

Interim Report & Financial Statements

For the Nine Month Period Ended
March 31, 2018



ATTOCK PETROLEUM LIMITED

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COMPANY INFORMATION

Directors

Mr. Laith G. Pharaon

Chairman

(Alternate Director - Mr. Iqbal A. Khwaja)

Mr. Wael G. Pharaon

(Alternate Director - Mr. Rehmat Ullah Bardaie)

Mr. Abdus Sattar

Mr. Babar Bashir Nawaz

Lt. Gen. (Retd.) Javed Alam Khan

Mr. Mohammad Raziuddin

Mr. Shuaib A. Malik

Chief Executive

Audit Committee

Mr. Mohammad Raziuddin

Chairman

Mr. Abdus Sattar

Mr. Babar Bashir Nawaz

Lt. Gen. (Retd.) Javed Alam Khan

Human Resource & Remuneration Committee

Mr. Mohammad Raziuddin

Chairman

Mr. Shuaib A. Malik

Mr. Iqbal A. Khwaja

(Alternate Director to Mr. Laith G. Pharaon)

Company Secretary / CFO

Mr. Rehmat Ullah Bardaie

Auditors

A. F. Ferguson & Co.

Chartered Accountants

Bankers

Allied Bank Limited

Askari Bank Limited

Bank Alfalah Limited

Habib Bank Limited

MCB Bank Limited

United Bank Limited

Share Registrar

Central Depository Company of Pakistan Limited

CDA House, 99-B, Block 'B'

S.M.C.H.S, Main Shahra-e-Faisal

Karachi - 74400

Tel: 021-111-111-500

Fax: 021-34326034

Email: info@cdcpak.com

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Legal Advisor

Ali Sibtain Fazli & Associates

Registered Office

Attock House, Morgah, Rawalpindi

Tel: +92-51-5127250-4

Email: contact@apl.com.pk

Website: www.apl.com.pk

DIRECTORS' REVIEW

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

The Board of Directors of Attock Petroleum Limited takes pleasure in presenting the review on the financial and operational performance of the Company for the nine months period ended March 31, 2018.

Financial Performance

During the period under review, the Company earned net sales revenue of Rs. 121,359 million as compared to Rs. 96,174 million earned during same period last year reflecting a significant increase of 26%. Increasing trend of petroleum prices during the period contributed towards this increase in revenue while 8% increase in sales volume against 1% decrease in industry sales volume also remained a vital factor towards these encouraging results. Effective resource utilization by the management, intelligent decision making and proactive approach led to this increase in sales volume. Consequently, the gross profit increased by 20%. Whilst the sales volume and gross profit have increased, the profit after tax decreased due to reversal of provision of other charges relating to the Workers Welfare Fund recorded as per the decision of Supreme Court in the same period last year. Resultantly, the Company earned profit after tax of Rs. 4,264 million (March 2017: Rs. 4,359 million) translating into earnings per share of Rs. 51.41 (March 2017: Rs. 52.56).

Operational Performance

The oil industry, internationally, is constantly in a state of flux for last few years. Oil prices have remained volatile for quite some time now and these upward and downward price trends during various periods have presented numerous challenges and opportunities. The oil business needs consistent effort to keep pace with these changing dynamics. Increase in oil prices during the period under review has supported the industry within the Country but this has also led to stability in demand of petroleum products which shall hamper the performance of the business to some extent. Issuance of marketing licenses to various new oil marketing companies and entry of global players in the domestic market has also increased the competition.

The management is determined to take the Company on the path of continuous progression and consistent efforts shall lead to sustainable business growth. In order to meet the growing customer demand as evident from increased sales volume, the Company has strengthened its supply chain cycle by regularly importing cargoes of Premier Motor Gasoline (PMG) and High Speed Diesel (HSD). The management is committed to build and maintain customer confidence by not only providing quality products but also focusing on providing unmatched services to its prestigious clientele.

Along with exploring alternate supply sources, the Company has been focusing on enhancement of infrastructure including development of new storage terminals thereby increasing storage capacity and ensuring timely delivery of products to customers and gaining cost advantages. Mehmood Kot bulk oil terminal has started its operations while bulk oil terminal at Shikarpur is due to be commissioned during this year. Enhancement of consumer base, provision of quality services and attention to market dynamics backed by the customer focused business model shall yield long terms results for the Company. The Company has further enhanced its retail network and as of March 31, 2018, the Company has 618 operational retail outlets.

Future Outlook

The management believes that sustainable growth can be achieved by gaining competitive edge, aligning with operational dynamics of the Country and ensuring quick availability of quality products. Achieving this objective requires strengthening of infrastructure and for this purpose, the Company has dedicated major resources. Construction of terminals at Sahiwal, Tarujabba and Daulatpur is underway and land at other locations is being acquired to establish bulk oil terminals thereby increasing storage capacity and establishing presence of the Company across the Country.

Looking forward in to the future, the Company has won contracts for fuel supply to Pakistan Army and APL has been awarded the contract for provision of POL products to various locations of the Army for the year 2018-19. Establishment of Fuel Farm by APL and JV partner at New Islamabad International Airport has been completed and is ready to commence operations awaiting formal instructions by Civil Aviation Authority after inauguration of the Airport.

Acknowledgment

The Board would like to thank and appreciate its employees, customers and strategic partners for their dedication, commitment and contributions. The Board also extends its gratitude to Government authorities, suppliers and shareholders for their unwavering support and cooperation.

On behalf of the Board



SHUAIB A. MALIK

Chief Executive

Rawalpindi
April 16, 2018



ABDUS SATTAR

Director

معیاری خدمات کی فراہمی اور صارفین پر مبنی کاروباری ماڈل کے ذریعے مارکیٹ کی محرکات پر توجہ سے کمپنی کے لیے طویل المدت نتائج برآمد ہوں گے۔ کمپنی نے اپنے ریٹیل نیٹ ورک کو مزید توسیع دی ہے اور 31 مارچ 2018 تک کمپنی نے 618 ریٹیل اسٹیشن قائم کر لئے ہیں۔

مستقبل کا نقطہ نظر:

انتظامیہ کو اس امر کا یقین ہے کہ پائیدار ترقی کو مسابقتی برتری، ملک کے آپریشنل متحرکات کے ساتھ ہم آہنگی اور معیاری مصنوعات کی فوری دستیابی یقینی بنانے کے ذریعے حاصل کیا جاسکتا ہے۔ کمپنی انفراسٹرکچر کو مزید تقویت دینے کیلئے مصروف عمل ہے اور اس مقصد کیلئے اہم وسائل وقف کئے گئے ہیں۔ ساہیوال، تارو وجہ اور دولت پور میں ٹرمینلز کی تعمیر جاری ہے اور دیگر مقامات پر ٹرمینلز کی تعمیر کے لئے زمین حاصل کی جا رہی ہے جس سے اسٹوریج صلاحیت کو بڑھایا جاسکے گا اور ملک بھر میں کمپنی کی موجودگی کو قائم کیا جاسکے گا۔

کمپنی نے پاکستان آرمی کو پیٹرولیم مصنوعات فراہم کرنے کے لیے معاہدہ کیا ہے اور کمپنی کو سال 2018-19 کے لیے آرمی کے مختلف مقامات پر مصنوعات کی فراہمی کا ٹھیکہ دیا گیا ہے۔ نیو اسلام آباد انٹرنیشنل ایئر پورٹ پر APL اور JV پارٹنر نے فیول فارم کی تعمیر مکمل کر لی ہے اور سول ایوی ایشن کی جانب سے ایئر پورٹ کے باقاعدہ افتتاح کے بعد آپریشنز کا آغاز کر دے گا۔

اظہار تشکر:

بورڈ اپنے ملازمین، صارفین، سپلائرز اور تزویراتی شراکت داران کے تعاون، ان کی پر عزم یکسوئی اور کاوشوں پر ان کا شکریہ ادا کرنا چاہے گا۔ بورڈ حکومتی اتھارٹیز اور شیئر ہولڈرز کا بھی ان کے تعاون اور حمایت پر بے حد ممنون ہے۔

منجانب بورڈ



عبدالستار

ڈائریکٹر



شعیب اے ملک

چیف ایگزیکٹو

راولپنڈی

۱۶ اپریل، ۲۰۱۸ء

ڈائریکٹرز کا جائزہ

شروع کرتا ہوں اللہ کے نام سے جو بڑا مہربان اور نہایت رحم کرنے والا ہے۔
انک پٹرولیم لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2018 کو ختم ہونے والی نو ماہی مدت کے لئے کمپنی کی مالیاتی اور عملی کارکردگی پر رپورٹ پیش کرنا باعث مسرت سمجھتے ہیں۔

مالیاتی کارکردگی:

زیر جائزہ مدت کے دوران، کمپنی کی خالص فروخت آمدنی گزشتہ سال اسی مدت کے دوران 96,174,174 ملین روپے کے مقابلے میں 121,359 ملین روپے ہے جو 26 فیصد اضافہ کی عکاسی کرتا ہے۔ یہ اضافہ زیر جائزہ مدت کے دوران پٹرولیم مصنوعات کی قیمتوں میں اضافے کے باعث ہوا جبکہ صنعتی فروخت حجم میں 1 فیصد کمی کے مقابلے میں کمپنی کے فروخت حجم میں 8 فیصد اضافہ بھی ان قابل ذکر نتائج کے لیے ایک اہم عنصر رہا۔ انتظامیہ کی موثر فیصلہ سازی اور دستیاب وسائل کے موثر استعمال کے باعث حجم فروخت میں اضافہ حاصل کیا گیا۔ نتیجتاً منافع میں 20 فیصد اضافہ ہوا۔ اگرچہ حجم فروخت اور منافع میں اضافہ ہوا، بعد از ٹیکس منافع میں کمی واقع ہوئی جس کی وجہ گزشتہ سال سپریم کورٹ کے فیصلے کے پیش نظر ورکرز ویلفیئر فنڈ سے متعلقہ دیگر چارجز کی تسخیر ہے۔ کمپنی نے ٹیکس کی ادائیگی کے بعد 4,264 ملین روپے منافع کمایا (مارچ 2017: 4,359 ملین روپے) جسے 51.41 روپے فی شیئر (مارچ 2017: 52.56 روپے) کی آمدن کے مفہوم میں لیا جاسکتا ہے۔

آپرییشنل کارکردگی:

عالمی سطح پر تیل کی صنعت گذشتہ چند سالوں سے مسلسل تبدیلی کے مراحل سے گزر رہی ہے۔ تیل کی قیمتیں کافی عرصے سے غیر مستحکم ہیں اور قیمتوں میں مسلسل اضافے اور کمی کے رجحانات سے متعدد چیلنجز درپیش آئے۔ تیل کے کاروبار کو تبدیل ہوتے ہوئے محرکات کے ساتھ قدم سے قدم ملانے کیلئے مسلسل کاوش کی ضرورت ہے۔ زیر جائزہ عرصے کے دوران تیل کی قیمتوں میں اضافے سے ملک کے اندر آئل انڈسٹری کی معاونت ہوئی ہے جبکہ اس کے نتیجے میں پٹرولیم مصنوعات کی طلب میں استحکام بھی آیا ہے جو کسی حد تک کاروباری کارکردگی میں مزاحم ہوگا۔ نئی آئل مارکیٹنگ کمپنیوں کو مارکیٹنگ لائسنس کے اجراء سے اور بین الاقوامی کمپنیوں کی ملکی مارکیٹ میں آمد سے بھی مقابلے میں اضافہ ہوا ہے۔

انتظامیہ کمپنی کو مسلسل ترقی کے راستے پر لے جانے کے لیے پر عزم ہے اور مسلسل کوششیں اس کو ایک مستحکم کاروباری ترقی کی جانب لے جائیں گی۔ صارفین کی بڑھتی ہوئی طلب کو پورا کرنے کے لیے، جو فروخت حجم میں اضافے سے ظاہر ہے، کمپنی نے پری میجر موٹو گیسو پلین (PMG) اور ہائی سپیڈ ڈیزل (HSD) کی باقاعدگی سے درآمد کے ذریعے اپنے سپلائی چین سائیکل کو مضبوط کیا ہے۔ انتظامیہ صارفین کے اعتماد کو قائم و برقرار رکھنے کے لیے نہ صرف معیاری مصنوعات فراہم کر رہی ہے بلکہ اپنے معزز صارفین کو بے مثال خدمات فراہم کرنے پر بھی توجہ مرکوز کر رہی ہے۔

متبادل سپلائی ذرائع کی تلاش کے ساتھ ساتھ، سپلائی چین کو مزید مستحکم کرنے کے لئے کمپنی بنیادی ڈھانچے کی مضبوطی پر توجہ مرکوز کر رہی ہے جس میں نئے اسٹوریج ٹرمینلز کی تعمیر شامل ہے جس کے ذریعے اسٹوریج صلاحیت میں اضافہ اور صارفین کو بروقت مصنوعات کی ترسیل کو یقینی بنانا اور لاگت فوائد حاصل کرنا شامل ہے۔ محمود کوٹ بلک آئل ٹرمینل نے آپریٹرز کا آغاز کر دیا ہے جبکہ شکار پور بلک آئل ٹرمینل کی تکمیل اسی سال متوقع ہے۔ صارفین کی تعداد میں اضافہ،

CONDENSED INTERIM BALANCE SHEET (UNAUDITED)

AS AT MARCH 31, 2018

	Note	March 31, 2018	June 30, 2017
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorised capital			
150,000,000 (June 30, 2017: 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000
Issued, subscribed and paid up capital			
82,944,000 (June 30, 2017: 82,944,000) ordinary shares of Rs 10 each	4	829,440	829,440
Reserves			
Special reserves		219,677	214,608
Revenue reserve			
Unappropriated profits		15,983,626	15,250,443
		17,032,743	16,294,491
NON CURRENT LIABILITIES			
Long term deposits		654,860	627,240
Deferred tax liability		162,341	106,341
		817,201	733,581
CURRENT LIABILITIES			
Trade and other payables	5	26,970,117	21,061,626
Unclaimed dividend		484,677	37,053
Provision for current income tax		42,293	240,380
		27,497,087	21,339,059
CONTINGENCIES AND COMMITMENTS			
	7		
		45,347,031	38,367,131

	Note	March 31, 2018 Rupees ('000)	June 30, 2017
NON CURRENT ASSETS			
Property, plant and equipment	8	6,104,189	4,339,301
Long term investments in associated companies	10	1,272,086	1,198,044
Other long term investments	11	290,238	299,733
Long term prepayments		13,795	29,928
		7,680,308	5,867,006
CURRENT ASSETS			
Stores and spares		68,615	48,658
Stock in trade	12	10,969,236	7,234,415
Trade debts	13	15,766,366	10,801,077
Advances, deposits, prepayments and other receivables	14	2,796,725	2,572,236
Short term investments	15	2,673,787	910,353
Cash and bank balances	16	5,391,994	10,933,386
		37,666,723	32,500,125
		45,347,031	38,367,131

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	Note	Three month period ended		Nine month period ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Rupees ('000)		Rupees ('000)	
Sales		54,557,778	42,460,992	149,422,679	118,815,194
Sales tax		(9,544,001)	(7,782,379)	(28,063,534)	(22,641,493)
NET SALES		45,013,777	34,678,613	121,359,145	96,173,701
Cost of products sold		(42,542,366)	(32,870,984)	(114,489,018)	(90,447,330)
GROSS PROFIT		2,471,411	1,807,629	6,870,127	5,726,371
Other income	17	190,206	231,197	604,179	711,851
Operating expenses		(668,872)	(506,489)	(1,885,249)	(1,381,939)
OPERATING PROFIT		1,992,745	1,532,337	5,589,057	5,056,283
Finance income	18	288,946	277,898	943,214	836,239
Finance costs	18	(153,827)	(88,510)	(412,498)	(220,235)
Net finance income		135,119	189,388	530,716	616,004
Share of profit of associated companies		(1,200)	29,288	100,290	97,024
Other charges	19	(106,393)	(86,086)	(307,318)	376,612
PROFIT BEFORE TAXATION		2,020,271	1,664,927	5,912,745	6,145,923
Provision for income tax	20	(567,000)	(462,637)	(1,649,000)	(1,786,707)
PROFIT FOR THE PERIOD		1,453,271	1,202,290	4,263,745	4,359,216
Earnings per share - Basic and diluted (Rupees)		17.52	14.50	51.41	52.56

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	Three month period ended		Nine month period ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rupees ('000)		Rupees ('000)	
PROFIT FOR THE PERIOD	1,453,271	1,202,290	4,263,745	4,359,216
Items that will not be reclassified to profit or loss:				
Share of other comprehensive (loss) / income of associated companies - net of tax	(710)	76	(373)	(3,308)
Other comprehensive (loss) / income for the period	(710)	76	(373)	(3,308)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,452,561	1,202,366	4,263,372	4,355,908

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	Nine month period ended	
	March 31, 2018	March 31, 2017
	Rupees ('000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from customers	116,478,035	93,057,683
Payments for purchase of products and operating expenses	(113,945,961)	(87,360,443)
Other charges received	39,843	53,961
Long term deposits received / (repaid)	27,620	(2,645)
Income tax paid	(1,791,087)	(1,679,916)
Cash flow from operating activities	808,450	4,068,640
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(2,062,998)	(915,574)
Proceeds from sale of property, plant and equipment	8,498	13,797
Purchase of short term investments	(1,596,260)	(4,857,570)
Income received on bank deposits, short term and other long term investments	349,145	396,344
Dividend received from associated companies	26,585	23,153
Cash flow from investing activities	(3,275,030)	(5,339,850)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(3,077,496)	(3,306,036)
Cash used in financing activities	(3,077,496)	(3,306,036)
Effect of exchange rate changes	2,684	51
DECREASE IN CASH AND CASH EQUIVALENTS	(5,541,392)	(4,577,195)
CASH AND CASH EQUIVALENTS AT JULY 1	10,933,386	9,162,282
CASH AND CASH EQUIVALENTS AT MARCH 31	5,391,994	4,585,087

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	Share capital	Special reserves	Unappropriated profit	Total
Rupees ('000)				
BALANCE AS AT JUNE 30, 2016	829,440	126,411	13,361,315	14,317,166
Total comprehensive income for the nine month period ended March 31, 2017:				
Profit for the period	-	-	4,359,216	4,359,216
Other comprehensive loss	-	-	(3,308)	(3,308)
Total comprehensive income	-	-	4,355,908	4,355,908
Transfer to special reserves by associated companies	-	61,940	(61,940)	-
Transaction with owners:				
Final cash dividend @ 250% relating to the year ended June 30, 2016	-	-	(2,073,600)	(2,073,600)
Interim cash dividend @ 150% relating to year ending June 30, 2017	-	-	(1,244,160)	(1,244,160)
Total transactions with owners	-	-	(3,317,760)	(3,317,760)
BALANCE AS AT MARCH 31, 2017	829,440	188,351	14,337,523	15,355,314
Total comprehensive income for the three month period ended June 30, 2017:				
Profit for the period	-	-	939,952	939,952
Other comprehensive loss	-	-	(775)	(775)
Total comprehensive income	-	-	939,177	939,177
Transfer to special reserves by associated companies	-	26,257	(26,257)	-
BALANCE AS AT JUNE 30, 2017	829,440	214,608	15,250,443	16,294,491
Total comprehensive income for the nine month period ended March 31, 2018:				
Profit for the period	-	-	4,263,745	4,263,745
Other comprehensive loss	-	-	(373)	(373)
Total comprehensive income	-	-	4,263,372	4,263,372
Transfer to special reserves by associated companies	-	5,069	(5,069)	-
Transaction with owners:				
Final cash dividend @ 275% relating to the year ended June 30, 2017	-	-	(2,280,960)	(2,280,960)
Interim cash dividend @ 150% relating to year ending June 30, 2018	-	-	(1,244,160)	(1,244,160)
Total transactions with owners	-	-	(3,525,120)	(3,525,120)
BALANCE AS AT MARCH 31, 2018	829,440	219,677	15,983,626	17,032,743

The annexed notes 1 to 25 form an integral part of this condensed interim financial information.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 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% (June 30, 2017: 34.38%) shares of the Company.

2. STATEMENT OF COMPLIANCE

The condensed interim financial information of the Company for the nine month period ended March 31, 2018 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. The condensed interim financial information should be read in conjunction with the financial statements for the year ended June 30, 2017, which have been prepared in accordance with approved accounting standards as applicable in Pakistan.

3. ACCOUNTING POLICIES

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2017.

4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Shares issued for cash
5,000,000 ordinary shares of Rs 10 each
(June 30, 2017: 5,000,000 ordinary shares of Rs 10 each)

Shares issued as fully paid bonus shares
77,944,000 (June 30, 2017: 77,944,000)
ordinary shares of Rs 10 each

82,944,000 (June 30, 2017: 82,944,000)
ordinary shares of Rs 10 each

March 31, June 30,
2018 2017
Rupees ('000)

50,000	50,000
779,440	779,440
829,440	829,440

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)**

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	March 31, 2018	June 30, 2017
	Rupees ('000)	
5. TRADE AND OTHER PAYABLES		
Creditors	1,334,442	2,230,888
Due to related parties (unsecured) - note 5.1	18,413,291	12,682,710
Accrued liabilities	4,906,207	3,823,195
Advance from customers	1,544,921	2,002,224
Retention money	293,689	175,800
Sales tax payable	471,066	146,630
Payable to Joint Operator - note 9	6,501	179
	26,970,117	21,061,626
5.1 Due to related parties		
National Refinery Limited	5,542,828	3,960,981
Attock Refinery Limited	12,540,530	8,701,460
Pakistan Oilfields Limited	9,901	8,280
The Attock Oil Company Limited	1,455	724
Attock Sahara Foundation	269	312
Workers' profit participation fund	307,318	-
APL Gratuity Fund	10,990	10,953
	18,413,291	12,682,710

6. LETTER OF CREDIT FACILITY

The Company has entered into arrangements with banks for obtaining letter of credit facility to import petroleum products, spare parts and materials upto a maximum of Rs 8,900 million (June 30, 2017: Rs 8,900 million). The facility is secured against first pari passu charge of Rs 11,867 million (June 30, 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 March 31, 2017 was Rs 7,272 million (June 30, 2017: Rs 6,492 million). The facility will expire on June 30, 2018.

	March 31, 2018	June 30, 2017
	Rupees ('000)	
7. CONTINGENCIES AND COMMITMENTS		
(a) CONTINGENCIES		
(i) Corporate guarantees and indemnity bonds issued by the Company to the Collector of Customs.	2,447,247	5,043,867
(ii) Guarantees issued by bank on behalf of the Company.	1,464,056	1,315,907
(iii) Oil & Gas Regulatory Authority (OGRA) has issued order for recovery of freight charges and petroleum levy on supplies during years 2009 to 2011 to special freight area (Azad Jamu & Kashmir and Jaglot). Being aggrieved, the Company filed appeal against the order with OGRA. Hearing of the case has been conducted and decision of OGRA is awaited. The Company is confident that the matter will be decided in favour of the Company.	434,902	-
(iv) The Company's share of contingencies of associated companies based on financial information of associated companies as at December 31, 2017 (June 30, 2017: March 31, 2017)	102,749	87,164

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018**

	March 31, 2018	June 30, 2017
	Rupees ('000)	
(b) COMMITMENTS		
(i) Capital expenditure commitments (Including Rs 12,221 thousand (June 30, 2017: Rs 239,932 thousand) relating to joint operations as disclosed in note 9)	1,832,260	2,307,809
(ii) Commitments for import of petroleum products against letter of credit facility	1,627,499	2,407,613
(iii) Commitments for rentals of assets under operating lease agreements	2,283,316	2,303,405
(iv) The Company's share of commitments of associated companies based on financial information of associated companies as at December 31, 2017 (June 30, 2017: March 31, 2017)		
- Capital expenditure commitments	18,149	73,849
- Outstanding letters of credit	172,526	54,023

Nine months to March 31, 2018	Year ended June 30, 2017
Rupees ('000)	

8. PROPERTY, PLANT AND EQUIPMENT

Opening net book value	2,707,992	2,135,066
Additions	1,544,293	921,424
Disposals		
Cost	(35,636)	(46,309)
Depreciation	31,554	45,511
	(4,082)	(798)
Depreciation charge	294,028	347,700
Closing net book value	3,954,175	2,707,992
Capital work in progress - note 8.1	2,150,014	1,631,309
	6,104,189	4,339,301

8.1 Capital work in progress include Rs 600,404 thousand (June 30, 2017: Rs 413,832 thousand) being Company's share in joint operation.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018**

9. INTEREST IN JOINT OPERATION

In March 2015 the Company entered into a joint arrangement with Pakistan State Oil Company Limited (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. Currently the development of fuel farm and refueling system is in completion stage. The Company has recognised its share of jointly held assets, liabilities and expenses of the joint operation under the appropriate heads and disclosed the same in related notes.

Nine months to
**March 31,
2018** Year ended
June 30,
2017
Rupees ('000)

10. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES

Movement during the period / year

Balance at beginning of the period / year	1,198,044	1,006,633
Share of profit of associated companies	112,251	175,827
Impairment (loss) / reversal related to investment in National Refinery Limited	(11,961)	42,121
	100,290	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 period / year	1,272,086	1,198,044

March 31, 2018		June 30, 2017	
Holding %	Amount Rs ('000)	Holding %	Amount Rs ('000)

10.1 The Company's interest in associated companies is as follows:

National Refinery Limited - Quoted	1	686,292	1	673,621
Attock Refinery Limited - Quoted	1.68	663,568	1.68	592,966
Attock Information Technology Services (Private) Limited - Unquoted	10	22,309	10	19,579
Carrying value on equity method		1,372,169		1,286,166
Less: Impairment loss - National Refinery Limited (note 10.2)		(100,083)		(88,122)
		1,272,086		1,198,044

10.2 Impairment loss is based on a valuation analysis carried out as at June 30, 2017 by an external investment advisor engaged by the Company. The recoverable amount has been estimated based on a value in use calculation.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018**

	March 31, 2018	June 30, 2017
	Rupees ('000)	
11. OTHER LONG TERM INVESTMENTS		
Held to maturity investments in Pakistan Investment Bonds (PIBs) - at amortized cost - note 11.1	290,238	399,119
Less: current portion shown under short term investments	-	(99,386)
	290,238	299,733

11.1 This represents amount invested in Pakistan Investment Bonds at interest rate of 11.50% per annum (June 30, 2017: 11.50% per annum) having maturity for the period of 5 years and are due for maturity in the year 2019.

12. STOCK IN TRADE

12.1 Stock in trade includes items costing Rs 10,236,679 thousand (June 30, 2017: Nil) which have been valued at net realisable value amounting to Rs 10,171,720 thousand (June 30, 2017: Nil) as a result of decline in the selling prices of certain petroleum products with effect from April 01, 2018.

12.2 Stock in trade includes the Company's share of pipeline stock amounting to Rs 3,394,118 thousand (June 30, 2017: Rs 2,322,763 thousand) and Rs 1,061,791 thousand (June 30, 2017: Rs 900,457 thousand) held by Pak-Arab Pipeline Company Limited and Pak-Arab Refinery Limited respectively.

	March 31, 2018	June 30, 2017
	Rupees ('000)	
13. TRADE DEBTS		
Trade debts include following balances due from related parties (unsecured):		
Attock Gen Limited	7,971,296	6,391,395
Pakistan Oilfields Limited	64,214	31,688
Attock Cement Pakistan Limited	31,720	20,622
National Refinery Limited	1,569	1,051
Attock Refinery Limited	187	254
	8,068,986	6,445,010

14. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advances to suppliers and employees	89,442	25,735
Trade deposits and short term prepayments	198,473	135,347
Current account balances with statutory authorities	43,024	96,560
Accrued income on bank deposits	57,826	23,044
Price differential claim receivable from the Government	28,528	28,528
Receivable from oil marketing companies under freight pool	611,851	457,045
Receivable from Joint Operator (as disclosed in note 9)	204,208	127,473
Due from related parties - unsecured		
Attock Gen Limited	1,590,661	1,666,267
Attock Information Technology Services (Private) Limited	1,201	791
Attock Cement Pakistan Limited	39	131
Workers' Profit Participation Fund	-	39,843
Less: Provision for doubtful receivables	(28,528)	(28,528)
	2,796,725	2,572,236

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)**
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	March 31, 2018	June 30, 2017
	Rupees ('000)	
15. SHORT TERM INVESTMENTS		
Held to maturity investment in treasury bills - at amortized cost - note 15.1	1,899,161	810,967
Investment in mutual funds - at fair value through profit or loss	774,626	-
Current portion of investment in PIBs - note 11	-	99,386
	2,673,787	910,353

15.1 Short term investments in treasury bills earned interest at effective rate of 6% per annum (June 30, 2017: 5.99% per annum).

	March 31, 2018	June 30, 2017
	Rupees ('000)	
16. CASH AND BANK BALANCES		
Cash in hand	5,724	5,185
Bank balances		
On short term deposits	2,500,000	9,200,000
On interest / mark-up bearing saving accounts (includes US \$ 101 thousand; 2017: US \$ 101 thousand)	2,810,580	1,674,213
On current accounts (includes US \$ 153 thousand; 2017: US \$ 153 thousand)	75,690	53,988
	5,386,270	10,928,201
	5,391,994	10,933,386

16.1 Balances in short term deposits and saving accounts earned interest/mark-up at weighted average rate of 6.06% per annum (June 30, 2017: 6.02% per annum).

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

	Three month period ended		Nine month period ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rupees ('000)		Rupees ('000)	
17. OTHER INCOME				
Commission and handling income	151,874	186,246	457,692	562,974
Other income	38,332	44,951	146,487	148,877
	190,206	231,197	604,179	711,851
18. FINANCE INCOME AND COSTS				
Finance income				
Income on bank deposits, short term and other long term investments	141,680	187,330	541,606	620,268
Mark-up on delayed payments	147,266	90,568	401,608	215,971
	288,946	277,898	943,214	836,239
Finance cost				
Bank charges	12,594	6,187	35,987	19,397
Mark-up on delayed payments	141,233	82,323	376,511	200,838
	153,827	88,510	412,498	220,235
Net finance income	135,119	189,388	530,716	616,004
19. OTHER CHARGES				
Workers' profit participation fund (Reversal) of workers' welfare fund for prior periods - Note 19.1	106,393	86,086	307,318	284,772
	-	-	-	(661,384)
	106,393	86,086	307,318	(376,612)

19.1 During the year 2016-17, the Supreme Court of Pakistan declared that the amendments in the Worker's Welfare Fund (WWF) Ordinance made through Finance Act of 2006 and 2008 are unconstitutional. Accordingly the Company reversed the provision on account of WWF in prior period.

	Three month period ended		Nine month period ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rupees ('000)		Rupees ('000)	
20. PROVISION FOR TAXATION				
Current income tax charge	519,000	464,000	1,593,000	1,576,000
Deferred income tax charge/(credit)	48,000	(1,363)	56,000	210,707
	567,000	462,637	1,649,000	1,786,707

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018**

21. FAIR VALUE MEASUREMENT

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The Company held the following financial assets at fair value;

	(Level 1)	(Level 2)	(Level 3)	Total
	Rupees ('000)			
March 31, 2018				
Short term investments:				
Investment in mutual funds at Fair value through profit or loss	774,626	-	-	774,626
	Three month period ended	Nine month period ended		
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rupees ('000)		Rupees ('000)	

22. TRANSACTIONS WITH RELATED PARTIES

Associated companies

Purchase of petroleum products	24,765,677	16,425,644	61,229,490	48,914,541
Sale of petroleum products	2,251,768	2,554,210	7,322,410	6,977,236
Commission and handling income	151,874	186,246	457,692	562,974
Mark-up earned on delayed payments	146,883	89,573	400,711	212,876
Late payment charges	141,233	82,323	376,511	200,838
Administrative services expense	177,708	162,221	307,901	293,940
Sale of property, plant & equipment	1,203	-	1,203	-
Dividend paid during the period to Associated companies	386,843	990,280	2,381,299	2,643,847
Dividend received during the period from Associated companies	-	-	26,585	23,153

Other related parties

Remuneration of Chief Executive and key management personnel including benefits and perquisites	26,705	19,320	69,265	59,201
Contribution to staff retirement benefits plans				
APL Employees provident fund	3,451	2,826	10,138	8,215
APL Gratuity fund	2,920	2,453	8,746	6,954
Workers' profit participation fund	106,393	86,086	307,318	284,772

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

23. SEGMENT REPORTING

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

Product	Three month period ended		Nine month period ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rupees ('000)		Rupees ('000)	
High Speed Diesel	22,213,385	18,462,910	60,934,124	49,988,227
Premier Motor Gasoline	17,512,303	12,417,960	46,222,860	35,864,819
Furnace Fuel Oil	8,057,203	7,679,005	24,772,214	20,706,859
Bitumen	4,803,985	2,504,877	12,001,326	8,300,645
Others	1,970,902	1,396,240	5,492,155	3,954,644
	54,557,778	42,460,992	149,422,679	118,815,194

23.2 There is no single external customer of the Company whose revenue amounts to 10% or more of the Company's total revenue during the nine month period ended March 31, 2018.

24. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2017.

25. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Company on April 16, 2018.



Rehmat Ullah Bardaie
Chief Financial Officer



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director





Attock

Attock Petroleum Limited

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