

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**CONDENSED INTERIM BALANCE SHEET [UNAUDITED]**  
**AS AT 31 MARCH 2015**

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 March</b>	<b>30 June</b>
	<b>2015</b>	<b>2014</b>
<b>Note -----(Rupees '000)-----</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Share capital	43,009,284	43,009,284
Capital reserves	7,243,500	6,606,000
Unappropriated profit	<u>380,646,176</u>	<u>346,055,921</u>
	<u>430,898,960</u>	<u>395,671,205</u>
<b>NON CURRENT LIABILITIES</b>		
Deferred taxation	<u>18,786,863</u>	<u>22,270,517</u>
Deferred employee benefits	<u>11,169,248</u>	<u>9,827,561</u>
Provision for decommissioning cost	<u>22,684,596</u>	<u>20,417,830</u>
	52,640,707	52,515,908
<b>CURRENT LIABILITIES</b>		
Trade and other payables	4 51,298,427	48,045,567
	<u>534,838,094</u>	<u>496,232,680</u>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	5	

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

Chief Executive

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 March</b>	<b>30 June</b>
	<b>2015</b>	<b>2014</b>
<b>Note -----(Rupees '000)-----</b>		
<b>NON CURRENT ASSETS</b>		
Fixed assets		
Property, plant and equipment	6 99,714,419	71,803,994
Development and production assets - intangible	7 81,716,119	74,329,473
Exploration and evaluation assets	8 8,679,365	9,637,788
	190,109,903	155,771,255
Long term investments	9 140,603,570	140,393,508
Long term loans and receivable	5,816,392	5,170,798
Long term prepayments	<u>540,009</u>	<u>736,992</u>
	337,069,874	302,072,553
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	<u>19,813,940</u>	<u>18,502,922</u>
Stock in trade	317,499	420,626
Trade debts	10 108,376,540	100,510,995
Loans and advances	11 7,182,144	7,909,281
Deposits and short term prepayments	1,379,471	1,336,238
Interest accrued	11,338,405	10,110,450
Other receivables	278,579	661,017
Income tax - advance	12 17,891,403	14,319,141
Other financial assets	13 28,110,996	37,537,297
Cash and bank balances	<u>3,079,243</u>	<u>2,852,160</u>
	197,768,220	194,160,127
	<u>534,838,094</u>	<u>496,232,680</u>

Director

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

	Note	Three months ended 31 March		Nine months ended 31 March	
		2015	2014	2015	2014
------(Rupees '000)-----					
Sales - net	14	44,049,432	64,192,052	162,693,068	190,362,252
Royalty		(4,962,653)	(7,469,340)	(18,483,650)	(21,978,312)
Operating expenses		(11,023,356)	(12,940,103)	(37,156,228)	(33,253,518)
Transportation charges		(487,205)	(624,456)	(1,521,408)	(1,822,890)
		<u>(16,473,214)</u>	<u>(21,033,899)</u>	<u>(57,161,286)</u>	<u>(57,054,720)</u>
<b>Gross profit</b>		<b>27,576,218</b>	<b>43,158,153</b>	<b>105,531,782</b>	<b>133,307,532</b>
Other income	15	5,269,621	2,079,433	15,491,161	14,199,015
Exploration and prospecting expenditure		(1,588,342)	(1,922,117)	(7,861,178)	(6,746,672)
General and administration expenses		(735,825)	(903,424)	(2,810,572)	(2,047,201)
Finance cost		(658,293)	(665,183)	(1,900,688)	(1,758,077)
Workers' profit participation fund		(1,494,491)	(2,088,819)	(5,426,583)	(6,852,006)
Share of profit in associate - net of taxation		<u>26,442</u>	<u>29,521</u>	<u>81,151</u>	<u>85,529</u>
<b>Profit before taxation</b>		<b>28,395,330</b>	<b>39,687,564</b>	<b>103,105,073</b>	<b>130,188,120</b>
Taxation	16	<u>(8,217,266)</u>	<u>(15,976,180)</u>	<u>(35,098,637)</u>	<u>(39,249,806)</u>
<b>Profit for the period</b>		<b><u>20,178,064</u></b>	<b><u>23,711,384</u></b>	<b><u>68,006,436</u></b>	<b><u>90,938,314</u></b>
<b>Earnings per share - basic and diluted (Rupees)</b>	17	<b><u>4.69</u></b>	<b><u>5.51</u></b>	<b><u>15.81</u></b>	<b><u>21.14</u></b>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

Chief Executive

Director

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

	<b>Three months ended 31 March</b>		<b>Nine months ended 31 March</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	----- <b>(Rupees '000)</b> -----			
<b>Profit for the period</b>	20,178,064	23,711,384	68,006,436	90,938,314
Other comprehensive income/(loss) for the period				
Items that will not be reclassified to profit or loss				
Remeasurement loss on employee retirement benefit plans	-	-	(1,059,171)	(2,074,464)
Tax credit related to remeasurement loss on employee retirement benefit plans				
Current tax credit	-	-	537,454	12,439,444
Deferred tax charge	-	-	-	(11,401,797)
	-	-	537,454	1,037,647
	-	-	(521,717)	(1,036,817)
<b>Total comprehensive income for the period</b>	<u>20,178,064</u>	<u>23,711,384</u>	<u>67,484,719</u>	<u>89,901,497</u>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

**Chief Executive**

**Director**

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

	Nine months ended 31 March	
	2015	2014
Note	----- (Rupees '000) -----	
<b>Cash flows from operating activities</b>		
Profit before taxation	103,105,073	130,188,120
Adjustments for:		
Depreciation	4,135,166	3,337,928
Amortization of development and production assets	11,739,379	10,980,240
Impairment on assets	433,276	720,860
Reversal of impairment on assets	-	(583,758)
Royalty	18,483,650	21,978,312
Workers' profit participation fund	5,426,583	6,852,006
Provision for employee benefits	3,139,688	3,212,700
Un-winding of discount on provision for decommissioning cost	1,889,929	1,746,453
Interest income	(13,281,330)	(13,839,151)
Un-realized loss/(gain) on investments at fair value through profit or loss	3,905	(60,840)
Dividend income	(18,615)	(17,026)
Loss/(gain) on disposal of property, plant and equipment	9,153	(16,920)
Share of profit in associate	(81,151)	(85,529)
Stores inventory written off	7,773	12,140
	134,992,479	164,425,535
<b>Working capital changes</b>		
(Increase)/decrease in current assets:		
Stores, spare parts and loose tools	(1,318,791)	(1,666,683)
Stock in trade	103,127	(23,789)
Trade debts	(7,865,545)	(22,745,572)
Deposits and short term prepayments	(43,233)	(113,421)
Advances and other receivables	117,206	(2,058,203)
Increase/ (decrease) in current liabilities:		
Trade and other payables	7,808,524	(5,145,629)
<b>Cash generated from operations</b>	133,793,767	132,672,238
Royalty paid	(20,894,070)	(23,592,217)
Employee benefits paid	(13,592,711)	(11,887,476)
Long term prepayments	196,983	(294,646)
Received from workers' profit participation fund	346,775	525,459
Income taxes paid	(41,617,099)	(36,153,975)
	(75,560,122)	(71,402,855)
Net cash from operating activities	58,233,645	61,269,383
<b>Cash flows from investing activities</b>		
Capital expenditure	(49,174,675)	(32,523,533)
Interest received	12,423,218	17,707,832
Dividends received	36,990	86,557
Purchase of investments	(517,129)	(425,000)
Proceeds from disposal of property, plant and equipment	21,247	29,153
Net cash used in investing activities	(37,210,349)	(15,124,991)
<b>Cash flows from financing activities</b>		
Dividends paid	(30,218,609)	(19,748,154)
Net cash used in financing activities	(30,218,609)	(19,748,154)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(9,195,313)	26,396,238
<b>Cash and cash equivalents at beginning of the period</b>	40,113,906	42,414,472
<b>Cash and cash equivalents at end of the period</b>	18 30,918,593	68,810,710

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

Chief Executive

Director

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

	Share capital	Capital reserves		Unappropriated profit	Total equity
		Capital reserve	Self insurance		
------(Rupees '000)-----					
<b>Balance at 01 July 2013</b>	43,009,284	836,000	4,920,000	263,500,737	312,266,021
Transfer to self insurance reserve	-	-	639,821	(639,821)	-
Charged to self insurance reserve	-	-	(2,321)	2,321	-
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	90,938,314	90,938,314
Other comprehensive loss for the period	-	-	-	(1,036,817)	(1,036,817)
Total comprehensive income for the period	-	-	-	89,901,497	89,901,497
<b>Transactions with owners, recorded directly in equity</b>					
Final dividend 2013: Rs 2.75 per share	-	-	-	(11,827,553)	(11,827,553)
First interim dividend 2014: Rs 2.00 per share	-	-	-	(8,601,857)	(8,601,857)
Second interim dividend 2014: Rs 2.00 per share	-	-	-	(8,601,857)	(8,601,857)
Total distributions to owners	-	-	-	(29,031,267)	(29,031,267)
<b>Balance at 31 March 2014</b>	<u>43,009,284</u>	<u>836,000</u>	<u>5,557,500</u>	<u>323,733,467</u>	<u>373,136,251</u>
<b>Balance at 01 July 2014</b>	43,009,284	836,000	5,770,000	346,055,921	395,671,205
Transfer to self insurance reserve	-	-	639,763	(639,763)	-
Charged to self insurance reserve	-	-	(2,263)	2,263	-
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	68,006,436	68,006,436
Other comprehensive loss for the period	-	-	-	(521,717)	(521,717)
Total comprehensive income for the period	-	-	-	67,484,719	67,484,719
<b>Transactions with owners, recorded directly in equity</b>					
Final dividend 2014: Rs 3.00 per share	-	-	-	(12,902,786)	(12,902,786)
First interim dividend 2015: Rs 2.50 per share	-	-	-	(10,752,321)	(10,752,321)
Second interim dividend 2015: Rs 2.00 per share	-	-	-	(8,601,857)	(8,601,857)
Total distributions to owners	-	-	-	(32,256,964)	(32,256,964)
<b>Balance at 31 March 2015</b>	<u>43,009,284</u>	<u>836,000</u>	<u>6,407,500</u>	<u>380,646,176</u>	<u>430,898,960</u>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

Chief Executive

Director

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

**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. 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 Company is listed on all the three stock exchanges of Pakistan and its Global Depository Shares (1GDS = 10 ordinary shares of the Company) are listed on the London Stock Exchange.

**2 BASIS OF PREPARATION**

This condensed interim financial information of the Company for nine months period ended 31 March 2015 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The disclosures in this condensed interim financial information, do not include that reported for full audited annual financial statements and should therefore be read in conjunction with the audited annual financial statements for the year ended 30 June 2014. Comparative condensed interim balance sheet is extracted from the audited annual financial statements as of 30 June 2014, whereas comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are stated from unaudited condensed interim financial information for the nine months period ended 31 March 2014.

This condensed interim financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and listing regulations of Karachi Stock Exchange Limited.

**3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS**

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of this condensed interim financial information and financial risk management policies are the same as those applied in preparation of annual audited financial statements for the year ended 30 June 2014.

		<b>Unaudited 31 March 2015</b>	<b>Audited 30 June 2014</b>
	<b>Note</b>	<b>------(Rupees '000)-----</b>	
<b>4 TRADE AND OTHER PAYABLES</b>			
Creditors		358,642	1,534
Payable to Government of Pakistan -on account of Kunnar discount	4.1	2,085,112	2,085,112
Accrued liabilities		5,331,480	5,461,545
Royalty payable		2,619,833	5,030,253
Excise duty payable		227,281	263,989
General sales tax payable		1,549,027	1,843,507
Provincial sales tax payable		-	7,528
Gas Infrastructure Development Cess (GIDC) Payable		1,934,852	-
Payable to joint venture partners		5,601,082	4,554,969
Retention money		6,246,638	1,617,016
Trade deposits		102,210	73,478
Employees' pension trust		2,180,914	11,791,096
Workers' profit participation fund - net		5,426,583	-
Un-paid dividend	4.2	16,211,064	13,936,304
Un-claimed dividend		179,814	416,219
Payable to benevolent fund		32	15
Advances from customers		844,337	873,443
Other payables		399,526	89,559
		<u>51,298,427</u>	<u>48,045,567</u>

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

- 4.1** This represents payable to Ministry of Finance in respect of price discount on Kunnar crude sale, withheld by the Company due to related receivable from a customer and tax recoveries made by tax authorities. Also refer note 5.1.1 to the condensed interim financial information.
- 4.2** This includes an amount of Rs 8,469 million (30 June 2014: Rs 5,228 million) payable to OGDCL Employees' Empowerment Trust. The payment of dividend has been withheld since the GoP is considering to revamp Benazir Employees' Stock Option Scheme (BESOS) as communicated to the Company by Privatization Commission of Pakistan through Letter no 13(4)12/PC(BESOS)/OGDCL dated 30 June 2014.

**5 CONTINGENCIES AND COMMITMENTS**

**5.1 Contingencies**

- 5.1.1** During the year ended 30 June 2014, tax authorities raised demands of Rs 13,370 million by disallowing effect of price discount on sale of crude from Kunnar field. Upto 31 March 2015, the tax authorities have recovered Rs 3,532 million (30 June 2014: Rs 1,375 million) from the Company. The Company has filed an appeal before Appellate Tribunal Inland Revenue (ATIR). Management and its legal advisor are of the view that the price discount is not income of the Company and hence not liable to tax. Accordingly, management is confident that the matter will be decided in favour of the Company as the discounted price for Kunnar field was finally determined by the Ministry of Petroleum and Natural Resources (MPNR) and major portion of price discount amount was paid to the Government of Pakistan (GoP) during the year ended 30 June 2014 upon directions from the Ministry of Finance, to this effect. Also refer note 4.1 to the condensed interim financial information.

- 5.1.2** Claims against the Company not acknowledged as debts amounted to Rs 1,486.038 million at period end (30 June 2014: Rs 1,486.038 million).

- 5.1.3** Certain banks have issued guarantees on behalf of the Company in ordinary course of business aggregating Rs 1.707 million (30 June 2014: Rs 1.707 million).

**5.2 Commitments**

- 5.2.1** Commitments outstanding at period end amounted to Rs 43,227.236 million (30 June 2014: Rs 47,553.857 million). These include amounts aggregating to Rs 28,571.456 million (30 June 2014: Rs 27,035.950 million) representing the Company's share in the minimum work commitments under Petroleum Concession Agreements.

- 5.2.2** 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 15,319.458 million (30 June 2014: Rs 28,731.248 million).

- 5.2.3** The Company's share of associate commitments for capital expenditure based on the financial information of associate for the period ended 31 December 2014 was Rs 1,295.395 million (30 June 2014: Rs 1,782.398 million).

	<b>Unaudited</b>	<b>Audited</b>
	<b>31 March</b>	<b>30 June</b>
	<b>2015</b>	<b>2014</b>
<b>Note</b>	<b>------(Rupees '000)-----</b>	
<b>6 PROPERTY, PLANT AND EQUIPMENT</b>		
Carrying amount at beginning of the period/ year	71,803,994	52,605,226
Additions/adjustments during the period/ year	6.1 32,995,924	25,086,393
Book value of disposals	(30,400)	(25,397)
Depreciation charge for the period/ year	(4,865,509)	(5,485,142)
Impairment charge for the period/ year	(189,590)	(135,668)
Revision in estimate of decommissioning cost during the period/ year	-	(241,418)
Carrying amount at end of the period/ year	<u>99,714,419</u>	<u>71,803,994</u>

**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

	<b>Unaudited 31 March 2015</b>	<b>Audited 30 June 2014</b>
	------(Rupees '000)-----	
<b>6.1 Additions/adjustments during the period/ year</b>		
Freehold land	5,606	364
Buildings, offices and roads on freehold land	28,065	527,424
Buildings, offices and roads on leasehold land	82,759	973,440
Plant and machinery	5,020,255	11,190,956
Rigs	(282,960)	2,950,401
Pipelines	1,619,759	1,425,869
Office and domestic equipment	186,595	61,249
Office and technical data computers	83,126	195,848
Furniture and fixture	10,706	12,490
Vehicles	176,398	352,682
Decommissioning cost	-	(397,025)
Capital work in progress (net)	26,006,543	6,728,832
Stores held for capital expenditure (net)	59,072	1,063,863
	<u>32,995,924</u>	<u>25,086,393</u>
<b>7 DEVELOPMENT AND PRODUCTION ASSETS - INTANGIBLE</b>		
Carrying amount at beginning of the year	74,329,473	74,651,460
Additions	13,365,211	18,189,251
Transferred from exploration and evaluation assets during the period/year	6,004,500	1,244,211
Amortization charge for the period/ year	(11,739,379)	(18,061,296)
Revision of decommissioning cost	-	(1,692,719)
Impairment charge for the period/ year	(243,686)	(585,192)
Reversal of impairment during the period/ year	-	583,758
Carrying amount at end of the period/ year	<u>81,716,119</u>	<u>74,329,473</u>
<b>8 EXPLORATION AND EVALUATION ASSETS</b>		
Balance at beginning of the period/ year	7,913,076	4,811,334
Additions during the period/ year	7,555,007	8,784,888
	<u>15,468,083</u>	<u>13,596,222</u>
Cost of dry and abandoned wells during the period/ year	(2,893,889)	(4,438,935)
Cost of wells transferred to development and production assets during the period/ year	(6,004,500)	(1,244,211)
	<u>(8,898,389)</u>	<u>(5,683,146)</u>
	6,569,694	7,913,076
Stores held for exploration and evaluation activities	2,109,671	1,724,712
Balance at end of the period/ year	<u>8,679,365</u>	<u>9,637,788</u>



**OIL AND GAS DEVELOPMENT COMPANY LIMITED**  
**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION [UNAUDITED]**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2015**

		<b>Unaudited 31 March 2015</b>	<b>Audited 30 June 2014</b>
	<b>Note</b>	----- <b>(Rupees '000)</b> -----	
<b>9</b>	<b>LONG TERM INVESTMENTS</b>		
	<b>Investment in related party - associate, quoted</b>		
	Mari Petroleum Company Limited (MPCL)	438,583	375,807
	<b>Investments held to maturity</b>		
	Term Deposit Receipts (TDRs)	5,862,129	5,345,000
	Investment in Pakistan Investment Bonds	52,302,858	52,672,701
	Investment in Term Finance Certificates	82,000,000	82,000,000
		<u>140,164,987</u>	<u>140,017,701</u>
		<u>140,603,570</u>	<u>140,393,508</u>

**9.1** The latest available unaudited financial statements of MPCL are that of 31 December 2014. For the purpose of applying equity method of accounting, the assets, liabilities and results are based on unaudited financial statements of MPCL for the period ended 31 December 2014 (2013 : 31 December 2013) prorated for the nine months period. The financial statements of MPCL for the nine months period ended 31 March 2015 were not issued till the date of authorization of condensed interim financial information of the Company.

**9.2** These represent investments in local currency TDRs. Face value of these investments is Rs 5,862 million (30 June 2014: Rs 5,345 million) and carry effective interest rate of 9.91% (30 June 2014: 10.75%) per annum. These investments are earmarked against self insurance reserve.

**9.3** This represent investment in Pakistan Investment Bonds (PIBs) carrying interest rate of 11.50% per annum. These PIBs were issued on 19 July 2012 for a period of five years maturing on 19 July 2017.

**9.4** This represents investment in Privately Placed Term Finance Certificates (TFCs) amounting to Rs 82 billion. In 2013, the Government of Pakistan, for partial resolution of circular debt issue prevailing in the energy sector, approved issuance of TFCs amounting to Rs 82 billion by Power Holding (Private) Limited (PHPL). These TFCs were subscribed by the Company in order to settle its overdue receivables from oil refineries and gas companies.

TFCs are for a period of seven (7) years including grace period of three (3) years carrying interest rate of KIBOR + 1%, payable semi-annually. The principal portion of these TFCs shall be repaid in eight (8) equal installments starting from 42nd month of date of transaction. National Bank of Pakistan executed the transaction on 10 September 2012 as Trustee. These TFCs are secured by Sovereign Guarantee, covering the principal, markup, and/or any other amount becoming due for payment in respect of investment in TFCs. The interest due as of 31 March 2015 was Rs 9,609 million (30 June 2014: Rs 6,911 million) of which Rs 9,151 million (30 June 2014: Rs 4,083 million) was past due as of the balance sheet date.

		<b>Unaudited 31 March 2015</b>	<b>Audited 30 June 2014</b>
		----- <b>(Rupees '000)</b> -----	
<b>10</b>	<b>TRADE DEBTS</b>		
	Un-secured, considered good	108,376,540	100,510,995
	Un-secured, considered doubtful	112,782	112,782
		<u>108,489,322</u>	<u>100,623,777</u>
	Provision for doubtful debts	(112,782)	(112,782)
		<u>108,376,540</u>	<u>100,510,995</u>

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**10.1** Trade debts include overdue amount of Rs 73,408 million (30 June 2014: Rs 53,265 million) mainly on account of Inter-Corporate Circular debt, receivable from oil refineries and gas companies. The Government of Pakistan (GoP) is pursuing for satisfactory settlement of Inter-Corporate Circular debt issue, the Company considers this amount to be fully recoverable.

**11 LOANS AND ADVANCES**

This includes an amount of Rs 3,180 million (30 June 2014: 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 from July 2004 to March 2011. Based on Sales Tax General Order (STGO) 1 of 2000 dated 24 January 2000, the matter was argued before various appellate forums, however, the Supreme Court of Pakistan finally decided the issue against the Company on 15 April 2013. The FBR granted time relaxation to the Company for issuance of debit note for an amount of Rs 750 million for the period April 2011 to May 2012, accounted for as trade debt. Uch Power Limited (UPL) challenged the grant of time relaxation to the Company by FBR before Islamabad High Court. On 27 December 2013, the Honourable Court decided the matter in favour 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 for the remaining amount of Rs 3,180 million for the period from July 2004 to March 2011 and currently the matter is pending with FBR.

UPL has filed an Intra Court appeal against the decision of the Islamabad High Court. Management and its legal advisor are confident that the Intra Court appeal by UPL will also be decided in favour of the Company.

	<b>Unaudited 31 March 2015</b>	<b>Audited 30 June 2014</b>
<b>Note</b>	----- <b>(Rupees '000)</b> -----	
<b>12 INCOME TAX - ADVANCE</b>		
Income tax- advance/ (provision for taxation) at beginning of the period/ year	14,319,141	(2,238,065)
Income tax paid during the period/ year	39,459,509	53,272,836
Income tax recovered by tax authorities during the period/ year	2,157,590	1,374,654
Provision for current taxation for the period/ year- Profit and loss account	(29,178,695)	(52,258,517)
Tax credit related to remeasurement loss on employee retirement benefit plans for the period/ year - other comprehensive income	537,454	13,204,249
Provision for taxation - prior years	(9,403,596)	963,984
Income tax - advance at end of the period/ year	12.1 <u>17,891,403</u>	<u>14,319,141</u>

**12.1** This includes Rs 3,532 million (30 June 2014: Rs 1,375 million) recovered by tax authorities as fully explained in note 5.1.1 to this condensed interim financial information.

	<b>Unaudited 31 March 2015</b>	<b>Audited 30 June 2014</b>
<b>Note</b>	----- <b>(Rupees '000)</b> -----	
<b>13 OTHER FINANCIAL ASSETS</b>		
Investments:		
At fair value through profit or loss - NIT units	271,646	275,551
Investment in Term Deposits	13.1 <u>27,839,350</u>	<u>37,261,746</u>
	<u>28,110,996</u>	<u>37,537,297</u>

**13.1** This includes foreign currency TDRs amounting to USD 272.001 million (30 June 2014: USD 319.401 million), carrying interest rate ranging from 2.77% to 4.85% (30 June 2014: 3.25% to 3.95%) per annum, having maturities between three months to six months. There is no local currency TDRs as on 30 March 2015 (30 June 2014: Rs 5,587 million).

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	Three months ended 31 March		Nine months ended 31 March	
	2015	2014	2015	2014
----- <b>(Rupees '000)</b> -----				
<b>14 SALES - net</b>				
<b>Gross sales</b>				
Crude oil	17,016,231	33,314,758	74,693,284	100,037,111
Gas	30,743,654	35,311,902	102,505,359	103,940,411
Liquefied petroleum gas	1,794,120	1,455,107	5,244,933	4,130,450
Sulphur	13,000	239,883	351,645	492,245
Other operating revenue	14,415	54,275	47,120	83,119
	<u>49,581,420</u>	<u>70,375,925</u>	<u>182,842,341</u>	<u>208,683,336</u>
<b>Government levies</b>				
Excise duty	(800,663)	(856,159)	(2,500,331)	(2,600,156)
Development surcharge	(49)	-	(49)	-
General sales tax	(4,731,276)	(5,327,714)	(15,714,041)	(15,720,928)
Gas Infrastructure Development Cess (GIDC)	-	-	(1,934,852)	-
	<u>(5,531,988)</u>	<u>(6,183,873)</u>	<u>(20,149,273)</u>	<u>(18,321,084)</u>
	<u>44,049,432</u>	<u>64,192,052</u>	<u>162,693,068</u>	<u>190,362,252</u>

**14.1** Oil and gas sales include sales from Dhachrapur, Nur-Bagla and Jakhro fields invoiced on provisional prices. There may be adjustment in revenue upon issuance of final wellhead prices notification by Ministry of Petroleum and Natural Resources (MPNR), impact of which cannot be determined at this stage.

**14.2** On 20 February 2012, OGDCL entered into an agreement with M/s Jamshoro Joint Venture Limited (JJVL) to process gas from Kunnar Pasahki Deep (KPD) to produce Natural Gas Liquids (NGL), Liquefied Petroleum Gas (LPG) and Condensate in consideration of gas processing charges. However, Sui Southren Gas Company Limited (SSGCL) claimed that as per applicable petroleum policy the delivery point should be KPD field gate instead of JJVL plant. The matter was discussed between the parties and SSGCL viewpoint was accepted. A term sheet was signed between OGDCL and SSGCL in 2013. Resultantly, the delivery point was changed to KPD field gate and OGDCL renounced its right on LPG, etc. production. Consequently the Company issued a provisional credit note of Rs 2,285 million in prior years related to revenue from sale of LPG, NGL & condensate from the JJVL field net of processing and other ancillary charges. OGDCL also recorded a provisional debit note amounting to Rs 164.445 million relating to additional gas sales revenue to SSGCL on account of the change in delivery point from JJVL plant to KPD field gate. These credit and debit notes recorded in the books of accounts in prior years are provisional and the final prices will be agreed between SSGCL and OGDCL upon execution of Gas Sales Agreement (GSA) and adjustments, if any, will be incorporated in the books on finalization of GSA.

	Three months ended 31 March		Nine months ended 31 March	
	2015	2014	2015	2014
----- <b>(Rupees '000)</b> -----				
<b>15 OTHER INCOME</b>				
<b>Income from financial assets</b>				
Interest income	4,160,117	4,812,532	13,281,330	13,839,151
Dividend income from NIT units	-	-	18,615	17,026
Un-realized (loss)/gain on investments at fair value through profit or loss	(28,150)	27,560	(3,905)	60,840
Exchange (loss)/gain - net	501,878	(2,961,550)	1,308,329	(141,648)
Others	635,776	200,891	886,792	423,646
	<u>5,269,621</u>	<u>2,079,433</u>	<u>15,491,161</u>	<u>14,199,015</u>

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	Three months ended 31 March		Nine months ended 31 March	
	2015	2014	2015	2014
------(Rupees '000)-----				
<b>16 TAXATION</b>				
Current - charge/(credit)				
- for the period	6,651,922	12,227,056	29,178,695	39,480,871
- for prior period	-	4,222,790	9,403,596	883,483
	6,651,922	16,449,846	38,582,291	40,364,354
Deferred - charge/(credit)				
- for the period	1,565,344	744,135	2,785,649	103,253
- for prior period	-	(1,217,801)	(6,269,303)	(1,217,801)
	1,565,344	(473,666)	(3,483,654)	(1,114,548)
	<u>8,217,266</u>	<u>15,976,180</u>	<u>35,098,637</u>	<u>39,249,806</u>

**17 EARNINGS PER SHARE - BASIC AND DILUTED**

Profit for the period (Rupees '000)	20,178,064	23,711,384	68,006,436	90,938,314
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)	4.69	5.51	15.81	21.14

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

Unaudited 31 March 2015	Unaudited 31 March 2014
------(Rupees '000)-----	

**18 CASH AND CASH EQUIVALENTS**

Cash and bank balances	3,079,243	12,840,650
Short term highly liquid investments	27,839,350	55,970,060
	<u>30,918,593</u>	<u>68,810,710</u>

**19 RELATED PARTIES TRANSACTIONS**

Government of Pakistan owns 74.97% (30 June 2014: 74.97%) shares of the Company. Therefore, all entities owned and controlled by the Government of Pakistan are related parties of the Company. Other related parties comprise associated company, major shareholders, directors, companies with common directorship, key management personnel and employees pension trust. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan which are not material, hence not disclosed in this condensed interim financial information. Transactions of the Company with related parties and balances outstanding at period end are as follows:

	Nine months ended 31 March	
	2015	2014
------(Rupees '000)-----		
<b>Associated company</b>		
Share of profit in associate - net of taxation	81,151	85,529
<b>Major shareholders</b>		
<b>Government of Pakistan</b>		
Dividend paid	24,184,041	15,316,570
Payable as at 31 March - Dividend	5,804,160	6,449,082

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	Nine months ended 31 March	
	2015	2014
	------(Rupees '000)-----	
<b>RELATED PARTIES TRANSACTIONS - Continued</b>		
<b>Related parties by virtue of common directorship and GoP holdings</b>		
<b>Government Holdings (Private) Limited (GHPL)</b>		
GHPL share (various fields)	33,297	66,668
Receivable as at 31 March	1,041,325	585,067
<b>Power Holding (Private) Limited (PHPL)</b>		
Markup earned	6,780,704	6,312,764
Receivable as at 31 March- Investment in TFCs and markup	91,608,738	86,633,157
<b>State Bank of Pakistan</b>		
Interest earned on Pakistan Investment Bonds ( PIBs)	4,383,145	4,383,145
Receivable as at 31 March- Investment in PIBs and markup	51,924,475	51,924,475
<b>Pak Arab Refinery Company Limited</b>		
Sale of crude oil	7,782,368	5,957,287
Trade debts as at 31 March	956,409	1,801,357
Advance as at 31 March	-	3,439,538
<b>Sui Northern Gas Pipelines Limited</b>		
Sale of natural gas	39,951,338	46,718,344
Purchase of high BTU value gas	2,991,030	3,028,736
Trade debts as at 31 March	19,299,799	14,099,754
Payable as at 31 March	267,823	-
<b>Sui Southern Gas Company Limited</b>		
Sale of natural gas	40,538,355	45,101,359
Pipeline rental charges	27,495	37,194
Trade debts as at 31 March	66,171,039	52,268,946
<b>Pakistan State Oil Company Limited</b>		
Purchase of petroleum, oil and lubricants	2,878,877	3,378,908
Trade debts as at 31 March	1,867	1,867
Payable as at 31 March	2,200	-
<b>National Insurance Company Limited</b>		
Insurance premium paid	372,647	448,211
<b>National Logistic Cell</b>		
Crude transportation charges paid	1,194,771	995,792
Payable as at 31 March	423,480	385,786
<b>Enar Petrotech Services Limited</b>		
Consultancy services	30,724	86,255
Sale of crude oil	7,359,704	10,362,683
Trade debts as at 31 March	933,088	2,043,563
Payable as at 31 March	-	13,967
<b>Other related parties</b>		
Contribution to staff benefit funds	12,767,909	10,852,171
Remuneration including benefits and perquisites of key management	431,721	370,490

Key management personnel comprises chief executive, executive directors and general managers of the Company.

- Executive means any employee whose basic salary exceeds Rs 500,000 (30 June 2014: Rs 500,000) per year.

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**20 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 2014

**21 NON ADJUSTING EVENT AFTER BALANCE SHEET DATE**

The Board of Directors approved interim cash dividend at the rate of Rs 1.75 per share amounting to Rs 7,527 million in its meeting held on 23 April 2015.

**22 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorized for issue on 23 April 2015 by the Board of Directors of the Company.

**23 GENERAL**

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

**Chief Executive**

**Director**