This paper discusses the tectonic significance of the Permian Panjal Volcanics of Kaghan Valley on the basis of an overview of geology, field relations and associated rocks. It is proposed that more than 400 km long rift related, generally terrestrial Panjal suite developed into an incipient ocean, the Panjal Sea with continental to oceanic transitional to oceanic crust in Kaghan area. Major element, trace element and R.E.E. characteristics appear to corroborate this conclusion.

North of this incipient ocean lay the Kashmir Hazara microcontinent. The Permian Panjal Sea which developed during rifting of Gondwanaland closed during Triassic when the overlying Malakandi limestone was deposited and Neo Tethys started opening to the north of the Kashmir-Hazara microcontinent.