



**ATTOCK  
PETROLEUM  
Attock LIMITED**



**Attock**

COMPANY  
OPERATED

EV ULTRA FAST 

H0BC97 152.7

SUPREME 120.3

DIESEL 117.1



# Interim Report & Financial Statements

For the Six Month Period Ended  
December 31, 2021



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# CORPORATE INFORMATION

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

# DIRECTORS' REVIEW

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

The Board of Directors of Attock Petroleum Limited takes pleasure in presenting review of the performance of the Company together with the auditor's reviewed financial statements for the six month period ended December 31, 2021.

### Financial Performance

During the period under review, the Company recorded net sales revenue of Rs. 154,277 million as compared to Rs. 89,970 million earned during same period last year. Increase of 71% in net sales revenue is attributable to 36% increase in average selling prices and 20% increase in volumes sold due to improved macroeconomic conditions, increased business activities and increase in supply of petroleum products to industrial consumers. On the other hand, the overall industry sales volume increased by 12%. Efficient inventory management together with increase in average margins of the petroleum products, particularly the ones which are imported and inventory gains due to increasing price trend of petroleum products led to substantial increase in gross profitability of the Company. This was offset to some extent by the increase in operating expenses due to increased depreciation charge and significant exchange loss caused by devaluation of PKR against USD. However, increase in other income and reversal of net impairment on financial assets positively impacted the bottom line.

Consequently, the Company earned highest ever profit after tax of Rs. 6,609 million (December 2020: Rs. 2,146 million), reflecting an increase of 208% over same period last year. The results translate into earnings per share of Rs. 66.40 (December 2020: Rs. 21.56).

### Operational Performance

During the period under review, the oil industry witnessed a remarkable growth on the backdrop of revival of economic activities to full scale leading to increased demand of petroleum products across the globe. As the supply sources remained short of fulfilling this boosted demand, the international price of crude oil kept on rising. Accordingly, the impact of this price surge was passed on to consumers within the Country and prices of petroleum products were increased even though the Government taxes and levies were kept on lower side.

Industrial growth and increased transportation and business activities positively affected the demand of petroleum products within the Country. Accordingly, increase in sales of High Speed

## DIRECTORS' REVIEW

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Diesel (HSD) and Premier Motor Gasoline (PMG) was recorded. APL sales volume of HSD substantially increased by 42% against industry sales volume of 16% and sales volume of PMG increased by 24% against industry sales volume of 9% performing much better than the competition. Sales volume of Jet Petroleum increased by 52% on account of surge in commercial aviation activities which were subdued previously due to the pandemic. APL sales volume of Bitumen increased by 34% against industry sales volume of 8% due to increase in spending on infrastructural development by Government and APL's market share of Bitumen increased significantly. As a result of the above, the Company managed to increase its overall market share from 9.5% to 10.1%. APL is one of the leading oil marketing companies in terms of sales volume.

The Company relied on imports as an alternate supply source as the local production was unable to meet the demand. As the global oil prices remained uncertain, the Company continued to monitor the prices cautiously and procured imported cargoes on competitive prices to mitigate the effects of this fluctuation in oil prices while maintaining sufficient inventories to cater to sales demand. In line with the requirements of the industry and the Regulator, the Company has completed its multigrade connectivity with White Oil Pipeline at Shikarpur and Machike to handle HSD and PMG receipts simultaneously which was previously only for HSD enabling the Company to efficiently manage its receipts for both key products and ensuring full commitment to this project of national and strategic importance.

Enhancement of retail network has always remained at the core of business strategy of Attock Petroleum Limited. In addition to successfully acquiring strategic locations along the major travel routes i.e., 05 service areas on Pindi Bhattian-Faisalabad-Multan Motorway (M-4) and 04 service areas on Dera Ismail Khan-Hakla Motorway (M-14), the Company has targeted the new Motorways on both the China Pakistan Economic Corridor (CPEC) Eastern and Western Routes. These retail sites at well-travelled routes shall further strengthen the Company's unparalleled strength on the Motorways enabling the Company to gain extensive brand coverage across the Country. As at December 31, 2021, the Company holds leasehold rights of 56% service areas established or to be established, located on the Motorways i.e., 31 out of total 55 service areas. As part of expanding its presence within the urban centers, the Company will be establishing 02 new flagship sites in Lahore.

## DIRECTORS' REVIEW

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APL has always strived to maintain its immaculate brand reputation through provision of quality products and excellent customer services across its retail network. In order to ensure that the Company's retail network continues to operate sustainably and reliably, a retail network purification plan has been formulated through which 33 retail outlets, not performing up to the mark, have been phased out. Accordingly, the total number of retail outlets as at December 31, 2021 is 721.

### Future Outlook

The demand of petroleum products is anticipated to remain high as the domestic economy is being forecasted to grow. The Company is committed to manage this further increase in demand and aggressive strategy has been adopted to ensure efficient inventory management through a robust supply chain cycle thereby ensuring timely delivery of quality products to its vast customer base and also to mitigate the risks and manage unforeseen challenges associated with sudden increase in demand. Further, the Company shall continue to make endeavors to reduce cost of doing business and generate optimum returns by effective utilization of all available opportunities and resources.

Infrastructural development has always remained critical for the Company. As the network of Bulk Oil Terminals of APL expands across the Country, the Company can ensure timely delivery of quality products to its clientele. APL has stayed resilient and strongly committed to enhance storage capacity by establishing Bulk Oil Terminals at key locations across the Country. After the successful commissioning of Port Qasim Bulk Oil Terminal towards the end of last financial year, the Company has now allocated significant resources for establishment of Bulk Oil Terminal at Tarujabba to better serve the KPK region. Land was previously acquired to establish the terminal and the Company is entering into construction phase after acquiring the required regulatory approvals and NOCs.

The Company has apportioned significant financial resources for development of many new retail outlets in major cities and along inter-provincial highways and motorways to strengthen retail network leading to long-term revenue generation for the Company. Accordingly, 40-50 new retail outlets under various categories have been planned for establishment during the year 2021-22, subject to regulatory approvals.

# DIRECTORS' REVIEW

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## Acknowledgement

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.  
February 04, 2022



**ABDUS SATTAR**  
DIRECTOR

## ڈائریکٹرز کا جائزہ

سکے اور کمپنی کو دیر پا آمدن حاصل ہو۔ اس لئے، کمپنی نے مختلف درجات میں 40-50 نئے ریٹیل اسٹیشن قائم کرنے کی منصوبہ بندی کر رکھی ہے۔

### اظہار تشکر:

بورڈ اپنے ملازمین، صارفین، سپلائرز اور تزویراتی شراکت داران کے تعاون، ان کی پر عزم یکسوئی اور کاوشوں پر ان کا شکر یہ 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

۴ فروری، ۲۰۲۲ء



ملکی معیشت میں بہتری کے پیش نظر پیٹرولیم مصنوعات کی طلب میں مزید اضافہ متوقع ہے۔ اس بڑھتی ہوئی طلب کو پورا کرنے کے لئے کمپنی تیار ہے اور مربوط رسد کے نظام (supply chain) کے ذریعے صارفین کے وسیع نیٹ ورک کو معیاری مصنوعات کی بروقت فراہمی کو یقینی بنانے کے لئے جارحانہ حکمت عملی ترتیب دی گئی ہے تاکہ طلب میں اچانک اضافہ سے منسلک غیر متوقع چیلنجز کو بھی کم کیا جاسکے۔

کمپنی کے لئے بنیادی ڈھانچے کی ترقی ہمیشہ اہمیت کی حامل رہی ہے۔ ملک بھر میں APL کے بلک آئل ٹرمینلز کے نیٹ ورک میں توسیع سے کمپنی اپنے صارفین کو معیاری مصنوعات کی بروقت ترسیل کو یقینی بنا سکتی ہے۔ APL ملک بھر میں اہم مقامات پر بلک آئل ٹرمینلز قائم کر کے آئل ذخیرہ کرنے کی گنجائش میں اضافے کے لیے سختی سے کاربند ہے۔ گزشتہ مالی سال کے آخر میں پورٹ قاسم بلک آئل ٹرمینل کے کامیاب آغاز کے بعد، کمپنی نے KPK صوبہ کو بہتر خدمات فراہم کرنے کے غرض سے تاروجہ میں بلک آئل ٹرمینل قائم کرنے کے لئے خاطر خواہ وسائل مختص کئے ہیں۔ اس مقصد کے لئے زمین پہلے ہی حاصل کی جا چکی ہے اور کمپنی اب ضروری قانونی منظوریاں حاصل کرنے کے بعد تعمیر کے مرحلے میں داخل ہو رہی ہے۔

کمپنی نے بڑے شہروں میں اور بین الصوبائی موٹرویز اور ہائی ویز کے اطراف کئی نئے ریٹیل اسٹیشن کی تعمیر کے لئے خاطر خواہ وسائل مختص کئے ہیں ریٹیل نیٹ ورک کو مزید مستحکم کیا جا

انٹک پیٹرولیم لمیٹڈ میں ریٹیل نیٹ ورک کی توسیع ہمیشہ اہمیت کی حامل رہی ہے۔ پنڈی بھٹیاں۔ فیصل آباد۔ ملتان موٹروے (M-4) پر 05 اور ڈیرہ اسماعیل خان۔ ہکلمہ موٹروے (M-14) پر 04 سروس ایریاز پر ریٹیل آؤٹلیٹس کے قیام کے ساتھ ساتھ کمپنی نے چائنہ پاکستان اقتصادی راہداری (CPEC) کے مشرقی اور مغربی راستوں پر نئی موٹرویز کو ہدف کیا ہے۔ مستقبل میں سفر کے لئے استعمال ہونے والے راستوں پر ریٹیل آؤٹلیٹس کے قیام سے کمپنی کی موٹرویز پر موجودگی مزید بڑھے گی اور ملک بھر میں کمپنی کے برانڈ کو ترقی ملے گی۔ 31 دسمبر 2021 تک کمپنی نے موٹرویز پر قائم شدہ اور قائم کئے جانے والی سروس ایریاز میں سے 56 فیصد پر لیز حاصل کر لی ہے یعنی 55 سروس ایریاز میں سے 31 سروس ایریاز۔ شہری مراکز میں اپنی موجودگی کو بڑھانے کی غرض سے کمپنی لاہور میں مزید 2 ریٹیل آؤٹلیٹس قائم کرنے جا رہی ہے۔

APL نے ہمیشہ کوشش کی ہے اپنے ریٹیل نیٹ ورک پر عمدہ خدمات اور معیاری مصنوعات کی فراہمی کے ذریعے اپنے برانڈ کی ساکھ کو برقرار رکھ سکے۔ اس امر کو یقینی بنانے کے لئے کہ کمپنی کا ریٹیل نیٹ ورک قابل اعتماد اور پائیدار طور پر کام کر سکے، ریٹیل نیٹ ورک کو شفاف کرنے کے لئے منصوبہ بندی کی گئی ہے جس کے تحت کارکردگی کے معیار پر پورا نہ اترنے والے 33 ریٹیل آؤٹلیٹس کو بند کر دیا گیا ہے۔ 31 دسمبر 2021 تک ریٹیل آؤٹلیٹس کی کل تعداد 721 ہو گئی ہے۔

پیٹرولیم (JP) کے حجم فروخت میں 52 فیصد اضافہ ہوا جو پہلے وباء کی وجہ سے محدود رہا۔ بنیادی ڈھانچے کی ترقی کے منصوبوں پر حکومتی اخراجات کی وجہ سے تارکول (Bitumen) کے حجم فروخت میں صنعتی حجم فروخت میں 8 فیصد اضافے کے مقابلے میں APL کا حجم فروخت 34 فیصد بڑھا اور APL کا تارکول کا مارکیٹ شیئر قابل ذکر طور پر بڑھ گیا۔ اس سب کے نتیجے میں کمپنی نے اپنا مارکیٹ شیئر 9.5 فیصد سے بڑھا کر 10.1 فیصد کیا اور حجم فروخت کے اعتبار سے کمپنی کا شمار بڑی آئل مارکیٹنگ کمپنیوں میں ہوتا ہے۔

جیسا کہ مقامی پیداوار مقامی طلب کو پورا کرنے کے لئے ناکافی ہے، کمپنی نے درآمدات پر بطور متبادل سپلائی ذریعہ انحصار کیا۔ چونکہ تیل کی عالمی قیمتیں غیر مستحکم رہیں، کمپنی نے قیمتوں کے اتار چڑھاؤ پر نظر رکھتے ہوئے مسابقتی قیمتوں پر مصنوعات کی درآمد کی تاکہ قیمتوں میں تبدیلی کے اثرات کو کم کیا جاسکے اور طلب کو پورا کرنے کے لئے وافر انویسٹری برقرار رکھی جاسکے۔ صنعت اور ریگولیٹرز کی ضروریات کے تحت کمپنی نے شکار پور اور ماچھیکے میں وائٹ آئل پائپ لائن کے ذریعے ہائی اسپید ڈیزل (HSD) اور پری میگز موٹر گیسولین (PMG) کی رسد ایک ساتھ وصول کرنے کے لئے ملٹی گریڈ کنیکٹیوٹی (multi-grade connectivity) مکمل کر لی ہے جو پہلے صرف ہائی اسپید ڈیزل (HSD) کے لئے زیر استعمال تھی اور کمپنی قومی اہمیت کے حامل اس منصوبہ کی تکمیل کے لئے پرعزم ہے۔

نتیجتاً کمپنی نے 6,609 ملین روپے کا اب تک کا سب سے زیادہ بعد از ٹیکس منافع کمایا جو گزشتہ سال اسی مدت کے مقابلے میں 208 فیصد اضافہ کی عکاسی کرتا ہے (دسمبر 2020: 2,146 ملین روپے)۔ اسے 66.40 روپے فی شیئر (دسمبر 2020: 21.56 روپے) کی آمدن کے مفہوم میں لیا جاسکتا ہے۔

### آپریشنل کارکردگی:

زیر جائزہ مدت کے دوران، تیل کی صنعت نے اقتصادی سرگرمیوں کی مکمل بحالی کے پیش نظر پیٹرولیم مصنوعات کی طلب میں اضافے کے باعث کافی ترقی کی۔ چونکہ رسد کے ذرائع کو اس بڑھتی ہوئی طلب کو پورا کرنے میں مشکلات رہیں، اسی لئے خام تیل کی بین الاقوامی قیمت میں اضافہ ہوتا گیا۔ اسی طرح، قیمت میں یہ اضافہ ملک بھر میں صارفین کو منتقل کیا گیا اور پیٹرولیم مصنوعات کی قیمتوں میں اضافہ ہوا حالانکہ حکومت کی جانب سے ٹیکسز اور لیویز کو کم رکھا گیا۔

صنعتی ترقی اور نقل و حمل اور کاروباری سرگرمیوں میں اضافے سے ملک بھر میں پیٹرولیم مصنوعات کی طلب میں اضافہ ہوا جس سے ہائی اسپید ڈیزل (HSD) اور پریمیئر موٹر گیسولین (PMG) فروخت میں اضافہ ہوا۔ ہائی اسپید ڈیزل (HSD) کے صنعتی حجم فروخت میں 16 فیصد اضافے کے مقابلے میں APL کے حجم فروخت میں 42 فیصد اضافہ ہوا اور پریمیئر موٹر گیسولین (PMG) کے صنعتی حجم فروخت میں 9 فیصد اضافے کے مقابلے میں APL کے حجم فروخت میں 24 فیصد اضافہ ہوا۔ کمرشل ایوی ایشن سرگرمیوں میں بہتری کی وجہ سے جیٹ

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

انٹک پٹرولیم لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2021 کو ختم ہونے والی ششماہی مدت کے لئے کمپنی کی کارکردگی پر رپورٹ بمع آڈیٹر سے جائزہ شدہ مالیاتی گوشوارے پیش کرنا باعث مسرت سمجھتے ہیں۔

### مالیاتی کارکردگی:

زیر جائزہ مدت کے دوران، کمپنی نے گزشتہ سال 89,970 ملین روپے کے مقابلے میں 154,277 ملین روپے کی خالص فروخت آمدنی ریکارڈ کی۔ خالص فروخت آمدنی میں 71 فیصد اضافے کی وجہ اوسط قیمت فروخت میں 36 فیصد اضافہ اور بہتر اقتصادی صورتحال، کاروباری سرگرمیوں میں اضافہ اور صنعتی صارفین کی جانب سے پیٹرولیم مصنوعات کی اضافی طلب کے باعث حجم فروخت میں 20 فیصد اضافہ ہے۔ دوسری جانب صنعتی حجم فروخت میں 12 فیصد اضافہ ہوا۔ موثر انوینٹری مینجمنٹ، اوسط نفع میں بہتری اور پیٹرولیم مصنوعات کی قیمتوں میں اضافہ سے ہونے والے انوینٹری گینز (inventory gains) کے باعث نفع میں خاطر خواہ اضافہ ہوا۔ فرسودگی (Depreciation charge) میں اضافے کے باعث آپریٹنگ اخراجات میں اضافہ اور ڈالر کے مقابلے میں روپے کی قدر میں کمی سے ہونے والے ایکسچینج لاس (exchange loss) نے خالص منافع کو کسی حد تک کم کیا۔ تاہم، دیگر آمدنی اور مالی اثاثوں کے خالص بگاڑ کی تنسیخ نے خالص منافع کو مثبت طور پر اثر انداز کیا۔

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Attock Petroleum Limited

Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Attock Petroleum Limited as at December 31, 2021 and the related condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of profit or loss and other comprehensive income for three month period ended December 31, 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2021.

### Scope of Review

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

### Conclusion

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

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



Chartered Accountants

Islamabad

Date: February 16, 2022

UDIN: RR202110050oaANV37es

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT DECEMBER 31, 2021

	Note	December 31, 2021	June 30, 2021
		Rupees ('000)	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital	4	<b>1,500,000</b>	1,500,000
Issued, subscribed and paid up capital	4	<b>995,328</b>	995,328
Special reserves		<b>220,168</b>	219,971
Unappropriated profit		<b>25,675,052</b>	21,505,635
		<b>26,890,548</b>	22,720,934
<b>NON CURRENT LIABILITIES</b>			
Long term deposits		<b>845,211</b>	849,358
Long term lease liabilities	5	<b>6,135,012</b>	6,274,485
Long term borrowing	6	-	61,418
Deferred government grant	7	-	3,013
Deferred tax liability		<b>155,626</b>	193,222
		<b>7,135,849</b>	7,381,496
<b>CURRENT LIABILITIES</b>			
Current portion of long term lease liabilities	5	<b>476,695</b>	357,904
Current portion of long term borrowing	6	<b>156,560</b>	190,500
Current portion of deferred government grant	7	<b>10,976</b>	16,732
Trade and other payables	8	<b>33,162,305</b>	31,179,480
Unclaimed dividend		<b>58,164</b>	50,839
Provision for current income tax		<b>1,384,407</b>	-
		<b>35,249,107</b>	31,795,455
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9	<b>69,275,504</b>	61,897,885

	Note	December 31, 2021 Rupees ('000)	June 30, 2021
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	10	<b>16,246,535</b>	16,616,819
Long term investments in associated companies	11	<b>693,208</b>	842,469
Long term deposits	12	<b>389,391</b>	227,617
		<b>17,329,134</b>	17,686,905
<b>CURRENT ASSETS</b>			
Stores and spares		<b>126,148</b>	128,965
Stock in trade	13	<b>23,623,602</b>	16,121,539
Trade debts	14	<b>12,255,178</b>	11,025,245
Income tax refundable		-	278,866
Advances, prepayments and other receivables	15	<b>2,299,081</b>	5,264,950
Short term investments	16	<b>1,070,209</b>	1,560,408
Cash and bank balances	17	<b>12,572,152</b>	9,831,007
		<b>51,946,370</b>	44,210,980
		<b>69,275,504</b>	61,897,885

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director



## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021

	Note	Three month period ended		Six month period ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Rupees ('000)					
<b>Sales</b>		<b>88,233,380</b>	52,624,603	<b>171,777,777</b>	105,595,348
Sales tax and other government levies		<b>(6,794,355)</b>	(7,769,356)	<b>(17,501,234)</b>	(15,625,053)
<b>NET SALES</b>		<b>81,439,025</b>	44,855,247	<b>154,276,543</b>	89,970,295
Cost of products sold		<b>(73,580,230)</b>	(43,155,049)	<b>(141,723,806)</b>	(85,210,167)
<b>GROSS PROFIT</b>		<b>7,858,795</b>	1,700,198	<b>12,552,737</b>	4,760,128
Other income	18	<b>445,271</b>	323,667	<b>801,467</b>	534,955
Net impairment reversal / (losses) on financial assets		<b>40,449</b>	(75,201)	<b>324,692</b>	(156,036)
Operating expenses	19	<b>(1,734,451)</b>	(933,665)	<b>(3,403,188)</b>	(1,797,505)
<b>OPERATING PROFIT</b>		<b>6,610,064</b>	1,014,999	<b>10,275,708</b>	3,341,542
Finance income	20	<b>403,875</b>	306,425	<b>680,237</b>	691,564
Finance cost	20	<b>(400,427)</b>	(374,715)	<b>(739,157)</b>	(790,761)
Net finance income/(cost)		<b>3,448</b>	(68,290)	<b>(58,920)</b>	(99,197)
Share of loss of associated companies		<b>(165,169)</b>	(19,693)	<b>(140,344)</b>	(25,105)
Other charges	21	<b>(454,417)</b>	(64,970)	<b>(701,701)</b>	(222,514)
<b>PROFIT BEFORE TAXATION</b>		<b>5,993,926</b>	862,046	<b>9,374,743</b>	2,994,726
Provision for taxation	22	<b>(1,773,142)</b>	(201,207)	<b>(2,765,655)</b>	(848,431)
<b>PROFIT FOR THE PERIOD</b>		<b>4,220,784</b>	660,839	<b>6,609,088</b>	2,146,295
Earnings per share					
- Basic and diluted (Rupees)		<b>42.41</b>	6.64	<b>66.40</b>	21.56

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

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

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021

	Three month period ended		Six month period ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Rupees ('000)			
<b>PROFIT FOR THE PERIOD</b>	<b>4,220,784</b>	660,839	<b>6,609,088</b>	2,146,295
<b>OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD</b>				
<b>Items that will not be subsequently reclassified to profit or loss:</b>				
Share of other comprehensive (loss) / income of associated companies - net of tax	(3)	5	(920)	944
Other comprehensive (loss) / income for the period	(3)	5	(920)	944
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>4,220,781</b>	660,844	<b>6,608,168</b>	2,147,239

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021

	Share capital	Special reserves	Unappropriated profit	Total
	Rupees ('000)			
<b>BALANCE AS AT JUNE 30, 2020</b>	<b>995,328</b>	<b>219,855</b>	<b>17,230,838</b>	<b>18,446,021</b>
Total comprehensive income for the six month period ended December 31, 2020				
Profit for the period	-	-	2,146,295	2,146,295
Other comprehensive income	-	-	944	944
	-	-	2,147,239	2,147,239
Transferred to special reserves by associated companies	-	102	(102)	-
Transaction with owners:				
Final cash dividend @ 40% relating to year ended June 30, 2020	-	-	(398,131)	(398,131)
Total transactions with owners	-	-	(398,131)	(398,131)
<b>BALANCE AS AT DECEMBER 31, 2020</b>	<b>995,328</b>	<b>219,957</b>	<b>18,979,844</b>	<b>20,195,129</b>
Total comprehensive income for the six month period ended June 30, 2021				
Profit for the period	-	-	2,773,337	2,773,337
Other comprehensive income	-	-	1,300	1,300
	-	-	2,774,637	2,774,637
Transferred to special reserves by associated companies	-	14	(14)	-
Transaction with owners:				
Interim cash dividend @ 25% relating to year ended June 30, 2021	-	-	(248,832)	(248,832)
Total transactions with owners	-	-	(248,832)	(248,832)
<b>BALANCE AS AT JUNE 30, 2021</b>	<b>995,328</b>	<b>219,971</b>	<b>21,505,635</b>	<b>22,720,934</b>
Total comprehensive income for the six month period ended December 31, 2021				
Profit for the period	-	-	6,609,088	6,609,088
Other comprehensive loss	-	-	(920)	(920)
	-	-	6,608,168	6,608,168
Transferred to special reserves by associated companies	-	197	(197)	-
Transaction with owners:				
Final cash dividend @ 245% relating to year ended June 30, 2021	-	-	(2,438,554)	(2,438,554)
Total transactions with owners	-	-	(2,438,554)	(2,438,554)
<b>BALANCE AS AT DECEMBER 31, 2021</b>	<b>995,328</b>	<b>220,168</b>	<b>25,675,052</b>	<b>26,890,548</b>

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021

	Six month period ended	
	December 31, 2021	December 31, 2020
	Rupees ('000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	154,482,083	94,171,772
Payments for purchase of products and operating expenses	(147,995,687)	(93,826,239)
Other charges (paid) / received	(717)	39,086
Long term deposits (paid) / received	(4,147)	46,670
Income tax paid	(1,139,978)	(770,169)
Interest paid	(482)	(964)
Gratuity Paid	(8,741)	(8,004)
Cash flow from operating activities	<b>5,332,331</b>	(347,848)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(535,997)	(928,979)
Proceeds from sale of operating fixed assets	5,626	3,989
Proceeds from sale of short term investments	763,346	99,217
Income received on bank deposits and investments	375,140	179,304
Dividend received from associated company	7,997	-
Cash flow from investing activities	<b>616,112</b>	(646,469)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Lease liabilities paid	(418,283)	(463,831)
Dividends paid	(2,431,229)	(397,739)
Long term borrowings (repaid) / received	(95,358)	201,000
Cash used in financing activities	(2,944,870)	(660,570)
Effect of exchange rate changes	3,268	(1,248)
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>3,006,841</b>	(1,656,135)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>10,240,783</b>	7,282,967
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>13,247,624</b>	5,626,832
<b>CASH AND CASH EQUIVALENTS</b>		
	Note	
Short-term investments	16	675,472
Cash and bank balances	17	12,572,152
		<b>13,247,624</b>

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



**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 STATEMENTS (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021**

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**1. LEGAL STATUS AND OPERATIONS**

Attock Petroleum Limited (the Company) was incorporated in Pakistan as a public limited company on December 3, 1995 and it commenced its operations in 1998. The Company is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Attock House, Morgah, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The principal activity of the Company is procurement, storage and marketing of petroleum and related products. Pharaon Investment Group Limited Holding s.a.l and Attock Refinery Limited hold 34.38% (June 30, 2021: 34.38%) and 21.88% (June 30, 2021: 21.88%) shares respectively of the Company.

**2. STATEMENT OF COMPLIANCE**

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

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

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

These condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and Rule Book of Pakistan Stock Exchange Limited.

These condensed interim financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2021.

**3. SIGNIFICANT ACCOUNTING POLICIES**

- 3.1** The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited financial statements for the year ended June 30, 2021.
- 3.2** The estimates, assumptions and judgments made in the preparation of these condensed interim financial statements are substantially the same as those applied in the preparation of audited financial statements for the year ended June 30, 2021.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021**

	December 31, 2021	June 30, 2021
	Rupees ('000)	
<b>4. SHARE CAPITAL</b>		
AUTHORISED CAPITAL		
150,000,000 ordinary shares of Rs 10 each (June 30, 2021: 150,000,000 ordinary shares of Rs 10 each)	<b>1,500,000</b>	1,500,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Shares issued for cash 5,000,000 ordinary shares of Rs 10 each (June 30, 2021: 5,000,000 ordinary shares of Rs 10 each)	<b>50,000</b>	50,000
Shares issued as fully paid bonus shares 94,532,800 (June 30, 2021: 94,532,800) ordinary shares of Rs 10 each	<b>945,328</b>	945,328
99,532,800 (June 30, 2021: 99,532,800) ordinary shares of Rs 10 each	<b>995,328</b>	995,328
<b>5. LONG TERM LEASE LIABILITIES</b>		
Balance at the beginning of the year	<b>6,632,389</b>	4,184,735
Additions during the period / year	<b>35,451</b>	2,736,494
Unwinding of lease liabilities	<b>352,003</b>	597,706
Payments made during the period / year	<b>(418,283)</b>	(958,140)
Remeasurement of lease liabilities	<b>10,147</b>	71,594
Balance at end of the period / year	<b>6,611,707</b>	6,632,389
Less: current portion of long term lease liabilities	<b>(476,695)</b>	(357,904)
	<b>6,135,012</b>	6,274,485
<b>6. LONG TERM BORROWING</b>		

The Company obtained term finance facility under the State Bank of Pakistan (SBP) Salary Refinance Scheme to pay six month salaries and wages to permanent, contractual and outsourced employees upto a maximum of Rs 381 million (June 30, 2021: Rs 381 million). The Company has availed the facility in full. Outstanding balance of facility at December 31, 2021 is Rs 157 million (June 30, 2021: Rs 262 million). The facility is secured against existing first pari passu charge of Rs 4,267 million (June 30, 2021: Rs 4,267 million) on all present and future current and fixed assets of the Company (excluding land and building). The repayment of loan (principal amount) is being made in 8 equal quarterly installments commencing from January 1, 2021. Mark up rate is 0.45% on this facility and shall also be paid on quarterly basis. The facility will expire on October 01, 2022. This facility is discounted at the effective rate of interest. The differential markup has been recognised as deferred government grant, which is amortised to interest income over the period of the facility.

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

FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021

### 7. DEFERRED GOVERNMENT GRANT

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

	December 31, 2021	June 30, 2021
	Rupees ('000)	
Balance at the beginning	19,745	16,631
Deferred government grant recognised	-	17,776
Less: Amortisation of deferred government grant	(8,769)	(14,662)
	<u>10,976</u>	<u>19,745</u>
Less: Current portion of deferred government grant	(10,976)	(16,732)
	<u>-</u>	<u>3,013</u>

### 8. TRADE AND OTHER PAYABLES

Creditors - note 8.2	10,159,182	7,211,859
Due to related parties (unsecured) - note 8.1	15,218,889	16,323,706
Accrued expenses and other liabilities - note 8.2	4,213,304	4,614,917
Advances from customers	2,948,391	2,314,645
Retention money	239,119	515,580
Income tax withheld	22,841	28,656
Workers' welfare fund	360,579	170,117
	<u>33,162,305</u>	<u>31,179,480</u>

#### 8.1 Due to related parties

National Refinery Limited	3,044,404	4,816,369
Attock Refinery Limited	11,643,757	11,490,890
Pakistan Oilfields Limited	13,552	9,792
Attock Sahara Foundation	188	188
APL Gratuity Fund	5,750	5,751
Workers' Profit Participation Fund	511,238	716
	<u>15,218,889</u>	<u>16,323,706</u>

8.2 These include Rs 525,229 thousand (June 30, 2021: Rs 185,058 thousand) being Company's share in current liabilities of joint operation (as disclosed in note 26 to these condensed interim financial statements).

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2021**

**December 31,**      June 30,  
**2021**                      2021  
Rupees ('000)

**9. CONTINGENCIES AND COMMITMENTS**

**9.1 CONTINGENCIES**

- |  | <b>3,820,663</b> | 3,810,677 |
|--|------------------|-----------|
| (i) Corporate guarantees and indemnity bonds issued by the Company to the Collector of Customs.  | <b>2,494,876</b> | 2,663,726 |
| <p>(ii) Guarantees issued by bank on behalf of the Company.</p>  |                  |           |
| <p>(iii) Oil &amp; 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 Jammu &amp; Kashmir and Jaglot) amounting to Rs 434,902 thousand (June 30, 2021: Rs 434,902 thousand). Being aggrieved, the Company filed application for review of the order of OGRA which was dismissed by OGRA vide its order dated April 22, 2018. Also refer note 15.1 to these condensed interim financial statements for amount withheld by OGRA in this respect of Rs 205,713 thousand (June 30, 2021: Rs 205,713 thousand). Afterwards, the Company has challenged this impugned order passed by the OGRA in the Honorable Islamabad High Court, Islamabad on June 06, 2018 for seeking direction against OGRA's order and also restraining the Authority concerned for recovering the impugned amount of freight and dealers margin, wherein, the interim stay has been granted in favour of the Company. At present, the case is pending adjudication before the Honorable Islamabad High Court, Islamabad. The Company and its Legal Adviser are confident that we have a good case before the Honorable High Court on merits and there are good chances of the success in the same.</p> |                  |           |
| <p>(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 (June 30, 2021: Rs 319,970 thousand), penalty of Rs 319,970 thousand and default surcharge of Rs 755,608 thousand. The Company's appeal against the aforesaid order with Commissioner Inland Revenue (Appeals) was partially allowed reducing the principal amount to Rs 235,160 thousand alongwith default surcharge and penalty. The matter is now subjudice before the Appellate Tribunal which is yet to be decided. The management of the Company is confident that the matter will ultimately be decided in the Company's favour. Accordingly, no provision has been made in these condensed interim financial statements.</p>   |                  |           |
| <p>(v) Cabinet Division, the Government of Pakistan constituted an Inquiry Commission (the Commission) under Pakistan Commissions of Inquiry Act, 2017 vide Notification No.01/05/2020 Lit-III dated July 28, 2020 to probe into the shortage of Petroleum Products in the Country. The Commission in its report dated December 01, 2020, held the Petroleum Division, Oil and Gas Regulatory Authority (OGRA) and Oil Marketing Companies (the "OMCs"), responsible for Petroleum Products shortage crisis in Pakistan in the month of June 2020. The Commission in its report also observed that during the months of May and June 2020, it witnessed the apathy of certain OMCs, which imported oil but hoarded or slowed down the supply to their retail outlets till the government increased the prices on June 26, 2020. Besides recommending various actions in the</p>  |                  |           |



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

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report, the Commission also recommended that all such alleged gains be recovered from OMCs by the Federal Government as these profits rightfully belonged to the general consumers at large.

Writ Petitions were also filed as Public Interest Litigation before Lahore High Court, Lahore, wherein, the Honourable High Court in its order dated June 25, 2021 while disposing of these Petitions gave directions to the Federal Government for making necessary arrangements for the implementation of the recommendations proposed by the Commission and also form a committee for recovery of alleged gains from OMCs only after taking point of view of all concerned and establishing on the facts after proper evaluation.

Since the decision of the Honourable Lahore High Court did not take into account the contentions of the respondent Oil Marketing Companies including our company, feeling aggrieved, the management of the Company has filed an Intra Court Appeal before the Divisional Bench of the Lahore High Court, Lahore. At present, the case is pending adjudication before the Honorable Lahore High Court, Lahore. The management of the Company is confident that it will be able to defend its stance effectively.

	December 31, 2021	June 30, 2021
	Rupees ('000)	
(v) The Company's share of contingencies of associated companies based on condensed interim financial statements of associated companies for the period ended September 30, 2021 (June 30, 2021: March 31, 2021)	<b>231,311</b>	168,811
<b>9.2 COMMITMENTS</b>		
(i) Capital expenditure commitments	<b>1,252,545</b>	1,337,386
(ii) Commitments for import of petroleum products against letter of credit facility	<b>11,479,664</b>	8,158,760
(iii) The Company's share of commitments of associated companies based on condensed interim financial statements of associated companies for the period ended September 30, 2021 (June 30, 2021: March 31, 2021)		
- Capital expenditure commitments	<b>5,874</b>	5,678
- Outstanding letters of credit	<b>22,781</b>	1,300
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets		
Owned assets - note 10.1	<b>8,478,501</b>	8,738,817
Right of use assets - 10.2	<b>6,787,845</b>	7,175,242
Capital work in progress - 10.3	<b>980,189</b>	702,760
	<b>16,246,535</b>	16,616,819

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	<b>Six months ended December 31, 2021</b>	Year ended June 30, 2021
	Rupees ('000)	
<b>10.1</b> Owned assets		
Opening net book value	<b>8,738,817</b>	6,897,852
Additions (Transfer from Capital work in progress)	<b>258,568</b>	2,741,631
Disposals		
Cost	<b>(30,470)</b>	(66,762)
Accumulated depreciation	<b>29,577</b>	65,128
	<b>(893)</b>	(1,634)
Depreciation charge	<b>(517,991)</b>	(899,032)
Closing net book value	<b>8,478,501</b>	8,738,817
<b>10.2</b> Right of use assets		
Opening net book value	<b>7,175,242</b>	5,095,125
Additions	<b>35,451</b>	2,736,494
Depreciation charge	<b>(432,995)</b>	(727,971)
Remeasurement	<b>10,147</b>	71,594
Closing net book value	<b>6,787,845</b>	7,175,242
<b>10.3</b> Capital work in progress		
Opening Balance	<b>702,760</b>	1,846,684
Additions	<b>535,997</b>	1,597,707
Transfers to owned assets	<b>(258,568)</b>	(2,741,631)
Closing balance	<b>980,189</b>	702,760
<b>10.4</b> Included in operating assets are assets having cost of Rs 615,123 thousand (June 30, 2021: Rs 614,853 thousand) and accumulated depreciation of Rs 286,202 thousand (June 30, 2021: Rs 248,363 thousand) in respect of Company's share in joint operations at New Islamabad International Airport as referred in note 26 to these condensed interim financial statements.		

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
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**11. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES**

	<b>December 31, 2021</b>		June 30, 2021	
	Holding %	Amount Rs ('000)	Holding %	Amount Rs ('000)
<b>11.1</b> The Company's interest in associated companies is as follows:				
National Refinery Limited - Quoted	1	<b>566,590</b>	1	561,942
Attock Refinery Limited - Quoted	1.68	<b>392,380</b>	1.68	384,554
Attock Information Technology Services (Private) Limited - Unquoted	10	<b>42,013</b>	10	39,538
Carrying value on equity method		<b>1,000,983</b>		986,034
Less: Impairment loss				
National Refinery Limited		<b>(173,155)</b>		(143,565)
Attock Refinery Limited		<b>(134,620)</b>		-
		<b>(307,775)</b>		(143,565)
		<b>693,208</b>		842,469

**Six months ended December 31, 2021**      Year ended June 30, 2021  
Rupees ('000)

**11.2 Movement during the period / year**

Balance at beginning of the period / year	<b>842,469</b>	807,973
Share of profit / (loss) of associated companies	<b>23,866</b>	(7,257)
Impairment (loss)/reversal related to investment in		
- National Refinery Limited	<b>(29,590)</b>	32,673
- Attock Refinery Limited	<b>(134,620)</b>	8,137
	<b>(140,344)</b>	33,553
Share of other comprehensive (loss) / income of associated companies	<b>(920)</b>	943
Dividend from associated companies	<b>(7,997)</b>	-
Balance at end of the period / year	<b>693,208</b>	842,469

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**11.3** The Company has assessed the recoverable amount of the investment in National Refinery Limited based on higher of the value-in-use (VIU) and fair value (level 1 in the fair value hierarchy - quoted market price as at December 31, 2021). VIU is based on a valuation analysis carried out by an external investment advisor engaged by the Company on annual basis. VIU of Rs 492 per share has been assessed on discounted cash flow based valuation methodology which assumes an average gross profit margin of 3.8% (2021: 3.8%), terminal growth rate of 4% (2021: 4%) and capital asset pricing model based discount rate of 20.05% (2021: 20.05%).

**11.4** The Company has assessed the recoverable amount of the investment in Attock Refinery Limited based on fair value (level 1 in the fair value hierarchy - quoted market price as at December 31, 2021).

<b>December 31, 2021</b>	June 30, 2021
Rupees ('000)	

**12. LONG TERM DEPOSITS**

Deposits		
With related party - The Attock Oil Company Limited	<b>14,226</b>	14,226
Others	<b>375,165</b>	213,391
	<b>389,391</b>	227,617

**13. STOCK IN TRADE**

**13.1** Stock in trade includes the Company's share of pipeline stock amounting to Rs 4,407,850 thousand (June 30, 2021: Rs 3,335,687 thousand) and Rs 722,145 thousand (June 30, 2021: Rs 1,067,831 thousand) held by Pak-Arab Pipeline Company Limited and Pak-Arab Refinery Limited respectively.

**13.2** It includes Rs 480,677 thousand (June 30, 2021: Rs 456,321 thousand) being Company's share in joint operation (as disclosed in note 26 to these condensed interim financial statements).

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	<b>December 31, 2021</b>	June 30, 2021
	Rupees ('000)	
<b>14. TRADE DEBTS</b>		
Considered good		
Secured	<b>813,914</b>	1,440,179
Unsecured		
Due from related parties - note 14.1	<b>7,434,853</b>	5,402,241
Others - note 14.2	<b>4,006,411</b>	4,182,825
	<b>11,441,264</b>	9,585,066
Considered doubtful		
Others	<b>157,797</b>	171,559
	<b>12,412,975</b>	11,196,804
Less: loss allowance	<b>(157,797)</b>	(171,559)
	<b>12,255,178</b>	11,025,245
<b>14.1 Due from related parties</b>		
Attock Gen Limited	<b>7,351,019</b>	5,335,886
Pakistan Oilfields Limited	<b>55,111</b>	39,512
Attock Cement Pakistan Limited	<b>25,274</b>	26,843
Attock Refinery Limited	<b>362</b>	-
National Refinery Limited	<b>3,087</b>	-
	<b>7,434,853</b>	5,402,241

**14.2** It includes Rs 570,394 thousand (June 30, 2021: Rs 312,867 thousand) being Company's share in joint operation (as disclosed in note 26 to these condensed interim financial statements).

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	<b>December 31, 2021</b>	June 30, 2021
	Rupees ('000)	
<b>15. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Advances to suppliers and employees	<b>101,396</b>	47,133
Short term prepayments	<b>49,810</b>	19,058
Current account balances with statutory authorities	<b>442,431</b>	409,826
Accrued income on bank deposits	<b>24,536</b>	11,585
Price differential claim receivable from the Government	<b>28,528</b>	28,528
Receivable from oil marketing companies under freight pool - note 15.1	<b>882,702</b>	877,294
Receivable from Joint Operator - note 26	<b>142,705</b>	1,511
Due from related parties - unsecured		
Attock Gen Limited	<b>784,265</b>	3,851,745
The Attock Oil Company Limited	<b>215</b>	486,973
Attock Information Technology Services (Private) Limited	<b>990</b>	725
Attock Cement Pakistan Limited	<b>65</b>	64
Less: loss allowance	<b>(158,562)</b>	(469,492)
	<b>2,299,081</b>	5,264,950

**15.1** It includes Rs 205,713 thousand (June 30, 2021: Rs 205,713 thousand) withheld by Oil and Gas Regulatory Authority under order for recovery of freight charges and petroleum levy on supplies during years 2009 to 2011. For related contingency please refer note 9.1 (iii) to these condensed interim financial statements.

	<b>December 31, 2021</b>	June 30, 2021
	Rupees ('000)	
<b>16. SHORT TERM INVESTMENTS</b>		
Investment in treasury bills - at amortized cost - note 16.1		
Upto three months	<b>675,472</b>	409,776
Later than six months but not later than one year	<b>394,737</b>	645,557
	<b>1,070,209</b>	1,055,333
Investment in mutual funds - at fair value through profit or loss	<b>-</b>	505,075
	<b>1,070,209</b>	1,560,408

**16.1** Short term investments in treasury bills earned interest at effective rate of 8.18% per annum (June 30, 2021: 7.82% per annum).



**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
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Three month period ended		Six month period ended	
December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020

Rupees ('000)

**20. FINANCE INCOME AND COST**

**Finance income**

Income on bank deposits and  
short term investments  
Late payment charges

<b>236,313</b>	102,936	<b>395,542</b>	208,634
<b>167,562</b>	203,489	<b>284,695</b>	482,930
<b>403,875</b>	306,425	<b>680,237</b>	691,564

**Finance cost**

Bank charges  
Unwinding of lease liabilities  
Unwinding of long term loan  
Late payment charges

<b>64,587</b>	27,818	<b>116,328</b>	47,224
<b>175,727</b>	153,902	<b>352,003</b>	288,633
<b>214</b>	404	<b>482</b>	964
<b>159,899</b>	192,591	<b>270,344</b>	453,940
<b>400,427</b>	374,715	<b>739,157</b>	790,761

Net finance income/(cost)

<b>3,448</b>	(68,290)	<b>(58,920)</b>	(99,197)
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**21. OTHER CHARGES**

Workers' profit participation fund  
Workers' welfare fund

<b>331,075</b>	47,335	<b>511,239</b>	162,117
<b>123,342</b>	17,635	<b>190,462</b>	60,397
<b>454,417</b>	64,970	<b>701,701</b>	222,514

**22. PROVISION FOR TAXATION**

Current income tax  
Deferred income tax

<b>1,877,829</b>	317,040	<b>2,803,251</b>	969,845
<b>(104,687)</b>	(115,833)	<b>(37,596)</b>	(121,414)
<b>1,773,142</b>	201,207	<b>2,765,655</b>	848,431

**23. FAIR VALUE MEASUREMENT**

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2021. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended June 30, 2021.

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



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The Company held the following financial assets at fair value:

	December 31, 2021			June 30, 2021
	(Level 1)	(Level 2)	(Level 3)	
	Rupees ('000)			
Short term investments:				
Investment at fair value through profit or loss	-	-	-	-
	-	-	-	-
				505,075
				505,075

  

	Three month period ended		Six month period ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Rupees ('000)			

**24. TRANSACTIONS WITH RELATED PARTIES**

**Associated companies**

Purchase of petroleum products	<b>42,598,923</b>	18,696,064	<b>76,283,287</b>	41,891,522
Sale of petroleum products	<b>2,631,300</b>	1,053,179	<b>6,949,215</b>	3,226,620
Commission and handling income	<b>298,990</b>	163,078	<b>519,803</b>	258,968
Late payment charges earned - Attock Gen Limited	<b>166,295</b>	200,295	<b>281,158</b>	472,098
Late payment charges - Attock Refinery Limited	<b>159,899</b>	193,591	<b>270,344</b>	453,940
Administrative services expense	<b>103,640</b>	44,878	<b>171,452</b>	193,021
Dividend paid during the period to associated companies	<b>1,512,749</b>	260,668	<b>1,596,586</b>	260,668

**Other related parties**

Remuneration of Chief Executive and key management personnel including benefits and perquisites	<b>47,474</b>	30,433	<b>93,348</b>	48,739
Lease rentals paid to Chief Executive for retail outlet	<b>16,147</b>	11,808	<b>31,147</b>	11,808
Contribution to staff retirement benefits plans				
APL Employees provident fund	<b>4,853</b>	4,828	<b>9,810</b>	9,652
APL Gratuity fund	<b>4,354</b>	4,005	<b>8,740</b>	8,004
Contribution to workers' profit participation fund	<b>331,075</b>	47,335	<b>511,239</b>	162,117

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**25. SEGMENT REPORTING**

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

Product	Three month period ended		Six month period ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Rupees ('000)			
High Speed Diesel	<b>33,024,795</b>	17,794,224	<b>56,822,545</b>	32,853,628
Premier Motor Gasoline	<b>34,262,178</b>	21,115,797	<b>65,411,612</b>	41,926,028
Furnace Fuel Oil	<b>11,566,117</b>	8,520,464	<b>33,168,469</b>	20,829,436
Bitumen	<b>4,030,033</b>	1,748,181	<b>7,110,491</b>	3,788,987
Jet petroleum	<b>2,750,662</b>	1,346,794	<b>4,630,014</b>	1,850,428
Others	<b>2,599,595</b>	2,099,143	<b>4,634,646</b>	4,346,841
	<b>88,233,380</b>	52,624,603	<b>171,777,777</b>	105,595,348

**25.2** There is no single external customer of the Company whose revenue amounts to 10% or more of the Company's total revenue during the six month period ended December 31, 2021 (December 31, 2020: Nil).

**26. INTEREST IN JOINT OPERATION**

In March 2015, the Company entered into a joint arrangement with Pakistan State Oil (PSO) for establishment, operation and maintenance of a fuel farm and to operate and maintain the Hydrant Refueling System at the New Islamabad International Airport. Each party has a 50% share in the joint arrangement and it is an un-incorporated joint arrangement. The Company has classified this arrangement as a joint operation. The fuel farm and refueling system started its operations on May 02, 2018. The Company has recognised its share of jointly held assets, liabilities, revenues and expenses of the joint operation under the appropriate heads and disclosed the same in related notes to these condensed interim financial statements.

**27. LETTER OF CREDIT AND SHORT TERM RUNNING FINANCE FACILITIES**

**27.1** The Company has entered into arrangement with banks for obtaining Letter of Credit facilities to import petroleum products and spare parts and materials upto a maximum of Rs 9,000 million (June 30, 2021: Rs 9,000 million). These facilities are secured against first pari passu charge of Rs 10,203 million (June 30, 2021: Rs 10,203 million) on all present and future current and fixed assets of the Company (excluding land and building). The unavailed facility at December 31, 2021 was Rs 9,000 million (June 30, 2021: Rs 9,000 million). The Company has also entered into an arrangement with banks for obtaining Letter of Credit at sight facilities to import petroleum products and spare parts and materials upto a maximum of Rs 16,000 million (June 30, 2021: Rs 13,000 million). The unavailed facility at December 31, 2021 was Rs 4,520 million (June 30, 2021: Rs 842 million). These facilities will expire on June 30, 2022.

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
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**27.2** The Company has three running finance facilities aggregating to Rs 8,300 million (June 30, 2021: Rs 8,300 million). No amount has been utilized from aforementioned facilities as at December 31, 2021 (June 30, 2021: Rs Nil). These facilities carry mark-up at the rates ranging from three months Kibor + 0.08% to one month Kibor + 0.3% and 0.4% (June 30, 2021: from three months Kibor + 0.25% to one month Kibor + 0.3% and 0.4%) per annum. Mark up on facilities is to be serviced on monthly and quarterly basis. The facilities are secured against first pari passu charge on all present and future current and fixed assets of the Company (excluding land and building) and lien of import documents.

**28. 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, 2021.

**29. GENERAL**

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

The Company has taken appropriate measures to keep its human resource and assets safe and secure. Further, the Company is continuously monitoring the situation to counter act the changed environment.

The management believes that there is no significant financial impact of COVID-19 on the carrying amounts of assets and liabilities or items of income or expenses, as disclosed in these condensed interim financial statements. The management has evaluated and concluded that there are no material implications of COVID-19 that require specific disclosures in these condensed interim financial statements.

**29.2** Figures have been rounded off to the nearest thousand of Pakistan Rupees unless otherwise specified.

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

The Board of Directors in its meeting held on February 04, 2022 have declared an interim cash dividend @ Rs 15/- per share, amounting to Rs 1,492,992 thousand for the year ending June 30, 2022.

**31. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on February 04, 2022.



**Rehmat Ullah Bardaie**  
Chief Financial Officer



**Shuaib A. Malik**  
Chief Executive



**Abdus Sattar**  
Director









**Attock**

**Attock Petroleum Limited**

Attock House, Morgah, Rawalpindi - Pakistan

Tel: +92-51-5127250-4

[www.apl.com.pk](http://www.apl.com.pk)