



Attock

GROWING
IN NUMBER
DAY BY DAY



ANNUAL REPORT 2019
ATTOCK PETROLEUM LIMITED

FINANCIAL HIGHLIGHTS



EARNINGS PER SHARE

Rs. 39.79

PROFIT AFTER TAX

Rs. 3,961 Million

OPERATING PROFIT

Rs. 5,708 Million

GROSS PROFIT

Rs. 8,221 Million

NET SALES REVENUE

Rs. 223,054 Million



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OUR VISION

To become a world class, professionally managed, fully integrated, customer focused, Oil Marketing Company, offering Value added quality & environment friendly products and services to its customers in Pakistan and beyond.

OUR MISSION

To continuously provide quality and environment friendly petroleum products and related services to industrial, commercial and retail consumers, and exceeding their expectations through reliability, economy and quality of products and services. We are committed to benefiting the community and ensuring the creation of a safe, responsible and innovative environment geared to client satisfaction, end user gratification, employees' motivation and shareholders value.



CORPORATE STRATEGY

To enable APL to attain new heights of success through investment in human capital, implementation of lean production methods and a commitment to Total Quality and Environment Management, we plan, with the help of Almighty Allah, to further expand our existing retail network and penetrate untapped markets with pro-active measures and effective planning, implementation and execution.

Our objective is to successfully deliver premium quality products and services, which will translate into maximum customer satisfaction. Beyond the technical excellence of our products, we intend to set an example in all dimensions of our entrepreneurial activities. We see ourselves committed to the self defined models of economic, social and ecological responsibility, which means not only economic success but also conscientious interaction with our employees, people and the environment.

CORE VALUES



ETHICAL PRINCIPLES AND MORAL VALUES

We promote a commitment to the highest moral values and ethical principles, demanding both personal and professional dedication towards the realization of these values and principles.



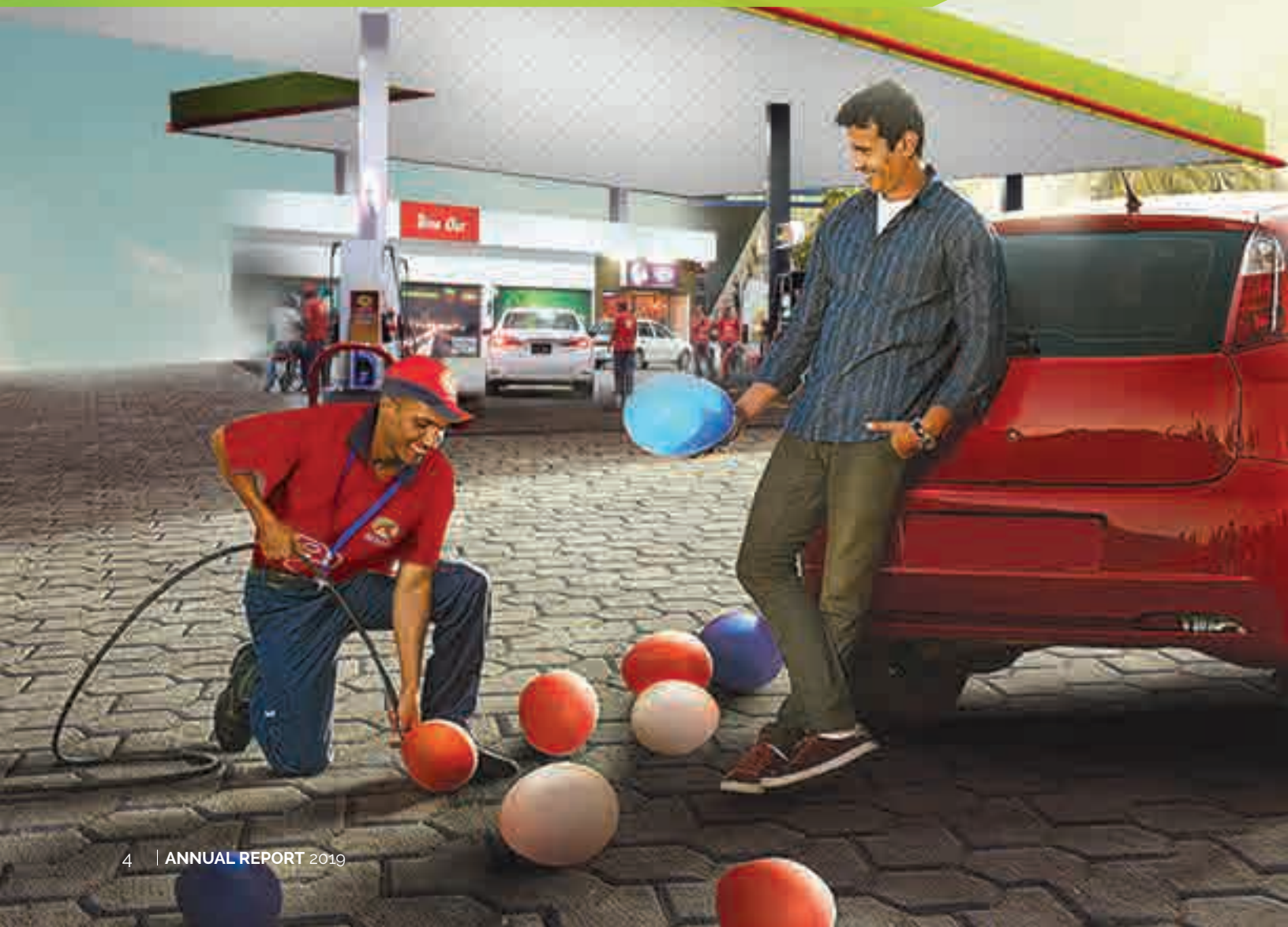
MAXIMUM STAKEHOLDER RETURN

Through our streamlined business processes and commitment to total quality management we seek to ensure maximum company performance and rewards for shareholders and stakeholders alike.



CORPORATE SOCIAL CITIZENSHIP

We strongly believe in the promotion of societal well-being and awareness within one's community, actively engaging in activities and initiatives to meet this objective.





COMMITMENT & COOPERATION

Two core fundamentals for the success of any business are complete employee commitment and cooperation. At APL, we foster an environment of solid teamwork and professionalism to ensure that our employees engage in both personal and professional development.



ENVIRONMENT CONSCIOUSNESS

We believe that it is our responsibility to safeguard our natural resources for future generations and actively engage in environment friendly practices, policies and management techniques.



MANAGEMENT'S OBJECTIVES AND STRATEGIES FOR MEETING THOSE OBJECTIVES

The objectives of the Company are defined in a manner such that the realization of short-term goals leads to achieving those objectives. The management formulates strategies keeping in view the vision and mission statement of the Company. A balanced approach is adopted in this regard to come up to the expectations of all stakeholders. Actions are prioritized and performance objectives are periodically assessed to reduce deviations from the corporate strategy of the Company.

The management takes measures to transform the weaknesses into strengths and threats into opportunities. Long term goals can only be achieved by mitigating the risks and minimizing the threats arising due to change in external and internal environment.

SIGNIFICANT CHANGES IN OBJECTIVES AND STRATEGIES FROM PREVIOUS PERIODS

Management believes that our business objectives and strategies are well planned and there is no significant change from the previous years.

RELATIONSHIP BETWEEN THE COMPANY'S RESULTS & MANAGEMENT'S OBJECTIVES

In the year under review, volatility of oil prices at global stage demanded dexterous steering by

the Company's management to achieve better profitability. APL maintained its market presence by venturing into a variety of projects and effectively managing the stock. The Company added a number of retail outlets during the year and is in the process of establishing bulk terminals. APL enhanced its storage capacity to cater the demand of the country. The Company is en-route to go above and beyond the expectations of the investors and the customers.

KEY PERFORMANCE INDICATORS

The key performance indicators against stated objectives of the Company include delivering

premium quality products and services with customers' satisfaction, increase in number of retail outlets along with customer base. It also includes enhancement of storage capacities, improvement in operational performance, efficiency in supply chain management, maintaining safe work environment, develop workforce diversity and increase in shareholders' wealth. Management believes that current key performance indicators continue to be relevant in future as well.

The Company monitors the performance of its business through detailed operational and financial reporting, such as profitability & investment/ market ratios and analysis, also with comparisons to budgets and updated forecasts being routinely made. In order to assess performance against targets and objectives, the Company has a comprehensive measurement system in place.





NUMBER OF PERSONS EMPLOYED DURING THE YEAR

Quantitative information on the number of persons employed by the Company as on June 30, 2019 and average number of employees during the year, disclosing separately the information of employees at storage facilities, is disclosed in note 38 to the financial statements.

SIGNIFICANT FACTORS AFFECTING EXTERNAL ENVIRONMENT AND CHANGES FROM PRIOR YEARS

Impact of external environmental factors including political, economic, social, technological and legal upon the Company and the Company's approach

towards managing/mitigating the risk associated therewith including significant changes in the factors/ responses from the prior years are detailed in the risk management section of Directors' Report.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Company's policy on Environment, Health & Safety and its social responsibilities are elaborated in detail in Sustainability and Corporate social responsibility section of the Annual report.

CODE OF CONDUCT

Attock Petroleum Limited has committed itself to conduct its business in an honest, ethical and legal manner. The Company wants to be seen as a role model in the community by its conduct and business practices. All this depends on the Company's personnel, as they are the ones who are at the forefront of Company's affairs with the outside world. Every member of the Company has to be familiar with his/her obligations in this regard and has to conduct him/her accordingly.

This statement in general is in accordance with Company goals and principles that must be interpreted and applied within the framework of laws and customs in which the Company operates. This code will be obligatory for each director and employee to adhere to.

Respect, Honesty and Integrity

Directors and employees are expected to exercise honesty, objectivity and due diligence in the performance of their duties and responsibilities. They are also directed to perform their work with due professionalism.

Compliance with Laws, Rules and Regulations

The Company is committed to comply and take all reasonable actions for compliance with

all applicable laws, rules and regulations of state or local jurisdiction in which the Company conducts business. Every director and employee, no matter what position he or she holds, is responsible for ensuring compliance with applicable laws.

Full and Fair Disclosure

Directors and employees are expected to help the Company in making full, fair, accurate, timely and understandable disclosure, in compliance with all applicable laws and regulations, in all reports and documents that the Company files with, furnishes to or otherwise submits to, any governmental authorities in the applicable jurisdiction and in all other public communications made by the Company. Employees or directors who have complaints or concerns regarding accounting, financial reporting, internal accounting control or auditing matters are expected to report such complaints or concerns in accordance with the procedures established by the Company's Board of Directors.

Prevent Conflict of Interest

Directors and employees, irrespective of their function, grade or standing, must avoid conflict of interest situations



between their direct or indirect (including members of immediate family) personal interests and the interest of the Company.

Employees must notify their direct supervisor of any actual or potential conflict of interest situation and obtain a written ruling as to their individual case. In case of directors, such ruling can only be given by the Board and will be disclosed to the shareholders.

Trading in Company Shares

Trading by directors and employees in the Company shares is possible only in accordance

with the more detailed guidelines issued from time to time by corporate management in accordance with applicable laws.

Inside Information

Directors and employees may become aware of information about Company that has not been made public. The use of such non-public or "inside" information about the Company other than in the normal performance of one's work, profession or position is unethical and may also be a violation of law.



Directors and employees becoming aware of information which might be price sensitive with respect to the Company's shares have to make sure that such information is treated strictly confidential and not disclosed to any colleagues or to third parties other than on a strict need-to-know basis.

Potentially price sensitive information pertaining to shares must be brought promptly to the attention of the Management, who will deliberate on the need for public disclosure. Only the Management will decide on such disclosure. In case of doubt, seek contact with the CFO.

Media Relations and Disclosures

To protect commercially sensitive information, financial details released to the media should never exceed the level of detail provided in quarterly and annual reports or official statements issued at the presentation of these figures. As regards topics such as financial performance, acquisitions, divestments, joint ventures and major investments, no information should be released to the press without prior consultation with the Management. Employees should not make statements that might make third parties capable of "insider trading" on the stock market.

Corporate Opportunities

Directors and employees are expected not to:

- a) take personal use of opportunities that are discovered through the use of Company property, information or position.
- b) use Company property, information or position for personal gains.

Directors and employees are expected to put aside their personal interests in favor of the Company interests.

Competition and Fair Dealing

The Company seeks to outperform its competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited. Each director and employee is expected to deal fairly with Company's customers, suppliers, competitors

and other employees. No one is to take unfair advantage of anyone through manipulation, abuse of privileged information or any other unfair practice.

The Company is committed to selling its products and services honestly and will not pursue any activity that requires to act unlawfully or in violation of this Code.

Bribes, kickbacks and other improper payments shall not be made on behalf of the Company in connection with any of its businesses. However, tip, gratuity or hospitality may be offered if such act is customary and is not illegal under applicable law. Any commission payment should be justified by a clear and traceable service rendered to the Company. The remuneration of agents, distributors and commissioners cannot exceed normal business rates and practices. All such expenses should be reported and recorded in the Company's books of accounts.

Equal Employment Opportunity

The Company believes in providing equal opportunity to everyone around. The Company laws in this regard have to be complied with and no discrimination upon race, religion, age, national origin, gender or disability is acceptable. No harassment or discrimination of any kind will be tolerated; directors and employees need to adhere standards with regard to child labor and forced labor.

Work Environment

All employees are to be treated with respect. The Company is highly committed to providing

its employees and directors with a safe, healthy and open work environment, free from harassment, intimidation or personal behavior not conducive to a productive work climate. In response the Company expects consummate employee allegiance to the Company and due diligence in his job.

The Company also encourages constructive reasonable criticism by the employees of the management and its policies. Such an atmosphere can only be encouraged in an environment free from any prospects of retaliation due to the expression of honest opinion.



Protect Health, Safety and Security

The Company intends to provide each director and employee with a safe work environment and comply with all applicable health and safety laws. Employees and directors should avoid violence and threatening behavior and report to work in fair condition to perform their duties.

Record Keeping

The Company is committed to compliance with all applicable laws and regulations that require the Company to maintain proper records and accounts which accurately and fairly reflect the Company's transactions. It is essential that all transactions be recorded and described truthfully, timely and accurately on the Company's books. No false, artificial or misleading transactions or entries shall be reflected or made in the books or records of the Company for any reason.

Records must always be retained or destroyed according to the Company's record retention policies

Protection of Privacy and Confidentiality

All directors and employees, both during and after their employment, must respect the exclusivity and trade secrets of the Company, its customers, suppliers and other colleagues and may not disclose any such information unless the individual or firm owning the information properly authorizes the release or disclosure.

All the Company's assets (processes, data, designs, etc) are considered as certified information of the Company. Any disclosure will be considered as grounds, not only for termination of services/employment, but also for criminal prosecution, legal action or other legal remedies available during



or after employment with the Company to recover the damages and losses sustained.

Protection & Proper use of Company Assets / Data

Each director and employee is expected to be the guardian of the Company's assets and should ensure its efficient use. Theft, carelessness and waste have a direct and negative impact on the Company's profitability. All the Company assets should be used for legitimate business purposes only.

The use, directly or indirectly, of Company funds for political contributions to any organization or to any candidate for public office is strictly prohibited.

Corporate funds and assets will be utilized solely for lawful and proper purposes in line with the Company's objectives.

Gift Receiving

Directors and employees will not accept gifts or favors from existing or potential customers, vendors or anyone doing or seeking to do business with the Company

However, this does not preclude giving or receiving gifts or entertainment which are customary and proper in the circumstances, provided that no obligation could be or be perceived to be, expected in connection with the gifts or entertainment.

Communication

All communications, whether internal or external, should be accurate, forthright and where ever required, confidential. The Company is committed to conduct business in an open and honest manner and provide open communication channels that encourage candid dialogue relative to employee concerns. The Company strongly believes in a clean desk policy and expects its employees to adhere to it not only for neatness but also security purposes.

Employee Retention

High quality employee's attraction and retention is very important. The Company will offer competitive packages to the deserving candidates. The Company strongly believes in personnel development and employee-training programs are arranged regularly.



Internet use / Information Technology

As a general rule, all Information Technology related resources and facilities are provided only for internal use and/or business-related matters. Information Technology facilities which have been provided to employees should never be used for personal gain or profit, should not be misused during work time and remain the property of the Company. Disclosure or dissemination of confidential or proprietary information regarding the Company, its products or its customers outside the official communication structures is strictly prohibited.

Compliance with Business Travel Policies

The safety of employees while on a business trip is of vital importance to the Company. The Company encourages the traveler and his/her supervisor to exercise good judgment when determining whether travel to a high-risk area is necessary and is for the Company's business purposes.

It is not permitted to combine business trips with a vacation or to take along spouse, relative or friend without the prior written authorization from Management.

Compliance

It is the responsibility of each director and employee to comply with this code. Failure to do so will result in appropriate disciplinary action, including possible warning issuance, suspension and termination of employment, legal action and reimbursement to the Company for any losses or damages resulting from such violation. Compliance also includes the responsibility to promptly report any apparent violation of the provisions of this code.

Any person meeting with difficulties in the application of this code should refer to the Management.



Falcon Filling Station - Islamabad International Airport

GEOGRAPHICAL PRESENCE OF APL BUSINESS UNITS



HEAD OFFICE



BULK OIL TERMINALS



REGIONAL MARKETING & SALES OFFICES



INVOICING POINTS



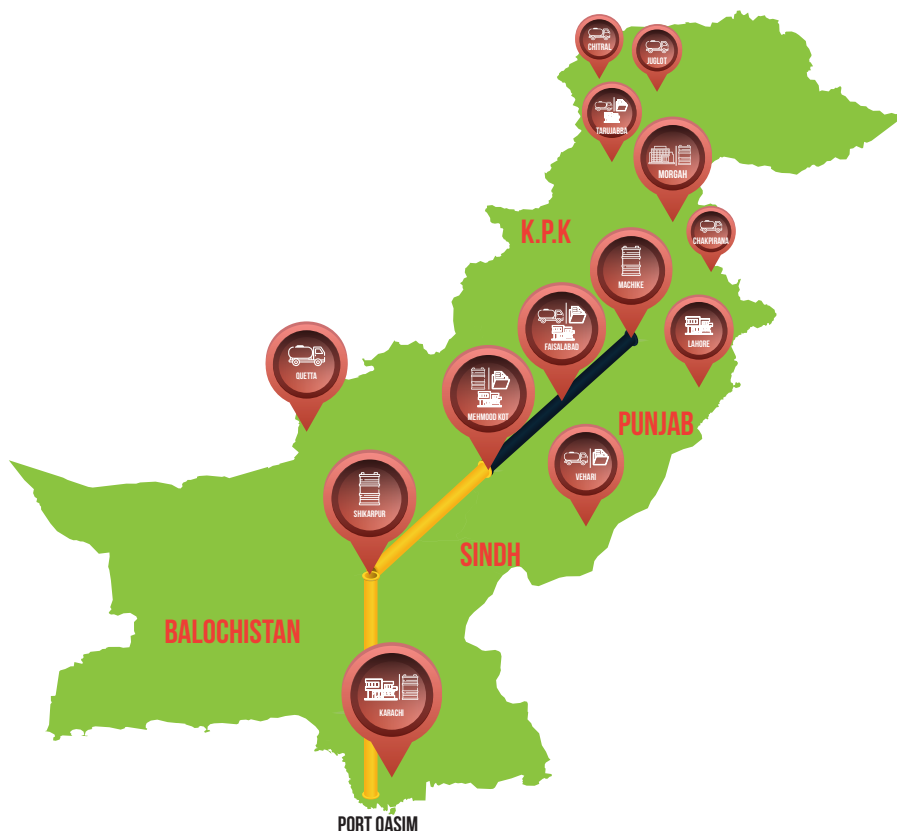
VIRTUAL DEPOTS



MEHMOOD KOT
FAISALABAD-MACHIKE
PIPELINE (MFM)



WHITE OIL PIPELINE (WOP)



HEAD OFFICE / MARKETING & SALES OFFICE

2nd, 7th & 8th Floor, Attock House
Morgah, Rawalpindi.

REGIONAL OFFICES

Karachi

308-The Forum, 3rd Floor, Block
G-20, Khayaban-e-Jami, Clifton
Karachi.

Lahore

House # 488, Block G-3
Johar Town, Lahore.

Peshawar

Plot # 256, Near Wapda Colony
Main G.T. Road, Tarujabba
Distt. Nowshera, Peshawar.

Multan

House # 13-A, Shalimar Colony
Bosan Road, Multan.

Faisalabad

House # 512, Block-C
Ameen Town, Faisalabad.

BULK OIL TERMINALS

Rawalpindi Bulk Oil Terminal

Caltex Road, New Lalazar
Rawalpindi.

Machike Bulk Oil Terminal

Mouza Dhan Pura, Machike
Distt. Sheikhpura.

Karachi Bulk Oil Terminal & CSC

c/o National Refinery Limited
Sector 7-B, Korangi Industrial Area
Karachi.

Mehmood Kot Bulk Oil Terminal

Near PARCO Refinery, Gate R-1
Mehmood Kot, Qasba Gujrat
Distt. Muzaffargarh.

Shikarpur Bulk Oil Terminal

Near PARCO Pumping Station-3
Kandhkot Road, Shikarpur.

INVOICING OFFICES

Gatti

Side Office near Dry Port Jumrah
Road, Faisalabad.

Tarujabba

Plot # 256, Near Wapda Colony
Main G.T. Road, Tarujabba
Distt. Nowshera, Peshawar.

Vehari

2nd Floor, Al-Makah Tower, Near
Sanabil CNG, Opp. PSO Depot
Vehari, Multan Road, Vehari.

Mehmood Kot

New Marketing & Commercial
Building Parco, Gate R-2,
Mehmood Kot Qasba Gujrat
Distt. Muzaffargarh.

APL GROUP STRUCTURE

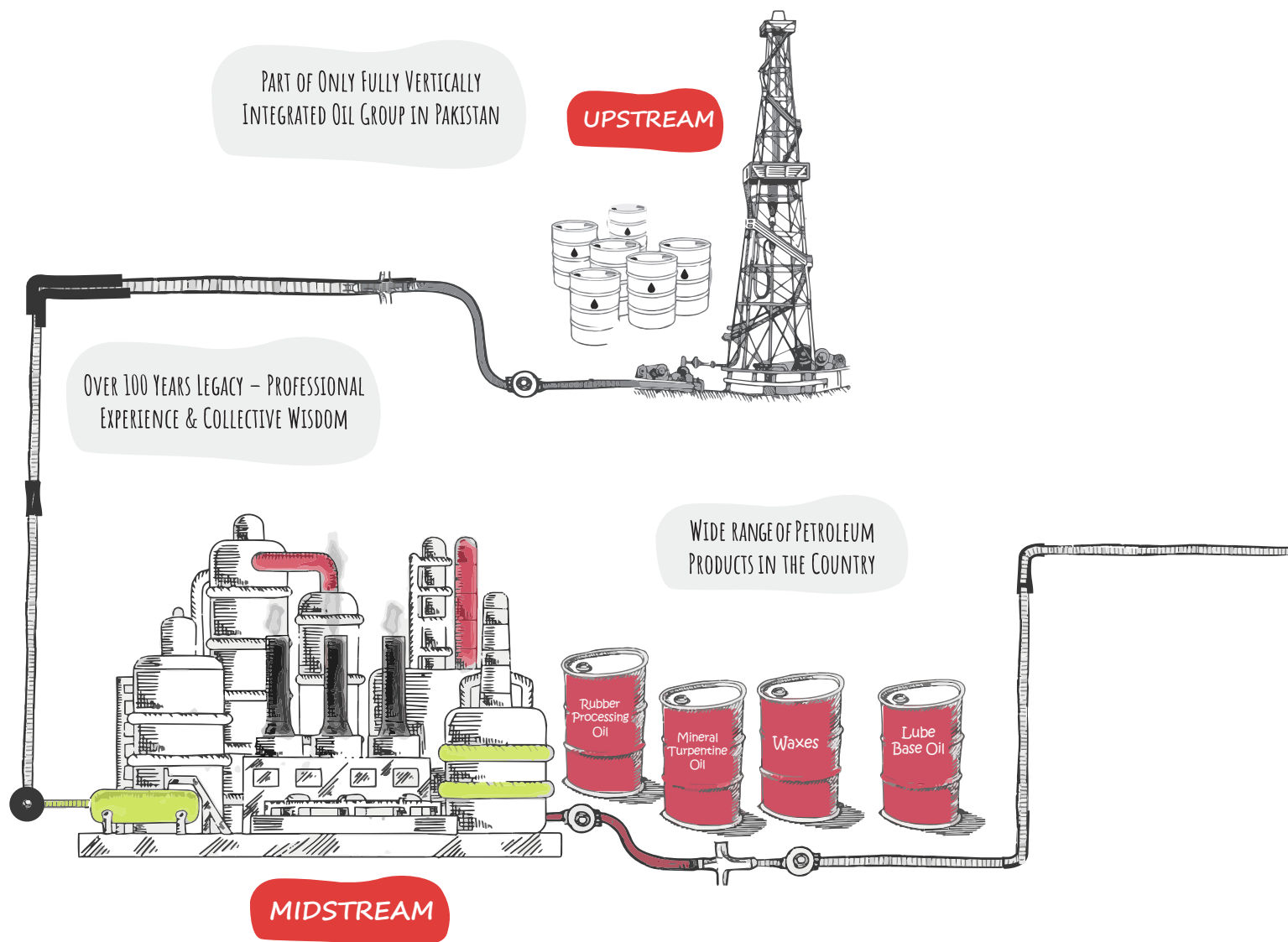
APL takes pride in its heritage being associated with the Attock Oil Group of Companies which rightly claim to be the pioneers in the Oil & Gas Sector in this part of the world, having started its operations in 1913.

Attock Group of Companies is the only fully vertically integrated Group covering all aspects of the Oil and Gas sectors of Pakistan, ranging from exploration, production, refining to marketing of a wide range of petroleum products.

Besides oil & gas, Attock Group is also involved in other diversified businesses; like cement, energy & information technology. APL's sponsors include Pharaon Investment Group Limited Holding s.a.l and Attock Oil Group of Companies.

	Nature of Relationship	Percentage Shareholding
Associate Shareholding in the Company		
Pharaon Investment Group Limited (Holding) s.a.l	Common Directorship/ Associate	34.38%
The Attock Oil Company Limited		2.2%
Attock Refinery Limited		21.88%
Pakistan Oilfields Limited		7.02%
Company's Shareholding in the Associate		
Attock Refinery Limited	Common Directorship/ Associate	1.68%
National Refinery Limited		1%
Attock Information Technology Services (Private) Limited		10%
Nil Shareholding in Associates and Vice Versa		
Attock Gen Limited	Common Directorship/ Associate	Nil
Attock Cement Pakistan Limited		Nil
Attock Leisure & Management Associates (Private) Limited		Nil
Attock Sahara Foundation		Nil
Attock Hospital (Private) Limited		Nil

VALUE CHAIN



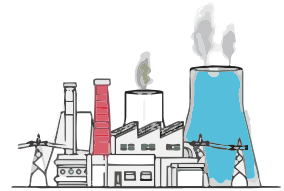
Attock Petroleum Limited (APL) is the member of only fully integrated group of Pakistan, Attock Oil Group, with operations ranging from Exploration, Refining, Distribution and Marketing of petroleum products. With a nationwide presence of over 650 Retail Outlets, APL has managed to create an eminent position in the Oil and Gas sector of Pakistan, and is a proud supplier to the Nation's Armed Forces, Aviation and various Industries.

MOST MODERN & LARGEST AVIATION
FUEL FARM IN PAKISTAN AT ISLAMABAD
INTERNATIONAL AIRPORT

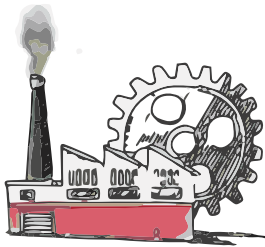


Aviation

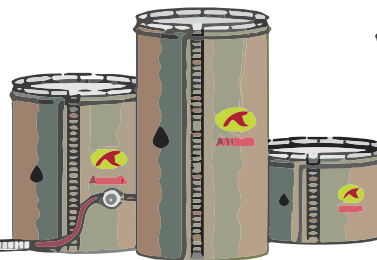
DOWNSTREAM



Power production

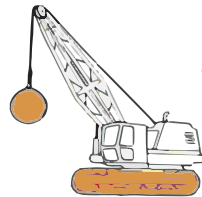


Industries



VAST & ROBUST OIL TERMINALS
INFRASTRUCTURE COUNTRYWIDE

EMPOWERING NUMEROUS
INDUSTRIES TO KEEP THE
WHEELS OF ECONOMY
CHURNING



Construction



Transport

CNG



Non-fuel retail services

Diesel



Hobc97



GEOGRAPHICALLY SPREAD NETWORK OF OVER 650 RETAIL OUTLETS

BRIEF COMPANY PROFILE

Attock Petroleum Limited was incorporated in Pakistan as a Public Limited Company on December 03, 1995. APL is the 4th Oil Marketing Company that was granted marketing license and commenced its operations in February 1998. The Company was listed on Pakistan Stock Exchange (formerly known as Karachi Stock Exchange) on March 07, 2005. Within a short span of time, APL has managed to establish its presence and reputation as a progressive and dynamic organization, having its focus on providing quality petroleum products and services in Pakistan and abroad, with special emphasis on meeting all safety and environment standards.

APL is the 2nd largest Oil marketing Company in Pakistan and its market share for the financial year 2018-19 is 10.8%. Our growing market share and customer confidence is a testimony to our successful policies, proactive endeavours and visionary approach.

As at June 30, 2019 the Company operates the Retail Network of 662 pumps countrywide.

PRINCIPLE BUSINESS ACTIVITIES AND MARKETS

Being part of a fully integrated oil group based in Pakistan, the Company deals in marketing and distribution of a wide range of petroleum products and serves local and international clients.

APL markets and supplies fuels to retail outlets, industries, armed forces, power producers, government/semi-government entities, developmental sector and agricultural customers etc.

KEY BRANDS & PRODUCTS

APL is engaged in the marketing and distribution of numerous petroleum products including High Speed Diesel, Premier Motor Gasoline, Furnace Oil, Bitumen, Kerosene and Lubricants etc. A range of automotive and industrial grades lubricants is offered. APL is also involved in marketing of Naphtha and LBO.

Portfolio of different products offered by the Company is detailed below:



PRODUCT PORTFOLIO

Premier Motor Gasoline

PMG or Petrol is a transparent petroleum-derived flammable liquid that is used primarily as a fuel in spark-ignited internal combustion engines. It consists mostly of organic compounds obtained by the fractional distillation of petroleum, enhanced with a variety of additives. It is mostly used in vehicles and household generators.

High Speed Diesel

Diesel fuel is any liquid fuel used in diesel engines, whose fuel ignition takes place, without any spark, as a result of compression of the inlet air mixture and then injection of fuel. It is used in industrial generators, cement factories and vehicles etc.

Furnace Fuel Oil

Furnace fuel oil is an industrial fuel. Furnace oil is used for power generation, boilers, furnaces, air preheater, other heaters and for bunkering and feedstock in fertilizer plants.

Residual Furnace Fuel Oil

Residual furnace fuel oil is a special high viscosity residual oil requiring preheating. This fuel is specially manufactured for power plants.

Superior Kerosene Oil

Super kerosene oil is less smoky oil and has high heat content and gives better illumination. Kerosene is used in many industries around the world as a fuel for illumination, heating & machinery cleaning purpose.

Jet Petroleum

Jet fuel is a type of aviation fuel designed for use in aircraft powered by gas turbine engines. It is most commonly used fuels for commercial aviation are JP-1 and JP-8 which are produced to a standardized international specification.

Light Diesel Oil

Light diesel oil is a blend of distillate components and a small number of residual components. It serves to run construction, petroleum drilling and other off road equipment; and to run prime movers in a wide range of power generations, industrial boilers, vessels with high & medium speed engines.

Solvent Oil

Solvent Oil is used to dissolve other substances during industrial processes. This petrochemical is used extensively in the production of paint, print ink, agricultural chemicals, for dyeing, curing homesickness, dry cleaning, and treatment of furs etc. It is also used as a high purity catalyst.

Mineral Turpentine Oil

Mineral turpentine oil is a colorless petroleum solvent, used as a solvent for textile printing, dry cleaning and metal degreasing, insecticidal formulations, polish manufacture, thinner, oil soluble and as a rust inhibitor.



Naphtha

Naphtha is a flammable liquid mixtures of hydrocarbons i.e. a component of natural gas condensate or a distillation product. Some uses of naphtha gas are as a fuel for camp stoves and blowtorches, providing light in gas lanterns.

Cutback Asphalts

Cutback asphalt is manufactured by blending asphalt cement with a solvent. There are two major types based on the relative rate of evaporation of the solvent. It is used for prime coat, surface treatment, stock pile patching mixes etc.

Bitumen

The primary use of Bitumen is in road construction. Bitumen is further treated with polymer which improves consistency, reduce temperature susceptibility, improves stiffness & cohesion, improves flexibility resilience and toughness, and improves binder aggregate adhesion. It is used in construction of highways.

Jute Batching Oil

Jute batching oil is predominantly used in the jute industry for making jute fiber pliable. It also finds application as wash oil in the steel industry and is also used by processors to produce various industrial oils.

Lubricants

Lubricants are either fully synthetic, semi-synthetic or mineral. The major part of a lubricant is composed of base oils while the remaining part are oil additives which help to protect your engine against wear and corrosion and keep it clean. Use of lubricant is to reduce the overall system friction.

Waxes

Waxes are mainly consumed industrially as components of complex formulations, often for coatings. The main use of waxes is in the formulation of colorants for plastics and within the candle industry etc.

Rubber Processing Oil

Rubber processing oil is commercially used to produce products ranging from rubber bands to toys to tyres of various vehicles including aircrafts.

Lube Base Oil

Lube base oils are used to manufacture products including lubricating greases, automotive & industrial lubricants and metal processing fluids. It is mostly used in motorized vehicles, where it is known specifically as motor oil and transmission fluids.



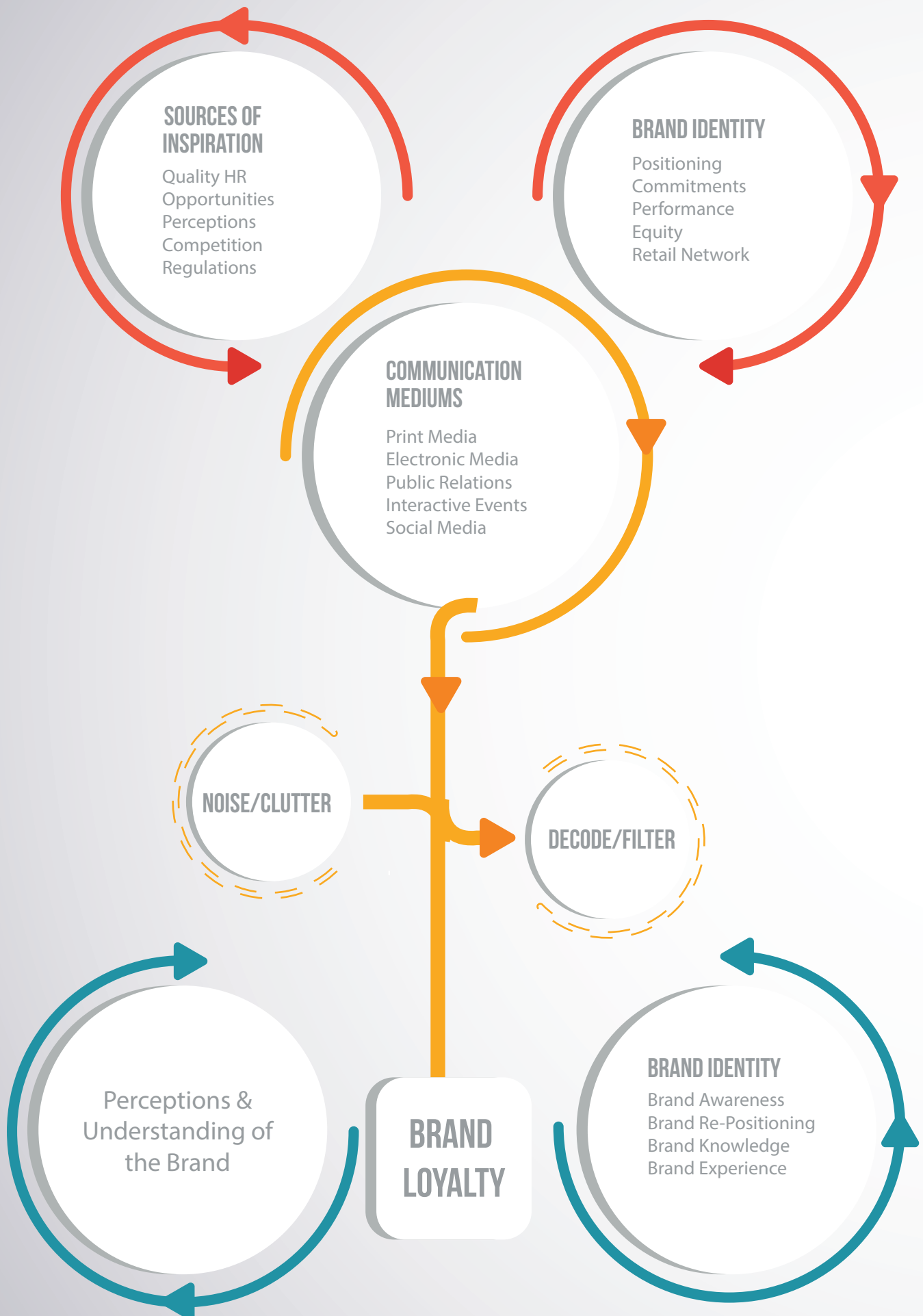


ہر موسم میں | ہر جگہ | آپ کے ساتھ
آپ کے انجن کا دوست

SUPERIOR ATTOCK LUBRICANTS



OUR BRAND STRATEGY





OUR TEAM

COMPETENT

Our panel of experts have an in-depth knowledge of petroleum products, the legal & regulatory framework within the country, the safety & handling processes; the complete skill-set.

OPTIMISTIC

"Not Possible" does not exist in our dictionary. Powered by the deep knowledge within their fields; our employees always take a challenge head-on! We truly believe that every problem has an optimum solution – and we are here to develop it for you.

DEDICATED

At APL, we do not rest till we achieve the desired goals. Having the knowledge, the positive approach, the utmost support & motivation from the management; we create synergies which ultimately culminate in extra-ordinary bench-marks.

MOTIVATED

The motivation is triggered by having a thorough grasp of the operational dynamics of fuel supplies & having the constant support & guidance of the management; resulting in an insatiable drive to get the job done!

**"We are what we repeatedly do.
Excellence, then is not an act but a habit"
- Aristotle**

CHAIRMAN'S REVIEW



It brings me immense pleasure to welcome the prestigious shareholders to the 24th Annual General Meeting of the Company and to present Company's annual report and audited financial statements for the year ended June 30, 2019. I would like to appreciate the performance of the Board of Directors in devising excellent tactical, operational and financial strategies for the Company utilizing their broad visions, in depth knowledge and vast market experience in this difficult time for the Country as a whole.

Focusing on translating the vision and core values of the business into tangible results, the Board of Directors equipped the Company with all necessary resources to maximize shareholders' value and encouraged the management to convert challenges into opportunities mitigating the associated risks. Best practices of corporate governance have been embedded into the Company's culture to maintain highest level of professionalism and business conduct. Risk management framework, effective internal controls and

audit functions have been implemented to ensure that the day-to-day operations follow the overall strategy formulated by the Board. Best utilization of the available resources remained at the core of operations to achieve the best results under the given circumstances.

The year 2018-19 was contentious from many aspects which had its impact on the global economy. Several macroeconomic and geopolitical factors influenced the international oil prices which remained volatile during the year. The highs and lows in oil prices resulted in an environment of uncertainty which affected overall economy in general and our business in particular.

Changing government policies, reduced economic and infrastructural activities, slow business growth, decline in foreign investment, rising unemployment and variations within the duties and taxes regime negatively affected the economic outlook of the Country.

These factors have badly affected the energy sector particularly oil industry leading to a slump in the industry-wide sales volumes. Reliance on LNG and Coal for power production decreased the sales of Furnace Oil while country-wide decreased economic activity and inflow of smuggled product hit the sales volume of High Speed Diesel.

Pakistan remains a petroleum importing country on the backdrop of limit local production. The energy requirements of the Country are, therefore, met using import channels. Prices of petroleum products also increased within the Country due to reliance on imports. Further, massive depreciation of Pakistani Rupee against the US Dollar during rising prices made the imports expensive and substantial exchange losses were incurred. Slight growth of 2% have been recorded in industry volume of Premier Motor Gasoline, however, APL increased sales volume of Premier Motor Gasoline by 13%, meeting the increased demand due to reduced availability of CNG via high-priced imports. Where the total sales volume of industry witnessed a decrease of 23%, sales volume of Attock Petroleum Limited decreased by merely 11% and the Company managed to increase its market share from 9.7% in 2017-18 to 10.8% in 2018-19. Increase in operating expenses and record foreign exchange losses adversely affected the profitability and the Company earned profit after tax of Rs 3,961 million (2017-18: Rs 5,656 million). These results translate into earnings per share of Rs 39.79 (2017-18: Rs 56.83). The intelligent decision-making of the management under the leadership of the Board and the team effort of the employees of the Company ensured that the Company remains focused on generating sustainable returns even in times of various challenges. The Company shall further progress and management is capable of delivering continuous excellent performance in the times to come.

The Company has incurred significant capital expenditure to the tune of Rs 2,523 million to further strengthen its infrastructure by establishing new and enhancing its existing bulk oil terminals. Increase in bulk storage

capacity has been achieved by successful commissioning of Shikarpur Bulk Oil Terminal while construction of terminals at Sahiwal and Daulatpur has been completed which shall commence their operations soon. The additional storage capacities spread across different regions shall help to achieve cost advantages, process efficiencies ensuring timely delivery of quality products to our clientele. The Company successfully stepped into the Aviation business with the official commissioning of fuel farm at Islamabad International Airport in collaboration with another OMC last year. The venture has proved successful where sale of Jet Petroleum to national and international carriers has added another revenue stream for the Company.

Besides creating wealth for the shareholders, APL actively plays role for the benefit of the society and the environment and being a good corporate citizen, has always maintained its image and reputation of playing its role towards corporate social responsibility. Moving forward, I have confidence in the Board and the management to shape the Company in such a manner that potential opportunities are utilized to our benefit and continued success remains our fate.

Finally, I would like to appreciate and extend gratitude for the support received by the Company from the Ministry of Energy, other Government organizations, customers, suppliers and contractors. Shareholders also deserve recognition for their confidence and trust in the Company and our Board of Directors and employees for their untiring endeavors and contribution that have made achievements to date possible and hope that with joint dedication we can lead our Company to new heights of success.



Laith G. Pharaon
Chairman

Dubai, U.A.E.
July 29, 2019

GOVERNANCE

Attock Petroleum Limited has established state of the art retail outlets, where the concept of all facilities under one roof is reflected.

At these retail outlets, our customers get to experience world class facilities of refuelling their vehicles in a friendly and secure environment at all times.





BOARD OF DIRECTORS



Mr. Laith G. Pharaon
Chairman
Non Executive Director



Mr. Wael G. Pharaon
Non Executive Director



Mr. Babar Bashir Nawaz
Non Executive Director



Lt Gen (Retd.) Javed Alam Khan
Independent
Non Executive Director



Mr. Shuaib A. Malik
Chief Executive Officer
Executive Director



Mr. Abdus Sattar
Non Executive Director



Mr. Mohammad Raziuddin
Independent
Non Executive Director



Mr. Iqbal A. Khwaja
Alternate Director to
Mr. Laith G. Pharaon
Non Executive Director



Mr. Rehmat Ullah Bardaie
Alternate Director to Mr. Wael G. Pharaon
& Company Secretary
Executive Director

PROFILE OF BOARD OF DIRECTORS



Mr. Laith G. Pharaon
Chairman
Non Executive Director

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Laith holds a graduate degree from the University of Southern California.

Other Engagements

Chairman & Director

The Attock Oil Company Limited
Attock Cement Pakistan Limited

Director

Pakistan Oilfields Limited
Attock Refinery Limited
National Refinery Limited
Attock Gen Limited



Mr. Wael G. Pharaon
Non Executive Director

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Wael holds a graduate degree. He is a Director on the Board of various Companies in the Attock Group of Companies.

Other Engagements

Director

The Attock Oil Company Limited
Pakistan Oilfields Limited
Attock Refinery Limited
Attock Cement Pakistan Limited
National Refinery Limited
Attock Gen Limited



Mr. Shuaib A. Malik

**Chief Executive Officer
Executive Director**

Mr. Shuaib A. Malik has been associated with Attock Group of Companies for around four decades. He started his career as an Executive Officer in The Attock Oil Company Limited in July 1977 and served in different Companies in the Group at various times with the responsibility to supervise and oversee the operations and affairs of these Companies. He has exhaustive experience related to various aspects of upstream, midstream and downstream petroleum business. He obtained his bachelor's degree from Punjab University and has attended many international management programs, workshops and conferences including two such programs at British Institute of Management, UK and Harvard Business School, USA.

Other Engagements

Chairman, Chief Executive Officer, Director & Alternate Director

Pakistan Oilfields Limited

Chairman, Director & Alternate Director

Attock Refinery Limited

National Refinery Limited

Group Chief Executive

Chief Executive Officer & Director

The Attock Oil Company Limited

Director & Alternate Director

Attock Cement Pakistan Limited

Attock Gen Limited

Resident Director

Pharaon Investment Group Limited (Holding) s.a.l



Mr. Abdus Sattar

Non Executive Director

Mr. Abdus Sattar has over 35 years of Financial Management experience at key positions of responsibility in various Government organizations / ministries, commercial organizations with the main objective of controlling costs of various commodities, to watch consumer interest, minimize government subsidies, improve government revenues, eliminate wasteful expenses/leakages and fixation of gas and POL prices. After serving as Financial Advisor to Ministry of Petroleum & Natural Resources, Government of Pakistan, he also remained Financial Advisor for Mari Gas Company Limited for around 8 years including 6 years as its Director on the Board. While working as Financial Advisor in Ministry of Petroleum he also served as Director on a number of boards like OGDCL, PPL, SNGPL, SSGCL, PSO, PARCO, ARL, POL, NRL, PMDC etc. as a nominee of Government of Pakistan for about seven years. He is a fellow member of Institute of Cost and Management Accountant of Pakistan (ICMAP) and was also nominated as council member of ICMAP for the three years (Jan 2000 to Dec 2002) by the Government of Pakistan. He has attended many advance financial management courses, programs and trainings in institutions of international repute in Pakistan and abroad.

Other Engagements

Director

Pakistan Oilfields Limited

Attock Refinery Limited

Attock Cement Pakistan Limited

National Refinery Limited



Mr. Babar Bashir Nawaz
Non Executive Director

Mr. Babar has over 30 years of experience with the Attock Group of Companies. During this period he has held various positions in Finance, Personnel, Marketing & General Management before being appointed as the Chief Executive of Attock Cement Pakistan Limited in 2002. Mr. Bashir holds a Master's degree in Business Administration from the Quaid-e-Azam University in Islamabad and at present is also a Director on the Board of all the listed companies of the Group in Pakistan. He has attended various courses, workshops and seminars in Pakistan and abroad on the business management and has substantial knowledge of the cement industry in Pakistan. Currently he is also a member of the Management Committee of the Overseas Investors Chamber of Commerce and Industry and the All Pakistan Cement Manufacturing Association.

Other Engagements
Chief Executive Officer & Director

Attock Cement Pakistan Limited

Alternate Director

Pakistan Oilfields Limited

Attock Refinery Limited

National Refinery Limited



Lt General Javed Alam Khan (Retd.)
Independent
Non Executive Director

Lt General Javed Alam Khan was commissioned in Pakistan Army in April 1971 and subsequently joined the Armoured Corps – 24 Cavalry (Frontier Force) in 1972. He is a graduate of Armour Officer Advance Course, Fort Knox (USA), Command and Staff College, Camberley (UK), National Defense College, Islamabad and INSEAD, France. He holds a Master's degrees in War Studies. During the tenure of his service, the General has held various command, staff and instructional appointments which include General Staff Officer-3 (Intelligence) in an Independent Armoured Brigade Group, Instructor School of Armour, Brigade Major of an Infantry Brigade, Commandant 24 Cavalry (Frontier Force), Directing Staff Command and Staff College Quetta, Army Advisor High Commission of Pakistan, United Kingdom, Commander of an Armoured Brigade and an Infantry Brigade, General Officer Commanding of an Infantry Division, Director General Analysis, Directorate General Inter Service Intelligence. His military career of nearly 35 years achieved its peak when appointed as Commander of a Strike Corps followed by his retirement in April 2006.

After his retirement from Pakistan Army, he was appointed as CEO/MD of Fauji Kabirwala Power Company Limited and also served as CEO/MD of Fauji Cement Company Limited from September 2008 to February 2011.

In recognition of his meritorious services, he has been awarded Hilal-e-Imtiaz (Military).



Mr. Mohammad Raziuddin

Independent

Non Executive Director

Mr. Mohammad Raziuddin has over 30 years of rich experience in the energy sector. He holds a Master's Degree in Engineering from University of Detroit, Michigan, USA and did his MBA from Syracuse University, New York, USA. During his career, he has held top-level advisory positions in various organizations within the Country and also served as Technical Advisor in Saudi Arabia, Pakistan and Bangladesh. He has served as the CEO of Attock Refinery Ltd. and Managing Director, OGDCL. He has extensive knowledge and vast experience in energy consultancy, oil refining, exploration and production, petroleum marketing etc.



Mr. Iqbal A. Khwaja

Alternate Director to Mr. Laith G. Pharaon

Mr. Iqbal Ahmad Khwaja is a Bachelor of Commerce from Karachi University and to obtain a professional degree, he proceeded to UK to qualify as Chartered Accountant from England and Wales. On his return from UK, he served with Attock Group of Companies for nearly thirty years in various capacities. He has been Chief Financial Officer and Corporate Secretary of Pakistan Oilfields Limited (POL), for many years. He rose to the position of its Deputy Chief Executive and also served on the Board of POL. He has also been CEO of POL's subsidiary Attock Chemicals (Pvt) Limited and CAPGAS (Pvt) Limited. During his tenure with the Group, he attended many national and international courses and seminars to remain up-to-date with his professional knowledge. Due to his knowledge and vast experience, he has been retained by The Attock Oil Company Limited, in the capacity of an advisor.



Mr. Rehmat Ullah Bardaie

Alternate Director to Mr. Wael G. Pharaon & Company Secretary

Mr. Rehmat Ullah Bardaie is associated with Attock Group of Companies since June 1997 and has been part of the various assignments / projects undertaken from time to time. Presently, he is holding the charge of General Manager (Finance and Accounts) and Company Secretary. He has attended various financial management courses, training programs, seminars and conferences in Pakistan and abroad. He is a fellow member of The Institute of Chartered Accountants of Pakistan, The Institute of Cost and Management Accountants of Pakistan and Association of Chartered Certified Accountants (UK).

Other Engagements

Alternate Director

Attock Gen Limited

Company Secretary

The Attock Oil Company Limited

BOARD COMMITTEES & CORPORATE INFORMATION

Board Audit Committee

- | | |
|-----------------------------------|----------|
| 1. Mr. Mohammad Raziuddin | Chairman |
| 2. Mr. Abdus Sattar | Member |
| 3. Mr. Babar Bashir Nawaz | Member |
| 4. Lt Gen (Retd.) Javed Alam Khan | Member |

Human Resource & Remuneration Committee

- | | |
|--|----------|
| 1. Mr. Mohammad Raziuddin | Chairman |
| 2. Mr. Shuaib A. Malik | Member |
| 3. Mr. Iqbal A. Khwaja | Member |
| (Alternate director to Mr. Laith G. Pharaon) | |

Auditors

A. F. Ferguson & Co.
Chartered Accountants, Islamabad.

Registered Office

Attock House, Morgah, Rawalpindi.

Legal Advisor

Ali Sibtain Fazli & Associates
Mall Mansion, 30-The Mall, Lahore.

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B'
S.M.C.H.S, Main Shahra-e-Faisal
Karachi.
Tel: +92-21-111-111-500
Fax: +92-21-34326053
Customer Support Service:
(Toll Free) 0800-CDCPL (23275)

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
The Bank of Khyber
The Bank of Punjab
United Bank Limited

Correspondence Address

Attock House, Morgah
Rawalpindi, Pakistan.
Tel: +92-51-5127250-54
Fax: +92-51-5127255
Email: contact@apl.com.pk
Website: www.apl.com.pk



WHISTLE BLOWER PROTECTION MECHANISM POLICY

Whistle blower means an employee who reports a concern to management about illegal activities or a breach of code of conduct.

The Management encourages whistle blowing culture in the organization and has adopted a culture to detect, identify and report any activity which is not in line with the Company policies, any misuse of company's properties or any breach of law which may affect the reputation of the Company. The Company has adopted the best corporate policies to protect employee(s) who report corporate wrongdoings, illegal conduct, internal fraud and discrimination against retaliation. The Company promotes transparency and accountability through publication of accurate financial information to all the stakeholders, implementation of sound, effective and efficient internal control system and operational procedures.

All employees have signed a code of conduct and the Company takes any deviation very seriously.

Employees should report in good faith about illegal or unethical conduct. The Company encourages Whistle Blowing to raise the issue directly to Chairman Audit Committee and / or to Chief Executive and / or to the Company Secretary provided that:-

- The Whistle Blower has sufficient evidence(s) to ensure genuineness of the fact after a proper investigation at his own end;
- The Whistle Blower understands that his act will cause more good than harm to the Company and he/ she is doing this because of his loyalty with the Company, and
- The Whistle Blower understands the seriousness of his /her action and is ready to assume his / her own responsibility.

The Management understands that through the use of a good Whistle Blowing Plan, they can discover and develop a powerful ally in building trust with its employees and manage fair and transparent operations. The Company therefore provides a mechanism whereby any employee who meets the above referred conditions can report any case based on merit without any fear of retaliation and reprisal to any of the above offices.

Allegations made by the whistle blower shall be investigated and claims made will be probed and scrutinized fairly. The Management reserves the right to put forth the claims made by the whistle blower, as they deem appropriate.



JAPAN'S No.1
OIL COMPANY



BOARD COMMITTEES AND THEIR TERMS OF REFERENCE





Board Committees

The management is committed to follow the principles of good Corporate Governance and being a responsible corporate entity it believes in transparency of system for effective monitoring and to enhance governance process. Keeping in view the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2017, the Board has revised the terms of reference of Audit Committee and Human Resource and Remuneration Committee. The following Board Committees have been formed to assist the Board in fulfilling its responsibilities.

Audit Committee

The Audit Committee reviews the financial and internal reporting processes, the system of internal control, management of risk and the internal and external audit processes. The Audit Committee ensures that the Company



has a sound system of internal financial and operational controls. It assists the Board in discharge of its fiduciary responsibilities. The Audit Committee reviews the periodical statement of the Company before their respective presentation to the Board and ensures implementation of relevant controls for the integrity of the information. The Committee recommends to the Board of Directors the appointment of external auditors and discusses major observations with the external auditors arising from interim review and final audit. In doing so, Committee also reviews the management letter issued by the external auditors and management's response thereto. The Committee also goes through the legal matters which may significantly impact the financial statements and ensure compliance with relevant statutory requirements. Besides this, monitoring compliance with the best practices of corporate governance, investigating any violations thereof and ensuring coordination between internal and external auditors are also the main responsibilities of the Audit Committee.

Human Resource & Remuneration Committee

The Board has established Human Resource and Remuneration Committee which is responsible for recommending human resource management policies. The Committee is also responsible for recommending the selection, evaluation,

LET'S UNITE FOR A PROSPEROUS PAKISTAN



FUELING THE NATION'S SPIRIT

compensation (including retirement benefits) of key management personnel and for consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer.

Budget Committee

The Committee comprises of three directors and their responsibility is to assist the Board in formulating the annual budget and forecasts and reviewing analysis of actual performance

with those budgeted/ forecasted. The Committee also keeps an eye on the developments and trends in the industry to assist the Board in planning for future capital intensive investments and growth of the Company.

Share Transfer Committee

The Committee consists of three directors and is responsible for dealing with matters relating to the shares of the Company like transfers, issuance of new shares and related legal and regulatory requirements.





MANAGEMENT COMMITTEES

Executive Committee

Consist of all departmental heads and chaired by the CEO, they meet regularly to coordinate the activities, accomplishments and other pertinent issues.

Retail Outlet Development Committee

Responsible for recommending proposals for setting up retail outlets and reviewing progress.

Budget Committee

Reviews and recommends the annual budget proposals and discusses deviations with the departmental heads.

Information Technology Committee

Responsible for automation of process and system in line with latest technology and developments.

Pricing Committee

Reviews and recommends the pricing of deregulated products on regular intervals.

Safety and Technical Committee

Reviews and monitors, the safety, health and environment matters for safe operations and better environment and matters relating to technological problems and operational risks affecting the business.

DIRECTORS' REPORT



MR. SHUAIB A. MALIK
CHIEF EXECUTIVE OFFICER

“ The Company managed to increase its market share from 9.7% to 10.8% thereby performing better than most of the competition. ”

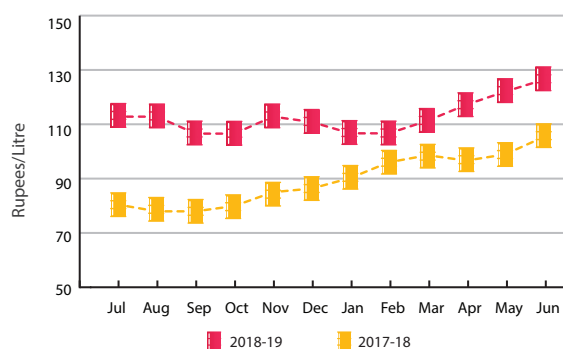
FINANCIAL PERFORMANCE

During the year under review, the Company recorded net sales revenue of Rs 223.054 million, resulting in an increase of 26% as compared to last year (2017-18: Rs 177,217 million). Significant increase in prices of petroleum products led to this increase in sales revenue. The overall industry sales volume witnessed a decrease of 23% due to deteriorating economic indicators, slow business growth and availability of alternate fuels for power generation. However, sales volume of the Company dropped merely by 11%. Consequently, the Company managed to increase its market share from 9.7% to 10.8% thereby performing better than most of the competition. Proactive approach and dedicated efforts by the management through intelligent decision making and ensuring a seamless supply chain along with effective stock management has led to achievement of this increment in market share. Intense competition coupled with purchase of imported products at comparatively higher prices during rising price trend adversely affected the profitability of the Company leading to decrease in gross profit by 16%. Substantial increase in operating expenses including exchange loss of Rs 762 million, decrease in net finance income and share of loss of associates negatively affected the net profitability of the Company. Resultantly, the Company earned profit after tax of Rs 3,961 million (2017-18: Rs 5,656 million). The net profit translates into earnings per share of Rs 39.79 (2017-18: Rs 56.83).

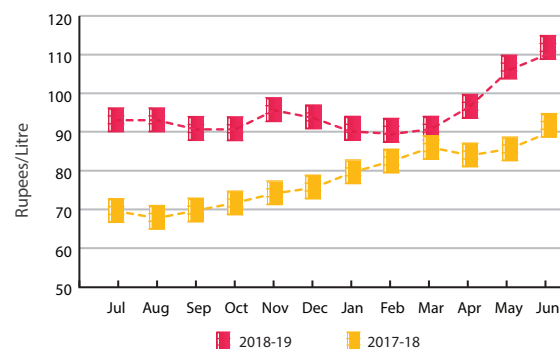
Financial results and appropriations for the year ended June 30, 2019 have been summarized below:	Rs in Million
Profit before taxation	5.723
Less: Provision for taxation	(1,762)
Profit after taxation	3,961
Add: un-appropriated profit as at July 01, 2018 (adjusted)	16,959
Add: Transfer from special reserve by associated companies	30
Less: Other comprehensive loss for the year	(3)
Profit available for appropriation	20,947
Less: Appropriations during the year	
Final cash dividend for the year 2017-18 @ 250% (Rs 25/- per share of Rs 10/- each)	2,074
Transfer from reserve for issue of bonus shares in the proportion of one share for every five shares held i.e. 20%	166
Interim cash dividend for the year 2018-19 @ 100% (Rs 10/- per share of Rs 10/- each)	995
	3,235
Balance as at June 30, 2019	17,712
Subsequent Effects:	
Final cash dividend for the year 2018-19 @ 100% (Rs 10/- per share of Rs 10/- each)	995
	16,717

PRICE TREND ANALYSIS

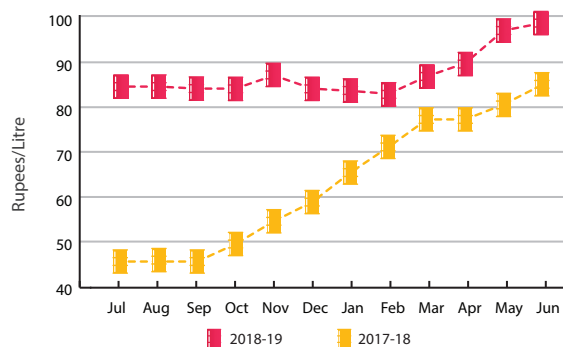
HIGH SPEED DIESEL



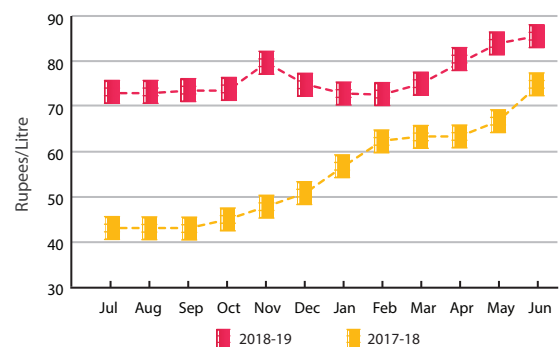
PREMIER MOTOR GASOLINE



KEROSENE OIL



LIGHT DIESEL OIL



Dividend

The Board has recommended a final cash dividend @ 100% (Rs 10/- per share of Rs 10/- each) out of the profits for the year ended June 30, 2019. This is in addition to the interim cash dividend @ 100% (Rs 10/- per share of Rs 10/- each) already declared and paid to the shareholders, thus making a total of 200% cash dividend for the year under review.

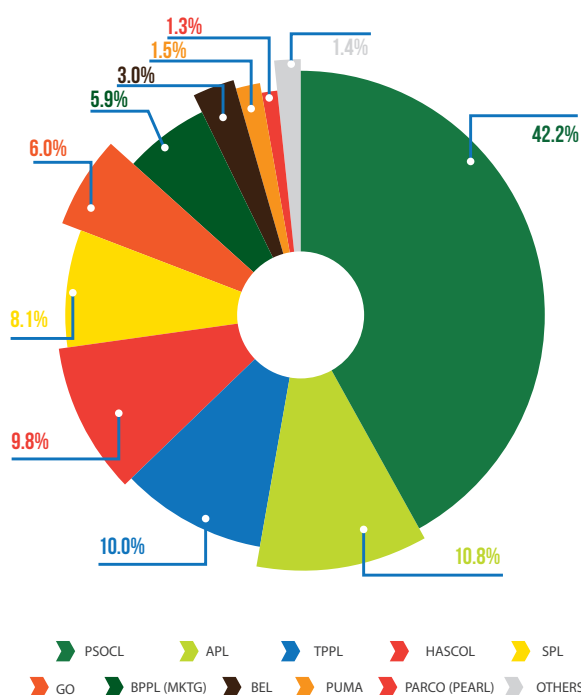
Contribution towards National Exchequer and Economy

The Company contributed Rs 60,034 million towards national ex-chequer in the form of taxes and levies thus serving its community and nation. Expansion of its network of retail outlets and distributors by including remote and far flung localities in the development plan has led to generation of employment in those areas and the quality of life of the local populace is being improved.

Liquidity Management, Financing arrangements & Strategies to overcome financial problems

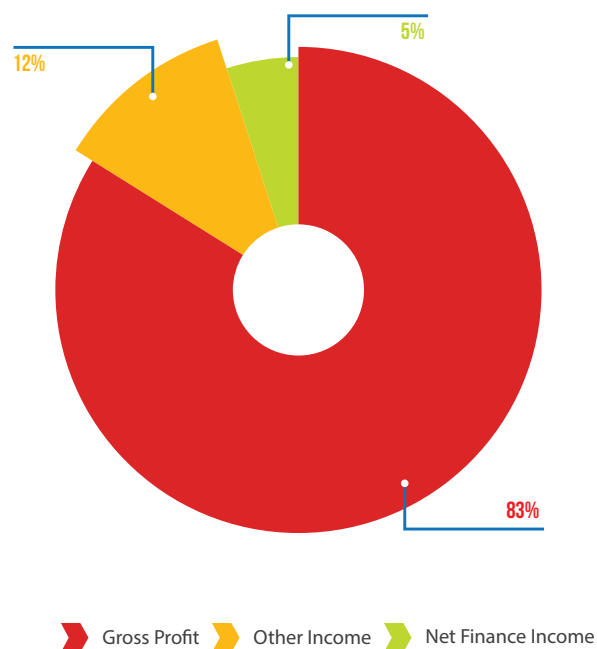
During the year under review, cash and cash equivalents decreased by Rs 1,278 million. The cash was used mainly for purchase of property, plant & equipment, payments of petroleum products and operating expenses. Cash and cash equivalents at year end were Rs 2,920 million. Availability of funds is ensured by employing different methods including financial projections which are updated on a regular basis to stay up-to-date with the liquidity requirements. The Company has sufficient borrowing capacity and is adequately geared to meet its future commitments and development plans. Due to increase in working capital requirements and on-going projects, the Company availed running finance facility during the year. The Company has various standby arrangements with financial institutions to ensure smooth continuation of the operations.

OVERALL MARKET SHARE



Source: Oil Companies Advisory Council (OCAC)

REVENUE CONTRIBUTION



Capital Structure

The capital of the Company is entirely structured on equity finance. There was no change in the capital structure during the year and the management is of the view that the capital structure is appropriate for the foreseeable future.

As the entire capital structure is equity financed, hence no default in payments of any debts was observed.

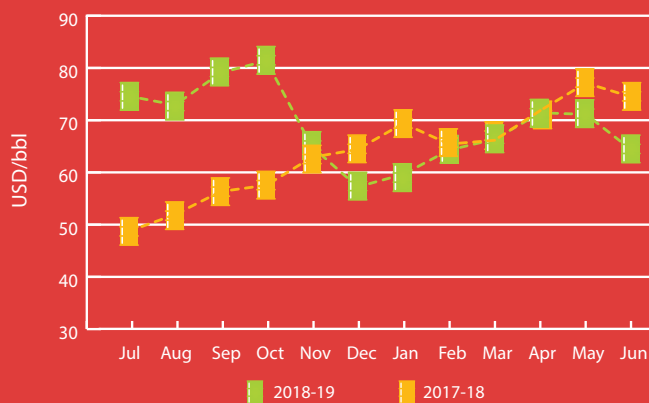
Significant Changes in Financial Position and Liquidity from last year

As at June 30, 2019, total assets increased to Rs 46,403 million and total liabilities increased to Rs 27,476 million. Focusing on increasing its storage capacity, the Company invested substantial amount of Rs 2,439 million for purchase of land and construction of bulk oil terminals and retail

outlets which resulted in increase in non-current assets from Rs 7,983 million to Rs 9,300 million. A decrease of Rs 926 million was observed in net current assets, resulting into Rs 10,420 million at the year end.

Cash inflow from operating activities for the year was Rs 2,998 million as compared to cash outflow of Rs 1,030 million last year mainly due to excess cash receipts from customers against payments to suppliers. Outflow of Rs 2,523 million was recorded from investment in property, plant and equipment. Encashment of short term and other long term investments resulted in inflow of Rs 1,135 million while income earned on investments resulted in an inflow of Rs 525 million. Total cash out flow of Rs 790 million was recorded from investing activities. Outflow relating to dividend was Rs 3,493 million (2017-18: Rs 3,089 million).

BRENT CRUDE OIL



MARKET AND INDUSTRIAL REVIEW

Global

Oil prices have remained extremely volatile throughout the year 2018-19. Brent Crude Oil peaked its maximum at 86.07 USD/bbl during the first quarter of the year under review. The end of second quarter witnessed the lowest point in terms of price where the price fell to as low as 50.57 USD/bbl leading to heavy inventory losses worldwide. Several macroeconomic and geopolitical factors



have contributed to this fluctuation including but not limited to the US sanctions on Iran, supply disruption in Venezuela, unexpected US oil production statistics, trade tensions with China, continuity of unrest within the Middle East and Arab countries. The industry has been supported to some extent with the prices gradually rising again during third quarter. This, however, may not prolong due to increasing war tensions between US and Iran. The industry also has to face the challenges of the energy sector transitioning towards new technologies, non-fossil and environment friendly energy sources; the pace and magnitude of which is remarkable. Keeping up with the growing pace of energy sector and looking towards the future of energy in this constantly changing landscape, it has become a necessity for the oil and gas sector to remain on the forefront of innovative techniques and adapt to the changing dynamics of the industry.

Domestic

The price of POL products in the Country depend highly on the price parity of US Dollar (USD) to Pakistani Rupee (PKR) as Pakistan

remains a petroleum importing country. Fluctuation in the price of petroleum products in the international market coupled with massive devaluation of the PKR against the USD, the petroleum product prices in the Country have been extremely volatile over the last year. The industry experienced inventory losses in the second quarter whilst the consumers have had to suffer from steep increase in fuel prices in the third and fourth quarters. Furthermore, the overall sales volume for High Speed Diesel has seen a significant drop of 19% as compared to last year general economic slowdown our Country has fallen prey to.

The changing policies of the new government, imposition and changes within the duties and taxes structures, slump within the construction segment and non-investment in mega projects, instability in the USD exchange rate, changes within the overall economic regime and operational dynamics are some of the major factors contributing to the overall negative growth from the previous year. RLNG and coal has taken over the Furnace Oil (FO) market and as a result of which, the demand for FO has diminished considerably. Imports of products specifically Premier Motor Gasoline (PMG) also faced many operational challenges; congestion at ports resulted in time delays as well as financial exposure due to demurrages etc.



COMPANY'S SALES AND MARKETING REVIEW

The oil industry in Pakistan has witnessed ever-increasing challenges within the year. Evolving regulatory framework, variations within the duties and taxation regime, high volatility of international crude oil prices, rapid depreciation of the PKR against the USD, new government causing uncertainties within the business community of the Country, influx of new marketing licenses issued by the Authority and reduced economic and infra-structural activities/projects etc. all played a major role in shaping up the performance for the year.

During the year under review, despite stiff competition from new entrants and many variables, the Company was able to increase its market share and standing within the industry. Industry wide HSD sales volumes reduced by 19% this year due to many factors while APL recorded a decrease in volume of only 7%, causing APL's market share in the product to increase to 10.5%. PMG market has witnessed a slight growth during the year due to limited availability of Compressed Natural Gas (CNG). The average growth for the industry was merely 2%, whereas APL again surpassed and observed a growth of 13% due to clear goals and visionary guidance



from senior management. The Company also completed all its contractual obligations by safely and timely deliveries to the defense services and was officially appreciated by the headquarters for unmatched services and customer care.

Similarly, due to better quality and premium services across all the business sectors, handling the widest product portfolio within the industry, APL increased its client-base and currently ranks as the second largest OMC in the country w.r.t aggregate market share i.e. 10.8%. The economic slowdown of the business activities across the Country remained a factor contributing towards the overall slump within the industry. However, positive recovery is expected in the upcoming financial year.

The consumption and application of bitumen has drastically reduced as compared to last year. This decrease is primarily attributable to decrease in infrastructure and development projects. Influx of lower priced smuggled Bitumen in the market is also contributing to decline in sales of local product. APL continued to be a supplier of choice in terms of Bitumen supplies for geo-politically and strategically important construction projects like the Kartarpur Corridor/ Lahore Sialkot



Motorway/ Swat Motorway etc. securing a market share of 71% which represents a growth of around 9% despite substantially reduced consumption overall.

Like any OMC, expansion of the retail network along with services and product expansion upon the existing ones is the primary focus of the APL. During the year under review, APL achieved several milestones within its retail business operations. On the outset, an addition of 34 new outlets was made during this period, 15% of which are either Company Owned Company Operated or Company Financed sites. These high value outlets act not only as a benchmark of service and quality towards our own retail network but also targeting to be the leading image of retail services within the overall industry.

As at June 30, 2019, the Company has 662 retail outlets throughout Pakistan – making



APL the 4th largest network of outlets within the Country. APL has been focusing on selective network development plan primarily targeting the urban and suburban centres across various regions. The Company has penetrated into the Balochistan market and has setup two (02) retail outlets during the year.

APL embarked on a new journey and entered into the Aviation Fuel segment last year and commissioned the Country's largest and most modern fuel farm at the Islamabad International Airport under a joint-venture. Keeping the spirit of professionalism and



premium customer care, the venture was able to safely handle approximately 233 Million Litres of Jet Fuel (JP-1), refuelling over 10,000 flights of international carriers and over 5,000 flights of domestic airlines for onward journey to their destinations. In a highly technical and competitive aviation segment, APL continues to break through the challenges and is proud to announce that APL is the first national OMC to be an associated member of Joint Inspection Group (JIG); the world-leading organization for the development of aviation fuel supply standards covering the entire supply chain for aviation fuels from refinery to wing-tip. The JIG standards are followed by over 100 member organizations

globally, operating at over 2,500 airports and having its supply and distribution locations in over 100 countries. APL is proud to act as the backbone of the economic gateway of Pakistan through the new Islamabad international Airport – paving way for a brighter, more prosperous Pakistan.

To enhance the overall experience at retail outlets, Attock Smart Fuel Card facilities are being offered in major urban and suburban sites. Within a short span of just a year, the Company has enabled about 20% of its overall retail network with the facility and



gaining customer confidence day by day; on boarding prestigious organizations and businesses across various industries and segments.

Another core value of APL is to be a socially conscious organization and focus on value creation for the sustainable community and social development of the country. As an integral part of its vision, APL is integrating CSR activities in its commercial operations entirely and is investing continuously in environment friendly technologies, energy conserving measures and advancements of equipment to reduce the negative impact of operations on environmental footprint. APL focal areas for CSR are Green-Clean initiatives, Educational Improvements and



Community Building. APL joining hands with Attock Sahara Foundation, collectively works for the welfare of community by providing pragmatic resolutions to the social issues which hinder the socio-economic development. Similarly, with collaboration of Civil Aviation Authority Pakistan, APL took initiative for a Green, Clean and Healthier Pakistan and is vigorously pursuing such joint ventures in partnership with renowned institutions and Government bodies.

APL strives to minimize adverse environmental and social impacts across all projects and supports to progress with clean energy solutions and a lower-carbon economy and plans to play a wider role to encourage corporate sector of Pakistan in playing a part of socially active organization for a flourishing and a prosperous Country.

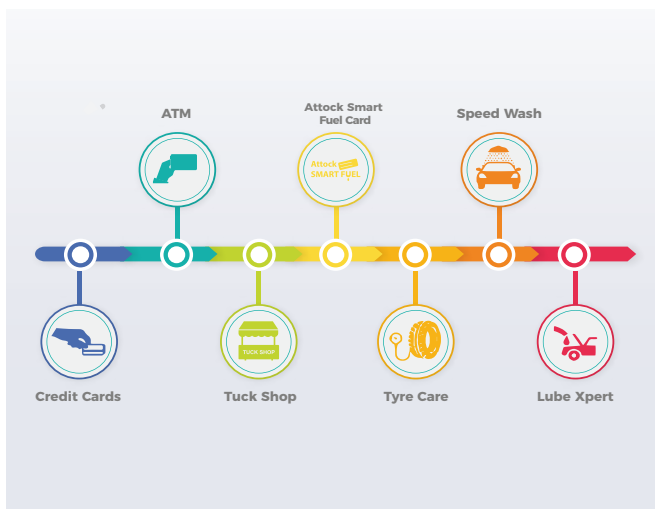
Other Business Activities

APL's foremost value is delivering customer convenience and to improve the overall fueling experience on our forecourts. APL has marked its efforts to extend its brand image beyond the dominion of just fuel. Understanding the current market dynamics and to cater the needs of all customers, APL





targets to be a complete customer centric organization, ultimately creating itself to be a "Customer Convenience Focused Company". Our retail outlets are furnished with expedient payment and service solutions i.e. Credit Cards, ATM facilities, Attock Smart Fuel Card, Tyre Care, Speed Wash, Lube Xpert, Time Out tuck shops etc. The quick care is being



offered to consumers for free check-up of vital elements such as engine oil, brake oil, battery water etc. by experts. With the emergence of innovative retailing and intense competition in Pakistan, APL has assessed a strong demand from consumers for a one stop shopping experience and has expanded

its dominion in convenience retailing initiative as well. Continuous communication with dealers and motivating them towards offering exceptional services and exploring innovative ideas at their outlets shall prove to be successful for APL non-fuel related services.

Being a customers oriented Company, APL has highlighted another dimension of convenience by venturing and partnering with other products and creative solutions. APL has created diversified forecourt-enriched offers including various restaurants and ease stores and also intends to offer wide array of financial services. With dedicated and fully equipped, state of art lube oil change facility, it takes few minutes for the end-to-end, quick and professional oil change service by trained technicians that customers can completely rely on. The service includes free safety checks and vehicle advisory guidelines, allowing customers to monitor and assess lube change as per their requirements and satisfaction. APL lube change team ensures the maintenance of the vehicle to ensure smooth running.

APL also manages the arrangements to provide JP- 1, HSD, PMG, HOBC - 97 and





SKO to the defense segment of the Country. The Company aims at delivering improved services by redefining accessibility for all the population in various segments of the industries.

Being a highly conscious and socially responsible organization, APL also embarked on multiple initiatives towards reducing its carbon footprint, particularly focusing on energy conservation, water and waste management and also contributing towards Tree Plantation in-line with the honorable Prime Minister's 'Clean & Green Pakistan' movement.

Infrastructure Development

Infrastructure development is a significant aspect for not only overall economic evolution but acts as a catalyst to enhance comprehensive growth. In the current scenario of intensifying competition, APL

firmly believes infrastructural expansion is imperative in catering to the rapidly evolving operation dynamics of the oil and gas industry within the Country. Infrastructural expansion serves as the backbone for any oil marketing company ushering in a new era of resilience and steadfastness by helping reduce transportation costs, safer product handling and distribution, faster route to market and consumers while creating a layer of protection against failure under disaster & other force-majeure events.

With a passion and commitment towards exploration and development of new business segments, the company ventured into the domain of aviation refuelling (under a Joint Venture) last year and commissioned the nation's largest and state-of-the-art fuel farm facility at the Islamabad International Airport – managing safe operations over the year.





Since July 2018, the Company invested its resources aggressively towards expansion and enhancements within its bulk oil storage terminals across the Country. Rapid development work with stringent quality controls enabled APL to achieve major world-class milestones. Commissioning of Shikarpur Bulk Oil Terminal, project completion of Sahiwal Bulk Oil Terminal and Daulatpur Bulk Oil Terminal which are due to commence their operations soon, commencement of developmental work at Port Qasim Terminal (Karachi), successful land acquisition at Gatti (Faisalabad) and D.I. Khan for construction of storage terminals, design and feasibility analysis for Tarujabba Bulk Oil Terminal and storage capacity expansions at Machike Bulk Oil Terminal are amongst the high value projects. Moreover, various process and equipment upgradations were made to improve operational efficiencies and better controls.



With these additional storage facilities, the Company will be able to generate sustainable returns and become more cost effective while also curtailing the delivery times to our valuable clients and increasing sales. Construction of terminal on the coast of Karachi at Port Qasim will be advantageous for the Company especially during local refineries turnarounds also minimizing port congestion issues which would help to avoid demurrage charges. APL is focused on being a responsible citizen by adhering to all safety and environment standards on all its terminals/locations, generating value for not only our clients but for the societies and communities where we operate in – ensuring



streamlined supplies all over Pakistan with this new and added infrastructural strength.

After commissioning of Shikarpur Bulk Oil Terminal within Sindh, the development of terminals at Port Qasim and Daulatpur is the persistence of APL's aim to be the leader in the energy and retail market. These strategically located depots will proficiently supply fuel to all consumers within Sindh and Baluchistan and will assist the Company to cater to the volatility within the progressing forces of the nation's demographics and its oil industry. The management of the company is optimistic that these advancements will not only improve the efficiency but also the effectiveness of the operations with



sustainable growth competencies and cost successes.

Apart from the growth in retail network via numerous franchisee retail outlets, this year the Company targeted urban and suburban centers in Pakistan and successfully commissioned many Company Operated and Company Owned (COCO) sites and more are expected during the coming year. Margalla F/S and Murree Hills F/S in Islamabad and Fine Fuels F/S in Lahore are some of the sites in major cities. Plans to construct APL outlets on motorways shall assist the Company to reinforce its vision of providing premium quality products and unparalleled services to our valuable clientele; setting a benchmark of fuelling experience not only for our whole network but also for the industry within the Country.



Quality Assurance of Products

Product and service quality is a prerequisite to a company's achievements and plays an essential role in consumer satisfaction. APL is committed to continuous improvement philosophy and to have extensive measures and systems in place to ensure that only highest quality standard products are being delivered to all our valuable clientele. APL continues to mark its presence by uninterruptedly delivering quality products and striving for service excellence.



APL runs a comprehensive product quality assurance system across our Quality Assurance (QA) department that ensures the product quality throughout the range of operations as per the existing product specifications of the country – from procurement of petroleum products, storage within our bulk oil terminals, on-route to delivery through our fleet of delivery vehicles to the storage tanks at our retail outlets.

APL ensures impeccable quality standards by employing state-of-the-art laboratories at all our terminals and numerous mobile quality assurance vans nationwide.

Over 100 Years collective
Formulated &
Designed by
The Experts
In Oil
wisdom and experience

ہر موسم میں | ہر جگہ | آپ کے ساتھ

آپ کے انجن کا دوست
Attock Lubricants



HiDRIVE
Gasoline Engine Oil
A Product of Attock Petroleum Limited



RISK MANAGEMENT

Risk management refers to obtain understanding by all parties and agreement around what the risks really are and how they will be managed to improve performance, increase the value of firms and reduce financial distress. APL encounters uncertainties both in terms of supply and demand of the products and volatility of prices. Global environmental pressures, arrival of LNG and RLNG, changing dynamics of the oil and gas sector, dealing with government departments and authorities, shifts in social and other customer preferences and expectations are some of the risks associated with the sector. Similarly, technological advancements or disruptive advancements and a new paradigm shift in fuel infrastructure and pricing regime is also a factor. All these factors require careful insights and alignment of resources to remain profitable in times to come. Therefore, for this purpose, future strategy is carved out by APL through a highly participatory consultative process by taking all stakeholders on board.

Risk Management Framework

An effective risk management framework seeks to protect an organization's capital base and earnings without hindering growth. The adoption of a risk management framework that incorporates best practices into the Company's risk culture is the cornerstone of the Company's financial future. Our Company's risk management framework is built upon following pillars:

- risk identification
- risk assessment
- risk mitigation
- risk reporting and monitoring
- risk governance

The Board of Directors has approved a Risk Management Policy to ensure Company's level of risk tolerance is determined and identified risks are appropriately reported, managed or mitigated within timely manner. Risk exposures are periodically gauged in accordance with the risk management framework. The Board of Directors have carried out a robust assessment of principal risks facing the Company including those that might affect the future performance, solvency or liquidity.

Volatility in International Oil Prices and Regulatory Risks

Oil is one of the most important natural resource and commodity and the primary driving force of the global economy. Fluctuations in the price of oil have significant effects on economic growth and welfare around the world. During the year 2018-19, global events and a sequence of geopolitical and market factors have driven the instability of oil prices that has affected the overall supply and demand forecasts. The decision by the Saudis, Russians and other OPEC members, coupled with potential losses of Iranian oil, international trade wars and

supply disruption in Venezuela were major elements that made prices highly volatile during the year. OPEC is determining supply volumes and appears to be reactive with its consequent effect on price and intense scrutiny is carried out to resolve the market tension resulting in different geo-political scenarios globally.

Within Pakistan, further volatility has been observed within the year under review due to rapidly deteriorating exchange rate of PKR against the USD. To manage these challenges, APL continues to focus on potential opportunities and develops institutional arrangements with adequate



technical capacity, political independence and coordinates across all sectors.

Vigilance on such macro factors and geo-political and forecasts are re-evaluated frequently to determine possible future reactions of the operating landscape. Understanding the sensitivity of the industry, APL fulfills the requirements of customers and mark efforts for efficient stock management in this extremely volatile market.

Geopolitical and Security Risks

Geopolitics is a dominant distress for the companies in Pakistan operating in oil and gas sector and this can be observed as a source of both risk and opportunity. Although, law and order and security situation along with terrorism has improved within the Country; yet, the tendency driving towards aggressive political behaviour, global economics, commodity constraints and pricing, lower

monetary growth, energy crisis, deficit in exports and unemployment with stagnant investment indicates that global instability is on the rise.

The recent global events i.e. the new global energy landscape, technological advancements, trade competition between major economic players, economic sanctions and tensions on Iran and environmental concerns have affected the overall global demand and supply. APL completely undertakes and believes that greater appreciation for the underlying dynamics of geopolitics in turn can catalyze the development of robust strategies and processes and can assist in making informed business decisions. Although the inherent complexity and uncertainty of these factors seem impenetrable at times, it is however possible for the Company to analyze the various political actors and constraints in detail while maintaining a strategic view of larger global trends to keep the Company's trajectory aligned with the overall vision.

Intense Competition

With over 650 retail outlets and strategically located bulk oil terminals across Pakistan, APL is one of the leading oil marketing company of the Country through which it serves both retail and industrial customers. With the backup support of group companies and collective experience of more than 100 years, APL stays

PARTNER WITH PAKISTAN'S LEADING OIL MARKETING COMPANY

CONTINUING THE TRADITION OF 100 YEARS...



Attock Petroleum Limited (APL) is the member of only fully vertically integrated, Attock Oil Group, with operations ranging from Exploration, Production, Refining and Marketing. With the nationwide footprint of 650+ state of art retail outlets, APL has the power to propel your business towards success. Since APL is instantly recognized and highly regarded by customers, you stand to gain big; both financially & in terms of security of your business.

The development of bulk oil terminals at Port Qasim, Shikarpur and Daulat Pur is the persistence of APL's aim to be the leader in Sindh and Balochistan's energy and retail market - Capitalizing our century old experience. These strategically located depots will proficiently supply fuel to all consumers within Sindh enabling growth of local businesses & organizations.

**BECOME OUR RETAILER AND
DEVELOP YOUR BUSINESS WITH APL.**



proactive towards the global and domestic market trends. Moreover, continuous imports during the year has supported the Company's strategic trade relations – further fortifying the company's resilience in terms of sourcing quality products and enhancing the Company's position of a guaranteed supplier of petroleum products for its valuable customer within the Country under any scenario.

Many new entrants have recently joined the industry and resulting in intense competition with various challenges and multiple opportunities as well. To cater the competition, the Company is strengthening its determinations on cashing the opportunities and to be the preferred oil marketing company of the nation.

During the year, the Company upgraded its scale of operations. Focusing aggressively on its storage terminal network, enhancement of storage capacities, efficient energy management and streamlined filling and delivery mechanisms are some of the major initiatives that have been undertaken to consolidate the strengths and build upon them in times to come for generating more value for prestigious clients.

Similarly, in order to stay ahead, the Company has strived to create innovative solutions at all the retail outlets for the customers and is providing them a one window solution of all their needs and is adapting to the changing market conditions – whether it be the rapid expansion of the Smart Fuel Cards network, increasing payment solutions and options to our clients such as Credit Card acceptance, ATM machines or growing other Non-Fuel Retail (NFR) services on our existing as well as new retail outlets. The Company believes in adopting best industry practices and deploying latest tools and services to increase the footfall at our retail outlets, thus enriching the consumer's experience and countering the threats from the competition.

Human Resource

APL, being equal opportunity employer, is committed to induct talented and innovative professionals. Employees are taken as investment and their contribution towards profitability and growth of company are fully valued.

Company fosters culture where the focus is on growth and development of their employees' managerial and technical skills. Company's supportive and positive culture has an advantage when it comes to attracting and retaining good employees.



APL appreciates and acknowledges the importance of its most important asset "Employees" and value them by recognizing their contributions. The compensation and benefit policies are designed not only to keep the employees motivated but also to attract and retain the competent individuals.

Employees are compensated with packages and benefits which encompass market competitive salaries, medical facilities, paid leaves etc., thus sending a powerful message to employees about their importance at the organization.

Health, Safety, Environment and Security

Attock Petroleum Limited is committed to an incident-free workplace; everyday, everywhere. While protecting people and minimising the impact on the environment, our performance depends on our ability to continually improve the quality of the services provided to our clients. Company believes on active commitment to HSE in all work activities wherever we operate by ensuring compliance with all HSE policies, procedures and standards. Company ensures safety, security, health and environmental responsibilities beyond protection and enhancement of our own facilities.



The company is managing HSE and social performance in line with its commitment and policy, local laws and the terms of relevant permits and approvals. The Company also includes requirements for integrating environmental and social factors into the way we plan, design and take investment decisions on new projects. This commitment is in the best interest of the customers, employees, contractors, stakeholders and communities. The Company's HSE policy is a true reflection of the fact that the business practices do not contravene to law pertaining to health, safety and environment.

In APL, security of employees, materials and installations is accorded high priority. All bulk oil terminals have been duly categorized as "Key Points" as defined in the Key Point Intelligence Division's pamphlet, "Security and Protection of Key Point, 1983". All recommended security measures for the Key Point, as enunciated by the authorities have been duly and fully put into practice. Besides, the security environment is continuously monitored in close coordination with District Authorities, Law Enforcement Agencies and other relevant quarters to update the security standards regularly.

Information Technology Risk

Information technology risk includes internal factors such as the number and duration of system failures, employee access controls, protection of confidential data and information, as well as external factors such as the introduction of advanced software and hardware into the industry and incidents of cybercrime.

The Company maintains a central database environment where online transactions are entered in real time. An automated procedure generates a daily data backup at midnight. Further, incremental and monthly backups are generated and maintained on hard drives and data tapes. An offsite backup mechanism is also in place as an additional measure to safeguard data integrity.

Disaster Recovery and Business Continuity Planning

Global trends, increased inflation, international economics, political chaos, fluctuation in global prices, commodity constraints and pricing, lower monetary growth, energy crisis, deficit in exports, unemployment, technological innovations and the increasing competition led to develop a need of evaluating the continuity of the business and to enhance the line of defence against such disruptions.

To enhance the resilient ability or to mitigate the impact of disaster, recovery plan enables you to bounce back from the worst disruptions with minimal damage. The Company has applied effective and efficient business practices for persistent and even business operations via strategic infrastructure development and alternative supply channels through various import lines. The Board reviews the usefulness of the system periodically to further improve any lapse or new ways to manage such events.



NATCO-3 Mountain Filling Station - Sost, Khunjerab

CORPORATE GOVERNANCE

The Company has created a culture where principles of corporate governance are embedded into the policies and practices adopted by the Company. Good corporate governance remains imperative to sustainable and progressive future. The Board has ensured that all activities carried out are at par with the best practices. Attock Petroleum Limited has taken steps to remain compliant with the recent changes in Corporate Governance framework implemented through Code of Corporate Governance Regulations 2017. By virtue of this, the Company is highly trusted by the investors. Transparency in communication with stakeholders remains at core and implementation of a professional corporate culture is critical for complying with the principles of good governance at every step.



Annual Evaluation of Board, its Committees and Members

Code of Corporate Governance has been adopted by the Board in its true spirit. Performance of the Board members, Committees of the Board and Board as a whole effectively shape the overall performance of the Company hence remains essential. Implementing best practices can improve performance of the Board and Committees while performance of the members of the Board can be enhanced by promoting professional corporate culture.

The Code of Corporate Governance requires the Board to put in place a formal and effective mechanism for annual evaluation of the board's own performance, members of the board and of its committees. As required, Board of Directors of the Company has developed and approved an internal mechanism to evaluate the efficacy of the Board, its members and its Committees on an annual basis.

During the year, the Board and its Committees were evaluated using this mechanism to further improve the effectiveness of the Board. Developments in corporate governance are constantly reviewed and implemented to align the Board with principles of good corporate governance.

Role of the Chairman and CEO

The Chairman heads the Board of Directors and is appointed by the Board from amongst the Non-Executive directors. Heading the meetings, defining agendas and signing the minutes are the primary responsibilities of the Chairman and making sure that the duties of the Board of Directors are met. He also manages conflicts of interests arising, if any, and makes recommendations to improve performance and effectiveness of the Board. The Chairman, at the start of the term of

Directors, intimates them regarding their roles, responsibilities, duties and powers to help them manage the affairs of the Company effectively.

The CEO manages the Company and is responsible for all of its operations. The CEO designs and proposes strategies and implements decisions of the Board. The CEO reports to the Board regarding the Company's performance and profitability along with suggesting improvements to enhance shareholders' wealth.

The Board of Directors has clearly defined and segregated the roles and responsibilities of the Chairman and the CEO.

CEO Performance Review

The Board assesses the CEO's performance using key performance indicators set on financial and non-financial measures. The Board also discusses the prospects of the Company with the CEO to ascertain smooth operation of the Company's affairs.

The Board is well contented with the CEO's performance for the year. Multiple new ventures, improving market presence, up-gradation of the current bulk oil terminals along with construction of the new ones are a few examples of the Company's excellent performance during the year.

Directors' Training Programme

The Company ensures that it meets the requirements set forth by Securities and Exchange Commission of Pakistan (SECP) through Code of Corporate Governance and is complying with criteria of Directors' Training Programme (DTP). Two of the Directors, Mr. Babar Bashir Nawaz and Mr. Mohammad Raziuddin, have previously attended the Directors' Training Programme while Lt Gen (Retd.) Javed Alam Khan, being the newly appointed director in March 2018 has obtained



Chairman and Chief Executive Officer reviewing the Company's Performance in challenging time.

this certification from recognized institution of Pakistan approved by the SECP. Four of the Directors namely Mr. Laith G. Pharaon, Mr. Wael G. Pharaon, Mr. Shuaib A. Malik and Mr. Abdus Sattar meet the exemption criteria for this purpose.

Formal Orientation for Directors

The Directors are kept updated about the prevailing relevant laws and the current matters regarding corporate governance including changing in governance framework

and regulatory changes. The Directors are well-equipped with a thorough and practicable knowledge of the various regulations under Companies Act, 2017 in addition to the Code of Corporate Governance. Further, newly appointed directors on Board are provided with extracts of relevant laws and regulations. The Chairman of the Board also communicates roles and responsibilities of Directors at the start of their term. Any changes in prevalent laws or newly issued notifications are shared with directors from time to time.



WHISTLEBLOWER PROTECTION MECHANISM

Whistleblowing protection mechanism aspires to prevent or detect the probable attempts of defrauding the organization and other malpractices by its employees, customers or other stakeholders and ensures protection of the whistleblowers. It encourages the employees to highlight and report their concerns about malicious activities without any fear and prejudice.

This policy is predetermined to provide a platform for whistleblowers to call out their angsts and apprehensions to suitable pre-identified authority without any fear of retaliation such as discrimination, victimization, harassment etc., about any suspicious or obnoxious events/activities, which are against the policies of the Company or may have an obstructive impact on the business or goodwill of APL.

The Company stays confident that an authentic and transparent working environment is cultivated. Any claims made by the whistleblowers are properly inspected and scrutinized justly. The management reserves the right to put forth the assertions made by the whistleblower as deemed appropriate. No such occurrence of whistleblowing has been reported during the year.

Decisions taken by the Board and Delegated to Management

The Board of Directors ensures that the management upholds the vision and mission set by the shareholders of the Company. To achieve this objective, policies and objectives are set by the Board in such a manner that implementation by the management results in benefit to the Company. The Board is involved in top-level strategic decisions having long-term implications including major investments, capital financing, capital expenditure, disposal of fixed assets, approval

of budgets, approval of financial statements, future projects, acquisitions and dividend declarations etc.

Operational level decisions, having 1-2 years medium-term implications, are delegated by the Board to the management including short term investments, sale/purchase contracts, implementation of policies, treasury, taxation and stock management and Board has given them the responsibility of day to day running of the Company.

Security Clearance of Foreign Directors

Foreign Directors require security clearance from Ministry of Interior through SECP. All legal formalities and requirements have been met and fulfilled in this regard at the time of election of directors of Attock Petroleum Limited.

Code of Conduct for Directors and Employees

The Code of Conduct has been circulated to all the directors and the employees of the



Company for their compliance as required under Code of Corporate Governance, 2017. This Code provides the standard for professional behaviour in order to ensure that the business is carried out in an honest and ethical manner.

Compliance with Code of Corporate Governance

The Company is compliant in all respects with the Code of Corporate Governance. Specific statements are being given hereunder:

- 1) The financial statements, prepared by the management, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- 2) Proper books of account have been maintained.
- 3) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- 4) International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- 5) The system of internal control is sound in design and has been effectively implemented and monitored.
- 6) There are no significant doubts upon the Company's ability to continue as a going concern.
- 7) Significant deviations from the last year's operating results have been disclosed in this Report.
- 8) Key operating and financial data of the last 6 years in summarised form is annexed with the Report.
- 9) All major Government levies in the normal course of business, payable as at June 30, 2019, have been cleared subsequent to the year-end.
- 10) The Company does not envisage corporate restructuring or discontinuation of its operations in the foreseeable future.



DO *Cashless*
PAYMENT!

- 11) The values of investments in employee retirement funds based on the latest audited accounts as of June 30, 2019 are as follows:

Employees' Gratuity Fund

Rs 105.585 Million

Employees' Provident Fund

Rs 193.719 Million

- 12) The total number of Company's shareholders as at June 30, 2019 was 3,665. The pattern of shareholding as at June 30, 2019 is annexed.



A separate statement of compliance signed by the Chairman of the Board of Directors is included in this Annual Report.

Adequacy of Internal Financial Controls

Internal financial controls of the Company have been formulated and implemented by the Board of Directors through various policies. These controls have been put in place to ensure efficient and smooth running of the business, safeguarding of Company's assets, prevention and detection of fraud and errors, accuracy and completeness of books

of accounts and timely preparation of reliable financial information. Adequate internal controls provide reasonable assurance about the achievements of Company's objectives through reliable financial reporting. Compliance with applicable laws and regulations also depends upon internal controls and the Company has dependable internal controls put in place to make sure that regulatory requirements are complied with. Internal Financial Controls are periodically reviewed to ensure these remain effective and are updated with changing laws and regulations.

Board of Directors Structure, its Committees and Meetings

The status of each director on the Company's Board whether male, female or non-executive, executive or independent has been disclosed in the Statement of Compliance as required under Code of Corporate Governance, 2017.

During the year the Board remained actively involved in performing their duties under



various laws and the Memorandum and Articles of Association of the Company with the ultimate objective of enhancing the

profitability of the Company thus increasing shareholders return. The Board possesses necessary skills, competence, knowledge and experience to deal with various business issues. The Chairman of the Board is a non-executive director.

During the year, five meetings of Board of Directors were held for review of periodic Financial Statements as well as for consideration of significant and routine matters including those referred to it by Board committees.

Audit Committee

The Audit Committee consists of four members comprising of non-executive

directors including two independent directors and the Chairman of the Committee is an independent director having relevant expertise and experience. The Audit Committee met four times during the year and these meetings were held prior to the Board meetings.

Human Resource & Remuneration Committee

The Board Human Resource and Remuneration (HR&R) Committee comprises of two non-executive directors and Chief Executive Officer. Chairman of the Committee is an independent director. The Committee met once during the year to review the HR related agendas.

Attendance by Directors in the Meetings

Sr. No.	Name	Meetings attended / Eligible to attend		
		Board of Directors meetings	Audit Committee meetings	HR&R Committee meetings
1	Mr. Laith G. Pharaon*	5/5	-	1/1
2	Mr. Wael G. Pharaon*	5/5	-	-
3	Mr. Shuaib A. Malik	5/5	-	1/1
4	Mr. Abdus Sattar	5/5	4/4	-
5	Mr. Babar Bashir Nawaz	5/5	4/4	-
6	Lt Gen (Retd.) Javed Alam Khan	5/5	3/4	-
7	Mr. Mohammad Raziuddin	5/5	4/4	1/1

*Overseas directors attended the meetings either in person or through alternate directors

The above is an exhaustive list of all persons who have remained director of the Company during the year.

Meetings held outside Pakistan

During the year ended June 30, 2019, two meetings of the Board of Directors were held outside Pakistan. The meeting to review and approve Annual Financial Statements for the year ended June 30, 2018 was held in Dubai U.A.E while the meeting to review and approve Financial Statements for the six month period ended December 31, 2018 was held in Istanbul, Turkey.

Director's Remuneration Policy

Board of Directors of the Company has approved the Policy for Honorarium/ Remuneration of directors for attending board meetings. Meeting fee has been fixed for attending the board meetings whereas the policy also provides for reimbursement of expenses in connection with attending board meetings. The policy for remuneration of executive, non-executive and independent directors remains same.



Policy for Related Party Transactions

All transactions with related parties are carried out in ordinary course of business on an arm's length basis. Further, in accordance with the Section 208 of the Companies Act, 2017 and Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Board of Directors have approved the policy for related party transactions not carried out at arm's length or not in the ordinary course of business. The policy provides for the disclosure of minimum information in respect of related party transactions, responsibility of the Board, nature of transactions and pricing methods to be followed in carrying out these transactions.

Members of the Board have also been apprised regarding their responsibility for disclosure of interest in a contract or arrangement with related parties as required under Section 209 of the Companies Act, 2017. A register of information received from directors in this regard is also being maintained as per the statutory requirement. Transactions where the majority of directors may be interested are referred to general meeting for shareholders' ratification and approval.

In accordance with the requirements of Code of Corporate Governance, the details of transactions carried out with all related parties are periodically placed before the Board Audit Committee and presented to Board for review and approval.

AUDITORS

The present auditors Messrs A. F. Ferguson and Co., Chartered Accountants, a member firm of the PricewaterhouseCoopers network, retire and are eligible for reappointment for the year 2019-20. The Audit Committee

of the Board has recommended the re-appointment of the retiring auditors for the year ending June 30, 2020. The Board has recommended the same for the approval of the shareholders in the forthcoming Annual General Meeting.





FORWARD LOOKING STATEMENT AND FUTURE PLANS

As a leading energy company operating in a challenging and competitive landscape, APL aims to set high standards for uninterrupted supplies of high quality petroleum products and finest services across Pakistan. Building on our core values, focus is made on sustaining a competitive edge in the market by vigorously chasing and cashing various opportunities with our distinctive strengths and capabilities and efficient response to transitional impacts.

Having over a century of collective experience with the Attock Oil Group of Companies, the management highlights and prioritizes the importance of timely adaption of technological advancements, maximizing shareholder value, operational progressions, alliance developments and infrastructural expansions in order to continue to create a competitive edge. APL continuously seeks to improve its performance and with an emphasis on health, safety, security,

environment - as well as adhering to principles, values and compliance ethics, the Company dynamically takes strategic steps to progress and excel the experiential and unique specialties for its valued customers.

With the emerging trend and transition of a greener environment, APL aims and supports to power progress with cleaner and optimum energy solutions for a lower-carbon and healthy economy and environment. The Company is proactively focusing on numerous energy conversation projects to optimize energy consumption at various locations across the country by introducing energy efficient equipment. All High Pressure Sodium and Mercury lights have been replaced with efficient LED Lights for energy savings at Rawalpindi, Machike and Korangi (Karachi) Bulk Oil Terminals and it is plan to follow this on all terminals in the future.

For further reduction of energy losses within the power systems at Rawalpindi Bulk



Oil Terminal, installation of Power Factor Improvement system has been planned that will help in further optimization of energy utilization.

Construction of storages and new terminals is underway; resources have been aligned and mobilized for speedy work at sites for earliest commissioning. The Company is establishing Bulk Oil Terminals at strategic locations and focusing on increasing number of storage facilities to guarantee continuous supplies. Some major projects and developments underway and accomplishments are as follows:

- Storage capacity expansion of 5,000 M.Tons at Machike Bulk Oil Terminal has been successfully completed while construction of further capacity of 13,000 M.Tons of PMG and 25,000 M.Tons of HSD has been completed which is due to be commissioned shortly.
- Construction of Bulk Oil Terminal at Port Qasim has commenced. The terminal is expected to satisfy and cater to the fuel needs of Sindh and Balochistan. Work is under progress on this port terminal to handle the import of products which will be connected with FOTCO and PARCO for the receipt of imported products and dispatch of products to mid country through white oil pipeline.

- The construction designs of new storages at Gatti (Faisalabad), Dera Ismail Khan and Tarujabba (Peshawar) are underway and are expected to be rolled out for construction work soon.

The management is optimistic that these developments will not only increase effectiveness and efficiency of the operations but also boost sales and help to attain cost efficiencies in terms of freight advantages while helping streamlined supplies to valuable clients in any unforeseen scenarios. The management considers that the new infrastructure developments will assist the Company to cater to volatility within the rapidly evolving operational and marketing dynamics within the industry. APL proactively develops abilities to achieve strategic ambitions by effectively answering the fluctuating market forces. The management unceasingly evaluates the external environments and the drivers that shape them – to assess variations in competitive forces and dynamics and making timely and informed decision.

The Company has won the major portion of POL product supplies consecutively for the second year this time to the most prestigious institute in Pakistan – The Pakistan Army. APL has been continuously supplying products to the Armed Forces of Pakistan for almost a decade now.

The Company is also focusing on targeted growth of its Attock Smart Fuel Cards (ASFC) department. The company has ambitious plans on further rapid growth of the Fuel Card network in the coming year.

Trends and uncertainties affecting Company's revenues and operation

Fluctuations in the price of oil due to external environmental factors have significantly affected the Company's operations. Global events and a series of geopolitical and market factors have driven the unrest and instability of prices and has impacted undesirable trends for major oil producing nations. Similarly, continuous declining exchange rate of PKR against USD affected the revenues and operations of the Company due to higher import prices and exchange losses occurred. Such volatility in the oil prices coupled with the currency exchange fluctuations and variation in structure of duties and taxes has created many variables that result in numerous challenges which the Company has to face on a day to day basis. APL strives to cope up with these uncertainties in an optimum manner.

Performance related to forward-looking disclosure made in last year

APL successfully completed the construction and commissioned the Shikarpur Bulk Oil Terminal. With a total capacity of around 8,500 M.Tons, not only the overall storage capacity of the Company have been improved but this will also assist the company to enhance its market share from the region.

Similarly, resource allocation and swift work resulted in completion of the construction of Bulk Oil Terminals at Sahiwal and Daultpur further adding a storage capacity of 29,000 M.Tons; expected to be operational and running at its full capacity in coming months.

Within a span of one year, Attock Smart Fuel Card facilities are being offered in major urban and suburban sites of Pakistan and has covered 20% of its overall retail network and is progressively penetrating further and involving larger client base.

The Company's obligations under the contracts and fuel arrangements of supplies to defense sector of Pakistan for the 2018-19 year have been successfully accomplished. Due to the exceptional coordination and services, APL also received an appreciation letter from DG Supplies & Transport further substantiating our resolve and commitment towards going beyond total customer satisfaction.

The Company has also geared and managed to achieve the commitment of getting in business ventures with Suzuki Motors for successfully supplying of Suzuki Genuine Oil in Pakistan.

ACKNOWLEDGEMENT

The Board would like to take this opportunity to express its gratitude to our esteemed shareholders for their support. The Board also extends its appreciation and gratefulness to Government of Pakistan and regulatory bodies for their cooperation. The Directors are thankful to employees, customers and strategic partners for their resolute dedication and contribution.

On behalf of the Board



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

Dubai, U.A.E.
July 29, 2019

BRINGING THE BEST TO OUR CUSTOMERS



PATTERN OF SHAREHOLDING

As on June 30, 2019

Corporate Universal Identification Number: 0035831

Form-34

Sr. No.	Number of Shareholders	<-----HAVING SHARES----->		Total Shares Held	Percentage
		From	To		
1	625	1	100	26,209	0.03
2	907	101	500	239,800	0.24
3	453	501	1,000	335,407	0.34
4	1,342	1,001	5,000	2,265,520	2.28
5	125	5,001	10,000	898,180	0.90
6	59	10,001	15,000	728,764	0.73
7	33	15,001	20,000	578,161	0.58
8	13	20,001	25,000	294,442	0.30
9	23	25,001	30,000	644,960	0.65
10	4	30,001	35,000	135,219	0.14
11	10	35,001	40,000	367,770	0.37
12	8	40,001	45,000	343,309	0.34
13	4	45,001	50,000	195,130	0.20
14	4	50,001	55,000	210,600	0.21
15	3	55,001	60,000	179,127	0.18
16	3	60,001	65,000	187,798	0.19
17	2	65,001	70,000	133,757	0.13
18	1	70,001	75,000	74,216	0.07
19	4	75,001	80,000	309,188	0.31
20	3	85,001	90,000	263,000	0.26
21	1	90,001	95,000	94,320	0.09
22	1	95,001	100,000	97,329	0.10
23	1	100,001	105,000	103,200	0.10
24	1	105,001	110,000	105,138	0.11
25	1	110,001	115,000	111,380	0.11
26	1	120,001	125,000	121,792	0.12
27	1	130,001	135,000	132,000	0.13
28	1	135,001	140,000	138,500	0.14
29	2	140,001	145,000	287,000	0.29
30	2	150,001	155,000	304,690	0.31
31	1	160,001	165,000	160,800	0.16
32	2	165,001	170,000	338,340	0.34
33	2	180,001	185,000	366,646	0.37
34	1	185,001	190,000	187,806	0.19
35	1	190,001	195,000	190,400	0.19
36	1	210,001	215,000	212,940	0.21
37	1	220,001	225,000	220,934	0.22
38	1	245,001	250,000	246,840	0.25
39	1	285,001	290,000	286,620	0.29
40	1	315,001	320,000	315,730	0.32
41	1	420,001	425,000	420,480	0.42
42	1	465,001	470,000	465,240	0.47
43	1	475,001	480,000	477,734	0.48
44	1	510,001	515,000	513,120	0.52
45	1	655,001	660,000	660,000	0.66
46	1	1,025,001	1,030,000	1,029,592	1.03
47	1	1,255,001	1,260,000	1,258,381	1.26
48	1	1,605,001	1,610,000	1,606,140	1.61
49	1	1,855,001	1,860,000	1,857,370	1.87
50	1	2,185,001	2,190,000	2,189,721	2.20
51	1	6,640,001	6,645,000	6,641,785	6.67
52	1	6,980,001	6,985,000	6,984,714	7.02
53	1	7,000,001	7,005,000	7,003,220	7.04
54	1	21,770,001	21,775,000	21,772,965	21.88
55	1	34,215,001	34,220,000	34,219,376	34.38
3,665				99,532,800	100.00

CATEGORIES OF SHAREHOLDERS

As on June 30, 2019

Sr. No.	Categories	Number of Shareholders	Shares Held	Percentage
1	Directors, Chief Executive Officer, their Spouses & Minor Children	9	6,658,629	6.69
2	Associated Companies, Undertakings and Related Parties	5	72,169,996	72.51
3	National Investment Trust & Industrial Corporation of Pakistan	1	60,274	0.06
4	Banks, Development Finance Institutions, non Banking Finance Companies	11	4,481,339	4.50
5	Insurance Companies	14	3,897,069	3.91
6	Modarabas & Mutual Funds	34	1,738,602	1.75
7	Foreign Companies	5	389,748	0.39
8	Trust and Funds	95	1,890,122	1.90
9	Joint Stock Companies	61	752,879	0.76
10	General Public (Local)	3,427	7,470,482	7.51
11	General Public (Foreign)	3	23,660	0.02
12	Shareholders Holding 10% or More	2	55,992,341	56.26

INFORMATION REQUIRED UNDER COMPANIES ACT, 2017

As on June 30, 2019

	Number of Shareholders	Shares Held
Associated Companies, undertakings and related parties		
THE ATTOCK OIL COMPANY LIMITED	1	2,189,721
ATTOCK PETROLEUM LIMITED EMPLOYEES WELFARE TRUST	1	7,003,220
PAKISTAN OILFIELDS LIMITED	1	6,984,714
PHARAON INVESTMENT GROUP LTD. (HOLDING) S.A.L	1	34,219,376
ATTOCK REFINERY LIMITED	1	21,772,965
	5	72,169,996
Mutual Funds		
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	1	29
CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	1	76,500
CDC - TRUSTEE MEEZAN BALANCED FUND	1	12,000
CDC - TRUSTEE JS ISLAMIC FUND	1	38,560
CDC - TRUSTEE AKD INDEX TRACKER FUND	1	5,640
CDC - TRUSTEE HBL ENERGY FUND	1	43,690
CDC - TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	1	10
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1	105,138
CDC - TRUSTEE MEEZAN ISLAMIC FUND	1	477,734
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	1	50,400
CDC - TRUSTEE NAFA STOCK FUND	1	151,010
CDC - TRUSTEE NBP BALANCED FUND	1	16,261
CDC - TRUSTEE MEEZAN TAHAFUZZ PENSION FUND - EQU SUB FUND	1	68,144
CDC - TRUSTEE JS PENSION SAVINGS FUND - EQUITY ACCOUNT	1	50
CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFAT FUND	1	153,680
CDC - TRUSTEE APIF - EQUITY SUB FUND	1	19,500
MC FSL - TRUSTEE JS GROWTH FUND	1	77,140
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	27,777
CDC - TRUSTEE LAKSON EQUITY FUND	1	121,792
CDC - TRUSTEE NBP SARMAYA IZAFAT FUND	1	15,400
CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	1	60
CDC - TRUSTEE NAFA ISLAMIC STOCK FUND	1	33,950
CDC - TRUSTEE NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND	1	36,850
CDC - TRUSTEE NAFA ISLAMIC ENERGY FUND	1	87,800
CDC - TRUSTEE LAKSON TACTICAL FUND	1	19,781
CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND	1	5,846
CDC - TRUSTEE MEEZAN ENERGY FUND	1	29,000
CDC - TRUSTEE JS ISLAMIC PENSION SAVINGS FUND-EQU ACCOUNT	1	40
CDC - TRUSTEE ALHAMRA ISLAMIC PENSION FUND - EQU SUB FUND	1	4,000
CDC - TRUSTEE MEEZAN DEDICATED EQUITY FUND	1	35,000
CDC - TRUSTEE NBP AITEMAAD REGULAR PAYMENT FUND	1	10,700
CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK FUND	1	14,400
	32	1,737,882

	Number of Shareholders	Shares Held
DIRECTORS, THEIR SPOUSES AND MINOR CHILDREN		
MR. LAITH G. PHARAON	1	1
MR. WAEEL G. PHARAON	1	1
MR. SHUAIB A. MALIK	1	6,641,785
MR. ABDUS SATTAR	1	720
MR. BABAR BASHIR NAWAZ	1	1
LT GEN (RETD.) JAVED ALAM KHAN	1	60
MR. MOHAMMAD RAZIUDDIN	1	1
MR. IQBAL A. KHWAJA	1	15,955
MR. REHMAT ULLAH BARDAIE	1	105
	9	6,658,629
Executives	4	83,419
National Investment Trust & Industrial Corporation of Pakistan	1	60,274
Public Sector Companies and Corporations	1	168,900
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas & Pension funds	44	4,469,614
Share holders holding 5% or more voting rights		
PHARAON INVESTMENT GROUP LTD. (HOLDING) S.A.L	1	34,219,376
ATTOCK REFINERY LIMITED	1	21,772,965
ATTOCK PETROLEUM LIMITED EMPLOYEES WELFARE TRUST	1	7,003,220
PAKISTAN OILFIELDS LIMITED	1	6,984,714
MR. SHUAIB A. MALIK	1	6,641,785
	5	76,622,060

Trade in shares by Directors, Executives, their spouses and minor children during 2018-19:

No trade in shares was made by Directors, Executives*, their spouses and minor children from July 01, 2018 to June 30, 2019 in shares of the Company.

* "Executive means Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and other employees of the Company who are drawing an annual basic salary of Rs. 1,200,000 or more."

APL CELEBRATED DEFENSE AND MARTYRS DAY





OTHER CORPORATE GOVERNANCE MATTERS

Investor Grievance Handling

Investor satisfaction is the prime focus of the Company to retain long lasting relationship with its prestigious investors. The Company's existing and potential investors are allowed access to information regarding Company's operations in addition to details of investments, dividend distribution or circulation of regulatory publications.

Investor Grievances are managed centrally by Company Secretarial Matters (CSM) section. The section has an effective Investor Grievance redressal mechanism in place to handle investor's queries and complaints promptly and effectively. The Company's grievance handling is supported by a review mechanism to minimize recurrence of similar issues in future.

- Investors' queries and complaints are dealt with courtesy at all the times.
- Investors have facility to call on the contact number provided for the purpose on the Company's website.
- The Company has maintained an investor's relations section on the website.
- An email ID is designated for the investor's queries and complaints.
- Feedback/complaint forms are available on website where investors can lodge their complaints at any time.
- Complaints are addressed by designated employees without any delay. The CSM section has maintained a record of complaints mentioning status of pending complaints and their resolution.



Issues raised at last AGM

The Annual General Meeting provides the best platform to interact with the shareholders of the company. Last AGM of the company was held on September 25, 2018 at which queries of shareholders were appropriately responded.

On a shareholder's query about benefits expected to be accrued to the Company in terms of market share & growth by setting up storage terminal in Southern Punjab & Sindh, it was stated that establishment of storage terminals across the country has multi-level benefits not limited only to the increase in overall storage capacity but also in terms of freight advantage thus helping to catch up with competition and retain & increase the Company's market share too. Further it also helps in meeting regulatory requirement of OGRA.

On a shareholder's query about growth generated from CPEC route, it was responded that the country's infrastructural development has boosted the sale of Bitumen and High Speed Diesel. As the CPEC project takes its next steps, the Company is well geared to contribute in any upcoming projects of CPEC and will definitely position itself to capture as much of the potential opportunities as possible.

A shareholder invited attention towards the development of retail network in remote areas and proposed locations were noted for evaluation of viability. It was stated that 3 outlets are already being constructed in northern areas.

Conflict of Interest Management

A formal Code of conduct is in place governing the actual or perceived conflict of interest relating to the Board members of the Company. Under the guidelines of code of conduct every director is required to disclose about his interest in any contract, agreement or appointment etc. These disclosures are circulated to the Board and it is ensured that interested director does not participate in decision making and voting on the subject.

The effect to the above facts is recorded in minutes of meeting, if any. Any such conflicts of interests are recorded in Company's statutory register while disclosures of related party transactions are provided in financial statements.

Safety of Records of the Company

To ensure prompt and accurate retrieval of records, protection of vital information in the event of disaster and to ensure compliance with legal and regulatory requirements, the Company has an established procedure for preservation of records holding significant value, in line with good governance practices and administrative requirements.

Records include books of accounts, documents pertaining to secretarial, legal, taxation and other matters etc. Key records are archived in a manner to protect them from physical deterioration, accidental fire and natural calamities.

- Documents in physical forms are stored at specifically designated record rooms with proper safety features.
- Financial data and other records in the ERP system are periodically backed up at various servers and protected under secure access protocols.

- Paperless environment is also being promoted and an e-record management system is being put in place to safeguard the records of the Company along with optimizing storage spaces.

Investors' Relations Section on APL Website

Detailed Company information specified under the relevant regulations, including but not limited to financial reports, financial highlights, investor's notices / announcements, pattern of shareholding, dividend declarations and much more have been placed on the Company's website: "www.apl.com.pk".

The Company is in full compliance with the current SECP regulations relating to the maintenance of functional website by the listed companies. A Compliance Certificate by the Chief Executive is placed on the website as well.

The comprehensive "Investor Relations" section on the Company website can be used to promote investor relations and to facilitate investors' access for grievance or other queries.

APL ensures to present the latest information by regularly updating its website and to improve the websites' usability for its shareholders and investors.





Governance practices implemented exceeding legal requirements

The Company has created an environment where best practices of corporate governance have been adopted to ensure that ethical behavior, good moral conduct and dedication to excel is embedded in to the Company's culture. Adherence to highest standards of corporate reporting apart from meeting the minimum requirements of the law is pivotal to the Company's corporate reporting framework.

The Company focuses on following practices of good governance in addition to mandatory requirements:

- Compliance with criteria for Best Corporate Reports issued by joint technical committee of ICAP/ICMAP.
- Compliance with criteria for Best Presented Reports issued by SAFA.
- Compliance with criteria for selection of Top 25 companies issued by PSX.

The Company has won various awards in the above categories. Further, additional financial

disclosures including financial ratios, reviews, graphs and comments on these analyses are also made for transparency and effective communication with stakeholders.

Diversity within Human Capital

APL being an equal opportunity employer extends employment opportunities to individuals based on merit encouraging diversity in terms of gender, ethnic background, age, physical ability etc. The selection process ensures a mix of various characteristics and cultural/ethnic diversity. The Company has planned objectives for diversification of human capital and gratifying career opportunities are provided to make sure that an encouraging working environment is created in the organization. Competent professionals are hired keeping in view the objective to provide them with a progressive career focusing on utilizing the maximum potential.

Other Directorships of Directors

Following is the detail of executive directors serving as non-executive directors in other companies:

Sr. No.	Name	No. of Companies*
1	Mr. Shuaib A. Malik	06
2	Mr. Rehmat Ullah Bardaie (Alternate Director)	01

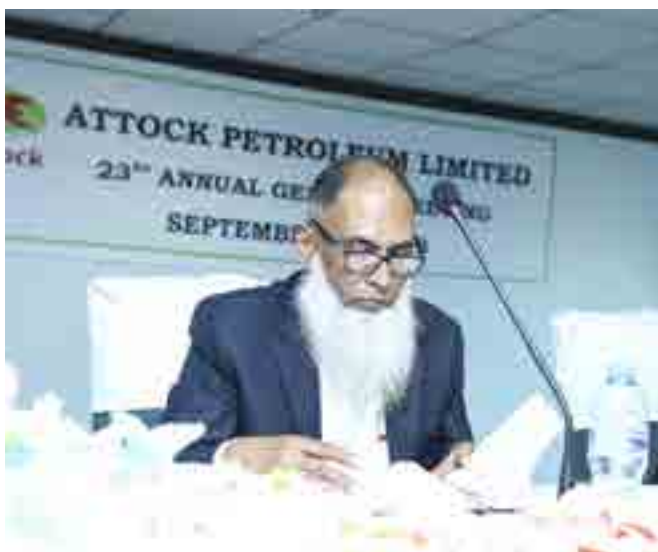
* Refer to Page 30 (Profile of Board of Directors) for complete details regarding other engagements.

Board fee earned by Executive Director

Executive Directors of the Company hold position of Non-Executive Director in other companies as disclosed above. Remuneration for services as Non-Executive Director on the Board of these Companies, in case listed on PSX, is paid in accordance with the policies approved by the Board of Directors of those respective companies.

Presence of Chairman Audit Committee at AGM

Chairman of the Audit Committee is present at the AGM to answer questions on the audit committee's activities and matters within the scope of audit committee's responsibilities. Chairman Audit Committee, Mr. Mohammad Raziuddin was present at the last AGM held on September 25, 2018 to answer queries of shareholders regarding above mentioned matters.



Chairman Audit Committee - Mr. Mohammad Raziuddin

Steps taken by management to encourage minority shareholders to attend AGM

The management encourages shareholders to attend the general meetings of the Company. Date, time and venue of the meeting to be held is timely published in English and Urdu newspapers having circulation in Rawalpindi (location of registered office) and Karachi (registered address of majority of shareholders) along with timely intimation of the same to Pakistan Stock Exchange for information of the shareholders. Further, the same is also published on Company's website.





Corporate Analyst Briefing

Endeavoring Pakistan Stock Exchange's introduced reforms towards development of a fair and efficient market by promoting a culture of sound corporate governance practices; APL intends to hold a corporate briefing session for the Analyst community and Shareholders on the Company's performance for the financial year 2018-19, in compliance with the mandatory requirement of holding corporate briefing by listed companies.

Understanding views of major shareholders

Major shareholders of the Company include Pharaon Investment Group Limited (Holding) S.A.L, Attock Refinery Limited, Pakistan Oilfields Limited and Attock Petroleum Limited Employees Welfare Trust. Non-executive directors represented by these entities are elected on the Board. Periodic Board meetings provide a platform where the vision of major shareholders is communicated and discussed amongst the Board members in respect of formulation of strategies and overall outlook of the Company. Further, shareholders also express their views in Annual General Meeting of the Company. Analysts are also apprised of Company's performance and challenges faced in implementing strategies are discussed with them from time to time.

STAKEHOLDER ENGAGEMENT

Stakeholders	Management of Stakeholder Engagement	Effect and Value to APL
 <p>Institutional Investors/ Shareholders</p>	<p>The confidence put in the Company by the investors is honored and acknowledged by providing them with a steady rate of return on their investment. General meetings provide the shareholders a platform to voice their concerns and raise their queries which are addressed appropriately. The Company also engage shareholders through issuance of annual/quarterly financial reports and notices/updates.</p>	<p>The financiers of capital help APL:</p> <ul style="list-style-type: none"> • Convert its business plans into actions. • Achieve its business targets.
 <p>Customers and Suppliers</p>	<p>The Company's primary customers include dealers, distributors and institutional customers. APL Customer Relationship Management is beyond extending credit facilities and trade discounts. Periodic engagements are held with customers in the form of dealers/ distributors conference. Various informal meetings are also held with customers and suppliers to maintain effectiveness of Supply Chain Management.</p>	<p>Customers' loyalty and effective supply chain is the key to the Company's sustainable business growth.</p>
 <p>Banks</p>	<p>Banks and other financial institutions are engaged by the Company on regular basis in relation to negotiation of mark-up rates, short term financing arrangements, deposits and investments. Banks are also consulted on issues linked with letters of credit and payments to suppliers, along with other disbursements of operational nature including payment of dividends and foreign remittances.</p>	<p>Bank dealings are central to the Company's performance in terms of:</p> <ul style="list-style-type: none"> • Access to better interest rates and financing terms. • Efficient Customer Service.
 <p>Media</p>	<p>The Company engages with the media through regular press releases regarding key achievements. Statutory notices and other public announcements required by law are generally circulated through print media. Multiple mediums are also used for advertisement and marketing purposes. Employees of the Company have made appearances on media as well, for brand advertisement and awareness. Retail prices are notified through press-gazette. Furthermore, the website of the Company is also used as a medium to communicate information to stakeholders.</p>	<ul style="list-style-type: none"> • Media communication of the Company's achievements helps strengthen APL brand image. • Awareness of the company's status and activities is developed among the general public and potential investors.

Stakeholders	Management of Stakeholder Engagement	Effect and Value to APL
 <p>Regulators</p>	<p>APL prides itself for being a responsible corporate citizen. The Company abides by the laws and regulations of the Pakistan and makes certain that all the requirements of relevant regulators are met in a timely manner. Regulators are continuously engaged at various local, provincial and federal levels. Various statutory forms and returns are periodically submitted as per requirements of the law in addition to the information required by regulators. Company constantly liaisons with the Government authorities and regulators in terms of matters/ issues relating to energy requirements of the Country.</p>	<p>Country's laws, regulations and other factors controlled by the Regulators, set operating guidelines for the Company.</p>
 <p>Analysts</p>	<p>The Company regularly engages with analysts on its financial and operating results, with due regard to regulatory restrictions imposed on inside information/ trading.</p>	<p>Providing required information to analysts helps:</p> <ul style="list-style-type: none"> • Attracting potential investors. • Clarifying misconceptions/ market rumors.
 <p>Employees</p>	<p>Focus on the Company's most valuable resource "our competent and committed workforce" is the base of APL's Human Resource Strategy. Multiple in-house and external training are conducted for continuing professional developments of our employees. APL provides a nurturing and employee friendly work environment. APL has also invested in health and fitness activities for its employees.</p>	<p>The competent employees are the backbone of the Company. The Company's strategic, operational and tactical decisions taken by management are effectively implemented through our committed workforce.</p>
 <p>General Public</p>	<p>Being a good corporate citizen, APL always tries to add value to the society. APL engages with general public at large through its CSR activities.</p>	<p>A contented and peaceful nation fixes the roots for a prosperous society.</p>

CORPORATE SUSTAINABILITY

The company aims to create long-term stakeholder value through the implementation of a business strategy that focuses on the ethical, social, environmental, cultural, and economic dimensions of doing business throughout the whole value chain.

Transparency is promoted by having an engaging environment within a company and within the community and is attained through open communications with stakeholders characterized by high levels of information disclosure, clarity, and accuracy.

Consumer Protection Measures

In line with its vision, APL always strives to protect its valued customers by providing the highest quality products and services. Our quality assurance team ensures premium quality of petroleum products received at our terminals and supply points. We ensure consistency in quality and quantity of all the products supplied to customers at retail outlets and other valuable clients by employing state-of-the-art ground and mobile Quality Assurance Labs - equipped with modern apparatus followed by quick responsiveness to queries on quality whenever required by the customers.



APL's quality policy statement enlightens Company's vision towards continuous quality improvement.

Quality Policy Statement

It is the policy of Attock Petroleum Limited to provide quality products and services based on needs of our valued customers. We approach the challenge of getting customer satisfaction and loyalty by focusing on two-way communication, unparalleled performance, training, learning from our group experiences and those of others, to foster continuous improvement culture in all functions of organization.

To further enhance its commitment towards Quality, APL management has set the following quality objectives:

- The primary objective of the Quality Management System is to ensure conformance to product specifications of all goods shipped to customers.
- Clearly identify and understand our internal and external customers stated and hidden needs, to develop a way of working to meet and exceed the expectations of customers.

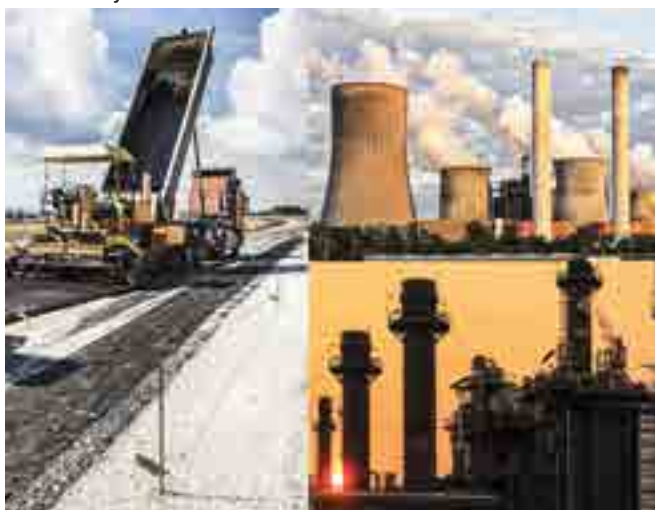


- Provide confidence to management, our employees, clients, and stakeholders that the requirements for quality are being fulfilled and maintained and that quality improvement is continuously taking place.
- To develop measurement techniques to gauge performance for improving effectiveness of our services, operations and quality management system.
- Fulfill all quality system requirements stated in our Quality Manual, including the requirements of ISO 9001:2015.
- To be a trustworthy and leading oil marketing organization for providing consistent high quality products and services in the market.

With this vision we want to create a culture of continuous quality improvement at APL.

Industrial Relations

APL is the member of Oil Companies Advisory Council (OCAC) a forum of oil



industry which is responsible to ensure that its members i.e. refineries and OMCs abide by the ethical standards, observe regulations applicable to industry, including those related to HSEQ, laws of country, conduct business with integrity and honesty. The Downstream Oil Sector (Refining, Marketing, and Distribution) plays a very significant role in Pakistan's economic development, ensuring uninterrupted supply of petroleum product to the country in order to keep the wheels of the economy moving.

Business Ethics & Anti- Corruption Measures

The Company is committed to conduct/ govern its business operations and relationship, honestly and will not pursue any



activity that requires to act unlawfully or in violation of the Code of conduct. Ethical codes and policies are implemented to eliminate corruption; each director and employee is expected to deal fairly with Company's customers, suppliers, competitors and other employees. No one is to take unfair advantage of anyone through manipulation, abuse of privileged information, or any other unfair practice. The Company has zero tolerance to all types of corrupt practices. All employees are required to sign the compliance of Code of Conduct annually, certifying adherence to business ethics and anti- corruption measures.

Contribution to National Exchequer

Please refer to Page 43 for details.

ENVIRONMENTAL RESPONSIBILITY

Our approach to sustainability includes sharing benefits with the communities where we operate. And we're helping to shape a more sustainable energy future, by collaborating with others on global energy challenges. Compliance to all regulatory requirements as stated in NEQS is strictly adhered to and all operations are carried out in such a way so as to have minimal impact on the environment. Advanced technology, new ways of operating and partnerships are helping to manage our environmental impact as we contribute to meeting the world's growing energy needs.

Moreover, Company continuously keeps on imparting awareness among its employees and its stakeholders-customers, suppliers, and the entire community on their responsibility towards the Environment and motivate them to act on matters such as waste reduction or energy efficiency.

Environmental Protection Measures

APL is pledged to offer priority to the protection of environment in the conduct of its business. Our Environmental Management System (EMS) is aimed to provide safest and healthiest possible working conditions to



its employees and to the people working in outside environment.

For the purpose of protection and betterment of environment APL sticks to the following principles:

- To comply with all existing environmental laws and other requirements in this context and also endeavor to set achievable goals and targets to go beyond prevailing environmental laws.
- To motivate its employees for setting environmental targets and objectives.
- To take corrective and preventive actions for proper functioning of the system.
- To train its employees to recognize and handle unsafe or environmentally harmful conditions.

There will be qualitative and quantitative (where possible) estimation of environmental aspects and impacts. The contents of this policy will be accessible to all the employees, interested parties and the public living in the surrounding environment.

With this pledge at hand we aim to continuously improve our Environmental Management System (EMS).



Environment, Health & Safety Policy

Attock Petroleum Limited's overriding objective is to ensure that none of our activities harm our employees, the public or the environment. In order to achieve this objective, we embrace a comprehensive policy on the Environment, Safety and Health that includes:

- We consider that none of our activities are more important than health and safety of any individual or protection of environment.
- As a minimum we will comply with all relevant legislation and any other requirements to which we subscribe.
- We will encourage a pro-active safety culture and ensure that each employee is trained, experienced and competent to perform his or her duties.
- We will strive to remove all causes of accidents and events and to minimize the consequences of such if they occur.
- We will ensure that all our operations are performed, and seen to be performed safely.
- We will strive to continually improve performances in all areas of EHS



performance and priorities on the basis of risk.

- We will apply our EHS policy, standards, objectives and targets to our Retail Outlets, Distributors, Dealers and Contractors.

Energy Saving Measures

Lighting system is a substantial energy consumer and rapidly growing source of energy demand in industries, which is also a major component of the service costs. However, Enormous energy savings are possible using energy efficient equipment and effective controls. Using less energy consumption lighting system reduces heat



gain. Electric lighting also strongly affects visual performance and visual comfort by aiming to maintain adequate and appropriate illumination.

Following the ritual of sustainable growth & corporate social responsibility, APL is continuously working on energy conservation to optimize energy consumption across the country. The Company took initiative for energy saving by replacing all existing conventional lighting system (High Pressure Sodium and Mercury lights) with energy efficient LED lights at all its terminals. Thereafter Pole/flood lights have been converted from conventional Lights 400 watts to LED Lights 100-150 watts.

The Company is now in last 3rd phase of replacement of these energy efficient LED lights at its Oil terminals RBT, MBT & KBT enabling reduction in energy consumption of about 62.5%. Only these energy efficient LED lights are now being installed at the Company's new oil terminals.

The Company further plans to fully or partially switch over to solar generated electricity wherever feasible.

EFFORTS MADE TO MITIGATE ADVERSE IMPACT OF INDUSTRIAL EFFLUENTS

Waste Management Plan

APL Waste Management Plan (WMP) provide a comprehensive methodology for the minimization, proper management and disposal of wastes generated during the operation, with the aim of protecting the environment, the health and safety of employees. To facilitate achievement of the Waste Management Policy, a series of specific waste management objectives are being followed:

- Apply the Waste Management Policy to its full extent to protect

people, the environment and company assets.

- Achieve and maintain compliance with the National Environmental Quality Standards of Pakistan.
- Ensure that all wastes are managed appropriately and safely according to their characteristics, composition and the availability of recycling, appropriate storage and/ or disposal options.
- Appropriate standardized waste management documentation and reporting systems.



- Ongoing commitment for the minimization of waste, including the optimum reuse and/ or recycling of materials, and establish goals & measures to target waste minimization.
- Promote and pursue 'continuous improvement' in management of wastes.

All the waste from facilities is segregated into Class I (Hazardous), Class II (Non Hazardous) and Class III (Inert) waste. The hazardous waste is properly disposed-off through incineration process, whereas non-hazardous waste is recycled through approved third party contractors.

Effluent Monitoring

APL has committed to comply all environmental applicable and regulatory requirements and ensures its effectiveness through NEQS as per Pakistan environmental protection act. To comply with all existing environmental laws and other requirements APL monitors environmental emissions and effluent at all its installation through recognized Laboratories and renowned testing laboratories on an annual basis for the compliance of NEQS.





Occupational Health & safety

APL strives to achieve world-class performance and eliminate all possible injuries, occupational illnesses, unsafe practices and incidents of environmental harm caused by Company's Operational activities. APL is committed to preventing serious injuries and fatalities, which requires operational discipline from assessing hazards to executing each step of the job to conducting a post-activity review. To accomplish this, we have developed our hazard identification tool along with our job hazard and safety analysis procedures. Written safe-work practices are a core part of our comprehensive safety program. These safe-work practices help ensure

that potentially hazardous work, such as electrical work or entry into a confined space, is properly planned, permitted, executed and closed out to prevent workplace injuries and incidents. Our workforce truly believes that incidents are preventable and that "zero incidents" is achievable. We have policies, processes, tools and behavioral expectations in place to assist us in achieving that goal. We take steps to extend these safety principles to our contractors by reinforcing our expectations and monitoring compliance with requirements throughout the life cycle of our projects. This includes engaging with our contractors to improve oversight of their activities





HSE Manual

Attock Petroleum Limited is committed to conduct business with strong environment conscience ensuring sustainable development, safe workplaces and enrichment of quality of life of Employees, Customers and the Community. We, at APL, believe that good HSE performance is an integral part of efficient and profitable business management.

Accordingly, the Corporation's endeavor is to:

- Establish and maintain high standards for safety of the people, the processes and the assets.
- Comply with all Rules and Regulations on Safety, Occupational Health and Environmental Protection.
- Plan, design, operate and maintain all facilities, processes and procedures to secure sustained Safety, Health and Environmental Protection.
- Remain trained, equipped and ready for effective and prompt response to accidents and emergencies.
- Welcome audit of our HSE conduct by external body, so that stakeholder confidence is safeguarded.
- Conduct safety audits on monthly basis & Safety manual revision on the basis of GAP Analysis
- Adopt and promote industry best practices to avert accidents and improve our HSE performance.
- Remain committed to be a leader in Safety, Occupational Health and

Environmental Protection through continuing improvement.

- Make efforts to preserve ecological balance and heritage.

Safety Trainings

APL's HSE department is committed to deliver the safety based trainings to their employees on regular basis which include:

- Environmental & Social Risk Management
- Occupational Safety & Health Management
- HSE Management for Contractors
- Area Classification and Control of Ignition Source
- HSE In Maintenance & Construction Activities
- Unconventional Resources: Safety Issues
- Positive HSE Culture
- Fundamental of Process Safety
- Emergency Response Planning
- Firefighting
- First Aid training
- Oil Spill Management
- Road safety training, through motorway police, was conducted for our management staff at MBT as well as contractors (Tank Lorry Drivers)

Achievements

In FY 2018-2019 another major milestones achieved by APL is the successful Completion of Sahiwal Terminal at Sahiwal and Daulatpur Terminal at Benazir Abad, Sindh (SHK) which went into its completion without any accidents throughout its Construction Phase.



CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility (CSR) is one of the core values and an integral part of the Company's overall mission. APL is committed to play vital role in supporting and working with its stakeholders for sustainable community and social development program and have clear guidelines in place to meet its Social & Environmental responsibilities.

By integrating CSR into our business strategy, APL is helping to drive shared value amongst its stakeholders and enhance its corporate brand image community wide.

Internship Program

As per APL's Internship Policy, the Company



considers it a social responsibility to provide opportunity for first hand practical experience to students of Higher Education Commission (HEC) recognized educational institutions of the country to observe and have practical knowledge to be a part of congenial working environment of the Company.

During the year 21 students from various universities including QAU, Fauji Foundation University, ICMAP, NUST Business School, Capital University of Science & Technology (CUST), Bahria University, COMSATS, SZABIST, NUML, GIKI, Abbottabad University of Science



and Middle East Technical University (METU) were offered internship in various disciplines like Engineering, Finance, Supply Chain, Human Resource and Marketing & Sales.

These internships not only provide them the exposure of a corporate environment, but also a platform to apply their academic skills in order to jump-start their professional careers. Students are provided with an opportunity to experience and preview the practical environment, building their professional confidence through these internship programs.



Educational Scholarship

The Company realizes the importance of basic & higher education in building a strong Nation and always supports the bright students by sponsoring their education.

APL through its trust awarded scholarship to 81 brilliant children of employees (24 APL and 57 from 3rd Party Contractual Staff) including 01 for graduation.



Community Welfare

APL is also a donor to various trusts working for the public welfare. It includes donation to Zia-Ud-Din University for educational endeavours, Attock Sahara Foundation for



Meena Bazaar and sponsorship for Customs Day Advertisement for appreciating Pakistan's Customs.



Green Clean Drive

APL embarked on several green and clean projects. With collaboration with Civil Aviation Authority (CAA), APL served in the manifesto of the Nobel cause of Clean and Green Pakistan at Islamabad International Airport by extending support for Tree Plantations.





Sports promotion

APL has played its role in promotion and development of sports and provided sponsorship for:

- Risaldar Major Ahmad Khan Memorial Polo Tournament 2019
- 8th Chief of the Naval Staff Amateur Golf Championship 2018

Rural Development

The Company comprehend the significance of rural development and supported NGOs such as the Attock Sahara Foundation, which is playing a vital role in uplifting the economic

conditions of the surrounding communities through various welfare activities. The Company has developed many retail outlets (fuel stations) in the rural and far-flung areas, creating the livelihood opportunities for local inhabitants resulting in improvement of quality of life.

Employment of Special Persons

APL fully supports the employment of special persons. The Company is aware and committed to comply with the mandatory requirements of employment under quota of disabilities in accordance with section 459 of Companies Act, 2017.



CERTIFICATION ACQUIRED AND INTERNATIONAL STANDARDS ADOPTED FOR BEST SUSTAINABILITY & CSR PRACTICES

Compliance with all relevant industry standards and executing all its operations in a safe and environment friendly manner is a core value here at APL. Systems development and "Quality" assurance during Company's all operations is evident by the renewal of ISO 9001:2015 standard certification of APL in FY 2018-19. The Company is also committed to Implementation of ISO 14001:2015 & OHSAS 45001:2018 standards in its next phase as a step towards systems development and ensuring "Environment protection & Occupational Health Safety and Security" during all its operations.



HUMAN RESOURCE MANAGEMENT

Competent workforce is the back bone of any Organization. Our employees are the most valuable assets of the Company. APL's Human resource is the appropriate mix of employees with professional & other academic qualifications.

APL is an equal opportunity Employer. To ensure our workforce competency, we at APL have a sophisticated system of Employee Hiring in place. Through this process we ensure to hire competent personnel with appropriate qualification & skills in line with Job requirements. Candidates' evaluation is based on their academic & professional portfolio. Transparency is maintained in employee selection, evaluation & hiring.

On becoming part of Team APL, the Company endeavours to facilitate employees in achieving their career progression and helping them refine their personal and professional skills. Training & development programs are planned throughout the year to keep the employees abreast with latest market trends.

Annual performance appraisal of employees is carried out in person to assess & manage the individual performances. It helps to bridge the gap between Organization's developmental needs at Company & Individual level and its Strategic & operational objectives.

Succession Planning

The Company ensures availability of competent personnel in each department through a comprehensive succession planning policy in order to maintain its leadership continuity. APL believes in proactive approach towards succession planning. We recruit employees, develop their knowledge, skills & abilities through different training programs and employee job rotation to more challenging roles to prepare them for future endeavours. APL's Human Resource Department works closely with other departments to look promptly into the needs for new hiring or filling up of any vacancy. Job requirements & job descriptions are thoroughly discussed with the relevant department's management & the hiring is processed accordingly.

Code of Conduct

To integrate the culture of organizational discipline and core ethical values in conduct of the Company's employees, a Code of conduct is in place which is circulated annually to employees to acknowledge their commitment towards the Company's Disciplinary Mechanism. The Code of Conduct is available on the website of the Company.



Human Resource Management System

To streamline employee database management by providing swift yet reliable employee information, the Company has an integrated Human Resource Management System (HRMS) in place across the organization which is integrated with HR- specific business processes such as employee records management, attendance and payroll.

The Leave Module has been integrated with HRMS and is fully functional in some Departments in first Phase and rest of the departments will be covered by mid of next fiscal year in second phase.

As a recent development, APL has also launched employee's online performance appraisal through employee self-service system.

Training and Organizational Development

Training & Development is the prime focus area of the organization. Training our workforce equips them with new skill sets, refines existing one, reveals employees potential capabilities, enhances productivity & efficiency and improve their leadership skills. APL engages its employees in different in-house and open audience workshops

to enhance their working skills at different levels to meet departmental competency requirements.

During 2018-19 approximately 8 external and 5 in-house training workshops are conducted on following topics:

1. Supply Chain Management
2. Modern retail Management
3. Internal Control of Business
4. ICAP's Conference on 5 Steps to Greatness- Rising to your true potential CFO and beyond
5. Leveraging HR to Achieve Excellence
6. NUST's 35 Hours Preparatory Course on Project management professional Certification's Exam
7. IFRS 9 & IFRS 16- The New Outlook
8. International Financial Reporting Standards
9. Leadership
10. Occupational Health & Safety
11. Nuts and Bolts of Effective Communication Skills
12. Strategic Management
13. Awareness on ISO 9001:2015 Standard

Total of 154 staff members attended and got benefited from these trainings.



Employee Benefits

Competitive Salary packages are offered to employees along with annual bonuses & rewards. Perquisites include Life insurance coverage, Medical coverage and Membership of Morgah Club and Elliot Club- where employee can avail subsidized meals, gym and sports activities.



Health Care

Besides providing Medical coverage to its regular & contractual staff, company also provides need based medical assistance to its 3rd party staff.





Recreational Activities

APL strives to develop harmonious working environment among employees through different recreational activities / celebrations. This helps them develop team work and socialize with each other thus satisfying their social appetite. Endeavouring it, different sports events including various indoor and outdoor games are arranged with maximum

participation of employees.

APL shares the happiness and celebrates the birthday of its employees at the Company level as a good gesture to honour the most valuable asset of the Company its competent workforce.

Special events and days are marked and this year Pakistan Day & International Women day are celebrated at APL.





PROSPECTS OF THE ENTITY INCLUDING TARGETS FOR FINANCIAL AND NON-FINANCIAL MEASURES

Retail network expansion, effective Supply chain management and Partnerships agreement with leading local & foreign companies are milestones of the Company towards business expansion and sustainable profitability. Establishment of bulk storage facilities and other capital ventures are also there to improve the operation's throughput.

Financial Measures

APL has projected its financial targets based on historical financial performance keeping in view multiple risk & uncertainties prevailing in the market.

Stiff market competition coupled with volatile International prices of POL products are the basic challenges to effect Company's strategy and in turn its profitability. The Company combated these challenges by its effective strategic, tactical and operational direction, efficient inventory management, control over supply chain and growth in sales volumes hence maintained to be in good profits.

Sticking to the targets set; APL recorded increase of 11% in its market share as compared to previous financial year.

Performance targets are continuously monitored to observe and reduce deviation from the defined goals.

Non-financial Measures

The Company has identified following areas as key non-financial measures:

- Human resource development, training and Succession planning
- Product Quality maintenance & improvement assurance
- Corporate Social Responsibility
- Healthy & Safe Environment
- Revamping of business processes in line with best practices
- Management responsibility for effective implementation of business plans, under strategic directions of the Board

RISK & OPPORTUNITY REPORT

Effective risk management remains of utmost importance to the companies for sustainable business growth. Management endeavors to stay committed to the long-term strategy of the Company while minimizing the risks associated with short-term goals. Another challenge for the decision makers is to exploit the best opportunities in favor of the Company, generating viable returns and adhering to the vision and mission of the Company.

Risks

Businesses face various types of risks including strategic, commercial, operational and financial risks. An overview of major risks faced by Attock Petroleum Limited and the mitigating strategies to overcome these risks are outlined below:



Risk	Category	Mitigating Strategy
Increased industry competition resulting in loss of market share	Strategic	APL's customer focused strategy and proactive approach towards potential opportunities restricts any loss in market share and enable retention of existing customers.
Volatility in international oil prices	Strategic	Efficient and effective stock management results in minimal losses from decline in prices and vice versa.
Operating in a fixed margin industry	Strategic/ Financial	Increased focus on pushing volume based sales generating optimum returns and diverse portfolio of products including deregulated high margin products.
Non-compliance with statutory requirements and regulatory framework	Strategic	Proactive approach by the management in timely implementation of and compliance with any changes in the regulatory environment of the industry.
Shortage of products due to delay in supplies by local refineries/ strikes by transporters disrupting supply chain	Commercial/ Operational	Adequate stock levels are maintained and regular imports are planned to counter the risk arising from these situations to maintain smooth uninterrupted operations of the Company.
Turnover of trained employees at critical positions/ employee misconduct	Operational	APL's succession planning policy coupled with employees' job rotations & training practices have been put in place to cater this risk. A formal code of conduct is in place to ensure employees' disciplinary mechanism.
Risks of accidents causing serious injuries to employees / stakeholders or damage to Company's property	Operational	A sound system of HSE is in place for hazard identification & threat management to ensure workplace safety.
IT security risks, internal external frauds and system failures	Operational	System integrated controls are in place to prevent unauthorized access to confidential information and to avoid breaches, errors & other irregularities. Data auto backup mechanism is also followed.
Natural calamities/ force majeure	Operational	These events are beyond the Company's control however with the APL's disaster recovery/ business continuity plans, Company is well equipped to recover from any natural disaster.



Lights of Celebration, Pakistan Independence Day - APL Head Office, Attock House, Morgah, Rawalpindi

Opportunities

The Company is always presented with a lot of opportunities for improvement of business in general and profit maximization in specific. Enhancement of market share always remains a challenging opportunity for the Company as the industry volumes grow and with ever increasing competition, Company has aligned itself to achieve maximum benefit and hence market share of the Company has increased even in times of dropping industry volumes. An opportunity to be geographically present and appropriately spread across the Country to attain competitive advantage is accessible to the Company. APL has recognized this opportunity and setting up storage terminals across the Country to exploit this opportunity and gain cost and freight advantages. Geographical presence through retail development is also part of this strategy.

Development of China Pakistan Economic Corridor (CPEC) presents enormous opportunities to businesses across Pakistan. APL has started to actively participate

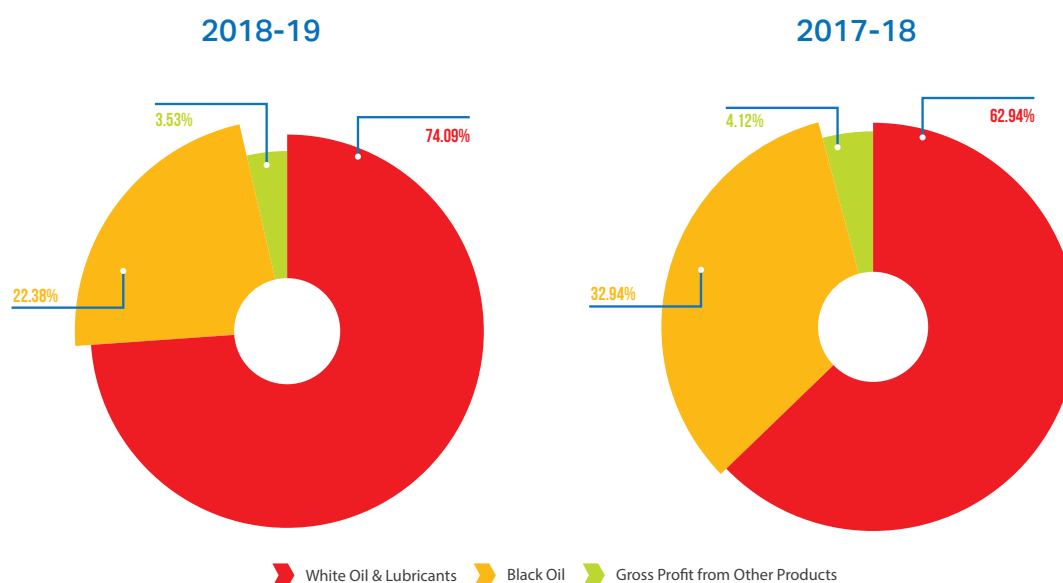
in the project and contracts have been obtained for supply of petroleum products. With increasing focus on CPEC in the near future, Company shall make efforts to generate maximal benefits from the available prospects.

The Company is geared to make the best use of opportunities presented. APL remains interested in acquisition of entities available for sale which can add to the Company's strength by way of offering associated services or participating in bidding for other OMCs which were offered for sale. Previously, the Company participated in bidding for acquisition of OMCs.

The untapped segment of aviation presents a huge opportunity for APL to enter and grab market share. Beginning of New Islamabad International Airport – the largest in Pakistan and established fuel farm facility by APL, the Company has positioned itself in such a manner to gain maximum advantage from the sector including financial and non-financial benefits. Another revenue stream has been added generating cash flows for the Company.

SEGMENTAL REVIEW OF BUSINESS PERFORMANCE

APL's financial statements have been prepared on the basis of a single reportable segment. Total gross profit is broadly divided into following categories:





Celebrating 1st position in Fuel & Energy Sector of Best Corporate & Sustainability Report Awards 2017



REPORT OF THE AUDIT COMMITTEE

The Board of Directors of the Company has formed a Board Audit Committee as required under the Code of Corporate Governance Regulations 2017. The Committee comprises of 04 non-executive directors of which 02 members including Chairman are independent non-executive directors. Composition of the Audit Committee meets all applicable independence requirements. Each member of the Committee is equipped with appropriate professional knowledge and relevant experience with one of its member being a fellow member of Institute of Cost & Management Accountant of Pakistan possessing over 35 years of Financial Management Experience. Details of the individual members of the Board Audit Committee are set out in "Profile of Board of Directors" section.

The Committee has concluded its annual review of the financial statements together with the conduct and operations of the Company during the year ended June 30, 2019, and reports as follows:

Discharging responsibilities towards Financial Statements

- Appropriate accounting policies have been consistently applied. All core and other applicable International Financial Reporting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended June 30, 2019, which present fairly the state of affairs, results of operations, cash flows and changes in

equity of the Company.

- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for stakeholders' needs.
- The Audit Committee has reviewed the related party transactions and recommended for approval of the Board of Directors.
- The CEO and the CFO and a director who is the member of the Audit Committee have endorsed the financial statements of the Company. They acknowledge their responsibility for true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and design and effectiveness of internal control system of the Company.

Corporate Governance Compliances

- The Board has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the External Auditors of the Company.
- All direct or indirect holdings of Company's shares by the Directors & executives or their spouses were notified in writing to the company secretary the same is notified by the Company Secretary to the board



within stipulated time. All such holdings have been disclosed in the pattern of shareholdings.

- Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.
- As required by the Code, the Committee also independently met external and internal auditors, if needed, during the year to get feedback on the overall control and governance framework within the Company.

Approach to Risk management and Internal Control

- The Committee has ensured the achievement of operational, compliance, risk management and financial reporting control objectives thus safeguarding the assets of the Company and the

shareholders wealth at all levels within the Company by having deployed an independent internal audit function in the Company which is responsible for monitoring risks associated with its internal controls framework hampering the achievement of control objectives.

- The Company's risk management approach is elaborated in detail in the Directors report.

Role of Internal Audit function

- The Company's system of internal controls is designed and developed to mitigate and eliminate the risk of not achieving business objectives and provide reasonable assurance against material misstatement or loss. The internal control system is continually evaluated for effectiveness and adequacy.
- The Internal Control Framework is effectively designed and implemented. Internal auditors play an important role in evaluating the effectiveness of control systems and have a significant monitoring role because of authority and independency in the organization.

- The Head of Internal Audit has direct access to the Committee. Audit observations along with compliance status are regularly presented to the Committee. The role of Internal Audit department includes review of systems within the Company at appropriate intervals to determine whether they are effectively designed and carrying out the functions in accordance with management instructions, policies and procedures and in a manner that is in agreement with Company's objectives and high standard of administrative practices.
- The committee evaluates the scope and extent of internal audit, audit plan, reporting framework and procedures. The Committee reviewed and discussed material internal audit findings, management responses and ensures appropriate action is taken and reported material items to the Board.

Whistleblowing arrangements Review

- The Company provides a mechanism whereby any employee meeting the conditions detailed in Company's whistle blowing Policy can report any case including actual or potential improprieties in financial and other matters based on merit without any fear of retaliation and reprisal and raise the issue directly to Chairman Audit Committee and / or to Chief Executive and / or to the Company Secretary.
- Audit committee closely reviews these arrangements. No cases of complaints regarding whistle blowing events were received during the year by the Committee.

Assessing effectiveness of External Audit process

- The External Auditors have direct access to the Audit Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured. Separate engagement partner is deployed by the external auditor for the provision of non-audit service i.e. tax consultancy to the Company.

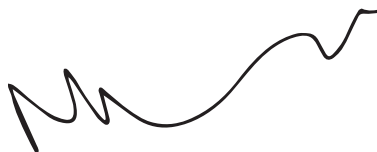
- The Audit Committee reviewed performance, audit fee and independence of the external auditors, M/s. A. F. Ferguson & Co. Chartered Accountants and has recommended to the Board, their reappointment for the year ending June 30, 2019 for the fifth consecutive year.
- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.
- The Committee has reviewed Internal Control Memorandum issued by external auditors as required under the listing regulations and discussed with the external auditors and management and reported material items to the Board.

Views on Annual Report

The Annual report is fair, balanced and understandable as to providing necessary information to enable shareholders to assess the Company's financial position, performance, business model & strategy.

The Audit Committee

The Audit Committee has performed its responsibilities to its best in accordance with the TOR set out by the Company's board of directors. In addition to the evaluation by the Board of Audit committee performance, Self-evaluation by the Audit committee members of their own performance is also carried out and the performance of the committee is found to be satisfactory and up to the mark.



Mohammad Raziuddin
Chairman-Audit Committee

Islamabad
July 26, 2019



SHARE PRICE SENSITIVITY ANALYSIS

The shares of Attock Petroleum Limited are regarded as blue chip stock and considered as a secure investment. The share price has reflected our strong market position and prospects of growth but might respond to exogenous factors in the future as there are number of events that are affecting the share prices either in the short or broad spectrum.

During the year, the share price varied from Rs 255 to the mark of Rs 633. Strong performance resulted in higher dividend payouts over the years, which in turn has gradually increased the share price of the Company. The spread between the prices is due to fluctuations in stock market index which remained under pressure due to various uncontrollable factors. We continuously build confidence of our investors, providing them optimal returns on their investment promoting the long term retention of the shares.

Following factors or events may affect the share price of the Company:

Sales Volume

Operating in an industry where margins are fixed, the profitability of the Company is highly dependent on sales volume which ultimately also affects the share price. Increase in economic activity will lead to increased sales and ultimately reflected on the net profit and share price of the Company.

Sales Margin

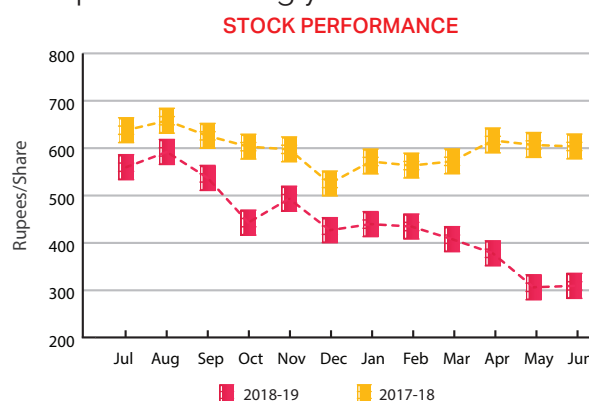
As stated above, the profitability is positively correlated to fixed sales margin on petroleum products. Any change in margins by the Government of Pakistan (GoP) for the regulated products shall directly affect the profitability and the same shall be reflected on the share price of the Company.

Exchange Losses

The Country is highly dependent for its energy requirements on import of petroleum products. APL also actively imports various POL products. Movement in Rupee – Dollar parity incurs exchange can also indirectly affect the share price.

Inventory Gains / Losses

High volatility in international oil prices also severely affects the profitability of the Company. Downward trend leads to inventory losses while an increasing trend positively impacts the profitability and hence affects the share price accordingly.



CALENDAR OF MAJOR EVENTS

AUGUST
2018

Secured 1st position in Fuel and Energy Sector in a much anticipated event of corporate world, Best Corporate and Sustainability Report Awards 2017 jointly organized by the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP).



A significant milestone achieved was signing of the agreement with M/s Pak Suzuki Motor Corporation for supplies of Engine Oils having Exclusive OEM recommendation of Suzuki in Semi Synthetic category.

AUGUST
2018

SEPTEMBER
2018

APL celebrated Defense and Martyrs Day with patriotic spirit and paid tribute to our armed forces and all the martyrs for their supreme sacrifices and gallantry acts.

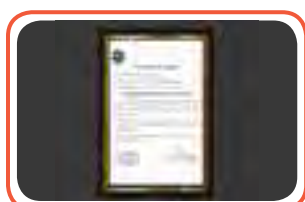


Successful commission of Shikarpur Bulk Oil Terminal, new infrastructure developments will help the Company to cater volatilities in a rapidly evolving operational and marketing landscape within the industry.

OCTOBER
2018

NOVEMBER
2018

For the personal and professional development and growth of employees, APL provides prime opportunities of consistent and continuous trainings. APL completely recognizes training as a crucial element for organizational development and success.



APL successfully managed to win the contract for fuel supplies to the Armed Forces of Pakistan for next fiscal year FY 2019-2020. On the basis of previous year's continuous supplies and exceptional services, APL was also honored via an official appreciation letter from the Supply & Transport Directorate (GHQ).

JANUARY
2019

JANUARY
2019

APL's Annual Report for 2017 has been awarded the Merit Certificate in the South Asian Federation of Accountants (SAFA) for Best Presented Annual Report Awards.



Keeping the spirit of continuous improvement, APL has gone through successful transition of ISO 9001 Certification from previous version (ISO 9001: 2008) to new version (ISO 9001: 2015) at APL Bulk Oil Terminals at Rawalpindi, Machike and Karachi.

FEBRUARY
2019

MARCH
2019

APL, celebrated International Women's Day that honors social, economic, cultural and political achievements of women, as a civilized nation. We must acknowledge and celebrate women's contribution to society, business, culture and politics.



Following the ritual of sustainable growth & corporate social responsibility, APL is continuously working on energy conservation to optimize energy consumption across the country. All High Pressure Sodium and Mercury lights are replaced with efficient LED Lights for energy savings of over 50% at various Bulk Oil Terminals.

MARCH
2019

MAY
2019

APL embarked on several green and clean projects. With collaboration with Civil Aviation Authority (CAA), APL served in the manifesto of the Nobel cause of Clean and Green Pakistan at Islamabad International Airport by extending support for Tree Plantations.



Progressing forward in Retail, APL celebrated the commissioning of 662nd retail outlet – Ensuring commitment of uninterrupted quality fuel supplies within your neighborhoods and state of art Non-Fuel Retail (NFR) services for all our valued customers. Amongst many others, APL's outlet on Karakoram Highway serves its valued customers of Pak-China border crossings.

JUNE
2019

INFORMATION TECHNOLOGY GOVERNANCE

As businesses evolve and adapt to the changing market dynamics, they require a flexible approach to Information Technology introduction and utilization for achieving their strategic goals and objectives.

Information Systems Strategic Planning

The APL IT Committee oversees the requirements, approves the planning and supervises the introduction of new automated functionalities required for optimal business operations. Generic and industry-specific Best Practices are also reviewed and incorporated in to APL functions.

Business Alignment with Information Technology

APL is endeavoring to transform its strategic vision into automated systems that encapsulate the APL Business Cycle in to a web based environment to process and track every key transaction in a real time environment.

Business Process Streamlining

Business Processes are being continuously mapped, documented, re-engineered and improved upon for transformation in to automated functions. Plans are also being developed for introduction of an automated Work Flow System.

IT for Internal Controls

Automated controls are being incorporated at each step of the APL Supply Chain to check

and validate information being entered to reduce the possibility of human error. System generated audit and consistency mechanism are being planned to ensure system integrity.

Real Time Reporting for Decision Making

An Online Real Time System opens up the possibilities for Real Time Reporting and Real Time Decision Making: Business outcomes can be positively impacted when actionable data is on hand in real time.

Business Intelligence for Planning and Forecasting

APL is continuing to explore Business Intelligence Tools and Technologies that will provide insights in to the hows and whys of the Business through dashboards and analytical drill-downs across all business areas and functions. This will open up the possibilities for targeted planning and forecasting based on existing data and what-if scenarios.

Value Addition and Return on Investment

APL has an on-going commitment to continuously improve upon its IT infrastructure, technologies, processes and procedures. This directly translates in to improved controls, enhanced reporting, optimized procedures and better overall performance. Key Performance Indicators are being developed to quantify the value added to various business functions across APL.



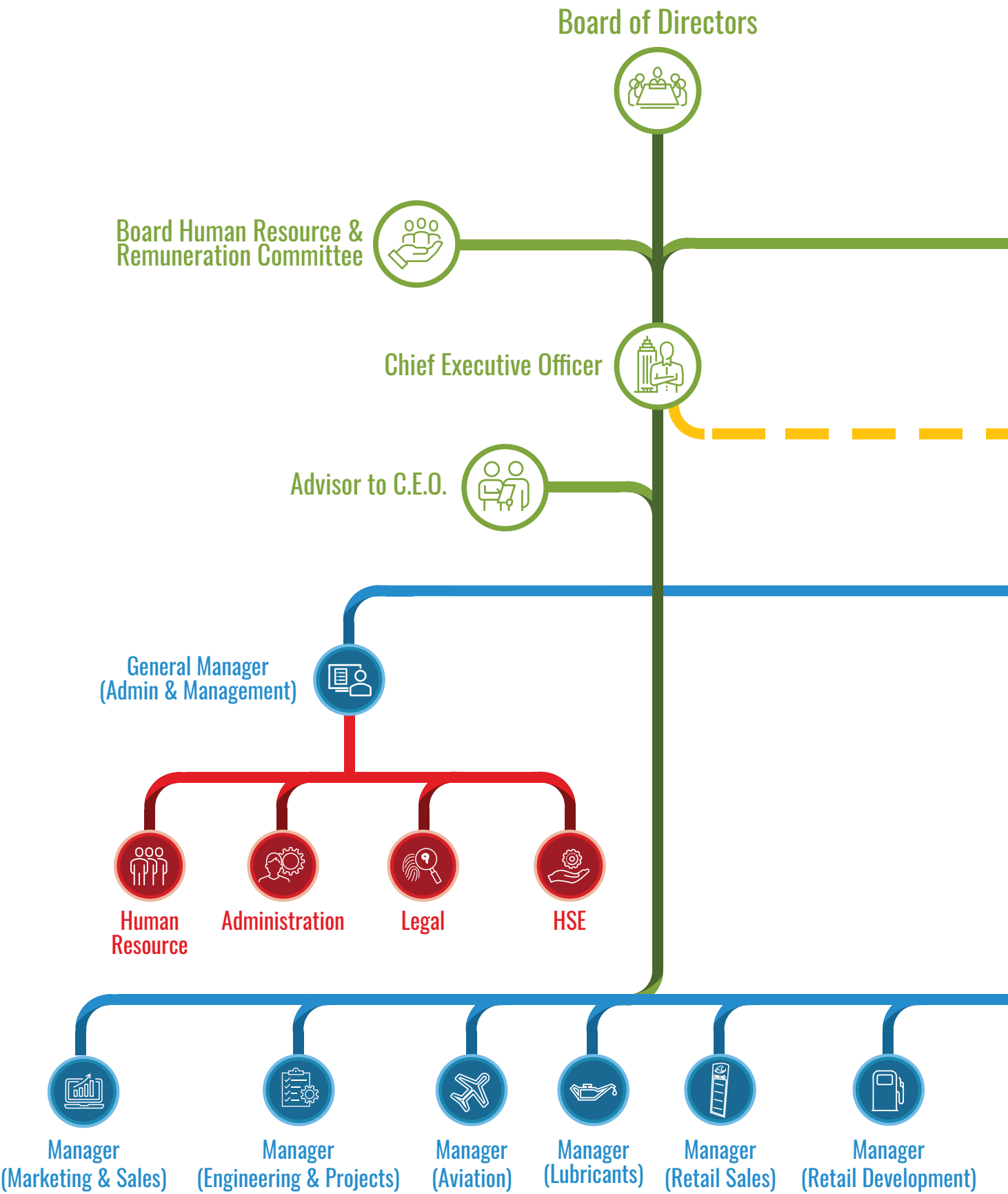
TOTAL RETAIL OUTLETS

662 and counting retail outlets spread strategically across the Country to provide the best petroleum products and services to the local populace.

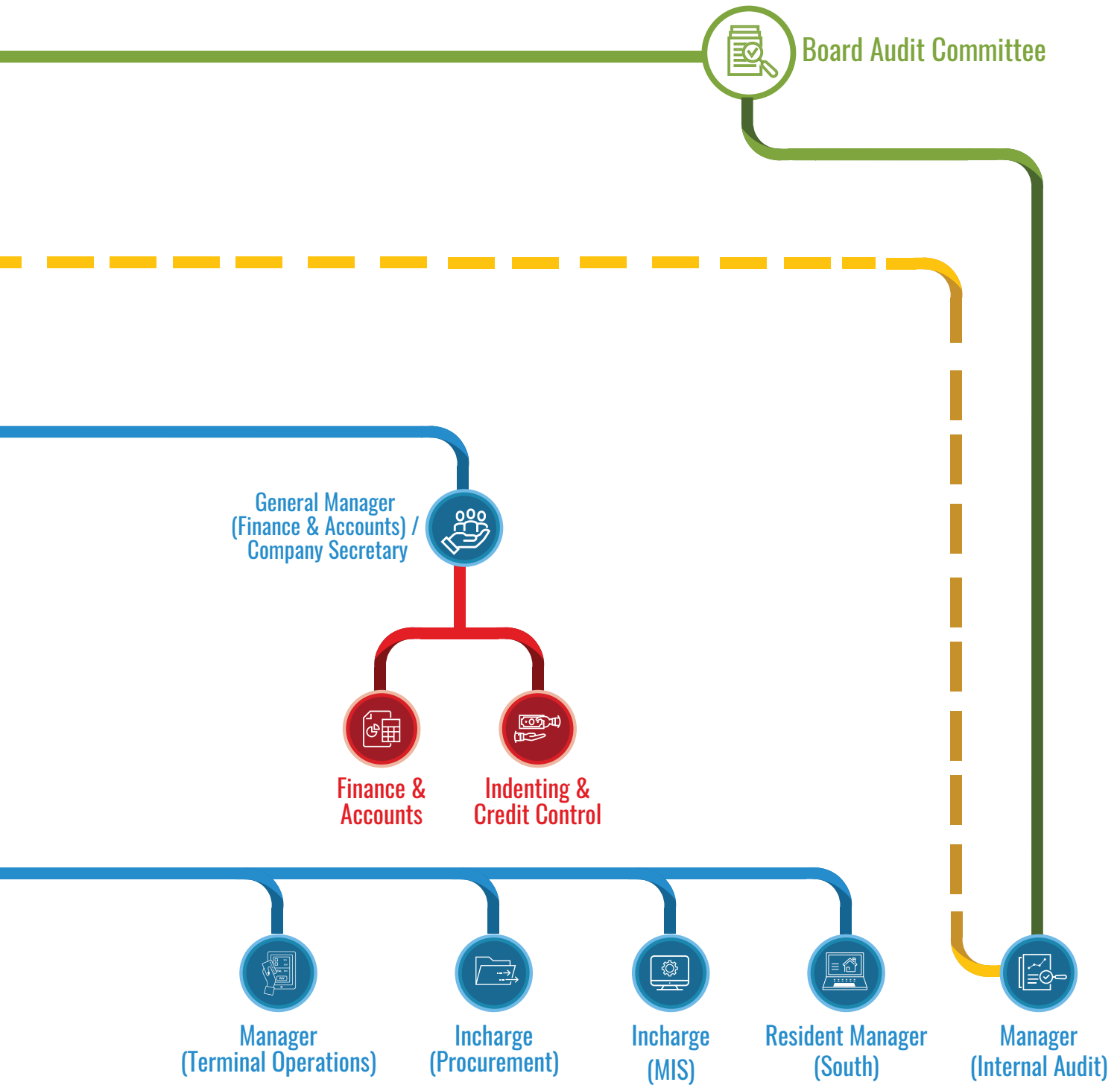


Margalla View Filling Station – D-12, Islamabad.

ORGANIZATIONAL CHART



- Departmental Head
- Department
- ▬ Functional Reporting
- ⋯ Administrative Reporting



REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Attock Petroleum Limited (the Company) for the year ended June 30, 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2019.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the note reference where these are stated in Statement of Compliance.

S. No.	Note Reference	Description
(i)	18	Chief Financial Officer and Company Secretary are the same person.



Chartered Accountants
Islamabad
July 29, 2019

Engagement Partner: Asim Masood Iqbal

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
PIA Building, 3rd Floor, 49 Blue Area, Feroz-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan
Tel: +92 (51) 2273457-60/2604934-37; Fax: +92 (51) 2277424, 2206473; < www.pwc.com/pk >

■ KARACHI ■ LAHORE ■ ISLAMABAD

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017 FOR THE YEAR ENDED JUNE 30, 2019

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven (7) as per following:

- a) Male: Seven
- b) Female: None

2. The composition of Board is as follows:

Category	Names
Independent Directors	Lt Gen (Retd.) Javed Alam Khan Mr. Mohammad Raziuddin
Non Executive Directors	Mr. Laith G. Pharaon Mr. Wael G. Pharaon Mr. Abdus Sattar Mr. Babar Bashir Nawaz Mr. Iqbal A. Khwaja (Alternate Director)
Executive Directors	Mr. Shuaib A. Malik Mr. Rehmat Ullah Bardaie (Alternate Director)

- 3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
- 4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The Board has developed vision and mission statements, overall corporate strategy and significant policies of

the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

- 6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provision of the Act and these Regulations.
- 7. The meetings of the Board were presided over by the Chairman and in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
- 8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- 9. Four of the directors meet the exemption criteria of the directors' training program and two directors have obtained the directors' training program certification in prior years. Further, one director has attended the directors' training program arranged by Pakistan Institute of Corporate Governance during the year.
- 10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

Audit Committee	HR and Remuneration Committee
Mr. Mohammad Raziuddin (Chairman)	Mr. Mohammad Raziuddin (Chairman)
Mr. Abdus Sattar	Mr. Shuaib A. Malik
Mr. Babar Bashir Nawaz	Mr. Iqbal A. Khwaja
Lt Gen (Retd.) Javed Alam Khan	

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. Audit Committee meetings were held once every quarter and Human Resource and Remuneration Committee meeting was held once during the year.
15. The Board has set up an effective internal audit function and that is involved in Internal Audit on full time basis relating to the business and other affairs of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses

and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with except for the fact that the Company Secretary and Chief Financial Officer is the same person. However, SECP vide SRO 485(II)/2019 dated April 23, 2019 issued draft of Listed Companies (Code of Corporate Governance) Regulations, 2019 and has relaxed the mandatory requirement by proposing a "comply or explain approach" for the requirement of separation of offices of CFO and Company Secretary, effective July 01, 2019.



Laith G. Pharaon
Chairman

Dubai, U.A.E.
July 29, 2019

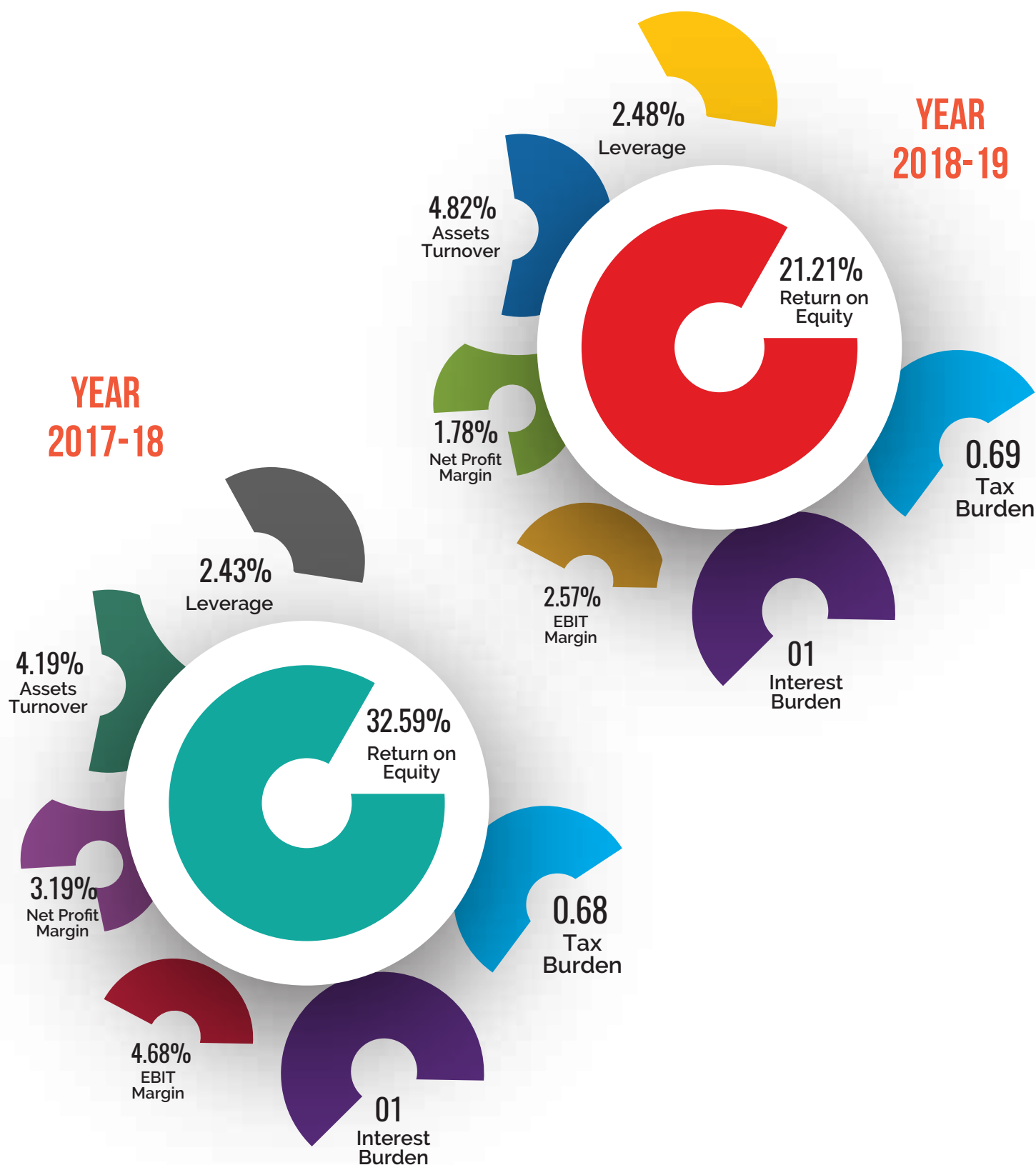
FINANCIAL ANALYSIS



DUPONT ANALYSIS

Return on equity decreased by 35% to 21.21% against 32.59% of year 2017-18 on account of decrease in net profit margin by 44% as a result of decrease in EBIT margin by 45%. EBIT margin decreased due to decrease in gross

profit and increase in operating expenses . Interest and tax burden remained almost at 2017-18 level. Financial Leverage and Assets turnover increased due to increase in sales revenue and assets.



KEY OPERATING AND FINANCIAL DATA FOR SIX YEARS FROM 2013-14 TO 2018-19

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Profit and Loss Summary							
Sales volumes	Metric Tons	2,147,038	2,488,810	2,360,529	2,034,818	2,368,990	2,190,293
Net sales	Rs thousand	223,054,352	177,216,737	138,660,665	109,234,361	171,729,782	205,162,911
Gross profit	Rs thousand	8,221,167	9,743,294	7,335,321	5,749,061	4,926,509	5,942,294
Operating profit	Rs thousand	5,708,378	8,085,325	6,367,177	4,984,849	3,885,822	5,381,469
Profit before tax	Rs thousand	5,722,857	8,289,312	7,699,168	5,633,450	4,537,855	5,906,565
Profit after tax	Rs thousand	3,960,606	5,656,349	5,299,168	3,828,585	3,286,384	4,326,764
Profit before interest, tax, depreciation, and amortization (EBITDA)	Rs thousand	6,314,452	8,711,258	8,046,868	5,951,622	4,828,902	6,228,433

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Balance Sheet Summary							
Share capital	Rs thousand	995,328	829,440	829,440	829,440	829,440	829,440
Reserves	Rs thousand	17,931,407	17,588,222	15,465,051	13,487,726	12,730,365	12,970,282
Shareholders' equity	Rs thousand	18,926,735	18,417,662	16,294,491	14,317,166	13,559,805	13,799,722
Non- current liabilities	Rs thousand	792,993	911,540	733,581	626,159	604,814	581,682
Current assets							
Stock in trade	Rs thousand	12,865,862	12,460,539	7,234,415	4,836,653	5,572,867	6,787,904
Trade debts	Rs thousand	16,838,255	16,475,576	10,801,077	6,046,556	8,214,189	13,009,051
Cash, bank balances & Short term investments	Rs thousand	3,810,956	5,839,645	11,843,739	11,030,176	10,303,318	9,432,730
Others	Rs thousand	3,587,872	3,372,804	2,620,715	4,088,455	2,033,203	2,019,134
	Rs thousand	37,102,945	38,148,564	32,499,946	26,001,840	26,123,577	31,248,819
Current liabilities							
Trade and other payables	Rs thousand	26,633,386	26,138,159	21,061,447	15,434,650	15,719,096	19,492,073
Others	Rs thousand	49,598	663,965	277,433	147,330	27,939	212,387
	Rs thousand	26,682,984	26,802,124	21,338,880	15,581,980	15,747,035	19,704,460
Net current assets	Rs thousand	10,419,961	11,346,440	11,161,066	10,419,860	10,376,542	11,544,359
Property, plant and equipment	Rs thousand	8,348,942	6,417,787	4,339,301	3,011,665	2,444,164	1,931,085
Other non-current assets	Rs thousand	950,825	1,564,975	1,527,705	1,511,800	1,343,913	905,960
Capital expenditure during the year	Rs thousand	2,523,060	2,503,439	1,676,134	886,972	808,421	392,261
Total assets	Rs thousand	46,402,712	46,131,326	38,366,952	30,525,305	29,911,654	34,085,864
Total liabilities	Rs thousand	27,475,977	27,713,664	22,072,461	16,208,139	16,351,849	20,286,142

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Cash Flow Summary							
Cash flows of operating activities	Rs thousand	2,998,293	(1,030,368)	4,848,276	3,700,253	4,735,369	1,456,813
Cash flows of investing activities	Rs thousand	(789,943)	(2,620,019)	235,566	3,660,211	(3,999,956)	778,567
Cash flows of financing activities	Rs thousand	(3,492,842)	(3,088,661)	(3,312,880)	(3,064,694)	(3,521,257)	(4,555,092)
Effect of exchange rate changes	Rs thousand	6,500	3,822	142	698	1,206	(153)
Net change in cash and cash equivalents	Rs thousand	(1,277,992)	(6,735,226)	1,771,104	4,296,468	(2,784,638)	(2,319,865)
Cash & cash equivalents at end of the year	Rs thousand	2,920,168	4,198,160	10,933,386	9,162,282	4,865,814	7,650,452
Free Cash flows	Rs thousand	475,233	(3,533,807)	3,172,142	2,813,281	3,926,948	1,064,552

PERFORMANCE INDICATORS (RATIOS)

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Profitability and Operating Ratios							
Gross profit	%	3.69	5.50	5.29	5.26	2.87	2.90
Net profit to sales	%	1.78	3.19	3.82	3.50	1.91	2.11
EBITDA margin to sales	%	2.83	4.92	5.80	5.45	2.81	3.04
Operating leverage	%	(119.70)	27.57	136.12	(66.34)	142.20	22.80
Return on equity	%	21.21	32.59	34.62	27.47	24.02	31.08
Return on capital employed	%	21.21	32.59	34.62	27.47	24.02	31.08

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Liquidity Ratios							
Current	Times	1.39	1.42	1.52	1.67	1.66	1.59
Quick / Acid test ratio	Times	0.90	0.96	1.18	1.36	1.30	1.24
Cash to current liabilities	Times	0.11	0.16	0.51	0.59	0.31	0.39
Cash flows from operations to sales	Times	0.01	(0.01)	0.03	0.03	0.03	0.01

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Activity / Turn Over Ratios							
Inventory turnover	Times	16.97	17.01	21.76	19.88	26.99	33.36
No. of days in inventory		22	21	17	18	14	11
Debtors turnover	Times	13.39	12.99	16.46	15.32	16.18	19.32
No. of days in receivables		27	28	22	24	23	19
Creditors turnover	Times	8.14	7.10	7.20	6.64	9.47	11.42
No. of days in payables		45	51	51	55	39	32
Total assets turnover	Times	4.82	4.19	4.03	3.61	5.37	6.39
Fixed assets turnover	Times	30.21	32.95	37.73	40.04	78.50	108.16
Operating cycle	Days	4	(2)	(12)	(13)	(2)	(2)
Number of retail outlets		662	629	604	563	516	468

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Investment / Market Ratios							
Basic and diluted EPS	Rs	39.79	68.19	63.89	46.16	39.62	52.16
Basic and diluted EPS (restated)	Rs	39.79	56.83	53.24	38.47	33.02	43.47
Price earning	Times	7.25	8.65	9.81	9.48	14.32	11.31
Price to book	Times	1.52	2.66	3.19	2.53	3.47	3.55
Dividend yield	%	4.38	6.68	6.94	8.32	6.26	9.01
Dividend payout	%	50.26	58.66	66.52	86.66	87.07	91.06
Dividend cover	Times	1.99	1.70	1.50	1.15	1.15	1.10
Cash dividends	Rs thousand	1,990,656	3,317,760	3,525,120	3,317,760	2,861,568	3,939,840
Cash dividend per share	Rs	20.00	40.00	42.50	40.00	34.50	47.50
Bonus shares issued	Rs thousand	-	165,888	-	-	-	-
Bonus per share	%	-	20	-	-	-	-
Break-up value per share without surplus on revaluation of Property plant and equipment	Rs	190.16	222.05	196.45	172.61	163.48	166.37
Break-up value per share with surplus on revaluation of Property plant and equipment including the effect of all investments	Rs	190.16	222.05	196.45	172.61	163.48	166.37
Break-up value per share including investment in related party at fair/ market value and with surplus on revaluation of Property plant and equipment	Rs	199.24	235.77	210.90	184.75	174.24	177.07
Market value per share							
Year end	Rs	289	590	626	438	567	590
Highest (during the year)	Rs	633	706	765	596	610	607
Lowest (during the year)	Rs	255	486	430	398	494	414

		2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Capital Structure Ratios							
Debt to equity		0:100	0:100	0:100	0:100	0:100	0:100
Financial leverage		-	-	-	-	-	-
Weighted average cost of debt		-	-	-	-	-	-
Interest cover		-	-	-	-	-	-
Market Share (Source: OCAC)	%	10.80	9.7	9.0	8.5	10.4	10.1

VERTICAL ANALYSIS

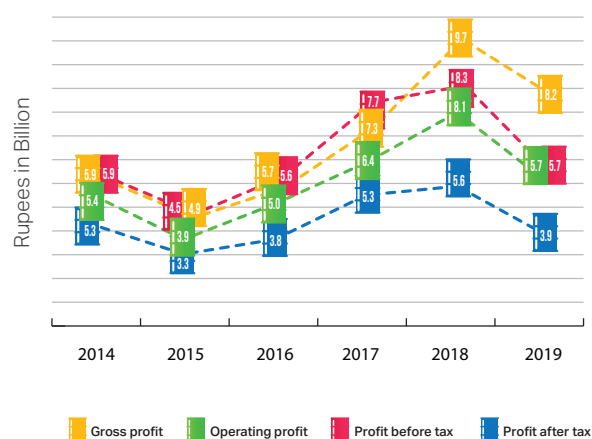
	2018-19		2017-18		2016-17		2015-16		2014-15		2013-14	
	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%
Balance Sheet Items												
Property, Plant and Equipment	8,348,942	18.0	6,417,787	13.9	4,339,301	11.3	3,011,665	9.9	2,444,164	8.2	1,931,085	5.7
Other Non-Current Assets	950,825	2.0	1,564,975	3.4	1,527,705	4.0	1,511,800	5.0	1,343,913	4.5	905,960	2.6
Current Assets	37,102,945	80.0	38,148,564	82.7	32,499,946	84.7	26,001,840	85.1	26,123,577	87.3	31,248,819	91.7
Total Assets	46,402,712	100.0	46,131,326	100.0	38,366,952	100.0	30,525,305	100.0	29,911,654	100.0	34,085,864	100.0
Shareholders' Equity	18,926,735	40.8	18,417,662	39.9	16,294,491	42.5	14,317,166	46.9	13,559,805	45.3	13,799,722	40.5
Non- Current Liabilities	792,993	1.7	911,540	2.0	733,581	1.9	626,159	2.1	604,814	2.0	581,682	1.7
Current Liabilities	26,682,984	57.5	26,802,124	58.1	21,338,880	55.6	15,581,980	51.0	15,747,035	52.6	19,704,460	57.8
Total Shareholders' Equity & Liabilities	46,402,712	100.0	46,131,326	100.0	38,366,952	100.0	30,525,305	100.0	29,911,654	100.0	34,085,864	100.0
Profit & Loss Items												
Net Sales	223,054,352	100.0	177,216,737	100.0	138,660,665	100.0	109,234,361	100.0	171,729,782	100.0	205,162,911	100.0
Cost of Products Sold	214,833,185	96.3	167,473,443	94.5	131,325,344	94.7	103,485,300	94.7	166,803,273	97.1	199,220,617	97.1
Gross Profit	8,221,167	3.7	9,743,294	5.5	7,335,321	5.3	5,749,061	5.3	4,926,509	2.9	5,942,294	2.9
Operating Profit	5,708,378	2.6	8,085,325	4.6	6,367,177	4.6	4,984,849	4.6	3,885,822	2.3	5,381,469	2.6
Profit before Taxation	5,722,857	2.6	8,289,312	4.7	7,699,168	5.6	5,633,450	5.2	4,537,855	2.6	5,906,565	2.9
Profit for the Year	3,960,606	1.8	5,656,349	3.2	5,299,168	3.8	3,828,585	3.5	3,286,384	1.9	4,326,764	2.1

HORIZONTAL ANALYSIS

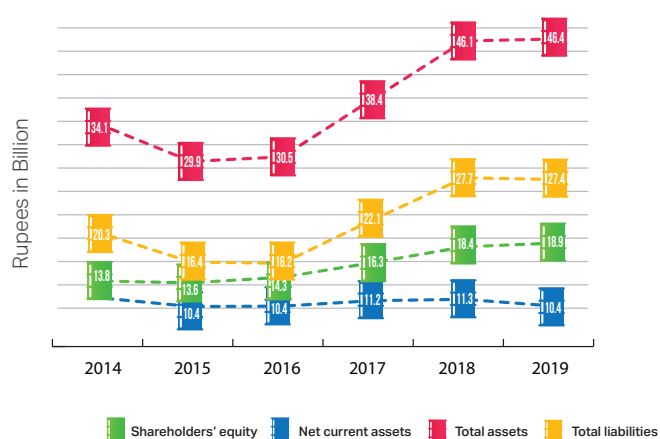
	2018-19		2017-18		2016-17		2015-16		2014-15		2013-14	
	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)
Balance Sheet Items												
Property, Plant and Equipment	8,348,942	30.1	6,417,787	47.9	4,339,301	44.1	3,011,665	23.2	2,444,164	26.6	1,931,085	3.7
Other Non-Current Assets	950,825	(39.2)	1,564,975	2.4	1,527,705	1.1	1,511,800	12.5	1,343,913	48.3	905,960	3.2
Current Assets	37,102,945	(2.7)	38,148,564	17.4	32,499,946	25.0	26,001,840	(0.5)	26,123,577	(16.4)	31,248,819	14.2
Total Assets	46,402,712	0.6	46,131,326	20.2	38,366,952	25.7	30,525,305	2.1	29,911,654	(12.2)	34,085,864	13.3
Shareholders' Equity	18,926,735	2.8	18,417,662	13.0	16,294,491	13.8	14,317,166	5.6	13,559,805	(1.7)	13,799,722	(1.7)
Non- Current Liabilities	792,993	(13.0)	911,540	24.3	733,581	17.2	626,159	3.5	604,814	4.0	581,682	25.7
Current Liabilities	26,682,984	(0.4)	26,802,124	25.6	21,338,880	36.9	15,581,980	(1.0)	15,747,035	(20.1)	19,704,460	26.4
Total Shareholders' Equity & Liabilities	46,402,712	0.6	46,131,326	20.2	38,366,952	25.7	30,525,305	2.1	29,911,654	(12.2)	34,085,864	13.3
Profit & Loss Items												
Net Sales	223,054,352	25.9	177,216,737	27.8	138,660,665	26.9	109,234,361	(36.4)	171,729,782	(16.3)	205,162,911	24.6
Cost of Products Sold	214,833,185	28.3	167,473,443	27.5	131,325,344	26.9	103,485,300	(38.0)	166,803,273	(16.3)	199,220,617	24.9
Gross Profit	8,221,167	(15.6)	9,743,294	32.8	7,335,321	27.6	5,749,061	16.7	4,926,509	(17.1)	5,942,294	14.8
Operating Profit	5,708,378	(29.4)	8,085,325	27.0	6,367,177	27.7	4,984,849	28.3	3,885,822	(27.8)	5,381,469	10.4
Profit Before Taxation	5,722,857	(31.0)	8,289,312	7.7	7,699,168	36.7	5,633,450	24.1	4,537,855	(23.2)	5,906,565	5.6
Profit for the Year	3,960,606	(30.0)	5,656,349	6.7	5,299,168	38.4	3,828,585	16.5	3,286,384	(24.0)	4,326,764	10.8

GRAPHICAL PRESENTATION

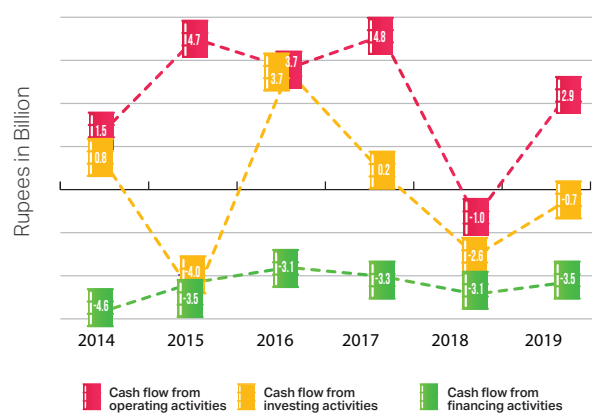
Profit and Loss



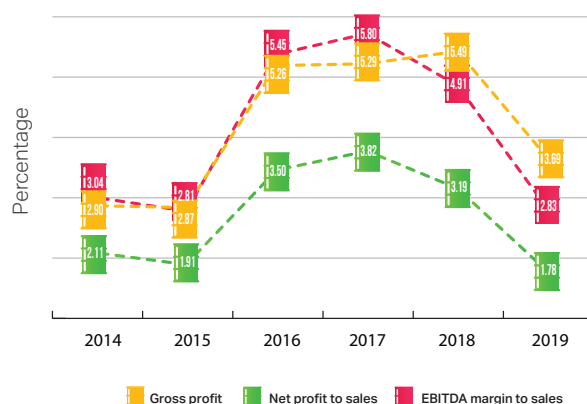
Balance Sheet



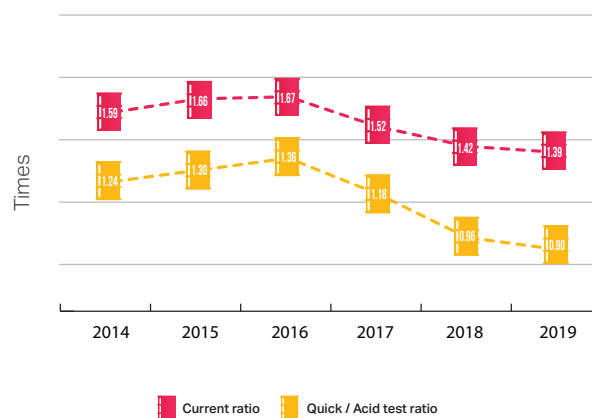
Cash Flows



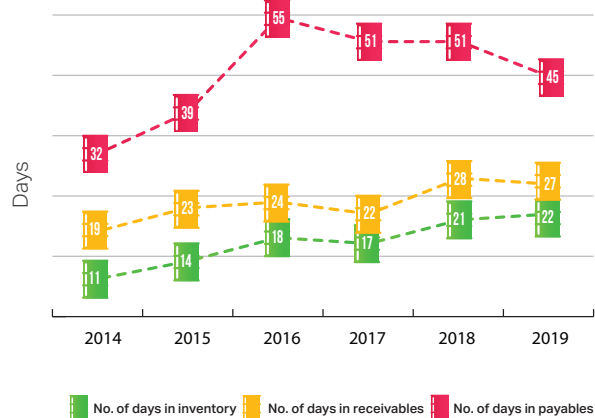
Profitability Ratios



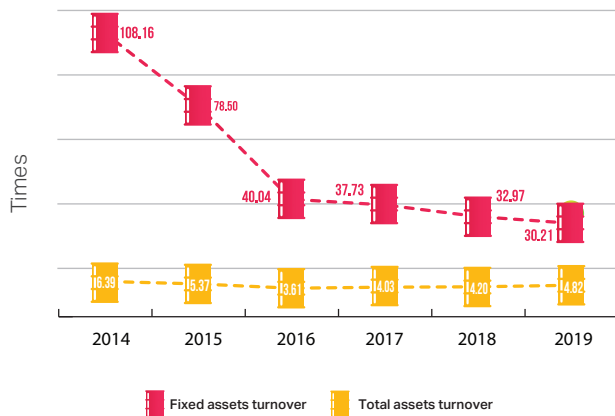
Liquidity Ratios



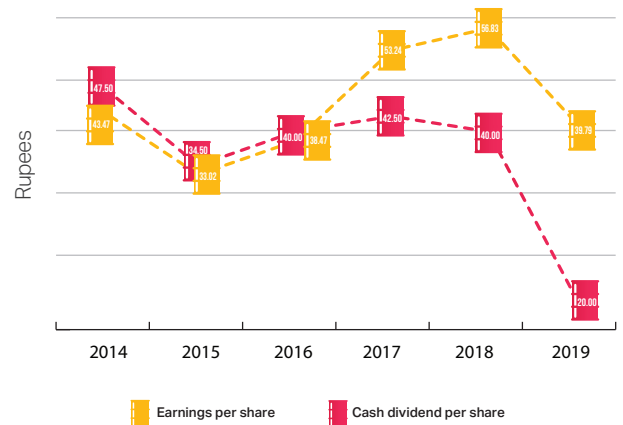
Activity Ratios



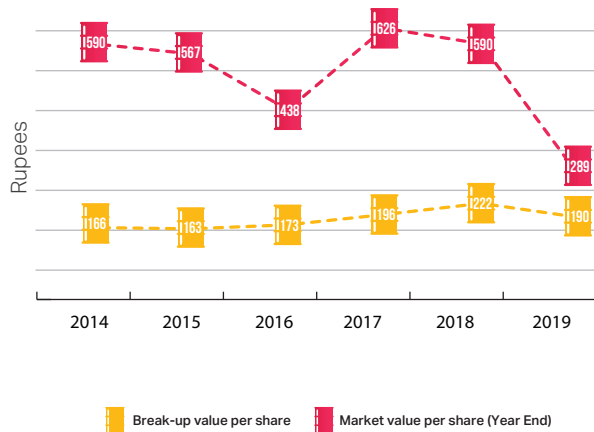
Turnover Ratios



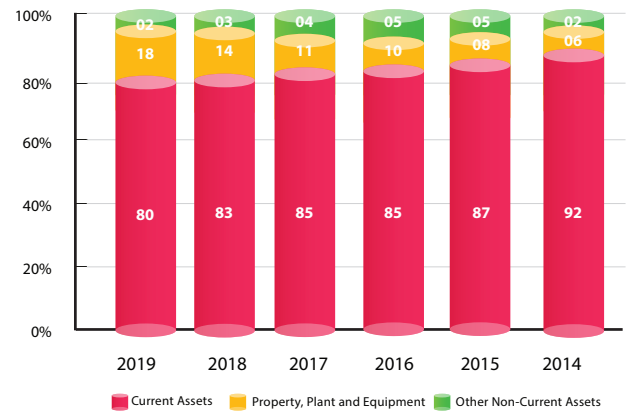
Investment Ratios



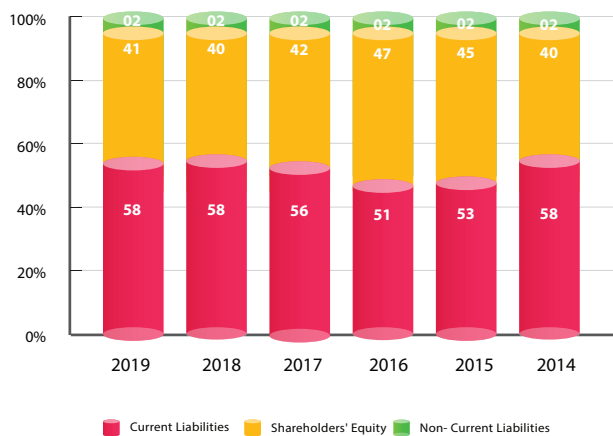
Market Ratios



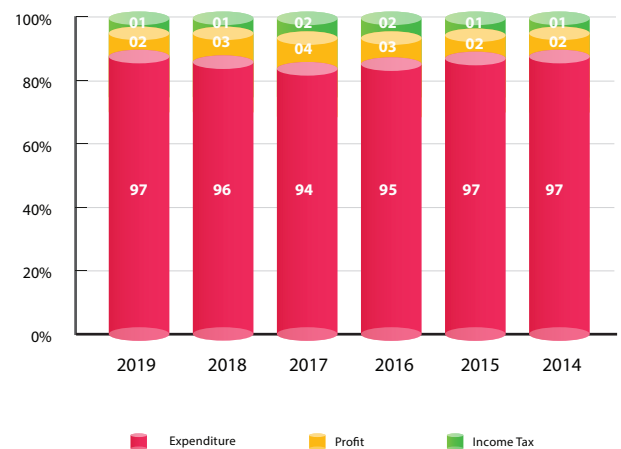
Composition of Assets



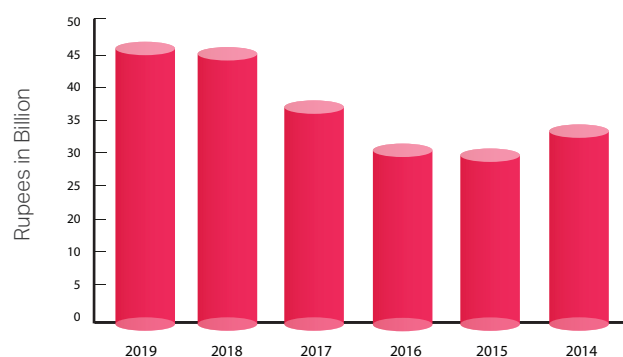
Composition of Total Liabilities & Shareholders' Equity



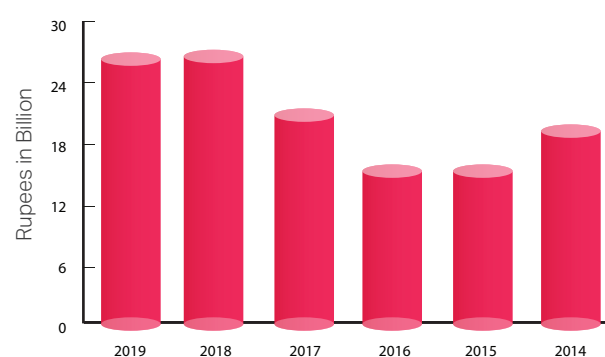
Composition of Profit and loss



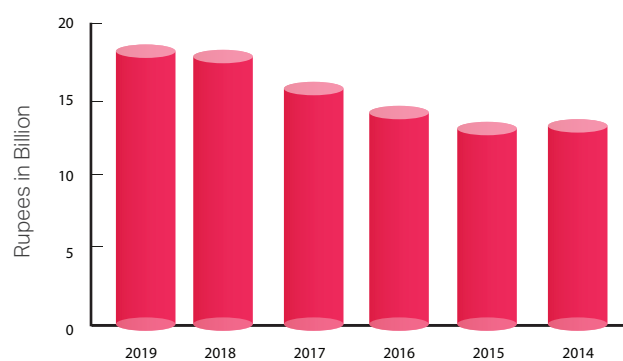
Total Assets



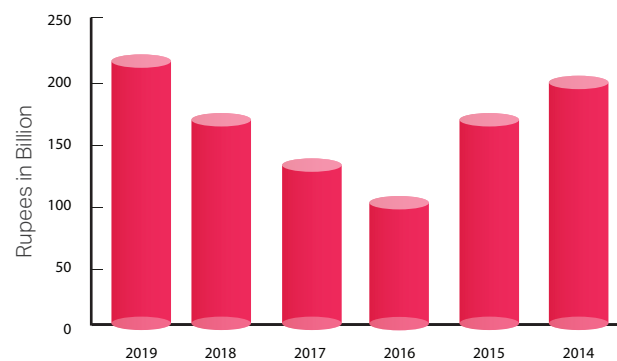
Total Liabilities



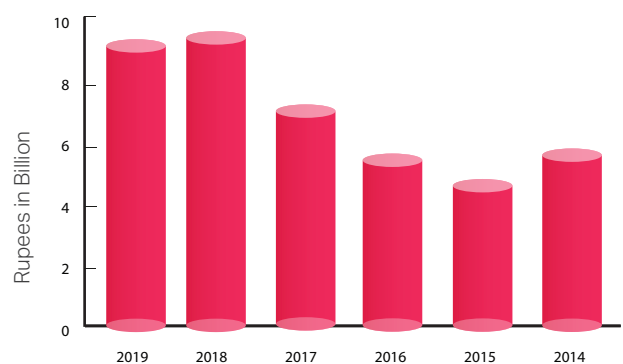
Total Shareholders' Equity



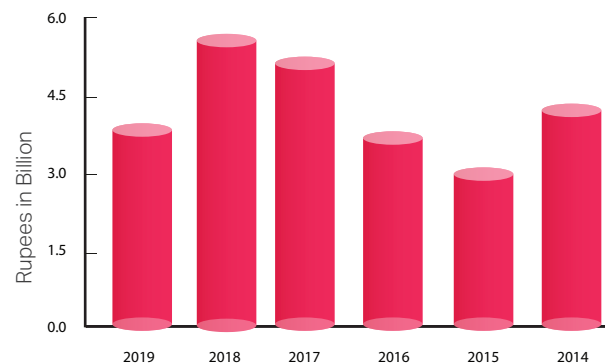
Net Sales



Gross Profit



Net Profit



COMMENTS ON FINANCIAL ANALYSIS

Cash flow

Cash flow from operating activities: In the year 2018-19, it is positive as compared to negative cash flow in last year due to working capital management, petroleum product pricing trends, maintained stock levels and margins. In the year 2017-18, it was negative due to increase in stock level as per requirement.

Cash flow from investing activities: Cash flow from investing activities improved in year 2018-19 due to encashment of short term investments; however Company invested substantial amount in property, plant and equipment that resulted negative cash flow from investing activities.

Cash flow from financing activities: Financing activities mainly comprises of dividends payment which was at high level in year 2018-19 compared to previous four years.

Free cash flow: It remains the Company's policy to grow sustainable free cash flow and distributions to share holders in the long term.

Ratios Analysis

Profitability ratios: In year 2018-19 decrease in profitability ratios observed due to gross profit ratio declined as net sales revenue increased by 26% whereas sales volume decreased by 11% resulted in decrease in gross profit ratio from last year. Net profit to sales and EBITDA margin to sales decreased due to increase in operating expense by 41% and decrease in gross profit by 16%. Further these ratios fluctuate over the years due to varying margins and product sale prices. Company sold highest volume resultantly earned highest profit in year 2017-18.

Liquidity ratios: Slightly increase in trade debts and corresponding trade payable due to supply of products to IPPs and increase

in stock and corresponding liabilities has resulted in minor decrease in Liquidity ratios.

Activity / Turn over ratios: Stock levels, debtors and creditors and varying prices results in fluctuation of these ratios over the period. Inventory turnover and No. of days in inventory has slightly changed over last year as there is no major increase in stock level. There is also slight change in Debtors turnover ratio and No. of days in receivable over last year as there is no change in credit policy with customers. Creditors' turnover has increased by 15% on account of increase in purchase price over the period, whereas trade payable maintained at same level. Total assets turnover has increased by 15% compared to last year whereas fixed assets turnover has decreased by 8% due to significant investment in construction of new storage terminals and depots.

Investment / Market ratios: Earnings per share declined due to lower profits from last year. Price earnings ratio of 7.25 has shown decrease over last year. Market value per share stood at Rs 289, down by around 51% compared to last year. Dividend payout ratio for the year 2018-19 was recorded at 50%, translating into a total cash dividend of Rs 20.00 per share. Bonus shares was issued in year 2017-18 @ 20% i.e. one share for every five shares held.

Capital Structure ratios: All capital requirements are financed through equity contribution and no loan has been received hence zero leverage.

Vertical analysis

Balance sheet: Substantial investment in new storage terminals, enhancement in existing terminals and facilities and procurement of other Capital nature items in the year 2018-19 resulted in increase in weightage

of Property, plant and equipment over last 05 years period. Increase in shareholders equity in excess to increase in trade payable has resulted in increased weightage of shareholders equity in the year 2018-19.

Profit & loss: Sales volume declined in 2018-19 however fluctuation in prices of products and stock management are the factors which affected weightage of components of profit and loss items. Efficient stock management and import at competitive prices resulted in better weightage of profits in 2015-16, 2016-17 and 2017-18 as compared to 2018-19.

Horizontal Analysis

Balance sheet: Property, plant and equipment increased by Rs 6,418 Million over last 05 years period due to investment in new storage terminal, enhancement in existing terminals and facilities and procurement of other Capital nature items. Current assets constitute of stores and spares, stock in trade, trade debts, other receivables, short term investments and cash & bank balances. Variation in current assets' balances during the five years since 2013-14 was mainly due to fluctuations in trade debts due to circular debts issue, stock balances as per operational requirements and cash and bank balances consumed for capital expenditure. Current liabilities decreased in the year 2018-19 due to decrease in unclaimed dividend relating to previous year.

Profit & loss: Overall sales volume declined in 2018-19 however fluctuation in prices of products which depends on international prices and tax structure resulted in varying sales and profits during the years. Decrease in sales volume resulted in unfavorable performance in the year 2018-19.

Indicators And Performance Measures

Indicators and performance measures are used by the management to gauge the

performance of the Company. The following are critical indicators:

- Market share
- Earnings per share
- Gross Profit
- Debtors turnover
- Inventory turnover
- Cash flows from Operating activities

METHODS/ASSUMPTIONS USED TO COMPILE THE INDICATORS:

Market Share

Market share of Company is determined on the basis of OCAC data – independent source.

Gross Profit

Gross profit is calculated by the company with and without inventory gains to compare the performance of the company.

Debtors' turnover

This ratio is calculated by the Company on the basis of the average values.

Inventory turnover

This ratio is calculated by the Company on the basis of the average values.

CHANGE IN PERFORMANCE MEASURES OVER TIME

There is no significant change in the performance measures used by the management to evaluate performance of the Company. The values of the following measures have, however, changed substantially over the period:

Market Share

Due to the entry of many new players in the market over the past few years the volumes have been divided. However, market share of APL shows increasing trend from year 2016-17.

Gross Profit

Gross profit is showing an increasing trend from FY 2016 to FY 2018 whereas declined in FY 2019 due to shrinking of overall market.

Cash flows from operating activities

Cash flow from operating activities was positive in FY 2019 and in previous years also except FY 2018 wherein it was negative due to significant increase in stock levels.

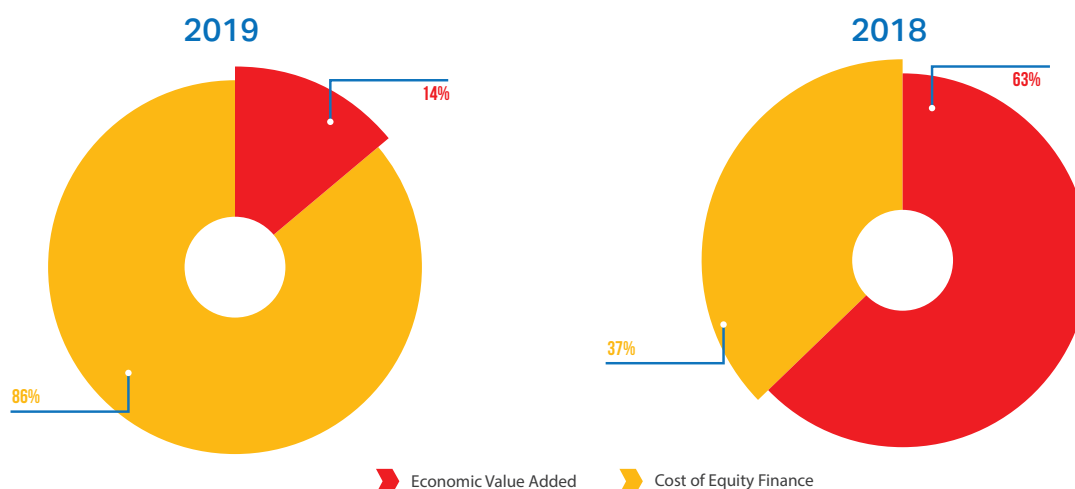
RATIONAL FOR MAJOR CAPITAL EXPENDITURES

Major capital expenditure has been incurred for establishing bulk oil storage terminals and construction of retail outlets, rational for the same has been discussed in detail in Directors' report for the year ended June 30, 2019.

STATEMENT OF ECONOMIC VALUE ADDED

	2018-19 Rs ('000)	2017-18 Rs ('000)
Net Profit After Tax	3,960,606	5,656,349
Cost of Equity Finance	(3,414,635)	(2,075,755)
Economic Value Added	545,971	3,580,594
Economic Value Added Per share (Rupees)	5.49	35.97

Composition of Net Profit After Tax



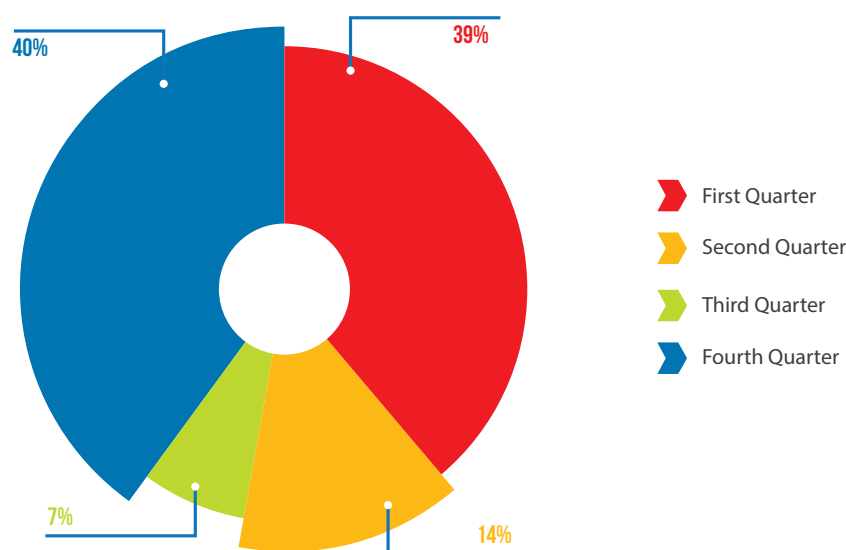
Statement of Economic Value Added represents value created in excess of the required return of the Company's shareholders.

ANALYSIS OF VARIATION

in results of interim reports with the final accounts

	Total	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
	Rs ('000)	Rs ('000)	Rs ('000)	Rs ('000)	Rs ('000)
Profit & Loss Items					
Net Sales	223,054,352	58,606,067	48,921,309	57,721,099	57,805,877
Gross Profit	8,221,167	3,332,163	881,282	1,445,725	2,561,997
Profit Before Taxation	5,722,857	2,348,192	396,014	854,121	2,124,530
Provision for Taxation	(1,762,251)	(775,251)	(111,531)	(298,469)	(577,000)
Net Profit	3,960,606	1,572,941	284,483	555,652	1,547,530
Earnings Per share (Rupees)	39.79	15.80	2.86	5.58	15.55

Net Profit



Net sales revenue was highest in fourth quarter as prices of petroleum products were highest in fourth quarter. This resulted in highest gross profit for the quarter. Volumes sold were highest in first quarter.

Net sales revenue was lowest in third quarter as volume sold in third quarter were lowest due to low demand of Furnace Fuel Oil resulting from availability of alternate source (LNG) for electricity production to fulfill country demand and inventory losses on account of decreasing price trend resulted in lowest net profit for the quarter.

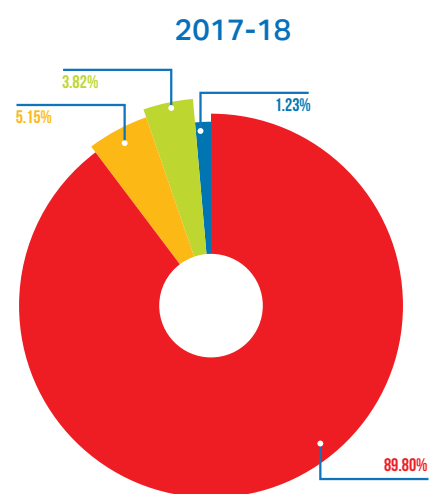
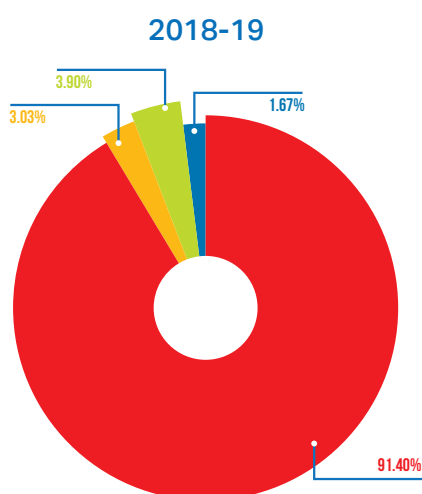
STATEMENT OF CHARITY ACCOUNT

Particulars	2018-19 Rs ('000)
Education and Scholarship	95
Health care and Environment	529
Sports Development	722
Community Welfare	810
Total*	2,156

* Includes through Company's trust

STATEMENT OF VALUE ADDED

	2018-19		2017-18	
	Rs in thousand	%	Rs in thousand	%
Gross revenue and other income	260,307,143		219,110,282	
Cost of sales and operating expenses	(194,627,032)		(151,407,155)	
Total value added	65,680,111		67,703,127	
DISTRIBUTION				
Employee remuneration:	1,093,848	1.67	830,163	1.23
Government as:				
Company taxation	1,762,251	2.68	2,632,963	3.89
Sales tax, duties and levies	57,958,477	88.24	57,722,231	85.26
WPPF	313,334	0.48	439,475	0.65
Shareholders as:				
Dividends	1,990,656	3.03	3,317,760	4.90
Bonus share	-	-	165,888	0.25
Society as:				
Donation	-	-	-	-
Providers of finance as:				
Financial Charges	-	-	-	-
Retained in business:				
Depreciation	591,595	0.90	421,946	0.62
Net earnings	1,969,950	3.00	2,172,701	3.21
	65,680,111	100.00	67,703,127	100.00










▶ Government
 ▶ Shareholders
 ▶ Retained in business
 ▶ Employee remuneration
 ▶ Provider of finance
 ▶ Society



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FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATTOCK PETROLEUM LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Attock Petroleum Limited (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the profit or loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters.

Key Audit Matters

i. Adoption of IFRS 9 “Financial Instruments” (Refer notes 3.1 and 31 to the financial statements)

IFRS 9 ‘Financial Instruments’ is effective for the Company for the first time during the current year and replaces the financial instruments standard IAS 39 ‘Financial Instruments: Recognition and Measurement’.

In relation to financial assets, IFRS 9 requires the recognition of expected credit losses (‘ECL’) rather than incurred credit losses under IAS 39 and is therefore a fundamentally different approach. Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset.

In accordance with IFRS 9, the measurement of ECL reflect a range of unbiased and probability-weighted outcomes, time value of money, reasonable and supportable information based on the consideration of historical events, current conditions and forecasts of future economic conditions. The calculation of ECLs in accordance with IFRS 9 is therefore complex and involves a number of judgemental assumptions.

The Company has adopted IFRS 9 using the allowed modified retrospective approach and recognized expected credit loss of Rs 535 million in opening retained earnings as at July 1, 2018 and Rs 71 million for year ended June 30, 2019.

We considered this as key audit matter due to the significant amounts involved and significant judgments made by management regarding the matter.

How matter was addressed in our audit report

We reviewed and understood the requirements of the IFRS 9. Our audit procedures included the following

- Considered the management’s process to assess the impact of adoption of IFRS 9 on the Company’s financial statements.
- Reviewed the appropriateness of the assumptions used (future and historical), the methodology and policies applied to assess the ECL in respect of financial assets of the Company. Reviewed the working of management for expected credit losses.
- We reviewed and assessed the impact and disclosures made in the financial statements with regard to the effect of adoption of IFRS 9.

ii. Investment in associated companies

(Refer note 15 to the financial statements)

The Company has investment in its associated companies National Refinery Limited (NRL) and Attock Refinery Limited (ARL). As at June 30, 2019, the carrying amount of investment in above referred associated companies amounted to Rs 876 million (net of recognised impairment loss of Rs 342 million) which carrying value is higher by Rs 647 million in relation to the quoted market value of such shares. The Company carries out impairment assessment of the value of Investment where there are indicators of impairment.

The Company has assessed the recoverable amount of the investment in associated companies based on the higher of the value-in-use ("VIU") and fair value. VIU is based on a valuation analysis carried out by an independent external investment advisor engaged by the Company using a discounted cash flow model which involves estimation of future cash flows. This estimation is inherently uncertain and requires significant judgement on both future cash flows and the discount rate applied to the future cash flows.

In view of significant management judgement involved in the estimation of VIU we consider this as a key audit matter.

Our procedures in relation to assessment of carrying value of investment in associated companies included following:

- Assessed the appropriateness of management's accounting for investment in associated companies.
- Understood management's process for identifying the existence of impairment indicators in respect of investment in associated companies.
- Evaluated the independent external investment advisor's competence, capabilities and objectivity.
- Assessed the valuation methodology used by the independent external investment advisor.
- Checked, on sample basis, the reasonableness of the input data provided by the management to the independent external investment advisor, to supporting evidence.
- Assessed the reasonableness of cash flow projection, challenging and performing audit procedures on assumptions such as growth rate, future revenue and costs, terminal growth rate and discount rate by comparing the assumptions to historical results, budgets and comparing the current year's results with prior year forecast and other relevant information.
- Tested mathematical accuracy of cash flows projection.
- Performed independently a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Iqbal.



Chartered Accountants
Islamabad
July 29, 2019

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2019

	Note	2019 Rupees ('000)	2018
SHARE CAPITAL AND RESERVES			
Authorised capital	6	1,500,000	1,500,000
Issued, subscribed and paid up capital	6	995,328	829,440
Special reserves	7	219,785	249,542
Unappropriated profit		17,711,622	17,338,188
Fair value gain on available-for-sale investments		-	492
		18,926,735	18,417,662
NON CURRENT LIABILITIES			
Long term deposits	8	716,283	671,044
Deferred tax liability	9	76,710	240,496
		792,993	911,540
CURRENT LIABILITIES			
Trade and other payables	10	26,633,386	26,138,159
Unclaimed dividend	11	49,598	473,512
Provision for current income tax		-	190,453
		26,682,984	26,802,124
CONTINGENCIES AND COMMITMENTS			
	12	46,402,712	46,131,326

		2019	2018
	Note	Rupees ('000)	
NON CURRENT ASSETS			
Property, plant and equipment	13	8,348,942	6,417,787
Long term investments in associated companies	15	903,965	1,137,657
Other long term investments	16	-	423,396
Long term prepayment	17	46,860	3,922
CURRENT ASSETS			
Stores and spares		92,287	75,841
Stock in trade	18	12,865,862	12,460,539
Trade debts	19	16,838,255	16,475,576
Income tax refundable		23,692	-
Advances, deposits, prepayments and other receivables	20	3,471,893	3,296,963
Short term investments	21	890,788	1,641,485
Cash and bank balances	22	2,920,168	4,198,160
		37,102,945	38,148,564
		46,402,712	46,131,326

The annexed notes 1 to 46 form an integral part of these financial statements.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2019

		2019	(Restated) 2018
	Note	Rupees ('000)	
Sales	23	256,661,187	216,888,196
Sales tax and other government levies		(33,606,835)	(39,671,459)
NET SALES		223,054,352	177,216,737
Cost of products sold	24	(214,833,185)	(167,473,443)
GROSS PROFIT		8,221,167	9,743,294
Other income	25	1,148,305	884,577
Net impairment losses on financial assets		(70,798)	(1,932)
Operating expenses	26	(3,590,296)	(2,540,614)
OPERATING PROFIT		5,708,378	8,085,325
Finance income	27	1,399,290	1,241,934
Finance costs	27	(848,992)	(564,333)
Net finance income	27	550,298	677,601
Share of loss of associated companies	15	(222,485)	(34,139)
Other charges	28	(313,334)	(439,475)
PROFIT BEFORE TAXATION		5,722,857	8,289,312
Provision for income tax	29	(1,762,251)	(2,632,963)
PROFIT FOR THE YEAR		3,960,606	5,656,349
Earnings per share - Basic and diluted (Rupees)	30	39.79	56.83

The annexed notes 1 to 46 form an integral part of these financial statements.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees ('000)	2018
PROFIT FOR THE YEAR		3,960,606	5,656,349
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR:			
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on staff retirement benefit plan	32.4	1,004	(12,695)
Current tax relating to remeasurement gain/(loss) on staff retirement benefit plan		(291)	3,808
		713	(8,887)
Share of other comprehensive (loss) / income of associated companies - net of tax	15	(3,210)	337
		(2,497)	(8,550)
Items that may be subsequently reclassified to profit or loss:			
Fair value adjustment on available for sale investments	16.2	-	492
Other comprehensive (loss) for the year		(2,497)	(8,058)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,958,109	5,648,291

The annexed notes 1 to 46 form an integral part of these financial statements.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2019

	Share capital	Special reserves	Reserve for issue of bonus shares	Unappropriated profit	Fair value gain on available-for-sale investments	Total
Rupees ('000)						
BALANCE AS AT JUNE 30, 2017	829,440	214,608	-	15,250,443	-	16,294,491
Total comprehensive income for the year:						
Profit for the year	-	-	-	5,656,349	-	5,656,349
Other comprehensive (loss)/gain	-	-	-	(8,550)	492	(8,058)
	-	-	-	5,647,799	492	5,648,291
Transferred to special reserves by associated companies	-	34,934	-	(34,934)	-	-
Transactions with owners:						
Final cash dividend @ 275% relating to year ended June 30, 2017	-	-	-	(2,280,960)	-	(2,280,960)
Interim cash dividend @ 150% relating to year ended June 30, 2018	-	-	-	(1,244,160)	-	(1,244,160)
Total transactions with owners	-	-	-	(3,525,120)	-	(3,525,120)
BALANCE AS AT JULY 1, 2018	829,440	249,542	-	17,338,188	492	18,417,662
Effect of changes in accounting policy due to adoption of IFRS 9 - note 3.1.3	-	-	-	(379,616)	(492)	(380,108)
ADJUSTED BALANCE AS AT JULY 1, 2018	829,440	249,542	-	16,958,572	-	18,037,554
Total comprehensive income for the year:						
Profit for the year	-	-	-	3,960,606	-	3,960,606
Other comprehensive loss	-	-	-	(2,497)	-	(2,497)
	-	-	-	3,958,109	-	3,958,109
Transferred to special reserves by associated companies	-	(29,757)	-	29,757	-	-
Transfer from reserve for issue of bonus shares	-	-	165,888	(165,888)	-	-
Transactions with owners:						
Issue of bonus shares @ 20% relating to the year ended June 30, 2018	165,888	-	(165,888)	-	-	-
Final cash dividend @ 250% relating to the year ended June 30, 2018	-	-	-	(2,073,600)	-	(2,073,600)
Interim cash dividend @ 100% relating to year ended June 30, 2019	-	-	-	(995,328)	-	(995,328)
Total transactions with owners	165,888	-	(165,888)	(3,068,928)	-	(3,068,928)
BALANCE AS AT JUNE 30, 2019	995,328	219,785	-	17,711,622	-	18,926,735

The annexed notes 1 to 46 form an integral part of these financial statements.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2019

	2019	2018
	Rupees ('000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from customers	223,537,535	172,048,282
Payments for purchase of products and operating expenses	(218,259,789)	(170,167,371)
Other charges paid	(339,475)	(410,157)
Long term deposits received	45,239	43,804
Income tax paid	(1,985,217)	(2,544,926)
Cash flow from operating activities	2,998,293	(1,030,368)
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(2,523,060)	(2,503,439)
Proceeds from sale of property, plant and equipment	5,886	7,941
Encashment / (purchase) of short term and other long term investments - net	1,134,847	(839,249)
Income received on bank deposits, short term and other long term investments	525,434	688,143
Dividend income received	66,950	26,585
Cash flow from investing activities	(789,943)	(2,620,019)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(3,492,842)	(3,088,661)
Cash flow from financing activities	(3,492,842)	(3,088,661)
Effect of exchange rate changes	6,500	3,822
(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,277,992)	(6,735,226)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	4,198,160	10,933,386
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	2,920,168	4,198,160

The annexed notes 1 to 46 form an integral part of these financial statements.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

1. LEGAL STATUS AND OPERATIONS

Attock Petroleum Limited (the Company) was incorporated in Pakistan as a public limited company on December 3, 1995 and it commenced its operations in 1998. The Company is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Attock House, Morgah, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The principal activity of the Company is procurement, storage and marketing of petroleum and related products. Pharaon Investment Group Limited Holding s.a.l holds 34.38% (2018: 34.38%) shares of the Company.

2. STATEMENT OF COMPLIANCE

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

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

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

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, interpretations and amendments to published approved accounting standards that became effective during the year

The Company has adopted IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" w.e.f July 01, 2018. Related changes in accounting policies and impact on Company's financial statements are explained below.

3.1.1 IFRS 9 Financial Instruments:

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. "Financial instruments: Recognition and measurement"

IFRS 9 introduces new requirements for i) the classification and measurement of financial assets and financial liabilities ii) Impairment of financial assets and iii) hedge accounting.

IFRS 9 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the modified retrospective approach for classification, measurement and impairment. This means that the cumulative impact, if any, of the adoption is recognized in unappropriated profit as of July 1, 2018 and comparatives are not restated. Details of these new requirements as well as their impact on the Company's financial statements are described below:

Classification and measurement of financial assets and financial liabilities

This new standard requires the Company to assess the classification of financial assets in its statement of financial position in accordance with the cash flow characteristics of the financial assets and the relevant business model that the Company has for a specific class of financial asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

IFRS 9 no longer has an "Available for Sale" classification for financial assets. IFRS 9 has different requirements for debt and equity financial assets.

Debt instrument should be classified and measured at either:

- amortised cost, where the effective interest rate method will apply;
- fair value through other comprehensive income (FVTOCI), with subsequent recycling to the profit or loss upon disposal of the financial asset; or
- fair value through profit or loss (FVTPL).

Investment in equity instruments, other than those to which consolidation or equity accounting applies should be classified and measured at:

- fair value through other comprehensive income (FVTOCI), with no subsequent recycling to the profit or loss upon disposal of the financial asset; or
- fair value through profit or loss (FVTPL).

Application of IFRS 9 had no impact on financial liabilities of the Company.

Assessment of financial impact of measurement requirements on adoption of IFRS 9 as at July 1, 2018 is as follows:

	Measurement category		Carrying amount		
	Original (IAS 39)	New (IFRS 9)	Original Rs '000	New Rs '000	Difference Rs '000
Current financial assets					
Trade receivables - considered good	Amortised Cost	Amortised Cost	16,475,576	16,475,576	-
Deposits and other receivables	Amortised Cost	Amortised Cost	2,548,306	2,548,306	-
Short term investments - T Bills	Amortised Cost	Amortised Cost	939,145	939,145	-
Short term investments - Mutual Funds	Held for trading	FVTPL	702,340	702,340	-
Cash and bank balances	Amortised Cost	Amortised Cost	4,198,160	4,198,160	-
Non-current financial assets					
Other long term investments - PIBs	Amortised Cost	Amortised Cost	297,904	297,904	-
Other long term investments - Mutual Funds	Available for Sale	FVTPL	125,492	125,492	-
Current financial liabilities					
Trade and other payables	Amortised Cost	Amortised Cost	24,628,863	24,628,863	-
Unclaimed dividend	Amortised Cost	Amortised Cost	473,512	473,512	-
Non-current financial liabilities					
Long term deposits	Amortised Cost	Amortised Cost	671,044	671,044	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Other long term investments of the Company previously classified as "Available for sale" of Rs 125,492 thousand as at June 30, 2018 have been reclassified to "fair value through profit or loss". The cumulative fair value gain of Rs 492 thousand as at June 30, 2018 previously recognised directly in other comprehensive income relating to such investments has been reclassified from reserve for fair value gain on available for sale investment to un-appropriated profits.

Impairment of financial assets

IFRS 9 introduces the Expected Credit Loss (ECL) model, which replaces the incurred loss model of IAS 39 whereby an allowance for doubtful debt was required only in circumstances where a loss event has occurred. By contrast, the ECL model requires the Company to recognize an allowance for doubtful debt on all financial assets carried at amortized cost (including, for example, trade debts and other receivables), as well as debt instruments classified as financial assets carried at fair value through other comprehensive income, since initial recognition, irrespective whether a loss event has occurred. For trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance while general 3-stage approach for other financial assets (deposits and other receivables, PIBs, T-Bills and cash and bank balances) i.e to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

3.1.2 IFRS 15 'Revenue from Contracts with Customers'

Effective July 1, 2018, the Company has applied IFRS 15 "Revenue from Contracts with Customers" for determining its revenue recognition policy. IFRS 15 replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts" and related interpretations. IFRS 15 addresses revenue recognition for contracts with customers as well as treatment of incremental costs incurred in acquiring a contract with a customer.

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Specifically, the standard introduces a 5 - step approach to revenue recognition:

- Step 1 Identify the contract with a customer
- Step 2 Identify the performance obligations in the contract
- Step 3 Determine the transaction price
- Step 4 Allocate the transaction price to the performance obligations in the contract
- Step 5 Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

IFRS 15 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the full retrospective approach, which means that the cumulative impact of the adoption, if any, is recognized in unappropriated profit in the period of initial application and comparatives are restated. The changes laid down by this standard has resulted in reclassification of comparative numbers in statement of profit or loss and other comprehensive income as explained below.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

As explained in note 4.18, the Company recognises revenue for sale of petroleum products when control is transferred to customer i.e when product is delivered to customer at his/her premises or directly uplifted by customer from terminal and receipt acknowledgement is obtained. As the transportation of product coincides with actual delivery of product, sale of product and transportation is considered single performance obligation. Accordingly, transportation expenses amounting to Rs 528,383 thousand previously netted off from sales have now been reclassified as cost of goods sold.

3.1.3 The following table presents the transitional impact of that adoption of IFRS 9 have on the opening statement of financial position of the Company as of July 1, 2018:

	Carrying amount as reported under IAS 39	Impact of IFRS 9		Total impact of IFRS 9	Carrying amount as reported under IFRS 9
		Reclassification and re-measurement due to IFRS 9	Loss allowance		
	Rupees ('000)				
Current assets					
Trade debts - gross	16,536,765	-	-	-	16,536,765
Loss allowance	(61,189)	-	(24,912)	(24,912)	(86,101)
	16,475,576	-	(24,912)	(24,912)	16,450,664
Advances, deposits, prepayments and other receivables	3,325,491	-	-	-	3,325,491
Loss allowance	(28,528)	-	(510,452)	(510,452)	(538,980)
	3,296,963	-	(510,452)	(510,452)	2,786,511
Non current liability					
Deferred tax liability	(240,496)	155,256	-	155,256	(85,240)
Impact on net assets	19,532,043	155,256	(535,364)	(380,108)	19,151,935
Capital and reserves					
Fair value gain on available-for-sale investments	492	(492)	-	(492)	-
Unappropriated profit	17,338,188	155,748	(535,364)	(379,616)	16,958,572
Impact on net assets	17,338,680	155,256	(535,364)	(380,108)	16,958,572

3.1.4 The following table summarizes impact of adoption of IFRS 15 on statement of profit or loss for the year ended June 30, 2018:

	Originally presented	Impact of IFRS 15	Other re-classifications	Restated
Rupees ('000)				
Gross Revenue	216,359,813	528,383	-	216,888,196
Sales tax and other government levies	(39,015,376)	-	(656,083)	(39,671,459)
Net revenue	177,344,437	528,383	(656,083)	177,216,737
Cost of sales	(167,601,143)	(528,383)	656,083	(167,473,443)
Gross profit	9,743,294	-	-	9,743,294

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

3.1.5 IFRIC 22 clarifies the determination of the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts. For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability). If there are multiple payments or receipts for one item, a date of transaction should be determined as above for each payment or receipt. The impact of the implementation of the above interpretation is not considered material on the financial statements of the Company.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

Effective date (annual reporting periods beginning on or after)

IAS 1	Presentation of financial statements (Amendments)	January 1, 2020
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2020
IAS 12	Income Taxes (Amendments)	January 1, 2019
IAS 19	Employee benefits (Amendments)	January 1, 2019
IAS 23	Borrowing Costs (Amendments)	January 1, 2019
IAS 28	Investment in Associates and Joint Ventures (Amendments)	January 1, 2019
IFRS 3	Business combinations (Amendments)	January 1, 2020
IFRS 9	Financial Instruments (Amendments)	January 1, 2019
IFRS 11	Joint Arrangements (Amendments)	January 1, 2019
IFRS 16	Leases	January 1, 2019
IFRIC 23	Uncertainty Over Income Tax	January 1, 2019

The management anticipates that, except as stated below, adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases. The management is in the process of assessing the impact of changes laid down by the IFRS 16 on its financial statements.

3.3 Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 14	Regulatory Deferral Accounts
IFRS 17	Insurance Contracts

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

3.4	The following interpretations issued by the IASB have been waived off by SECP:	1
	IFRIC 4 Determining whether an arrangement contains lease	2
	IFRIC 12 Service concession arrangements	3
4.	SIGNIFICANT ACCOUNTING POLICIES	4
4.1	Basis of measurement	5
	These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.	6
4.2	Staff retirement benefits	7
	The Company operates following staff retirement benefit funds:	8
i)	Approved defined benefit funded gratuity plan for all eligible employees. The amount arising as a result of measurements on employee retirement benefits are recognised immediately in other comprehensive income. Past service cost and curtailments are recognised in the statement of profit or loss, in the period in which a change takes place.	9
	Annual provision is made on the basis of actuarial valuation carried out by independent actuary using the Projected Unit Credit Method, related details of which are given in note 33 to the financial statements. Latest valuation was conducted as at June 30, 2019.	10
ii)	Approved contributory provident fund for all employees for which contributions of Rs 17,318 thousand (2018: Rs 14,402 thousand) are charged to income for the year.	11
4.3	Operating segments	12
	Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Company has a single reportable segment as the Board of Directors view the Company's operations as one reportable segment.	13
4.4	Functional and presentation currency	14
	Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional currency.	15
4.5	Foreign currency transactions and translations	16
	Transactions in foreign currencies are converted into Rupees at the rates of exchange ruling on the date of the transaction. All assets and liabilities denominated in foreign currencies are translated into functional currency at exchange rate prevailing at the date of statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary items at year-end exchange rates, are charged to income for the year.	17
4.6	Trade and other payables	18
	Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and/or services received whether or not billed to the Company.	19

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

4.6.1 Contract liability represent advances received from customer for subsequent sales of petroleum products.

4.7 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

4.8 Dividend distribution

Final dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognised in the period in which the dividends are declared by the Board of Directors.

4.9 Interest in joint arrangements

A joint arrangement is one in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures, depending on the contractual rights and obligations that each investor has, rather than the legal structure of the joint arrangement.

The entity has assessed the nature of its joint arrangements and determined that it has entered into a joint operation whereby the parties that have joint control of the arrangement have the rights to the assets, and obligations for the liabilities, relating to the arrangement.

4.9.1 Joint operations

The Company reports its interests in joint operations using proportionate consolidation - the Company's share of the assets, liabilities, income and expenses of the joint operations are combined with the equivalent items in the financial statements on a line-by-line basis. Where the Company transacts with its joint operations, unrealised profits and losses are eliminated to the extent of the Company's interest in the joint operation.

4.9.2 Joint ventures

Joint ventures are accounted for using the equity method. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Company's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interest that, in substance, form part of the Company's net investment in the joint venture), the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures. Unrealised gains on transactions between the Company and its joint ventures are eliminated to the extent of the Company's interest in the joint venture.

4.10 Property, plant and equipment

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any accumulated impairment loss, if any, except for freehold land and capital work-in-progress which are stated at cost.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Depreciation is charged to income on the straight line method to write off the cost of an asset over its estimated useful life at the rates specified in note 13.1. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month preceding month of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired. Gains and losses on disposal of assets are included in income.

4.11 Impairment of non-financial assets

Assets that have an indefinite useful life, for example freehold land, are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which the assets' carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels, for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment at each balance sheet date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss or reversal of impairment loss is recognised in income for the year.

4.12 Investments in associated companies

Investments in associated companies are accounted for using the equity method. Under this method the investments are stated at cost plus the Company's equity in undistributed earnings and losses after acquisition, less any impairment in the value of individual investment.

Income on investments in associated companies is recognised using the equity method. Under this method, the Company's share of post-acquisition profit or loss of the associated companies is included in statement of profit or loss, its share of post-acquisition other comprehensive income or loss is included in statement of comprehensive income and its share of post-acquisition movements in reserves is recognised in reserves. Dividend distribution by the associated companies is adjusted against the carrying amount of the investment.

Unrealised gains on transactions between the Company and its associate are eliminated to the extent of the Company's interest in the associate.

4.13 Stores and spares

These are stated at moving average cost less any provision for obsolete and slow moving items.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

4.14 Stock in trade

Stock in trade is valued at the lower of cost, calculated on a first-in first-out basis, and net realisable value. Charges such as excise duty and similar levies incurred on unsold stock of products are added to the value of the stock and carried forward.

Net realisable value signifies the sale price in the ordinary course of business less costs necessary to make the sale.

4.15 Financial instruments

Financial assets and financial liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

a) Financial assets

Classification

Effective July 1, 2018, the Company classifies its financial assets in the following measurement categories:

- i) Amortized cost where the effective interest rate method will apply;
- ii) fair value through profit or loss;
- iii) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income (OCI). For investment in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commit to purchase or sell the asset. Further financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

a) Amortised cost

Assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented in finance income/cost in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Impairment of financial assets

Effective July 1, 2018, the Company assess on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its debt instruments, trade debts, short term investment and deposits and other receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Deposits and other receivables
- Short term investments
- Cash and bank balances

(i) General approach for short term investment, deposits and other receivables and cash and bank balances.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

Irrespective of the above analysis, in case of trade debts, the Company considers that default has occurred when a the debt is more than 181 days past due, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit - impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(ii) Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts with individually significant balance are separately assessed for ECL measurement. All other trade debts are grouped and assessed collectively based on shared credit risk characteristics and the days past due. To measure ECL, trade debts have been grouped by amounts due from individual customers, corporate customers and other miscellaneous customer groups based on similar credit risk characteristics and ages. The expected credit losses on these financial assets are estimated using a provision matrix approach based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- external credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Write-off

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

b) Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

b) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or expire.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

4.16 Trade debts

Trade debts are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade debts are recognised and carried at the original invoice amounts, being the fair value, less an allowance for uncollectible amounts, if any. As explained in note 4.15 to these financial statements, for measurement of loss allowance for trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses, previously loss allowance was measured under incurred loss model of IAS 39.

4.17 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, bank balances and highly liquid short term investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.18 Revenue recognition

4.18.1 The Company recognises revenue at point of time when control of product is transferred to customer. Control is considered to be transferred either when the product is directly uplifted by customer from terminal or when it is delivered by the Company at customer premises.

The Company generally enter into agreements with its customers for supply of petroleum product, including delivery of the product. As the transportation of product coincides with actual delivery, sale of product and transportation is considered single performance obligation.

4.18.2 Commission and handling income is recognised when services are rendered which coincides with the shipment of related products.

4.19 Operating lease

Lease in which significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases. Payment made under operating leases are charged to income over the period of lease.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

4.20 Taxation

Provision for current taxation is based on taxable income for the year determined in accordance with prevailing law for taxation on income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Deferred income tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to income except to the extent that it relates to items recognised in other comprehensive income or directly in the equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

4.21 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.22 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

- i) Estimate of recoverable amount of investments in associated companies - note 4.12 and 15
- ii) Provision for taxation - note 4.20 and 29
- iii) Contingent liabilities - note 4.21 and 12.1
- iv) Estimated useful life of property, plant and equipment - note 4.10 and 13.1
- v) Estimated value of staff retirement benefits obligations - note 4.2 and 32
- vi) Assessment of significant influence in associated companies - note 15.4
- vii) Impairment of financial assets - note 4.15, 19.5 and 20.5

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
6. SHARE CAPITAL		
AUTHORISED CAPITAL		
150,000,000 ordinary shares of Rs 10 each (2018: 150,000,000 ordinary shares of Rs 10 each)	1,500,000	1,500,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Shares issued for cash 5,000,000 ordinary shares of Rs 10 each (2018: 5,000,000 ordinary shares of Rs 10 each)	50,000	50,000
Shares issued as fully paid bonus shares 94,532,800 (2018: 77,944,000) ordinary shares of Rs 10 each	945,328	779,440
99,532,800 (2018: 82,944,000) ordinary shares of Rs 10 each	995,328	829,440

The associated companies Pharaon Investment Group Limited Holding s.a.l and Attock Refinery Limited held 34,219,376 (2018: 28,516,147) and 21,772,966 (2018: 18,144,138) ordinary shares at the year end respectively.

7. SPECIAL RESERVES

Special reserves include Rs 216,265 thousand (2018: Rs 246,364 thousand) for expansion and modernisation and Rs 3,520 thousand (2018: Rs 3,178 thousand) on account of maintenance reserve. Reserve for expansion and modernisation represents the Company's share of amount set aside as a special reserve by National Refinery Limited and Attock Refinery Limited, as a result of the directive of the Government to divert net profit after tax (if any) from refinery operations above 50 percent of paid-up capital as at July 1, 2002 to offset against any future loss or to make investment for expansion or upgradation of refineries. Maintenance reserve represents amount retained by Attock Gen Limited (an associate of Attock Refinery Limited) to pay for major maintenance expenses in terms of the Power Purchase Agreement. The amount transferred to special reserve is not available for distribution to the shareholders.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
		Rupees ('000)	
8.	LONG TERM DEPOSITS		
	Not utilizable for Company business - note 8.1	716,283	671,044
8.1	These represent interest free security deposits received from distributors, retailers and contractors under written contracts and are refundable on cancellation of respective contracts or termination of related services. In compliance with section 217 of Company's Act 2017, these security deposits are kept in separate bank account with a scheduled bank.		
		2019	2018
		Rupees ('000)	
9.	DEFERRED TAX LIABILITY		
	Deferred tax liability arising due to accelerated tax depreciation	279,905	228,341
	Deferred tax liability in respect of investment in associates	6,027	37,155
	Deferred tax asset arising in respect of certain provisions	(209,222)	(25,000)
	Deferred tax liability	76,710	240,496
		2019	2018
		Rupees ('000)	
10.	TRADE AND OTHER PAYABLES		
	Creditors - note 10.2	3,473,839	2,649,038
	Due to related parties (unsecured) - note 10.1	17,234,208	16,808,749
	Accrued expenses and other liabilities - note 10.2	4,075,616	4,642,469
	Advance from customers - note 10.3	1,270,791	1,509,296
	Retention money	416,082	339,638
	Income tax withheld	87,716	57,351
	Sales tax payable	23,726	-
	Payable to joint operator (as disclosed in note 14)	51,408	131,618
		26,633,386	26,138,159
10.1	Due to related parties:		
	National Refinery Limited	4,544,063	4,919,888
	Attock Refinery Limited	12,656,151	11,852,953
	Pakistan Oilfields Limited	14,891	12,749
	The Attock Oil Company Limited	2,782	3,191
	Attock Sahara Foundation	525	238
	APL Gratuity fund - note 32	15,796	19,730
		17,234,208	16,808,749

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

10.2 These include Rs 339,450 thousand (2018: Rs 472,319 thousand) being Company's share in current liabilities of joint operation. (as disclosed in note 14)

10.3 Advance received from customer is recognised as revenue when the performance obligation in accordance with the policy as described in note 4.18 is satisfied. Revenue for an amount of Rs 1,118 thousand has been recognised in current year in respect of advances from customers at the beginning of period.

11. UNCLAIMED DIVIDEND

This represents dividend of various shareholders pending due to non-provision of banking details by shareholders.

	2019	2018
	Rupees ('000)	
12. CONTINGENCIES AND COMMITMENTS		
12.1 CONTINGENCIES		
(i) Corporate guarantees and indemnity bonds issued by the Company to the Collector of Customs.	1,057,104	2,431,836
(ii) Guarantees issued by bank on behalf of the Company	1,529,956	1,464,225
(iii) Oil & Gas Regulatory Authority (OGRA) issued order dated October 30, 2017 for recovery of freight charges and petroleum levy on supplies during years 2009 to 2011 to special freight area (Azad Jamu & Kashmir and Jaglot) amounting to Rs 434,902 thousand (2018: Rs 434,902). Being aggrieved, the Company filed application for review of the order of OGRA which was dismissed by OGRA vide its order dated April 22, 2018. Also refer note 20.1 for amount withheld by OGRA in this respect of Rs 206 million. The Company filed writ petition against the order with Islamabad High Court dated June 07, 2018 for seeking direction against OGRA's order and restrain OGRA from recovering the impugned amount of freight and dealers margin. Hearing of the case date is in office. The Company and its legal advisor are confident that the matter will be decided in favour of the Company by the High Court.		
(iv) On February 28, 2018 Deputy Commissioner, Large Tax payers Unit (LTU), Islamabad issued an order in respect of non-payment of sales tax on Price Differential Claims/ subsidies for the period of July 2004 to September 2009 by the Company involving principal amount of Rs 319,970 thousand, penalty of Rs 319,970 thousand and default surcharge of Rs 755,608 thousand. The Company's appeal against the aforesaid order with Commissioner Inland Revenue (Appeals) was partially allowed reducing the principal amount to Rs 235,160 thousand along with default surcharge and penalty. The matter is now subjudice before the Appellate Tribunal which is yet to be decided. The management and tax advisor of the Company are confident that the matter will ultimately be decided in the Company's favour. Accordingly, no provision has been made in these financial statements.		
	2019	2018
	Rupees ('000)	
(v) The Company's share of contingencies of associated companies based on financial information of associated companies for the period ended March 31, 2019 (2018: March 31, 2018)	145,828	98,769

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
12.2 COMMITMENTS		
(i) Capital expenditure commitments (It includes commitment amounting to Rs nil (2018: Rs 508 thousand) relating to joint operation as disclosed in note 14)	2,993,932	1,717,430
(ii) Commitments for import of petroleum products against letter of credit facility	3,249,663	4,920,746
(iii) Commitments for rentals of assets under operating lease agreements as at June 30, 2019 amounting to Rs 2,339,330 thousand (2018: Rs 2,316,862 thousand) payable as follows:		
Not later than one year	183,179	149,490
Later than one year and not later than five years	705,021	574,732
Later than five years	1,451,130	1,592,640
(iv) The Company's share of commitments of associated companies based on financial information of associated companies for the period ended March 31, 2019 (2018: March 31, 2018)		
- Capital expenditure commitments	35,806	20,129
- Outstanding letters of credit	329,002	207,596
13. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - note 13.1	5,657,884	4,634,624
Capital work in progress - note 13.3	2,691,058	1,783,163
	8,348,942	6,417,787

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

13.1 Operating assets

	Freehold land	Leasehold land	Buildings on		Pipelines, pumps, tanks and meters	Equipment - signage	Electrical and fire fighting equipment	Furniture, fixture and equipment	Computer and auxiliary equipment	Motor vehicles		Total
			Freehold land	Lease hold land						Heavy Vehicles	Light Vehicles	
Rupees ('000)												
As at July 1, 2017												
Cost	403,710	906,317	123,587	335,266	1,468,883	1,131,241	196,751	49,882	65,484	-	201,088	4,882,209
Accumulated depreciation	-	(100,307)	(50,371)	(104,902)	(819,421)	(822,341)	(105,375)	(21,969)	(36,037)	-	(113,494)	(2,174,217)
Net book value	403,710	806,010	73,216	230,364	649,462	308,900	91,376	27,913	29,447	-	87,594	2,707,992
Year ended June 30, 2018												
Opening net book value	403,710	806,010	73,216	230,364	649,462	308,900	91,376	27,913	29,447	-	87,594	2,707,992
Additions	-	316,802	457,191	186,255	629,657	100,150	347,946	23,806	23,642	200,518	65,618	2,351,585
Disposals												
Cost	-	-	-	-	(11,902)	(13,505)	(951)	(1,267)	(2,502)	-	(7,507)	(37,634)
Accumulated depreciation	-	-	-	-	10,516	13,040	951	1,258	2,336	-	6,526	34,627
	-	-	-	-	(1,386)	(465)	-	(9)	(166)	-	(981)	(3,007)
Depreciation charge	-	(33,232)	(15,378)	(17,799)	(146,908)	(127,541)	(26,546)	(5,415)	(10,455)	(6,684)	(31,988)	(421,946)
Closing net book value	403,710	1,089,580	515,029	398,820	1,130,825	281,044	412,776	46,295	42,468	193,834	120,243	4,634,624
As at July 1, 2018												
Cost	403,710	1,223,119	580,778	521,521	2,086,638	1,217,886	543,746	72,421	86,624	200,518	259,199	7,196,160
Accumulated depreciation	-	(133,539)	(65,749)	(122,701)	(955,813)	(936,842)	(130,970)	(26,126)	(44,156)	(6,684)	(138,956)	(2,561,536)
Net book value	403,710	1,089,580	515,029	398,820	1,130,825	281,044	412,776	46,295	42,468	193,834	120,243	4,634,624
Year ended June 30, 2019												
Opening net book value	403,710	1,089,580	515,029	398,820	1,130,825	281,044	412,776	46,295	42,468	193,834	120,243	4,634,624
Additions	416,159	-	254,744	130,423	390,917	156,012	182,818	28,137	25,827	-	30,128	1,615,165
Disposals												
Cost	-	-	-	-	(5,164)	(6,079)	-	(167)	(1,646)	-	(5,446)	(18,502)
Accumulated depreciation	-	-	-	-	4,990	5,978	-	167	1,611	-	5,446	18,192
	-	-	-	-	(174)	(101)	-	-	(35)	-	-	(310)
Depreciation charge	-	(36,845)	(37,183)	(27,755)	(204,466)	(119,760)	(62,024)	(8,245)	(16,396)	(40,103)	(38,818)	(591,595)
Closing net book value	819,869	1,052,735	732,590	501,488	1,317,102	317,195	533,570	66,187	51,864	153,731	111,553	5,657,884
As at June 30, 2019												
Cost	819,869	1,223,119	835,522	651,944	2,472,391	1,367,819	726,564	100,391	110,805	200,518	283,881	8,792,823
Accumulated depreciation	-	(170,384)	(102,932)	(150,456)	(1,155,289)	(1,050,624)	(192,994)	(34,204)	(58,941)	(46,787)	(172,328)	(3,134,939)
Net book value	819,869	1,052,735	732,590	501,488	1,317,102	317,195	533,570	66,187	51,864	153,731	111,553	5,657,884

13.1.1 Included in operating assets are assets having cost of Rs 612,965 thousand (2018: Rs 612,741 thousand) and accumulated depreciation of Rs 91,560 thousand (2018: Rs 13,079 thousand) in respect of Company's share in joint operations at New Islamabad International Airport (NIAP) as referred in note 14.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

13.2 Particular of Immovable property (i.e. land and buildings) in the name of Company are as follows:

Location	Usage of immovable property	Total Area	*Covered Area
- Mouza Dhant Pura, Machikey, District Sheikhpura	Bulk Oil Terminal	16.63 Acres	16,053 Sq. Feet
- Gate R-I, Mehmood Kot, Qasba Gujrat, District Muzaffar Garh	Bulk Oil Terminal	15.73 Acres	15,650 Sq. Feet
- Model Filling Station, Plot No. 32, Sector F-11 Markaz, Islamabad	Retail Sites	2,667 Sq. Yards	3,126 Sq. Feet
- Quality Filling station, Plot No. 1, Sector H-8/2, Islamabad	Retail Sites	2,167 Sq. Yards	3,238 Sq. Feet
- Capital Filling station, Plot No. 2-A, Sector F-11 Markaz, Islamabad	Retail Sites	1,667 Sq. Yards	2,580 Sq. Feet
- Kandhkot Road, Moza Raidu, Taluka Khanpur, District Shikarpur	Bulk Oil Terminal	9.38 Acres	16,220 Sq. Feet
- Road Sheerenwala Chowk to Naianwala Bangla, Chak No. 105/9L, District Sahiwal	Bulk Oil Terminal	11.40 Acres	Under construction
- Deh Bogri, Tapo saeed kundo, Taluka Qazi Ahmed, District Shaheed Benazirabad, Daulatpur	Bulk Oil Terminal	11.9 Acres	Under construction
- Plot No. 8, Sector D-12 Markaz, Islamabad	Retail Sites	1,833 Sq. Yards	3,045 Sq. Feet
- Plot No 38, Sector G-11 Markaz, Islamabad	Retail Sites	1,500 Sq. Yards	Under construction
- Plot no. SP-07/POI/NWIZ, Oil installation area, North western industrial zone, Port Qasim Authority, Karachi	Bulk Oil Terminal	15.00 Acres	Under construction

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

- GT Road, Chak 136/9L, District Sahiwal	Bulk Oil Terminal	5.82 Acres	Under construction
- Habibabad Chunnian Road, Chak No. 10, Tehsil Chunnian, District Kasur	Bulk Oil Terminal	6.02 Acres	Under construction
- Tarrujabba, Mouza Dagai, Tehsil Pabi, District Nowshera, KPK	Bulk Oil Terminal	7.99 Acres	Under construction
- Gatti, Chak No. 196, Mouza Islamabad, Tehsil Saddar, District Faisalabad	Bulk Oil Terminal	9.90 Acres	Under construction
- Mouza Korai, Main bypass road, District Dera Ismail Khan, KPK	Bulk Oil Terminal	11.15 Acres	Under construction

* Covered area relates only to buildings. Pipelines, pumps and tanks are in addition to the above.

As disclosed in note 13.5, certain buildings are in the possession of dealers of retail sites. Due to large number of such retail sites it is impracticable to disclose the particulars of such immovable property in the name of Company, as required under Paragraph 1(ii) of Part I of the 4th Schedule to the Companies Act, 2017.

13.3 Capital work in progress

	Civil works	Advance for free hold / lease hold land	Pipelines, pumps, tanks and equipment	Advances to contractors	Total
	Rupees ('000)				
As at July 1, 2017	432,121	317,300	796,644	85,244	1,631,309
Additions during the year	794,386	35,483	1,613,006	60,564	2,503,439
Transfers during the year	(643,446)	(316,802)	(1,391,337)	-	(2,351,585)
Balance as at June 30, 2018	583,061	35,981	1,018,313	145,808	1,783,163
As at July 1, 2018	583,061	35,981	1,018,313	145,808	1,783,163
Additions during the year	688,716	407,257	1,269,017	158,070	2,523,060
Transfers during the year	(393,435)	(407,257)	(814,473)	-	(1,615,165)
Balance as at June 30, 2019	878,342	35,981	1,472,857	303,878	2,691,058

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
		Rupees ('000)	
13.4	Cost of Property, plant and equipment held by dealers of retail outlets of the Company are as follows:		
	Pipelines, pumps, tanks and meters	921,058	809,114
	Equipment - signage	1,300,352	1,170,027
	Buildings	321,187	287,343
	Electric and fire fighting equipment	109,636	98,243
	Due to large number of dealers it is impracticable to disclose the name of each person having possession of these assets, as required under Paragraph 12 of Part II of the 4th Schedule to the Companies Act, 2017.		
	The above assets are not in possession of the Company as these have been provided to dealers of retail outlets to facilitate them to promote and sell Company's products.		
13.5	Property, plant and equipment disposals:		
	All the items of property, plant and equipment disposed during the year had aggregate net book value below Rs 500,000.		
14.	INTEREST IN JOINT ARRANGEMENTS		
	In March 2015 the Company entered into a joint arrangement with Pakistan State Oil (PSO) for establishment, operation and maintenance of a fuel farm and to operate and maintain the Hydrant Refueling System at the New Islamabad International Airport. Each party has a 50% share in the joint arrangement and it is an un-incorporated joint arrangement. The Company has classified this arrangement as a joint operation. The fuel farm and refueling system started its operations on May 02, 2018. The Company has recognised its share of jointly held assets, liabilities, revenues and expenses of the joint operation under the appropriate heads and disclosed the same in related notes.		
		2019	2018
		Rupees ('000)	
15.	LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES		
	Balance at beginning of the year	1,137,657	1,198,044
	Share of (loss) / profit of associated companies	(110,585)	107,600
	Impairment (loss) related to investment in		
	Attock Refinery Limited	-	(135,867)
	National Refinery Limited	(111,900)	(5,872)
		(222,485)	(34,139)
	Share of other comprehensive (loss) / income of associated companies	(3,210)	337
	Dividend from associated companies	(7,997)	(26,585)
	Balance at end of the year	903,965	1,137,657

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

- 15.1 Share of profit of associated companies is based on the unaudited financial statements for the nine months ended March 31, 2019 (2018: unaudited financial statements for the nine months ended March 31, 2018) since the audited financial statements for the year ended June 30, 2019 are not presently available.

	2019	2018
	Rupees ('000)	
15.2 The Company's interest in associated companies is as follows:		
National Refinery Limited - Quoted		
799,665 (2018: 799,665) fully paid ordinary shares of Rs 10 each including 133,277 (2018: 133,277) bonus shares of Rs 10 each; Cost Rs 321,865 thousand (2018: Rs 321,865 thousand); Quoted market value as at June 30, 2019: Rs 90,738 thousand (2018: Rs 354,259 thousand); %age share holding as at June 30, 2019: 1% (2018: 1%) - note 15.5	627,317	685,746
Attock Refinery Limited - Quoted		
1,790,000 (2018: 1,432,000) fully paid ordinary shares of Rs 10 each including 580,000 (2018: 222,000) bonus shares of Rs 10 each; Cost Rs 310,502 thousand (2018: Rs 310,502 thousand); Quoted market value as at June 30, 2019: Rs 138,313 thousand (2018: Rs 308,324 thousand); %age share holding as at June 30, 2019: 1.68% (2018: 1.68%) - note 15.6	590,376	658,547
Attock Information Technology Services (Private) Limited - Unquoted		
450,000 (2018: 450,000) fully paid ordinary shares of Rs 10 each; Cost Rs 4,500 thousand (2018: Rs 4,500 thousand); Value based on net assets as at March 31, 2019 Rs 28,033 thousand (2018: Rs 23,225 thousand); %age share holding as at June 30, 2019: 10% (2018: 10%)	28,033	23,225
Carrying value on equity method	1,245,726	1,367,518
Less: Impairment loss - National Refinery Limited	(205,894)	(93,994)
- Attock Refinery Limited	(135,867)	(135,867)
	(341,761)	(229,861)
	903,965	1,137,657

All associated companies are incorporated in Pakistan. National Refinery Limited and Attock Refinery Limited are engaged in the manufacturing, production and sale of large range of petroleum products. This is a strategic investment of the Company for vertical integration. Attock Information Technology Services (Private) Limited is engaged in building basic infrastructure, communication and computer installation.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

15.3 The tables below provides summarised financial information for associated companies that are material to the Company. The information disclosed reflects the amounts presented in the most recent unaudited financial statements of the relevant associated companies, for the nine month period ended March 31, 2019 (2018: March 31, 2018) and not the reporting entity's share of those amounts. They have been amended to reflect adjustments made by the reporting entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	National Refinery Limited		Attock Refinery Limited	
	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
	Rupees ('000)			
Summarised balance sheet				
Current assets	39,139,607	28,049,824	51,232,689	49,081,275
Non- current assets	38,034,549	38,850,822	39,228,217	39,589,125
Current liabilities	(39,471,746)	(22,821,418)	(53,563,235)	(43,540,842)
Non- current liabilities	(436,055)	(969,987)	(9,387,553)	(13,561,656)
Net assets	37,266,355	43,109,241	27,510,118	31,567,902
Reconciliation to carrying amounts:				
Net assets as at April 1	43,109,241	41,896,732	31,567,902	27,664,258
Profit for the period	(4,983,441)	2,940,770	(3,902,284)	4,437,601
Other comprehensive (loss)/ income	(59,779)	70,987	(155,500)	(22,199)
Dividends paid	(799,666)	(1,799,248)	-	(511,758)
Net assets as at March 31	37,266,355	43,109,241	27,510,118	31,567,902
Company's percentage shareholding in the associate	1%	1%	1.68%	1.68%
Company's share in carrying value of net assets	372,664	431,093	462,170	530,341
Excess of purchase consideration over share in carrying value of net assets on the date of acquisition	254,653	254,653	128,206	128,206
Carrying amount of investment before impairment	627,317	685,746	590,376	658,547
Impairment	(205,894)	(93,994)	(135,867)	(135,867)
Carrying amount of investment	421,423	591,752	454,509	522,680
Summarised statements of comprehensive income				
Revenue	161,637,411	120,785,713	171,452,030	116,561,757
(Loss) / profit for the period	(4,983,441)	2,940,770	(3,902,284)	4,437,601
Other comprehensive (loss) / income	(59,779)	70,987	(155,500)	(22,199)
Total comprehensive (loss) / income	(5,043,220)	3,011,757	(4,057,784)	4,415,402

During the year, dividend of Rs 7,997 thousand (2018: Rs 17,993 thousand) and Rs Nil (2018: Rs 8,592 thousand) was received from National Refinery Limited and Attock Refinery Limited respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

- 15.4 Although the Company has less than 20 percent shareholding in National Refinery Limited, Attock Refinery Limited and Attock Information Technology Services (Private) Limited, these companies have been treated as associated companies since the Company has representation on their Board of Directors and investments in these Companies have been made under the authority of special resolution. These investments in associated companies were made in accordance with the requirements under the repealed Companies Ordinance, 1984. During the year no new investments in associated companies have been made.
- 15.5 The value of investment in National Refinery Limited as at June 30, 2019 is based on a valuation analysis carried out by an external investment advisor engaged by the Company. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology which assumes an average gross profit margin of 3.84% (2018: 5.03%), terminal growth rate of 3% (2018: 3%) and capital asset pricing model based discount rate of 21.16% (2018: 15.13%).
- 15.6 The value of investment in Attock Refinery Limited as at June 30, 2019 is based on a valuation analysis carried out by an external investment advisor engaged by the Company. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology which assumes an average gross profit margin of 0.15% (2018: 1.51%), terminal growth rate of 3% (2018: 3%) and weighted average cost of capital based discount rate of 19.80% (2018: 16.88%).
- 15.7 Based on unaudited financial statements, Attock Information Technology Services (Private) Limited has reported profit after tax and total comprehensive income for the twelve months period ended March 31, 2019 of Rs 48,080 thousand (twelve months period ended March 31, 2018: Rs 36,465 thousand).

	2019	2018
	Rupees ('000)	
16. OTHER LONG TERM INVESTMENTS		
Ammortized cost investments in Pakistan Investment Bonds (PIBs) - at amortized cost (note 16.1)		
Face Value of bonds	281,000	281,000
Add: Premium paid	7,828	7,828
Cost of Investment	288,828	288,828
Less: Amortisation of premium	(7,798)	(5,735)
Add: Accrued interest at year end	14,811	14,811
	295,841	297,904
Less: current portion shown under short term investments - note 21	(295,841)	-
	-	297,904
Financial asset classified as fair value through profit or loss - note 16.2	112,483	125,492
Less: current portion shown under short term investments - note 21	(112,483)	-
	-	125,492
	-	423,396

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

16.1 These represent PIBs purchased from secondary market. The details of PIBs are as follows:

Maturity Date	Tenor	Coupon Rate p.a %	Cost of investment		Face value	
			2019	2018	2019	2018
Rupees ('000)						
July 17, 2019	5 year	11.50	250,245	250,245	243,500	243,500
July 17, 2019	5 year	11.50	38,583	38,583	37,500	37,500
			288,828	288,828	281,000	281,000

		2019	2018
		Rupees ('000)	
16.2	Financial asset classified as fair value through profit or loss		
	Balance at the beginning of year	125,492	-
	Additions during the year - note 16.2.1	-	125,000
	Dividend income reinvested	16	-
	Fair value (loss) / gain transferred through profit or loss account - note 16.2.1	(13,025)	492
	Less: current portion shown under short term investments - note 21	(112,483)	-
	Balance at the end of the year	-	125,492

		2019						2018
		Opening balance	Investments during the year	Dividend income reinvested	Adjustment arising from remeasurement to fair value	Transferred to short term investments	Closing Balance	Fair value
Rupees ('000)								
16.2.1	Details of Investment in mutual funds							
	Listed securities:							
	ABL - Islamic Financial Planning Fund (Strategic Allocation Plan IV)	25,449	-	-	(194)	(25,255)	-	25,449
	Meezan Strategic Allocation Fund (MSAP V)	49,186	-	-	(7,967)	(41,219)	-	49,186
	UBL - Al Ameen Islamic Active Allocation Plan X	50,857	-	16	(4,864)	(46,009)	-	50,857
		125,492	-	16	(13,025)	(112,483)	-	125,492

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

16.2.2 The fair values of listed securities is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price of the investment.

	2019	2018
	Rupees ('000)	
17. LONG TERM PREPAYMENTS		
Prepaid rent	77,859	29,928
Less: Shown under current assets - note 21	(30,999)	(26,006)
	46,860	3,922
18. STOCK IN TRADE		
Petroleum products - note 18.1, 18.2 and 18.3	12,860,159	12,454,995
Packing material	5,703	5,544
	12,865,862	12,460,539

18.1 Stock in trade includes items costing Rs 11,928,365 thousand (2018: Rs Nil) which have been valued at net realisable value amounting to Rs 11,920,800 thousand (2018: Rs Nil) as a result of decline in the selling prices of certain petroleum products with effect from July 01, 2019.

18.2 It includes the Company's share of pipeline stock amounting to Rs 3,762,691 thousand (2018: Rs 3,288,879 thousand) and Rs 1,780,126 thousand (2018: Rs 1,389,707 thousand) held by Pak-Arab Pipeline Company Limited and Pak Arab Refinery Limited respectively.

18.3 It includes Rs 452,125 thousand (2018: Rs 432,043 thousand) being Company's share in joint operation. (as disclosed in note 14)

	2019	2018
	Rupees ('000)	
19. TRADE DEBTS		
Considered good		
Secured	1,007,860	1,675,280
Unsecured		
Due from related parties - note 19.1, 19.2 and 19.3	7,845,701	8,136,151
Others - note 19.4	7,984,694	6,664,145
	15,830,395	14,800,296
Considered doubtful		
Others	119,551	61,189
	16,957,806	16,536,765
Less: loss allowance - note 19.5	(119,551)	(61,189)
	16,838,255	16,475,576

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
		Rupees ('000)	
19.1	Due from related parties		
	Attock Gen Limited	7,715,419	8,051,573
	Pakistan Oilfields Limited	79,275	48,193
	Attock Cement Pakistan Limited	47,078	35,027
	Attock Refinery Limited	3,684	1,358
	National Refinery Limited	245	-
		7,845,701	8,136,151
19.2	Aggregate maximum outstanding balance of trade debts due from related parties at the end of any month during the year was Rs 9,761,052 thousand (2018: Rs 8,136,151 thousand).		
19.3	As of June 30, 2019, trade debts due from related parties of Rs 7,059,547 thousand (2018: Rs 6,998,377 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:		
		2019	2018
		Rupees ('000)	
	Due from related parties		
	Upto 6 months	2,425,998	3,825,098
	6 to 12 months	4,633,549	3,173,279
		7,059,547	6,998,377
19.4	It includes Rs 572,253 thousand (2018: Rs 429,632 thousand) being Company's share in joint operation. (as disclosed in note 14)		
		2019	2018
		Rupees ('000)	
19.5	Movement in loss allowance		
	Opening balance under IAS 39	61,189	59,257
	Effect of change in accounting policy due to adoption of IFRS 9 - note 3.1.3	24,912	-
	Opening balance under IFRS 9	86,101	59,257
	Loss allowance for the year	33,450	1,932
	Balance at end of the year	119,551	61,189

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
20. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances - considered good		
Suppliers	70,958	14,190
Employees against expenses		
Executives	3,166	3,523
Other employees	25,060	11,302
	28,226	14,825
	99,184	29,015
Trade deposits and short-term prepayments		
Trade deposits		
With related party - The Attock Oil Company Limited	14,227	14,227
Others	59,308	23,063
Short-term prepayments	209,337	123,840
	282,872	161,130
Current account balances with statutory authorities in respect of:		
Excess input sales tax claimable	-	569,242
Advance to collector customs for import of petroleum product	519,271	-
Sales tax	25,574	25,574
Federal excise duty and petroleum levy	986	986
	545,831	595,802
Accrued income on bank deposits	39,727	13,003
Other receivables		
Price differential claim receivable from the Government	28,528	28,528
Receivable from oil marketing companies under freight pool - note 20.1	537,615	770,293
Due from related parties-unsecured (note 20.2 and 20.3)		
Attock Gen Limited	2,475,628	1,715,961
Attock Information Technology (Private) Limited	2,084	1,195
Attock Cement Pakistan Limited	86	39
Workers' profit participation fund - note 20.4	36,666	10,525
	3,080,607	2,526,541
Less: loss allowance - note 20.5	(576,328)	(28,528)
	3,471,893	3,296,963

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

- 20.1** It includes Rs 205,713 thousand (2018: Rs 205,713 thousand) withheld by Oil and Gas Regulatory Authority under order for recovery of freight charges and petroleum levy on supplies during years 2009 to 2011. For related contingency please refer note 12.1(iii).
- 20.2** Aggregate maximum outstanding balance of other receivables due from related parties at the end of any month during the year was Rs 2,514,464 thousand (2018: Rs 1,727,720 thousand).
- 20.3** As of June 30, 2019, other receivables due from related parties of Rs 1,924,073 thousand (2018: Rs 1,287,544 thousand) were past due. The ageing analysis of these receivables is as follows:

	2019	2018
	Rupees ('000)	
Due from related parties		
Upto 6 months	202,880	51,477
6 to 12 months	489,936	248,929
Above 12 months	1,231,257	987,138
	1,924,073	1,287,544
20.4 Worker's profit participation fund		
Balance at beginning of the year	10,525	39,843
Amount allocated for the year - note 28	(313,334)	(439,475)
Amount paid to Fund's trustees	339,475	410,157
Balance at end of the year	36,666	10,525
20.5 Movement in loss allowance		
Opening balance under IAS 39	28,528	28,528
Effect of change in accounting policy due to adoption of IFRS 9 - note 3.1.3	510,452	-
Opening balance under IFRS 9	538,980	28,528
Loss allowance for the year	37,348	-
Balance at end of the year - 20.5.1	576,328	28,528

- 20.5.1** This includes loss allowance on due from related party of Rs 503,245 (2018: Rs nil).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
21. SHORT TERM INVESTMENTS		
Held to maturity investment in treasury bills - at amortized cost - note 21.1		
Upto three months	482,464	939,145
Investment in mutual funds at fair value through profit or loss - 21.2	112,483	702,340
Current portion of investment in PIBs - note 16	295,841	-
	890,788	1,641,485

21.1 Short term investments in treasury bills earned interest at effective rate of 9.01% per annum (2018: 6.04% per annum).

	2019	2018
	Rupees ('000)	
21.2 Investment in mutual funds at fair value through profit or loss		
Balance at the beginning of year	702,340	-
Additions during the year - note 21.2.1	675,000	675,000
Transfer from other long term investments - note 16	112,483	-
Dividend / Capital income reinvested	50,393	-
Fair value (loss)/gain transferred through profit & loss - note 27	(23,862)	27,340
Deletions during the year - note 21.2.1	(1,403,871)	-
Balance at the end of the year	112,483	702,340

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019						2018
		Opening balance	Investments during the financial year / Transferred from long term investments	Dividend income reinvested	Gain / loss on redemption	Redemption	Closing Balance	Fair value
		Rupees ('000)						
21.2.1	Details of Investment in mutual funds							
	Listed securities:							
	ABL Cash Fund	156,403	-	6,333	(6,090)	(156,646)	-	156,403
	MCB Cash Management Optimizer	156,362	100,000	9,781	(5,878)	(260,265)	-	156,362
	NAFA Money Market Fund	104,422	200,000	10,483	(2,776)	(312,129)	-	104,422
	UBL Liquidity Plus Fund-C	104,358	200,000	11,633	(4,194)	(311,797)	-	104,358
	HBL Cash Fund-C	104,302	100,000	8,031	(4,066)	(208,267)	-	104,302
	Alfalah GHP Money Market Fund	25,964	75,000	3,041	32	(104,037)	-	25,964
	ABL - Islamic Financial Planning Fund	-	25,255	-	-	-	25,255	-
	Meezan Strategic Allocation Fund (MSAP V)	-	41,219	-	-	-	41,219	-
	UBL - Al Ameen Islamic Active Allocation Plan X	-	46,009	-	-	-	46,009	-
	Unlisted securities:							
	NIT Money Market Fund (Formerly: NIT Government Treasury Fund)	50,529	-	1,091	(890)	(50,730)	-	50,529
		702,340	787,483	50,393	(23,862)	(1,403,871)	112,483	702,340

21.2.2 The fair values of listed securities is based on quoted market prices at the date of statement of financial position. The quoted market price used is the current bid price. The fair values of unlisted securities are the Net Asset Value (NAV) as at June 30, 2019 as quoted by the respective Asset Management Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
22. CASH AND BANK BALANCES		
Cash in hand	6,670	6,150
Bank balances		
On short term deposits	1,300,000	2,700,000
On interest/mark-up bearing saving accounts (includes US \$ 24 thousand; 2018: US \$ 24 thousand)	1,538,573	1,426,549
On current accounts (includes US \$ 153 thousand; 2018: US \$ 153 thousand)	74,925	65,461
	2,913,498	4,192,010
	2,920,168	4,198,160

22.1 Balances in short term deposits and saving accounts earned interest/mark-up at weighted average rate of 8.38% per annum (2018: 6.04% per annum).

22.2 All bank accounts are maintained under conventional banking system.

	2019	(Restated) 2018
	Rupees ('000)	
23. SALES		
Local sales - note 23.1	258,468,211	217,831,971
Export sales - note 23.2	236,805	174,985
Gross sales	258,705,016	218,006,956
Rebates/discount	(2,043,829)	(1,118,760)
	256,661,187	216,888,196

23.1 It includes Rs 9,159,745 thousand (2018: Rs 1,274,939 thousand) being Company's share in jet fuel sales in joint operation relating to aviation. (as disclosed in note 14)

23.2 The export sales represent sales to on going vessels to foreign destinations and are in accordance with provision of section 24 of the Customs Act, 1969.

	2019	(Restated) 2018
	Rupees ('000)	
24. COST OF PRODUCTS SOLD		
Opening stock	12,460,539	7,234,415
Purchase of petroleum products and packing material - note 24.1	192,207,712	154,778,509
Petroleum levy	21,662,258	16,612,202
Other levies	1,368,538	1,308,856
	215,238,508	172,699,567
Closing stock	(12,865,862)	(12,460,539)
	214,833,185	167,473,443

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

24.1 It includes Rs 8,589,420 thousand (2018: Rs 1,176,922 thousand) being Company's share in jet fuel purchases in joint operation relating to aviation. (as disclosed in note 14)

	2019	2018
	Rupees ('000)	
25. OTHER INCOME		
Commission and handling income	776,598	663,887
Tender and joining fee	59,354	56,517
Gain on sale of property, plant and equipment	5,576	4,934
Hospitality income	13,294	13,528
Rental income	60,172	65,336
Liability written back	153,820	-
Others	79,491	80,375
	1,148,305	884,577
26. OPERATING EXPENSES		
Salaries and benefits	1,093,848	830,163
Rent, taxes and other fees - note 26.1	575,883	369,200
Repairs and maintenance	231,056	217,935
Travelling and staff transport	64,558	54,061
Advertising and publicity	15,683	11,281
Printing and stationery	15,570	20,478
Electricity, gas and water	73,567	49,264
Insurance	52,094	36,148
Communication	17,206	11,776
Legal and professional charges	10,292	12,889
Subscription and fees	2,915	2,517
Auditor's remuneration - note 26.3	4,210	5,003
Exchange loss	762,130	371,859
Depreciation - note 13.1	591,595	421,946
Others - note 26.4	79,689	126,094
	3,590,296	2,540,614

26.1 Rent, taxes and other fees include Rs 167,910 thousand (2018: Rs 137,889 thousand) paid under operating lease agreements.

26.2 Operating expenses includes Rs 14,472 thousand (2018: Rs 2,097 thousand) being Company's share in joint operation relating to aviation. (as disclosed in note 14)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
26.3 Auditor's remuneration		
Annual audit	1,782	1,665
Review of half yearly financial statements, audit of staff funds and special certifications	1,100	910
Tax services	1,071	2,108
Out of pocket expenses	257	320
	4,210	5,003

26.4 This includes royalties of Rs 8,430 thousand (2018: Rs 5,660 thousand) on grant of license, technical assistance and cooperation paid to M/s JX Nippon Oil & Energy Middle East & Africa FZE having its registered address at P.O.Box 261898, LOB15-409, Jebel Ali, Dubai, United Arab Emirates.

	2019	2018
	Rupees ('000)	
27. FINANCE INCOME AND COSTS		
Finance income		
Income on bank deposits	446,078	491,802
Income from short term investments measured at amortised cost	75,533	113,898
Income on investment in PIBs measured at amortised cost	30,251	60,054
Remeasurement loss on open ended mutual funds measured at fair value through profit or loss	(37,035)	27,402
Dividend income from mutual funds	58,953	-
Mark-up on delayed payments - note 27.1	825,510	548,778
	1,399,290	1,241,934
Finance cost		
Bank charges	64,421	46,916
Mark-up on delayed payments - note 27.1	784,571	517,417
	848,992	564,333
Net finance income	550,298	677,601

27.1 This represents mark up on delayed payments charged to a related party - Attock Gen Limited and cost of mark up on delayed payments to related party - Attock Refinery Limited respectively, at the rate of 6 months KIBOR + 3% per annum (2018: 6 months KIBOR + 3% per annum).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees ('000)	
28. OTHER CHARGES		
Workers' profit participation fund	313,334	439,475
29. PROVISION FOR INCOME TAX		
Income tax charge		
- For the year	1,732,493	2,498,808
- For the prior year	38,288	-
	1,770,781	2,498,808
Deferred income tax charge - For the year	(8,530)	134,155
	1,762,251	2,632,963

	2019	2018
	%	%
29.1 Reconciliation of tax charge for the year		
Applicable tax rate	29.0	30.0
Tax effect of income taxed under final tax regime	(1.8)	(1.5)
Effect of provision for super tax	2.1	2.8
Tax effect of share of profit of associated companies taxed on the basis of dividend income	1.3	0.2
Others	0.2	0.3
Average effective tax rate charged to income	30.8	31.8

29.2 Corporate tax rate applicable for the year is 29% (2018: 30%).

29.3 Management assessment of sufficiency of current tax provision

29.3.1 It is management's assessment that the provision for taxation made in the financial statements is sufficient.

	2018	2017	2016 (note 29.3.3)
	Rupees ('000)		
29.3.2 Comparison of Tax Provision with Tax assessment			
Tax Provision as per Accounts	2,498,808	2,190,000	1,860,000
Tax Assessment	2,537,096	2,191,853	1,860,574

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

29.3.3 An assessment order dated May 20, 2019 was issued by Deputy Commissioner Inland Revenue (DCIR), LTU Islamabad under section 161/205 of the Income Tax Ordinance, 2001, by alleging that withholding tax has not been deducted against late payment charges of Rs 175 Million to Attock Refinery Limited and raised demand of Rs 23 Million. The Company filed appeal along with stay before Commissioner (Appeals), who vide order dated June 11, 2019 rejected the stay application. The Company filed appeal along with stay application before Appellate Tribunal who vide order dated June 24, 2019 has accepted the stay application till decision of Commissioner (Appeals). The management is confident that the matter will be decided in Company's favour.

30. EARNINGS PER SHARE

Basic earnings per share previously reported at Rs 68.19 in the financial statements for the year ended June 30, 2018 has been restated to Rs 56.83 for 16,588,800 bonus shares issued during the year ended June 30, 2018.

	2019	2018
Profit for the year (Rupees in thousand)	3,960,606	5,656,349
Weighted average number of ordinary shares in issue during the year (in thousand)	99,533	99,533
Basic and diluted earnings per share (Rupees)	39.79	56.83

31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

31.1 Financial assets and liabilities

	Amortized Cost	Fair value through profit or loss	Total
	Rupees ('000)		
June 30, 2019			
Financial Assets			
Maturity up to one year			
Trade debts	16,838,255	-	16,838,255
Advances, deposits and other receivables	2,617,541	-	2,617,541
Short term investments	778,305	112,483	890,788
Cash and bank balances	2,920,168	-	2,920,168
Maturity after one year			
Other long term investments	-	-	-
	23,154,269	112,483	23,266,752

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	Amortized Cost
	Rupees ('000)
Financial Liabilities	
Maturity up to one year	
Trade and other payables	25,338,869
Unclaimed dividend	49,598
Maturity after one year	
Long term deposits	716,283
	26,104,750

	Amortized Cost	Fair value through profit or loss	Total
	Rupees ('000)		
June 30, 2018			
Financial Assets			
Maturity up to one year			
Trade debts	16,475,576	-	16,475,576
Advances, deposits and other receivables	2,548,306	-	2,548,306
Short term investments	939,145	702,340	1,641,485
Cash and bank balances	4,198,160	-	4,198,160
Maturity after one year			
Other long term investments	297,904	125,492	423,396
	24,459,091	827,832	25,286,923

	Amortized Cost
	Rupees ('000)
Financial Liabilities	
Maturity up to one year	
Trade and other payables	24,628,863
Unclaimed dividend	473,512
Maturity after one year	
Long term deposits	671,044
	25,773,419

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

31.2 Credit quality of financial assets

The credit quality of the Company's financial assets have been assessed below by reference to external credit ratings of counterparties determined by The Pakistan Credit Rating Agency Limited (PACRA) and JCR-VIS Credit Rating Company Limited (JCR-VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit rating determined based on their historical information for any defaults in meeting obligations.

		2019	2018
	Rating	Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	475,246	1,134,175
	A1	50,013	612,267
	A2	-	363,624
Counterparties without external credit rating			
Secured against bank guarantee & letter of credit		1,007,859	207,761
Due from related parties		7,794,694	8,099,766
Others		7,510,443	6,057,983
		16,838,255	16,475,576
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	42,092	46,890
	A1	86	39
Counterparties without external credit rating			
Due from related parties		1,938,136	1,741,908
Others		637,227	759,469
		2,617,541	2,548,306
Short term investments			
Counterparties with external credit rating	AA+	-	232,855
	AA	-	469,485
Counterparties without external credit rating			
Investments in Mutual Funds		112,483	-
Investment in Treasury bills		482,464	939,145
Current portion of investment in PIBs		295,841	-
		890,788	1,641,485

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
	Rating	Rupees ('000)	
Bank balances			
Counterparties with external credit rating	A1+	2,913,379	4,191,882
	A1	119	128
		2,913,498	4,192,010
Other long term investments			
Counterparties with external credit rating			
Investments in Mutual Funds	AM1	-	100,043
	AM2++	-	25,449
Counterparties without external credit rating			
Investments in Pakistan Investment Bonds (PIBs)		-	297,904
		-	423,396

31.3 FINANCIAL RISK MANAGEMENT

31.3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, receivables from related parties, other receivables, bank balances and term deposits with banks.

The Company has established a credit policy for its industrial and retail customers under which each new customer is analyzed individually for credit worthiness before the Company enters into a commercial transaction. The Company's review includes identity checks, minimum security deposits, bank guarantees and in some cases bank references. Credit limits are established for each customer in accordance with the security deposit or bank guarantee received, which represents the maximum open amount without requiring approval from the higher management; customer limits are reviewed on a regular basis and once the credit limits of individual customers are exhausted, further transactions are discontinued.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The Company recognises ECL for trade debts using the simplified approach as explained in note 4.15. As per the aforementioned approach, the loss allowance as at June 30, 2019 and July 1, 2018 (on adoption of IFRS 9) was determined as follows:

	1 - 180 days	181 - 365 days	More than 365 days	Total
Rupees ('000)				
June 30, 2019				
Gross carrying amount	9,152,057	31,027	59,303	9,242,387
Loss allowance	29,221	31,027	59,303	119,551
July 1, 2018				
Gross carrying amount	8,418,132	8,836	58,224	8,485,192
Loss allowance	19,203	8,674	58,224	86,101

The loss allowances for trade debts as of June 30, 2019 reconcile to the opening loss allowance as follows:

	June 30, 2019
	Rupees ('000)
Amount calculated under IAS 39 as at June 30, 2018	61,189
Amounts adjusted in opening retained earnings	24,912
Opening loss allowance as at 1 July calculated under IFRS 9	86,101
Increase in loss allowance recognised in statement of profit or loss - net	33,450
	119,551

ECL on other receivables is calculated using general approach (as explained in note 4.15). As at the reporting date, Company envisages that default risk on account of non-realisation of other receivables is minimal and thus based on historical trends adjusted to reflect current and forward looking information loss allowance has been estimated by the Company using a range of probable recovery pattern of related other receivables and assigning a time value of money to same. As per the aforementioned approach, the loss allowance for other receivables as at June 30, 2019 and July 1, 2018 (on adoption of IFRS 9) is determined as follows:

	Other Receivables Outstanding
	Rupees ('000)
June 30, 2019	
Gross carrying amount	2,806,090
Loss allowance	576,328
July 1, 2018	
Gross carrying amount	1,959,818
Loss allowance	538,980

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The closing loss allowances for other receivables as at June 30, 2019 reconciles to the opening loss allowance as follows:

	June 30, 2019
	Rupees ('000)
Amount calculated under IAS 39 as at June 30, 2018	28,528
Amounts adjusted in opening retained earnings	510,452
Opening loss allowance as at 1 July calculated under IFRS 9	538,980
Increase in loss allowance recognised in statement of profit or loss - net	37,348
	576,328

The credit risk related to balances with banks, in term deposits, savings accounts and current accounts, is managed in accordance with the Company's policy of placing funds with approved financial institutions and within the limits assigned in accordance with the counter party risk policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counter party failure.

The credit quality of bank balances and short-term investments, that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. Credit ratings and exposure of bank balances / short-term investments with each of the counterparties are appearing in note 31.2.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the maturity date. The amounts disclosed in the table are undiscounted cash flows.

	Less than 1 Year	Above 1 year
	Rupees ('000)	
At June 30, 2019		
Long term deposits	-	716,283
Trade and other payables	25,338,869	-
At June 30, 2018		
Long term deposits	-	671,044
Trade and other payables	24,628,863	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

(c) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Financial assets include Rs 28,619 thousand (2018: Rs 21,334 thousand) and financial liabilities include Rs 2,838,891 thousand (2018: Rs 1,676,297 thousand) which were subject to currency risk.

The following significant exchange rates were applied during the year:

	2019	2018
Rupees per USD		
Average rate	134.80	108.64
Reporting date rate	161.60	120.35

At June 30, 2019, if the currency had weakened or strengthened by 10% against USD with all other variables at constant, profit after tax would have been Rs 199,529 thousand (2018: Rs 115,847 thousand) lower / higher.

(ii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no long term interest bearing financial assets and liabilities whose fair value or future cash flows will fluctuate because of changes in market interest rates.

Financial assets and liabilities include balances of Rs 10,040,238 thousand (2018: Rs 13,415,179 thousand) and Rs 7,418,672 thousand (2018: Rs 7,741,755 thousand) respectively, which are subject to interest rate risk. Applicable interest rates for financial assets have been indicated in respective notes.

At June 30, 2019, if interest rates had been 1% higher/lower with all other variables held constant, profit after tax for the year would have been Rs 51,194 thousand (2018: Rs 78,445 thousand) higher / lower, mainly as a result of higher/lower interest income from these financial assets.

(iii) Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

The Company is exposed to price risk because of investments held by the Company classified as investments at fair value through profit and loss Rs 112,483 thousand (2018: Rs 702,340 thousand) and investments classified as available for sale of Rs Nil (2018: Rs 125,492 thousand).

31.3.2 Capital risk management

The Company's objectives when managing capital are to ensure the Company's ability not only to continue as a going concern but also to meet its requirements for expansion and enhancement of its business, maximize return of shareholders and optimize benefits for other stakeholders to maintain an optimal capital structure and to reduce the cost of capital.

In order to achieve the above objectives, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares through bonus or right issue or sell assets to reduce debts or raise debts, if required.

31.3.3 Fair value of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The company held the following financial assets at fair value:

	Level 1	Level 2	Level 3	Total
June 30, 2019				
Short term investment				
Investment at fair value				
through profit or loss	112,483	-	-	112,483
June 30, 2018	827,832	-	-	827,832

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

32. STAFF RETIREMENT BENEFITS

The latest actuarial valuation of the defined benefit plan was conducted as at June 30, 2019 using the projected unit credit method. Details of the defined benefit plan are:

	2019	2018
	Rupees ('000)	
32.1 The amounts recognised in the statement of financial position:		
Present value of defined benefit obligations	105,712	90,168
Fair value of plan assets	(89,915)	(70,438)
Liability recognised in the balance sheet	15,797	19,730
32.2 The movement of amounts recognised in the statement of financial position are as follows:		
Net liability as at July 01	19,730	10,953
Expense recognised in statement of profit or loss	12,145	8,935
Contributions made during the year	(15,074)	(12,853)
Remeasurement loss recognised in statement of comprehensive income	(1,004)	12,695
Net liability as at June 30	15,797	19,730
32.3 The amounts recognised in statement of profit and loss account are as follows:		
Current service cost	10,987	8,528
Interest cost	8,497	5,977
Expected return on plan assets	(7,339)	(5,570)
	12,145	8,935
32.4 Remeasurements recognised in statement of profit or loss and other comprehensive income (OCI) are as follows:		
Remeasurement loss/(gain) on obligations:		
Experience (gain) / loss	(2,487)	10,582
Remeasurement loss due to investment return	1,483	2,113
	(1,004)	12,695

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
		Rupees ('000)	
32.5	Changes in the present value of defined benefit obligation are as follows:		
	Present value of defined obligation as at July 01	90,168	67,741
	Current service cost	10,987	8,528
	Interest cost	8,497	5,977
	Remeasurement gain	(2,487)	10,582
	Benefits paid	(1,453)	(2,660)
	Present value of defined obligation as at June 30	105,712	90,168
32.6	Changes in fair value of plan assets are as follows:		
	Fair value of plan assets as at July 01	70,438	56,788
	Expected return on plan assets	7,339	5,570
	Contributions during the year	15,075	12,853
	Benefits paid	(1,454)	(2,660)
	Remeasurement loss on investments	(1,483)	(2,113)
	Fair value of plan assets as at June 30	89,915	70,438

Actual return on plan assets for the year is Rs 7,350 thousand.

The Company expects to contribute Rs 15,133 thousand to its defined benefit gratuity plan during the year 2019-20.

		2019	2018
		Total investment Rupees ('000)	
32.7	The major categories of plan assets are as follows:		
	Government bonds	61,048	46,453
	Mutual funds	5,345	6,038
	Bank deposits	38,811	32,176
	Benefits due	(265)	(1,874)
	Due to Attock Oil Company	(15,024)	(12,355)
		89,915	70,438

Expected return on plan assets is based on market expectations and dependent upon the assets portfolio of the funds, at the beginning of the year, for returns over the entire life of the related obligation.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019 %	2018 %
32.8	Significant actuarial assumptions at the statement of financial position date are as follows:		
	Discount rate	13.75	9.50
	Expected rate of return on plan assets	13.75	9.50
	Expected rate of increase in salaries	13.75	9.50
32.9	Sensitivity analysis		
	The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarises how the defined benefit obligation at the end of reporting period would have increased/ (decreased) as a result of change in respective assumptions by one percent.		
		Defined benefit obligation Effect of 1% increase decrease Rupees ('000)	
	Discount rate	(9,308)	10,767
	Expected rate of increase in salaries	10,666	(9,385)
32.10	The weighted average number of years of defined benefit obligation is 11.0 years as at June 30, 2019 (2018: 11.4 years).		
32.11	The Company contributes to gratuity fund on the advice of fund's actuary. The contribution is equal to current service cost with the adjustment for any deficit. If there is a surplus, the Company takes a contribution holiday.		
		2019	2018
		Rupees ('000)	
32.12	Salaries, wages and benefits as appearing in note 26 include amounts in respect of the following:		
	Provident fund	17,318	14,402
	Gratuity fund	12,145	8,935
		29,463	23,337
32.13	Projected benefit payments from gratuity fund are as follows:		
		Rupees ('000)	
	For the year 2020		7,837
	For the year 2021		6,394
	For the year 2022		8,728
	For the year 2023		12,777
	For the year 2024		13,716
	For the year 2025-29		119,058

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018		
		Rupees ('000)			
33.	APL EMPLOYEES PROVIDENT FUND				
a)	Size of the fund	193,719	151,383		
	Cost of investments made	191,368	148,762		
	Fair value of investments made	193,719	151,383		
		%	%		
	Percentage of investments made	99	98		
		2019	2018		
		Rupees ('000)	%	Rupees ('000)	%
b)	Breakup of investment - at cost				
	Treasury bills	83,156	43	27,844	19
	Investment in Pakistan Investment bonds	31,797	17	37,073	25
	Investment in saving account with bank	1,415	1	2,845	2
	Mutual funds	15,000	8	15,000	10
	Investments Plus Deposit Certificates	60,000	31	66,000	44
		191,368	100	148,762	100

c) Investments out of provident fund have been made in accordance with the provisions of section 218 of Companies Act 2017, and applicable rules.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

34. TRANSACTIONS WITH RELATED PARTIES

Aggregate transactions with related parties, other than remuneration to the chief executive, directors and executives of the Company under their terms of employment disclosed in note 35, were as follows:

Basis of association		2019	2018
		Rupees ('000)	
Related Parties			
Attock Refinery Limited	Common Directorship		
Associate shareholding in the Company	21.88%		
Company's shareholding in the associate	1.68%		
Purchase of petroleum products		52,803,053	33,904,105
Purchase of services		71,001	97,260
Late payment charges		784,571	517,417
Sale of petroleum products		10,371	8,575
Commission and handling income		167,099	124,284
Dividend paid		671,333	771,126
National Refinery Limited			
Common Directorship			
Associate shareholding in the Company	-		
Company's shareholding in the associate	1%		
Purchase of petroleum products		79,718,726	52,995,234
Purchase of services		82,070	101,078
Sale of petroleum products		6,274	8,623
Handling income		607,145	539,603
Attock Gen Limited			
Common Directorship			
Associate shareholding in the Company	-		
Sale of petroleum products		7,431,398	9,505,200
Mark-up earned on late payments		815,954	547,289

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	Basis of association		2019 Rupees ('000)	2018
Related Parties (cntd)				
Pakistan Oilfields Limited	Common Directorship			
Associate shareholding in the Company	7.02%			
Purchase of petroleum products			246,282	180,425
Purchase of services			17,075	16,917
Sale of petroleum products			839,626	726,231
Sale of services			2,057	953
Sale of property, plant & equipment			-	1,028
Dividend paid			215,362	247,375
The Attock Oil Company Limited				
Associate shareholding in the Company	Common Directorship	2.2%		
Purchase of petroleum products			23,544	9,730
Purchase of services			220,133	142,446
Sale of services			9,661	8,856
Dividend paid			67,516	77,553
Pharaon Investment Group Limited Holding s.a.l				
Associate shareholding in the Company	Common Directorship	34.38%		
Dividend payable			-	427,742
Dividend paid			1,482,840	784,194
Attock Cement Pakistan Limited				
Associate shareholding in the Company	Common Directorship	-		
Purchase of services			3,353	3,382
Sale of petroleum products			483,872	338,928
Sale of services			1,220	1,940

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

	Basis of association	2019	2018
		Rupees ('000)	
Attock Information Technology Services (Private) Limited	Common Directorship		
Associate shareholding in the Company	-		
Company's shareholding in the associate	10%		
Purchase of services		27,435	23,172
Sale of services		7,059	8,421
Attock Sahara Foundation	Common Directorship		
Associate shareholding in the Company	-		
Purchase of goods		3,407	974
Attock Leisure Management Associates	Common Directorship		
Associate shareholding in the Company	-		
Purchase of services		1,584	1,447
Attock Hospital (Private) Limited	Common Directorship		
Associate shareholding in the Company	-		
Purchase of medical services		8,800	8,226
Other related parties			
Dividend paid to key management personnel		204,792	235,234
Contribution to staff retirement benefits plans			
APL Employees provident fund		17,318	14,402
APL Gratuity fund		12,145	8,935
Contribution to Workers' profit participation fund		313,334	439,475

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

35 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Director		Executives	
	2019	2018	2019	2018	2019	2018
	Rupees ('000)					
Managerial remuneration	13,673	14,450	5,559	5,745	76,965	72,204
Bonus	22,689	20,618	9,455	8,105	39,041	28,848
Company's contribution to provident, pension and gratuity funds	-	-	1,004	963	7,742	6,410
Housing and utilities	5,005	5,005	2,188	2,040	24,658	20,034
Other perquisites and benefits	2,682	2,134	2,493	1,982	15,814	12,772
Leave passage	1,167	1,167	458	458	533	514
	45,216	43,374	21,157	19,293	164,753	140,782
No. of person(s)	1	1	1	1	28	25

35.1 The above includes amount charged by an associated company for share of chief executive's and one director's remuneration as approved by the Board of Directors of the Company. In addition, Chief Executive, a Director and certain Executives were also provided with use of Company maintained cars and medical facilities as per Company policy.

35.2 In addition, five non-executive directors of the Company were paid meeting fee aggregating Rs 5,297 thousand (2018: Rs 3,572 thousand).

36. SEGMENT REPORTING

36.1 As described in note 1 to these financial statements the Company markets petroleum products. Revenue from external customers for products of the Company are as follows:

	2019	2018
	Rupees ('000)	
Product		
High Speed Diesel	100,575,931	85,360,387
Furnace Fuel Oil	34,834,889	37,839,862
Premier Motor Gasoline	91,466,257	66,911,763
Bitumen	11,508,354	17,857,725
Jet Petroleum	10,007,222	1,907,806
Others	8,268,534	7,010,653
	256,661,187	216,888,196

36.2 There is no single external customer of the Company whose revenue amounts to 10% or more of the Company's total revenue during the year ended June 30, 2019.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

37. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

- (a) During the year, the Company incurred major capital expenditure as part of its plan for storage capacity expansion. Shikarpur bulk oil terminal has started its operation. Capital expenditure details are reflected in note 13.
- (b) The exchange rate of US Dollar to Pakistan Rupee has increased from PKR 120.35 as at June 30, 2018 to PKR 161.60 as at June 30, 2019. This movement in exchange rate has impact on the profits earned by the Company.
- (c) During the year, the Company adopted International Financial Reporting Standard 9 "Financial Instruments" which resulted in recognition of a cumulative charge of Rs 696 million in respect of the carrying amount of trade debts and other receivables. In this respect, Rs 535 million pertained to the related opening balance which has been accounted for in the statement of changes in equity.
- (d) Other significant transactions and events have been adequately described in notes to the financial statements.

38. NUMBER OF EMPLOYEES

Total number of employees at the end of year was 476 (2018: 421). Average number of employees during the year was 451 (2018: 404). Total number of employees includes 221(2018: 197) employees at storage facilities at the end of the year. Average number of employees during the year at storage facilities was 203 (2018: 185).

39. CAPACITY AND PRODUCTION

Considering the nature of the Company's business, the information regarding production has no relevance whereas product storage capacities at Company's facilities during the current year are detailed below:

Description	Storage capacity (Metric Tons)
Rawalpindi Bulk Oil Terminal	19,443
Machike Bulk Oil Terminal	22,520
Korangi Bulk Oil Terminal	14,468
Mehmoodkot Bulk Oil Terminal	18,881
Shikarpur Bulk Oil Terminal	8,669

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

40. GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNITS

The business units of the Company includes the following:

Business unit	Location
a) Marketing and Sales Office	Attock House Building, Morgah, Rawalpindi
b) Rawalpindi Bulk Oil Terminal	Caltex Road, New Lalazar, Rawalpindi
c) Machike Bulk Oil Terminal	Mouza Dhant Pura, Machikey, District Sheikhupura
d) Korangi Bulk Oil Terminal	Sector 7-B, Korangi Industrial Area, Karachi
e) Mehmoodkot Bulk Oil Terminal	Gate R-I, Mehmood Kot Qasba Gujrat, District Muzaffar Garh
f) Shikarpur Bulk Oil Terminal	Kandhkot Road, Moza Raidu, Taluka Khanpur, District Shikarpur

Regional Marketing and Sales Offices and invoicing points are also located in Lahore, Vehari, Faisalabad, Shikarpur, Tarujabba, Karachi, Sukkur, Multan and Quetta. In addition to above the Company owns retail operation sites and sites operated through dealers, across Pakistan and Northern Areas, the details of which is impracticable to disclose as required under Paragraph 1(i) of Part I of the 4th Schedule to the Companies Act, 2017.

41. ASSOCIATED COMPANIES INCORPORATED OUTSIDE PAKISTAN

Following are the details of associated companies incorporated outside Pakistan with whom the Company entered into transactions during the year:

1) Pharaon Investment Group Limited Holding s.a.l

Registered address: UCA House, Sami Solh Avenue, Beirut, Lebanon.

Country of incorporation: Lebanon

Basis of association: Common Directorship

Percentage of holding: 34.38%

Name of Chairman/General Manager : Mr. Laith G. Pharaon

Operational Status: Active

Auditor's Opinion: Unqualified (as at December 31, 2018)

Date of Opinion: July 11, 2019

2) The Attock Oil Company Limited

Registered address: 04, Swan Street, Manchester, M4 5JN, England.

Country of incorporation: United Kingdom

Basis of association: Common Directorship

Percentage of share holding: 19.25% (Direct holding 2.20%)

Name of Chief Executive: Shuaib A. Malik

Operational Status: Active

Auditor's Opinion: Unqualified (as at June 30, 2018)

Date of Opinion: December 11, 2018

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

42. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under Paragraph 10 of Part I of the 4th Schedule to the Companies Act, 2017 relating to "All Shares Islamic Index".

Description	Explanation
i) Loans and advances - asset	Non-interest bearing
ii) Long term deposits - liability	Non-interest bearing
iii) Other long term investments	Non-interest bearing
iv) Bank balances	All bank accounts are maintained under conventional banking system
v) Income on bank deposits	This represents interest on bank deposits maintained under conventional banking system
vi) Segment revenue	Product wise revenue disclosed in note 36
vii) Breakup of dividend income - Company wise	Disclosed in note 15.3
viii) Exchange gain/loss	Disclosed in note 26
ix) Relationship with Shariah compliant banks	Company does not have any relationship with banks under Islamic windows of operations

Disclosures other than above are not applicable to the Company.

43. LETTER OF CREDIT & SHORT TERM RUNNING FINANCE FACILITIES

43.1 The Company has entered into an arrangement with banks for obtaining Letter of Credit facility to import petroleum products and spare parts and materials upto a maximum of Rs 10,700 million (2018: Rs 9,400 million). The facility is secured against first pari passu charge of Rs 11,867 million (2018: Rs 11,867 million) on all present and future current and fixed assets of the Company (excluding land and building). The unavailed facility at June 30, 2019 was Rs 7,450 million (2018: Rs 4,479 million). The facility will expire on October 31, 2019.

43.2 During the year, the Company has obtained two running finance facilities aggregating to Rs 2,500 million (2018: Rs Nil), which has been enhanced to 4,000 million with effect from July 1, 2019. No amount has been utilized from aforementioned facilities as at June 30, 2019 (2018: Rs Nil). These facilities carry mark-up at the rates ranging from three months KIBOR + 0.25% to one month KIBOR + 0.5% (2018: Nil) per annum. Mark up on facility is to be serviced on monthly and quarterly basis. The facilities are secured against first pari passu charge on all present and future current and fixed assets of the Company (excluding land and building) and lien of import documents.

44. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on July 29, 2019 has proposed a final cash dividend for the year ended June 30, 2019 @ Rs 10/- per share, amounting to Rs 995,328 thousand for approval of the members in the Annual General Meeting to be held on September 17, 2019.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

45. CORRESPONDING FIGURES

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However no significant reclassification have been made, except for following:

	Rupees ('000)
Transportation expense' previously netted of from 'Sales' now shown as part of 'Cost of products sold' in the statement of profit or loss.	528,383
Petroleum levy' previously shown under 'Cost of products sold' now shown as part of 'Sales tax and other government levies' in the statement of profit or loss.	656,083

46. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company on July 29, 2019.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting (being the 37th General Meeting) of the Company will be held at Attock House, Morgah, Rawalpindi on September 17, 2019 at 12:30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company together with Directors' and Auditor's Reports for the year ended June 30, 2019.
2. To consider, approve and authorise the payment of a final cash dividend of 100% i.e. Rs. 10/- per share of Rs. 10/- each, as recommended by the Board of Directors in addition to the interim dividend of 100% i.e. Rs. 10/- per share already paid to the shareholders thus making a total of 200% i.e. Rs. 20/- per share for the year ended June 30, 2019.
3. To appoint auditors for the year ending June 30, 2020 and to fix their remuneration.

BY ORDER OF THE BOARD



Rehmat Ullah Bardaie
Company Secretary

Registered Office:
Attock House
Morgah, Rawalpindi.
August 27, 2019

NOTES:

The share transfer books of the Company will remain closed from September 11, 2019 to September 17, 2019 (both days inclusive). The Members whose names appear on the Register of Members as on September 10, 2019 shall be entitled to attend at the AGM.

A member may appoint a proxy to attend and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.

- i. In case of individuals, the account holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate their identity by showing their original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of the meeting.

FOR APPOINTING PROXIES:

- i. In case of individuals, the account holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxies shall produce their original CNIC or original passport at the time of meeting.
- v. In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

DEDUCTION OF INCOME TAX FOR ACTIVE TAX PAYER / NON ACTIVE TAX PAYER AT REVISED RATES:

Pursuant to the provisions of Finance Act, 2019, effective July 01, 2019, applicable tax rates on payment of dividend have been amended and the rates of deduction of income tax, under Section 150 of Income Tax Ordinance, 2001 have been revised as follows:

1	Rate of tax deduction for shareholders appearing in the Active Tax Payers list	15 %
2	Rate of tax deduction for shareholders not appearing in the Active Tax Payers list	30 %

In case of joint account, each holder is to be treated individually as either active or non-active tax payer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if no notification, each joint holder shall be assumed to have an equal number of shares.

Folio/CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
		Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

The CNIC number/NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by Federal Board of Revenue (FBR) from time to time.

EXEMPTION FROM DEDUCTION OF INCOME TAX / ZAKAT:

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

CHANGE OF ADDRESS:

Members are requested to promptly notify any change of address to the Company's Share Registrar.

TRANSMISSION OF ANNUAL AUDITED FINANCIAL STATEMENTS THROUGH CD:

The Company has circulated annual financial statements to its members through CD at their

registered address. Printed copy of above referred statements can be provided to members upon request. Request Form is available on the website of the Company i.e. www.apl.com.pk.

TRANSMISSION OF ANNUAL REPORTS THROUGH E-MAIL:

The SECP vide SRO 787 (1)/2014 dated September 08, 2014 has provided an option for shareholders to receive audited financial statements along with notice of annual general meeting electronically through email. Hence, members who are interested in receiving the annual reports and notice of annual general meeting electronically in future are requested to send their email addresses on the consent form placed on the Company's website www.apl.com.pk, to the Company's Share Registrar. The Company shall, however additionally provide hard copies of the annual report to such members, on request, free of cost.

AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE:

The audited financial statements of the Company for the year ended June 30, 2019 have been made available on the Company's website www.apl.com.pk, in addition to annual and quarterly financial statements for the prior years.

PAYMENT OF DIVIDEND THROUGH BANK ACCOUNT OF THE SHAREHOLDER:

In accordance with the section 242 of the Companies Act, 2018 cash dividend can only be paid through electronic mode directly into the respective bank account designated by the entitled shareholder. Shareholders are requested to provide their bank account details (IBAN format) directly to our share registrar (for physical shares) or to their respective participant / broker (for CDS shares) as the case may be. The subject Form is available at Company's website i.e. www.apl.com.pk. In case of unavailability of IBAN, the Company would be constrained to withhold dividend in accordance with the Companies (Distribution of Dividends) Regulations, 2018.

CONSENT FOR VIDEO CONFERENCE FACILITY:

In accordance with Section 132(2) of the Companies Act, 2018 if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 10 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility a request is to be submitted to the Company Secretary of the Company on given address:

The Company Secretary, Attock Petroleum Limited, 8th Floor, Attock House, Morgah, Rawalpindi.

DEFINITION AND GLOSSARY OF TERMS

Profitability ratios

Profitability ratios measure Company's ability to generate earnings relative to sales, assets and equity.

Liquidity ratios

Liquidity ratios determine a company's ability to pay-off its short-terms obligations.

Activity Ratios

Activity ratios measure the company's ability, to convert working capital items into cash or sales and fixed assets effectiveness to generate net sales.

Investment ratios

Investment ratios measure the ability of a Company to earn an adequate return for its shareholders.

Market ratios

Market value ratios determine if a company is over or undervalued in relation to the market value of net assets.

Capital Structure Ratios

The capital structure determines how a Company finances its overall operations and growth by using different sources of funds.

DuPont Analysis

DuPont analysis demonstrates the grossing up effect of profit margin, total assets turnover and leverage into Return on equity (ROE) of the company.

GLOSSARY

ABL	Allied Bank Limited
AGM	Annual General Meeting
AITSL	Attock Information Technology Services (Pvt.) Limited
ANPL	Al-Noor Petroleum Limited
APL	Attock Petroleum Limited
APLEWT	Attock Petroleum Limited Employees Welfare Trust
ARL	Attock Refinery Limited
ASFC	Attock Smart Fuel Card
ATL	Active Taxpayers List
ATM	Automated Teller Machine
bbl	Barrel
BPPL(MKTG)	Byco Petroleum Pakistan Limited (Marketing)
BEL	Bakri Energy Limited
CAA	Civil Aviation Authority
CD	Compact Disc
CDC	Central Depository Company of Pakistan
CDS	Central Depository System
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CNG	Compressed Natural Gas
CNIC	Computerized National Identity Card
COCO	Company Owned Company Operated
CSC	Customer Service Centre
CPEC	China-Pakistan Economic Corridor
CSM	Company Secretarial Matters
CSR	Corporate Social Responsibility
CUST	Capital University of Science & Technology
DG	Directorate General
DISTT.	District
DTP	Directors' Training Programme
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECL	Expected Credit Losses
EHS	Environment Health and Safety
EMS	Environmental Management System
EPS	Earnings Per Share
ERP	Enterprise Resource Planning
FBR	Federal Board of Revenue
FO	Furnace Oil
FOTCO	Fauji Oil Terminal & Distribution Company Limited
FVTPL	Fair Value Through Profit or Loss

FVTOCI	Fair Value Through Other Comprehensive Income
FY	Financial Year
GHQ	General Headquarters
GIKI	Ghulam Ishaq Khan Institute of Engineering Sciences and Technology
GO	Gas and Oil Pakistan Private Limited
GoP	Government of Pakistan
HEC	Higher Education Commission
HOBC	High Octane Blended Component
HR	Human Resource
HR & R	Human Resource & Remuneration
HRMS	Human Resource Management System
HSD	High Speed Diesel
HSE	Health, Safety and Environment
HSEQ	Health, Safety, Environment and Quality
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICAP	Institute of Chartered Accountants of Pakistan
ICMAP	Institute of Cost & Management Accountants of Pakistan
IFAC	International Federation of Accountants
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
IIAP	Islamabad International Airport Project
IPP	Independent Power Producers
ISA	International Standards on Auditing
ISO	International Organization for Standardization
IT	Information Technology
JCR-VIS	Japan Credit Rating Agency - Vital Information Services Pakistan Limited
JIG	Joint Inspection Group
JP	Jet Petroleum
KBT	Karachi Bulk Oil Terminal
KIBOR	Karachi Interbank Offered Rate
KPK	Khyber Pakhtunkhwa
LBO	Lube Base Oil
LED	Light Emitting Diode
LNG	Liquefied Natural Gas
LTU	Large Taxpayers Unit
M.TON	Metric Ton
MBA	Masters in Business Administration
MBT	Machike Bulk Oil Terminal
MD	Managing Director

METU	Middle East Technical University
MFM	Mehmood Kot Faisalabad Machike
MIS	Management Information System
NAV	Net Asset Value
NBP	National Bank of Pakistan
NEQS	National Environmental Quality Standards
NFR	Non Fuel Related
NGO	Non-Governmental Organization
NIT	National Investment Trust
NRL	National Refinery Limited
NTN	National Tax Number
NUML	National University of Modern Languages
NUST	National University of Science & Technology
OCAC	Oil Companies Advisory Council
OCI	Other Comprehensive Income
OEM	Original Equipment Manufacturer
OGDCL	Oil & Gas Development Company Limited
OGRA	Oil and Gas Regulatory Authority
OMC	Oil Marketing Company
OPEC	Organization of the Petroleum Exporting Countries
OSHA	Occupational Safety and Health Administration
PACRA	Pakistan Credit Rating Agency Limited
PARCO	Pak-Arab Refinery Company
PIB	Pakistan Investment Bonds
PKR	Pakistani Rupee
PMDC	Pakistan Mineral Development Corporation
PMG	Premier Motor Gasoline
POL	Pakistan Oilfields Limited
PPL	Pakistan Petroleum Limited
PPRA	Public Procurement Regulatory Authority
PSOCL	Pakistan State Oil Company Limited
PSX	Pakistan Stock Exchange
Pvt.	Private
QA	Quality Assurance
QAU	Quaid-e-Azam University
RBT	Rawalpindi Bulk Oil Terminal
RLNG	Re-Gasified Liquefied Natural Gas
ROE	Return on Equity
RON	Research Octane Number

Rs	Rupees
SAFA	South Asian Federation of Accountants
SECP	Securities and Exchange Commission of Pakistan
SKO	Superior Kerosene Oil
SNGPL	Sui-Northern Gas Pipelines Limited
SPL	Shell Pakistan Limited
SRO	Statutory Regulatory Order
SSGCL	Sui-Southern Gas Company Limited
SZABIST	Shaheed Zulfikar Ali Bhutto Institute of Science and Technology
T-Bills	Treasury Bills
TOR	Terms of Reference
TPPL	Total Parco Pakistan Limited
U.A.E	United Arab Emirates
UBL	United Bank Limited
UK	United Kingdom
US\$/USD	United States Dollar
US/USA	United States of America
VIU	Value in Use
WMP	Waste Management Plan
WOP	White Oil Pipeline
WPPF	Workers' Profit Participation Fund
WWF	Workers' Welfare Fund
ZMOPL	Zoom Marketing Oils (Pvt.) Limited

اظہار تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے کمپنی کے معزز حصص داران کے غیر متزلزل اعتماد اور تعاون کے لیے شکریہ ادا کرنا چاہتا ہے۔ بورڈ حکومت پاکستان اور اس کے انضباطی اداروں کے تعاون اور رہنمائی کے لیے بھی ممنون و مشکور ہے۔ ڈائریکٹرز کارکنان، صارفین اور اپنے تجارتی رفقاء کے کار کے بھی بے حد شکرگزار ہیں۔

منجانب بورڈ

عبدالستار

ڈائریکٹر

شعیب اے ملک

چیف ایگزیکٹو

دہلی، متحدہ عرب امارات

29 جولائی، 2019

سیاست اور مارکیٹ عوامل نے قیمتوں میں بے چینی اور عدم استحکام پیدا کیا اور بڑے تیل پیدا کرنے والے ممالک پر ناخوشگوار اثرات ڈالے۔ اسی طرح، انتہائی بلند درآمدی قیمتوں اور زر مبادلہ نقصانات جس کی وجہ امریکی ڈالر کے مقابلے میں پاکستانی روپے کی شرح مبادلہ زر کی مسلسل گراؤٹ نے کمپنی کے منافع اور آپریشنز کو متاثر کیا۔ تیل کی قیمتوں میں مذکورہ عدم استحکام کے ساتھ ساتھ مبادلہ زر میں اتار چڑھاؤ اور محصولات اور ٹیکس کے ڈھانچے میں تبدیلی نے بہت سے متغیرات پیدا کئے جس کے نتیجے میں کمپنی کو متعدد چیلنجز درپیش آئے جن کا کمپنی کو روزمرہ بنیاد پر سامنا کرنا پڑا۔ APL نے مذکورہ غیر یقینی صورتحال سے نمٹنے کیلئے بہترین ممکنہ طریقے سے مقابلہ کیا۔

گزشتہ سال پیش کردہ ذریعہ منصوبہ جات سے متعلق کارکردگی:

APL نے شکارپور بلک آئل ٹرمینل کو کامیابی کے ساتھ مکمل کر لیا ہے اور اس کو استعمال کیلئے فعال کر دیا ہے۔ اس کی کل صلاحیت تقریباً 8,500 میٹرک ٹن ہے، اس سے نہ صرف کمپنی کی مجموعی اسٹوریج کی صلاحیت میں بہتری آئے گی بلکہ کمپنی کو علاقے میں اپنے مارکیٹ شیئر کو بڑھانے میں بھی مدد ملے گی۔

اسی طرح، وسائل کا بروقت مختص کئے جانے اور تیزی سے کام کے نتیجے میں ساہیوال اور دولت پور میں بلک آئل ٹرمینلز کی تعمیر کو مکمل کیا گیا جن سے مزید 29,000 میٹرک ٹن اسٹوریج صلاحیت میں اضافہ ہوا ہے۔ ان کی آنے والے مہینوں میں اپنی پوری صلاحیت پر فعال و چالو ہونے کی امید ہے۔

ایک سال کے اندر، انک سمارٹ فیول کارڈ سہولت پاکستان کے چھوٹے بڑے اہم شہروں میں پیش کی جا رہی ہے اور اس نے مجموعی طور پر پٹرینل نیٹ ورک کا 20 فیصد احاطہ کر لیا ہے اور کامیابی سے آگے بڑھ رہا ہے اور بڑے کلائنٹ (صارفین) بیس کو شامل کر رہا ہے۔

معاهدوں کے تحت کمپنی کی ذمہ داریاں اور سال 2018-19 کیلئے پاکستان کے شعبہ دفاع کو فیول فراہم کرنے کیلئے انتظامات کامیابی سے مکمل کئے گئے۔ خصوصی تعاون و خدمات کی بنا پر، APL نے ڈی جی سپلائز و ٹرانسپورٹ سے ایک تعریفی مراسلہ بھی وصول کیا ہے جو صارفین کے کلی اطمینان کیلئے ہمارے عزم کو مزید تقویت فراہم کرتا ہے۔

کمپنی نے سوزو کی موٹرز کے ساتھ پاکستان میں سوزو کی جینون آئل کی کامیاب رسد کیلئے کاروبار شروع کر دیا ہے۔

لی گئی ہے جبکہ PMG کی 13,000 میٹرک ٹن اور HSD کی 25,000 میٹرک ٹن مزید گنجائش کی تعمیر مکمل کر لی گئی ہے جو بہت جلد چالو کر دیا جائے گا۔

پورٹ قاسم پر بلک آئل ٹرمینل کی تعمیر جلد شروع ہو جائے گی۔ اس ٹرمینل سے بلوچستان اور سندھ کی ایندھن کی ضروریات و مطالبات پورا ہونے کی اُمید ہے۔ اس پورٹ پر کام جاری ہے یہ ٹرمینل درآمدی مصنوعات کیلئے استعمال ہوگا۔ یہ درآمدی مصنوعات کی وصولی اور اُن مصنوعات کی وائٹ آئل پائپ لائن کے ذریعے وسط ملک تک ترسیل کیلئے فوٹکو (FOTCO) اور پارکو (PARCO) سے منسلک ہوگا۔

گئی (فیصل آباد)، ڈیرہ اسماعیل خان اور تارو جبہ (پشاور) میں نئے اسٹوریج کے تعمیراتی ڈیزائن فی الوقت زیر عمل ہیں اور ان کی تعمیر کے کام کی شروعات کیلئے جلد مکمل ہونے کی توقع ہے۔

انتظامیہ کو اُمید ہے کہ ان ترقیاتی منصوبوں سے نہ صرف آپریشنز کی کارگزاری اور استعداد میں اضافہ ہوگا بلکہ یہ اخراجات کے لحاظ سے لاگت کاری حاصل کرنے میں معاون ہوں گی جبکہ کسی بھی غیر متوقع صورتحال میں قابل قدر صارفین کیلئے بلا تعطل رسد میں بھی معاون ہوں گی۔ انتظامیہ کا خیال ہے کہ نیا انفراسٹرکچر تعمیرات، کمپنی کی صنعت کے اندر تیزی سے ارتقا پذیر ہونے والی سرگرمیاں اور مارکیٹنگ محرکات کے اندر اتار چڑھاؤ سے بچانے میں معاون ہوں گی۔ APL متغیر مارکیٹ قوتوں کو موثر طور پر جواب دہی کے ذریعے ترقیاتی مقاصد حاصل کرنے کے لئے پیش عملی طور پر صلاحیتوں کو بہتر بناتا ہے۔ انتظامیہ مسلسل خارجی حالات میں محرکات کا جائزہ لیتی ہے جو اُن کی تشکیل کرتے ہیں تاکہ مسابقتی قوتوں اور محرکات میں تبدیلی کے عمل کا تعین کر سکے اور بروقت اور باخبر فیصلے لے سکے۔

کمپنی نے مسلسل دوسرے سال پاکستان میں سب سے معتبر ادارہ پاکستان آرمی کو POL مصنوعات فراہم کرنے کا بڑا حصہ جیت لیا ہے۔ APL مسلسل ایک دہائی سے پاکستان کی مسلح افواج کو آئل مصنوعات فراہم کر رہا ہے۔

کمپنی اپنے انک سارٹ فیول کارڈ (ASFC) ڈیپارٹمنٹ کے ترقیاتی اہداف پر بھی توجہ کر رہی ہے اور کمپنی کا آنے والے سالوں میں تیز رفتار ترقی حاصل کرنے کا ارادہ ہے۔

کمپنی کی آمدن اور آپریشن پر اثر انداز ہونے والے رجحانات وغیرہ قیمتی حالات:

بیرونی عوامل کی وجہ سے تیل کی قیمتوں میں اتار چڑھاؤ نے کمپنی کے آپریشنز کو نمایاں طور پر متاثر کیا ہے۔ عالمی واقعات اور سلسلہ وار جغرافیائی

اعلیٰ معیارات مقرر کرنا اور پورے پاکستان میں بہترین خدمات فراہم کرنا ہے۔ اپنی بنیادی اقدار پر انحصار کرتے ہوئے، کمپنی کی توجہ اس جانب مرکوز ہے کہ اپنی نمایاں اسیاف و صلاحیتوں اور عبوری اثرات سے نمٹنے کیلئے موثر رد عمل کے ذریعے مختلف مواقعوں سے فائدہ اٹھا کر مارکیٹ میں مسابقت پر مبنی برتری کا حصول کیا جائے۔

ایک آئل گروپ آف کمپنیز کے ساتھ ایک صدی سے زیادہ اجتماعی تجربے کی حامل انتظامیہ جدید ٹیکنالوجی کے بروقت استعمال کی اہمیت، حصص داران کی قدر کو زیادہ سے زیادہ بڑھانے، آپریشنل اشتراکی ارتقاء اور بنیادی ڈھانچے میں توسیع کو نمایاں اور اولین ترجیح دیتی ہے تاکہ مسلسل مسابقتی برتری کے امر کو وجود میں لایا جاسکے۔ APL مسلسل اپنی کارکردگی میں اضافے کی کاوش کرتا ہے اور صحت، حفاظت، تحفظ، ماحول کے ساتھ ساتھ اصولوں، اقدار کی پاسداری اور اخلاقیات کی پیروی پر زور دیتا ہے، کمپنی متحرک انداز سے اپنے قابل قدر صارفین کیلئے تجرباتی اور بے مثل خصائص میں مزید بہتری لانے کیلئے ترویجی اقدامات اٹھاتی ہے۔

اُبھرتے ہوئے رجحان اور سرسبز ماحول کے عملی تغیر کے ساتھ، APL کا مقصد و تائید کاربن کی تخفیف اور صحت مند معیشت و ماحول کیلئے صاف و بہترین ممکنہ توانائی حل کے ساتھ توانائی کی ترقی ہے۔ کمپنی پیش عملی کے طور پر متعدد توانائی طریق کار منصوبہ جات پر توجہ مرکوز کر رہی ہے تاکہ کم توانائی استعمال کرنے والے آلات متعارف کروا کے ملک بھر میں مختلف مقامات پر توانائی کی کھپت کو بہتر کیا جاسکے۔ راولپنڈی، ماچیکے (Machike) اور کورنگی (کراچی) میں بلک آئل ٹرمینلز پر توانائی کی بچت کیلئے تمام ہائی پریشر سوڈیم اور مرکزی لائٹس کو توانائی بچت کرنے والی ایل۔ای۔ ڈی (LED) لائٹس کے ساتھ تبدیل کر دیا گیا ہے اور مستقبل میں تمام ٹرمینلز پر اس عمل کو کرنے کا منصوبہ ہے۔

راولپنڈی بلک آئل ٹرمینل پر بجلی نظام کے اندر توانائی کے ضیاع میں مزید کمی کیلئے بجلی کے عمل کو بہتر بنانے والے نظام (پاور فیکٹر امپروومنٹ سسٹم) کی تنصیف کی منصوبہ بندی کی گئی ہے۔

اسٹوریج اور نئے ٹرمینلز کی تعمیر جاری ہے، اُن کیلئے وسائل مختص کر دیئے گئے ہیں اور اُن کی جلد تکمیل کیلئے سائنس پر تیزی سے کام کیلئے تیاری کر لی گئی ہے۔ کمپنی ترویجی مقامات پر بلک آئل ٹرمینلز قائم کر رہی ہے اور اسٹوریج سہولیات کی بڑھتی ہوئی تعداد پر توجہ مرکوز کر رہی ہے تاکہ مسلسل رسد کی ضمانت دے سکے۔ بعض اہم منصوبے اور تعمیرات زیر تکمیل ہیں اور بعض کامیابیاں درج ذیل ہیں:

• ماچیکے (Machike) بلک آئل ٹرمینل پر 5,000 میٹرک ٹن کی اسٹوریج کی گنجائش کی توسیع کامیابی کے ساتھ مکمل کر

متعلقہ کمپنیوں کے ساتھ لین دین کی پالیسی:

متعلقہ کمپنیوں کے ساتھ تمام لین دین عام کاروباری طریقہ کار میں ایک مخصوص حد کے اندر رہتے ہوئے کئے جاتے ہیں۔ اس کے علاوہ کمپنیز ایکٹ، 2017 کی دفعہ 208 اوپنیز (متعلقہ فریقین کے ساتھ لین دین اور متعلقہ ریکارڈ کی دیکھ بھال) ریگولیشنز 2018 کی مطابقت میں، بورڈ آف ڈائریکٹرز نے متعلقہ کمپنیوں کے ساتھ عام کاروباری طریقہ کار یا ایک مخصوص حد کے اندر رہتے ہوئے کئے گئے لین دین کی پالیسی منظور کی ہے۔ پالیسی ان کاروباری لین دین کو عمل میں لاتے وقت متعلقہ پارٹی کے ساتھ لین دین کے سلسلے میں کم از کم معلومات، بورڈ کی ذمہ داری، لین دین کی نوعیت اور قیمتوں کا تعین کرنے کے طریقوں کی پیروی کرنے کے بارے میں ہدایات فراہم کرتی ہے۔

بورڈ کے اراکین کو متعلقہ کمپنیوں کے ساتھ کسی معاہدے یا سمجھوتے میں اپنے مفاد کو افشاء کرنے کیلئے ان کی ذمہ داری کے بارے میں مطلع کیا گیا جیسا کہ کمپنیز ایکٹ 2017 کی دفعہ 209 کے تحت مطلوب ہے۔ اس سلسلے میں ڈائریکٹرز سے موصول کردہ معلومات کا رجسٹر بھی قانونی ضروریات کے مطابق برقرار رکھا جا رہا ہے۔ کاروباری لین دین جہاں ڈائریکٹرز کی اکثریتی تعداد کی دلچسپی ہو وہ اجلاس عام کیلئے حصص داران کی توثیق و منظوری کیلئے ارسال کر دیا جاتا ہے۔

کارپوریٹ گورننس کی ضروریات کے مطابق، متعلقہ کمپنیوں کے ساتھ کئے گئے کاروباری لین دین کی تفصیلات بورڈ آڈٹ کمیٹی کے سامنے مقررہ وقفوں سے پیش کی گئیں اور بورڈ کے سامنے جائزہ اور منظوری کیلئے پیش کی گئیں۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، جو پرائس واٹر ہاؤس کوپرنسٹ ورک کی ممبر کمپنی ہے، کی خدمات کا عرصہ مکمل ہو چکا ہے اور وہ 2019-20 کے لیے دوبارہ تعیناتی کی اہلیت رکھتے ہیں۔ بورڈ کی آڈٹ کمیٹی نے یہ سفارش کی ہے کہ انھیں اگلے مالی سال کے لیے بھی آڈیٹرز مقرر کیا جائے جس کا اختتام 30 جون 2020ء کو ہوگا۔ بورڈ نے بھی اس سفارش کو حصص داروں کے آئندہ سالانہ اجلاس عام میں منظوری کے لیے پیش کرنے کی منظوری دی ہے۔

مستقبل کے منصوبے اور امیدیں

چیلنجز اور مسابقتی ماحول میں کام کرنے والی ایک ممتاز کمپنی ہونے کے ناطے، APL کا اولین مقصد اعلیٰ معیار پر مبنی مصنوعات کی بلا تعطل رسد کیلئے

اجلاس میں ڈائریکٹرز کی حاضری:

نمبر شمار	نام	بورڈ آف ڈائریکٹرز اجلاس	آڈٹ کمیٹی اجلاس	ایچ آر & آر کمیٹی اجلاس
1-	جناب لیٹ جی فرعون *	5/5		1/1
2-	جناب وائل جی فرعون *	5/5		
3-	جناب شعیب اے ملک	5/5		1/1
4-	جناب عبدالستار	5/5	4/4	
5-	جناب بابر بشیر نواز	5/5	4/4	
6-	لیفٹیننٹ جنرل (ر) جاوید عالم خان	5/5	3/4	
7-	جناب محمد رضی الدین	5/5	4/4	1/1

* بیرون ملک ڈائریکٹرز اجلاس میں بذات خود یا ان کی طرف سے نمائندہ ڈائریکٹر شرکت کرتے ہیں۔

مندرجہ بالا فہرست میں دیے گئے نام ان اشخاص کے ہیں جو دوران سال کمپنی میں ڈائریکٹر کے عہدہ پر فائز رہے ہیں۔

پاکستان سے باہر منعقدہ اجلاس:

30 جون 2019 کو ختم ہونے والے سال کے دوران، بورڈ آف ڈائریکٹرز کے دو اجلاس پاکستان سے باہر منعقد ہوئے۔ 30 جون 2018 کو ختم ہونے والے سال کے مالیاتی گوشواروں کی منظوری کی لئے اجلاس دبئی (متحدہ عرب امارات) میں منعقد ہوا۔ جبکہ 31 دسمبر 2018 کو ختم ہونے والی ششماہی کے لئے مالیاتی گوشواروں کا جائزہ اور منظوری کے لئے اجلاس استنبول، ترکی میں منعقد ہوا۔

ڈائریکٹرز کا معاوضہ:

بورڈ آف ڈائریکٹرز نے اجلاسوں میں شرکت کرنے والے ڈائریکٹرز کیلئے اعزازیے / معاوضے کیلئے پالیسی منظور کی ہے۔ بورڈ کے اجلاسوں میں شرکت کیلئے اجلاس فیس مقرر کی گئی ہے جبکہ بورڈ اجلاسوں میں شرکت کے سلسلے میں اخراجات کی ادائیگی کیلئے بھی پالیسی میں گنجائش موجود ہے۔ انتظامی، غیر انتظامی اور آزاد ڈائریکٹرز کے معاوضے کیلئے پالیسی بدستور رہی ہے۔

حصول کے بارے میں معقول یقین دہانی فراہم کرتا ہے۔ قابل اطلاق قوانین اور ضوابط کی تعمیل بھی اندرونی کنٹرول پر انحصار پذیر ہے اور کمپنی نے قابل اعتماد کنٹرول کو لاگو کیا ہے تاکہ اس امر کو یقینی بنایا جاسکے کہ مضبوط لوازمات کی تکمیل کی گئی۔ اندرونی مالیاتی کنٹرول کی وقتی طور پر نظر ثانی کی جاتی ہے تاکہ اس امر کو یقینی بنایا جائے کہ مذکورہ بدستور نافذ العمل کو ترمیمی قوانین اور ضوابط کے ساتھ آپ ڈیٹ کر دیا گیا ہے۔

بورڈ آف ڈائریکٹرز کا ڈھانچہ، اس کی کمیٹیاں اور اجلاس:

"ضابطہ برائے تجارتی انتظام و انصرام 2017ء" (کارپوریٹ گورننس) کے قواعد کی تکمیل کے لیے کمپنی کے بورڈ کے ہر ڈائریکٹر کی حیثیت کو چاہے وہ مرد ہے یا عورت، انتظامی ہے، غیر انتظامی یا آزاد، گوشوارہ برائے تعمیل (سٹینٹ آف کمپلائنس) میں پیش کر دیا گیا ہے۔

اس برس بورڈ کمپنی کے منافع اور حصص داروں کی ادائیگیوں میں اضافہ کے لیے مسلسل مصروف رہا۔ انہوں نے یہ خدمات مختلف قوانین، ضوابط اور کمپنی کے "میسورنڈم اور آرٹیکلز آف ایسوسی ایشن" کے تحت انجام دیں۔ بورڈ آف ڈائریکٹرز کے پاس مختلف کاروباری مسائل سے نمٹنے کے لئے مہارت، صلاحیت، علم اور تجربہ موجود ہے۔ بورڈ کا چیئرمین غیر انتظامی ڈائریکٹر ہے۔

زیر جائزہ برس میں بورڈ کے پانچ اجلاس منعقد ہوئے جس میں مالیاتی گوشوارے کا جائزہ لینے کے علاوہ، انتظامی امور کا جائزہ اور کمیٹیوں کی جانب سے بھیجے جانے والے امور کو نمٹایا گیا۔

آڈٹ کمیٹی:

آڈٹ کمیٹی چار غیر انتظامی ڈائریکٹرز پر مشتمل ہے جو متعلقہ مہارت رکھتے ہیں جس میں دو آزاد ڈائریکٹرز ہیں اور چیئرمین بھی آزاد ہیں۔ اس کمیٹی کے چار اجلاس ہوئے جو ہمیشہ بورڈ اجلاس کے انعقاد سے پہلے منعقد ہوتے ہیں۔

انسانی وسائل اور اعزاز یہ کمیٹی:

انسانی وسائل اور اعزاز یہ (HR&R) کمیٹی بورڈ کے دو غیر انتظامی ارکان اور سی ای او پر مشتمل ہے۔ کمیٹی کا چیئرمین آزاد ڈائریکٹر ہے۔ اس کمیٹی کا سال میں ایک مرتبہ اجلاس ہوا جس میں انسانی وسائل سے متعلق امور پر غور کیا گیا۔

- 2- حسابداری کے درست کھاتے رکھے جاتے ہیں۔
- 3- مالیاتی گوشواروں کی تیاری کے لیے ہمیشہ مناسب اور متعلقہ اکاؤنٹنگ پالیسی اختیار کیا جاتی ہے اور حسابداری کے گوشوارے ہمیشہ انتہائی منطقی اور محتاط اندازوں پر مشتمل ہوتے ہیں۔
- 4- پاکستان میں لاگو "انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز" کو مالیاتی گوشواروں کی تیاری کے لیے بروئے کار لایا جاتا ہے۔
- 5- اندرونی کنٹرول کا نظام مضبوط بنیادوں پر استوار ہے اور موثر طریقے سے مسلسل نگرانی کی جاتی ہے۔
- 6- کمپنی کے قائم نہ رہنے کے حوالے سے کسی بھی قسم کا کوئی خدشہ نہیں پایا جاتا۔
- 7- گزشتہ برس کے انتظامی نتائج سے واضح انحراف کا اس رپورٹ میں ذکر کیا گیا ہے۔
- 8- گزشتہ 6 برس کے مالی اور انتظامی امور سے متعلق اعداد و شمار کا خلاصہ اس رپورٹ کے ساتھ منسلک ہے۔
- 9- حکومت کو واجب الادا تمام رقوم جو 30 جون 2019ء تک ادا کرنی تھیں، ادا کی جا چکی ہیں۔
- 10- کمپنی مستقبل کے لیے انتظامی ڈھانچے میں بڑی تبدیلی یا اپنی خدمات موقوف کرنے کا کوئی منصوبہ نہیں رکھتی۔
- 11- مالیاتی کھاتوں کے تازہ ترین آڈٹ جو 30 جون 2019ء پر مشتمل ہے، اس کے مطابق ملازمین کی ریٹائرمنٹ فنڈ کی سرمایہ کاری کچھ یوں ہے:

ملازمین کا گریجویٹ فنڈ	105.585 ملین روپے
ملازمین کا پرائیڈنٹ فنڈ	193.719 ملین روپے

- 12- 30 جون 2019ء تک کمپنی کے حصص داروں کی کل تعداد 3,665 تھی۔ حصص کی خرید و فروخت کا نقشہ اور متعلقہ اطلاعات بطور ضمیمہ لف ہے۔
- علاوہ ازیں، اس ضابطے پر عمل درآمد کا چیئرمین سے دستخط شدہ اقرارنامہ اس رپورٹ کے ساتھ الگ سے لف ہے۔

داخلی مالیاتی کنٹرول کی موزونیت:

کمپنی کا اندرونی مالیاتی کنٹرول بورڈ آف ڈائریکٹرز کی جانب سے مختلف پالیسیوں کے ذریعے مرتب اور لاگو کیا گیا ہے۔ ان کنٹرولز کو لاگو کیا گیا ہے تاکہ کاروبار کو موثر اور احسن طور پر چلایا جاسکے، کمپنی کے اثاثہ جات کی حفاظت، دھوکہ دہی اور غلطی کا تدارک و سراغ، مالی حسابات کی درستگی و تکمیل اور قابل اعتماد مالی معلومات کی بروقت تیاری کی جاسکے۔ داخلی کنٹرول موزونیت قابل اعتماد مالی رپورٹنگ کے ذریعے کمپنی کے مقاصد کے

بورڈ کی طرف سے لیے گئے فیصلے اور انتظامیہ کو تفویض کردہ اختیارات:

بورڈ آف ڈائریکٹرز اس امر کو یقینی بناتے ہیں کہ کمپنی کے حصص داران کی جانب سے مقرر کردہ نقطہ نظر اور مشن انتظامیہ کی طرف سے قائم رکھا جائے۔ اس مقصد کو حاصل کرنے کے لیے، بورڈ کی طرف سے پالیسیاں اور مقاصد کو اس طریقہ سے مقرر کیا جاتا ہے کہ ان کا انتظامیہ کی طرف سے اطلاق کے نتیجے میں کمپنی کو فائدہ ہو۔ بورڈ طویل المدت اثرات رکھنے والے اعلیٰ سطح کے کلیدی فیصلوں میں شامل ہے۔ اس میں اہم سرمایہ کاری، انصارم سرمایہ کاری، مصارف اصل، مقرر اثاثہ جات کی فروخت، بجٹ کی منظوری، مالیاتی گوشواروں کی منظوری، مستقبل کے منصوبہ جات اور منافع منقسمہ کا اعلان وغیرہ شامل ہے۔

آپریشنل سطح کے فیصلے جو 1 تا 2 سال تک وسطی مدت اثرات کے حامل ہوں، وہ بورڈ کی طرف سے انتظامیہ کو تفویض کر دیے جاتے ہیں ان میں قلیل المدت سرمایہ کاری، خریداری و فروخت کے معاہدہ جات، پالیسیوں کا نفاذ، سرمایہ و ٹیکس اور اسٹاک مینجمنٹ وغیرہ شامل ہیں اور بورڈ نے کمپنی کے روزمرہ امور چلانے کی ذمہ داری دی ہے۔

غیر ملکی ڈائریکٹرز کی سکیورٹی کلیرنس:

غیر ملکی ڈائریکٹرز کو SECP کے ذریعے وزارت داخلہ سے سکیورٹی کلیرنس کی ضرورت ہوتی ہے۔ اس بابت APL کے ڈائریکٹرز کے الیکشن کے وقت تمام قانونی تقاضوں اور ضروریات کو پورا کیا گیا ہے۔

ڈائریکٹرز اور کارکنان کے لیے ضابطہ اخلاق:

"ضابطہ برائے تجارتی انتظام و انصرام 2017 کے مطابق کمپنی کے تمام ڈائریکٹرز اور ملازمین کو ضابطہ اخلاق کی نقل فراہم کی گئی۔ اس ضابطے میں وہ تمام اصول بیان کیے گئے ہیں جن پر عمل کر کے کاروبار کی تمام سرگرمیوں کو ایمانداری اور اخلاقی معیارات کے مطابق انجام دیا جاتا ہے۔

ضابطہ برائے تجارتی انتظام و انصرام کی تعمیل:

کمپنی تجارتی انتظام و انصرام 2017ء کے تقاضوں کے مطابق تمام امور پر عمل پیرا ہے۔ ان میں سے بعض مخصوص امور درج ذیل ہیں:

1۔ انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے تمام معاملات کو واضح طور پر پیش کرتے ہیں جیسے سرگرمیوں کے نتائج، رقم کی آمد و رفت اور کاروباری سرمایہ میں ہونے والی تبدیلیاں۔

سرٹیفکیٹ حاصل کر چکے ہیں جبکہ مارچ 2018 میں نو منتخب شدہ ڈائریکٹر لیفٹیننٹ جنرل (ر) جاوید عالم خان نے SECP کے منظور شدہ ادارے سے یہ ٹریننگ حاصل کی ہے۔ چار ڈائریکٹرز جناب لیٹ جی فرعون، جناب وائل جی فرعون، جناب شعیب اے ملک اور جناب عبدالستار کو متعلقہ قواعد کی روشنی میں اسٹیٹ حاصل ہے۔

ڈائریکٹرز کارمی تعارف:

ڈائریکٹرز کو موجودہ متعلقہ قوانین اور کارپوریٹ گورننس کی بابت موجودہ معاملات بشمول گورننس فریم ورک اور ریگولیٹری تبدیلیوں کے بارے میں آگاہ رکھا جاتا ہے۔ ڈائریکٹرز ضابطہ کارپوریٹ گورننس کے علاوہ کمپنیز ایکٹ، 2017 کے تحت مختلف ضوابط کا مکمل اور عملی ادراک رکھتے ہیں۔ اس کے علاوہ، بورڈ میں نئے تقرر شدہ ڈائریکٹرز کو متعلقہ قوانین اور ضوابط کا خلاصہ فراہم کیا جاتا ہے۔ چیئرمین بورڈ ڈائریکٹرز کے معیاد عہدہ کے آغاز پر، ان کو ان کے کارہائے منصبی و ذمہ داریوں سے بھی آگاہ کرتا ہے۔ موجودہ قوانین میں کسی بھی ترامیم یا نئے اجراء کردہ نوٹیفکیشن کا ڈائریکٹر کے ساتھ وقتاً فوقتاً تبادلہ کیا جاتا ہے۔

متنبہ کرنے کی پالیسی:

متنبہ کرنے کی پالیسی کمپنی کو دھوکہ دہی سے بچاتی ہے یا ممکنہ کوشش کا سراغ لگاتی ہے اور ملازمین، صارفین یا دیگر اسٹیک ہولڈرز کی جانب سے کسی بھی بے ضابطگی کا انکشاف کرتی ہے اور ”متنبہ کرنے والے“ یعنی دھوکا دہی کی اطلاع دینے والے کے تحفظ کو یقینی بناتی ہے۔ یہ ملازمین کو خوف اور تعصب کے بغیر بلا اعتدال سرگرمیوں کے بارے میں اپنے خدشات کو سامنے لانے اور ان کی رپورٹ کرنے میں ان کی حوصلہ افزائی کرتا ہے۔

”متنبہ کرنے والوں“ کو ایک پلیٹ فارم فراہم کرنے کی پالیسی پہلے سے وضع شدہ ہے تاکہ وہ بدلہ لینے کے کسی بھی خوف کے بغیر جیسے امتیازی سلوک، ظلم، اذیت وغیرہ اپنی تکالیف اور خوف یا کسی بھی مشکوک یا قابل اعتراض واقعات / سرگرمیوں کے بارے میں جو کمپنی کی پالیسیوں کے خلاف ہوں یا جو APL کی نیک نامی یا کاروبار میں خلل انداز ہوں کی رپورٹ پہلے سے نشاندہی کردہ اتھارٹی کے سامنے کر سکے۔

کمپنی کو اطمینان ہے کہ اس کا ایک مستند اور شفاف کام کرنے والا ماحول ہے۔ ”متنبہ کرنے والوں“ کی جانب سے کئے جانے والا کسی بھی دعویٰ کا مناسب طریقے سے معائنہ اور منصفانہ جانچ پڑتال کی جاتی ہے۔ انتظامیہ ”متنبہ کرنے والوں“ کی طرف سے کئے جانے والے دعویٰ جات کو پیش کرنے کا حق محفوظ رکھتی ہے جیسے وہ مناسب تصور کرے۔ سال کے دوران ایسا کوئی بھی واقعہ رپورٹ نہیں ہوا۔

چیئر مین اور چیف ایگزیکٹو آفیسر (سی ای او) کا کردار:

چیئر مین بورڈ آف ڈائریکٹرز کی قیادت کرتا ہے اور اسی بورڈ کے غیر انتظامی ڈائریکٹرز میں سے منتخب کیا جاتا ہے۔ چیئر مین کے بنیادی فرائض میں اجلاس کی سربراہی کرنا، ایجنڈا طے کرنا اور رُوداد کی توثیق کرنا اور اس بات کو یقینی بنانا شامل ہے کہ بورڈ اپنا کام درست طور پر انجام دے۔ اس کے علاوہ اگر مفادات کا تصادم سامنے آئے تو انھیں دُور کرنا اور بورڈ آف ڈائریکٹرز کی افادیت اور کارکردگی میں اضافہ کرنا بھی ان کے فرائض میں شامل ہے۔ چیئر مین، ڈائریکٹرز کے معیاد عہدہ کے آغاز پر، ان کی منصبی ذمے داریوں، فرائض و اختیارات سے متعلق مطلع کرتا ہے تاکہ ان کو کمپنی کے امور چلانے میں موثر طریقے سے مدد ملے۔

سی ای او کمپنی کا منتظم اعلیٰ ہوتا ہے اور کمپنی کے تمام اُمور کی انجام دہی کا ذمہ دار ہوتا ہے۔ سی ای او حکمت عملی تیار کرنے اور بورڈ کی منظوری کے بعد اس پر عمل درآمد کرنے کا ذمہ دار ہوتا ہے۔ سی ای او کمپنی کی کارکردگی کی رپورٹ بورڈ آف ڈائریکٹرز کو پیش کرتا ہے اور حصص مالکان کے سرمایہ میں اضافے کے لیے اپنی تجاویز اور حکمت عملی کی سفارشات مرتب کرتا ہے۔

بورڈ آف ڈائریکٹرز نے چیئر مین اور سی ای او کے فرائض اور ذمے داریوں کی وضاحت اور ان کی تقسیم کر رکھی ہے۔

سی ای او کی کارکردگی کا جائزہ:

بورڈ سی ای او کی کارکردگی کا جائزہ مالیاتی اور غیر مالیاتی معیارات کے مطابق لیتا ہے۔ بورڈ اس بات کا بھی تعین کرتا ہے کہ سی ای او کے تحت کمپنی کے بلا تعطل آگے بڑھنے کے امکانات کیا رہے ہیں۔

زیر جائزہ برس میں بورڈ آف ڈائریکٹرز سی ای او (CEO) کی کارکردگی سے پوری طرح مطمئن ہیں۔ مختلف نئے منصوبوں کے آغاز، مارکیٹ میں بہتر موجودگی، موجودہ ٹرینڈز کی بہتری کے علاوہ کئی نئے ٹرینڈز کی تعمیر کمپنی کی بہترین کارکردگی کے چند واضح ثبوت ہیں۔

ڈائریکٹرز کے لیے تربیتی پروگرام:

کمپنی اس بات کو یقینی بناتی ہے کہ "سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)" کے قواعد و ضوابط پر پوری طرح عمل کرے اور اسی سلسلے میں "ڈائریکٹرز ٹریننگ پروگرام (DTP)" کے معیارات پر پورا اترتی ہے۔ دو ڈائریکٹرز، جناب بابر بشیر نواز اور جناب محمد رضی الدین، پہلے ہی یہ

کے ذریعے موثر اور کارگزار کاروباری طریقوں کا اطلاق کیا ہے۔ بورڈ کسی بھی بھول چوک کو مزید بہتر بنانے یا ایسے واقعات نئے طریقوں سے انصرام کرنے کیلئے وقفوں وقفوں سے نظام کی افادیت کا جائزہ لیتا ہے۔

تجارتی انتظام و انصرام / کارپوریٹ گورننس

کمپنی نے ایسا ماحول تخلیق کیا ہے جہاں کارپوریٹ گورننس کے اصول کمپنی کی پالیسی اور طریق عمل میں ضم ہے۔ کسی بھی کمپنی کے لیے اچھا تجارتی انتظام و انصرام انتہائی اہمیت کا حامل ہوتا ہے۔ بورڈ اس امر کو یقینی بناتا ہے کہ تمام سرگرمیوں کو بہترین طریقہ عمل کے مطابق انجام دیا جائے۔ حال ہی میں کارپوریٹ گورننس ریگولیشنز 2017 کے تحت کارپوریٹ گورننس کے ڈھانچے میں تبدیلیوں کے تناظر میں، APL نے اقدامات کئے ہیں تاکہ اس امر کو یقینی بنایا جاسکے کہ یہ قانون کی نئی ضروریات کے مکمل طور پر مطابق ہو اور اس لئے، کمپنی سرمایہ کاروں کیلئے انتہائی قابل اعتماد ہے۔ سرمایہ کاروں کے ساتھ رابطے میں شفافیت بدستور سب سے اہم ہے۔ اور ہر قدم پر اچھے نظم و نسق کے اصولوں کے ساتھ مطابقت کیلئے پیشہ ورانہ کارپوریٹ کلچر کا اطلاق انتہائی لازمی ہے۔

بورڈ، اس کی کمیٹیوں اور بورڈ اراکین کا سالانہ جائزہ:

ضابطہ کارپوریٹ گورننس بورڈ کی جانب سے اس کی حقیقی روح کے مطابق اپنایا گیا ہے۔ اراکین بورڈ، بورڈ کی کمیٹیاں اور بورڈ کی کارکردگی مجموعی طور پر موثر طریقے سے کمپنی کی مجموعی کارکردگی کو ظاہر کرتی ہے لہذا یہ انتہائی اہم ہے۔ بورڈ اور کمیٹیوں کی کارکردگی کو بہترین طریقوں کے اطلاق سے بہتر کیا جاسکتا ہے جبکہ بورڈ کے اراکین کی کارکردگی کو پیشہ ورانہ کارپوریٹ کلچر کو فروغ دے کر بہتر کیا جاسکتا ہے۔

ضابطہ کارپوریٹ گورننس بورڈ سے بورڈ کی اپنی کارکردگی، اراکین بورڈ اور اس کی کمیٹیوں کی سالانہ کارکردگی کے جائزے کے لئے باقاعدہ اور موثر نظام وضع کرنے کا تقاضا کرتا ہے۔ جیسا کہ مطلوب ہے، کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ، اس کے اراکین اور اس کی کمیٹیوں کی سالانہ بنیادوں پر موثریت کی تشخیص کیلئے ایک اندرونی نظام وضع اور منظور کیا ہوا ہے۔

دوران سال، بورڈ اور اس کی کمیٹیوں کی تشخیص اس نظام کو استعمال کرتے ہوئے کی گئی تاکہ بورڈ کی موثریت کو مزید بہتر بنایا جاسکے۔ کارپوریٹ گورننس میں ارتقاء کا مسلسل جائزہ لیا جاتا ہے اور اچھے کارپوریٹ گورننس کے اصولوں کے مطابق بورڈ کو ڈھالنے کیلئے اُن کا اطلاق کیا جاتا ہے۔

APL میں ملازمین، مختلف قسم کے مادہ جات اور تنصیبات کی سیکورٹی کو انتہائی ترجیح دی جاتی ہے۔ تیل کے ذخیرہ کے تمام ٹرمینلز کی باقاعدہ طور پر درجہ بندی انٹیلی جنس ڈویژن کے اہم مقامات کے بیان پر مبنی کتابچے ”اہم مقامات، 1983ء کی سیکورٹی اور تحفظ“ کے متعین کردہ اہم مقامات کے مطابق کی گئی ہے۔ اہم مقامات کے لیے تمام سفارش کردہ سیکورٹی اقدامات جیسا کہ حکام نے بیان کئے ہیں، ان پر باقاعدہ اور مکمل عمل کیا گیا ہے۔ علاوہ ازیں سیکورٹی کے ماحول کی مسلسل نگرانی ضلعی حکام، قانون نافذ کرنے والے اداروں اور دیگر متعلقہ حلقوں کے قریبی تعاون کے ساتھ کی جاتی ہے تاکہ باقاعدگی سے سیکورٹی کے معیارات میں بہتری لائی جاسکے۔

انفارمیشن ٹیکنالوجی کا خطرہ:

انفارمیشن ٹیکنالوجی سے کئی اندرونی اور بیرونی خطرات کا سامنا رہتا ہے۔ ان میں اندرونی خطرات میں سسٹم کے کام نہ کرنے کے دوران بے یا تعداد میں اضافہ، کارکنان کے غیر متعلقہ حصوں تک پہنچ اور خفیہ اعداد و شمار و معلومات تک رسائی شامل ہے جبکہ بیرونی خطرات میں صنعت میں جدید تر سوفٹ ویئرز اور ہارڈ ویئرز کے متعارف ہونے کے ساتھ در آنے والے خطرات اور سائبر کرائم شامل ہیں۔

کمپنی نے ایک مرکزی ڈیٹا بیس قائم کیا ہے جہاں ہر آن لائن لین دین اُسی وقت ظاہر اور ثبت ہو جاتا ہے۔ نصف شب کو روز کے روز سارے دن کے اعداد و شمار کی حفاظتی نقل کمپیوٹر خود بخود تیار اور محفوظ کر لیتا ہے۔ مزید تحفظ کے خیال سے مختلف وقفوں سے اور ہر ماہ یہ تمام ڈیٹا ہارڈ ڈسک اور ڈیٹا ٹیپ پر بھی محفوظ کر لیا جاتا ہے۔ علاوہ ازیں تمام اعداد و شمار اور معلومات کی اضافی حفاظت کو مد نظر رکھتے ہوئے کمپنی کی حدود سے باہر بھی ایک نقل محفوظ رکھی جاتی ہے۔

آفات سے بحالی اور کاروبار کے تسلسل کی منصوبہ بندی:

عالمی رجحانات، بڑھتی ہوئی افراط زر، بین الاقوامی معیشت، سیاسی افراتفری، عالمی سطح پر قیمتوں کا اتار چڑھاؤ، اشیاء کی کمی اور قیمتوں کا تعین، کمر مالی نمو، توانائی بحران، برآمدات میں خسارہ، بے روزگاری، ٹیکنالوجیکل جدت اور بڑھتے ہوئے مقابلے کی وجہ سے کاروباری تسلسل کے جائزے کی ضرورت اُجاگر ہوئی ہے اور مذکورہ رکاوٹوں کے خلاف حفاظتی لائن میں اضافہ کرنے کی ضرورت ہے۔

موثر صلاحیتوں میں اضافہ کرنے یا آفات کے اثرات کو کم کرنے کیلئے، بحالی پلان کم از کم نقصان کے ساتھ آپ کو بدترین رکاوٹوں سے واپس بحال کرتا ہے۔ کمپنی نے تزدیرواتی ڈھانچے کی ترقی کے توسط متواتر اور متوازن کاروباری آپریشنز کیلئے اور مختلف درآمدی لائنوں کے متبادل رسدی چیلنجز

کمپنی ایسے تمدن کو فروغ دیتی ہے جہاں اُس کی توجہ اپنے ملازمین کی بڑھوتری و ترقی، انتظامی اور تکنیکی مہارت پر ہوتی ہے۔ کمپنی کے معاون اور مثبت تمدن کا فائدہ تب ہوتا ہے جب یہ اچھے ملازمین کو راغب کرتی ہے اور اپنے پاس روکتی ہے۔

APL اپنے سب سے اہم اثاثے ”ملازمین“ کی اہمیت کو جاننا اور تسلیم کرتا ہے اور اُن کی معاونت کو تسلیم کرتے ہوئے اُن کی قدر کرتا ہے۔ معاوضے کی پالیسیاں نہ صرف ملازمین کو کام کی جانب راغب کرنے بلکہ اہل افراد کو اپنی طرف متوجہ اور اپنے پاس روکے رکھنے کیلئے بھی وضع کی جاتی ہیں۔

ملازمین کو معاوضہ ٹیکجز اور فوائد کے ساتھ دیا جاتا ہے جس میں مارکیٹ مسابقتی تنخواہ، طبی سہولیات، رخصت بمعہ تنخواہ وغیرہ شامل ہیں۔ اس طرح تنظیم میں اُن کی اہمیت کے بارے میں اُن کو زبردست تاثر جاتا ہے۔

صحت، سلامتی، ماحول اور سکیورٹی (HSE):

APL ہر روز ہر مقام پر حادثے سے محفوظ کام کرنے کی جگہ فراہم کرنے کا عزم رکھتی ہے۔ لوگوں کی حفاظت کرتے ہوئے اور ماحول پر اثرات کو کم کرتے ہوئے ہماری کارکردگی کا انحصار صارفین کو فراہم کردہ خدمات کے معیار کو مسلسل بہتر بنانے کی صلاحیت پر منحصر ہے۔ کمپنی کام کی تمام سرگرمیوں میں صحت، حفاظت اور ماحول کے سلسلے میں انتہائی پر عزم ہے کمپنی میں ہم صحت، حفاظت اور ماحول کے سلسلے میں تمام پالیسیوں، ضابطہ کار اور معیارات کی تعمیل یقینی بنانے پر کاربند ہیں۔ کمپنی ملازموں کی حفاظت، سیکورٹی، صحت اور ماحول سے متعلق تمام ذمہ داریوں کو اپنے مراکز کی حفاظت اور ترقی سے زیادہ اہمیت دے کر پورا کرتی ہے۔

کمپنی صحت، حفاظت اور ماحول اور سماجی کارکردگی کا انتظام اپنی ذمہ داری، پالیسی، سماجی قوانین اور متعلقہ پرمٹ اور منظوریوں کی شرائط کے مطابق کرتی ہے۔ کمپنی نئے منصوبوں کے سلسلے میں پلان، ڈیزائن اور سرمایہ کاری کے فیصلے کرنے کے عمل میں ماحولیاتی اور سماجی عوامل کو نظام کا حصہ بنانے کے لیے تقاضہ جات کو بھی مد نظر رکھتی ہے۔ ان ذمہ داریوں کو پورا کرنے کا عزم صارفین، ملازمین، کنٹریکٹر، مختلف فریقوں اور معاشرے کے مختلف طبقات کے بہترین مفاد میں کیا جاتا ہے۔ کمپنی کی صحت، حفاظت اور ماحول کے سلسلے میں پالیسی اس امر کی صحیح عکاس ہے کہ کاروباری عمل صحت، حفاظت اور ماحول سے متعلق قانون سے متصادم نہ ہو۔

اول کی کمپنی ہے جس کے ذریعے یہ ریٹیل اور صنعتی صارفین دونوں کی خدمت کرتی ہے۔ گروپ کمپنیوں کی معاونت اور 100 سال سے زائد اجتماعی تجربے کی حامل انک پٹرولیم کمپنی عالمی اور ملکی مارکیٹ کے رجحانات کے بارے میں پیشگی طور پر فعال رہتی ہے۔ مزید برآں، سال کے دوران مسلسل درآمد نے کمپنی کے تزییریاتی تجارت تعلق کو تقویت دی۔ علاوہ ازیں اعلیٰ مصنوعات کے ماخذ کے لحاظ سے کمپنی کی چمک کو مزید مستحکم بنایا اور کسی بھی حالات میں ملک کے اندر اپنے قابل قدر صارفین کیلئے پٹرولیم مصنوعات کی ایک ضمانتی رسد کنندہ کے کمپنی کی حیثیت میں اضافہ کیا۔

حال ہی میں متعدد نئی کمپنیاں اس صنعت سے وابستہ ہوئیں اور مختلف چیلنجز اور کمزورت مواقعوں کے ساتھ شدید مقابلے کی فضا بھی پیدا ہوئی۔ مقابلہ کرنے کیلئے، کمپنی مواقعوں کو حاصل کرنے اور ملک کی ترجیحی آئل کمپنی بننے کے بارے میں اپنے عزم کو مستحکم کر رہی ہے۔

سال کے دوران، کمپنی نے اپنے آپریٹنگ امور کی استعداد میں اضافہ کیا ہے۔ اسٹوریج ٹرمینل نیٹ ورک پر خصوصی توجہ مرکوز کی ہے، اسٹوریج گنجائش میں اضافہ، موثر توانائی کا انتظام اور بھرائی و ترسیلی نظام کو زیادہ کارگزار بنانا وغیرہ کچھ اہم اقدامات ہیں جو کمپنی کی جانب سے لئے گئے ہیں تاکہ استعداد کو مستحکم کیا جاسکے اور آنے والے وقت میں وہ معزز صارفین کیلئے مزید کارآمد بنائے جاسکیں۔

اسی طرح، مقابلے میں آگے رہنے کیلئے، کمپنی نے اپنے معزز صارفین کیلئے تمام ریٹیل آڈیٹریٹس پر جدید ترین حل پیش کرنے کی کوشش کی ہے اور ان کی تمام ضروریات کو پورا کرنے کیلئے ایک چھت تلے (ون ونڈو) حل فراہم کر رہی ہے اور بدلتے ہوئے مارکیٹ حالات کے مطابق خود کو ڈھال رہی ہے۔ خواہ یہ سمارٹ فیول کارڈ نیٹ ورک کی تیز رفتار توسیع ہو، ادائیگیوں کی سہولیات ہوں، ہمارے صارفین کو کریڈٹ کارڈ کی سہولت کی فراہمی ہو، اے ٹی ایم مشینیں یا ہمارے موجودہ نیزے ریٹیل آڈیٹریٹس پر دیگر ریٹیل سہولیات ہوں۔

اس طرح، صارفین کے تجربے میں اچھا اور خوش نما اضافہ کر کے اور مقابلہ بازی سے پیدا شدہ خطرات کا مقابلہ کر کے کمپنی بہترین صنعتی طریق عمل کو اختیار کرنے اور جدید آلات اور خدمات کو بروئے کار لانے میں یقین رکھتی ہے تاکہ اپنے ریٹیل آڈیٹریٹس پر صارفین کی تعداد میں اضافہ کر سکے۔

انسانی وسائل:

APL، مساوی مواقع فراہم کرنے والا آجر ہے، اس نے باصلاحیت اور جدید پیشہ ورانہ مہارت رکھنے والوں کو ملازمت فراہم کرنے کا تہیہ کیا ہوا ہے۔ ملازمین کو سرمایہ کاری کے طور پر لیا جاتا ہے اور کمپنی کی سود مندی اور ترقی کیلئے ان کی شرکت کلی طور پر قابل قدر ہے۔

پاکستان میں زیر جائزہ سال میں قیمتوں میں مزید اتار چڑھاؤ دیکھنے میں آیا جس کی وجہ امریکی ڈالر کے مقابلے میں روپے کی شرح مبادلہ کی تیزی سے گزرتی صورتحال ہے۔ مشکلات کو دور کرنے کے لیے APL نے ممکنہ الحصول مواقع پر توجہ مرکوز کرنا جاری رکھا اور عملی طور پر موزوں ٹیکنیکل صلاحیت، سیاسی آزادی کے ساتھ ادارہ جاتی انتظامات کو بہتر بنایا ہے اور تمام شعبوں میں مطابقت سازی کی۔

تیل کی قیمتوں میں اضافے کے بڑے عوامل اور ارضی و سیاسی پہلوؤں کی پیش گوئی کی نگرانی کر کے بار بار جائزہ لیا جاتا ہے تاکہ مستقبل میں ممکنہ آپرینگ صورتحال کا تعین کیا جاسکے۔ صنعت کی حساسیت کا ادراک کر کے APL صارفین کی ضروریات پوری کرتا ہے اور انتہائی اتار چڑھاؤ کی شکار مارکیٹ میں تیل کے ذخیرہ کے اچھے انتظام کے لیے کاوشیں کرتا ہے۔

جغرافیائی سیاسی اور ٹیکجورنی کے مسائل:

جغرافیائی سیاسیات پاکستان میں آئل اور گیس کے سیکٹر میں کام کرنے والی کمپنیوں کے لیے مصائب کا باعث ہے اور اسے دونوں خطرے اور مواقع کے ایک ذریعے کے طور پر دیکھا اور سمجھا جاسکتا ہے۔ اگرچہ ملک میں امن و امان اور دہشت گردی کے مقابل سیکورٹی کی صورتحال میں بہتری آئی ہے مگر شدت پسند سیاسی رویے کے رجحان، عالمی معیشت، اجناس کی راہ میں حائل رکاوٹوں اور قیمتوں کے تعین، کم زری نموء، توانائی کا بحران، برآمدات کے خسارہ اور بے روزگاری کے ساتھ ساتھ رکی ہوئی سرمایہ کاری سے ظاہر ہوتا ہے کہ عالمی عدم استحکام میں اضافہ ہو رہا ہے۔

حالیہ عالمی واقعات، یعنی نیا عالمی توانائی منظر، ٹیکنالوجی میں جدت، اہم اقتصادی ممالک کے درمیان تجارتی مقابلہ، ایران پر اقتصادی پابندیاں اور کشیدگی اور ماحولیاتی خدشات نے مجموعی طور پر عالمی طلب و رسد کو متاثر کیا ہے۔ APL مکمل طور پر اس امر کی ذمہ داری لیتا ہے اور اس بات پر یقین رکھتا ہے کہ جغرافیائی سیاست کی تہہ میں کارفرما محرکات کیلئے واضح ادراک مضبوط حکمت عملی اور طریق عمل ترقی کی حالت پر اثر انداز ہو سکتا ہے اور باخبر کاروباری فیصلہ جات کرنے میں معاون ہو سکتا ہے۔ اگرچہ ان عوامل کے درمیان پیچیدگی اور غیر یقینی اس وقت ناقابل فہم محسوس ہو سکتی ہے، تاہم یہ کمپنی کیلئے ممکن ہے کہ کمپنی کے طریق عمل کو مجموعی حالات کے ساتھ ہم آہنگ رکھنے کیلئے بڑے عالمی رجحانات کی ترویجی رائے کو مد نظر رکھتے ہوئے تفصیل میں مختلف سیاسی سرگرمیوں اور رکاوٹوں کا تجزیہ کرے۔

شدید مقابلہ/مسابقت:

APL 650 سے زیادہ آؤٹلیٹس اور پاکستان بھر میں ترویجی مقامات پر واقع آئل ٹرمینلز کے ساتھ ملک کی آئل مارکیٹنگ صنعت میں ایک صف

اچھے مشاورتی عمل کے ذریعے مستقبل سے متعلق حکمت عملی تشکیل دیتا ہے۔

رہسک مینجمنٹ فریم ورک (Risk Management Framework):

رہسک مینجمنٹ فریم ورک کو اپنانا جو کہ کمپنی کے رہسک کلچر میں بہترین طریقوں کو استوار کرتا ہے یہ کمپنی کے مالی مستقبل کی بنیاد ہے۔ ہماری کمپنی کا رہسک مینجمنٹ فریم ورک حسب ذیل ستونوں پر بنایا گیا ہے۔

- رہسک کی نشاندہی
- رہسک کی تشخیص
- رہسک میں تخفیف
- رہسک کی رپورٹنگ و نگرانی
- رہسک گورننس

بورڈ آف ڈائریکٹرز نے رہسک مینجمنٹ پالیسی منظور کر رکھی ہے تاکہ کمپنی کی رہسک ٹالرس (برداشت) کی سطح کا تعین کیا جاسکے اور نشاندہی کردہ رسکس (خطرات) کی مناسب طور پر بروقت انداز میں اطلاع دی جاسکے اور ان کا بندوبست کیا جاسکے یا ان کا اثر کم کیا جاسکے۔ رہسک ایکسپوژر (exposure) کی رہسک مینجمنٹ فریم ورک کے مطابق وقتاً فوقتاً پیمائش کی جاتی ہے۔ بورڈ آف ڈائریکٹرز نے کمپنی کو درپیش رسکس کی مضبوط تشخیص کی ہے۔ اس میں مستقبل کی کارکردگی، صلاحیت ادا یگی قرضہ یا لیکوڈٹی (liquidity) پر اثر انداز ہونے والے عناصر شامل ہیں۔

تیل کی قیمتوں میں عالمی عدم استحکام اور ضوابط کار کے مسائل:

تیل سب سے اہم قدرتی وسائل اور اجناس میں سے ایک ہے اور عالمی اقتصادیات کے لیے بنیادی متحرک قوت کی حیثیت رکھتا ہے۔ تیل کی قیمتوں میں اتار چڑھاؤ کا معاشی نمو اور دنیا میں فلاح و بہبود پر نمایاں اثر واقع ہوتا ہے۔ سال 2018-19ء کے دوران عالمی سیاسی حالات اور مارکیٹ کے بہت سے عوامل کی وجہ سے تیل کی قیمتوں میں عدم استحکام پیدا ہوا جس کی بناء پر مجموعی رسد و طلب پر اثرات نمودار ہوئے۔ سعودی عرب، روس اور دیگر OPEC ممالک کی طرف سے فیصلے کے ساتھ ساتھ ایرانی تیل کا ممکنہ نقصان ایک بڑی وجہ تھی جس کی بناء پر دوران سال قیمتیں انتہائی اتار چڑھاؤ کا شکار رہیں۔ OPEC رسدی حجم کا تعین کر رہا ہے اور اس نے رد عمل کا مظاہرہ کیا جس کے نتیجے میں قیمتوں پر اثر واقع ہوا اور مارکیٹ میں موجود تناؤ کو دور کرنے کے لیے جانچ پڑتال کی گئی جس کے نتیجے میں عالمی طور پر مختلف قسم کے ارضی و سیاسی منظر نامے سامنے آئے۔

ہمارے تمام نیٹ ورک بلکہ ملک کے اندر صنعت کے لیے فیولنگ کے تجربے کے ضمن میں معیارات کی تشکیل ہو رہی ہے۔

مصنوعات کے معیار کو یقینی بنانا:

مصنوعات اور سروس کا معیار کسی کمپنی کی کامیابی کے لیے پیشگی تقاضا ہوتا ہے اور یہ صارفین اور گاہکوں کے اطمینان میں ضروری کردار ادا کرتے ہیں۔ APL مسلسل بہتری لانے کے فلسفے اور اس بات کو یقینی بنانے پر یقین رکھتا ہے کہ اعلیٰ کوالٹی اور معیار کی مصنوعات ہمارے تمام قابل قدر صارفین تک پہنچانے کے لیے از حد اقدامات کئے جائیں اور نظام فعال ہو۔ APL کسی توقف کے بغیر کوالٹی مصنوعات کی فراہمی یقینی بنانے اور اعلیٰ تر خدمات کی فراہمی کے لیے کاوشیں بروئے کار لانے کے لیے اپنی موجودگی ثابت کرنے کے لیے کوشاں ہے۔

APL اپنے کوالٹی اسٹورنس (Quality Assurance) ڈیپارٹمنٹ کے ذریعے مصنوعات کی کوالٹی یقینی بنانے کا نظام چلا رہا ہے جو ملک کی نافذ العمل مصنوعاتی تصریحات کے مطابق ان تمام آپریشنز میں مصنوعات کی کوالٹی یقینی بناتا ہے جو پٹرولیم مصنوعات کی خریداری، ہمارے بلک آئل ٹرمینلز میں اسٹوریج، ریٹیل آڈٹلٹس میں اسٹوریج ٹینکوں تک ترسیل ممکن بنانے والی گاڑیوں کے بیڑے کے ذریعے ترسیل پر محیط ہیں۔

APL ملک بھر میں ہمارے تمام ٹرمینلز پر سیٹ آف وی آرٹ لیبارٹریوں کو بروئے کار لا کر اور لاتعداد موبائل کوالٹی اسٹورنس وینز کے ذریعے کوالٹی معیارات کا نفاذ سے پاک عمل درآمد یقینی بناتا ہے۔

خطرات کا انتظام والصرام

رہسک مینجمنٹ کا تعلق تمام فریقوں سے فہم کے حصول اور اس بات سے اتفاق کرنے پر مبنی ہے کہ خطرات یعنی رسک حقیقتاً کیا ہوتے ہیں اور کارکردگی بہتر بنانے، فرموں کی ویلیو میں اضافہ کرنے اور مالیاتی مصائب کو کم کرنے کے لیے ان سے کیسے نمٹا جائے گا۔ انک پٹرولیم لمیٹڈ کو مصنوعات کی رسد اور طلب، اور قیمتوں کے اتار چڑھاؤ کی صورت میں غیر یقینی صورتحال کا سامنا کرنا پڑتا ہے۔ عالمی ماحولیاتی دباؤ، ایل این جی اور آرائل این جی کی آمد، آئل اور گیس سیکٹر کی بدلتی ہوئی حرکیات، سرکاری محکموں اور حکام سے لین دین، سماجی اور دیگر صارفین کی ترجیحات اور توقعات میں تبدیلیاں واقع ہوتی ہیں۔ جن کی شناخت کا عمل کسی بھی آرگنائزیشن کے لیے مشکل ہے۔ اسی طرح ٹیکنالوجی میں پیش رفت میں اضافہ اور فیول انفراسٹرکچر میں بنیادی اور از سر نو تبدیلی اور قیمتوں کے تعین کا نظام بھی اہم عوامل ہیں۔ ان تمام عوامل کے لیے محتاط بصیرت اور وسائل کی مطابقت قائم کرنے کی ضرورت ہے تاکہ مستقبل میں منافع بخش ادارہ کے طور پر اپنے آپ کو قائم رکھ سکے۔ اس مقصد کے لیے APL تمام فریقوں کو اپنے ساتھ ملا کر ایک

ٹرمینلز تعمیر کئے جاسکیں، تا وجہ بلک آئل ٹرمینل کے لیے ڈیزائن اور فیڈ بیلٹی کا جائزہ اور ماچھیکے بلک آئل ٹرمینل کی ذخیرہ گنجائش میں توسیع جیسے اقدامات انک پٹرولیم لمیٹڈ کے زیادہ مالیت کے بڑے پراجیکٹ ہیں۔ مزید برآں، آپریشنل صلاحیتوں کو بڑھانے اور کنٹرولز میں بہتری لانے کے لیے مختلف عوامل اور آلات کی جدت کاری کی گئی۔

ان اضافی اسٹوریج سہولیات کے ساتھ کمپنی مستحکم منافع جات کے حصول میں کامیاب ہوگی اور اپنے قابل قدر صارفین کو تیل کی ترسیل کے وقت میں کمی لانے کے ساتھ ساتھ زیادہ ارزاں سہولت فراہم کرنے کے قابل ہوگی اور کمپنی کی مختلف مصنوعات کی فروخت میں اضافہ ہوگا۔ کراچی کے ساحل پر پورٹ قاسم میں ٹرمینل کی تعمیر کمپنی کے لیے فائدہ مند ہوگی خاص طور پر جب مقامی ریفائنریز بندش کا شکار ہوں، اس سے بندرگاہ پر بھیڑ کے مسائل بھی کم ہوں گے جن کی وجہ سے بحری جہازوں کو خالی کرنے میں تاخیر کے نتیجے میں قابل ادائیگی واجبات سے بچنے میں مدد ملے گی۔ APL اپنے تمام ٹرمینلز پر تحفظ اور ماحولیاتی معیارات پر عمل درآمد کے ذریعے ملک کی ایک ذمہ دار کمپنی بنے رہنے کی طرف توجہ مرکوز رکھتی ہے، جس کی بنا پر یہ نہ صرف اپنے صارفین اور شخصیات کے لیے اقدار کی تشکیل کرتی ہے بلکہ جہاں ہم آپریٹ کرتے ہیں، ان معاشروں اور کمیونٹیز کے لیے بھی ان اقدامات کو یقینی بناتی ہے اور ساتھ ہی اس نئے اور اضافی انفراسٹرکچر پر مبنی استحکام کے ذریعے کمپنی پاکستان بھر میں منظم رسد بھی یقینی بناتی ہے۔

سندھ میں شکار پور بلک آئل ٹرمینل کی تعمیر کے بعد پورٹ قاسم اور دولت پور میں ٹرمینلز کی تعمیر و تشکیل APL کے اس مقصد کو مزید آگے بڑھانے کا عمل ہے جس کے تحت یہ توانائی کی ریٹیل مارکیٹ میں سرفہرست بننے کا عزم رکھتی ہے۔ تزویراتی اہمیت کے علاقوں میں موجود یہ ٹرمینلز سندھ اور بلوچستان میں تمام صارفین کو مستعدی کے ساتھ فیول کی رسد یقینی بنائیں گے اور ملک کی بڑھتی آبادی اور اس کی تیل کی صنعت میں اتار چڑھاؤ کے ماحول میں کمپنی کو مستحکم سطح پر لانے میں مدد ملے گی۔ کمپنی کی انتظامیہ پر امید ہے کہ ان پیش رفتوں سے نہ صرف کمپنی کی صلاحیت بہتر بنے گی بلکہ مستحکم نمونہ پڑھنی مقابلہ اور لاگت کم کرنے میں کامیابی کے بل بوتے پر اس کے کاروباری عمل کی اثر انگیزی میں بھی اضافہ ہوگا۔

لا تعداد فرنیچر پڑھنی ریٹیل آڈٹلیٹس کے ذریعے ریٹیل نیٹ ورک میں اضافے کے علاوہ اس سال کمپنی نے پاکستان میں شہری اور مضافاتی مراکز کو ہدف بنایا ہے اور کئی مقامات پر کمپنی کی جانب سے چلائی جانے والی ریٹیل آڈٹلیٹس (COCO) کی تعمیر کامیابی سے مکمل کی اور آئندہ سال میں مزید کی تعمیر متوقع ہے۔ اسلام آباد میں مارگلہ F/S اور مری ہلز F/S اور لاہور میں فائن فیولز F/S کی تعمیر APL کو اپنی اعلیٰ معیار کی مصنوعات اور بے مثال خدمات ہمارے قابل قدر گاہکوں کو فراہم کرنے کے ویژن کو مزید پختہ بنانے میں مددگار ہے جس کی وجہ سے نہ صرف

APL کے پاس ملک کے دفاعی سکمنٹ کو 1-JP، HSD، PMG، 97-HOBC اور SKO فراہم کرنے کا بھی انتظام ہے۔ کمپنی کا مقصد صنعتوں کے مختلف سکمنٹس کے لیے رسائی کو از سر نو متعین کر کے بہتر خدمت بہم پہنچانا ہے۔

ایک انتہائی باخبر اور سماجی طور پر ذمہ دار آرگنائزیشن ہونے کی حیثیت سے APL نے اپنے کاربن کے اخراج کو گھٹانے کے لیے بہت سے خصوصی اقدامات شروع کئے ہیں، جن میں خصوصی توجہ توانائی کے تحفظ، پانی اور گندے مادوں کے اخراج کی طرف دی گئی ہے اور وزیراعظم پاکستان کے صاف اور ہرے بھرے پاکستان کی تحریک کے مطابق شجرکاری میں بھی اپنا حصہ ڈال رہی ہے۔

بنیادی ڈھانچے کی ترقی:

انفراسٹرکچر کی تعمیر و تشکیل نہ صرف مجموعی معاشی احياء کے لیے ایک اہم پہلو ہے بلکہ جامع معاشی نمو میں اضافہ کرنے کا کام کرتا ہے۔ مسابقتی مقابلہ میں شدت کے موجودہ ماحول میں APL کا پختہ یقین ہے کہ انفراسٹرکچر کی تعمیر و توسیع ملک میں تیل اور گیس کی صنعت کی تیزی سے ظہور پذیر ہوتی ہوئی عملی حرکیات کو جاری و ساری رکھنے کے لیے از حد لازمی ہے۔ انفراسٹرکچر کی توسیع کسی بھی آئل مارکیٹنگ کمپنی کے لیے ریڑھ کی ہڈی کا کام دیتی ہے، جس کے ذریعے نقل و حمل کی لاگت گھٹانے، مصنوعات کی زیادہ محفوظ ترسیل و تقسیم عمل میں لانے، مارکیٹ اور صارفین کے لئے تیز تر ترسیل کے ذریعے بحال ہونے کی صلاحیت اور مستقل مزاجی کے نئے دور کا آغاز ہوتا ہے اور اس کے ساتھ ساتھ آفت اور ناگزیر صورت حال میں ناکامی کے مقابلے میں تحفظ کے اقدامات اٹھانے میں مدد ملتی ہے۔

نئے کاروباری سکمنٹ کی دریافت اور تشکیل کے لیے جذبے اور عزم کے ساتھ کمپنی نے گزشتہ سال ایوی ایشن ریفیو لنگ (مشترکہ کاروبار کے تحت) شروع کی ہے اور اسلام آباد کے بین الاقوامی ایئرپورٹ پر ملک کی سب سے بڑی اور سٹیٹ آف دی آرٹ فیول فارم سہولت تشکیل دی، جس کی وجہ سے سال بھر میں محفوظ کاروباری عمل یقینی بنایا۔

جولائی 2018ء سے کمپنی نے ملک بھر میں اپنے بلک آئل ٹرمینلز میں توسیع اور اضافہ کرنے کے لیے اپنے وسائل کی سرمایہ کاری میں از حد اضافہ کیا۔ سخت کوالٹی کنٹرول کے ساتھ تیز تعمیراتی کام کی وجہ سے APL نے عالمی معیارات کے مطابق بڑے سنگ میل عبور کئے۔ شکارپور میں بلک آئل ٹرمینل کی تعمیر و آپریشنز کا آغاز، ساہیوال اور دولت پور میں بلک آئل ٹرمینل کی تعمیر کی تکمیل جو جلد اپنے آپریشن شروع کرنے والے ہیں، پورٹ قاسم ٹرمینل (کراچی) میں تعمیراتی کام کا آغاز، گئی (فیصل آباد) اور ڈیرہ اسماعیل خان میں اراضی کا کامیاب حصول کیا گیا تاکہ بلک آئل

APL تمام پراجیکٹس میں ناسازگار ماحولیاتی اور سماجی اثرات کو کم سے کم کرنے کی کوشش کرتا ہے اور صاف ستھری توانائی اور کاربن کے اخراج میں زیادہ کمی پر مبنی معیشت کی ترقی کے لیے معاونت کرتا ہے اور ملک کو ترقی کی جانب مائل کرنے اور خوشحال ملک بننے کے لیے سماجی طور پر سرگرم تنظیم کے طور پر زیادہ وسیع کردار ادا کرنے کے لئے پاکستان کے کارپوریٹ سیکٹر کی حوصلہ افزائی کے لیے منصوبہ سازی کرتا ہے۔

دیگر کاروباری سرگرمیاں:

APL کی اولین اقدار میں صارفین کو آسانی مہیا کرنا اور فیولنگ کے مجموعی تجربے میں بہتری لانا ہے۔ APL نے اپنے برانڈ تاثر کو محض فیول سے نکال کر زیادہ وسیع کرنے کی کوشش کی ہیں۔ موجودہ مارکیٹ محرکات کا فہم حاصل کر کے اور تمام صارفین کی ضروریات کو پورا کرنے کے لیے APL نے اپنے آپ کو ایک مکمل صارف مرکوز ادارہ بننے کا ہدف بنایا ہے جس کے لیے اس نے اپنے آپ کو صارفین کے لئے آسانی فراہم کرنے کی طرف مائل کمپنی کا روپ دیا ہے۔ ہماری ریٹیل آؤٹلیٹس پر فوری ادائیگی سروسز یعنی کریڈٹ کارڈز، اے ٹی ایم سہولیات، انک سمارٹ فیول کارڈ، ٹائز کیئر، سپیڈ واش، لیوب ایکسپریس، ٹائم آؤٹ ٹک شاپس وغیرہ کی صورت میں سہولیات دستیاب ہیں۔ اہم معاملات مثلاً انجن آئل، بریک آئل، بیٹری کے پانی وغیرہ کی ماہرین کے ذریعے فری چیک اپ کے لیے صارفین کو کوئٹہ کیئر سہولیات پیش کی جا رہی ہے۔ پاکستان میں جدید ریٹیلنگ اور از حد مقابلہ بازی کے ظہور سے APL نے صارفین کے ایک شاپ پر خریداری کے تجربے کا جائزہ لیا ہے اور ریٹیل نیٹ ورک پر آسانی فراہم کرنے کے اقدام میں بھی وسعت دی ہے۔ ڈیلرز کے ساتھ مسلسل رابطہ اور انہیں زیادہ اچھی خدمات پیش کرنے کے لیے راغب کرنا اور اپنی آؤٹلیٹس پر جدت پر مبنی تصورات تلاش کرنے سے APL کو فیول کی فراہمی کے علاوہ خدمات کی فراہمی کرنے میں بھی کامیاب ادارہ بننے میں بھی مدد حاصل ہوگی۔

صارفین کے ساتھ روابط استوار کرنے والی کمپنی ہونے کے ذریعے APL نے دیگر مصنوعات اور تخلیقی حل کے ساتھ شراکت داری اور کاروبار کرتے ہوئے سہولت کے ایک اور پہلو کو اجاگر کیا ہے۔ APL نے فیولنگ کے مراکز میں متنوع آفرز پیش کی ہیں جن میں مختلف اقسام کے ریسٹوران کی تعمیر اور آسانیاں فراہم کرنے والے سٹور شامل ہیں اور APL دیگر مختلف اقسام کی مالیاتی خدمات کا سلسلہ بھی پیش کرنے کا ارادہ رکھتا ہے۔ ہمد تن خدمت میں مصروف اور پوری طرح مزین سٹیٹ آف دی آرٹ آئل چینج کرنے کی سہولت تربیت یافتہ ٹیکنیشن چند منٹوں میں پیشہ ورانہ اور تیز تر انداز سے فراہم کرتے ہیں جس پر صارفین مکمل طور پر بھروسہ کر سکتے ہیں۔ سروس میں فری سیفٹی چیکس اور گاڑیوں کے بارے میں مشاورتی ہدایات شامل ہیں، جس کی بناء پر صارفین کو ان کی ضرورت اور اطمینان کے مطابق لیوب کی تبدیلی کی نگرانی اور جائزہ لینے کا موقع ملتا ہے۔ APL کی آئل تبدیل کرنے والی ٹیم گاڑی کی دیکھ بھال کی بھی یقین دہانی کرتی ہے تاکہ اس کی صحیح طریقے سے چلنے کی ضمانت مہیا ہو۔

APL نے ایک نئے کاروباری سفر کا آغاز کیا اور گزشتہ سال ایوی ایشن فیول سگمنٹ میں شمولیت اختیار کی اور ایک مشترکہ کاروباری سرگرمی کے تحت ملک کے سب سے بڑے اور جدید فیول فارم کا آغاز کیا۔ پیشہ ورانہ اور پریمیر کسٹمر کیئر کے جذبے کو برقرار رکھتے ہوئے اس فیول فارم کے تحت تقریباً 233 ملین لیٹر جیٹ فیول (JP-1) کی محفوظ طریقے سے ترسیل کی گئی جس کے ذریعے بین الاقوامی جہازوں کی 10,000 پروازوں سے زائد اور ملکی ایرلائنز کی 5,000 سے زائد پروازوں کی ریفیوئلنگ کی گئی تاکہ وہ اپنے طے شدہ منازل پر پہنچ سکیں۔ ٹیکنیکل اور مسابقت آمیز ایوی ایشن سگمنٹ میں APL چیلنجز کا سامنا کر رہا ہے اور یہ اعلان کر کے فخر محسوس کرتا ہے کہ APL ملک میں پہلی OMC ہے جو مشترکہ انکپشن گروپ (JIG) کا ایسوسی ایٹڈ رکن ہے۔ یہ ادارہ ایوی ایشن فیول سپلائی معیارات کی ترتیب و تیاری کے لیے عالمی طور پر ایک سرکردہ آرگنائزیشن ہے جو ریفرنسری سے ہوائی جہازوں تک ایوی ایشن فیولز کے لیے رسدی تسلسل کا احاطہ کرتا ہے۔ JIG معیارات پر (عالمی طور پر 100 سے زائد رکن آرگنائزیشنز جو 12,500 ایرپورٹس پر آپریٹ کر رہی ہیں) عمل پیرا ہیں اور اس کی سپلائی اور ترسیل کے مقامات 100 سے زائد ممالک میں موجود ہیں۔ APL نے اسلام آباد بین الاقوامی ایرپورٹ کے ذریعے پاکستان کی معاشی ترقی کے لیے ریڑھ کی ہڈی کی حیثیت سے فعال کردار ادا کرنے پر فخر محسوس کرتا ہے اور زیادہ خوشحال پاکستان کے لیے راہ ہموار کر رہا ہے۔

ریٹیل آؤٹلیٹس پر مجموعی تجربے کو بڑھانے کے لیے بڑے شہری اور مضافاتی علاقوں میں انک سمارٹ فیول کارڈ کی سہولیات پیش کی جا رہی ہیں۔ محض ایک سال کے مختصر عرصہ میں کمپنی نے اپنے تقریباً 20 فیصد کے مجموعی ریٹیل نیٹ ورک کو اس سہولت سے مزین کیا ہے اور روز بروز صارفین کا اعتماد حاصل کر رہی ہے مختلف صنعتوں اور سگمنٹس کے کاروبار اور بڑی آرگنائزیشنز کو کاروباری عمل میں ساتھ لے کر چل رہی ہے۔

انک پٹرولیم لمیٹڈ کا ایک اور بنیادی پہلو سماجی طور پر آگاہ آرگنائزیشن بنانا اور مستحکم کمیونٹی اور ملک کی سماجی ترقی کے لیے اقدامات تشکیل دینا ہے۔ اپنے ویژن کی ترجمانی کے طور پر APL اپنے کمرشل آپریشنز میں مکمل طور پر CSR سرگرمیوں کو ضم کر رہا ہے اور ماحول دوست ٹیکنالوجیز، توانائی کے تحفظ اور آلات کی جدت کاری کے لیے اقدامات کے سلسلے میں مسلسل سرمایہ کاری کر رہا ہے تاکہ ماحولیات پر آپریشنز کے منفی اثرات کو کم کیا جاسکے۔ CSR کے لیے APL کے مرکزی شعبے سرسبز اور صاف ماحول کو اجاگر کرنے کے لیے اقدامات، تعلیمی پیشرفت اور کمیونٹی کی تشکیل جیسے پہلو ہیں۔ APL انک سہارا فاؤنڈیشن کے اشتراک سے کمیونٹی کی فلاح و بہبود کے لیے ایسے سماجی مسائل کے عملی حل پیش کرتا ہے جو سماجی و معاشی ترقی کی راہ میں حائل ہوتے ہیں۔ اسی طرح سول ایوی ایشن اتھارٹی (CAA) پاکستان کے تعاون سے APL نے گرین، کلین اور زیادہ صحت مند پاکستان کے لیے اقدامات اٹھائے اور مشہور اداروں اور حکومتی محکموں کی شراکت داری کے ساتھ مشترکہ مہمات پر شد و مد سے عمل پیرا ہے۔

کمپنی نے دفاعی خدمات کیلئے محفوظ و بروقت ترسیل کے ذریعے اپنے جملہ معاہدات سے متعلق ذمہ داریوں کو بھی پورا کیا اور بے مثال خدمات اور کسٹمر کیئر کیلئے ہیڈ کوارٹرز کی طرف سے سرکاری طور پر کمپنی کی تعریف کی گئی۔

اسی طرح، تمام کاروباری شعبہ جات میں بہتر معیار اور اعلیٰ خدمات کی وجہ سے، صنعت کے اندر وسیع پیمانے پر پروڈکٹ پورٹ فولیو کے باعث، APL نے اپنے صارفین کی تعداد میں اضافہ کیا ہے اور فی الوقت مجموعی مارکیٹ شیئر جو 10.8 فیصد ہے کے لحاظ سے دوسری بڑی آئل مارکیٹنگ کمپنی ہے۔ ملک بھر میں کاروباری سرگرمیوں کی اقتصادی سُست روی صنعت کے اندر مجموعی تخفیف کیلئے بدستور ایک اہم امدادی عنصر ہے۔ تاہم، مستقبل میں مثبت بحالی کی امید ہے۔

تارکول کا صرف اور استعمال گزشتہ سال کے مقابلے میں کافی کم رہ گیا ہے۔ یہ کمی خاص طور پر انفراسٹرکچر اور ترقیاتی منصوبہ جات میں کمی کے سبب ہے۔ مارکیٹ میں کم قیمت والے اسمگل شدہ تارکول کی بہتات بھی مقامی فروخت میں کمی کا ایک سبب ہے۔ APL جغرافیائی و ترویقاتی اہمیت کے تعمیراتی منصوبہ جات جیسے کر تار پورہ راہداری / لاہور سیالکوٹ موٹروے / سوات موٹروے وغیرہ کیلئے تارکول کی سپلائی کے لحاظ سے بدستور ایک موزوں سپلائر رہے گا۔ APL نے مجموعی طور پر کھپت میں معقول حد تک کمی کے باوجود 71 فیصد مارکیٹ شیئر حاصل کیا جو تقریباً 9 فیصد کی ترقی کو ظاہر کرتا ہے۔

کسی بھی آئل مارکیٹنگ کی طرح سروسز کے ساتھ ساتھ ریٹیل نیٹ ورک کی توسیع اور موجودہ مصنوعات میں توسیع لانا APL کی بنیادی ترجیح ہے۔ زیر جائزہ سال میں APL نے اپنے ریٹیل کاروباری آپریشنز میں کئی سنگ میل عبور کئے۔ اس عرصہ میں 34 نئی آؤٹلیٹس تشکیل دیے گئے، جن میں سے 15 فیصد کمپنی کی ملکیت میں یا کمپنی کی سرمایہ کاری کے تحت کام کر رہی ہیں۔ یہ اعلیٰ اہمیت کی حامل آؤٹلیٹس ہمارے اپنے ریٹیل نیٹ ورک کے لیے نہ صرف سروس اور کوالٹی کے بیچ مارک کے طور پر کام کر رہی ہیں بلکہ مجموعی انڈسٹری میں ریٹیل خدمات کے اعلیٰ ترین معیار کے حصول کا ہدف حاصل کرنے کے لیے بھی مصروف عمل ہیں۔

30 جون 2019ء تک کمپنی کی پورے پاکستان میں 662 ریٹیل آؤٹلیٹس ہیں۔ اس بناء پر APL ملک میں آؤٹلیٹس کا چوتھا سب سے بڑا نیٹ ورک ہے۔ APL نے خصوصی نیٹ ورک ڈویلپمنٹ پلان پر توجہ مرکوز رکھی ہے جس کے تحت بنیادی طور پر مختلف علاقوں میں شہری اور مضافاتی مراکز کو ہدف بنایا گیا۔ کمپنی بلوچستان کی مارکیٹ میں داخل ہوئی اور دوران سال 2 ریٹیل آؤٹلیٹس قائم کیے ہیں۔

چڑھاؤ کے ساتھ امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں انتہائی کمی کے نتیجہ میں گزشتہ سال سے ملک میں پٹرولیم مصنوعات کی قیمتیں انتہائی غیر مستحکم رہیں۔ صنعت کو دوسری سہ ماہی میں انوینٹری نقصانات کا سامنا کرنا پڑا جبکہ صارفین کو تیسری اور چوتھی سہ ماہی میں پٹرولیم مصنوعات کی انتہائی زیادہ قیمتوں کا سامنا رہا۔ علاوہ ازیں ہائی سپیڈ ڈیزل (HSD) کے صنعتی حجم فروخت میں گزشتہ سال کے مقابلے میں 19 فیصد کی نمایاں کمی دیکھنے میں آئی جو ملکی اقتصادی سست روی کے باعث ہوئی۔

نئی حکومت کی پالیسیوں میں تبدیلی، محصولات و ٹیکسز ڈھانچے میں ترامیم و اجراء، تعمیراتی شعبے میں نمایاں تخفیف اور بڑے منصوبہ جات میں عدم سرمایہ کاری، امریکی ڈالر کے شرح مبادلہ میں عدم استحکام، مجموعی اقتصادی نظام کے اندر تبدیلیاں اور عملی محرکات چند اہم عناصر ہیں جو گزشتہ سال سے مجموعی منفی نمو کا باعث رہے ہیں۔ آرائل این جی (RLNG) اور کوئلے نے مارکیٹ میں فرنس آئل (FO) کی جگہ لے لی ہے جس کے نتیجے میں فرنس آئل کی طلب معقول حد تک کم ہو گئی ہے۔ مصنوعات کی درآمدات بالخصوص پری میئر موٹر گیسولین (PMG) کو بھی کئی آپریشنل چیلنجز کا سامنا کرنا پڑا، جن میں بندرگاہ پر گنجائش سے زیادہ بھرتی وجہ سے تاخیر نیز ہر جانتا خیر وغیرہ کی وجہ سے مالی مشکلات کا سامنا کرنا پڑا۔

فروخت اور مارکیٹنگ سرگرمیوں کا جائزہ

پاکستان میں تیل کی صنعت نے سال کے اندر ہمہ وقت بڑھتے ہوئے چیلنجز کا سامنا کیا ہے۔ ان میں ارتقا پذیر ریگریٹری فریم ورک، محصولات اور ٹیکسز کے نظام کے اندر کمی بیشی، بین الاقوامی سطح پر تیل کی قیمتوں میں عدم استحکام، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں تیز رفتاری، نئی حکومت کے باعث ملک کے کاروباری حلقوں کے اندر غیر یقینی صورتحال، اتھارٹی کی جانب سے جاری کردہ نئے مارکیٹنگ لائسنسوں کی بہتات اور اقتصادی ڈھانچہ اور انفراسٹرکچر سرگرمیوں / منصوبہ جات کی کمی وغیرہ شامل ہے۔ جملہ عوامل نے سال کیلئے کارکردگی کو تشکیل دینے میں اہم کردار ادا کیا۔

زیر جائزہ سال کے دوران، صنعت میں نئی داخل ہونے والی کمپنیوں سے سخت مقابلے اور متعدد متغیرات کے باوجود، کمپنی نے اپنے مارکیٹ شیئر میں اضافہ کیا اور صنعت کے اندر کامیابی سے کھڑی رہی۔ بعض عوامل کے باعث اس سال HSD کے حجم فروخت میں 19 فیصد کمی آئی جبکہ APL کے حجم فروخت میں صرف 7 فیصد کمی ہوئی، جس کی وجہ سے APL کا HSD مارکیٹ شیئر 10.5 فیصد تک بڑھ گیا۔ سال کے دوران PMG کی مارکیٹ میں سی این جی (کپریسڈ نیچرل گیس) کی عدم دستیابی کی وجہ سے معمولی اضافہ دیکھنے میں آیا۔ صنعت کی اوسط ترقی صرف 2 فیصد تھی جبکہ سینٹر انظامیہ کی طرف سے واضح اہداف اور رہنمائی کی وجہ سے APL نے دیگر کمپنیوں کی نسبت بہتر کارکردگی کا مظاہرہ کیا اور 13 فیصد ترقی کی۔

گزشتہ برس کاروباری سرگرمیوں میں خرچ کی جانے والی رقم 1,030 ملین روپے کے مقابلے میں زیر جائزہ برس 2,998 ملین روپے کا ورود (inflow) ریکارڈ کیا گیا جس کی بنیادی وجہ پلائیرز کو ادائیگی کے مقابلے میں صارفین سے زائد وصولی کرنا ہے۔ املاک، مشینری اور آلات میں سرمایہ کاری کے باعث 2,523 ملین روپے کا خروج (outflow) ریکارڈ کیا گیا۔ قلیل مدتی اور دیگر طویل مدتی سرمایہ کاری کی واپسی کے نتیجے میں 1,135 ملین روپے کا ورود (inflow) ہوا جبکہ سرمایہ کاری پر حاصل کردہ آمدنی سے 525 ملین روپے کا ورود (Inflow) ہوا۔ سرمایہ داری سے کل 790 ملین روپے کا خروج (outflow) ریکارڈ کیا گیا۔ رواں برس ڈیوڈنڈ کی مد میں 3,493 ملین روپے کی ادائیگی کی گئی۔ (2017-18: 3,089 ملین روپے)۔

مارکیٹ اور صنعتی جائزہ

عالمی سطح:

سال 2018-19 کے دوران تیل کی عالمی قیمتیں انتہائی غیر مستحکم رہی ہیں۔ بریٹنٹ خام تیل کی زیر جائزہ سال کے تحت پہلی سہ ماہی کے دوران زیادہ سے زیادہ قیمت 86.07 امریکی ڈالر فی بیرل (US\$/bbl) تھی۔ دوسری سہ ماہی کے اختتام پر قیمت کے لحاظ سے سب سے کم قیمت دیکھنے میں آئی جہاں قیمت 50.57 امریکی ڈالر فی بیرل (US\$/bbl) تک کم ہو گئی جو دنیا بھر میں انوینٹری نقصانات کا باعث بنی۔ اس اتار چڑھاؤ میں کئی معاشی اور جغرافیائی عوامل نے حصہ لیا۔ ان میں ایران پر امریکی پابندیوں کے ساتھ ساتھ، وینزویلا میں پیداوار میں کمی، غیر متوقع امریکی تیل کی پیداوار کے اعداد و شمار، چین کے ساتھ تجارتی کشیدگی، مشرق وسطیٰ اور عرب ممالک کے اندر بد امنی کا تسلسل شامل ہے۔ تیسری سہ ماہی کے دوران قیمتوں میں بتدریج اضافے سے کسی حد تک صنعت کو معاونت ملی۔ تاہم، اس کو امریکہ اور ایران کے درمیان بڑھتی ہوئی جنگی کشیدگی کی وجہ سے طوالت نہ مل سکی۔ صنعت کو توانائی شعبے کی نئی ٹیکنالوجی، تان فوسل اور ماحول دوست توانائی ذرائع کی جانب منتقلی سے بھی نئے چیلنجز کا سامنا ہے۔ توانائی کے شعبے کی ترقی کی رفتار اور تہذیبی سے ہمکنار منظر نامے میں توانائی کے مستقبل کو پیش نظر رکھتے ہوئے، یہ تیل اور گیس شعبے کیلئے ضروری ہو گیا ہے کہ وہ جدید ترین ٹیکنیکوں کے استعمال کیلئے سب سے آگے رہیں اور صنعت کے تغیر پذیر محرکات کو اپنائیں۔

مقامی سطح:

ملک میں پٹرولیم مصنوعات کی قیمتیں امریکی ڈالر (USD) اور پاکستانی روپے (PKR) کی شرح مبادلہ (exchange rate) پر انتہائی انحصار کرتی ہیں کیونکہ پاکستان بدستور پٹرولیم مصنوعات درآمد کرنے والا ملک ہے۔ بین الاقوامی مارکیٹ میں پٹرولیم مصنوعات کی قیمتوں میں اتار

ملکی خزانے اور اقتصادیات میں اضافہ:

کمپنی نے ٹیکس اور دیگر سرکاری کٹوتیوں کی مد میں 60,034 ملین روپے سرکاری خزانے میں جمع کرائے۔ دُور دراز علاقوں کو اپنے ترقیاتی پروگرام میں شامل کر کے ریٹیل آؤٹلیٹس (Retail Outlets) اور ڈیلرز کے نیٹ ورک (Network) کی توسیع کے ذریعے مختلف علاقوں میں روزگار کے مواقع بڑھا رہے ہیں اور مقامی آبادی کے معیار زندگی میں بہتری بھی آرہی ہے۔

انصرام سرمایہ، مالیاتی انتظامات اور مالیاتی مشکلات پر قابو پانے کی حکمت عملی:

زیر جائزہ برس میں کل سرمائے میں 1,278 ملین روپے کمی ہوئی ہے۔ نقد رقم کا بڑا حصہ املاک، مشینری اور آلات کی خرید، پیٹرولیم مصنوعات کی ادائیگی اور آپریٹنگ اخراجات کے لئے استعمال ہوا۔ نقد رقم اور اس کے مبادل اس برس کے اختتام پر 2,920 ملین روپے رہے۔ اضافی سرمایہ کی مختلف پہلوؤں میں سرمایہ کاری اضافی محاصل کو پیدا کرنے میں مددگار ہوتی ہے۔ مالی تخمینوں اور دیگر طریقوں کو کام میں لا کر اور اسے مسلسل استعمال کر کے سرمایہ کی ہمہ وقت دستیابی کو یقینی بنایا گیا۔ کمپنی کے پاس یہ وسائل موجود ہیں کہ وہ اپنے تمام کاروباری مراحل کے لیے قرض حاصل کر سکے اور کمپنی اپنے مستقبل کے تمام منصوبوں اور وعدوں کو پورا کرنے کی صلاحیت سے مالا مال ہے۔ زیر استعمال سرمایے میں اضافی ضروریات اور جاری منصوبوں کے پیش نظر، کمپنی نے دوران برس running finance facility سے فائدہ اٹھایا۔ کئی مالیاتی اداروں سے ہنگامی صورت میں کمپنی کی جملہ سرگرمیاں جاری رکھنے کے لیے متبادل انتظامات کیے گئے ہیں۔

سرمائے کا ڈھانچہ:

اس کمپنی کا کل سرمایہ حصص کے مالیاتی نظام پر مشتمل ہے۔ زیر جائزہ برس میں اس ڈھانچے میں کوئی تبدیلی نہیں ہوئی اور انتظامیہ مطمئن ہے کہ سرمائے کا یہ ڈھانچہ کمپنی کو مستقبل میں بھی کامیابی سے آگے بڑھانے کے لیے بالکل مناسب ہے۔

جیسا کہ کل سرمایہ کاری کا ڈھانچہ حصص کے مالیاتی نظام پر مشتمل ہے، لہذا کسی بھی واجب الادا رقم کی ادائیگی میں کوئی نا دہندگی دیکھنے میں نہیں آئی۔

گزشتہ برس کے مقابلے میں مالیاتی حالت اور سرمائے میں ہونے والی اہم تبدیلیاں:

30 جون 2019ء تک کل اثاثے بڑھ کر 46,403 ملین روپے ہو چکے ہیں جبکہ کل واجبات بڑھ کر 27,476 ملین روپے تک پہنچ گئے ہیں۔ اسٹوریج میں اضافے پر توجہ مرکوز کرتے ہوئے، کمپنی نے زمین کی خریداری اور نئے ٹرمینل اور ریٹیل آؤٹلیٹس (Retail Outlets) کی تعمیر کے لئے 2,439 ملین روپے کی خاطر خواہ سرمایہ کاری کی جس کے باعث کمپنی کے غیر مبادلہ اثاثے 7,983 ملین روپے سے بڑھ کر 9,300 ملین روپے ہو گئے ہیں۔ کمپنی کے مبادلہ اثاثوں میں 926 ملین روپے کمی ہوئی جو اس برس کے آخر تک 10,420 ملین روپے ہو چکے تھے۔

5,723	قبل از ٹیکس منافع
(1,762)	منفی: ٹیکس کے لیے طے کردہ رقم
3,961	بعد از ٹیکس منافع
16,959	جمع: 30 جون 2018ء تک غیر منقسمہ منافع (adjusted)
30	جمع: منسلکہ کمپنیوں کی جانب سے خصوصی محفوظات میں منتقلی
(3)	منفی: دوران سال دیگر نقصانات
20,947	قابل تقسیم منافع

دوران برس تقسیم:

2,074	حتمی نقد حصہ (ڈیوڈنڈ) برائے سال 2017-18 بشرح 250 فیصد (یعنی 25 روپے فی 10 روپے والے حصہ پر)
166	بونس حصص بشرح 20 فیصد (ہر 5 حصص کے لئے 1 حصہ) کے اجراء کے لئے محفوظ سرمایہ سے منتقلی
995	عبوری نقد حصہ (ڈیوڈنڈ) برائے سال 2018-19 بشرح 100 فیصد (یعنی 10 روپے فی 10 روپے والے حصہ پر)
3,235	
17,712	

کل میزان 30 جون 2019

ضمنی اثرات:

995	حتمی نقد حصہ (ڈیوڈنڈ) برائے سال 2018-19 بشرح 100 فیصد (یعنی 10 روپے فی 10 روپے والے حصہ پر)
16,717	

منافع (ڈیوڈنڈ):

بورڈ نے اس امر کی سفارش کی ہے کہ 30 جون 2019ء کو اختتام پذیر مالی سال کے لیے حتمی نقد منافع بشرح 100 فیصد (یعنی 10 روپے فی 10 روپے والے حصہ پر)۔ یہ منافع اس رقم کے علاوہ ہوگا جو عبوری نقد منافع کے طور پر بشرح 100 فیصد (یعنی 10 روپے فی 10 روپے والے حصہ پر) پہلے ہی مشتہر کیے گئے اور حصص مالکان کو ادا کیے جا چکے ہیں۔ یوں زیر جائزہ برس کے لیے کل نقد منافع 200 فیصد بن جاتا ہے۔

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کے لیے یہ امر باعث مسرت ہے کہ وہ کمپنی کی کارکردگی اور ترقی سے متعلق سالانہ رپورٹ اور 30 جون 2019ء کو ختم ہونے والے مالی سال کے آڈٹ شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

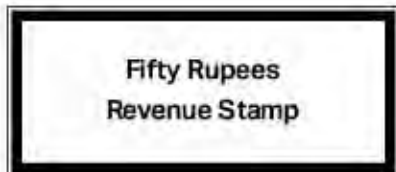
مالیاتی کارکردگی

زیر جائزہ سال میں کمپنی کی خالص آمدنی 223,054 ملین روپے رہی ہے جو گذشتہ سال کے مقابلے میں 26% زیادہ ہے (2017-18: 177,217 ملین روپے)۔ پٹرولیم مصنوعات کی قیمتوں میں نمایاں اضافہ آمدنی میں اضافے کی وجہ بنا۔ بد حال اقتصادی اقدار، سست رو کاروباری نمو اور بجلی کی پیداوار کیلئے متبادل ایندھن کی دستیابی کے باعث مجموعی طور پر صنعت کے حجم فروخت میں 23 فیصد کمی دیکھی گئی۔ تاہم، کمپنی کے حجم فروخت میں صرف 11 فیصد کمی آئی۔ نتیجتاً کمپنی نے مسابقتی طور پر بہتر کارکردگی کا مظاہرہ کر کے اپنے مارکیٹ شیئر کو 9.7 فیصد سے 10.8 فیصد بڑھایا۔ انتظامیہ کے مستعد رویے، مخلصانہ کوششوں، بہترین فیصلہ سازی اور اسٹاک کے انصرام کے باعث مصنوعات کی بلا تعطل فراہمی کو یقینی بنایا گیا اور مارکیٹ شیئر میں مذکورہ اضافہ حاصل کیا گیا۔ شدید مسابقتی مقابلے کے ساتھ ساتھ بڑھتی ہوئی قیمتوں کے رجحان کے دوران نسبتاً زیادہ قیمت پر مصنوعات کی درآمد نے کمپنی کے منافع کو منفی طور پر متاثر کیا جس کے باعث کمپنی کے منافع میں 16 فیصد کمی ہوئی۔ آپرینگ اخراجات میں اضافہ بشمول 762 ملین روپے کے ایکسچینج (exchange) لاسز، خالص فنانس آمدنی میں کمی اور منسلک کمپنیوں کے لاسز کے حصے نے کمپنی کے خالص منافع کو منفی طور پر اثر انداز کیا۔ نتیجتاً کمپنی نے 3,961 ملین روپے کا بعد از ٹیکس منافع کمایا (2017-18: 5,656 ملین روپے) اسے 39.79 روپے فی شیئر آمدن کے مفہوم میں لیا جاسکتا ہے (2017-18: 56.83 روپے)۔

30 جون 2019ء کو اختتام پذیر ہونے والے مالی سال کے لیے مالیاتی نتائج اور منافع کی تقسیم کا خلاصہ درج ذیل ہے:

FORM OF PROXY
24th Annual General Meeting
ATTOCK PETROLEUM LIMITED

I/We _____ of _____ being member(s) of
Attock Petroleum Limited and holding _____ ordinary shares as per Share Register Folio No.
_____ CDC Participant I.D. No. _____ CNIC No. / Passport
No. _____ hereby appoint _____ of _____ or
failing him/her _____ of _____ as my/our proxy to vote and act for me/our
behalf at the 24th Annual General Meeting of the Company to be held on September 17, 2019 at 12:30 p.m.
at Attock House, Morgah, Rawalpindi and at any adjournment there of.



Signature of Shareholder
(The signature should agree with the
specimen registered with the Company)

Dated this _____ day of _____ 2019

Signature of Proxy _____

Witnesses:

1. Signature: _____

2. Signature: _____

Name: _____

Name: _____

Address: _____

Address: _____

CNIC/Passport No. _____

CNIC/Passport No. _____

Important:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company at Attock House, Morgah, Rawalpindi not less than 48 hours before the time of holding the meeting.
2. For CDC Account Holders / Corporate Entities
In addition to the above the following requirements have to be met:
 - i. Attested copies of CNIC or the passport of the shareholders and the proxy shall be provided with the proxy form.
 - ii. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
 - iii. In case of a corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted along with proxy form to the Company.

مختار نامہ (پراکسی فارم)
چوبیسواں سالانہ اجلاس عام
انک پٹرولیم لمیٹڈ

میں/ہم سنہ بحیثیت ممبر (رکن) انک پٹرولیم لمیٹڈ
اور حامل عام حصص، بمطابق شیئر رجسٹرڈ فوئیو نمبر/سی ڈی سی پارٹیشنٹ آئی ڈی نمبر
مسی/مسما کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر کو یا ان کی غیر حاضری
کی صورت میں مسی/مسما کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر
کو میرے/ہمارے ایماء پر بروز منگل 17 ستمبر 2019ء کو دن 12:30 بجے انک ہاؤس، مورگاہ، راولپنڈی میں منعقد ہونے والے کمپنی کے تیسواں سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی
بھی التواء کی صورت میں اپنا/ہمارا بطور مختار نمائندہ (پراکسی) مقرر کرنا/کرتی ہوں/کرتے ہیں۔

پچاس روپے مالیت کے ریونیو ٹکٹ

دستخط حصص کنندہ

(دستخط کا کاپی میں رجسٹرڈ نمونے کے ہونا ضروری ہے)

آج بروز بتاریخ 2019ء کو دستخط کئے گئے۔ دستخط مختار نمائندہ:
گواہان:
۱۔ دستخط: ۲۔ دستخط:
نام: نام:
پتہ: پتہ:
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:

ضروری ہدایات:

- ۱۔ مختار نامہ (پراکسی فارم) اجلاس کے مقررہ وقت سے کم از کم ۴۸ گھنٹے قبل مکمل کوائف اور دستخط کے ساتھ کمپنی کے رجسٹرڈ آفس انک ہاؤس، مورگاہ، راولپنڈی میں جمع کرانا ضروری ہے۔
- ۲۔ مذکورہ بالا ہدایات کے علاوہ درج ذیل ضروری شرائط بھی پوری کرنا لازمی ہیں۔
- ۱۔ مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوں گی۔
- ۲۔ مختار (پراکسی) کو اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
- ۳۔ کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن)، بورڈ آف ڈائریکٹرز کی منظور شدہ قرارداد/پاور آف اٹارنی بمعہ نمونہ دستخط ہمراہ مختار نامہ (پراکسی فارم) کمپنی کو جمع کرانا ہوگا۔