

OIL AND GAS DEVELOPMENT COMPANY LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS [UNAUDITED]
FOR THE NINE MONTHS ENDED 31 MARCH 2025

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.

Government of Pakistan (GoP) holds 74.97% (30 June 2024: 74.97%) paid up capital 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 2024: 10.05%) will be transferred back to the GoP and accordingly, the GoP holding will be increased. During the year ended 30 June 2024, the Pakistan Sovereign Wealth Fund Act, 2023 became effective. Under the said Act, the GoP's shareholding in the Company including shares held by OEET stands transferred to the Pakistan Sovereign Wealth Fund (PSWF). Accordingly, the GoP is in the process of taking necessary actions required to record the transfer of the shares to PSWF.

2 BASIS OF PREPARATION

These interim financial statements (here in after referred to as the "interim financial statements") are the separate interim financial statements of the Company and 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 2024. Comparative statement of financial position is extracted from the annual audited financial statements as of 30 June 2024, 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 nine months ended 31 March 2024.

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 2024. The management also believes that standards, amendments to published standards and interpretations that are effective for the Company from accounting periods beginning on or after 01 July 2024 do not have any significant effect on these interim financial statements or are not relevant to the Company.

Furthermore, because of reasons as disclosed in note 2.5.3 to the annual audited financial statements for the year ended 30 June 2024, 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 2025 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 2025.

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		Unaudited 31 March 2025	Audited 30 June 2024
	Note	------(Rupees '000)-----	
4 RESERVES			
Capital reserves:			
Capital reserve	4.1	836,000	836,000
Self insurance reserve	4.2	20,387,500	19,300,000
Capital redemption reserve fund- associate	4.3	-	2,118,000
Self insurance reserve- associate	4.4	920,000	920,000
		<u>22,143,500</u>	<u>23,174,000</u>
Other reserves:			
Foreign currency translation reserve	4.5	1,806,888	1,729,048
Foreign currency translation reserve- associates (net)	4.6	13,707,909	13,418,018
		<u>15,514,797</u>	<u>15,147,066</u>
		<u>37,658,297</u>	<u>38,321,066</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. Accordingly, this reserve is not available for distribution to shareholders.		
4.3	This represents reserve created by an associate for redemption of redeemable preference shares in the form of cash to the preference shareholders. During the period, the associate has issued bonus shares against this reserve.		
4.4	This represents a specific capital reserve set aside by an associate for self insurance of its 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 a translation effect of foreign operations in Rupees of associates.		
		Unaudited 31 March 2025	Audited 30 June 2024
	Note	------(Rupees '000)-----	
5 PROVISION FOR DECOMMISSIONING COST			
Balance at beginning of the period /year		59,600,474	55,648,929
Provision during the period /year		731,564	1,006,871
Decommissioning cost incurred during the period /year		-	(12,032)
		<u>60,332,038</u>	<u>56,643,768</u>
Revision due to change in estimates		-	(4,177,135)
Unwinding of discount on provision for decommissioning cost		4,436,806	7,133,841
Balance at end of the period /year		<u>64,768,844</u>	<u>59,600,474</u>
6 TRADE AND OTHER PAYABLES			
Creditors		1,719,852	1,596,539
Accrued liabilities		14,607,983	30,128,954
Payable to partners of joint operations		9,969,543	12,435,678
Retention money and performance bonds payable		8,687,994	5,486,135
Royalty payable to the Government of Pakistan		16,112,531	33,587,390
Excise duty payable		170,903	177,717
General sales tax payable		-	2,742,210
Petroleum levy payable		166,274	213,936
Withholding tax payable		1,595,699	352,505
Trade deposits		351,217	276,471
Workers' profit participation fund- net		11,742,094	15,462,479
Employees' pension trust		3,676,245	12,787,989
Advances from customers- unsecured		3,133,264	6,834,758
Other payables	6.1	20,995,170	17,444,501
		<u>92,928,769</u>	<u>139,527,262</u>

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6.1 This includes an amount of Rs 18,899 million (30 June 2024: Rs 15,263 million) received from customers on account of additional revenue due to enhanced gas price incentive as explained in note 17.1. This also includes an amount of Rs 1,484 million (30 June 2024: Rs 1,484 million) representing the interest earned by OGDCL Employees' Empowerment Trust (OEET) on dividends previously paid by the Company to OEET which has been transferred by OEET to the Company during the year ended 30 June 2022. For details, refer note 7.

6.2 Gas Infrastructure Development Cess (GIDC) amounting to Rs 2,255 million (30 June 2024: Rs 2,255 million) is recoverable from customers and payable to the GoP. These interim financial statements do not reflect the said amount since under the provisions of the GIDC laws and regulations, the Company is required to pay the said amount as and when the same is collected from customers. The GIDC is presented as payable to the extent that it is received from customers but not deposited with the GoP. As at period end, no such amount was received which was not deposited with the GoP. On 13 August 2020, the Supreme Court of Pakistan has decided the matter of GIDC by restraining from charging GIDC from 01 August 2020 onward and ordered gas consumers to pay GIDC arrears due upto 31 July 2020 in instalments. The fertilizer companies have obtained stay against recovery from the Sindh High Court, where the matter is subjudice.

7 UNPAID DIVIDEND

The amount as on 30 June 2024 includes Rs 40,871 million related to shares held by the OGDCL Employees' Empowerment Trust (OEET) under the Benazir Employees' Stock Option Scheme (BESOS). The Privatization Commission of Pakistan (PCP) communicated to the Company in 2018 that BESOS was under adjudication before the Honorable Supreme Court of Pakistan, with instructions to maintain the status quo until the Court's final decision.

In 2022, the Honorable Supreme Court of Pakistan declared the BESOS scheme ultra vires, rendering all benefits arising from the scheme illegal. Following this ruling, the Ministry of Energy, GoP, instructed the transfer of accrued amounts. Accordingly, OEET transferred Rs 2,316 million representing dividends previously received from OGDCL and Rs 1,484 million representing interest earned thereon for onward settlement with the GoP. The Finance Division directed the Company vide letter no F.No.8(6)AO-CF/2021-22 dated 09 May 2022 to deposit the remaining balance into the Federal Consolidated Fund.

Based on latest direction of the Finance Division, GoP, vide letter No.F.1(17)CF-1/2019-20/(82.00 billion)/896 dated 30 August 2024, the Company has paid the unpaid dividend of Rs 40,871 million in cash to GoP in two installments on 11 September 2024 and 28 March 2025.

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

8.1.1 There are no significant changes in the status of the contingencies as disclosed in the annual audited financial statements for the year ended 30 June 2024.

8.2 Commitments

8.2.1 Commitments outstanding at the period end amounted to Rs 77,360 million (30 June 2024: Rs 85,365 million). These include amounts aggregating to Rs 36,157 million (30 June 2024: Rs 37,029 million) representing the Company's share in the minimum work commitments under Petroleum Concession Agreements (PCAs). The Company and its associate 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 period end amounted to Rs 56,652 million (30 June 2024: Rs 17,121 million).

8.2.3 The Company's share of associate commitments for capital expenditure and outstanding minimum work commitments under various Petroleum Concession Agreements (PCAs) as at period end amounted to Rs 7,915 million (30 June 2024: Rs 10,155 million).

8.2.4 As part of the Shareholders Agreement with the consortium partners in Pakistan International Oil Limited (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\$ 85 million has been invested till 31 March 2025 (30 June 2024: US\$ 60 million). The remaining amount of US\$ 15 million; Rs 4,208 million (30 June 2024: US\$ 40 million; Rs 11,148 million) will be invested in subsequent years. The Company's share of associate commitment in this respect amounts to US\$ 3 million; Rs 842 million (30 June 2024: US\$ 8 million; Rs 2,230 million).

8.2.5 The Company has committed to invest a total amount up to US\$ 342 million; Rs 95,939 million (30 June 2024: US\$ 378 million; Rs 105,349 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 US\$ 1 million; Rs 281 million per year towards its proportionate share in the administrative expenses of Pakistan Minerals (Private) Limited (PMPL). Furthermore, the Company has provided a corporate guarantee to fund the aforementioned obligations.

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		Unaudited 31 March 2025	Audited 30 June 2024
	Note	------(Rupees '000)-----	
9	PROPERTY, PLANT AND EQUIPMENT		
Carrying amount at beginning of the period /year		86,837,819	85,815,832
Additions during the period /year	9.1	11,007,897	12,536,052
Book value of disposals		(34,814)	(10,070)
Depreciation charge for the period /year		(8,364,057)	(11,366,269)
Revision in estimate of decommissioning cost during the period /year		-	(137,726)
Carrying amount at end of the period /year	9.2	<u>89,446,845</u>	<u>86,837,819</u>
9.1 Additions during the period /year			
Buildings, offices and roads on freehold land		187,920	41,994
Buildings, offices and roads on leasehold land		646,149	451,494
Plant and machinery		9,038,662	3,181,735
Rigs		65,979	74,084
Pipelines		418,722	1,119,489
Office and domestic equipment		153,997	145,360
Office and technical data computers		258,124	545,570
Furniture and fixtures		2,408	19,783
Light and heavy vehicles		565,975	1,361,896
Decommissioning cost		-	25,198
Capital work in progress (net movement)		(397,482)	4,364,783
Stores held for capital expenditure (net movement)		67,443	1,204,666
		<u>11,007,897</u>	<u>12,536,052</u>
9.2 Property, plant and equipment comprises:			
Operating fixed assets		77,587,392	74,648,327
Capital work in progress		5,818,019	6,215,501
Stores held for capital expenditure		6,041,434	5,973,991
		<u>89,446,845</u>	<u>86,837,819</u>
10 DEVELOPMENT AND PRODUCTION ASSETS			
Carrying amount at beginning of the period /year		120,435,679	122,581,188
Additions during the period /year		7,562,527	22,970,578
Transferred from exploration and evaluation assets during the period /year		15,786,168	3,237,700
Stores held for development and production activities (net movement)		7,537,409	(903,574)
Amortization charge for the period /year		(13,678,088)	(24,241,911)
Revision in estimates of decommissioning cost during the period /year		-	(3,208,302)
Carrying amount at end of the period /year		<u>137,643,695</u>	<u>120,435,679</u>
11 EXPLORATION AND EVALUATION ASSETS			
Balance at beginning of the period /year		18,552,999	5,117,678
Additions during the period /year		23,194,061	17,075,236
		<u>41,747,060</u>	<u>22,192,914</u>
Cost of dry and abandoned wells during the period /year		(3,533,127)	(402,215)
Cost of wells transferred to development and production assets during the period /year		(15,786,168)	(3,237,700)
		<u>(19,319,295)</u>	<u>(3,639,915)</u>
		<u>22,427,765</u>	<u>18,552,999</u>
Stores held for exploration and evaluation activities		1,530,842	746,079
Balance at end of the period /year		<u>23,958,607</u>	<u>19,299,078</u>

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		Unaudited 31 March 2025	Audited 30 June 2024
	Note	------(Rupees '000)-----	
12 LONG TERM INVESTMENTS			
Investment in subsidiary:			
OGDC Renewable Energy (Private) Limited (formerly, Pakistan Energy Development (Private) Limited), unquoted	12.1	100	100
Investment in associates:			
Mari Energies Limited (formerly, Mari Petroleum Company Limited), quoted	12.2	50,690,973	45,099,938
Pakistan International Oil Limited, unquoted	12.3	19,109,105	12,283,074
Pakistan Minerals (Private) Limited, unquoted	12.4	61,303,822	52,252,601
Investments at amortized cost			
Term Deposit Receipts (TDRs)	12.5	-	16,355,616
Pakistan Investment Bonds (PIBs)	12.6	21,468,545	21,021,050
Term Finance Certificates (TFCs)	12.7	80,271,356	69,609,409
		101,739,901	106,986,075
Less: Current portion shown under current assets		(62,757,368)	(17,091,021)
		38,982,533	89,895,054
		170,086,533	199,530,767

12.1 During the year ended 30 June 2024, the Company incorporated a wholly owned subsidiary in Pakistan, Pakistan Energy Development (Private) Limited (PEDL), under the Companies Act, 2017. During the period, the name of PEDL has been changed to OGDC Renewable Energy (Private) Limited (OREL). The principal line of business of OREL is to engage in exploration, exploitation and development of renewable energy resources and has not yet commenced commercial operations. The total subscribed capital of OREL is Rs 100 thousand divided into 10,000 ordinary shares of Rs 10 each, payable by the Company. Except for this equity and related receivable, OREL has no other assets /liabilities.

12.2 Mari Energies Limited (formerly, Mari Petroleum Company Limited) (MEL) is a listed company incorporated in Pakistan and is principally engaged in exploration, production and sale of hydrocarbons. The Company has 20% (30 June 2024: 20%) holding in the associate.

During the period, MEL has issued 213,444,000 bonus shares to the Company in the ratio of eight shares for every one share held after collection of tax under the Income Tax Ordinance, 2001 from the Company amounting to Rs 9,498 million, equal to ten- percent of the market value of the bonus shares to be issued to the Company, which has been charge as taxation expense in these interim financial statements. As the period end, 2,001,042 bonus shares (30 June 2024: 222,338 bonus shares) have been withheld by MEL due to pending resolution of issue relating to withholding tax on issuance of bonus shares.

12.3 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, MEL, 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 the Offshore Block 5 was awarded to PIOL.

12.4 The Company has invested in the Reko Diq project company i.e. Reko Diq Mining Company (Private) Limited (RDMC) through Pakistan Minerals (Private) Limited (PMPL), an entity incorporated in Pakistan. RDMC is engaged in the mineral exploration activities in Pakistan. PMPL holds an indirect working interest of 25% in the RDMC through offshore holding companies namely Reko Diq Holdings Limited and Reko Diq Investments Limited (hereinafter referred to as "Holdcos"). RDMC is incorporated in Pakistan and Holdcos are incorporated in Bailiwick of Jersey. The Company's equity interest in PMPL is 33.33% with an effective interest of 8.33% in RDMC. Till 31 March 2025, the Company has invested Rs 40 thousand (30 June 2024: Rs 40 thousand) for 4,000 ordinary shares of PMPL and also made advance against future issue of shares of Rs 51,885 million (30 June 2024: Rs 41,795 million).

Based on directions from GoP, the SOEs are in the process of discussing and evaluating the terms of a potential transaction with a sovereign foreign investor with respect to divestment in the Reko Diq project and advisors were appointed through PMPL to assist in this regard. The divestment and its conditions will require significant approvals including from the Federal Cabinet of GoP, Board of Directors and shareholders of the SOEs and other investors of the Reko Diq project.

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12.5 This represents investments in local currency TDRs matured during the period and included interest amounting to Rs 6,355 million as at 30 June 2024 carried effective interest rate of 14% per annum. These investments were earmarked against self insurance reserve as detailed in note 4.2 to these interim financial statements.

12.6 This represents PIBs received from Uch Power Private Limited against partial settlement of overdue trade receivables on 27 June 2023 and 04 July 2023. Face value and fair value of the PIBs on the date of initial recognition amounted to Rs 21,866 million (30 June 2024: Rs 21,866 million) and Rs 20,286 million (30 June 2024: Rs 20,286 million) respectively and are carried at floating interest rate of 13.34% per annum (30 June 2024: 21.84% per annum). The Company has adjusted the trade receivables against the face value of PIBs and has recognized a fair value loss of Rs 487 million during the year ended 30 June 2024.

12.7 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 a 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.

During the year ended 30 June 2024, an addendum to the agreement was signed with PHL on 26 June 2024 for the settlement of TFCs. As per the terms of the addendum, the overdue principal amount of Rs 82,000 million was received on 27 June 2024 and the interest accrued up to that date of Rs 92,718 million is to be received in twelve (12) equal monthly installments commencing from July 2025 and the unrecognized liquidated damages were waived off. There will be no interest on unpaid interest. Considering the significant modification of the terms of TFCs, the carrying amount of the existing financial asset of Rs 174,718 million was derecognized and a new financial asset of Rs 151,610 million was recognized resulting in a loss on modification in terms of TFCs of Rs 23,108 million in the financial statements for the year ended 30 June 2024. During the period, an effective interest income representing unwinding of discounted cash flows as per modified terms of TFCs amounting to Rs 10,661 million has been recognised in the profit or loss.

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 31 March 2025	Audited 30 June 2024
	Note	------(Rupees '000)-----	
Net investment in lease		148,449,078	155,470,356
Less: Current portion of net investment in lease	13.1	(53,321,932)	(50,268,663)
		<u>95,127,146</u>	<u>105,201,693</u>

13.1 Current portion of net investment in lease includes amounts billed to customers of Rs 39,091 million (30 June 2024: Rs 37,898 million) out of which Rs 36,671 million (30 June 2024: Rs 34,445 million) is overdue on account of inter-corporate circular debt. As disclosed in note 3, SECP has deferred the applicability of ECL model till financial year ending on or before 31 December 2025 on debts due directly or 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.

		Unaudited 31 March 2025	Audited 30 June 2024
		------(Rupees '000)-----	
14 TRADE DEBTS			
Un-secured- considered good		619,913,512	635,016,335
Un-secured- considered doubtful		92,113	94,363
		<u>620,005,625</u>	<u>635,110,698</u>
Provision for doubtful trade debts		(92,113)	(94,363)
		<u>619,913,512</u>	<u>635,016,335</u>

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- 14.1** Trade debts include overdue amount of Rs 558,629 million (30 June 2024: Rs 561,025 million) on account of inter-corporate circular debt, receivable from oil refineries, gas companies and power producers out of which Rs 255,023 million (30 June 2024: Rs 244,982 million) and Rs 244,987 million (30 June 2024: Rs 235,429 million) are overdue from related parties, Sui Northern Gas Pipeline Limited and Sui Southern Gas Company 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 3, SECP has deferred the applicability of ECL model till financial year ending on or before 31 December 2025 on financial assets due directly or ultimately from the GoP in consequence of the circular debt.

		Unaudited 31 March 2025	Audited 30 June 2024
	Note	------(Rupees '000)-----	
15	INCOME TAX- ADVANCE		
Income tax- advance at beginning of the period /year		54,019,658	33,315,033
Income tax paid during the period /year		114,400,126	119,557,099
Provision for current taxation- profit or loss	19	(93,027,587)	(101,941,856)
Tax credit related to remeasurement gain on employee retirement benefit plans- other comprehensive income		-	3,089,382
Income tax- advance at end of the period /year		<u>75,392,197</u>	<u>54,019,658</u>

16 **OTHER FINANCIAL ASSETS**

Investment in Term Deposit Receipts (TDRs)- at amortized cost	16.1	126,028,118	117,583,040
Investment in Pakistan Investment Bonds (PIBs)- at amortized cost	16.2	46,721,872	-
Investment at fair value through profit or loss- NIT units		620,114	387,287
		<u>173,370,104</u>	<u>117,970,327</u>

- 16.1** This represents foreign currency TDRs amounting to USD 440.993 million; Rs 123,478 million (30 June 2024: USD 419.479 million; Rs 116,699 million), and accrued interest amounting to USD 9.055 million; Rs 2,535 million (30 June 2024: USD 3.178 million; Rs 884 million), carrying interest rate ranging from 7.01% to 7.76% (30 June 2024: 8.51% to 11.01%) per annum, having maturities up to six months (30 June 2024: six months).

- 16.2** This represents PIBs amounting to Rs 45,950 million and accrued interest amounting to Rs 772 million, carrying interest rate ranging from 12.02% to 12.42% per annum, held for up to six months.

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	Three months ended 31 March		Nine months ended 31 March	
	2025	2024	2025	2024
	(Rupees '000)			
17 SALES- NET				
Gross sales				
Crude oil	49,219,209	53,018,328	147,773,893	173,227,149
Natural gas	54,537,398	58,064,381	163,793,968	172,962,632
Liquefied petroleum gas	13,266,379	14,944,453	36,892,273	40,272,895
Sulphur	-	-	344,313	109,722
	<u>117,022,987</u>	<u>126,027,162</u>	<u>348,804,446</u>	<u>386,572,398</u>
Government levies				
General sales tax	(11,759,457)	(12,377,785)	(35,599,003)	(35,858,647)
Petroleum levy	(296,099)	(323,575)	(834,846)	(948,160)
Excise duty	(483,512)	(537,272)	(1,463,458)	(1,601,878)
	<u>(12,539,068)</u>	<u>(13,238,632)</u>	<u>(37,897,307)</u>	<u>(38,408,685)</u>
	<u>104,483,919</u>	<u>112,788,530</u>	<u>310,907,139</u>	<u>348,163,713</u>

- 17.1** 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.

On 27 December 2017, the Ministry of Energy (Petroleum Division) (MoE) 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 43,866 million (30 June 2024: Rs 39,496 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).

- 17.2** 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 the financial statements after execution of GSA.
- 17.3** During the year ended 30 June 2024, MoE has approved formula for wellhead price of gas sale from Nur-Bagla field and the Company has applied, on 19 July 2024 by paying wellhead gas price application fee, to OGRA for notification of price of gas. Accordingly sales revenue has been recognised as per price applicable according to the formula approved by the MoE. In case of any change between price notified by OGRA and formula provided by MoE, there may be adjustment in revenue accordingly.

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		Three months ended		Nine months ended	
		31 March		31 March	
		2025	2024	2025	2024
	Note	(Rupees '000)			
18	FINANCE AND OTHER INCOME				
	Interest income on:				
	Investments and bank deposits	7,909,298	11,213,695	27,821,064	31,959,227
	Finance income- lease	4,781,695	5,371,528	14,749,037	16,635,899
	Delayed payments surcharge from customers	-	2,917,000	8,503,459	3,417,000
	Fair value loss on PIBs	12.6	-	-	(487,136)
	Effective interest income on TFCs	12.7	3,619,398	10,661,946	-
	Dividend income from NIT units	-	-	-	8,627
	Un-realized gain /(loss) on investments at fair value through profit or loss	(16,890)	10,670	232,826	125,539
	Exchange gain /(loss) -net	2,662,790	(3,114,997)	2,470,473	(8,785,924)
	Signature bonus /contract renewal fee	18.1	407,746	929,816	891,666
	Refund on account of liquidated damages /penalty imposed on suppliers	(2,051,717)	(90,133)	(1,809,475)	(46,397)
	Others	797,346	657,967	1,132,804	821,872
		18,109,666	17,270,871	64,691,950	44,540,373

18.1 This represents income recognized on account of signature bonus /contract renewal fee in respect of allocation of LPG quota.

		Three months ended 31 March		Nine months ended 31 March	
		2025	2024	2025	2024
		----- (Rupees '000) -----			
19	TAXATION				
	Current tax- charge /(credit)				
	- for the period	19,197,146	37,822,434	93,027,587	105,196,870
	- for prior years	-	-	-	(28,164,483)
		19,197,146	37,822,434	93,027,587	77,032,387
		933,966	(4,344,105)	466,300	(8,534,653)
	Deferred tax- credit for the period	20,131,112	33,478,329	93,493,887	68,497,734
		Three months ended 31 March		Nine months ended 31 March	
		2025	2024	2024	2023
20	EARNINGS PER SHARE- BASIC AND DILUTED				
	Profit for the period (Rupees '000)	47,149,242	47,807,693	129,605,908	171,103,709
	Average number of shares outstanding during the period ('000)	4,300,928	4,300,928	4,300,928	4,300,928
	Earnings per share- basic (Rupees)	10.96	11.12	30.13	39.78

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

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)			
Financial assets measured at fair value through profit or loss			
Other financial assets- NIT units			
31 March 2025	620,114	-	-
30 June 2024	387,287	-	-

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		Nine months ended 31 March	
		2025	2024
		------(Rupees '000)-----	
22	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	29,607,321	20,363,344
	Short term highly liquid investments	172,749,990	107,914,725
		<u>202,357,311</u>	<u>128,278,069</u>

23 RELATED PARTIES TRANSACTIONS

Government of Pakistan owns 74.97% (30 June 2024: 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 2024: 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 associates, 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 period end are as follows:

		Nine months ended 31 March	
		2025	2024
		------(Rupees '000)-----	

OREL- Subsidiary company- 100% shareholding of the Company and common directorship

Payable as at 31 March	100	-
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MEL- Associated company- 20% shareholding of the Company and common directorship

Share of profit in associate	9,139,958	11,251,357
Share of other comprehensive income of the associate	(3,530)	37,253
Dividend received	3,545,394	4,127,474
Expenditure charged by joint operations partner- net	(3,645,180)	(4,515,391)
Cash calls paid to joint operations partner- net	(3,428,622)	(3,106,345)
Share (various fields) payable as at 31 March	1,829,914	1,850,484
Share (various fields) receivable as at 31 March	196,787	26,285

PIOL- Associated company- 25% shareholding of the Company and common directorship

Cost of investment made during the period	6,975,000	7,047,500
Share of loss in associate	(226,808)	(67,648)
Share of other comprehensive income	77,840	(250,163)

PMPL- Associated company- 33.33% shareholding of the Company and common directorship

Cost of investment made during the period	10,089,600	3,118,455
Share of loss in associate	(1,331,801)	(1,768,331)
Share of other comprehensive income	293,421	(498,130)

Major shareholders

Government of Pakistan

Dividend paid	77,715,306	19,880,000
Dividend paid- Privatization Commission of Pakistan	3,563,192	2,209,000

OGDCL Employees' Empowerment Trust - note 7

Dividend withheld	-	40,006,503
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Nine months ended
31 March
2025 2024
------(Rupees '000)-----

RELATED PARTIES TRANSACTIONS- continued

Related parties by virtue of the GoP holdings and/ or common directorship

Sui Northern Gas Pipelines Limited

Sale of natural gas	73,706,335	84,495,390
Sale of liquefied petroleum gas	29,335	-
Trade debts as at 31 March	268,935,427	259,591,301
Payable as at 31 March	19,704	-

Pakistan State Oil Company Limited

Sale of liquefied petroleum gas	1,105,649	665,848
Purchase of petroleum, oil and lubricants	5,786,074	3,292,746
Payable as at 31 March	146,353	105,734
Advance against sale of LPG as at 31 March	142,101	187,716

Pakistan Petroleum Limited

Payable as at 31 March	3,383	206
Expenditure charged to /(by) joint operations partner- net	2,373,968	(296,189)
Cash calls paid to joint operations partner- net	(435,681)	322,233
Share (various fields) receivable as at 31 March	3,442,919	1,600,877
Share (various fields) payable as at 31 March	1,661,618	3,226,654

Pak Arab Refinery Company Limited

Sale of crude oil	9,405,576	23,066,986
Trade debts as at 31 March	2,153,847	7,759,404

PARCO Pearl Gas (Private) Limited

Sale of liquefied petroleum gas	563,410	1,036,636
Advance against sale of LPG as at 31 March	102,207	32,879

Pakistan Refinery Limited

Sale of crude oil	11,172,540	7,851,318
Trade debts as at 31 March	7,076,361	5,434,168

Khyber Pakhtunkhwa Oil & Gas Company

Expenditure charged to joint operations partner	49,856	63,248
Cash calls received from joint operations partner	832,922	516,618
Share (various fields) receivable as at 31 March	127,391	886,785

Sindh Energy Holding Company Limited

Expenditure charged to joint operations partner- net	1,789	296
Share (various fields) payable as at 31 March	394	-
Share (various fields) receivable as at 31 March	-	8,080

Sui Southern Gas Company Limited

Sale of natural gas	38,261,248	27,097,416
Sale of liquefied petroleum gas	813,153	696,635
Trade debts as at 31 March	256,268,896	235,355,607
Advance against sale of LPG as at 31 March	128,260	44,081

Sui Southern Gas Company LPG (Pvt) Limited

Sale of liquefied petroleum gas	18,296	174,871
Advance against sale of LPG as at 31 March	72	43,782

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	Nine months ended	
	31 March	
	2025	2024
	------(Rupees '000)-----	
RELATED PARTIES TRANSACTIONS- continued		
Government Holdings (Private) Limited		
Expenditure charged to joint operations partner	3,845,225	4,664,572
Cash calls received from joint operations partner	3,402,547	4,007,917
Share (various fields) payable as at 31 March	3,935,129	3,597,924
Share (various fields) receivable as at 31 March	679,018	-
National Investment Trust		
Investment as at 31 March	620,114	355,369
Dividend received	-	8,627
National Bank of Pakistan		
Balance at bank as at 31 March	3,728,198	2,134,063
Balance of investment in TDRs as at 31 March (including accrued interest)	96,436,663	77,258,913
Interest earned	6,889,256	6,874,058
Power Holding Limited		
Mark-up earned	-	15,139,963
Balance of past due principal repayment of TFCs as at 31 March	-	82,000,000
Balance of mark-up receivable on TFCs as at 31 March	80,271,356	-
Balance of past due mark-up receivable on TFCs as at 31 March	-	88,347,432
National Insurance Company Limited		
Insurance premium paid	1,345,800	1,639,901
Payable as at 31 March	24,323	5,578
National Logistic Cell		
Crude transportation charges paid	1,216,982	1,258,248
Payable as at 31 March	747,378	505,869
Enar Petrotech Services Limited		
Consultancy services	19,468	15,129
Enar Petroleum Refining Facility		
Sale of crude oil	27,964,876	25,648,424
Trade debts as at 31 March	7,169,675	5,565,785
Other related parties		
Contribution to pension fund	12,477,369	2,000,000
Contribution to gratuity fund	-	189,493
Remuneration including benefits and perquisites of key management personnel	1,028,051	935,212

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24 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 2024.

25 NON ADJUSTING EVENT AFTER REPORTING DATE

The Board of Directors approved interim cash dividend at the rate of 3.00 per share amounting to 12,903 million in its meeting held on 29 April 2025.

26 GENERAL

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

27 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements were authorized for issue on 29 April 2025 by the Board of Directors of the Company.



Chief Financial Officer



Chief Executive



Director