

OIL AND GAS DEVELOPMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION [UNAUDITED]
AS AT 30 SEPTEMBER 2019

Annexure II

		Unaudited 30 September 2019	Audited 30 June 2019			Unaudited 30 September 2019	Audited 30 June 2019
	Note	----- (Rupees '000) -----			Note	----- (Rupees '000) -----	
SHARE CAPITAL AND RESERVES				NON CURRENT ASSETS			
Share capital		43,009,284	43,009,284	Property, plant and equipment	8	116,760,285	117,787,033
				Development and production assets - intangible	9	93,161,094	91,958,684
Reserves	4	14,876,983	14,614,483	Exploration and evaluation assets	10	14,529,537	15,216,824
						224,450,916	224,962,541
Unappropriated profit		594,795,000	567,741,481	Long term investments	11	25,483,351	22,895,586
		652,681,267	625,365,248	Long term loans and receivable		8,656,682	8,085,201
				Long term prepayments		1,624,494	868,036
						260,215,443	256,811,364
NON CURRENT LIABILITIES				CURRENT ASSETS			
Deferred taxation		22,588,642	23,571,884	Stores, spare parts and loose tools		18,478,596	18,751,790
Deferred employee benefits		22,604,258	22,154,000	Stock in trade		295,781	446,645
Provision for decommissioning cost		23,738,744	22,862,587	Trade debts	12	264,212,047	242,731,940
		68,931,644	68,588,471	Loans and advances	13	12,008,034	9,669,299
				Deposits and short term prepayments		573,417	1,329,883
				Other receivables		8,767,094	7,762,428
CURRENT LIABILITIES				Income tax - advance	14	19,273,806	20,027,510
Trade and other payables	5	39,007,606	49,477,743	Current portion of long term investments		115,854,160	113,770,186
Unpaid dividend	6	22,257,254	22,951,943	Other financial assets	15	74,884,277	74,726,436
Unclaimed dividend		212,455	213,785	Cash and bank balances		8,527,571	20,569,709
		61,477,315	72,643,471			522,874,783	509,785,826
						783,090,226	766,597,190
		783,090,226	766,597,190				
CONTINGENCIES AND COMMITMENTS							
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The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive

Director

OIL AND GAS DEVELOPMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Quarter ended 30 September	
	2019	2018
	------(Rupees '000)-----	
Profit for the quarter	27,316,350	26,734,997
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>27,316,350</u>	<u>26,734,997</u>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive

Director

OIL AND GAS DEVELOPMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

Share capital	Reserves					Unappropriated profit	Total equity	
	Capital reserves				Other reserves			
	Capital reserve	Self insurance reserve	Share of capital redemption reserve fund in associated company	Share of self insurance reserve in associated company	Share of undistributed percentage return reserve in associated company			
------(Rupees '000)-----								
Balance as at 1 July 2018	43,009,284	836,000	9,970,000	2,118,000	320,000	122,622	494,180,516	550,556,422
Total comprehensive income for the quarter								
Profit for the quarter	-	-	-	-	-	-	26,734,997	26,734,997
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	-	-	-	-	-	-	26,734,997	26,734,997
Transfer to self insurance reserve	-	-	262,723	-	-	-	(262,723)	-
Charged to self insurance reserve	-	-	(223)	-	-	-	-	(223)
Total distributions to owners of the Company	-	-	-	-	-	-	-	-
Balance as at 30 September 2018	<u>43,009,284</u>	<u>836,000</u>	<u>10,232,500</u>	<u>2,118,000</u>	<u>320,000</u>	<u>122,622</u>	<u>520,652,790</u>	<u>577,291,196</u>
Balance as at 1 July 2019	43,009,284	836,000	11,020,000	2,118,000	520,000	120,483	567,741,481	625,365,248
Total comprehensive income for the quarter								
Profit for the quarter	-	-	-	-	-	-	27,316,350	27,316,350
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	-	-	-	-	-	-	27,316,350	27,316,350
Transfer to self insurance reserve	-	-	262,831	-	-	-	(262,831)	-
Charged to self insurance reserve	-	-	(331)	-	-	-	-	(331)
Total distributions to owners of the Company	-	-	-	-	-	-	-	-
Balance as at 30 September 2019	<u>43,009,284</u>	<u>836,000</u>	<u>11,282,500</u>	<u>2,118,000</u>	<u>520,000</u>	<u>120,483</u>	<u>594,795,000</u>	<u>652,681,267</u>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive

Director

OIL AND GAS DEVELOPMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Quarter ended 30 September	
	2019	2018
Note	------(Rupees '000)-----	
Cash flows from operating activities		
Profit before taxation	39,688,365	39,363,464
Adjustments for:		
Depreciation	2,862,580	2,774,336
Amortization of development and production assets	3,779,465	3,778,782
Royalty	7,738,740	6,876,396
Workers' profit participation fund	2,088,861	2,071,761
Provision for employee benefits	882,493	1,139,795
Un-winding of discount on provision for decommissioning cost	743,788	408,830
Interest income	(4,094,031)	(2,949,860)
Un-realized loss on investments at fair value through profit or loss	25,471	21,657
Exchange loss/ (gain) on foreign currency investment and deposit accounts	2,346,850	(524,736)
Dividend income	(7,037)	(10,579)
(Gain)/ loss on disposal of property, plant and equipment	(1,291)	65,851
Share of profit in associate	(1,492,591)	(1,028,447)
Stores inventory written off	-	56,817
	<u>54,561,662</u>	<u>52,044,067</u>
Changes in:		
Stores, spare parts and loose tools	273,194	-197,677
Stock in trade	150,864	-14,037
Trade debts	(21,480,107)	-15,248,104
Deposits and short term prepayments	756,466	-169,145
Advances and other receivables	(2,949,808)	2,971,586
Trade and other payables	(3,293,903)	(2,759,233)
Cash generated from operations	<u>28,018,368</u>	<u>36,627,457</u>
Royalty paid	-7,502,527	-6,183,217
Employee benefits paid	(1,943,783)	(1,309,048)
Long term prepayments	(756,458)	25,853
Payment from self insurance reserve	(331)	(223)
(Payment to)/ receipt from workers' profit participation fund-net	(9,294,706)	172,276
Income taxes paid	-12,601,553	-6,624,631
	<u>-32,099,358</u>	<u>-13,918,990</u>
Net cash from operating activities	<u>-4,080,990</u>	<u>22,708,467</u>
Cash flows from investing activities		
Capital expenditure	(5,662,417)	(4,430,697)
Interest received	2,010,058	1,171,510
Dividends received	7,037	10,579
Encashment of investments	10,170,986	-
Purchase of investments	(11,266,161)	-
Proceeds from disposal of property, plant and equipment	5,529	17,184
Net cash used in investing activities	<u>(4,734,968)</u>	<u>(3,231,423)</u>
Cash flows from financing activities		
Dividends paid	(696,019)	(824,489)
Net cash used in financing activities	<u>(696,019)</u>	<u>(824,489)</u>
Net (decrease)/ increase in cash and cash equivalents	<u>(9,511,976)</u>	<u>18,652,555</u>
Cash and cash equivalents at beginning of the quarter	95,049,153	71,169,841
Effect of movements in exchange rate on cash and cash equivalents	(2,346,850)	524,736
Cash and cash equivalents at end of the quarter	<u>83,190,327</u>	<u>90,347,132</u>

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The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive

Director

OIL AND GAS DEVELOPMENT COMPANY LIMITED
SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND OPERATIONS

Oil and Gas Development Company Limited (OGDCL), 'the Company', was incorporated on 23 October 1997 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The Company was established to undertake exploration and development of oil and gas resources, including production and sale of oil and gas and related activities formerly carried on by Oil and Gas Development Corporation, which was established in 1961. The registered office of the Company is located at OGDCL House, Plot No. 3, F-6/G-6, Blue Area, Islamabad, Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The Global Depository Shares (1GDS = 10 ordinary shares of the Company) of the Company are listed on the London Stock Exchange.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in these condensed interim financial statements do not include those reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements for the year ended 30 June 2019. Comparative statement of financial position is extracted from the annual audited financial statements as of 30 June 2019, whereas comparative statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows are stated from unaudited condensed interim financial statements for the quarter ended 30 September 2018.

These condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of Companies Act, 2017 and Rule Book of Pakistan Stock Exchange Limited.

3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these interim financial statements and financial risk management policies are the same as those applied in preparation of annual audited financial statements for the year ended 30 June 2019, except for the change mentioned below:

IFRS 16 'Leases'

IFRS 16 'Leases', effective for annual period beginning on or after 1 January 2019, has replaced the existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 has introduced a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. The accounting by a Lessor remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 986/(I)/2019 dated 2 September 2019 has granted exemption from requirements of IFRS 16 to all companies that have executed their power purchase agreements before January 1, 2019. Earlier, vide SRO 24(I)/2012 dated January 16, 2012, SECP granted waiver to all companies, including Power Sector Companies, from requirements of IFRIC-4 "Determining whether an Arrangement contains a Lease". The Company was exempt from application of IFRIC-4 for its Gas Sales Agreements with two Independent Power Producers, Uch Power (Private) Limited and Uch II Power (Private) Limited for supply of total output by production facilities at Uch and Uch II fields. The financial impact of these two arrangement was disclosed in the annual audited financial statements of the Company for the year ended 30 June 2019.

The Company vide its letter No. CFO/20191008/05 dated October 8, 2019 has requested SECP to clarify if the Company, being a party to the power supply chain arrangements, is also exempt from the application of IFRS 16 similar to the exemption granted to Power Sector Companies in the aforesaid S.R.O. 986/(I)/2019. The Company believes that clarification by SECP with regards to these ongoing arrangements under the Gas Sales Agreements with IPPs will be issued soon and therefore no adjustments, if any, have been made to the condensed interim financial statements for the quarter ended 30 September 2019.

The Company has also requested exemption from SECP for the application of IFRS-16 for the quarter ended 30 September 2019, since the Company is in the process of analyzing the potential impact of its arrangements that may result in recognition of right to use assets and liabilities as per IFRS 16. Thus, the impact of IFRS-16, if any, has not been accounted for in these condensed interim financial statements for the quarter ended 30 September 2019.

OIL AND GAS DEVELOPMENT COMPANY LIMITED
**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

		Unaudited 30 September 2019	Audited 30 June 2019
	Note	------(Rupees '000)-----	
4 RESERVES			
Capital reserves:			
Capital reserve	4.1	836,000	836,000
Self insurance reserve	4.2	11,282,500	11,020,000
Capital redemption reserve fund - associated company	4.3	2,118,000	2,118,000
Self insurance reserve - associated company	4.4	520,000	520,000
Other reserves:			
Undistributed percentage return reserve - associated company	4.5	120,483	120,483
		<u>14,876,983</u>	<u>14,614,483</u>
4.1	This represents bonus shares issued by former wholly owned subsidiary - Pirkoh Gas Company (Private) Limited (PGCL) prior to merger. Accordingly, the reserve is not available for distribution to shareholders.		
4.2	The Company has set aside a specific capital reserve for self insurance of rigs, buildings, wells, plants, pipelines, workmen compensation, vehicle repair and losses for petroleum products in transit. Refer note 11.1 for investments against this reserve. Accordingly, the reserve is not available for distribution to shareholders.		
4.3	This represents Company's share of profit set aside by an associated company to redeem redeemable preference shares in the form of cash to the preference shareholders.		
4.4	This represents Company's share of profit set aside by an associated company for self insurance of general assets, vehicles and personal accident for security personnel.		
4.5	This represents Company's share of profit set aside by an associated company from distributable profits for the period related to undistributed percentage return reserve.		

		Unaudited 30 September 2019	Audited 30 June 2019
		------(Rupees '000)-----	
5 TRADE AND OTHER PAYABLES			
Creditors		2,658,609	953,478
Accrued liabilities		8,938,402	12,165,213
Payable to partners of joint operations		4,778,738	7,194,670
Retention money payable		4,721,505	4,720,986
Royalty payable to Government of Pakistan		4,431,846	4,195,633
Excise duty payable		209,431	230,780
General sales tax payable		1,384,538	872,919
Gas Infrastructure Development Cess (GIDC) payable		4,600,985	4,383,426
Petroleum Levy payable		112,305	142,833
Withholding tax payable		941,836	852,897
Trade deposits		142,206	151,064
Workers' profit participation fund - net		2,088,861	9,294,706
Gratuities fund		255,850	462,452
Advances from customers		1,967,512	2,103,553
Other payables		1,774,982	1,753,133
		<u>39,007,606</u>	<u>49,477,743</u>

6 UNPAID DIVIDEND

This includes an amount of Rs 22,110 million (30 June 2019: Rs 22,110 million) payable to OGDCL Employees' Empowerment Trust (OEET). The payment of dividend has been withheld since GoP is considering to revamp Benazir Employees' Stock Option Scheme (BESOS) as communicated to the Company by Privatization Commission of Pakistan (PCP). Previously, PCP vide letter no. F. No. 13(4)12/PC/BESOS/OGDCL dated 15 May 2018 had informed that the matter of BESOS, as a scheme, is pending adjudication before the Honorable Supreme Court of Pakistan, hence status quo may be maintained till final decision of Honorable Supreme Court of Pakistan. During the year, Government of Pakistan, Finance Division vide letter No F.No. 2(39)BIU-I/2018-19 dated 15 April 2019 has advised the Company to deposit the GoP share of dividend including interest, if any, lying in OEET account(s) or any other reserve/account till date in the Federal Consolidated Fund pursuant to decision of the Federal Cabinet in its meeting held on 09 April 2019.

Furthermore, PCP vide letter No 1(1)PC/BESOS/F&A/2019 dated 08 May 2019, requested the Company not to remit any amounts on the account of BESOS in view of the decision of the Federal Cabinet. Based on the legal advice, OEET has submitted its response to Petroleum Division on 05 August 2019 that the matter is pending adjudication before the Honourable Supreme Court of Pakistan, the transfer would commit breach of fiduciary duties of the trustees and therefore the directions to be kindly recalled.

OIL AND GAS DEVELOPMENT COMPANY LIMITED
SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 Claims against the Company not acknowledged as debts are same as disclosed in the annual audited financial statements for the year ended 30 June 2019. Attock Refinery Limited (ARL) has filed a writ petition against the Company before Islamabad High Court on 17 December 2018 and has disputed and withheld amounts invoiced to it on account of adjustment of premium or discount as announced by Saudi Aramco for deliveries to Asian customers/ destinations under the sale agreement signed on 13 March 2018 of Rs 1,957 million and has also claimed the amounts already paid in this respect during the period 2007 to 2012 amounting to Rs 562 million. Islamabad High Court vide order dated 18 December 2018 granted interim relief to ARL until next hearing. The Company believes that the debit notes/ invoices have been raised in accordance with the sale agreements signed with GoP and no provision is required in this respect.

7.1.2 Oil and Gas Regulatory Authority (OGRA) vide its decision dated 22 June 2018 decided that LPG producers, in public or private sector, cannot charge signature bonus in compliance with LPG Policy 2016. The Company has challenged this decision in Islamabad High Court on 23 July 2018. During the quarter, the Company has recorded income in respect of signature bonus amounting to Rs 34.258 million (30 June 2019: Rs 584.391 million). Management believes that the matter will be decided in favour of the Company.

7.1.3 Certain banks have issued guarantees on behalf of the Company in ordinary course of business aggregating Rs 1.281 million (30 June 2019: Rs 1.281 million).

7.1.4 For contingencies related to tax matters, refer note 14.1 to 14.3 and note 18.1.

7.1.5 For contingencies related to sales tax and federal excise duty, refer note 13.1 and 13.2.

7.2 Commitments

7.2.1 Commitments outstanding at quarter end amounted to Rs 56,454.965 million (30 June 2019: Rs 56,073.030 million). These include amounts aggregating to Rs 27,372.463 million (30 June 2019: Rs 28,608.883 million) representing the Company's share in the minimum work commitments under Petroleum Concession Agreements.

7.2.2 Letters of credit issued by various banks on behalf of the Company in ordinary course of the business, outstanding at quarter end amounted to Rs 10,165.922 million (30 June 2019: Rs 6,689.964 million).

7.2.3 The Company's share of associate commitments for the quarter ended 30 September 2019 is Rs 2,407 million (30 June 2019: Rs 2,615 million)

OIL AND GAS DEVELOPMENT COMPANY LIMITED

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

		Unaudited 30 September 2019	Audited 30 June 2019
	Note	------(Rupees '000)-----	
8	PROPERTY, PLANT AND EQUIPMENT		
Carrying amount at beginning of the quarter/ year		117,787,033	124,063,611
Additions/adjustments during the quarter/ year	8.1	2,072,869	5,802,167
Book value of disposals		(4,238)	(92,712)
Depreciation charge for the quarter/ year		(3,095,379)	(11,960,597)
Revision in estimate of decommissioning cost during the quarter/ year		-	(25,436)
Carrying amount at end of the quarter/ year	8.2	<u>116,760,285</u>	<u>117,787,033</u>
8.1 Additions/ adjustments during the quarter/ year			
Buildings, offices and roads on freehold land		-	125,513
Buildings, offices and roads on leasehold land		-	588,048
Plant and machinery		1,756,166	3,764,323
Rigs		2,184	15,401
Pipelines		9,359	814,644
Office and domestic equipment		2,954	24,218
Office and technical data computers		10,778	240,292
Furniture and fixture		369	55,550
Vehicles		14,041	87,383
Decommissioning cost		-	21,157
Capital work in progress (net)		410,169	(22,986)
Stores held for capital expenditure (net)		(133,151)	88,624
		<u>2,072,869</u>	<u>5,802,167</u>
8.2 Property, plant and equipment comprises:			
Operating fixed assets		109,554,145	110,857,919
Capital work in progress		2,750,920	2,340,751
Stores held for capital expenditure		4,455,220	4,588,363
		<u>116,760,285</u>	<u>117,787,033</u>
9	DEVELOPMENT AND PRODUCTION ASSETS - INTANGIBLE		
Carrying amount at beginning of the quarter/ year		91,958,684	94,403,553
Additions during the quarter/ year		3,671,867	12,377,508
Transferred from exploration and evaluation assets during the quarter/ year		1,310,008	1,290,779
Amortization charge for the quarter/ year		(3,779,465)	(17,947,440)
Revision in estimates of decommissioning cost during the quarter/ year		-	1,834,284
Carrying amount at end of the quarter/ year		<u>93,161,094</u>	<u>91,958,684</u>
10	EXPLORATION AND EVALUATION ASSETS		
Balance at beginning of the quarter/ year		15,129,892	6,329,728
Additions during the quarter/ year		3,092,906	16,182,738
		<u>18,222,798</u>	<u>22,512,466</u>
Cost of dry and abandoned wells during the quarter/ year		(2,423,724)	(6,091,795)
Cost of wells transferred to development and production assets during the quarter/ year		(1,310,008)	(1,290,779)
		<u>(3,733,732)</u>	<u>(7,382,574)</u>
		14,489,066	15,129,892
Stores held for exploration and evaluation activities		40,471	86,932
Balance at end of the quarter/ year		<u>14,529,537</u>	<u>15,216,824</u>

OIL AND GAS DEVELOPMENT COMPANY LIMITED

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS [UNAUDITED]
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

		Unaudited 30 September 2019	Audited 30 June 2019
	Note	------(Rupees '000)-----	
11 LONG TERM INVESTMENTS			
Investment in related party - associate, quoted			
Mari Petroleum Company Limited (MPCL)		14,217,190	12,724,599
Investments at amortised cost			
Treasury Bills (T-Bills) - Government of Pakistan	11.1	11,498,621	10,209,629
Investment in Term Finance Certificates (TFCs)	11.2	115,621,700	113,731,544
		<u>141,337,511</u>	<u>136,665,772</u>
Less: Current portion shown under current assets	11.3	(115,854,160)	(113,770,186)
		<u>25,483,351</u>	<u>22,895,586</u>

11.1 This represents investment in T-Bills carrying effective yield of 13.69% (30 June 2019: 12.61%) per annum. This investment has maturity of less than 12 months, however, this has been classified as non-current assets based on the management's intention to reinvest in the like investment for a longer term. This investment is earmarked against self insurance reserve.

11.2 This represents investment in Privately Placed TFCs amounting to Rs 82 billion. In 2013, the Government of Pakistan, for partial resolution of circular debt issue prevailing in the energy sector, approved issuance of TFCs amounting to Rs 82 billion by PHPL, which is government owned entity and a related party. These TFCs were subscribed by the Company in order to settle its overdue receivables from oil refineries and gas companies.

As per original terms of investor agreement between the Company and PHPL, TFCs are for a period of seven (7) years including grace period of three (3) years carrying interest rate of KIBOR + 1%, payable semi-annually. The principal portion of these TFCs shall be paid in eight (8) equal installments starting from 42nd month of date of transaction. National Bank of Pakistan executed the transaction on 10 September 2012 as Trustee. These TFCs are secured by Sovereign Guarantee, covering the principal, markup, and/or any other amount becoming due for payment in respect of investment in TFCs. As per original terms, principal repayment amounting to Rs 82,000 million (30 June 2019: Rs 71,750 million) was past due as at 30 September 2019. Further, interest due as of 30 September 2019 was Rs 33,622 million (30 June 2019: Rs 31,732 million) which was past due at quarter end (30 June 2019: Rs 28,723 million). The Company considers the principal and interest to be fully recoverable as these are backed by Sovereign Guarantee of Government of Pakistan.

On 23 October 2017, PHPL has communicated to the Company that a proposal was submitted by the Ministry of Energy (Power Division) to Economic Coordination Committee (ECC) of the Cabinet for extension in the tenure of TFCs of Rs 82 billion from 07 years to 10 years including extension in grace period from 03 years to 06 years. The ECC of the Cabinet considered and approved the proposal of Ministry of Energy (Power Division) subject to the condition that a revised term sheet, based on above, with the Company shall be agreed by PHPL. Pursuant to the approval, the principal installment payments shall be deferred till March 2019. PHPL has requested the Company to prepare revised term sheet for onward submission to Finance Division for approval. The Company has not yet agreed on the deferment plan and has requested Ministry of Energy to address the Company's point of view on overdue markup, etc. and also define a mechanism of payments under the facility. As of 30 September 2019, the Company expects to realise the TFCs in accordance with the original terms of the investor agreement and accordingly adjustments, if any, in the financial statements will be made on finalization of the matter. SECP has exempted the applicability of expected credit loss ECL model on financial assets due directly / ultimately from GoP.

11.3 Current portion includes Rs 232.460 million (30 June 2019: 38.642 million) and Rs 33,622 million (30 June 2019: Rs 31,732 million) representing accrued markup on T-Bills and TFCs respectively.

	Unaudited 30 September 2019	Audited 30 June 2019
	------(Rupees '000)-----	
12 TRADE DEBTS		
Un-secured, considered good	264,212,047	242,741,558
Un-secured, considered doubtful	101,113	101,113
	<u>264,313,160</u>	<u>242,842,671</u>
Provision for doubtful debts	(101,113)	(101,113)
Trade debts written off	-	(9,618)
	<u>264,212,047</u>	<u>242,731,940</u>

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- 12.1** Trade debts include overdue amount of Rs 217,674 million (30 June 2019: Rs 194,179 million) on account of Inter-Corporate circular debt, receivable from oil refineries and gas companies out of which Rs 109,817 million (30 June 2019: Rs 99,653 million) and Rs 82,525 million (30 June 2019: Rs 72,165 million) is mainly overdue from related parties, Sui Southern Gas Company Limited and Sui Northern Gas Pipeline Limited respectively. The Government of Pakistan (GoP) is committed, hence continuously pursuing for satisfactory settlement of Inter-Corporate Circular debt issue, however, the progress is slower than expected resulting in accumulation of Company's trade debts. The Company considers this amount to be fully recoverable because the Government of Pakistan has been assuming the responsibility to settle the Inter-corporate circular debt in the Energy sector.
- 12.2** Included in trade debts is an amount of Rs 5,281 million (30 June 2019: Rs 5,032 million) receivable from three Independent Power Producers and a fertilizer company on account of Gas Infrastructural Development Cess (GIDC) and related sales tax paid/payable thereon.

13 LOANS AND ADVANCES

- 13.1** This includes an amount of Rs 3,180 million (30 June 2019: Rs 3,180 million) paid under protest to Federal Board of Revenue (FBR) on account of sales tax demand raised in respect of capacity invoices from Uch Gas Field for the period July 2004 to March 2011. Based on Sales Tax General Order (STGO) 1 of 2000 dated 24 January 2000, the matter was argued before various appellate forums, however, the Supreme Court of Pakistan finally decided the issue against the Company on 15 April 2013. The FBR granted time relaxation to the Company for issuance of debit note for an amount of Rs 750 million for the period April 2011 to May 2012, accounted for as trade debt. Uch Power Limited (UPL) challenged the grant of time relaxation to the Company by FBR before Islamabad High Court. On 27 December 2013, the Honorable Court decided the matter in favor of the Company. In light of the Islamabad High Court decision, the Company has applied to FBR for obtaining condonation of time limit for issuing debit notes to UPL/revision of sales tax returns for the remaining amount of Rs 3,180 million for the period July 2004 to March 2011 and currently the matter is pending with FBR.

UPL filed an Intra Court appeal against the decision of the Islamabad High Court (IHC). IHC through its order dated 17 November 2016 dismissed the intra court appeal in favour of the Company. In January 2017, UPL filed Civil Petition for Leave to Appeal (CPLA) against the Company and others, before the Honorable Supreme Court of Pakistan against the decision of IHC, which is currently pending. FBR has linked the disposal of OGDCL's condonation request with the outcome of UPL's aforementioned CPLA. The Company and its legal advisors are confident that CPLA of UPL before Honorable Supreme Court of Pakistan will also be decided in favour of the Company and required condonations will be obtained and the amount will be recovered from UPL. Accordingly no provision in this respect has been made in these condensed interim financial statements.

- 13.2** This also includes recoveries of Rs 317 million (30 June 2019: Rs 317 million) made by the tax department during the year ended 30 June 2016, against Sales Tax and Federal Excise Duty (FED) demand of Rs 7,373 million (30 June 2019: Rs 7,373 million) relating to periods July 2011 to June 2015. The Honorable Appellate Tribunal Inland Revenue (ATIR) has accepted the companies appeals for the period 2011-12, 2012-13 and 2013-14 and annulled the demands of Rs 260 million, Rs 1,821 million and Rs 4,887 million respectively, passed by the tax authorities being void ab-intio and without jurisdiction respectively. The Commissioner Inland Revenue (CIRA) has filed sales tax reference before Islamabad High Court (IHC) against judgments of ATIR for the period 2012-13 and 2013-14 on 9 February 2018. The Company has filed appeal before ATIR against the order of CIRA for the period 2014-15 on 7 September 2018, which is currently pending before ATIR and the ATIR vide order dated 27 August 2019 has granted stay against recovery till 25 October 2019. These demands were raised by tax authorities due to difference between computation of sales/ production reported by the Company in its sales tax return and sales/ production based on other sources of data. The Company believes that these demands were raised without legal validity and will be decided by IHC and ATIR in its favour as already decided by ATIR for the years 2011-2014.

	Unaudited 30 September 2019	Audited 30 June 2019
	------(Rupees '000)-----	
14 INCOME TAX - ADVANCE		
Income tax- advance at beginning of the quarter/ year	20,027,510	37,278,361
Income tax paid during the quarter/ year	12,601,553	41,649,854
Provision for current taxation - Profit or loss	(13,355,257)	(54,621,860)
Tax (charge) / credit related to remeasurement gain/loss on employee retirement benefit plans for the quarter/ year - other comprehensive income	-	(4,278,845)
Income tax - advance at end of the quarter/ year	14.1 to 14.3 <u>19,273,806</u>	<u>20,027,510</u>

- 14.1** This includes amount of Rs 21,785 million (30 June 2019: Rs 21,785 million) paid to tax authorities on account of disallowance of actuarial loss amounting to Rs 43,134 million which the Company claimed in its return for the tax years 2014 to 2018. This actuarial loss was recognized in the books as a result of retrospective application of IAS 19 (as revised in June 2011) 'Employee Benefits' from the year ended 30 June 2014 and onwards. The Company has filed appeals against the orders of CIRA in Appellate Tribunal Inland Revenue (ATIR) for tax years 2014, 2015, 2016 and 2017 on 8 January 2016, 8 June 2017, 05 January 2018 and 21 August 2019 respectively, and against order of Additional Commissioner Inland Revenue (ACIR) in CIRA for tax year 2018 on 11 April 2019 which are currently pending. The management, based on opinion of its tax consultant, believes that the actuarial loss is an admissible expense under the tax laws and there is reasonable probability that the matter will be decided in favor of the Company by appellate forums available under the law.

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14.2 During the year ended 30 June 2014, tax authorities raised demands of Rs 13,370 million (30 June 2019: Rs 13,370 million) by disallowing effect of price discount on sale of crude from Kunnar field and have recovered Rs 5,372 million (30 June 2019: Rs 5,372 million) from the Company upto 30 September 2019. During the year ended 30 June 2015, appeal before Appellate Tribunal Inland Revenue (ATIR) against the said demands were decided against the Company. The Company filed a reference application before Islamabad High Court (IHC) against the decision of ATIR. The Islamabad High Court vide order dated 17 February 2016, set aside the order of ATIR and remanded the case back to ATIR with the instructions to pass a speaking order. The case is currently pending before ATIR. Further, IHC vide order dated 14 January 2019 directed ATIR to decide the appeal expeditiously and until seven days after the decision on the Company's appeal, the tax department is restrained from adopting coercive measures for the recovery of the disputed tax liability in the event the appeal is dismissed. Management and its legal advisor are of the view that the price discount is not the income of the Company and hence not liable to tax. Accordingly, management is confident that the matter will be resolved in favor of the Company as the discounted price for Kunnar field was finally determined by the Ministry of Energy (Petroleum Division) and the total amount of price discount amount has been paid to the Government of Pakistan (GoP) upon directions from the Ministry of Finance, to this effect.

14.3 Income tax advance includes Rs 4,388 million (30 June 2019: Rs 4,388 million) mainly on account of disallowances made by the Additional Commissioner Inland Revenue (ACIR) in respect of decommissioning cost for tax year 2015 and workers' profit participation fund expense for tax year 2018 claimed by the Company in its return of income for the respective tax years. The Company has filed appeals against the said disallowances with ATIR on 08 June 2017 for tax year 2015 and with CIRA on 11 April 2019 for the tax year 2018, which are currently pending. Management believes that these disallowances are against income tax laws and regulations and accordingly no provision has been made in this respect in these financial statements.

		Unaudited 30 September 2019	Audited 30 June 2019
	Note	------(Rupees '000)-----	
15 OTHER FINANCIAL ASSETS			
Investment in Term Deposit Receipt (TDRs)	15.1	47,557,103	48,255,619
Investment in Treasury Bills (T-Bills) - Government of Pakistan	15.2	27,105,653	26,223,825
Investment at fair value through profit or loss - NIT units		221,521	246,992
		<u>74,884,277</u>	<u>74,726,436</u>

15.1 This represent foreign currency TDRs amounting to USD 301.484 million (30 June 2019: USD 296.485 million), and accrued interest amounting to USD 3.212 million (30 June 2019: USD 0.656 million), carrying interest rate ranging from 2.25% to 5.25% (30 June 2019: 4.00% to 7.55%) per annum, having maturities up to six months (30 June 2019: six months).

15.2 This represents T-Bills purchased on 07 August 2019 for 62 days at yield of 13.69% per annum (30 June 2019: purchased on 20 June 2019 for 48 days at yield of 12.61% per annum).

		Quarter ended 30 September 2019	2018
		------(Rupees '000)-----	
16 SALES - NET			
Gross sales			
Crude oil		28,393,368	29,134,760
Gas		42,608,705	34,943,930
Liquefied petroleum gas		4,604,323	6,434,349
Sulphur		4,469	70,300
Gas processing		30,278	23,350
		<u>75,641,143</u>	<u>70,606,689</u>
Government levies			
General sales tax		(7,024,337)	(6,223,663)
Gas Infrastructure Development Cess (GIDC)		(1,406,413)	(1,465,575)
Petroleum Levy		(297,380)	(336,653)
Excise duty		(709,024)	(781,609)
		<u>(9,437,154)</u>	<u>(8,807,500)</u>
		<u>66,203,989</u>	<u>61,799,189</u>

OIL AND GAS DEVELOPMENT COMPANY LIMITED

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS [UNAUDITED] FOR THE QUARTER ENDED 30 SEPTEMBER 2019

- 16.1** Gas sales include sales from Uch II and Nur-Bagla fields invoiced on provisional prices. There may be adjustment in revenue upon issuance of final wellhead prices notification by Ministry of Energy (Petroleum Division), impact of which cannot be determined at this stage.
- 16.2** Kunnar Pasahki Deep (KPD) field final prices will be agreed between Sui Southern Gas Company Limited and the Company upon execution of Gas Sale Agreement (GSA) and adjustment, if any, will be incorporated in the books on finalization of GSA.
- 16.3** In respect of six of its operated concessions, namely, Gurgalot, Sinjhor, Bitrisim, Khewari, Nim and TAY Blocks and one non-operated Tal Block, Petroleum Concession Agreements (PCAs) were executed under the framework of Petroleum Policies 1994 and 1997. Later on, in pursuance to the option available under Petroleum Policy 2012, the Tal Block working interest owners wherein the Company's working interest is 27.7632% signed the Supplemental Agreement (SA) dated 28 August 2015 with the GoP for conversion of eligible existing and future discoveries under Tal PCA to the Petroleum Policy (PP), 2012. Further for aforementioned operated Concessions the Company also signed the SAs for conversion to PP 2012. Under the said arrangement, price regimes prevailing in PP 2007, PP 2009 and PP 2012 in terms of PP 2012 shall be applicable, correlated with the spud dates of the wells in the respective policies starting from 27 November 2007. The conversion package as defined in the SAs included windfall levy on natural gas only.

Oil and Gas Regulatory Authority (OGRA) has been notifying the revised wellhead prices in accordance with the Tal block SA for the period from the commencement of production of the respective discoveries. Accordingly, the financial impacts of the price revision were duly accounted for in the financial statements for the years ended 30 June 2016, 30 June 2017 and 30 June 2018 on completion of the process laid down in the law and in line with the Company's accounting policy.

On 27 December 2017, the Ministry of Energy (Petroleum Division) notified amendments in Petroleum Policy 2012 after approval from the Council of Common Interests (CCI) dated 24 November 2017. These amendments include imposition of Windfall Levy on Oil/Condensate (WLO). Under the said Notification, the Supplemental Agreements already executed for conversion from Petroleum policies of 1994 and 1997 shall be amended within 90 days, failing which the working interest owners will not remain eligible for gas price incentive. On 03 January 2018, Directorate General Petroleum Concessions (DGPC) has required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in Petroleum Concession Agreements (PCAs) signed under 1994 and 1997 policies, for execution within the stipulated time as specified above.

Based on a legal advice, the Company is of the view that terms of the existing PCAs as amended to-date through the supplemental agreements already executed cannot unilaterally be amended by the GoP through introduction of amendment nor can the GoP lawfully require and direct that such amendments be made to include imposition of WLO retrospectively and nor the GoP unilaterally hold and direct that the gas price incentive to which the Company is presently entitled to and receiving under the conversion package as enshrined under the supplemental agreement stands withdrawn or the Company ceases to be eligible for such incentive in case of failure to adopt the unilateral amendments in the existing PCAs. Accordingly, the aforementioned amendments as well as the subsequent letters requiring implementation of the amendments are not enforceable or binding upon the Company.

The Company along with other Joint Venture Partners has challenged the applicability of WLO against the backdrop of supplemental agreements already executed pursuant to PP 2012 in the Honorable Islamabad High Court which has granted stay order till next date of hearing against the CCI decision dated 24 November 2017 on imposition of WLO. As mentioned above, the Company on the advice of its legal counsel is confident that it has sound grounds to defend the aforesaid issue in the Court and that the issue will be decided in favour of the Company.

The cumulative past benefit accrued and recorded in these financial statements by the Company upto 23 November 2017 in the form of revenue and profit after tax is Rs 8,550 million and Rs 4,426 million, respectively. However, without prejudice to the Company's stance in the court case and as a matter of prudence, revenue of Rs 9,292 million (30 June 2019: Rs 7,695 million) related to gas price incentive against the supplemental agreements has been set aside on a point forward basis effective 24 November 2017 (the date of decision of CCI).

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		Quarter ended 30 September	
		2019	2018
		------(Rupees '000)-----	
17	OTHER INCOME		
	Income from financial assets		
	Interest income	4,094,031	2,949,860
	Dividend income from NIT units	7,037	10,579
	Un-realized loss on investments at fair value through profit or loss	(25,471)	(21,657)
	Exchange (loss) gain - net	(1,651,984)	854,833
	Insurance claim received	-	40,866
	Signature bonus	34,258	218,280
	Liquidated damages / penalty imposed on suppliers	276,529	61,227
	Gain/ (loss) on disposal of property, plant and equipment	1,291	(65,851)
	Gain on disposal of stores, spare parts and loose tools	9,191	2,891
	Others	99,686	47,115
		<u>2,844,568</u>	<u>4,098,143</u>

18	TAXATION		
	Current- charge for the quarter	13,355,257	13,458,396
	Deferred- charge for the quarter	(983,242)	(829,929)
		<u>12,372,015</u>	<u>12,628,467</u>

18.1 Various appeals in respect of assessment years 1992-93 to 2002-03, tax years 2003 to 2018 are pending at different appellate forums in the light of the order of the Commissioner of Inland Revenue (Appeals) and decision of the Adjudicator, appointed by both the Company as well as the Federal Board of Revenue (FBR) mainly on the issues of decommissioning cost, depletion allowance, prospecting, exploration and development expenditure, tax rate and super tax. Total amount of tax demand against the major issues, raised in respect of assessment years 1992-93 to 2002-03 and tax years 2003-2018 amounts to Rs 99,302 million out of which an amount of Rs 95,961 million has been paid to tax authorities and has also been provided for in these condensed interim financial statements. Also refer to note 14.1 to 14.3 of the financial statements.

		Quarter ended 30 September	
		2019	2018
19	EARNINGS PER SHARE - BASIC AND DILUTED		
	Profit for the quarter (Rupees '000)	<u>27,316,350</u>	<u>26,734,997</u>
	Average number of shares outstanding during the quarter ('000)	<u>4,300,928</u>	<u>4,300,928</u>
	Earnings per share - basic (Rupees)	<u>6.35</u>	<u>6.22</u>

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

		Quarter ended 30 September	
		2019	2018
		------(Rupees '000)-----	
20	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	8,527,571	19,151,381
	Short term highly liquid investments		
	Investment in Term Deposit Receipts	15.1 <u>47,557,103</u>	<u>27,551,769</u>
	Investment in Treasury Bills	15.2 <u>27,105,653</u>	<u>43,643,982</u>
		<u>74,662,756</u>	<u>71,195,751</u>
		<u>83,190,327</u>	<u>90,347,132</u>

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21 FAIR VALUE HIERARCHY

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

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

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

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

	Level 1	Level 2	Level 3
	----- (Rupees '000) -----		
30 September 2019			
Financial assets measured at fair value			
Other financial assets - NIT units	221,521	-	-
30 June 2019			
Financial assets measured at fair value			
Other financial assets - NIT units	246,992	-	-

22 RELATED PARTIES TRANSACTIONS

Government of Pakistan owns 74.97% (30 June 2019: 74.97%) shares of the Company. Therefore, all entities owned and controlled by the Government of Pakistan are related parties of the Company. Other related parties comprise associated company, major shareholders, directors, companies with common directorship, key management personnel, OGDCL employees empowerment trust and employees pension trust. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan which are not material, hence not disclosed in these interim financial statements. Transactions of the Company with related parties and balances outstanding at quarter end are as follows:

	Quarter ended 30 September	
	2019	2018
	----- (Rupees '000) -----	
MPCL- Associated company (20% share holding of the Company)		
Share of profit in associate - net of taxation	1,492,591	1,028,447
Expenditure charged by Joint Venture (JV) partner- net	962,093	189,378
Cash calls received from JV partner- net	858,299	86,673
Share (various fields) payable	118,758	203,632
Share (various fields) receivable	362,821	34,387
Major shareholders		
Government of Pakistan (74.97% share holding)		
Dividend paid	-	-
Dividend paid - Privatization Commission of Pakistan	-	-
OGDCL Employees' Empowerment Trust (OEET) (10.05% share holding)		
Dividend payable	22,109,798	17,355,718
Related parties by virtue of GoP holdings and /or common directorship		
Sui Northern Gas Pipelines Limited		
Sale of natural gas	17,596,606	14,075,509
Trade debts as at 30 September	94,495,027	52,932,635
Pakistan State Oil Company Limited		
Sale of liquefied petroleum gas	130,553	380,918
Purchase of petroleum, oil and lubricants	1,154,800	1,303,260
Trade debts as at 30 September	-	1,867
Payable as at 30 September	98,867	3,100
Pak Arab Refinery Company Limited		
Sale of crude oil	4,377,131	3,478,094
Trade debts as at 30 September	2,464,852	2,633,172

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RELATED PARTIES TRANSACTIONS -Continued

	Quarter ended 30 September	
	2019	2018
	------(Rupees '000)-----	
Pakistan Petroleum Limited		
Payable as at 30 September	506	376,197
Expenditure charged to JV partner- net	3,358,140	1,877,720
Cash calls received from JV partner- net	2,380,213	1,883,285
Share (various fields) receivable	1,277,195	1,179,918
Share (various fields) payable	1,960,290	2,537,255
PARCO Pearl Gas (Private) Limited		
Sale of LPG	56,347	-
Pakistan Refinery Limited		
Sale of crude oil	2,093,672	-
Trade debts as at 30 September	2,527,691	-
Engro Fertilizers Limited		
Sale of natural gas	396,352	-
Trade debts as at 30 September	1,176,880	-
State Bank of Pakistan		
Balance of investment in Treasury Bills as at 30 September	37,823,838	43,643,982
Interest earned on Treasury Bills	1,334,304	787,635
Interest receivable on Treasury Bills as at 30 September	780,436	431,239
Habib Bank Limited		
Balance as at 30 September	3,787,652	-
Interest earned on deposits	49,957	-
Related parties by virtue of GoP holdings		
Government Holdings (Private) Limited (GHPL)		
Payable as at 30 September	271,997	472,243
Expenditure charged to JV partner	1,372,914	847,036
Cash calls received from JV partner	821,151	525,581
GHPL share (various fields) receivable	1,848,781	1,829,977
GHPL share (various fields) payable	14,540	1,182
National Investment Trust		
Investment as at 30 September	221,521	313,644
Dividend received	7,037	10,579
Power Holding (Private) Limited (PHPL)		
Markup earned	1,890,156	1,620,837
Balance of investment in TFCs receivable not yet due as at 30 September	-	20,500,000
Balance of past due principal repayment on TFCs as at 30 September	82,000,000	61,500,000
Balance of markup receivable on TFCs not yet due as at 30 September	-	429,321
Balance of past due markup receivable on TFCs as at 30 September	33,621,700	25,212,933
Sui Southern Gas Company Limited		
Sale of natural gas	14,405,950	11,963,563
Sale of LPG	95,593	-
Pipeline rental charges	9,165	9,165
Trade debts as at 30 September	118,883,534	84,612,804
Sui Southern Gas Company LPG (Pvt) Limited		
Sale of Liquified Petroleum gas	98,201	-
National Bank of Pakistan		
Balance of accounts as at 30 September	1,042,055	512,832
Balance of Investment (TDR) as at 30 September	780,400	-
Interest earned during the quarter	56,635	18,554

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RELATED PARTIES TRANSACTIONS -Continued

	Quarter ended 30 September	
	2019	2018
	------(Rupees '000)-----	
National Insurance Company Limited		
Insurance premium paid	142,758	289,265
Payable as at 30 September	164	59,231
National Logistic Cell		
Crude transportation charges paid	311,223	341,234
Payable as at 30 September	869,643	695,834
Enar Petrotech Services Limited		
Consultancy services	3,748	7,311
Payable as at 30 September	4,561	-
Enar Petroleum Refining Facility		
Sale of crude oil	4,380,097	3,841,607
Trade debts as at 30 September	2,560,738	2,271,626
Other related parties		
Contribution to pension fund	1,220,644	701,665
Remuneration including benefits and perquisites of key management personnel	190,172	199,759

23 RISK MANAGEMENT

Financial risk management objectives and policies are consistent with that disclosed in the annual audited financial statements for the year ended 30 June 2019.

24 NON ADJUSTING EVENT AFTER REPORTING DATE

The Board of Directors approved interim cash dividend at the rate of Rs 2.50 per share amounting to Rs 10,752 million in its meeting held on 25 October 2019.

25 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 25 October 2019 by the Board of Directors of the Company.

26 GENERAL

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

Chief Financial Officer

Chief Executive

Director