



**Attock**

## Interim Report & Financial Statements

For the Six Month Period Ended  
December 31, 2020

**ATTOCK PETROLEUM LIMITED**

# CONTENTS

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Corporate Information	02
-----------------------	----



Directors' Review	03
-------------------	----



ڈائریکٹرز کا جائزہ	11
--------------------	----



Independent Auditor's Review Report	13
-------------------------------------	----



## Condensed Interim Financial Information



Statement of Financial Position	14
---------------------------------	----



Statement of Profit or Loss	16
-----------------------------	----



Statement of Profit or Loss and Other Comprehensive Income	17
---	----



Statement of Changes in Equity	18
--------------------------------	----



Statement of Cash Flows	19
-------------------------	----



Notes to the Financial Information	20
------------------------------------	----



# CORPORATE INFORMATION

<b>Directors</b>	<b>Mr. Laith G. Pharaon</b> Chairman (Alternate Director - Mr. Iqbal A. Khwaja) <b>Mr. Wael G. Pharaon</b> (Alternate Director - Mr. Rehmat Ullah Bardaie) <b>Mr. Abdus Sattar</b> <b>Mr. Babar Bashir Nawaz</b> <b>Lt Gen (Retd.) Javed Alam Khan</b> <b>Mr. Mohammad Raziuddin</b> <b>Mr. Shuaib A. Malik</b> Chief Executive
<b>Audit Committee</b>	<b>Mr. Mohammad Raziuddin</b> Chairman <b>Mr. Abdus Sattar</b> <b>Mr. Babar Bashir Nawaz</b> <b>Lt Gen (Retd.) Javed Alam Khan</b>
<b>Human Resource &amp; Remuneration Committee</b>	<b>Mr. Mohammad Raziuddin</b> Chairman <b>Mr. Shuaib A. Malik</b> <b>Mr. Iqbal A. Khwaja</b> (Alternate Director to Mr. Laith G. Pharaon)
<b>Chief Financial Officer</b>	<b>Mr. Rehmat Ullah Bardaie</b>
<b>Company Secretary</b>	<b>Mr. Faizan Zafar</b>
<b>Auditors</b>	<b>A. F. Ferguson &amp; Co. Chartered Accountants</b>
<b>Bankers</b>	<b>Allied Bank Limited</b> <b>Bank Alfalah Limited</b> <b>Habib Bank Limited</b> <b>MCB Bank Limited</b> <b>United Bank Limited</b>
<b>Share Registrar</b>	<b>CDC Share Registrar Services Limited</b> CDC House, 99-B, Block 'B' S.M.C.H.S, Main Shahra-e-Faisal Karachi. UAN: +92-21-111-111-500 Fax: +92-21-34326034 Email: info@cdcsrsl.com Website: www.cdcsrsl.com
<b>Legal Advisor</b>	<b>Ali Sibtain Fazli &amp; Associates</b>
<b>Registered Office</b>	<b>Attock House, Morgah, Rawalpindi</b> Tel: +92-51-5127250-4 Email: contact@apl.com.pk Website: www.apl.com.pk

# DIRECTORS' REVIEW

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## IN THE NAME OF ALLAH, THE MOST BENEVOLENT, THE MOST GRACIOUS

The Board of Directors of Attock Petroleum Limited takes pleasure in presenting review of the performance of the Company together with the auditor's reviewed financial statements for the six month period ended December 31, 2020.

### Financial Performance

During the period under review, the Company recorded net sales revenue of Rs. 89,970 million as compared to Rs. 116,256 million earned during same period last year. Decrease in sales revenue is attributable to 18% decrease in average selling prices of petroleum products and 5% decrease in sales volume due to influx of smuggled products and limited transportation activity as a result of COVID-19 situation. However, increase in margins of the petroleum products, particularly the ones which are imported, together with the efficient inventory management led to increase in the profitability of the Company. This was adversely impacted, to some extent by the increase in operating expenses and reduction in net finance income. Accordingly, the Company earned net profit for the period amounting to Rs. 2,146 million (December 2019: Rs. 1,581 million), reflecting an increase of 36%. The results translated into earnings per share of Rs. 21.56 (December 2019: Rs. 15.88).

### Operational Performance

The COVID-19 pandemic continued to affect the global economy at various levels. However, international price of crude oil was supported to some extent as the situation improved and businesses started opening up which led to a positive outlook for the industry further supported by progress in formulation and approval of COVID vaccines by the relevant authorities. Volatility in demand patterns presented the industry with various opportunities and challenges. The industry players aligned themselves to grab the lost market share, thereby, increasing the competition while fixed cost of doing business kept on affecting the margins.

The market share of the Company stands at 10%. Company's sales volume of Furnace Oil (FO) increased by 40% due to increased demand by power producers for electricity generation on account of relatively lower gas availability. Further, sales volume of High Octane Blending

## DIRECTORS' REVIEW

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Component (HOBC) increased as price gap between HOBC and Premier Motor Gasoline (PMG) narrowed. Due to unavailability of indigenous products, the Company continued to import regular cargoes of Premier Motor Gasoline, Furnace Oil, High Speed Diesel and High Octane Blending Component to meet the demand.

Enhancement of retail network has always remained at the core of business strategy of Attock Petroleum Limited. Company expanded its presence in the metropolitan cities of Islamabad, Lahore and Karachi by establishing several new "Company Owned and Company Operated" retail outlets. In this regard, commissioning of a flagship retail outlet at one of the prime location of Federal Capital was an achievement for the Company. These retail outlets are noteworthy additions to the growing retail network of the Company not only in capital city but across key locations.

Major traffic volume of the Country is expected to be shifted towards Motorways, therefore, the Company targeted strategic locations along the Motorways to capture anticipated sales volume. In this regard, three (03) new, state-of-the-art Service Areas (North & South Bound) on Lahore-Abdul Hakeem Motorway (M-3) were commissioned. With the commissioning of these service areas, APL has captured the whole traffic volume of M-3 Motorway.

To strengthen its position in the southern and northern parts of the Country, APL has secured prime business location on Sukkur-Multan Motorway (M-5) while commissioning of service areas on Islamabad-Peshawar Motorway (M-1), Hazara Motorway and Swat Expressway are underway. These steps shall further enhance presence of the Company and promote its brand. Accordingly, the number of total retail outlets reached 728 as at December 31, 2020.

The lubricant segment has also recorded significant increase as the Company is focusing on its lubricant segment and in order to enhance customer base, investment has been made in revamping the product line by introducing products with new and approved formulas offering customers the best products to efficiently maintain their vehicles.

## DIRECTORS' REVIEW

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### Future Outlook

The local economy is being forecasted to grow, particularly large scale manufacturing and automotive sector, which shall boost business activity leading to increased demand of petroleum products. In order to minimize the financial and non-financial impact of the challenges being faced by the Company, the management under the guidance of the Board shall continue to make endeavors to reduce cost of doing business and generate maximum returns.

Infrastructural development has always remained critical for the Company. As the network of Bulk Oil Terminals of APL expands across the Country, the Company can ensure timely delivery of quality products to its prestigious clientele. Sahiwal and Daultpur Bulk Oil Terminals have started operations successfully meeting regional demand and providing employment opportunities to local populace. APL's flagship project of construction of Port Qasim Bulk Oil Terminal in Karachi is rapidly progressing and shall soon commence its operations after mandatory technical and regulatory inspections. Significant financial resources have been allocated by the management for completion of these projects even in such challenging times. Strategic location of this terminal to handle imports and its connection to White Oil Pipeline for transportation of products to up-country shall yield long term strategic and financial benefits to the Company. Expansion work at Shikarpur Bulk Oil Terminal was also completed during the period under review.

The Company has planned development of many new retail outlets in major cities and along inter-provincial highways and motorways to increase retail sales in the central region. Furthermore, the Company is in process of establishing another retail outlet at a prominent location of Islamabad while also developing two (2) retail outlets at prime locations in Lahore. APL is also working on establishing service areas on Swat Expressway, Coastal Highway and Lahore Sialkot Motorway. All these potential developments are expected to reap considerable revenues and returns for the Company in future.

In support of the Prime Minister's vision for Clean & Green Pakistan and to support Government of Pakistan's Alternative and Renewable Energy Policy, APL is planning to install/introduce Electronic Vehicle charging facility initially at the Company Operated sites located on Motorways. Afterwards, the facility shall be spread at potential retail outlets located in major cities.

## DIRECTORS' REVIEW

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### Acknowledgement

The Board would like to express its sincere gratitude to all employees, customers and strategic partners for their contributions and extended support. The Board also extends appreciation to Government authorities, shareholders and other stakeholders for their continuous support and cooperation.

On behalf of the Board



**SHUAIB A. MALIK**

CHIEF EXECUTIVE



**ABDUS SATTAR**

DIRECTOR

Rawalpindi.

January 26, 2021

## ڈائریکٹرز کا جائزہ

وزیر اعظم کے "کلین اینڈ گرین پاکستان" کے ویژن اور حکومت پاکستان کی متبادل اور قابل تجدید توانائی کی پالیسی کی حمایت میں APL موٹرویز پر اپنے کمپنی آپریٹڈ ریٹیل آؤٹلیٹس پر بجلی سے چلنے والی گاڑیوں کے لئے چارجنگ کی سہولیات فراہم کرنے جا رہی ہے۔ بعد ازاں، یہ سہولت بڑے شہروں میں موجود ریٹیل آؤٹلیٹس پر بھی فراہم کی جائے گی۔

اظہار تشکر:

بورڈ اپنے ملازمین، صارفین، سپلائرز اور تزویراتی شراکت داران کے تعاون اور کاوشوں پر ان کا شکر گزار ہے۔ بورڈ حکومتی اتھارٹیز، شیئر ہولڈرز اور دیگر اسٹیک ہولڈرز کے مسلسل تعاون اور حمایت پر ان کا بھی معترف ہے۔

منجانب بورڈ



عبدالستار

ڈائریکٹر



شعیب اے ملک

چیف ایگزیکٹو

راولپنڈی

۲۶ جنوری، ۲۰۲۱ء



کمپنی کے لئے بنیادی ڈھانچے کی ترقی ہمیشہ اہمیت کی حامل رہی ہے۔ ملک بھر میں APL کے بلک آئل ٹرمینلز کے نیٹ ورک میں توسیع سے کمپنی اپنے معتبر صارفین کو معیاری مصنوعات کی بروقت ترسیل کو یقینی بنا سکے گی۔ ساہیوال اور دولت پور بلک آئل ٹرمینلز نے کامیابی سے اپنے آپریشنز کا آغاز کر دیا ہے جس سے مقامی طلب کو پورا کیا جا رہا ہے اور مقامی آبادی کو روزگار کے مواقع فراہم کیے جا رہے ہیں۔ APL کا پورٹ قاسم بلک آئل ٹرمینل (کراچی) کی تعمیر کا منصوبہ تیزی سے آگے بڑھ رہا ہے اور ضروری تکنیکی اور قانونی منظور یوں کے بعد اپنے آپریشنز کا آغاز کر دے گا۔ مینجمنٹ نے ان مشکل حالات میں بھی ان منصوبوں کی تکمیل کے لئے خاطر خواہ مالی وسائل مختص کر رکھے ہیں۔ اس ٹرمینل کا کلیدی مقام پر ہونے کی وجہ سے کمپنی درآمدات کو موثر طریقے سے سنبھال سکے گی اور یہ وائٹ آئل پائپ لائن کے ساتھ منسلک ہونے کی وجہ سے ملک کے بالائی علاقوں تک پٹرولیم مصنوعات کی فراہمی کو یقینی بنا کر کمپنی کے لئے دیرپا مالی فوائد کا سبب بنے گا۔ زیر جائزہ مدت کے دوران شکار پور بلک آئل ٹرمینل میں بھی توسیع کا کام مکمل کیا گیا۔

کمپنی نے بڑے شہروں میں اور بین الصوبائی موٹرویز اور ہائی ویز کے اطراف کئی نئے ریٹیل آؤٹلیٹس کی تعمیر کی منصوبہ بندی کی ہے۔ مزید یہ کہ کمپنی اسلام آباد کے ایک نمایاں مقام پر ریٹیل آؤٹلیٹ قائم کر رہی ہے جبکہ لاہور کے اہم مقامات پر دو نئے ریٹیل آؤٹلیٹس بھی قائم کئے جا رہے ہیں۔ سوات ایکسپریس وے، کوئٹہ ہائی وے اور لاہور۔ سیالکوٹ موٹروے کے سروس ایریا میں ریٹیل آؤٹلیٹس قائم کرنے کے لئے بھی کام جاری ہے۔ ان منصوبوں سے کمپنی خاطر خواہ مالی اور دیگر فوائد حاصل کر سکے گی۔

موٹروے (M-3) کے دونوں اطراف (شمال اور جنوب) پر تین (03) سروس ایریاز پر نئے اور جدید ریٹیل آؤٹلیٹس قائم کیے ہیں۔ ان ریٹیل آؤٹلیٹس سے APL نے M-3 موٹروے کی مکمل ٹریفک کا احاطہ کر لیا ہے۔

ملک کے شمالی اور جنوبی علاقہ جات میں اپنی موجودگی کو بہتر کرنے کے لئے APL نے سکھر-ملتان موٹروے (M-5) کے اہم کاروباری مقام پر سروس ایریاز حاصل کر لئے ہیں جبکہ ہزارہ موٹروے، سوات ایکسپریس وے اور اسلام آباد-پشاور موٹروے (M-1) کے نئے سروس ایریاز پر ریٹیل آؤٹلیٹس قائم کرنے کا عمل جاری ہے۔ ان اقدامات سے کمپنی کی موجودگی مزید بڑھے گی اور برانڈ کو فروغ حاصل ہوگا۔ اسی طرح، 31 دسمبر 2020ء تک، ریٹیل آؤٹلیٹس کی کل تعداد 728 تک جا پہنچی ہے۔

کمپنی نے لبریکنٹ (Lubricant) سیگمنٹ پر توجہ مرکوز کر کے حجم فروخت میں خاطر خواہ اضافہ کیا ہے اور صارفین کی تعداد میں اضافے کی غرض سے نئی اور جدید مصنوعات کو متعارف کروانے کے لئے سرمایہ کاری کی ہے تاکہ صارفین کو اپنی گاڑیوں کی دیکھ بھال کے لئے بہترین مصنوعات فراہم کی جاسکیں۔

### مستقبل کا نقطہ نظر:

اس بات کی توقع ہے کہ ملکی معیشت، بالخصوص بڑے پیمانے کی صنعتیں اور گاڑیوں کی صنعت، ترقی کرے گی جس سے کاروباری سرگرمیوں کو فروغ ملے گا اور پیٹرولیم مصنوعات کی طلب میں اضافہ ہوگا۔ کمپنی کو درپیش چیلنجز کے مالی اور غیر مالی اثرات کو کم کرنے کے لئے مینجمنٹ بورڈ کی رہنمائی میں کاروباری لاگت کم کرنے کے لئے اور زیادہ سے زیادہ منافع حاصل کرنے کے لئے کاوشیں جاری رکھے گی۔

تیاری میں پیش رفت اور منظوری سے اسے مزید تقویت ملی۔ طلب میں اتار چڑھاؤ نے کئی مواقعے اور چیلنجز کو جنم دیا۔ صنعت سے منسلک کمپنیوں نے اپنے کھوئے ہوئے مارکیٹ شیئر کو دوبارہ حاصل کرنے کے لئے کاوشیں کی جس سے مقابلے میں اضافہ ہوا تاہم مقررہ کاروباری لاگت منافع پر اثر انداز ہوتی رہی۔

کمپنی کا مارکیٹ شیئر 10 فیصد رہا۔ گیس کی دستیابی میں کمی کے باعث بجلی پیدا کرنے والے اداروں کی فرنس آئل (FO) کی طلب میں اضافہ ہوا اور کمپنی کے فرنس آئل کے حجم فروخت میں 40 فیصد اضافہ ہوا۔ مزید یہ کہ ہائی آکٹین بلینڈنگ کمپونٹ (HOBC) اور پریمیئر موٹر گیسولین (PMG) کی قیمت میں فرق کم ہونے کے باعث ہائی آکٹین بلینڈنگ کمپونٹ (HOBC) کے حجم فروخت میں بھی اضافہ ہوا۔ مقامی مصنوعات کی عدم دستیابی کی وجہ سے طلب کو پورا کرنے کے لئے کمپنی باقاعدگی سے پریمیئر موٹر گیسولین (PMG)، فرنس آئل (FO)، ہائی اسپیڈ ڈیزل (HSD) اور ہائی آکٹین بلینڈنگ کمپونٹ (HOBC) درآمد کرتی رہی۔

انٹک پیٹرولیم لمیٹڈ میں ریٹیل نیٹ ورک کی توسیع ہمیشہ اہمیت کی حامل رہی ہے۔ کمپنی نے اسلام آباد، لاہور اور کراچی جیسے بڑے شہروں میں کئی نئی کمپنی آپریٹڈ ریٹیل آؤٹلیٹس (COCO) قائم کر کے اپنی موجودگی کو بڑھایا ہے۔ اسی سلسلے میں وفاقی دارالحکومت کے اہم مقام پر ریٹیل آؤٹلیٹ قائم کرنا کمپنی کی کامیابی ہے۔ یہ ریٹیل آؤٹلیٹس وفاقی دارالحکومت اور دوسرے اہم مقامات پر کمپنی کے ریٹیل نیٹ ورک میں قابل ذکر اضافہ ہیں۔

توقع ہے کہ ملکی ٹریفک کا بڑا حصہ موٹر ویز پر شفٹ ہو جائے گا، اسی لئے، کمپنی نے متوقع حجم فروخت کو حاصل کرنے کے لئے موٹر ویز کے اہم مقامات کو ہدف بنایا ہے۔ اسی سلسلے میں لاہور۔ عبدالحکیم

شروع کرتا ہوں اللہ کے نام سے جو بڑا مہربان اور نہایت رحم کرنے والا ہے۔

انٹک پٹرولیم لیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2020 کو ختم ہونے والی ششماہی مدت کے لئے کمپنی کی کارکردگی پر رپورٹ بمع آڈیٹر سے جائزہ شدہ مالیاتی گوشوارے پیش کرنا باعث مسرت سمجھتے ہیں۔

### مالیاتی کارکردگی:

زیر جائزہ مدت کے دوران، کمپنی کی خالص فروخت آمدنی گزشتہ سال اسی مدت کے دوران 116,256 ملین روپے کے مقابلے میں 89,970 ملین روپے ہے۔ فروخت آمدنی میں کمی کی وجہ تیل کی اوسط قیمتوں میں 18 فیصد کمی اور اسمگل شدہ مصنوعات کے ورود اور COVID-19 کی صورتحال کے پیش نظر نقل و حمل میں کمی کے باعث حجم فروخت میں 5 فیصد کمی ہے۔ اس کے برعکس، پیٹرولیم مصنوعات بالخصوص درآمد کی گئی مصنوعات کے نفع میں اضافے اور بہتر انوینٹری مینجمنٹ سے منافع میں اضافہ ہوا۔ آپریٹنگ اخراجات میں اضافہ اور خالص مالی آمدنی میں کمی نے منافع کو کسی حد تک منفی طور پر متاثر کیا۔ نتیجتاً، کمپنی نے 2,146 ملین روپے کا خالص منافع کمایا (دسمبر 2019: 1,581 ملین روپے) جو 36 فیصد اضافے کی عکاسی کرتا ہے۔ اسے 21.56 روپے فی شیئر (دسمبر 2019: 15.88 روپے) کی آمدن کے مفہوم میں لیا جاسکتا ہے۔

### آپریٹنگ کارکردگی:

COVID-19 کی وباء کے اثرات نے کاروبار کو مختلف سطحوں پر متاثر کیا۔ تاہم صورتحال کے بہتر ہوتے ہی کاروباری سرگرمیاں دوبارہ شروع ہوئیں جس سے خام تیل کی بین الاقوامی قیمت کو کسی حد تک سہارا ملا اور تیل کی صنعت کی صورتحال میں بہتری آئی اور COVID کی ویکسین کی متعلقہ حکام کی جانب سے

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## **Independent Auditor's Review Report to the members of Attock Petroleum Limited Report on review of Interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Attock Petroleum Limited as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of profit or loss and other comprehensive income for three month period ended December 31, 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2020.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is M. Imtiaz Aslam.

A handwritten signature in black ink, appearing to read "M. Imtiaz Aslam".

Chartered Accountants  
Islamabad

Date: January 26, 2021

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT DECEMBER 31, 2020

		December 31, 2020	June 30, 2020
	Note	Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorised capital	4	1,500,000	1,500,000
Issued, subscribed and paid up capital	4	995,328	995,328
Special reserves		219,957	219,855
Unappropriated profit		18,979,844	17,230,838
		20,195,129	18,446,021
NON CURRENT LIABILITIES			
Long term deposits		821,019	774,349
Long term lease liabilities	5	5,357,706	3,978,932
Long term loan	6	156,775	120,323
Deferred government grant	7	11,310	9,979
		6,346,810	4,883,583
CURRENT LIABILITIES			
Trade and other payables	8	24,102,617	27,561,324
Current portion of long term lease liabilities	5	203,885	205,803
Current portion of long term loan	6	190,500	43,046
Current portion of deferred government grant	7	16,732	6,652
Unclaimed dividend		51,133	50,741
Provision for current income tax		240,838	41,162
		24,805,705	27,908,728
CONTINGENCIES AND COMMITMENTS			
	9	51,347,644	51,238,332

	Note	December 31, 2020 Rupees ('000)	June 30, 2020
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	10	<b>15,550,203</b>	13,839,661
Long term investments in associated companies	11	<b>783,812</b>	807,973
Deferred tax asset		<b>1,057,419</b>	936,005
		<b>17,391,434</b>	15,583,639
<b>CURRENT ASSETS</b>			
Stores and spares		<b>151,568</b>	164,877
Stock in trade	12	<b>12,651,905</b>	9,464,503
Trade debts	13	<b>9,915,665</b>	13,970,178
Advances, deposits, prepayments and other receivables	14	<b>4,679,604</b>	3,775,742
Short term investments	15	<b>2,418,098</b>	4,797,007
Cash and bank balances	16	<b>4,139,370</b>	3,482,386
		<b>33,956,210</b>	35,654,693
		<b>51,347,644</b>	51,238,332

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director



# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

	Note	Three month period ended		Six month period ended	
		December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Rupees ('000)					
<b>Sales</b>		<b>52,624,603</b>	66,812,510	<b>105,595,348</b>	136,130,849
Sales tax and other government levies		<b>(7,769,356)</b>	(9,764,860)	<b>(15,625,053)</b>	(19,875,117)
<b>NET SALES</b>		<b>44,855,247</b>	57,047,650	<b>89,970,295</b>	116,255,732
Cost of products sold		<b>(43,155,049)</b>	(56,120,699)	<b>(85,210,167)</b>	(113,228,428)
<b>GROSS PROFIT</b>		<b>1,700,198</b>	926,951	<b>4,760,128</b>	3,027,304
Other income	17	<b>323,667</b>	276,261	<b>534,955</b>	569,495
Net impairment losses on financial assets		<b>(75,201)</b>	(51,475)	<b>(156,036)</b>	(125,258)
Operating expenses		<b>(933,665)</b>	(723,574)	<b>(1,797,505)</b>	(1,281,460)
<b>OPERATING PROFIT</b>		<b>1,014,999</b>	428,163	<b>3,341,542</b>	2,190,081
Finance income	18	<b>306,425</b>	601,116	<b>691,564</b>	1,117,224
Finance costs	18	<b>(374,715)</b>	(431,618)	<b>(790,761)</b>	(722,084)
Net finance (cost)/ income		<b>(68,290)</b>	169,498	<b>(99,197)</b>	395,140
Share of loss of associated companies		<b>(19,693)</b>	(4,934)	<b>(25,105)</b>	(138,560)
Other charges	19	<b>(64,970)</b>	(78,039)	<b>(222,514)</b>	(177,417)
<b>PROFIT BEFORE TAXATION</b>		<b>862,046</b>	514,688	<b>2,994,726</b>	2,269,244
Taxation	20	<b>(201,207)</b>	(159,208)	<b>(848,431)</b>	(688,550)
<b>PROFIT FOR THE PERIOD</b>		<b>660,839</b>	355,480	<b>2,146,295</b>	1,580,694
Earnings per share					
- Basic and diluted (Rupees)		<b>6.64</b>	3.57	<b>21.56</b>	15.88

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

	Three month period ended		Six month period ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Rupees ('000)			
<b>PROFIT FOR THE PERIOD</b>	<b>660,839</b>	355,480	<b>2,146,295</b>	1,580,694
<b>OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Share of other comprehensive income/(loss) of associated companies - net of tax	5	(22)	944	1,076
	5	(22)	944	1,076
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>660,844</b>	355,458	<b>2,147,239</b>	1,581,770

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

## FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

	Share capital	Special reserves	Unappropriated profit	Total
	Rupees ('000)			
<b>BALANCE AS AT JUNE 30, 2019</b>	<b>995,328</b>	<b>219,785</b>	<b>17,711,622</b>	<b>18,926,735</b>
Total comprehensive income for the six month period ended December 31, 2019				
Profit for the period	-	-	1,580,694	1,580,694
Other comprehensive income	-	-	1,076	1,076
	-	-	1,581,770	1,581,770
Transfer to special reserves by associated companies	-	39	(39)	-
Transaction with owners:				
Final cash dividend @ 100% relating to the year ended June 30, 2019	-	-	(995,328)	(995,328)
Total transactions with owners	-	-	(995,328)	(995,328)
<b>BALANCE AS AT DECEMBER 31, 2019</b>	<b>995,328</b>	<b>219,824</b>	<b>18,298,025</b>	<b>19,513,177</b>
Total comprehensive income for the six month period ended June 30, 2020				
Loss for the period	-	-	(572,400)	(572,400)
Other comprehensive income	-	-	2,908	2,908
	-	-	(569,492)	(569,492)
Transfer to special reserves by associated companies	-	31	(31)	-
Transaction with owners:				
Interim cash dividend @ 50% relating to year ended June 30, 2020	-	-	(497,664)	(497,664)
Total transactions with owners	-	-	(497,664)	(497,664)
<b>BALANCE AS AT JUNE 30, 2020</b>	<b>995,328</b>	<b>219,855</b>	<b>17,230,838</b>	<b>18,446,021</b>
Total comprehensive income for the six month period ended December 31, 2020				
Profit for the period	-	-	2,146,295	2,146,295
Other comprehensive income	-	-	944	944
	-	-	2,147,239	2,147,239
Transfer to special reserves by associated companies	-	102	(102)	-
Transaction with owners:				
Final cash dividend @ 40% relating to year ended June 30, 2020	-	-	(398,131)	(398,131)
Total transactions with owners	-	-	(398,131)	(398,131)
<b>BALANCE AS AT DECEMBER 31, 2020</b>	<b>995,328</b>	<b>219,957</b>	<b>18,979,844</b>	<b>20,195,129</b>

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

		Six month period ended	
		December 31, 2020	December 31, 2019
		Rupees ('000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers		94,171,772	118,377,185
Payments for purchase of products and operating expenses		(93,835,207)	(111,308,266)
Other charges received		39,086	36,666
Long term deposits received		46,670	40,741
Income tax paid		(770,169)	(1,012,828)
Cash flow from operating activities		(347,848)	6,133,498
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition to property, plant and equipment		(928,979)	(1,024,351)
Proceeds from sale of property, plant and equipment		3,989	18,402
Sale/ (purchase) of short term investments		99,217	(380,119)
Income received on bank deposits, short term and other long term investments		179,304	550,608
Cash flow from investing activities		(646,469)	(835,460)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Lease liabilities paid		(463,831)	(243,111)
Dividends paid		(397,739)	(994,393)
Long term loan		201,000	-
Cash used in financing activities		(660,570)	(1,237,504)
Effect of exchange rate changes		(1,248)	(521)
<b>(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(1,656,135)</b>	<b>4,060,013</b>
<b>CASH AND CASH EQUIVALENTS AT JULY 1</b>		<b>7,282,967</b>	<b>3,402,632</b>
<b>CASH AND CASH EQUIVALENTS AT DECEMBER 31</b>		<b>5,626,832</b>	<b>7,462,645</b>
<b>CASH AND CASH EQUIVALENTS</b>			
	Note		
Short-term investments	15	1,487,462	119,294
Cash and bank balances	16	4,139,370	7,343,351
		<b>5,626,832</b>	<b>7,462,645</b>

The annexed notes 1 to 29 form an integral part of this condensed interim financial information.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

## **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 and Attock Refinery Limited hold 34.38% (June 30, 2020: 34.38%) and 21.88% (June 30, 2020: 21.88%) shares respectively of the Company.

## **2. STATEMENT OF COMPLIANCE**

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

- International accounting standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2020.

## **3. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS**

### **Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant**

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2020 are considered not to be relevant for the Company's financial statements and hence have not been detailed here.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020**

	<b>December 31, 2020</b>	June 30, 2020
	Rupees ('000)	
<b>4. SHARE CAPITAL</b>		
AUTHORISED CAPITAL		
150,000,000 ordinary shares of Rs 10 each (June 30, 2020: 150,000,000 ordinary shares of Rs 10 each)	<b>1,500,000</b>	1,500,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Shares issued for cash 5,000,000 ordinary shares of Rs 10 each (June 30, 2020: 5,000,000 ordinary shares of Rs 10 each)	<b>50,000</b>	50,000
Shares issued as fully paid bonus shares 94,532,800 (June 30, 2020: 94,532,800) ordinary shares of Rs 10 each	<b>945,328</b>	945,328
99,532,800 (June 30, 2020: 99,532,800) ordinary shares of Rs 10 each	<b>995,328</b>	995,328
<b>5. LONG TERM LEASE LIABILITIES</b>		
Opening at the beginning of the year	<b>4,184,735</b>	1,562,230
Additions during the period / year	<b>1,527,646</b>	2,880,373
Unwinding of interest on lease liabilities	<b>288,633</b>	377,483
Payments made during the period / year	<b>(463,831)</b>	(539,298)
Remeasurement of lease liabilities	<b>24,408</b>	(96,053)
Balance at end of the year	<b>5,561,591</b>	4,184,735
Less: current portion of long term lease liabilities	<b>(203,885)</b>	(205,803)
	<b>5,357,706</b>	3,978,932
<b>6. LONG TERM LOAN</b>		

During the period, the Company continued the arrangement with Habib Bank Limited for obtaining term finance facility under State Bank of Pakistan (SBP) Salary Refinance Scheme to pay six month salaries & wages to permanent, contractual and outsourced employees upto a maximum of Rs 381 million (June 30, 2020: Rs 180 million). The facility is secured against existing first pari passu charge of Rs 4,267 million (June 30, 2020: Rs 4,267 million) on all present and future current and fixed assets of the Company (excluding land and building). The repayment of loan (principal amount) will be made in 8 equal quarterly installments commencing from January 1, 2021. Mark up rate is 0.45% on this facility and shall also be paid on quarterly basis. The availed facility at December 31, 2020 is Rs 381 million (June 30, 2020: 180 million). The facility will expire on January 01, 2023.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

**7. DEFERRED GOVERNMENT GRANT**

This represent deferred government grant in respect of term finance facility obtained under SBP Salary Refinance Scheme as disclosed in note 6. There are no unfulfilled conditions or other contingencies attaching to this grant.

	<b>December 31, 2020</b>	June 30, 2020
	Rupees ('000)	
Opening deferred government grant	<b>16,631</b>	17,087
Deferred government grant recognised	<b>17,807</b>	-
Less: Amortisation of deferred government grant	<b>(6,396)</b>	(456)
	<b>28,042</b>	16,631
Less: Current portion of deferred government grant	<b>(16,732)</b>	(6,652)
	<b>11,310</b>	9,979

**8. TRADE AND OTHER PAYABLES**

Creditors - note 8.2	<b>2,742,932</b>	2,162,348
Due to related parties (unsecured) - note 8.1	<b>13,937,005</b>	16,114,256
Accrued expenses and other liabilities - note 8.2	<b>4,621,720</b>	6,488,998
Advances from customers	<b>1,866,785</b>	2,228,058
Retention money	<b>473,038</b>	461,767
Income tax withheld	<b>24,966</b>	64,279
Sales tax payable	<b>343,767</b>	9,610
Workers' welfare fund	<b>92,404</b>	32,008
	<b>24,102,617</b>	27,561,324

**8.1 Due to related parties**

National Refinery Limited	<b>2,938,438</b>	2,406,683
Attock Refinery Limited	<b>10,800,963</b>	13,681,796
Pakistan Oilfields Limited	<b>10,103</b>	12,443
The Attock Oil Company Limited	<b>14,989</b>	2,653
Attock Sahara Foundation	<b>188</b>	603
Attock Leisure Management Associates	<b>129</b>	-
Workers' Profit Participation Fund	<b>162,117</b>	-
APL Gratuity Fund	<b>10,078</b>	10,078
	<b>13,937,005</b>	16,114,256

**8.2** These include Rs 221,483 thousand (June 30, 2020: Rs 88,611 thousand) being Company's share in current liabilities of joint operation. (as disclosed in note 24)

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020**

	<b>December 31, 2020</b>	June 30, 2020
	Rupees ('000)	
<b>9. CONTINGENCIES AND COMMITMENTS</b>		
<b>(a) CONTINGENCIES</b>		
(i) Corporate guarantees and indemnity bonds issued by the Company to the Collector of Customs.	<b>5,455,690</b>	5,611,177
(ii) Guarantees issued by bank on behalf of the Company.	<b>2,078,837</b>	1,678,943
(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 (2020: Rs 434,902 thousand). 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 14.1 for amount withheld by OGRA in this respect of Rs 205,713 thousand. Afterwards, the Company filed writ petition 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. The Hearing of the case has now fixed by the Honorable High Court on February 18, 2021. The Company is confident that the matter will be decided in favor of the Company by the Honorable 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 alongwith default surcharge and penalty. The matter is now subjudice before the Appellate Tribunal which is yet to be decided. The management of the Company is confident that the matter will ultimately be decided in the Company's favour. Accordingly, no provision has been made in these financial statements.		
	<b>December 31, 2020</b>	June 30, 2020
	Rupees ('000)	
(v) The Company's share of contingencies of associated companies based on financial information of associated companies as at September 30, 2020 (June 30, 2020: March 31, 2020)	<b>171,224</b>	154,109
<b>(b) COMMITMENTS</b>		
(i) Capital expenditure commitments	<b>1,442,514</b>	2,074,123
(ii) Commitments for import of petroleum products against letter of credit facility	<b>2,676,289</b>	2,305,726
(iii) The Company's share of commitments of associated companies based on financial information of associated companies as at September 30, 2020 (June 30, 2020: March 31, 2020)		
- Capital expenditure commitments	<b>7,590</b>	20,211
- Outstanding letters of credit	<b>766</b>	63,043



**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

**Six months ended**      Year ended  
**December 31,**      June 30,  
**2020**                      2020  
Rupees ('000)

**10. PROPERTY, PLANT AND EQUIPMENT**

Operating assets		
Owned assets - note 10.1	<b>7,414,097</b>	6,897,852
Right of use assets (ROU) - 10.2	<b>6,312,800</b>	5,095,125
Capital work in progress	<b>1,823,306</b>	1,846,684
	<b>15,550,203</b>	13,839,661

**10.1 Owned assets**

Opening net book value	<b>6,897,852</b>	5,657,884
Additions	<b>952,357</b>	2,979,431
Transfer to ROU assets		
Cost	-	(1,223,119)
Accumulated depreciation	-	170,384
	-	(1,052,735)
Disposals		
Cost	<b>(40,388)</b>	(47,875)
Accumulated depreciation	<b>39,391</b>	45,035
	<b>(997)</b>	(2,840)
Depreciation charge	<b>(435,115)</b>	(683,888)
Closing net book value	<b>7,414,097</b>	6,897,852

**10.2 Right of use assets (ROU)**

Opening net book value	<b>5,095,125</b>	2,800,366
Additions	<b>1,527,646</b>	2,880,373
Depreciation charge	<b>(334,380)</b>	(489,561)
Remeasurement in lease liabilities	<b>24,409</b>	(96,053)
Closing net book value	<b>6,312,800</b>	5,095,125

**10.3** Included in operating assets are assets having cost of Rs 613,505 thousand (June 30, 2020: Rs 613,381 thousand) and accumulated depreciation of Rs 209,589 thousand (June 30, 2020: Rs 170,326 thousand) in respect of Company's share in joint operations at New Islamabad International Airport (NIAP) as referred in note 24.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020**

**Six months ended  
December 31,  
2020**      Year ended  
June 30,  
2020  
Rupees ('000)

**11. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES**

**Movement during the period / year**

Balance at beginning of the period / year	<b>807,973</b>	903,965
Share of loss of associated companies	<b>(25,105)</b>	(254,675)
Reversal of impairment loss related to investment in		
Attock Refinery Limited	-	127,730
National Refinery Limited	-	29,656
	<b>(25,105)</b>	(97,289)
Share of other comprehensive income of associated companies	<b>944</b>	1,297
Balance at end of the period / year	<b>783,812</b>	807,973

	<b>December 31, 2020</b>		June 30, 2020	
	Holding %	Amount Rs ('000)	Holding %	Amount Rs ('000)
11.1 The Company's interest in associated companies is as follows:				
National Refinery Limited - Quoted	1	<b>539,915</b>	1	512,098
Attock Refinery Limited - Quoted	1.68	<b>391,863</b>	1.68	446,687
Attock Information Technology Services (Private) Limited - Unquoted	10	<b>36,409</b>	10	33,563
Carrying value on equity method		<b>968,187</b>		992,348
Less: Impairment loss				
National Refinery Limited		<b>(176,238)</b>		(176,238)
Attock Refinery Limited		<b>(8,137)</b>		(8,137)
		<b>(184,375)</b>		(184,375)
		<b>783,812</b>		807,973

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

## 12. STOCK IN TRADE

**12.1** Stock in trade includes the Company's share of pipeline stock amounting to Rs 2,812,626 thousand (June 30, 2020: Rs 3,378,376 thousand) and Rs 813,990 thousand (June 30, 2020: Rs 1,394,826 thousand) held by Pak-Arab Pipeline Company Limited and Pak-Arab Refinery Limited respectively.

**12.2** It includes Rs 247,623 thousand (June 30, 2020: Rs 269,733 thousand) being Company's share in joint operation. (as disclosed in note 24)

**December 31,**  
**2020**  
Rupees ('000)

## 13. TRADE DEBTS

Considered good  
Secured

**706,070** 827,905

Unsecured

Due from related parties - note 13.1

**5,539,939** 8,737,496

Others - note 13.2

**3,669,656** 4,404,777

**9,209,595** 13,142,273

Considered doubtful  
Others

**155,845** 137,267

**10,071,510** 14,107,445

Less: loss allowance

**(155,845)** (137,267)

**9,915,665** 13,970,178

### 13.1 Due from related parties

Attock Gen Limited

**5,447,884** 8,688,020

Pakistan Oilfields Limited

**39,097** 28,886

Attock Cement Pakistan Limited

**51,355** 19,955

Attock Refinery Limited

**627** 635

National Refinery Limited

**976** -

**5,539,939** 8,737,496

**13.2** It includes Rs 366,966 thousand (June 30, 2020: Rs 408,724 thousand) being Company's share in joint operation (as disclosed in note 24).

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020**

	<b>December 31, 2020</b>	June 30, 2020
	Rupees ('000)	
<b>14. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Advances to suppliers and employees	<b>69,501</b>	84,779
Trade deposits and short term prepayments	<b>270,042</b>	146,209
Current account balances with statutory authorities	<b>26,560</b>	26,560
Accrued income on bank deposits	<b>2,909</b>	7,259
Price differential claim receivable from the Government	<b>28,528</b>	28,528
Receivable from oil marketing companies under freight pool - note 14.1	<b>707,647</b>	657,955
Receivable from Joint Operator (as disclosed in note 24)	<b>480,263</b>	44,862
Due from related parties - unsecured		
Attock Gen Limited	<b>4,143,425</b>	3,671,327
Attock Information Technology Services (Private) Limited	<b>790</b>	1,619
Attock Cement Pakistan Limited	<b>142</b>	118
Workers' Profit Participation Fund	<b>-</b>	39,086
Less: loss allowance	<b>(1,050,203)</b>	(932,560)
	<b>4,679,604</b>	3,775,742

**14.1** It includes Rs 205,713 thousand (June 30, 2020: 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 9.a (iii).

	<b>December 31, 2020</b>	June 30, 2020
	Rupees ('000)	
<b>15. SHORT TERM INVESTMENTS</b>		
Investment in treasury bills - at amortized cost - note 15.1		
Upto three months	<b>1,487,462</b>	3,800,581
Later than six months but not later than one year	<b>730,047</b>	927,692
	<b>2,217,509</b>	4,728,273
Investment in mutual funds - at fair value through profit or loss	<b>200,589</b>	68,734
	<b>2,418,098</b>	4,797,007

**15.1** Short term investments in treasury bills earned interest at effective rate of 8.46% per annum (June 30, 2020: 12.13% per annum).

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

December 31,  
2020  
Rupees ('000)

June 30,  
2020

**16. CASH AND BANK BALANCES**

Cash in hand	8,130	7,280
Bank balances		
On short term deposits	3,000,000	2,000,000
On interest / mark-up bearing saving accounts (includes US \$ 24 thousand; 2020: US \$ 24 thousand)	1,055,580	1,398,746
On current accounts (includes US \$ 153 thousand; 2020: US \$ 153 thousand)	75,660	76,360
	4,131,240	3,475,106
	4,139,370	3,482,386

**16.1** Balances in short term deposits and saving accounts earned interest/mark-up at weighted average rate of 6.54% per annum (June 30, 2020: 11.81% per annum).

Three month period ended		Six month period ended	
December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Rupees ('000)			

**17. OTHER INCOME**

Commission and handling income	163,077	188,487	258,968	368,483
Exchange gain	62,352	26,589	89,615	80,799
Other income	98,238	61,185	186,372	120,213
	323,667	276,261	534,955	569,495

**18. FINANCE INCOME AND COSTS**

**Finance income**

Income on bank deposits and				
Short term investments	102,936	295,182	208,634	552,542
Late payment charges	203,489	305,934	482,930	564,682
	306,425	601,116	691,564	1,117,224

**Finance cost**

Bank charges	27,818	17,425	47,224	33,571
Lease finance charges	153,902	127,338	288,633	158,685
Markup on long term loan	404	-	964	-
Late payment charges	192,591	286,855	453,940	529,828
	374,715	431,618	790,761	722,084
Net finance (cost)/ income	(68,290)	169,498	(99,197)	395,140

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

Three month period ended		Six month period ended	
December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Rupees ('000)			

**19. OTHER CHARGES**

Workers' profit participation fund	47,335	29,883	162,117	129,261
Workers' welfare fund	17,635	48,156	60,397	48,156
	64,970	78,039	222,514	177,417

**20. PROVISION FOR TAXATION**

Current income tax charge	317,040	321,423	969,845	870,423
Deferred tax income	(115,833)	(162,215)	(121,414)	(181,873)
	201,207	159,208	848,431	688,550

**21. FAIR VALUE MEASUREMENT**

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2020. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended June 30, 2020.

The carrying values of financial assets and liabilities 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;

December 31, 2020				June 30,
(Level 1)	Level 2)	(Level 3)	Total	2020
Rupees ('000)				
200,589	-	-	200,589	68,734
200,589	-	-	200,589	68,734

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

Three month period ended		Six month period ended	
December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Rupees ('000)			

## 22. TRANSACTIONS WITH RELATED PARTIES

### Associated companies

Purchase of petroleum products	18,696,064	32,320,005	41,891,522	65,746,020
Sale of petroleum products	1,053,179	1,114,965	3,226,620	2,708,824
Commission and handling income	163,078	188,487	258,968	368,483
Late payment charges earned - Attock Gen Limited	200,295	298,329	472,098	551,020
Late payment charges - Attock Refinery Limited	193,591	286,855	453,940	529,828
Administrative services expense	44,878	90,170	193,021	131,749
Dividend paid during the period to Associated companies	260,668	-	260,668	651,668

### Other related parties

Remuneration of Chief Executive and key management personnel including benefits and perquisites	30,433	32,554	48,739	53,176
Security deposit and joining fee received from Chief Executive for establishing a retail outlet	-	1,200	-	1,200
Lease rentals paid to Chief Executive for retail outlet	11,808	-	11,808	-
Contribution to staff retirement benefits plans				
APL Employees provident fund	4,828	4,741	9,652	9,042
APL Gratuity fund	4,005	4,434	8,004	8,134
Contribution to workers' profit participation fund	47,335	29,883	162,117	129,261

## 23. SEGMENT REPORTING

**23.1** As described in note 1 to this condensed interim financial information the Company markets petroleum products. Revenue from external customers for products of the Company are as follows:

Three month period ended		Six month period ended	
December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Rupees ('000)			

### Product

High Speed Diesel	17,794,224	26,707,683	32,853,628	51,961,723
Premier Motor Gasoline	21,115,797	26,452,231	41,926,028	52,863,295
Furnace Fuel Oil	8,520,464	6,312,307	20,829,436	17,150,400
Bitumen	1,748,181	2,564,047	3,788,987	5,042,919
Jet petroleum	1,346,794	2,675,904	1,850,428	5,277,574
Others	2,099,143	2,100,338	4,346,841	3,834,938
	<u>52,624,603</u>	<u>66,812,510</u>	<u>105,595,348</u>	<u>136,130,849</u>

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020**

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**23.2** There is no single external customer of the Company whose revenue amounts to 10% or more of the Company's total revenue during the six months period ended December 31, 2020 (December 31, 2019: Nil).

**24. INTEREST IN JOINT OPERATION**

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.

**25. LETTER OF CREDIT & SHORT TERM RUNNING FINANCE FACILITIES**

**25.1** 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 7,500 million (June 30, 2020: Rs 10,700 million). The facility is secured against first pari passu charge of Rs 8,533 million (June 30, 2020: Rs 11,867 million) on all present and future current and fixed assets of the Company (excluding land and building). The unavailed facility at December 31, 2020 was Rs 4,824 million (June 30, 2020: Rs 7,694 million). The facility will expire on June 30, 2021.

**25.2** The Company has two running finance facilities aggregating to Rs 6,800 million (June 30, 2020: Rs 6,800 million). No amount has been utilized from aforementioned facilities as at December 31, 2020 (June 30, 2020: Rs Nil). These facilities carry mark-up at the rates ranging from three months Kibor + 0.25% to one month Kibor + 0.4% (June 30, 2020: from three months Kibor + 0.25% to one month Kibor + 0.4%) 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.

**26. FINANCIAL RISK MANAGEMENT**

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2020.

**27. GENERAL**

**27.1 IMPACT OF COVID - 19 ON THE FINANCIAL STATEMENTS**

The spread of COVID - 19 as a pandemic and consequent imposition of smart lock down by the Federal and Provincial Governments of Pakistan caused an overall economic slowdown and disruption to various businesses. Procurement and marketing of petroleum and related products have been continued in compliance of SOP's issued by the Government of Pakistan. The management of the Company has been regularly conducting in depth analysis and has assessed that there is no material impact of COVID - 19 on the carrying amounts of assets and liabilities as at December 31, 2020. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all steps possible to mitigate any effects.

**27.2 CORRESPONDING FIGURES**



**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2020

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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)
"Investments in treasury bills at amortised cost upto three months" now included in	
"Cash and cash equivalents" in the statement of cash flows	119,294

**28. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE**

The Board of Directors in its meeting held on January 26, 2021 have declared an interim cash dividend @ Rs 2.50 per share, amounting to Rs 248,832 thousand for the year ending June 30, 2021.

**29. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Company on January 26, 2021.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director





**Attock**

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