equivalents at end of the period	19	<u><u>39,884,513</u></u>	<u><u>30,146,902</u></u>

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


Chief Financial Officer


Chief Executive Officer


Chief Financial Officer


Director


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total
	Ordinary	Convertible preference			
(Rupees in thousand)					
Balance as at July 01, 2019	22,674,764	108	1,428	275,932,688	298,608,988
Comprehensive income for the period					
Profit after taxation	-	-	-	39,228,717	39,228,717
Other comprehensive income for the nine months period ended March 31, 2020, net of tax	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2020	-	-	-	39,228,717	39,228,717
Transactions with owners:					
- Ordinary shareholders					
Issuance of 20% bonus shares	4,534,953	-	-	(4,534,953)	-
Final dividend for the year ended June 30, 2019 @ 20%	-	-	-	(4,534,953)	(4,534,953)
- Convertible preference shareholders					
Issuance of 10% bonus shares	-	11	-	(11)	-
Final dividend for the year ended June 30, 2019 @ 20%	-	-	-	(22)	(22)
Conversion of preference shares into ordinary shares	1	(1)	-	-	-
Balance as at March 31, 2020	27,209,718	118	1,428	306,091,466	333,302,730
Balance as at July 01, 2020	27,209,718	118	1,428	317,386,555	344,597,919
Comprehensive income for the period					
Profit after taxation	-	-	-	38,118,128	38,118,128
Other comprehensive income for the nine months period ended March 31, 2021, net of tax	-	-	-	-	-
Total comprehensive income for the nine months period ended March 31, 2021	-	-	-	38,118,128	38,118,128
Transactions with owners:					
- Ordinary shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(2,720,972)	(2,720,972)
Interim dividend for the year ending June 30, 2021 @ 15%	-	-	-	(4,081,458)	(4,081,458)
- Convertible preference shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(12)	(12)
Interim dividend for the year ending June 30, 2021 @ 15%	-	-	-	(17)	(17)
Conversion of preference shares into ordinary shares	5	(5)	-	-	-
Balance as at March 31, 2021	27,209,723	113	1,428	348,702,324	375,913,588

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


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

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

For the nine months period ended March 31, 2021

1. LEGAL STATUS AND OPERATIONS

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

Wholly-owned subsidiaries as of the date of statement of financial position are as follows:

- a) PPL Europe E&P Limited (PPLE);
- b) PPL Asia E&P B.V. (PPLA); and
- c) The Pakistan Petroleum Provident Fund Trust Company (Private) Limited (PPPFTC).

2. BASIS OF PREPARATION

- 2.1 These condensed unconsolidated interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual unconsolidated financial statements.

These condensed unconsolidated interim financial statements do not include all the information and disclosures required in the annual unconsolidated financial statements as at and for the year ended June 30, 2020 and should be read in conjunction with the unconsolidated financial statements of the Company as at and for the year ended June 30, 2020.

2.2 Benazir Employees' Stock Option Scheme (BESOS)

The PPL Employees Empowerment Trust ("Trust") was established vide a Trust Deed under the Benazir Employees Stock Scheme on September 14, 2009. The Trust currently holds 7.35% shareholding of the Company. The Trust was created for the purposes of empowerment of employees of state-owned entities.

Through judgment dated August 03, 2018, the honourable Sindh High Court (SHC) held the establishment of the Trust to be unconstitutional. The decision was assailed before the honourable Supreme Court (SC). The honourable SC, through a short order dated October 22, 2020 and for reasons to be recorded later, upheld the decision of the SHC. The Company awaits the detailed judgment of the honourable SC, after which it shall take the requisite corporate actions for the transfer of 7.35% shareholding back to the Federal Government and related actions for liquidation of the Trust and crediting the Trust funds in the Federal Consolidated Fund.

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

For the nine months period ended March 31, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed unconsolidated interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements as at and for the year ended June 30, 2020.

3.2 The Company follows the practice of conducting actuarial valuations annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed unconsolidated interim financial statements, being considered immaterial.

3.3 New or amendments / interpretations to existing standards, interpretation and forthcoming requirements

There are new and amended standards and interpretations that are mandatory for accounting periods beginning July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Company's financial position and are therefore not stated in these condensed unconsolidated interim financial statements.

3.4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS) relevant to the Company as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after January 01, 2021:

- COVID-19 related rent concessions (Amendment to IFRS 16);
- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, and
- Onerous Contracts – Cost of fulfilling a contract (Amendments to IAS 37).

The following improvements to IFRS are effective for annual reporting periods beginning on or after January 01, 2022 and are not likely to have an effect on these condensed unconsolidated interim financial statements.

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender;
- IFRS 16 – The objective of the amendment is to resolve any potential confusion that might arise in lease incentives;
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique;
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to the Conceptual Framework (Amendments to IFRS 3);
- Extension of the temporary exemption from applying IFRS 9 (Amendments to IFRS 4);
- Classification of liabilities as current or non-current (Amendments to IAS 1); and
- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28).

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

For the nine months period ended March 31, 2021

4 RESTATEMENTS

4.1 Classification of Long-term investments

Upto June 30, 2020, foreign currency term deposits with banks having various maturity dates falling within one year from the reporting date had been classified as non-current assets based on the management intention and ability to hold the amount for longer term. During the period, the requirements of IAS-1 "Presentation of Financial Statements" for classification of assets between non-current and current were reconsidered. IAS-1 requires that an entity shall classify an asset as current when it expects to realise the asset within twelve months after the reporting period or the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Accordingly, the classification of foreign currency term deposits has been changed and presented as current assets with retrospective effect (note 10.1) based on their expected recovery within one year from the reporting period.

4.2 Accounting guidance issued by the Institute of Chartered Accountants of Pakistan (ICAP) relating to Accounting of Gas Infrastructure Development Cess (GIDC)

As a result of recent events and developments including orders and judgments of the Honourable Supreme Court of Pakistan, the ICAP has issued a guidance "Accounting of Gas Infrastructure Development Cess (GIDC)" (the Guidance) through Circular no. 1/2021 dated January 19, 2021. In light of the said Guidance, gas companies should consider the timing of recognition of liabilities (with corresponding assets), where the obligation of the gas companies is to pay the collected amounts to the Federal Government on receipt basis. Liability for such amounts should be recognised at the time of receipt from gas consumers and not at the time of billing to the gas consumers.

Under the laws and regulations governing GIDC, the Company is responsible to invoice the same to the customers and deposit the collected amounts to GoP on receipt from customers. Accordingly, the Company will record liability for GIDC in the statement of financial position only to the extent received from customers but not deposited with the GoP. Further, GIDC billed to customers has been excluded from gross sales and trade debts in the notes to the condensed unconsolidated interim financial statements.

Keeping in view the above and due to the similar nature and characteristics of Gas Development Surcharge (GDS), the Company has adopted the same accounting treatment for GDS as well.

The Guidance has been applied retrospectively and the prior period financial statements have been restated (notes 9.4 and 11.1), which has not affected current period or prior years' net sales, profit, equity and cash flows.

4.3 Reclassification of advances

An amount of Rs 302 million on account of advances received has been reclassified from Trade debts to Trade and other payables.

4.4 Effect of changes

The above changes have been made in accordance with the requirements of IAS-8, 'Accounting Policies, Changes in Accounting Estimates and Errors' in these condensed unconsolidated interim financial statements with retrospective effect and restatement of amounts previously presented are stated below:

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

For the nine months period ended March 31, 2021

	June 30, 2020		
	As previously reported	As restated	Restatement
	(Rupees in thousand)		
Effect on statement of financial position			
Change in accounting policy and reclassification			
Trade and other payables	115,328,566	67,103,728	48,224,838
Trade debts	312,151,494	263,926,656	48,224,838
Long-term investments	37,285,870	3,798,095	33,487,775
Current maturity of long-term investments	3,866,184	-	3,866,184
Short-term investments	14,056,974	51,410,933	37,353,959

5 RECLASSIFICATIONS

Certain amounts have been reclassified in comparatives, for the purposes of better presentation and classification in Trade and other payables, Operating expenses, other income and Property, plant and equipment ("Exploratory wells amounting to Rs 7,933 million have been reclassified from "Operating fixed assets" to "Capital work-in-progress").

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

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

Estimates, assumptions and judgments made by the management in the preparation of these condensed unconsolidated interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements as at and for the year ended June 30, 2020.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements as at and for the year ended June 30, 2020.

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
7. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	94,548,120	91,395,065
Additions to owned assets	11,932,756	24,313,341
	106,480,876	115,708,406
Disposals during the period / year (NBV)	(6,334)	(3,700)
Adjustments during the period / year (NBV)	(117,694)	(128,091)
Depreciation / amortisation charged during the period / year	(15,808,857)	(21,028,495)
	90,547,991	94,548,120
Capital work-in-progress - note 7.1	59,676,678	64,110,555
	150,224,669	158,658,675

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

For the nine months period ended March 31, 2021

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
7.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	9,934,638	10,993,478
Exploration and evaluation (E&E) assets - note 7.1.1	24,690,477	28,665,716
Development and production (D&P) assets	9,171,690	8,066,401
Lands, buildings and civil constructions	98,780	157,847
Capital stores for drilling and development	15,781,093	16,227,113
	<u>59,676,678</u>	<u>64,110,555</u>

7.1.1 Amounts under E&E assets are net of cost of dry wells charged to profit or loss during the period / year, amounting to Rs 1,702 million (June 30, 2020: Rs 11,480 million).

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
8. LONG-TERM INVESTMENTS		
Investments in related parties		
- Wholly owned subsidiaries		
- PPPFTC	1	1
- PPLE (net of impairment)	3,798,094	3,798,094
- PPLA (net of impairment) - note 8.1	-	-
	<u>3,798,095</u>	<u>3,798,095</u>

8.1 As disclosed in note 6.3.3 to the unconsolidated financial statements for the year ended June 30, 2020, approval of US\$ 2.1 million (out of US\$ 24.5 million) was received and accordingly the amount was paid to PPLA.

Further, in line with the reasons mentioned in note 6.3.2 to the unconsolidated financial statements for the year ended June 30, 2017, the Company continues to impair the excess of the carrying amount of investment in PPLA over its recoverable amount. Impairment loss for the current period is Rs 337 million, which represents the cost incurred during the period in Block 8, Iraq. The corresponding charge in the statement of profit or loss is included in other charges.

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

For the nine months period ended March 31, 2021

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
9. TRADE DEBTS		
Unsecured and considered good		
Related parties		
Central Power Generation Company Limited (GENCO-II) - note 9.4	5,360,888	3,833,469
Sui Northern Gas Pipelines Limited (SNGPL)	151,849,507	152,604,464
Sui Southern Gas Company Limited (SSGCL)	108,056,704	96,831,357
Pak-Arab Refinery Limited (PARCO)	1,752,168	698,988
Pakistan Refinery Limited (PRL)	1,136,476	1,091,468
Oil & Gas Development Company Limited (OGDCL)	611,035	803,313
	<u>268,766,778</u>	<u>255,863,059</u>
Non-related parties		
Attock Refinery Limited (ARL)	8,812,618	6,884,102
National Refinery Limited (NRL)	743,296	676,249
Others	298,251	503,246
	<u>9,854,165</u>	<u>8,063,597</u>
	<u>278,620,943</u>	<u>263,926,656</u>
Unsecured and considered doubtful		
Non-related party		
Byco Petroleum Pakistan Limited (Byco)	1,156,220	1,156,220
Less: Provision for doubtful debts - note 9.3	(1,156,220)	(1,156,220)
	<u>-</u>	<u>-</u>
	<u>278,620,943</u>	<u>263,926,656</u>
9.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	17,052,246	25,344,029
Past due but not impaired:		
Related parties		
- within 90 days	30,065,119	23,791,713
- 91 to 180 days	24,887,441	22,363,056
- over 180 days	201,902,030	187,257,463
	<u>256,854,590</u>	<u>233,412,232</u>
Non-related parties		
- within 90 days	2,925,449	2,711,071
- 91 to 180 days	26,425	985,550
- over 180 days	1,762,233	1,473,774
	<u>4,714,107</u>	<u>5,170,395</u>
	<u>278,620,943</u>	<u>263,926,656</u>

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

For the nine months period ended March 31, 2021

- 9.2** Trade debts include overdue amount of Rs 255,758 million (June 30, 2020: Rs 232,481 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 6,967 million (June 30, 2020: Rs 7,257 million) overdue receivable from refineries (i.e. ARL, Byco, PARCO, NRL and PRL) and various LPG customers.

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

- 9.3** The Company has filed a suit in the Sindh High Court (SHC) against Byco for recovery of overdue amount. The said suit is pending adjudication before the SHC. In addition, the Company filed a complaint against the officials of Byco on account of willful default before the National Accountability Bureau (NAB). On the Company's complaint, NAB filed a reference against the officials of Byco which is pending adjudication before the Accountability Court No. IV at Karachi. One of the accused officials of Byco, filed his plea bargain application which has been accepted by the Accountability Court on October 24, 2020. Subsequent to the period end, the Company has received an amount of Rs 903.218 million from NAB against long outstanding receivables from Byco.

- 9.4** Trade debts, as fully explained in note 4.2, do not include GDS and GIDC amounting to Rs 48,211 million (June 30, 2020: Rs 38,278 million) and Rs 7,999 million (June 30, 2020: Rs 10,249 million), respectively as the obligation of the Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have been billed to GENCO-II but have not been received by the Company as at the date of statement of financial position.

With respect to application of the Guidance, the Company considers that it could potentially have further implications. Therefore, the Company is in the process of further evaluation and will consider its effect, if any, in the annual financial statements for the year ending June 30, 2021.

March 31,	June 30,
2021	2020
Unaudited	Audited
	(Restated)
	(Rupees in thousand)

10. SHORT-TERM INVESTMENTS

At amortised cost

- Local currency term deposits with banks	24,941,604	3,692,256
- Foreign currency term deposits with banks - note 10.1	34,605,500	37,353,959
	59,547,104	41,046,215

At fair value through profit or loss

- Mutual Funds	16,055,452	10,364,718
	75,602,556	51,410,933

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

For the nine months period ended March 31, 2021

- 10.1** These represents foreign currency term deposits with banks amounting to US\$ 226.032 million (June 30, 2020: US\$ 222.345 million) having effective interest rate ranging from 0.12% to 2.01% (June 30, 2020: 3.00% to 5.30%) per annum and are due to mature latest by September 14, 2021. As explained in note 4.1, the investments have been classified as current assets. However, the management still intends and has the ability to hold these types of investments for longer term through reinvestment.

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
11. TRADE AND OTHER PAYABLES		
Creditors	295,642	978,867
Accrued liabilities	8,136,692	8,564,442
Security deposits / advances from LPG distributors	234,054	451,236
Retention money	54,283	117,964
Sales tax - net	817,160	1,598,008
Royalties	6,604,394	9,382,316
Lease extension bonus	23,996,400	20,585,132
Current accounts with joint operations	9,205,963	16,234,248
Staff retirement benefit funds	476,760	1,033,050
Provision for windfall levy on oil / condensate	9,357,937	7,896,937
Federal excise duty	125,332	101,064
Workers' Profits Participation Fund (WPPF)	2,730,438	-
Others	344,769	160,464
	62,379,824	67,103,728

- 11.1** Trade and other payables, as fully explained in note 4.2, do not include GDS and GIDC amounting to Rs 48,211 million (June 30, 2020: Rs 38,278 million) and Rs 7,999 million (June 30, 2020: Rs 10,249 million), respectively as the obligation of the Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have not been paid to the GoP due to non-payment of the same by GENCO-II as at the date of statement of financial position.

With respect to application of the Guidance, the Company considers that it could potentially have further implications. Therefore, the Company is in the process of further evaluation and will consider its effect, if any, in the annual financial statements for the year ending June 30, 2021.

12. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and in total commitments as disclosed in the audited unconsolidated financial statements as at and for the year ended June 30, 2020, except for the following:

During the period, the Tax authorities while amending the assessment for the tax year 2020 have created a demand of Rs 2,867 million primarily on account of rate issue, provision for windfall levy and un-realized exchange gain. The demand created was duly paid by the Company under protest. Being aggrieved, the Company has filed an appeal before the Commissioner Inland Revenue (Appeals).

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

For the nine months period ended March 31, 2021

	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020 (Restated)
	(Rupees in thousand)	
13. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	92,758,729	101,587,778
Gas supplied to Sui villages	562,178	532,272
Internal consumption of gas	261,744	283,657
Crude oil / Condensate / Natural Gas Liquids	29,092,941	35,866,138
LPG	7,598,975	7,468,445
Barytes	519,713	652,579
	130,794,280	146,390,869
Government levies / discounts		
Federal excise duty	(1,292,854)	(1,361,912)
Sales tax	(16,840,413)	(18,370,073)
Petroleum Levy	(403,731)	(401,816)
Discounts (Barytes)	(21,886)	(29,222)
	(18,558,884)	(20,163,023)
	112,235,396	126,227,846
14. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	7,459,474	5,811,174
Operators' personnel	1,796,710	1,731,907
Depreciation	6,216,901	7,004,121
Amortisation of decommissioning assets	924,062	1,357,552
Amortisation of D&P assets	8,538,546	9,025,243
Plant operations	2,460,715	2,757,381
Well interventions	747,315	797,807
Field services	1,479,584	1,745,917
Crude oil transportation	715,073	913,879
Travelling and conveyance	463,635	483,171
Training & development	43,930	24,847
PCA overheads	174,809	124,358
Insurance expenses	508,725	487,646
Free supply of gas to Sui villages	562,178	532,272
Social welfare / community development	361,067	249,589
	32,452,724	33,046,864
15. EXPLORATION EXPENSES		
15.1	Exploration expenses for the period also include cost of dry wells amounting to Rs 1,702 million (March 2020: Rs 11,812 million).	

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

For the nine months period ended March 31, 2021

	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020
	(Rupees in thousand)	
16. OTHER CHARGES		
WPPF charge	2,730,438	2,717,973
Exchange loss on foreign currency - net	3,012,814	-
Impairment loss on investment in PPLA - note 8.1	336,819	2,294,529
Provision for Windfall levy on oil / condensate	1,461,000	2,146,000
	<u>7,541,071</u>	<u>7,158,502</u>
17. OTHER INCOME		
Income from financial assets		
Income on loans and bank deposits	315,556	626,078
Income on local currency term deposits	516,516	428,337
Income on foreign currency term deposits	701,707	1,392,545
Income from investment in treasury bills	480,626	171,803
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	642,580	82,886
	<u>2,656,985</u>	<u>2,701,649</u>
Income from assets other than financial assets		
Rental income on assets	3,920	4,675
Profit on sale of property, plant and equipment (net)	26,142	11,874
Exchange gain on foreign currency (net)	-	676,995
Share of profit on sale of LPG	-	4,785
Insurance claims	83,609	72
Others	134,241	707,391
	<u>247,912</u>	<u>1,405,792</u>
	<u>2,904,897</u>	<u>4,107,441</u>
18. TAXATION		
Current		
- For the nine months	19,040,696	19,320,243
- For the prior year	(1,028,800)	(452,890)
	18,011,896	18,867,353
Deferred	(4,801,654)	(3,566,240)
	<u>13,210,242</u>	<u>15,301,113</u>
	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020 (Restated)
	(Rupees in thousand)	
19. CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,037,087	5,846,239
Short-term highly liquid investments	36,847,426	24,300,663
	<u>39,884,513</u>	<u>30,146,902</u>

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

For the nine months period ended March 31, 2021

20. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020 (Restated)
	(Rupees in thousand)	
Sales of gas / oil / barytes to state controlled entities (including Government Levies)		
GENCO-II	9,358,947	11,532,712
SSGCL	33,079,746	32,054,286
SNGPL	50,320,036	57,759,159
OGDCL	1,666,642	119,137
	<u>94,425,371</u>	<u>101,465,294</u>
Long-term receivables, trade debts and other receivables from State controlled entities as at March 31	<u>266,171,166</u>	<u>239,299,173</u>
Transactions and balances with subsidiaries		
Receivable from PPLA as at March 31	167,350	44,101
Receivable from PPLE as at March 31	-	5,886
Payment of employees cost on secondment	59,505	99,441
Capital contribution in cash paid to PPLA	336,819	-
Deposit for bank guarantee on behalf of PPLE - Block 29, Yemen	1,248,000	1,175,250
Transactions with Associated Companies		
Sales of crude oil / condensate to PARCO	4,806,484	4,139,446
Sales of crude oil / condensate to PRL	1,505,861	2,426,133
Payment to Total PARCO Pakistan Limited	5,183	284,094
Payment to Petroleum Institute of Pakistan	975	4,092
Payment to Sanofi-Aventis Pakistan Limited	529	-
Deposits with Askari Bank Limited (AKBL) as at March 31	5,329	300,938
Letters of credit placed with AKBL as at March 31	194,074	113,825

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

For the nine months period ended March 31, 2021

	Nine Months Ended March 31, 2021 (Rupees in thousand)	Nine Months Ended March 31, 2020
Transactions with Joint Operations		
Payments of cash calls to joint operations	23,021,768	29,280,511
Expenditures incurred by the joint operations	16,024,303	26,682,300
Under advance balances relating to joint operations as at March 31	8,686,059	12,607,316
Current account receivables relating to joint operations as at March 31	3,745,888	2,352,899
Current account payables relating to joint operations as at March 31	234,183	267,576
Income from rental of assets to joint operations	3,920	4,675
Purchase of goods from BME (net)	28,657	328,893
Reimbursement of employee cost on secondment to BME	18,722	17,893
Other related parties		
Dividend to GoP	1,836,864	3,061,440
Dividend to trust under BESOS	200,057	333,429
Dividend to trusts under retirement benefit funds	1,515	2,524
Transactions with retirement benefit funds	955,184	818,206
Remuneration to key management personnel	2,356,157	2,221,371
Payment to PPL Welfare Trust	20,000	-
Payment of rental to Pakistan Industrial Development Corporation	111,175	99,119
Payment of rental to Karachi Port Trust	8,412	6,681
Payment to National Insurance Company Limited (NICL)	1,010,956	570,334
Insurance claim received from NICL	83,609	198
Payment to Pakistan State Oil Company Limited	52,707	173,110
Stores and spares on loan to OGDCL	3,065	-
20.1	Aggregate amount charged in these condensed unconsolidated interim financial statements in respect of fees paid to thirteen non-executive directors was Rs 20 million (March 2020: Rs 19.545 million to ten non-executive directors).	
20.2	The Company has guaranteed to Midland Oil Company, Iraq (MdOC) for the performance and fulfilment of obligations by PPLA under the Exploration, Development and Production Service Contract (EDPSC). Total financial commitment of PPLA is US\$ 100 million (Rs 15,360 million), out of which US\$ 31.504 million (Rs 4,839 million) is outstanding.	
20.3	The Company has provided parent company guarantee amounting to US\$ 5.3 million (Rs 814 million) to GoP in respect of PPPL's exploration licenses in Pakistan i.e. Barkhan, Harnai and Ziarat.	
	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020
21. EARNINGS PER SHARE		
21.1		
Basic earnings per share		
Profit after taxation (Rs '000)	38,118,128	39,228,717
Dividend on convertible preference shares (Rs '000)	(34)	(35)
Profit attributable to ordinary shareholders (Rs '000)	38,118,094	39,228,682
Weighted average number of ordinary shares in issue	2,720,972,154	2,720,971,697
Basic earnings per share (Rs)	14.01	14.42

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

For the nine months period ended March 31, 2021

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

	Nine Months Ended March 31, 2021	Nine Months Ended March 31, 2020
21.2 Diluted earnings per share		
Profit after taxation (Rs '000)	38,118,128	39,228,717
Weighted average number of ordinary shares in issue	2,720,972,154	2,720,971,697
Adjustment for convertible preference shares	11,374	11,831
Weighted average number of ordinary shares for diluted earnings per share	<u>2,720,983,528</u>	<u>2,720,983,528</u>
Diluted earnings per share (Rs)	<u>14.01</u>	<u>14.42</u>

22. DATE OF AUTHORISATION FOR ISSUE

These condensed unconsolidated interim financial statements were authorised for issue on April 29, 2021 by the Board of Directors of the Company.

23. GENERAL

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


Chief Financial Officer


Chief Financial Officer


Director


Chief Executive Officer


Chief Executive Officer

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021



	Note	March 31 2021 Unaudited	June 30 2020 Audited (Restated)
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	7	151,178,927	159,915,084
Intangible assets		242,875	338,417
		<u>151,421,802</u>	<u>160,253,501</u>
Long-term investments	8	1	1
Long-term loans		56,524	41,720
Long-term deposits		7,676	7,676
Long-term receivables		41,905	41,905
		<u>151,527,908</u>	<u>160,344,803</u>
CURRENT ASSETS			
Stores and spares	9	4,673,791	4,060,735
Trade debts		278,917,588	264,219,648
Loans and advances		655,017	669,269
Trade deposits and short-term prepayments		544,282	540,417
Interest accrued		276,363	474,195
Current maturity of long-term loans		23,341	19,920
Current maturity of long-term deposits		1,248,000	1,175,250
Current maturity of long-term receivables		192,901	152,841
Other receivables		4,784,145	3,699,000
Short-term investments	10	77,788,824	53,547,893
Cash and bank balances		3,506,274	6,525,275
		<u>372,610,526</u>	<u>335,084,443</u>
TOTAL ASSETS		<u>524,138,434</u>	<u>495,429,246</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		27,209,836	27,209,836
Reserves		347,182,727	316,098,187
		<u>374,392,563</u>	<u>343,308,023</u>
NON-CURRENT LIABILITIES			
Provision for decommissioning obligation		27,811,242	28,066,373
Lease liabilities		-	414
Deferred liabilities		2,934,175	2,840,852
Deferred taxation - net		31,723,118	36,524,772
		<u>62,468,535</u>	<u>67,432,411</u>
CURRENT LIABILITIES			
Trade and other payables	11	63,398,895	69,091,088
Unpaid and unclaimed dividends		4,387,541	299,912
Current maturity of lease liabilities		423	19,361
Taxation - net		19,490,477	15,278,451
		<u>87,277,336</u>	<u>84,688,812</u>
TOTAL LIABILITIES		<u>149,745,871</u>	<u>152,121,223</u>
TOTAL EQUITY AND LIABILITIES		<u>524,138,434</u>	<u>495,429,246</u>
CONTINGENCIES AND COMMITMENTS			

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


CHIEF FINANCIAL OFFICER

CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

		Quarter ended March 31, 2021	Quarter ended March 31, 2020	Nine months ended March 31, 2021	Nine months ended March 31, 2020
	Note	(Rupees in thousand)			
Revenue from contracts with customers	13	36,906,213	40,911,137	112,718,002	126,541,766
Operating expenses	14	(10,709,359)	(11,813,872)	(32,897,478)	(33,347,459)
Royalties and other levies		(5,360,892)	(6,214,709)	(16,756,021)	(18,917,769)
		(16,070,251)	(18,028,581)	(49,653,499)	(52,265,228)
Gross Profit		20,835,962	22,882,556	63,064,503	74,276,538
Exploration expenses	15	(601,902)	(2,540,098)	(3,871,794)	(16,803,317)
Administrative expenses		(924,200)	(836,667)	(2,712,243)	(2,167,769)
Finance costs		(281,520)	(278,941)	(884,858)	(819,476)
Other charges	16	(3,308,676)	144,780	(7,199,888)	(4,863,973)
		15,719,664	19,371,630	48,395,720	49,622,003
Other income	17	1,050,999	1,701,802	2,927,287	4,258,603
Profit before taxation		16,770,663	21,073,432	51,323,007	53,880,606
Taxation	18	(4,757,056)	(6,922,049)	(13,203,986)	(15,284,693)
Profit after taxation		12,013,607	14,151,383	38,119,021	38,595,913
Basic and diluted earnings per share (Rs)	21	4.42	5.20	14.01	14.18

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


CHIEF FINANCIAL OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021



	Quarter ended March 31, 2021	Quarter ended March 31, 2020	Nine months ended March 31, 2021	Nine months ended March 31, 2020
	(Rupees in thousand)			
Profit after taxation	12,013,607	14,151,383	38,119,021	38,595,913
Other comprehensive income / (loss):				
Items that will not be subsequently reclassified to profit or loss				
Remeasurement gains / (losses) on defined benefit plans - net	-	-	-	-
Deferred taxation	-	-	-	-
Items that will be reclassified to profit or loss in subsequent periods				
Foreign exchange differences on translation of subsidiaries	(113,282)	191,986	(232,022)	(111,501)
Other comprehensive (loss) / Income	(113,282)	191,986	(232,022)	(111,501)
Total comprehensive income for the period	<u>11,900,325</u>	<u>14,343,369</u>	<u>37,886,999</u>	<u>38,484,412</u>

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


CHIEF FINANCIAL OFFICER

CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Note	Nine months ended March 31, 2021 (Rupees in thousand)	Nine months ended March 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		122,479,745	91,583,634
Receipts of other income		439,221	722,120
Payment to suppliers / service providers and employees - net		(35,293,972)	(26,991,205)
Payment of indirect taxes and Government levies including royalties		(41,609,397)	(35,217,245)
Income tax paid		(13,738,060)	(9,822,279)
Finance costs paid		(1,946)	(5,751)
Long-term loans to employees - net		(18,225)	(16,304)
Net cash generated from operating activities		32,257,366	20,252,970
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(10,820,404)	(24,048,444)
Proceeds from sale of property, plant and equipment		32,476	14,973
Purchase of mutual funds - net		(5,690,734)	(4,709,515)
Short-term investments		3,780,481	10,909,224
Long-term deposits		(72,750)	(263,400)
Long-term receivables		(40,060)	14,778
Finance income received		2,874,029	2,965,597
Net cash used in investing activities		(9,936,962)	(15,116,787)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(19,352)	(40,766)
Dividends paid		(2,714,830)	(4,530,217)
Net cash used in financing activities		(2,734,182)	(4,570,983)
Net increase in cash and cash equivalents		19,586,222	565,200
Cash and cash equivalents at beginning of the period		23,228,291	34,132,773
Net foreign exchange differences		(274,545)	(120,451)
Cash and cash equivalents at end of the period	19	42,539,868	34,577,522

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


CHIEF FINANCIAL OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

PAKISTAN PETROLEUM LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Subscribed and paid-up share capital		Capital reserve	Revenue reserves	Total
	Ordinary	Convertible preference			
(Rupees in thousand)					
Balance as at July 01, 2019	22,874,764	108	1,428	275,527,995	298,204,295
Comprehensive income for the period					
Profit after taxation	-	-	-	38,595,913	38,595,913
Other comprehensive loss for the nine months period ended March 31, 2020, net of tax	-	-	-	(111,501)	(111,501)
Total comprehensive income for the nine months period ended March 31, 2020	-	-	-	38,484,412	38,484,412
Transactions with owners:					
- Ordinary shareholders					
Issuance of 20% bonus shares	4,534,953	-	-	(4,534,953)	-
Final dividend for the year ended June 30, 2019 @ 20%	-	-	-	(4,534,953)	(4,534,953)
- Convertible preference shareholders					
Issuance of 10% bonus shares	-	11	-	(11)	-
Final dividend for the year ended June 30, 2019 @ 20%	-	-	-	(22)	(22)
Conversion of preference shares into ordinary shares	1	(1)	-	-	-
Balance as at March 31, 2020	27,209,718	118	1,428	304,942,468	332,153,732
Balance as at July 01, 2020	27,209,718	118	1,428	316,096,759	343,308,023
Comprehensive income for the period					
Profit after taxation	-	-	-	38,119,021	38,119,021
Other comprehensive loss for the nine months period ended March 31, 2021, net of tax	-	-	-	(232,022)	(232,022)
Total comprehensive income for the nine months period ended March 31, 2021	-	-	-	37,886,999	37,886,999
Transactions with owners:					
- Ordinary shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(2,720,972)	(2,720,972)
Interim dividend for the year ending June 30, 2021 @ 15%	-	-	-	(4,081,458)	(4,081,458)
- Convertible preference shareholders					
Final dividend for the year ended June 30, 2020 @ 10%	-	-	-	(12)	(12)
Interim dividend for the year ending June 30, 2021 @ 15%	-	-	-	(17)	(17)
Conversion of preference shares into ordinary shares	5	(5)	-	-	-
Balance as at March 31, 2021	27,209,723	113	1,428	347,181,299	374,392,563

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

CHIEF FINANCIAL OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

1. LEGAL STATUS AND OPERATIONS

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

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

1.1 Pakistan Petroleum Limited

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

1.2 PPL Europe E&P Limited

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

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

1.3 PPL Asia E&P B.V.

The Holding Company established a wholly-owned subsidiary, PPLA on July 22, 2013, a company incorporated in Amsterdam, Kingdom of Netherlands. The registered office of PPLA is situated at 4th Floor, PIDC House, Dr. Ziauddin Ahmed Road, Karachi, Pakistan.

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

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

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

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

2. BASIS OF PREPARATION

- 2.1** These condensed consolidated interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements as at and for the year ended June 30, 2020 and should be read in conjunction with the consolidated financial statements of the Holding Company as at and for the year ended June 30, 2020.

- 2.2** The SECP through its letter CLD/RD/CO.237/PPL/2004 dated July 6, 2004 has exempted the Holding Company from consolidation of financial statements in respect of its investment in PPPFTC under Companies Act, 2017. Accordingly, the Holding Company has not consolidated the PPPFTC in its condensed consolidated interim financial statements for the nine months ended March 31, 2021.

2.3 Benazir Employees' Stock Option Scheme (BESOS)

The PPL Employees Empowerment Trust ("Trust") was established vide a Trust Deed under the Benazir Employees Stock Scheme on September 14, 2009. The Trust currently holds 7.35% shareholding of the Holding Company. The Trust was created for the purposes of empowerment of employees of state-owned entities.

Through judgment dated August 03, 2018, the honourable Sindh High Court (SHC) held the establishment of the Trust to be unconstitutional. The decision was assailed before the honourable Supreme Court (SC). The honourable SC, through a short order dated October 22, 2020 and for reasons to be recorded later, upheld the decision of the SHC. The Holding Company awaits the detailed judgment of the honourable SC, after which it shall take the requisite corporate actions for the transfer of 7.35% shareholding back to the Federal Government and related actions for liquidation of the Trust and crediting the Trust funds in the Federal Consolidated Fund.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed consolidated interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements as at and for the year ended June 30, 2020.

3.2 The Holding Company follows the practice of conducting actuarial valuations annually at the year end. Hence, the impact of re-measurement of post-employment benefit plans has not been incorporated in these condensed consolidated interim financial statements, being considered immaterial.

3.3 New or amendments / interpretations to existing standards, interpretation and forthcoming requirements

There are new and amended standards and interpretations that are mandatory for accounting periods beginning July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Group's financial position and are therefore not stated in these condensed consolidated interim financial statements.

3.4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS) relevant to the Group as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after January 01, 2021:

- COVID-19 related rent concessions (Amendment to IFRS 16);
- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16; and
- Onerous Contracts – Cost of fulfilling a contract (Amendments to IAS 37).

The following improvements to IFRS are effective for annual reporting periods beginning on or after January 01, 2022 and are not likely to have an effect on these condensed consolidated interim financial statements.

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender;
- IFRS 16 – The objective of the amendment is to resolve any potential confusion that might arise in lease incentives;
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique;

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to the Conceptual Framework (Amendments to IFRS 3);
- Extension of the temporary exemption from applying IFRS 9;
- Classification of liabilities as current or non-current (Amendments to IAS 1); and
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

4. RESTATEMENTS

4.1 Classification of Long-term investments

Upto June 30, 2020, foreign currency term deposits with banks having various maturity dates falling within one year from the reporting date had been classified as non-current assets based on the management intention and ability to hold the amount for longer term. During the period, the requirements of IAS-1 "Presentation of Financial Statements" for classification of assets between non-current and current were reconsidered. IAS-1 requires that an entity shall classify an asset as current when it expects to realise the asset within twelve months after the reporting period or the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Accordingly, the classification of foreign currency term deposits has been changed and presented as current assets with retrospective effect (note 10.1) based on their expected recovery within one year from the reporting period.

4.2 Accounting guidance issued by the Institute of Chartered Accountants of Pakistan (ICAP) relating to Accounting of Gas Infrastructure Development Cess (GIDC)

As a result of recent events and developments including orders and judgments of the Honourable Supreme Court of Pakistan, the ICAP has issued a guidance "Accounting of Gas Infrastructure Development Cess (GIDC)" (the Guidance) through Circular no. 1/2021 dated January 19, 2021. In light of the said Guidance, gas companies should consider the timing of recognition of liabilities (with corresponding assets), where the obligation of the gas companies is to pay the collected amounts to the Federal Government on receipt basis. Liability for such amounts should be recognised at the time of receipt from gas consumers and not at the time of billing to the gas consumers.

Under the laws and regulations governing GIDC, the Holding Company is responsible to invoice the same to the customers and deposit the collected amounts to GoP on receipt from customers. Accordingly, the Holding Company will record liability for GIDC in the statement of financial position only to the extent received from customers but not deposited with the GoP. Further, GIDC billed to customers has been excluded from gross sales and trade debts in the notes to the condensed consolidated interim financial statements.

Keeping in view the above and due to the similar nature and characteristics of Gas Development Surcharge (GDS), the Holding Company has adopted the same accounting treatment for GDS as well.

The Guidance has been applied retrospectively and the prior period financial statements have been restated (notes 9.4 and 11.1), which has not affected current period or prior years' net sales, profit, equity and cash flows.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the nine months period ended March 31, 2021

4.3 Reclassification of advances

An amount of Rs 302 million on account of advances received has been reclassified from Trade debts to Trade and other payables.

4.4 Effect of changes

The above changes have been made in accordance with the requirements of IAS-8, 'Accounting Policies, Changes in Accounting Estimates and Errors' in these condensed consolidated interim financial statements with retrospective effect and restatement of amounts previously presented are stated below:

	June 30, 2020		
	As previously reported	As restated	Restatement
	----- (Rupees in thousand) -----		
Effect on statement of financial position			
Change in accounting policy and reclassification			
Trade and other payables	117,315,926	69,091,088	48,224,838
Trade debts	312,444,486	264,219,648	48,224,838
Long-term investments	33,487,776	1	33,487,775
Current maturity of long-term investments	3,866,184	-	3,866,184
Short-term investments	16,193,934	53,547,893	37,353,959

5. RECLASSIFICATIONS

Certain amounts have been reclassified in comparatives, for the purposes of better presentation and classification in Trade and other payables, Operating expenses, Other income and Property, plant and equipment ("Exploratory wells amounting to Rs 7,933 million have been reclassified from "Operating fixed assets" to "Capital work-in-progress").

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

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

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

Estimates, assumptions and judgments made by the management in the preparation of these condensed consolidated interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements as at and for the year ended June 30, 2020.

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended June 30, 2020.

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
7. PROPERTY, PLANT AND EQUIPMENT		
Opening Net Book Value (NBV)	95,021,854	91,897,201
Additions to owned assets	12,721,462	24,413,465
	107,743,316	116,310,666
Disposals during the period / year (NBV)	(6,334)	(3,700)
Adjustments during the period / year (NBV)	(189,350)	(118,155)
Depreciation / amortisation charged during the period / year	(16,073,494)	(21,166,957)
	91,474,138	95,021,854
Capital work-in-progress - note 7.1	59,704,789	64,893,230
	151,178,927	159,915,084
7.1 Capital work-in-progress		
Plant, machinery, fittings and pipelines	9,934,638	11,101,874
Exploration and Evaluation (E&E) assets - note 7.1.1	24,690,477	29,295,007
Development and production (D&P) assets	9,171,690	8,066,401
Lands, buildings and civil constructions	98,780	157,847
Capital stores for drilling and development	15,809,204	16,272,101
	59,704,789	64,893,230

7.1.1 Amounts under E&E assets are net of cost of dry wells charged to profit or loss during the period / year, amounting to Rs 1,702 million (June 30, 2020: Rs 11,480 million).

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the nine months period ended March 31, 2021

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
8. LONG-TERM INVESTMENTS		
Investments in related party		
- Wholly owned subsidiary		
- PPPFTC	1	1
9. TRADE DEBTS		
Unsecured and considered good		
Related parties		
Central Power Generation Company Limited (GENCO-II) - note 9.4	5,360,888	3,833,469
Sui Northern Gas Pipelines Limited (SNGPL)	151,882,119	152,669,744
Sui Southern Gas Company Limited (SSGCL)	108,109,529	97,048,476
Pak-Arab Refinery Limited (PARCO)	1,752,168	698,988
Pakistan Refinery Limited (PRL)	1,136,476	1,091,468
Oil & Gas Development Company Limited (OGDCL)	611,035	803,313
	268,852,215	256,145,458
Non-related parties		
Attock Refinery Limited (ARL)	9,023,826	6,894,695
National Refinery Limited (NRL)	743,296	676,249
Others	298,251	503,246
	10,065,373	8,074,190
	278,917,588	264,219,648
Unsecured and considered doubtful		
Non-related party		
Byco Petroleum Pakistan Limited (Byco)	1,156,220	1,156,220
Less: Provision for doubtful debts - note 9.3	(1,156,220)	(1,156,220)
	-	-
	278,917,588	264,219,648
9.1 The ageing of trade debts is as follows:		
Neither past due nor impaired	17,129,886	25,401,006
Past due but not impaired:		
Related parties		
- within 90 days	30,111,288	23,858,359
- 91 to 180 days	24,886,572	22,398,723
- over 180 days	201,908,225	187,380,575
	256,906,085	233,637,657
Non-related parties		
- within 90 days	3,083,308	2,711,071
- 91 to 180 days	26,425	985,550
- over 180 days	1,771,884	1,484,364
	4,881,617	5,180,985
	278,917,588	264,219,648

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

- 9.2** Trade debts include overdue amount of Rs 255,810 million (June 30, 2020: Rs 232,696 million) receivable from the State controlled companies (i.e. GENCO-II, SNGPL, SSGCL and OGDCL) and Rs 7,135 million (June 30, 2020: Rs 7,268 million) overdue receivable from refineries (i.e. ARL, Byco, PARCO, NRL and PRL) and various LPG customers.

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

- 9.3** The Holding Company has filed a suit in the Sindh High Court (SHC) against Byco for recovery of overdue amount. The said suit is pending adjudication before the SHC. In addition, the Holding Company filed a complaint against the officials of Byco on account of willful default before the National Accountability Bureau (NAB). On the Holding Company's complaint, NAB filed a reference against the officials of Byco which is pending adjudication before the Accountability Court No. IV at Karachi. One of the accused officials of Byco, filed his plea bargain application which has been accepted by the Accountability Court on October 24, 2020. Subsequent to the period end, the Holding Company has received an amount of Rs 903.218 million from NAB against long outstanding receivables from Byco.

- 9.4** Trade debts, as fully explained in note 4.2, do not include GDS and GIDC amounting to Rs 48,211 million (June 30, 2020: Rs 38,278 million) and Rs 7,999 million (June 30, 2020: Rs 10,249 million), respectively as the obligation of the Holding Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have been billed to GENCO-II but have not been received by the Holding Company as at the date of statement of financial position.

With respect to application of the Guidance, the Holding Company considers that it could potentially have further implications. Therefore, the Holding Company is in the process of further evaluation and will consider its effect, if any, in the annual financial statements for the year ending June 30, 2021.

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
10. SHORT-TERM INVESTMENTS		
At amortised cost		
- Foreign currency term deposits with banks - note 10.1	36,791,768	39,490,919
- Local currency term deposits with banks	24,941,604	3,692,256
	61,733,372	43,183,175
At fair value through profit or loss		
- Mutual Funds	16,055,452	10,364,718
	77,788,824	53,547,893

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

- 10.1** These represents foreign currency term deposits with banks amounting to US\$ 240.312 million (June 30, 2020: US\$ 235.065 million) having effective interest rate ranging from 0.11% to 2.01% (June 30, 2020: 1.80% to 5.30%) per annum and are due to mature latest by September 14, 2021. As explained in note 4.1, the investments of the Holding Company amounting to US\$ 226.032 million (June 30, 2020: US\$ 222.345 million) have been classified as current assets. However, the management of the Holding Company still intends and has the ability to hold these types of investments for longer term through reinvestment.

	March 31, 2021 Unaudited	June 30, 2020 Audited (Restated)
	(Rupees in thousand)	
11. TRADE AND OTHER PAYABLES		
Creditors	295,642	978,867
Accrued liabilities	8,339,977	9,260,462
Security deposits / advances from LPG distributors	234,054	451,236
Retention money	54,283	117,964
Sales tax - net	818,382	1,602,103
Royalties	6,618,980	9,385,306
Lease extension bonus	23,996,400	20,585,132
Current accounts with joint operations	9,371,318	16,769,871
Staff retirement benefit funds	476,760	1,033,050
Provision for windfall levy on oil/condensate	9,357,937	7,896,937
Federal excise duty - net	125,332	101,064
Workers' Profits Participation Fund (WPPF)	2,730,438	-
Contractual obligations for Iraq EDPSC	632,695	719,368
Others	346,697	189,728
	<u>63,398,895</u>	<u>69,091,088</u>

- 11.1** Trade and other payables, as fully explained in note 4.2, do not include GDS and GIDC amounting to Rs 48,211 million (June 30, 2020: Rs 38,278 million) and Rs 7,999 million (June 30, 2020: Rs 10,249 million), respectively as the obligation of the Holding Company is to pay the collected amounts to the Federal Government on receipt basis. The said amounts have not been paid to the GoP due to non-payment of the same by GENCO-II as at the date of statement of financial position.

With respect to application of the Guidance, the Holding Company considers that it could potentially have further implications. Therefore, the Holding Company is in the process of further evaluation and will consider its effect, if any, in the annual financial statements for the year ending June 30, 2021.

12. CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies and in total commitments as disclosed in the consolidated financial statements as at and for the year ended June 30, 2020, except for the following:

During the period, with respect to the Holding Company, the Tax authorities while amending the assessment for the tax year 2020 have created a demand of Rs 2,867 million primarily on account of rate issue, provision for windfall levy and un-realized exchange gain. The demand created was duly paid by the Holding Company under protest. Being aggrieved, the Holding Company has filed an appeal before the Commissioner Inland Revenue (Appeals).

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the nine months period ended March 31, 2021

	Nine months ended March 31, 2021	Nine months ended March 31, 2020 (Restated) (Rupees in thousand)
13. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross revenue		
Natural gas	93,036,338	101,956,330
Gas supplied to Sui villages	562,178	532,272
Internal consumption of gas	261,744	283,657
Crude oil / Condensate / Natural Gas Liquids	29,338,884	35,866,138
LPG	7,598,975	7,468,445
Barytes	519,713	652,579
	<u>131,317,832</u>	<u>146,759,421</u>
Government levies / discounts		
Federal excise duty	(1,292,854)	(1,361,912)
Sales tax	(16,881,359)	(18,424,705)
Petroleum levy	(403,731)	(401,816)
Discounts (Barytes)	(21,886)	(29,222)
	<u>(18,599,830)</u>	<u>(20,217,655)</u>
	<u>112,718,002</u>	<u>126,541,766</u>
	Nine months ended March 31, 2021	Nine months ended March 31, 2020 (Rupees in thousand)
14. OPERATING EXPENSES		
Salaries, wages, welfare and other benefits	7,459,474	5,811,174
Operator's personnel	1,846,684	1,764,642
Depreciation	6,425,228	7,072,230
Amortisation of decommissioning assets	924,062	1,357,552
Amortisation of D&P assets	8,594,856	9,120,186
Plant operations	2,463,340	2,769,966
Well interventions	757,160	819,988
Field services	1,555,807	1,811,392
Crude oil transportation	754,389	913,879
Travelling and conveyance	463,635	483,171
Training & development	43,930	24,847
PCA overheads	176,943	125,923
Insurance expenses	508,725	490,009
Free supply of gas to Sui villages	562,178	532,272
Social welfare / community development	361,067	250,228
	<u>32,897,478</u>	<u>33,347,459</u>

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the nine months period ended March 31, 2021

15. EXPLORATION EXPENSES

- 15.1 Exploration expenses for the period also include cost of dry wells amounting to Rs 1,702 million (March 2020: Rs 11,812 million).

	Nine months ended March 31, 2021 (Rupees in thousand)	Nine months ended March 31, 2020
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16. OTHER CHARGES

WPPF charge	2,730,438	2,717,973
Exchange loss on foreign currency - net	3,008,450	-
Provision for windfall levy on oil / condensate	1,461,000	2,146,000
	<u>7,199,888</u>	<u>4,863,973</u>

17. OTHER INCOME

Income from financial assets

Income on loans and bank deposits	315,556	626,078
Income on local currency term deposits	516,667	443,688
Income on foreign currency term deposits	721,773	1,495,300
Income from investment in treasury bills	480,626	171,803
Dividend income / gain on re-measurement of investments designated at fair value through profit or loss (net)	642,580	82,886
	<u>2,677,202</u>	<u>2,819,755</u>

Income from assets other than financial assets

Rental income on assets	3,920	4,675
Profit on sale of property, plant and equipment (net)	26,142	11,874
Exchange gain on foreign currency (net)	-	710,051
Share of profit on sale of LPG	-	4,785
Insurance Claims	83,609	72
Others	136,414	707,391
	<u>250,085</u>	<u>1,438,848</u>
	<u>2,927,287</u>	<u>4,258,603</u>

18. TAXATION

Current

- For the nine months	19,034,440	19,335,115
- For the prior year	(1,028,800)	(484,182)
	18,005,640	18,850,933
Deferred	(4,801,654)	(3,566,240)
	<u>13,203,986</u>	<u>15,284,693</u>

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**
For the nine months period ended March 31, 2021

	Nine months ended March 31, 2021	Nine months ended March 31, 2020 (Restated)
	(Rupees in thousand)	
19. CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,506,274	6,286,028
Short-term highly liquid investments	39,033,694	28,291,494
	42,539,968	34,577,522
20. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
The related parties are comprised of state controlled entities, associated companies, joint operations, companies where directors also hold directorship, key management personnel and other related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed consolidated interim financial statements are as follows:		
	Nine months ended March 31, 2021	Nine months ended March 31, 2020 (Restated)
	(Rupees in thousand)	
Sales of gas / oil / barytes to State controlled entities (including Government levies)		
GENCO-II	9,358,947	11,532,712
SSGCL	33,201,320	32,182,565
SNGPL	50,476,071	57,999,433
OGDCL	1,666,642	119,137
	94,702,980	101,833,847
Long-term receivables, trade debts and other receivables from state controlled entities as at December 31	266,256,603	239,547,785
Transactions with Associated Companies		
Sales of crude oil / condensate to PARCO	4,806,484	4,139,446
Sales of crude oil / condensate to PRL	1,505,861	2,426,133
Payment to Total PARCO Pakistan Limited	5,183	284,094
Payment to Petroleum Institute of Pakistan	975	4,092
Payment to Sanofi-Aventis Pakistan Limited	529	-
Deposits with Askari Bank Limited (AKBL) as at March 31	5,329	300,938
Letters of credit placed with AKBL as at March 31	194,074	113,825

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

	Nine months ended March 31, 2021	Nine months ended March 31, 2020
	(Rupees in thousand)	
Transactions with Joint Operations		
Payments of cash calls to joint operations	23,663,333	29,506,012
Expenditures incurred by the joint operations	16,287,311	26,959,698
Under advance balances relating to joint operations as at March 31	8,816,590	13,131,645
Current account receivables relating to joint operations as at March 31	3,745,888	2,352,899
Current account payables relating to joint operations as at March 31	234,183	267,576
Income from rental of assets to joint operations	3,920	4,675
Purchase of goods from BME (net)	28,657	328,893
Reimbursement of employee cost on secondment to BME	18,722	17,893
Other related parties		
Dividend to GoP	1,836,864	3,061,440
Dividend to trust under BESOS	200,057	333,429
Dividend to trusts under retirement benefit funds	1,515	2,524
Transactions with retirement benefit funds	955,184	818,206
Remuneration to key management personnel	2,356,157	2,221,371
Payment to PPL Welfare Trust	20,000	-
Payment of rental to Pakistan Industrial Development Corporation	111,175	99,119
Payment of rental to Karachi Port Trust	8,412	6,681
Payment to National Insurance Company Limited (NICL)	1,010,956	570,334
Insurance claim received from NICL	83,609	198
Payment to Pakistan State Oil Company Limited	52,707	173,110
Stores and spares on loan to OGDCL	3,065	-

- 20.1** Aggregate amount charged in these condensed consolidated interim financial statements in respect of fees paid to thirteen non-executive directors of the Holding Company was Rs 20 million (March 2020: Rs 19.545 million to ten non-executive directors).

In addition to the above, during the period an amount of Rs 0.188 million was paid to three directors of PPLA as against Rs 0.75 million (Rs 0.375 million each in respect of PPLA and PPLE) in the corresponding period.

- 20.2** The Holding Company has guaranteed the performance and fulfilment of obligations by PPLA under the Exploration, Development and Production Service Contract (EDPSC). Total financial commitment of PPLA is US\$ 100 million (Rs 15,360 million), out of which US\$ 31.504 million (Rs 4,839 million) is outstanding.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

For the nine months period ended March 31, 2021

- 20.3** The Holding Company has provided parent company guarantee amounting to US\$ 5.3 million (Rs 814 million) to GoP in respect of PPLE's exploration licenses in Pakistan i.e. Barkhan, Harnai and Ziarat.

	Nine months ended March 31, 2021	Nine months ended March 31, 2020
21. EARNINGS PER SHARE		
21.1 Basic earnings per share		
Profit after taxation (Rs '000)	38,119,021	38,595,913
Dividend on convertible preference shares (Rs '000)	(34)	(35)
Profit attributable to ordinary shareholders (Rs '000)	<u>38,118,987</u>	<u>38,595,878</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,154</u>	<u>2,720,971,697</u>
Basic earnings per share (Rs)	<u>14.01</u>	<u>14.18</u>

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

	Nine months ended March 31, 2021	Nine months ended March 31, 2020
21.2 Diluted earnings per share		
Profit after taxation (Rs '000)	<u>38,119,021</u>	<u>38,595,913</u>
Weighted average number of ordinary shares in issue	<u>2,720,972,154</u>	<u>2,720,971,697</u>
Adjustment for convertible preference shares	<u>11,374</u>	<u>11,831</u>
Weighted average number of ordinary shares for diluted earnings per share	<u>2,720,983,528</u>	<u>2,720,983,528</u>
Diluted earnings per share (Rs)	<u>14.01</u>	<u>14.18</u>

22. DATE OF AUTHORISATION FOR ISSUE

These condensed consolidated interim financial statements were authorised for issue on April 29, 2021 by the Board of Directors of the Holding Company.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
For the nine months period ended March 31, 2021

23. GENERAL

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


CHIEF FINANCIAL OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER



Pakistan Petroleum Limited

PIDC House, Dr. Ziauddin Ahmed Road
P.O. Box 3942, Karachi-75530, Pakistan
UAN: +92 (21) 111 568568
Fax: +92 (21) 35680005, 35682125
website: www.ppl.com.pk