

ANNUAL REPORT 2018

Attock Petroleum Limited



Attock

Growth on
**STRONG
FOOTING**



FINANCIAL HIGHLIGHTS

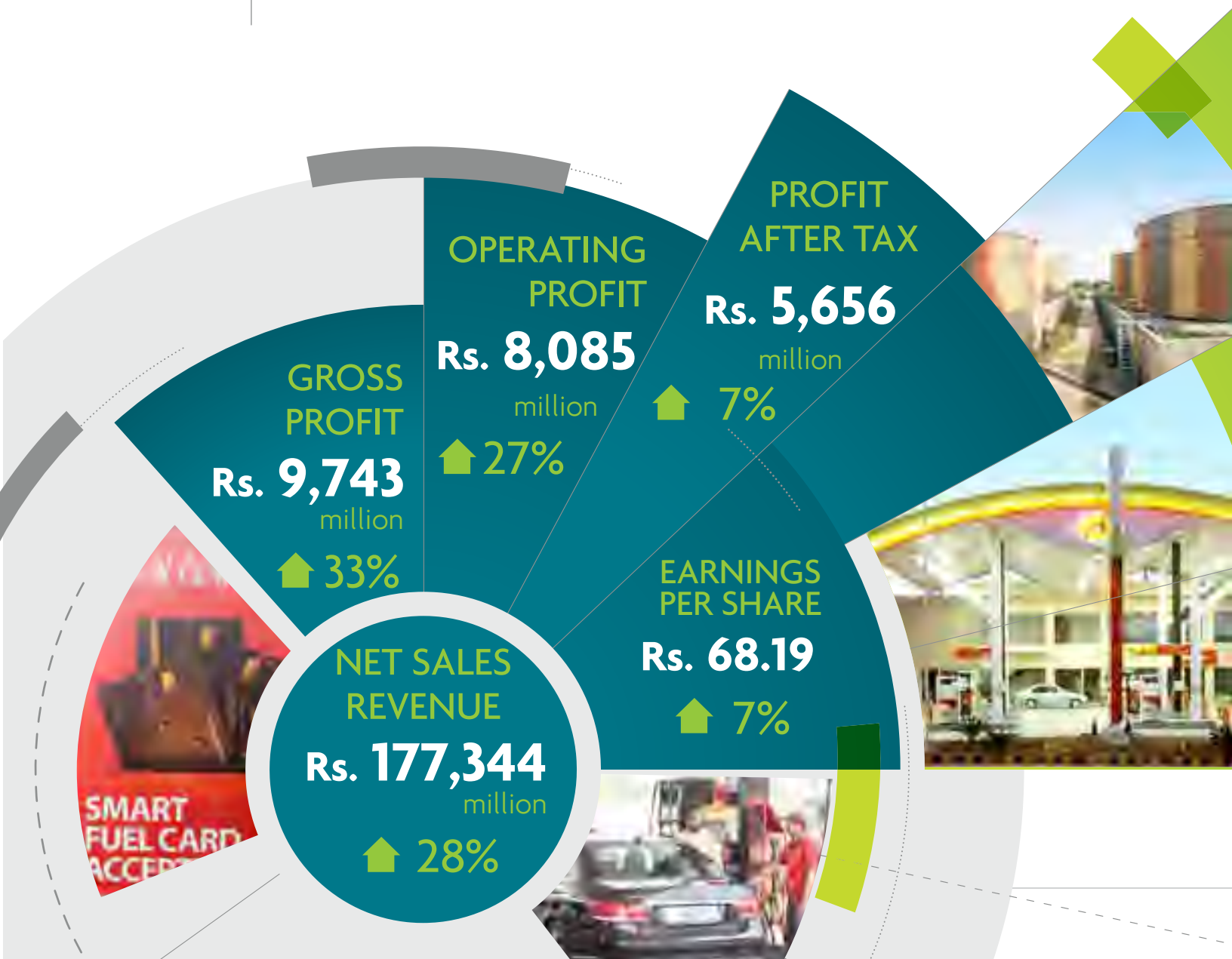


TABLE OF CONTENTS

Introduction (2-21)

Our Vision, Our Mission (3)
Corporate Strategy (4)
Core Values (6)
Management's Objectives & Strategies (8)
Code of Conduct (10)
Geographical Presence & Brief Company Profile and Group Structure (16)
Quality Policy Statement (18)
Environment, Health & Safety Policy (19)
Product Portfolio (20)

Chairman's Review (22-23)

Chairman's Review (22)

Governance (24-92)

Board of Directors (26)
Profile of Board of Directors (28)
Board Committees and Corporate Information (32)
Whistle Blower Protection Mechanism Policy (33)
Board Committees and their Terms of Reference (34)
Management Committees (37)
Directors' Report (39)
Pattern of Shareholding (60)
Other Corporate Governance Matters (64)
Corporate Sustainability (70)
Human Resource Management (74)
Social and Environmental Responsibility (75)
Prospects of the Entity including Targets for Financial and Non-Financial Measures (76)
Risk and Opportunity Report (77)
Segmental Review of Business Performance (81)
Audit Committee & Internal Control Framework (82)
Share Price Sensitivity Analysis (83)
Calendar of Major Events (84)
Information Technology Governance (86)
Organizational Chart (88)

Review Report on Statement of Compliance with the Code of Corporate Governance (90)
Statement of Compliance with the Code of Corporate Governance (91)

Financial Analysis (93-106)

DuPont Analysis (94)
Key Operating and Financial Data for Six Years (95)
Vertical Analysis (98)
Horizontal Analysis (99)
Graphical presentation (100)
Comments on Financial Analysis (103)
Statement of Economic Value Added (104)
Analysis of Variation in Results of Interim Reports (105)
Statement of Charity Account (105)
Statement of Value Added (106)

Financial Statements (107-166)

Independent Auditor's Report to the Members (109)
Statement of Financial Position (114)
Statement of Profit or Loss (116)
Statement of Comprehensive Income (117)
Statement of Cash Flows (118)
Statement of Changes in Equity (119)
Notes to and forming part of the Financial Statements (120)

Annual General Meeting (167-169)

Notice of Annual General Meeting (167)

Definition & Glossary of Terms (170)
Directors' Report (Urdu) (190)
Proxy Form
Proxy Form (Urdu)





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.







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 ones 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.

CORE VALUES



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.

CRITICAL PERFORMANCE MEASURES

The critical performance measures and 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 critical measures performance 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. The Company also engages external bodies such as ISO-9001 Quality Management System to measure performance.





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

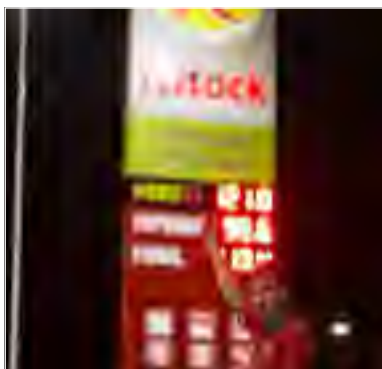
Directors and employees may become aware of information about Company that has not been made public. The use of such non-public or "inside" information about the Company other than in the normal performance of one's work, profession or position is unethical and may also be a violation of law.

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.



BRIEF COMPANY PROFILE AND GROUP STRUCTURE

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. Our steady and substantially growing market share and customer confidence is a testimony to our successful policies, proactive endeavors and visionary approach. 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.

Though a new entrant in the field and having no linkage with the global oil majors, 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.

GEOGRAPHICAL PRESENCE

Marketing & Sales Office / Head Office

Morgah, Rawalpindi

Bulk Oil Terminals

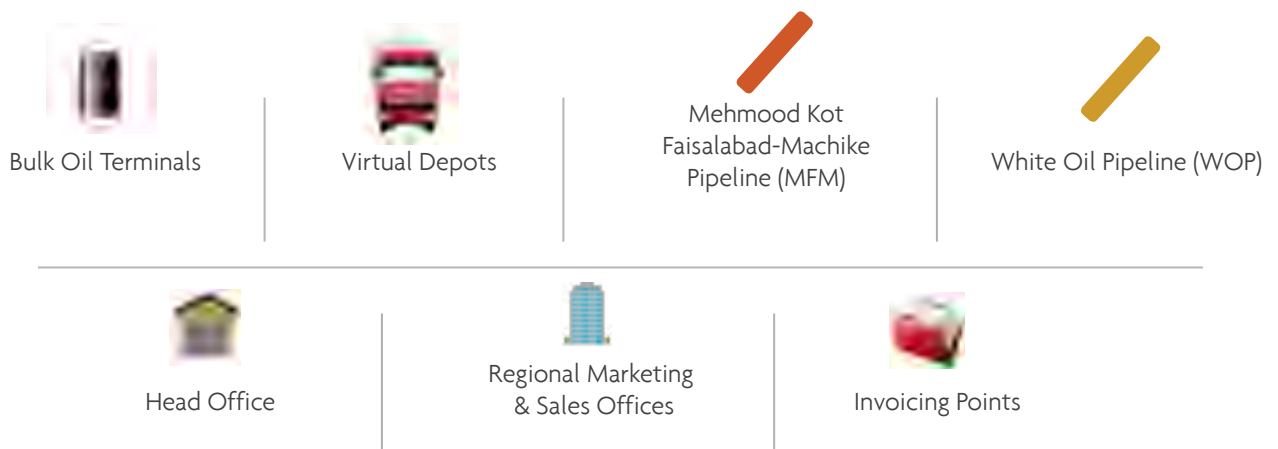
Rawalpindi Bulk Oil Terminal
Machike Bulk Oil Terminal
Karachi Bulk Oil Terminal
Mehmood Kot Bulk Oil Terminal

Regional Marketing & Sales Offices

Karachi, Lahore, Faisalabad
Multan, Peshawar

Invoicing Points

Mehmood Kot, Gatti
Vehari, Tarujabba, Shikarpur





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 9001:2008.

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.



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.

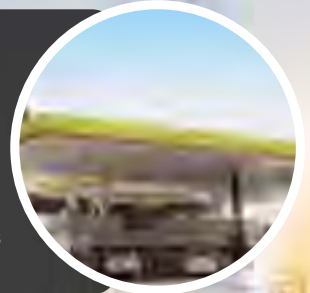
We will strive to continually improve performances in all areas of EHS performance and priorities on the basis of risk.

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

PRODUCT PORTFOLIO

High Speed Diesel

High speed diesel is used in generators, cement factories (for ignition), vehicles etc. It is an end user product and is used in diesel engines, a type of internal combustion engine. Diesel engines are used in heavy vehicles, boats and locomotives etc.



Kerosene Oil

It is primarily used for cooking and illumination purposes in Pakistan. APL Kerosene is less smoky, has high heat content and gives better illumination. Kerosene also has limited industrial use.



Premier Motor Gasoline

Gasoline or petrol is a petroleum-derived liquid mixture that is primarily used as a fuel in internal combustion engines. It is also used as a solvent, mainly known for its ability to dilute paints. Some additives are also added in it to improve quality.



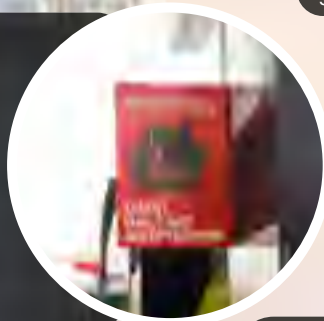
Jet Fuel

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



Furnace Fuel Oil

Furnace oil is largely an industrial fuel. It acts as a key ingredient in the generation of electricity and heat in a number of production units. 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

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



Light Diesel Oil

It serves to run construction, petroleum drilling and other off road equipments; and to run prime movers in a wide range of power generations, industrial boilers, vessels with high & medium speed engines and pumping applications that remain liquid at low temperatures. It is also utilized for direct combustion in industrial kitchens.





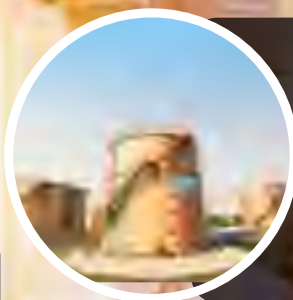
Solvent Oil

Solvents are 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

It is colorless petroleum solvent with a boiling range of 125-240 degrees centigrade. It is mainly used as a solvent for textile printing, dry cleaning and metal degreasing, as well as for 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.



Polymer Modified Bitumen

Bitumen is further treated with polymer which improves consistency, reduce temperature susceptibility, improve stiffness and cohesion, improve flexibility, resilience and toughness, and improve binder aggregate adhesion. It is used in making highways.



Jute Batching Oil

It is predominantly used in the jute industry for making jute fiber pliable. It also finds application as Wash Oil in the steel industry.



Lubricants

Different types of Lubricants (Automotive and Industrial) are sold under APL brand name. Use of a lubricant is to reduce the overall system friction.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



CHAIRMAN'S REVIEW

On behalf of the Board of Directors, prestigious shareholders of the Company are warmly welcomed to the 23rd Annual General Meeting of the Company. I also welcome the newly elected Board of Directors and recently constituted various Board committees and hope that they will

introduce Company's tactical, operational and financial strategies to new insights utilizing their broad visions, in depth knowledge and vast market experience. I would also like to place on record my appreciation of the contributions made by outgoing Board and its Committees.

Upholding the vision and core values of the business, the Board followed a proactive approach to maximize shareholders' value by equipping the Company with all necessary resources enabling the Company's management to exploit all possible opportunities and at the same time achieving an appropriate tradeoff between risk and returns. Good corporate governance has been ensured by maintaining high levels of professional and business conduct, implementing effective internal controls and audit functions including risk management framework. The Board not only focused on implementing the strategy set in the previous years to continue with the momentum of growth and progression but also took benefit of the new business opportunities. The year was started, under the visionary stewardship of the Board, with a clear roadmap on how to create and capture value for all stakeholders.

2017-18 was another volatile year for the international oil market with prices finally appearing to be on track to a sustainable recovery by the end of the year. The global economy during the fiscal year remained contentious. The energy industry has faced several challenges and pressures during the recent years which still need be addressed to make the business more viable in light of slowing global economy and changing political and socio-economic factors. Growth in emerging markets shall provide an opportunity to support and strengthen this industry to make it more lucrative and profitable.

The economic factors within the Country deteriorated in the backdrop of political upheaval and the Government focused on

controlling challenges regarding energy crisis, unemployment, infrastructure development and other sectors. Lack of Foreign Direct Investment also contributed to slow down of economy.

The energy requirements of the Country are met through domestic production and import channels. Indigenous resources are unable to fulfill the total demand, therefore, heavy reliance is placed on import of petroleum products. However, technological advancements and upgradation in the refining sector has led to an increase in production of Premier Motor Gasoline (PMG) and APL exploited this opportunity to its benefit by increasing its local procurement of PMG. The same also contributed to increased sale of PMG by 12%. The total market share of the Company increased from 9.0% in 2016-17 to 9.7% in 2017-18. This growth in sales volume resulted in an increase in profitability by 7% to Rs 5,656 million (2016-17: Rs 5,299 million) which is the highest ever profit after tax earned by APL. These results translate into earnings per share of Rs 68.19 (2016-17: Rs 63.89). Given the leadership of the Board, the decision-making of the management and the effort of every member of the Company, it is certain that APL will remain on the path of delivering excellent performance consistently.

A streamlined supply chain is the backbone of any business' success. The Company has been consistently contributing to the Country's economic growth by incurring substantial capital expenditure to develop its infrastructure, strengthening its supply chain cycle and enhancing its storage capacity. As part of this, refinements have been carried out in procurement, operations and logistics. The

year 2017-18 is characterized by transformation in APL's business and strategic direction. The Company successfully stepped into the Aviation business with the official commissioning of fuel farm at Islamabad International Airport in collaboration with another OMC.

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.

I wish to place on record my appreciation and gratitude for the support received by the Company from the Ministry of Energy, other Government organizations, customers, suppliers and contractors. I would also like to thank our shareholders, for their confidence and trust reposed 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 these joint dedication we can lead our Company to new heights of success.



Laith G. Pharaon
Chairman

Dubai, U.A.E.
August 14, 2018

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 refueling 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 General Javed Alam Khan (Retd.)
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 Bardale
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
National Refinery Limited

Director

Pakistan Oilfields Limited
Attock 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

Pakistan Oilfields Limited

Chairman, Director & Alternate Director

Attock Refinery Limited

Group Chief Executive

Chief Executive Officer, Deputy

Chairman & Director

National Refinery Limited

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. Currently he is serving as the CEO of KP Oil & Gas Company Ltd.

Other Engagements

Chief Executive Officer
KP Oil & Gas Co. Limited



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 (Alternate director to Mr. Laith G. Pharaon)	Member

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

Central Depository Company of
Pakistan 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
The Bank of Tokyo Mitsubishi
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/her own end;

- The Whistle Blower understands that his/her act will cause more good than harm to the Company and he/she is doing this because of his/her 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.



BOARD COMMITTEES AND THEIR TERMS OF REFERENCE





90th Board of Directors' Meeting in progress

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, 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.



Mr. Shuaib A. Malik
Chief Executive Officer

DIRECTORS' REPORT

The Board of Directors takes pleasure in presenting the annual report on the performance and progress of the Company together with the audited financial statements for the year ended June 30, 2018.

PRINCIPAL BUSINESS ACTIVITIES

Attock Petroleum Limited (APL) started operations as an Oil Marketing Company (OMC) in 1998. Being part of a fully integrated oil group based in Pakistan, the Company deals in 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. A range of automotive and industrial grades lubricants is offered as well.

The oil industry operates under the regulations framed by the Government of Pakistan (GoP) through Ministry of Energy and Oil & Gas Regulatory Authority (OGRA). Prices of some of the petroleum products are regulated by OGRA and prices of other products are declared by the Company as per its own mechanism.

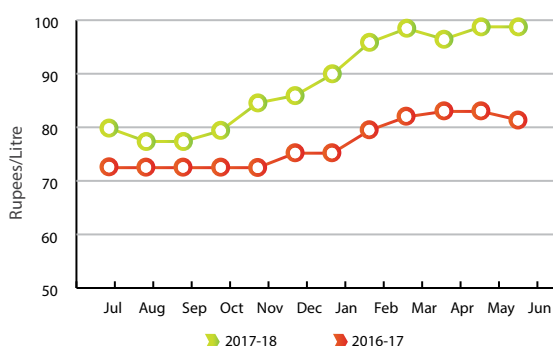
FINANCIAL PERFORMANCE

During the year under review, the Company recorded net sales revenue of Rs 177,344 million, resulting in an increase of 28% as compared to last year (2016-17: Rs 138,661 million). This increase is attributed to increased prices of petroleum products and partially attributable to increase in sales volume by 6%. The increase in sales revenue led to increase of 33% in the gross profit which was made possible due to proactive approach and dedicated efforts by the management through intelligent decision making and by ensuring a seamless supply chain along with effective stock management leading to inventory gains. The profit after tax increased by 7% which stands at Rs 5,656 million (2016-17: Rs 5,299 million) due to reversal of provision of other charges in last year amounting to Rs 437 million (net of tax) relating to the Workers Welfare Fund recorded as per the decision of Supreme Court of Pakistan and increase in operating expenses including increase in exchange loss by Rs 292 million. The net profit translated into earnings per share of Rs 68.19 (2016-17: Rs 63.89).

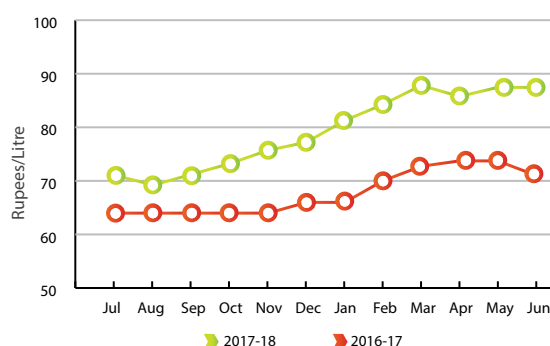
Financial results and appropriations for the year ended June 30, 2018 have been summarized below:	Rs in Million
Profit before taxation	8,289
Less: Provision for taxation	(2,633)
Profit after taxation	5,656
Add: un-appropriated profit as at June 30, 2017	15,250
Less: Transfer to special reserve by associated companies	(35)
Less: Other comprehensive loss for the year	(8)
	20,863
Appropriations during the year:	
Final cash dividend for the year 2016-17 @ 275% (Rs 27.50 per share of Rs 10/- each)	2,281
Interim cash dividend for the year 2017-18 @ 150% (Rs 15/- per share of Rs 10/- each)	1,244
	3,525
Balance as at June 30, 2018	17,338
Subsequent Effects:	
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
	15,098

PRICE TREND ANALYSIS

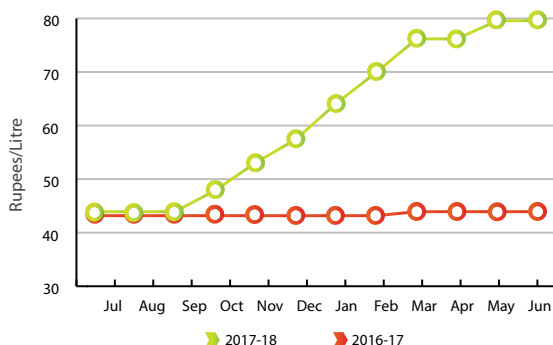
HIGH SPEED DIESEL



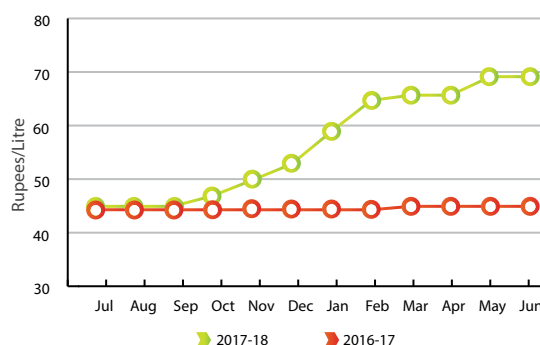
PREMIER MOTOR GASOLINE



KEROSENE OIL



LIGHT DIESEL OIL



Dividend

The Board has recommended a final cash dividend @ 250% (Rs 25/- per share of Rs 10/- each) and bonus issue @ 20% i.e. one share for every five shares held out of the profits for the year ended June 30, 2018. This is in addition to the interim cash dividend @ 150% (Rs 15/- per share of Rs 10/- each) already declared and paid to the shareholders, thus making a total of 400% cash dividend for the year under review.

Contribution towards National Exchequer and Economy

The Company contributed Rs 60,795 million towards national

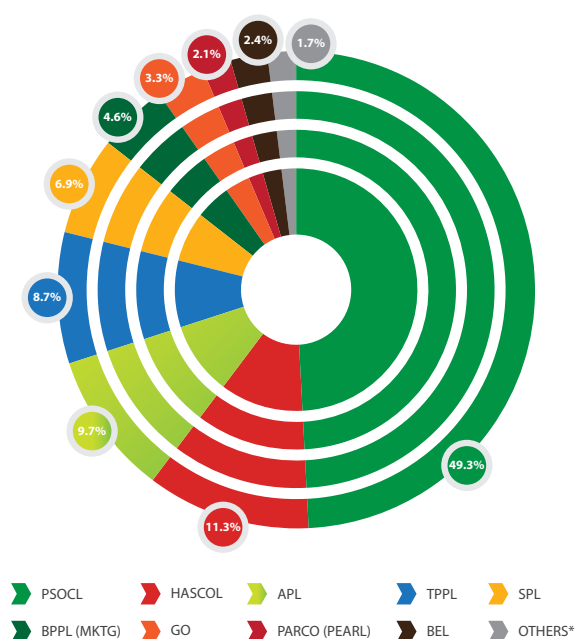
ex-chequer in the form of taxes and levies thus serving its community and nation. Expansion of its network of retail outlets and distributors by including remote and far flung localities in the development plan has led to generation of employment in those areas and the quality of life of the local populace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

Liquidity Management, Financing arrangements & Cash Flow Strategy

During the year under review, cash and cash equivalents decreased by Rs 6,735 million. The cash was used mainly for purchase of property, plant & equipment,

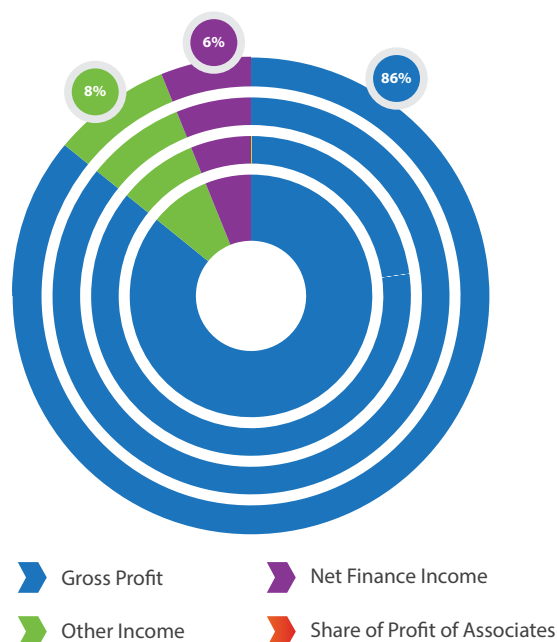
payments of petroleum products and operating expenses. Cash and cash equivalents at year end were Rs 4,198 million. Availability of funds is ensured by employing different methods including financial projections which are updated on a regular basis to stay up-to-date with the liquidity requirements. Even though the Company has sufficient borrowing capacity and is adequately geared to meet its future commitments and development plans, currently, all fund requirements are met by internal cash generation.

OVERALL MARKET SHARE



Source: Oil Companies Advisory Council (OCAC)

REVENUE CONTRIBUTION



Strategies to Overcome Financial Problems

The Company does not expect any financial difficulties in the foreseeable future. Nonetheless, various standby arrangements with financial institutions have been made to ensure smooth continuation of the operations.

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, 2018, total assets increased by Rs 7,764 million to Rs 46,131 million as compared to last year and total liabilities increased to Rs 27,714 million, an escalation of Rs 5,641 million. Focusing on increasing its storage capacity, the Company invested substantial amount of Rs 2,193 million for purchase of land and construction of bulk oil terminals and retail outlets which resulted in increase in non-current assets from Rs 5,867 million to Rs 7,983 million. An increase of Rs 185 million was observed in net current assets, resulting into Rs 11,346 million at the year end. Trade debtors and trade payables increased mainly due to market forces.

Cash outflow from operating activities for the year was Rs 1,030 million as compared to cash inflow of Rs 4,848 million last year mainly due to excess of payments to suppliers etc over receipts from customers. Outflow of Rs 2,503 million was recorded from investment in property, plant and equipment. Purchase of short term and other long term investments resulted in outflow of Rs 839 million while income earned on investments resulted in an inflow of Rs 688 million. Total cash out flow of Rs 2,620 million was recorded from investing activities. Outflow relating to dividend was Rs 3,089 million (2016-17: Rs 3,313 million).

MARKET AND INDUSTRIAL REVIEW

Global

Globally, the oil prices increased significantly since last year. The oil market was underpinned by renewed geopolitical issues, tightening product inventories and robust global demand. This all dampened the effects of a stronger dollar and rising US production. Strong conformity from OPEC and participating non-OPEC nations, in terms of production adjustments, under

the 'Declaration of Cooperation' continue to support the oil market/prices.

Global oil demand growth remains healthy driven by developing countries in Asia, even as oil consumption growth slows down in China due to the new environmental policies designed to curb air pollution and other economic factors.

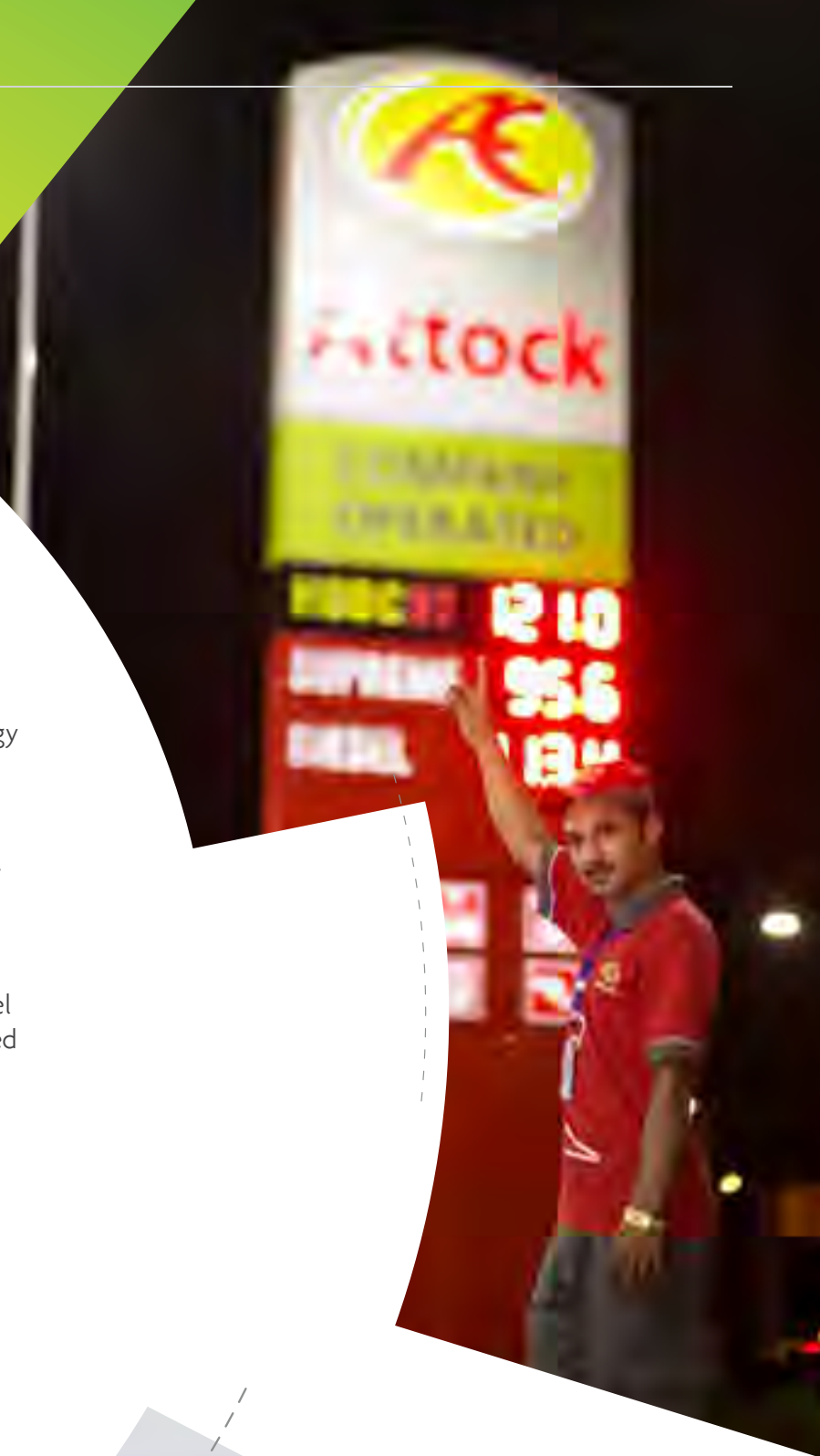
The world economy continues to grow, driven by increasing prosperity in the developing world. The competitive pressures within global energy markets are intensifying. International research indicates that the

demand will continue to grow, with global energy consumption set to increase by approximately a third or so by the year 2040. However, exponential advancement in technology means the ability to produce energy is growing faster – be that in unconventional oil and gas, or in the renewables sector like wind and solar energy etc. Indeed, the continuing rapid growth of renewables is leading to the most diversified fuel mix ever seen in history. Abundant and diversified energy supplies will make for a challenging marketplace in times to come.

Growth in global energy demand is broad-based across all the main sectors. Differing trends in the way energy is used and consumed in these sectors has an important role and will have a bearing on the energy transition in future.

Domestic

As a developing country, Pakistan's energy requirements have been growing steadily over time. However, in the year under review, a decrease of 2.3% was recorded in the industry



volumes but APL outperformed the industry increasing its sales volumes year on year by 5.4%. The Country observed increase in consumption of Premier Motor Gasoline (PMG) due to increase in passenger motor vehicles and less usage of Compressed Natural Gas (CNG). The Country also witnessed a surge in consumption of High Speed Diesel (HSD) which was mostly due to the growth in development projects by the GoP; owing mainly to China Pakistan Economic Corridor (CPEC) activities and other construction projects nationwide. In order to meet the Country's growing demand, the dependency on imports also augmented. Generally, prices of petroleum products in the Country followed the increasing global pricing trend in the year 2017-18.

During the year under review multiple restoration projects related to existing roads network, construction of new motorways and CPEC development nationwide also contributed substantially in the consumption of Bitumen/Asphalt.



COMPANY'S SALES AND MARKETING REVIEW

Operational robustness is a tough attribute to achieve and grow consistently. However, in line with the Company's vision and past performances and despite the ever increasing competition - APL managed to achieve great milestones in almost all of its business activities and operations. During the year under review, the operational and marketing landscape of the oil and gas industry within Pakistan has rapidly evolved with further issuance of OMC licenses to new entrants within the field. The Company stood by its resolve of positively contributing towards the over-all growth and prosperity of the Country churning the wheel of economic growth for a better, brighter future of Pakistan.

The Company was also able to secure landmark contracts of HSD, PMG and Jet Petroleum (JP) with respect to major CPEC projects and also the armed forces. This resulted in achieving growth of 12% in PMG over the last year. Similarly, for Bitumen, the Company entered into arrangements with major CPEC contractors and FWO – helping connect the nation via the best in class road and highways network. The premium grade product,

HOBC-97 – imported through our trusted international suppliers, also witnessed phenomenal growth over the last year.

All of this was only possible through a steady and robust supply line of the Company, which includes the domestic refineries but also the international suppliers through which APL imports the desired products – ensuring ample product availability despite numerous operational and exchange rate related challenges and price volatilities within the international market. The Company further added reliable international suppliers in its list of suppliers, thereby improving not only the availability of the highest quality products but also economically more viable.

The Company further improved and sustained its market share within the Lubricant division. Renewed focus on the over-all production, blending, packaging and promotional activities not only created better customer experience but also better product line management. The Company ventured into long term contracts with a few vehicle manufacturers for one of its

product lines (ENEOS).

During the last year, the company focused on strategic expansion of its retail network – especially in the urban and suburban areas of the major cities and towns of Pakistan. This not only helped us to create a wider presence of our brand, but also to capture the opportunities within the growing PMG market/consumption of the Country. Several outlets are being commissioned, or are under various construction phases, within the major cities of Pakistan; Islamabad, Lahore, Karachi, Quetta and northern areas of Pakistan. This will further increase our footprint and enable us to serve our clients as per the highest standards of quality and convenience. APL has expanded its retail outlet network and as at June 30, 2018 the total number of retail outlets is 629.

The Company continues to grow on being a responsible corporate citizen. During the year under review, APL embarked on several green projects in order to further reduce our carbon footprint and contribute towards the overall environment that we operate in. Conversion of our old outlets towards the SMART lighting

system will also play a vital role in reducing the electricity consumption and thereby the power burden on the national grids. In order to further enhance the outlook and visibility of the outlets, introduction of LED based Pylons and the 85 feet tall Mega/ Zoom signs were made to create an edge over the competition.

Other Business Activities

Being a consumer convenience focused Company, Attock Petroleum Limited further equipped its retail outlets with different payment solutions i.e. Credit Cards, ATM facilities and

Attock Smart Fuel Cards.

During the year, the Company launched its Attock Smart Fuel Cards for corporate and individual clients. The Attock Smart Fuel Card facilitates customers with cashless and secure transactions and offers complete control on fuel budget, real-time online reporting, eliminate unauthorized purchases and provides maximum convenience.

To enhance the over-all experience at retail outlets, state-of-the-art and technically elegant lube oil change facilities have been installed. This will not only boost efficiency in the process of oil change, but also add and improve the outlook of the retail outlets. Company is also planning to bring more convenience for its valued

customers on retail outlets by venturing with different consumer products and creative solutions for ease and premium fuelling experience. By modernizing the fuelling experience and enabling various consumer facilitating services, Company will not only engage and serve more customers but also generate revenue from non-fuel retail services.

Infrastructure Development

The Company firmly believes that infrastructure expansion is absolutely imperative to grow and gain competitive advantage, especially when the competition is intensifying. Premium quality products, innovative services and solutions, new ventures and infrastructural expansion remained the primary goals during the year. The Company marked its footprint





Inauguration Ceremony of Capital Filling Station, F-11 Islamabad

in the Aviation Fuels business and started refueling operations at Islamabad International Airport on May 03, 2018. This Fuel Farm and Hydrant Refueling System is the largest facility in the Country, having a storage capacity of 10,000 M.Tons of Jet Fuel. The refueling system has a 14 km hydrant line of 14 inch diameter with 55 hydrants pits to fuel the aircrafts around the clock and is equipped with robust and latest monitoring and control systems, state of the art product pumping system, modern and technologically advanced refueling equipment and fool proof security system - which all together makes it the most advanced and largest Fuel Farm of Pakistan serving national and international air carriers.

During the year, the Company also commissioned Mehmood Kot Bulk Oil Terminal with a storage capacity of 13,100 M.Tons of HSD and 4,000 M.Tons of PMG. Special focus on this project was given as the region is a natural fuelling

pocket and the Company wanted to explore the potential business opportunities to help cut-down on the freight charges as well as become more responsive to market demands and opportunities within that region.

New infrastructure developments will help the Company to cater to volatility within the rapidly evolving operational and marketing dynamics within the industry. Construction of storages and new terminals is underway; resources have been aligned and mobilized for speedy work at sites for earliest commissioning. Construction of bulk oil terminals at Shikarpur, Sahiwal and Daultpur is under progress.

The Company has purchased land at Tarujabba for development of a bulk oil terminal and actively pursuing land acquisitions at Faisalabad (Gatti) and Dera Ismail Khan. 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.

Quality Assurance of Products

APL has continued its tradition to provide quality products to its customers. Quality Assurance (QA) team ensures that quality and premium product is delivered by regular testing at terminals and retail outlets by employing state-of-the-art ground and mobile quality assurance labs, equipped with contemporary and technically advanced apparatus. Surprise quality checks are carried out throughout the year by the QA team to ensure that premium quality product is delivered to the end user. Furthermore, the Company has maintained and upgraded its certification of Quality Management System (QMS) ISO 9001:2008 to Quality Management System (QMS) ISO 9001:2015 thereby ensuring its commitment to adherence to highest quality standards of the Country.

RISK MANAGEMENT

APL faces economic uncertainties due to various factors including uneven demand and supply of products and price fluctuations. Cleaner and greener energy source, technological progressions, surplus production and low demand all present risks, which need cautious foresight to stay beneficial in times to come. However, increase in population, economic development and growth in energy utilization is expected in times to come.



Risk Management Framework

The adoption of a risk management framework that embeds 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

Businesses operating across the oil and gas supply chain continue to evolve and adapt to the new operational landscape driven by volatility in the oil price. During the year 2017-18, a series of geopolitical and market factors have driven volatility in the oil prices. The exponential advancements in technology enabled cheaper oil production creating surplus supplies within the global arena. OPEC is determining supply volumes, with its consequent effect on price and intense scrutiny is carried out to resolve the market tension resulting in different geo-political scenarios globally.

Navigating this new operational landscape present variety of challenges, but also potential opportunities and the Company prudently built on them and managed its stocks at optimum levels. The Company continues to focus on developing new clients and new supply sources along with effective management of existing partners, in order to fulfill the requirements of our clients and optimizing the stock management in this highly volatile international market.

Geopolitical and Security Risks

The daunting challenges like slow economic growth, economic inconsistencies, energy crisis, immobile exports, high rate of unemployment, undersized investment along with unhinged political situation of the Country is affecting the businesses. During the past years, Pakistan's law and order situation has improved considerably due to implementation of the National Action Plan.

The paradigm shift within the oil and gas sector has been witnessed due to renewable energy sources, latest machinery and new and elegant technologies. The new global energy landscape have affected overall global demand supply gap and pricing of oil in international market. The fast growing and emerging markets have taken over the traditional centres of demand and due to global technological improvements and environmental concerns; the energy mix has evolved rapidly. The Company believes our industry should proactively respond towards changing energy needs of the consumer segments. In the near future, our emphasis will remain on the continuous fine-tuning of the oil market. Sizable advancements have been made in this regard but the journey still goes on.

Intense Competition

The Company has always been ahead of the competition by staying proactive towards the market trends and using our strategically placed refineries for smooth and uninterrupted supply of petroleum products.



Furthermore, consistent imports have also supported the Company's strategic trade relations and strengthening Company's position and market share within the Country. During the year, OGRA issued multiple new oil marketing licenses and these new entrants have made the competition extremely pungent. In order to compete, the Company is exploring and building on opportunities, challenges to stay competitive and continue to be the preferred choice of all consumers. The Company introduced Fleet Management System (Attock Smart Fuel Card), technically advanced and sophisticated Lube Change Facilities and strive to create innovative solutions at all its retail network for convenience of our valued consumers and to provide a one-window service for all their needs.

Human Resource

APL, being equal opportunity employer, focuses on attracting competitive, talented and innovative professionals. APL considers employees as Human Capital and invests on them for nurturing their skills and talents, incessant motivation and retention.

Company fosters the culture of employee empowerment, respect

and teamwork and through these behaviours, they contribute to the overall success of the Company.

Company strives to provide market competitive benefits thus sending a powerful message to employees about their importance at the organization resulting in retention of competent personnel.

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 systems 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

Economic inconsistencies, unstable law and order situation, energy crisis, political anarchy, technological innovations, unstable global prices, global slant towards renewable energies and increasing number of oil marketing companies has led to the need of assessing and gauging steadiness of the business and to undertake measure to enrich the resilience capacity of the manoeuvres and set-ups against such disturbances.

To mitigate the disaster/disruption events, sophisticated and effective business techniques have been employed for continual smooth business operations via strategic infrastructure and alternative supply channels. The Board reviews the effectiveness and usefulness of the system from time to time.



CORPORATE GOVERNANCE

Good Corporate Governance holds a paramount importance to the Company. The Board makes certain that all the activities carried out are at par with the best practices. In light of the recent changes in Corporate Governance framework by regulators, Attock Petroleum Limited has taken steps to ensure that it is fully compliant with the new requirements of law and therefore, 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.

Board Annual Evaluation

Code of Corporate Governance has been adopted by the Board in its true spirit. The performance of Board and its Committees effectively shapes the overall performance of the Company hence remains crucial. Performance of the Board and Committees can be improved by promoting best practices and professional corporate culture. As required by the Code of Corporate Governance, performance of the Board and its Committees is internally evaluated through a mechanism developed and approved by the Board of Directors to evaluate the efficacy of the Board 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, better profitability, 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 and Formal Orientation for Directors

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) by obtaining certification for half of the Directors on Board till June 30, 2019. Two of the Directors, Mr. Babar Bashir Nawaz and Mr. Mohammad Raziuddin, have attended the Directors' Training Programme from recognized institution of Pakistan approved by the SECP whereas four of the Directors meet the exemption criteria for this purpose.

The Company keeps the Directors updated about the prevailing relevant laws and the current matters regarding corporate governance. The Directors are well-equipped with a thorough and practicable knowledge of the regulations in addition to the Code of Corporate Governance.



Inauguration Ceremony of Jet Fuel Farm Facility at New Islamabad International Airport

Whistleblower

Protection Mechanism

The Whistleblower Policy encompasses the procedure for reporting, handling, investigating and eliminating inconsistent and fraudulent activities in the Company's operations. The policy ensures protection of the whistleblowers. The Company makes certain that an open and transparent working environment is maintained and employees who intend to report such activities are provided with an adequate forum also ensuring their anonymity if required. No incident of whistle blowing was 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 elected on the Board of Attock Petroleum Limited requires security clearance from Ministry of Interior through SECP. All legal formalities and requirements have been met and fulfilled in this regard.

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, 2018, 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.
- 11) The values of investments in employee retirement funds based on the latest audited accounts as of June 30, 2018 are as follows:

Employees' Gratuity fund
Rs 84.540 million

Employees' Provident fund
Rs 151.383 million

- 12) The total number of Company's shareholders as at June 30, 2018 was 3,111. The pattern of shareholding as at June 30, 2018 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

On completion of statutory term of three years, the election of directors was held on March 01, 2018 and new directors assumed offices effective March 10, 2018. The new Board comprises of 07 directors out of which 06 are non-executive directors. Mr. Sajid Nawaz retired from the Board on completion of his term and Lt. Gen (Retd.) Javed Alam Khan is the newly appointed director. 06 directors were re-elected. The elected Board possesses necessary skills, competence, knowledge and experience to deal with various business issues. The Chairman of the Board is a non-executive director.

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.

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

Meetings attended / Eligible to attend

Sr. No.	Name	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	2/2	1/1	-
7	Mr. Sajid Nawaz	3/3	-	-
8	Mr. Mohammed Raziuddin	4/5	3/4	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, 2018, one meeting of the Board of Directors was held outside Pakistan to review and approve Annual Financial Statements for the year ended June 30, 2017.

Director's Remuneration

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.

AUDITORS

The present auditors Messrs A. F. Ferguson and Co., Chartered Accountants, a member firm of the Price water house Coopers network, retire and are eligible for reappointment for the year

2018-19. The Audit Committee of the Board has recommended the re-appointment of the retiring auditors for the year ending June 30, 2019. The Board has recommended the same for the

approval of the shareholders in the forthcoming Annual General meeting.





FORWARD LOOKING STATEMENT AND FUTURE PLANS

The Company's prime and core objective is supplying premium quality products and innovative solutions for end consumers. The Company believes in quality products, values over volumes and focus on competitiveness to stay ahead of the competition. Management always prioritizes technical improvements for efficient operations, capability enhancement for smooth supplies, unique fortes to stay ahead of competition and innovative and convenient solutions to be the preferred choice of the consumers.

Since inception, the Company remains proactive to coup all the challenges and succeed at all times. Some major developments underway and achievements made are as follows:

- In order to increase the storage capacity and for smooth and uninterrupted supplies, the Company is building the following infrastructures:
 - Shikarpur Bulk Oil Terminal is under construction and shall be completed during first half of year 2018-19
- Sahiwal Bulk Oil Terminal is also under construction and shall start operations during first half of year 2018-19
- Daulatpur Bulk Oil Terminal is under construction and will start operations during second half of year 2018-19
- The Company is establishing bulk oil terminal at Port Qasim. Terminal will be connected through pipeline to effectively and efficiently manage imports. Currently



the terminal is in design phase.

- Contract for Country wide supplies of High Octane Blending Component (HOBC-97) to Pakistan Army for 2018-19 has been completely secured by the Company.

Management always work on achieving the sustainable growth and success for the long term interests of our shareholders, partners and society at large. Being an energy supply Company, the Company feels responsible for running the wheel of economy and touching lives of all and sundry, improvement in economy by developments, employment opportunities and introducing premium quality products and services is the prime objective of management and Company.

The Company is also geared to share functional excellence more efficiently across areas such

as safety and operational risk, environmental and social practices, procurement, technology and treasury management.

Geographic diversity of the Company gives access to growing markets and new resources and provides robustness to geopolitical events. The Company has a diverse integrated portfolio that is balanced across resource types, geographies and businesses and is adaptable to evolving conditions. Our activities generate jobs, investment, infrastructure and revenues for government and local communities.

Trends and uncertainties affecting Company's revenues and operation

One of the major external factors that affects the oil marketing company's revenues is international

oil prices. In recent times, erratic behaviour in international oil price trends have been observed, which is mostly accounted to geo political factors and political unrest in major oil producing nations. Moreover, local currency devaluation eventually translates into exchange rate losses for the importers. All these factors combined reduce the reliability of price forecasts and expected trends.

Performance related to forward-looking disclosure made in last year

APL has successfully accomplished the development and operation of Country's largest and most advanced fuel farm and hydrant refueling facility at Islamabad International Airport under JV with another OMC.



Falcon Filling Station - New Islamabad International Airport, Islamabad

In order to meet market needs through better services and facilities, APL has successfully launched its own Fuel Card system enabling further market

penetration and larger client base.

Construction of oil terminal at Mehmood Kot was completed during the year under review and

has been operational and running at its full capacity to cater the growing demand of Petroleum products within the region.

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.
August 14, 2018

**Bringing the
best to our
customers**



PATTERN OF SHAREHOLDING

As on June 30, 2018

Corporate Universal Identification Number: 0035831

Form-34

Sr. No.	Number of Shareholders	<-----HAVING SHARES----->		Total Shares Held	Percentage
		From	To		
1	614	1	100	29,912	0.04
2	699	101	500	202,709	0.24
3	379	501	1,000	303,933	0.37
4	1,142	1,001	5,000	1,766,884	2.13
5	91	5,001	10,000	700,317	0.84
6	50	10,001	15,000	621,971	0.75
7	21	15,001	20,000	376,162	0.45
8	24	20,001	25,000	550,695	0.66
9	7	25,001	30,000	194,929	0.24
10	8	30,001	35,000	260,000	0.31
11	7	35,001	40,000	262,092	0.32
12	2	40,001	45,000	84,420	0.10
13	6	45,001	50,000	291,050	0.35
14	6	50,001	55,000	311,904	0.38
15	2	55,001	60,000	116,150	0.14
16	2	60,001	65,000	125,797	0.15
17	1	65,001	70,000	65,674	0.08
18	2	70,001	75,000	142,740	0.17
19	2	75,001	80,000	154,450	0.19
20	3	80,001	85,000	250,108	0.30
21	3	85,001	90,000	258,800	0.31
22	1	90,001	95,000	93,000	0.11
23	1	95,001	100,000	99,350	0.12
24	4	100,001	105,000	409,660	0.49
25	1	105,001	110,000	110,000	0.13
26	3	115,001	120,000	351,400	0.42
27	2	130,001	135,000	267,900	0.32
28	2	140,001	145,000	285,800	0.34
29	1	145,001	150,000	147,700	0.18
30	2	150,001	155,000	307,216	0.37
31	3	155,001	160,000	469,955	0.57
32	1	175,001	180,000	177,450	0.21
33	2	180,001	185,000	367,162	0.44
34	1	235,001	240,000	238,850	0.29
35	1	300,001	305,000	304,450	0.37
36	1	325,001	330,000	327,579	0.39
37	1	350,001	355,000	350,400	0.42
38	1	370,001	375,000	370,200	0.45
39	1	425,001	430,000	427,600	0.52
40	1	545,001	550,000	550,000	0.66
41	1	840,001	845,000	842,994	1.02
42	1	1,045,001	1,050,000	1,048,651	1.26
43	1	1,310,001	1,315,000	1,311,050	1.58
44	1	1,335,001	1,340,000	1,338,450	1.61
45	1	1,820,001	1,825,000	1,824,768	2.20
46	1	5,530,001	5,535,000	5,534,821	6.67
47	1	5,805,001	5,810,000	5,836,017	7.04
48	1	5,820,001	5,825,000	5,820,595	7.02
49	1	18,140,001	18,145,000	18,144,138	21.88
50	1	28,515,001	28,520,000	28,516,147	34.38
3,111				82,944,000	100.00

CATEGORIES OF SHAREHOLDERS

As on June 30, 2018

Sr. No.	Categories	Number of Shareholders	Shares Held	Percentage
1	Directors, Chief Executive Officer, their Spouses & Minor Children	9	5,548,859	6.69
2	Associated Companies, Undertakings and Related Parties	5	60,141,665	72.51
3	National Investment Trust & Industrial Corporation of Pakistan	1	50,229	0.06
4	Banks, Development Finance Institutions, non Banking Finance Companies	9	3,347,741	4.04
5	Insurance Companies	12	2,989,325	3.60
6	Modarabas & Mutual Funds	40	2,142,451	2.58
7	Foreign Companies	11	930,701	1.12
8	Trust and Funds	102	1,566,442	1.89
9	Joint Stock Companies	57	729,128	0.90
10	General Public (Local)	2,861	5,481,507	6.59
11	General Public (Foreign)	4	15,952	0.02
12	Shareholders Holding 10% or More	2	46,660,285	56.26

INFORMATION REQUIRED

Under Companies Act, 2017

	Number of Shareholders	Shares Held
Associated Companies, undertakings and related parties		
THE ATTOCK OIL COMPANY LIMITED	1	1,824,768
PAKISTAN OILFIELDS LIMITED	1	5,820,595
PHARAON INVESTMENT GROUP LTD. (HOLDING) S.A.L	1	28,516,147
TRUSTEES ATTOCK PETROLEUM LIMITED EMPLOYEES WELFARE TRUST	1	5,836,017
ATTOCK REFINERY LIMITED	1	18,144,138
	5	60,141,665
Mutual Funds		
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	1	2,150
CDC - TRUSTEE JS LARGE CAP. FUND	1	32,000
CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	1	300
CDC - TRUSTEE MEEZAN BALANCED FUND	1	10,000
CDC - TRUSTEE JS ISLAMIC FUND	1	48,300
CDC - TRUSTEE AKD INDEX TRACKER FUND	1	4,450
CDC - TRUSTEE HBL ENERGY FUND	1	87,500
CDC - TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	1	550
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1	71,740
CDC - TRUSTEE MEEZAN ISLAMIC FUND	1	327,579
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	1	85,300
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	1	75,850
CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	1	102,100
CDC - TRUSTEE NAFA STOCK FUND	1	153,800
CDC - TRUSTEE NAFA MULTI ASSET FUND	1	18,951
CDC - TRUSTEE MEEZAN TAHAFUZZ PENSION FUND - EQUITY SUB FUND	1	42,370
CDC - TRUSTEE JS PENSION SAVINGS FUND - EQUITY ACCOUNT	1	9,000
CDC - TRUSTEE NAFA ISLAMIC ASSET ALLOCATION FUND	1	133,900
CDC - TRUSTEE APIF - EQUITY SUB FUND	1	18,700
MC FSL - TRUSTEE JS GROWTH FUND	1	115,400
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	23,148
CDC - TRUSTEE LAKSON EQUITY FUND	1	102,910
CDC - TRUSTEE NAFA ASSET ALLOCATION FUND	1	23,500
CDC - TRUSTEE AL-AMEEN ISLAMIC ASSET ALLOCATION FUND	1	99,350
CDC - TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND	1	19,650
CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	1	50
CDC - TRUSTEE NAFA ISLAMIC STOCK FUND	1	101,250
CDC - TRUSTEE AL AMEEN ISLAMIC DEDICATED EQUITY FUND	1	183,050
CDC - TRUSTEE NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND	1	37,600
CDC - TRUSTEE NAFA ISLAMIC ENERGY FUND	1	144,600
CDC - TRUSTEE LAKSON TACTICAL FUND	1	18,322
CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND	1	3,181
CDC - TRUSTEE MEEZAN ENERGY FUND	1	10,000
CDC - TRUSTEE JS ISLAMIC PENSION SAVINGS FUND-EQUITY ACCOUNT	1	11,000
CDC - TRUSTEE FIRST HABIB STOCK FUND	1	2,700
CDC - TRUSTEE KSE MEEZAN INDEX FUND	1	2,700
CDC - TRUSTEE FIRST HABIB ISLAMIC STOCK FUND	1	3,100
CDC - TRUSTEE FIRST HABIB ASSET ALLOCATION FUND	1	2,500
CDC - TRUSTEE JS ISLAMIC DEDICATED EQUITY FUND (JSIDEF)	1	13,800
	39	2,142,351

	Number of Shareholders	Shares Held
DIRECTORS, THEIR SPOUSES AND MINOR CHILDREN		
MR. WAEEL G. PHARAON	1	1
MR. LAITH G. PHARAON	1	1
MR. SHUAIB A. MALIK	1	5,534,821
MR. ABDUS SATTAR	1	600
MR. BABAR BASHIR NAWAZ	1	1
LT. GEN (RETD) JAVED ALAM KHAN	1	50
MR. MOHAMMAD RAZIUDDIN	1	1
MR. IQBAL A. KHWAJA	1	13,296
MR. REHMAT ULLAH BARDAIE	1	88
	9	5,548,859
Executives	4	69,517
National Investment Trust & Industrial Corporation of Pakistan	1	50,229
Public Sector Companies and Corporations	1	50,500
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds	40	6,848,490
Share holders holding 5% or more voting rights		
PHARAON INVESTMENT GROUP LTD. (HOLDING) S.A.L	1	28,516,147
ATTOCK REFINERY LIMITED	1	18,144,138
PAKISTAN OILFIELDS LIMITED	1	5,820,595
ATTOCK PETROLEUM LTD. EMPLOYEES WELFARE TRUST	1	5,836,017
MR. SHUAIB A. MALIK	1	5,534,821
	5	63,851,718

Trade in shares by Directors, Executives, their spouses and minor children during 2017-18:

No trade in shares was made by Directors, Executives*, their spouses and minor children from July 01, 2017 to June 30, 2018 in the shares of 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."

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 October 19, 2017 at which queries of shareholders were appropriately responded. On a shareholder's inquiry about status of the company's upcoming depots and terminals, it was stated that construction of terminal at Mehmood-Kot, Shikarpur and Sahiwal shall be completed soon and that land has been acquired for terminal at Tarujabba.

On query of another Shareholder regarding lubricant segment, it was stated that continuous efforts have been made to enhance the brand and that sales of lubricants have increased by 20%.

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.



STAKEHOLDER ENGAGEMENT

Stakeholders	Management of Stakeholder Engagement	Effect and value to APL
Institutional Investors/ Shareholders	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.	The financiers of capital help APL: <ul style="list-style-type: none"> • Convert its business plans into actions. • Achieve its business targets.
Customers and Suppliers	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.	Customers' loyalty and effective supply chain is the key to the Company's sustainable business growth.
Banks	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.	Bank dealings are central to the Company's performance in terms of: <ul style="list-style-type: none"> • Access to better interest rates and financing terms. • Efficient Customer Service.
Media	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.	<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.
Regulators	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.	Country's laws, regulations and other factors controlled by the Regulators, set operating guidelines for the Company.

Analysts	The Company regularly engages with analysts on its financial and operating results, with due regard to regulatory restrictions imposed on inside information/trading.	Providing required information to analysts helps: <ul style="list-style-type: none"> • Attracting potential investors. • Clarifying misconceptions/ market rumors.
Employees	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.	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.
General Public	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.	A contented and peaceful nation fixes the roots for a prosperous society.



EFFORTS MADE TO MITIGATE THE 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.





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.

- 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

ENERGY SAVING MEASURES

The Company took initiative for energy saving by replacing of large quantities of Pole/Flood LED lights at its all terminals. These initiatives were taken to increase efficiency and reliability

of lightning system in terminals. Pole/Flood lights have been converted from conventional 400 watts to LED 100 watts-150 watts. Before installation of LED Lights, Mercury/sodium types

of lights were installed which were the causes of high energy consumption. The Company further plans to fully or partially switch over to solar generated electricity wherever feasible.

CORPORATE SUSTAINABILITY

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 Opportunities

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. Under

summer internship program 2017-18, 22 students from different institutions i.e. Foundation University, Bahria University, NUST (Business and Engineering School), National College of Business Administration & Economics (NCBA&E) Lahore, Institute of Space Technology – Islamabad, PMAS Arid Agriculture University-Rawalpindi were offered internships 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.

To infuse fresh talent, the Company recruited about

20 Management trainees in different departments. These trainees undergo rigorous training programs to practically implement their knowledge and equip them with skills and competences necessary for their career advancements.

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 scholarships to 61 brilliant children of employees including 03 sponsorships at graduation level.

Sports promotion

APL has played its role in promotion and development of sports and provided sponsorship of Chief Naval Staff Golf Championship and Stadium Trust Cricket Tournament.



**Orientation
session in
progress for
interns from
various
institutes**



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 always strives on developing harmonious working environment among the employees through different recreational activities. This helps them develop team work and socialize with each other thus satisfying their social appetite. Endeavoring it, Annual Sports gala is held each year with maximum participation of employees to various indoor and outdoor games.

Energy Conservation

Electric lighting is a major energy consumer. Enormous energy savings are possible using energy efficient equipment and effective controls. Using less electric lighting reduces heat gain. Electric lighting also strongly affects visual performance and visual comfort by aiming to maintain adequate and appropriate illumination. For APL's energy saving initiatives, please refer to Page 70.

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

will stick to 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).

Community Welfare

APL is also a donor to various trusts working for the public welfare. It includes donation to Attock Sahara Foundation and assistance to Tehzib-ul-Akhlaq Trust, Sunbeans Schools and Ziauddin University in educational endeavors.

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.

Keeping its spirit of continuous improvement and highest standards, the company has gone through a detailed audit exercise and successfully got certification of Quality Management System (QMS) ISO 9001:2015.

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.

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.

Occupational & Environmental 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. 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.

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 41 for details.

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.

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 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 endeavors 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 is carried out of employees 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

Market Flux due to emergence of new OMCs has increased the Human Capital flow. 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 endeavors. 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.

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- where employee can avail subsidized meals, gym and sports activities.

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

APL has implemented Human Resource Management System (HRMS) across the organization which is integrated with HR-specific business processes such as employee records management, attendance and payroll. APL is in next phase of HRMS integration where HRMS will be connected with other supporting systems such as leave records. The implementation of HRMS has streamlined employee database management by providing swift yet reliable employee information.

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 2017-18 approximately 62 staff members got training opportunity out of which 52 members attended in-house workshops. Trainings Conducted during the year are:

- Tax Planning (Concepts, Methods & Development) by UHY Hassan Naeem & Co.

- Chartered Accountants
- Health Safety & Environment Conference by Attock Refinery Limited
- 3rd Plant Maintenance & Operations Conference by Attock Refinery Limited
- Awareness session on ISO 9001:2015 by SGS Academy
- Chinses Language Course by Pakistan-China & the

- Confucius institute
 - MS Excel beginner level program
- Employees are also encouraged to participate in various seminars to align them with current market best practices.
- Besides these, in-house intra departmental trainings & presentation with the oversight of Departmental Management

on latest professional trends, industrial norms and departmental functions are also arranged.

Culture of Intra & Inter-Departmental rotation of employees is another step towards the Company's commitment to Organizational Development.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

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:

- Firefighting drills
- Earthquake Evacuation plans
- First Aid training
- Oil Spill Prevention & Management
- Road safety training, through motorway police, was conducted for our management staff at MBT as well as contractors (Tank Lorry Drivers)

Implementation of ISO 9001:2015 standard is another milestone achieved at APL in FY 2017-18. A step towards systems development and ensuring "Quality" during all its operations. 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.

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 achieved sales volume growth of 5% and profitability growth of 7% as of comparative 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 from this growth in industry. 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 Company has remained proactive tapping in to contracts with new customers to provide them with superior quality products and unmatched services.

The untapped segment of aviation presents a huge opportunity for APL to enter and grab market share. APL has established its fuel farm facility in the largest airport of the Country i.e. New Islamabad International Airport. The Company has positioned itself in such a manner to gain maximum advantage from the sector including financial and non-financial benefits.

Key Sources of Estimating Uncertainty

Financial Statement preparation requires the management and the Board of Directors to make estimates that affect the reported figures of financial statements' elements and use their professional judgment while applying appropriate accounting policies.

These estimates are developed on assumptions based on historical experience and other reasonable factors, the result of which form the basis for making judgment about the carrying values of assets and liabilities which are not readily available from other sources. Actual results may differ from the estimates under different assumptions or conditions applicable.

The estimates are reviewed

on ongoing basis to check for any revision in the estimates. Effect of revision in accounting estimates are recognized prospectively i.e. in the period of revision or future period if it effects so. Key sources of estimation of uncertainty are detailed below:

Recoverable amount and valuation of investment in associated companies

APL has investment in associated companies ARL, NRL and AITSL. The value of investments in listed associated companies NRL and ARL is based on valuation analysis carried out based on value in use calculation described in notes 15.5, 15.6 while value of unlisted associated company AITSL is based on its financial statements as described in note 15.7 of financial statements.

Assessment of significant influence in associated companies

NRL, ARL and AITSL are treated as associated companies in spite of having less than 20% shareholding by APL in these companies, as APL has representation on their Board of Directors.

Provision for taxation

Current tax liability of Rs 2,499 million has been recognized in financial statements taking account of relevant laws and decisions taken by appellate authorities. Contingent liabilities are disclosed in financial statements where the Company's view differs from the tax

authorities at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law. Deferred tax liability of Rs 134 million is recorded in the Company's financial statements.

Useful life of property, plant and equipment

The useful lives are estimated having regard to the factors as asset usage, maintenance, rate of technical and commercial obsolescence. The useful lives of assets are reviewed annually.

Value of staff retirement benefit obligations

The defined benefit obligations are based on actuarial

assumptions such as discount rate, expected rate of return on plan assets, expected rate of growth in salaries and expected average remaining working life of employees and detailed extensively in note 32 to the financial statements.

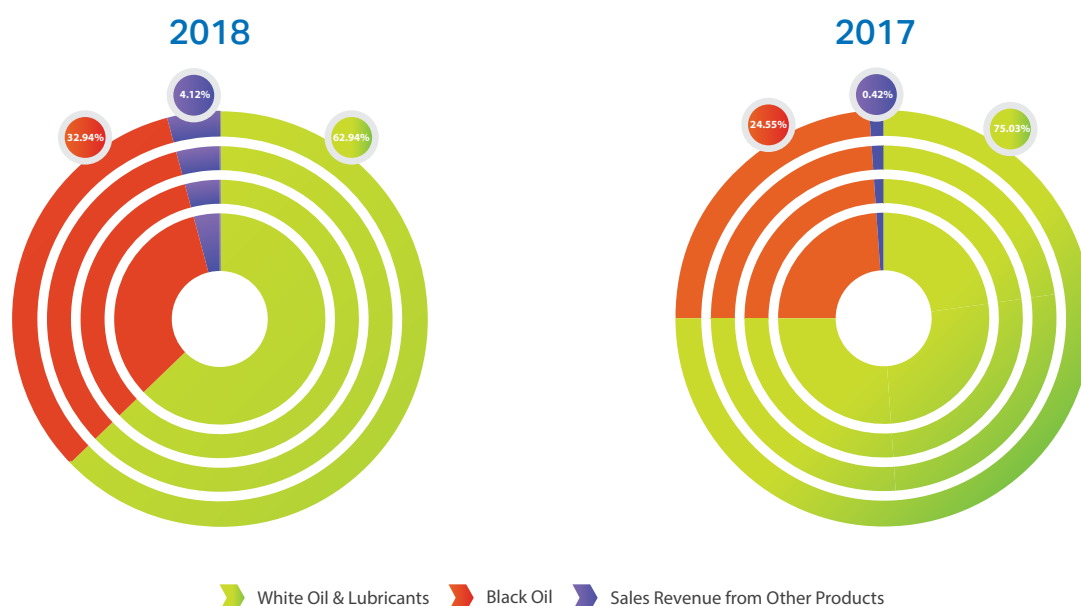
Materiality approach adopted by the Management

Information and events are considered to be material if, individually or in aggregate, they have significant impact on the Company's performance or profitability which in turn can influence the economic decisions of the Company's Stakeholders. APL's management has developed a materiality policy duly approved by the Board. Assessment of materiality levels

other than those provided under the regulations is matter of professional judgment and is organization specific. Materiality levels are reviewed periodically and updated appropriately where necessary. Power of the Board of Directors and the Company's Management have been defined in line with the guidelines of the Companies Act 2017, the Code of Corporate Governance, Company's Article of Association and regulations of professional bodies and best practices. All the decisions are taken and new risks and opportunities are identified, assessed and disclosed in light of Company's materiality policy in addition to other regulatory requirements.

SEGMENTAL REVIEW OF BUSINESS PERFORMANCE

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



AUDIT COMMITTEE AND INTERNAL CONTROL FRAMEWORK

The Board of Directors of the Company has formed a Board Audit Committee as required under the Code of Corporate Governance (the Code). The Committee comprises of 04 non executive directors including 02 independent directors. The Chairman of the Committee is Mr. Mohammad Raziuddin. Detailed profile of Mr. Mohammad Raziuddin is given in "Profile of Board of Directors" section. The Audit Committee met 04 times during the year ended June 30, 2018. The meetings of the Committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the Code. The agenda of the meetings included discussions on financial matters of the Company along with review of other matters as per the Terms of Reference (TOR) of the Committee.

Head of Internal Audit Department, being the Secretary to the Committee, arranged all the Committee meetings. In addition to the Committee

members, the meetings were also attended by the Chief Financial Officer (CFO). The Committee also met with the External Auditors separately in the absence of Head of Internal Audit and CFO to get feedback on the overall control and governance framework within the Company. The Internal Control Framework is a major part of overall governance structure. It is fundamental to the successful operation and day-to-day running of a business. The scope of internal control is very broad. It encompasses all controls incorporated into the strategic, governance and management processes, covering the Company's entire range of activities and operations and not just those directly related to financial operations and reporting. Internal control as a process designed to provide reasonable assurance regarding the achievement of objectives in relation to the effectiveness

and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. 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.



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 486 to the mark of Rs 706. The spread between the prices is attributable to the milestones achieved by the Company during the period under review. Strong performance resulted in higher dividend payouts over the years, which in turn has gradually increased the share price of the Company. 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

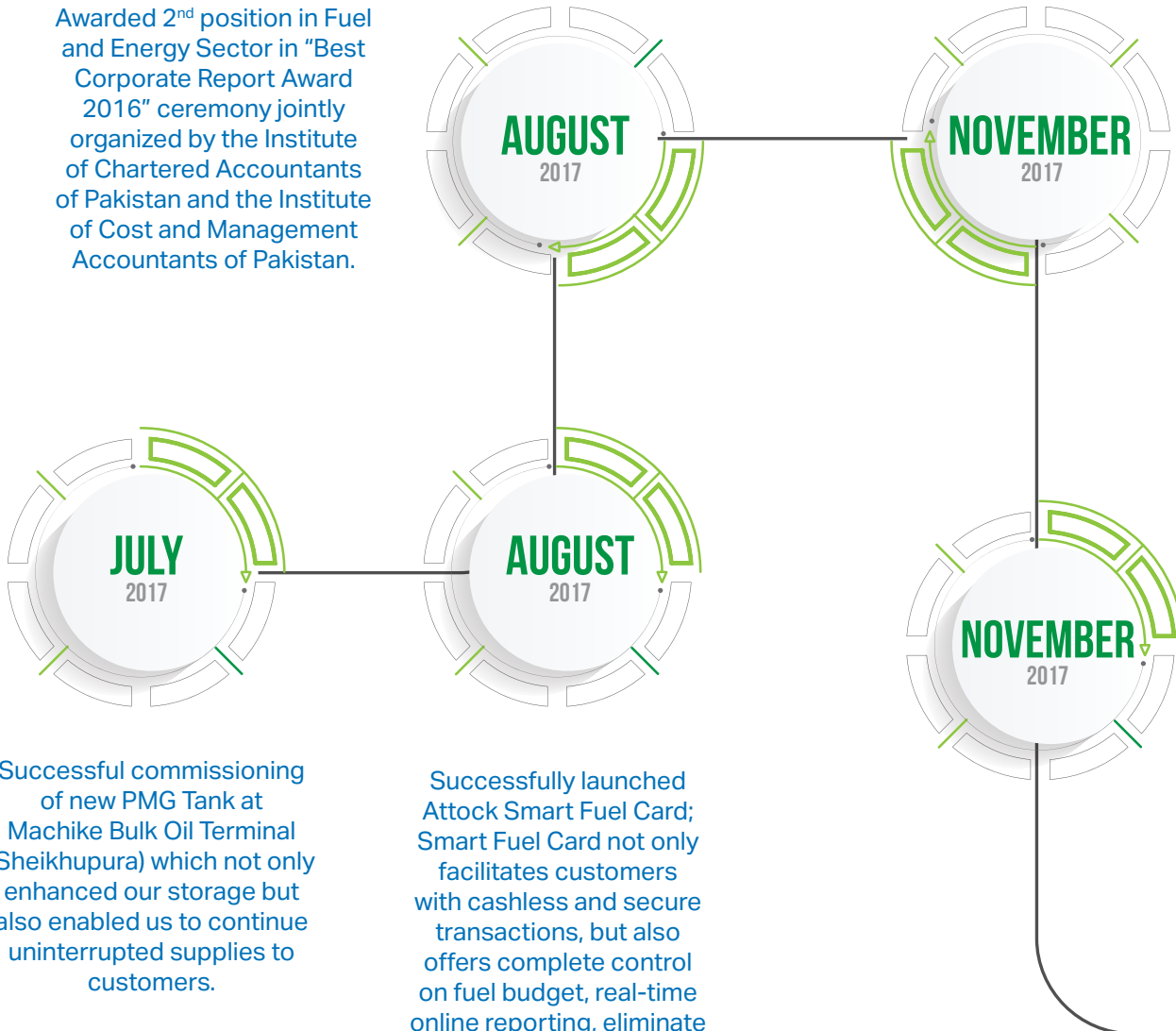
High volatility in international oil prices also severely affects the profitability of the Company. Downward trend leads to inventory losses while an increasing trend positively impacts the profitability and hence affects the share price accordingly.



CALENDAR OF MAJOR EVENTS

Awarded 2nd position in Fuel and Energy Sector in "Best Corporate Report Award 2016" ceremony jointly organized by the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan.

Successful implementation of Microload Meters Integration System. Which enhanced system controls monitoring and efficiency. It also provides error free work and control on overspilling.



Imported Bitumen Bulk for the first time in history of the Company.



Commissioned two Company Operated fuel stations at the New International Islamabad Airport namely Aero and Falcon Filling Stations.



Advances in aviation business under JV with PSO & successful commissioning of Fuel farm Operations.



Successful commissioning of Mehmoodkot Bulk Oil Terminal. By this, our storage capacity has been increased & this Terminal will also play an important role in enhancing market share & expansion of Company business in central Punjab.



Following the ritual of inculcating health culture; APL organized an annual sports competition to promote physical activities and sportsmanship amongst the staff and to help build a sense of cooperation and team-spirit.

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

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



ORGANIZATIONAL CHART







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, 2018 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 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 any procedures to determine 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, 2018.

Chartered Accountants
Islamabad
August 14, 2018

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, Fazl-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan
Tel: +92 (51) 2273457-60/2604934-37; Fax: +92 (51) 2277924, 2206473; < www.pwc.com/pk>*

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 for the Year Ended June 30, 2018

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 Director	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. The Company is fully compliant with the requirements of directors' training under the Code. Till June 30, 2018, two directors namely Mr. Babar Bashir Nawaz and Mr. Mohammad Raziuddin have obtained the certification. None of the Directors have attended any directors' training 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	-

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.

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.



Laith G. Pharaon
Chairman

Dubai, U.A.E.
August 14, 2018

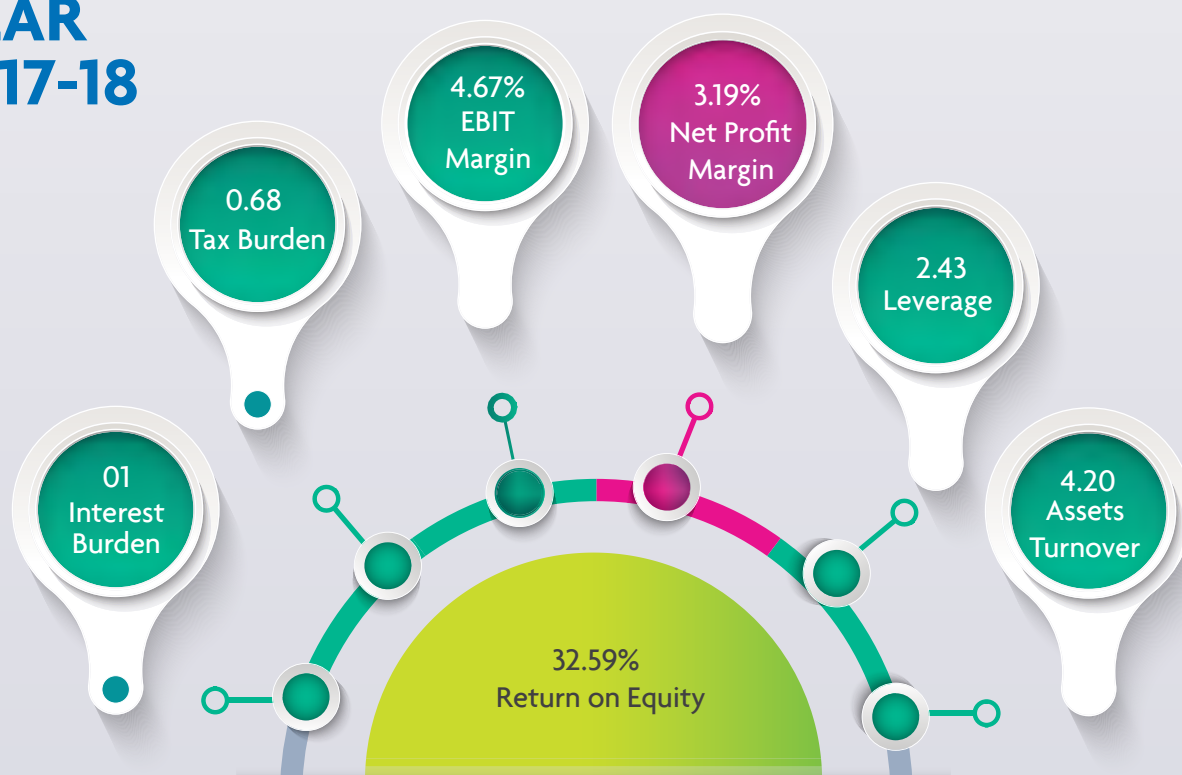


FINANCIAL ANALYSIS

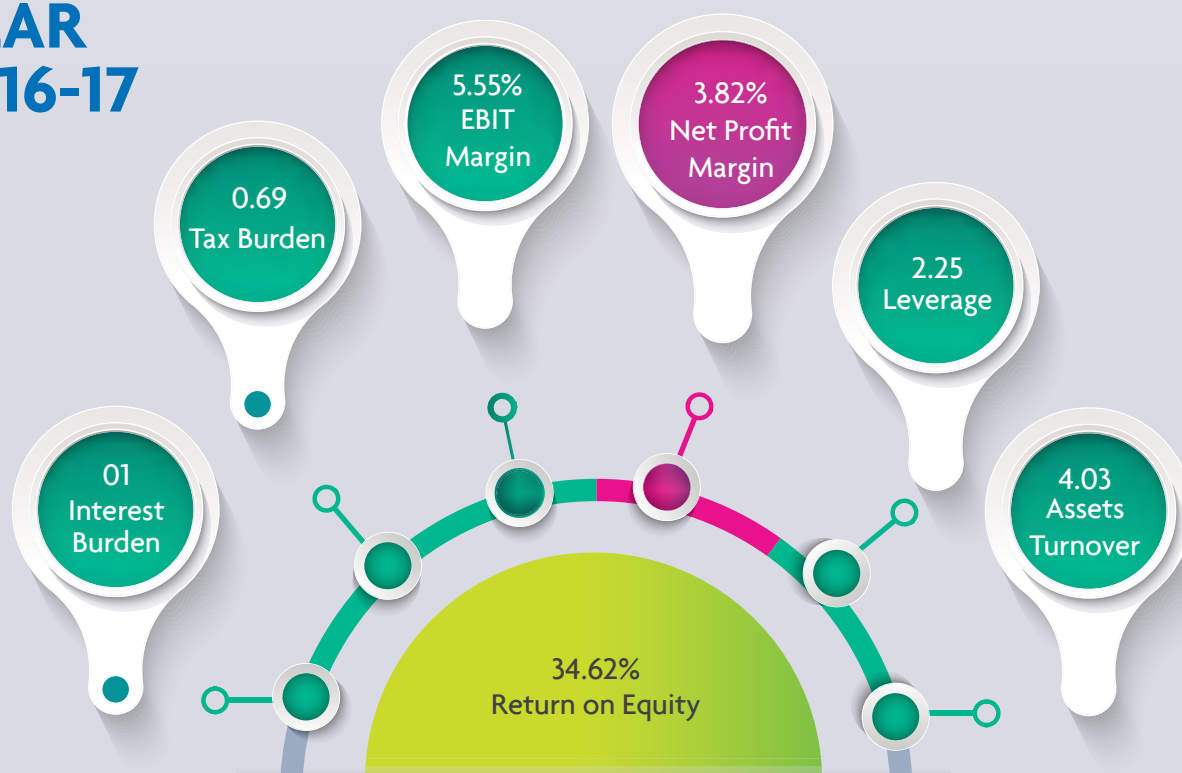
DUPONT ANALYSIS

Return on equity decreased by 6% to 32.59% against 34.62% of year 2016-17 on account of decrease in net profit margin by 17% as a result of decrease in EBIT margin by 16%. EBIT margin decreased due to increase in operating expenses and reversal of worker's welfare fund provision in the year 2016-17 coupled with increase in sales volume by 5% and increase in price trend during the year resulted in higher sales revenue and gross profits. Interest and tax burden remained almost at 2016-17 level. Financial Leverage and Assets turnover increased due to increase in sales and assets.

YEAR 2017-18



YEAR 2016-17



Key Operating and Financial Data for Six Years from 2012-13 to 2017-18

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Profit and Loss Summary							
Sales volumes	Metric Tons	2,488,810	2,360,529	2,034,818	2,368,990	2,190,293	1,837,357
Net sales	Rs thousand	177,344,437	138,660,665	109,234,361	171,729,782	205,162,911	164,710,177
Gross profit	Rs thousand	9,743,294	7,335,321	5,749,061	4,926,509	5,942,294	5,176,801
Operating profit	Rs thousand	8,085,325	6,367,177	4,984,849	3,885,822	5,381,469	4,873,355
Profit before tax	Rs thousand	8,289,312	7,699,168	5,633,450	4,537,855	5,906,565	5,593,404
Profit after tax	Rs thousand	5,656,349	5,299,168	3,828,585	3,286,384	4,326,764	3,906,534
Profit before interest, tax, depreciation and amortization (EBITDA)	Rs thousand	8,711,258	8,046,868	5,951,622	4,828,902	6,228,433	5,817,731

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Balance Sheet Summary							
Share capital	Rs thousand	829,440	829,440	829,440	829,440	829,440	691,200
Reserves	Rs thousand	17,588,222	15,465,051	13,487,726	12,730,365	12,970,282	13,352,257
Shareholders' equity	Rs thousand	18,417,662	16,294,491	14,317,166	13,559,805	13,799,722	14,043,457
Non- current liabilities	Rs thousand	911,540	733,581	626,159	604,814	581,682	462,871
Current assets							
Stock in trade	Rs thousand	12,460,539	7,234,415	4,836,653	5,572,867	6,787,904	5,156,298
Trade debts	Rs thousand	16,475,576	10,801,077	6,046,556	8,214,189	13,009,051	8,227,392
Cash, bank balances & Short term investments	Rs thousand	5,839,645	11,843,739	11,030,176	10,303,318	9,432,730	11,914,100
Others	Rs thousand	3,372,804	2,620,715	4,088,455	2,033,203	2,019,134	2,058,876
	Rs thousand	38,148,564	32,499,946	26,001,840	26,123,577	31,248,819	27,356,666
Current liabilities							
Trade and other payables	Rs thousand	26,138,159	21,061,447	15,434,650	15,719,096	19,492,073	15,396,560
Others	Rs thousand	663,965	277,433	147,330	27,939	212,387	194,631
	Rs thousand	26,802,124	21,338,880	15,581,980	15,747,035	19,704,460	15,591,191
Net current assets	Rs thousand	11,346,440	11,161,066	10,419,860	10,376,542	11,544,359	11,765,475
Property, plant and equipment	Rs thousand	6,417,787	4,339,301	3,011,665	2,444,164	1,931,085	1,862,742
Other non-current assets	Rs thousand	1,564,975	1,527,705	1,511,800	1,343,913	905,960	878,111
Capital expenditure during the year	Rs thousand	2,503,439	1,676,134	886,972	808,421	392,261	485,684
Total assets	Rs thousand	46,131,326	38,366,952	30,525,305	29,911,654	34,085,864	30,097,519
Total liabilities	Rs thousand	27,713,664	22,072,461	16,208,139	16,351,849	20,286,142	16,054,062

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Cash Flow Summary							
Cash flows of operating activities	Rs thousand	(1,030,368)	4,848,276	3,700,253	4,735,369	1,456,813	6,035,751
Cash flows of investing activities	Rs thousand	(2,620,019)	235,566	3,660,211	(3,999,956)	778,567	(636,059)
Cash flows of financing activities	Rs thousand	(3,088,661)	(3,312,880)	(3,064,694)	(3,521,257)	(4,555,092)	(2,244,902)
Effect of exchange rate changes	Rs thousand	3,822	142	698	1,206	(153)	1,797
Net change in cash and cash equivalents	Rs thousand	(6,735,226)	1,771,104	4,296,468	(2,784,638)	(2,319,865)	3,156,587
Cash & cash equivalents at end of the year	Rs thousand	4,198,160	10,933,386	9,162,282	4,865,814	7,650,452	9,970,317

Performance Indicators (Ratios)

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Profitability and Operating Ratios							
Gross profit	%	5.49	5.29	5.26	2.87	2.90	3.14
Net profit to sales	%	3.19	3.82	3.50	1.91	2.11	2.37
EBITDA margin to sales	%	4.91	5.80	5.45	2.81	3.04	3.53
Operating leverage	%	27.48	136.12	(66.34)	142.20	22.80	(12.17)
Return on equity	%	32.59	34.62	27.47	24.02	31.08	29.56
Return on capital employed	%	32.59	34.62	27.47	24.02	31.08	29.56

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Liquidity Ratios							
Current	Times	1.42	1.52	1.67	1.66	1.59	1.75
Quick / Acid test ratio	Times	0.96	1.18	1.36	1.30	1.24	1.42
Cash to current liabilities	Times	0.16	0.51	0.59	0.31	0.39	0.64
Cash flows from operations to sales	Times	(0.01)	0.03	0.03	0.03	0.01	0.04

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Activity / Turn Over Ratios							
Inventory turnover	Times	17.02	21.76	19.88	26.99	33.36	34.23
No. of days in inventory		21	17	18	14	11	11
Debtors turnover	Times	13.00	16.46	15.32	16.18	19.32	14.75
No. of days in receivables		28	22	24	23	19	25
Creditors turnover	Times	7.10	7.20	6.64	9.47	11.42	9.65
No. of days in payables		51	51	55	39	32	38
Total assets turnover	Times	4.20	4.03	3.61	5.37	6.39	5.43
Fixed assets turnover	Times	32.97	37.73	40.04	78.50	108.16	95.09
Operating cycle	Days	(2)	(12)	(13)	(2)	(2)	(2)
Number of retail outlets		629	604	563	516	468	414

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Investment / Market Ratios							
Basic and diluted EPS	Rs	68.19	63.89	46.16	39.62	52.16	56.52
Basic and diluted EPS (restated)	Rs	68.19	63.89	46.16	39.62	52.16	47.10
Price earning	Times	8.65	9.81	9.48	14.32	11.31	9.93
Price to book	Times	2.66	3.19	2.53	3.47	3.55	2.76
Dividend yield	%	6.68	6.94	8.32	6.26	9.01	8.96
Dividend payout	%	58.66	66.52	86.66	87.07	91.06	79.62
Dividend cover	Times	1.70	1.50	1.15	1.15	1.10	1.26
Cash dividends	Rs thousand	3,317,760	3,525,120	3,317,760	2,861,568	3,939,840	3,110,400
Cash dividend per share	Rs	40.00	42.50	40.00	34.50	47.50	45.00
Bonus shares issued	Rs thousand	165,888	-	-	-	-	138,240
Bonus per share	%	20	-	-	-	-	20.00
Break-up value per share without surplus on revaluation of Property plant and equipment	Rs	222.05	196.45	172.61	163.48	166.37	203.18
Break-up value per share with surplus on revaluation of Property plant and equipment including the effect of all investments	Rs	222.05	196.45	172.61	163.48	166.37	203.18
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	235.77	210.90	184.75	174.24	177.07	205.88
Market value per share							
Year end	Rs	590	626	438	567	590	561
Highest (during the year)	Rs	706	765	596	610	607	585
Lowest (during the year)	Rs	486	430	398	494	414	471

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
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)	%	9.7	9.0	8.5	10.4	10.1	9.3

VERTICAL ANALYSIS

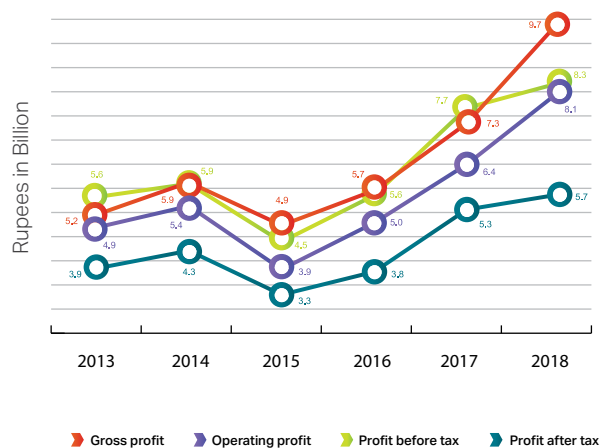
	2017-18		2016-17		2015-16		2014-15		2013-14		2012-13	
	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%
Balance Sheet Items												
Property, Plant and Equipment	6,417,787	13.9	4,339,301	11.3	3,011,665	9.9	2,444,164	8.2	1,931,085	5.7	1,862,742	6.2
Other Non-Current Assets	1,564,975	3.4	1,527,705	4.0	1,511,800	5.0	1,343,913	4.5	905,960	2.6	878,111	2.9
Current Assets	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	27,356,666	90.9
Total Assets	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	30,097,519	100.0
Shareholders' Equity	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	14,043,457	46.7
Non- Current Liabilities	911,540	2.0	733,581	1.9	626,159	2.1	604,814	2.0	581,682	1.7	462,871	1.5
Current Liabilities	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	15,591,191	51.8
Total Shareholders' Equity & Liabilities	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	30,097,519	100.0
Profit & Loss Items												
Net Sales	177,344,437	100.0	138,660,665	100.0	109,234,361	100.0	171,729,782	100.0	205,162,911	100.0	164,710,177	100.0
Cost of Products Sold	167,601,143	94.5	131,325,344	94.7	103,485,300	94.7	166,803,273	97.1	199,220,617	97.1	159,533,376	96.9
Gross Profit	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	5,176,801	3.1
Operating Profit	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	4,873,355	3.0
Profit before Taxation	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	5,593,404	3.4
Profit for the Year	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	3,906,534	2.4

HORIZONTAL ANALYSIS

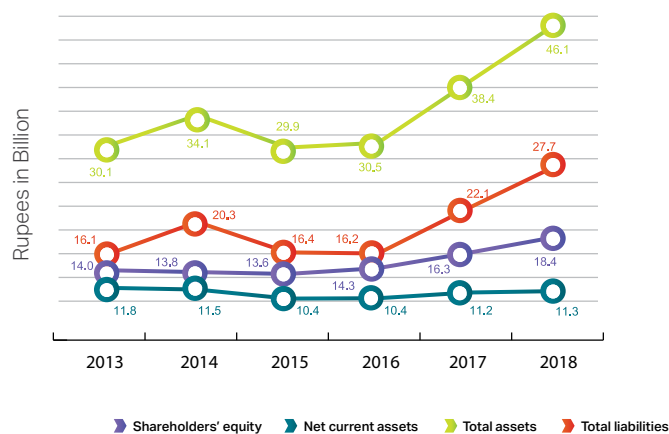
	2017-18		2016-17		2015-16		2014-15		2013-14		2012-13	
	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)	Rs ('000)	Increase / (decrease) from last year (%)
Balance Sheet Items												
Property, Plant and Equipment	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	1,862,742	16.3
Other Non-Current Assets	1,564,975	2.4	1,527,705	1.1	1,511,800	12.5	1,343,913	48.3	905,960	3.2	878,111	1.3
Current Assets	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	27,356,666	(2.5)
Total Assets	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	30,097,519	(1.4)
Shareholders' Equity	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)	14,043,457	13.4
Non- Current Liabilities	911,540	24.3	733,581	17.2	626,159	3.5	604,814	4.0	581,682	25.7	462,871	12.1
Current Liabilities	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	15,591,191	(12.1)
Total Shareholders' Equity & Liabilities	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	30,097,519	(1.4)
Profit & Loss Items												
Net Sales	177,344,437	27.9	138,660,665	26.9	109,234,361	(36.4)	171,729,782	(16.3)	205,162,911	24.6	164,710,177	7.8
Cost of Products Sold	167,601,143	27.6	131,325,344	26.9	103,485,300	(38.0)	166,803,273	(16.3)	199,220,617	24.9	159,533,376	7.6
Gross Profit	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	5,176,801	12.8
Operating Profit	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	4,873,355	(3.5)
Profit Before Taxation	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	5,593,404	(0.9)
Profit for the Year	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	3,906,534	(5.2)

GRAPHICAL PRESENTATION

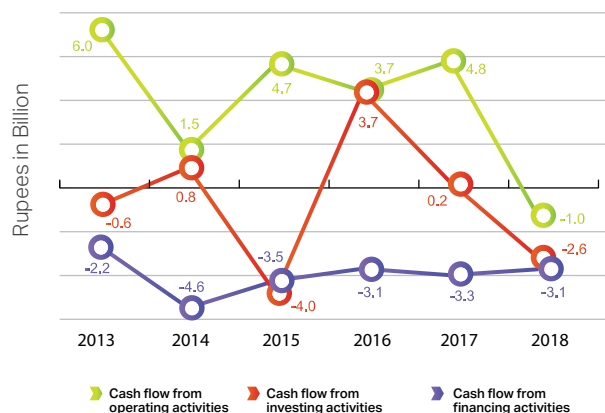
Profit and Loss



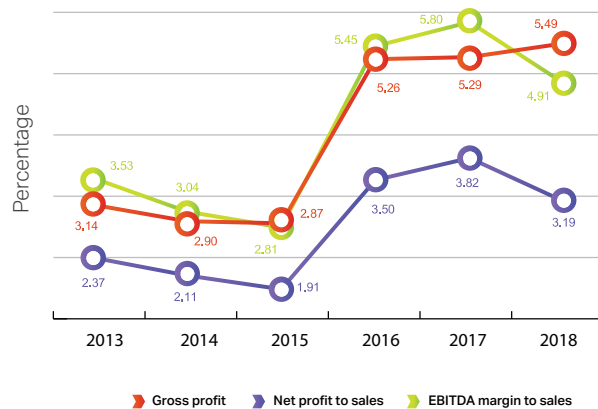
Balance Sheet



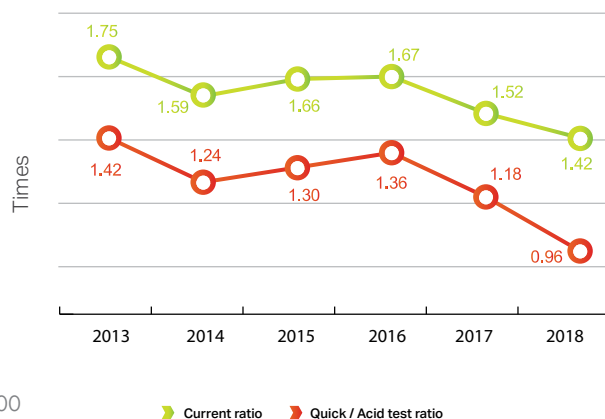
Cash Flows



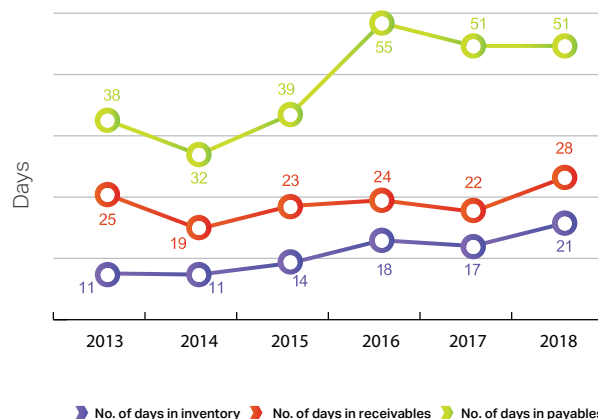
Profitability Ratios



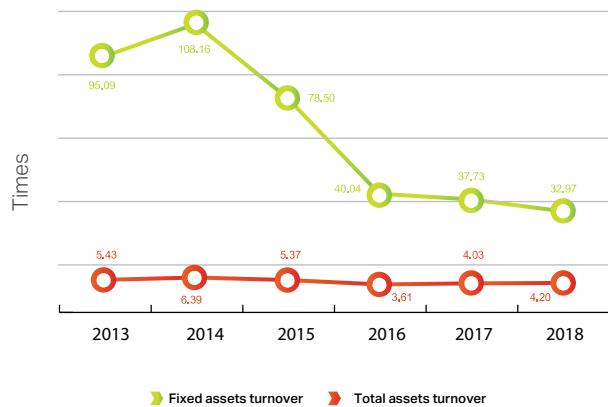
Liquidity Ratios



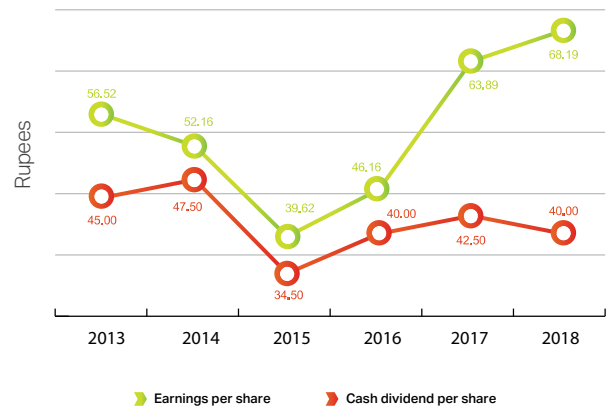
Activity Ratios



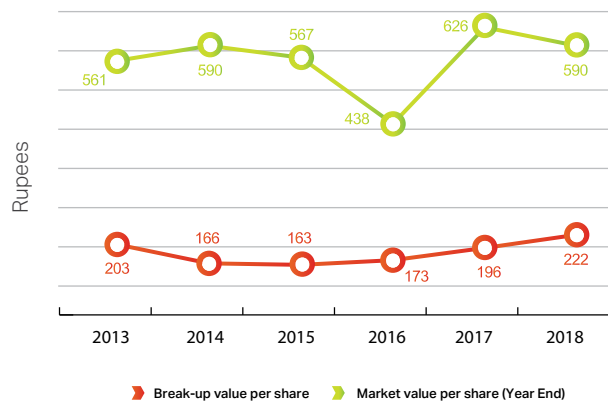
Turnover Ratios



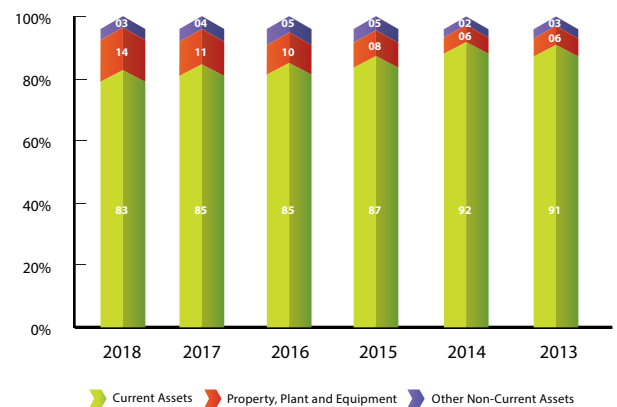
Investment Ratios



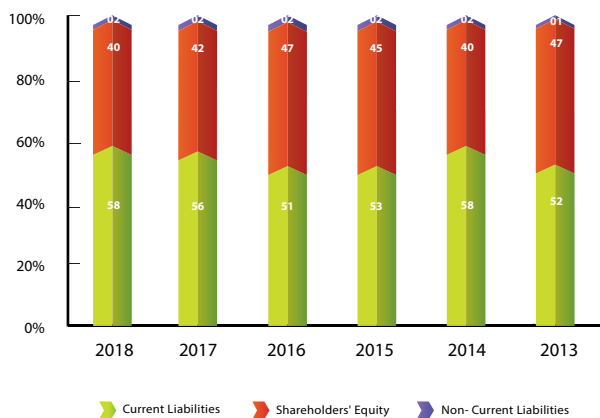
Market Ratios



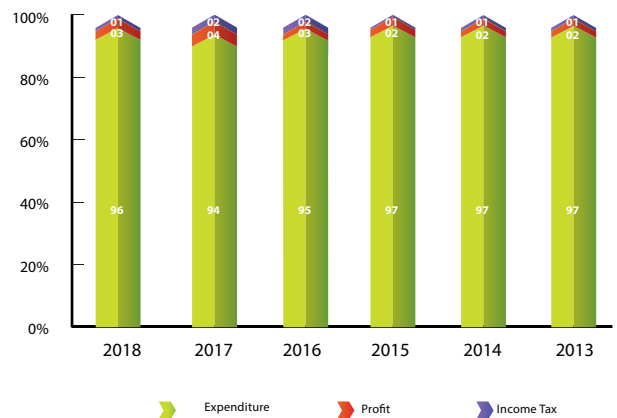
Composition of Assets



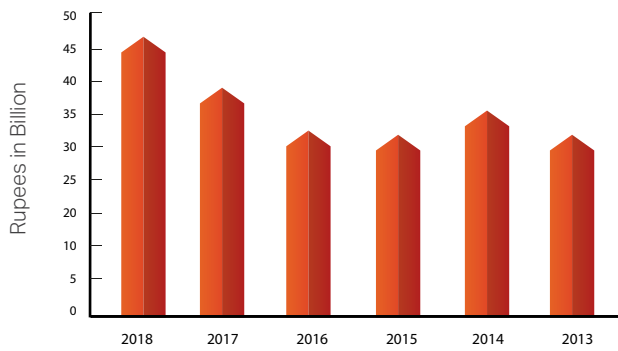
Composition of Total Liabilities & Shareholders' Equity



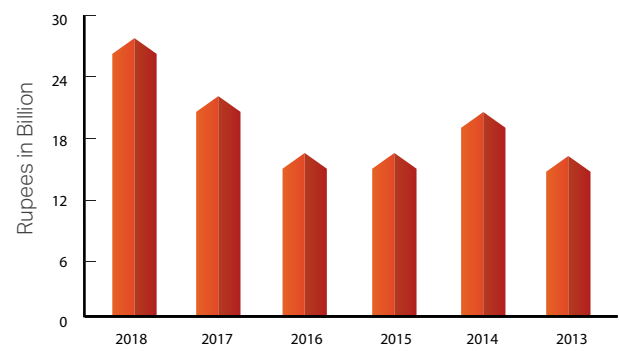
Composition of Profit and loss



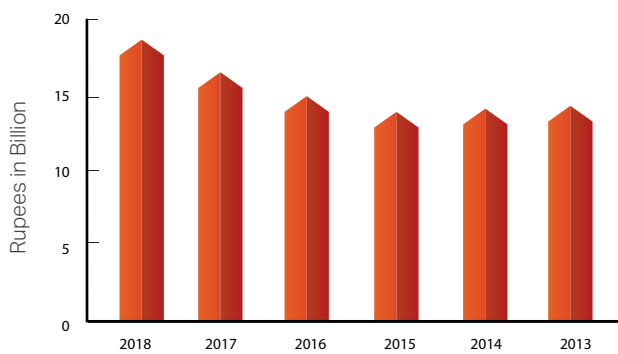
Total Assets



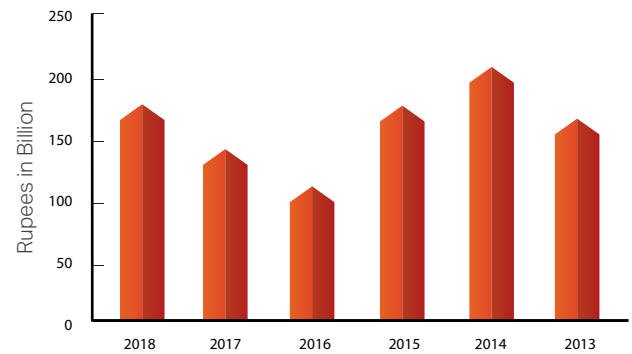
Total Liabilities



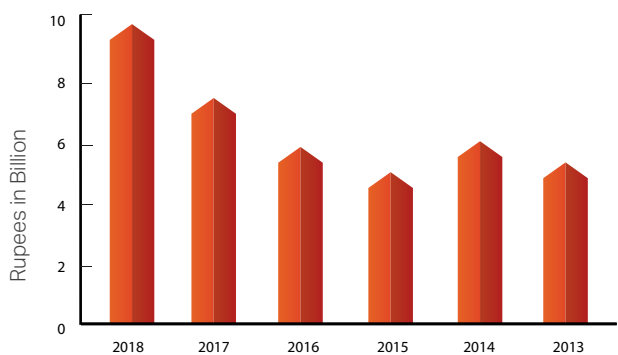
Total Shareholders' Equity



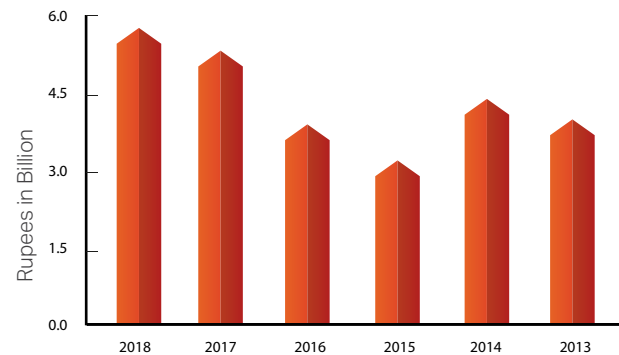
Net Sales



Gross Profit



Net Profit



COMMENTS ON FINANCIAL ANALYSIS

CASH FLOW

Cash flow from operating activities: In the year 2017-18, it declined due to maintenance of higher stock level as per requirements, increase in prices of petroleum products and extension of credit to customers as per market demand. In the year 2012-13, it was on higher side due to increase in cash collection from the customers.

Cash flow from investing activities: Company invested substantial amount of Rs 2.5 billion in the year 2017-18 in property, plant and equipment that resulted decrease in cash flow from investing activities from last year. In the year 2015-16, cash flow was highest due to encashment of short term investments.

Cash flow from financing activities: Financing activities mainly comprises of dividends payment which was at high level in year 2013-14 as no interim dividend was announced in year 2012-13 and due to this reason higher final dividend was paid in year 2013-14.

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: Increase in sales volume and inventory gains due to rising price trend of petroleum products during the year 2017-18 resulted in increase in gross profit ratio from last year. Net profit to sales and EBITDA margin to sales decreased due to recording in the year 2016-17 of reversal of WWF provision for prior years after High Courts' decision in favor of tax payers and increase in operating expense. Further these ratios fluctuate over the years due to varying margins and product sale prices.

Liquidity ratios: 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 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 changed over last year due to increase in stock level. There is also change in Debtors turnover ratio and No. of days in receivable over last year due to extension of credit to customers. Creditors'

ratio remained in line with last year. Total assets turnover has increased by 4% compared to last year whereas fixed assets turnover has decreased by 13% due to significant investment in construction of new storage terminals and depots.

Investment / Market ratios: Earnings per share improved due to higher profits from last year. However, price earnings ratio of 8.65 has shown decrease over last year. Market value per share stood at Rs 590, down by around 36% compared to last year. Dividend payout ratio for the year 2017-18 was recorded at 58%, translating into a total cash dividend of Rs 40.00 per share. Bonus shares are issued @ 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 2017-18 resulted in increase in weightage of Property, plant

and equipment over last 05 years period. Increase in trade payable in excess to increase in shareholders equity has resulted in increased weightage of current liabilities in the year 2017-18.

Profit & loss: Overall sales volume grew since 2012-13 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 previous years.

HORIZONTAL ANALYSIS

Balance sheet: Property, plant and equipment increased by Rs 4,555 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 2012-13 was mainly due to fluctuations in trade debts due to circular debts issue and stock balances

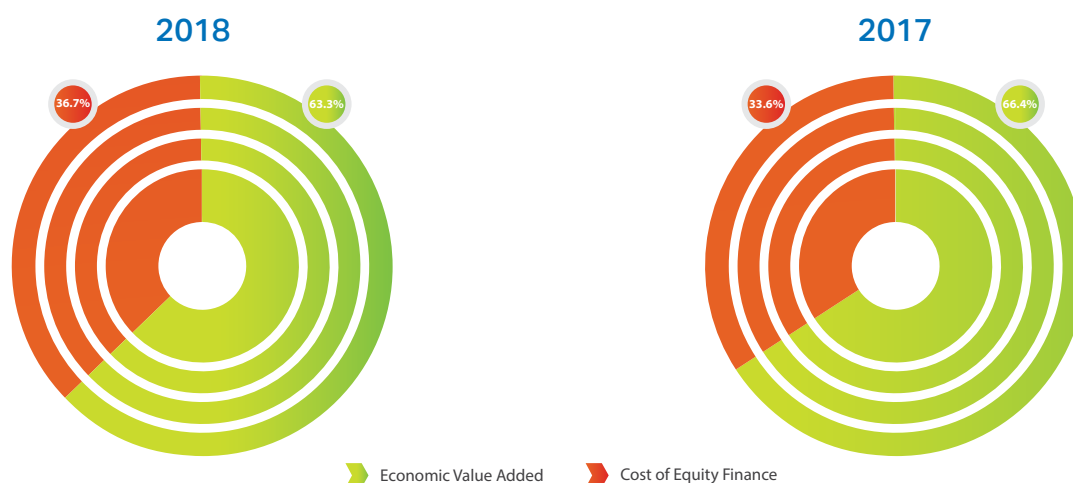
as per operational requirements. Current liabilities also increased in the year 2017-18 due to increase in payables relating to Circular debt and increase in procurement of petroleum products.

Profit & loss: Overall sales volume grew since 2012-13 however fluctuation in prices of products which depends on international prices and tax structure resulted in varying sales and profits during the years. Increase in sales volume, increasing price trend and efficient stock management resulted in improved performance in the year 2017-18.

STATEMENT OF ECONOMIC VALUE ADDED

		2018	2017
		Rs ('000)	Rs ('000)
Net Profit After Tax		5,656,349	5,299,168
Cost of Equity Finance		(2,075,755)	(1,778,192)
Economic Value Added		3,580,594	3,520,976
Economic Value Added Per share (Rupees)		43.17	42.45

Composition of Net Profit After Tax



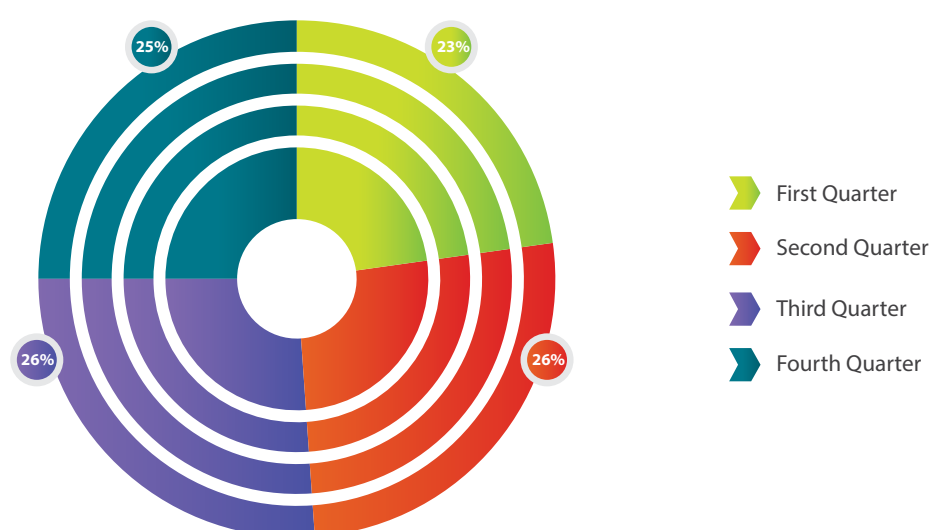
Statement of Economic Value Added represents value created in excess of the required return of the Company's shareholders.

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	177,344,437	55,985,292	45,013,777	37,814,112	38,531,256
Gross Profit	9,743,294	2,873,167	2,471,411	2,428,284	1,970,432
Profit Before Taxation	8,289,312	2,376,567	2,020,271	2,062,462	1,830,012
Net Profit	5,656,349	1,392,604	1,453,271	1,480,462	1,330,012
Earnings Per share (Rupees)	68.19	16.79	17.52	17.85	16.04

Net Profit



Net sales revenue was highest in fourth quarter as volume sold in fourth quarter were highest based on product seasonal demand and high prices. This resulted in highest gross profit for the quarter.

Net sales revenue was lowest in second quarter as volume sold in second 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, however inventory gains on account of increasing price trend resulted in highest net profit for the quarter.

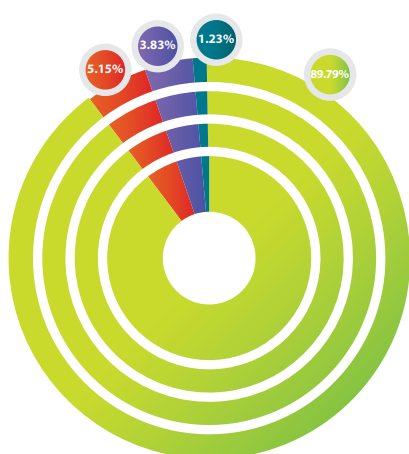
Statement of Charity Account*

Particulars	2017-18 Rs in thousand
Education and Scholarship	3,425
Health care and Environment	209
Sports Development	885
Community Welfare	634
	5,153
* Includes through Company's trust	

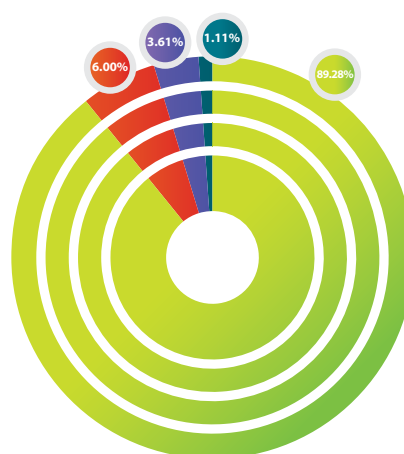
STATEMENT OF VALUE ADDED

	2017-18		2016-17	
	Rs in thousand	%	Rs in thousand	%
Gross revenue and other income	218,581,899		174,525,619	
Cost of sales and operating expenses	(150,878,772)		(115,763,806)	
Total value added	67,703,127		58,761,813	
DISTRIBUTION				
Employee remuneration:	830,163	1.23	652,335	1.11
Government as:				
Company taxation	2,632,963	3.89	2,400,000	4.08
Sales tax, duties and levies	57,722,231	85.26	50,363,837	85.71
WPPF & WWF	439,475	0.65	(301,227)	(0.51)
Shareholders as:				
Dividends	3,317,760	4.90	3,525,120	6.00
Bonus share	165,888	0.25		-
Society as:				
Donation	-	-	-	-
Providers of finance as:				
Financial charges	-	-	-	-
Retained in business:				
Depreciation	421,946	0.62	347,700	0.59
Net earnings	2,172,701	3.21	1,774,048	3.02
	67,703,127	100.00	58,761,813	100.00

2018



2017



FINANCIAL STATEMENTS



This page is intentionally left blank

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, 2018, and the statement of profit or loss, the statement of 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, statement of profit or loss, the statement of 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, 2018 and of the profit, the 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) Companies Act, 2017

(Refer note 3.1 to the financial statements)

The fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of annual financial statements.

As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous and the current Fourth Schedule and as a result certain amendments relating to presentation and disclosures were made in the Company's annexed financial statements.

In view of the various new disclosures presented in the financial statements, we considered this as a key audit matter.

ii) Investment in associated companies

(Refer notes 5 and 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, 2018, the carrying amount of investment in above referred associated companies amounted to Rs 1,114 million (net of recognised impairment loss of Rs 230 million) which carrying value is higher by Rs 452 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.

How the matter was addressed in our audit

We reviewed and understood the requirements of the Fourth Schedule to the Companies Act, 2017. Our audit procedures included the following:

- Considered the management's process to identify the additional disclosures required in the Company's financial statements;
- Obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence; and
- Verified on test basis the supporting evidence for the additional disclosure and ensured appropriateness of the disclosures made.

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

- Assessing the appropriateness of management's accounting for investment in associated companies.
- Understanding management's process for identifying the existence of impairment indicators in respect of investment in associated companies.
- Evaluating the independent external investment advisor's competence, capabilities and objectivity.
- Assessing the valuation methodology used by the independent external investment advisor.
- Checking, on sample basis, the reasonableness of the input data provided by the management to the independent external investment advisor, to supporting evidence.
- Assessing 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.

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

- Testing mathematical accuracy of cash flows projection.
- Performing independently a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions.

iii) Contingencies

(Refer notes 5, 12.1 (iii) and (iv) to the financial statements)

The Company has contingent liabilities in respect of sales tax demand on Price Differential Claims / subsidies and order issued by Oil and Gas Regulatory Authority (OGRA) for recovery of freight charges and petroleum levy on supplies.

In order to assess contingencies the management makes judgements and estimates in relation to the interpretation of laws, statutory rules, regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition/ measurement of any provisions that may be required against such contingencies.

Due to magnitude of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgement and estimates to assess the same including related financial impacts we have considered above referred contingencies as one of the key audit matters.

Our audit procedures included the following:

- Obtained and reviewed details of the significant pending legal/tax cases and discussed the same with Company's management;
- Circulated confirmations to the Company's external legal and tax counsels for their views on open legal/tax matters;
- Reviewed correspondence of the Company with the relevant authorities;
- Evaluated rationale provided by the Company and opinion of the external legal/tax counsel;
- Involved internal tax professionals to assess management's conclusions on contingent tax matters and to evaluate the consistency of such conclusions with the views of the tax advisors engaged by the Company; and
- Reviewed the disclosures made in the financial statements in respect of such contingencies.

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:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of 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;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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
August 14, 2018

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
PIA Building, 3rd Floor, 49 Blue Area, Fazl-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan
Tel: +92 (51) 2273457-60/2604934-37; Fax: +92 (51) 2277924, 2206473; < www.pwc.com/pk >*

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

		2018	2017
	Note	Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorised capital	6	1,500,000	1,500,000
Issued, subscribed and paid up capital	6	829,440	829,440
Special reserves	7	249,542	214,608
Unappropriated profit		17,338,188	15,250,443
Fair value gain on available-for-sale investments		492	-
		18,417,662	16,294,491
NON CURRENT LIABILITIES			
Long term deposits	8	671,044	627,240
Deferred tax liability	9	240,496	106,341
		911,540	733,581
CURRENT LIABILITIES			
Trade and other payables	10	26,138,159	21,061,447
Unclaimed dividend	11	473,512	37,053
Provision for current income tax		190,453	240,380
		26,802,124	21,338,880
CONTINGENCIES AND COMMITMENTS			
	12		
		46,131,326	38,366,952

	Note	2018 Rupees ('000)	2017
NON CURRENT ASSETS			
Property, plant and equipment	13	6,417,787	4,339,301
Long term investments in associated companies	15	1,137,657	1,198,044
Other long term investments	16	423,396	299,733
Long term prepayment	17	3,922	29,928
CURRENT ASSETS			
Stores and spares		75,841	48,658
Stock in trade	18	12,460,539	7,234,415
Trade debts	19	16,475,576	10,801,077
Advances, deposits, prepayments and other receivables	20	3,296,963	2,572,057
Short term investments	21	1,641,485	910,353
Cash and bank balances	22	4,198,160	10,933,386
		38,148,564	32,499,946
		46,131,326	38,366,952

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, 2018

	Note	2018 Rupees ('000)	2017
Sales	23	216,359,813	172,081,286
Sales tax		(39,015,376)	(33,420,621)
NET SALES		177,344,437	138,660,665
Cost of products sold	24	(167,601,143)	(131,325,344)
GROSS PROFIT		9,743,294	7,335,321
Other income	25	884,577	912,713
Operating expenses	26	(2,542,546)	(1,880,857)
OPERATING PROFIT		8,085,325	6,367,177
Finance income	27	1,241,934	1,137,277
Finance costs	27	(564,333)	(324,461)
Net finance income	27	677,601	812,816
Share of (loss) / profit of associated companies	15	(34,139)	217,948
(Provision for) / reversal of other charges	28	(439,475)	301,227
PROFIT BEFORE TAXATION		8,289,312	7,699,168
Provision for income tax	29	(2,632,963)	(2,400,000)
PROFIT FOR THE YEAR		5,656,349	5,299,168
Earnings per share - Basic and diluted (Rupees)	30	68.19	63.89

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 COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees ('000)	2017
PROFIT FOR THE YEAR		5,656,349	5,299,168
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR:			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss) on staff retirement benefit plan	32.4	(12,695)	(1,013)
Current tax relating to remeasurement gain on staff retirement benefit plan		3,808	314
		(8,887)	(699)
Share of other comprehensive income / (loss) of associated companies - net of tax	15	337	(3,384)
		(8,550)	(4,083)
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		(8,058)	(4,083)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,648,291	5,295,085

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, 2018

	2018	2017
	Rupees ('000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from customers	172,048,282	134,985,612
Payments for purchase of products and operating expenses	(170,167,371)	(127,727,910)
Other charges paid	(410,157)	(346,039)
Long term deposits received	43,804	1,081
Income tax paid	(2,544,926)	(2,064,468)
Cash flow from operating activities	(1,030,368)	4,848,276
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(2,503,439)	(1,676,134)
Proceeds from sale of property, plant and equipment	7,941	14,707
(Purchase) / encashment of short term and other long term investments - net	(839,249)	1,375,501
Income received on bank deposits, short term and other long term investments	688,143	498,339
Dividend received from associated companies	26,585	23,153
Cash flow from investing activities	(2,620,019)	235,566
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(3,088,661)	(3,312,880)
Cash used in financing activities	(3,088,661)	(3,312,880)
Effect of exchange rate changes	3,822	142
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(6,735,226)	1,771,104
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	10,933,386	9,162,282
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	4,198,160	10,933,386

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, 2018

	Share capital	Special reserves	Unappropriated profit	Fair value gain on available- for-sale investments	Total
Rupees ('000)					
BALANCE AS AT JUNE 30, 2016	829,440	126,411	13,361,315	-	14,317,166
Total comprehensive income for the year:					
Profit for the year	-	-	5,299,168	-	5,299,168
Other comprehensive (loss)	-	-	(4,083)	-	(4,083)
	-	-	5,295,085	-	5,295,085
Transferred to special reserves by associated companies	-	88,197	(88,197)	-	-
Transactions with owners:					
Final cash dividend @ 250% relating to year ended June 30, 2016	-	-	(2,073,600)	-	(2,073,600)
Interim cash dividend @ 150% relating to year ended June 30, 2017	-	-	(1,244,160)	-	(1,244,160)
Total transactions with owners	-	-	(3,317,760)	-	(3,317,760)
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 JUNE 30, 2018	829,440	249,542	17,338,188	492	18,417,662

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, 2018

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% (2017: 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 The fourth schedule to the Companies Act, 2017 (the Act) became applicable to the Company for the first time for the preparation of these financial statements. The Act (including its fourth schedule) forms an integral part of the statutory financial reporting framework applicable to the Company and amongst other, prescribes the nature and content of disclosures in relation to various elements of the financial statements.

The Act has also brought certain changes with regard to preparation and presentation of annual and interim financial statements of the Company. These changes include change in nomenclature of primary financial statements. Further, the disclosure requirements contained in the Fourth schedule to the Act have been revised, resulting in the:

- elimination of duplicative disclosures with the IFRS disclosure requirements; and
- incorporation of significant additional disclosures.

Specific additional disclosures and changes to the existing disclosures as a result of this change are stated in notes 2, 8.1, 13.2, 13.6, 19.2, 19.3, 20.2, 20.3, 23.2, 26.4, 29.3, 34, 35, 37, 38, 39, 40, 41, 42 and 44.

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 19	Employee benefits (Amendments)		January 1, 2019
IAS 28	Investment in Associates and Joint Ventures (Amendments)		January 1, 2019
IAS 40	Investment Property (Amendments)		January 1, 2018

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		Effective date (annual reporting periods beginning on or after)	
IFRS 2	Share-based Payment (Amendments)	January 1, 2018	
IFRS 4	Insurance Contracts (Amendments)	January 1, 2018	
IFRS 9	Financial Instruments	July 1, 2018	
IFRS 15	Revenue from contracts with customers	July 1, 2018	
IFRS 16	Leases	January 1, 2019	
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 1, 2018	
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. The management is in the process of assessing the impact of changes laid down by the IFRS 9, 15 and 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	
3.4	The following interpretations issued by the IASB have been waived off by SECP:		
	IFRIC 4	Determining whether an arrangement contains lease	
	IFRIC 12	Service concession arrangements	
4.	SIGNIFICANT ACCOUNTING POLICIES		
4.1	Basis of measurement		
	These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies notes.		
4.2	Staff retirement benefits		
	The Company operates following staff retirement benefit funds:		
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.		
	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 32 to the financial statements. Latest valuation was conducted as at June 30, 2018.		
ii)	Approved contributory provident fund for all employees for which contributions of Rs 19,730 thousand (2017: Rs 10,953 thousand) are charged to income for the year.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

4.3 Operating segments

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.

4.4 Functional and presentation currency

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.

4.5 Foreign currency transactions and translations

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 balance sheet date. 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.

4.6 Trade and other payables

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.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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.

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 balance sheet 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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.

The Company's share of its associated companies post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. Dividends receivable from associated companies are recognised as a reduction in 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.

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 liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and de-recognised when the Company loses control of the contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. All financial assets and liabilities are initially recognised at fair value plus transaction costs for all financial assets and liabilities not carried at fair value through profit or loss. Financial assets and liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are charged to income for the year. These are subsequently measured at fair value, amortised cost or cost, as the case may be. Any gain or loss on derecognition of financial assets and financial liabilities is included in income for the year.

4.16 Financial Assets

The Company classifies its financial assets in the following categories: investments at fair value through profit or loss, held-to-maturity investments, loans and receivables and available for sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Company commits to purchase or sell the asset.

4.16.1 Investment at fair value through profit or loss

Investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. At subsequent dates these investments are measured at fair value with any resulting gains or losses charged directly to income. The fair value of such investments is determined on the basis of prevailing market prices. The

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Company's investments at fair value through profit or loss comprised "Short term investment in mutual funds".	1 2 3
4.16.2	Held-to-maturity investments	4
	Investments with fixed payments and maturity that the Company has the intent and ability to hold to maturity are classified as held-to-maturity investments and are carried at amortised cost less impairment losses. The Company's held to maturity investments comprise "Other long term investments", "Short term investments" and "Short term deposits".	5 6 7 8
4.16.3	Loans and receivables	9
	Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Company's loans and receivables comprise "Trade debts", "Advances, deposits and other receivables" and "Cash and bank balances" in the statement of financial position. Loans and receivables are carried at amortized cost using the effective interest method.	10 11 12 13 14 15 16
4.16.4	Available-for-sale financial assets	17
	Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose off the investment within 12 months of the balance sheet date.	18 19 20 21
	Available-for-sale investments are initially recognised at cost and carried at fair value at the balance sheet date. Fair value of a quoted investment is determined in relation to its market value (current bid prices) at the balance sheet date. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. Adjustment arising from remeasurement of investment to fair value is recorded in other comprehensive income and taken to income on disposal of investment or when the investment is determined to be impaired.	22 23 24 25 26 27 28
4.16.5	Impairment	29
	The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.	30 31 32 33 34 35 36
4.17	Offsetting	37
	Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set off the recognised amounts and the Company intends to settle on a net basis or realise the asset and settle the liability simultaneously.	38 39 40 41
4.18	Trade debts	42
	Trade debts are recognised initially at fair value and subsequently measured at cost less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that Company will not be able to collect all amounts due according to the	43 44 45 46

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

original terms of the trade debts. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade debt is doubtful. The provision for doubtful debts is charged to income for the year. When the trade debt is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the income.

4.19 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.

4.20 Revenue recognition

Sales revenue is recorded when goods are dispatched and significant risks and rewards of ownership are transferred to the customer.

Commission and handling income is recognised on shipment of products.

Income on bank deposits and short term investments is recognised on time proportion basis using the effective yield method.

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.

Gains or losses resulting from re-measurement of investments at fair value through profit or loss are charged to income.

4.21 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.

4.22 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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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.

4.23 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.

4.24 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 dilute potential ordinary shares.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment 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 4.22 and 29
- iii) Contingent liabilities - note 4.23 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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	Rupees ('000)	
6. SHARE CAPITAL		
AUTHORISED CAPITAL		
150,000,000 ordinary shares of Rs 10 each (2017: 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 (2017: 5,000,000 ordinary shares of Rs 10 each)	50,000	50,000
Shares issued as fully paid bonus shares 77,944,000 (2017: 77,944,000) ordinary shares of Rs 10 each	779,440	779,440
82,944,000 (2017: 82,944,000) ordinary shares of Rs 10 each	829,440	829,440

The associated companies Pharaon Investment Group Limited Holding s.a.l and Attock Refinery Limited held 28,516,147 (2017: 28,516,147) and 18,144,138 (2017: 18,144,138) ordinary shares at the year end respectively.

7. SPECIAL RESERVES

Special reserves include Rs 246,364 thousand (2017: Rs 211,519 thousand) for expansion and modernisation and Rs 3,178 thousand (2017: Rs 3,089 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, 2018

	2018	2017
	Rupees ('000)	
8. LONG TERM DEPOSITS		
Not utilizable for Company business - note 8.1	671,044	627,240
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.	
	2018	2017
	Rupees ('000)	
9. DEFERRED TAX LIABILITY		
Deferred tax liability arising due to accelerated tax depreciation	228,341	131,790
Deferred tax liability in respect of investment in associates	37,155	-
Deferred tax asset arising in respect of certain provisions	(25,000)	(25,449)
Deferred tax liability	240,496	106,341
	2018	2017
	Rupees ('000)	
10. TRADE AND OTHER PAYABLES		
Creditors - note 10.2	2,649,038	2,230,888
Due to related parties (unsecured) - note 10.1	16,808,749	12,682,710
Accrued liabilities - note 10.2	4,699,820	3,823,195
Advance from customers	1,509,296	2,002,224
Retention money	339,638	175,800
Sales tax payable	-	146,630
Payable to joint operator (as disclosed in note 14)	131,618	-
	26,138,159	21,061,447
10.1 Due to related parties:		
National Refinery Limited	4,919,888	3,960,981
Attock Refinery Limited	11,852,953	8,701,460
Pakistan Oilfields Limited	12,749	8,280
The Attock Oil Company Limited	3,191	724
Attock Sahara Foundation	238	312
APL Gratuity fund - note 32	19,730	10,953
	16,808,749	12,682,710

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

10.2 These include Rs 472,319 thousand (2017: Rs Nil) being Company's share in current liabilities of joint operation. (as disclosed in note 14)

11. UNCLAIMED DIVIDEND

This includes Interim dividend for the year ended June 30, 2018 of Rs 435,681 thousand (2017: Rs Nil) of various shareholders pending due to non-provision of banking details by shareholders.

	2018	2017
	Rupees ('000)	
12. CONTINGENCIES AND COMMITMENTS		
12.1 CONTINGENCIES		
(i) Corporate guarantees and indemnity bonds issued by the Company to the Collector of Customs.	2,431,836	5,043,867
(ii) Guarantees issued by bank on behalf of the Company	1,464,225	1,315,907
(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 (2017: Rs Nil). 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 alongwith 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.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	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, 2018 (2017: March 31, 2017)	98,769	87,164
	2018	2017
	Rupees ('000)	
12.2 COMMITMENTS		
(i) Capital expenditure commitments (It includes commitment amounting to Rs 508 thousand (2017: 239,932 thousand) relating to joint operation as disclosed in note 14)	1,717,430	2,307,809
(ii) Commitments for import of petroleum products against letter of credit facility	4,920,746	2,407,613
(iii) Commitments for rentals of assets under operating lease agreements as at June 30, 2018 amounting to Rs 2,316,862 thousand (2017: Rs 2,303,405 thousand) payable as follows:		
Not later than one year	149,490	130,440
Later than one year and not later than five years	574,732	503,919
Later than five years	1,592,640	1,669,046
(iv) The Company's share of commitments of associated companies based on financial information of associated companies for the period ended March 31, 2018 (2017: March 31, 2017)		
- Capital expenditure commitments	20,129	73,849
- Outstanding letters of credit	207,596	54,023
13. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - note 13.1	4,634,624	2,707,992
Capital work in progress - note 13.3	1,783,163	1,631,309
	6,417,787	4,339,301

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

13.1 Operating assets

	Freehold land	Leasehold land	Buildings on Freehold land	Leasehold land	Pipelines, pumps, tanks and meters	Equipment - signage	Electrical and fire fighting equipment	Furniture, fixture and equipment	Computer and auxiliary equipment	Motor vehicles	Light Vehicles	Total
	Rupees ('000)											
As at July 1, 2016												
Cost	189,133	573,309	123,587	307,723	1,338,737	1,019,976	184,762	44,520	55,178	-	170,169	4,007,094
Accumulated depreciation	-	(78,578)	(44,590)	(88,286)	(708,959)	(708,919)	(87,216)	(19,484)	(34,093)	-	(101,903)	(1,872,028)
Net book value	189,133	494,731	78,997	219,437	629,778	311,057	97,546	25,036	21,085	-	68,266	2,135,066
Year ended June 30, 2017												
Opening net book value	189,133	494,731	78,997	219,437	629,778	311,057	97,546	25,036	21,085	-	68,266	2,135,066
Additions	214,577	333,008	-	27,543	137,712	128,014	12,019	6,979	16,369	-	45,203	921,424
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	(7,566)	(16,749)	(30)	(1,617)	(6,063)	-	(14,284)	(46,309)
Accumulated depreciation	-	-	-	-	7,275	16,465	4	1,528	6,057	-	14,182	45,511
	-	-	-	-	(291)	(284)	(26)	(89)	(6)	-	(102)	(798)
Depreciation charge	-	(21,729)	(5,781)	(16,616)	(117,737)	(129,887)	(18,163)	(4,013)	(8,001)	-	(25,773)	(347,700)
Closing 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
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 June 30, 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
Annual rate of Depreciation (%)	-	1.82 - 3.03	5	5	10-33.33	20	10-33.33	10-20	20-33.33	20	20	

13.1.1 Included in operating assets are assets having cost of Rs 612,741 thousand (2017: Rs Nil) and accumulated depreciation of Rs 13,079 thousand (2017: Rs Nil) in respect of Company's share in joint operations at New Islamabad International Airport (NIIAP) as referred in note 14.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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	Under construction
- 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	Under construction
- 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
- GT Road, Chak 136/9L, District Sahiwal	Bulk Oil Terminal	5.82 Acres	Under construction

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

- 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

* 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 particular 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, 2016	58,248	535,469	241,100	41,782	876,599
Additions during the year	401,416	329,416	901,840	43,462	1,676,134
Transfers during the year	(27,543)	(547,585)	(346,296)	-	(921,424)
Balance as at June 30, 2017	432,121	317,300	796,644	85,244	1,631,309
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

13.4 Capital work in progress include Rs Nil (2017: Rs 413,832 thousand) being Company's share in Joint operation. (as disclosed in note 14).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
		Rupees ('000)	
13.5	Cost of Property, plant and equipment held by dealers of retail outlets of the Company are as follows:		
	Pipelines, pumps, tanks and meters	809,114	747,747
	Equipment - signage	1,170,027	1,102,436
	Buildings	287,343	234,830
	Electric and fire fighting equipment	98,243	91,881

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.

13.6 Property, plant and equipment disposals:

Items of property, plant and equipment disposed during the year having aggregate net book value above Rs 500,000 are as follows:

	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposals	Particulars of purchaser
	Rupees ('000)						
Pipelines, pumps, tanks and meters	313	308	5	149	144	Per Company policy	Mr. Raza Ul Hassan
	860	380	480	770	290	Per Company policy	M. Yousaf & Co. Filling Station
	10,729	9,828	901	244	(657)	Per Company policy	Mr. Bakht Ali Khan
Motor Vehicle	1,264	1,264	-	124	124	Per Company policy	Mr. Naeem Ahmed (Employee)
	1,586	1,586	-	155	155	Per Company policy	Mr. Mufadal Shabbir (Employee)
	975	975	-	96	96	Per Company policy	Mr. Sajid Ali (Employee)
	900	900	-	550	550	Per Company policy	Mr. Mohammad Ikhlaq
	1,680	699	981	1,565	584	Insurance Claim	EFU General Insurance Ltd
	1,102	1,102	-	88	88	Per Company policy	Mr. Atta Muhammad Shakir

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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.

	2018	2017
	Rupees ('000)	
15. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES		
Balance at beginning of the year	1,198,044	1,006,633
Share of profit of associated companies	107,600	175,827
Impairment (loss)/ reversal of impairment loss related to investment in		
Attock Refinery Limited	(135,867)	-
National Refinery Limited	(5,872)	42,121
	(34,139)	217,948
Share of other comprehensive income/ (loss) of associated companies	337	(3,384)
Dividend from associated companies	(26,585)	(23,153)
Balance at end of the year	1,137,657	1,198,044

- 15.1** Share of profit of associated companies is based on the unaudited financial statements for the nine months ended March 31, 2018 (2017: unaudited financial statements for the nine months ended March 31, 2017) since the audited financial statements for the year ended June 30, 2018 are not presently available.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
		Rupees ('000)	
15.2	The Company's interest in associated companies is as follows:		
	National Refinery Limited - Quoted		
	799,665 (2017:799,665) fully paid ordinary shares of Rs 10 each including 133,277 (2017: 133,277) bonus shares of Rs 10 each; Cost Rs 321,865 thousand (2017: Rs 321,865 thousand); Quoted market value as at June 30, 2018: Rs 354,259 thousand (2017: Rs 580,549 thousand); %age share holding as at June 30, 2018: 1% (2017: 1%) - note 15.5	685,746	673,621
	Attock Refinery Limited - Quoted		
	1,432,000 (2017: 1,432,000) fully paid ordinary shares of Rs 10 each including 222,000 (2017: 222,000) bonus shares of Rs 10 each; Cost Rs 310,502 thousand (2017: Rs 310,502 thousand); Quoted market value as at June 30, 2018: Rs 308,324 thousand (2017: Rs 547,855 thousand); %age share holding as at June 30, 2018: 1.68% (2017: 1.68%) - note 15.6	658,547	592,966
	Attock Information Technology Services (Private) Limited - Unquoted		
	450,000 (2017: 450,000) fully paid ordinary shares of Rs 10 each; Cost Rs 4,500 thousand (2017: Rs 4,500 thousand); Value based on net assets as at March 31, 2018 Rs 23,225 thousand (2017: Rs 19,579 thousand); %age share holding as at June 30, 2018: 10% (2017: 10%)	23,225	19,579
	Carrying value on equity method	1,367,518	1,286,166
	Less: Impairment loss - National Refinery Limited	(93,994)	(88,122)
	- Attock Refinery Limited	(135,867)	-
		(229,861)	(88,122)
		1,137,657	1,198,044

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, 2018

15.3 The tables below provide 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 months period ended March 31, 2018 (2017: March 31, 2017) 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, 2018	Mar 31, 2017	Mar 31, 2018	Mar 31, 2017
	Rupees ('000)			
Summarised balance sheet				
Current assets	28,049,824	16,922,350	49,081,275	45,169,248
Non- current assets	38,850,822	37,035,849	39,589,125	41,055,103
Current liabilities	(22,821,418)	(10,907,839)	(43,540,842)	(39,391,616)
Non- current liabilities	(969,987)	(1,153,628)	(13,561,656)	(19,168,477)
Net assets	43,109,241	41,896,732	31,567,902	27,664,258
Reconciliation to carrying amounts:				
Net assets as at April 1	41,896,732	34,572,074	27,664,258	23,337,048
Profit for the period	2,940,770	9,123,663	4,437,601	4,836,234
Other comprehensive (loss)/ income	70,987	(199,674)	(22,199)	(82,559)
Dividends paid	(1,799,248)	(1,599,331)	(511,758)	(426,465)
Net assets as at March 31	43,109,241	41,896,732	31,567,902	27,664,258
Company's percentage shareholding in the associate	1%	1%	1.68%	1.68%
Company's share in carrying value of net assets	431,093	418,968	530,341	464,760
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	685,746	673,621	658,547	592,966
Impairment	(93,994)	(88,122)	(135,867)	-
Carrying amount of investment	591,752	585,499	522,680	592,966
Summarised statements of comprehensive income				
Revenue	120,785,713	96,563,111	116,561,757	90,852,184
Profit for the period	2,940,770	9,123,663	4,437,601	4,836,234
Other comprehensive (loss)/ Income	70,987	(199,674)	(22,199)	(82,559)
Total comprehensive income	3,011,757	8,923,989	4,415,402	4,753,675

During the year, dividend of Rs 17,993 thousand (2017: Rs 15,993 thousand) and Rs 8,592 thousand (2017: Rs 7,160 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, 2018

- 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, 2018 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 5.03% (2017: 4.96%), terminal growth rate of 3% (2017: 4%) and capital asset pricing model based discount rate of 15.13% (2017: 11.67%).
- 15.6 The value of investment in Attock Refinery Limited as at June 30, 2018 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 1.51% (2017: 2.80%), terminal growth rate of 3% (2016: 4%) and weighted average cost of capital based discount rate of 16.88% (2017: 11.05%).
- 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, 2018 of Rs 36,465 thousands (twelve months period ended March 31, 2017: Rs 33,453 thousand).

	2018	2017
	Rupees ('000)	
16. OTHER LONG TERM INVESTMENTS		
Held to maturity investments in Pakistan Investment Bonds (PIBs) - at amortized cost (note 16.1)		
Face Value of bonds	281,000	375,500
Add: Premium paid	7,828	9,601
Cost of Investment	288,828	385,101
Less: Amortisation of premium	(5,735)	(5,666)
Add: Accrued interest at year end	14,811	19,684
	297,904	399,119
Less: current portion shown under short term investments - note 21	-	(99,386)
	297,904	299,733
Available for sale investments - note 16.2	125,492	-
	423,396	299,733

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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	
			2018	2017	2018	2017
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
July 17, 2017	3 year	11.25	-	38,216	-	37,500
July 17, 2017	3 year	11.25	-	58,057	-	57,000
			288,828	385,101	281,000	375,500

16.2 Available for sale investments

Balance at the beginning of year	-	-
Additions during the year - note 16.2.1	125,000	-
Fair value gain transferred through other comprehensive income	492	-
Balance at the end of the year	125,492	-

		2018					2017 Fair value
		Opening balance	Investments during the year	Adjustment arising from remeasurement to fair value	Redemption	Closing Balance	
		Rupees ('000)					
16.2.1	Details of Investment in mutual funds						
	Listed securities:						
	ABL - Islamic Financial Planning Fund (Strategic Allocation Plan IV)	-	25,000	449	-	25,449	-
	Meezan Strategic Allocation Fund (MSAP V)	-	50,000	(814)	-	49,186	-
	UBL - Al Ameen Islamic Active Allocation Plan X	-	50,000	857	-	50,857	-
		-	125,000	492	-	125,492	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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.

	2018	2017
	Rupees ('000)	
17. LONG TERM PREPAYMENTS		
Prepaid rent	29,928	55,828
Less: Shown under current assets - note 20	(26,006)	(25,900)
	3,922	29,928

	2018	2017
	Rupees ('000)	
18. STOCK IN TRADE		
Petroleum products - note 18.1 and 18.2	12,454,995	7,230,502
Packing material	5,544	3,913
	12,460,539	7,234,415

18.1 It includes the Company's share of pipeline stock amounting to Rs 3,288,879 thousand (2017: Rs 2,322,763 thousand) and Rs 1,389,707 thousand (2017: Rs 900,457 thousand) held by Pak-Arab Pipeline Company Limited and Pak Arab Refinery Limited respectively.

18.2 It includes Rs 432,043 thousand (2017: Rs Nil) being Company's share in joint operation. (as disclosed in note 14)

	2018	2017
	Rupees ('000)	
19. TRADE DEBTS		
Considered good		
Secured	1,675,280	1,926,320
Unsecured		
Due from related parties - note 19.1, 19.2 and 19.3	8,136,151	6,445,010
Others - note 19.4	6,664,145	2,429,747
	14,800,296	8,874,757
Considered doubtful		
Others	61,189	59,257
Less: Provision for doubtful debts - note 19.5	(61,189)	(59,257)
	-	-
	16,475,576	10,801,077

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
		Rupees ('000)	
19.1	Due from related parties		
	Attock Gen Limited	8,051,573	6,391,395
	Pakistan Oilfields Limited	48,193	31,688
	Attock Cement Pakistan Limited	35,027	20,622
	Attock Refinery Limited	1,358	254
	National Refinery Limited	-	1,051
		8,136,151	6,445,010
19.2	Aggregate maximum outstanding balance of trade debts due from related parties at the end of any month during the year was Rs 8,136,151 thousand (2017: Rs 8,111,277 thousand).		
19.3	As of June 30, 2018, trade debts due from related parties of Rs 6,998,377 thousand (2017: Rs 5,539,703 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:		
		2018	2017
		Rupees ('000)	
	Due from related parties		
	Upto 6 months	3,825,098	4,021,275
	6 to 12 months	3,173,279	1,518,428
		6,998,377	5,539,703
19.4	It includes Rs 429,632 thousand (2017: Rs Nil) being Company's share in joint operation. (as disclosed in note 14)		
		2018	2017
		Rupees ('000)	
19.5	Provision for doubtful debts movement		
	Balance at beginning of the year	59,257	63,742
	Provision/ (reversal) for doubtful debts	1,932	(2,771)
	Bad debts written off against provisions	-	(1,714)
	Balance at end of the year	61,189	59,257

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	Rupees ('000)	
20. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances - considered good		
Suppliers	14,190	13,716
Employees against expenses		
Executives	3,523	1,276
Other employees	11,302	10,743
	14,825	12,019
	29,015	25,735
Trade deposits and short-term prepayments		
Trade deposits		
With related party - The Attock Oil Company Limited	14,227	14,227
Others	23,063	17,284
Short-term prepayments	123,840	103,836
	161,130	135,347
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	-	70,000
Sales tax	25,574	25,574
Federal excise duty and petroleum levy	986	986
	595,802	96,560
Accrued income on bank deposits	13,003	23,044
Other receivables		
Price differential claim receivable from the Government	28,528	28,528
Receivable from oil marketing companies under freight pool - note 20.1	770,293	457,045
Receivable from joint operator (as disclosed in note 14)	-	127,294
Due from related parties-unsecured (note 20.2 and 20.3)		
Attock Gen Limited	1,715,961	1,666,267
Attock Information Technology (Private) Limited	1,195	791
Attock Cement Pakistan Limited	39	131
Workers' profit participation fund - note 20.4	10,525	39,843
	2,526,541	2,319,899
Less: Provision for doubtful receivables	(28,528)	(28,528)
	3,296,963	2,572,057

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

- 20.1** It includes Rs 206 million (2017: Rs Nil) 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 1,727,720 thousand (2017: Rs 1,707,032 thousand).
- 20.3** As of June 30, 2018, other receivables due from related parties of Rs 1,287,544 thousand (2017: Rs 1,484,733 thousand) were past due but not impaired. The ageing analysis of these receivables is as follows:

	2018	2017
	Rupees ('000)	
Due from related parties		
Upto 6 months	51,477	87,354
6 to 12 months	248,929	153,149
Above 12 months	987,138	1,244,230
	1,287,544	1,484,733
20.4 Worker's profit participation fund		
Balance at beginning of the year	39,843	53,961
Amount allocated for the year - note 28	(439,475)	(360,157)
Amount paid to Fund's trustees	410,157	346,039
Balance at end of the year	10,525	39,843
21. SHORT TERM INVESTMENTS		
Held to maturity investment in treasury bills - at amortized cost - note 21.1		
Upto three months	939,145	810,967
Later than three months but not later than six months	-	-
Later than six months but not later than one year	-	-
	939,145	810,967
Investment in mutual funds at fair value through profit or loss - 21.2	702,340	-
Current portion of investment in PIBs - note 16	-	99,386
	1,641,485	910,353

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

21.1 Short term investments in treasury bills earned interest at effective rate of 6.04% per annum (2017: 5.99% per annum).

	2018	2017
	Rupees ('000)	
21.2 Investment in mutual funds at fair value through profit or loss		
Balance at the beginning of year	-	363,471
Additions during the year - note 21.2.1	675,000	300,000
Deletions during the year - note 21.2.1	-	(687,012)
Fair value gain/(loss) transferred through profit & loss - note 27	27,340	23,541
Balance at the end of the year	702,340	-

	Opening balance	Investments during the financial year	2018 Adjustment arising from remeasurement to fair value	Redemption	Closing balance	2017 Fair value
	Rupees ('000)					
21.2.1 Details of Investment in mutual funds						
Listed securities:						
ABL Cash Fund	-	150,000	6,403	-	156,403	-
MCB Cash Management Optimizer	-	150,000	6,362	-	156,362	-
NAFA Money Market Fund	-	100,000	4,422	-	104,422	-
UBL Liquidity Plus Fund-C	-	100,000	4,358	-	104,358	-
HBL Cash Fund-C	-	100,000	4,302	-	104,302	-
Alfalsh GHP Money Market Fund	-	25,000	964	-	25,964	-
Unlisted securities:						
NIT Money Market Fund (Formerly: NIT Government Treasury Fund)	-	50,000	529	-	50,529	-
	-	675,000	27,340	-	702,340	-

21.2.2 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. The fair values of unlisted securities are the Net Asset Value (NAV) as at June 30, 2018 as quoted by the respective Asset Management Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
		Rupees ('000)	
22.	CASH AND BANK BALANCES		
	Cash in hand	6,150	5,185
	Bank balances		
	On short term deposits	2,700,000	9,200,000
	On interest/mark-up bearing saving accounts (includes US \$ 24 thousand; 2017: US \$ 101 thousand)	1,426,549	1,674,213
	On current accounts (includes US \$ 153 thousand; 2017: US \$ 153 thousand)	65,461	53,988
		4,192,010	10,928,201
		4,198,160	10,933,386
22.1	Balances in short term deposits and saving accounts earned interest/mark-up at weighted average rate of 6.04% per annum (2017: 6.02% per annum).		
22.2	All bank accounts are maintained under conventional banking system.		
		2018	2017
		Rupees ('000)	
23.	SALES		
	Local sales - note 23.1	217,303,588	172,744,647
	Export sales - note 23.2	174,985	222,498
	Gross sales	217,478,573	172,967,145
	Rebates/discount	(1,118,760)	(885,859)
		216,359,813	172,081,286
23.1	It includes Rs 1,274,939 thousand (2017: Rs Nil) 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.		
		2018	2017
		Rupees ('000)	
24.	COST OF PRODUCTS SOLD		
	Opening stock	7,234,415	4,836,653
	Purchase of petroleum products and packing material - note 24.1	154,250,126	116,956,285
	Petroleum levy	17,268,285	15,651,143
	Other levies	1,308,856	1,115,678
		172,827,267	133,723,106
	Closing stock	(12,460,539)	(7,234,415)
		167,601,143	131,325,344

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

24.1 It includes Rs 1,176,922 thousand (2017: Rs Nil) being Company's share in jet fuel purchases in joint operation relating to aviation. (as disclosed in note 14)

	2018	2017
	Rupees ('000)	
25. OTHER INCOME		
Commission and handling income	663,887	732,235
Tender and joining fee	56,517	33,142
Gain on sale of property, plant and equipment	4,934	13,909
Hospitality income	13,528	8,389
Rental income	65,336	78,504
Others	80,375	46,534
	884,577	912,713
26. OPERATING EXPENSES		
Salaries and benefits	830,163	652,335
Rent, taxes and other fees - note 26.1	369,200	371,454
Travelling and staff transport	54,061	41,047
Repairs and maintenance	217,935	159,518
Advertising and publicity	11,281	8,993
Printing and stationery	20,478	13,288
Electricity, gas and water	49,264	36,274
Insurance	36,148	34,101
Communication	11,776	10,258
Legal and professional charges	12,889	9,829
Subscription and fees	2,517	2,325
Auditor's remuneration - note 26.3	5,003	4,111
Exchange loss	371,859	80,288
Depreciation - note 13.1	421,946	347,700
Provision/ (reversal) of doubtful debts and other receivables	1,932	(4,485)
Trade debts written-off during the year	-	1,714
Others - note 26.4	126,094	112,107
	2,542,546	1,880,857

26.1 Rent, taxes and other fees include Rs 137,889 thousand (2017: Rs 194,217 thousand) paid under operating lease agreements.

26.2 Operating expenses includes Rs 2,097 thousand (2017: Rs 2,037 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, 2018

		2018	2017
		Rupees ('000)	
26.3	Auditor's remuneration		
	Annual audit	1,665	1,586
	Review of half yearly financial statements, audit of staff funds and special certifications	910	858
	Tax services	2,108	1,351
	Out of pocket expenses	320	316
		5,003	4,111

26.4 This includes royalties of Rs. 5,660 thousand (2017: Rs. 3,654 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.

		2018	2017
		Rupees ('000)	
27.	FINANCE INCOME AND COSTS		
	Finance income		
	Income on bank deposits	491,802	501,937
	Income from short term investments measured at amortised cost	113,898	252,087
	Income on investment in PIBs measured at amortised cost	60,054	40,557
	Remeasurement income on open ended mutual funds measured at fair value through profit or loss	27,402	23,541
	Mark-up on delayed payments - note 27.1	548,778	319,155
		1,241,934	1,137,277
	Finance cost		
	Bank charges	46,916	29,238
	Mark-up on delayed payments	517,417	295,223
		564,333	324,461
	Net finance income	677,601	812,816

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 (2017: 6 months KIBOR + 3% per annum).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
		Rupees ('000)	
28.	PROVISION FOR/ (REVERSAL OF) OTHER CHARGES		
	Workers' profit participation fund	439,475	360,157
	(Reversal) of workers' welfare fund for prior periods	-	(661,384)
		439,475	(301,227)
29.	PROVISION FOR INCOME TAX		
	Income tax charge - For the year	2,498,808	2,190,000
	Deferred income tax charge - For the year	134,155	210,000
		2,632,963	2,400,000
		2018	2017
		%	%
29.1	Reconciliation of tax charge for the year		
	Applicable tax rate	30.00	31.00
	Tax effect of income taxed under final tax regime	(1.50)	(1.90)
	Effect of provision for super tax	2.82	2.58
	Tax effect of share of profit of associated companies taxed on the basis of dividend income	0.17	(0.83)
	Others	0.27	0.32
	Average effective tax rate charged to income	31.76	31.17
29.2	Corporate tax rate applicable for the year is 30% (2017: 31%).		
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.		
		2017	2016
			2015 (note 29.3.3)
		Rupees ('000)	
29.3.2	Comparison of Tax Provision with Tax assessment		
	Tax Provision as per Accounts	2,190,000	1,860,000
	Tax Assessment	2,191,853	1,860,598
			1,459,567

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

29.3.3 An assessment order dated January 10, 2017 was issued by Deputy Commissioner Inland Revenue (DCIR), LTU Islamabad under section 122(1) read with section 122(5) of the Ordinance by amending the income declared by the Company in its tax return for tax year 2015 by Rs 830,288 thousand. The Company filed appeal before Commissioner Inland Revenue (Appeals) who vide order dated March 29, 2017 upheld the action of DCIR. The Company filed appeal before the appellate tribunal who vide order dated October 24, 2017 remanded the case back to the assessing officer. The management is confident that the matter will be decided in Company's favour.

	2018	2017
30. EARNINGS PER SHARE		
Profit for the year (Rupees in thousand)	5,656,349	5,299,168
Weighted average number of ordinary shares in issue during the year (in thousand)	82,944	82,944
Basic and diluted earnings per share (Rupees)	68.19	63.89

31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

31.1 Financial assets and liabilities

	Loans and Receivables	Held to maturity investments	Fair value through profit or loss	Available for sale investments	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	1,498,160	2,700,000	-	-	4,198,160
Maturity after one year					
Other long term investments	-	297,904	-	125,492	423,396
	20,522,042	3,937,049	702,340	125,492	25,286,923

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

						Other financial liabilities	1
						Rupees ('000)	2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
							17
							18
							19
							20
							21
							22
							23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
							39
							40
							41
							42
							43
							44
							45
							46

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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.

		2018	2017
	Rating	Rupees ('000)	
Trade debts			
Counterparties with external credit rating	A1+	1,134,175	1,187,556
	A1	612,267	833,263
	A2	363,624	320,486
Counterparties without external credit rating			
Secured against bank guarantee & letter of credit		207,761	170,834
Due from related parties		8,099,766	6,423,083
Others		6,057,983	1,865,855
		16,475,576	10,801,077
Advances, deposits and other receivables			
Counterparties with external credit rating	A1+	46,890	150,517
	A1	39	131
Counterparties without external credit rating			
Due from related parties		1,741,908	1,721,128
Others		759,469	474,329
		2,548,306	2,346,105
Short term investments			
Counterparties with external credit rating	AA+	232,855	-
	AA	469,485	-
Counterparties without external credit rating			
Investment in Treasury bills		939,145	810,967
Current portion of investment in PIBs		-	99,386
		1,641,485	910,353

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
	Rating	Rupees ('000)	
Bank balances			
Counterparties with external credit rating	A1+	4,191,882	10,928,075
	A1	128	126
		4,192,010	10,928,201
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	299,733
		423,396	299,733

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 represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's credit risk is primarily attributable to its trade debts and balances at banks. Credit sales are primarily to related parties. The credit risk on liquid funds is limited because counter parties are banks with reasonably high credit ratings.

As of June 30, 2018, trade debts of Rs 11,500,798 thousand (2017: Rs 6,755,789 thousand) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	Rupees ('000)	
Due from related parties		
Up to 6 months	3,825,098	4,021,275
6 to 12 months	3,173,279	1,518,428
	6,998,377	5,539,703
Others		
Up to 6 months	4,501,135	1,208,270
6 to 12 months	1,286	7,816
	4,502,421	1,216,086
	11,500,798	6,755,789

(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, 2018		
Long term deposits	-	671,044
Trade and other payables	24,628,863	-
At June 30, 2017		
Long term deposits	-	627,240
Trade and other payables	18,949,646	-

(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 21,334 thousand (2017: Rs 26,321 thousand) and financial liabilities include Rs 1,676,297 thousand (2017: Rs 1,054,865 thousand) which were subject to currency risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

The following significant exchange rates were applied during the year:

	2018	2017
Rupees per USD		
Average rate	108.64	103.28
Reporting date rate	120.35	103.87

At June 30, 2018, if the currency had weakened or strengthened by 10% against USD with all other variables at constant, profit after tax would have been Rs 115,847 thousand (2017: Rs 70,970 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 13,415,179 thousand (2017: Rs 18,475,700 thousand) and Rs 7,741,755 thousand (2017: Rs 6,358,505 thousand) respectively, which are subject to interest rate risk. Applicable interest rates for financial assets have been indicated in respective notes.

At June 30, 2018, if interest rates had been 1% higher/lower with all other variables held constant, profit after tax for the year would have been Rs 78,445 thousand (2017: Rs 91,940 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.

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 702,340 thousand (2017: Rs nil) and investments classified as available for sale of Rs 125,492 thousand (2017: Rs nil).

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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, 2018				
Other long term investments				
Available-for-sale investment	125,492	-	-	125,492
Short term investment				
Investment at fair value through profit or loss	702,340	-	-	702,340
	827,832	-	-	827,832
June 30, 2017	-	-	-	-

32. STAFF RETIREMENT BENEFITS

The latest actuarial valuation of the defined benefit plan was conducted as at June 30, 2018 using the projected unit credit method. Details of the defined benefit plan are:

	2018	2017
	Rupees ('000)	
32.1 The amounts recognised in the balance sheet:		
Present value of defined benefit obligations	90,168	67,741
Fair value of plan assets	(70,438)	(56,788)
Liability recognised in the balance sheet	19,730	10,953
32.2 The amounts recognised in the balance sheet are as follows:		
Net liability as at July 01	10,953	11,224
Expense recognised in statement of profit or loss	8,935	8,386
Contributions made during the year	(12,853)	(9,670)
Remeasurement loss recognised in statement of comprehensive income	12,695	1,013
Net liability as at June 30	19,730	10,953

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	Rupees ('000)	
32.3	The amounts recognised in profit and loss account are as follows:	
Current service cost	8,528	7,827
Interest cost	5,977	4,920
Expected return on plan assets	(5,570)	(4,361)
	8,935	8,386
32.4	Remeasurements recognised in other comprehensive income (OCI) are as follows:	
Remeasurement loss/(gain) on obligations:		
Experience loss / (gain)	10,582	(360)
Loss due to remeasurement of investment return	2,113	1,373
	12,695	1,013
32.5	Changes in the present value of defined benefit obligation are as follows:	
Present value of defined obligation as at July 01,	67,741	57,099
Current service cost recognised in statement of profit or loss	8,528	7,827
Interest cost	5,977	4,920
Remeasurement gain / (loss)	10,582	(360)
Benefits paid	(2,660)	(1,745)
Present value of defined obligation as at June 30,	90,168	67,741
32.6	Changes in fair value of plan assets are as follows:	
Fair value of plan assets as at July 01,	56,788	45,875
Expected return on plan assets	5,570	4,361
Contributions during the year	12,853	9,670
Benefits paid	(2,660)	(1,745)
Remeasurement (loss) on investments	(2,113)	(1,373)
Fair value of plan assets as at June 30,	70,438	56,788

Actual return on plan assets for the year is Rs 4,720 thousand.

The Company expects to contribute Rs 13,453 thousand to its defined benefit gratuity plan during the year 2018-19.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017
		Total investment Rupees ('000)	
32.7	The major categories of plan assets are as follows:		
	Government bonds	46,453	65,585
	Mutual funds	6,038	-
	Bank deposits	32,176	1,613
	Benefits due	(1,874)	(303)
	Due to Attock Oil Company	(12,355)	(10,107)
		70,438	56,788

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.

		2018	2017
		%	%
32.8	Significant actuarial assumptions at the balance sheet date are as follows:		
	Discount rate	9.50	9.00
	Expected rate of return on plan assets	9.50	9.00
	Expected rate of increase in salaries	9.50	9.00

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	(8,485)	9,903
	Expected rate of increase in salaries	9,807	(8,557)

32.10 The weighted average number of years of defined benefit obligation is 11.4 years as at June 30, 2018 (2017: 11.7 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	Rupees ('000)	
32.12 Salaries, wages and benefits as appearing in note 26 include amounts in respect of the following :		
Provident fund	14,402	10,951
Gratuity fund	8,935	8,386
	23,337	19,337

32.13 Projected benefit payments from gratuity fund are as follows:		
	Rupees ('000)	
For the year 2019		4,380
For the year 2020		7,639
For the year 2021		6,115
For the year 2022		7,918
For the year 2023		11,207
For the year 2024-28		78,746

	2018	2017
	Rupees ('000)	
33. APL EMPLOYEES PROVIDENT FUND		
a) Size of the fund	151,383	114,145
Cost of investments made	148,762	111,389
Fair value of investments made	151,383	114,815
	%	%
Percentage of investments made	98	98

	2018		2017	
	Amount Rupees ('000)	%	Amount Rupees ('000)	%
b) Breakup of investment - at cost				
Treasury Bills	27,844	19	52,237	47
Investment in Pakistan				
Investment Bonds	37,073	25	57,322	51
Investment in saving account with bank	2,845	2	1,830	2
Mutual Funds	15,000	10	-	-
Investments Plus Deposit Certificates	66,000	44	-	-
	148,762	100	111,389	100

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

- c) Investments out of provident trust have been made in accordance with the provisions of section 218 of Companies Act 2017, and applicable rules.

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		2018	2017
		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		33,904,105	29,772,986
Purchase of services		97,260	108,254
Late payment charges		517,417	295,223
Sale of petroleum products		8,575	7,638
Commission and handling income		124,284	224,553
Dividend paid		771,126	725,766
National Refinery Limited			
Associate shareholding in the Company	-		
Company's shareholding in the associate	1%		
Purchase of petroleum products		52,995,234	53,537,638
Purchase of services		101,078	92,035
Sale of petroleum products		8,623	14,763
Handling income		539,603	507,682
Attock Gen Limited			
Associate shareholding in the Company	-		
Sale of petroleum products		9,505,200	8,945,314
Mark-up earned on late payments		547,289	315,743

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Basis of association	2018 Rupees ('000)	2017
Pakistan Oilfields Limited	Common Directorship		
Associate shareholding in the Company	7.02		
Purchase of petroleum products		180,425	131,255
Purchase of services		16,917	13,469
Sale of petroleum products		726,231	527,467
Sale of services		953	820
Sale of property, plant & equipment		1,028	-
Dividend paid		247,375	232,824
The Attock Oil Company Limited	Common Directorship		
Associate shareholding in the Company	2.2%		
Purchase of petroleum products		9,730	-
Purchase of services		142,446	134,103
Sale of services		8,856	7,397
Dividend paid		77,553	72,991
Pharaon Investment Group Limited Holding s.a.l	Holding Company		
Associate shareholding in the Company	34.38%		
Dividend payable		427,742	-
Dividend paid		784,194	1,140,646
Attock Cement Pakistan Limited	Common Directorship		
Associate shareholding in the Company	-		
Purchase of services		3,382	3,927
Sale of petroleum products		338,928	228,931
Sale of services		1,940	2,469

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Basis of association	2018 Rupees ('000)	2017
Attock Information Technology Services (Private) Limited	Common Directorship		
Associate shareholding in the Company	-		
Company's shareholding in the associate	10%		
Purchase of services		23,172	20,644
Sale of services		8,421	7,395
Attock Sahara Foundation	Common Directorship		
Associate shareholding in the Company	-		
Purchase of goods		974	2,334
Attock Leisure Management Associates	Common Directorship		
Associate shareholding in the Company	-		
Purchase of services		1,447	1,246
Attock Hospital (Private) Limited	Common Directorship		
Associate shareholding in the Company	-		
Purchase of medical services		8,226	6,509
Other related parties			
Contribution to staff retirement benefits plans			
APL Employees provident fund		14,402	10,951
APL Gratuity fund		8,935	8,386
Contribution to Workers' profit participation fund		439,475	360,157

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

35 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Director		Executives	
	2018	2017	2018	2017	2018	2017*
	Rupees ('000)					
Managerial remuneration	14,450	12,519	5,745	4,870	72,204	50,929
Bonus	20,618	18,515	8,105	6,609	28,848	15,029
Company's contribution to provident, pension and gratuity funds	-	-	963	820	6,410	2,880
Housing and utilities	5,005	4,550	2,040	1,725	20,034	7,945
Other perquisites and benefits	2,134	1,726	1,982	1,837	12,772	4,848
Leave passage	1,167	1,167	458	397	514	435
	43,374	38,477	19,293	16,258	140,782	82,066

No. of person(s) 1 1 1 1 25 15

* Comparative figures have been restated to reflect changes in the definition of executives as per Companies Act, 2017.

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, six non-executive directors of the Company were paid meeting fee aggregating Rs 3,572 thousand (2017: Rs 3,289 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:

	2018	2017
	Rupees ('000)	
Product		
High Speed Diesel	85,065,827	74,567,451
Furnace Fuel Oil	37,839,862	30,084,051
Premier Motor Gasoline	66,699,511	50,467,348
Bitumen	17,857,725	11,578,269
Others	8,896,888	5,384,167
	216,359,813	172,081,286

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, 2018.

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. Mehmood Kot bulk oil terminal and Fuel Farm by APL and JV partner (PSO) at New Islamabad International Airport have started its operations. Capital expenditure details are reflected in note 13.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

By Establishing Fuel Farm at New Islamabad International Airport jointly with PSO, Company entered into aviation business and earned sales revenue of Rs. 1,274,939 thousand from May 02, 2018 to June 30, 2018.

- (b) During the year prices of petroleum products showed an increasing trend which was reflected in increased profits for the Company.
- (c) The exchange rate of US Dollar to Pakistan Rupee has increased from PKR 103.87 as at June 30, 2017 to PKR 120.35 as at June 30, 2018. This movement in exchange rate has impact on the profits earned by the Company.
- (d) Other significant transactions and events have been adequately described in these financial statements. For detail performance review of the Company, refer Directors' Report.

38. NUMBER OF EMPLOYEES

Total number of employees at the end of year was 421 (2017: 378). Average number of employees during the year was 404 (2017: 360). Total number of employees includes 197 (2017: 129) employees at storage facilities at the end of the year. Average number of employees during the year at storage facilities was 185 (2017: 120).

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 is detailed below:

Description	Storage capacity (Metric Tons)
Rawalpindi Bulk Oil Terminal	18,875
Machike Bulk Oil Terminal	22,093
Korangi Bulk Oil Terminal	14,468
Mehmoodkot Bulk Oil Terminal	17,915

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 Sheikhpura
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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

Regional Marketing and Sales Offices and invoicing points are also located in Lahore, Vehari, Faisalabad, Shikarpur, Tarujabba, Karachi, Sukkur and Multan. 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 ,2017)

Date of Opinion: July 19, 2018

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 ,2017)

Date of Opinion: January 24, 2018

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	Available for sale investments amounting to Rs 125,492 thousand as disclosed in note 16.2
iv) Bank balances	All bank accounts are maintained under conventional banking system

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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 bank under Islamic windows of operations

Disclosures other than above are not applicable to the Company.

43. LETTER OF CREDIT FACILITY

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 9,400 million (2017: Rs 8,900 million). The facility is secured against first pari passu charge of Rs 11,867 million (2017: 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, 2018 was Rs 4,479 million (2017: Rs 6,492 million). The facility will expire on September 30, 2018.

44. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on August 14, 2018 has proposed a final cash dividend for the year ended June 30, 2018 @ Rs 25/- per share, amounting to Rs 2,073,600 thousand and bonus issue @ 20% i.e. one share for every five shares held for approval of the members in the Annual General Meeting to be held on September 25, 2018.

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)

Unclaimed dividend' previously presented under 'Trade and other payables' now separately presented on the face of the statement of financial position.	37,053
--	--------

46. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company on August 14, 2018.



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 23rd Annual General Meeting (being the 36th General Meeting) of the Company will be held at Attock House, Morgah, Rawalpindi on September 25, 2018 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, 2018.
2. To approve a final cash dividend of 250% i.e. Rs. 25/- per share of Rs. 10/- each, as recommended by the Board of Directors in addition to the interim dividend of 150% i.e. Rs. 15/- per share already paid to the shareholders thus making a total of 400% i.e. Rs. 40/- per share for the year ended June 30, 2018.
3. To appoint auditors for the year ending June 30, 2019 and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"Resolved:

- a. that a sum of Rs. 165.888 million be capitalized out of the free reserves of the Company and applied towards issue of 16.589 million ordinary shares of Rs. 10/- each as fully paid bonus shares in the proportion of one (1) ordinary share for every five (5) ordinary shares held by the members of the Company whose names appear on the register of members as at close of business on September 18, 2018;
- b. that the bonus shares so allotted shall not be entitled for final cash dividend for the year 2017-18;
- c. that the bonus shares so allotted shall rank pari passu in every respect with the existing shares;
- d. that the members entitled to fractions of a share shall be given sale proceeds of their fractional entitlement for which purpose the fractions shall be consolidated into whole shares and sold in the stock market; and
- e. that the Company Secretary be authorised and empowered to give effect to this resolution and to do or cause to do all acts, deeds and things that may be necessary or required for issue, allotment and distribution of bonus shares or payment of the sale proceeds of the fractions. In the case of non-resident member(s), the Secretary is further authorised to issue/export the bonus shares after fulfilling the statutory requirements."

Registered Office:
Attock House
Morgah, Rawalpindi.
September 04, 2018

BY ORDER OF THE BOARD



Rehmat Ullah Bardaie
Company Secretary

NOTES:

The share transfer books of the Company will remain closed from September 19, 2018 to September 25, 2018 (both days inclusive).

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 FILER AND NON FILER AT REVISED RATES:

Pursuant to the provisions of Finance Act, 2018, effective July 01, 2018, applicable 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 filers of Income Tax Return	15.00%
2	Rate of tax deduction for non-filers of Income Tax Return	20.00%

In case of joint account, each holder is to be treated individually as either a filer or non-filer 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 details 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 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, 2018 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, 2017 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, 2017.

CONSENT FOR VIDEO CONFERENCE FACILITY:

In accordance with Section 132(2) of the Companies Act, 2017 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 7 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 please submit such request the Company Secretary of the Company on given address:

The Company Secretary, Attock Petroleum Limited, 8th Floor, Attock House, Morgah, Rawalpindi.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017:

ISSUE OF BONUS SHARES:

The Directors are of the view that with the existing profitability, the Company's financial position justifies capitalization of Rs. 165.888 million out of the free reserves as at June 30, 2018, by issuing fully paid bonus shares in the proportion of one share for every five shares held. The Directors of the Company, directly or indirectly, are not personally interested in this issue, except to the extent of their shareholding in the Company.

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.

Free Cash Flow

Operating Cash flow less net cash used in investing activities, as presented in the cash flow statement.

GLOSSARY

ABL	Askari Bank Limited
ACPL	Attock Cement Pakistan Limited
AGM	Annual General Meeting
AITSL	Attock Information Technology Services (Pvt.) Limited
APL	Attock Petroleum Limited
ARL	Attock Refinery Limited
ATL	Active Taxpayers List
ATM	Automated Teller Machine
BPPL(MKTG)	Byco Petroleum Pakistan Limited (Marketing)
BEL	Bakri Energy Limited
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
CPEC	China-Pakistan Economic Corridor
CSM	Company Secretarial Matters
CSR	Corporate Social Responsibility
DTP	Directors' Training Programme
DVD	Digital Video Disc
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
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
FWO	Frontier Works Organisation
FY	Financial Year
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
HSFO	High Sulphur Furnace Oil
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
ISO	International Organization for Standardization
IT	Information Technology
JCR-VIS	Japan Credit Rating Agency - Vital Information Services Pakistan Limited
JP	Jet Petroleum
JV	Joint Venture
KBT	Karachi Bulk Oil Terminal
KIBOR	Karachi Interbank Offered Rate
KPK	Khyber Pakhtunkhwa
KW	Kilo Watt
LBO	Lube Base Oil
LED	Light Emitting Diode
LNG	Liquefied Natural Gas
LTI	Lost time Injury
M.TON	Metric Ton
MBA	Masters in Business Administration
MBT	Machike Bulk Oil Terminal
MFM	Mehmood kot Faisalabad Machike
MIS	Management Information System
NCBA&E	National College of Business Administration & Economics
NEQS	National Environmental Quality Standards
NGO	Non-Governmental Organization
NIT	National Investment Trust
NRL	National Refinery Limited
NTN	National Tax Number
NUST	National University of Science & Technology
OCAC	Oil Companies Advisory Council
OCI	Other Comprehensive Income
OGDCL	Oil & Gas Development Company Limited

OGRA	Oil and Gas Regulatory Authority
OMC	Oil Marketing Company
OPEC	Organization of the Petroleum Exporting Countries
PACRA	Pakistan Credit Rating Agency Limited
PARCO	Pak-Arab Refinery Company
PIB	Pakistan Investment Bonds
PKM	Peshawar Karachi Motorway
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
QMS	Quality Management System
RBT	Rawalpindi Bulk Oil Terminal
ROE	Return on Equity
RON	Research Octane Number
Rs	Rupees
S & M	Sales and Marketing
SECP	Securities and Exchange Commission of Pakistan
SNGPL	Sui-Northern Gas Pipelines Limited
SPL	Shell Pakistan Limited
SRO	Statutory Regulatory Order
SSGCL	Sui-Southern Gas Company Limited
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
USA	United States of America
USB	Universal Serial Bus
WMP	Waste Management Plan
WOP	White Oil Pipeline
WPPF	Workers' Profit Participation Fund
WWF	Workers' Welfare Fund

کمپنی کی جغرافیائی جداگانہ حیثیت بڑھتی ہوئی منڈیوں اور نئے وسائل تک رسائی دیتی ہے اور جیو پلٹیکل واقعات کو تقویت دیتی ہے۔ کمپنی کا ایک منفرد مربوط مقام ہے جو وسائل کی اقسام، جغرافیائی اور کاروبار میں متوازن ہے۔ اور حالات کے مطابق ڈھال لینے کی اہل ہے۔ ہماری سرگرمیاں حکومت اور مقامی کمیونٹیز کیلئے روزگار، سرمایہ کاری، انفراسٹرکچر اور محاصل پیدا کرتی ہیں۔

کمپنی کی آمدن اور آپریشن پر اثر انداز ہونے والے رجحانات وغیرہ کی حالت:

اہم بیرونی عوامل میں سے ایک جو تیل کی مارکیٹنگ کمپنیوں کی آمدنی پر اثر انداز ہوتا ہے وہ بین الاقوامی تیل کی قیمتیں ہیں۔ حالیہ دنوں میں، بین الاقوامی تیل کی قیمتوں میں غیر معمولی طرز عمل کا مشاہدہ کیا گیا، جس میں زیادہ اہم جغرافیائی سیاسی عوامل اور تیل پیدا کرنے والے ممالک میں بد امنی ہے۔ اس کے علاوہ، مقامی کرنسی میں گراوٹ جو زرمبادلہ کی شرح میں تبدیلی سے درآ مد کنندگان کیلئے نقصان کا موجب بنتی ہے۔ ان تمام عوامل نے مل کر قابل بھروسہ قیمتوں کے پیشگی اندازوں اور متوقع رجحان کو کم کیا ہے۔

گزشتہ سال پیش کردہ زیر غور منصوبہ جات سے متعلق کارکردگی:

APL نے اسلام آباد انٹرنیشنل ایئر پورٹ پر دوسری اوایم سی (OMC) کے ساتھ اشتراک کے تحت جدید فیول فارم اور ہائیڈرنٹ ریفیولنگ سسٹم کی تعمیر اور آپریشن کو کامیابی کے ساتھ مکمل کیا ہے۔

مارکیٹ کی ضروریات کو بہتر خدمات اور سہولیات کے ذریعے پورا کرنے کیلئے، APL نے کامیابی کے ساتھ اپنا فیول کارڈ سسٹم کا نظام متعارف کیا ہے جو مارکیٹ میں مزید رسائی میں اور صارفین میں اضافہ کا باعث ہوگا۔

زیر جائزہ سال کے دوران محمود کوٹ میں بلک آئل ٹرمینل کی تعمیر مکمل ہو گئی ہے اور یہ ٹرمینل فعال ہو چکا ہے اور خطے میں پٹرولیم مصنوعات کی بڑھتی ہوئی طلب کو پورا کرنے کیلئے اپنی مکمل صلاحیت پر چل رہا ہے۔

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 کا رکنان، صارفین اور اپنے تجارتی رفقاء کے کار کے بھی بے حد شکر گزار ہیں۔

منجانب بورڈ

عبدالستار

ڈائریکٹر

شعیب اے ملک

چیف ایگزیکٹو

دہی، متحدہ عرب امارات

14 اگست، 2018

مقرر کی گئی ہے جبکہ بورڈ اجلاسوں میں شرکت کے سلسلے میں اخراجات کی ادائیگی کیلئے بھی پالیسی میں گنجائش موجود ہے۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، جو پرائس واٹر ہاؤس کوپرنٹ ورک کی ممبر کمپنی ہے، کی خدمات کا عرصہ مکمل ہو چکا ہے اور وہ 2018-19 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 2019ء 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

کمپنی کا اولین اور بنیادی مقصد صارفین کو اعلیٰ معیار پر مبنی مصنوعات کی فراہمی اور ان کے مشکلات کے اختراعی حل تلاش کرنا ہے۔ کمپنی مصنوعات کی کثرت کی بجائے معیاری مصنوعات کی فراہمی اور اقدار پر یقین رکھتی ہے اور دیگر کمپنیوں کے ساتھ مسابقت میں آگے رہنے کیلئے کوشاں ہے۔ انتظامیہ ہمیشہ موثر آپریشنز کیلئے تکنیکی بہتری، مستحکم رسد کیلئے استعداد میں اضافے کو ترجیح دیتی ہے اور مسابقت سازی میں پہل کے لئے بے مثل اختراعی عمل اور آسان حل سامنے لے کر آتی ہے تاکہ صارفین اور گاہکوں کی سب سے پہلی ترجیح بن سکے۔

اپنے آغاز سے، کمپنی تمام چیلنجز سے نمٹنے کیلئے فعال رہی ہے اور تمام اوقات کار میں یہ کامیاب ہوئی۔ بعض اہم تعمیرات جاری ہیں اور حاصل کی گئیں کامیاہیں حسب ذیل ہیں:

- ☆ ذخیرہ گنجائش میں اضافہ کرنے اور بلا قطل فراہمی کیلئے، کمپنی حسب ذیل انفراسٹرکچر کی تعمیر کر رہی ہے۔
- شکار پور بلک آئل ٹرمینل 2018-19 کی پہلی ششماہی کے دوران اپنے آپریشنز شروع کر دے گا۔
- ساہیوال بلک آئل ٹرمینل 2018-19 کی پہلی ششماہی کے دوران اپنے آپریشنز شروع کر دے گا۔
- دولت پور بلک آئل ٹرمینل 2018-19 کی دوسری ششماہی کے دوران آپریشنز شروع کر دے گا۔

☆ کمپنی پورٹ قاسم پر بھی بلک آئل ٹرمینل قائم کر رہی ہے۔ ٹرمینل کو پائپ لائن سے منسلک کیا جائے گا تاکہ درآمدات کا موثر طریقے سے انتظام کیا جائے۔

فی الوقت ٹرمینل ڈیزائن مرحلے میں ہے۔

☆ سال 2018-19 کیلئے پاکستان آرمی کو "ہائی آکٹین بلیٹنگ کمپونٹ-97" (ایچ او بی سی-97) کی ملک بھر میں فراہمی کیلئے کمپنی نے کنٹریکٹ حاصل کر لیا ہے۔

انتظامیہ اپنے حصص داروں، شراکت داروں کے طویل المدت مفاد کیلئے مستحکم ترقی اور کامیابی حاصل کرنے پر ہمیشہ کام کرتی ہے۔ انرجی سپلائی کمپنی ہونے کے ناطے، کمپنی معیشت کے پیسے کو چلانے، ترقی کے ذریعے معیشت میں بہتری لانے اور ملازمت کے مواقع پیدا کرنے کیلئے ذمہ داری محسوس کرتی ہے اور پریکٹیم کوالٹی مصنوعات اور خدمات متعارف کروانا انتظامیہ اور کمپنی کا بنیادی مقصد ہے۔

کمپنی فعال کارکردگی کا تبادلہ زیادہ موثر طریقے سے، ایسے شعبوں جیسے تحفظ اور آپریشنل رسک، ماحولیات اور سماجی دستور العمل، خریداری، ٹیکنالوجی اور انصرام مخزون میں، کرنے کیلئے بھی تیار ہے۔

آڈٹ کمیٹی:

آڈٹ کمیٹی چار غیر انتظامی ڈائریکٹرز پر مشتمل ہے جو متعلقہ مہارت رکھتے ہیں جس میں دو آڈٹ 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 اعزازیہ کمیٹی:

انسانی وسائل اور اعزازیہ (HR&R) کمیٹی بورڈ کے دو غیر انتظامی ارکان اور سی ای او پر مشتمل ہے۔ کمیٹی کا چیئرمین آڈٹ ڈائریکٹر ہے۔ اس کمیٹی کا سال میں ایک مرتبہ اجلاس ہوا جس میں انسانی وسائل سے متعلق امور پر غور کیا گیا۔

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	2/2	1/1	
7-	جناب ساجد نواز	3/3		
8-	جناب محمد رضی الدین	4/5	3/4	1/1

* میرون ملک ڈائریکٹر اجلاس میں بذات خود یا ان کی طرف سے نمائندہ ڈائریکٹر شرکت کر سکتے 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، 2018 کو ختم ہونے والے سال کے دوران، بورڈ آف ڈائریکٹرز کا ایک اجلاس ملک سے باہر ہوا جس میں 30 جون، 2017 کو ختم ہونے والے سال کے مالیاتی گوشواروں کی منظوری دی گئی۔

ڈائریکٹرز کا معاوضہ:

بورڈ آف ڈائریکٹرز نے اجلاسوں میں شرکت کرنے والے ڈائریکٹرز کیلئے اعزازیہ / معاوضے کیلئے پالیسی منظور کی ہے۔ بورڈ کے اجلاسوں میں شرکت کیلئے اجلاس فیس

- 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 رپورٹ جو 30 جون 2018ء تک پر مشتمل ہے، اس کے مطابق ملازمین کی ریٹائرمنٹ فنڈ کی سرمایہ کاری کچھ یوں ہے:
- | | |
|-------------------------|-------------------|
| ملازمین کا گریجویٹ فنڈ | 84.540 ملین روپے |
| ملازمین کا پراویڈنٹ فنڈ | 151.383 ملین روپے |
- 12- 30 جون 2018ء تک کمپنی کے کل حصص داروں کی کل تعداد 3,111 تھی۔ حصص کی خرید و فروخت کا نقشہ اور متعلقہ اطلاعات بطور ضمیمہ لف ہے۔ علاوہ ازیں، اس ضابطے پر عمل درآمد کا چیئر مین 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 تذکرہ 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 حصول کے بارے میں قابل 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:

تین سال کی معیاد مکمل ہونے پر، ڈائریکٹرز کا انتخاب 01 مارچ 2018 کو منعقد ہوا اور ڈائریکٹرز 10 مارچ، 2018 سے اپنی تین سالہ مدت کا آغاز کر چکے ہیں۔ نیا بورڈ 7 ڈائریکٹرز پر مشتمل ہے جس میں سے 6 غیر انتظامی ڈائریکٹرز ہیں۔ جناب ساجد نواز بورڈ سے ریٹائر ہوئے اور لیفٹیننٹ جنرل (ر) جاوید عالم خان نئے منتخب شدہ ڈائریکٹر ہیں جبکہ 6 ڈائریکٹرز دوبارہ منتخب ہوئے۔ بورڈ مختلف کاروباری مسائل سے نمٹنے کیلئے ضروری مہارت، صلاحیت، علم اور تجربے کا حامل ہے۔ بورڈ کا چیئر مین غیر انتظامی ڈائریکٹر ہے۔

"ضابطہ برائے تجارتی انتظام و انصرام 2017ء" کے قواعد کی تکمیل کے لیے کمپنی کے بورڈ کے ہر ڈائریکٹر کی حیثیت کو چاہے وہ انتظامی ہے، غیر انتظامی یا آزاد، گوشوارہ برائے تعمیل (سٹیٹمنٹ 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۔ انھوں نے یہ خدمات مختلف قوانین، ضوابط اور کمپنی کے "میمورنڈم اور آرٹیکلز آف ایسوسی ایشن" کے تحت انجام دیں۔

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 اُمور کو نپٹایا گیا۔

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۔

آپریٹنگ 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 ویکس اور اسٹاک مینجمنٹ وغیرہ شامل ہیں اور بورڈ نے کمپنی کے روزمرہ امور چلانے کی ذمہ داری دی ہے۔

غیر ملکی ڈائریکٹرز کی سیکورٹی کلیئرنس:

APL کے بورڈ میں منتخب ہونے والے غیر ملکی ڈائریکٹرز کو SECP کے ذریعے وزارت داخلہ سے سیکورٹی کلیئرنس کی ضرورت ہوتی ہے۔ اس بابت 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:

- 1- 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۔
- 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 فنانشئل 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 کو کوئی خدشہ نہیں پایا جاتا۔
- 7- گذشتہ برس کے انتظامی نتائج سے واضح انحراف کا اس رپورٹ میں ذکر کیا گیا ہے۔
- 8- گذشتہ 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 رقم جو 30 جون 2018ء تک ادا کرنی تھیں، ادا کی جا چکی ہیں۔

سفارشات مرتب کرتا ہے۔

بورڈ آف ڈائریکٹرز نے چیئرمین 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 کی کارکردگی سے پوری طرح مطمئن ہیں۔ مختلف نئے منصوبوں کے آغاز، بہتر منافع، مارکیٹ میں بہتر موجودگی، موجودہ کئی ٹرمینلز کی بہتری کے علاوہ کئی نئے ٹرمینلز کی تعمیر کمپنی کی بہترین کارکردگی کے چند واضح ثبوت ہیں۔

ڈائریکٹرز کے لیے تربیتی اور تعارفی 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 تحت 30 جون 2019ء تک نصف کے قریب ڈائریکٹرز اس تربیت کے سرٹیفکیٹ حاصل کر لیں گے۔ SECP کے منظور شدہ ادارے سے دو ڈائریکٹرز، جناب بابر بشیر نواز اور جناب محمد رضی الدین، یہ سرٹیفکیٹ پہلے ہی حاصل کر چکے ہیں جبکہ چار ڈائریکٹرز کو متعلقہ قواعد کی روشنی میں اسٹڈی حاصل ہے۔

کمپنی ڈائریکٹرز کو تمام حالیہ متعلقہ قوانین اور تجارتی انتظام و انصرام کے قواعد سے آگاہ رکھتی ہے۔ ڈائریکٹرز ان قواعد پر اپنی عملی مہارت اور تجربے کی بنیاد پر پوری طرح حاوی اور آگاہ ہیں اور کوڈ آف کارپوریٹ گورننس کے ساتھ ساتھ وہ جدید تر قواعد سے بھی استفادہ کرتے ہوئے انھیں عملی طور پر لاگو کرتے ہیں۔

متنبہ کرنے کی پالیسی:

"متنبہ کی پالیسی" دراصل کمپنی میں ہونے والے کسی بھی دھوکا دہی کی اطلاع، اس سے نمٹنے، تفتیش کرنے اور فراڈ کرنے والے عناصر کو کمپنی سے الگ کر دینے کی پالیسی ہے۔ اس پالیسی کے تحت خود "متنبہ کرنے والے"، یعنی دھوکا دہی کی اطلاع دینے والے کے تحفظ کو یقینی بنایا گیا ہے۔ کمپنی میں اس بات کو یقینی بنایا گیا ہے کہ تمام ابلاغی سرگرمیوں کو شفاف رکھا جائے اور ہر شخص کو یہ معلوم ہو کہ کسی بھی ایسے فراڈ کی اطلاع کسے دینی ہے اور یہ کہ اطلاع دینے والے کا نام ہمیشہ صیغہ راز میں رہے۔ زیر جائزہ برس میں ایسا کوئی بھی واقعہ سامنے نہیں آیا۔

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

کی طرف عالمی رجحان اور تیل کی مارکیٹنگ کرنے والی کمپنیوں کی بڑھتی ہوئی تعداد سے کاروبار کے دوام کا جائزہ لینے اور پیمائش کرنے کی ضرورت اجاگر ہوئی ہے اور ایسے اقدامات اٹھانے کی اہمیت بڑھی ہے جن سے ان کاوشوں کی بحالی کی استعداد ایسے پلچل کے ماحول میں بچتے ہو۔

آفات کے باعث واقعات کے ازالہ کے لیے جدید ترین مؤثر کاروباری طریقے ترویجی انفراسٹرکچر اور متبادل سپلائی چین کے ذریعے مسلسل مستحکم کاروباری عمل کے لیے استعمال میں لائے گئے ہیں اور وقتاً فوقتاً بورڈ نظام کی اثر انگیزی اور افادیت کا جائزہ لیتا رہتا ہے۔

تجارتی انتظام و انصرام / کارپوریٹ گورننس

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 ضوابط کے ذریعے 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 ہیں 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 کا سالانہ جائزہ:

بورڈ کارپوریٹ گورننس کے ضابطے کی حقیقی روح کے مطابق کام کرتا ہے۔ بورڈ اور اس کی کمیٹیوں کی کارکردگی انتہائی اہمیت کی حامل ہے اور بہترین طریقوں پر عمل کرنے کے ذریعے مسلسل بہتر بنائی جا رہی ہے، جیسا کہ ضابطے میں صراحت کیا گیا کہ، ایک میکنازم (نظام) کو وضع کیا گیا ہے اور وہ بورڈ اور اس کی کمیٹیوں کی موثریت کی سالانہ بنیادوں پر جانچ کرے گا۔ اس برس بھی بورڈ اور اس کی کمیٹیوں کی کارکردگی بہتر بنانے کے لیے جائزہ لیا گیا۔ سال کے دوران، اس میکنازم (نظام) کو استعمال کرتے ہوئے بورڈ اور اس کی کمیٹیوں کی تشخیص کی گئی ہے تاکہ بورڈ کی موثریت کو مزید بہتر بنایا جائے۔ کارپوریٹ گورننس میں ترقیات کا مسلسل جائزہ لیا جاتا ہے اور بورڈ کی مطابقت برقرار رکھنے کے لئے ان کا اطلاق کیا جاتا ہے۔

چیئرمین اور چیف ایگزیکٹو آفیسر (سی ای او) کا کردار:

چیئرمین بورڈ آف ڈائریکٹرز کی قیادت کرتا ہے اور اسی بورڈ کے غیر انتظامی ڈائریکٹرز میں سے منتخب کیا جاتا ہے۔ چیئرمین 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۔ چیئرمین، ڈائریکٹرز کے معیاد عہدہ کے آغاز پر، ان کو ان کے 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 امور 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

صحت، سلامتی، ماحول اور سیکورٹی (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 منظور یوں 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۔

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 دورانیے 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 اُس 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:

معاشی ناہمواریوں، امن و امان کی غیر مستحکم صورتحال، توانائی کا بحران، سیاسی صورتحال، ٹیکنالوجی کے اختراعات، عالمی قیمتوں میں اتار چڑھاؤ، قابل تجدید توانائی کے حصول

جغرافیائی سیاسی اور سیکورٹی کے مسائل:

مالیاتی نمو کی کمی، مالیاتی بے ربطی، توانائی کا شدید بحران، برآمدات میں کمی، بیرونی گاری، کم سرمایہ کاری کی طرح کے گھمبیر چیلنجز کے ساتھ ساتھ ملک کی غیر یقینی سیاسی صورتحال جیسے عوامل مجموعی طور پر کاروباری صنعت کو متاثر کر رہے ہیں۔ گزشتہ سالوں کے دوران پاکستان میں امن و امان کی صورتحال میں نیشنل ایکشن پلان کے نفاذ کی وجہ سے کافی زیادہ بہتری آئی ہے۔

تیل اور گیس کے شعبوں میں قابل تجدید توانائی کے ذرائع، جدید مشینری اور نئی ٹیکنالوجی کی وجہ سے بنیادی تبدیلی دیکھنے میں آئی ہے۔ توانائی کے نئے عالمی منظر نامے سے مجموعی طلب و رسد کے رخنے اور بین الاقوامی مارکیٹ میں تیل کی قیمتوں کا تعین متاثر ہوا۔ تیزی سے ترقی کرتی ہوئی مارکیٹوں نے طلب کے روایتی مراکز پر غلبہ حاصل کر لیا ہے اور عالمی طور پر ٹیکنالوجی کی بہتری اور ماحولیاتی خدشات کے نتیجے میں توانائی کا مکس تبدیل ہو رہا ہے۔ کمپنی کا نقطہ نظر ہے کہ صنعت کو توانائی کی ضروریات کو پورا کرنے کے لئے ہونے والی تبدیلیوں کو اختیار کرنا پڑے گا۔ قریبی اصطلاح میں ہماری زیادہ تر توجہ تیل کی مارکیٹ میں ہونے والی مسلسل تبدیلی پر رہے گی۔ قابل لحاظ بہتری کی گئی ہے مگر ترقی کا سفر جاری رہے گا۔

شدید مقابلہ/مسابقت:

کمپنی مارکیٹ کے رجحانات اور پٹرولیم مصنوعات کی بلا تعطل اور مستحکم رسد کے لیے حکمت عملی کے لحاظ سے ریفا سٹریٹج کو استعمال میں لا کر تیزی کے ساتھ ہمیشہ دیگر کمپنیوں کے مقابلے میں آگے رہی ہے۔ مزید برآں تسلسل سے جاری درآمدات سے بھی کمپنی کے ترویجی تجارتی تعلقات میں معاونت اور کمپنی کے وقار اور ملک میں مارکیٹ شیئر میں اضافہ ہوا ہے۔ دوران سال OGRA نے نئے مارکیٹنگ لائسنس جاری کئے اور ان نئی کمپنیوں نے مقابلہ مزید سخت کر دیا ہے۔ مقابلے میں رہنے کے لیے کمپنی مواقع تلاش کر رہی ہے اور ان مواقع سے ثمرات حاصل کرنے کے لیے کوشاں ہے اور درپیش مشکلات پر قابو پاتے ہوئے مقابلہ میں موجود ہے اور اسی لئے صارفین کی ترجیح ہے۔ کمپنی نے انٹک سمارٹ فیول کارڈ، ٹیکنیکی طور پر جدید لیوب کی تبدیلی کی سہولیات متعارف کرائی ہیں اور اپنے معزز صارفین کی آسانی اور سہولت کے لیے اپنے تمام ریٹیل نیٹ ورک پر سہولیات پیش کرنے اور ان کی تمام ضروریات کے لیے ون ونڈروس فراہم کرنے کے لیے مصروف عمل ہے۔

انسانی وسائل:

APL چونکہ یکساں مواقع فراہم کرنے والی کمپنی ہے لہذا یہ سبقت لے جانے کا رجحان رکھنے والے افراد، صاحب لیاقت اور اختراعی پیشہ ورانہ مہارت رکھنے والے عملہ کو ملازمت کے پرکشش مواقع فراہم کرنے پر توجہ مرکوز رکھے ہوئے ہے۔ APL ملازمین کو سرمایہ سمجھتی ہے اور ان کی مہارتوں اور قابلیت کو پروان چڑھانے کے لیے سرمایہ کاری کرتی ہے اور متواتر مقصد کے حصول کی ترغیب دلاتی ہے۔

کمپنی ملازمین کی تقویت، وقار اور بل جل کر کام کرنے کے کلچر کو فروغ دیتی ہے اور ان رویوں کے بل بوتے پر وہ کمپنی کی مجموعی ترقی میں حصہ دار اور معاون کا کردار ادا کرتے ہیں۔

کمپنی اپنے ملازموں کو بہتر فوائد فراہم کرنے کے لیے کوشاں رہتی ہے اور اس طرح ملازمین کو ایک زبردست پیغام ملتا ہے کہ وہ ادارے میں اہمیت کے حامل ہیں جس کی وجہ سے اہل عملہ کو برقرار رکھنے میں مدد ملتی ہے۔

ٹیکنالوجی کی ہمد وقت ترقی، اضافی پیداوار اور کم زور طلب؛ یہ سب ایسے پہلو ہیں جن کو سامنے رکھ کر ہی ایسی پالیسی ترتیب دی جا رہی ہے جو مستقبل میں اس کمپنی کو ایک منافع بخش ادارہ بنا سکے۔ تاہم طویل المدت عرصے کو سامنے رکھیں تو آبادی میں اضافہ، اقتصادی ترقی اور توانائی کی طلب میں مجموعی طور پر اضافے کا امکان پایا جاتا ہے۔

رиск مینجمنٹ فریم ورک (Risk Management Framework):

رиск مینجمنٹ فریم ورک کو اپنانا جو کہ کمپنی کے رиск کلچر میں بہترین طریقوں کو استوار کرتا ہے یہ کمپنی کے مالی مستقبل کی بنیاد ہے۔ ہماری کمپنی کا رиск مینجمنٹ فریم ورک حسب ذیل ستونوں پر بنایا گیا ہے۔

- رиск کی نشاندہی
- رиск کی تشخیص
- رиск میں تخفیف
- رиск کی رپورٹنگ و نگرانی
- رиск گورننس

بورڈ آف ڈائریکٹرز نے رиск مینجمنٹ پالیسی منظور کر رکھی ہے تاکہ کمپنی کی رиск ٹالرنس (برداشت) کی سطح کا تعین کیا جاسکے اور نشاندہی کردہ ریسکس (خطرات) کی مناسب طور پر بروقت انداز میں اطلاع دی جاسکے اور ان کا بندوبست کیا جاسکے یا ان کا اثر کم کیا جاسکے۔ رиск ایکسپوزر (exposure) کی رиск مینجمنٹ فریم ورک کے مطابق وقتاً فوقتاً پیمائش کی جاتی ہے۔ بورڈ آف ڈائریکٹرز نے کمپنی کو درپیش ریسکس کی مضبوط تشخیص کی ہے۔ اس میں مستقبل کی کارکردگی، صلاحیت ادائیگی قرضہ یا لیکوڈی (liquidity) پر اثر انداز ہونے والے عناصر شامل ہیں۔

تیل کی قیمتوں میں عالمی عدم استحکام اور ضوابط کار کے مسائل:

تیل و گیس کی سپلائی چین (supply chain) میں کام کرنے والے کاروبار تیل کی غیر یقینی صورت حال سے پیدا ہونے والے نئے آپریشنل زمینی خدوخال میں بدستور ترقی کرتے اور انہیں اختیار کرتے رہیں گے۔ سال 2017-18 کے دوران جغرافیائی، سیاسی اور مارکیٹ عوامل کے ایک تسلسل نے تیل کی قیمتوں میں غیر یقینی صورت حال پیدا کی۔ ٹیکنالوجی کی تیز سے تیز تر ترقی نے سستے تیل کی پیداوار کو ممکن کیا جس نے عالمی طور پر اضافی سپلائی پیدا کی۔ OPEC رسد کے حجم کا تعین کر رہا ہے، جس سے قیمتوں پر نتیجہ خیز اثرات ہوں گے اور مارکیٹ کی کشیدگی کو حل کرنے کے لئے شدید جانچ پڑتال کی جا رہی ہے۔

اس نئے آپریشنل زمینی خدوخال میں راہ متعین کرنا گونا گوں چیلنجز، مگر مخفی مواقع کو بھی پیش کرتا ہے اور کمپنی نے دانشمندی سے اس کا فائدہ اٹھاتے ہوئے اپنے اسٹاک کو بہتر طریقے سے منظم کیا۔ کمپنی مسلسل نئے صارفین اور نئے سپلائی کے ذرائع مع موجودہ شراکت داران کے موثر انتظام کے فروغ پر اپنی توجہ مرکوز کر رہی ہے تاکہ اپنے صارفین کی ضروریات کو پورا کر سکے اور اپنے اسٹاک کے انصرام کو بہتر کر سکے۔

کمپنی نے ایوی ایشن (Aviation) فیول کاروبار کے میدان میں بھی اپنی پہچان کرائی ہے اور 03 مئی 2018ء سے اسلام آباد انٹرنیشنل ایئر پورٹ پر ریفریو لنگ آپریشنز کا آغاز کیا جا چکا ہے۔ فیول فارم اور ہائیڈرنٹ ریفریو لنگ سسٹم ملک میں سب سے بڑا مرکز ہے جو 10,000 میٹرک ٹن جیٹ (Jet) فیول ذخیرہ کرنے کی گنجائش رکھتا ہے۔ ریفریو لنگ سسٹم 14 اینچ قطر کی 14 کلومیٹر ہائیڈرنٹ لائن پر مشتمل ہے جس میں ہوائی جہازوں کو ہر وقت فیول کی فراہمی کے لیے 55 ہائیڈرنٹس ہیں اور یہ نگرانی اور کنٹرول کے جدید ترین اور بہت بڑے نظام، جدید پراڈکٹ پیمنگ سسٹم اور ٹیکنالوجی کے لحاظ سے ترقی یافتہ ریفریو لنگ آلات اور فول پروف سیکورٹی سسٹم سے مزین ہے۔ یہ سب مل کر اسے پاکستان کا انتہائی ترقی یافتہ اور سب سے بڑا فیول فارم ہونے کا اعزاز بخشی ہیں جو کہ ملکی اور بین الاقوامی ایئر کیمریز کی خدمات میں مصروف عمل ہے۔

دوران سال کمپنی نے محمود کوٹ میں بڑے ذخیرہ پر مبنی بلک آئل ٹرمینل کا آغاز کر دیا ہے جو 13,100 میٹرک ٹن "ہائی اسپیڈ ڈیزل" (ایچ ایس ڈی) اور 4,000 میٹرک ٹن "پرنیموٹر گیسولین" (پی ایم جی) ذخیرہ کرنے کی گنجائش رکھتا ہے۔ اس پراجیکٹ پر خصوصی توجہ اس لیے دی گئی کیونکہ یہ خطہ قدرتی فیولنگ پاکٹ ہے اور کمپنی فریٹ (freight) اخراجات میں کمی لانے اور اس علاقہ میں مارکیٹ کی طلب سے زیادہ مستعد رد عمل دکھانے کے لیے ممکن الحصول کاروباری مواقع کی تلاش کرنا چاہتی تھی۔

انفراسٹرکچر میں ترقی اس صنعت میں تیزی سے ابھرتی ہوئی آپریشنل اور مارکیٹنگ اتار چڑھاؤ سے نبھنے میں مددگار ہوگی۔ نئے ٹرمینلز کی تعمیر زیر عمل ہے اور تیزی سے تعمیراتی کام مکمل کرنے کے لیے وسائل کو متحرک کر دیا گیا ہے۔ شکارپور، ساہیوال اور دولت پور میں بلک آئل ٹرمینلز کی تعمیر کا کام جاری ہے۔

کمپنی نے تاروجہ میں بلک آئل ٹرمینل کی تعمیر کے لیے زمین حاصل کر لی ہے اور فیصل آباد (گٹی) اور ڈیرہ اسماعیل خان میں زمین کے حصول کے لئے کوشاں ہے۔ انتظامیہ پر امید ہے کہ ان تعمیرات سے نہ صرف آپریشنز کی اثر پذیری اور صلاحیت میں اضافہ ہوگا بلکہ فروخت میں بہتری آئے گی اور لاگتی فوائد حاصل ہوں گے۔

مصنوعات کے معیار کو یقینی بنانا:

اپنے نقطہ نظر کے مطابق APL نے اپنے معزز صارفین کو اعلیٰ معیار کی مصنوعات اور موزوں پٹرولیم سہولیات کی فراہمی کی اپنی روایات کو برقرار رکھا ہے۔ APL کی کوالٹی اشورنس (Quality Assurance) ٹیم ٹرمینلز اور رسد کے مقامات پر وصول ہونے والی پٹرولیم مصنوعات کے اعلیٰ معیار کو یقینی بناتی ہے اور ریٹیل آؤٹلیٹس (Retail Outlets) پر صارفین کو فراہم کی جانے والی تمام مصنوعات کے معیار میں یکسانیت کو یقینی بناتی ہے۔ دیگر معزز صارفین کے لئے جدید ترین کوالٹی اشورنس لیبارٹری اور موبائل یونٹ قائم کیے گئے ہیں جسے معاصر اور تکنیکی طور پر شاندار آلات سے لیس کیا گیا ہے جو شکایات پر فی الفور رسپانس دیتی ہے جب کبھی صارف کی جانب سے اس کا تقاضا کیا جاتا ہے۔ ریٹیل آؤٹلیٹس پر صارفین کو مہیا کی جانے والی مصنوعات کے معیار کو یقینی بنانے کے لئے بغیر پیشگی اطلاع مصنوعات کی جانچ پڑتال بھی کی جاتی ہے۔ مزید برآں کمپنی نے اپنی کوالٹی مینجمنٹ سسٹم (QMS) ISO 9001:2008 کی توثیق میں بہتری لا کر کوالٹی مینجمنٹ سسٹم (QMS) SO 9001:2015 حاصل کر لی ہے تاکہ ملک میں اعلیٰ ترین معیارات کو برقرار رکھنے کے عزم اور عہد کو پورا کیا جاسکے۔

خطرات کا انتظام و انصرام

APL کو مصنوعات کی طلب اور قیمتوں کے عدم استحکام دونوں حوالوں سے اقتصادی غیر یقینی صورتحال کا سامنا رہے گا۔ توانائی کے لیے ماحول دوست ذرائع پر عالمی اصرار،

گزشتہ برس کمپنی نے پاکستان کے بڑے شہروں اور ملحقہ علاقوں میں اپنے ریٹیل نیٹ ورک میں ترقیاتی توسیع پر توجہ دی۔ اس عمل سے نہ صرف ہمیں اپنی برانڈ کی تشہیر اور موجودگی بہتر بنانے میں مدد ملی بلکہ ملک میں "پرمیئر موڈرگسولین" (پی ایم جی) کی بڑھتی ہوئی مارکیٹ سے فائدہ اٹھانے میں بھی مدد حاصل ہوئی۔ پاکستان کے بڑے شہروں اسلام آباد، لاہور، کراچی، کوئٹہ اور شمالی علاقہ جات میں بہت سے ریٹیل آؤٹلیٹس (Retail Outlets) تعمیر کے مرحلے میں ہیں۔ ان ریٹیل آؤٹلیٹس سے ہمارے تاثر اور وقار میں اضافہ ہوگا اور ہمیں اپنے صارفین کو معیار اور سہولت کے بہترین معیارات کے مطابق خدمت کرنے کا موقع حاصل ہوگا۔ انک پٹرولیم لمیٹڈ نے اپنے ریٹیل نیٹ ورک کی مزید توسیع کی ہے اور 30 جون 2018ء تک کل ریٹیل آؤٹلیٹس کی تعداد 629 ہے۔

کمپنی ملک کے ایک ذمہ دار کارپوریٹ ادارہ کے طور پر ترقی کی راہ پر گامزن ہے۔ زیر جائزہ برس کے دوران کمپنی نے فضا میں کاربن کی مقدار میں مزید کمی لانے اور ماحول میں بہتری پیدا کرنے کے لیے کئی اقدامات کئے۔ پرانی آؤٹلیٹس پر سمارٹ لائٹنگ سسٹم کی تنصیب بجلی کی کھپت میں کمی کرنے کے سلسلے میں اہم کردار ادا کرے گی اور اس سے قومی بجلی گھروں پر بوجھ کم ہوگا۔ آؤٹلیٹس کی خوبصورتی میں اضافے کے لئے LED پائلان (Pylon) اور 85 فٹ بلند میگازوم سائنز نصب کئے جا رہے ہیں۔

دیگر کاروباری سرگرمیاں:

صارفین کو سہولت بہم پہنچانے والی کمپنی کی حیثیت سے انک پٹرولیم لمیٹڈ نے اپنی ریٹیل آؤٹلیٹس کو ادائیگی کے مختلف طریقہ کار سے مزین کیا ہے جن میں کریڈٹ کارڈز، اے ٹی ایم سہولیات اور انک سمارٹ فیول کارڈز شامل ہیں۔

دوران سال کمپنی نے اپنے کارپوریٹ اور انفرادی صارفین کے لیے انک سمارٹ فیول کارڈز کا آغاز کیا۔ انک سمارٹ فیول کارڈ کے ذریعے صارفین کو بغیر نقد کے محفوظ ادائیگی کی سہولت دی گئی ہے اور یہ کارڈ فیول بجٹ پر مکمل ضبط اور ریٹیل ٹائم آن لائن رپورٹنگ فراہم کرتے ہیں، غیر مجاز خریداری کو ختم کرتے ہیں اور زیادہ سے زیادہ سہولت فراہم کرتے ہیں۔

ریٹیل آؤٹلیٹس پر سہولیات کو بڑھانے کے لیے جدید اور تکنیکی لحاظ سے شاندار لیوب آئل تبدیل کرنے کی سہولیات کی تنصیب کی گئی ہے۔ اس سے نہ صرف آئل کی تبدیلی کے عمل میں صلاحیت کاری میں اضافہ ہوگا بلکہ ریٹیل آؤٹلیٹس کی آؤٹ لک (outlook) بھی بہتر ہوگی۔ کمپنی اپنے معزز صارفین کو ریٹیل آؤٹلیٹس پر مختلف قسم کی مصنوعات اور اعلیٰ معیاری سہولیات کی فراہمی کے لئے کام کر رہی ہے۔ اس عمل میں جدت لا کر اور صارفین کے لیے مختلف سہولیات کی خدمات کی فراہمی کے ذریعے کمپنی نہ صرف زیادہ صارفین حاصل کرے گی بلکہ ان کی زیادہ خدمت کرنے کے ساتھ ساتھ فیول کے علاوہ دیگر ریٹیل سروسز سے زیادہ آمدنی حاصل کرنے کے قابل ہوگی۔

بنیادی ڈھانچے کی ترقی:

کمپنی کا پختہ خیال ہے کہ دوسری کمپنیوں کے مقابلے میں سبقت حاصل کرنے کے لیے خاص طور پر جب مقابلہ کار جہان زیادہ ہوائی اسٹریکچر میں توسیع کا عمل از حد ضروری ہوتا ہے۔ اعلیٰ درجے کی مصنوعات، نئی مہمات اور انفراسٹرکچر کی توسیع کو سال کے دوران بنیادی اہداف کے طور پر سامنے رکھا گیا۔

اضافہ ہوا ہے جس کی بڑی وجہ حکومت پاکستان کی طرف سے ترقیاتی منصوبوں میں اضافہ اور پاک چائنہ اقتصادی راہداری (CPEC) منصوبے کے تحت سرگرمیاں ہیں۔ دیگر تعمیراتی منصوبوں کے لیے توانائی کی بڑھتی ہوئی طلب کو درآمدات کے ذریعے بھی پورا کیا گیا۔ بالعموم ملک میں پٹرولیم مصنوعات کی قیمتوں نے 2017-18 میں اضافے کے عالمی رجحان کی پیروی کی۔

موجودہ ہائی ویز اور موٹرویز کی بحالی کے کچھ منصوبے اور پورے ملک میں نئی موٹرویز اور CPEC کی تعمیر و ترقی نے تارکول کی کھپت میں اضافہ کیا ہے۔

فروخت اور مارکیٹنگ سرگرمیوں کا جائزہ

کمپنی کے آپریشنز میں بڑھاؤ مستقل ترقی کے ہدف کے حصول کے سلسلے میں ایک اہم پہلو ہے۔ تاہم کمپنی کے ویژن اور گزشتہ کارکردگی کی رو سے اور پہلے سے زیادہ کھپت کی وجہ سے انک پٹرولیم لمیٹڈ نے اپنی تمام کاروباری سرگرمیوں اور آپریشنز میں بہت زیادہ کامیابی حاصل کی ہے۔ زیر جائزہ سال کے دوران پاکستان میں تیل اور گیس کی صنعت کے آپریشنل اور مارکیٹنگ کے شعبہ کی صورتحال میں OMC لائسنسوں کے مزید اجراء اور اس شعبے میں نئی کمپنیوں کی شمولیت کی وجہ سے تیزی سے بہتری آئی ہے۔ کمپنی پاکستان کے تاناک اور بہتر مستقبل کے لیے معاشی ترقی کے پیہ کو متحرک رکھتے ہوئے ملک کی مجموعی ترقی و خوشحالی کے ہدف کے حصول کے لیے مثبت کردار ادا کرنے کے اپنے عزم پر کاربند ہے۔

کمپنی CPEC کے بڑے منصوبہ جات کے سلسلے میں اور اس کے علاوہ مسلح افواج کے "ہائی اسپڈ ڈیزل" (ایچ ایس ڈی)، "پرنیمر موٹر گیسولین" (پی ایم جی) اور جیٹ پیٹرولیم-1" (جے پی-1) کے کنٹریکٹ حاصل کرنے میں بھی کامیاب ہوئی ہے۔ اس کامیابی کی وجہ سے گزشتہ سال سے اب تک "پرنیمر موٹر گیسولین" (پی ایم جی) کی شرح میں 12% نمو حاصل ہوئی۔ اسی طرح تارکول (Bitumen)، جس کے لیے CPEC کنٹریکٹروں اور FWO کے ساتھ معاہدات طے پائے ہیں، ان منصوبوں سے بہترین سڑکوں کے نیٹ ورک کی تعمیر کر کے ملک کی رابطہ سڑکوں کو منسلک کرنے میں مدد ملے گی۔ "ہائی آکٹین بلینڈنگ کمپونٹ-97" (ایچ او بی سی-97)، اعلیٰ ترین درجے کی پراڈکٹ جو ہمارے معتبر بین الاقوامی سپلائرز کے ذریعے درآمد کی گئی، گزشتہ سال کی نسبت اس کی فروخت میں خاطر خواہ اضافہ دیکھا گیا ہے۔

یہ کامیابی و کامرانی کمپنی کی مضبوط اور شاندار سپلائی لائن کی مرہون منت ہے۔ اس سپلائی لائن میں ملکی ریفرنسز یوں کے ساتھ ساتھ بین الاقوامی سپلائر بھی شامل ہیں جن کے ذریعے APL درکار مصنوعات کی درآمد آپریشنل اور شرح مبادلہ سے متعلق درپیش مشکلات اور بین الاقوامی مارکیٹ میں قیمتوں کے اتار چڑھاؤ جیسے چیلنجز کے باوجود ان کی وافر دستیابی یقینی بناتا ہے۔ کمپنی نے اپنے قابل بھروسہ بین الاقوامی سپلائرز کی فہرست میں مزید اضافہ کیا ہے، جس کی وجہ سے نہ صرف اعلیٰ ترین معیار کی مصنوعات کی دستیابی بہتر بنانے میں مدد ملی بلکہ اقتصادی عمل پذیری میں بھی اضافہ ہوا ہے۔

کمپنی نے لبریکنٹس (Lubricants) کے شعبے میں اپنے مارکیٹ شیئر میں مزید بہتری اور مستقل اضافہ کیا ہے۔ مجموعی پیداوار، مرکب سازی، پیکیجنگ اور اشتہاری سرگرمیوں پر بھرپور توجہ سے نہ صرف صارفین کے تجربے کی بہتری ہوگی بلکہ پراڈکٹ لائن کے انتظام کو بہتر کرنے میں بھی مدد ملی۔ کمپنی نے اپنی پراڈکٹ لائنز میں سے ایک پراڈکٹ (ENEOS) کے لیے وہیکلز کے چند ایک صنعتکاروں کے ساتھ طویل مدتی معاہدات کیے۔

گزشتہ برس کاروباری سرگرمیوں سے ملنے والی رقم 4,848 ملین روپے کے مقابلے میں زیر جائزہ برس 1,030 ملین روپے کا خروج (outflow) ریکارڈ کیا گیا جس کی بنیادی وجہ صارفین سے وصولی کے مقابلے میں سپلائرز کو زائد ادائیگی کرنا ہے۔ املاک، مشینری اور آلات میں سرمایہ کاری کے باعث 2,503 ملین روپے کا خروج (outflow) ریکارڈ کیا گیا۔ قلیل مدتی اور دیگر طویل مدتی سرمایہ کاری سرگرمیوں کے نتیجے میں 839 ملین روپے کا خروج (outflow) ہوا جبکہ سرمایہ کاری پر حاصل کردہ آمدنی سے 688 ملین روپے کا ورود (Inflow) ہوا۔ سرمایہ داری سے کل 2,620 ملین روپے کا خروج (outflow) ریکارڈ کیا گیا۔ رواں برس ڈیوڈنڈ کی مد میں 3,089 ملین روپے کی ادائیگی کی گئی۔ (17-2016: 3,313 ملین روپے)۔

مارکیٹ اور صنعتی جائزہ

عالمی سطح:

بین الاقوامی سطح پر گزشتہ سال تیل کی قیمتوں میں نمایاں اضافہ ہوا۔ آئل مارکیٹ کو احیا کردہ جغرافیائی معاملات، انوینٹریز (Inventories) میں کمی اور مضبوط عالمی طلب کے ذریعے سہارا دیا گیا۔ اس کے سبب ڈالر کی بڑھتی ہوئی قدر اور بڑھتی ہوئی امریکی پیداوار کے اثرات میں کمی ہوئی۔ "OPEC" اور "non-OPEC" تیل پیدا کرنے والے ممالک نے تعاون کے اعلامیہ کے تحت پیداواری تصفیہ جات کے لحاظ سے تیل مارکیٹ / قیمتوں کی حمایت جاری رکھی۔

عالمی سطح پر تیل کی پیداواری طلب کا ایشیا میں ترقی پذیر ممالک کی جانب سے بدستور صحت مندانہ رجحان رہا، تاہم چین میں ہوائی آلودگی کو روکنے کیلئے تیار کردہ نئی ماحولیاتی پالیسیوں کی وجہ سے تیل کی پیداواری کھپت میں کمی آئی۔ ترقی پذیر ممالک میں خوشحالی کے باعث بین الاقوامی معیشت میں نمو کا مظاہرہ ہوا ہے۔ بین الاقوامی سطح پر توانائی کی منڈیوں میں مسابقتی دباؤ تیز ہو رہا ہے۔ بین الاقوامی تحقیق اس امر کی جانب اشارہ کرتی ہے کہ طلب بدستور، عالمی سطح پر توانائی کھپت کے ساتھ بڑھے گی جس میں سال 2040 تک تقریباً ایک تہائی اضافہ ہوگا۔ تاہم ٹیکنالوجی میں بے شمار ترقی کا مطلب یہ ہے کہ توانائی پیدا کرنے کی صلاحیت میں بھی تیزی سے اضافہ ہو رہا ہے۔ اس میں غیر روایتی تیل اور گیس، یا وسائل اور شمسی توانائی وغیرہ شامل ہیں۔ درحقیقت تاریخ میں ہمہ وقت مشاہدہ کی گئی قابل تجدید کی مسلسل ترقی سب سے زیادہ متنوع ایندھن مرکب کی طرف جارہی ہے۔ آنے والے دور میں توانائی کی وافر اور متنوع اقسام کی رسد سے مارکیٹ میں مقابلہ کے رجحان میں اضافہ ہوگا۔

عالمی سطح پر توانائی کی طلب میں اضافہ معیشت کے تمام شعبہ جات کی بنیاد ہے۔ مختلف شعبہ جات میں توانائی کے استعمال کے مختلف رجحانات کا مستقبل میں اہم کردار ہوگا اور اس کا توانائی کی ہیئت میں تبدیلی پر بہت زیادہ اثر مرتب ہوگا۔

مقامی سطح:

بحیثیت ترقی پذیر ملک، پاکستان کی توانائی کی ضروریات بتدریج بڑھ رہی ہیں۔ تاہم زیر جائزہ برس کے دوران، صنعتی حجم میں 2.3% کی کمی ہوئی جس کے مقابلے میں APL نے بہتر کارکردگی کا مظاہرہ کرتے ہوئے حجم فروخت میں 5.4% کا اضافہ کیا۔ ملک میں سفری گاڑیوں کی تعداد میں اضافہ اور "کمپریسڈ نیچرل گیس" (سی این جی) کے استعمال میں کمی کے باعث "پرنیمیر موٹر گیسولین" (پی ایم جی) کی کھپت میں اضافہ دیکھا گیا۔ ملک میں "ہائی اسپیڈ ڈیزل" (ایچ ایس ڈی) کے استعمال میں بھی

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 سرمائے کی فراہمی کی حکمت عملی:

زیر جائزہ برس میں کل سرمائے میں 6,735 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 4,198 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۔ اگرچہ کمپنی کے پاس یہ وسائل موجود ہیں کہ وہ اپنے تمام کاروباری مراحل کے لیے قرض حاصل کر سکے اور یہ اپنے مستقبل کے تمام منصوبوں اور وعدوں کو پورا کرنے کی صلاحیت سے مالا مال ہے، تاہم اس وقت تمام درکار رقم کمپنی اپنے اندرونی وسائل سے فراہم کر رہی ہے۔

مالیاتی مشکلات پر قابو پانے کی حکمت عملی:

کمپنی کو مستقبل میں کسی بھی مالیاتی مشکل کا سامنا ہونے کا امکان نہیں۔ اس کے باوجود کئی مالیاتی اداروں سے ہنگامی صورت میں کمپنی کی جملہ سرگرمیاں جاری رکھنے کے لیے متبادل انتظامات پہلے ہی کیے جا چکے 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۔

گذشتہ برس کے مقابلے میں مالیاتی حالت اور سرمائے میں ہونے والی اہم تبدیلیاں:

30 جون 2018ء تک کل اثاثوں کی مالیت گذشتہ برس سے 7,764 ملین روپے کے اضافے کے ساتھ 131,46 ملین روپے ہو چکی ہے جبکہ کل واجبات 5,641 ملین روپے کے اضافہ سے 27,714 ملین روپے تک پہنچ گئے ہیں۔ اسٹوریج میں اضافے پر توجہ مرکوز کرتے ہوئے، کمپنی نے زمین کی خریداری اور نئے ٹرینل اور ریٹیل آؤٹلیٹس (Retail Outlets) کی تعمیر کے لئے 2,193 ملین روپے کی خاطر خواہ سرمایہ کاری کی جس کے باعث کمپنی کے غیر مبادلہ اثاثے 5,867 ملین روپے سے بڑھ کر 7,983 ملین روپے ہو گئے ہیں۔ کمپنی کے مبادلہ اثاثوں میں 185 ملین روپے کا اضافہ ہوا ہے جو اس برس کے آخر تک 11,346 ملین روپے ہو چکے تھے۔ تجارتی وصولی اور تجارتی واجب الادا میں اضافہ بنیادی طور پر مارکیٹ قوتوں کی وجہ سے ہوا۔

30 جون 2018ء کو اختتام پذیر ہونے والے مالی سال کے لیے مالیاتی نتائج اور منافع کی تقسیم کا خلاصہ درج ذیل ہے:

سرگرمی	روپے (ملین میں)
قبل از ٹیکس منافع	8,289
منفی: ٹیکس کے لیے طے کردہ رقم	(2,633)
بعد از ٹیکس منافع	5,656
جمع: 30 جون 2017ء تک غیر منقسمہ منافع	15,250
منفی: منسلکہ کمپنیوں کی جانب سے خصوصی محفوظات میں منتقلی	(35)
منفی: دوران سال دیگر نقصانات	(8)
قابل تقسیم منافع	20,863

دوران برس تقسیم:

2,281	حتمی نقد حصہ (ڈیوڈنڈ) برائے سال 2016-17 بشرح 275 فیصد (یعنی 27.50 روپے فی 10 روپے والے حصہ پر)
1,244	عبوری نقد حصہ (ڈیوڈنڈ) برائے سال 2017-18 بشرح 150 فیصد (یعنی 15 روپے فی 10 روپے والے حصہ پر)
3,525	
17,338	

کل میزان 30 جون 2018

ضمنی اثرات:

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
15,098	

منافع (ڈیوڈنڈ):

بورڈ نے اس امر کی سفارش کی ہے کہ 30 جون 2018ء کو اختتام پذیر مالی سال کے لیے حتمی نقد منافع بشرح 250 فیصد (یعنی 25 روپے فی 10 روپے والے حصہ پر) اور بونس حصص بشرح 20 فیصد (ہر 5 حصص کے لئے 1 حصہ) دیا جائے۔ یہ منافع اس رقم کے علاوہ ہوگا جو عبوری نقد منافع کے طور پر بشرح 150 فیصد (یعنی 15 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 400 فیصد بن جاتا ہے۔

ملکی خزانے اور اقتصادیات میں اضافہ:

کمپنی نے ٹیکس اور دیگر سرکاری کٹوتیوں کی مد میں 60,795 ملین روپے سرکاری خزانے میں جمع کرائے۔ دُور دراز علاقوں کو اپنے ترقیاتی پروگرام میں شامل کر کے ریٹیل

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 2018ء کو ختم ہونے والے مالی سال کے آڈٹ شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

بنیادی کاروباری سرگرمیاں

انٹک پٹرولیم لیٹڈ (APL) نے اپنے کاروبار کا آغاز 1998ء میں آئل مارکیٹنگ کمپنی (OMC) کی حیثیت سے کیا۔ یہ کمپنی پاکستان کے ایک آئل گروپ کا حصہ ہے اور پٹرولیم کی متنوع مصنوعات سے متعلق ملکی و غیر ملکی خریداروں کو خدمات فراہم کرتی ہے۔ APL ریٹیل آؤٹلیٹس (Retail Outlets)، مسلح افواج، بجلی گھروں، سرکاری اور نیم سرکاری اداروں، ترقیاتی شعبوں اور زرعی خریداروں کو تیل فراہم کرتی ہے۔ اس کے علاوہ گاڑیوں اور مختلف صنعتوں کے لیے کئی اقسام کے لبریکنٹس (Lubricants) بھی پیش کیے جاتے ہیں۔

پاکستان میں تیل کی صنعت حکومت پاکستان کے تشکیل کردہ قواعد و ضوابط کے تحت کام کرتی ہے جس کا نفاذ وزارت توانائی اور آئل اینڈ گیس ریگولیٹری اتھارٹی (OGRA) کے ذریعے کیا جاتا ہے۔ پٹرولیم کی چند مصنوعات کی قیمتیں OGRA متعین کرتی ہے اور باقی مصنوعات کی قیمتیں کمپنی اپنے طریقہ کار کے مطابق طے کرتی ہے۔

مالیاتی کارکردگی

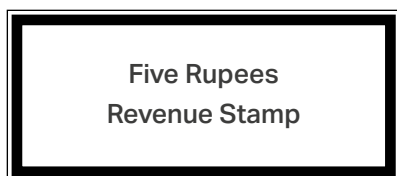
زیر جائزہ سال میں کمپنی کی خالص آمدنی 177,344 ملین روپے رہی ہے جو گذشتہ سال کے مقابلے میں 28% زیادہ ہے (17-2016: 138,661 ملین روپے)۔ یہ اضافہ پٹرولیم مصنوعات کی قیمتوں میں اضافے کے باعث ہوا اور جزوی طور پر حجم فروخت میں 06% فیصد اضافے سے قابل منسوب ہے۔ خالص آمدنی میں اضافہ کے سبب منافع میں 33% اضافہ ہوا جو انتظامیہ کے مستعد رویے اور مخلصانہ کوششوں کا نتیجہ ہے اور بہترین فیصلہ سازی کے ساتھ ساتھ مصنوعات کی بلا تعطل فراہمی اور وسائل کے موثر استعمال سے ممکن بنایا گیا۔ بعد از ٹیکس منافع میں 07% کا اضافہ ہوا جو 5,656 ملین روپے ہے (17-2016: 5,299 ملین روپے) جس کی وجہ گزشتہ سال سپریم کورٹ کے فیصلے کے پیش نظر ورکرز ویلفیئر فنڈ سے متعلق دیگر چارجز کی تنسیخ ہے جس کی مالیت 437 ملین روپے (بعد از ٹیکس) ہے اور آپریٹنگ اخراجات میں اضافہ بشمول 292 ملین روپے کے ایکسچینج ریٹ (exchange rate) لاسز ہیں۔ اسے 68.19 روپے فی شیئر آمدن کے مفہوم میں لیا جاسکتا ہے (17-2016: 63.89 روپے)۔

FORM OF PROXY

23rd 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 23rd Annual General Meeting of the Company to be held on September 25, 2018 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 _____ 2018

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.

مختارنامہ (پراکسی فارم)
تیسواں سالانہ اجلاس عام
انٹک پٹرولیم لمیٹڈ

میں/ہم..... سکنہ..... بحیثیت ممبر (رکن) انٹک پٹرولیم لمیٹڈ
اور حامل..... عام حصص، برطانیق شیئر رجسٹرڈ فولیو نمبر/سی ڈی سی پارٹیسپنٹ آئی ڈی نمبر.....
مسمی/مسماٹ..... کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر..... کو یا ان کی غیر حاضری
کی صورت میں مسمی/مسماٹ..... کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر.....
کو میرے/ہمارے ایماء پر بروز منگل 25 ستمبر 2018ء کو دن 12:30 بجے انٹک 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 نامندہ (پراکسی) مقرر کرتا/کرتی ہوں/کرتے ہیں۔

پانچ روپے مالیت کے ریونیو ٹکٹ

دستخط حصص کنندہ

(دستخط کا کمپنی میں رجسٹرڈ نمونے کے ہو بہو ہونا ضروری ہے)

آج بروز..... بتاریخ..... 2018ء کو دستخط کئے گئے۔ دستخط مختار نامندہ:

گواہان:

۱۔ دستخط:..... ۲۔ دستخط:.....

نام:..... نام:.....

پتہ:..... پتہ:.....

.....

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:..... کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:

ضروری ہدایات:

۱۔ مختارنامہ (پراکسی فارم) اجلاس کے مقررہ وقت سے کم از کم ۴۸ گھنٹے قبل مکمل کوائف اور دستخط کے ساتھ کمپنی کے رجسٹرڈ آفس انٹک ہاؤس، مورگاہ، راولپنڈی میں جمع کرانا ضروری ہے۔

۲۔ اگر کوئی رکن ایک سے زائد پراکسی اختیار کرتا ہے اور پراکسی کے ایک سے زیادہ آلات کمپنی کے ساتھ ایک رکن کی طرف سے جمع کر دی جاتی ہے تو پراکسی کے اس طرح کے آلات کو غلط تصور کیا جائے گا۔
مذکورہ بالا ہدایات کے علاوہ درج ذیل ضروری شرائط بھی پوری کرنا لازمی ہیں۔

۱۔ مختارنامہ (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 مختارنامہ (پراکسی فارم) کمپنی کو جمع کرانا ہوگا۔



**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

- 📄 Licensed Entities Verification
- 🔍 Scam meter*
- 🎮 Jamapunji games*
- 📊 Tax credit calculator*
- 🏢 Company Verification
- 📋 Insurance & Investment Checklist
- 🔗 FAQs Answered

- 📈 Stock trading simulator
(based on live feed from KSE)
- 📖 Knowledge center
- 📊 Risk profiler*
- 📊 Financial calculator
- 📱 Subscription to Alerts (event
notifications, corporate and
regulatory actions)
- 📱 Jamapunji application for
mobile device
- 📺 Online Quizzes



SECP
Securities and Exchange
Commission of Pakistan

jamapunji.pk

@jamapunji_pk



Attock Petroleum Limited

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

Scan QR code to access
financial reports online

