



REPORT ON
PAYMENTS TO
GOVERNMENTS FOR
THE YEAR ENDED
JUNE 30, 2019

INTRODUCTION

Oil and Gas Development Company Limited (OGDCL) has prepared the following report on payments to governments ('Report') for the year ended June 30, 2019 in accordance with the Reports on Payments to Governments Regulations 2014 (2014/3209), as amended by the Reports on Payments to Governments (Amendment) Regulations 2015 (2015/1928), (the 'Regulations'). The Report also addresses OGDCL reporting obligations under DTR 4.3A of the Financial Conduct Authority Disclosure Guidance and Transparency Rules. The 'Basis of Preparation' section below contains information about the content of the Report, the types of payments included and the principles that have been applied in preparing the Report.

BASIS FOR PREPARATION

Activities

Payments made by OGDCL to governments arising from activities involving the exploration, prospection, discovery, development, and extraction of minerals, oil and natural gas deposits (extractive) activities are disclosed in this Report.

Government

The term "government" refers to any national, regional or local authority of a country, and includes a department, agency or entity that is a subsidiary of a government.

Project

Payments are reported at project level except that payments that are not attributable to a specific project are reported at entity level. Project is defined as operational activities which are governed by a single contract, license, lease, concession or similar legal agreement, and form the basis for payment of liabilities with a government.

Payments

The information is reported under the following payment types :

Production entitlements

Under Production - sharing agreements (PSAs), the production is shared between the government and other parties to the PSA. For the year ended June 30, 2019, there were no reportable production entitlement payments to a government.

Taxes

These are taxes paid by OGDCL on its income, profits or production. Payments are reported net of refunds. Consumption taxes, personal income taxes, sales taxes, Gas Infrastructure Development Cess, Petroleum Levy, Federal Excise Duty, procurements (Contractors withholding taxes), withholding property taxes and custom duties are excluded.

Royalties

These are payments for the rights to extract oil and gas resources, typically at set percentage of revenue less any deductions that may be taken. Any adjustments related to prior year are reported as negative amounts in the Report.

Dividends

These are dividend payments other than dividends paid to a government as an ordinary shareholder of an entity unless paid in lieu of production entitlements or royalties. For the year ended June 30, 2019, there were no reportable dividend payments to a government.

Bonuses

These are payments for Bonuses. These are usually paid upon signing an agreement or a contract, or when a commercial discovery is declared, or production has commenced or reached a milestone. For the year ended June 30, 2019, there were no reportable bonus payments to a government.

License fees, rental fees, entry fees and other considerations for licenses and/or concessions

In preparing this report OGDCL has included license fees, rental fees and all other payments that are paid in consideration for new and existing license and / or concessions. Fees paid to Governments for administration services are excluded. Payments made in return for services provided by a government are also excluded.

Infrastructure improvements

Payments related to infrastructure improvements, for example building of roads, school or hospital etc. including contribution made in respect of social welfare obligation under licenses and / or concessions are included. Payments which are of social investment in nature other than infrastructure improvements (i.e. scholarships or donations etc. for education and health etc.) & contribution made to OGDCL CSR Trust are excluded.

Operatorship

When OGDCL makes a payment directly to a government arising from a project, regardless of whether OGDCL is the operator or not, the full amount paid is disclosed even where OGDCL is proportionally reimbursed by its operating/non-operating venture partners through a partner billing process (cash-call).

Cash and in-kind payments

Payments are reported on cash basis. Refunds are also reported in the period they are received by OGDCL and are shown as negative amounts in the Report. For the year ended June 30, 2019, there were no reportable in-kind payments to a government.

Materiality Level

The Regulations require that payments made as a single payment exceeding £86,000 or as part of a series of related payments within a financial year exceeding £86,000 be included in this Report. Payments below the above stated threshold are also included in this Report.

Currency

All payments have been reported in Pakistani Rupees (PKR).

General

The Payments shown in this report are rounded to the nearest thousand (PKR).

OIL AND GAS DEVELOPMENT COMPANY LIMITED
REPORT ON PAYMENTS TO GOVERNMENTS
FOR THE YEAR ENDED JUNE 30, 2019

The table below shows the relevant payments to government made by OGDCL for the year ended June 30, 2019 shown by country and department type.

Of the seven payment types required by the regulations, OGDCL did not pay any relevant production entitlements, dividends and bonuses and therefore these categories are not shown.

Country and name of departments	Taxes PKR '000	Royalties PKR '000	Fees PKR '000	Infrastructure Improvements PKR '000	Total PKR '000
Pakistan					
Federal Board of Revenue (FBR)	41,221,345	-	-	-	41,221,345
Oil and Gas Regulatory Authority (OGRA)	-	-	4,380	-	4,380
Directorate General Petroleum Concessions (DGPC)	-	28,452,352	355,560	363,370	29,171,282
Total	41,221,345	28,452,352	359,940	363,370	70,397,007

Project wise details are included in the annexure to this report

ED Finance

GM Accounts

OIL AND GAS DEVELOPMENT COMPANY LIMITED
REPORT ON PAYMENTS TO GOVERNMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Name of projects	Taxes PKR '000	Royalties PKR '000	Fees PKR '000	Infrastructure Improvements PKR '000	Total PKR '000
OGDCL Head office Islamabad	41,221,345	-	1,024	-	41,222,369
Nashpa	-	5,092,400	4,734	1,318	5,098,452
Kunnar Deep	-	2,504,326	-	-	2,504,326
Qadirpur	-	2,476,482	6,081	-	2,482,562
Makori East	-	1,777,879	-	-	1,777,879
Uch-II	-	1,495,407	-	-	1,495,407
Uch	-	1,446,831	1,891	-	1,448,722
Kunnar	-	1,221,865	900	-	1,222,765
Manzalai	-	1,091,449	-	-	1,091,449
Adhi Sakesar	-	882,963	-	-	882,963
Kadanwari	-	818,744	-	-	818,744
Maramzai	-	804,662	-	-	804,662
Paskhi	-	789,234	129	-	789,363
Sinjhorro	-	768,688	350	-	769,038
Chanda	-	697,493	2,006	5,552	705,050
Adhi	-	617,444	-	-	617,444
Rajian	-	518,208	305	-	518,514
Mela	-	427,075	1,212	-	428,287
Dakhni	-	353,924	2,513	492	356,928
Mardan Khel	-	328,690	-	-	328,690
Miano	-	310,102	-	-	310,102
Chhutto	-	238,664	-	-	238,664
Badhra	-	229,412	-	-	229,412
Soghri	-	214,508	2,251	-	216,759
Bhit	-	200,816	-	-	200,816
Kunnar South	-	177,909	54	-	177,963
Paskhi North	-	173,295	129	-	173,424
Sono	-	168,323	196	-	168,519
Bobi	-	161,895	1,502	-	163,397
Shah	-	155,509	19	-	155,527
Tando Allah Yar	-	152,047	1,984	-	154,030
Dars West	-	144,383	81	-	144,465
Maru Reti	-	134,681	-	-	134,681
Pasakhi East	-	122,087	33	-	122,120
Tando Alam	-	120,036	38	474	120,548
Mamikhel	-	117,715	-	-	117,715
Chak Naurang	-	98,085	-	-	98,085
Lashari Center	-	94,212	90	-	94,302
Kal	-	90,976	328	-	91,304
Unhar	-	90,981	15	-	90,996
Dars	-	87,962	94	-	88,056
Loti	-	85,427	197	-	85,625
Dars Deep	-	84,316	317	-	84,632
Thora	-	79,234	-	-	79,234
Nur	-	79,210	-	-	79,210
Toot	-	77,895	66	-	77,960
Tolang West	-	77,551	-	-	77,551
Sammandar - Lease	-	-	27,512	36,319	63,830
Shahana-Lease (Block No. 2763-2)	-	-	26,205	37,037	63,242
Shaan - Lease	-	-	25,945	32,470	58,415
Sadqal	-	54,810	40	-	54,850
Badar	-	51,545	-	-	51,545
Fimkassar	-	44,688	262	487	45,437
Wali (Block3270-6)-Lease	-	-	21,496	22,130	43,626
Makori Deep	-	43,212	-	-	43,212
Jandaran West - Lease	-	-	14,583	28,621	43,204
Pindori	-	42,869	-	-	42,869
Zaur	-	38,337	-	-	38,337

OIL AND GAS DEVELOPMENT COMPANY LIMITED
REPORT ON PAYMENTS TO GOVERNMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Name of projects	Taxes PKR '000	Royalties PKR '000	Fees PKR '000	Infrastructure Improvements PKR '000	Total PKR '000
Tolanj	-	35,307	-	-	35,307
Lakhi Rud (Block no 3068-4)	-	-	15,229	18,617	33,846
Dhodak	-	32,900	655	-	33,555
Sari Sing	-	33,422	-	-	33,422
Dhachapur	-	32,957	-	-	32,957
Ratana	-	32,876	-	-	32,876
Soghri (Block-3371-8)	-	-	5,515	18,256	23,771
Nashpa Lease (Block 3370-10)	-	-	1,771	20,819	22,589
Buzdar South	-	22,315	-	-	22,315
Offshore Indus	-	-	21,248	-	21,248
Nandpur	-	15,746	704	1,800	18,250
Pasni West-Lease	-	-	9,708	8,327	18,035
Jakhro	-	14,877	274	2,776	17,927
Pezu-Lease	-	-	9,417	8,327	17,745
Missakeswal	-	16,079	223	1,072	17,374
Zorgarh-Lease	-	-	9,026	8,327	17,353
Ranipur-Lease	-	-	8,956	8,327	17,284
Muban	-	15,586	-	-	15,586
Zhob-Lease	-	-	7,026	8,327	15,353
Ladhana-Lease	-	-	6,815	8,327	15,143
Khanpur-Lease	-	-	6,788	8,327	15,115
Fatehpur-Lease	-	-	6,745	8,327	15,073
Guddu Block 2869-9 Lease	-	-	5,691	8,356	14,047
Fatehjang	-	-	7,341	5,909	13,250
Kalchas (Block # 2969-7) Lease	-	-	5,132	7,301	12,432
Jabo	-	12,212	-	-	12,212
Nim	-	9,886	553	-	10,439
Kohlu (Block # 2968-3) Lease	-	-	5,767	4,164	9,930
Thal - Lease	-	-	5,278	4,483	9,761
Mari East - Lease	-	-	2,964	6,377	9,340
Bahu	-	-	3,751	5,552	9,303
Kharan	-	-	9,128	-	9,128
Baratai-Lease	-	-	2,426	6,263	8,689
Latamber - Lease	-	-	2,174	6,228	8,403
Meyun Ismail	-	7,843	-	-	7,843
Kulachi-Lease	-	-	3,567	4,164	7,731
Dhurnal	-	7,382	-	-	7,382
Khiu-Lease	-	-	3,687	3,650	7,337
Palantak	-	-	6,942	-	6,942
Zin	-	-	6,504	-	6,504
Norai Jagir	-	6,302	19	-	6,321
Pirkoh	-	5,468	-	-	5,468
Layyah-Lease	-	-	1,771	3,650	5,420
Kohat (Block 3371-10) Lease	-	-	2,970	2,418	5,388
Khewari	-	-	4,986	-	4,986
Rakhshan	-	-	4,819	-	4,819
Paniro	-	4,797	-	-	4,797
Orakzai	-	-	4,099	-	4,099
Bitrisim	-	-	3,613	-	3,613
Chandio	-	2,883	190	-	3,073
Bitrisim West	-	2,359	103	-	2,462
Pakhro	-	1,999	100	-	2,099
Chaman	-	2,049	-	-	2,049
Hetu	-	-	2,032	-	2,032
Bhal Syedan	-	1,918	40	-	1,958
Kotra	-	-	1,771	-	1,771
Sakhi	-	1,634	-	-	1,634
Gurgalot	-	-	1,631	-	1,631

OIL AND GAS DEVELOPMENT COMPANY LIMITED
REPORT ON PAYMENTS TO GOVERNMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Name of projects	Taxes PKR '000	Royalties PKR '000	Fees PKR '000	Infrastructure Improvements PKR '000	Total PKR '000
South Kharan	-	-	1,423	-	1,423
Sara West	-	-	1,316	-	1,316
Jagir	-	1,118	-	-	1,118
Chak 63	-	-	871	-	871
Daru	-	824	-	-	824
Kato	-	784	-	-	784
Bhangali	-	428	-	-	428
Maru	-	-	345	-	345
Dhok Hussain	-	-	342	-	342
Chak 2	-	-	340	-	340
Misan	-	286	-	-	286
Lala Jamali	-	-	212	-	212
Dhamrakhi	-	-	187	-	187
Hakeem Dahu	-	-	183	-	183
Reti	-	-	134	-	134
Pali	-	-	128	-	128
Gundanwari	-	-	123	-	123
Chak 7A	-	-	96	-	96
Lashari South	-	-	90	-	90
Chak 66	-	82	-	-	82
Bhambhra	-	-	80	-	80
Thal East	-	-	80	-	80
Thal West	-	-	80	-	80
Fateh Shah North	-	70	-	-	70
Buzdar	-	-	51	-	51
Saand	-	-	50	-	50
Sahu	-	48	-	-	48
Baloch	-	43	-	-	43
Chabaro	-	-	40	-	40
Jarwar	-	-	40	-	40
Shekhan	-	20	-	-	20
Makori	-	(26,604)	-	-	(26,604)
Total	41,221,345	28,452,352	359,940	363,370	70,397,007

ED Finance

GM Accounts