

Annual Report

2013

Going the
Distance →



Attock

Attock Petroleum Limited

Financial Highlights

// Our
Performance
in numbers //

Net Sales Revenue
Rs. 164,710
million

Gross Profit
Rs. 5,177
million

Operating Profit
Rs. 4,873
million

Cash Dividend
Rs. 3,110
million

Profit After Tax
Rs. 3,907
million

Bonus Issue
20%

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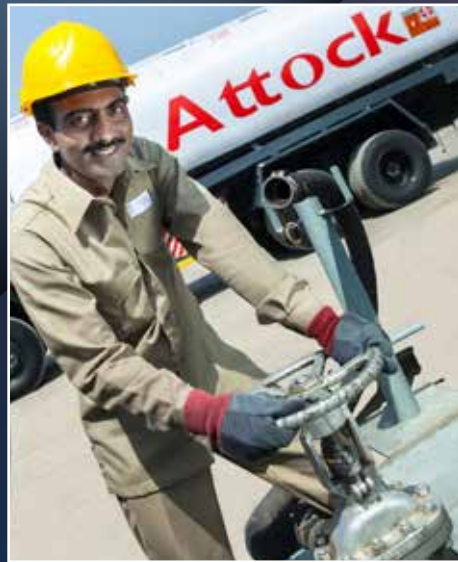
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our Vision

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

Fuelling Pakistan



Our Mission

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



Core Values

Ethical Principles and Moral Values

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

Commitment and Cooperation

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

Environment Consciousness

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

Corporate Social Citizenship

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

Maximum Stakeholder Return

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

Corporate Strategy

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

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



Quality Policy Statement

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

1. The primary objective of the Quality Management System is to ensure conformance to product specifications of all goods shipped to customers.
2. Clearly identify and understand our internal and external customers stated and hidden needs, to develop a way of working to meet and exceed the expectations of customers.
3. Provide confidence to management, our employees, clients, and stakeholders that the requirements for quality are being fulfilled and maintained and that quality improvement is continuously taking place.
4. To develop measurement techniques to gauge performance for improving effectiveness of our services, operations and quality management system.
5. Fulfill all quality system requirements stated in our Quality Manual, including the requirements of ISO 9001:2000.
6. To be a trustworthy and leading oil marketing organization for providing consistent high quality products and services in the market.

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





Quality Assurance Unit to ensure delivery of premium quality products to customers

Code of Conduct



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

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

1. Respect, Honesty and Integrity

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

2. Compliance with Laws, Rules and Regulations

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

3. Full and Fair Disclosure

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



Operations Control Room

accordance with the procedures established by the Company's Board of Directors.

4. Prevent Conflict of Interest

Directors and employees, irrespective of their function, grade or standing, must avoid conflict of interest situations between their direct or indirect (including members of immediate family) personal interests and the interest of the Company.

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

5. Trading in Company Shares

Trading by directors and employees in the Company shares is possible only in accordance with the more detailed guidelines issued from time to time by corporate management in accordance with applicable laws.

6. Inside Information

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

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

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

Code of Conduct

7. Media Relations and Disclosures

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

8. Corporate Opportunities

Directors and Employees are expected not to:

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

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

9. Competition and Fair Dealing

The Company seeks to outperform its competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each director and employee is expected to deal fairly with Company’s customers, suppliers, competitors, and other employees. No one is to take unfair advantage of anyone through manipulation, abuse of privileged information, or any other unfair practice.

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

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

10. Equal Employment Opportunity

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

11. Work Environment

All employees are to be treated with respect. The





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

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

12. Protect Health, Safety and Security

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

13. Record Keeping

The Company is committed to compliance with all applicable laws and regulations that require the Company to maintain proper records and accounts which accurately and fairly reflect the Company's

transactions. It is essential that all transactions be recorded and described truthfully, timely and accurately on the Company's books. No false, artificial or misleading transactions or entries shall be reflected or made in the books or records of the Company for any reason.

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

14. Protection of Privacy and Confidentiality

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

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

Code of Conduct

15. Protection and Proper use of Company Assets / Data

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

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

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

16. Gift Receiving

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

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

17. Communication

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

18. Employee Retention

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

19. Internet use / Information Technology

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

20. Compliance with Business Travel Policies

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

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

21. Compliance

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

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



Model Filling Station, F-11, Islamabad

Environment, Health & Safety Policy



Attock Petroleum Limited's overriding objective is to ensure that none of our activities harm our employees, the public or the environment.

In order to achieve this objective...

We embrace a comprehensive policy on the Environment, Safety and Health that includes:-

1. We consider that none of our activities are more important than health and safety of any individual or protection of environment.
2. As a minimum we will comply with all relevant legislation and any other requirements to which we subscribe.
3. We will encourage a pro-active safety culture and ensure that each employee is trained, experienced and competent to perform his or her duties.



4. We will strive to remove all causes of accidents and events and to minimize the consequences of such if they occur.
5. We will ensure that all our operations are performed, and seen to be performed safely.
6. We will strive to continually improve performances in all areas of EHS performance and priorities on the basis of risk.
7. We will apply our EHS policy, standards, objectives and targets to our Retail Outlets, Distributors, Dealers and Contractors.

Chairman's Review



Dr. Ghaith R. Pharaon
Chairman



It is a great pleasure to welcome you to the 18th Annual General Meeting of the Company and to present Company's annual report and audited financial statements for the year ended June 30, 2013.

I am pleased to report that your Company continued to perform strongly in 2012-13 and made significant progress across core businesses, delivering on its strategy in the face of the prevailing uncertain global and national economic conditions.

The nation continued to witness tough fiscal challenges and unstable economy, suffering from the consequences of a number of factors like increased prices of petroleum products, excessive power and gas shortages, unstable law and order situation, growing unemployment and income disparities. These challenges not only restricted targeted growth in GDP but also did not let the oil industry to grow to its desired level. The annual oil trade for petroleum products increased by 3% only. Further imposition of certain restrictions on export of petroleum products to Afghanistan not only adversely impacted the profitability of the Company and the industry as a whole but also deprived the Country of the valuable foreign exchange. On the other hand, partial settlement of pending circular debt by the Government at the end of the year and nominal increase in margins of regulated products during the year were positive steps for the oil industry.

Despite these challenges, your Company managed to increase its overall market share to 9.3% from 9.1% of last year due to its targeted and pro-active marketing strategy. This is reflection of our commitment and focus on operational excellence, financial discipline, risk management and principles of good corporate governance.

Financially, the year under review will be remembered for the persistently difficult macroeconomic factors that challenged us throughout the year. Relentless endeavours and increase in customer base coupled with increase in product prices resulted in increase in net sales

revenue by 8% to Rs. 164,710 million (2011-12: Rs. 152,843 million). However, tough market conditions which resulted in reduced margins and increased cost of doing business together with other challenges mentioned above resulted in reduction in net profitability by 5% to Rs. 3,907 million (2011-12: Rs. 4,120 million) and translated into earnings per share of Rs. 56.52 (2011-12: Rs. 59.61).

As we move forward, we have clear priorities, direction and focus. I remain confident of the continued success in the coming years and see great opportunities ahead. Our balance sheet is in a position that enables us to meet stern challenges. In shaping our portfolio, our priority is to create value for our shareholders and enable them to share in Company's growth. I would like to thank them for their continued support and loyalty.

We remain very optimistic about the future growth prospects for the Company. With its solid foundation across the oil and gas sectors in Pakistan and the anticipated rising demand for energy, we anticipate an even better future for its businesses in the years to come.

I would like to pay tribute to our Board members, management and all employees for delivering sustainable value growth. This has been another demanding year and they have shown admirable dedication. I also wish to place on record my appreciation and gratitude for the support received from Ministry of Petroleum & Natural Resources, Oil and Gas Regulatory Authority and other Government organizations and business partners for their enduring relationship.

Dr. Ghazir R. Pharaon
Chairman

Rawalpindi.
August 14, 2013

Board of Directors



Mr. Laith G. Pharaon
Non Executive Director



Dr. Ghaith R. Pharaon
Chairman
Non Executive Director



Mr. Wael G. Pharaon
Non Executive Director



Mr. Abdus Sattar
Independent Non Executive Director



Mr. Shuaib A. Malik
Chief Executive Officer & Alternate Director
to Dr. Ghaith R. Pharaon
Executive Director



Mr. Babar Bashir Nawaz
Non Executive Director



Mr. M. Adil Khattak
Non Executive Director



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



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

Board Committees and Corporate Information



Board Audit Committee

- | | |
|---|----------|
| 1. Mr. Abdus Sattar | Chairman |
| 2. Mr. Babar Bashir Nawaz | Member |
| 3. Mr. Iqbal A. Khwaja
(Alternate director to
Mr. Laith G. Pharaon) | Member |

Human Resource & Remuneration Committee

- | | |
|---------------------------|----------|
| 1. Mr. Babar Bashir Nawaz | Chairman |
| 2. Mr. Shuaib A. Malik | Member |
| 3. Mr. M. Adil Khattak | Member |

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Registered Office

Attock House, Morgah
Rawalpindi, Pakistan.

Legal Advisor

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

Share Registrar

THK Associates (Pvt.) Limited
Ground Floor, State Life Building-3
Dr. Ziauddin Ahmed Road, Karachi.
Tel: +92-21-111-000-322
Fax: +92-21-35655595

Bankers

Allied Bank Limited
Faysal Bank Limited
Habib Bank Limited
JS Bank Limited
National Bank of Pakistan
MCB Bank Limited
The Bank of Khyber
The Bank of Punjab
The Bank of Tokyo Mitsubishi
United Bank Limited

Correspondence Address

Attock House, Morgah
Rawalpindi, Pakistan.
Tel: +92-51-5127250-54
Fax: +92-51-5127272
Email: contact@apl.com.pk
Website: www.apl.com.pk

Board & Management Committees

and their Terms of Reference



Board of Directors' meeting in progress

Board Committees

The management is committed to follow the principles of good Corporate Governance and being a responsible corporate entity it believes in transparency of system for effective monitoring and to enhance governance process. Different Board Committees have been formed to assist the Board in fulfilling its responsibilities.

Board Audit Committee

The Audit Committee reviews the financial and internal reporting processes, the system of internal control, management of risk and the internal and external audit processes. The Audit Committee ensures that the Company has a sound system of internal financial and operational controls. It assists the Board in discharge of its fiduciary responsibilities. The Audit Committee reviews the periodical statement of the Company before their respective presentation to the Board and ensures implementation of relevant controls for the integrity of the information. The Committee recommends to the

Board of Directors the appointment of external auditors and discusses major observations with the external auditors arising from interim review and final audit. In doing so, Committee also reviews the management letter issued by the external auditors and management's response thereto. The Committee also goes through the legal matters which may significantly impact the financial statements and ensure compliance with relevant statutory requirements. Besides this, monitoring compliance with the best practices of corporate governance, investigating any violations thereof and ensuring coordination between internal and external auditors are also the main responsibilities of the Audit Committee.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee is responsible for recommending human resource management policies. The Committee is also

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

Budget Committee

The Committee comprises of three directors and their responsibility is to assist the Board in formulating the annual budget and forecasts and reviewing analysis of actual performance with those budgeted/forecasted. The Committee also keeps an eye on the developments and trends in the industry to assist the Board in planning for future capital intensive investments and growth of the Company.

Share Transfer Committee

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

Management Committees

Executive Committee

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

Information Technology Committee

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

Budget Committee

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

Retail Outlet Development Committee

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

Pricing Committee

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

Safety and Technical Committee

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

Directors' Report



Mr. Shuaib A. Malik
Chief Executive Officer

The Board of Directors has pleasure in presenting the annual report of Attock Petroleum Limited (APL) along with audited financial statements for the year ended June 30, 2013.

NATURE OF BUSINESS

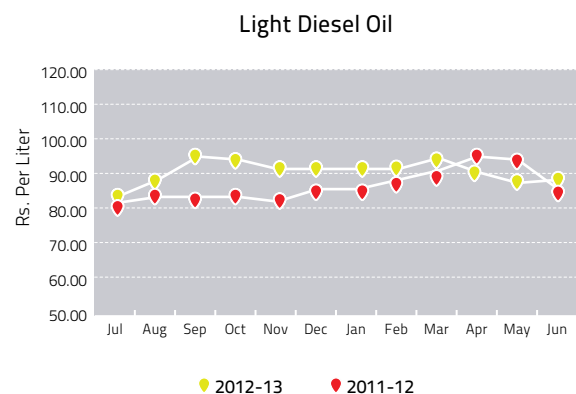
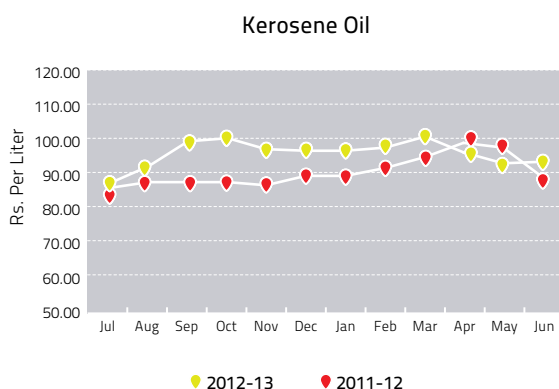
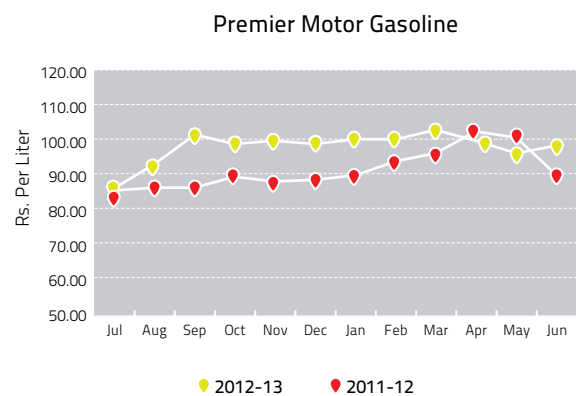
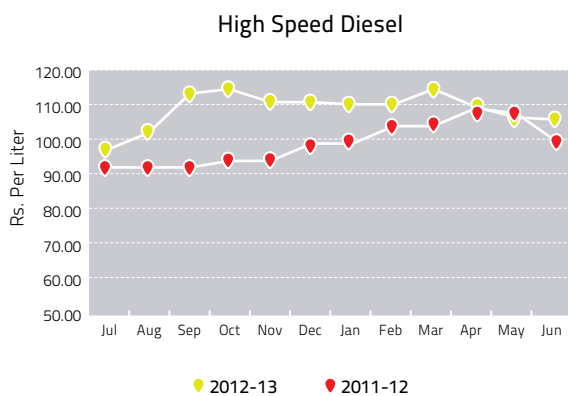
APL commenced its business in 1998 as an Oil Marketing Company (OMC) as one of the only fully integrated Oil Group in Pakistan. It serves both the local as well as the international clientele. APL's products include transport fuels, commercial and industrial products and lubricants. It markets and supplies fuels to manufacturing industry, armed forces, power producers, government/semi-government entities, developmental sector, agricultural customers etc. In Pakistan, the Oil industry operates under the regulations framed by the Government of Pakistan (GoP) through Ministry of Petroleum and Natural Resources and Oil and Gas Regulatory Authority (OGRA). OGRA regulates prices of some of the petroleum products whereas prices of other products have been deregulated and announced by the Company as per its own internal mechanism.

MARKET AND INDUSTRY REVIEW

The world economy observed some modest growth in 2013 after downward trend in 2nd half of year 2012. Though the recovery in the worldwide economical recession is gaining some strength but the energy industry contends with a wide range of challenges in shape of uncertainty and risk. It has to peer into future to ensure financial and operational success. Global demand for energy continues to grow, especially in developing countries and the oil and gas industry continues to search for new sources of energy.

The national economy experienced further deterioration in comparison to the corresponding year. The stress on macroeconomic stability mainly derived from the falling value of rupee and unsustainable structural problems like power shortages resulting in perceptible slowdown in economic activity. Energy scarcity in the country coupled with higher demand for energy consumption ultimately put pressure on the Country's energy resources. It is expected that the future energy demands in the Country will grow owing to the expected natural gas

Price Trend Analysis



Directors' Report

constraints specifically for power generation sector. This will ultimately intensify the reliance on the imported oil and oil based products. However, international sources of oil are subject to great volatility due to economic environment, operational issues, natural catastrophes and political upheavals.

The oil marketing sector of the Country is loaded with problems like increased prices of petroleum products, law and order situation in the Country and the shortage of power and gas. These challenges and problems hammered the overall trade in petroleum products during the fiscal year, particularly due to the restrictions on the export of petroleum products to Afghanistan. During the year under review, the OMC industry sales volumes stood around 19,832 thousand M.tons, only a 3% rise year-on-year. The prime reason behind petrol demand escalating during the period was the shortage of gas and the resultant CNG outages.

MANAGEMENT'S OBJECTIVES AND STRATEGIES

The management firmly adhere to the mission statement of the Company, providing quality products to industrial,

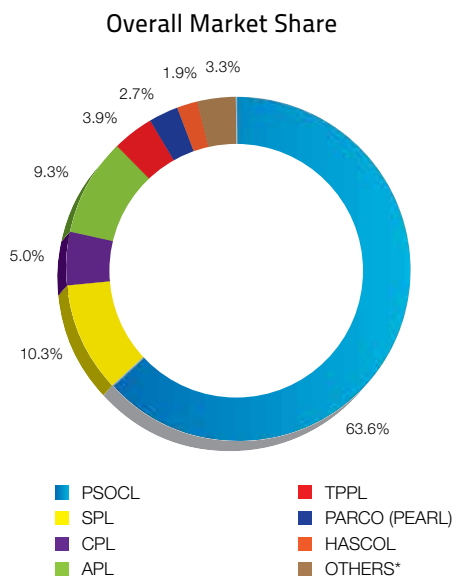
commercial and retail consumers and benefiting the community, meeting end user gratification and coming upto the expectation of stakeholders. The priorities of actions are set and periodically gauged to capture the opportunities and translating them into strengths. Long term perspective can only be achieved by mitigation of the risks and minimizing the threats to the Company.

FINANCIAL PERFORMANCE

The Company recorded net sales revenue for the year at Rs. 164,710 million, representing 8% increase over last year (2011-12: Rs. 152,843 million). This was result of higher international oil prices and increase in volume sold. However, stiff competition led to significant increase in operating expenses in order to maintain market share. Further, imposition of certain restrictions on export of petroleum products to Afghanistan led to the decrease in the profitability of the Company. Accordingly, the Company earned profit after tax of Rs. 3,907 million (2011-12: Rs. 4,120 million) and earnings per share of Rs. 56.52 (2011-12: Rs. 59.61).

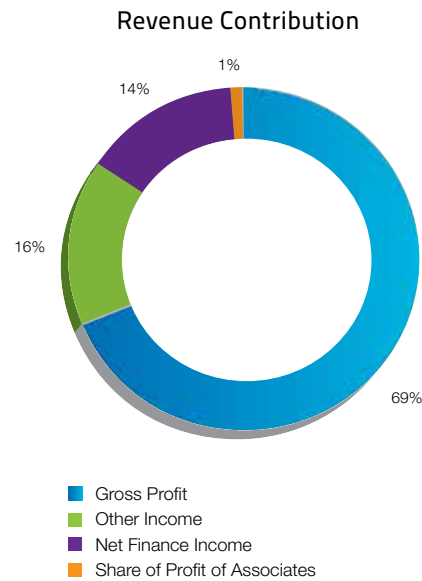
Financial results and appropriations for the year ended June 30, 2013 have been summarised below:

	Rs. in Million
Profit before taxation	5,593
Less: Provision for taxation	1,686
Profit after taxation	3,907
Add: un-appropriated profit as at July 1, 2012	11,637
Profit available for appropriation	15,544
Appropriations during the year:	
Transfer to special reserve by associated companies	31
Final cash dividend for the year 2011-12 @ 325% (Rs. 32.5 per share of Rs. 10/- each)	2,246
	2,277
Balance as at June 30, 2013	13,267
Subsequent Effects:	
Final cash dividend for the year 2012-13 @ 450% (Rs. 45/- per share of Rs. 10/- each)	3,110
Transfer to reserve for issue of bonus shares in the proportion of one share for every five shares held i.e., 20%	138
	10,019



* ASKAR, BTOPL, BPPL (MKTG), OOTCL, ZOOM, ADMORE

Source: Oil Companies Advisory Committee (OCAC)



Dividend

The directors have recommended a final cash dividend @ 450% (Rs. 45/- per share of Rs. 10/- each) and bonus issue @ 20% i.e., one share for every five shares held.

Contributions towards the Economy

The Company contributed Rs. 37,543 million towards national ex-chequer in the form of taxes and levies and earned precious foreign exchange of US\$ 19 million through export of products. The Company is serving the nation by providing premier quality petroleum products even in remote areas particularly the northern areas and interior Sindh through expansion of its network of retail outlets and distributors contributing for the development of the local labour force thus promoting employment ultimately fostering the quality of life of the local populace.

Significant changes in financial position

Total assets decreased by Rs. 434 million compared with June 30, 2012, to Rs. 30,098 million and total liabilities decreased by Rs. 2,094 million, to Rs. 16,054 million. This consists of non current assets which increased by Rs. 273 million to Rs. 2,741 million, representing expenditure on enhancement of storage, decanting facilities and construction of retail outlets. Net current assets increased by Rs. 1,438 million to Rs. 11,765

million due to cash inflow from operations. Trade debts decreased by Rs. 6,042 million representing decrease in receivable balance from Power Producers owing to payment of circular debt amount by the Government. This also contributed corresponding decrease in trade payables.

Cash flow

The Company generated cash from the operations amounting to Rs. 6,036 million and used Rs. 2,881 million in investing and financing activities. At the end of the year, the Company had cash and cash equivalents of Rs. 9,970 million and is well positioned to meet its future commitments and development plans. The management does not envisage any liquidity problem in the years to come.



Directors' Report



MARKETING AND OPERATIONS REVIEW

At APL, Sales and Marketing activities are core of our business. We are catering to our customers' needs and facilitating them, keeping in view the future trends and contending with our competitors approach toward the business.

There are many factors that hamper the smooth flow of the business and many uncertain variables that define our progress model. Despite these, our Company remained steadfast in modelling successful business strategies. Our Company retained its share of being the third largest oil marketing Company; capturing 9.3% share from overall industrial sales of the petroleum products.



During the year, 52 outlets were commissioned bringing the total number of operational retail outlets to 414 as on June 30, 2013. In addition to this, a number of prime locations have been identified for further development of our retail outlets; focusing not only on the sales volumes but also on the Company's brand image. A total of 58 retail outlets are currently under construction and additional 97 are at different stages of securing the necessary licenses.

Efficient supply planning, access to better infrastructure and larger storages; enabled your Company to take on some of the largest client organizations within Pakistan. Our Company is committed to explore new areas for expanding the business and unfolding new opportunities. APL continues to be the trusted supplier of Jet fuel to Pakistan Army in the subject year and has also won back the main fuel contract for the upcoming year, substantiating our commitment to deliver the best to our customer base. APL successfully completed the fuel (High Speed Diesel and Premier Motor Gasoline) supplies contract to Pakistan Air Force for the year under review. Moreover, we have also entered in fuel supplies contract with Pakistan Navy in Lahore.



APL is further focusing on the technological advancements in all its business activities. It launched the use of a Tracker system for its fleet for Journey management and ETA (Estimated Time of Arrival) calculations. Any unusual delay can be judged and interpreted using this system. Quality of the seals used in the fleet is also improved, ensuring better controls over product losses, any unlawful decanting and prevention from adulteration of the product moving in the tank lorries, thus gaining confidence and reliability of the customers.

Focusing on consistent product quality, the quality testing lab at Machike Bulk Oil Terminal (MBT) is upgraded for external sample testing and installation of Reid Vapour Pressure (RVP) testing equipments for improving PMG quality tests. Further, product flow meters calibration of all terminals from a renowned company SGS has been done for getting assurance of delivery of right quantity of the product to the customers. Two new filling bays were commissioned with separate metering system at MBT to speed up the filling process at the terminal. At Rawalpindi Bulk Oil Terminal (RBT) and Machike Bulk Oil Terminal decantation gantry has been installed/extended for minimum time utilization for decantation of the product ultimately strengthening our supply chain for product availabilities/movements via tankers and bowzers. Further, to ensure correctness of measurements and quantity of products, calibration facility has been established at Karachi Bulk Oil Terminal.

Your Company entered into some new agreements with other OMCs for smooth supply of major products to customers and create alternate supply sources in the southern hemisphere of the Country.

In order to explore new business opportunities, APL in collaboration with M/s Pakistan State Oil Company Limited participated in bidding for establishing a fuel farm and operation and maintenance of Hydrant Refuelling System at the New Benazir Bhutto International Airport, Islamabad and has been declared successful by Pakistan Civil Aviation Authority (CAA). Negotiations are underway with CAA for planning of the job and on other modalities and work is expected to start shortly.

During the year, Company participated in the bidding process for acquisition of Chevron Pakistan Limited's offered business in Pakistan together with 12% shareholding in Pakistan Refinery Limited. However, due diligence could not be satisfactorily completed as very limited information was made available. Further, there were certain other conditions and requirements from the seller which could have significant adverse impact in times to come and accordingly were not acceptable to APL. Therefore, the bid price was discounted to take effect of above mentioned factors, hence APL did not qualify as preferred bidder.

The Company recognizes the importance of improving and expanding infrastructure for sustaining economic development and gaining the competitive edge. So

Directors' Report



despite stiff investment conditions in the Country, your Company has managed to endure several projects and invest in this sector significantly. Substantial investment for acquisition of the land at Mehmood-kot and building oil storages is being made which will help us streamline our operations in the mid country region and unfold new avenues to penetrate and also ensuring undisturbed supplies in the associated regions.

RISK MANAGEMENT

Volatility in International Oil Prices and Regulatory Risk:

High oil prices variously affect economies, both directly and indirectly. Volatile oil prices introduce uncertainty in the macroeconomic environment. Further, global conflicts, surge for oil, natural disasters and political instability influence the supply and demand envelop globally. GoP also controls the prices of the petroleum products through implementation and adjustment of various duties, taxes, levies and subsidies. Prices are the key drivers of an OMC's profitability. Higher prices translate into increased revenues and vice versa. Further, imposition/enhancement of duties, taxes, other levies and revision in pricing formula of products remain a possibility.

The Company continues to focus on developing an efficient mix of regulated and deregulated products and characterized strategy, the aggregate effect

of implementing these structural measures would significantly reduce the impact of high and volatile oil prices. GoP has demonstrated a strong commitment and taken a number of steps to completely deregulate the Oil and Gas sector in line with the overall vision of a liberalized economy.

Geo-political and Security Risk: The supply chain of the Company is dependent on timely availability of petroleum products provided by the refineries. Refineries, in turn, are relying on the availability of crude oil from the Gulf region, except for Attock Refinery Limited, which refines indigenous crude oil. Prospective restrictions imposed from the GoP from time to time on import and export of products, unfavourable law and order situation, civil unrest threaten the safe operations of the Company. There is a risk that the political instability and bad law and order situation of the country may cause disruption in the product supply thus adversely affecting the profitability of the Company.

The Company at the positive edge enjoys the support of refineries and hospitality arrangements with other OMCs under proper agreements thereby ensuring smooth supply of petroleum products for the Company.

Intense Competition: The Company operates in a very challenging business environment and faces competition to access market, services and human resources. The



Rawalpindi Bulk Oil Terminal, Morgah

domestic oil market is becoming more competitive by each passing day due to new entrants and changing operational dynamics. Lately, the oil sector has been the focus of deregulatory reforms that have been undertaken by the GoP which in turn paved the way for fierce competition compelling OMCs to adopt better marketing practices in order to retain market share.

The Company is a member of the only fully integrated oil group in Pakistan with upstream and downstream operations. With aggressive retail outlets roll-out plan and increased marketing efforts, the Company's management is well placed to compete effectively in this increasingly competitive industry.

Human Resource: There is a fierce competition among oil industry in attracting experienced and capable human resource. Employees are investments that will, if effectively managed and developed, contribute significantly towards the profitability of the Company. The implementation of the Company's strategic business plans could be hampered by failure to recruit or retain competent key personnel, the unexpected loss of such key senior employees.

The Company offers a variety of compensation packages and benefits in line with the market to help employees balance the details of their professional and personal lives. Benefits such as life insurance, medical coverage,

paid leaves and rewards etc focus on the specialized needs of employees thus retaining the quality human capital of the Company.

Health, Safety and Environment: The Company is subject to various local, national and international laws and regulations relating to health, safety and the environment. Contravening from these legislations could result in increased costs of compliance as well as penalties for non-compliance.

Our Company is committed to meet all relevant regulatory and legislative frameworks through embracing a comprehensive Health, Safety and Environment policy ensuring preservation of environment and propagation of health and safety procedures to mitigate this risk and support safe and secure execution of all business activities.

Compliance and Legal Risk: Ineffective compliance of the laws and regulation from regulatory bodies or future changes in the regulations could have an adverse effect on our Company reputation and could result in significant financial penalties being levied or any lawful action being brought against the Company or its Management.

Our Company endorse the Code of Conduct that govern all aspects of our relationship with our stakeholders. All alleged breaches of the Code are investigated and treated

Directors' Report



accordingly. Further at APL, we identify and manage legal risks through effective use of our internal and external legal advisers.

Information Technology Risk: An information technology risk should consider internal factors such as the number and length of systems failures, employee access controls, and protection of confidential data and information, as well as external factors such as the introduction of advanced software and hardware into the industry and incidents of cyber crime.

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

CORPORATE GOVERNANCE

The Company is fully compliant with the Code of Corporate Governance as per the requirements of the Listing Regulations. Specific statements are being given hereunder:

- 1) The financial statements, prepared by the management, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- 2) Proper books of account have been maintained.
- 3) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- 4) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- 5) The system of internal control is sound in design and has been effectively implemented and monitored.
- 6) There are no significant doubts upon the Company's ability to continue as a going concern.
- 7) Significant deviations from the last year's operating results have been disclosed in this Report.
- 8) Key operating and financial data of last six years in summarised form is annexed with the Report.
- 9) All major Government levies in the normal course of business, payable as at June 30, 2013, have been cleared subsequent to the year-end.
- 10) The Company does not envisage corporate restructuring or discontinuation of its operations in the foreseeable future.



Board of Directors' meeting in progress to review & approve the financial statements

- 11) The value of investments in employee retirement funds based on the latest audited accounts as of June 30, 2013 are as follows:

Employees' Gratuity fund	Rs. 19.494 million
Employees' Provident fund	Rs. 24.113 million

- 12) The total number of Company's shareholders as at June 30, 2013 was 2,337. The pattern of shareholding as at June 30, 2013 along with necessary disclosures as required under the Code of Corporate Governance is annexed.

A separate statement of compliance signed by the Chief Executive Officer is included in this Annual Report.

Directors' Training Programme

Most of the Directors meet the exemption requirement of the Directors' training program and two of the Directors' have completed this program by June 30, 2013. Further two of the Board members also attended the orientation course on Code of Corporate Governance arranged by Karachi Stock Exchange.

Board of Directors Committees and Meetings

During the year, five meetings of Board of Directors were held for review of periodic Financial Statements as well as for consideration of significant and routine matters

including those referred to it by Board Committees. The number of meetings attended by each director during the year is shown below:

Sr. No	Name	Number of meetings attended
1	Dr. Ghaith R. Pharaon*	05
2	Mr. Laith G. Pharaon*	05
3	Mr. Wael G. Pharaon*	05
4	Mr. Shuaib A. Malik	05
5	Mr. Abdus Sattar	05
6	Mr. Babar Bashir Nawaz	05
7	Mr. M. Adil Khattak	05

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

Audit Committee

The Audit Committee met five times during the year and these meetings were held prior to the Board meetings. Attendance by each member is as follows:

Sr. No	Name	Number of meetings attended
1	Mr. Abdus Sattar	05
2	Mr. Babar Bashir Nawaz	05
3	Mr. Iqbal A. Khwaja	05

Directors' Report



Quality Filling Station, H-8, Islamabad

Human Resource and Remuneration Committee

The Board Human Resource and Remuneration Committee met once during the year. Attendance by each member is as follows:

Sr. No	Name	Number of meetings attended
1	Mr. Babar Bashir Nawaz	01
2	Mr. Shuaib A. Malik	01
3	Mr. M. Adil Khattak	01

CORPORATE SUSTAINABILITY

At APL, we lay foundations of our next level of growth by strengthening our Company on all the fronts focusing on the long term sustainability factors.

Training, Human Resource and Organizational Development: The Company continuously strives for developing a conducive environment through training and development, which promote professional capabilities enabling employees to deliver optimum results. Employee is the backbone of our Company and we believe that competent, satisfied and healthy employees are invaluable assets.

APL focuses on human capital development through shared knowledge, human capacity building and opportunities for future growth by providing employee

rights, employee benefits, growth potential and a safe and healthy workplace. Thus increasing Company's productivity, profitability and competitive advantage and ultimately achieving a stronger economic performance.

Corporate Social Responsibility (CSR): Social compliance encompasses the introduction of norms and implementation of policies to ensure basic rights like equal treatment and non-discrimination.

The Company adhere to promote Corporate Social Activities and pass its benefits to the welfare of communities who directly and indirectly comes in interaction with the Company. Since 1999, APL had managed a trust i.e. APL Employees Welfare Trust (Trust) to assist the stakeholders/employees and working for their betterment at many fronts. Educational scholarships are awarded to employees' children based on financial need and academic excellence. The Trust also provides health and other welfare assistance to the needy and non-entitled staff members.

As APL is focusing on the expansion of its retail network, we also provide employment and thus improving quality of life we are operating in. CSR is an ongoing process and we are passing the benefits of our growth in different forms to the local populace.

Health, Safety and Environment (HSE) Consciousness and protection measure: At APL, the health and safety of our people are key priorities; as is the identification and management of our potential environmental impact. A commitment to Health, Safety and Environment is the essential element of APL's approach to business.

The Company equipped its employees with necessary knowledge and skills by providing proper training thus embedding HSE into every aspect of our operations, and protecting the safety of our people, our clients and the communities and the environments in which we operate.

Energy Conservation: The Company has taken a number of steps to optimise energy consumption at its various locations across the country by introducing energy efficient processes like installing LEDs (Light Emitting Diodes) in pylons and spreaders. Before taking this step, a single pylon used to consume 1978W of electricity per night which is now reduced to 700W only. Similarly, one spreader consumed 440W of electricity which has now been reduced to 36W only.

Furthermore, employees are encouraged through on-going awareness programmes to conserve the use of electricity, gas and water. Emphasis is also made on minimum use of paper (for printing purposes) unless really needed, sharing of resources and other similar green-activities.

AUDITORS

The present auditors Messrs A. F. Ferguson and Co., Chartered Accountants, retire and offer themselves for re-appointment. The Board has recommended for the re-appointment of the retiring auditors for the year ending June 30, 2014, as suggested by the Board Audit Committee.

FUTURE PLANS AND PROJECTS

Considering the exponential growth of your Company, the management is consistently generating breakthrough ideas for stable and successful business growth. Some of the major projects currently under progress are as follows:

- Land procurement for commissioning state-of-the-art Bulk Oil Terminals at strategic locations of Gatti - Faisalabad and Shikarpur.
- To ensure quality of products; a quality laboratory at Rawalpindi Bulk Oil Terminal shall be established

to guarantee the right product and also enhance customer's satisfaction.

- Enter into the high-street distribution channel for its lubricants division in order to penetrate further into new business segments.
- Upgradation of all retail outlets (over the next few years) towards the Green Signage Program (the smart and energy efficient LED based lighting systems) to ensure its contribution towards a better and greener environment for the community.
- Striving for continuous improvements in everything that we do, the Company also intends to upgrade its terminals even further. In this regard, Automated Tank Gauges on all its storage tanks will be undertaken; resulting in real-time accurate measurements/data for all products. Enhancement of storage facilities in-line with the forecasted demand in the future shall enable smooth supplies to our valuable clientele. Introduction of the Variable Speed Drive Systems to further reduce electricity consumption are all little steps towards achieving higher efficiencies in all operational activities.

ACKNOWLEDGEMENT

Directors are pleased to place on the record their sincere admiration for the continued co-operation extended to the Company by the esteemed shareholders, Company's vendors, bankers, business associates, Government of Pakistan and regulatory bodies.

The Board appreciates the continuous hard work put in by the employees at all the levels. The results of your Company are a reflection of the trust and confidence placed by all stakeholders in the Company.

On behalf of the Board



Shuaib A. Malik
Chief Executive

Rawalpindi.
August 14, 2013

Pattern of Shareholding

As on June 30, 2013

Corporate Universal Identification Number: 0035831

Form-34

Sr. No.	Number of Shareholders	Having Shares		Shares Held	Percentage
		From	To		
1	385	1	100	15,257	0.02
2	445	101	500	127,316	0.18
3	1,076	501	1,000	909,246	1.32
4	248	1,001	5,000	579,605	0.84
5	60	5,001	10,000	426,443	0.62
6	31	10,001	15,000	380,816	0.55
7	8	15,001	20,000	137,075	0.20
8	8	20,001	25,000	178,483	0.26
9	11	25,001	30,000	307,442	0.44
10	6	30,001	35,000	199,089	0.29
11	4	35,001	40,000	146,824	0.21
12	5	45,001	50,000	234,601	0.34
13	4	50,001	55,000	217,452	0.31
14	1	55,001	60,000	60,000	0.09
15	4	60,001	65,000	246,973	0.36
16	2	65,001	70,000	133,090	0.19
17	2	70,001	75,000	145,456	0.21
18	1	75,001	80,000	76,300	0.11
19	1	90,001	95,000	94,519	0.14
20	5	95,001	100,000	494,859	0.72
21	2	100,001	105,000	207,820	0.30
22	1	115,001	120,000	120,000	0.17
23	1	120,001	125,000	124,300	0.18
24	1	125,001	130,000	130,000	0.19
25	2	130,001	135,000	263,421	0.38
26	2	145,001	150,000	297,875	0.43
27	2	195,001	200,000	397,117	0.57
28	1	240,001	245,000	240,844	0.35
29	1	305,001	310,000	308,500	0.45
30	1	370,001	375,000	373,100	0.54
31	1	375,001	380,000	378,940	0.55
32	1	395,001	400,000	398,931	0.58
33	1	465,001	470,000	468,818	0.68
34	1	495,001	500,000	500,000	0.72
35	1	520,001	525,000	523,838	0.76
36	1	645,001	650,000	648,662	0.94
37	1	840,001	845,000	842,626	1.22
38	1	935,001	940,000	936,405	1.35
39	1	955,001	960,000	960,000	1.39
40	1	1,155,001	1,160,000	1,157,551	1.67
41	1	1,520,001	1,525,000	1,520,640	2.20
42	1	4,610,001	4,615,000	4,612,351	6.67
43	1	4,850,001	4,855,000	4,850,496	7.02
44	1	4,860,001	4,865,000	4,863,348	7.04
45	1	15,120,001	15,125,000	15,120,115	21.88
46	1	23,760,001	23,765,000	23,763,456	34.38
	2,337			69,120,000	100.00

Categories of Shareholders

As on June 30, 2013

Sr. No.	Categories	Number of Shareholders	Shares Held	Percentage
1	DIRECTORS, CHIEF EXECUTIVE OFFICER, THEIR SPOUSES & MINOR CHILDREN	9	4,688,736	6.78
2	ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES	5	50,118,055	72.51
3	NATIONAL INVESTMENT TRUST & INDUSTRIAL CORPORATION OF PAKISTAN	1	60,616	0.09
4	BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCIAL INSTITUTIONS	11	3,321,554	4.81
5	INSURANCE COMPANIES	5	1,624,780	2.35
6	MODARABAS & MUTUAL FUNDS	26	2,411,698	3.49
7	FOREIGN COMPANIES	9	812,837	1.18
8	TRUSTS AND FUNDS	59	999,091	1.45
9	JOINT STOCK COMPANIES	56	685,650	0.99
10	GENERAL PUBLIC (LOCAL)	2,128	4,363,602	6.31
11	GENERAL PUBLIC (FOREIGN)	28	32,381	0.05
12	SHAREHOLDERS HOLDING 10% OR MORE SHARES	2	38,883,571	56.26

Information Required

under Code of Corporate Governance

	Number of Shareholders	Shares Held
ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES		
Pharaon Investment Group Limited Holding s.a.l.	1	23,763,456
Attock Refinery Limited	1	15,120,115
Attock Petroleum Limited Employees Welfare Trust	1	4,863,348
Pakistan Oilfields Limited	1	4,850,496
The Attock Oil Company Limited	1	1,520,640
	5	50,118,055
MUTUAL FUNDS		
CDC - Trustee PICIC Growth Fund	1	1,157,551
CDC - Trustee PICIC Investment Fund	1	523,838
CDC - Trustee PICIC Energy Fund	1	378,940
CDC - Trustee MCB Dynamic Stock Fund	1	54,742
CDC - Trustee Pakistan Stock Market Fund	1	53,981
CDC - Trustee Pak Strategic Alloc. Fund	1	26,184
CDC - Trustee Pakistan Premier Fund	1	25,071
CDC - Trustee Pakistan Capital Market Fund	1	23,417
CDC - Trustee Meezan Islamic Fund	1	20,066
CDC - Trustee Meezan Tahaffuz Pension Fund - Equity Sub Fund	1	19,100
CDC - Trustee NIT-Equity Market Opportunity Fund	1	18,374
CDC - Trustee UBL Sharia Stock Fund	1	15,000
CDC - Trustee Unit Trust of Pakistan	1	14,200
CDC - Trustee MCB Dynamic Allocation Fund	1	13,500
CDC - Trustee Askari Equity Fund	1	11,900
Trustee - Pakistan Pension Fund - Equity Sub Fund	1	10,796
CDC - Trustee PICIC Stock Fund	1	10,541
CDC - Trustee JS Islamic Pension Savings Fund-Equity Account	1	8,000
Trustee - Pakistan Human Development Fund	1	6,539
CDC - Trustee UBL Stock Advantage Fund	1	5,700
CDC - Trustee Meezan Capital Protected Fund-II	1	5,400
CDC - Trustee HBL IPF Equity Sub Fund	1	4,700
CDC - Trustee AKD Index Tracker Fund	1	3,250
MC FSL - Trustee JS KSE-30 Index Fund	1	707
CDC - Trustee Al Meezan Mutual Fund	1	200
CDC - Trustee Nafa Multi Asset Fund	1	1
	26	2,411,698
DIRECTORS, THEIR SPOUSES AND MINOR CHILDREN		
Dr. Ghaith R. Pharaon	1	1
Mr. Laith G. Pharaon	1	1
Mr. Wael G. Pharaon	1	1
Mr. Shuaib A. Malik	1	4,612,351
Mr. Abdus Sattar	1	500
Mr. Babar Bashir Nawaz	1	1
Mr. M. Adil Khattak	1	29,377
Mr. Iqbal A. Khwaja	1	11,080
Mr. Rehmat Ullah Bardaie	1	35,424
	9	4,688,736

	Number of Shareholders	Shares Held
EXECUTIVES	7	96,256
PUBLIC SECTOR COMPANIES AND CORPORATIONS	2	302,460
BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCIAL INSTITUTIONS, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS	29	5,329,213
SHAREHOLDERS HOLDING 5% OR MORE VOTING RIGHTS		
Pharaon Investment Group Limited Holding s.a.l.	1	23,763,456
Attock Refinery Limited	1	15,120,115
Attock Petroleum Limited Employees Welfare Trust	1	4,863,348
Pakistan Oilfields Limited	1	4,850,496
Mr. Shuaib A. Malik	1	4,612,351
	5	53,209,766

Trade in shares by Directors, Executives* and their spouses and minor children during 2012-13:

No shares were transacted by Chief Executive, Directors, Executives and their spouses and minor children from July 01, 2012 to June 30, 2013 in the shares of the Company.

* "Executive means Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and other employees of the Company who are drawing an annual basic salary of Rs. 500,000 or more."

Awards and Achievements



ICAP & ICMAP Best Corporate Report Award

Best Corporate Report Award-2011

4th Position in Fuel and Energy Sector

Jointly organised by the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan.

Top Companies Award-2011

Amongst Top Twenty Five Companies

Organised by Karachi Stock Exchange.



Calendar of Major Events

Date	Event
July 27, 2012	Successfully commissioned calibration unit at Machike Bulk Oil Terminal, certified by renowned company.
October 25, 2012	Sale/purchase arrangements with other Oil Marketing Companies (OMCs) to meet any emergent demand of POL products across the country.
November 29, 2012	First time in history of APL, import of FFO.
December 1, 2012	Entered in to PMG imports to meet rapidly growing demand.
January 14, 2013	First time in the history of APL, we have entered into supplies of HOBC to Pakistan Army for FY 2013-14.
January 23, 2013	Successfully commissioned calibration unit at Korangi Bulk Terminal, certified by renowned company.
February 14, 2013	Won the contract for JP1 supplies to Pakistan Army for 3 rd consecutive year for the FY 2013-14. Also won back the main fuel contract of Pakistan Army for all products all over Pakistan for FY 2013-14.
February 22, 2013	Crossed a major milestone of commissioning its 400 th Retail Outlet.
February 28, 2013	Commissioned two (02) new filling bays and decantation facility at APL Machike Bulk Oil Terminal.
March 15, 2013	Calibration of product flow meters at all terminals from renowned company for getting assurance of delivery of product in right quantity to the customers.
April 3, 2013	Up-gradation of Machike Bulk Oil Terminal Lab for external samples testing and installation of RVP (Reid Vapour Pressure) testing equipment for improving PMG quality tests and customer satisfaction.
April 5, 2013	Participated in the bidding for acquisition of Chevron Pakistan Limited's offered business in Pakistan together with 12% stake in Pakistan Refinery Limited.
May 15, 2013	Entered into supplies of HSD and PMG to Pakistan Navy for FY 2013-14.
May 16, 2013	Commissioned decantation facility at APL Rawalpindi Bulk Oil Terminal.
May 24, 2013	Award of contract for establishment of the Fuel Farm and Operations & Maintenance of the Hydrant Refueling System (HRS) at the New Benazir Bhutto International Airport, Islamabad jointly with the other OMC.



Inauguration Ceremony of 400th Retail Outlet

IT Governance

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

Information Systems Strategic Planning

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

Business Alignment with Information Technology

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

Business Process Streamlining

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

IT for Internal Controls

Automated controls are being incorporated at each step of the APL Supply Chain to check and validate information being entered to reduce the possibility of human error. System generated audit and consistency mechanism are being planned to ensure system integrity.

Real Time Reporting for Decision Making

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

Business Intelligence for Planning and Forecasting

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

Value Addition and Return on Investment

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

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

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance for the year ended June 30, 2013 prepared by the Board of Directors of Attock Petroleum Limited, to comply with the Listing Regulation No. 35xl of the Karachi Stock Exchange Limited where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

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

Further, listing regulations of the Karachi Stock Exchange Limited require the Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the board of directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2013.



Chartered Accountants
Islamabad
August 14, 2013

Engagement partner: M. Imtiaz Aslam

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Lahore: 23-C, Aziz Avenue, Canal Bank, Gulberg V, P.O. Box 39, Lahore-54660, Pakistan; Tel: +92 (42) 35715864-71; Fax: +92 (42) 35715872
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Statement of Compliance with the Code of Corporate Governance for the year ended June 30, 2013

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in regulation No. 35 xl of the Listing Regulations of the Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director *	Mr. Abdus Sattar
Non Executive Directors	Dr. Ghaith R. Pharaon Mr. Laith G. Pharaon Mr. Wael G. Pharaon Mr. Babar Bashir Nawaz Mr. M. Adil Khattak Mr. Iqbal A. Khwaja (Alternate Director)
Executive Directors	Mr. Shuaib A. Malik Mr. Rehmat Ullah Bardaie (Alternate Director)

*The independent director meets the criteria of independence under clause i(b) of the Code 2002 since the present Board was elected in March 2012, prior to issuance of the revised Code in April 2012. The Code 2012 requires at least one independent director as per the definition of independent director, which would be applicable from next election of directors.

2. The Directors have confirmed that none of them is serving as a director on more than seven listed companies including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a Development Finance Institution or a Non-Banking Financial Institution, or being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred in the Board during the year.
5. The Company has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has developed vision and mission statements, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive and non-executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. Most of the Directors meet the exemption requirement of the Directors' training program and two of the Directors' have completed this program by June 30, 2013. Further two of the Board members also attended the orientation course on Code of Corporate Governance arranged by Karachi Stock Exchange.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
11. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.

13. The Directors, Chief Executive Officer and Executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises three members of whom all are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of the interim and final results of the Company as required by the Code. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed a Human Resource and Remuneration Committee. It comprises of three members, of whom two members including the Chairman are non-executive directors.
18. The Board has set up an effective internal audit function.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim /final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. We confirm that all other material principles enshrined in the Code have been complied with.

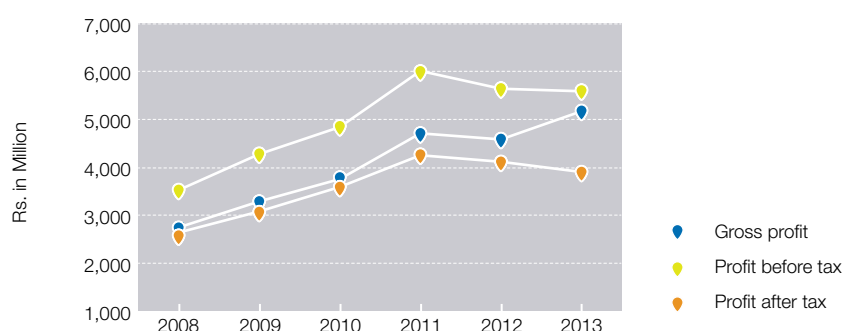


Shuaib A. Malik
Chief Executive

Morgah, Rawalpindi.
August 14, 2013

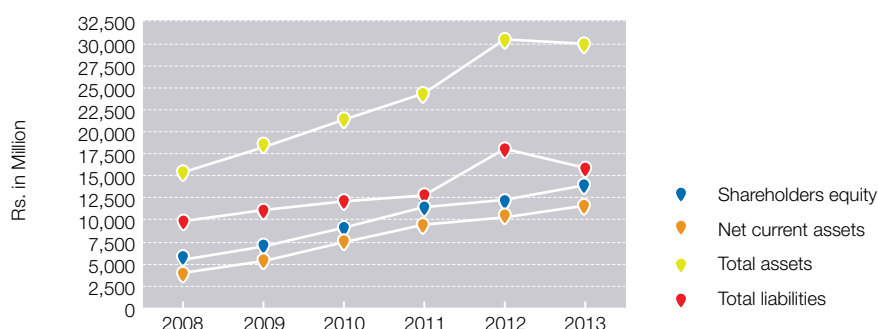
Six Years at a Glance

		2013	2012	2011	2010	2009	2008
Profit and Loss Summary							
Sales volumes	Metric Tons	1,837,357	1,761,682	1,593,336	1,436,891	1,259,404	1,234,301
Net sales	Rs thousand	164,710,177	152,843,437	109,394,725	82,791,918	61,863,152	53,242,330
Gross profit	Rs thousand	5,176,801	4,587,853	4,714,218	3,759,884	3,292,350	2,748,401
Operating profit	Rs thousand	4,873,355	5,050,460	5,374,298	4,282,497	3,659,248	3,291,374
Profit before tax	Rs thousand	5,593,404	5,646,740	6,017,511	4,846,309	4,280,419	3,529,552
Profit after tax	Rs thousand	3,906,534	4,120,315	4,256,511	3,594,309	3,082,419	2,641,552
Profit before tax, depreciation and amortization (EBITDA)	Rs thousand	5,817,731	5,822,179	6,162,575	4,973,607	4,363,053	3,606,739



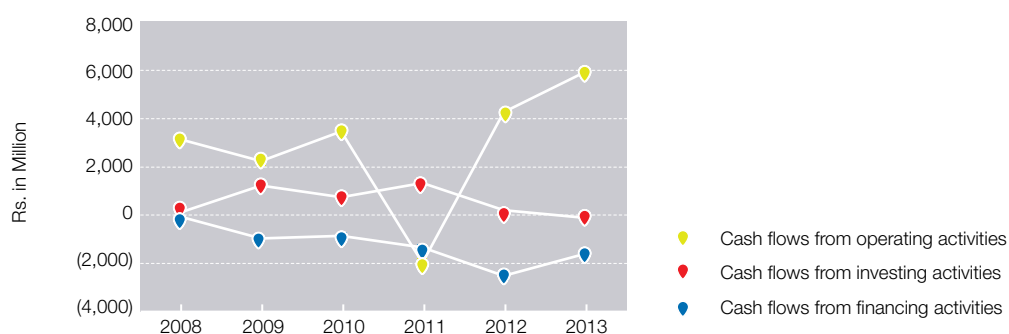
Net sales revenue in 2013 increased by 8% from 2012 due to increase in average prices of products and volume sold. Profitability decreased by 5% as compared to 2012 due to restriction on exports and stiff competition.

		2013	2012	2011	2010	2009	2008
Balance Sheet Summary							
Share capital	Rs thousand	691,200	691,200	691,200	576,000	576,000	480,000
Reserves	Rs thousand	13,352,257	11,692,123	10,855,008	8,660,577	6,506,268	5,055,849
Shareholders' equity	Rs thousand	14,043,457	12,383,323	11,546,208	9,236,577	7,082,268	5,535,849
Non-current liabilities	Rs thousand	462,871	412,729	320,316	288,908	251,538	135,137
Current assets	Rs thousand	27,356,666	28,062,795	22,247,396	19,429,233	16,408,160	13,881,634
Current liabilities	Rs thousand	15,591,191	17,735,089	12,613,827	11,917,167	10,938,626	9,842,350
Net current assets	Rs thousand	11,765,475	10,327,706	9,633,569	7,512,066	5,469,534	4,039,284
Property, plant and equipment	Rs thousand	1,862,742	1,601,576	1,374,767	1,217,217	1,130,875	922,621
Other non-current assets	Rs thousand	878,111	866,770	858,188	796,202	733,397	709,081
Capital expenditure during the year	Rs thousand	485,684	402,248	308,200	215,396	293,032	399,198
Total assets	Rs thousand	30,097,519	30,531,141	24,480,351	21,442,652	18,272,432	15,513,336
Total liabilities	Rs thousand	16,054,062	18,147,818	12,934,143	12,206,075	11,190,164	9,977,487



Equity in 2013 increased by 13% over 2012 represented by profit retained in the business. Net current assets increased by 14% due to cash inflows from operations. Non-current assets increased by 11% representing expenditure on enhancement of storage, decanting facilities and construction of retail outlets. Current assets decreased by 3% due to decrease in receivables from Power Producers owing to clearance of circular debts which also resulted in decrease in current liabilities by 12%.

		2013	2012	2011	2010	2009	2008
Cash Flow Summary							
Cash flows of operating activities	Rs thousand	6,035,751	4,213,709	(2,668,549)	3,358,779	1,999,307	2,995,311
Cash flows of investing activities	Rs thousand	(636,059)	(155,887)	966,107	318,114	849,611	(386,025)
Cash flows of financing activities	Rs thousand	(2,244,902)	(3,278,768)	(1,944,108)	(1,437,573)	(1,533,404)	(559,115)
Effect of exchange rate changes	Rs thousand	1,797	4,470	1,903	623	1,505	911
Net change in cash and cash equivalents	Rs thousand	3,156,587	783,524	(3,644,647)	2,239,943	1,317,019	2,051,082
Cash & cash equivalents at end of the year	Rs thousand	9,970,317	6,813,730	6,030,206	9,674,853	7,434,910	6,117,891



In 2013, the Company generated net cash and cash equivalents of Rs. 3,157 million due to increase in cash collection from the customers. At the end of the year, the Company had cash and cash equivalents of Rs. 9,970 million.

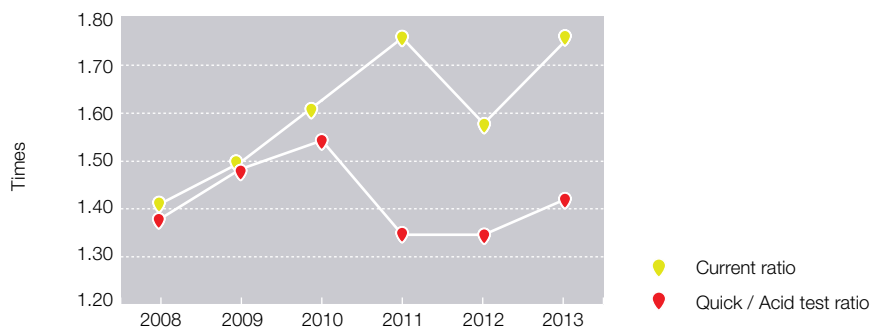
		2013	2012	2011	2010	2009	2008
Profitability and Operating Ratios							
Gross profit	%	3.14	3.00	4.31	4.54	5.32	5.16
Net profit to sales	%	2.37	2.70	3.89	4.34	4.98	4.96
EBITDA margin to sales	%	3.53	3.81	5.63	6.01	7.05	6.77
Operating leverage	%	(12.17)	(15.51)	75.21	39.08	131.39	217.53
Return on equity	%	29.56	34.44	40.96	44.05	48.86	58.77
Return on capital employed	%	29.56	34.44	40.96	44.05	48.86	58.77



In 2013, reduction in Profit after tax resulted in reduced ratios in most of the cases.

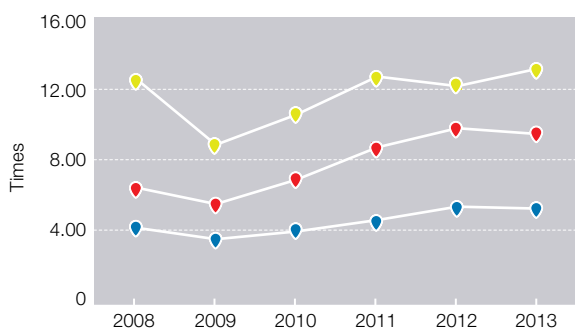
Six Years at a Glance

		2013	2012	2011	2010	2009	2008
Liquidity Ratios							
Current	Times	1.75	1.58	1.76	1.63	1.50	1.41
Quick / Acid test ratio	Times	1.42	1.35	1.35	1.55	1.49	1.38
Cash to current liabilities	Times	0.64	0.38	0.48	0.81	0.68	0.62
Cash flows from operations to sales	Times	0.04	0.03	(0.02)	0.04	0.03	0.06



In 2013, the above ratios are high compared to last year due to decrease in current liabilities resulting from settlement of circular debt issue. Cash flow from operations to sales is higher in 2013 due to increase in cash generation from operations.

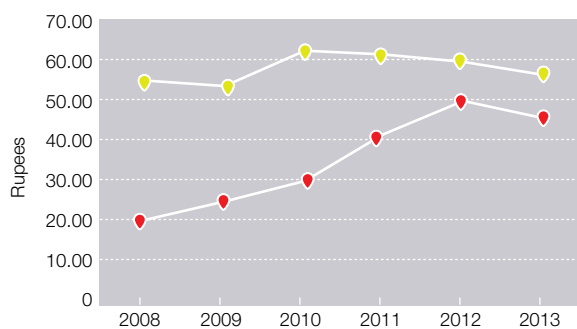
		2013	2012	2011	2010	2009	2008
Activity / Turn Over Ratios							
Inventory turnover	Times	34.23	31.50	33.55	139.29	265.87	157.60
No. of days in inventory		11	12	11	3	1	2
Debtors turnover	Times	13.36	12.40	12.95	10.73	9.06	12.79
No. of days in receivables		27	29	28	34	40	29
Creditors Turnover	Times	9.65	9.97	8.86	7.09	5.70	6.68
No of days in payables		38	37	41	51	64	55
Total assets turnover	Times	5.43	5.56	4.76	4.17	3.66	4.35
Fixed assets turnover	Times	95.09	102.71	84.41	70.52	60.25	69.87
Operating cycle	Days	0	4	(2)	(15)	(22)	(24)
Number of retail outlets		414	362	318	277	246	209



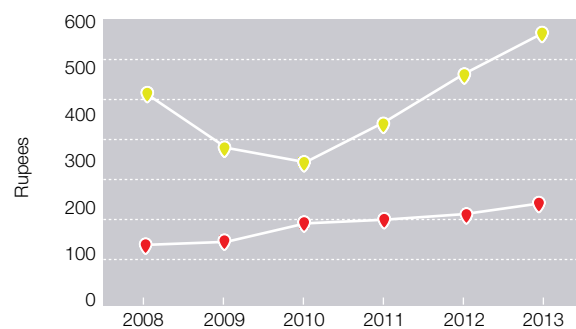
◆ Debtors turnover ◆ Creditors turnover ◆ Total assets turnover

◆ Inventory turnover ◆ Fixed assets turnover

		2013	2012	2011	2010	2009	2008
Investment / Market Ratios							
Basic and diluted EPS	Rs	56.52	59.61	61.58	62.40	53.51	55.03
Basic and diluted EPS (restated)	Rs	56.52	59.61	61.58	52.00	44.60	38.22
Price earning	Times	9.93	7.96	6.08	4.63	5.94	7.86
Dividend yield	%	8.96	11.98	12.08	8.61	9.16	3.85
Dividend payout	%	79.62	83.88	67.39	48.08	46.72	36.34
Dividend cover	Times	1.26	1.19	1.48	2.08	2.14	2.75
Cash dividends	Rs thousand	3,110,400	3,456,000	2,868,480	1,728,000	1,440,000	960,000
Cash dividend per share	Rs	45.00	50.00	41.50	30.00	25.00	20.00
Bonus shares issued	Rs thousand	138,240	-	-	115,200	-	96,000
Bonus per share	%	20.00	-	-	20.00	-	20.00
Break-up value per share	Rs	203.18	179.16	167.05	160.36	122.96	115.33
Market value per share							
Year end	Rs	561	474	374	289	318	432
Highest (during the year)	Rs	585	478	401	405	432	634
Lowest (during the year)	Rs	471	316	281	275	130	404



◆ Earnings per share ◆ Cash dividend per share



◆ Break-up value per share ◆ Market value per share

		2013	2012	2011	2010	2009	2008
Capital Structure Ratios							
Debt to equity		0:100	0:100	0:100	0:100	0:100	0:100
Financial leverage		-	-	-	-	-	-
Weighted average cost of debt		-	-	-	-	-	-
Interest cover		-	-	-	-	-	-
Market Share	%	9.3	9.1	7.9	7.0	6.6	6.5

(Source: OCAC)

Vertical Analysis



	2013		2012	
	Rs ('000)	%	Rs ('000)	%
Balance Sheet Items				
Property, Plant and Equipment	1,862,742	6.2	1,601,576	5.3
Other Non-Current Assets	878,111	2.9	866,770	2.8
Current Assets	27,356,666	90.9	28,062,795	91.9
Total Assets	30,097,519	100.0	30,531,141	100.0
Shareholders' Equity & Liabilities				
Shareholders' Equity	14,043,457	46.7	12,383,323	40.6
Non- Current Liabilities	462,871	1.5	412,729	1.4
Current Liabilities	15,591,191	51.8	17,735,089	58.0
Total Shareholders' Equity & Liabilities	30,097,519	100.0	30,531,141	100.0
Profit & Loss Items				
Net Sales	164,710,177	100.0	152,843,437	100.0
Cost of Products Sold	159,533,376	96.9	148,255,584	97.0
Gross Profit	5,176,801	3.1	4,587,853	3.0
Operating Profit	4,873,355	3.0	5,050,460	3.3
Profit before Taxation	5,593,404	3.4	5,646,740	3.7
Profit for the Year	3,906,534	2.4	4,120,315	2.7



2011		2010		2009		2008	
Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%
1,374,767	5.6	1,217,217	5.7	1,130,875	6.2	922,621	5.9
858,188	3.5	796,202	3.7	733,397	4.0	709,081	4.6
22,247,396	90.9	19,429,233	90.6	16,408,160	89.8	13,881,634	89.5
24,480,351	100.0	21,442,652	100.0	18,272,432	100.0	15,513,336	100.0
11,546,208	47.2	9,236,577	43.1	7,082,268	38.8	5,535,849	35.7
320,316	1.3	288,908	1.3	251,538	1.4	135,137	0.9
12,613,827	51.5	11,917,167	55.6	10,938,626	59.9	9,842,350	63.4
24,480,351	100.0	21,442,652	100.0	18,272,432	100.0	15,513,336	100.0
109,394,725	100.0	82,791,918	100.0	61,863,152	100.0	53,242,330	100.0
104,680,507	95.7	79,032,034	95.5	58,570,802	94.7	50,493,929	94.8
4,714,218	4.3	3,759,884	4.5	3,292,350	5.3	2,748,401	5.2
5,374,298	4.9	4,282,497	5.2	3,659,248	5.9	3,291,374	6.2
6,017,511	5.5	4,846,309	5.9	4,280,419	6.9	3,529,552	6.6
4,256,511	3.9	3,594,309	4.3	3,082,419	5.0	2,641,552	5.0

Horizontal Analysis



	2013		2012	
	Rs ('000)	%	Rs ('000)	%
Balance Sheet Items				
Property, Plant and Equipment	1,862,742	16.3	1,601,576	16.5
Other Non-Current Assets	878,111	1.3	866,770	1.0
Current Assets	27,356,666	(2.5)	28,062,795	26.1
Total Assets	30,097,519	(1.4)	30,531,141	24.7
Shareholders' Equity				
Shareholders' Equity	14,043,457	13.4	12,383,323	7.3
Non- Current Liabilities	462,871	12.1	412,729	28.9
Current Liabilities	15,591,191	(12.1)	17,735,089	40.6
Total Shareholders' Equity & Liabilities	30,097,519	(1.4)	30,531,141	24.7
Profit & Loss Items				
Net Sales	164,710,177	7.8	152,843,437	39.7
Cost of Products Sold	159,533,376	7.6	148,255,584	41.6
Gross Profit	5,176,801	12.8	4,587,853	(2.7)
Operating Profit	4,873,355	(3.5)	5,050,460	(6.0)
Profit Before Taxation	5,593,404	(0.9)	5,646,740	(6.2)
Profit for the Year	3,906,534	(5.2)	4,120,315	(3.2)

In 2013, Property, plant and equipment increased by 16% representing expenditure on enhancement of storage, decanting facilities and construction of retail outlets. Current assets decreased by 3% representing decrease in receivables from Power Producers owing to clearance of circular debts. This also resulted corresponding decrease in current liabilities. Shareholder's equity increased by 13% represented by profit retained in the business.

Net sales revenue in 2013 increased by 8% from 2012 due to increase in average prices of products and volume sold. Profitability decreased by 5% as compared to 2012 due to restriction on exports and stiff competition.



2011		2010		2009		2008	
Rs ('000)	%	Rs ('000)	%	Rs ('000)	%	Rs ('000)	%
1,374,767	12.9	1,217,217	7.6	1,130,875	22.6	922,621	53.4
858,188	7.8	796,202	8.6	733,397	3.4	709,081	83.1
22,247,396	14.5	19,429,233	18.4	16,408,160	18.2	13,881,634	73.6
24,480,351	14.2	21,442,652	17.3	18,272,432	17.8	15,513,336	72.7
11,546,208	25.0	9,236,577	30.4	7,082,268	27.9	5,535,849	60.3
320,316	10.9	288,908	14.9	251,538	86.1	135,137	6.6
12,613,827	5.8	11,917,167	8.9	10,938,626	11.1	9,842,350	82.2
24,480,351	14.2	21,442,652	17.3	18,272,432	17.8	15,513,336	72.7
109,394,725	32.1	82,791,918	33.8	61,863,152	16.2	53,242,330	20.6
104,680,507	32.5	79,032,034	34.9	58,570,802	16.0	50,493,929	20.0
4,714,218	25.4	3,759,884	14.2	3,292,350	19.8	2,748,401	34.4
5,374,298	25.5	4,282,497	17.0	3,659,248	11.2	3,291,374	50.9
6,017,511	24.2	4,846,309	13.2	4,280,419	21.3	3,529,552	44.9
4,256,511	18.4	3,594,309	16.6	3,082,419	16.7	2,641,552	52.8

Statement of Value Added

	2013		2012	
	Rs. ('000)	%	Rs. ('000)	%
Gross revenue and other income	195,143,039		180,387,692	
Cost of sales and operating expenses	(153,124,713)		(143,900,491)	
Total value added	42,018,326		36,487,201	
DISTRIBUTION				
Employee remuneration:	334,978	0.80	292,670	0.80
Government as:				
Company taxation	1,686,870	4.01	1,526,425	4.18
Sales tax and levies	35,445,299	84.36	29,956,387	82.10
WPPF & WWF	410,519	0.98	415,965	1.14
Shareholders as:				
Dividends	3,110,400	7.40	3,456,000	9.47
Bonus share	138,240	0.33	-	-
Society as:				
Donation	-	-	-	-
Providers of finance as:				
Financial Charges	9,799	0.02	-	-
Retained in business:				
Depreciation	224,327	0.53	175,439	0.48
Net earnings	657,894	1.57	664,315	1.82
	42,018,326	100.00	36,487,201	100.00

