

Committees of the Board

In order to ensure effective implementation of a sound internal control system and compliance with the Code of Corporate Governance, the Board has constituted three committees and approved their Terms of Reference. Composition of Committees and their Terms of Reference are as follows:

1. Operations and Finance Committee

Composition

Mr. Wasim Zuberi _____	Chairman
Mr. Zahid Hussain _____	Member
Mr. Muhammad Ejaz Chaudhry _____	Member
Mr. Tariq Iqbal Khan _____	Member
Mr. Tariq Faruque _____	Member
Miss Shagufta Jumani _____	Member
Executive Director (Finance) _____	Secretary

Terms of Reference

- Approval of Exploration License applications, along with proposed work program, financial/budgetary commitment and related prospectivity/financial analysis, etc.
- Recommendations for Farm-in and Farm-out proposals along with financial commitments and prospects.
- Recommendations for participation in offshore and overseas opportunities.
- Procurement of plant machinery and store items etc. exceeding the powers delegated to MD.
- Award of contracts for civil works, development of fields, etc. exceeding the powers delegated to MD.
- Recommend/review the progress of physical work programs (seismic acquisition, exploratory and development drilling, project development and production, etc) and financial targets thereto.
- Formulation of Technical & Financial Policies and Controls including the policies required under the Code of Corporate Governance.
- Annual and quarterly budgets and analysis of variances thereof.
- Review & approve option for Investment of surplus funds of the Company and request for establishing credit lines/borrowing limits with financial institutions.
- Consider any other issue or matter as may be assigned by the Board of Directors.

2. Audit Committee

Composition

Mr. Tariq Iqbal Khan _____	Chairman
Mr. Muhammad Ejaz Chaudhry _____	Member
Mr. Rafique Dawood _____	Member
Mr. Iskander Mohammed Khan _____	Member
Head of Internal Audit _____	Secretary

Terms of Reference

- Recommend appointment of external auditors to the Board of Directors and consider any questions of resignation or removal of external auditors, audit fees, etc.
- Recommend appointment of financial consultant for any service to the Company in addition to audit of its financial statements.
- Recommend appointment of suitable candidate(s) for the position of Head of Internal Audit.
- Determine appropriate measures to safeguard the Company's assets.
- Review preliminary announcements of financial results prior to publication.
- Review quarterly, half-yearly and annual financial statements of the Company prior to their approval by the Board of Directors, focusing on:
 - ▶ major judgmental areas.
 - ▶ significant adjustments resulting from the audit.
 - ▶ the going concern assumption.
 - ▶ any changes in accounting policies and practices.
 - ▶ compliance with applicable accounting standards.
 - ▶ compliance with listing regulations and other statutory and regulatory requirements.
- Facilitate external audit and discuss with external auditors major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary).
- Review Management letter issued by external auditors and Management's response thereto.
- Ensure coordination between the internal and external auditors of the Company.
- Review the scope and extent of internal audit and ensure that the internal audit function has adequate resources and is appropriately placed within the Company.

- Consider major findings of internal investigations and management's response thereto.
- Ascertain that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective.
- Review the Company's statement on internal control systems prior to endorsement by the Board of Directors.
- Institute special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the CEO and consider remittance of any matter to the external auditors or to any other external body.
- Determine compliance with relevant statutory requirements.
- Monitor compliance with the best practices of corporate governance and identification of significant violations thereof.
- Consider any other issue or matter as may be assigned by the Board of Directors.

3. Human Resource Committee

Composition

Mr. Iskander Mohammed Khan	Chairman
Mr. Farooq Rahamtullah	Member
Mr. Zahid Hussain	Member
Mr. Muhammad Ejaz Chaudhry	Member
Mr. Sikandar Hayat Jamali	Member
Mr. Waqar A. Malik	Member
Miss Shagufta Jumani	Member
Executive Director (HR)	Secretary

Terms of Reference

- Recommendations for appointment/promotions beyond EG-VIII and above.
- Guidance/recommendations for CBA agreements.
- Restructuring of the organization.
- Review of compensation package.
- Review of HR policies including the policies required under the Code of Corporate Governance.
- Consider any other issue or matter as may be assigned by the Board of Directors.

