



WE RISE AS ONE

Interim Report and
Financial Information
Quarter Ended 30 September 2023

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Corporate Information

Board of Directors

Mr. Zafar Masud	Chairman
Mr. Momin Agha	Director
Mr. Shakeel Qadir Khan	Director
Mr. Imdad Ullah Bosal	Director
Mr. Muhammad Riaz Khan	Director
Mrs. Shamama Tul Amber Arbab	Director
Mr. Jahanzaib Durrani	Director
Mr. Ahmed Hayat Lak	MD/CEO/Director

Mr. Abrar Ahmed Mirza resigned as director from the Board w.e.f. 27 October 2023.

Chief Financial Officer

Mr. Muhammad Anas Farook

Acting Company Secretary

Mr. Wasim Ahmad

Auditors

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

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

Legal Advisor

M/s Khokhar Law Chambers

Tax Advisor

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

Registered Office/Head Office

OGDCL House, Plot No 3, F-6/G-6, Blue Area,

Jinnah Avenue, Islamabad.

Phone: (PABX) +92 51 9209811-8

Fax: +92 51 9209804-6, 9209708

Website: www.ogdcl.com

Email: info@ogdcl.com

Registrar Office

CDC-Share Registrar Services Limited,

CDC House, 99-B, Block-B, S.M.C.H.S.,

Main Shahrah-e-Faisal, Karachi-74400.

Phone: +92 21 111 111 500

Fax: +92 21 34326053

Website: www.cdcsrsl.com

Email: info@cdcsrsl.com

Directors' Interim Review

The Board of Directors of Oil & Gas Development Company Limited (OGDCL) is pleased to present a concise review of the Company's operational and financial performance accompanied with unaudited condensed interim financial information for the quarter ended 30 September 2023.

During the period under review, OGDCL delivered stable operational and financial performance despite downturn in international crude oil prices averaging US\$ 84.32/barrel against US\$ 100.45/ barrel in the corresponding period last year. Further, issues with respect to opening of LCs remained a cause for concern. In pursuance to production optimization plan, incremental cumulative daily production of 3,860 barrels of crude oil, 31 MMcf of gas and 51 Tons of LPG were recorded at various operated wells. The Company recorded increase of 13% in its top-line financials, while bottom-line financials were impacted primarily owing to inflationary trend.

Exploration and Development Activities

OGDCL being the market leader in E&P sector of Pakistan holds the largest exploration acreage, which as of 30 September 2023 stood at 91,782 sq. km representing 38% of the Country's total area under exploration (source: PPIS). The Company's exploration portfolio currently comprises 50 owned and operated joint venture exploration licenses. Additionally, the Company possesses working interest in 11 exploration blocks operated by other E&P companies.

In line with its exploration drive to enhance oil and gas reserves, OGDCL during the period under review acquired 295 Line km of 2D (1Q 2022-23: 221 Line km) and 57 sq. km of 3D seismic data (1Q 2022-23: 21 sq. km). The acquired seismic data represents 50% and 100% of total 2D and 3D seismic data acquisition in the Country respectively. Moreover, the Company using in-house resources processed/reprocessed 1,512 Line km of 2D seismic data. However, 3D seismic activities during the period were affected by non-availability of imported ground electronics as a result of LC issues.

On the drilling front, OGDCL spud 3 wells (1Q 2022-23: 1 well) including 1 exploratory well; Kharo X-1 and 2 development wells; Togh-2 & Sono-9. Moreover, drilling and testing of 5 wells pertaining to previous fiscal year was also completed. Total drilling recorded during the three months was 7,052 meters (1Q 2022-23: 11,392 meters). However, drilling activities were impacted by non-availability of spare parts for TDS and other critical items; drilling line, bridal line and downhole equipment on account of LC issues leading to stacking of 2 owned rigs.

Discoveries

OGDCL's exploratory efforts to locate new reserves during the period under review yielded gas discovery (1Q 2022-23: nil) viz., Chak 214-1 in district Rahim Yar Khan, Punjab province. The aforementioned discovery has an expected daily production potential of 2.4 MMcf of gas.

Development Projects

The current status of ongoing development projects is tabulated below:

Name of Project	Location of Project	Working Interest Owners	Completion Date	Current Status
Khewari	Khairpur, Sindh	OGDCL 77.50% GHPL 22.50%	October 2023	Laying of 6-inch 16 km gas pipeline and installation of plant/gathering facilities are in progress.
Jhal Magsi	Jhal Magsi, Balochistan	OGDCL 56% POL 24% GHPL 20%	May 2024	Hiring of PC contractor by OGDCL and laying of gas pipeline by SSGC is in progress.
Dakhni Compression	Attock, Punjab	OGDCL 100%	November 2024	LOI has been awarded to the EPCC contractor.

KPD-TAY Compression	Hyderabad, Sindh	KPD: OGDCL 100% TAY: OGDCL 77.50% GHPL 22.50%	February 2025	LOI has been awarded to the EPCC contractor.
Uch Compression	Dera Bugti, Balochistan	OGDCL 100%	April 2025	The contract has been signed and LC opening is in progress.

Production

OGDCL is employing latest production techniques and cutting-edge technologies to optimize hydrocarbon production as well as to minimize natural decline in the mature producing fields. The Company's production during the period under review contributed around 45%, 29% and 37% towards Country's total oil, natural gas and LPG production respectively (source: PPIS).

OGDCL's average daily net saleable crude oil, gas and LPG production clocked in at 32,835 barrels, 762 MMcf and 713 tons in comparison to 33,443 barrels, 779 MMcf and 722 Tons in the comparative period of last year. The production was slightly impacted due to natural decline at KPD-TAY, Chanda, Mela, Bitrism, Nashpa, Pandhi, Gundunwari and Chak Naurang fields. Moreover, production was impacted by mechanical issues at Tando Alam-21 and Kal-1 wells, whereas ATA jobs at Chanda, Dakhni and KPD-TAY plants resulted in reduction in daily net production of crude oil, gas and LPG by 516 barrels, 16 MMcf and 23 Tons respectively. Likewise, lower gas production was observed due to less gas intake by SNGPL from Qadirpur field due to SNGPL system constraints. The major power failure at KPD-TAY plant leading to complete shutdown during 14-17 September 2023 along with reduction in production from NJV fields also contributed toward lower hydrocarbon output.

The decline in production was partially mitigated by injection of 2 operated wells in the production gathering system viz., Nim East-1 and Nashpa-11, which cumulatively yielded gross crude and gas production of 47,010 barrels and 222 MMcf respectively. In an effort to arrest natural decline and sustain production from mature wells, the Company carried out 33 work-over jobs comprising 4 with rig and 29 rig-less. Moreover, to induce improvement in the current well flow parameters, pressure build-up survey jobs were completed at various wells of Dakhni, KPD and Qadirpur fields. Additionally, electrical submersible pump was successfully installed at Pasahki-11 resulting in incremental oil production of 1,350 barrels per day. During the reporting period, peak daily net production recorded for crude oil, gas and LPG was 34,940 barrels, 800 MMcf and 770 tons respectively. Average daily net saleable crude oil, gas and LPG production including share in both operated and non-operated JV fields is as follows:

Products	Unit of Measurement	1Q 2023-24	1Q 2022-23
Crude oil	Barrels per day	32,835	33,443
Gas	MMcf per day	762	779
LPG	Tons per day	713	722

Bettani Field Development

OGDCL has successfully brought Bettani field into production by completing development of early production facilities (EPF) at Wali-1 in June 2023. The field is currently operational and producing around 835 barrels per day of crude oil and 12 MMcf per day of gas. At present, further field development is being undertaken to enhance oil and gas production, whereby drilling activities are underway at Bettani-2 well.

Reko Diq Mining Project

In line with its plan to diversify its business, OGDCL has entered into definitive agreements with the Federal Government, Government of Balochistan, GHPL, PPL and Barrick Gold Corporation for extraction of gold and copper

reserves from Reko Diq. The state-owned enterprises (SOEs); OGDCL, PPL and GHPL hold 25% of equity in the project, divided equally among these companies. While 50% of the equity is held by the Barrick Gold along with management and operatorship rights and remaining 25% of the equity is held by the Government of Balochistan. In order to manage the equity shareholding of the SOE's, a special purpose vehicle (SPV) namely Pakistan Minerals (Private) Limited (PMPL) has been incorporated. Currently, project feasibility study is in progress and expected to be completed by the end of 2024.

Abu Dhabi Offshore Block-5

At offshore block-5, planned exploration and evaluation activities are underway, whereby 3D seismic processing (PSDM), technical studies, static and dynamic reservoir modelling and concept selection study for surface facilities have been completed. Moreover, geophysical survey for 3 appraisal sites has also been completed. After completion of technical and financial evaluation for selection of jack-up rig, contract has been awarded for drilling of 4 wells with 1 contingency well. At present, evaluation of 2 exploration wells is underway.

Financial Results

OGDCL during the quarter ended 30 September 2023 registered improved Sales Revenue of Rs 120.141 billion (1Q 2022-23: Rs 106.012 billion). Higher sales are primarily attributable to favorable exchange rate variance complemented by gas price variance partially offset by unfavorable volume variance and crude oil price variance. Average realized prices of crude oil, gas and LPG were US\$ 69.52/barrel (1Q 2022-23: US\$ 83.53/barrel), Rs 710.89/Mcf (1Q 2022-23: Rs 564.79/Mcf) and Rs 134,346/Ton (1Q 2022-23: Rs 142,658/Ton) respectively. Average exchange rate recorded was Rs 291.58/US\$ (1Q 2022-23: 224.57/US\$).

However, Company's profitability was adversely affected by higher operating expenses on account of rent, fee and taxes (additional 15% of wellhead value on renewal of leases beyond 30 years mainly Pasahki, Pasahki North and Qadirpur) combined with salaries, wages and benefits and amortization of development and production assets. Moreover, increase in prospecting expenditure coupled with decline in finance and other income on account of lower exchange gain impacted the bottom-line financials. Overall, Company recorded Profit after Tax of Rs 49.038 billion (1Q 2022-23: Rs 53.303 billion) translating into Earnings per Share of Rs 11.40 (1Q 2022-23: Rs 12.39).

Dividend

The Board of Directors announced first interim cash dividend of Rs 1.60 per share (16%) for the year ending 30 June 2024.

Acknowledgement

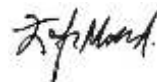
The Board of Directors acknowledges the continued support extended by all the stakeholders in the pursuit to achieve organizational growth and success. The Board also wishes to place on record efforts put in by the Company employees at all levels to ensure that the business continues to deliver industry leading performance, safely and responsibly.

On behalf of the Board



(Ahmed Hayat Lak)
Managing Director/CEO

1 November 2023



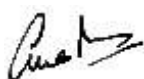
(Zafar Masud)
Chairman

Condensed Interim Statement of Financial Position [unaudited]

As at 30 September 2023

		Unaudited 30 September 2023	Audited 30 June 2023
	Note	----- (Rupees '000)-----	
SHARE CAPITAL AND RESERVES			
Share capital		43,009,284	43,009,284
Reserves	4	38,797,771	38,112,050
Unappropriated profit		1,050,451,647	1,001,776,543
		<u>1,132,258,702</u>	<u>1,082,897,877</u>
NON CURRENT LIABILITIES			
Deferred taxation		86,197,488	87,644,041
Deferred employee benefits		37,417,792	36,910,439
Provision for decommissioning cost	5	57,520,773	55,648,929
		<u>181,136,053</u>	<u>180,203,409</u>
CURRENT LIABILITIES			
Trade and other payables	6	108,569,139	123,306,181
Unpaid dividend	7	37,257,970	37,452,267
Unclaimed dividend		205,173	205,560
		<u>146,032,282</u>	<u>160,964,008</u>
TOTAL LIABILITIES		<u>327,168,335</u>	<u>341,167,417</u>
		<u>1,459,427,037</u>	<u>1,424,065,294</u>
CONTINGENCIES AND COMMITMENTS	8		

The annexed notes 1 to 29 form an integral part of these interim financial statements.



Chief Financial Officer

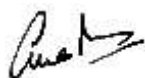


Chief Executive



Director

		Unaudited 30 September 2023	Audited 30 June 2023
	Note	----- (Rupees '000) -----	
NON CURRENT ASSETS			
Property, plant and equipment	9	85,499,725	85,815,832
Development and production assets	10	123,509,770	122,581,188
Exploration and evaluation assets	11	6,066,640	6,122,217
		<u>215,076,135</u>	<u>214,519,237</u>
Long term investments	12	127,850,397	118,679,120
Long term loans		9,052,219	9,654,397
Lease receivables	13	971,660	1,063,357
Long term prepayments		118,507,845	121,031,547
		<u>471,458,256</u>	<u>464,947,658</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		23,659,386	22,049,369
Stock in trade		1,739,141	1,349,347
Trade debts	14	595,029,914	576,968,545
Loans and advances	15	14,943,267	16,678,552
Deposits and short term prepayments		2,271,395	1,494,549
Other receivables		853,609	871,634
Income tax- advance	16	21,718,860	33,315,033
Current portion of long term investments		161,918,635	155,694,636
Current portion of lease receivables	13	41,492,849	37,625,777
Other financial assets	17	103,471,578	87,304,487
Cash and bank balances		20,870,147	25,765,707
		<u>987,968,781</u>	<u>959,117,636</u>
		<u>1,459,427,037</u>	<u>1,424,065,294</u>



Chief Financial Officer



Chief Executive



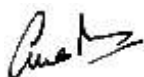
Director

Condensed Interim Statement of Profit or Loss [unaudited]

For the Quarter ended 30 September 2023

	Note	Quarter ended 30 September	
		2023	2022
----- (Rupees '000) -----			
Sales - net	18	120,140,944	106,012,210
Royalty		(13,653,528)	(12,176,915)
Operating expenses		(27,894,938)	(18,174,641)
Transportation charges		(609,195)	(454,658)
		<u>(42,157,661)</u>	<u>(30,806,214)</u>
Gross profit		77,983,283	75,205,996
Finance and other income	19	16,251,149	18,503,847
Exploration and prospecting expenditure		(2,630,951)	(1,545,045)
General and administration expenses		(2,199,791)	(1,008,007)
Finance cost		(1,682,281)	(818,225)
Workers' profit participation fund		(4,535,496)	(4,642,491)
Share of profit in associate - net of taxation		2,988,520	2,511,245
Profit before taxation		86,174,433	88,207,320
Taxation	20	(37,136,829)	(34,904,781)
Profit for the quarter		49,037,604	53,302,539
Earnings per share - basic and diluted (Rupees)	21	11.40	12.39

The annexed notes 1 to 29 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive



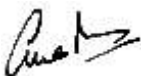
Director

Condensed Interim Statement of Comprehensive Income [unaudited]

For the Quarter ended 30 September 2023

	Quarter ended 30 September	
	2023	2022
	----- (Rupees '000) -----	
Profit for the quarter	49,037,604	53,302,539
Other comprehensive income:	-	-
Items that will be subsequently reclassified to profit or loss:		
Effects of translation of investment in a foreign associate	23,571	249,714
Share of effect of translation of investment in foreign associated company of the associate	299,650	-
	323,221	249,714
Other comprehensive income for the quarter	323,221	249,714
Total comprehensive income for the quarter	49,360,825	53,552,253

The annexed notes 1 to 29 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive



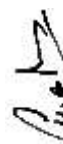
Director

Condensed Interim Statement of Changes in Equity [unaudited]

For the Quarter ended 30 September 2023

	Reserves						Unappropriated profit	Total equity
	Capital reserves			Other reserves				
	Share capital	Capital reserve	Self insurance reserve	Share of capital redemption reserve fund in associated company	Share of self insurance reserve in associated company	Foreign translation currency reserve		
Balance as at 1 July 2022	43,009,284	836,000	16,400,000	2,118,000	920,000	600,189	811,509,093	875,392,566
Total comprehensive income for the quarter				(Rupees '000)				
Profit for the quarter	-	-	-	-	-	-	53,302,539	53,302,539
Other comprehensive income for the quarter	-	-	-	-	-	249,714	-	249,714
Total comprehensive income for the quarter	-	-	-	-	-	249,714	53,302,539	53,552,253
Transfer to self insurance reserve	-	-	362,784	-	-	-	(362,784)	-
Charge to self insurance reserve	-	-	(284)	-	-	-	284	-
Transactions with owners of the Company								
Distributions	-	-	-	-	-	-	-	-
Total distributions to owners of the Company	-	-	-	-	-	-	-	-
Balance as at 30 September 2022	43,009,284	836,000	16,762,500	2,118,000	920,000	849,903	864,449,132	928,944,819
Balance as at 1 July 2023	43,009,284	836,000	17,850,000	2,118,000	920,000	16,388,050	1,001,776,543	1,082,897,877
Total comprehensive income for the quarter								
Profit for the quarter	-	-	-	-	-	-	49,037,604	49,037,604
Other comprehensive income for the quarter	-	-	-	-	-	323,221	-	323,221
Total comprehensive income for the quarter	-	-	-	-	-	323,221	49,037,604	49,360,825
Transfer to self insurance reserve	-	-	362,619	-	-	-	(362,619)	-
Charge to self insurance reserve	-	-	(119)	-	-	-	119	-
Transactions with owners of the Company								
Distributions	-	-	-	-	-	-	-	-
Total distributions to owners of the Company	-	-	-	-	-	-	-	-
Balance as at 30 September 2023	43,009,284	836,000	18,212,500	2,118,000	920,000	16,711,271	1,050,451,647	1,132,258,702

The annexed notes 1 to 29 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive



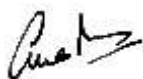
Director

Condensed Interim Statement of Cash Flows [unaudited]

For the Quarter ended 30 September 2023

		Quarter ended 30 September	
		2023	2022
		----- (Rupees '000) -----	
Cash flows from operating activities	Note		
Profit before taxation		86,174,433	88,207,320
Adjustments for:			
Depreciation		2,716,202	2,495,750
Amortization of development and production assets		5,848,881	4,182,067
Fair value loss on PIBs		487,136	-
Royalty		13,653,528	12,176,915
Workers' profit participation fund		4,535,496	4,642,491
Provision for employee benefits		1,968,343	1,688,605
Charge of provision for decommissioning cost		-	333,652
Unwinding of discount on provision for decommissioning cost		1,681,409	817,369
Interest income on investments and bank deposits	19	(10,227,160)	(4,879,338)
Interest income on lease	19	(5,668,425)	(1,886,209)
Un-realized (gain)/ loss on investments at fair value through profit or loss	19	(14,529)	22,928
Exchange gain on lease		(487,820)	(5,389,139)
Exchange gain on foreign currency investment and deposit accounts		(407,288)	(5,753,122)
Dividend income from NIT units	19	(8,627)	-
Gain on disposal of property, plant and equipment		(418)	(766)
Share of profit in associate		2,988,520	(2,511,245)
		<u>97,262,641</u>	<u>94,147,278</u>
Changes in:			
Stores, spare parts and loose tools		(1,610,017)	(1,458,316)
Stock in trade		(389,794)	(29,683)
Trade debts		(24,799,070)	(34,116,074)
Deposits and short term prepayments		(776,846)	(13,874)
Loan and advances and other receivables		2,355,488	2,095,868
Trade and other payables		(1,222,319)	1,474,515
Cash generated from operations		<u>70,820,083</u>	<u>62,099,714</u>
Royalty paid		(14,659,898)	(8,433,143)
Employee benefits paid		(1,179,079)	(532,597)
Long term prepayments		91,697	26,791
Decommissioning cost paid		-	(333,652)
Payment to workers' profit participation fund-net		(18,000,000)	(13,000,000)
Income taxes paid	16	(26,987,209)	(21,534,973)
		<u>(60,734,489)</u>	<u>(43,807,574)</u>
Net cash generated from operating activities		<u>10,085,594</u>	<u>18,292,140</u>
Cash flows from investing activities			
Capital expenditure		(8,259,080)	(6,286,428)
Interest received		6,041,515	4,468,960
Lease payments received		2,421,646	453,213
Dividends received		1,543,200	1,640,406
Deposit with the Government of Pakistan for equity stake in Reko Diq project		-	(532,661)
Investment in associated companies		(790,667)	(2,227,500)
Proceeds from disposal of property, plant and equipment		2,190	2,646
Net cash used in investing activities		<u>958,804</u>	<u>(2,481,364)</u>
Cash flows from financing activities			
Dividends paid		(194,684)	(94,736)
Net cash used in financing activities		<u>(194,684)</u>	<u>(94,736)</u>
Net increase in cash and cash equivalents		<u>10,849,714</u>	<u>15,716,040</u>
Cash and cash equivalents at beginning of the quarter		112,840,364	79,875,942
Effect of movements in exchange rate on cash and cash equivalents		407,288	5,753,122
Cash and cash equivalents at end of the quarter	23	<u>124,097,366</u>	<u>101,345,104</u>

The annexed notes 1 to 29 form an integral part of these interim financial statements.



Chief Financial Officer



Chief Executive



Director

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

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

These condensed interim financial statements (here in after referred to as the "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 (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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures in these 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 2023. Comparative statement of financial position is extracted from the annual audited financial statements as of 30 June 2023, whereas comparative statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from unaudited interim financial statements for the three months period ended 30 September 2022.

These interim financial statements are unaudited and are being submitted to the members as required under Section 237 of Companies Act, 2017.

3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, significant judgments 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 2023.

3.1 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO APPROVED ACCOUNTING AND REPORTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2024:

	Effective dates
Amendments to IAS-1 Classification of liabilities as current or non-current	01 January 2024
Amendments to IAS-1 Non Current Liabilities with Covenants	01 January 2024
Amendments to IAS-7 Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures	01 January 2024
Amendments to IFRS-16 'Leases' on sale and lease back	01 January 2024

The above amendments are not likely to have an impact on the Company's interim financial statements.

Furthermore, because of reasons as disclosed in note 2.5.3 to the annual audited financial statements for the year ended 30 June 2023, the Securities and Exchange Commission of Pakistan (SECP) has notified that the requirements contained in IFRS 9 with respect to application of Expected Credit Loss (ECL) method shall not be applicable till the financial year ending on or before 31 December 2024 in respect of companies holding financial assets due from the Government of Pakistan (GoP), including those that are directly due from GoP and that are ultimately due from GoP in consequence of the circular debt issue. Such companies shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in respect of above referred financial assets during the exemption period. ECL method on financial assets as mentioned above will be applicable on 01 July 2024.

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

		Unaudited 30 September 2023	Audited 30 June 2023
4 RESERVES	Note	----- (Rupees '000) -----	
Capital reserves:			
Capital reserve	4.1	836,000	836,000
Self insurance reserve	4.2	18,212,500	17,850,000
Capital redemption reserve fund - associated company	4.3	2,118,000	2,118,000
Self insurance reserve - associated company	4.4	920,000	920,000
Other reserves:			
Foreign currency translation reserve	4.5	1,985,111	1,961,540
Foreign currency translation reserve- associated company	4.6	14,726,160	14,426,510
		<u>16,711,271</u>	<u>16,388,050</u>
		<u>22,086,500</u>	<u>21,724,000</u>
		<u>38,797,771</u>	<u>38,112,050</u>

4.1 This represents bonus shares issued by former wholly owned subsidiary- Pirkoh Gas Company (Private) Limited (PGCL) prior to merger. Accordingly, this 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, inventory, terrorism, vehicle repair and losses for petroleum products in transit. Refer note 12.4 for investments against this reserve. Accordingly, this reserve is not available for distribution to shareholders.

4.3 This represents reserve created by the associated company for redemption of redeemable preference shares in the form of cash to the preference shareholders.

4.4 This represents a specific capital reserve set aside by the associated company for self insurance of assets which have not been insured, for uninsured risks and for deductibles against insurance claims.

4.5 This represents accumulated balance of translation effect of a foreign operation in Rupees as per the Company's accounting policy.

4.6 This represents accumulated balance of translation effect of foreign operations in Rupees of associated Companies.

	Unaudited 30 September 2023	Audited 30 June 2023
	----- (Rupees '000) -----	
5 Provision for Decommissioning Cost		
Balance at beginning of the quarter/ year	55,648,929	43,121,524
Provision during the quarter/ year	190,435	487,999
Decommissioning cost incurred during the quarter/ year	-	(224,656)
Charge of provision for decommissioning cost	-	(36,960)
	<u>55,839,364</u>	<u>43,347,907</u>
Revision due to change in estimates	-	7,592,722
Unwinding of discount on provision for decommissioning cost	1,681,409	4,708,300
Balance at end of the quarter/ year	<u>57,520,773</u>	<u>55,648,929</u>

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

	Unaudited 30 September 2023	Audited 30 June 2023
- - - - (Rupees '000) - - - -		
6 TRADE AND OTHER PAYABLES		
Creditors	1,539,714	1,615,576
Accrued liabilities	17,316,515	17,894,851
Payable to partners of joint operations	9,971,933	9,712,871
Retention money payable	6,138,266	7,989,139
Royalty payable to the Government of Pakistan	38,281,500	39,287,870
Excise duty payable	205,426	187,617
General sales tax payable	3,228,454	2,631,123
Petroleum levy payable	174,079	174,075
Withholding tax payable	1,207,460	336,089
Trade deposits	164,227	164,227
Workers' profit participation fund- net	6,734,063	20,198,567
Employees' pension trust	6,894,332	6,005,907
Gratuity fund	99,192	31,466
Provident fund	80,103	-
Advances from customers- unsecured	6,234,115	6,730,026
Other payables	10,299,760	10,346,777
	<u>108,569,139</u>	<u>123,306,181</u>

7 UNPAID DIVIDEND

This includes an amount of Rs 37,046 million (30 June 2023: Rs 37,046 million) on account of shares held by OGDCL Employees' Empowerment Trust (OEET) under the Benazir Employees' Stock Option Scheme (BESOS) since the GoP was considering to revamp BESOS as was communicated to the Company by Privatization Commission of Pakistan (PCP). PCP vide letter no. F. No. 13(4)12/PC/BESOS/OGDCL dated 15 May 2018 informed that the matter of BESOS, as a scheme, was pending adjudication before the Honorable Supreme Court of Pakistan, hence status quo may be maintained till final decision of Honorable Supreme Court of Pakistan. The PCP vide letter no D.O. No. 1(2)PC/BESOS(Wind-up)2019 dated 30 December 2020 informed that the fund maintained by PCP has been closed since December 2020, therefore, the amounts retained on account of Employees Empowerment Fund be directly deposited in the Federal Consolidated Fund maintained by Finance Division.

During the year ended 30 June 2022, the Honorable Supreme Court of Pakistan has issued detailed judgement and declared the BESOS scheme to be ultra vires and that any benefits arising out of this scheme are illegal and unprotected. The Ministry of Energy, GoP vide letter dated 16 April 2022 required that the matter of transfer of all the accrued BESOS principal amount along with interest earned thereon be placed before the Board of Trustees of Employee Empowerment Trusts (EETs). In pursuance of which OEET through Board of Trustees resolution dated 25 April 2022 approved and transferred to the Company Rs 2,316 million representing dividends previously received from OGDCL and Rs 1,484 million representing interest earned thereon for onward settlement by the Company with the GoP. The Finance Division vide letter no F.No.8(6)AO-CF/2021-22 dated 09 May 2022 directed the Company to deposit the balance in the Federal Consolidated Fund within seven days as it was agreed with SOEs that the amount will be settled through cash deposit or non-cash adjustment. The Company requested vide its letter dated 16 May 2022 that BESOS amount should be settled as a non cash adjustment against the Company's circular debt. Management is currently under discussion with the GoP for settlement of these amounts.

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

- 8.1.1 Claims against the Company not acknowledged as debts amounted to Rs 212 million at quarter end (30 June 2023: Rs 212 million).
- 8.1.2 On 17 December 2018, Attock Refinery Limited (ARL) filed a writ petition against the Company before Islamabad High Court and has disputed and withheld amounts invoiced to it prior to the signing of sales agreement i.e. 13 March 2018 on account of adjustment of premium or discount as announced by Saudi Aramco for deliveries to Asian customers/destinations under the sales agreement. The amount withheld and disputed by ARL amounts to Rs 1,292 million (30 June 2023: Rs 1,292 million). Further, ARL has also contested and claimed the amounts already paid in this respect during the period 2007 to 2012 amounting to Rs 562 million (30 June 2023: Rs 562 million). The Company believes that the debit notes/ invoices have been raised in accordance with the sale agreements signed with the GoP and no provision is required in this respect.
- 8.1.3 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. Signature bonus recognized as income by the Company after decision of OGRA amounts to Rs 3,350 million (30 June 2023: Rs 2,863 million). The Company believes that the matter will be decided in favour of the Company. Also refer note 19.1.
- 8.1.4 During the year ended 30 June 2022, Large Taxpayers Office Islamabad vide notices dated 05 October 2021 required all Exploration and Production (E&P) companies including OGDCL to provide information relating to the value of condensate sold during the period from July 2008 to September 2021, pursuant to the judgment of ATIR dated 08 September 2021 in case of another E&P company wherein the Appellate Tribunal Inland Revenue (ATIR) held that condensate is separate product other than crude oil and is subject to sales tax @ 17% against zero percent charged by the E&P companies. OGDCL and other E&P companies have filed writ petitions before Islamabad High Court challenging issuance of above notices dated 05 October 2021 where stay has been granted to the Company till the date of next hearing. The Company is confident that the matter will be decided in its favor.
- 8.1.5 Certain banks have issued guarantees on behalf of the Company in ordinary course of business aggregating Rs 1.281 million (30 June 2023: Rs 1.281 million).
- 8.1.6 For contingencies related to income tax matters, refer note 16.1 to 16.4, 20.1 and 20.2.
- 8.1.7 For contingencies related to sales tax and federal excise duty, refer note 15.1 and 15.2.
- 8.1.8 For matter relating to conversion of certain blocks to Petroleum Policy 2012, refer note 18.1.
- 8.1.9 As part of the investment in Pakistan International Oil Limited (PIOL), each associate of the consortium companies including OGDCL have provided, joint and several, parent company guarantees to Abu Dhabi National Oil Company (ADNOC) and Supreme Council for Financial and Economic Affairs Abu Dhabi, UAE to guarantee the obligations of the associate, PIOL. The exposure against the said guarantee as at quarter end amounts to US\$ 195 million; Rs: 56,162 million (30 June 2023: US\$ 195 million; Rs: 55,946 million).

8.2 Commitments

- 8.2.1 Commitments outstanding at the quarter end amounted to Rs 64,934 million (30 June 2023: Rs 75,556 million). These include amounts aggregating to Rs 42,573 million (30 June 2023: Rs 42,409 million) representing the Company's share in the minimum work commitments under Petroleum Concession Agreements (PCAs). The Company and its associated company has given corporate guarantees to GoP under various PCAs for the performance of obligations.
- 8.2.2 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 1,929 million (30 June 2023: Rs 1,957 million).

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

- 8.2.3** The Company's share of associate commitments for capital expenditure, minimum work commitment under various Petroleum Concession Agreements (PCAs) and other investment at quarter end amounted to Rs 9,068 million (30 June 2023: Rs 9,525 million)
- 8.2.4** As part of the Shareholders Agreement with the consortium partners in PIOL, associate, the Company has committed to invest upto US\$ 100 million in PIOL during the next five years from 31 August 2021, out of which US\$ 35 million has been invested till 30 June 2023 (30 June 2023: US\$ 35 million). The remaining amount of US\$ 65 million; Rs 18,721 million (30 June 2023: US\$ 65 million; Rs 18,649 million) will be invested in subsequent years. The Company's share of associate commitment in this respect amounts to US\$ 13 million; Rs 3,744 million (30 June 2023: US\$ 13 million; Rs 3,581 million).
- 8.2.5** As per the Joint Venture Agreement, for reconstitution of the Reko Diq project referred in note 12.3, the Company has committed to invest a total amount up to USD 393 million; Rs 113,187 million (30 June 2023: USD 396 million; Rs 114,052 million) (including post-acquisition investments), to be adjusted for inflation, for funding its proportionate share during Phase-1 of the Reko Diq project. In addition, the company has committed to contribute, in the form of equity, up to USD 1 million; Rs 288 million per year towards its proportionate share in the administrative expenses of PMPL. Furthermore, the Company has provided a corporate guarantee to fund the aforementioned obligations.

		Unaudited 30 September 2023	Audited 30 June 2023
9	PROPERTY, PLANT AND EQUIPMENT	----- (Rupees '000) -----	
	Carrying amount at beginning of the quarter/ year	85,815,832	92,685,118
	Additions/adjustments during the quarter/ year	2,631,754	4,292,240
	Book value of disposals	(1,772)	(17,565)
	Depreciation charge for the quarter/ year	(2,946,089)	(10,980,725)
	Revision in estimate of decommissioning cost during the quarter/ year	-	(163,236)
	Carrying amount at end of the quarter/ year	<u>85,499,725</u>	<u>85,815,832</u>
9.1	Additions/adjustments during the quarter/ year		
	Freehold land	-	39,599
	Buildings, offices and roads on freehold land	1,294	42,709
	Buildings, offices and roads on leasehold land	68,062	1,159,149
	Plant and machinery	467,426	3,249,075
	Rigs	1,311	10,312
	Pipelines	17,812	152,362
	Office and domestic equipment	73,766	62,406
	Office and technical data computers	71,280	109,182
	Furniture and fixture	6,676	8,106
	Vehicles	247,097	42,458
	Capital work in progress (net movement)	1,142,290	244,061
	Stores held for capital expenditure (net movement)	534,740	(827,179)
		<u>2,631,754</u>	<u>4,292,240</u>
9.2	Property, plant and equipment comprises:		
	Operating fixed assets	76,959,643	79,195,789
	Capital work in progress	3,236,017	1,850,718
	Stores held for capital expenditure	5,304,065	4,769,325
		<u>85,499,725</u>	<u>85,815,832</u>

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

		Unaudited 30 September 2022	Audited 30 June 2022
	Note	----- (Rupees '000) -----	
10 DEVELOPMENT AND PRODUCTION ASSETS-INTANGIBLE			
Carrying amount at beginning of the quarter/ year		122,581,188	118,283,976
Additions during the quarter/ year		5,595,903	17,081,453
Transferred from exploration and evaluation assets during the quarter/ year		1,050,055	5,513,413
Stores held for development and production activities (net movement)		131,505	(1,583,706)
Amortization charge for the quarter/ year		(5,848,881)	(19,616,009)
Impairment charge for the quarter/ year		-	(4,975,263)
Revision in estimates of decommissioning cost during the quarter/ year		-	7,877,324
Carrying amount at end of the quarter/ year		<u>123,509,770</u>	<u>122,581,188</u>
11 EXPLORATION AND EVALUATION ASSETS			
Balance at beginning of the quarter/ year		5,117,678	12,780,350
Additions during the quarter/ year		1,120,854	5,012,660
		<u>6,238,532</u>	<u>17,793,010</u>
Cost of dry and abandoned wells during the quarter/ year		(168,419)	(7,161,919)
Cost of wells transferred to development and production assets during the quarter/ year		(1,050,055)	(5,513,413)
		<u>(1,218,474)</u>	<u>(12,675,332)</u>
		5,020,058	5,117,678
Stores held for exploration and evaluation activities		1,046,582	1,004,539
Balance at end of the quarter/ year		<u>6,066,640</u>	<u>6,122,217</u>
12 LONG TERM INVESTMENTS			
Investment in associates:			
Mari Petroleum Company Limited, quoted	12.1	36,072,959	33,768,989
Pakistan International Oil Limited, unquoted	12.2	5,410,142	5,565,865
Pakistan Minerals (Private) Limited, unquoted	12.3	50,780,807	50,361,218
Investments at amortized cost			
Term Deposit Receipts (TDRs)	12.4	15,300,844	14,947,967
Pakistan Investment Bonds (PIBs)	12.5	22,257,638	14,522,249
Term Finance Certificates (TFCs)	12.6	159,946,642	155,207,468
		<u>197,505,124</u>	<u>184,677,684</u>
Less: Current portion shown under current assets		<u>(161,918,635)</u>	<u>(155,694,636)</u>
		<u>35,586,489</u>	<u>28,983,048</u>
		<u>127,850,397</u>	<u>118,679,120</u>

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

- 12.1 Mari Petroleum Company Limited (MPCL) is a listed company incorporated in Pakistan and is principally engaged in exploration, production and sale of hydrocarbons. The Company has 20% (30 June 2023: 20%) holding in the associate.
- 12.2 Pakistan International Oil Limited (PIOL) is a company engaged in the business of extraction of oil and natural gas and is registered as a limited liability company in the Emirate of Abu Dhabi and incorporated in Abu Dhabi Global Market. Each consortium company (investors) which includes OGDCL, Mari Petroleum Company limited (MPCL), Pakistan Petroleum Company Limited (PPL) and Government Holdings (Private) Limited (GHPL) have a 25% equity stake in PIOL. The concession agreement between PIOL and Abu Dhabi National Oil Company (ADNOC) was signed on 31 August 2021 and following the award of Offshore Block 5 in Abu Dhabi on 31 August 2021, the Company subscribed 2.5 million ordinary shares of PIOL, by paying USD 25 million (Rs 4,176 million). During the year ended 30 June 2023, the Company subscribed to a further 1 million ordinary shares of PIOL, by paying further USD 10 million (Rs 2,228 million).
- 12.3 Further to the information disclosed in note 15.3 to the annual audited financial statements for the year ended 30 June 2023, during the period, the Company has made equity investment in PMPL amounting to Rs 791 million (30 June 2023: Rs 36,727 million) which has increased the total equity investment of the Company in the associate to Rs 37,518 million as at 30 September 2023. These investments have been recorded net of cumulative share of loss of associate amounting to Rs 1,047 million (30 June 2023: Rs 386 million), charged to statement of profit or loss up to the period ended 30 September 2023, and cumulative exchange gain on translation of foreign operation of PMPL, as at reporting date, amounting to Rs 14,310 million (30 June 2023: Rs 14,020 million) recorded through other comprehensive income. In addition to the initial subscribed share capital, PMPL is in the process of issuing shares to the Company against further equity contributions. Furthermore, the Company has decided to evaluate a potential engagement with sovereign foreign investors with respect to the Reko Diq Project and has decided to appoint advisors through PMPL to assist in this regard. However, as of the date of approval of these interim financial statements, nothing has been materialized.
- 12.4 This represents investments in local currency TDRs and includes interest amounting to Rs 5,300 million (30 June 2023: Rs 4,947 million) carrying effective interest rate of 14% (30 June 2023: 14%) per annum and have maturities of five (5) years. These investments are earmarked against self insurance reserve as explained in note 4.2 to these interim financial statements.
- 12.5 On 27 June 2023 Company received PIBs from Uch Power Private Limited against partial settlement of overdue trade receivables. Fair value and face value of the PIBs on the date of initial recognition amounts to Rs 21,866 million (30 June 2023: Rs 15,128 million) and Rs 20,286 million (30 June 2023: Rs 14,522 million) respectively and are carried at floating interest rate of 21.95% per annum. The Company has adjusted the trade receivables against the face value and has recognized a fair value loss amounting to Rs 1,580 million (30 June 2023: Rs 1,094 million) as disclosed in note 19.
- 12.6 This represents investment in privately placed TFCs amounting to Rs 82,000 million. In 2013, the Government of Pakistan (GoP), for partial resolution of circular debt issue prevailing in the energy sector, approved issuance of TFCs amounting to Rs 82,000 million by Power Holding Limited (PHL), 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 PHL, TFCs were 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 was to be paid in eight (8) equal instalments 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 of the GoP, covering the principal, mark-up, and/or any other amount becoming due for payment in respect of investment in TFCs.

On 23 October 2017, PHL 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 82,000 million from seven (7) years to ten (10) years including extension in grace period from three (3) years to six (6) 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 PHL. PHL requested the Company to prepare revised term sheet for onward submission to Finance Division of the GoP for approval. During the year ended 30 June 2020, the Board of Directors resolved that the management may take further steps for the extension of investor agreement with PHL for a further period of three (3) years. However, the revised term sheet has not yet been signed with

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

PHL. Currently, management is in discussion with Ministry of Energy and Ministry of Finance for settlement of outstanding principal and interest.

As per the revised terms, principal repayment amounting to Rs 82,000 million (30 June 2023: Rs 82,000 million) was past due as at 30 June 2023. Further, interest due as of 30 June 2023 was Rs 73,207 million (30 June 2023: Rs 73,207 million) of which Rs 73,207 million (30 June 2023: Rs 73,207 million) was past due. The Company considers the principal and interest to be fully recoverable as these are backed by Sovereign Guarantee of the GoP. As disclosed in note 2.5.3 to the annual audited financial statements for the year ended 30 June 2023, SECP has deferred the applicability of ECL model till financial year ending on or before 31 December 2024 on financial assets due directly/ ultimately from the GoP in consequence of the circular debt.

13 LEASE RECEIVABLES

Net investment in lease has been recognized on Gas Sale Agreements (GSAs) with power companies i.e. Uch Power (Private) Limited (UPL) and Uch-II Power (Private) Limited (Uch-II) as follows:

		Unaudited 30 September 2023	Audited 30 June 2023
	Note	----- (Rupees '000) -----	
Net investment in lease		160,000,694	158,657,324
Less: Current portion of net investment in lease	13.1	(41,492,849)	(37,625,777)
		<u>118,507,845</u>	<u>121,031,547</u>

- 13.1 Current portion of net investment in lease includes amounts billed to customers of Rs 30,293 million (30 June 2023: Rs 26,950 million) out of which Rs 26,777 million (30 June 2023: Rs 24,688 million) is overdue on account of inter-corporate circular debt. As disclosed in note 2.5.3 to the annual audited financial statements for the year ended 30 June 2023, SECP has deferred the applicability of ECL model till financial year ending on or before 31 December 2024 on debts due directly/ ultimately from the GoP in consequence of the circular debt. The amount is considered to be fully recoverable as the GoP is committed, hence continuously pursuing for satisfactory settlement of inter-corporate circular debt issue. The Company has contractual right and is entitled to charge interest if lease payments are delayed beyond agreed payment terms, however, the same is recognized when received by the Company.
- 13.2 The GSA between the Company and UPL was amended on 26 June 2023 to extend the lease term for a period of five (5) years till September 2028. At the date of modification, the Company has reassessed that the lease arrangement would have been classified as finance had the modification been known at the lease inception. Considering the significant modification of lease receivable, the carrying amount of original lease receivable of Rs 3,016 million was derecognized and new lease receivable of Rs 78,492 million was recognized, resulting in modification gain of Rs 75,476 million during the year ended 30 June 2023. The new lease receivable was determined by discounting expected future contractual cash flows as per amended terms.
- 13.3 Income relating to variable lease payments as a result of change in index during the quarter amounts to Rs 2,682 million (30 June 2023: Rs: 8,084 million) has been recorded as revenue for the quarter.

		Unaudited 30 September 2023	Audited 30 June 2023
		----- (Rupees '000) -----	
Un-secured- considered good		595,029,914	576,968,545
Un-secured- considered doubtful		97,613	97,613
		<u>595,127,527</u>	<u>577,066,158</u>
Provision for doubtful trade debts		(97,613)	(97,613)
		<u>595,029,914</u>	<u>576,968,545</u>

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

- 14.1 Trade debts include overdue amount of Rs 519,769 million (30 June 2023: Rs 510,849 million) on account of Inter-corporate circular debt, receivable from oil refineries, gas companies and power producers out of which Rs 218,881 million (30 June 2023: Rs 210,304 million) and Rs 215,568 million (30 June 2023: Rs 200,577 million) are 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. The Company recognizes interest/ surcharge, if any, on delayed payments from customers when the interest/ surcharge on delayed payments is received by the Company. As disclosed in note 2.5.3 to the annual audited financial statements for the year ended 30 June 2023, SECP has deferred the applicability of ECL model till financial year ending on or before 31 December 2024 on financial assets due directly/ ultimately from the GoP in consequence of the circular debt.

15 LOANS AND ADVANCES

- 15.1 This includes an amount of Rs 3,180 million (30 Jun 2023: 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 (Private) 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, FBR responded that as per the decision of Islamabad High court no condonation is required for payment of sale tax.

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 a Civil Petition for Leave to Appeal (CPLA) against the Company and others, before the Honorable Supreme Court of Pakistan against the decision of IHC. On 21 August 2023, the Honorable Supreme Court of Pakistan dismissed UPL's CPLA as infructuous on the grounds that FBR had withdrawn their earlier granted condonation dated 30 June 2012, vide letter dated 12 July 2017.

As per the direction of the Honorable Islamabad High Court, for the period July 2008 onward, debit notes can be issued without condonation of time relaxation. However, for revision of sales tax returns condonation of time relaxation is required from FBR. The Company is in the process of issuing debit note for the period from 2008 onward and for obtaining required condonations and is confident that the said condonation will be obtained and the amount will be recovered from UPL. Accordingly, no provision in this respect has been made in these interim financial statements.

- 15.2 This also includes recoveries of Rs 317 million (30 June 2023: 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 6,708 million (30 June 2023: Rs 6,708 million) relating to periods July 2012 to June 2014. The Appellate Tribunal Inland Revenue (ATIR) has accepted the Company's appeals and annulled the demands passed by the tax authorities being void ab-initio and without jurisdiction. The Commissioner Inland Revenue (CIR) has filed sales tax reference before Islamabad High Court (IHC) against judgment of ATIR on 09 February 2018. These demands were raised by tax authorities due to difference between computation of sales/ production reported by the Company in its sales tax returns and sales/ production based on other sources of data.

During the year ended 30 June 2021, additional demand of Rs 9,668 million relating to periods 2017-18 and 2018-19 were raised on the same issue by the Deputy Commissioner Inland Revenue (DCIR), against which, the Company had filed appeals before Commissioner Inland Revenue (Appeals) CIRA. During the year, CIRA vide order dated 29 November 2022 remanded back the case to DCIR. The Company has filed appeal before ATIR on 24 January 2023 which is pending.

The Company believes that these demands were raised without legal validity and will be decided by IHC and CIRA in favor of the Company as previously decided by ATIR in favour of the Company.

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		Unaudited 30 September 2023	Audited 30 June 2023
16 INCOME TAX-ADVANCE	Note	----- (Rupees '000) -----	
Income tax- advance at beginning of the quarter/ year		33,315,033	31,914,172
Income tax paid during the quarter/ year		26,987,209	116,480,131
Provision for current taxation- profit or loss	20	(38,583,382)	(110,875,305)
Tax credit/ (charge) related to rereasurement loss/ (gain) on employee retirement benefit plans-other comprehensive income		-	(4,203,965)
Income tax- advance at end of the quarter/ year	16.1 to 16.4	<u>21,718,860</u>	<u>33,315,033</u>

- 16.1** This includes amount of Rs 29,727 million (30 June 2023: Rs 29,727 million) paid to tax authorities on account of disallowance of actuarial loss amounting to Rs 63,232 million (30 June 2023: Rs 63,232 million) which the Company claimed in its return for the tax years 2014 to 2018, 2020 and 2022. 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. CIRA upheld the disallowances on account of the actuarial loss for tax years 2015 and 2016, however, allowed to claim the actuarial loss for tax years 2014, 2017 and 2018 over a period of seven years. Being aggrieved, the Company has filed appeals against the orders of CIRA in the Appellate Tribunal Inland Revenue (ATIR) for tax years 2014, 2015, 2016, 2017, 2018 and 2020 on 08 January 2016, 30 June 2020, 05 January 2018, 21 August 2019, 12 February 2020 and 20 January 2023 respectively which are currently pending. For tax year 2022, the Company has filed appeal before CIRA on 27 March 2023 which is 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 favour of Company by appellate forums available under the law.
- 16.2** During the year ended 30 June 2014, tax authorities raised demands of Rs 13,370 million (30 June 2023: Rs 13,370 million) by disallowing effect of price discount on sale of crude oil from Kunnar field and have recovered Rs 5,372 million (30 June 2023: Rs 5,372 million) from the Company upto 30 June 2023. During the year ended 30 June 2015, appeal before 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. IHC 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 decided 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.
- 16.3** Income tax advance includes Rs 1,259 million (30 June 2023: Rs 1,259 million) on account of disallowances made by the Additional Commissioner Inland Revenue (ACIR) in respect of decommissioning cost for tax year 2015. The CIRA vide order dated 18 March 2020 has remanded the case back to ACIR and the Company has filed an appeal against the order of CIRA in ATIR on 30 June 2020. Management believes that the disallowance is against income tax laws and regulations and accordingly no provision has been made in this respect in these interim financial statements
- 16.4** Tax authorities have raised demand of Rs 17,280 million for tax years 2016, 2020, 2021 and 2022 (30 June 2023: Rs 17,280 million) on account of alleged production differences and by making disallowances on account of post retirement medical benefits, compensated absences, cost of dry and abandoned wells, field decommissioned/ surrendered during the year, workers' profit participation fund, GIDC payable and certain other expenditures due to alleged non deduction of withholding taxes out of which Rs 16,520 million (30 June 2023: Rs 16,520 million) has been paid. Appeals were filed by the Company for tax year 2016, 2020, 2021 and 2022 with CIRA. During the year, CIRA decided the matters in favor of the Company/ remanded back to the assessing office while for tax year 2022 matters are pending adjudication. The Company

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

has filed appeals for all tax years with ATIR on 20 January 2023 which are currently pending. Management is confident that the above disallowances do not hold any merits and the related amounts have been lawfully claimed in the tax returns as per the applicable tax laws. Accordingly, no provision has been made in respect of these in these interim financial statements.

		Unaudited 30 September 2023	Audited 30 June 2023
17 OTHER FINANCIAL ASSETS	Note	----- (Rupees '000) -----	
Investment in Term Deposit Receipts (TDRs)- at amortised cost	17.1	103,227,219	87,074,657
Investment at fair value through profit or loss- NIT units		244,359	229,830
		<u>103,471,578</u>	<u>87,304,487</u>

17.1 This represents foreign currency TDRs amounting to USD 346.926 million; Rs 99,744 million (30 June 2023: USD 300.926 million; Rs 86,185 million), and accrued interest amounting to USD 11.644 million; Rs 3,348 million (30 June 2023: USD 3.104 million; Rs 890 million), carrying interest rate ranging from 10.15% to 13.56% (30 June 2023: 10.15% to 13.56%) per annum, having maturities up to six months (30 June 2023: six months).

		Quarter ended 30 September	
		2023	2022
18 SALES - net		----- (Rupees '000) -----	
Gross sales			
Crude oil		60,879,044	56,053,417
Gas		60,299,131	49,117,181
Liquefied petroleum gas		10,897,551	11,433,765
Sulphur		109,722	-
		<u>132,185,448</u>	<u>116,604,363</u>
Government levies			
General sales tax		(11,183,667)	(9,699,919)
Petroleum Levy		(309,988)	(309,525)
Excise duty		(550,849)	(582,709)
		<u>(12,044,504)</u>	<u>(10,592,153)</u>
		<u>120,140,944</u>	<u>106,012,210</u>

18.1 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 (PP) 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 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 relevant Supplemental Agreements 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.

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

On 27 December 2017, the Ministry of Energy (Petroleum Division) notified amendments in PP 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, the Directorate General Petroleum Concessions (DGPC) has required all exploration and production companies to submit supplemental agreements to incorporate the aforementioned amendments in 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 Operation 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 the 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, revenue of Rs 33,478 million (30 June 2023: Rs 31,090 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).

- 18.2** Gas Sale Agreement (GSA) in respect of Kunnar Pasakhi Deep (KPD) fields between the Company and Sui Southern Gas Company Limited is being finalized and adjustments, if any, will be accounted for in these interim financial statements after execution of GSA.
- 18.3** Gas sales include sales from Nur-Bagla field invoiced on provisional prices. There may be adjustment in revenue upon issuance of final wellhead prices notification by Ministry of Energy (Petroleum Division).

		Quarter ended 30 September	
		2023	2022
		----- (Rupees '000) -----	
19	FINANCE AND OTHER INCOME		
	Income from financial assets		
	Interest income on:		
	Investments and bank deposits	10,227,160	4,879,338
	Finance income- lease	5,668,425	1,886,209
	Fair value loss on PIBs	(487,136)	-
	Dividend income from NIT units	8,627	-
	Un-realized gain/ (loss) on investments at fair value through profit or loss	14,529	(22,928)
	Exchange gain- net	139,639	11,219,911
	Insurance claim received	-	240,006
	Signature bonus/ contract renewal fee	487,578	171,889
	Income on account of liquidated damages penalty imposed on suppliers	53,685	77,909
	Others	138,642	51,513
		<u>16,251,149</u>	<u>18,503,847</u>

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

- 19.1 This represents income recognized on account of signature bonus/ contract renewal fee in respect of allocation of LPG quota. For contingency related to this matter refer note 8.1.3.

	Quarter ended 30 September	
	2023	2022
	----- (Rupees '000) -----	
20 TAXATION		
Current tax- charge for the quarter	38,583,382	32,160,389
Deferred tax- charge for the quarter	(1,446,553)	2,744,392
	<u>37,136,829</u>	<u>34,904,781</u>

- 20.1 Various appeals in respect of assessment years 1992-93 to 2002-03, tax years 2003 to 2022 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, super tax and unrealized exchange gain/ loss. Total amount of tax demand against the major issues, raised in respect of assessment years 1992-93 to 2002-03 and tax years 2003 to 2022 amounts to Rs 179,780 million out of which an amount of Rs 167,584 million has been paid to tax authorities and has also been provided for in the financial statements. Prospecting, exploration and development expenditure and unrealized exchange gain/ loss are timing differences, hence, the relevant impacts are also taken in deferred tax.

- 20.2 During the year ended 30 June 2021, tax authorities have raised demand of Rs 1,047 million for tax year 2013 (30 June 2023: Rs 1,047 million) on account of alleged issue of not offering consideration of sale of working interest in a block for tax. Appeal has been filed by the Company before CIRA on 30 June 2021, which is currently pending adjudication. Management is confident that the above demand does not hold any merit under the applicable tax laws. Accordingly, no provision has been made in respect of these in these interim financial statements.

	Quarter ended 30 September	
	2023	2022
21 EARNINGS PER SHARE-BASIC AND DILUTED		
Profit for the quarter (Rupees '000)	49,037,604	53,302,539
Average number of shares outstanding during the period ('000)	4,300,928	4,300,928
Earnings per share-basic (Rupees)	<u>11.40</u>	<u>12.39</u>

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

22 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
Financial assets measured at fair value			
Other financial assets- NIT units			
30 September 2023	244,359	-	-
30 June 2023	229,830	-	-

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

	Quarter ended 30 September	
	2023	2022
23 CASH AND CASH EQUIVALENTS	----- (Rupees '000) -----	
Cash and bank balances	20,870,147	28,996,507
Short term highly liquid investments		
Investment in Term Deposit Receipts	103,227,219	72,348,597
	<u>124,097,366</u>	<u>101,345,104</u>

24 RELATED PARTIES TRANSACTIONS

Government of Pakistan owns 74.97% (30 June 2023: 74.97%) shares of the Company. Pursuant to the decision of the Supreme Court of Pakistan as explained in note 7, the shares currently held by OGDCL Employees' Empowerment Trust (OEET) 10.05% (30 June 2023: 10.05%) will be transferred back to the GoP and accordingly, the GoP holding will be increased. Therefore, all entities owned and controlled by the Government of Pakistan are related parties of the Company. Other related parties comprise associated companies, major shareholders, directors, companies with common directorship, key management personnel, OGDCL employees empowerment trust, employees pension trust and gratuity fund. The Company in normal course of business pays for airfare, electricity, telephone, gas, yield analysis required under Petroleum Concession Agreements and make regulatory payments to entities controlled by the GoP which are not material, hence not disclosed in these interim financial statements. Transactions with related parties other than disclosed below are disclosed in relevant notes to these interim financial statements. Transactions of the Company with related parties and balances outstanding at quarter end are as follows:

	Quarter ended 30 September	
	2023	2022
	----- (Rupees '000) -----	
MPCL- Associated company- 20% share holding of the Company and common directorship		
Share of profit in associate- net of taxation	3,828,687	2,542,962
Share of other comprehensive income of the associate- net of taxation	9,856	-
Dividend received	1,534,574	1,640,406
Expenditure charged (by)/ to joint operations partner- net	(2,608,162)	1,160,451
Cash calls (paid)/ received from joint operations partner- net	(1,474,003)	971,940
Share (various fields) payable as at 30 September	1,829,667	-
Share (various fields) receivable as at 30 September	280,354	1,543,654
PIOL- Associated company- 25% share holding of the Company and common directorship		
Cost of investment made during the quarter	-	6,403,750
Share of loss in associate	(179,294)	(31,717)
Share of other comprehensive income	23,571	249,714
PMPL- Associated company- 33.33% share holding of the Company and common directorship		
Investment	37,517,828	-
Share of loss in associate	(660,873)	-
Share of other comprehensive income	289,795	-

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

	Quarter ended 30 September	
	2023	2022
	----- (Rupees '000)-----	
RELATED PARTIES TRANSACTIONS- continued		
Major shareholders		
Government of Pakistan (74.97% share holding)		
Deposit against Reko Diq Project	-	35,262,040
Dividend paid	5,224,866	-
Dividend paid- Privatization Commission of Pakistan	580,429	-
OGDCL Employees' Empowerment Trust (10.05% share holding)- note 7		
Dividend withheld	37,046,008	35,775,130
Related parties by virtue of the GoP holdings and/ or common directorship		
Sui Northern Gas Pipelines Limited		
Sale of natural gas	26,984,873	21,672,952
Trade debts as at 30 September	234,797,914	172,040,680
Pakistan State Oil Company Limited		
Sale of liquefied petroleum gas	145,503	340,639
Purchase of petroleum, oil and lubricants	23,059	16,934
Payable as at 30 September	7,200	16,610
Advance against sale of LPG as at 30 September	60,740	83,259
Pakistan Petroleum Limited		
Expenditure charged (by)/ to joint operations partner- net	(779,979)	1,088,337
Cash calls received from joint operations partner- net	97,914	1,034,413
Share (various fields) receivable as at 30 September	1,447,398	1,812,582
Share (various fields) payable as at 30 September	3,332,646	-
Pak Arab Refinery Company Limited		
Sale of crude oil	6,965,438	5,850,423
Trade debts as at 30 September	4,941,550	5,772,738
PARCO Pearl Gas (Private) Limited		
Sale of liquefied petroleum gas	524,367	107,956
Advance against sale of LPG as at 30 September	72,437	88,003
Pakistan Refinery Limited		
Sale of crude oil	3,807,812	3,826,714
Trade debts as at 30 September	5,922,795	4,175,462
Khyber Pakhtunkhwa Oil & Gas Company (KPOGCL)		
Expenditure charged to joint operations partner	9,578	3,632
Cash calls received from joint operations partner	500	-
KPOGCL share (various fields) receivable as at 30 September	848,708	21,943
Sindh Energy Holding Company Limited (SEHCL)		
Expenditure charged to joint operations partner	49	12,628
SEHCL share (various fields) receivable as at 30 September	7,833	28,084

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

Quarter ended 30 September

2023 2022
----- (Rupees '000) -----

RELATED PARTIES TRANSACTIONS- continued

Sui Southern Gas Company Limited

Sale of natural gas	14,808,831	14,090,556
Sale of liquefied petroleum gas	274,456	219,548
Trade debts as at 30 September	227,419,709	186,869,249
Advance against sale of LPG as at 30 September	57,330	8,163

Sui Southern Gas Company LPG (Pvt) Limited

Sale of liquefied petroleum gas	88,146	114,753
Advance against sale of LPG as at 30 September	72,037	40,101

Government Holdings (Private) Limited (GHPL)

Expenditure charged to joint operations partner	1,111,216	721,148
Cash calls received from joint operations partner	1,394,289	1,000,840
GHPL share (various fields) receivable as at 30 September	2,751,259	2,575,522
GHPL share (various fields) payable as at 30 September	96,137	2,796,750

National Investment Trust

Investment as at 30 September	244,359	272,145
Dividend received	8,627	-

National Bank of Pakistan

Balance at bank as at 30 September	1,825,619	4,036,079
Balance of investment in TDRs as at 30 September	66,728,076	12,536,700
Interest earned	2,427,700	126,283

Power Holding Limited (PHL)

Mark-up earned	4,739,173	1,958,744
Balance of past due principal repayment of TFCs as at 30 September	82,000,000	82,000,000
Balance of mark-up receivable on TFCs not yet due as at 30 September	1,212,477	-
Balance of past due mark-up receivable on TFCs as at 30 September	76,734,165	60,653,381

National Insurance Company Limited

Insurance premium paid	139,540	8,772
Payable as at 30 September	95	-

National Logistic Cell

Crude transportation charges paid	343,675	297,971
Payable as at 30 September	572,883	428,665

Enar Petrotech Services Limited

Consultancy services	7,857	6,073
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Enar Petroleum Refining Facility

Sale of crude oil	8,379,313	5,082,492
Trade debts as at 30 September	6,433,129	3,796,741

Other related parties

Contribution to pension fund	-	-
Contribution to gratuity fund	-	-
Remuneration including benefits and perquisites of key management personnel	194,698	138,407

Notes to the Interim Financial Statements [unaudited]

For the Quarter ended 30 September 2023

25 DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under para 10 of Part-I of the Fourth Schedule to the Companies Act, 2017.

Description	Explanation	Rupees '000
i) Bank balances as at 30 September 2023	Placed under Shariah permissible arrangement	2,191,720
ii) Return on bank deposits for the Quarter ended 30 September 2023	Placed under Shariah permissible arrangement	144,776
iii) Revenue earned for the quarter ended 30 September 2023	Earned from Shariah compliant business	120,140,944
iv) Relationship with banks having Islamic windows	Meezan Bank Limited & Dubai Islamic Bank	

Disclosures other than above are not applicable to the Company.

26 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 2023.

27 NON ADJUSTING EVENT AFTER REPORTING DATE

27.1 The Board of Directors recommended final cash dividend for the year ended 30 June 2023 at the rate of Rs 2.75 per share amounting to Rs 11,828 million in its meeting held on 28 September 2023.

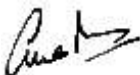
27.2 The Board of Directors approved interim cash dividend at the rate of Rs 1.6 per share amounting to Rs 6,881 million in its meeting held on 01 November 2023.

28 GENERAL

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

29 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements were authorized for issue on 01 November 2023 by the Board of Directors of the Company.



Chief Financial Officer



Chief Executive



Director

اظہار تشکر

بورڈ آف ڈائریکٹرز ادارہ جاتی ترقی اور کامیابی کے سفر میں تمام سٹیک ہولڈرز کے مسلسل تعاون کو سراہتا ہے۔ بورڈ کمپنی کے ہر سطح پر موجود ملازمین کی کاوشوں پر بھی انہیں خراج تحسین پیش کرتا ہے جن کی بدولت کمپنی انڈسٹری میں محفوظ اور ذمہ دارانہ انداز میں اول درجہ کی کارکردگی کا مظاہرہ کرنے میں کامیاب ہوئی۔

بورڈ کی جانب سے



احمد حیات لک
(مینیجنگ ڈائریکٹر/سی ای او)

1 نومبر 2023



ظفر مسعود
(چیئرمین)

اور جی ایچ پی ایل اس پراجیکٹ میں 25 فیصد ایکویٹی کے حامل ہوں گے جو کہ مساوی طور پر ان کمپنیوں میں تقسیم ہوگا۔ جبکہ بیرک گولڈ انتظامی اور آپریٹنگ حقوق کے ساتھ 50 فیصد ایکویٹی کی حامل ہوگی اور بقایا 25 فیصد ایکویٹی حکومت بلوچستان کے پاس ہوگی۔ SOE's کی ایکویٹی شیئر ہولڈنگ کو منظم کرنے کیلئے پاکستان منرلز پرائیویٹ لمیٹڈ کے نام سے ایک Special Purpose Vehicle (SPV) کو وجود میں لایا گیا ہے۔ فی الحال، پراجیکٹ کی فیڈبیلٹی سٹڈی پر کام جاری ہے اور یہ 2024 کے آخر تک مکمل ہونے کی امید ہے۔

ابوظہبی آف شور بلاک-5

آف شور بلاک-5 میں مکمل منصوبہ بندی کے تحت تلاش اور تشخیص کی سرگرمیاں جاری ہیں، جبکہ 3D سیمسک پراسیسنگ (PSDM)، ٹیکنیکل سٹڈیز، سٹیٹک اور ڈائنامک ریزرو اڑانگ اور سطحی سہولیات کیلئے کنسپٹ سلیکشن سٹڈی مکمل ہو چکی ہے۔ مزید برآں، تین آزمائشی مقامات کیلئے جیوفزیکل سروے بھی پایہ تکمیل تک پہنچ چکا ہے۔ جیک آپ رگ کی ٹیکنیکل اور فنانشل تشخیص مکمل ہونے کے بعد 4 کنوؤں بشمول 1 عدد contingency کنواں کی ڈرائنگ کا کنٹریکٹ تفویض کیا جا چکا ہے۔ فی الوقت، 2 دریافتی کنوؤں کی تشخیص کا عمل جاری ہے۔

مالیاتی نتائج

OGDCL نے 30 ستمبر 2023 کو اختتام پذیر ہونے والی سہ ماہی کے دوران 120.141 بلین روپے کی بہتر سیلز آمدن حاصل کی (مالی سال 2022-23 کی پہلی سہ ماہی: 106.012 بلین روپے)۔ زیادہ سیلز بنیادی طور پر مزوں شرح مبادلہ اور گیس قیمت کے فرق کی وجہ سے حاصل ہوئی جبکہ ناموافق حجم اور خام تیل کی قیمت میں کمی نے جزوی طور پر منفی اثر ڈالا۔ خام تیل، گیس اور ایل پی جی کی اوسط حاصل شدہ قیمتیں بالترتیب 69.52 امریکی ڈالر فی بیرل (مالی سال 2022-23 کی پہلی سہ ماہی: 83.53 امریکی ڈالر فی بیرل)، 710.89 روپے فی Mcf (مالی سال 2022-23 کی پہلی سہ ماہی: 564.79 روپے فی Mcf) اور 134,346 روپے فی ٹن (مالی سال 2022-23 کی پہلی سہ ماہی: 142,658 روپے فی ٹن) رہیں۔ اوسط شرح مبادلہ 291.58 روپے فی امریکی ڈالر (مالی سال 2022-23 کی پہلی سہ ماہی: 224.57 روپے فی امریکی ڈالر) درج ہوا۔

تاہم، کمپنی کا منافع کرایہ، فیسوں، ٹیکسز (پاسا کھی، پاسا کھی نارٹھ اور قادر پور میں 30 سالہ مدت مکمل ہونے کے بعد لیز کی تجدید کی مد میں اضافی 15 فیصد ادائیگی) بشمول تنخواہوں، اجرت و مراعات اور ترقیاتی اور پیداواری اثاثہ جات کی فرسنگ کی مد میں زیادہ آپریٹنگ اخراجات کی وجہ سے متاثر ہوا۔ مزید برآں، تلاشی اخراجات کے ساتھ کم زرمبادلہ کی آمدنی کی وجہ سے مالی اور دیگر آمدنی میں کمی نے زیریں سطح کے مالیاتی گوشواروں کو متاثر کیا۔ مجموعی طور پر، کمپنی نے زیر جائزہ مدت کے دوران 49.038 بلین روپے بعد از ٹیکس منافع درج کیا (مالی سال 2022-23 کی پہلی سہ ماہی: 53.303 بلین روپے) جو کہ 11.40 روپے فی شیئر کی آمدن پر منتج ہوا (مالی سال 2022-23 کی پہلی سہ ماہی: 12.39 روپے)۔

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو اختتام پذیر ہونے والے سال کیلئے پہلے عبوری منافع منقسمہ 1.60 روپے فی شیئر (16 فیصد) کا اعلان کیا ہے۔

زیرجائزہ مدت کے دوران، OGDCL کی خام تیل، گیس اور ایل پی جی کی اوسط یومیہ پیداوار بالترتیب 32,835 بیرل، 762 MMcf اور 713 ٹن رہی جو کہ گزشتہ سال کی اسی مدت کے دوران 33,443 بیرل، 779 MMcf اور 722 ٹن تھی۔ کے پی ڈی اے وائے، چندا، میلہ، تشپا، پانڈھی، گنڈناری اور چک نورنگ فیلڈز سے قدرتی گیس کی وجہ سے پیداوار میں تخفیف ہوئی۔ مزید برآں، ٹنڈو عالم-21 اور کال-1 کے کنوؤں میں مکینیکل مسائل اور چندا، دکھنی اور کے پی ڈی اے وائے میں سالانہ ٹرن اراؤنڈ سے تیل، قدرتی گیس اور ایل پی جی کی یومیہ قطعی پیداوار بالترتیب 516 بیرل، 16 MMcf اور 23 ٹن کی کمی دیکھی گئی۔ اسی طرح، ایس این جی پی ایل کے سسٹم میں رکاوٹوں کی وجہ سے قادر پور فیلڈ سے کم گیس ان ٹیک کی بدولت گیس کی کم پیداوار مشاہدہ میں آئی۔ کے پی ڈی اے وائے پلانٹ میں 14-17 ستمبر 2023 تک بجلی کا مکمل بریک ڈاؤن اور این جے وی فیلڈز میں پیداواری کمی نے بھی ہائیڈروکاربن کی کم پیداوار میں کردار ادا کیا۔

پیداوار میں مذکورہ کمی پیداواری سسٹم میں 2 آپریٹنگ کنوینینٹس شامل ہونے سے جزوی طور پر کم ہو گئی۔ ان کنوؤں میں نم ایسٹ-1 اور تشپا-11 شامل ہیں جن سے مجموعی طور پر 47,010 بیرل تیل اور 222 MMcf گیس کی پیداوار حاصل ہوئی۔ اس کے ساتھ ساتھ کمپنی نے پختہ کنوؤں کی پیداوار میں قدرتی گیس پر قابو پانے اور پیداوار کے احیا کیلئے زیرجائزہ مدت کے دوران رگ کے ساتھ 4 اور رگ کے بغیر 29 ورک اورز کے ساتھ مجموعی طور پر 33 ورک اورز سرانجام دیئے۔ مزید برآں، موجودہ کنوؤں کے بہاؤ کے دائرہ کار میں بہتری لانے کیلئے پیداواری فیلڈز، دکھنی، کے پی ڈی اور قادر پور فیلڈز میں پریشر سروے کا کام بھی مکمل کیا۔ علاوہ ازیں پاساگھی - 1 میں الیکٹریکل Submersible پمپ نصب کیا گیا جس سے تیل کی یومیہ پیداوار میں 1,350 بیرل کا اضافہ ہوا۔ زیرجائزہ مدت کے دوران کمپنی کی تیل، گیس اور ایل پی جی کی بلند ترین یومیہ قطعی پیداوار بالترتیب 34,940 بیرل، 800 MMcf اور 770 ٹن تھی۔ آپریٹنگ اور نان آپریٹنگ مشترکہ فیلڈز سے خام تیل، گیس اور ایل پی جی کی اوسط یومیہ قابل فروخت پیداوار درج ذیل ہے:

مصنوعات	پیمائش کی اکائیاں	پہلی سہ ماہی مالی سال 2023-24	پہلی سہ ماہی مالی سال 2022-23
خام تیل	بیرل یومیہ	32,835	33,443
گیس	MMcf یومیہ	762	779
ایل پی جی	ٹن یومیہ	713	722

بیٹانی فیلڈ ڈویلپمنٹ

OGDCL نے جون 2023 کے دوران ولی-1 میں ابتدائی پیداواری سہولیات (EPF) کی ڈویلپمنٹ کی تکمیل کر کے بیٹانی فیلڈ سے پیداوار کا کامیابی سے آغاز کر دیا ہے۔ فی الوقت یہ فیلڈ آپریشنل ہے اور یہاں سے تقریباً 835 بیرل یومیہ خام تیل اور 12 MMcf یومیہ گیس حاصل ہو رہی ہے۔ تیل و گیس کی پیداواری میں بڑھوتری کیلئے مزید فیلڈ ڈویلپمنٹ اور بیٹانی-2 پرنڈلنگ کی سرگرمیاں جاری ہیں۔ ریکوڈک مائننگ پراجیکٹ:

کاروبار میں تنوع کیلئے OGDCL نے وفاقی حکومت، حکومت بلوچستان، جی ایچ پی ایل، پی پی ایل اور بیرک گولڈ کارپوریشن کے ساتھ ریکوڈک سے سونے اور تانبے کے ذخائر کاٹنے کیلئے حتمی معاہدے کیے ہیں۔ حکومتی سرپرستی میں کمپنیز (SOEs) OGDCL، پی پی ایل

دریافتیں

زیر جائزہ مدت کے دوران OGDCL کی جانب سے نئے ذخائر کی تلاش کیلئے کی گئی کاوشوں کا نتیجہ چیک 1-214 ضلع رحیم یار خان، صوبہ پنجاب میں گیس کی دریافت کی صورت میں نکلا (مالی سال 2022-23 کی پہلی سہ ماہی کے دوران: NIL)۔ اس مذکورہ بالا دریافت سے یومیہ 2.4 MMcf گیس کی پیداوار متوقع ہے۔

ترقیاتی منصوبہ جات

کمپنی کے جاری ترقیاتی منصوبوں کی موجودہ صورتحال درج ذیل ہے:

منصوبے کا نام	منصوبے کا محل وقوع	مالکان کا عملی مفاد	تاریخ تکمیل	حالیہ صورتحال
کھیواڑی	خیرپور، سندھ	OGDCL 77.50% GHPL 22.50%	اکتوبر 2023	16 انچ 16 کلومیٹر گیس پائپ لائن کی بچھائی اور پلانٹ/گیدرنگ فیسلڈیٹری کی تنصیب کا کام جاری ہے
جھل مگسی	جھل مگسی، بلوچستان	OGDCL 56% POL 24% GHPL 20%	مئی 2024	OGDCL کی جانب سے پی سی کنٹریکٹر کی خدمات اور ایس ایس جی سی کی جانب سے گیس پائپ لائن کی بچھائی جاری ہے
دکھنی کمپریشن	انک، پنجاب	OGDCL 100%	نومبر 2024	ای پی سی سی کنٹریکٹر کو LOI تفویض ہو چکا ہے
کے پی ڈی-ٹی اے وائے	حیدرآباد، سندھ	KPD: OGDCL 100% TAY: OGDCL 77.50% GHPL 22.50%	فروری 2025	ای پی سی سی کنٹریکٹر کو LOI تفویض ہو چکا ہے
اُچ کمپریشن	ڈیرہ بگٹی، بلوچستان	OGDCL 100%	اپریل 2025	معاهدہ پر دستخط ہو چکے ہیں اور ایس سی کی اوپننگ جاری ہے

تیل و گیس کی پیداوار

OGDCL ہائیڈروکاربن کی پیداوار میں اضافہ کے ساتھ ساتھ پختہ پیداواری فیلڈز سے قدرتی کمی کو کم کرنے کیلئے نئی ٹیکنالوجی اور جدید ٹیکنیک بروئے کار لارہی ہے۔ اس سلسلہ میں کمپنی زیر جائزہ مدت کے دوران ملک کی مجموعی تیل، قدرتی گیس اور ایس سی کی پیداوار میں بالترتیب 45 فیصد، 29 فیصد اور 37 فیصد کی حصہ دار رہی (ماخذ: PPIS)۔

ڈائریکٹرز کا عبوری جائزہ

آئل اینڈ گیس ڈویلپمنٹ کمپنی لمیٹڈ (OGDCL) کا بورڈ آف ڈائریکٹرز 30 ستمبر 2023 کو اختتام پذیر ہونے والی سہ ماہی کیلئے کمپنی کی کاروباری اور مالی کارکردگی مع غیر آڈٹ شدہ مجموعی عبوری مالیاتی معلومات کا جامع جائزہ پیش کرتے ہوئے خوشی محسوس کر رہا ہے۔

زیر جائزہ مدت کے دوران، OGDCL نے عالمی خام تیل کی اوسط قیمتوں میں گزشتہ عرصہ کی 100.45 امریکی ڈالر فی بیرل کے مقابلہ میں 184.32 امریکی ڈالر فی بیرل تک کمی کے باوجود مستحکم کاروباری اور مالی کارکردگی کا مظاہرہ کیا۔ مزید برآں، ایل سیز کے کھلنے میں درپیش مسائل تشویش کا باعث رہے۔ پیداواری اصلاحی منصوبہ (Production Optimization Plan) کے تحت مختلف کنوؤں سے مجموعی طور پر یومیہ 3,860 بیرل خام تیل، 31 MMcf گیس اور 51 ٹن ایل پی جی کی اضافی پیداوار مشاہدے میں آئی۔ کمپنی کے بالائی سطح کے مالی اعداد و شمار میں 13 فیصد اضافہ، جبکہ مہنگائی کے اثرات کی وجہ سے زیریں مالی اعداد و شمار متاثر ہوئے۔

تلاشی و ترقیاتی سرگرمیاں

پاکستان کے E&P شعبہ میں مارکیٹ لیڈر ہونے کے ناطے، OGDCL ملک میں تلاش کا سب سے زیادہ رقبہ رکھتی ہے جو کہ 30 ستمبر 2023 کو 91,782 مربع کلومیٹر تھا۔ کمپنی کا یہ رقبہ ملک کے کل زیر تلاش رقبہ کا 38 فیصد تھا (ماخذ: PPIS)۔ فی الوقت کمپنی کا تلاش کا رقبہ پچاس (50) ملکیتی اور مشترکہ تلاشی لائسنسوں پر مشتمل ہے۔ مزید برآں، کمپنی دیگر E&P کمپنیوں کے زیر انتظام تلاش و پیداوار کے 11 بلاکس میں عملی مفادات (Working Interests) بھی رکھتی ہے۔

OGDCL نے تیل و گیس کے ذخائر بڑھانے کی اپنی حکمت عملی کے تحت زیر جائزہ مدت کے دوران 295 لائن کلومیٹر 2D سیسیمک ڈیٹا (مالی سال 2022-23 کی پہلی سہ ماہی کے دوران: 221 لائن کلومیٹر) اور 57 مربع کلومیٹر 3D سیسیمک ڈیٹا (مالی سال 2022-23 کی پہلی سہ ماہی کے دوران: 21 لائن کلومیٹر) حاصل کیا۔ زیر جائزہ مدت کے دوران یہ حاصل کردہ 2D اور 3D سیسیمک ڈیٹا ملک کے کل حاصل کردہ ڈیٹا کا بالترتیب 50 فیصد اور 100 فیصد ہے۔ علاوہ ازیں، کمپنی نے 1,512 لائن کلومیٹر 2D ڈیٹا اپنے ذاتی وسائل استعمال کرتے ہوئے پرائیس / ری پرائیس بھی کیا۔ تاہم، اس مدت کے دوران ایل سی کے مسائل کی بدولت درآمدی زمینی لیکچر انکس کی عدم دستیابی کی وجہ سے 3D سیسیمک سرگرمیاں متاثر رہیں۔

ڈرلنگ کی سطح پر OGDCL نے 03 کنوؤں کی کھدائی کی (مالی سال 2022-23 کی پہلی سہ ماہی کے دوران: 1 کنواں) جس میں 1 آزمائشی کنواں؛ کھارو X-1 اور 2 ڈویلپمنٹ کنوئیں توغ-2 اور سو نو-9 شامل ہیں۔ مزید برآں، گزشتہ مالی سال سے جاری 5 کنوؤں کی کھدائی اور جانچ کا عمل بھی مکمل کیا گیا، جبکہ تین ماہ کے دوران کمپنی نے کل 7,052 میٹر کھدائی کی (مالی سال 2022-23 کی پہلی سہ ماہی کے دوران: 11,392 میٹر)۔ تاہم ایل سی کے مسائل کی وجہ سے ٹی ڈی ایس کے پیئر پارٹس اور دیگر پیچیدہ اشیاء؛ ڈرلنگ لائن، برائینڈل لائن اور ڈاؤن ہول ایکویپمنٹ کی عدم دستیابی سے ڈرلنگ کی سرگرمیاں متاثر ہوئیں اور دو ذاتی رگز کی سٹیلنگ کا باعث بھی بنی۔



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