Annual Report 2023

ARL Attock Refinery Limited

Facing upto Challenges

About Cover Story

Facing upto Challenges

Attock Refinery Limited (ARL) is the pioneer of crude oil refining in the country with its operations dating back to 1922. Backed by a rich experience of more than 100 years of successful operations, ARL has now grown into a modern state-of-the-art refinery with a name plate capacity of 53,400 barrels per day.

The past three years have seen a series of unprecedented events worldwide including disrupting demand and supply patterns leading to an extremely tight global oil market. The unnerving combinations of a global pandemic compounded by energy scarcity, rapid inflation, geopolitical tensions etc. have all created new challenges around us.

After a sharp collapse in oil demand due to the COVID-19 pandemic, a stronger-than-expected demand rebound came due to the Russian – Ukraine conflict and the subsequent sanctions on Russian crude and product created new challenges for world economies and Pakistan is no exception.

Pakistan business environment during the recent past has remained very challenging and volatile especially for Oil Refining Sector. Factors like stringent environmental regulations, reliance on alternate sources of energy, economic recession, smuggling from neighbouring countries and political instability has added to the difficulties of refineries.

Since past few years, there was a major shift in the Government policy for power generation from furnace oil to alternate fuels. The aftermath of this decision has left limited choices for Refining sector. Refineries have to either store the product during lean periods or export the surplus quantity. To cater for this challenge, ARL has initiated process to acquire dedicated FFO storage facility at Port Qasim, Karachi in order to enhance its operational flexibility.

The whole industry including ARL has been struggling with the menace of smuggling of petroleum products from the neighbouring countries which have seriously impacted product uplifting especially High Speed Diesel. ARL remained engaged with the relevant regulatory authorities to perform their vigilant role in curbing this menace, which is not only causing revenue losses to the Government but also damaging the local industry.

The crude supplies to ARL from northern fields have declined to a level of 40,000 BPSD. In order

to augment capacity utilization of our Refinery, ARL pursued Government for allocation of crude from southern oilfields and its freight reimbursement from country IFEM Pool. The matter has been recently approved by Economic Coordination Committee (ECC) of Cabinet thus paying way for getting the around 5,000 bpd supplies of crude from southern oil fields in near future. This crude allocation will not only help ARL to operate at optimum capacity but will also result in saving of precious foreign exchange and additional freight savings to Government of Pakistan.

Due to sharp decline of country's foreign exchange reserves, ARL along with other industries faced serious challenge for opening/ retiring of Letter of credits (LCs). However, with the help of different state institutions including Ministry of Energy (Petroleum Division)-MEPD, Oil Gas Regulatory Authority (OGRA) and State Bank Pakistan (SBP) ARL was able to ensure continuity of critical supply chain. Besides, ARL alongwith other foreign companies have been facing challenges in repatriation of dividend payments to their shareholders due to restrictions on foreign exchange payments for the last one year. We expect from relevant authorities to resolve this issue to keep the faith of foreign investors especially in capital intensive industries like refineries.

ARL in collaboration with other local refineries has been continuously emphasizing the need for a comprehensive and vibrant Refining Policy as the Refining Policy was last revised in 1997. After continuous following up with MEPD, the Refining Policy for brownfield refinery projects has been finally approved and is expected to provide solace to the complicated challenges of today's refining sector in Pakistan. With approval of the Refining Policy 2023, ARL will be undertaking a major upgradation project for value addition.

Amidst continuously evolving challenges and rapidly changing economic environment, ARL is not only facing upto daunting challenges but also striving to turn these into opportunities for a promising future. We shall continue to work for sustainability of our existing operations by taking proactive strategic decisions with collective wisdom and to up-grade our facilities to meet the future challenges.

Table of Contents

Honors & Achievements

Certificate of Merit
Best Sustainability Report
Award 2021

Awarded 2nd Position in "Employer of the Year Award" by the Employer Federation of Pakistan

Company Profile

Attock Refinery Limited (ARL) was incorporated as a Private Limited Company in November, 1978 to take over the business of The Attock Oil Company Limited (AOC) relating to refining of crude oil and supplying of refined petroleum products. It was subsequently converted into a Public Limited Company in June, 1979 and its shares are quoted on the Pakistan Stock Exchange Limited. The Company is also registered with Central Depository Company of Pakistan Limited (CDC).

Original paid-up capital of the Company was Rs 80 million which was subscribed by the holding company i.e. AOC, Government of Pakistan, investment companies and general public. The present paid-up capital of the Company is Rs 1,066.163 million.

ARL is the pioneer of crude oil refining in the country with its operations dating back to 1922.

Backed by a rich experience of 100 years of successful operations, ARL's plants have been gradually upgraded/ replaced with state-of-the-art hardware to remain competitive and meet new challenges and requirements.

It all began in February 1922, when two small stills of 2,500 barrel per day (bpd) came on stream at Morgah following the first discovery of oil at Khaur where drilling started on January 22, 1915 and at very shallow depth of 223 feet 5,000 barrels of oil flowed. After discovery of oil in Dhulian in 1937, the Refinery was expanded in late thirties and early forties. A 5,500 bpd Lummus Two-Stage-Distillation Unit, a Dubbs Thermal Cracker Lubricating Oil Refinery, Wax Purification facility and the Edeleanu Solvent Extraction Unit for smoke-point correction of Kerosene were added.

There were subsequent discoveries of oil at Meyal and Toot (1968). Reservoir studies during the period 1970-78 further indicated high potential for crude oil production of around 20,000 bpd. In 1981, the capacity of Refinery was increased by the addition of two distillation units of 20,000 and 5,000 bpd capacity, respectively. Due to their vintage, the old units for lube/wax production, as well as Edeleanu, were closed down in 1986. Another expansion and up-gradation project was completed in 1999 with the installation of a Heavy Crude Unit of 10,000 bpd and a Catalytic Reformer of 5,000 bpd. In 2000, a Captive Power Plant with installed capacity of 7.5 Megawatt was commissioned.

The latest Expansion/Up-gradation Project completed in November, 2016 comprised the following:

i) Diesel Hydro Desulphurization (DHDS) unit: This has reduced Sulphur contents in the High

Speed Diesel to meet Euro II and Euro III specifications;

ii) Preflash unit: This has increased refining capacity by 10,400 bpd;

iii) Light Naphtha Isomerization unit: This has enhanced production of Premium Motor Gasoline by about 20,000 M. Tons per month;

iv) Expansion of existing Captive power plant by 18 MW.

ARL's current nameplate capacity stands at 53,400 bpd and it possesses the capability to process lightest to heaviest (10-65 API) crudes. The Company is ISO 9001, ISO 14001 and ISO 45001 certified. ARL laboratory is ISO/IEC 17025 accredited. It is the first refinery in Pakistan to implement ISO 50001 (Energy Management System).

Series of Firsts & Major Events

1922
First refinery of the region

1987
First to start dispensing major products through pipeline using computerized metering system

1998
First to produce low sulfur furnace – less than 1%

First to produce low sulfur diesel – less than 0.5%

1999
First to achieve ISO 9002 certification for quality control laboratory

First to produce low lead premium gasoline direct from refinery process

2001
First to produce polymer modified asphalt

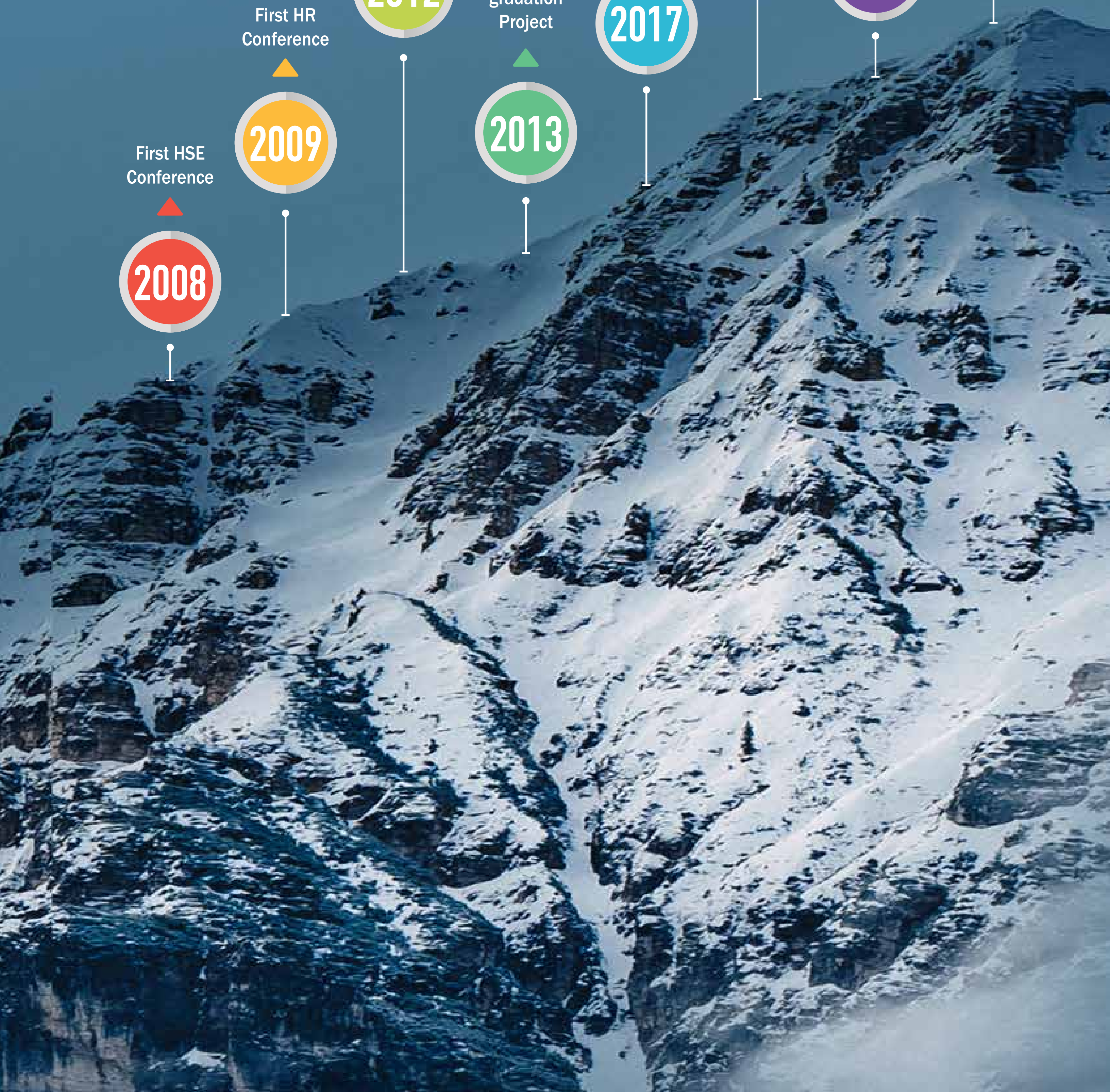
First major industry to get ISO 9001: 2000 certification

2002
First major industry to get ISO 14001 certification

2006
First major industry to get OHSAS 18001 certification

2007
First in Oil and Gas sector to get ISO/IEC 17025 accreditation

- **2008** – First HSE Conference
- **2009** – First HR Conference
- **2012** – First Plant Maintenance & Operations Conference; First in Pakistan to declare implementation of ISO 50001 (Energy Management System)
- **2013** – Commencement of ARL Up-gradation Project
- **2017** – Preflash, ISOM, DHDS & Auxiliary units commissioned
- **2020** – First major successful turnaround after upgradation
- **2022** – 100 Years of Refining Operations
- **2023** – Started production of 91 RON PMG



Principle Business Activities and Markets

The Company is part of a fully integrated oil group based in Pakistan. The Company is principally engaged in refining of indigenous crude oil mainly produced from Potohar and KPK region of the country. The Company produces wide range of petroleum products which are supplied in its fed area mainly ranging from Rawalpindi/ Islamabad upto Chak Pirana/ Kharian and Northeren areas through leading oil marketing companies. The Company is also main source of supplies of petroleum products to armed forces.

Organizational Overview and External Environment

Key Brands and Products

The Company is engaged in refining variety of crude oil. It has unique capability to process lightest to heaviest crude. The Company produces wide range of petroleum products including High Speed Diesel, Premier Motor Gasoline, Furnace Oil, Kerosene and Jet Fuels etc.

Portfolio of different products offered by the Company is detailed as follows:

Liquefied Petroleum Gas (LPG)

LPG, is a flammable mixture of hydrocarbon gases used as a fuel in heating appliances and vehicles. As its' boiling point is below room temperature, LPG evaporate quickly at normal temperatures & pressures and is usually supplied in pressurized steel vessels. ARL is producing LPG as per Pakistan Standards and Quality Control Authority (PSQCA) & Gas Processors Association (GPA) standards and specifications.

Naphtha

A flammable liquid mixture of hydrocarbon i.e. a component of natural gas condensate or a distillation product. Export of high quality color-less Naphtha by ARL is adding to the national exchequer in terms of foreign exchange inflows.

Jet Fuel

ARL is producing Jet fuel which is non hydro processed, a type of aviation fuel designed for use in aircraft powered by gas-turbine engines. It is clear and bright in appearance. JP-1 is provided to APL, PSO, and JP-8 to Pakistan Air Force.

Light Diesel Oil (LDO)

LDO is a product that is burned in a furnace or boiler for generation of heat or used in an engine for generation of power. It is used for diesel engines, generally of stationary type operating below 750 rpm. ARL is producing LDO meeting Pakistan Standards and Quality Control Authority (PSQCA) specifications.

Mineral Turpentine Tar (MTT)

ARL is producing an inexpensive petroleum-based replacement for the vegetable-based turpentine. It is commonly used as paint thinner for oil-based paint and cleaning brushes. It is also an organic solvent in other applications.

Furnace Fuel Oil (FFO)

ARL supplies FFO which is a commercial heating oil for burner; it is also used in power plants. Major portion of this fuel is supplied to Independent Power Producers (IPPs) for the production of Electricity. ARL is the only refinery in the country producing Low Sulfur Furnace Fuel Oil (LSFO). ARL is also producing Residual Furnace Fuel Oil (RFO), a special high-viscosity residual oil which requires preheating.

Penetration Grade Bitumen

Bitumen is a black or dark-colored (solid, semi-solid, viscous), amorphous, cementitious material. ARL is producing Penetration Grade Bitumen usually used as a Paving Grade Bitumen suitable for road construction and for the production of asphalt pavements with superior properties. ARL is producing 60-70 & 80-100 Penetration Grade Bitumen.

Premium Motor Gasoline (PMG)

It is a transparent petroleum-derived liquid that is primarily used as a fuel in reciprocating spark - ignition internal combustion engine. Some additives are also added in it to improve quality. ARL is a major producer of PMG in the country. ARL is producing environment friendly low sulfur & low benzene PMG product as per PSQCA and Ministry of Energy (Petroleum Division) Government of Pakistan advised specifications. During the year the Company started production of 91 RON PMG.

Kerosene Oil

It is a mixture of thin, clear combustible liquid hydrocarbons derived from crude oil distillation. It is used for burning in kerosene lamps and domestic heaters or furnaces as a fuel and also as a solvent for greases and insecticides.

High Speed Diesel (HSD)

HSD produced by ARL is used as a fuel for high speed diesel engines like buses, lorries, generators, locomotives etc. Gas turbine requiring distillate fuels normally make use of HSD as a fuel. After commissioning of DHDS unit, ARL is supplying environment friendly HSD with low sulphur contents.

Jute Batching Oil (JBO)

JBO produced by ARL is mainly used in the jute industry to make the jute fibers pliable. It is also used by processors to produce various industrial oils. ARL is the only refinery in Pakistan that produces JBO.

Cutback Asphalts

Cutback Asphalt is manufactured by blending asphalt cement with a solvent. There are two major types of Cutback Asphalt based on the relative rate of evaporation of the solvent: Rapid-Curing (RC) & Medium-Curing (MC). RC Cutback Asphalt is used primarily for surface treatments and tack coat. MC Cutback Asphalt is typically used for prime coat, surface treatments and stockpile patching mixes. ARL is producing three grades i.e. RC-70, RC-250 & MC-70.

Geographical Presence of ARL's Business

Attock Refinery Limited, Morgah, Rawalpindi

Oilfields Supplying Crude to ARL
ARL Fed Area

Crude Oilfields (Punjab and KPK)

Adhi
Balkassar
Betttani
Bhangali
Chak Nurang
Chanda
Dhakni
Dharian
Dhodak
Dhok Hussain
Dhok Sultan
Dhulian
Dhurnal
Fimkassar
Ghauri
Gurguri (Manzalai)
Halini
Jhandial
Joya Mair
Kalabagh
Kall
Khaur
Makori
Mela
Meyal
Minwal
Missa Kiswal
Nashpa
Pariwali
Pindori
Rajian
Ratana
Sadkal
Togh
Tolanj
Toot
Turkwal

Balochistan & Sindh

Bolan
Chak Dim
Paali

Vision

To be a world class and leading organization continuously providing high quality diversified environment-friendly energy resources and petrochemicals.

Mission

We will utilize best blend of state-of-the-art technologies, high performing people, excellent business processes and synergetic organizational culture thus exceeding expectations of all stakeholders.

Core Values

Our success will not be a matter of chance, but a commitment to the following enduring beliefs and values that are engrained in the way we think and take actions to pursue a climate of excellence:

Integrity & Ethics
Integrity, honesty, high ethical, legal and safety standards are a cornerstone of our business practices.

Quality
We pursue quality as a way of life. It is an attitude that affects everything we do for relentless pursuit of excellence.

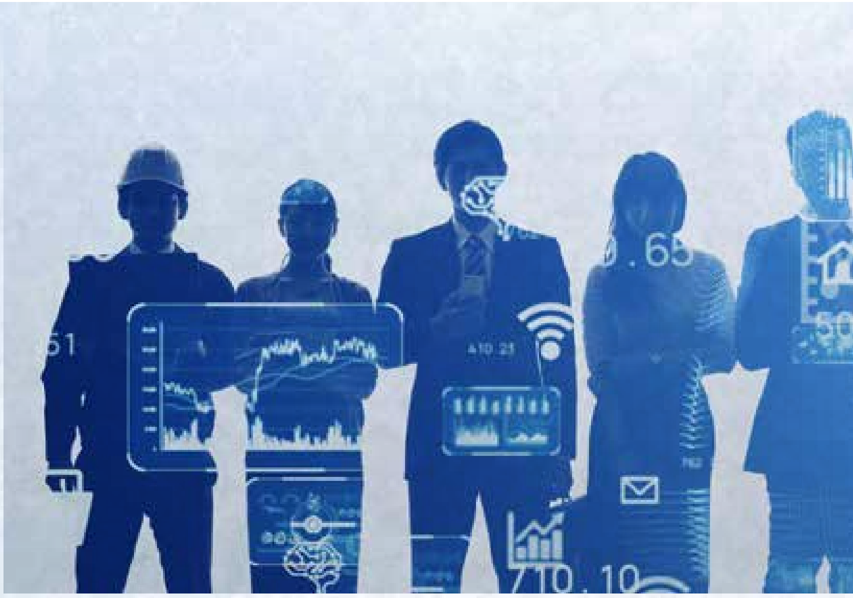
Social Responsibility
We believe in respect for the community and preserving the environment for our future generations and keeping National interest paramount in all our actions.

Learning & Innovation
We embrace lifelong learning and innovation as an essential catalyst for our future success. We believe in continuous improvement and to seize opportunities inherent in change to shape the future.

Team Work
We believe that competent and satisfied people are the Company's heart, muscle and soul. We savour flashes of genius in the organization's life by reinforcing attitude of teamwork and knowledge-sharing based on mutual respect, trust and openness.

Empowerment
We flourish under an ecosystem of shared understanding founded on the concept of empowerment, accountability and open communication in all directions.

Code of Conduct



Introduction

At Attock Refinery Limited we are committed to conduct business in an honest, ethical, transparent and legal manner. Our actions are governed by the values and principles that we share. The Company wants to be seen as a role model in the corporate 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 the Company's affairs with the outside world. All directors and employees have to be familiar with their obligations in this regard and have to conduct accordingly.

This Code of conduct in general is in accordance with Company's core values, goals and objectives 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. INTEGRITY & ETHICS

"Integrity, honesty, high ethical, legal and safety standards are cornerstones of our business practices".

i) Respect, Honesty and Integrity

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

ii) 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 the 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.

iii) 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.

iv) 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. Also, no employee will perform any kind of work (involving monetary benefit directly or otherwise) for a third party without proper approval of CEO.

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.

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

vi) **Inside information**
Directors and employees may become aware of information about the 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.

vii) **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.

viii) **Corporate Opportunities**
Directors and Employees are expected not to:

a) take personal use of opportunities that are discovered through the use of Company's property, information or position.

b) use Company's property, information, or position for personal gains.

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

ix) **Competition and Fair Dealing**
The Company seeks to outperform its competition fairly and honestly. Stealing proprietary information, possessing trade secret information 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.

x) **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.

xi) **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.

xii) **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.

xiii) **Protection and Proper use of Company's 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 of the Company's assets should be used for legitimate business purposes only.

The use, directly or indirectly, of Company's 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.

xiv) **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.

xv) **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 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.

xvi) **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 traveller 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.

2. QUALITY

"We pursue quality as a way of life. It is an attitude that affects everything we do for relentless pursuit of excellence."

ARL recognizes employees' input towards quality by emphasizing skills development and professionalism.

It will be responsibility of all of us to ensure that ARL must be customer driven, cost effective and continuously improving services, works and products to meet requirements of the market.

3. SOCIAL RESPONSIBILITY

“We believe in respect for the community and preserving the environment for our future generations and keeping national interests paramount in all our actions.”

ARL encourages the spirit of volunteerism in its employees for activities of environmental protection and Social and Community development to fulfill ARL’s commitment for its Corporate Social Responsibility.

ARL is committed to prevent pollution by efficient use of energy throughout its operations, recycle and reuse the effluent where it is possible and use cost effective cleaner production techniques that lead to preventive approach for sustainable development.

4. LEARNING AND INNOVATION

“We embrace lifelong learning and innovation as an essential catalyst for our future success. We believe in continuous improvement and to seize opportunities inherent in change to shape the future”.

All employees of ARL will strive to keep themselves abreast with the new developments in their respective areas and will not hesitate to take initiatives that could bring improvement in the way of our working. All efforts in this respect should eventually translate into improved efficiencies and minimization of wastages at all levels.

The Company encourages and facilitates its employees in the activities of knowledge sharing, research and development and promoting the change management culture.

5. TEAM WORK

“We believe that competent and satisfied people are the Company’s heart, muscle and soul. We savor flashes of genius in organization’s life by reinforcing attitude of team work and knowledge sharing based on mutual respect, trust and openness.”

We will all make our utmost efforts to foster team work in our respective areas of operation and will give special attention to the following aspects:

i) **Equal Employment Opportunity**
The Company believes in providing equal opportunity to everyone around. The Company policies 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 must comply with standards/laws with regard to child labor and forced labor.

ii) **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.

iii) **Work Environment**
All employees are to be treated with respect. The Company is highly committed to provide 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/her 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.

6. EMPOWERMENT

"We flourish under an ecosystem of shared understanding founded on the concept of empowerment, accountability and open communication in all directions."

i) **Communication**
All communications, whether internal or external, should be accurate, forthright and wherever required, confidential. The Company is committed to conduct business in an open and honest manner and provide open communication channels that encourage candid dialogue.

ii) **Delegation of Authority and Accountability**
The guidelines in respect of delegation of authority i.e. "Limits of Authority" will be implemented in letter and spirit. All employees are expected to follow these limits and ensure maximum decentralization of decision making in their respective areas. The Company also expects that with such a level of empowered culture the employees will understand that they will be responsible for their decisions and would be fully accountable for that.

7. 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 employee meeting with difficulties in the understanding or application of this Code should refer to his/her functional head or, if required to CEO. Director in such a situation may refer to the Board.

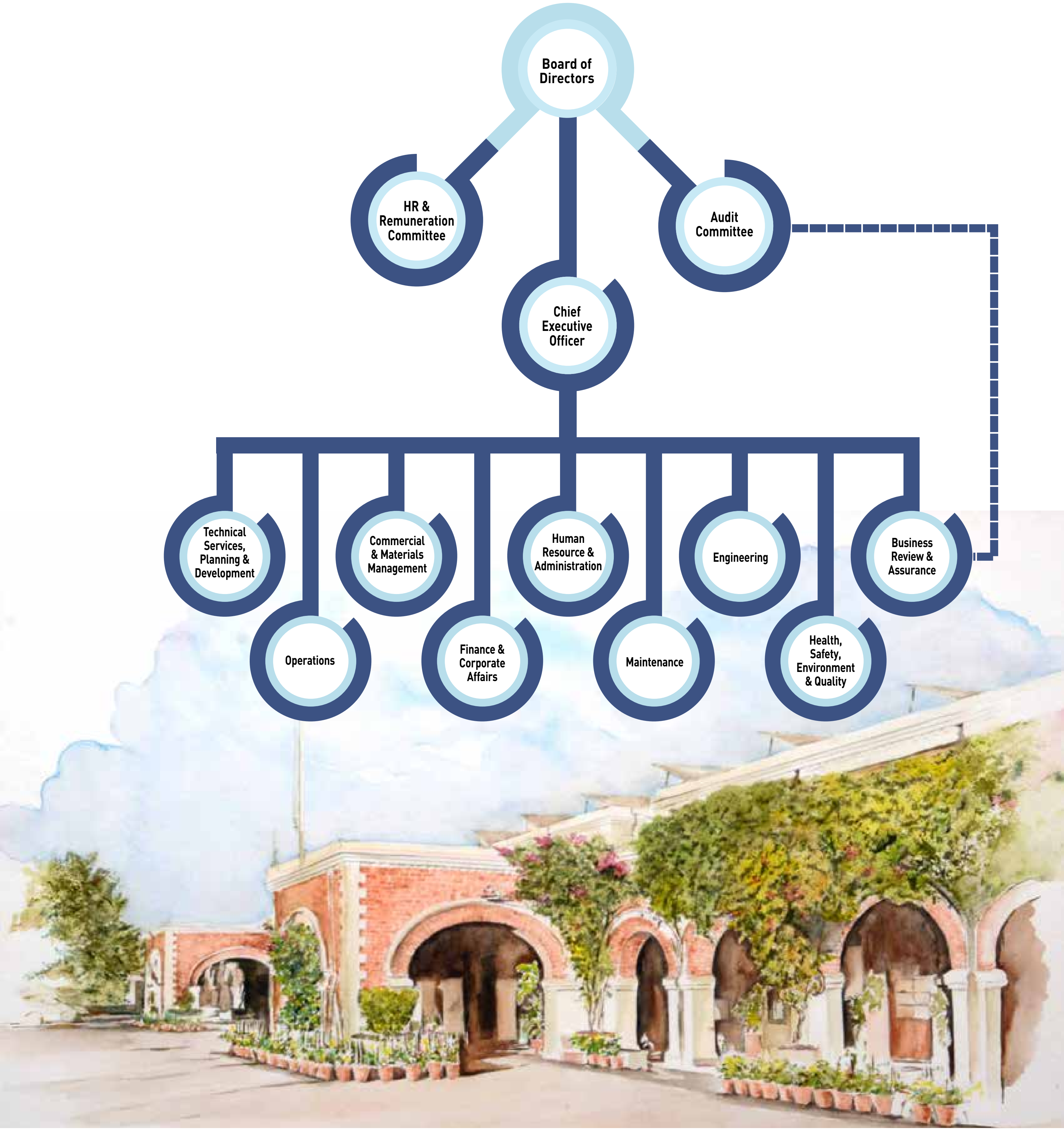
Organizational Overview and External Environment

Group Structure

The Company is part of the Attock Oil Group of Companies, which has footholds in a diverse range of sectors, such as oil exploration & production, refining, oil marketing, cement, power generation and information technology. The Group, however, has major presence in the oil sector, from the upstream level to midstream to downstream level with critical technical expertise and years of experience in this area.

Company Name	Nature of Relationship	Percentage of Shareholding
Holding Company Shareholding in the Company The Attock Oil Company Limited *(Incorporated in UK)*	Holding Company	61.06%
Associate Shareholding in the Company Attock Petroleum Limited	Associate/Common Directorship	1.68%
Company's Shareholding in the Associate National Refinery Limited Attock Petroleum Limited Attock Gen Limited Attock Information Technology Services (Pvt.) Limited	Associate/Common Directorship	25.00% 21.88% 30.00% 10.00%
Nil shareholding in associate and vice Versa Pakistan Oilfields Limited Attock Cement Pakistan Limited Attock Leisure & Management Associates (Pvt.) Limited Attock Energy (Pvt.) Limited	Associate/Common Directorship	Nil Nil Nil Nil
Company's Shareholding in the subsidiary company Attock Hospital (Pvt.) Limited	Wholly owned Subsidiary	100.00%

Organogram

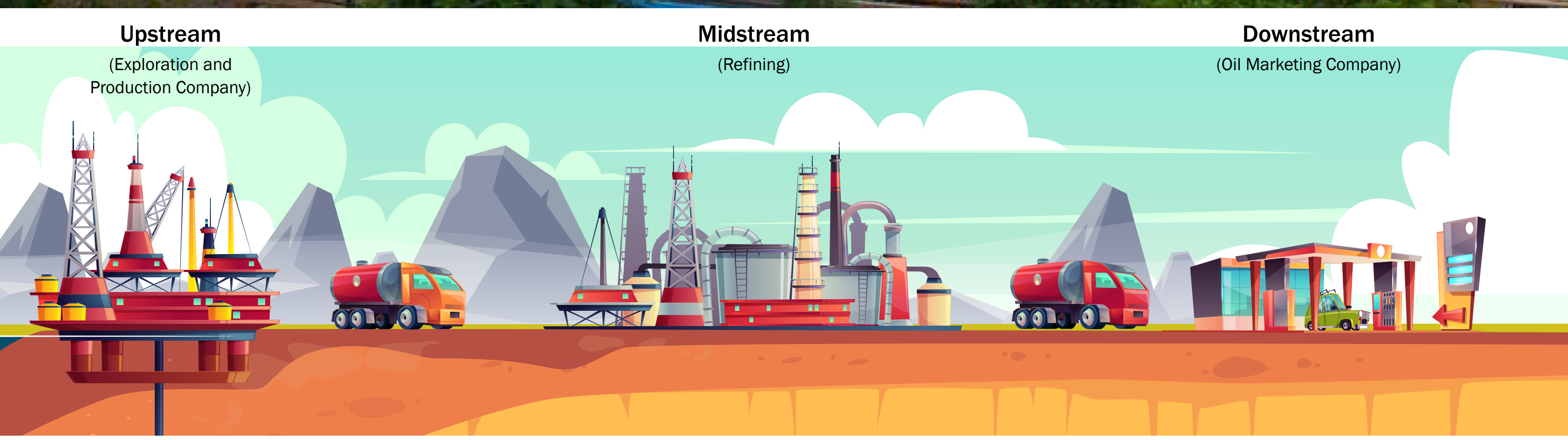


Administrative Reporting   Functional Reporting

Organizational Overview and External Environment

Company's Products Value Chain

ARL procures crude oil from various Exploration and Production Companies including one of the Group Company namely Pakistan Oilfields Limited operating in KPK and Pothohar region of the Country. This crude oil is converted into various petroleum products through the refining process. These products are sold to oil marketing companies including one of the Group Company namely Attock Petroleum Limited for onward supply to ultimate users of the petroleum products.



Pestel Analysis

The modern business world is a challenging, highly competitive and complex place. Effective response to external environment is the critical success factor. Some of the factors that affect ARL's External Environment are as follows:

Political Factors

Political factors play a vital role in determining ARL's long term profitability in a volatile market. Being an oil refinery, ARL is subject to different types of political environment and political system risks. In order to achieve success in this industry, diversification of systematic risks of political environment is critical. The political factors may include:

- Change in Global demand & supply of petroleum products due to geo-political situation
- Political stability of Country in general

Response:
ARL is closely monitoring and analyzing the above factors and adopt a suitable strategy accordingly.

Economic Factors

The Macro environment factors and economic cycle determine the aggregate demand and aggregate investment in an economy. ARL normally uses country's economic factors and industry's economic indicators to forecast the growth trajectory of the organization. Following are few economic factors that affect ARL decision making:

- Global economic growth drives the global consumption of oil and gas.
- Significant petroleum products demand supply gap exists in Pakistan
- Volatile oil prices
- Exchange rate
- Interest rates
- Economic growth rate
- Consumer spending
- Business Cycle stage (e.g. Prosperity, recession, recovery)

Response:
Devaluation of currency, inflation factor and increase in variable costs make their impact on the profitability of the Company. Company keeps on applying cost effective measures to manage inflationary pressure.

Social Factors

Society's culture and way of doing things impact the culture of an organization in an environment. Shared beliefs and attitudes of the community play a great role in our success. Following social factors have an impact on our external environment:

- Demographics and skill level of the society
- Culture (gender roles, social conventions etc.)
- Attitudes (health, environmental consciousness, etc.)
- Leisure interests

Response:
Since its inception in 1922, ARL's contribution towards Corporate Social Responsibility (CSR) has been an important part of our core values. The Company provides excellent training opportunities to fresh graduates and students through its management training programs and internships. Training of employees is also a regular feature at ARL. The Company is also an equal opportunity employer and believes in gender diversity.

Technological Factors

Industries are changing at a rapid pace across the globe due to latest

technology developments. Oil industry is also in transition stage due to shift towards sustainable energy and eco-friendly transport. Technological factors include:

- Recent technological developments in the refining industry
- Technology's impact on product offering
- Positive impact on environment
- Impact on value chain structure

Response:
ARL is committed to utilize best blend of the state-of-the-art technology to remain competitive in the market. ARL regularly performs technological analysis and case studies which involves understanding the above impacts and responding accordingly.

Environmental Factors

ARL is committed to minimize environmental footprint throughout its operations. Following are the environmental factors considered as top priority by ARL:

- Weather
- Climate change
- Laws regulating environment pollution
- Air and water pollution regulations in oil industry
- Recycling
- Waste management
- Attitudes toward "green" or ecological products
- Attitudes toward and support for renewable energy

Response:
ARL is committed to efficient use of energy, recycle effluent wherever possible and use of cost-effective cleaner production techniques.

Legal Factors

Being a listed company and operating in a regulated sector of economy, the Company is required to ensure strict compliance with various regulatory requirement e.g. laws and regulations of Securities and Exchange Commission of Pakistan and other regulatory authorities.

Response:
ARL strongly abides by all applicable acts, listing rules and regulations. In this connection consistent efforts are put in by the management. The Company has employed various professionals to ensure strict compliance with all regulatory requirements.

Competitive Landscape and Market Positioning

Pakistan is a net importer of crude and refined petroleum products, whereby deficit is met through import after consumption of local product. The Company only refines indigenous crude and has developed a niche for itself because of its capability in refining various qualities of locally produced crude oil. The Company is the only refinery located in the northern region of the country and therefore most of the locally produced crude oil is allocated to it being the nearest refinery. Likewise the Company's products caters for demand of specific area of the northern region of the country. These factors have given an edge to the Company.

The Company continues to face various challenges due to volatility in international oil prices and fluctuation in demand of its products. These challenges are met by the Company through focus on efficiency of its operation, developing expertise of its staff and technological advancements. These efforts have led to its sustained existence and progression for more than a century and shall continue to do so in the future.

Significant Changes From Prior Years

Management believes that our business objectives and strategies are well planned and are aligned with the current challenges and meeting latest specifications of petroleum products.

SWOT Analysis

The Company carries out a periodic SWOT analysis, based upon the information gathered from all of its stakeholders. Strategic decisions are planned and undertaken after carefully evaluating internal strengths and weaknesses while analysing external opportunities and threats.

Strengths

- Only Refinery in the north of the country.
- Being in business for the last 100 years and upgraded from time to time, the Company has diversified facilities with an experienced team. The Company has developed a niche for itself, having the ability to refine crudes of varying characteristics; i.e. Sweet, Sour, Heavy, Light, Condensates etc.
- Strategically important because of its proximity to the northern oilfields and the fact that it's the only refinery processing 100% of indigenous crude thus ensuring that oil and gas from these fields flows uninterrupted. The Company is an important source of supplies to the Armed Forces, IPPs, airports and general public.

Weaknesses

- Depletion of crude oil reservoirs in the northern region.
- Considerable distance from the port thus impacting logistics.
- Adverse price movement and foreign exchange fluctuations.

Opportunities

- Room for further upgradation for value addition.
- Future discoveries in northern region shall give the Refinery a distinct edge over its competitors.

Threats

- Reduction in market share if products specifications are not improved.
- Loss of production if adequate source of supplies of crude oil is not maintained.
- Smuggling of HSD from neighboring countries.

Calendar of Major Events

- **Jul 2022** — Started production of 91 RON PMG
- **Sep 2022** — Annual General Meeting of Shareholders
- **Sep 2022** — Corporate Briefing Session
- **Sep 2022** — Received Merit Certificate on Best Sustainability Report Award 2021 by ICMAP/ICAP
- **Oct 2022** — Energy Week was celebrated at ARL, with the World Energy Day
- **Oct 2022** — Awarded 2nd Position in "Employer of the year Award (Medium National Category)" organized by Employers Federation of Pakistan
- **Apr 2023** — Safety Week was celebrated at ARL, in-line with the World Safety Day
- **Jun 2023** — World Environment Day was celebrated

Governance

Board of Directors

Mr. Laith G. Pharaon
Non Executive Director
(Chairman Attock Group of Companies)

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Laith holds a graduate degree from the University of Southern California. He is also Director on the Board of various Companies in the Group.

Other Engagements

Chairman & Director
The Attock Oil Company Limited
Attock Cement Pakistan Limited
Attock Petroleum Limited

Director
Pakistan Oilfields Limited
Attock Gen Limited
National Refinery Limited

Mr. Wael G. Pharaon
Non Executive Director

A businessman and an international investor who has financial and trading interests in Pakistan and other parts of the world in various sectors like petroleum, power generation, chemical, real estate and cement etc. Mr. Wael holds a graduate degree. He is also Director on the Board of various Companies in the Group.

Other Engagements

Director
The Attock Oil Company Limited
Attock Cement Pakistan Limited
Pakistan Oilfields Limited
National Refinery Limited
Attock Petroleum Limited
Attock Gen Limited

Mr. Shuaib A. Malik
Chairman/ Non Executive Director

Mr. Shuaib A. Malik has been associated with Attock Group of Companies, one of the largest conglomerates in the Country having diversified interests in Oil & Gas, Power Generation, Cement, Information Technology, Renewable Energy, Medical Services and Real Estate Development etc. for more than four decades. He served in different Companies in the Group at various times with the responsibility to supervise and oversee the operations and affairs of these Companies.

He became the youngest Chief Executive of the Group Holding Company, "The Attock Oil Company Limited" on September 01, 1995. With his hard work, dedication, business acumen and professional abilities, he eventually rose to the highest management position in the Group and was appointed as Group Chief Executive of "Attock Group of Companies" in July 2006.

He obtained his bachelor's degree from Punjab University and has attended many international management programs, workshops and conferences including two such programs at British Institute of Management, UK and Harvard Business School, USA.

He has exhaustive experience and in depth knowledge related to various aspects of upstream, midstream and downstream petroleum business and it was due to his visionary leadership that the Attock Group was able to grow leaps and bounds and diversify into various trades and industries.

In addition to holding the position of Group Chief Executive of the Attock Group of Companies, presently, he is serving as Chairman & Chief Executive of Pakistan Oilfields Limited, Chairman of National Refinery Limited and Chief Executive Officer of The Attock Oil Company Limited and Attock Petroleum Limited besides being the Director on the Board of all the Companies in the Group including listed and unlisted public/private limited Companies.

Other Engagements

Chairman, Chief Executive Officer, Director & Alternate Director
Pakistan Oilfields Limited

Chairman & Director
National Refinery Limited

Director & Alternate Director
Attock Cement Pakistan Limited
Attock Gen Limited

Chief Executive Officer & Director
The Attock Oil Company Limited
Attock Petroleum Limited

Group Chief Executive

Resident Representative
Pharaon Investment Group Limited (Holding) s.a.

Mr. Abdus Sattar
Non Executive Director

Mr. Abdus Sattar has over 36 years of Financial Management experience at key positions of responsibility in various Government organizations / ministries, commercial organizations with the main objective of controlling costs of various commodities, to watch consumer interest, minimize government subsidies, improve government revenues, eliminate wasteful expenses / leakages and fixation of gas and POL prices. After serving as Financial Advisor to Ministry of Petroleum & Natural Resources, Government of Pakistan, he also remained Financial Advisor for Mari Gas Company Limited for around 8 years including 6 years as its Director on the Board. While working as Financial Advisor in Ministry of Petroleum he also served as Director on a number of boards like OGDCL, PPL, SNGPL, SSGCL, PSO, PARCO, ARL, POL, NRL, PMDC etc. as a nominee of Government of Pakistan for about seven years. He is a fellow member of Institute of Cost and Management Accountant of Pakistan (ICMAP) and was also nominated as council member of ICMAP for three years (Jan 2000 to Dec 2002) by the Government of Pakistan. He has attended many advance financial management courses, programs and trainings in institutions of international repute in Pakistan and abroad. Presently, he is on the Board of Pakistan Oilfields Limited, Attock Cement Pakistan Limited, Attock Petroleum Limited and National Refinery Limited and a visiting faculty member of a number of reputed universities and professional institutions.

Other Engagements

Director
Pakistan Oilfields Limited
Attock Cement Pakistan Limited
Attock Petroleum Limited
National Refinery Limited

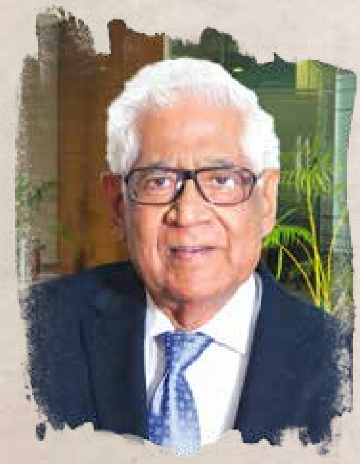
Governance – Board of Directors

Mr. Jamil A. Khan
Non Executive Director

Mr. Jamil A. Khan was previously working in Pakistan Air Force in General Duty Pilot Branch and continued to serve in various operational, administrative and staff positions for over sixteen years. He joined National Refinery Limited in 2005 immediately after its privatization. After serving as Deputy Managing Director of the Company for more than a decade, the Board of Directors appointed him as Chief Executive Officer of the Company effective November 3, 2018. After completing his tenure of three years he was reappointed as Company's Chief Executive with effect from November 03, 2021. He has also served as a member on the Board of Directors of National Refinery Limited as an alternate director. He is a graduate in aero sciences and holds a degree of Masters in Business Administration (Finance) besides qualifying the Directors Training Program from Pakistan Institute of Corporate Governance (PICG).

Other Engagements

Chief Executive Officer
National Refinery Limited



Mr. Shamim Ahmad Khan
Independent
Non Executive Director

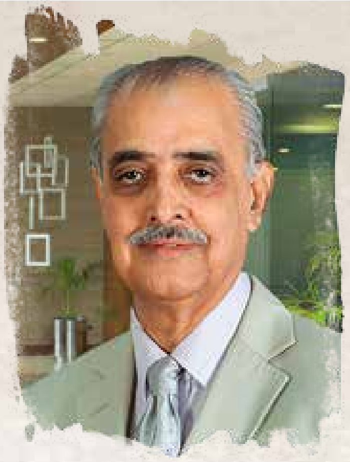
After joining Civil Service of Pakistan, Mr. Shamim Ahmad Khan served in senior positions in the Government, particularly in the Ministry of Finance and retired as Secretary, Ministry of Commerce. For ten years, he worked in Corporate Law Authority, regulatory body for the corporate sector as a Member and later as Chairman. He restructured it as Securities and Exchange Commission of Pakistan (SECP) and served as its first Chairman. After leaving SECP in 2000, he has been serving as independent/non-executive director of a number of listed companies. Presently, he is a non-executive director of IGI Holdings Limited, Pakistan Oilfields Limited, Attock Cement Pakistan Limited. He is also Chairman of IGI Life Insurance and IGI General Insurance. Earlier he has served on the Boards of Packages, Abbott Laboratories Pakistan, ABN AMRO/ Royal Bank of Scotland, Linde Pakistan and Pakistan Reinsurance Company. He has also been associated with non-profit sector. For six years, he served as a Member/ Chairman, Certification Panel, Pakistan Center for Philanthropy and presently he is a member of Board of Governors of SDPI and director of Karandaaz, a non-profit company sponsored by DFID. Mr. Khan has undertaken a number of consultancy assignments for Asian Development Bank, World Bank and DFID.

Other Engagements

Chairman & Director
IGI Life Insurance
IGI General Insurance

Director
IGI Holdings Limited
Pakistan Oilfields Limited
Attock Cement Pakistan Limited
National Refinery Limited
Karandaaz - NPO

Member Board of Governors
Sustainable Development
Policy Institute (SDPI)



Mr. Tariq Iqbal Khan
Independent
Non Executive Director

Mr. Tariq Iqbal Khan is a fellow member of Institute of Chartered Accountants of Pakistan, with diversified experience of more than 40 years. He was pivotal in founding Islamabad Stock Exchange where he subsequently served as President as well. He has also served as the Member Tax Policy & Co-ordination in the Central Board of Revenue, followed by being appointed as Commissioner SECP, where he was instrumental in restructuring the SECP. He also held the position of Chairman of Audit Oversight Board and also held charge of SECP (acting) Chairman for a brief period. He served on prominent national level committees like Committee for formulation of Takeover law. CLA Committee for review of Securities & Exchange Ordinance 1969, Committee for formulation of CDC law & regulations and Prime Minister's Committee for Revival of Stock Market. He served as the Chairman and MD of NIT for more than 8 years, which played the role of a catalyst in establishing, strengthening and stabilizing the capital markets. Additionally, during this period, he held the charge of Chairman & MD of ICP, for almost 5 years. He has served on Boards of the top companies like CDC, Faysal Bank Limited, Bank Al-Habib Limited, GSK, ICI, Siemens and Packages etc. He has remained Chairman of Attock Refinery Limited, Sui Northern Gas Pipelines Limited, K.P. Energy Board and KPOGCL. Presently he is a member on the Boards of Packages Limited, Silk Bank Limited and Interloop Limited. Presently he is also serving as Chairman of Packages Converters Limited.

Other Engagements

Director
Packages Limited
Silk Bank Limited

Mr. Mohammad Raziuddin
Alternate
Director to Mr. Laith G. Pharaon

Mr. Mohammad Raziuddin has more than 30 years of successful experience as a company executive in the energy sector. Both of his degrees were obtained in the United States of America: a Master's in Engineering from the University of Detroit in Michigan and an MBA from Syracuse University in New York. Over his career, he has held significant consulting positions with a variety of organizations within the country and also served as Technical Advisor in Saudi Arabia, Pakistan and Bangladesh. In the past, he has also served as Chairman of Pakistan Steel Mills Corp., Chief Executive Officer (CEO) of Khyber Pakhtunkhwa Oil & Gas Co. Ltd. and Managing Director of Oil & Gas Development Co. Ltd. He formerly held the positions of Director and CEO of Attock Refinery Limited. He is widely known and respected in this field for his skills in energy consultation, oil refining, exploration, petroleum marketing etc. Presently, he is also on the Board of Attock Petroleum Limited and National Refinery Limited. Mr. Raziuddin also holds Chief Executive Officer position of Attock Gen Limited.

Other Engagements

Chief Executive Officer
Attock Gen Limited

Director
Attock Petroleum Limited

Alternate Director
National Refinery Limited

Governance – Board of Directors

Mr. Babar Bashir Nawaz
Alternate
Director to Mr. Wael G. Pharaon

Mr. Babar Bashir Nawaz has an illustrious career span of over 40 years with the Attock Group of Companies. During this period he has held various positions in Finance, Marketing, Personnel & General Management, before being appointed as the Chief Executive Officer of Attock Cement Pakistan Limited in 2002. Mr. Bashir holds a postgraduate degree in Business Administration from the Quaid-e-Azam University, Islamabad. At present, he is serving as a Director on the Boards of all the listed companies of the Attock Group in Pakistan. Being a seasoned professional, he has attended various courses, workshops and seminars in Pakistan and abroad on the business management and carries enormous knowledge of the cement industry in Pakistan. Currently, he is the Vice Chairman of All Pakistan Cement Manufacturers Association (APCMA).

Other Engagements

Chief Executive & Director
Attock Cement Pakistan Limited

Alternate Director
Attock Petroleum Limited
Pakistan Oilfields Limited
National Refinery Limited

Mr. M. Adil Khattak
Chief Executive Officer

Mr. Adil Khattak, Chief Executive Officer of Attock Refinery Limited since 2005 has been associated with The Attock Oil Group for the last 47 years. Mr. Khattak has extensive experience in engineering, maintenance, human resource management, project management and marketing.

Mr. Khattak also holds Chief Executive Officer position of National Cleaner Production Centre Foundation and President Attock Sahara Foundation. He is on the Boards of Attock Petroleum Limited, Attock Gen Limited, Attock Hospital (Pvt) Limited, Oil Companies Advisory Council (OCAC), Petroleum Institute of Pakistan (PIP), Lahore University of Management Sciences (LUMS), Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (GIKI) and Sustainable Development Policy Institute (SDPI).

Mr. Khattak holds a master's degree in engineering from Texas Tech University, USA.

Other Engagements

Director
Attock Gen Limited
Attock Hospital (Pvt) Limited
Petroleum Institute of Pakistan

Alternate Director
Attock Petroleum Limited

Chief Executive Officer
National Cleaner Production Centre

Member Board of Governors
Lahore University of Management Sciences
GIK Institute of Engineering Sciences and Technology
Sustainable Development Policy Institute

Vice Chairman
Oil Companies Advisory Council (OCAC)

President
Attock Sahara Foundation

Governance

Board Committees

Audit Committee

Mr. Shamim Ahmad Khan
Chairman
(Independent Director)

Mr. Shuaib A. Malik
Member

Mr. Abdus Sattar
Member

Mr. Tariq Iqbal Khan
Member

Mr. Babar Bashir Nawaz
Member
(Alternate Director to Mr. Wael G. Pharaon)

Responsibility

The Audit Committee's primary role is to ensure compliance with the best practices of Code of Corporate Governance, statutory laws, safeguard of Company's assets through monitoring of internal control system and fulfill other responsibilities under the Code.

HR & Remuneration Committee

Mr. Tariq Iqbal Khan
Chairman
(Independent Director)

Mr. Shuaib A. Malik
Member

Mr. Jamil A. Khan
Member

Mr. M. Adil Khattak
Member

Responsibility

The prime role of the Human Resource & Remuneration (HR&R) Committee is to give recommendations on matters like human resource management policies, selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO, CFO, Company Secretary and Head of Internal Audit to the Board. The Committee also considers recommendations of CEO on such matters for key management positions.

Company Information

Mr. M. Adil Khattak
Chief Executive Officer

Syed Asad Abbas (FCA)
Chief Financial Officer

Mr. Saif ur Rehman Mirza (FCA)
Company Secretary

Bankers
Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
The Bank of Punjab
United Bank Limited

Auditors
A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor
Ali Sibtain Fazli & Associates
Legal Advisors, Advocates & Solicitors

Share Registrar
CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi-74400.

Registered Office
The Refinery, Morgah, Rawalpindi
Tel: (051) 5487041-5
Fax: (051) 5487093
(051) 5406229
E-mail: info@arl.com.pk
Website: www.arl.com.pk

Governance

The Management

01	**Salman Tariq** AGM (Maintenance)	03	**Syed Asad Abbas** Chief Financial Officer	05	**Asif Saeed** AGM (C&MM)
02	**M. Adil Khattak** Chief Executive Officer	04	**Munir A. Temuri** AGM (Operations)	06	**Saleem Anwar** AGM

07 **Saif-ur-Rehman Mirza**
Company Secretary

08 **Saeed Uddin Faruqi**
Manager (Engineering)

09 **Anwer Saeed**
Manager (HSEQ)

10 **Imran Sardar**
Senior Manager (HR&A)

11 **Usman Ishaq Raja**
Manager (BR&A)

12 **Khalid Mehmood**
Senior Manager (TS, P&D)

Governance

Management Committees

Various Committees have been formulated to look after the operational and financial matters of the Company. Brief description of the role of Committees involved in strategic matters is given below:

Management Committee
This Committee which is constituted of all departmental heads meets fortnightly under the chairmanship of CEO to coordinate and discuss various issues.

Value & Ethics Committee
The primary role of this Committee is to investigate and advise the CEO appropriate action regarding violation of ARL Core Values and related codes and policies.

Succession Planning and Career Management Committee
This Committee is responsible for initiating and taking all necessary steps towards formulation and implementation of an appropriate Succession Planning and Career Management System in the Company.

Econo-Tech. Committee
This Committee reviews all new proposals relating to Refinery operations and projects and formulates recommendations after discussing/evaluating it from technical and economic aspects.

Budget Committee
This Committee reviews and recommends the annual budget proposals for the approval of the Board of Directors. It also monitors the approved budget utilization.

Appraisal Committee
The role of this Committee is to review and propose annual increments and promotions of management staff.

Pricing Committee
This Committee is responsible for determining prices of deregulated products from time to time.

Central HSE Committee
The primary role of this Committee is to set operating policy and procedures consistent with HSEQ Policy and to monitor its implementation. Furthermore, this Committee provides a strategic direction, sets goals and objectives, monitors performance and provides a mechanism for dealing with safety behavior issues.

BID Evaluation Committee
The primary responsibility of this Committee is to review cases of bids for purchase of goods and services to ensure acquisition of the most suitable resource at the optimum price.

Risk Management & Strategic Plan Committee
This Committee discusses and decides all matters related to risk management and strategic plan of Attock Refinery Limited.

Standing Committee for Gender Justice
The prime responsibility of this Committee is to safeguard rights of employees and making the work environment free of harassment. In case of any complaint, conduct proper investigation and advise CEO for appropriate action.

Training Steering & Scholarship Committee
This Committee proposes names of staff members for outside trainings and also approves scholarships for employees' children.

Information Technology Committee
This committee has overall responsibility for governance of Information Technology in the Company.

بسم الله الرحمن الرحيم

Chairman's Review

I am pleased to present annual review as Chairman of the Board of Directors of Attock Refinery Limited for the year ended June 30, 2023.

The business environment in Pakistan remained very challenging during the year under review. The year experienced serious fiscal deficit, caused difficulties in establishing letters of credit and making related payments resulting in supply chain disruption. I am happy to note that the management met these challenges courageously and continued smooth operations of the company.

Uncertainty in supply of petroleum products persisted globally. This development supported refining margins and helped in absorbing increased cost of doing business. Untiring efforts of the management team made it possible to manage uninterrupted supply of petroleum products which helped in taking benefit of improved margins. The Company has posted the ever highest net profit after tax in its history amounting to Rs 29,225 million (June 30, 2022: Rs 9,931 million). This translated into earning per share of Rs 274.12 (June 30, 2022: Rs 93.14 per share).

The much-awaited Refining Policy for existing refineries has finally been approved by the Government and the Company plans to undertake up-gradation projects by availing the incentives available under the Policy. We hope that the future Governments would continue to provide a conducive investment environment, so necessary for implementation of upgradation projects.

The Company continues to face challenges due to position of foreign exchange reserves, massive currency devaluation and very high financing and rising inflation. The Board monitors the situation very closely and guides the management to address these challenges to mitigate the negative impacts to the extent possible.

The members of the Board have rich and varied experience. The Committees of the Board have provided valuable support to the Board. Their input has helped the Board and the management to meet mandatory obligations, including compliance with all legal and regulatory requirements as well as ensuring effectiveness of internal controls. An evaluation has brought out effectiveness of the role of the Committees and the Board.

I would like to appreciate members of the Board for their able guidance and the sustained support received from all stakeholders including Ministry of Energy. Above all, I must appreciate the efforts of our employees who have shown commitment and dedication.

August 29, 2023
Rawalpindi

Shuaib A. Malik
Chairman

بسم الله الرحمن الرحيم

Directors' Report

On behalf of the Board of Directors, we are pleased to present the Company's 45th Annual Report which includes the Audited Financial Statements of the Company together with Auditors' Report thereon for the year ended June 30, 2023.

1 Financial Results

The Company posted a profit after tax of Rs 28,010 million from refinery operations (June 30, 2022: Rs 9,097 million) during the current year while non-refinery income during the period was Rs 1,215 million (June 30, 2022: Rs 834 million). Resultantly, net profit for the year under review rose to Rs 29,225 million (June 30, 2022: Rs 9,931 million). This resulted in earning per share of Rs 274.12 (June 30, 2022: Rs 93.14 per share).

Like other corporates in the country, your company also had to face serious challenges due to worsening of macro-economic situation of the country. This was reflected by depletion of foreign exchange reserves, difficulties in opening and payment of Letter of Credits (LCs), significant currency devaluation and high inflation. The floods in many parts of the country causing wide spread devastation further aggravated the situation. The refineries in the country were also affected by smuggling of diesel from a neighbouring country. Despite these challenges, the Company remained steadfast in its commitment to use every opportunity for improvement in business processes and profitability. The period under review witnessed record profit owing to high Gross Refining Margins (GRMs), better inventory management and operating refinery at an optimal throughput. Taking benefit of improved financial performance, the Company made premature settlement of outstanding long-term loan.

Financial results and appropriations for the year ended June 30, 2023 are summarized as follows:

	Rs in million
Profit after taxation	29,225
Add: Other comprehensive income for the year	20
Add: Unappropriated profit as at June 30, 2022	10,636
Less: Final cash dividend @100% related to 2021-22	1,066
Less: Net amount transferred to special reserves as per the Refinery Pricing Formula	25,663
Unappropriated profit as at June 30, 2023	13,152
Subsequent Effects:	
Cash dividend for the year 2022-23 @ 125% per share of of Rs 10/- each	1,333
	11,819

During the year the Company earned consolidated profit after tax of Rs 30,670 million (June 30, 2022: Rs 12,952 million) which translates into consolidated earnings per share of Rs 287.67 (June 30, 2022: Rs 121.49 per share).

2 Dividend

The Board has recommended cash dividend @ 125% i.e. Rs 12.50 per share (June 30, 2022: 100%) subject to approval by shareholders in the Annual General Meeting of the Company.

3 Principal Activities of the Company, Development and Performance

Attock Refinery Limited (the Company) was incorporated in Pakistan in 1978 as a private limited company and was converted into a public company in the following year. The Company is principally engaged in the refining of crude oil. Its shares are quoted on Pakistan Stock Exchange Limited. There have been no change concerning nature of business of the Company and that of Attock Hospital (Private) Limited where the Company holds 100% shares.

During the year, the refinery was operated at around 78% of its capacity (June 30, 2022: 79%). The decision was taken keeping in view refinery's economics and crude receipts in order to determine optimal throughput level to ensure minimum losses while enabling the Company to meet its supply commitments.

During the year under review, the refinery's throughput was 1.881 million Tons (June 30, 2022: 1.911 million Tons). Major part of the crude production from the northern region of the country was processed at the refinery. Recently, the Government has approved allocation of around 5,000 bpd crude oil to the Company from southern oilfields of the country. This would improve receipt of crude oil at the Company which was reduced due to decline in production from northern oilfields.

All the crude processing units operated smoothly. The Company supplied 1.768 million Tons (June 30, 2022: 1.802 million Tons) of various petroleum products during the year fully meeting standard quality specifications.

Details regarding business process re-engineering, research and development have been given in a separate section of the annual report.

4 Impact of the Company's Business on Environment

The Company is aware of its responsibility towards environment, we strive to reduce environmental impact. In this connection the Company has implemented various procedures for energy management, water preservation, conservation of biodiversity and resource efficiency. Considering the abovementioned, following two studies on Water Treatment / Water Conservation were carried out during the year namely:

i) **Boiler Feed Water (BFW) Revamp Study** for improved efficiency of boilers, conserves energy and improves effluent quality, and

ii) **Zero Liquid Discharge (ZLD) Study** for recycling of effluent water to refinery process, thus resulting in water conservation.

All these steps reflect the Company's strong commitment to minimize adverse impact on environment, on sustainable basis. Implementation of Energy Management Standard ISO-50001, use of effluent treatment plant and water conservation measures like drip irrigation, waste water recycling/reuse demonstrate our continuous commitment to environment, safety and quality. The Company's efforts in this regard have been well appreciated at the relevant forums and recognized in the form of awards.

5 Pricing Formula

The pricing of the Company's petroleum products is carried out under the Import Parity Pricing Formula, as modified from time to time by the Government under which the cost of crude oil is determined on import parity basis. Product prices are fixed fortnightly, equivalent to the import parity price calculated under prescribed parameters. Among other directives, the Pricing Formula requires the Company to transfer an amount of profit

above 50% of paid-up share capital as at July 1, 2002 to a Special Reserve account for expansion/ modernization. However, after notification of the Refining Policy for Existing Refineries, this requirement shall be superseded and will not be applicable for future periods.

6 Pakistan Refining Policy for Existing Refineries 2023

The Government has approved Pakistan Refining Policy for Existing Refineries 2023 in August 2023 (the Policy). The Policy contains fiscal incentives in the form of tariff protection for existing refineries subject to strict terms and conditions including monitoring by OGRA. Under the Policy, the refineries shall be allowed 10% tariff protection applicable on Motor Gasoline and Diesel's ex-refinery price for 6 years from the date of notification of the Policy. However, the 10% tariff protection on Motor Gasoline and 2.5% on Diesel (incremental incentive) shall be deposited by refineries in the Escrow Account maintained by OGRA for utilization of upgradation projects only. Withdrawals from the Escrow account would be subject to OGRA monitoring, compliance with project milestone etc. Refineries will be allowed to withdraw maximum of 1/4th of the Upgradation project cost from the Escrow account.

The Company welcomes approval of the long-awaited Refining Policy and looks forward to its continuation by future governments also. The Policy will definitely support Company's plans for upgradation projects.

7 Principal Risks and Uncertainties

The Refinery operates under the pricing formula approved by the Government. The Company remains exposed to the risk of adverse fluctuation in the international prices of petroleum products and crude oil. However, these risks have been mitigated to some extent with introduction of fortnightly pricing and application of actual exchange rate in Motor Spirit and High-Speed Diesel pricing.

The specifications of Refinery's products are defined by the Government of Pakistan and the Refinery is required to strictly comply with such specifications. Any change in these specifications may require the Refinery to make changes in its operational parameters and hardware. To address this issue, the Company has been regularly updating its refining units to comply with the product specifications. Now with the approval of Refining Policy a clear timeline is available after which the specifications will be changed and thus provides for better planning out the future requirements.

The Company is also exposed to the risks associated with the non-uplifting of furnace oil especially during winter months. Recently, the Company also faced problems due to availability of smuggled diesel in its fed area. The Company has taken up these matters with the Government and has made suggestions for addressing these issues. Further the Company is exploring the option of getting a storage facility in Karachi for FFO in order to have flexibility in operations.

Financial risks relating to the business of the Company and the details of measurers for mitigating these risks have been explained in detail in note 41 of the annexed financial statements.

8 Refinery's Plans for Expansion and Up-Gradation

The most important challenge being faced by the refinery is to upgrade its plants to meet Euro-V fuel specifications. The Company has prepared a strategic plan for expansion with a view to improve the products' specification. The planned projects are as under:

- Continuous Catalyst Regeneration (CCR) Unit which will further improve PMG pool octane while eliminating use of octane boosting additives and naphtha export. This project aims to enhance PMG production and to meet Euro-V specifications.

- Revamping of ARL's DHDS unit for production of Euro-V specification (10 ppm Sulphur max) diesel.

Licensor FEED package for CCR complex and revamp of DHDS unit for production of Euro-V compliant PMG and diesel was completed by Honeywell UOP, USA. Moving forward in the upgradation project, consultancy services contract for preparation of tender document for FEED Contractor selection plus Project Management Consultant (PMC) services during EPC phase has been awarded. The FEED scope includes basic engineering of utilities and off-sites for CCR complex & DHDS revamp and integration of new/revamped units with existing refinery.

In order to address reduced demand of Furnace Fuel oil (FFO) and as per directions from the Government, all the refineries engaged an international consultant to carry out a feasibility study of a Joint Venture for Bottom-of-the Barrel (BOB) Upgradation project. Feasibility study for proposed joint venture of all refineries for upgrading furnace oil completed and submitted by the international consultant. Several configurations were analyzed in detail. Considering the project cost, economics and other factors, it does not seem feasible to proceed with implementation of this project.

ARL has plans to install a state-of-the-art new deep conversion green-field refinery of 50,000 BPD capacity, if sustainable enhanced supplies of local crude from north become available and necessary support is received from the Government.

All of the above stated plans of investments are dependent upon availability of sustainable local crude of suitable quality, demand supply situation of petroleum products, the prevalent/future product specifications in the country and the Government policies.

9 Contribution to the National Economy

The Company's annual contribution to the national exchequer in the form of taxes and duties amounted to over Rs 103 billion while foreign exchange savings of US $ 378 million were achieved through import substitution and exports.

The Company is the only refinery in the country which operates on 100% indigenous crude oil. It

provides a major outlet to several oilfields located in northern part of Pakistan. The Company also remains the main source of petroleum products to the civil and defense sectors in the northern region of Pakistan.

10 Human Resource Development

Human Resource is the backbone of any organization and its most valuable asset. At Attock Refinery Limited, we are cognizant of the need to maintain a merit based balanced work environment enabling the employees to materialize their full potential. Emphasis is also placed on their welfare and due compensation in order to promote a willing workforce. The Company hires qualified professionals through equal opportunity policy on fair remuneration. The employees are provided training with a view to upgrade their knowledge and skills helping them to improve efficiency. The Company has adopted a well-structured policy for career growth of employees, succession planning, retention and conducive working condition. Efforts are made to resolve Labour Management differences which helps in maintaining industrial peace and harmony.

10.1 Employee Development and Training

ARL management has always put emphasis on training of staff for their development. After Up-gradation projects, complexity of refinery increased requiring more attention to the training needs of staff especially for trainee engineers and DAEs to improve their skill levels. While training is an ongoing process already in place it was felt that a more organized and focused approach is required. It was envisaged that along with the Operator Training, Simulator training, classroom training should also be introduced with the concept of development of a Technical Training & Development Centre. The Training Centre was made operational on November 01, 2022 for capacity building of newly hired staff.

Experienced Operation Engineers are deputed as instructors who conduct training sessions. Training module comprises of presentations, videos, inter-active technical discussions, theoretical lectures, experience sharing sessions and finally assessments/test for evaluations.

As part of the training program, a digital library has been developed for use by experienced staff as well as trainees. ARL has a vast information available related to the processes and equipment. However, this was scattered and not easily accessible to all. To improve the learning process at all




levels, a comprehensive digital database covering relevant equipment, machinery, technical papers, books, ARL internal reports and refinery processes was developed for quick reference and technical support.

Besides, training plan is an integral part of our performance management strategy and is formulated on the basis of training need assessment, performance appraisal input for improvement, staff career planning, and other organizational requirements.

10.2 Motivational and Encouragement Awards

With a view to encourage staff in attaining optimum level of performance, ARL organizes regular quarterly awards ceremonies where outstanding performance of employees of all departments is recognized through commemorative shields and cash awards. These performance awards were awarded in the fields of core performance, safety, and housekeeping.

10.3 CBA Agreement 2021-23

CBA Agreement (2021-2023) was mutually signed by the Management and CBA on July 19, 2022 for the period of two years. The compensation and benefits for workers were revised through this agreement accordingly.

10.4 Referendum for Collective Bargaining Agent (CBA)

CBA Referendum at ARL was held under the supervision of Registrar of Trade Unions, Rawalpindi on December 26, 2022 between two registered trade unions of ARL for the determination of CBA. Refinery Employees Union attained highest number of votes and was notified CBA for the next two years by the Registrar of Trade Unions, Rawalpindi.

10.5 Hajj & Umrah Balloting 2023

As per the Company Policy each year four workers for Hajj and five workers for Umrah along with spouse or dependents are nominated through balloting. This ceremony was held on January 31, 2023.

10.6 Non-Muslim Balloting to Visit Holy Places

As per the Company Policy each year one Non-Muslim Worker is nominated through balloting to visit holy places in Pakistan. The function was held on December 9, 2022 at Elliott Club. The function was attended by all the Non-Muslim Workers and CBA Executive Body Members. A Non-Muslim worker from Operations Department was declared successful through the balloting to visit holy place inside Pakistan along with the spouse.

11 Organizational Development

11.1 Energy Week - 2022

As a socially responsible corporate entity, ARL recognizes the scarcity and value of natural energy resources, emphasizing the need for their optimal utilization. With this objective in mind, ARL celebrated Energy Week from October 17th to 21st, 2022, as a means to reaffirm its commitment to energy management and foster a culture of conservation.

The primary aim of this event was to educate, motivate, and instill a heightened sense of energy consciousness among employees, thereby strengthening their dedication to energy conservation.

11.2 Safety Week - 2023

The Company celebrated Safety Week from April 26th to 28th, 2023, in-line with the International Labor Organization's World Day (April 28th) for Occupational Health and Safety at Work. The ILO theme for 2023 is "A safe and healthy working environment is a fundamental principle and right at work".

On first day of Safety Week, refinery employees joined together for a safety walk. Safety walk reminds the significance of prioritizing safety culture in all aspects of refinery operations. The event reaffirmed the commitment of organization to maintain a safe workplace that prioritizes the well-being and safety of its employees.

During the Safety Week, a series of safety talks were organized to engage with employees for their suggestions to further improve OH&S practices. Presentations were conducted on Occupational Acquired Diseases, Electrical Safety, chemical Handling and Storage Safety. Moreover, a highly interactive and informative session on Defensive Driving & Road Safety was conducted by the National Highway and Motorway Police.

11.3 World Environment Day 2023

ARL celebrated World Environment Day on June 5th, 2023. The theme for year 2023 was "Solutions to Plastic Pollution "under the campaign Beat Plastic Pollution. To reinforce our commitment to the environment;

i. ARL's environment team conducted awareness sessions on World Environment Day 2023.

ii. ARL engaged with both inside refinery staff and partnered with the National Cleaner Production Center (NCPC)

to raise awareness outside the refinery premises.

iii. Banners on plastic pollution were also displayed to promote public awareness.

iv. An awareness session on "solutions to plastic pollution" was held for ARL line management in order to convey the message to floor level workers.

12 Corporate Social Responsibility

The Company continued to carry out numerous steps and measures towards Corporate Social Responsibility (CSR). Details for CSR activity have been given in a separate section of the annual report. The Company is proud to have a long history of carrying out such activities.

13 Corporate Awards and Recognitions

13.1 Employer of the year Award

The Company won 2nd Position in "Employer of the year Award (Medium National Category)" organized by Employers Federation of Pakistan.

13.2 Best Corporate & Sustainability Report Awards

The Company achieved Certificate of Merit in the "Best Sustainability Report Award" organized by a joint committee of the Institute of Chartered Accountant of Pakistan (ICAP) and Institute of Cost and Management Accountant of Pakistan (ICMAP).

14 Corporate Governance

The Board of Directors and the management remain committed to the principles of good corporate management practices with emphasis on transparency and disclosures. The Board and the management ensure observance of highest standards in this regard.

The Company is fully compliant with the Code of Corporate Governance 2019 (the "Code") and as per the requirements of the listing regulations, following specific statements are being submitted hereunder:

i. Proper books of accounts of the Company have been maintained.

ii. The financial statements prepared by the management present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

iii. Appropriate accounting policies have been consistently applied in preparation of financial statements which conform to the Approved Accounting Standards as applicable in Pakistan. The accounting estimates, wherever required, are based on reasonable and prudent judgment.

iv. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained.

v. The system of internal control is sound in design and has been effectively implemented and monitored.

vi. There are no significant doubts upon the Company's ability to continue as a going concern.

vii. There is no reported instance of any material departure from the best practices of Corporate Governance.

viii. Significant deviations from last year's operating results, future plans and changes, if any, in pricing formula have been separately disclosed, as appropriate, in the Report of the Directors.

ix. All major Government levies in the normal course of business, amounting to Rs 6,655 million, payable as at June 30, 2023 have been cleared subsequent to the year end.

x. The value of investments in employee's retirement funds based on the latest unaudited financial statements as at June 30, 2023 are as follows:

	Rs in million
Management Staff Pension Fund	1,544
Staff Provident Fund	816
General Staff Provident Fund	297
Gratuity Fund	596

xi. As per the Code, companies are encouraged that all directors on their board have acquired the prescribed certification under Director Training Program (DTP) by June 30, 2022. Presently, five (5) directors of the Company meet the exemption requirement of the DTP, while two (2) directors have already completed this program. Further, two alternate directors and the Chief Executive Officer (CEO) of the Company have also completed DTP.

xii. The Board strives to continuously improve its effectiveness. The Board of Directors has developed a mechanism as required under Code of Corporate Governance, for annual evaluation to assess performance of the Board and the Committees. The Board also reviews developments in corporate governance to ensure that the Company always remains aligned with best practices.

xiii. The Board of Directors has formulated a Directors' Remuneration Policy and its main features includes that every director including alternate directors are entitled to meeting fee as remuneration for attending meetings of the Board of Directors. No remuneration shall be paid for attending General Meeting(s) or meetings of the Committee(s) of the Board and / or any other business meetings of the Company. Aggregate amount of remuneration paid to executive and non-executive directors have been disclosed in note 40 of the annexed financial statements.

xiv. Key operating and financial data of last 6 years is annexed.

xv. Information about other Corporate Governance matters is separately included in this report.

A separate Statement of Compliance signed by Chairman and Chief Executive Officer is included in the Annual Report.

15 Adequacy of Internal Financial Controls

The Board has set up an independent audit function headed by a qualified person reporting to the Audit Committee. The scope of internal auditing within the Company is clearly defined which broadly involves review and evaluation of its' internal control systems. The Board also approves annual Internal Audit Plans.

16 Subsequent Events

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of the report.

17 Credit Rating

The Company's long term and short-term rating is 'AA' (Double A) and 'A1+' (A one plus) respectively. The credit rating was carried out by Pakistan Credit Rating Agency (PACRA). These ratings denote a very low expectation of credit risk based on a very strong capacity for timely payments of financial commitments.

18 Directors and Board Meetings held during the year

18.1 Directors of the Company

The following persons were the Directors of the Company during the year:

S/No.	Name of Directors	Designation	Gender
1.	Mr. Laith G. Pharaon	Non-Executive Director	Male
2.	Mr. Wael G. Pharaon	Non-Executive Director	Male
3.	Mr. Shuaib A. Malik (Chairman)	Non-Executive Director	Male
4.	Mr. Abdus Sattar	Non-Executive Director	Male
5.	Mr. Jamil A. Khan	Non-Executive Director	Male
6.	Mr. Shamim Ahmad Khan	Independent Director	Male
7.	Mr. Tariq Iqbal Khan	Independent Director	Male
8.	Mr. M. Adil Khattak (CEO)	Executive Director	Male

The above includes seven elected directors and one Chief Executive Officer of the Company.

During the year Mr. M. Adil Khattak was reappointed as the Chief Executive Officer for the period ending on December 31, 2023.

18.2 Directors meetings held during the year

During the year under review, five meetings of the Board of Directors were held and the attendance of the Directors was as under:

S/No.	Name of Directors	Total number of board meetings	Number of board meetings attended
1.	Mr. Laith G. Pharaon	5	5*
2.	Mr. Wael G. Pharaon	5	5*
3.	Mr. Shuaib A. Malik (Chairman)	5	5
4.	Mr. Abdus Sattar	5	5
5.	Mr. Jamil A. Khan	5	5
6.	Mr. Shamim Ahmad Khan	5	5
7.	Mr. Tariq Iqbal Khan	5	5
8.	Mr. M. Adil Khattak (CEO)	5	5

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

18.3 Meetings Held outside Pakistan

During the year ended June 30, 2023 one meeting of the Board of Directors of the Company was held outside Pakistan.

19 Board Committees Meetings held during the year

During the year under review, details of Board's Committees meetings held is as under:

Audit Committee

S/No.	Name of Directors	Total number of meetings	Number of meetings attended
1.	Mr. Shamim Ahmad Khan (Chairman)	4	4
2.	Mr. Shuaib A. Malik	4	4
3.	Mr. Abdus Sattar	4	4
4.	Mr. Tariq Iqbal Khan	4	4
5.	Mr. Babar Bashir Nawaz	4	4

Human Resource and Remuneration (HR&R) Committee

S/No.	Name of Directors	Total number of meeting	Number of meeting attended
1.	Mr. Tariq Iqbal Khan (Chairman)	1	1
2.	Mr. Shuaib A. Malik	1	1
3.	Mr. Jamil A. Khan	1	1
4.	Mr. M. Adil Khattak (CEO)	1	1

20 Remuneration of Directors and Chief Executive Officer

Non-Executive directors including independent directors are entitled only for fee for attending the board meetings. Foreign directors opted not to receive any board meeting fee. Detail of remuneration paid to the Chief Executive Officer is disclosed in note 40 to the annexed financial statements.

21 Auditors

The Auditors Messrs. A. F. Ferguson and Co. Chartered Accountants retired and offered themselves for reappointment. The Audit Committee has recommended reappointment of Messrs. A. F. Ferguson and Co. Chartered Accountants as auditors for the financial year ending June 30, 2024 on such terms and conditions and remuneration to be mutually decided.

22 Pattern of Shareholding

The total number of Company's shareholders as at June 30, 2023 was 6,112 as against 6,066 on June 30, 2022. The pattern of shareholding as at June 30, 2023 is included in this Annual Report. All trades in the shares of the Company, if any, carried out by the Directors, Chief Executive

Officer, Chief Financial Officer and Company Secretary and their spouses and minor children are disclosed and annexed.

23 Earnings Per Share

Based on the net profit for the current year the earning per share was Rs 274.12 (June 2022: earning per share: Rs 93.14).

24 Auditor's Report on the Financial Statements

The Company's external auditors, Messrs. A. F. Ferguson & Co. have audited ARL's Separate and Consolidated Financial Statements and issued unqualified audit opinion stating that the financial statements give a true and fair view of the state of affairs as at June 30, 2023.

Independent Auditors' Reports on the Audit of ARL's Separate and Consolidated Financial Statements are annexed to this Annual Report.

25 Holding Company

The Attock Oil Company Limited, incorporated in England, is the Holding Company of Attock Refinery Limited.

26 Subsidiary Company

Attock Refinery Limited (ARL) has a wholly owned subsidiary company; Attock Hospital (Private) Limited (AHL). The accounts of AHL have been consolidated with the accounts of ARL and are annexed to these financial statements. The financial and operational performance of AHL during the financial year 2022-23 is as under:

During the financial year 2022-23 AHL earned a profit after tax of Rs 47.84 million as compared to Rs 32.42 million earned during the last year reflecting a significant increase of 48%. This resulted in earning per share of Rs 239.22 (June 30, 2022: Rs 162.09 per share).

The financial results of AHL are summarized below:

	Rs. in million
Profit before taxation	67.86
Provision for taxation	20.02
Profit after taxation	47.84
Earnings per share in (Rs.)	239.22

The hospital operations continued smoothly throughout the year. The current year ended with a profit of Rs 47.84 million after tax. The current year figure

is showing a significant increase in the profit mainly on account of revision of medical services rates and increase in patient turnover. During the year AHL's total turnover of outpatients for the year was 177,673 (2022: 161,122), inpatients occupied days were 6,058 (2022: 5,420) representing 36% (2022: 32%) occupancy rate. Total diagnostic tests performed during year were 62,511 (2022: 56,552). The number of surgeries performed in operation theatre decreased to 1,956 (2022: 2,142). There was an overall increase in the revenue by almost 28%.

During the year Endoscopy procedures were added in the service which will ultimately become source of revenue generation in the time to come.

Furthermore, in last quarter of the year Solar Power system was installed, which is fully operational and will reduce the electricity cost of the hospital in future.

During the period under review, the AHL had taken measures to cater the requirement of under privileged people of surrounding area. In this regard the Company provided free services worth around Rs. 825,000/- from poor patient fund. Three Medical Camps were conducted in collaboration with The Attock Oil Company Limited, SNGPL and DHQ Nowshera's administration during the year in Nowshera. The basic objective of the said activity was to provide healthcare facility to flood hit areas. A total of 743 patients (261 Females, 302 Children and 180 Males) were seen. They were given free Medicine which were arranged by The Attock Oil Company Limited.

A blood donation campaign was launched during the year in which 29 bags of blood were collected.

In order to further benefit the local community, it has been planned to start Ophthalmology OPD (Eye OPD) during the next year.

The following persons were the Directors of AHL during the year:

S/No.	Name of Directors	Designation
1.	Mr. Shuaib A. Malik	Director & Chairman
2.	Mr. M. Adil Khattak	Director
3.	Mr. Rehmat Ullah Bardaie	Director

During the year Dr. Muhammad Iftikhar, was re-appointed as the Chief Executive Officer (Executive Director) for the period ending December 27, 2023.

There are no immediate risks or uncertainties foreseen by the AHL's management, as there is no competitive hospital available in the surrounding area which may affect the flow of patients.

The system of internal controls is sound in design and has been effectively implemented and monitored.

The AHL was registered on April 25, 2018, as Private Healthcare Establishment with Punjab Healthcare Commission under section 13 of the Punjab Healthcare Commission Act, 2010.

No dividend was declared by the AHL during the year.

The Auditors Messrs. A. F. Ferguson & Co. Chartered Accountants retired and offered themselves for reappointment as auditors for the financial year ending on June 30, 2024 on such terms and conditions and remuneration to be mutually decided.

Attock Refinery Limited holds 100% shares of Attock Hospital (Private) Limited.

27 Consolidated Financial Statements

The consolidated financial statements of Attock Refinery Limited are annexed. During the year the Company earned consolidated profit after tax of Rs 30,670 million (June 30, 2022: Rs 12,952 million) which translates into consolidated earnings per share of Rs 287.67 (June 30, 2022: Rs 121.49 per share).

28 Future Outlook

As already discussed, the Company is committed to implement upgradation projects to meet Euro V fuel specifications. Approval of the long-awaited Refining Policy has supported the Company's plans of upgradation. However, continuity of the Policy by future Governments is a must along with conducive investment environment.

Business environment of the country has become very challenging because of massive currency devaluation, high inflation and interest rate. While the management has taken proactive measures to address these challenges, we hope that necessary steps required will be taken by the Government to put the economy on self-sustaining growth path and regain macroeconomic stability.

The Company remains committed to providing high quality diversified environment friendly energy resources and to use best blend of state-of-the-art technologies and excellent human resource.

29 Acknowledgement

The Board would like to take this opportunity to thank the management and the employees for their continuous dedicated commitment to the Company. The Board also wishes to recognize the extraordinary contribution of our customers, suppliers, Ministry of Energy, in supporting the Company throughout and looks forward to their continued assistance in the future.

For and on behalf of the Board

Abdus Sattar
Director

M. Adil Khattak
Chief Executive Officer

August 29, 2023
Rawalpindi

Health, Safety, Environment & Quality

HSEQ Policy

ARL is committed to provide the best quality products in the market, endeavors to protect the environment and to ensure health and safety of its employees, contractors, customers and work for continual improvements in Health, Safety, Environment and Quality (HSEQ) systems. ARL is committed to comply with all applicable Health, Safety, Environment and Quality laws and regulations. The Policy shall be used to demonstrate this commitment through:

Health

ARL seeks to conduct its activities in such a way as to promote the health of and avoid harm to its employees, contractors, visitors and the community.

Safety

ARL ensures that every employee or contractor works under the safest possible conditions. It is our firm belief that every effort must be made to avoid accidents, injury to people, damage to property and the environment.

ARL believes that practically all accidents are preventable by carrying out risk assessments and reducing risks identified by appropriate controls.

Environment

ARL is committed to prevent pollution by the efficient use of energy throughout its operations, recycle and reuse of the effluent wherever possible and use of cost-effective cleaner production techniques that lead to preventive approach for sustainable development.

Quality

ARL recognizes employees' input towards quality by emphasizing skills development and professionalism. ARL must be customer driven, cost effective and continuously improving services, works and products to meet requirements of the market.

ARL conducts periodic audits and risk assessment of its activities, processes and products for setting and reviewing its objectives and targets to provide assurance, to improve HSEQ standards and loss control. ARL is committed to share all pertinent information related to HSEQ with all concerned parties.

Energy Policy

As a responsible corporate entity, Attock Refinery Limited (ARL) is cognizant that natural energy resources are not only scarce but also very precious and need to be optimally utilized. Ever-increasing environmental consciousness as well as market competition demands enhancement of energy efficiency and energy conservation where possible. Energy conservation positively impacts environment and goes a long way in reducing greenhouse gases and other hazardous emissions.

ARL is committed to produce quality petroleum products by employing economical energy efficient processes and equipment. It is our goal to reduce energy consumption where possible by regular monitoring and up gradation. We believe that energy efficiency and optimization is the key to sustainable development.

In our economic and development strategies, we focus on initiatives that will use energy resources more efficiently. To further enhance the energy management, ARL has set the following energy objectives:

1. **Use of Robust, Scientifically Sound Technology:**
   This will enable the optimization of the existing resources and employing energy efficient equipment while protecting the environment.

2. **Energy Management:**
   ARL believes in setting realistic targets pertaining to energy efficiency and conservation and review them periodically to ensure sustainable growth.

3. **Responsible Development:**
   ARL is committed to comply with all applicable legal requirements in respect of energy efficiency, conservation and its reporting.

4. **Energy Conservation Awareness:**
   To keep abreast with latest development in energy conservation technologies and inculcate energy conservation culture in all our activities.

Human Resource Policy

ARL Corporate policy on human resources is to attain the highest standards of professionalism throughout the organization by recognizing and revealing individual capabilities, productivity, commitment and contribution. ARL firmly believes that the continued progress and success of the Company depends upon to a great extent on its personnel – that only with a carefully selected, well trained, achievement oriented and dedicated employee force, can the Company maintain its Leadership in the Refining industry. And because the most valuable asset of the Company is its personnel, ARL has the following human resource policies:

1. Employ the best-qualified persons available, recognizing each person as an individual thus affording equal opportunity.
2. Pay just and responsible compensation in line with the industry standards, job requirements and work force.
3. Help employees to attain their maximum efficiency and effectiveness through a well-rounded training and development program.
4. Provide and maintain comfortable, peaceful and orderly working conditions.
5. Promote from within whenever possible and provide opportunities for growth and promotion to the employees.
6. Treat each employee with fairness and respect and in return expect from him service marked by dedication, devotion, commitment and loyalty.
7. Encourage each employee to improve and develop him/ her self and thereby prepare him/ her for positions of higher responsibility.
8. Recognize and reward efficiency, team work, discipline and dedication to duty and responsibility.
9. Exhaust all means to resolve Labor-Management differences, if any, promptly and amicably.
10. Provide a wholesome and friendly atmosphere for harmonious Labor-Management relations.

Whistle Blowing Policy

The Management encourages whistle blowing culture in the organization and has adopted a culture to detect, identify and report any activity which is not in line with the Company policies, any misuse of Company's properties or any breach of law which may affect the reputation of the Company. The Company has adopted the best corporate policies to protect employee(s) who report corporate wrongdoings, illegal conduct, internal fraud and discrimination against retaliation. The Company promotes transparency and accountability through publication of accurate financial information to all the stakeholders, implementation of sound effective and efficient internal control system and operational procedures.

All employees have signed a code of conduct and the Company takes any deviation very seriously.

The Company encourages Whistle Blowing to raise the issue directly to Chief Executive Officer provided that:-

- The Whistle Blower has sufficient evidence(s) to ensure genuineness of the fact after a proper investigation at his/her own end.
- The Whistle Blower understands that his/her act will cause more good than harm to the Company and he/she is doing this because of his/her loyalty with the Company and
- The Whistle Blower understands the seriousness of his/her action and is ready to assume his/her own responsibility.

The Management understands that through the use of a good Whistle Blowing Plan, they can discover and develop a powerful ally in building trust with its employees and manage fair and transparent operations. The Company therefore provides a mechanism whereby any employee who meets the above referred conditions can report any case based on merit without any fear of retaliation and reprisal.

Gender Diversity Policy

Introduction:

Attock Refinery Limited (ARL) recognises that a diverse workforce draws on different perspectives and experiences of many individuals and this makes an essential contribution to the achievement of its overall corporate objectives and success of its business. ARL promotes hiring and retaining of women across all departments, including operations and other technical functions.

We believe that to be effective our work must pursue equality of power, opportunities and access to resources for men and women of all ages, abilities and backgrounds.

Definitions:

Gender: It refers to social and cultural differences between male and female, as opposed to biological differences.

Diversity: Here it refers to the inclusion of individuals of different genders in all their diversity such as training, profession, origin, ethnicity or religion.

Objectives:

The Objectives of this policy are:

1. To improve the way in which gender considerations are consolidated in all aspects of our working. This includes internal matters i.e. composition of staff as well as external working practices i.e. collaboration with external partners.

2. To actively promote gender diversity to the extent practicable considering the technical, social and cultural patterns of conduct as well as true nature and associated complications within plant and machinery intensive refining industry.

3. To ensure that all employees are entitled to a workplace free from harassment and discrimination and have the opportunity to contribute and achieve their potential.

Scope:

ARL's Gender Diversity Policy covers:

1. Recruitment.
2. Compensation and Benefits.
3. Retention and Professional Development.
4. Working Conditions.

Recruitment:

ARL being an equal opportunity employer seeks to practice fair, objective and non-discriminatory recruitment and selection procedures. All vacant positions are open for specified knowledge, experience and skills required from the applicants irrespective of their genders. While advertising any specific position it is also ensured that the language used does not echo traditional gender stereotypes. Selection will be made on the basis of relevant criteria, experience, aptitude and ability and will be carried out by more than one person.

Compensation and Benefits:

At ARL, pay packages are not gender specific and are determined on the basis of employment grades assigned to individuals as per company policy / which are purely based on the educational background and qualification of the individual, his or her experience and abilities and requirements for the job. Likewise performance appraisal and increments are also based on merit and job performance without any gender biases. The compensation and other benefits are made available to all employees at the time of hiring.

Gender Diversity Policy

Retention and Professional Development:

Motivation is considered as an important phenomenon regarding retention of all talented employees and is equally driven by satisfaction of extrinsic job factors like salary and benefits as well as intrinsic job factors like professional development.

A mechanism for professional development of employees is followed wherein the Department heads / Managers identify the professional development needs of both men and women employees without any discrimination at the time of performance appraisals and the Human Resource Department facilitate the staff development activities through on formal training sessions on equal opportunity basis.

Working Conditions:

Appropriate conditions of employment that support work life balance and fulfilment of family responsibilities are provided generally to all employees without any discrimination. Female employees are additionally facilitated through provision of maternity leaves as per company policy. A robust anti-harassment policy is in place for the prevention of all forms of harassment at work place for all Staff members for the resolution of harassment complaints.

Responsibility for the Policy:

The Board of Directors of Attock Refinery Limited have overall responsibility for the effective operation of this policy. The Board has delegated to the Chief Executive the day to day responsibility for implementing the policy including making the objectives of this policy as part of key Performance Indicators of senior management and maintaining gender dis aggregated data with regard to female employment inside the Company as well as data regarding female customer base or supply base, if applicable.

Protection against Harassment at WorkPlace

Objective:

Attock Refinery Limited (ARL) is dedicated to provide a working environment that ensures that each & every employee is treated with respect & dignity and afforded with equitable conduct. The Company is committed to encourage a positive professional work atmosphere that is essential for the professional growth of its staff and it also promotes equality of opportunity. Harassment, therefore, has no place at ARL. This policy affirms ARL's zero tolerance for harassment on bases of race, color, origin, gender, religion, age or any physical attributes. The policy also assures employees the right to employment in a place of work that is free from harassment and intimidation in accordance with the spirit and theme of "Protection Against Harassment of Women at workplace Act, 2010"(the Act).

Harassment is not necessarily confined to the behavior of seniors toward juniors, it can take place between colleagues at the same level or involve staff behaving inappropriately towards more senior staff.

The Company views harassment to be among the most serious breaches of work place decorum. Consequently, appropriate disciplinary or corrective action, ranging from a warning to termination, can be expected if such a situation arises and demands for it.

It should be noted that harassment can also lead to civil and criminal claims beyond the Company's own disciplinary proceedings.

Application:

This policy applies to all employees who work in the Company; that includes Senior and Junior management employees and office staff members including internees or apprentices/trainees. The Company will not tolerate harassment whether it is by fellow Employees, junior or senior staff members.

The workplace includes:

1. All offices or other premises where business of the Company is conducted;
2. All Company-related activities performed at any other location away from the Company's premises;
3. Any social, business or other functions where the behavior or remarks may have an effect on the place of work or workplace relations.

Explanation:

Definition of Harassment:

For this policy, Harassment is defined as:

"Engaging in a course of vexatious comment or conduct against an employee in a workplace that is known or ought reasonably to be known to be unwelcomed, unsolicited, unreciprocated and usually (but not always) repeated. It is a behavior that is likely to offend, humiliate or intimidate".

For harassment to occur there does not have to be an intention to offend or harass. It is the impact of the behavior on the person who is receiving it, together with the nature of the behavior, which determines whether it is harassment.

Further, 'workplace' in this context is defined to include not only the usual work environment, but also

EMPLOYEES, WHO HAVE BEEN SUBJECTED TO HARASSMENT, MAY WRITE DIRECTLY TO THE CHIEF EXECUTIVE OFFICER FOR RESOLUTION OF THEIR CASES.

work related events, seminars, conferences, work functions and business trips.

Forms of harassment include but not limited to:

1. Verbal abuse: Unwanted comment that offends, humiliates or engenders anxiety or fear.
2. Bullying: Repeated mistreatment, verbal abuse, or conduct which is threatening, humiliating, intimidating, or that which interferes with work.
3. Sexual harassment: Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature.
4. Racial/religious harassment: Any unwanted comment referring to the worker's religious affiliation or racial background that attempts to humiliate or demean a worker.
5. Age harassment: include offensive remarks about a person's age and treating that person unfavorably on basis of his/her age.
6. Stalking: is unwanted or obsessive attention which includes staring, following or monitoring.

Roles and Responsibilities:

All staff members have a personal accountability to make sure that their conduct is not in conflict with this policy.

All staff members are expected to participate in this endeavor which in turn would strengthen and promote the development of a work environment free from harassment.

The Management is responsible for:

- Discouraging and stopping employment-related harassment;
- Examining every official written complaint of harassment;
- Taking proper corrective measures to react to any substantiated allegations of harassment in the Company;
- Ensuring that all staff members of the Company are aware of the harassment predicament and as to what their individual and collective responsibilities are with respect to circumventing/stopping harassment.

Resolution of Harassment Complaints:

The Company is committed to provide a helpful working environment to resolve harassment worries by setting up an Inquiry Committee consisting of 3 members to be constituted by the Chief Executive Officer.

Complaints:

1. Although, it is the responsibility of the Departmental Heads/Managerial Members to address the issue of Harassment however, in case of non-resolution of the complaint, any staff member of the Company with a harassment concern may bring an official complaint to the Inquiry Committee. All such complaints will be investigated promptly.
2. All records of complaints that include the meetings, discussions, dialogues, investigation results, and other related material will be kept confidential by the Committee/Company, except for where revelation is required for disciplining or any other remedial process.
3. After investigating the matter, the Committee will forward its report to the competent Authority who is the Chief Executive Officer of the Company. If it is confirmed that a harassment allegation is valid, strict disciplinary or corrective actions will be taken accordingly. However, false allegations/complaints will result in disciplinary action against the original Complainant.

No Reprisal:

The Company is committed to ensure that no staff member, who brings forward a (genuine) harassment complaint, is subjected to any kind of reprisal. Any retaliatory action will be viewed as a disciplinable matter.

Business Process Re-Engineering, Research & Development

1

The Company always endeavors to improve specification of its products. During the year the Company commenced successful production and dispatches of 91 RON PMG. This has enabled the Company not only to supply products of improved quality but also to enhance its revenue.

2

Screening activity of ISOM plant Light Naphtha Hydro Treater (LHT) catalyst was performed to fix pressure drop issues. Additionally, upgraded CatTrap technology was introduced in Hydro treater reactor in place of conventional ceramic balls to minimize pressure drop rate and ultimately plant downtime.

3

Hydrogen plant reformer heater is one of the critical equipment. To eliminate high temperature flue gas leakages caused by damaged insulation sleeves, a super wool blanket was wrapped around the catalyst tube in place of sleeve on experimental basis. Temperature surveys were conducted to ascertain its efficacy and results were satisfactory. Same treatment is planned to be performed on remaining tube sleeves on need basis.

4

A detailed in-house audit of refinery instrument air network was conducted to identify any leakages. After rectification of leaked points, around 7.5% reduction in instrument air consumption was achieved. A comprehensive report on instrument air network was also prepared, covering all relevant details for future reference.

5

The HBU-1 distillation unit encountered severe corrosion issues in the overhead Naphtha circuit of the pre-flash tower, specifically in the overhead condenser. Different in-house measures were taken that reduced the duration of tube failure. In order to identify long-term potential solutions, a study was conducted through international consultant. The study report has been received and its recommendations are being implemented.

6

Humak pumping station is one of the main water supply sources for refinery operations. Its supply was restricted due to pumping from multiple sources and back pressure issues in the common pipeline. A separate line from the relevant tube well was installed and additional water pumping capacity of 200,000 gallon per day was achieved.

7

Annual turnaround of Heavy crude unit (HCU) was safely executed within twelve (12) days in November 2022.

8

ARL Weigh Bridge (WB) plays a pivotal role to ensure accurate volumes of crude receipts and product dispatches through bowsers. New software was installed to ensure integrity and reliability of WB operation.

9

Railway filling gantry for HSD dispatches was upgraded to ensure safe filling operation by replacing flexible hose pipes with installation of new loading arms.

10

To improve process safety, two remotely operated isolation valves (ROIVs) were successfully installed and commissioned at ISOM unit for timely emergency handling.

11

Reduction in steam consumption up to 12 Ton per day at HBU-I was achieved by optimization and rectification of steam leakages.

12

A new fuel gas knock out vessel was successfully installed and commissioned at fuel gas supply to boilers for safe and trouble-free boiler operation.

13

To improve safety of operations, installation of new dual mechanical sealing system was successfully implemented on diesel pumparound pumps at HBU-I unit.

14

Old analog level indicators (roto gauge) of LPG bullets got replaced with a new non-intrusive “Ultrasonic Digital Level Gauge.” This new gauge attaches externally, hence eliminating the need to depressurize and emptying the bullet for maintenance.

Other Corporate Governance

Appointment of Independent Director and Justification for their Independence

The independent directors are elected through the process of election of directors in terms of section 159 and 166(1) of the Companies Act 2017 (the Act) and they shall meet criteria laid down under section 166(2) of the Act. The Company exercises its due diligence before selecting a person as an independent director and ensure that the name of independent directors is available in the data bank on independent directors maintained by the Pakistan Institute of Corporate Governance (PICG) .

Policy for Related Party Transactions

All transactions with related parties are carried out in ordinary course of business on an arm's length basis. Further, in accordance with the Section 208 of the Companies Act, 2017 and Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Board of Directors have approved the policy that provides the disclosure of relevant information in respect of related party transactions, nature of transactions and pricing methods to be followed in carrying out these transactions.

Members of the Board have also been apprised regarding their responsibility for disclosure of interest in a contract or arrangement with related parties as required under Section 209 of the Companies Act, 2017. A register of information received from directors in this regard is also being maintained as per the statutory requirement. Transactions where the majority of directors may be interested are referred to general meeting for shareholders' ratification and approval. In accordance with the requirements of Code of Corporate Governance, the details of transactions carried out with all related parties are periodically placed before the Board Audit Committee and presented to Board for review and approval.

Disaster Recovery and Business Continuity Planning

To mitigate the disastrous / disruptive events, appropriate and reliable business strategies have been employed in operations, infrastructure and supply chain to ensure continual smooth business. The Management of the company reviews the risks, its impacts to business continuity & mitigation measures adopted on continual basis.

Disclosure of Beneficial Ownership

Details of group shareholding and nature of relationships of associated companies is annexed.

Presence of Chairman Audit Committee at AGM

Chairman of the Audit Committee is present at the AGM to answer questions on the audit committee's activities and matters within the scope of audit committee's responsibilities. Chairman Audit Committee, Mr. Shamim Ahmad Khan was present at the last AGM held on September 20, 2022 to answer queries of shareholders regarding above mentioned matters.

External Search Consultancy for appointment of Chairman and Non-Executive Director

No search consultancy (connected or unconnected with the Company) has been used for the purpose of appointment of Chairman and Non-Executive Directors.

Chairman's Significant Commitments

The Chairman is committed towards protecting shareholders' wealth and creating sustainable returns while securing the interests of all stakeholders at the same time. The Chairman effectively plays his role of guiding the Board of Directors in devising and implementing medium to long term strategy of the Company adhering to the Vision & Mission Statement. Responsibilities undertaken by the Chairman are briefed in the Role of Chairman in this section.

Governance Practices Implemented Exceeding Legal Requirements

The Company has created an environment where best practices of corporate governance have been adopted to ensure that ethical behaviour, good moral conduct and dedication to excel is embedded in to the Company's culture. Adherence to highest standards of corporate reporting apart from meeting the minimum requirements of the law is pivotal to the Company's corporate reporting framework.

The Company focuses on following practices of good governance in addition to mandatory requirements:

a) Compliance with criteria for Best Corporate Reports issued by joint technical committee of ICAP/ ICMAP.

b) Compliance with criteria for Best Presented Reports issued by South Asian Federation of Accountants (SAFA).

c) Compliance with criteria for selection of Top 25 companies issued by PSX.

The Company has won various awards in the above categories. Further, additional financial disclosures including financial ratios, reviews, graphs and comments on these analyses are also made for transparency and effective communication with stakeholders.

Decisions taken by the Board and Delegated to Management

The Board of Directors ensures that the management upholds the vision and mission set by the shareholders of the Company. To achieve this objective, policies and objectives are set by the Board in such a manner that implementation by the

management results in benefit to the Company. The Board is involved in top-level strategic decisions having long-term implications including major investments, capital financing, capital expenditure, disposal of fixed assets, approval of budgets, approval of financial statements, future projects, acquisitions and dividend declarations etc.

Operational level decisions, having short-term implications, are delegated by the Board to the management including short term investments, sale/purchase contracts, implementation of policies, treasury, taxation and stock management and Board has given them the responsibility of day to day running of the Company.

Board Annual Evaluation

Code of Corporate Governance has been adopted by the Board in its true spirit. The performance of Board and its Committees effectively shapes the overall performance of the Company hence remains crucial. Performance of the Board and Committees can be improved by promoting best practices and professional corporate culture. As required by the Code of Corporate Governance, performance of the Board and its Committees are internally evaluated through a mechanism developed and approved by the Board of Directors to evaluate the efficacy of the Board and its Committees on an annual basis. During the year, the Board and its Committees were evaluated using this mechanism to further improve the effectiveness of the Board. Developments in corporate governance are constantly reviewed and implemented to align the Board with principles of good corporate governance.

Board's Performance Evaluation by External Consultant

The Board's performance was carried out internally and no external consultant was engaged.

Security Clearance of Foreign Directors

Foreign Directors elected on the Board of Attock Refinery Limited requires security clearance from Ministry of Interior through Securities and Exchange Commission of Pakistan (SECP). All legal formalities and requirements have been met and fulfilled in this regard.

Formal Orientation for Directors at Induction

When a new member is taken on board it is ensured that he is provided with a detailed orientation of the Company. Orientation is mainly focused on Company's vision, strategies, core competencies, organisational structure, related parties, major risks (both external and internal) including legal and regulatory risks and role and responsibility of the directors as per regulatory laws applicable in Pakistan along with an overview of the strategic plan, marketing analysis, forecasts, budget and business plan.

Directors' Training Programme

The Company ensures that it congregates requirements of Securities and Exchange Commission of Pakistan (SECP) and complying the requirements of Code in which companies are encouraged that all Directors on their Board have acquired the prescribed certification under Directors' Training Programme (DTP) by June 30, 2022. Presently, five (5) directors of the Company meet the exemption requirement of the DTP, while two (2) directors have already completed this program. Further, two alternate directors and the Chief Executive Officer (CEO) of the Company have also completed DTP.

Investors' Grievance Handling

Investor satisfaction is the prime focus of the Company to retain long lasting relationship with its prestigious investors. The Company's existing and potential investors are allowed access to information regarding Company's operations in addition to details of investments, dividend distribution or circulation of regulatory publications. Investor Grievances are managed centrally by Corporate Affairs Section of the Company. The Section has an effective Investor Grievance redressal mechanism in place to handle investors' queries and complaints promptly and effectively. The Company's grievance handling is supported by a review mechanism to minimize recurrence of similar issues in future. Investors' queries and complaints are dealt with courtesy at all the times. Investors have facility to call on the contact number provided for the purpose on the Company's website.

The Company has maintained an investors' relations section on the website. An email ID is designated for the investors' queries and complaints.

Feedback/complaint forms are available on website where investors can lodge their complaints at any time. Complaints are addressed by designated employees without any delay. The Corporate Affairs

Section has maintained a record of complaints mentioning status of pending complaints and their resolution.

Safety of Records of the Company

To ensure prompt and accurate retrieval of records, protection of vital information in the event of disaster and to ensure compliance with legal and regulatory requirements, the Company has an established procedure for preservation of records holding significant value, in line with good governance practices and administrative requirements. Records include books of accounts, documents pertaining to secretarial, legal, taxation and other matters etc. Key records are archived in a manner to protect them from physical deterioration, accidental fire and natural calamities. Documents in physical forms are stored at specifically designated record rooms with proper safety features. Financial data and other records in the ERP system are periodically backed up at various servers and protected under secure access protocols. Paperless environment is also being promoted and an e-record management system is being put in place to safeguard the records of the Company along with optimizing storage spaces.

Conflict of Interest Management

A formal Code of Conduct is in place governing the actual or perceived conflict of interest relating to the Board members of the Company. Under the guidelines of Code of Conduct every director is required to disclose about his interest in any contract, agreement or appointment etc. These disclosures are circulated to the Board and it is ensured that interested director does not participate in decision making and voting on the subject. The effect to the above facts is recorded in minutes of meeting, if any. Any such conflicts of interests are recorded in Company's statutory register while disclosures of related party transactions are provided in financial statements.

Role of Chairman & Chief Executive

The Chairman heads the Board of Directors and is appointed by the Board from amongst the Non-Executive directors. Heading the meetings, defining agendas and signing the minutes are the primary responsibilities of the Chairman and making sure that the duties of the Board of Directors are met. He also manages conflicts of interests arising, if any, and makes recommendations to improve performance and effectiveness of the Board. The Chairman, at the start of the term of Directors, intimates them regarding their roles, responsibilities, duties and powers to help them manage the affairs of the Company effectively.

The CEO manages the Company and is responsible for all of its operations. The CEO designs and proposes strategies and implements decisions of the Board. The CEO reports to the Board regarding the Company's performance and profitability along with suggesting improvements to enhance shareholders' wealth.

The Board of Directors has clearly defined and segregated the roles and responsibilities of the Chairman and the CEO.

Audit Committee Report

For the year ended June 30, 2023

Composition and Meetings of the Committee

The Board of Directors of the Company has constituted a Board Audit Committee as required under the Code of Corporate Governance (the Code). The Committee comprises of the following members:

S. No	Name	Designation	Category
i.	Mr. Shamim Ahmad Khan	Chairman	Independent Director
ii.	Mr. Shuaib A. Malik	Member	Non Executive Director
iii.	Mr. Abdus Sattar	Member	Non Executive Director
iv.	Mr. Tariq Iqbal Khan	Member	Independent Director
v.	Mr. Babar Bashir Nawaz	Member	Non Executive Director

The Committee comprises of five directors. Two members of the Committee including its Chairman are independent directors, whereas the other three members are non-executive directors. The members of the Committee have varied experience of financial management, oil and gas industry and corporate regulations. As such the Committee as a whole possesses significant relevant knowledge and experience.

The Audit Committee met every quarter during the year ended June 30, 2023. Meetings were held prior to approval of interim results by the Board and after completion of external audit. In addition to the Committee members, the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and the Company Secretary also attended all meetings of the Committee by invitation. Head of Internal Audit Department, being the Secretary to the Committee, arranged and attended all the Committee meetings.

Role of the Committee

The role of the Committee is outlined in the Terms of Reference approved by the Board, which principally focuses on following:

i. determination of appropriate measures to safeguard the company's assets

ii. review of annual and interim financial statements of the Company, prior to their approval by the Board of Directors

iii. facilitating the external audit and discussion of significant matters with the external auditor

iv. ensuring coordination between the internal and external auditors of the Company

v. review of the scope and extent of internal audit, audit plan, reports, adequacy of internal audit resources and position in the Company

vi. ascertaining that the internal control systems are adequate and effective

vii. review compliance with relevant statutory requirements

viii. review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures

ix. recommend to the Board of Directors the matters relating to appointment of external auditors

Risk Management

The Audit Committee's responsibility in relation to management of risk is covered through a Risk Management Committee (RMC) at the level of the Company's management. The Committee is headed by the CEO. The CEO briefs the Audit Committee about the RMC's findings and recommendations for consideration and recommendation to the Board.

Annual Report 2023

The Audit Committee satisfied itself that Annual Report has been prepared in a balanced manner showing true and fair view of results, management approach, future challenges and prospects in such a way that these are understandable to all stakeholders.

Internal Audit

The Internal Audit Department under the auspice of the Audit Committee performed its duties in accordance with the Manual approved by the Committee. The Committee has ensured that

Internal Audit function is adequately staffed and appropriately placed in the Company to effectively discharge its responsibilities. The Head of Internal Audit has direct access to the Chairman of the Audit Committee. The Internal Audit function has unrestricted and direct access to data, documents and records required for the reviews under consideration. It has accomplished its assignments in accordance with annual audit plan approved by the Audit Committee. The Committee has reviewed the significant findings and taken appropriate actions where required. The performance and activities of Internal Audit function are evaluated through the Progress Report presented to Audit Committee in each quarter.

Whistle Blowing Arrangement

The Audit Committee encourages the staff and the management to report to it, any concerns, about any impropriety in the financial management of the Company. A well detailed and effective whistle blowing policy has been introduced in the Company. Adequate remedial and mitigating measures are applied, where necessary.

External Audit

The Committee is satisfied with the performance of the external auditor i.e. A. F. Ferguson & Co. Chartered Accountants. The engagement partner on the audit was Mr. Aftab Ahmad.

Coordination between the External and Internal Auditors was ensured to enhance the efficiency and effectiveness of assurance services and to develop sound financial reporting system compliant with laws and regulations.

The Committee has also reviewed the Internal Control Memorandum issued by the external auditor as required under listing regulations and discussed it with the external auditor and the management and reported material items to the Board.

The Committee also invites the external auditors for meeting in the absence of Head of Internal Audit and CFO to get feedback on the overall control and governance framework within the Company.

Performance Evaluation

The Audit Committee carried out its responsibilities to the full, in accordance with Terms of Reference approved by the Board. An annual evaluation of the Committee's performance and members was carried out and on the basis of the feedback received through this mechanism, overall role of the Committee has been found to be effective.

Shamim Ahmed Khan
Chairman Audit Committee

Rawalpindi
August 28, 2023

Pattern of Shareholding

As at June 30, 2023

Corporate Universal Identification Number: 0006538 **Form-34**

Number of Shareholders	Shareholding From	Shareholding To	Total Shares Held
1,658	1	100	67,849
1,682	101	500	510,226
882	501	1,000	735,026
1,255	1,001	5,000	2,893,357
207	5,001	9,000	1,403,570
120	9,001	13,000	1,300,611
53	13,001	17,000	800,654
51	17,001	21,000	970,334
26	21,001	25,000	620,496
15	25,001	29,000	408,227
19	29,001	33,000	581,850
12	33,001	37,000	420,419
13	37,001	41,000	508,193
6	41,001	45,000	259,925
5	45,001	49,000	231,571
13	49,001	53,000	656,501
5	53,001	57,000	276,595
3	57,001	61,000	180,000
3	61,001	65,000	190,368
1	65,001	69,000	66,229
6	69,001	73,000	426,550
4	73,001	77,000	301,946
2	77,001	81,000	161,000
3	81,001	85,000	247,926
3	85,001	89,000	263,616
2	93,001	97,000	187,500
9	97,001	101,000	898,993
1	101,001	105,000	103,000
1	117,001	121,000	119,800
1	121,001	125,000	125,000
1	125,001	129,000	125,280
2	137,001	141,000	276,000
4	149,001	153,000	600,000
1	153,001	157,000	153,613
3	157,001	161,000	477,130
2	169,001	173,000	341,000
1	181,001	185,000	183,891
1	185,001	189,000	186,065
1	189,001	193,000	190,762
1	193,001	197,000	194,172
2	197,001	201,000	401,000
1	201,001	205,000	204,375
1	241,001	245,000	244,586
2	249,001	253,000	503,687
1	253,001	257,000	256,250
1	265,001	269,000	268,750
1	277,001	281,000	277,340
1	285,001	289,000	286,000
1	337,001	341,000	340,000
2	349,001	353,000	699,575
1	353,001	357,000	354,552
1	385,001	389,000	385,448
1	417,001	421,000	418,827
1	425,001	429,000	427,468
1	433,001	437,000	433,792
1	445,001	449,000	445,071
1	469,001	473,000	469,172
1	477,001	481,000	477,216
1	529,001	533,000	529,525
1	641,001	645,000	644,700
1	669,001	673,000	671,346
1	689,001	693,000	689,500
1	693,001	697,000	696,578
1	745,001	749,000	748,925
1	1,169,001	1,173,000	1,169,039
1	1,777,001	1,781,000	1,780,952
1	1,789,001	1,793,000	1,790,000
1	2,277,001	2,281,000	2,280,000
1	5,025,001	5,029,000	5,028,301
1	9,073,001	9,077,000	9,075,500
1	55,970,001	55,975,000	55,973,530
6,112	-	-	**106,616,250**

Categories of Shareholders

As at June 30, 2023

Category No.	Categories	Number of shares held	%age
1	**Directors/Chief Executive Officer and their spouse and minor children:**		
	Mr. Laith G. Pharaon	1	0.00
	Mr. Wael G. Pharaon	1	0.00
	Mr. Shuaib A. Malik	349,576	0.33
	Mr. Abdus Sattar	1	0.00
	Mr. Jamil Ahmed Khan	1	0.00
	Mr. Tariq Iqbal Khan	251	0.00
	Mr. M. Adil Khattak	5,858	0.01
		355,689	0.33
2	**Associated Companies, Undertakings and Related Parties:**		
	The Attock Oil Company Limited	65,095,630	61.06
	Attock Petroleum Limited	1,790,000	1.68
	Executives	12,671	0.01
		66,898,301	62.75
3	**NIT and ICP**	445,196	0.42
4	**Banks, Development Financial Institutions and Non-Banking Financial Institutions**	1,703,727	1.60
5	**Insurance Companies**	629,853	0.59
6	**Modarabas and Mutual Funds**	2,881,541	2.70
7	**General Public**		
	a. Local	22,227,307	20.85
	b. Foreign	144,824	0.14
8	**Others**		
	Trusts/Funds	765,445	0.72
	Joint Stock Companies/Others	8,079,344	7.58
	Foreign Investors	2,416,698	2.27
	Charitable Trusts	68,325	0.06
	Total	**106,616,250**	**100.00**

Shareholders holding 10% or more		Shares held	%age
1	The Attock Oil Company Limited	65,095,630	61.06

Trade in shares by Directors, CEO, CFO, Company Secretary, Executives and their Spouses and Minor Children		Purchase	Sale
–	Mr. Abdul Rahim (Executive)	2,000	-
–	Mr. Mohammad Amin Kahoot (Executive)	5,400	5,400
–	Mr. Muhammad Qasim (Executive)	-	1,500

Strategic Plan

We have charted an ambitious growth journey classified into strategic (long-term), tactical (medium term) and operational (short term) plans to enhance our refining capacity and produce, better and more environment friendly petroleum products. We plan to enhance safety and risk management, earn and keep community's trust and create value for shareholders. We strive to deliver performance through operational excellence and build capability through standardization and increased functional expertise.

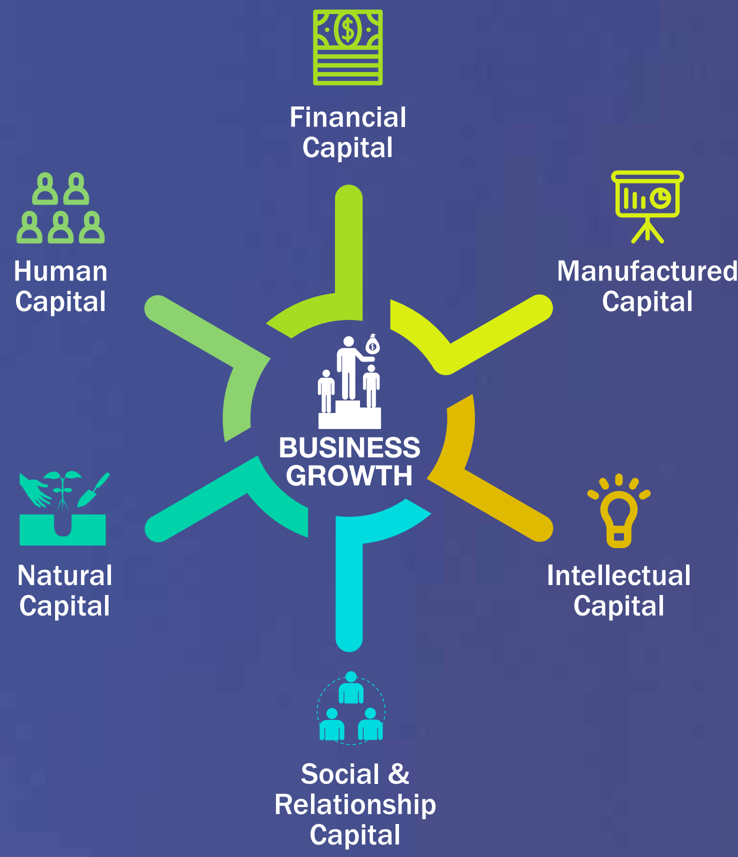
Strategic objectives and implementation strategies

S. No	Strategic Objectives	Implementation Strategies
1	Supply of environment friendly products	Continuously carry out research and development activities to ensure efficient production of environment friendly products in the short and medium term. Ensure timely up-gradation of refinery by installing state-of-the-art processing units.
2	Smooth and continuous supply of products	For smooth and continuous supply of products receipt of adequate quantity of Crude Oil is a must. Crude Oil is obtained from Northern oil fields through pipe lines and via oil tankers. To meet any short falls in this respect, Crude Oil from southern oil fields of the country is being planned. Additionally, processing plants are kept in best operating condition by ensuring planned turnaround.
3	Create value for shareholders	Optimum use of financial resources, underpin our decision making. It ensures our assets remain competitive and helps us achieve a balance between investing in the short, medium and long-term growth engines for the Company in a volatile market environment.
4	Operational excellence	We focus on conservation measures, adoption of latest technologies and application of highest operational standards combined with health, safety and environment care to achieve an efficient and agile operating model.
5	Customer satisfaction	Our agile operating model and attitude towards production of best value and quality products enables us to maintain our credibility and ensure customers satisfaction.
6	Capacity building	The quality, size, and diversity of our portfolio of resources, projects, products and assets determine our ability to take advantage of opportunities that supports future growth and leads to strong financial and operating results. The Company provides excellent training opportunities to fresh graduates and students through its management training programs and internships. Training of employees is also a regular feature at ARL.
7	CSR / Environment	Since its inception in 1922, the Company's contribution towards CSR has been an important part of our core values. During these long years, we have taken exhaustive initiatives in this realm and continue to find ways and means to meaningfully contribute towards community welfare activities.

Strategy and Resource Allocation

Resource Allocation Plan

In pursuit of excellence, we have implemented a formal Resource Allocation Plan underpinned by Six Capitals that create value for our stakeholders. In managing these Capitals, the Board and Management always look to evaluate risk tolerance, risk appetite measures and impact on our strategic objectives. Keeping this in view, the Company allocated following capital to unlock opportunities:



1. **Human Capital**
   We have a formal HR policy to attract, develop and retain high performing people while promoting diversity and cultural transformation. Our training and development system aims at developing a workforce which adheres to the values and norms of the Company. We have devised a specific on job training program which include use of latest technology such as Operator Training Simulator and Enterprise Resource Planning (ERP). We have adopted a rigorous performance appraisal system and developed a Career and Succession Planning model to enhance our leadership capabilities.

2. **Intellectual Capital**
   The Company is the pioneer of crude oil refining in the country and has developed a niche for itself by developing its technical expertise for refining various types of indigenous crude oil produced from various fields of the Country. We acquire latest licensed technologies, software and also develop multiple bespoke software to remain competitive in the market. Our efforts for operational excellence, continuous process improvement, quality management, technical support and digitalization plays a vital role to further strengthen our foundations.

3. **Manufactured Capital**
   We continuously upgrade/ replace our plant and equipment with latest state-of-the-art hardware through which we are able to operate reliably and convert hydrocarbon resources into high value product streams. The process of up-gradation enables us to manage our environmental footprint and ensure compliance with regulatory requirements.

4. **Financial Capital**
We have formulated an investment policy that drives disciplined use of financial resources leading towards maximum value creation. Cash generated from operations and investments is effectively utilized and capital structure of the company is regularly monitored to assess the financing requirement. Our robust budgeting and planning system contribute positively in smooth implementation of our strategy.

5. **Social & Relationship Capital**
We strive to deliver on our commitment for doing fair business and have integrated the needs of our stakeholders into our policies, procedures and practices. We have adopted a multi stakeholders approach to promote synergetic relationship and solve difficult challenges. We actively engage our stakeholders and have taken various initiatives to ensure progress on our growth strategy.

6. **Natural Capital**
Environmental protection and preservation of natural resources is of prime and equal importance in the Company's Business Model. ARL through its Waste Management and Effluent Monitoring process, minimize any harmful impact to the environment caused by Company's activities. The Company has a comprehensive Environment, Health & Safety Policy in place which is complied with. HSE Manual is in force and HSE audits are conducted regularly which results in HSE culture enforcement across the organization. The Company has strong commitment towards energy saving measures. Enormous energy saving are made possible from conversion of conventional lighting system to energy and cost effective LED lights. Company also aim to use solar generated electricity wherever feasible.

Effect of Technological Changes on Company's Strategy

The technological change, societal issues such as (population and demographic changes, human rights, health, poverty, collective values and educational systems), environmental challenges, such as climate change, the loss of ecosystems, and resource shortages have effects on the company strategy and resource allocation.

Pakistan boost one of the youngest average population in the world and demand of transportation is on the up. There is a big demand supply gap with respect to availability of vehicles in the country leading to increased in number of vehicles sold year on year. With the increase in number of vehicles in the country, demand of petroleum product will also increase.

Pakistan has recently adopted environment friendly Euro - V

compliant petroleum products. Government has taken further initiatives encouraging the refineries to upgrade their plants for producing Euro - V compliant products. The Company is committed to make the necessary technological up-gradations for producing environmental friendly products once the new refining policy is approved.

Strategic Processes used to address Integrity and Ethical Issues

We at ARL make sure to avoid operations having potential negative impacts hence there is no significant direct and indirect economic, social, cultural and environmental impact identified during this year. Environmental Impact Assessment (EIA) / Initial Environmental Examination (IEE) & Risk assessment studies are conducted periodically to mitigate any negative impact with control measures to avoid any harm.

Key Performance Indicators (KPIS)

The KPIs against stated objectives of the Company include delivering better quality products with customers' satisfaction. It also includes enhancement of capacities to operate at optimum level by improvement in operational performance, efficiency in supply chain management, maintaining safe work environment and developing workforce diversity. Management believes that current key performance indicators continue to be relevant in future as well.

The Company monitors the performance of its business through detailed operational and financial reporting, such as profitability & investment/ market ratios and analysis, also with comparisons to budgets and updated forecasts being routinely made. In order to assess performance against targets and objectives, the Company has a comprehensive measurement system in place.

Significant Plans and Decisions

Significant Plans and decision are mentioned in the annexed Director's report.

Risks and Opportunities

Strong and effective risk management is an integral part of our day-to-day activities. We consciously take certain risks and continuously explore and develop opportunities to remain competitive in the market and achieve our objectives. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

A Risk Management & Strategic Plan Committee comprising top management has been formulated that discusses and decides all matters related to risk management and strategic plan of the Company at regular interval. This Committee provides complete, accurate, and timely information that reaches across every level and function to aid in strategic decision making. It maintains the Risk Register and proactively manage the risks within the set risk appetite and risks tolerance levels. Following are the key risks that affect the Company's performance.

S. No	Risks & Opportunities	Area of Impact	Key Source	Mitigating Strategy
1	Circular debt	Financial Capital	External	The issue of circular debt in petroleum sector has not been resolved, but in case of refineries it has reduced to some extent. The Company closely monitors its receivable/ payable position and dispatches. The Company also keeps continuous follow up of the matter with the Government/ relevant parties for early settlement of its dues.
2	Pricing formula	Financial Capital	External	Under the present pricing formula for refineries, the Company remains exposed to the risk of adverse fluctuation in the prices of petroleum products and crude oil. This risk has been mitigated to certain extent by introduction of fortnightly product prices. In August 2023, the Government has approved Pakistan Oil Refining Policy for Existing Refineries. The Policy contains fiscal incentives for existing refineries.
3	Fluctuating Exchange Rate	Financial Capital	External	The prices of ARL's products and crude oil are primarily determined in foreign currency therefore the Company is hedged to some extent against effects of fluctuations in exchange rate. ARL does consider getting the forward exchange cover for its major capital expenditure.
4	Adverse change in taxation and other laws / policies	Financial Capital	External	All proposed changes in the laws and policies which may affect the Company are thoroughly monitored and discussed at relevant forums at the initial stage to avoid any exposure upon promulgation of relevant law. Further, legal recourse is taken in cases where the Company has a disagreement relating to any law or its interpretation.
5	Reduction in Products' Demand	Financial Capital/ Manufactured Capital	External	Technological, social, economic and political changes can have adverse impact on demand of products produced by the Company; e.g. conversion of electricity power plants to RLNG has adversely impacted the demand of Furnace Oil in the country. This in-turn impacts the operations and profitability of the Company. These risks are mitigated by focusing on operational and technological solutions for producing alternative products as well as communicating with relevant stakeholders for reviving the demand of respective products.

S. No	Risks & Opportunities	Area of Impact	Key Source	Mitigating Strategy
6	Scarcity of Resources	Financial Capital / Manufactured Capital	External / Internal	In a developing market, the Company is always competing for available resources like utilities, land, human resource etc. with other segments of society. The Management of the Company is always alert to such challenges and takes a holistic approach of identifying such risks and mitigate them by putting appropriate plans in place.
7	Competing products and entities	Manufactured Capital	External	ARL is only refinery in the northern region and has an assigned area for sale of its products. With the emergence of alternate resources and advent of superior grade products, there is always a looming threat of competitors trying to capture ARL's established market. The Company strives for investing in the latest technologies to retain its market share.
8	Environmental risk to location and surroundings	Social & Relationship Capital	Internal	Fuel and gaseous leakages/emissions from refinery may have environmental risk to location and surroundings. The Company proactively takes appropriate actions to avert the risk to environment e.g. setting up of effluent water treatment plants, implementation of energy management system, utilization of renewable resources, monitoring of emissions, tree plantation etc.

Liquidity Strategy

The Company's approach to managing liquidity is to ensure it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation but this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. Furthermore, the Company employs various techniques to reduce losses during adverse times, hence trying to avoid additional burden on Company's liquidity. Refinery throughput is continuously monitored and maintained at optimum level, to minimize production of loss making products and reduce losses. The inventory levels are continuously monitored and managed according to varying products and crude prices. Strict budgetary control are applied over expenditure of the Company.

In addition, the Company maintains lines of credit as mentioned in note 10 to the annexed financial statements.

Capital Structure

Equity of the Company comprises of share capital amounting Rs 1,066 million, representing 106.62 million ordinary shares of Rs 10 each. The Attock Oil Company Limited is the major shareholder of the Company, controlling an equity stake of 61.06%, unappropriated profit increased by 23.66% to Rs 13,152 million due to high profitability during the year. During the year the Company has repaid entire outstanding amount of long-term financing and at close of the year, there was no long term or short-term debt. Our future plans and projections indicate adequacy of the capital structure for the foreseeable future.

Corporate Social Responsibility

Attock Refinery Limited (ARL) has been contributing towards Corporate Social Responsibility (CSR) since its inception in year 1922. The Company endeavors to be a responsible corporate citizen by assigning top priority to development of the communities residing in the vicinity of its operational areas. During the year various CSR activities were carried out by the Company and other organizations working under Company's umbrella.

Some of the activities are enumerated below:

1 Attock Sahara Foundation (ASF)

a. ASF is a registered Non-Profit Organization (NPO), sponsored by ARL. ASF has also been certified by Pakistan Centre for Philanthropy (PCP). The main objective of ASF is to help and support the poor segment of community through various welfare programs/schemes.

b. During the year various programs/schemes were conducted in line with the objectives of ASF. Such programs mainly included Skill Enhancement and Capacity Building for womenfolk, Apprenticeship Program, Scholarship Scheme, Marriage Support Fund, Poor Patient Fund, Collection & Distribution of Zakat and Community Development projects. Workshops were also conducted to create awareness on dengue prevention, kitchen gardening and tree plantation.

c. ASF has a well-equipped Industrial Order & Stitching Section which not only serves as its main source of income but also helps to train less privileged



women by enhancing their skills to enable them to become earning hands for their families.

d. With the view to augment income of ASF as well as recreation facilities to local population, Company organizes a grand ASF Annual Meena Bazaar on its premises. This family event is whole heartedly participated by the surrounding community.

2 Attock Hospital (Private) Limited

The Company has a wholly owned subsidiary company; Attock Hospital (Private) Limited (AHL). The hospital provides medical services to the employees of Group companies and people living in the surrounding area. The Company has taken various measures to cater for requirement of the under privileged people of surrounding area through this hospital. In this regard AHL provided free services from Poor Patient Fund. Further, three Medical Camps were conducted in collaboration with The Attock Oil Company Limited, SNGPL and DHQ Nowshera. The basic objective of the said activity was to provide healthcare facility to flood hit areas. A blood donation campaign was launched during the year in which 29 bags of blood were collected.

3 Community Welfare

The Company supports and arranges multiple community welfare activities. Details of some of the activities are given below:

a. The Company maintains play grounds for various sports including hockey, cricket, football etc. This promotes healthy activity among employees and youth living in the vicinity area. The Company also patronizes parks and provides potable drinking water and health care to the surrounding communities.

b. The Company takes care of schools and worship places in the surrounding area. The Company also provided financial assistance to an NGO working for the betterment of the visually impaired persons.

c. The Company provides annual grants to adjoining Union Councils of Morgah and Kotha Kalan for betterment of the community.

4 Dengue Awareness Campaign

Dengue fever has claimed thousands of lives over the years in the country and has remained a challenge not only for the Government authorities but for the public at large. The Company is continuously working for the eradication of this life threatening disease from the adjoining Union Councils of Morgah & Kotha Kalan in collaboration with District Management and Health Department. In this realm, workshops were conducted to create awareness amongst the residents. Fumigation and indoor sprays are incessantly being carried out for eradication of dengue larva.

5 Industrial Relations / Workers Welfare

ARL Management keeps industrial peace paramount and ensures cordial relationship with its Collective Bargaining Agent (CBA). CBA Referendum at ARL was held under the supervision of Registrar of Trade Unions, Rawalpindi in December 2022 between two registered trade unions of ARL. Refinery Employees Union attained highest number of votes and was notified CBA for the next two years by the Registrar of Trade Unions, Rawalpindi.

The Company extends various facilities to its workers. Some of the facilities are described below:

a. Provision of good-quality meal and wheat flour at highly subsidized rates.

b. Scholarships are offered to the brilliant children of employees to pursue education in top ranking institutions of the country.

c. The Company gives quarterly Good Performance and Safety Awards to its workers for their motivation.

d. Long Service Awards to acknowledge their long


association with Company on completing 10, 20, 25, 30, 35 & 40 years of service.

e. Free pick and drop facility is provided to the school/college going children of the workers.

f. Each year, the Company sponsors four workers for Hajj and five workers for Umrah along with spouse or one dependent each to perform religious rituals.

6 Green Environmental Initiatives

a. Horticulture plays an important role to overcome adverse environmental effects like air & water pollution, climate change, acid rain, urban sprawl, waste disposal, ozone layer depletion etc. To overcome the impacts of these challenges, the Company has established Horticulture Section responsible for development and maintenance of landscapes and plantations. ARL also established Organic Vegetable and fruit farms comprising Olives, Peach, Grapes, Citrus, Guava and Almond over an area of more than 40 acres furnished with solar powered drip irrigation systems. The fresh and healthy organically grown farm products including natural honey, fish, vegetables and fruits are being provided to ARL dining facility as well as to the employees on subsidized prices.

b. For the promotion of art and practice of horticulture and to impart knowledge and training to Gardeners, Hobby Gardeners and Horticulture Professionals, ARL in collaboration with The Attock Oil Company Limited (AOC) has established Attock Institute of Horticulture (AIH). This institute works under the ambit of Attock Sahara Foundation, a Non-Profit Organization (NPO) and contributing for training and capacity building of gardeners.

c. The Morgah Biodiversity Park (MBP) is a Pro-Poor Public-Private Partnership (5Ps) project of UNESCAP, Government of Pakistan and ARL. The Park spreads over an area of 28 acres and was inaugurated by Dr. Kim Hak Su (Executive Secretary UNESCAP) in January 2005. This comprises Aviary, Fish Pond, Butter fly Garden, Xerophytic Garden, Medicinal plants Garden having 272 out of 480 species of indigenous trees, shrubs and herbs of the Potowar region and various bird species. The Park is frequently visited by the local communities as well as university & college students and is a valuable source of education, awareness and recreation.

d. As part of Corporate Social Responsibility, ARL plants 10,000 to 12,000 saplings every year. In order to encourage tree plantation among community, Horticulture Section launched monsoon season Tree Plantation Campaigns in collaboration with Environmental Protection

Corporate Social Responsibility

Department (EPA) Rawalpindi and NCPC at Morgah Biodiversity in August 2022.

e. 74th Annual Flower Show was organized by Morgah Club in March 2023. Employees of Attock Group of Companies residing in ARL colony participated in the bungalow lawn competitions. Competition among Group Companies' lawns was also organized to recognize the efforts made by gardeners for beautification of office lawns.

7 Health, Safety, Environment and Protection Measures

In line with the Health, Safety, Environment and Quality (HSEQ) policy of the Company, following activities and programs were conducted:

a. The water used in the production process was treated at the Effluent Treatment Plant to ensure that the effluent water leaving the refinery meets the National Environmental Quality Standards (NEQS).

b. ARL has been regularly installing On-grid Solar Power System at various places within and outside the refinery area. Till now the Company has commissioned several such solar power systems having aggregate capacity of about 230 kW. This has not only reduced energy cost but has also contributed towards generation of green energy.

c. The Company supports National Cleaner Production Centre Foundation (NCPC-F), an NPO which provides analytical/ environmental and waste management services including bioremediation and waste incineration. Safety Week, Energy Week, World Environment Day, World Safety Day, World Energy Day were observed in collaboration with NCPC and Environmental Protection Agency (EPA) during the year.

8 Employment of Special Persons

ARL not only provides equal employment opportunities to special persons but takes an extra step to help them to earn respectable living.

9 Education/Training

a. The aim of Training and development centre is to develop a workforce which adheres to values and norms of organization by understanding its culture. After relaxation of restriction relating to Covid-19, the Company has re-switched from online training to the in-person trainings and conducted various trainings for its employees through reputable trainers. These trainings were not just limited to technical trainings but also on soft skills like Train The Trainer program in order to promote internal trainers.

b. The Company is operating an extensive management training program of 1 to 2 years for fresh graduates and student internships to students during summer vacations.

c. The Company offers scholarships from class 6 to PhD level to employees' children. During the year, 33 scholarships were awarded and 20 brilliant students amongst employees' children were recognized by awarding prizes.

10 Business Ethics and Anti-Corruption Measures

The Company has voluntarily adopted United Nations Global Compact (UNGC) principles in its business practices leading to fight against corruption in all its forms, including extortion and bribery.

Adoption of International Standards for Best Sustainability and CSR Practices

Standalone Sustainability report is published based on Global Reporting Initiative (GRI) standard, ten guiding principles of United Nation Global Compact (UNGC) and United Nations Sustainable Development Goals (UNSDG) and is available on website of the Company.

Future Outlook

Challenges and uncertainties that the Company is likely to encounter is detailed in Directors Report.

Performance related to future plans disclosure made in the last year

We have successfully navigated the adverse economic effects of Covid-19 by successfully supplying committed quantities of quality petroleum products.

Progress on initial studies for Continuous Catalyst Regeneration (CCR), Diesel Hydro De-Sulphurization (DHDS) revamp and joint study for bottom of the barrel upgradation projects have been satisfactory but further progress is dependent upon approval and implementation of Refinery Policy.

Information Technology Governance

Information Technology is an important aspect of today's business whereby its adoption and monitoring is necssary for achieving the strategic goals of an organization.

Information Technology Committee

The Company has an Information Technology Management Committee in place which is overall responsible for governance of Information Technology in the Company.

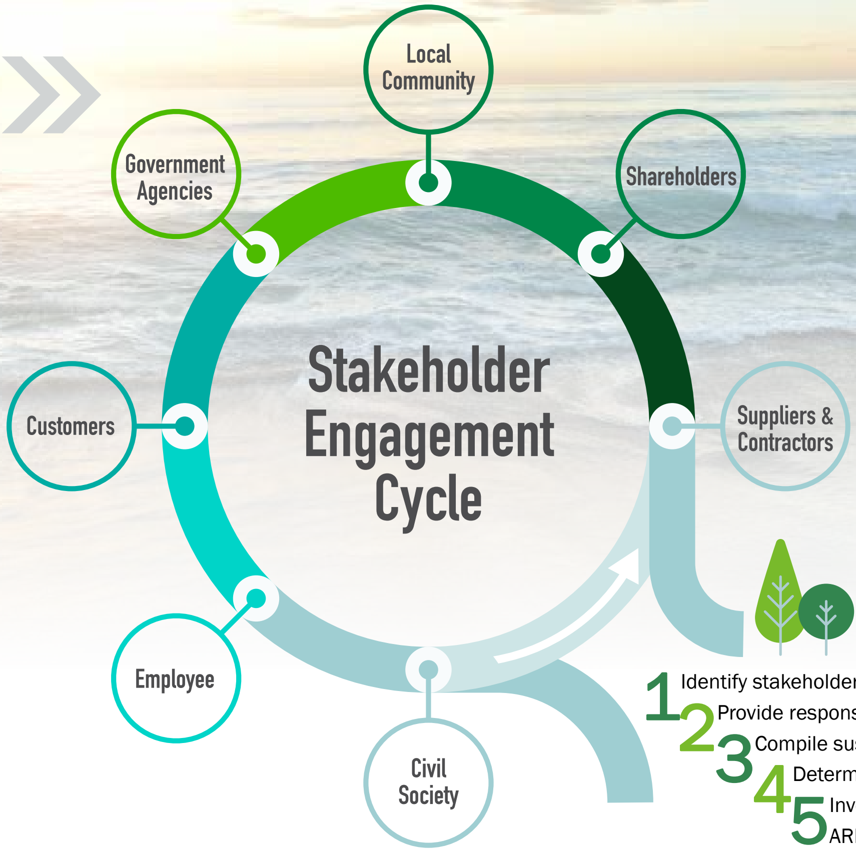
Automation of the Business Process

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 workflow system.

IT Related Internal Controls

The Business Review and Assurance (BR&A) department regularly reviews the process and controls related to information technology currently being used in the Company. Furthermore, the annual external audit of the financial statements and other supporting information provides additional assurance about the accuracy of IT related controls.

Stakeholders Engagement



1. Identify stakeholder's aspects
2. Provide response on key concerns
3. Compile sustainability issue
4. Determine materiality issues and corresponding aspects
5. Investigate the stakeholder's degree of concern and impact on ARL's Business Aspects

Institutional Investors/ Shareholders

Institutional Shareholders

Banks, Financial Institutions, Non-Banking Financial Institutions, Insurance and Investment Companies, Joint Stock Companies, Associate Companies etc.

Private Shareholders

Private and small investors

Expectation & Interest

Maximum throughput of refinery, timely payment of dividends & bonus shares, sharing of social, environmental and financial statements for Compliance to the Code of Corporate Governance and materiality principles, increasing value of market share, safe operations of the refinery, Value addition and Transparency.

Mode of Engagement

Board of Directors meetings and Shareholders general meetings, Refinery Management Committees i.e., Risk management & Strategic Planning Committee, Succession Planning and Career Management Committee Meetings, Reporting of Company's annual financial and sustainability reports, periodic sharing of information through electronic media

Responses

- Safe operations of the plant and value addition of products is ensured by Operations & Technical Service department.
- Compliance to the Code of Corporate Governance, materiality principle's compliance, Coordination with third party auditors, Routine review and internal audits by business review and assurance (BR&A) department.
- Transparency in dealing, Preparation of quarterly and annual financial reports, sharing of financial statements, Liaison with financial institutions for investments, timely payment of dividends and bonus shares to shareholders by F&CA department.
- Succession planning for key managerial positions & hiring of talented staff to keep operations smooth and trouble free by human resource and administration (HR&A) department.
- Ensuring safe operations in compliance with safety, quality & environmental regulations, sharing social and environmental performance of company by health, safety, environment and quality (HSEQ) department.
- Arrangement of board and shareholders meetings by company secretary.

Local Communities

Neighborhood, local schools, masjids, residential colonies, neighboring organizations & industry, union councils, employees' families, community development organizations, local municipal administration, visitors, transporters etc.

Expectation & Interest

Infrastructure development, provision of facilities and funding to schools, health facilities, better living standards, safety and security, provision of utilities, sports and recreational facilities, clean environment, employment, community awareness and support, policy lobbying.

Mode of Engagement

Meeting with nearby communities, participation in school events, sponsoring events in schools, joint celebrations of events, community engagement and awareness seminars, installation of clean drinking water tanks, participation in conferences and sports, arranging sports events, medical camps, annual sports competitions, technical meetings, providing training opportunities.

Responses

- Financial and administrative support is being offered through F&CA Department.
- Health facilities are provided by Attock Hospital (Private) Limited (AHL).
- Safety seminars, environmental activities, promotion of cleaner technologies by HSEQ department.
- Recruitment with preference to local communities on merit basis by human resource & administration (HR&A) department.
- Provision of free utilities and drinking water to neighborhood including masajids, schools and awareness campaigns arranged by HR&A department.
- Tree Plantation & provision of ARL's play grounds for sports by HR&A
- Fumigation sprays for dengue and COVID- 19 etc

Customers

Major Oil Marketing Companies (OMCs) including Pakistan State Oil, Attock Petroleum Limited, Total Parco Marketing Company Limited, Shell Pakistan Limited, Hascol Petroleum Limited, Puma Energy Pakistan Private Limited, Bakri Energy Private Limited, Cnergyico, Quality 1 Petroleum Private Limited, Pakistan Air Force etc.

Expectation & Interest

Quality and quantity of product, timely delivery, technical assistance and financial compliance, after sales services, customer satisfaction, asset's safety and security.

Mode of Engagement

Customer site visits, exchange of information, joint testing of product quality, quarterly customers feedback, technical awareness sessions, compliance of relevant financial regulations, meetings with customers as & when required.

Responses

- Timely delivery of products and quantity compliance, response to queries, administrative complaints being addressed by oil movement section of Operations department.
- Quality assurance and end user customer satisfaction, technical assistance in testing and quality related matters are addressed by quality control lab section of HSEQ department.
- Timely billing, reconciling and financial coordination is addressed by invoicing and receivables management section of F&CA department.
- Customer liaison & satisfaction, compliance of sales agreements by sales section of C&MM department.
- Asset safety and security is ensured by HSEQ department and security section of HR&A department.

Employees

Regular employees, contract employees, employees representative groups like cba's third-party contract employees.

Expectation & Interest

Market competitive salaries, career growth, training and development, safety and security of employees, conducive and friendly working environment, sharing of information, residence, medical facilities, sports and recreational facilities.

Mode of Engagement

Human resource policies, planning and career management committee meeting, annual appraisal,

organization environmental survey, employee engagement and team building seminars and activities, conferences for human resource development and training need assessments sessions, training programs and career development sessions.

Responses

- Training programs, employee meetings, annual and quarterly family festivals, conducting regular employee satisfaction survey, formal agreement of CBA's, administrative assistance, residence and medical facilities, employee's engagement through training sessions, team building activities and annual sports by human resource and administration (HR&A) department.
- Safe and secure working environment, provision of PPE's and handling of emergencies at the workplace is being addressed by health, safety, environment and quality (HSEQ) department.
- Health facilities through Attock Hospital (Private) Limited.
- Timely payment of salaries and bonuses by F&CA department.

Suppliers & Contractors

Pakistan Oilfields Limited, Pakistan Petroleum Limited, Ocean Pakistan Limited, MOL, Oil and Gas development Company Limited, PPL, Mari Petroleum Company Limited, WAPDA, SNGPL, PTCL and general order suppliers services and Human Resource Contractors.

Expectation & Interest

Timely bill payments, prompt response to queries, safety and security of personnel and assets, conducive working environment, facilitation, compliance of contract agreement, technical assistance and feedback, compliance to the Code of Corporate Governance.

Mode of Engagement

Joint testing of crude oil, direct coordination with WAPDA, SNGPL, PTCL and general order suppliers, visit to contractors and suppliers' sites as & when required, Periodic meetings of procurement office with general order suppliers, meetings with contractors, trainings, communication of relevant policies to contractors and suppliers.

Responses

- On time payment to crude oil suppliers by finance department.
- Crude oil analysis, personnel and assets safety, technical assistance by HSEQ department.
- Payments to contractors by F&CA Department.
- Facilitation to contractors by HR&A and operation department.
- Evaluation of crude and other raw materials/ services by HSEQ, technical services, C&MM and other relevant departments.

Government Bodies

Ministry of Energy (Petroleum Division), Pakistan Standards and Quality Control Authority (PSQCA), Directorate of Labor, Federal board of revenue (FBR), Securities and Exchange Commission of Pakistan (SECP), Pakistan Stock Exchange (PSX), EPA, Rescue 1122 and other like organizations, National Highway Authority, Directorate of Apprentices, EOBI, Ministry of Climate Change, NDMA, Civil Aviation Authority, Social welfare department, NFPA, OGRA etc.

Expectation & Interest

Compliance to the Code of Corporate Governance, Compliance of quality specifications of products and services, Legal and PEQS Compliance, Tax deduction and deposition, Development of policies framework, Infrastructure development, safe procedures and workers welfare.

Mode of Engagement

Fortnightly product allocation meetings, Sharing of daily sales figures to Ministry of Energy (Petroleum Division), Crude pricing coordination with Ministry of Energy petroleum division. Monthly and Annual coordination with FBR for taxation, Regular liaison with local government, invitations to government officials, Information on website, involvement of EPA in public hearing for new projects, and other events like tree plantation, Participation in meetings, Joint event celebrations etc.

Responses

- Compliance to code of conduct by Business Review and assurance department.
- Coordination with Ministry of Energy for crude pricing and discounts, Petroleum development levy, FBR for excise duty and sales tax by oil movement section, F&CA and C&MM department.
- FBR for monthly/annual return of withholding, income and personal tax by payroll and employees fund section.
- Dealing with stock exchanges, SECP, financial institutions by corporate affairs section.
- Liaison with local government

labor departments and EOBI by human resource department.

- Dealing with PSQCA, Civil aviation, EPA, Rescue 1122, OGRA, NDMA, District Disaster by the relevant company representatives.

Civil Society

Universities, Foundation, NGOs, Research Institutes, Technical Training Institutes, Colleges, Students, etc.

Expectation & Interest

Industrial academia relationship, Industrial tours, Research and development with research institutes, Medical camps, Internship and Trainings, Joint celebrations with the company, sharing of information and technical support.

Mode of Engagement

Organizing conferences & seminars, celebration of events, coordination with universities, arranging free medical camps, reporting of environmental, social and economic performance, participation in meetings, industrial visits, mentoring research projects, ARL website, apprenticeship & senior management trainee programs etc.

Responses

- Internship programs, liaison with educational institutes regarding research facilitation to create shared values by human resource and administration department.
- Sharing technical information and research assistance is provided by different concerned departments.
- Resource provision and sponsoring of events by HR&A and finance department.
- Medical camping with NGOs at different locations through Attock Hospital (Private) Limited.
- Providing safety training by HSEQ department.
- Sharing social and environmental performance by HSEQ department.
- Technical support is provided by operations, TS and HSEQ department.

Steps taken by management to encourage minority shareholders to attend AGM

The management encourages shareholders to attend the general meetings of the Company. Date, time and venue of the meeting to be held is timely published in English & Urdu newspapers having circulation in Rawalpindi (location of registered office) and Karachi (registered address of majority of shareholders) along with timely intimation of the same to Pakistan Stock Exchange for information of the shareholders. Further, the same is also published on Company's website.

Investors' Relations Section on ARL Website

Detailed Company information specified under the relevant regulations, including but not limited to financial reports, financial highlights, investor's notices/ announcements, pattern of shareholding, dividend declarations and much more have been placed on the Company's website: www.arl.com.pk. The Company is in full compliance with the current SECP regulations relating to the maintenance of functional website by the listed companies. The comprehensive "Investor Relations" section on the Company website can be used to promote investor relations and to facilitate investors' access for grievance or other queries. ARL ensures to present the latest information by regularly updating its website and to improve the websites' usability for its shareholders and investors.

Corporate Briefing

Pakistan Stock Exchange's introduced reforms towards development of a fair and efficient market by promoting a culture of sound corporate governance practices, a Corporate Briefing Session was held by ARL through video link for the Analyst community and Shareholders on September 22, 2022 in compliance with the mandatory requirement of holding corporate briefing by listed companies. A detailed presentation was given by the Company's management on the Company's financial results and performance for the year 2022 along with the brief on Company's future plans. All the queries raised by participants following the briefing were satisfactorily responded in the session.

Disclosures Beyond BCR Criteria

The Company's Management encourages inclusion of voluntary additional disclosures in its Corporate Report, beyond the requirement of Best Corporate Report Criteria of ICAP & ICMAP, on any minute information which is relevant to the needs of its stakeholders and ensures the communication of a comprehensive view about the Company's strategies, governance, performance and prospects, in the context of its external environment, which lead to the creation of value over the short, medium and long term.

Compliance of Financial Accounting and Reporting Standards

The separate and consolidated financial statements of the Company have been prepared in accordance with accounting and reporting standards as applicable in Pakistan which comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and are included in this report.

Financial Statistical Summary

Attock Refinery Limited

Rupees in million

		2023	2022	2021	2020	2019	2018
TRADING RESULTS							
Sales (Net of Govt. Levies)		369,221.55	261,486.59	127,752.27	119,819.44	176,754.54	129,588.62
Reimbursement from/(to) Government		-	497.23	(21.86)	-	-	7.95
Turnover		369,221.55	261,983.82	127,730.41	119,819.44	176,754.54	129,596.57
Cost of Sales		324,172.88	243,305.57	130,298.90	124,999.91	180,815.67	130,675.23
Gross profit/(loss)		45,048.67	18,678.25	(2,568.49)	(5,180.47)	(4,061.13)	(1,078.66)
Administration and Distribution cost		1,338.15	943.70	819.20	857.01	740.48	695.28
Other Income		8,322.80	2,002.94	1,265.17	2,780.70	2,779.99	1,977.48
Non-Refinery Income		1,215.15	834.00	120.30	554.48	1,155.87	1,591.54
Operating profit/(loss)		53,248.47	20,571.49	(2,002.22)	(2,702.30)	(865.76)	1,795.08
Financial and other charges		5,838.13	4,450.10	234.40	1,424.18	6,770.21	2,819.03
Profit/(loss) before tax		47,410.34	16,121.39	(2,236.62)	(4,126.48)	(7,635.97)	(1,023.95)
Taxation		18,185.11	6,190.68	(91.56)	(1,301.55)	(2,250.73)	(1,602.93)
Profit/(loss) after tax		29,225.23	9,930.71	(2,145.06)	(2,824.93)	(5,385.24)	578.98
Dividend		1,332.70	1,066.16	-	-	-	-
Bonus shares		-	-	-	-	-	213.23
STATEMENT OF FINANCIAL POSITION SUMMARY							
Paid-up Capital		1,066.16	1,066.16	1,066.16	1,066.16	1,066.16	852.93
Reserves		98,071.11	49,640.27	37,633.70	37,029.28	22,193.29	28,767.54
Unappropriated profit brought forward		10,635.51	820.37	3,011.80	5,807.65	10,398.64	9,697.79
Shareholder' funds		109,772.78	51,526.80	41,711.66	43,903.09	33,658.09	39,318.26
Financing facilities		-	7,204.91	10,692.79	7,614.19	10,181.42	14,842.92
Property, plant & equipment (less depreciation)		65,611.00	37,463.17	40,105.69	42,542.75	31,145.02	33,239.76
Net current assets		31,061.23	(82.74)	(13,855.61)	(10,928.35)	(7,321.81)	4,110.24
CASH FLOW SUMMARY							
Cash flows from operating activities		4,933.78	15,257.10	1,558.66	(6,137.05)	2,304.92	7,353.16
Cash flows from investing activities		7,915.13	2,066.05	381.78	1,562.26	2,596.49	2,491.91
Cash flows from financing activities		(5,822.04)	(4,098.77)	(1,017.00)	(3,890.26)	(11,275.19)	(8,542.68)
Increase / (Decrease) in cash and cash equivalents		7,026.88	13,224.38	923.43	(8,465.05)	(6,373.77)	1,302.39
PROFITABILITY RATIOS							
Gross profit ratio	%	12.20	7.13	(2.01)	(4.32)	(2.30)	(0.83)
Net profit to sales	%	7.92	3.79	(1.68)	(2.36)	(3.05)	0.45
EBITDA margin to sales	%	13.70	7.70	1.12	(0.46)	(1.70)	2.55
Operating leverage ratio	Time	4.25	13.13	8.59	(1.35)	(23.87)	(3.21)
Return on equity	%	26.62	19.27	(5.14)	(6.43)	(16.00)	1.47
Return on capital employed	%	34.69	17.87	(4.13)	(5.92)	(10.99)	1.02
Shareholders' funds	%	62.10	38.77	40.38	44.80	32.41	38.89
Return on shareholders' funds	%	26.62	19.27	(5.14)	(6.43)	(16.00)	1.47
LIQUIDITY RATIO							
Current ratio	Time	1.47	1.00	0.75	0.76	0.88	1.08
Quick/ acid test ratio	Time	1.07	0.72	0.52	0.51	0.66	0.82
Cash to current liabilities	Time	0.23	0.31	0.22	0.18	0.27	0.45
Cash flow from operations to Sales	Time	0.01	0.06	0.01	(0.05)	0.01	0.06
Cash flow to capital expenditures	Time	6.23	83.97	11.64	(10.11)	4.74	16.25
ACTIVITY/TURNOVER RATIO							
Inventory turnover ratio	Time	16.91	17.94	15.75	14.55	18.26	16.86
No. of days in inventory	Days	22	20	23	25	20	22
Debtor turnover ratio	Time	12.84	13.59	14.11	9.56	11.25	12.05
No. of days in receivables	Days	28	27	26	38	32	30
Creditor turnover ratio	Time	8.11	6.41	4.66	3.93	5.55	5.75
No. of days in payables	Days	45	57	78	93	66	63
Total assets turnover ratio	Time	2.09	1.97	1.24	1.22	1.70	1.35
Fixed assets turnover ratio	Time	5.63	6.99	3.18	2.82	5.68	3.78
Operating cycle	Days	5	(10)	(29)	(30)	(14)	(11)

		2023	2022	2021	2020	2019	2018
INVESTMENT/ MARKET RATIO							
Earnings/(loss) per share (EPS)	Rs	274.12	93.14	(20.12)	(26.50)	(50.51)	5.43
(on shares outstanding at 30 June)							
Dividend *	%	125	100	-	-	-	-
Cash dividend per share	Rs	12.50	10.00	-	-	-	-
Bonus share issue	%	-	-	-	-	-	25
Bonus share issue	Rs	-	-	-	-	-	213.23
Price earning ratio	Time	0.63	1.89	(12.75)	(3.37)	(1.53)	31.71
Price to book ratio	Time	0.10	0.14	0.26	0.10	0.08	0.18
Dividend yield ratio	%	7.28	5.69	-	-	-	-
Dividend cover ratio	Time	21.93	9.31	-	-	-	-
Dividend payout ratio	%	4.56	10.74	-	-	-	-
Break-Up Value (Rs per share) without surplus							
on revaluation of freehold land	Rs	512.23	247.93	155.87	176.42	202.65	319.67
Break-Up Value (Rs per share) with surplus							
on revaluation of freehold land	Rs	1,029.61	483.29	391.23	411.79	315.69	460.98
Break-Up Value (Rs per share) with							
investment in related party	Rs	1,029.61	483.29	391.23	411.79	315.69	460.98
Highest market value per share during the year	Rs	177.91	261.90	287.37	137.01	235.52	430.88
Lowest market value per share during the year	Rs	123.40	114.35	88.44	59.32	74.17	187.05
Market value per share at 30th June,	Rs	171.63	175.78	256.45	89.32	77.27	215.31
CAPITAL STRUCTURE RATIOS							
Financial leverage ratio	Time	-	0.14	0.26	0.17	0.30	0.38
Debt to equity ratio	%	-	12 : 88	20 : 80	15 : 85	23 : 77	27 : 73
Weighted average cost of debt	%	9.67	7.13	6.87	10.31	7.07	5.54
Interest cover ratio	Time	493.50	16.26	(1.60)	(3.48)	(2.97)	0.48
EMPLOYEE PRODUCTIVITY RATIO							
Production per employee	M.ton	2,255	2,271	2,178	1,797	2,329	2,356
Revenue per employee	Rs in million	448.67	317.17	150.80	132.40	186.84	141.95
NON FINANCIAL RATIO							
% of plant availability	%	78	79	77	69	93	94
Customer satisfaction index	%	98	98	98	98	97	99
OTHERS							
Spares inventory as % of assets cost	%	3.25	3.02	3.64	4.52	3.44	2.87
Maintenance cost as % of operating expenses	%	0.17	0.17	0.33	0.58	0.34	0.38

** The Board has proposed a final cash dividend @ 125% in their meeting held on August 29, 2023.*

Ratio Analysis

Profitability Ratios:

Profitability ratios improved substantially, since the Company achieved its highest ever profit registering a growth of 194% due to high refiner's margin. Other income also contributed to this profit mainly on account of increase in bank balances and interest rates.

Liquidity Ratios:

Liquidity ratios of the Company have improved as the Company earned high profits resulting from improvement in refiner's margins and other income.

Activity/ Turnover Ratios:

Overall activity turnover ratios have shown an upward trend resulting from improvement in refiner's margins. There was a slight decline in the inventory turnover ratio which was due to high stocks of HSD and PMG on account of low demand of these products due to smuggling.

Investment/Market Ratios:

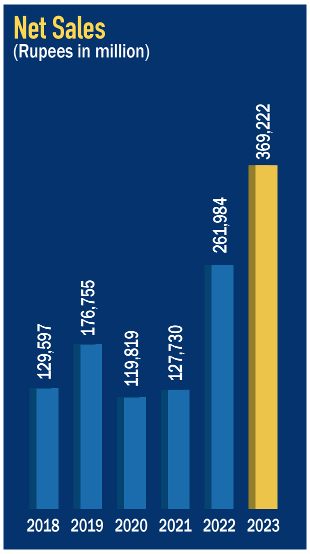
Investment ratios improved substantially resulting from high profits. Decline in the dividend payout ratio was due to capping on distribution of dividend from refinery operations.

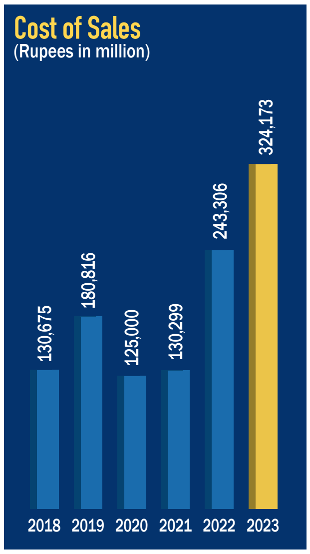
Capital Structure Ratios

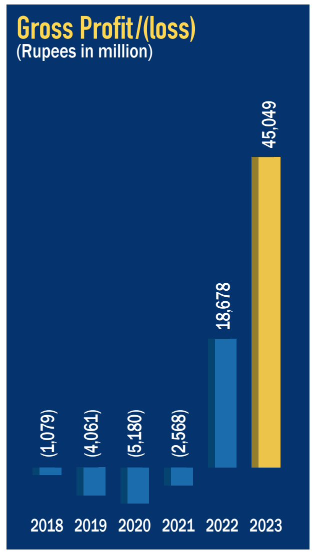
During the year the Company paid its long and short-term loans and related interest charges, as at balance sheet date the Company was zero leveraged.

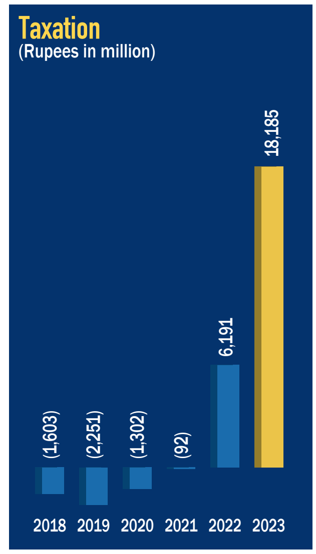
Financial Highlights

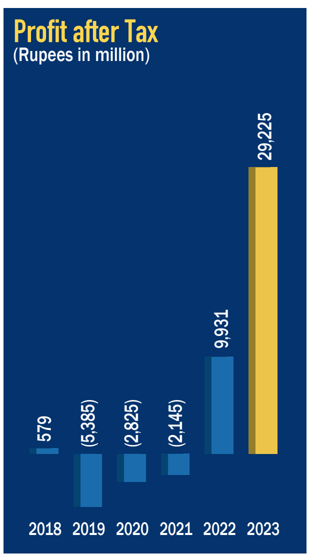
Attock Refinery Limited

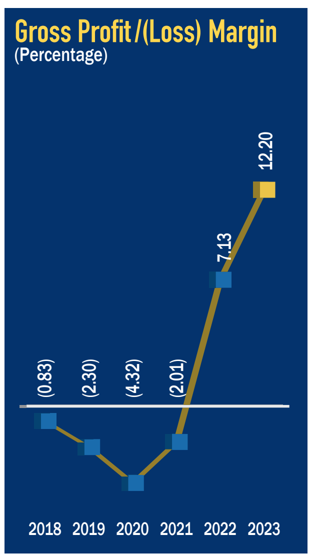


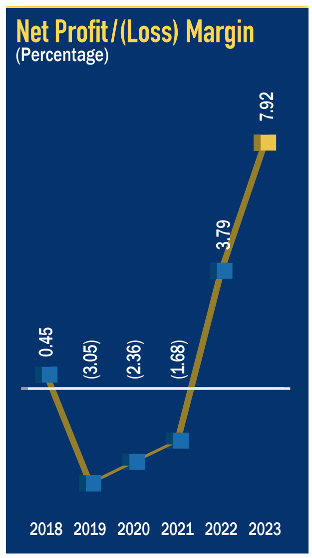


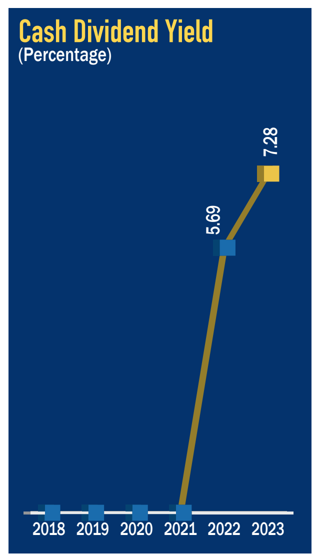


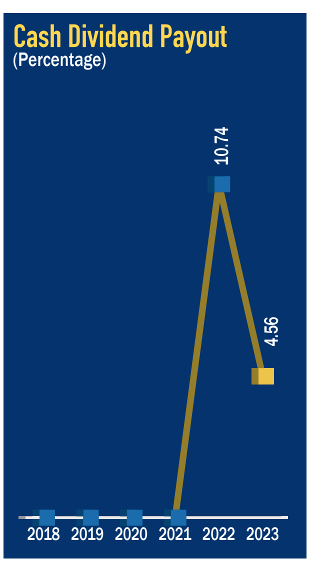


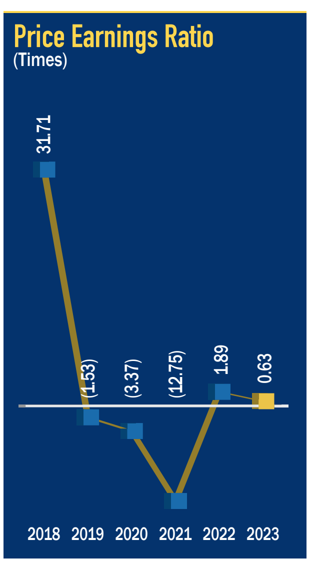


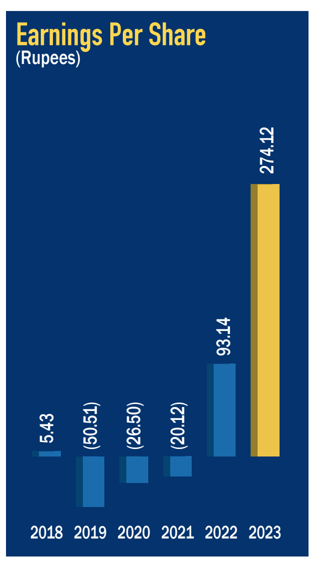


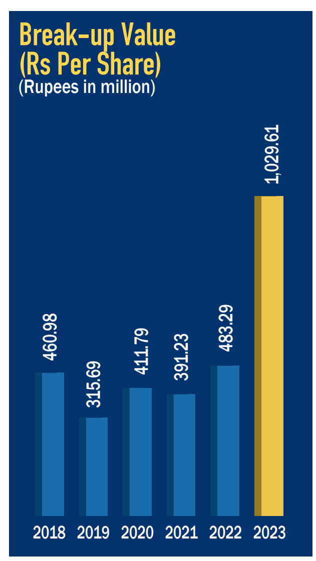


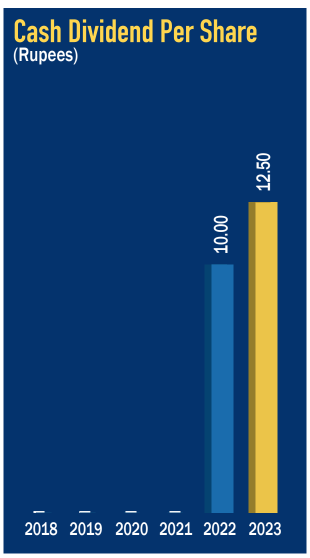


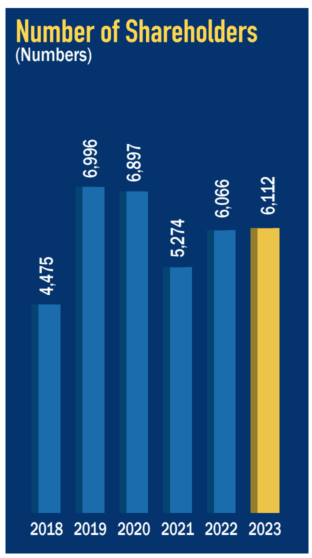


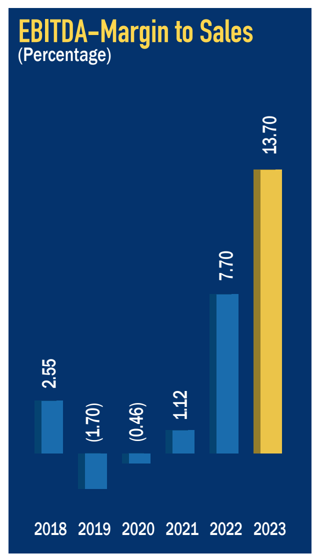


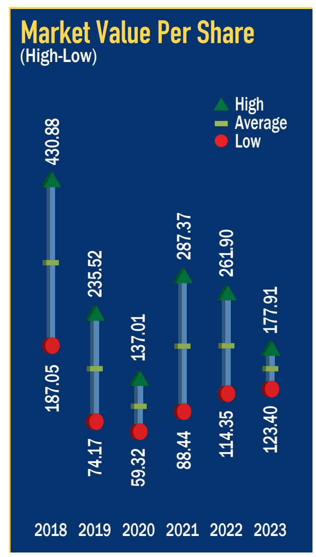


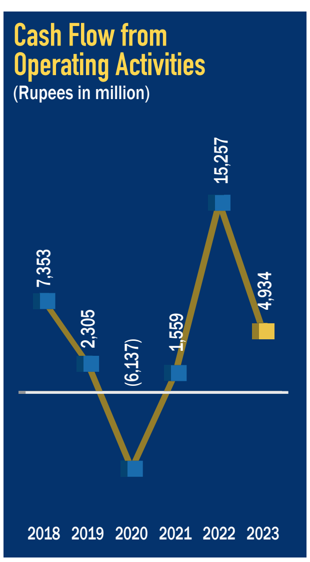


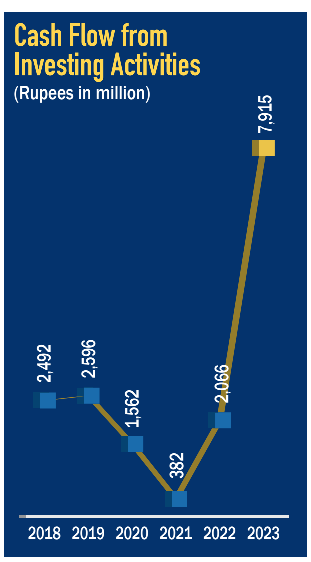

Cash Dividend Per Share
(Rupees)
–
–
–
–
10.00
12.50
2018 2019 2020 2021 2022 2023

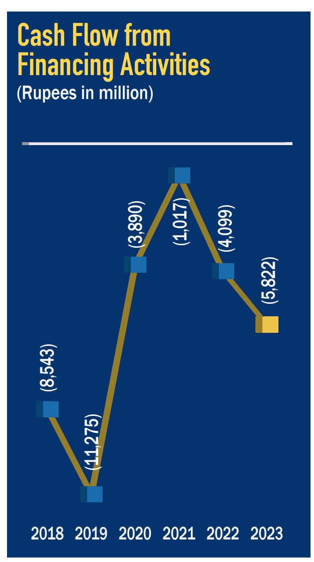

Number of Shareholders
(Numbers)
4,475
6,996
6,897
5,274
6,066
6,112
2018 2019 2020 2021 2022 2023

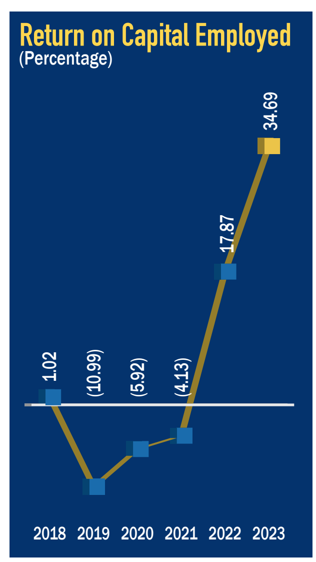

EBITDA-Margin to Sales
(Percentage)
2.55
(1.70)
(0.46)
1.12
7.70
13.70
2018 2019 2020 2021 2022 2023


Market Value Per Share
(High-Low)
High
Average
Low
430.88
187.05
235.52
74.17
137.01
59.32
287.37
88.44
261.90
114.35
177.91
123.40
2018 2019 2020 2021 2022 2023

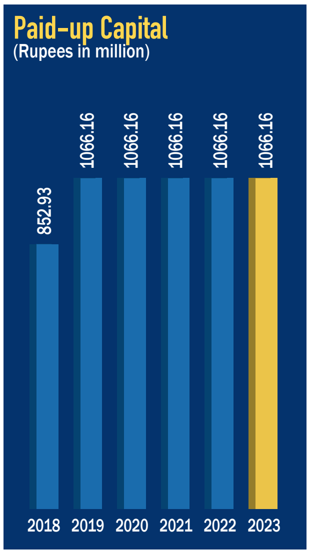

Cash Flow from Operating Activities
(Rupees in million)
7,353
2,305
(6,137)
1,559
15,257
4,934
2018 2019 2020 2021 2022 2023

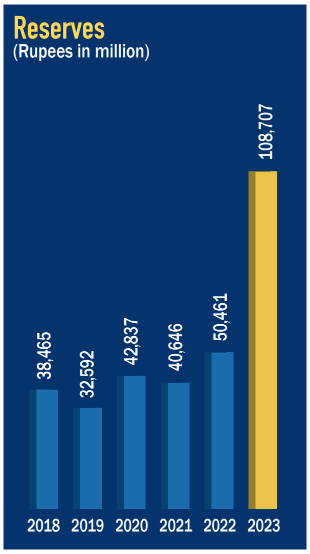

Cash Flow from Investing Activities
(Rupees in million)
2,492
2,596
1,562
382
2,066
7,915
2018 2019 2020 2021 2022 2023

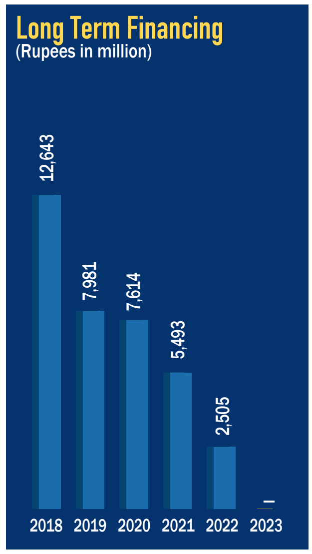

Cash Flow from Financing Activities
(Rupees in million)
(8,543)
(11,275)
(3,890)
(1,017)
(4,099)
(5,822)
2018 2019 2020 2021 2022 2023

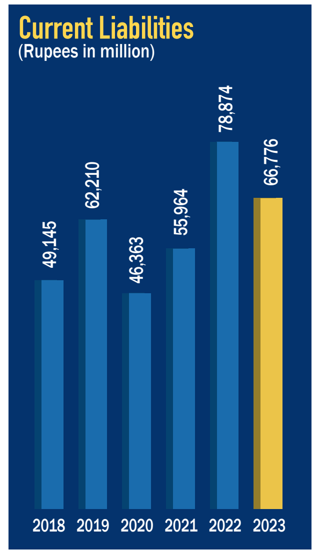

Return on Capital Employed
(Percentage)
1.02
(10.99)
(5.92)
(4.13)
17.87
34.69
2018 2019 2020 2021 2022 2023

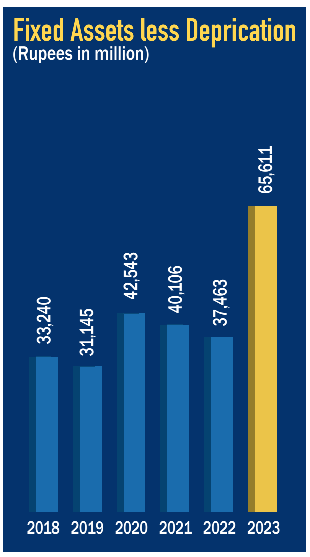
Financial Highlights - Attock Refinery Limited

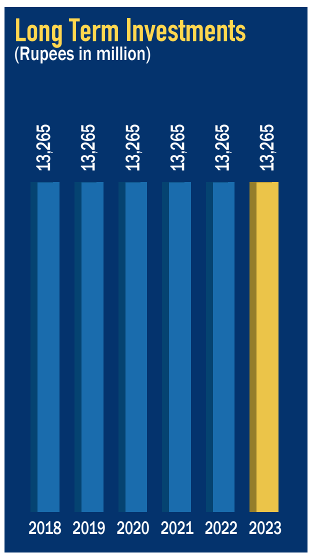


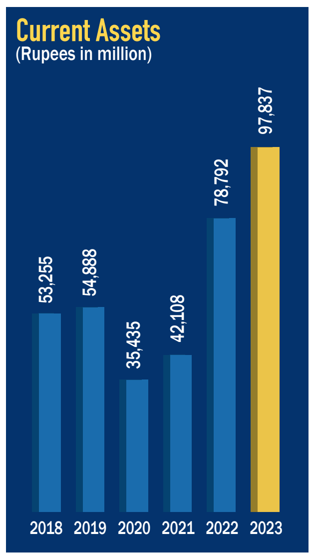


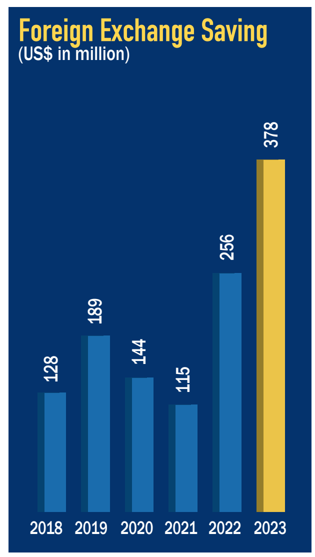


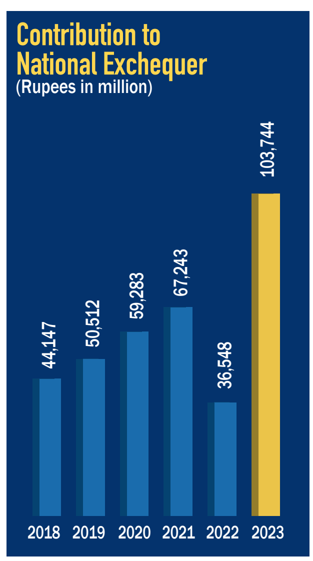


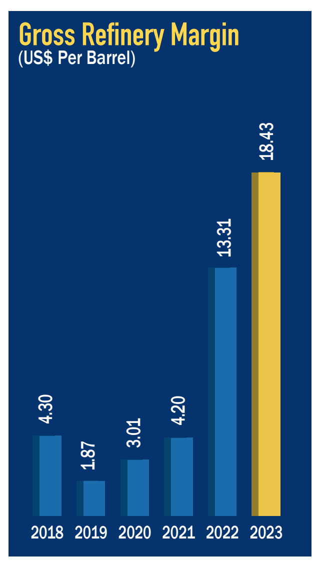












Share Price Sensitivity Analysis

The share of Attock Refinery Limited has been historically viewed as a safe and stable investment. During the financial year 2022-23, improvement in the profitability of the Company had a positive impact on the price of the Company's shares.

The share price varied from a minimum of Rs 123.40 per share to a maximum of Rs 177.91 per share during the year.

The Company's impetus towards sustained growth along with stability in the economy, may lead to further stability in share price. However, this can be affected by the following factors:

Government Policies

Government Policies impact the whole business arena adversely or otherwise. Any positive or negative decision by the Government would impact the Company's financial performance.

Macroeconomic, Political and Security Environment

Changes in macroeconomic factors such as growth in economy, low inflation and stable interest rates have a positive bearing on the share price and vice versa. Moreover, political stability reduces the Country's risk premium, while improvement in security situation enhances refinery operations, eventually creating positive impact on the share price.

Inventory Gains/Losses

Ideally, the downstream industries and especially the Refineries should not be affected by the variation in oil prices, as their profits are dependent upon the Refining Margins. However, the variation in oil prices affects the prices of inventories and hence affects the profitability of the Company. Downward trend leads to inventory losses while an increasing trend positively impacts the profitability.

Sales Volume

Operating in an industry where prices are linked with global markets and are determined by Regulator, the sales volumes of the Company are highly dependent on underlying profit margins which ultimately also affects the share price. Increase in global economic activity will lead to better prices and sales volumes.

Composition of Local Versus Imported Material and Sensitivity Analysis in Narrative Form due to Foreign Currency Fluctuations

Though ARL refines 100% indigenous crude only but pricing is linked with international crude prices. Therefore, fluctuations in foreign currency has a direct impact on ARL profitability. However, this risk is largely mitigated because of the fact that prices of products are also based on foreign currency.

The sensitivity analysis of the currency risk arising from commercial transactions of the Company is detailed in note 41 of the notes to the financial statements.

Analysis of Financial Statements

Attock Refinery Limited

Analysis of Financial Position

Share capital and Reserve:

Shareholders equity witnessed an upward trend as the Company earned the ever-highest profit, further revaluation of freehold land carried out during the year resulted in revaluation surplus.

Long term financing:

During the year the Company repaid entire outstanding amount of long-term financing including principal portion and interest thereon.

Current liabilities:

Trade and other payables have decreased during the year, mainly due to payment of trade creditors' overdue balances. Current portion of long term and short term financing was nil as at the balance sheet date as a result of repayment of these loans during the year.

Property, plant and equipment:

Property, plant and equipment have witnessed an upward trend due to revaluation of the Company's freehold land. Property, plant and equipment represent 37% of Company's Statement of Financial Position (June 30, 2022: 28%).

Current assets:

Current assets have increased by 24% during the financial year, mainly due to increase in stock of crude and refined products, increase in trade debtors and cash and cash equivalent due to high profits.

Analysis of Profit or Loss

Revenue:

During the current year, net sales revenue has increased by 41% from Rs 261,984 million to Rs 369,222 million. This increase reflects upward trend in prices of petroleum products by 44% mainly because of Pak Rupee devaluation.

Cost of Sales:

During the period under review, cost of sales increased by 33% from Rs 243,306 million to Rs 324,173 million. This increase reflects upwards trend in prices of crude oil by 31% mainly because of Pak Rupee devaluation.

Administration, distribution & other charges:

Administration, distribution and other cost increased by 125% from Rs 2,135 million to Rs 4,809 million mainly on account of increase in other cost (WPPF & WWF) due to higher profit during the year as compared to previous year.

Other Income:

Other income increased by 316% from Rs 2,003 million to Rs 8,323 million, which was mainly attributed to increase in income from bank deposits.

Finance cost:

Finance cost decreased by 30% mainly on account of decrease in interest cost due to repayment of entire outstanding amount of loans.

Taxation:

Taxation increased from Rs 6,191 million to Rs 18,185 million. This was mainly due to increase in the profitability of the Company.

Non-refinery income:

Non-refinery income increased from Rs 834 million to Rs 1,215 million due to increase in dividend income from associated companies during the year as compared to last year.

Analysis of Cash Flows Statement

Operating activities:

Net cash inflow from operating activities decreased from Rs 15,257 million to Rs 4,934 million. This was mainly due to payment of trade creditors' overdue balances.

Investing activities:

Net cash inflow from investing activities has increased due to interest income on bank deposits in the current year as compared to last year and increase in dividend income from associated companies.

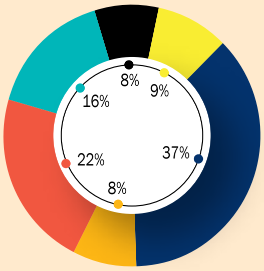
Financing activities:

Cash outflow from financing activities has increased during the current year on account of repayment of entire outstanding amount of long term loan.

Composition of Statement of Financial Position

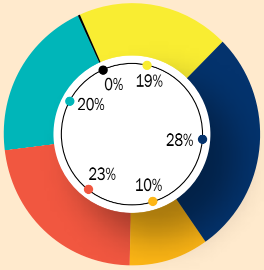
Attock Refinery Limited

FIXED ASSETS AND CURRENT ASSETS



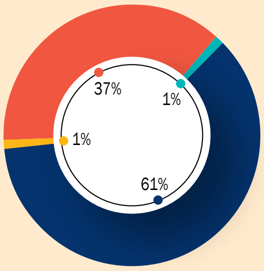
2023

- Property, plant & equipment
- Long term investments
- Trade debts
- Stock-in-trade and others
- Short term investment
- Cash and bank balances



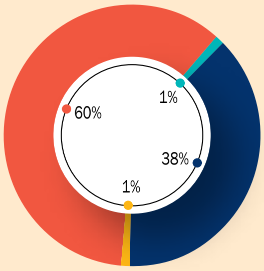
2022

EQUITIES AND LIABILITIES



2023

- Issued, subscribed and paid-up capital
- Reserves and surplus
- Non-current liabilities
- Current liabilities and provisions

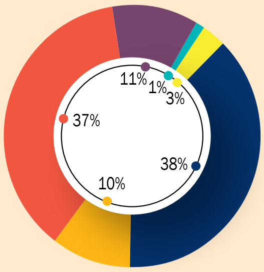


2022

Segmental Review of Business Performance

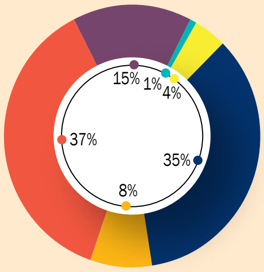
Attock Refinery Limited

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



2023

- High Speed Diesel
- Jet Petroleum
- Premier Motor Gasoline
- Furnace Fuel Oil
- Naptha
- Others

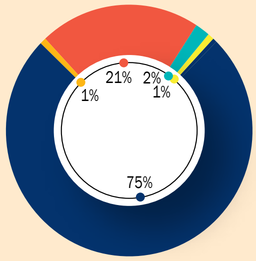


2022

Statement of Value Addition

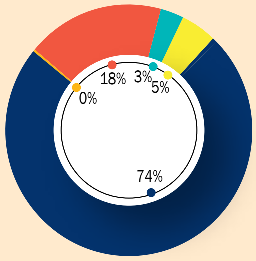
Attock Refinery Limited

	2023		2022	
	Rs '000	%	Rs '000	%
Gross revenue & other income	471,080,736		308,534,123	
Cost of sales and operating expenses	(319,184,944)		(239,726,892)	
Total value added	151,895,792		68,807,231	
DISTRIBUTION				
Employee remuneration:	2,602,490	1.71	1,817,818	2.64
Government as:				
Company taxation	18,567,356	12.22	6,468,766	9.40
Sales tax, duties and levies	91,906,389	60.51	43,412,589	63.09
WPPF & WWF	3,487,514	2.30	1,179,597	1.71
Shareholders as:				
Dividends	1,066,163	0.70	-	-
Society as:				
Donation	15,831	0.01	540	-
Providers of Finance as:				
Financial charges	2,315,614	1.52	3,294,001	4.79
Retained in Business:				
Depreciation	2,709,203	1.78	2,703,207	3.93
Net earnings	29,225,232	19.25	9,930,713	14.44
	151,895,792	100.00	68,807,231	100.00



2023

Government
Share holder
Retained in business
Employee remuneration
Provider of finance



2022

Statement of Charity Account

Attock Refinery Limited

	2023 Rs '000
Community welfare	30,266
Employment of Special Persons	4,293
Education and training	51,753
Industrial Relations/ Workers Welfare	14,662
	100,974

Vertical Analysis

	2023		2022	
	Rs in million	%	Rs in million	%
STATEMENT OF FINANCIAL POSITION				
Equity and reserves	109,772.78	62.10	51,526.80	38.77
Non-current liabilities	211.72	0.12	2,504.92	1.88
Current liabilities	66,775.96	37.78	78,874.26	59.35
Total Equity & Liabilities	176,760.46	100.00	132,905.98	100.00
Property, plant and equipment	65,611.00	37.12	37,463.17	28.19
Long term investments	13,264.92	7.50	13,264.92	9.98
Non-current assets	47.36	0.03	3,386.37	2.55
Stores, spares and loose tools	5,749.49	3.25	4,011.46	3.02
Stock-in-trade	20,608.42	11.66	17,742.71	13.35
Trade debts	39,513.59	22.35	30,279.03	22.78
Loans, advances, deposits, prepayments				
and other receivables	2,700.54	1.53	2,004.67	1.51
Short term investment	14,139.11	8.00	-	-
Cash and bank balances	15,126.03	8.56	24,753.65	18.62
Total Assets	176,760.46	100.00	132,905.98	100.00
STATEMENT OF PROFIT OR LOSS				
Net Sales	369,221.55	100.00	261,983.82	100.00
Cost of sales	(324,172.88)	(87.80)	(243,305.57)	(92.87)
Gross profit/(loss)	45,048.67	12.20	18,678.25	7.13
Administration expenses	1,241.09	0.34	866.87	0.33
Distribution cost	97.06	0.03	76.84	0.03
Other charges	3,470.36	0.94	1,191.64	0.45
	(4,808.51)	(1.31)	(2,135.35)	(0.81)
Other income	8,322.80	2.25	2,002.94	0.76
Impairment (loss)/reversal on financial asset	(52.16)	(0.01)	35.55	0.01
Operating profit/(loss)	48,510.80	13.13	18,581.39	7.09
Finance cost	(2,315.61)	(0.63)	(3,294.00)	(1.26)
Profit/(loss) before taxation from refinery operations	46,195.19	12.50	15,287.39	5.83
Taxation	(18,185.11)	(4.93)	(6,190.68)	(2.36)
Profit/(loss) after taxation from refinery operations	28,010.08	7.57	9,096.71	3.47
Income from non-refinery operations less applicable				
charges and taxation	1,215.15	0.33	834.00	0.32
Profit/(loss) for the year	29,225.23	7.90	9,930.71	3.79

2021		2020		2019		2018	
Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%
41,711.66	40.38	43,903.09	44.80	33,658.09	32.41	39,318.26	38.89
5,619.19	5.44	7,720.93	7.88	7,981.42	7.69	12,642.92	12.50
55,963.72	54.18	46,363.17	47.32	62,210.13	59.90	49,144.86	48.61
103,294.57	100.00	97,987.19	100.00	103,849.64	100.00	101,106.04	100.00
40,105.69	38.83	42,542.75	43.42	31,145.02	29.99	33,239.76	32.88
13,264.92	12.84	13,264.92	13.54	13,264.92	12.77	13,264.92	13.12
7,815.85	7.57	6,744.71	6.88	4,551.38	4.38	1,346.26	1.33
3,757.22	3.64	4,431.07	4.52	3,575.96	3.44	2,905.75	2.87
9,378.91	9.08	7,163.86	7.31	10,018.66	9.65	9,789.00	9.68
13,305.41	12.88	12,728.44	12.99	22,411.91	21.58	15,748.28	15.58
3,615.29	3.50	2,988.46	3.05	2,298.20	2.21	1,871.72	1.85
-	-	-	-	-	-	985.84	0.98
12,051.28	11.66	8,122.98	8.29	16,583.59	15.98	21,954.51	21.71
103,294.57	100.00	97,987.19	100.00	103,849.64	100.00	101,106.04	100.00
127,730.41	100.00	119,819.44	100.00	176,754.54	100.00	129,596.57	100.00
(130,298.90)	(102.01)	(124,999.91)	(104.32)	(180,815.67)	(102.30)	(130,675.23)	(100.83)
(2,568.49)	(2.01)	(5,180.47)	(4.32)	(4,061.13)	(2.30)	(1,078.66)	(0.83)
767.01	0.60	808.98	0.68	688.46	0.39	645.12	0.50
52.19	0.04	48.03	0.04	52.02	0.03	50.16	0.04
8.42	0.01	13.11	0.01	5.85	-	(106.27)	(0.08)
(827.62)	(0.65)	(870.12)	(0.73)	(746.33)	(0.42)	(589.01)	(0.46)
1,265.18	0.99	2,780.70	2.32	2,779.99	1.57	1,977.48	1.53
410.60	0.32	(347.52)	(0.29)	(140.68)	(0.08)	-	-
(1,720.33)	(1.35)	(3,617.41)	(3.02)	(2,168.15)	(1.23)	309.81	0.24
(636.58)	(0.50)	(1,063.55)	(0.89)	(6,623.68)	(3.75)	(2,925.30)	(2.26)
(2,356.91)	(1.85)	(4,680.96)	(3.91)	(8,791.83)	(4.98)	(2,615.49)	(2.02)
91.56	0.07	1,301.55	1.09	2,250.73	1.27	1,602.93	1.24
(2,265.35)	(1.78)	(3,379.41)	(2.82)	(6,541.10)	(3.71)	(1,012.56)	(0.78)
120.29	0.09	554.48	0.46	1,155.86	0.65	1,591.54	1.23
(2,145.06)	(1.69)	(2,824.93)	(2.36)	(5,385.24)	(3.06)	578.98	0.45

Horizontal Analysis

	2023 Increase/(Decrease) from last year Rs in million	2023 %	2022 Increase/(Decrease) from last year Rs in million	2022 %
STATEMENT OF FINANCIAL POSITION				
Equity and reserves	109,772.78	113.04	51,526.80	23.53
Non-current liabilities	211.72	(91.55)	2,504.92	(55.42)
Current liabilities	66,775.96	(15.34)	78,874.26	40.94
Total Equity & Liabilities	176,760.46	33.00	132,905.98	28.67
Property, plant and equipment	65,611.00	75.13	37,463.17	(6.59)
Long term investments	13,264.92	-	13,264.92	-
Non-current assets	47.36	(98.60)	3,386.37	(56.67)
Stores, spares and loose tools	5,749.49	43.33	4,011.46	6.77
Stock-in-trade	20,608.42	16.15	17,742.71	89.18
Trade debts	39,513.59	30.50	30,279.03	127.57
Loans, advances, deposits, prepayments and other receivables	2,700.54	34.71	2,004.67	(44.55)
Short term investment	14,139.11	100.00	-	-
Cash and bank balances	15,126.03	(38.89)	24,753.65	105.40
Total Assets	176,760.46	33.00	132,905.98	28.67
STATEMENT OF PROFIT OR LOSS				
Net Sales	369,221.55	40.93	261,983.82	105.11
Cost of sales	(324,172.88)	33.24	(243,305.57)	86.73
Gross profit/(loss)	45,048.67	(141.18)	18,678.25	827.21
Administration expenses	1,241.09	43.17	866.87	13.02
Distribution cost	97.06	26.31	76.84	47.23
Other charges	3,470.36	191.23	1,191.64	14,052.49
	(4,808.51)	125.19	(2,135.35)	158.01
Other income	8,322.80	315.53	2,002.94	58.31
Impairment reversal/(loss) on financial asset	(52.16)	(246.72)	35.55	(91.34)
Operating profit/(loss)	48,510.80	(161.07)	18,581.39	1,180.11
Finance cost	(2,315.61)	(29.70)	(3,294.00)	417.45
Profit/(loss) before taxation from refinery operations	46,195.19	(202.18)	15,287.39	748.62
Taxation	(18,185.11)	(193.75)	(6,190.68)	6,861.34
Profit/(loss) after taxation from refinery operations	28,010.08	(207.91)	9,096.71	501.56
Income from non-refinery operations less applicable charges and taxation	1,215.15	45.70	834.00	593.32
Profit/(loss) for the year	29,225.23	(194.29)	9,930.71	562.96

	2021		2020		2019		2018	
	Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year	
	Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%
	41,711.66	(4.99)	43,903.09	30.44	33,658.09	(14.40)	39,318.26	100.00
	5,619.19	(27.22)	7,720.93	(3.26)	7,981.42	(36.87)	12,642.92	100.00
	55,963.72	20.71	46,363.17	(25.47)	62,210.13	26.59	49,144.86	100.00
	103,294.57	5.42	97,987.19	(5.65)	103,849.64	2.71	101,106.04	100.00
	40,105.69	(5.73)	42,542.75	36.60	31,145.02	(6.30)	33,239.76	100.00
	13,264.92	-	13,264.92	-	13,264.92	-	13,264.92	100.00
	7,815.85	15.88	6,744.71	48.19	4,551.38	238.08	1,346.26	100.00
	3,757.22	(15.21)	4,431.07	23.91	3,575.96	23.06	2,905.75	100.00
	9,378.91	30.92	7,163.86	(28.49)	10,018.66	2.35	9,789.00	100.00
	13,305.41	4.53	12,728.44	(43.21)	22,411.91	42.31	15,748.28	100.00
	3,615.29	20.98	2,988.46	30.03	2,298.20	22.79	1,871.72	100.00
	-	-	-	-	-	(100.00)	985.84	100.00
	12,051.28	48.36	8,122.98	(51.02)	16,583.59	(24.46)	21,954.51	100.00
	103,294.57	5.42	97,987.19	(5.65)	103,849.64	2.71	101,106.04	100.00
	127,730.41	6.60	119,819.44	(32.21)	176,754.54	36.39	129,596.57	100.00
	(130,298.90)	4.24	(124,999.91)	(30.87)	(180,815.67)	38.37	(130,675.23)	100.00
	(2,568.49)	(50.42)	(5,180.47)	27.56	(4,061.13)	276.50	(1,078.66)	100.00
	767.01	(5.19)	808.98	17.51	688.46	6.72	645.12	100.00
	52.19	8.66	48.03	(7.67)	52.02	3.71	50.16	100.00
	8.42	(35.77)	13.11	124.10	5.85	(105.50)	(106.27)	100.00
	(827.62)	(4.88)	(870.12)	16.59	(746.33)	26.71	(589.01)	100.00
	1,265.18	(54.50)	2,780.70	0.03	2,779.99	40.58	1,977.48	100.00
	410.60	(218.15)	(347.52)	147.03	(140.68)	(100.00)	-	100.00
	(1,720.33)	(52.44)	(3,617.41)	66.84	(2,168.15)	(799.83)	309.81	100.00
	(636.58)	(40.15)	(1,063.55)	(83.94)	(6,623.68)	126.43	(2,925.30)	100.00
	(2,356.91)	(49.65)	(4,680.96)	(46.76)	(8,791.83)	236.14	(2,615.49)	100.00
	91.56	(92.97)	1,301.55	(42.17)	2,250.73	40.41	1,602.93	100.00
	(2,265.35)	(32.97)	(3,379.41)	(48.34)	(6,541.10)	546.00	(1,012.56)	100.00
	120.29	(78.31)	554.48	(52.03)	1,155.86	(27.37)	1,591.54	100.00
	(2,145.06)	(24.07)	(2,824.93)	(47.54)	(5,385.24)	(1,030.13)	578.98	100.00

Statement of Contribution & Value Addition

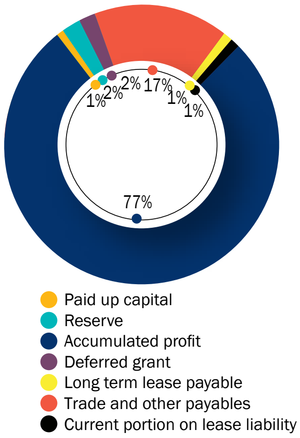
	2023 Rs in million	2022 Rs in million
Value Addition and Distributions		
Employees as remuneration	2,602	1,818
Government as taxes	93,932	35,564
Shareholders as dividends*	1,333	1,066
Retained within the business	25,663	-
Foreign Exchange Savings US$ 378 million		
Contribution to National Exchequer		
Government Levies on Petroleum Products	93,932	35,564
Income Tax Paid	9,784	943
Import/Export Duties	28	41
	103,744	36,548

* The Board has proposed a final cash dividend @ 125% in their meeting held on August 29, 2023.

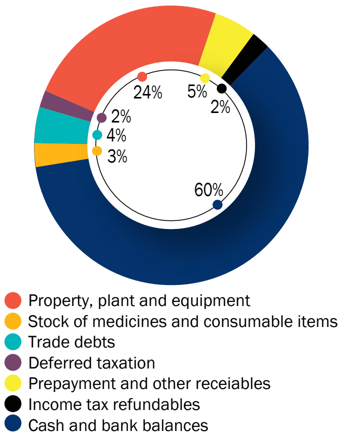
Financial Highlights

Attock Hospital (Pvt.) Limited

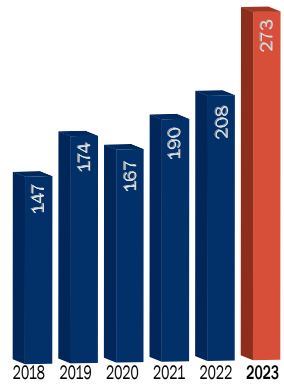
Equities & Liabilities
(in Percentage)



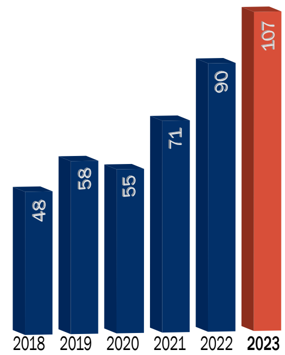
Fixed Assets & Current Assets
(in Percentage)



Total Revenue including Other Income
(Rs in million)



Revenue from Private Patients
(Rs in million)

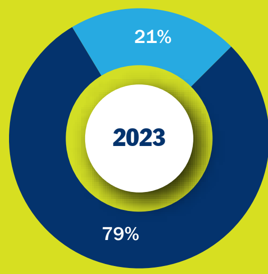


Statement of Free Cash Flow

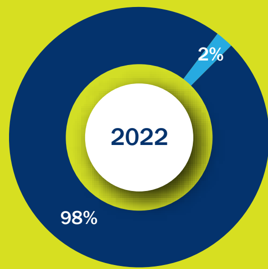
	2023 Rs '000	2022 Rs '000
Cash flow from operating activities	4,933,783	15,257,097
Less: Capital expenditures and lease liabilities paid	(1,038,426)	(326,268)
Free Cash Flow	3,895,357	14,930,829

In the year 2023, Free cash flow decrease by 74% as compared to 2022 mainly due to settlement of trade creditors overdue payments resulting from circular debt.

Composition of Cash Flow From Operations



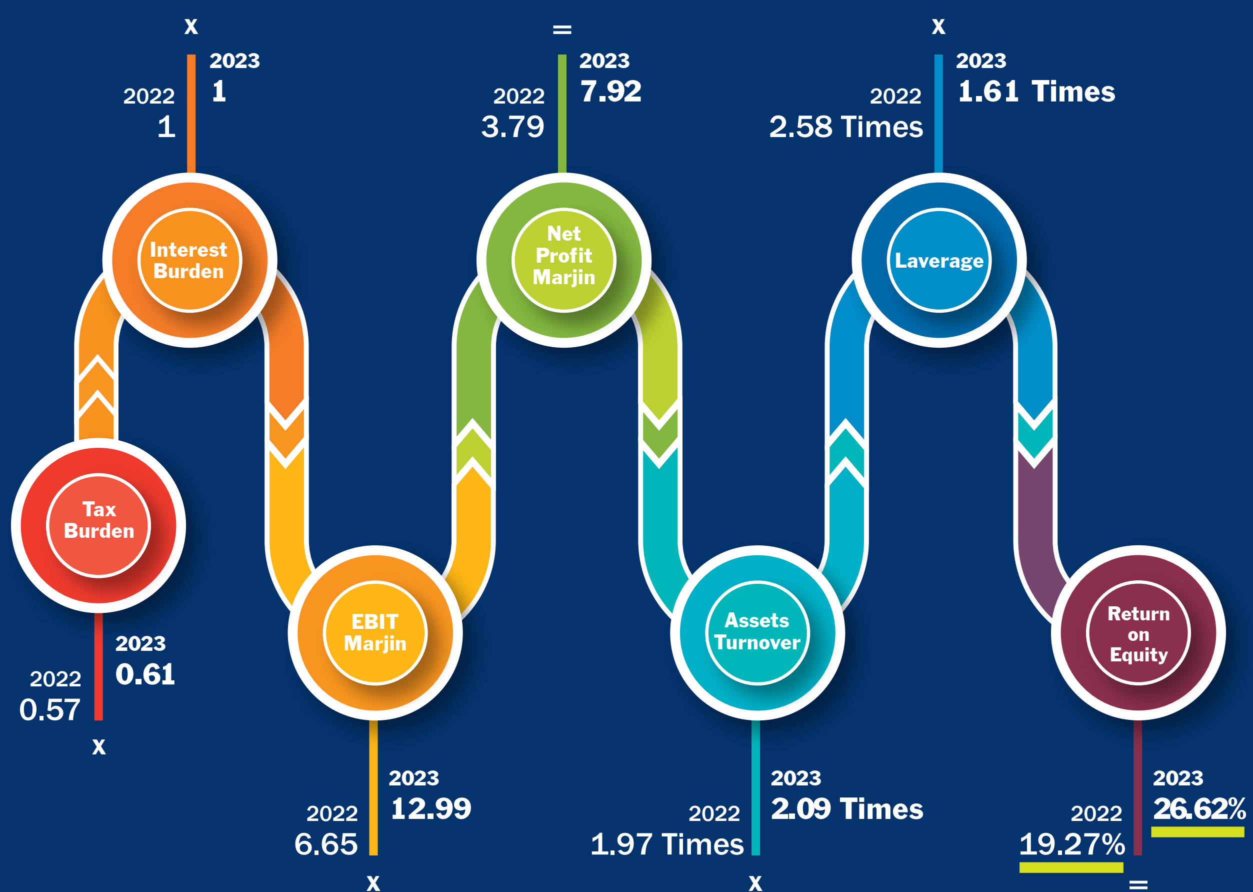
Free cash flow
Capital expenditures and lease liabilities paid



Dupont Analysis

During the year 2022-23 return on equity improved to 26.62% as compared to 19.27% in the last year.

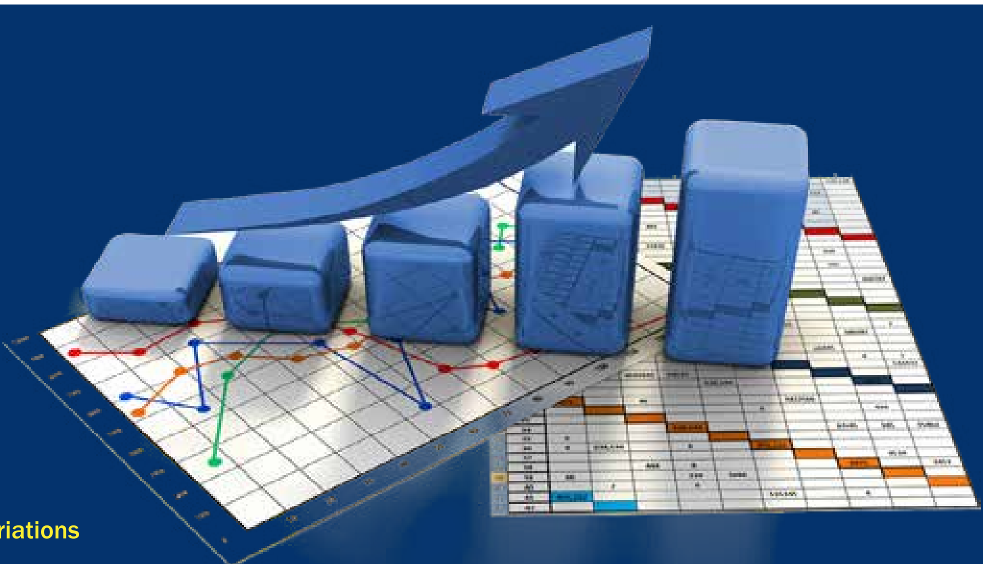
Net profit margin improved as compared to last year due to increase in EBIT margin. Asset turnover increased due to improved sales and overall increase in assets. Moreover leverage increased due to increase in total equity as the Company earned profit during the year.



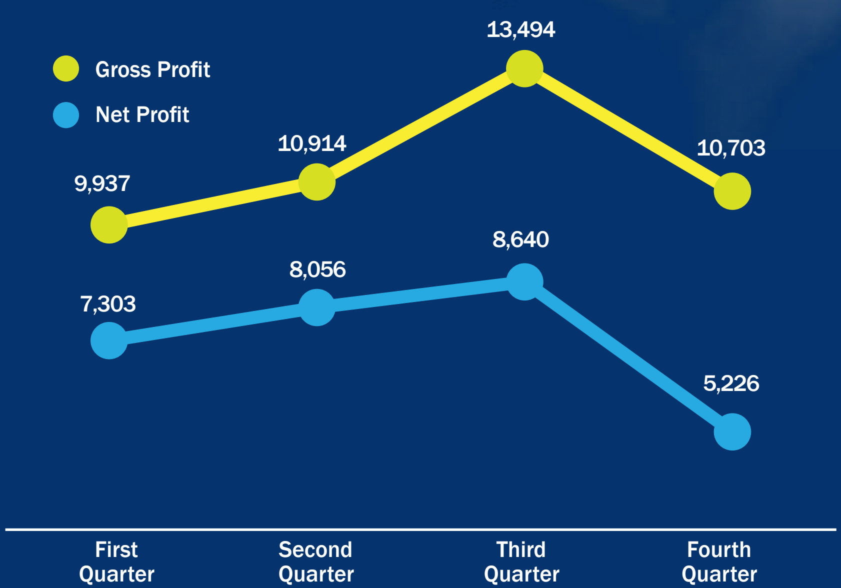
Analysis of Quarterly Variation

in result of interim reports with the annual financial statements

	First Quarter Rs '000	Second Quarter Rs '000	Third Quarter Rs '000	Fourth Quarter Rs '000	**Total Rs '000**
Profit & loss items					
Net Sales	99,123,904	89,828,833	94,729,478	85,539,334	369,221,549
Gross profit	9,936,726	10,914,169	13,494,397	10,703,381	45,048,673
Profit before taxation from refinery operation	9,888,483	11,670,616	12,294,979	12,341,111	46,195,189
Taxation	(3,263,200)	(3,851,302)	(4,053,533)	(7,017,076)	(18,185,111)
Non-refinery income less applicable charges and taxation	677,838	236,901	398,215	(97,800)	1,215,154
Net Profit	7,303,121	8,056,215	8,639,661	5,226,235	29,225,232
Earnings/(loss) per share (Rupees)	68.50	75.56	81.03	49.03	274.12



Analysis of Quarterly Variations
(Rupees in million)



Sales revenue was higher in the first quarter due to higher prices of petroleum products as compared to remaining quarter of the financial year 2023.

There was an increasing trend of gross & net profit from first quarter to third quarter mainly due to increasing trend of prices of petroleum products. Net profit for the forth quarter decreased due to implementation of super tax from 4 % to 10 %.

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: Attock Refinery Limited
Year ended: June 30, 2023

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are eight (8) as per the following:

Gender	Number
Male	8*
Female	Nil

** This includes seven elected directors and one Chief Executive Officer of the Company.*

2. The composition of the Board as at June 30, 2023 is as follows:

Category	Name
Independent Directors	Mr. Shamim Ahmad Khan Mr. Tariq Iqbal Khan
Other Non-executive Directors	Mr. Laith G. Pharaon *(Alternate Director: Mr. Mohammad Raziuddin)*
	Mr. Wael G. Pharaon *(Alternate Director: Mr. Babar Bashir Nawaz)*
	Mr. Shuaib A. Malik
	Mr. Abdus Sattar
	Mr. Jamil A. Khan
Executive Director	Mr. M. Adil Khattak *(Chief Executive Officer)*
Female Directors	Nil

A Constitutional Petition was filed by the Company before the Sindh High Court, where in Company has challenged compliance with, inter alia, the provision of regulation 7 of the Code / law relating to appointment of female director. The matter is still pending adjudication. The law officer of Securities and Exchange Commission of Pakistan has also made a statement before the Court that no action contrary to the law would be taken against the Company.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/Shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The Meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. In terms of Regulation 19 of the Code, companies are encouraged that all directors on their board have acquired the prescribed certification under Directors Training Program (DTP) by June 30, 2022. Presently, five (5) directors of the Company meet the exemption requirement of the DTP, while two (2) directors have already completed this program. Further, two alternate directors and the Chief Executive Officer (CEO) of the Company have also completed DTP;

10. The Board has approved appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

Committees	Composition/Name
Audit Committee	Mr. Shamim Ahmad Khan *(Chairman)* **Members:** Mr. Shuaib A. Malik Mr. Abdus Sattar Mr. Tariq Iqbal Khan Mr. Babar Bashir Nawaz *(Alternate Director for Mr. Wael G. Pharaon)*
HR and Remuneration Committee	Mr. Tariq Iqbal Khan *(Chairman)* **Members:** Mr. Shuaib A. Malik Mr. Jamil A. Khan Mr. M. Adil Khattak

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;

14. The frequency of meetings of the committees were as per following:

Meetings	Frequency
Audit Committee	Four (4) quarterly meetings were held during the financial year ended June 30, 2023.
HR and Remuneration Committee	One (1) meeting was held during the financial year ended June 30, 2023.

15. The Board has set up an effective internal audit function who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their 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 and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with. Please refer paragraph 2 above of the Statement. However, fraction (0.33) contained in one-third number for Independent directors has not been rounded up as one, as the existing independent directors have the requisite skills, knowledge and diversified work experience to take independent decision in the interest of the Company; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is below:

Committee	Reg. No.	Explanation
Nomination Committee: The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29 (1)	The responsibilities as prescribed for the nomination committee are being taken care of at board level as and when needed so a separate committee is not considered to be necessary.
Risk Management Committee: The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30 (1)	Risk Management Committee (RMC) at the level of the Company's management is already in place which is headed by the CEO. The CEO briefs the Board about the Committee's findings and recommendations for consideration and approval of the Board.

Shuaib A. Malik
Chairman

M. Adil Khattak
Chief Executive Officer

August 29, 2023
Rawalpindi

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Attock Refinery Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Attock Refinery Limited (the Company) for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Further, we highlight content of paragraph 2 of the statement where the matter of representation of female director on the Board of Directors of the company has been explained.

Afferguson&co

Chartered Accountants
Islamabad
Date: September 13, 2023

UDIN: CR202310610QzKFRscij

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KARACHI LAHORE ISLAMABAD

Annual Audited
Financial Statements
For the year ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of Attock Refinery Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Attock Refinery Limited (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Investment in associated company**	
	(Refer note 16 to the financial statements) The Company has investment in its associated company National Refinery Limited (NRL). As at June 30, 2023, the carrying amount of investment in above referred associated company amounted to Rs 8,047 million which carrying value is higher by Rs 5,048 million in relation to the quoted market value of such shares. The Company carries out impairment assessment of the value of Investment where there are indicators of impairment. The Company has assessed the recoverable amount of the investment in associated company based on the higher of the value-in-use ("VIU") and fair value. VIU is based on a valuation analysis carried out by an independent external investment advisor engaged by the management using a discounted cash flow model which involves estimation of future cash flows. This estimation is inherently uncertain and requires significant judgement on both future cash flows and the discount rate applied to the future cash flows. In view of significant management judgement involved in the estimation of value in use we consider this as a key audit matter.	Our procedures in relation to assessment of carrying value of investment in associated company, amongst others, included the following: - Assessed the appropriateness of management's accounting for investment in associated company; - Understood management's process for identifying the existence of impairment indicators in respect of investment in associated company; - Evaluated the independent external investment advisor's competence, capabilities and objectivity; - Made inquiries of the independent external investment advisor and assessed the valuation methodology used; - Checked, on sample basis the reasonableness of the input data provided by the management to the independent external investment advisor, to supporting evidence; - Assessed the reasonableness of cash flow projections, challenging and performing audit procedures on assumptions such as growth rate, future revenue and costs, terminal growth rate and discount rate by comparing the assumptions to historical results, budgets and comparing the current year's results with prior year forecast and other relevant information; - Checked mathematical accuracy of cash flows projection; - Performed independently a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions; - Checked quoted price of investment in NRL as of June 30, 2023 with publicly available stock exchange data; and - Assessed the appropriateness of the Company's disclosures in the financial statements in this respect.

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Information Other than the Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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KARACHI-LAHORE-ISLAMABAD

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Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

(a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

(b) the statement of financial position, the statement of profit or loss, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Aftab Ahmad.

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Chartered Accountants
Islamabad
Date: September 13, 2023
UDIN: AR202310610KAHf1ScFX

Statement of Financial Position

As at June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised share capital	6	1,500,000	1,500,000
Issued, subscribed and paid-up capital	6	1,066,163	1,066,163
Reserves and surplus	7	53,546,028	25,367,221
Surplus on revaluation of freehold land	14	55,160,588	25,093,419
		109,772,779	51,526,803
NON CURRENT LIABILITIES			
Long term financing- secured	8	-	2,504,914
Deferred taxation	18	211,720	-
CURRENT LIABILITIES			
Trade and other payables	9	56,942,838	69,643,706
Short term financing	10	-	2,500,000
Current portion of long term financing	8	-	2,200,000
Accrued mark-up on long term financing	8	-	170,966
Lease liability	11	-	157,404
Accrued mark-up on short term financing		-	31,146
Unpaid dividend – awaiting remittance by the authorized bank	12	503,762	-
Unclaimed dividends		11,800	9,254
Provision for taxation		9,317,563	4,161,784
		66,775,963	78,874,260
TOTAL EQUITY AND LIABILITIES		176,760,462	132,905,977
CONTINGENCIES AND COMMITMENTS	13		

	Note	2023 Rs '000	2022 Rs '000
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Operating assets	14	64,025,304	36,476,197
Capital work-in-progress	15	1,415,437	843,218
Major spare parts and stand-by equipments		170,258	143,756
		65,610,999	37,463,171
LONG TERM INVESTMENTS	16	13,264,915	13,264,915
LONG TERM LOANS AND DEPOSITS	17	47,364	42,247
DEFERRED TAXATION	18	-	3,344,128
CURRENT ASSETS			
Stores, spares and loose tools	19	5,749,486	4,011,455
Stock-in-trade	20	20,608,420	17,742,708
Trade debts	21	39,513,594	30,279,029
Loans, advances, deposits, prepayments and other receivables	22	2,700,538	2,004,672
Short term investment	23	14,139,114	-
Cash and bank balances	24	15,126,032	24,753,652
		97,837,184	78,791,516
TOTAL ASSETS		176,760,462	132,905,977

The annexed notes 1 to 47 form an integral part of these financial statements.

Syed Asad Abbas
Chief Financial Officer

M. Adil Khattak
Chief Executive Officer

Abdus Sattar
Director

Statement of Profit or Loss

For the year ended June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
Gross sales	25	461,127,938	305,396,404
Taxes, duties, levies, discount and price differential	26	(91,906,389)	(43,412,589)
Net sales		369,221,549	261,983,815
Cost of sales	27	(324,172,876)	(243,305,567)
Gross profit		45,048,673	18,678,248
Administration expenses	28	1,241,089	866,868
Distribution costs	29	97,063	76,835
Other charges	30	3,470,359	1,191,639
		(4,808,511)	(2,135,342)
Other income	31	8,322,799	2,002,941
Impairment (loss)/reversal on financial asset - note 22.3		(52,158)	35,551
Operating profit		48,510,803	18,581,398
Finance costs	32	(2,315,614)	(3,294,001)
Profit before taxation from refinery operations		46,195,189	15,287,397
Taxation	33	(18,185,111)	(6,190,684)
Profit after taxation from refinery operations		28,010,078	9,096,713
Income from non-refinery operations less			
applicable charges and taxation	34	1,215,154	834,000
Profit for the year		29,225,232	9,930,713
Earnings per share - basic and diluted (Rupees)			
Refinery operations		262.72	85.32
Non-refinery operations		11.40	7.82
	35	274.12	93.14

The annexed notes 1 to 47 form an integral part of these financial statements.

Syed Asad Abbas	**M. Adil Khattak**	**Abdus Sattar**
Chief Financial Officer	Chief Executive Officer	Director

Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
Profit for the year		29,225,232	9,930,713
Other comprehensive income/(loss) for the year			
Surplus on revaluation of freehold land	14.2	30,067,169	-
Items that will not be subsequently reclassified			
to statement of profit or loss:			
Remeasurement loss on staff retirement benefit plans	36	(52,486)	(211,374)
Related deferred tax credit		20,470	61,299
Effect of change in rate of tax		51,754	34,502
		19,738	(115,573)
Other comprehensive income/(loss) for the year - net of tax		30,086,907	(115,573)
Total comprehensive income for the year		59,312,139	9,815,140

The annexed notes 1 to 47 form an integral part of these financial statements.

Syed Asad Abbas	**M. Adil Khattak**	**Abdus Sattar**
Chief Financial Officer	Chief Executive Officer	Director

Statement of Changes in Equity

For the year ended June 30, 2023

		Capital reserve			Revenue reserve				
	Share capital	Special reserve for expansion/ modernisation	Utilised special reserve for expansion/ modernisation	Others	Investment reserve	General reserve	Un-appropriated Profit	Surplus on revaluation of freehold land	Total
	Rs '000								
Balance as at July 1, 2021	1,066,163	-	10,962,934	5,948	3,762,775	55	820,369	25,093,419	41,711,663
Total comprehensive income - net of tax									
Profit for the year	-	-	-	-	-	-	9,930,713	-	9,930,713
Other comprehensive loss for the year	-	-	-	-	-	-	(115,573)	-	(115,573)
	-	-	-	-	-	-	9,815,140	-	9,815,140
Profit from refinery operations transferred from unappropriated profit to special reserve - note 7.1	-	8,950,913	-	-	-	-	(8,950,913)	-	-
Loss from refinery operations for prior years transferred from unappropriated profit to special reserve - note 7.1	-	(8,950,913)	-	-	-	-	8,950,913	-	-
Balance as at June 30, 2022	1,066,163	-	10,962,934	5,948	3,762,775	55	10,635,509	25,093,419	51,526,803
Distribution to owners:									
Final cash dividend @ 100% related to the year ended June 30, 2022	-	-	-	-	-	-	(1,066,163)	-	(1,066,163)
Total comprehensive income - net of tax									
Profit for the year	-	-	-	-	-	-	29,225,232	-	29,225,232
Other comprehensive income for the year	-	-	-	-	-	-	19,738	30,067,169	30,086,907
	-	-	-	-	-	-	29,244,970	30,067,169	59,312,139
Profit from refinery operations transferred from unappropriated profit to special reserve - note 7. 1	-	27,864,278	-	-	-	-	(27,864,278)	-	-
Loss from refinery operations for prior years transferred from unappropriated profit to special reserve - note 7.1	-	(2,201,689)	-	-	-	-	2,201,689	-	-
Balance as at June 30, 2023	1,066,163	25,662,589	10,962,934	5,948	3,762,775	55	13,151,727	55,160,588	109,772,779

The annexed notes 1 to 47 form an integral part of these financial statements.

Syed Asad Abbas
Chief Financial Officer

M. Adil Khattak
Chief Executive Officer

Abdus Sattar
Director

Statement of Cash Flows

For the year ended June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from			
- customers		451,896,818	288,353,563
- others		891,454	3,927,861
		452,788,272	292,281,424
Cash paid for operating costs		(344,138,841)	(240,517,424)
Cash paid to Government for duties, taxes and levies		(93,932,144)	(35,563,526)
Income tax paid		(9,783,504)	(943,377)
Net cash inflow from operating activities		4,933,783	15,257,097
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(792,515)	(181,687)
Proceeds against disposal of operating assets		13,876	22,887
Long term loans and deposits		(5,117)	(2,156)
Income received on bank deposits		7,068,890	1,092,232
Dividends received from associated companies		1,629,999	1,134,778
Net cash generated from investing activities		7,915,133	2,066,054
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(4,650,000)	(3,200,000)
Repayment of lease liability		(245,911)	(144,581)
Transaction cost on long term financing		(500)	(500)
Finance costs		(342,690)	(753,639)
Bank balances under lien		(23,084)	-
Dividends paid to the Company's shareholders		(559,855)	(48)
Net cash outflow from financing activities		(5,822,040)	(4,098,768)
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		7,026,876	13,224,383
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		20,926,538	7,724,166
Effects of exchange rate changes on cash and cash equivalents		(38,466)	(22,011)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	44	27,914,948	20,926,538

The annexed notes 1 to 47 form an integral part of these financial statements.

Syed Asad Abbas	**M. Adil Khattak**	**Abdus Sattar**
Chief Financial Officer	Chief Executive Officer	Director

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public company on June 26, 1979. The Company is principally engaged in the refining of crude oil. The registered office and refinery complex of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on Pakistan Stock Exchange Limited.

The Company is subsidiary of The Attock Oil Company Limited, England and its ultimate parent is Coral Holding Limited.

2. STATEMENT OF COMPLIANCE

These are the separate financial statements of the Company and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. NEW AND REVISED STANDARDS AND INTERPETATIONS

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2023
		& January 1, 2024
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2024
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IFRS 4	Insurance Contracts (Amendments)	January 1, 2023
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2024
IFRS 16	Leases (Amendments)	January 1, 2024

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation/ disclosures.

Further, the following standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified or has been waived off by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRS 17 Insurance Contracts

IFRIC 12 Service concession arrangements

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of measurement

These financial statements have been prepared under the historical cost convention modified by revaluation of freehold land referred to in note 4.7 and staff retirement gratuity and pension plans which are carried at present value of defined benefit obligation net of fair value of plan assets.

4.2 Dividend and revenue reserves appropriation

Dividend and movement in revenue reserves are recognised in the financial statements in the period in which these are approved.

4.3 Employee retirement benefits

The main features of the retirement benefit schemes operated by the Company for its employees are as follows:

(i) Defined benefit plans

The Company operates approved pension fund for its management staff and approved gratuity fund for its management and non-management staff. The investments of pension and gratuity funds are made through approved trust funds. Gratuity is deductible from pension. Management staff hired after January 1, 2012 are only entitled to benefits under gratuity fund. Contributions are made in accordance with actuarial recommendations. Actuarial valuations are conducted by an independent actuary, annually using projected unit credit method related details of which are given in note 36 to the financial statements. The obligation at the date of statement of financial position is measured at the present value of the estimated future cash outflows. All contributions are charged to statement of profit or loss for the year.

Actuarial gains and losses (remeasurement gains/losses) on employees' retirement benefit plans are recognised immediately in other comprehensive income and past service cost is recognized in statement of profit or loss when they occur.

Cost primarily represents the increase in actuarial present value of the obligation for benefits earned on employees service during the year and the interest on the net liability/(asset) in respect of employee's service in previous years. Calculations are sensitive to changes in the underlying assumptions.

Calculation of gratuity and pension obligations require assumptions to be made of future outcomes which mainly includes increase in remuneration, expected long-term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions. The assumptions used vary for the different plans and they are determined by independent actuary annually.

(ii) Defined contribution plans

The Company operates an approved contributory provident fund for all employees. Equal monthly contribution is made both by the Company and the employee to the fund at the rate of 10% of basic salary.

4.4 Employee compensated absences

The Company also provides for compensated absences for all employees in accordance with the Company policy.

4.5 Taxation

Income tax expense comprises of current and deferred tax.

Current tax

Provision for current taxation is based on taxable income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any. Income tax expense is recognised in statement of profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

The Company recognises provision for income tax based on best current estimates. However, where the final tax outcome is different from the amounts that were initially recorded, such differences impact the income tax provision in the period in which such determination is made.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

Deferred tax

Deferred income tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, un-used tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are substantially expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to income except in the case of items credited or charged to equity in which case it is included in equity.

Deferred taxation is recognised taking into account availability of taxable profits. The management uses assumptions about future best estimates of the availability of future taxable profits based on available information.

Investment tax credits are considered not substantially different from other tax credits. Accordingly in such situations tax credits are deducted from current tax amount to the extent of tax credit availed while recognising deferred tax credit for the unused investment tax credit.

4.6 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

4.7 Property, plant and equipment and capital work-in-progress

Cost

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and impairment losses. Capital work-in-progress and major spare parts and standby equipment are stated at cost. Cost in relation to certain plant and machinery items include borrowing cost related to the financing of major projects during construction phase.

Revaluation

Revaluation of freehold land is based on periodic, but atleast triennial, valuation by external independent valuer. Increase in the carrying amount arising on revaluation of freehold land is recognised in other comprehensive income and accumulated in shareholders' equity under the heading "Surplus on Revaluation of Freehold Land". To the extent that the increase reverses a decrease previously recognised in statement of profit or loss, the increase is first recognised in statement of profit or loss. Decreases that reverse previous increases are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to statement of profit or loss.

The Company carries out revaluations, considering the change in circumstances and assumptions from latest revaluation. The fair value of the Company's free hold land is assessed by management based on independent valuation performed by an external property valuation expert as at year end after every three years. For valuation of free hold land, the current market prices are used which requires significant judgment as to estimating the revalued amount in terms of property size, location and layout etc.

Depreciation

Depreciation on operating assets is calculated using the straight-line method to allocate their cost over their estimated useful life at the rates specified in note 14.1. Further, the Company reviews the carrying value of assets for impairment, if any, on each reporting.

Repairs and maintenance

Maintenance and normal repairs, including minor alterations, are charged to profit or loss as and when incurred. Renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Research and development expenditure

Research expenditure and development expenditure that do not meet the capitalization criteria are recognised as expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

Gains and losses on disposal

Gains and losses arising on disposal of assets are included in other income.

4.8 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortisation or depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels, for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment losses are restricted to the extent that assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss or reversal of impairment loss is recognised in the statement of profit or loss.

4.9 Long term investments

4.9.1 Investment in subsidiaries

Investment in subsidiary is initially recognised at cost. At subsequent reporting date, recoverable amounts are estimated to determine the extent of impairment loss, if any, and carrying amount of investment is adjusted accordingly. Impairment losses are recognised as expense in the statement of profit or loss. Where impairment loss is subsequently reversed, the carrying amounts of investment are increased to its revised recoverable amount, limited to the extent of initial cost of investment. Reversal of impairment losses are recognised in the statement of profit or loss.

The profits or losses of subsidiaries are carried forward in their financial statements and are not dealt within these financial statements except to the extent of dividend declared by the subsidiaries. Gains and losses on disposal of investment are included in other income. When the disposal on investment in subsidiary results in loss of control such that it becomes an associate, the retained investment is carried at cost.

4.9.2 Investment in associates

Investments in associates and jointly controlled entities are initially recognised at cost. At subsequent reporting date, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognised as expense in the statement of profit or loss. Where impairment losses are subsequently reversed, the carrying amounts of these investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the statement of profit or loss. The profits and losses of associates and jointly controlled entities are carried forward in their financial statements and are not dealt within these financial statements except to the extent of dividend declared by the associates and jointly controlled entities. Gains and losses on disposal of investments are included in the statement of profit or loss.

4.10 Stores, spares and loose tools

These are valued at moving average cost less allowance for obsolete and slow moving items. Items in transit are stated at invoice value plus other charges incidental thereto.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

4.11 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realisable value.

Cost in relation to crude oil is determined on a First-in-First-Out (FIFO) basis. In relation to semi-finished and finished products, cost represents the cost of crude oil and an appropriate portion of manufacturing overheads.

Net realisable value represents selling prices in the ordinary course of business less costs necessary to be incurred for its sale.

4.12 Revenue recognition

The Company recognizes revenue when it transfers control over goods to its customers, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognized at an amount that reflects the consideration, to which the Company expects to be entitled in exchange for transferring of goods to its customers net of discount and sales related indirect taxes. The sales related indirect taxes are regarded as collected on behalf of statutory authorities. The Company generates revenue by supplying refined petroleum products to the customers, including export of Naphtha product.

i) Revenue from sales is recognised on delivery of products ex-refinery to the customers with the exception that Naphtha export sales are recognised on the basis of products shipped to customers.

   The Company is operating under the import parity pricing formula, as modified from time to time, whereby it is charged the cost of crude on 'import parity' basis and is allowed to charge product prices equivalent to the 'import parity' price, calculated under prescribed parameters. Accordingly, the transaction price of the regulated products are determined in accordance with the directives issued by the Government of Pakistan. Whereas, the transaction prices of deregulated products are agreed under the contract with customer.

   No element of financing is deemed present as the sales are made with a credit term of 15-30 days, which is consistent with the market practice.

ii) Income from crude desalter operations, rental income, scrap sales, insurance commission, handling and service income are recognized on accrual basis.

iii) Dividend income is recognised when the right to receive dividend is established.

iv) Income on bank deposits and short term investments are recognised using the effective yield method.

4.13 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional currency.

4.14 Foreign currency transactions and balances

Transactions in foreign currencies are converted into Pakistani Rupees at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies at the year end are translated at exchange rates prevailing at the statement of financial position date. Exchange differences are dealt with through the statement of profit or loss.

4.15 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company losses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

(i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

a) Amortized cost where the effective interest rate method will apply;
b) fair value through profit or loss; and
c) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or statement of other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(a) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income/charges. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in finance cost and impairment expenses are presented as separate line item in the statement of profit or loss.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balances

General approach for loans, advances, deposits, prepayments and other receivables, short term investments and cash and bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees,
- significant financial difficulty of the borrower;
- a breach of contract, such as a default or past due event;
- the company for economic or contractual reasons relating to the borrower's financial difficulty, have granted to the borrower a concession(s) that the Company would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties; if applicable.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company). Irrespective of the above analysis, a significant increase in credit risk is presumed if a debtor is more than 365 days past due in making a contractual payment unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off

The Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

(ii) Financial liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- amortised cost

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Amortised cost

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

(iii) Off-setting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set off the recognized amounts, and the Company either intends to settle on a net basis, or realize the asset and settle the liability simultaneously. Legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Chief Financial Officer of the Company determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

4.17 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Basic and diluted EPS relating to Refinery and Non-refinery operations is also calculated in line with the manner described above by dividing the profit or loss attributable to ordinary shareholders from Refinery and Non-refinery operations respectively.

4.18 Other income

Other income comprises interest income on funds invested, gain on disposal financial assets and changes in fair value of investments held for trading. Interest income is recognised as it accrues in the statement of profit or loss, using effective interest method. Dividend income is recognised in the statement of profit or loss on the date that the Company's right to receive payment is established.

4.19 Finance costs

Finance costs comprise interest expense on borrowings, exchange loss/(gain), interest on lease liability and changes in fair value of investment carried at fair value through the statement of profit or loss.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

4.20 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

The management exercises judgement in measuring and recognizing the exposures to contingent liabilities related to pending litigations or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

4.21 Dividends and appropriation to general reserve

Dividends and appropriation to general reserves are recognised in the financial statements in the period in which these are approved.

4.22 Borrowings and their costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs on the borrowing to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a transaction cost on borrowing and amortised over the period of the facility to which it relates.

Borrowing costs are recognised as an expense in the period in which these are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset.

4.23 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. Considering that the sale of Company's petroleum products are subject to similar economic characteristics and the Board of Directors view the Company's operations as one operating segment. Accordingly, the management has determind that the company has a single reportable segment.

4.24 Trade debts

These are recognized and carried at the original invoice amounts, being the fair value, less an allowance for uncollectible amounts, if any. The Company applies the IFRS 9 simplified approach to measure the expected credit losses (ECL) which uses a lifetime expected loss allowance for trade debts.

4.25 Loans, advances, deposits and other receivables

These are recognized at cost, which is the fair value of the consideration given. The Company assesses on a forward looking basis the expected credit losses associated with the advances, deposits and other receivables. The Company applies the general approach for calculating a lifetime expected credit losses for its loans, advances, deposits and other receivables recognized. The life time expected credit loss is determined at least annually. However, an assessment is made at each reporting date to determine whether there is an indication that a financial asset or a group of financial assets may be impaired. If such an indication exists, the estimated recoverable amount of that asset is determined and impairment loss is recognized for the difference between the recoverable amount and the carrying value.

4.26 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and investments that are highly liquid, readily convertible to known amounts of cash with insignificant risk of changes in value and have original maturity period of less than three month from the date of acquisition.

4.27 Trade and other payables

Liabilities for trade and other payables, including payable to related parties, are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

4.28 Contract liabilities

Obligation to transfer goods or services to a customer for which the Company has received consideration or an amount of consideration is due from the customer is presented as contract liability. The contract liabilities of the Company comprises of advance payments from customers for supply of petroleum products as described in note 9.2.

4.29 Lease liability and right-of-use asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has leased office for administrative purpose and the lease period for this lease is 3 years. The Company has opted not to recognize right of use assets for short-term leases i.e. leases with a term of twelve (12) months or less as low value leases. The payments associated with such leases are recognized in statement of profit or loss when incurred.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

IFRS 16 requires the Company to assess the lease term as the non-cancelable lease term in line with the lease contract together with the period for which the Company has extension options which the Company is reasonably certain to exercise and the periods for which the Company has termination options for which the Company is not reasonably certain to exercise those termination options.

The reasonably certain period used to determine the lease term is based on facts and circumstances related to the underlying leased asset and lease contracts and after consideration of business plan of the Company which incorporates economic, potential demand of customers and economic changes.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

i) Surplus on revaluation of freehold land - notes 4.7 and 14.2

ii) Contingencies - notes 4.20 and 13

iii) Estimated useful life, residual value and depreciation method of operating assets - notes 4.7 and 14.1

iv) Taxation - notes 4.5 and 33

v) Employees defined benefit plans - notes 4.3 and 36

vi) Movement in loss allowances - notes 4.15 and 22.3

vii) Long term investments - notes 4.9 and16

6. SHARE CAPITAL

6.1 Authorised share capital

2023	2022		2023	2022
Number of shares			Rs '000	Rs '000
150,000,000	150,000,000	Ordinary shares of Rupees 10 each	1,500,000	1,500,000

6.2 Issued, subscribed and paid-up capital

2023	2022		2023	2022
Number of shares		Ordinary shares of Rupees 10 each	Rs '000	Rs '000
8,000,000	8,000,000	Fully paid in cash	80,000	80,000
98,616,250	98,616,250	Shares issued as fully paid bonus shares	986,163	986,163
106,616,250	106,616,250		1,066,163	1,066,163

The parent company, The Attock Oil Company Limited held 65,095,630 (2022: 65,095,630) ordinary shares and the associated company, Attock Petroleum Limited held 1,790,000 (2022: 1,790,000) ordinary shares at the year end.

6.3 Ordinary Shares

Ordinary Shares have a par value of Rs 10 each. They entitle the holder to participate in dividends, as declared from time to time, and to share in the proceedings of the winding up of the Company in the proportion to the number of and amounts paid on the shares held. Further, the holder is entitled to one vote per share at the general meetings of the Company.

	2023 Rs '000	2022 Rs '000
7. RESERVES AND SURPLUS		
Capital reserve		
Special reserve for expansion/modernisation - note 7.1	25,662,589	-
Utilised special reserve for expansion/modernisation - note 7.2	10,962,934	10,962,934
Others		
Liabilities taken over from The Attock Oil Company Limited		
no longer required	4,800	4,800
Capital gain on sale of building	654	654
Insurance and other claims realised relating to		
pre-incorporation period	494	494
	5,948	5,948
Revenue reserve		
Investment reserve - note 7.3	3,762,775	3,762,775
General reserve	55	55
Unappropriated profit - net	13,151,727	10,635,509
	16,914,557	14,398,339
	53,546,028	25,367,221

7.1 Under the Policy Framework for Up-gradation and Expansion of Refineries, 2013 issued by the Ministry of Energy - Petroleum Division (the Ministry) as amended from time to time, the refineries are required to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into a Special Reserve Account which shall be available for utilisation for Up-gradation of refineries or may also be utilised in off setting losses of the refinery from refinery operations.

7.2 Represents amounts utilised out of the Special Reserve for expansion/modernisation of the Refinery. The total amount of capital expenditure incurred on Refinery expansion/mordernisation till June 30, 2023 is Rs 29,569.89 million (2022: Rs 29,175.30 million) including Rs 18,606.96 million (2022: Rs 18,212.37 million) spent over and above the available balance in the Special Reserve which has been incurred by the Company from its own resources.

7.3 The Company has set aside gain on sale of investment as investment reserve to meet any future losses/ impairment on investments.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
8.	**LONG TERM FINANCING - secured**		
	From banking companies		
	Syndicated Term Finance - note 8.1	-	3,686,620
	Musharaka Finance - note 8.2	-	1,206,630
		-	4,893,250
	Less: Unamortized transaction cost on financing:		
	Balance at beginning of the year	17,370	42,393
	Addition during the year	500	500
	Amortization for the year	(17,870)	(25,523)
	Balance at end of the year	-	17,370
		-	4,875,880
	Current portion of long term financing - note 8.4	-	(2,200,000)
		-	2,675,880
	Mark-up payable shown as current liability	-	(170,966)
		-	2,504,914

8.1 The Company entered into a syndicated finance agreement with a consortium of banks which includes Bank AL-Habib Limited as the Agent Bank for a term finance facility of Rs 16,575 million for ARL Up-gradation Projects. The facility carries a mark-up of 3 months KIBOR plus 1.70% which is payable on quarterly basis.

8.2 The Company obtained Musharaka finance facility of Rs 5,425 million from Bank AL-Habib Limited (the Bank) as the Investment Agent for ARL Up-gradation Projects. The total Musharaka investment amounts to Rs 8,029 million and Investment Agent's (the Bank) share in Musharaka Assets A is nil % (2022: nil %) while its share in Musharaka Assets B is nil % (2022: 18.48%) respectively. While the Managing Co-owner's (the Company) share in Musharaka Assets A is 100% (2022: 100 %) while its share in Musharaka Assets B is 100% (2022: 81.52%) respectively. The rental payments under this facility are calculated on the basis of 3 months KIBOR plus 1.70% on value of unit purchased on each Musharaka Assets purchase date under Musharaka agreement.

8.3 The facilities referred to in notes 8.1 and 8.2 were secured by first pari passu charge by way of hypothecation over all present and future current assets to the extent of Rs 15,000 million. Further, the facility was also secured by first pari passu charge by way of hypothecation over all present and future movable fixed assets of the Company and mortgage over identified immovable property. Until the payment of all the outstanding amounts due by the Company have been paid in full, the Company cannot, except with the prior written consent of the Agent Bank/ Investment Agent, permit the collective shareholding of The Attock Oil Company Limited in the Company to fall below 51%.

8.4 During the year the Company has repaid entire outstanding amount of long term financing which includes principal portion of Rs 4,650 million and interest of Rs 307 million. Charge created against the facilities referred in note 8.1 and 8.2 respectively has been vacated.

	2023 Rs '000	2022 Rs '000
9. TRADE AND OTHER PAYABLES		
Creditors - note 9.1	28,178,514	38,977,126
Due to The Attock Oil Company Limited - Holding Company	89,628	152,191
Due to Associated Companies		
Pakistan Oilfields Limited	3,378,102	4,499,352
National Refinery Limited	-	565
Attock Energy (Private) Limited	444	-
Accrued liabilities and provisions - note 9.1	7,273,880	5,623,541
Due to the Government under pricing formula	7,321,232	9,335,438
Custom duty payable to the Government	3,733,028	9,087,842
Sales tax payable	595,418	1,317,767
Contract liabilities/advance payments from customers - note 9.2	127,292	123,847
Payable to statutory authorities in respect of petroleum		
development levy and excise duty	6,059,249	-
Workers' Profit Participation Fund - note 22.1	-	82,215
ARL Gratuity Fund	58,953	177,435
Staff Pension Fund	35,979	140,709
Crude oil freight adjustable through inland freight		
equalisation margin	87,676	122,235
Deposits from customers adjustable against freight		
and Government levies payable on their behalf	376	376
Security deposits - note 9.3	3,067	3,067
	56,942,838	69,643,706

9.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Energy - Petroleum Division (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld along with accumulated profits amounted to Rs 4,995.27 million (2022: Rs 4,297.95 million).

9.2 Contract liabilities/advance payments from customers is recognised as revenue when the performance obligation in accordance with the policy as described in note 4.12 is satisfied.

	2023 Rs '000	2022 Rs '000
Balance at beginning of the year	123,847	193,073
Advance received during the year	12,505,939	6,891,051
Revenue recognized during the year	(12,502,494)	(6,960,277)
Balance at end of the year	127,292	123,847

During the year, the entire opening balance has been transferred to revenue.

9.3 These are repayable on demand and cannot be utilised for the purpose of business in accordance with the terms of written agreements with these parties. The amount in this respect has been kept in separate bank account.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

10. SHORT TERM FINANCING

The Company has obtained short term financing from a bank for an amount of Rs 3,000 million (June 30, 2022: Rs 3,000 million) to finance its working capital requirements. This facility is secured by ranking hypothecation charge over all present and future current and fixed assets (excluding land and building) of the Company. The rate of mark-up on short term financing facility is 3 months KIBOR plus 0.08% p.a. which is payable on quarterly basis. The outstanding amount for the drawdowns made by the Company against the said facility as of reporting date was Rs nil (June 30, 2022: Rs 2,500 million).

	2023 Rs '000	2022 Rs '000
11. LEASE LIABILITY		
Balance at beginning of the year	157,404	342,231
Deletions during the year	-	(120,889)
Lease finance charges	11,478	75,200
Lease rentals paid	(245,911)	(144,581)
Exchange loss	77,029	5,443
Balance at end of the year	-	157,404

12. UNPAID DIVIDEND- AWAITING REMITTANCE BY THE AUTHORIZED BANK

This represents dividend payable to non-resident major shareholder company, The Attock Oil Company Limited, England for the year June 30, 2022, awaiting remittance by the authorized bank due to regulatory constraints.

	2023 Rs '000	2022 Rs '000

13. CONTINGENCIES AND COMMITMENTS

Contingencies:

	2023 Rs '000	2022 Rs '000
i) Consequent to amendment through the Finance Act, 2014, SRO 575(I)/2006 was withdrawn. As a result, all imports relating to the ARL Up-gradation Project were subjected to the higher rate of customs duties, sales tax and income tax. Aggrieved by the withdrawal of the said SRO, the Company filed a writ petition on August 20, 2014, in the Lahore High Court, Rawalpindi Bench (the Court). The Court granted interim relief by allowing the imports against submission of bank guarantees and restraining customs authorities from charging an increased amount of customs duty/sales tax. Bank guarantees were issued in favour of the Collector of Customs, as per the directives of the Court. These guarantees include amounts aggregating to Rs 731 million on account of adjustable/claimable government levies.	1,326,706	1,326,706

On November 10, 2020, the Court referred the case to Customs authorities with the instruction not to encash the bank guarantees without giving the Company appropriate remedy under the law. In June 2021, the Customs authorities have issued orders granting partial relief for Company's contention. The Company preferred an appeal before Collector of Appeals. On June 14, 2023, the Custom Appellate Tribunal (CAT) has passed order against the Company. The Company intends to file reference against the order of CAT before Honourable High Court of Sindh. Management and its legal advisors are confident that the Company has reasonable grounds to defend the case. Accordingly, no provision has been made in the financial statements.

		2023 Rs '000	2022 Rs '000
ii)	Due to circular debt in the oil industry, certain amounts due from the oil marketing companies (OMCs) and due to crude oil suppliers have not been paid/received on their due dates for payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in the financial statements as these have not been acknowledged as debt by either parties.		
iii)	Claims for land compensation contested by the Company.	5,300	5,300
iv)	Guarantees issued by banks on behalf of the Company [other than (i) above].	-	408
v)	Price adjustment related to crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreement (COSA) and may require adjustment in subsequent periods as referred to in note 27.1, the amount of which can not be presently quantified.		
vi)	In March 2018, Mela and Nashpa Crude Oil Sale Purchase Agreement (COSA) with effective date of March 27, 2007 was executed between the President of Pakistan and the working interest owners of Petroleum Concession Agreement (PCA) whereby various matters including the pricing mechanism for crude oil were prescribed. The Company has been purchasing crude oil from the respective oil fields since 2007 and 2009. In this respect, an amount of Rs 2,484 million was demanded from the Company as alleged arrears of crude oil price for certain periods prior to signing of aforementioned COSA. In view of the foregoing, the Company filed a writ petition on December 17, 2018 before the Honourable Islamabad High Court (the Court), whereby interim relief was granted to the Company by restraining respondents from charging the premium or discount regarding the supplies of crude oil made to the Company between 2012 to 2018. Based on the Company's assessment of related matter and based on the legal advices obtained from its legal consultants the Company did not acknowledge the related demand and accordingly, not provided for the same in its books of account. The matter is pending for adjudication.	2,484,098	2,484,098
vii)	Claim by the Company from Government on account of additional deemed duty on High Speed Diesel (HSD). In the Policy Framework of 2013 for Up-gradation of Refineries, the Government had committed to enhance deemed duty on HSD from 7.5% to 9% subject to setting up of Diesel Hydrodesulphurisation (DHDS) unit. However, this incentive had been withdrawn on April 25, 2016. The Company has strongly taken up with the Government the matter of withdrawal of additional deemed duty as this incentive was primarily given to recover the cost of investment on DHDS unit which the Company has successfully installed and commissioned.	6,323,537	4,345,274

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
viii) In October 2021, the Honorable Supreme Court of Pakistan rejected Company's appeal relating to levy of sales tax on supply of Mineral Turpentine Oil during the period July 1994 to June 1996. In this respect, the Company has filed a review petition with the Honorable Supreme Court of Pakistan which is currently pending for adjudication. Further to the orders of the Honorable Supreme Court, the DCIR raised the sales tax demand for principal along with default surcharge and penalty and issued a refund order adjusting the cumulative prior income tax refunds of the Company against the aforesaid demand. Being aggrieved, in relation to the default surcharge and penalty, the Company has preferred an appeal before CIR(A) wherein the CIR(A) has remanded the case back to DCIR. Whilst the Company had deposited the principal amount of sales tax involved but is contesting before the Honorable Islamabad High Court, the alleged levy of default surcharge and penalty for an amount of Rs 155.05 million in this matter along the coercive adjustment thereof against Company's income tax refunds. In addition, the Company is also contesting before the Commissioner Inland Revenue (Appeals), the matter relating to short determination of refund due to the Company by an amount of Rs 501.53 million.	656,580	656,580
ix) In November 30, 2021, the Commissioner Inland Revenue (CIR) issued order in respect of sales tax for the periods July 2018 to June 2019, alleging the Company on various issues including suppression of sales and raised a demand of Rs 8,147 million and Rs 407 million in respect of sales tax and penalty respectively. Being aggrieved the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide the appellate order dated May 31, 2022 upheld the demand of Rs 740 million and remanded the case back on other issues. Pursuant to the aforementioned demand, on June 15, 2022, the Department recovered an amount of Rs 1,077 million (including the related penalty and default surcharge). The Company filed writ petition against the aforesaid recovery from the company's bank account before the Islamabad High Court which vide order dated September 15, 2022 (received on October 6, 2022) ordered tax authorities to reimburse the recovered amount to the Company within thirty days. The Company has approached the tax authorities for reimbursement of said amount but the payment is currently pending. Accordingly, being entitled to a refund in respect of the recovered amount, a receivable in this respect has been recognised as disclosed in note 22 to financial statements.	1,076,579	1,076,579
Commitments:		
i) Capital expenditure	510,007	73,471
ii) Letters of credit and other contracts for purchase of store items	1,345,490	455,773

	2023 Rs '000	2022 Rs '000
14. PROPERTY, PLANT AND EQUIPMENT		
Operating assets		
Owned assets - note 14.1	63,953,329	36,308,937
Right of use asset (ROU) - note 14.6	71,975	167,260
	64,025,304	36,476,197

14.1 Owned Assets

	Freehold land (note 14.2)	Buildings on freehold land	Plant and machinery	Computer equipment	Furniture, fixtures and equipment	Vehicles	Total
				Rs '000			
As at July 01, 2021							
Cost or valuation	25,147,641	253,065	29,788,733	86,488	164,252	180,818	55,620,997
Accumulated depreciation	-	(149,707)	(16,424,711)	(74,917)	(113,116)	(150,617)	(16,913,068)
Net book value	25,147,641	103,358	13,364,022	11,571	51,136	30,201	38,707,929
Year ended June 30, 2022							
Opening net book value	25,147,641	103,358	13,364,022	11,571	51,136	30,201	38,707,929
Additions	-	4,364	173,903	6,306	3,115	19,991	207,679
Disposals							
Cost	-	-	(20,549)	(2,085)	(3,152)	(7,725)	(33,511)
Accumulated depreciation	-	-	20,541	2,085	3,051	7,725	33,402
	-	-	(8)	-	(101)	-	(109)
Depreciation charge	-	(9,182)	(2,562,395)	(5,750)	(12,387)	(16,848)	(2,606,562)
Closing net book value	25,147,641	98,540	10,975,522	12,127	41,763	33,344	36,308,937
As at June 30, 2022							
Cost or valuation	25,147,641	257,429	29,942,087	90,709	164,215	193,084	55,795,165
Accumulated depreciation	-	(158,889)	(18,966,565)	(78,582)	(122,452)	(159,740)	(19,486,228)
Net book value	25,147,641	98,540	10,975,522	12,127	41,763	33,344	36,308,937
Year ended June 30, 2023							
Opening net book value	25,147,641	98,540	10,975,522	12,127	41,763	33,344	36,308,937
Additions	-	-	73,119	23,607	17,037	80,031	193,794
Revaluation surplus	30,067,169	-	-	-	-	-	30,067,169
Disposals							
Cost	-	-	(2,105)	-	(652)	(20,621)	(23,378)
Accumulated depreciation	-	-	2,105	-	651	17,969	20,725
	-	-	-	-	(1)	(2,652)	(2,653)
Depreciation charge	-	(9,334)	(2,562,149)	(8,355)	(13,067)	(21,013)	(2,613,918)
Closing net book value	55,214,810	89,206	8,486,492	27,379	45,732	89,710	63,953,329
As at June 30, 2023							
Cost or valuation	55,214,810	257,429	30,013,101	114,316	180,600	252,494	86,032,750
Accumulated depreciation	-	(168,223)	(21,526,609)	(86,937)	(134,868)	(162,784)	(22,079,421)
Net book value	55,214,810	89,206	8,486,492	27,379	45,732	89,710	63,953,329
Annual rate of depreciation (%)	-	5	10	20	10	20	

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

14.2 Freehold land revalued in May 2023 and the revaluation surplus of Rs 30,067,169 thousand was added to the value of freehold land and corresponding amount was transferred to surplus on revaluation of freehold land. Had the freehold land been stated on the historical cost basis, the carrying amount of land would have been Rs 54.22 million (2022: Rs 54.22 million).

In the event of sale of the freehold land, any balance in the reserve will be transferred to the retained earnings. The surplus on revaluation is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

Original cost of freehold land	Rs 54,221,409
Revalued amount	Rs 55,214,810,000
Date of valuation	May 23, 2023
Basis of valuation	Estimated current market value
Name & qualification of independent valuer	Iqbal A. Nanjee & Co. Valuation Consultants

14.3 Forced sales value of freehold land based on valuation conducted in May 2023 was Rs 44,171.85 million.

14.4 Operating asset disposed off during the year, having net book value in excess of Rs 500,000 is as follow:

	Original cost	Book Value	Sale Proceeds	Gain/(Loss)	Mode of Disposal	Particulars of purchaser
			Rs '000			
Vehicle	2,841	2,651	2,841	190	Open offer	National Cleaner Production Centre Foundation

14.5 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location	Usage of immovable property	Total Area (in acres)
Morgah Rawalpindi	Refinery processing plants, office and staff colony	392.99
Chak Shahpur, Morgah, Rawalpindi	Water wells	44.96
Humak (adjacent DHA II), Islamabad	Water wells	7.34

		2023 Rs '000	2022 Rs '000
14.6	**Right of use asset - Building**		
	Balance at the beginning of the year	167,260	384,795
	Termination of right of use asset	-	(120,889)
	Depreciation for the year	(95,285)	(96,646)
	Balance at the end of the year	71,975	167,260

14.7 The depreciation relating to owned assets and right of use assets for the year has been allocated as follows:

		2023 Rs '000	2022 Rs '000
	Cost of sales - note 27	2,595,268	2,595,538
	Administration expenses - note 28	113,099	107,094
	Distribution costs - note 29	836	575
		2,709,203	2,703,207
15.	**CAPITAL WORK-IN-PROGRESS**		
	Balance at beginning of the year	843,218	862,679
	Additions during the year	618,981	159,390
	Transfer to operating assets		
	- Buildings on freehold land	-	(4,364)
	- Plant and machinery	(46,762)	(173,781)
	- Furniture, fixtures & equipment	-	(706)
		(46,762)	(178,851)
	Balance at end of the year	1,415,437	843,218
	Breakup of the closing balance of capital work-in-progress		
	Civil works	11,682	-
	Plant and machinery	1,402,755	842,218
	Pipeline project	1,000	1,000
		1,415,437	843,218

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	2023		2022	
	% age holding	Rs '000	% age holding	Rs '000
16. LONG TERM INVESTMENTS - AT COST				
Associated Companies				
Quoted				
National Refinery Limited (NRL) - note 16.1	25	8,046,635	25	8,046,635
19,991,640 (2022: 19,991,640) fully paid ordinary shares including 3,331,940 (2022: 3,331,940) bonus shares of Rs 10 each				
Market value as at June 30, 2023: Rs 2,999 million (June 30, 2022: Rs 5,049 million)				
Attock Petroleum Limited (APL)	21.88	4,463,485	21.88	4,463,485
27,216,206 (2022: 21,772,965) fully paid ordinary shares including 16,716,126 (2022: 11,272,885) bonus shares of Rs 10 each				
Market value as at June 30, 2023: Rs 8,172 million (June 30, 2022: Rs 6,990 million)				
		12,510,120		12,510,120
Unquoted				
Attock Gen Limited (AGL)	30	748,295	30	748,295
7,482,957 (2022: 7,482,957) fully paid ordinary shares of Rs 100 each				
Attock Information Technology Services (Private) Limited	10	4,500	10	4,500
450,000 (2022: 450,000) fully paid ordinary shares of Rs 10 each				
		752,795		752,795
Subsidiary Company				
Unquoted				
Attock Hospital (Private) Limited	100	2,000	100	2,000
200,000 (2022: 200,000) fully paid ordinary shares of Rs 10 each				
		13,264,915		13,264,915

All associated and subsidiary companies are incorporated in Pakistan.

16.1 The Company has assessed the recoverable amount of the investment in National Refinery Limited based on higher of Value In Use (VIU) and fair value (level 1 in the fair value hierarchy - qouted market price as at June 30, 2023). VIU is based on a valuation analysis carried out by an external investment advisor engaged by the management. VIU has been assessed on discounted cash flow based valuation methodology which assumes gross profit margin of 5.52% (2022: 5.74%), a terminal growth rate of 4.00% (2022: 4.00%) and weighted average cost of capital of 30.20% (2022: 17.51%).

16.2 Considering the nature of business and financial performance of the associated companies, the management presently do not foresee any material risk associated with the investment in these entities.

		2023 Rs '000	2022 Rs '000
17.	**LONG TERM LOANS AND DEPOSITS**		
	Loans - secured and considered good - note 17.1		
	Employees	41,416	48,442
	Executives	43,719	31,878
		85,135	80,320
	Amounts due within next twelve months shown		
	under current assets - note 22	(53,186)	(52,689)
		31,949	27,631
	Security deposits	15,415	14,616
		47,364	42,247

17.1 These are interest free loans for miscellaneous purposes and are recoverable in 24, 36 and 60 equal monthly installments depending on case to case basis. These loans are secured against outstanding provident fund balance or a third party guarantee. Receivable from executives of the Company does not include any amount receivable from Directors or Chief Executive Officer. The maximum amount due from executives of the Company at the end of any month during the year was Rs 48.21 million (2022: Rs 31.88 million). The loans have not been discounted, as the impact is considered insignificant.

		2023 Rs '000	2022 Rs '000
18.	**DEFERRED TAXATION**		
	The balance of deferred tax (liability)/asset is in respect of following		
	temporary differences:		
	Accelerated tax depreciation	(812,774)	(1,152,936)
	Unused tax losses	-	4,029,679
	Remeasurement loss on staff retirement benefit plans	356,869	284,645
	Provisions	244,185	182,740
		(211,720)	3,344,128
18.1	**Movement of deferred tax (liability)/asset**		
	Balance at beginning of the year	3,344,128	7,775,768
	Tax charge recognised in statement of profit or loss- note 33	(3,628,072)	(4,527,441)
	Tax charge recognised in other comprehensive income	72,224	95,801
	Balance at end of the year	(211,720)	3,344,128

18.2 The deferred tax asset recognised on business losses of the Company has been realized during the year.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
19.	**STORES, SPARES AND LOOSE TOOLS**		
	Stores (including items in transit amounting to		
	Rs 1,034.50 million; 2022: Rs 298.84 million)	4,634,289	2,990,451
	Spares	1,319,224	1,209,657
	Loose tools	1,242	1,172
		5,954,755	4,201,280
	Less: Provision for slow moving items - note 19.1	205,269	189,825
		5,749,486	4,011,455
19.1	**Movement in provision for slow moving items**		
	Balance at beginning of the year	189,825	169,971
	Reversal of provision against stores written off	-	(14,884)
	Provision for the year	15,444	34,738
	Balance at end of the year	205,269	189,825
20.	**STOCK-IN-TRADE**		
	Crude oil	4,537,391	3,903,823
	Semi-finished products	3,521,438	4,192,253
	Finished products	12,549,591	9,646,632
		20,608,420	17,742,708

20.1 Stock-in-trade include stocks carried at net realisable value of Rs 5,335.56 million (2022: Rs 6,637.72 million). Adjustments amounting to Rs 1,343.91 million (2022: Rs 1,752.79 million) have been made to closing inventory to write down stocks to their Net Realisable Value (NRV). The NRV write down is mainly due to decline in the selling prices of certain petroleum products.

21. TRADE DEBTS - unsecured and considered good

21.1 Trade debts include amount receivable from an associated company Attock Petroleum Limited of Rs 18,340.01 million (2022: Rs 15,838.27 million) and Pakistan Oilfields Limited Rs 14.08 million (2022: Rs nil).

Age analysis of trade debts from associated companies and not impaired at reporting date is as follow:

	2023 Rs '000	2022 Rs '000
Not due	16,635,778	8,260,933
Past due		
0 to 6 months	1,718,315	7,577,332
6 to 12 months	-	-
Above 12 months	-	-
	18,354,093	15,838,265

21.2 The maximum aggregate amount due from the related party at the end of any month during the year was Rs 20,480.39 million (2022: Rs 16,422.81 million).

22. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2023 Rs '000	2022 Rs '000
Loans and advances - considered good		
Current portion of long term loans - secured - note 17		
Employees	24,278	30,903
Executives	28,908	21,786
	53,186	52,689
Advances		
Suppliers	38,893	57,112
Employees	13,445	11,098
	52,338	68,210
	105,524	120,899
Deposits and prepayments		
Trade deposits	286	286
Short term prepayments	212,310	132,035
	212,596	132,321
Other receivables - considered good		
Due from Subsidiary Company		
Attock Hospital (Private) Limited	1,905	1,330
Due from associated companies		
Attock Information Technology Services (Private) Limited	1,593	838
Attock Petroleum Limited	1,054,676	589,563
Attock Leisure and Management Associates (Private) Limited	122	94
Attock Gen Limited	7,790	538
National Cleaner Production Centre Foundation	2,844	679
National Refinery Limited	2,437	-
Attock Sahara Foundation	84	32
Attock Energy (Private) Limited	-	39
Capgas (Private) Limited	126	87
Income accrued on bank deposits	204,091	116,073
Receivable from statutory authorities in respect of petroleum development levy and excise duty	-	6,365
Workers' Profit Participation Fund - note 22.1	117,495	-
Sales tax forcely recovered - note 13 (ix)	1,076,579	1,076,579
Other receivables	256,029	250,430
	2,725,771	2,042,647
Loss allowance - note 22.3	(343,353)	(291,195)
	2,700,538	2,004,672

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
22.1	**Workers' Profit Participation Fund**		
	Balance payable at beginning of the year	(82,215)	-
	Interest on fund utilised in Company's business	1,466	-
	Amount paid to the fund	2,680,749	740,000
	Amount allocated for the year - note 30	(2,482,505)	(822,215)
	Balance receivable/(payables) at end of the year	117,495	(82,215)

22.2 The maximum aggregate amount due from the related parties at the end of any month during the year was Rs 1,071.58 million (2022: Rs 593.20 million).

Age analysis of associated companies, past due but not impaired.

		2023 Rs '000	2022 Rs '000
	0 to 6 months	764,065	194,861
	6 to 12 months	303,837	94,084
	Above 12 months	3,675	304,255
		1,071,577	593,200
22.3	**Movement in loss allowances**		
	Balance at the beginning of the year	291,195	326,746
	Impairment loss/(reversal) on financial asset	52,158	(35,551)
	Balance as at end of the year	343,353	291,195

This includes loss allowance on amount due from associated Company Attock Petroleum Limited of Rs 96.76 million (2022: Rs 57.22 million).

23. SHORT TERM INVESTMENT

Represents investment in 3 months Government Treasury Bill bearing markup @ 21.88% (2022: nil %) per annum.

		2023 Rs '000	2022 Rs '000
24.	**CASH AND BANK BALANCES**		
	Cash in hand (including US $ 3,143; 2022: US $ 2,153)	1,923	1,822
	With banks:		
	Local currency		
	Current accounts	11,753	9,170
	Short term deposits - note 24.1, 24.2 and 24.3	4,917,722	11,741,314
	Savings accounts	10,061,561	12,906,282
	Foreign currency		
	Saving accounts (US $ 465,453; 2022: US $ 464,182)	133,073	95,064
		15,126,032	24,753,652

24.1 Deposit accounts include Rs 4,917.72 million (2022: Rs 4,241.31 million) placed in a 90-days interest-bearing account consequent to directives of the Ministry of Energy - Petroleum Division on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 9.1.

24.2 Balances with banks include Rs nil (2022: Rs 7,500 million) in respect of deposits placed in 30-days interest-bearing account.

24.3 Bank deposits of Rs 1,326.71 million (2022: Rs 1,327.11 million) and Rs 23.48 million (2022: Rs nil) were under lien with bank against a bank guarantee and letter of credit issued on behalf of the Company.

24.4 Balances with banks include Rs 3.07 million (2022: Rs 3.07 million) in respect of security deposits received from customers etc.

24.5 Interest/mark-up earned on balances with banks ranged between 12.25% to 21.90% (2022: 5.50% to 18.00%) with weighted average rate of 17.17% (2022: 9.97%) per annum.

		2023 Rs '000	2022 Rs '000
25.	**GROSS SALES**		
	Local sales	460,832,564	303,167,945
	Naphtha export sales	295,374	1,731,233
	Reimbursement due from the Government under import parity pricing formula/Price differential claim - note 25.1	-	497,226
		461,127,938	305,396,404

25.1 This represents amount due from the Government of Pakistan (GoP) on account of shortfall in ex-refinery prices of certain petroleum products under the import parity pricing formula.

		2023 Rs '000	2022 Rs '000
26.	**TAXES, DUTIES, LEVIES, DISCOUNT AND PRICE DIFFERENTIAL**		
	Sales tax	14,798,192	19,448,134
	Petroleum development levy	53,591,562	8,450,116
	Custom duties and other levies - note 26.1	16,202,937	11,375,408
	Discount	17,268	-
	PMG RON differential - note 26.2	1,807,041	1,780,458
	HSD Euro-V price differential - note 26.3	5,322,984	1,175,525
	HSD Premium Differential - note 26.4	166,405	1,182,948
		91,906,389	43,412,589

26.1 This includes Rs 16,202.78 million (2022: Rs 11,375.27 million) recovered from customers and payable as per Oil and Gas Regulatory Authority directives on account of custom duty on PMG and HSD.

26.2 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of differential between price of PSO's imported 92 RON PMG and 91 RON PMG sold by the Company during the year.

26.3 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of HSD Euro-III and V price differential claim.

26.4 HSD premium differential as notified by OGRA is the difference of Pakistan State Oil's (PSO) weighted average premium (KPC premium) and average tendered premium used in pricing of HSD.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
27.	**COST OF SALES**		
	Opening stock of semi-finished products- note 20	4,192,253	2,448,840
	Crude oil consumed - note 27.1	302,850,289	231,743,467
	Transportation and handling charges	693,170	145,734
	Salaries, wages and other benefits - note 27.2	1,807,223	1,279,525
	Printing and stationery	5,036	2,068
	Chemicals consumed	8,180,798	5,245,728
	Fuel and power	8,746,521	8,057,220
	Rent, rates and taxes	18,391	16,877
	Telephone	3,135	2,373
	Professional charges for technical services	11,379	10,249
	Insurance	493,610	427,427
	Repairs and maintenance (including stores and spares consumed Rs 386.05 million; 2022: Rs 257.51 million)	566,354	425,262
	Staff transport and traveling	33,804	17,549
	Cost of receptacles	32,352	21,865
	Research and development	21,158	222
	Depreciation - note 14.7	2,595,268	2,595,538
	Security charges	38,541	26,620
	Contract services	307,991	235,062
		330,597,273	252,701,626
	Closing stock of semi-finished products - note 20	(3,521,438)	(4,192,253)
		327,075,835	248,509,373
	Opening stock of finished products - note 20	9,646,632	4,442,826
	Closing stock of finished products - note 20	(12,549,591)	(9,646,632)
		(2,902,959)	(5,203,806)
		324,172,876	243,305,567
27.1	**Crude oil consumed**		
	Stock at beginning of the year - note 20	3,903,823	2,487,241
	Purchases	303,483,857	233,160,049
		307,387,680	235,647,290
	Stock at end of the year - note 20	(4,537,391)	(3,903,823)
		302,850,289	231,743,467

Certain crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreements (COSA) and may require adjustment in subsequent periods.

27.2 Salaries, wages and other benefits under cost of sales, administration expenses and distribution costs include expenses in respect of Company's contribution to the Provident Fund Rs 48.68 million (2022: Rs 39.40 million) and charge in respect of Pension and Gratuity Funds of Rs 102.78 million (2022: Rs 59.58 million).

		2023 Rs '000	2022 Rs '000
28.	**ADMINISTRATION EXPENSES**		
	Salaries, wages and other benefits - note 27.2	719,015	490,798
	Board meeting fee	14,296	9,794
	Transport, traveling and entertainment	38,608	1,209
	Telephone	3,063	2,958
	Electricity, gas and water	16,228	17,183
	Printing and stationery	9,447	6,077
	Auditor's remuneration - note 28.1	19,002	8,589
	Legal and professional charges	30,156	22,132
	Repairs and maintenance	113,904	96,485
	Subscription	41,731	32,282
	Publicity	8,533	6,302
	Scholarship scheme	4,483	3,360
	Rent, rates and taxes	32,229	12,850
	Insurance	2,417	2,268
	Donations - note 28.2	15,831	540
	Training expenses	3,906	363
	Depreciation - note 14.7	113,099	107,094
	Contract services	55,141	46,584
		1,241,089	866,868
28.1	**Auditor's remuneration**		
	Annual audit	2,908	2,643
	Review of half yearly financial statement, audit of consolidated financial statements, employee funds and special certifications	2,236	2,318
	Tax services	13,068	2,992
	Out of pocket expenses	790	636
		19,002	8,589

28.2 Donation of Rs 15,000 thousand (2022: Rs nil) was given to Prime Minister Flood Relief Fund 2022. Included in donation is Rs 291 thousand (2022: Rs nil) donated to Attock Sahara Foundation (ASF), a related party, sponsored by ARL. Interest of the Chief Executive Officer of ARL in ASF is limited to the extent of his involvement in ASF as President.

		2023 Rs '000	2022 Rs '000
29.	**DISTRIBUTION COSTS**		
	Salaries, wages and other benefits - note 27.2	69,933	45,435
	Transport, travelling and entertainment	757	255
	Telephone	315	275
	Electricity, gas and water	5,333	5,719
	Printing and stationery	103	34
	Repairs and maintenance including packing and other stores consumed	12,015	17,731
	Rent, rates and taxes	1,074	985
	Depreciation - note 14.7	836	575
	Contract services	6,697	5,826
		97,063	76,835

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
30.	**OTHER CHARGES**		
	Provision for slow moving store items	15,445	34,738
	Workers' Profit Participation Fund	2,482,505	822,215
	Workers' Welfare Fund	972,409	334,686
		3,470,359	1,191,639
31.	**OTHER INCOME**		
	Income from financial assets measured at amortized cost		
	Income on bank deposits	7,156,908	1,181,690
	Interest on delayed payments	908,743	553,631
		8,065,651	1,735,321
	Income from non - financial assets		
	Income from crude desalter operations - note 31.1	5,655	1,702
	Rental income	125,338	113,029
	Sale of scrap	2,704	17,026
	Profit on disposal of operating assets	11,223	22,778
	Calibration charges	2,724	3,955
	Handling and service charges	87,428	91,688
	Penalties from carriage contractors	862	1,561
	Miscellaneous - note 31.2	21,214	15,881
		257,148	267,620
		8,322,799	2,002,941
31.1	**Income from crude desalter operations**		
	Income	207,555	67,530
	Less: Operating costs		
	Salaries, wages and other benefits	6,319	2,060
	Chemical consumed	7,863	2,564
	Fuel and power	125,742	40,997
	Repairs and maintenance	61,976	20,207
		201,900	65,828
		5,655	1,702

31.2 This mainly includes income from laboratory testing services.

32.	**FINANCE COSTS**		
	Exchange loss - net	2,217,972	2,218,642
	Interest on long term financing measured at amortized cost	81,422	930,000
	Interest on short term financing measured at amortized cost	3,132	69,369
	Interest on Workers' Profit Participation Fund	1,013	-
	Interest on lease liability measured at amortized cost	11,478	75,200
	Bank and other charges	597	790
		2,315,614	3,294,001

		2023 Rs '000	2022 Rs '000
33.	**TAXATION**		
	Current tax	14,557,039	1,663,243
	Deferred tax	3,628,072	4,527,441
		18,185,111	6,190,684
33.1	**Relationship between tax expense and accounting profit (refinery operations)**		
	Accounting profit before taxation	46,195,189	15,287,397
	Tax at applicable tax rate of 29% (2022: 29%)	13,396,605	4,433,345
	Tax effect of income taxable at special rates	(5,511)	(10,508)
	Effect of change in tax rate	87,475	117,599
	Effect of super tax	4,765,825	1,645,931
	Others	(59,283)	4,317
		18,185,111	6,190,684
34.	**INCOME FROM NON-REFINERY OPERATIONS LESS APPLICABLE CHARGES AND TAXATION**		
	Dividend income from associated companies		
	National Refinery Limited	299,874	199,916
	Attock Petroleum Limited	993,392	860,032
	Attock Gen Limited	336,733	74,830
		1,629,999	1,134,778
	Less:		
	Workers' Welfare Fund	(32,600)	(22,696)
	Taxation - current	(382,245)	(278,082)
		1,215,154	834,000
34.1	**Relationship between tax expense and accounting income (non-refinery operations)**		
	Accounting profit before taxation	1,597,399	1,112,082
	Tax at applicable tax rate of 29% (2022: 29%)	463,246	322,504
	Effect of inadmissible expenses	9,454	6,582
	Tax effect of income taxable at special rates	(90,455)	(51,004)
		382,245	278,082

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
35. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after taxation from refinery operations	28,010,078	9,096,713
Income from non-refinery operations less applicable charges and taxation	1,215,154	834,000
	29,225,232	9,930,713
Weighted average number of fully paid ordinary shares ('000)	106,616	106,616
Earnings per share - Basic and diluted (Rs)		
Refinery operations	262.72	85.32
Non-refinery operations	11.40	7.82
Earning per share	274.12	93.14

36. EMPLOYEES' DEFINED BENEFIT PLANS

The latest actuarial valuation of the employees' defined benefit plans was conducted at June 30, 2023 using the projected unit credit method. Details of the defined benefit plans are:

	Funded pension		Funded gratuity	
	2023	2022	2023	2022
	Rs '000		Rs '000	
a) The amounts recognised in the statement of financial position:				
Present value of defined benefit obligations	1,580,042	1,340,018	654,574	609,965
Fair value of plan assets	(1,544,063)	(1,199,309)	(595,621)	(432,530)
Net liability	35,979	140,709	58,953	177,435
b) The amounts recognised in the statement of profit or loss:				
Current service cost	31,961	25,883	28,683	24,103
Net interest cost/(income)	17,519	(1,591)	24,621	11,189
	49,480	24,292	53,304	35,292
c) Movement in the present value of defined benefit obligation:				
Present value of defined benefit obligation as at beginning of the year	1,340,018	1,108,023	609,965	555,913
Current service cost	31,961	25,883	28,683	24,103
Interest cost	177,537	110,751	74,865	52,130
Benefits paid	(65,989)	(57,913)	(133,549)	(76,529)
Benefits payable to outgoing member	-	(358)	(10,487)	(2,085)
Remeasurement loss on defined benefit obligation	96,515	153,632	85,097	56,433
Present value of defined benefit obligation as at end of the year	1,580,042	1,340,018	654,574	609,965

		Funded pension		Funded gratuity	
		2023	2022	2023	2022
		Rs '000		Rs '000	
d)	**Movement in the fair value of plan assets:**				
	Fair value of plan assets as at beginning of the year	1,199,309	1,124,711	432,530	441,636
	Expected return on plan assets	160,018	112,342	50,244	40,941
	Contributions	165,920	21,917	212,562	28,486
	Benefits paid	(65,989)	(57,913)	(133,549)	(76,529)
	Benefits payable to outgoing member	-	(358)	(10,487)	(2,085)
	Remeasurement gain/(loss) on plan assets	84,805	(1,390)	44,321	81
	Fair value of plan assets as at end of the year	1,544,063	1,199,309	595,621	432,530

The company expects to contribute Rs 88.29 million during the year ending June 30, 2024 to its defined benefit pension and gratuity plans.

		Funded pension		Funded gratuity	
		2023	2022	2023	2022
		Rs '000		Rs '000	
e)	**Plan assets comprise of:**				
	Investment in equity securities	100,319	111,845	5	6
	Investment in mutual funds	8,381	11,372	2,932	3,791
	Debt instruments	1,405,925	1,258,650	573,171	439,201
	Deposits with banks	29,055	26,540	19,419	36,237
	Others	383	457	94	-
	Share of asset of related parties	-	(209,555)	-	(46,705)
		1,544,063	1,199,309	595,621	432,530

f) The expected return on plan assets is based on the market expectations and depend upon the asset portfolio of the Funds, at the beginning of the year, for returns over the entire life of the related obligations.

		Funded pension		Funded gratuity	
		2023	2022	2023	2022
		Rs '000		Rs '000	
g)	**Remeasurement recognised in OCI:**				
	Remeasurement loss on obligation				
	Loss due to change in:				
	Financial assumptions	(25,210)	(24,092)	(933)	(877)
	Experience adjustments	(71,305)	(129,540)	(84,164)	(55,556)
		(96,515)	(153,632)	(85,097)	(56,433)
	Remeasurement gain/(loss) on plan assets	84,805	(1,390)	44,321	81
		(11,710)	(155,022)	(40,776)	(56,352)

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	Funded pension 2023	Funded pension 2022	Funded gratuity 2023	Funded gratuity 2022
	Rs '000		Rs '000	
h) Principal actuarial assumptions used in the actuarial valuation are as follows:				
Discount rate	16.25%	13.25%	16.25%	13.25%
Expected return on plan assets	16.25%	13.25%	16.25%	13.25%
Future salary increases	15.25%	12.25%	15.25%	12.25%
Future pension increases	10.25%	7.25%	N/A	N/A
Demographic assumptions				
Rates of employee turnover	4.6% - 14%	4.6% - 14%	4.6% - 14%	4.6% - 14%
Mortality rates	SLIC (2001 -05) - 1	SLIC (2001 -05) - 1	SLIC (2001 -05) - 1	SLIC (2001 -05) - 1

i) Sensitivity Analysis:

The calculation of defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/(decreased) as a result of a change in respective assumptions by one percent.

	Funded pension: Effect of 1 percent increase on obligation	Funded pension: Effect of 1 percent decrease on obligation	Funded gratuity: Effect of 1 percent increase on obligation	Funded gratuity: Effect of 1 percent decrease on obligation
	Rs '000		Rs '000	
Discount rate	(174,348)	208,540	(33,070)	37,030
Future salary growth	57,033	(54,827)	37,030	(33,617)
Pension increase	151,206	(133,778)	N/A	N/A

If the life expectancy increase/decrease by 1 year, the impact on defined benefit obligation would be Rs 16.693 million.

The above sensitivity analysis are based on the changes in assumptions while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant assumptions the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied when calculating the liability recognized within the statement of financial position.

j) Projected benefit payments from fund are as follows:

	Pension	Gratuity
	Rs '000	
FY 2024	38,157	141,793
FY 2025	85,132	128,194
FY 2026	98,952	94,494
FY 2027	116,514	76,957
FY 2028	135,356	75,775
FY 2029-34	1,046,643	596,661

k) The weighted average number of years of defined benefit obligation is given below:

Plan duration	Pension	Gratuity
	Years	
June 30, 2023	11.03	5.05
June 30, 2022	11.10	4.57

l) The Company contributes to the gratuity and pension funds on the advice of the fund's actuary. The contributions are equal to the current service cost with adjustment for any deficit.

m) The Company faces following risks on account of defined benefit plans;

Final salary risk: The risk that the final salary at the time of cessation of service is greater than what the group has assumed. Since, the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Asset volatility/investment risk: There is no significant risk associated with the plan assets, as significant component thereof comprises of fixed interest rate bearing TDR's and saving accounts with financial institutions having satisfactory credit ratings. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation: The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans bond holdings.

Risk of insufficiency of assets: This is managed by making regular contribution to the fund as advised by the actuary.

37. DEFINED CONTRIBUTION PLAN

Investments out of provident fund have been made in accordance with the provisions of section 218 of Companies Act 2017, and applicable rules for the purpose.

38. OPERATING SEGMENTS

These financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company are as follows:

	2023 Rs '000	2022 Rs '000
High Speed Diesel	166,550,852	103,939,471
Premier Motor Gasoline	187,523,170	116,244,396
Furnace Fuel Oil	47,783,775	45,530,127
Jet Petroleum	42,573,831	25,823,376
Naphtha	295,374	1,731,233
Others	16,400,936	12,127,801
	461,127,938	305,396,404
Less: Taxes, duties, levies, discount and price differential	91,906,389	43,412,589
	369,221,549	261,983,815

Revenue from four major customers of the Company constitute 93% (2022: 94%) of total revenue during the year.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

39. RELATED PARTY TRANSACTIONS

39.1 The Attock Oil Company Limited holds 61.06% (2022: 61.06%) shares of the Company at the year end. Therefore, all subsidiaries and associated undertakings of The Attock Oil Company Limited are related parties of the Company. The related parties also comprise of directors, major shareholders, key management personnel, entities over which the directors are able to exercise significant influence on financial and operating policy decisions and employees' funds. Amount due from and due to these undertakings are shown under receivables and payables. The remuneration of Chief Executive Officer, directors and executives is disclosed in note 40 to the financial statements.

	2023 Rs '000	2022 Rs '000
Associated Companies		
Pakistan Oilfields Limited (POL)		
Rental income	2,069	1,704
Rental expense	2,955	2,908
Sale of goods	4,481	8,687
Sale of Regulated Petroleum Products	33,629	19,763
Sale of De-Regulated Petroleum Products	277,503	208,942
Purchase of crude oil	32,906,949	28,337,768
Purchase of gas	12,983	9,862
Pipeline Charges	2,578	2,952
Reimbursement of expenses incurred by POL on behalf of the Company	669	1,058
Reimbursement of expenses incurred by the Company on behalf of POL	14,813	11,634
LPG Handling Charges	552	497
Attock Petroleum Limited (APL)		
Rental income	1,811	1,732
Interest Income on delayed payments	908,743	553,631
Dividend received by the Company from APL	993,392	860,032
Sale of goods	12,259	12,352
Dividend paid to APL by the Company	17,900	-
Sale of services	909	89
Sale of Regulated Petroleum Products	92,937,133	66,606,343
Sale of De-Regulated Petroleum Products	34,837,364	29,098,579
Purchase of Regulated Petroleum Products	1,462	33,335
Purchase of lube oil	6,216	3,027
Naphtha export	3,861	23,769
Reimbursement of expenses incurred by the Company on behalf of APL	13,980	13,068
Reimbursement of expenses incurred by APL on behalf of the Company	-	251
RFO Handling Charges	60,595	74,351
National Refinery Limited (NRL)		
Dividend received by the Company from NRL	299,874	199,916
Purchase of Services	7,588	17,191
Reimbursement of expenses incurred by the Company on behalf of NRL	-	184
Reimbursement of expenses incurred by NRL on behalf of the Company	247	-
Attock Cement Pakistan Limited (ACPL)		
Reimbursement of expenses incurred by (ACPL) on behalf of the Company	539	184

	2023 Rs '000	2022 Rs '000
Attock Gen Limited (AGL)		
Storage tank lease income	29,231	24,526
Land lease income	50,488	38,661
Dividend received by the Company from AGL	336,733	74,830
Sale of Regulated Petroleum Products	3,127	1,564
Sale of goods	37,257	21,496
Sale of Services	522	378
Reimbursement of expenses incurred by the Company on behalf of AGL	22,187	18,948
National Cleaner Production Centre Foundation (NCPC)		
Rental income	3,581	3,328
Sale of services	18,512	17,398
Sale of Regulated Petroleum Products	228	198
Purchase of services	5,309	3,459
Reimbursement of expenses incurred by the Company on behalf of NCPC	23,856	16,483
Attock Information Technology Services (Private) Limited (AITSL)		
Purchase of services	61,862	55,153
Sale of goods	4,728	4,370
Sale of Regulated Petroleum Products	1,118	575
Reimbursement of expenses incurred by the Company on behalf of AITSL	2,124	2,020
Attock Leisure and Management Associates (Private) Limited (ALMA)		
Sale of Regulated Petroleum Products	380	473
Rental income	87	-
Reimbursement of expenses incurred by the Company on behalf of ALMA	78	18
Attock Sahara Foundation (ASF)		
Rental income	136	150
Donation	291	-
Purchase of goods	14,377	12,402
Sale of goods	766	220
Sponsorship	965	1,111
Reimbursement of expenses incurred by the Company on behalf of ASF	169	1,046
Attock Energy (Private) Limited (AEPL)		
Purchase of goods and services	4,783	-
Reimbursement of expenses incurred by the Company on behalf of AEPL	313	313
Sale of goods	272	263
Capgas Private Limited		
Sale of Regulated Petroleum Products	1,618	969
Reimbursement of expenses incurred by the Company on behalf of Capgas	87	31
Holding Company		
The Attock Oil Company Limited (AOC)		
Rental income	306	295
Rental expense	264,924	161,726
Dividend paid to AOC by the Company	147,195	-
Purchase of crude oil	744,239	826,302

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
Sale of Regulated Petroleum Products	251	476
Sale of goods	4,849	5,250
Reimbursement of expenses incurred by AOC on behalf of the Company	1,634	2,581
Reimbursement of expenses incurred by the Company on behalf of AOC	909	2,340
Subsidiary Company		
Attock Hospital (Private) Limited (AHL)		
Rental income	1,451	1,457
Purchase of services	107,565	79,070
Sale of goods	8,639	11,222
Sale of Regulated Petroleum Products	719	409
Reimbursement of expenses incurred by the Company on behalf of AHL	14,666	12,982
Other related parties		
Remuneration including benefits and perquisites of		
Chief Executive Officer and key management personnel	147,553	114,637
Dividend paid to Chief Executive Officer and key management personnel	59	-
Directors fees	14,296	9,794
Contribution to staff retirement benefit plans		
Staff Pension Fund	165,920	21,917
Staff Gratuity Fund	212,562	28,486
Staff Provident Fund	48,679	39,404
Contribution to Workers' Profit Participation Fund	2,482,505	822,215

39.2 Following are the related parties with whom the Company had entered into transactions or have arrangement/agreement in place.

Sr. No.	Company Name	Basis of association	Aggregate % of shareholding
1	The Attock Oil Company Limited	Holding Company	61.06%
	(Incorporated in UK - Pakistan Branch Office)		
2	National Refinery Limited	Associated Company	25.00%
3	Attock Petroleum Limited	Associated Company	21.88%
4	Attock Gen Limited	Associated Company	30.00%
5	Attock Information Technology Services		
	(Private) Limited	Associated Company	10.00%
6	Pakistan Oilfields Limited	Group Company	Nil
7	Attock Cement Pakistan Limited	Group Company	Nil
8	National Cleaner Production Centre Foundation	Group Company	Nil
9	Attock Leisure & Management Associates		
	(Private) Limited	Group Company	Nil
10	Attock Energy (Private) Limited	Group Company	Nil
11	Capgas (Private) Limited	Group Company	Nil
12	Attock Sahara Foundation	Associated Undertaking	Nil
13	Attock Hospital (Private) Limited	Wholly owned Subsidiary	100.00%

39.3 Associated Companies incorporated outside Pakistan with whom the Company had entered into transaction or had agreements are as follows:

Name of undertaking	The Attock Oil Company Limited
Country of incorporation	England
Basis of association	Parent company
Aggregate %age of shareholding	61.06%

40. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the accounts for remuneration, including benefits and perquisites, are as follows:

	Chief Executive Officer		Executives	
	2023 Rs '000	2022 Rs '000	2023 Rs '000	2022 Rs '000
Managerial remuneration/honorarium	13,762	13,181	322,983	169,809
Bonus	7,870	3,407	148,271	32,061
Company's contribution to Provident, Pension and Gratuity Funds	-	-	61,507	36,597
Housing and utilities	10,094	8,663	264,022	130,141
Leave passage	1,703	1,703	21,185	16,115
	33,429	26,954	817,968	384,723
Less: charged to Attock Gen Limited	9,688	8,086	-	-
	23,741	18,868	817,968	384,723
No of person(s)	1	1	143	78

40.1 In addition to above, the Chief Executive Officer and 18 (2022: 18) executives were provided with limited use of the Company's cars. The Chief Executive Officer and all executives were provided with medical facilities. Limited residential telephone facility was also provided to the Chief Executive Officer and 24 (2022: 16) executives. Leave passage is paid to Chief Executive Officer and all executives in accordance with the terms of employment.

40.2 Further, based on actual attendance, meeting fee of Rs 9.71 million (2022: Rs 6.99 million) was paid to 5 (2022: 5) Non-Executive Directors, Rs 1.94 million (2022: Rs 1.40 million) to Chief Executive Officer and Rs 2.65 million (2022: Rs 1.40 million) to 2 (2022: 1) alternate directors of the Company.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
41. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT		
41.1 Financial assets and liabilities		
Financial assets classified as amortised cost:		
Maturity upto one year		
Trade debts	39,513,594	30,279,029
Loans, advances, deposits & other receivables	2,318,395	1,804,427
Short term investments	14,139,114	-
Cash and bank balances		
Foreign currency - US $	133,972	95,505
Local currency	14,992,060	24,658,147
Maturity after one year		
Long term loans and deposits	47,364	42,247
	71,144,499	56,879,355
Financial liabilities classified as amortised cost:		
Maturity upto one year		
Trade and other payables	37,547,174	49,378,453
Unclaimed/unpaid dividends	515,562	9,254
Long term financing	-	2,200,000
Short term financing	-	2,500,000
Long term lease liability	-	157,404
Accrued mark-up on long term financing	-	170,966
Accrued mark-up on short term financing	-	31,146
Maturity after one year		
Long term financing	-	2,504,914
	38,062,736	56,952,137

41.2 Credit quality of financial assets

The credit quality of Company's financial assets have been assessed below by reference to external credit ratings of counterparties determined by The Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited (JCR-VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any defaults in meeting obligations.

	Rating	2023 Rs '000	2022 Rs '000
Trade debts			
Counterparties with external credit rating	A 1+	13,615,029	8,717,849
Counterparties without external credit rating			
Due from associated companies		18,354,093	15,838,265
Others *		7,544,472	5,722,915
		39,513,594	30,279,029
Loans, advances, deposits and other receivables			
Counterparties without external credit rating		2,365,759	1,846,674
Bank balances			
Counterparties with external credit rating	A 1+	15,123,497	24,751,251
	A 1	612	579
		15,124,109	24,751,830
Short Term Investments	A 1+	14,139,114	-

* These balances represent receivable from oil marketing companies and defense agencies.

41.3 Financial risk management

41.3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

a) Credit risk

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

The Company's credit risk is primarily attributable to its trade debts, short term investment and balances at banks. Credit sales are essentially to oil marketing companies and reputable foreign customers. The Company maintains investment and balances with banks having satisfactory credit rating. Due to the high credit worthiness of counter parties the credit risk is considered minimal. The maximum exposure to credit risk at reporting date was:

	2023 Rs '000	2022 Rs '000
Trade debts	39,513,594	30,279,029
Loans, advances, deposits & other receivables	2,318,395	1,804,427
Cash and bank balances	15,126,032	24,753,652
Short term investment	14,139,114	-
Long term loans and deposits	47,364	42,247
	71,144,499	56,879,355

Geographically, there is no concentration of credit risk.

The maximum exposure to credit risk for trade debts at the reporting date are with local OMCs within the Country. As at June 30, 2023 more than 90% of the receivable pertains to major four OMCs with whom the Company has regular sales. There is no history of defaults with these customers and the management regularly monitors their credit quality based on individual credit ratings available for each listed customer.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

Ageing analysis of trade debts not impaired at reporting date is as follow:

	2023 Rs '000	2022 Rs '000
Not due	37,791,854	22,699,393
Past due		
0 to 6 months	1,721,740	7,579,636
6 to 12 months	-	-
Above 12 months	-	-
	39,513,594	30,279,029

Based on past experience, the management believes that no impairment allowance is necessary in respect of trade debts.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains lines of credit as mentioned in note 10 to the financial statements.

The table below analyses the contractual maturities of the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the maturity date. The amounts disclosed in the table are undiscounted cash flows.

	Carrying amount	Contractual cash flows	Less than 1 Year	Above 1 year
	Rs '000	Rs '000	Rs '000	Rs '000
At June 30, 2023				
Trade and other payables	37,547,174	37,547,174	37,547,174	-
Unpaid dividend	503,762	503,762	503,762	-
Unclaimed dividends	11,800	11,800	11,800	-
At June 30, 2022				
Long term financing	4,875,880	5,550,926	2,816,414	2,734,512
Accrued interest on long term financing	170,966	170,966	170,966	-
Lease liability	157,404	157,404	157,404	-
Trade and other payables	49,378,453	49,378,453	49,378,453	-
Short term financing	2,500,000	2,500,000	2,500,000	-
Unclaimed dividends	9,254	9,254	9,254	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

c) **Market risk**

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company incurs financial liabilities to manage its market risk. All such activities are carried out with the approval of the Board. The Company is exposed to interest rate risk, currency risk and market price risk.

i) **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. Financial assets include Rs 134 million (2022: Rs 96 million) and financial liabilities include Rs 2,526 million (2022: Rs 4,105 million) which were subject to currency risk.

	2023	2022
Rupees per USD		
Average rate	248.63	178.00
Reporting date rate	286.40	205.30

Sensitivity analysis

At June 30, 2023, if the currency had weakened/strengthened by 10% against US dollar with all other variables held constant, profit after tax for the year would have been Rs 146 million (2022: Rs 285 million) lower/higher.

ii) **Interest rate risk**

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no long term interest bearing financial assets whose fair value or future cash flows will fluctuate because of changes in market interest rates. Financial assets and liabilities include balances of Rs 29,251 million (2022: Rs 24,743 million) and Rs 4,940 million (2022: Rs 8,948 million) respectively, which are subject to interest rate risk. Applicable interest rates for financial assets and liabilities have been indicated in respective notes.

Sensitivity analysis

At June 30, 2023, if interest rates had been 1% higher/lower with all other variables held constant, profit after tax for the year would have been Rs 148 million (2022: profit Rs 112 million) higher/lower, mainly as a result of higher/lower interest income/expense from these financial assets and liabilities.

iii) **Price risk**

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

At the year end the Company is not exposed to price risk since there are no financial instruments, whose fair value or future cash flows will fluctuate because of changes in market prices.

Notes to and Forming Part of the Financial Statements
For the year ended June 30, 2023

41.3.2 Capital risk management

The objective of the Company is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and the level of dividend to ordinary shareholders. There was no change to the Company's approach to the capital management during the year.

The Company is subject to pricing formula whereby profits after tax from refinery operations in excess of 50% of the paid up capital as of July 1, 2002 are transferred to special reserve and can only be utilized to offset against any future losses or to make investment for expansion or upgradation and is therefore not available for distribution.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. In addition, the Company also monitors its gearing ratio, which as at the year end is as follows:

	2023 Rs '000	2022 Rs '000
Long term financing	-	4,704,914
Accrued mark-up	-	170,966
Lease liabilities	-	157,404
Trade and other payables	56,942,838	69,643,706
Short term financing	-	2,500,000
Cash and cash equivalents	(27,914,948)	(23,426,538)
Net debt	29,027,890	53,750,452
Issued, subscribed and paid-up capital	1,066,163	1,066,163
Capital reserve	36,631,471	10,968,882
Revenue reserve	16,914,557	14,398,339
Total capital	54,612,191	26,433,384
Capital and net debt	83,640,081	80,183,836
Gearing ratio	35%	67%

Reconciliation of movement of liabilities to cash flow arising from financing activities

	Long term financing (including accrued markup)	Lease liability	Unpaid/ Unclaimed dividends	Accrued mark-up on short term financing	Bank balances under lien	Total
	Rs '000					
Balance at July 1, 2022	4,875,880	157,404	9,254	31,146	-	5,073,684
Cash flow movement	(4,957,302)	(245,911)	(559,855)	(35,888)	(23,084)	(5,822,040)
Other non-cash movements	81,422	88,507	1,066,163	4,742	-	1,240,834
Balance at June 30, 2023	-	-	515,562	-	(23,084)	492,478
Balance at July 1, 2021	7,844,815	342,231	9,302	16,191	-	8,212,539
Cash flow movement	(3,898,935)	(144,581)	(48)	(55,204)	-	(4,098,768)
Other non-cash movements	930,000	(40,246)	-	70,159	-	959,913
Balance at June 30, 2022	4,875,880	157,404	9,254	31,146	-	5,073,684

41.4 Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. For instruments carried at amortized cost, since the majority of the interest bearing investments are variable rate based instruments, there is no difference in carrying amount and the fair value. Further, for fixed rate instruments, since there is no significant difference in market rate and the rate of instrument and therefore most of the fixed rate instruments are short term in nature, fair value significantly approximates to carrying value.

41.5 Fair value of financial assets and liabilities

The carrying values of financial assets and liabilities approximate their fair value.

42. FAIR VALUE HIERARCHY

Fair value of land

Valuation of the freehold land owned by the Company was valued by independent valuers to determine the fair value of the land as at June 30, 2023. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of freehold land'. The different levels have been defined as follows:

- **Level 1**
  Quoted prices (unadjusted) in active market for identical assets/liabilities.
- **Level 2**
  Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- **Level 3**
  Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Fair value of land has been determined using level 2 fair values under following valuation technique.

Level 2 fair value of land has been derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot and a slight change in the estimated price per square foot of the land would result in a significant change in the fair value of the freehold land.

There has been no change to the valuation technique during the year.

Notes to and Forming Part of the Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
43. CASH GENERATED FROM OPERATIONS		
Profit before taxation	46,195,189	15,287,397
Adjustments for:		
Depreciation	2,709,203	2,703,207
Gain on disposal of operating assets	(11,223)	(22,778)
Provision for slow moving, obsolete and in transit stores	15,445	34,738
Workers' Profit Participation Fund	2,482,505	822,215
Workers' Welfare Fund	972,409	334,686
Interest income	(7,156,908)	(1,181,690)
Finance cost (net)	2,315,614	3,294,001
Effect of exchange rate changes	38,466	22,011
Interest on delayed payments	(908,743)	(553,631)
Impairment charge/(reversal) on financial asset	52,158	(35,551)
	46,704,115	20,704,605
Working capital changes		
(Increase)/decrease in current assets:		
Stores, spares and loose tools	(1,753,476)	(288,978)
Stock-in-trade	(2,865,712)	(8,363,801)
Trade debts	(9,231,120)	(17,042,841)
Loans, advances, deposits, prepayments and other receivables	366,232	76,063
	(13,484,076)	(25,619,557)
(Decrease)/Increase in current liabilities:		
Trade and other payables	(15,485,400)	21,855,426
Cash generated from operations	17,734,639	16,940,474
Payments of WPPF and WWF	(3,017,352)	(740,000)
Income taxes paid	(9,783,504)	(943,377)
Net cash generated from operating activities	4,933,783	15,257,097

44. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following:

	2023 Rs '000	2022 Rs '000
Cash and bank balances	15,126,032	24,753,652
Short term financing	-	(2,500,000)
Short term investment	14,139,114	-
	29,265,146	22,253,652
Bank balances under lien - note 24.3	(1,350,198)	(1,327,114)
	27,914,948	20,926,538

45. DISCLOSURE FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under Paragraph 10 of Part I of the 4th Schedule to the Companies Act, 2017 relating to "All Shares Islamic Index".

	Description	Explanation	2023 Rs '000	2022 Rs '000
i)	Loans obtained as per Islamic mode	Disclosed in note 8		
ii)	Security deposits	Non-interest bearing		
iii)	Segment revenue	Disclosed in note 38		
iv)	Relationship with banks having Islamic windows	Following is the list of banks with which the Company has a relationship with Islamic window of operations:		
		1. Meezan Bank Limited		
		2. Al-Baraka Bank (Pakistan) Limited		
		3. Dubai Islamic Bank		
v)	Bank balances	Placed under interest arrangement	15,114,185	24,742,207
		Placed under Shariah permissible arrangement	9,924	9,623
			15,124,109	24,751,830
vi)	Income on bank deposits including income accrued as at reporting date	Placed under interest arrangement	7,156,175	1,179,937
		Placed under Shariah permissible arrangement	733	1,753
			7,156,908	1,181,690
vii)	Interest paid including accrued as at reporting date	Under interest arrangement	64,476	770,039
		Under Shariah permissible arrangement	20,078	229,330
			84,554	999,369
viii)	Short term investment	Under interest arrangement	14,139,114	-
ix)	All sources of other income	Disclosed in note 31		
x)	Dividend income	Disclosed in note 34		
xi)	Exchange gain	Earned from actual currency		

Disclosures other than above are not applicable to the Company.

Notes to and Forming Part of the Financial Statements
For the year ended June 30, 2023

46. GENERAL

46.1 Capacity and production

Against the designed annual refining capacity of US barrels 18.690 million (2022: 18.690 million) the actual throughput during the year was US barrels 14.484 million (2022: 14.717 million). The plant's operational capacity was maintained around 78% during the year to achieve production of an optimal product mix.

	2023	2022
46.2 Number of employees		
Number of employees at June 30		
Permanent	589	525
Contract	240	305
	829	830
Average number of employees for the year		
Permanent	561	474
Contract	262	352
	823	826

46.3 Unavailed credit facilities

The Company has entered into an arrangement with banks for obtaining Letter of Credit (Sight) and Letter of Guarantee facility to import chemical, spare parts and other materials upto a maximum of Rs 6,753.00 million (2022: Rs 3,178.00 million). The facility is secured against lien on shipping documents. The unavailed facility at June 30, 2023 was Rs 4,007.52 million (2022: Rs 1,383.74 million). The facilities will expire on various dates after June 30, 2023 and the management is confident that the same would be renewed/extended if needed.

46.4 Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of better presentation in accordance with the accounting and reporting standards as applicable in Pakistan.

46.5 Non-adjusting event after the statement of financial position date

The Board of Directors in its meeting held on August 29, 2023 has proposed a cash dividend for the year ended June 30, 2023 @ Rs 12.50/- per share, amounting to Rs 1,332,703 thousand for approval of the members in the Annual General Meeting to be held on October 09, 2023.

46.6 Rounding off

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

47. DATE OF AUTHORISATION

These financial statements have been authorised for issue by the Board of Directors of the Company on August 29, 2023.

Syed Asad Abbas	**M. Adil Khattak**	**Abdus Sattar**
Chief Financial Officer	Chief Executive Officer	Director

Annual Audited
Consolidated Financial Statements
For the year ended June 30, 2023

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CHARTERED ACCOUNTANTS
KARACHI-LAHORE-ISLAMABAD

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INDEPENDENT AUDITOR'S REPORT

To the members of Attock Refinery Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Attock Refinery Limited, and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2023, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Investment in associated companies** (Refer note 17 to the consolidated financial statements) The Group has investment in its associated companies National Refinery Limited (NRL) and Attock Petroleum Limited (APL). As at June 30, 2023, the carrying amount of investment in above referred associated companies amounted to Rs 11,395 million (net of recognized impairment loss of Rs 3,626 million) and Rs 12,968 million respectively, which carrying values are higher by Rs 8,396 million and Rs 4,796 million respectively in relation to the quoted market value of their respective shares. The Group carries out impairment assessment of the value of investment where there are indicators of impairment. The Group has assessed the recoverable amount of the investment in associated companies based on the higher of the value-in-use ("VIU") and fair value (quoted market price as at June 30, 2023). VIU is based on valuation analysis carried out by an independent external investment advisor engaged by the management for NRL and by the management's expert for APL. VIU is based on a discounted cash flow model which involves estimation of future cash flows. This estimation is inherently uncertain and requires significant judgement on both future cash flows and the discount rate applied to the future cash flows.	Our audit procedures in relation to assessment of carrying value of investment in associated companies, amongst others, included the following: • Assessed the appropriateness of management's accounting for investment in associated companies; • Understood management's process for identifying the existence of impairment indicators in respect of investment in associated companies; • Evaluated the independent external investment advisor's and management expert's competence, capabilities and objectivity; • Made inquiries of the independent external investment advisor/ management expert and assessed the valuation methodology used; • Checked, on sample basis, the reasonableness of the input data provided by the management to the independent external investment advisor and the management's expert, to supporting evidence; • Assessed the reasonableness of cash flow projections, challenging and performing audit procedures on assumptions such as growth rate, future revenue and costs, terminal growth rate and discount rate by comparing the assumptions to historical results, budgets and comparing the current year's results with prior year forecast and other relevant information;

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S. No.	Key audit matter	How the matter was addressed in our audit
	In view of significant management judgement involved in the determination of recoverable value i.e. higher of VIU and fair value, we considered this as a key audit matter.	• Checked mathematical accuracy of cash flows projections; • Performed independently a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions; • Checked quoted price of investment in NRL and APL as of June 30, 2023 with publicly available stock exchange data; and • Assessed the adequacy of the Group's disclosures in the consolidated financial statements in this respect.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Aftab Ahmad.

Affergusonco

Chartered Accountants
Islamabad
Date: September 13, 2023
UDIN: AR202310610PH2t48MsG

Consolidated Statement of Financial Position

As at June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised share capital	6	1,500,000	1,500,000
Issued, subscribed and paid-up capital	6	1,066,163	1,066,163
Reserves and surplus	7	66,299,443	36,562,969
Surplus on revaluation of freehold land	15	55,160,588	25,093,419
		122,526,194	62,722,551
NON CURRENT LIABILITIES			
Long term financing - secured	8	-	2,504,914
Deferred grant	9	3,864	4,534
Deferred taxation	19	3,257,326	-
CURRENT LIABILITIES			
Trade and other payables	10	56,962,918	69,671,582
Short term financing	11	-	2,500,000
Current portion of long term financing	8	-	2,200,000
Accrued mark-up on long term financing	8	-	170,966
Lease liability	12	-	157,404
Accrued mark-up on short term financing		-	31,146
Unpaid dividend – awaiting remittance by the authorized bank	13	503,762	-
Unclaimed dividends		11,800	9,254
Provision for taxation		9,317,563	4,161,784
		66,796,043	78,902,136
TOTAL EQUITY AND LIABILITIES		192,583,427	144,134,135
CONTINGENCIES AND COMMITMENTS	14		

	Note	2023 Rs '000	2022 Rs '000
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Operating assets	15	64,071,071	36,505,927
Capital work-in-progress	16	1,415,437	843,218
Major spares parts and stand-by equipments		170,258	143,756
		65,656,766	37,492,901
LONG TERM INVESTMENTS	17	28,905,269	26,124,703
LONG TERM LOANS AND DEPOSITS	18	47,783	43,281
DEFERRED TAXATION	19	-	1,581,557
CURRENT ASSETS			
Stores, spares and loose tools	20	5,749,486	4,011,455
Stock-in-trade	21	20,615,452	17,745,969
Trade debts	22	39,513,594	30,279,029
Loans, advances, deposits, prepayments			
and other receivables	23	2,707,257	2,016,610
Short term investment	24	14,139,114	-
Cash and bank balances	25	15,248,706	24,838,630
		97,973,609	78,891,693
TOTAL ASSETS		192,583,427	144,134,135

The annexed notes 1 to 49 form an integral part of these consolidated financial statements.

Syed Asad Abbas	**M. Adil Khattak**	**Abdus Sattar**
Chief Financial Officer	Chief Executive Officer	Director

Consolidated Statement of Profit or Loss

For the year ended June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
Gross sales	26	461,279,482	305,519,808
Taxes, duties, levies, discount and price differential	27	(91,906,389)	(43,412,589)
Net sales		369,373,093	262,107,219
Cost of sales	28	(324,172,876)	(243,305,567)
Gross profit		45,200,217	18,801,652
Administration expenses	29	1,336,888	948,292
Distribution costs	30	97,063	76,835
Other charges	31	3,471,691	1,192,534
		(4,905,642)	(2,217,661)
Other income	32	8,336,012	2,007,926
Impairment (loss)/reversal on financial asset - note 23.3		(52,158)	35,551
Operating profit		48,578,429	18,627,468
Finance costs	33	(2,315,630)	(3,294,017)
Profit before taxation from refinery operations		46,262,799	15,333,451
Taxation	34	(18,205,130)	(6,204,040)
Profit after taxation from refinery operations		28,057,669	9,129,411
Profit after taxation from non-refinery operations			
Impairment reversal/(loss) on investment in an associated company	17	2,164,812	(1,981,825)
Share in profit of associated companies	36	447,292	5,804,652
		2,612,104	3,822,827
Profit for the year		30,669,773	12,952,238
Earnings per share - basic and diluted (Rupees)			
Refinery operations		263.17	85.63
Non-refinery operations		24.50	35.86
	37	287.67	121.49

The annexed notes 1 to 49 form an integral part of these consolidated financial statements.

Syed Asad Abbas	M. Adil Khattak	Abdus Sattar
Chief Financial Officer	Chief Executive Officer	Director

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
Profit for the year		30,669,773	12,952,238
Other comprehensive income/(loss) for the year			
Surplus on revaluation of freehold land	15.2	30,067,169	-
Items that will not be subsequently reclassified to statement of profit or loss:			
Remeasurement loss on staff retirement benefit plans	38	(41,028)	(233,472)
Related deferred tax credit		17,147	67,706
Effect of change in rate of tax		51,754	34,502
Share of other comprehensive income/(loss) of associated companies - net of tax		105,720	(21,509)
		133,593	(152,773)
Items that will be subsequently reclassified to statement of profit or loss			
Change in fair value of long term investment		(729)	1,921
Total comprehensive income for the year		60,869,806	12,801,386

The annexed notes 1 to 49 form an integral part of these consolidated financial statements.

Syed Asad Abbas
Chief Financial Officer

M. Adil Khattak
Chief Executive Officer

Abdus Sattar
Director

Consolidated Statement of Changes in Equity

For the year ended June 30, 2023

	Share capital	Capital reserve: Special reserve for expansion/ modernisation	Capital reserve: Utilised special reserve for expansion/ modernisation	Capital reserve: Maintenance reserve	Capital reserve: Others	Revenue reserve: General reserve	Revenue reserve: Un-appropriated profit	Revenue reserve: Gain/(loss) on revaluation of investment at fair value through OCI	Surplus on revaluation of freehold land	Total
	Rupees ('000)									
Balance as at July 1, 2021	1,066,163	-	12,908,966	214,913	155,996	7,077,380	3,401,881	2,447	25,093,419	49,921,165
Total comprehensive income - net of tax										
Profit for the year	-	-	-	-	-	-	12,952,238	-	-	12,952,238
Other comprehensive (loss)/Income for the year	-	-	-	-	-	-	(152,773)	1,921	-	(150,852)
	-	-	-	-	-	-	12,799,465	1,921	-	12,801,386
Profit from refinery operations transferred from un-appropriated profit to special reserve - note 7.1	-	8,950,913	-	-	-	-	(8,950,913)	-	-	-
Loss from refinery operations for prior years transferred from unappropriated profit to special reserve - note 7.1	-	(8,950,913)	-	-	-	-	8,950,913	-	-	-
Profit after tax from fuel refinery operations of NRL transferred to special reserve	-	1,463,042	-	-	-	-	(1,463,042)	-	-	-
Accumulated loss of fuel refinery operations of NRL offset against special reserve	-	(1,463,042)	-	-	-	-	1,463,042	-	-	-
Transfer to maintenance reserve by an associated company AGL - note 7.3	-	-	-	3,616	-	-	(3,616)	-	-	-
Balance as at June 30, 2022	1,066,163	-	12,908,966	218,529	155,996	7,077,380	16,197,730	4,368	25,093,419	62,722,551
Distribution to owners:										
Final cash dividend @ 100% related to the year ended June 30, 2022	-	-	-	-	-	-	(1,066,163)	-	-	(1,066,163)
Total comprehensive income - net of tax										
Profit for the year	-	-	-	-	-	-	30,669,773	-	-	30,669,773
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	133,593	(729)	30,067,169	30,200,033
	-	-	-	-	-	-	30,803,366	(729)	30,067,169	60,869,806
Bonus shares issued by an associated company	-	-	-	-	54,432	-	(54,432)	-	-	-
Profit from refinery operations transferred from un-appropriated profit to special reserve - note 7.1	-	27,864,278	-	-	-	-	(27,864,278)	-	-	-
Transfer to maintenance reserve by an associated company AGL - note 7.3	-	-	-	33,422	-	-	(33,422)	-	-	-
Loss from refinery operations for prior years transferred from unappropriated profit to special reserve - note 7.1	-	(2,201,689)	-	-	-	-	2,201,689	-	-	-
Balance as at June 30, 2023	1,066,163	25,662,589	12,908,966	251,951	210,428	7,077,380	20,184,490	3,639	55,160,588	122,526,194

The annexed notes 1 to 49 form an integral part of these consolidated financial statements.

Syyed Asad Abbas	M. Adil Khattak	Abdus Sattar
Chief Financial Officer	Chief Executive Officer	Director

Consolidated Statement of Cash Flows

For the year ended June 30, 2023

	Note	2023 Rs '000	2022 Rs '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from			
- customers		452,048,362	288,555,744
- others		890,209	3,927,861
		452,938,571	292,483,605
Cash paid for operating costs		(344,230,907)	(240,676,295)
Cash paid to Government for duties, taxes and levies		(93,932,143)	(35,563,526)
Income tax paid		(9,796,968)	(953,280)
Net cash inflow from operating activities		4,978,553	15,290,504
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(813,976)	(189,582)
Proceeds against disposal of operating assets		13,876	22,887
Long term loans and deposits		(4,502)	(2,251)
Income received on bank deposits		7,082,678	1,097,678
Dividends received from associated companies		1,629,999	1,134,778
Net cash generated from investing activities		7,908,075	2,063,510
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(4,650,000)	(3,200,000)
Repayment of lease liability		(245,911)	(144,581)
Transaction cost on long term financing		(500)	(500)
Finance costs		(342,706)	(753,654)
Bank balances under lien		(23,084)	-
Dividends paid to the Company's shareholders		(559,855)	(48)
Net cash outflow from financing activities		(5,822,056)	(4,098,783)
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		7,064,572	13,255,231
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		21,011,516	7,778,296
Effects of exchange rate changes on cash and cash equivalents		(38,466)	(22,011)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	46	28,037,622	21,011,516

The annexed notes 1 to 49 form an integral part of these consolidated financial statements.

Syed Asad Abbas	**M. Adil Khattak**	**Abdus Sattar**
Chief Financial Officer	Chief Executive Officer	Director

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public company on June 26, 1979. The Company is principally engaged in the refining of crude oil. The registered office and refinery complex of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on Pakistan Stock Exchange Limited.

The Company is subsidiary of The Attock Oil Company Limited, England and its ultimate parent is Coral Holding Limited.

Attock Hospital (Private) Limited (AHL) was incorporated in Pakistan on August 24, 1998 as a private limited company and commenced its operations on September 1, 1998. AHL is engaged in providing medical services. AHL is a wholly owned subsidiary of Attock Refinery Limited. For the purpose of these consolidated financial statements, the Company and its above referred wholly owned subsidiary AHL is referred to as the Group.

2. STATEMENT OF COMPLIANCE

These are the consolidated financial statements of the Group and they have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. NEW AND REVISED STANDARDS AND INTERPRETATIONS

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2023 & January 1, 2024
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2024
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IFRS 4	Insurance Contracts (Amendments)	January 1, 2023
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2024
IFRS 16	Leases (Amendments)	January 1, 2024

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the consolidated financial statements other than the impact on presentation/disclosures.

Further, the following standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified or has been waived off by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts
IFRIC 12	Service concession arrangements

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention modified by revaluation of freehold land referred to in note 4.8, and staff retirement gratuity and pension plans which are carried at present value of defined benefit obligation net of fair value of plan assets.

4.2 Basis of consolidation

a) Subsidiary

Subsidiaries are all entities over which the Group has the control and power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights or otherwise has power to elect and appoint more than one half of their directors. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date the control ceases.

The assets, liabilities, income and expenses of subsidiary company have been consolidated on a line by line basis and the carrying value of investments held by the parent company is eliminated against the subsidiary shareholders' equity in the consolidated financial statements.

Material intra-company transactions, balances and unrealized gains on transactions are eliminated for consolidated purposes.

b) Associates

Associates are all entities over which the Group has significant influence but not control over financial and operating policies. Investment in associated companies is accounted for using the equity method. Under this method the investments are stated at cost plus the Group's share in undistributed earnings and losses after acquisition, less any impairment in the value of individual investments.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to consolidated statement of profit or loss where applicable.

The Group's share of post-acquisition profit is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in consolidated statement of profit or loss and other comprehensive income is recognised in other comprehensive income with the corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence if the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount and recognises the amount adjacent to share of profit/(loss) of associates in the consolidated statement of profit or loss.

4.3 Dividend and revenue reserves appropriation

Dividend and movement in revenue reserves are recognised in the consolidated financial statements in the period in which these are approved.

4.4 Employee retirement benefits

The main features of the retirement benefit schemes operated by the Group for its employees are as follows:

(i) Defined benefit plans

The Group operates approved pension fund for its management staff and approved gratuity fund for its management and non-management staff. The investments of pension and gratuity funds are made through approved trust funds. Gratuity is deductible from pension. Management staff hired after January 1, 2012 are only entitled to benefits under gratuity fund. Contributions are made in accordance with actuarial recommendations. Actuarial valuations are conducted by an independent actuary, annually using projected unit credit method related details of which are given in note 38 to the consolidated financial statements. The obligation at the date of consolidated statement of financial position is measured at the present value of the estimated future cash outflows. All contributions are charged to consolidated statement of profit or loss for the year.

Actuarial gains and losses (remeasurement gains/losses) on employees' retirement benefit plans are recognised immediately in other comprehensive income and past service cost is recognized in consolidated statement of profit or loss when they occur.

Cost primarily represents the increase in actuarial present value of the obligation for benefits earned on employees service during the year and the interest on the net liability/(asset) in respect of employee's service in previous years. Calculations are sensitive to changes in the underlying assumptions.

Calculation of gratuity and pension obligation require assumptions to be made of future outcomes which mainly includes increase in remuneration, expected long-term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions. The assumptions used vary for the different plans and they are determined by independent actuary annually.

(ii) Defined contribution plans

The Group operates an approved contributory provident fund for all employees. Equal monthly contribution is made both by the Group and the employee to the fund at the rate of 10% of basic salary.

4.5 Employee compensated absences

The Group also provides for compensated absences for all employees in accordance with the Group policy.

4.6 Taxation

Income tax expense comprises of current and deferred tax.

Current tax

Provision for current taxation is based on taxable income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any. Income tax expense is recognised in the consolidated statement of profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

The Group recognises provision for income tax based on best current estimates. However, where the final tax outcome is different from the amounts that were initially recorded, such differences impact the income tax provision in the period in which such determination is made.

The Group takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Group's views differ from the income tax department at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Deferred tax

Deferred income tax is accounted for using the consolidated statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, un-used tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are substantially expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to income except in the case of items credited or charged to equity in which case it is included in equity.

Deferred taxation is recognised taking into account availability of taxable profits. The management uses assumptions about future best estimates of the availability of future taxable profits based on available information.

Investment tax credits are considered not substantially different from other tax credits. Accordingly in such situations tax credits are deducted from current tax amount to the extent of tax credit availed while recognising deferred tax credit for the unused investment tax credit.

4.7 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

4.8 Property, plant and equipment and capital work-in-progress

Cost

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and impairment losses. Capital work-in-progress and major spare parts and standby equipments are stated at cost. Cost in relation to certain plant and machinery items include borrowing cost related to the financing of major projects during construction phase.

Revaluation

Revaluation of freehold land is based on periodic, but atleast triennial, valuation by external independent valuer. Increase in the carrying amount arising on revaluation of freehold land is recognised in other comprehensive income and accumulated in shareholders' equity under the heading "Surplus on Revaluation of Freehold Land". To the extent that the increase reverses a decrease previously recognised in consolidated statement of profit or loss, the increase is first recognised in consolidated statement of profit or loss. Decreases that reverse previous increases are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to consolidated statement of profit or loss.

The Group carries out revaluations, considering the change in circumstances and assumptions from latest revaluation. The fair value of the Group's free hold land is assessed by management based on independent valuation performed by an external property valuation expert as at year end after every three years. For valuation of free hold land, the current market prices are used which requires significant judgment as to estimating the revalued amount in terms of property size, location and layout etc.

Depreciation

Depreciation on operating assets is calculated using the straight-line method to allocate their cost over their estimated useful life at the rates specified in note 15.1. Further, the Group reviews the carrying value of assets for impairment, if any, on each reporting date.

Repairs and maintenance

Maintenance and normal repairs, including minor alterations, are charged to profit and loss as and when incurred. Renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Research and development expenditure

Research expenditure and development expenditure that do not meet the capitalization criteria are recognised as expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

Gains and losses on disposal

Gains and losses arising on disposal of assets are included in other income.

4.9 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortisation or depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each consolidated statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels, for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each consolidated statement of financial position date. Reversals of the impairment losses are restricted to the extent that assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss or reversal of impairment loss is recognised in the consolidated statement of profit or loss.

4.10 Stores, spares and loose tools

These are valued at moving average cost less allowance for obsolete and slow moving items. Items in transit are stated at invoice value plus other charges incidental thereto.

4.11 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realisable value.

Cost in relation to crude oil is determined on a First-in-First-Out (FIFO) basis. In relation to semi-finished and finished products, cost represents the cost of crude oil and an appropriate portion of manufacturing overheads.

Stock of medicine and consumables is valued at the lower of cost and net realisable value. Cost is determined on the basis of moving average cost less allowance for obsolete items. Stocks consist of pharmaceuticals that are used in the Group's operations and are not for sale purposes.

Net realisable value represents selling prices in the ordinary course of business less costs necessary to be incurred for its sale.

The Group reviews the carrying amount of stock in trade on regular basis and as appropriate, it is written down to its net realizable value or provision is made for obsolescence if there is any change in usage pattern and/or physical from of related inventory.

4.12 Revenue recognition

The Group recognizes revenue when it transfers control over goods/services to its customers, being when the products are delivered or services are rendered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the promised product/services. Revenue is recognized at an amount that reflects the consideration, to which the Group expects to be entitled in exchange for transferring of goods or rendering of services to its customers net of discount and sales related indirect taxes. The sales related indirect taxes are regarded as collected on behalf of statutory authorities.

i) Revenue from refinery operations is recognised on delivery of products ex-refinery to the customers with the exception that Naphtha export sales are recognised on the basis of products shipped to customers.

The Company is operating under the import parity pricing formula, as modified from time to time, whereby it is charged the cost of crude on 'import parity' basis and is allowed to charge product prices equivalent to the 'import parity' price, calculated under prescribed parameters. Accordingly, the transaction price of the regulated products are determined in accordance with the directives issued by the Government of Pakistan. Whereas, the transaction prices of deregulated products are agreed under the contract with customer.

ii) Revenue for health care and related streams is recognised when or as performance obligations are satisfied by transferring control of promised services to a customer. Revenue is recognised at the fair value if the consideration received or receivables, net of discount and sales related in direct taxes.

No element of financing is deemed present as the sales relating to i) and ii) above, are made with a credit term of 15 - 90 days, which is assessed by the Group as consistent with the market practice.

iii) Income from crude desalter operations, rental income, scrap sales, insurance commission, handling and service income are recognized on accrual basis.

iv) Income on bank deposits and short term investments are recognised using the effective yield method.

v) Income on investment in associated companies is recognised using the equity method. Under this method, the Group's share of post-acquisition profit or loss of the associated company is recognised in the profit and loss and its share of post-acquisition movements in reserve is recognised in reserves. Dividend distribution by the associated companies is adjusted against the carrying amount of the investment.

4.13 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional currency.

4.14 Foreign currency transactions and balances

Transactions in foreign currencies are converted into Pakistani Rupees at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies at the year end are translated at exchange rates prevailing at the consolidated statement of financial position date. Exchange differences are dealt with through the consolidated statement of profit or loss.

4.15 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Group loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the consolidated statement of profit or loss.

(i) Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

a) Amortized cost where the effective interest rate method will apply;
b) fair value through profit or loss; and
c) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in consolidated statement of profit or loss or consolidated statement of other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in consolidated statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

(a) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in consolidated profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated statement of profit or loss and recognised in other income/charges. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in finance cost and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the consolidated statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired.
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balances

General approach for loans, advances, deposits, prepayments and other receivables, short term investment and cash and bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognised when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognised without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Simplified approach for trade debts

The Group recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor;

- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees;
- significant financial difficulty of the borrower;
- a breach of contract, such as a default or past due event;
- the Group for economic or contractual reasons relating to the borrower's financial difficulty, have granted to the borrower a concession(s) that the Group would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties; if applicable.

Definition of default
The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group). Irrespective of the above analysis, a significant increase in credit risk is presumed if a debtor is more than 365 days past due in making a contractual payment unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Recognition of loss allowance
The Group recognizes an impairment gain or loss in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off
The Group write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

(ii) Financial liabilities

Classification, initial recognition and subsequent measurement

The Group classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- amortised cost

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Group has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Amortised cost
After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized

in the consolidated statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

(iii) Off-setting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position, if the Group has a legally enforceable right to set off the recognized amounts, and the Group either intends to settle on a net basis, or realize the asset and settle the liability simultaneously. Legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Chief Financial Officer determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Group determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

4.17 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Basic and diluted EPS relating to Refinery and Non-refinery operations is also calculated in line with the manner described above by dividing the profit or loss attributable to ordinary shareholders from Refinery and Non-refinery operations respectively.

4.18 Other income

Other income comprises interest income on funds invested, gain on disposal of assets and changes in fair value of investments held for trading. Interest income is recognised as it accrues in the consolidated statement of profit or loss, using effective interest method

4.19 Finance costs

Finance costs comprise interest expense on borrowings, exchange loss/(gain), interest on lease liability and changes in fair value of investment carried at fair value through the statement of profit or loss.

4.20 Deferred grant

Grants from donors are recognised at their fair value where there is a reasonable assurance that grant will be received and the Group will comply with all attached conditions. Grant related to operating assets are accounted for by setting up the grants as deferred grant. These grants are recognised as income on a systematic basis over the useful life of the related asset.

4.21 Contingent liabilities

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

The management exercises judgement in measuring and recognizing the exposures to contingent liabilities related to pending litigations or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

4.22 Dividends and appropriation to general reserve

Dividends and appropriation to general reserves are recognised in the consolidated financial statements in the period in which these are approved.

4.23 Borrowings and their costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs on the borrowing to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a transaction cost on borrowing and amortised over the period of the facility to which it relates.

Borrowing costs are recognised as an expense in the period in which these are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset.

4.24 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. Considering that the sale of Group's petroleum products are subject to similar economic characteristics and the Board of Directors view the Group's operations as one operating segment. Accordingly, the management has determined that the Group has a single reportable segment.

4.25 Trade debts

These are recognized and carried at the original invoice amounts, being the fair value, less an allowance for uncollectible amounts, if any. The Group applies the IFRS 9 simplified approach to measure the expected credit losses (ECL) which uses a lifetime expected loss allowance for trade debts.

4.26 Loans, advances, deposits and other receivables

These are recognized at cost, which is the fair value of the consideration given. The Group assesses on a forward looking basis the expected credit losses associated with the advances, deposits and other receivables. The Group applies the general approach for calculating a lifetime expected credit losses for its loans, advances, deposits and other receivables recognized. The life time expected credit loss is determined at least annually. However, an assessment is made at each reporting date to determine whether there is an indication that a financial asset or a group of financial assets may be impaired. If such an indication exists, the estimated recoverable amount of that asset is determined and impairment loss is recognized for the difference between the recoverable amount and the carrying value.

4.27 Cash and cash equivalents

Cash and cash equivalents are carried in the consolidated statement of financial position at cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and investments that are highly liquid, readily convertible to known amounts of cash with insignificant risk of changes in value and have original maturity period of less than three month from the date of acquisition.

4.28 Trade and other payables

Liabilities for trade and other payables, including payable to related parties, are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Group.

4.29 Contract liabilities

Obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer is presented as contract liability. The contract liabilities of the Group comprises of advance payments from customers for supply of petroleum products as described in note 10.2.

4.30 Lease liability and right-of-use asset

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in consolidated profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group has leased office for administrative purpose and the lease period for this lease is 3 years. The Group has opted not to recognize right of use assets for short-term leases i.e. leases with a term of twelve (12) months or less as low value leases. The payments associated with such leases are recognized in consolidated statement of profit or loss when incurred.

IFRS 16 requires the Group to assess the lease term as the non-cancelable lease term in line with the lease contract together with the period for which the Group has extension options which the Group is reasonably certain to exercise and the periods for which the Group has termination options for which the Group is not reasonably certain to exercise those termination options.

The reasonably certain period used to determine the lease term is based on facts and circumstances related to the underlying leased asset and lease contracts and after consideration of business plan of the Group which incorporates economic, potential demand of customers and economic changes.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are as follows:

i) Surplus on revaluation of freehold land - notes 4.8 and 15.2
ii) Contingencies - notes 4.21 and 14
iii) Estimated useful life, residual value and depreciation method of operating assets - notes 4.8 and 15.1
iv) Taxation - notes 4.6 and 34
v) Employees defined benefit plans - notes 4.4 and 38
vi) Movement in loss allowances - notes 4.15 and 23.3
vii) Long term investments - notes 4.2 (b) and 17

6. SHARE CAPITAL

6.1 Authorised share capital

2023 Number of shares	2022 Number of shares		2023 Rs '000	2022 Rs '000
150,000,000	150,000,000	Ordinary shares of Rupees 10 each	1,500,000	1,500,000

6.2 Issued, subscribed and paid up capital

2023 Number of shares	2022 Number of shares	Ordinary shares of Rupees 10 each	2023 Rs '000	2022 Rs '000
8,000,000	8,000,000	Fully paid in cash	80,000	80,000
98,616,250	98,616,250	Share issued as fully paid bonus shares	986,163	986,163
106,616,250	106,616,250		1,066,163	1,066,163

The parent company, The Attock Oil Company Limited held 65,095,630 (2022: 65,095,630) ordinary shares and the associated company, Attock Petroleum Limited held 1,790,000 (2022: 1,790,000) ordinary shares at the year end.

6.3 Ordinary Shares

Ordinary Shares have a par value of Rs 10 each. They entitle the holder to participate in dividends, as declared from time to time, and to share in the proceedings of the winding up of the Company in the proportion to the number of and amounts paid on the shares held. Further, the holder is entitled to one vote per share at the general meetings of the Company.

	2023 Rs '000	2022 Rs '000
7. RESERVES AND SURPLUS		
Capital reserve		
Special reserve for expansion/modernisation - note 7.1	25,662,589	-
Utilised special reserve for expansion/modernisation - note 7.2	10,962,934	10,962,934
Utilised special reserve for expansion/modernisation of an associated company	1,946,032	1,946,032
	12,908,966	12,908,966
Maintenance reserve - note 7.3	251,951	218,529
Others		
Liabilities taken over from The Attock Oil Company Limited no longer required	4,800	4,800
Capital gain on sale of building	654	654
Insurance and other claims realised relating to pre-incorporation period	494	494
Donation received for purchase of hospital equipment	4,000	4,000
Bonus shares issued by associated companies	200,480	146,048
	210,428	155,996
Revenue reserve		
General reserve - note 7.4	7,077,380	7,077,380
Gain on revaluation of investment at fair value through OCI	3,639	4,368
Unappropriated profit	20,184,490	16,197,730
	27,265,509	23,279,478
	66,299,443	36,562,969

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

7.1 Under the Policy Framework for Up-gradation and Expansion of Refineries, 2013 issued by the Ministry of Energy - Petroleum Division (the Ministry) as amended from time to time, the refineries are required to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into a Special Reserve Account which shall be available for utilisation for Up-gradation of refineries or may also be utilised in off setting losses of the refinery from refinery operations.

7.2 Represents amounts utilised out of the Special Reserve for expansion/modernisation of the Refinery. The total amount of capital expenditure incurred on Refinery expansion/mordernisation till June 30, 2023 is Rs 29,569.89 million (2022: Rs 29,175.30 million) including Rs 18,606.96 million (2022: Rs 18,212.37 million) spent over and above the available balance in the Special Reserve which has been incurred by the Group from its own resources.

7.3 Represents amount retained by Attock Gen Limited for the purposes of major maintenance expenses as per the terms of the Power Purchase Agreement.

7.4 This mainly represents the Group's share of the general reserve created by NRL.

	2023 Rs '000	2022 Rs '000
8. LONG TERM FINANCING - secured		
From banking companies		
Syndicated Term Finance - note 8.1	-	3,686,620
Musharaka Finance - note 8.2	-	1,206,630
	-	4,893,250
Less: Unamortized transaction cost on financing:		
Balance at beginning of the year	17,370	42,393
Addition during the year	500	500
Amortization for the year	(17,870)	(25,523)
Balance at end of the year	-	17,370
	-	4,875,880
Current portion of long term financing - note 8.4	-	(2,200,000)
	-	2,675,880
Mark-up payable shown as current liability	-	(170,966)
	-	2,504,914

8.1 The Company entered into a syndicated finance agreement with a consortium of banks which includes Bank Al-Habib Limited as the Agent Bank for a term finance facility of Rs 16,575 million for ARL Up-gradation Projects. The facility carries a mark-up of 3 months KIBOR plus 1.70% which is payable on quarterly basis.

8.2 The Company obtained Musharaka finance facility of Rs 5,425 million from Bank AL-Habib Limited (the Bank) as the Investment Agent for ARL Up-gradation Projects. The total Musharaka investment amounts to Rs 8,029 million and Investment Agent's (the Bank) share in Musharaka Assets A is nil % (2022: nil %) while its share in Musharaka Assets B is nil % (2022: 18.48%) respectively. While the Managing Co-owner's (the Company) share in Musharaka Assets A is 100% (2022: 100 %) while its share in Musharaka Assets B is 100% (2022: 81.52%) respectively. The rental payments under this facility are calculated on the basis of 3 months KIBOR plus 1.70% on value of unit purchased on each Musharaka Assets purchase date under Musharaka agreement.

8.3 The facilities referred to in notes 8.1 and 8.2 were secured by first pari passu charge by way of hypothecation over all present and future current assets to the extent of Rs 15,000 million. Further, the facility was also secured by first pari passu charge by way of hypothecation over all present and future movable fixed assets of the Company and mortgage over identified immovable property. Until the payment of all the outstanding amounts due by the Company have been paid in full, the Company cannot, except with the prior written consent of the Agent Bank/

Investment Agent, permit the collective shareholding of The Attock Oil Company Limited in the Company to fall below 51%.

8.4 During the year the Company has repaid entire outstanding amount of long term financing which includes principal portion of Rs 4,650 million and interest of Rs 307 million. Charge created against the facilities referred in note 8.1 and 8.2 respectively has been vacated.

		2023 Rs '000	2022 Rs '000
9.	**DEFERRED GRANT**		
	As at July 1		
	Cost	6,694	6,694
	Accumulated amortization	(2,160)	(1,490)
	Net book value	4,534	5,204
	Opening book value	4,534	5,204
	Amortization charge for the year	(670)	(670)
		3,864	4,534
	As at June 30		
	Cost	6,694	6,694
	Accumulated amortization	(2,830)	(2,160)
	Net book value	3,864	4,534
10.	**TRADE AND OTHER PAYABLES**		
	Creditors - note 10.1	28,185,553	38,982,646
	Due to The Attock Oil Company Limited - Holding Company	89,599	152,174
	Due to Associated Companies		
	Pakistan Oilfields Limited	3,375,435	4,495,410
	National Refinery Limited	-	565
	Attock Energy (Private) Limited	444	-
	Accrued liabilities and provisions - note 10.1	7,299,143	5,643,454
	Due to the Government under pricing formula	7,321,232	9,335,438
	Custom duty payable to Government	3,733,028	9,087,841
	Sales tax payable	595,418	1,317,767
	Contract liabilities/advance payments from customers - note 10.2	127,292	123,847
	Payable to statutory authorities in respect of petroleum development levy and excise duty	6,059,249	-
	Workers' Profit Participation Fund - note 23.1	-	82,215
	Gratuity Fund	51,597	180,400
	Staff Pension Fund	33,589	143,927
	Crude oil freight adjustable through inland freight equalisation margin	87,676	122,235
	Deposits from customers adjustable against freight and Government levies payable on their behalf	376	376
	Security deposits - note 10.3	3,287	3,287
		56,962,918	69,671,582

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

10.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Energy - Petroleum Division (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld along with accumulated profits amounted to Rs 4,995.27 million (2022: Rs 4,297.95 million).

10.2 Contract liabilities/advance payments from customers is recognised as revenue when the performance obligation in accordance with the policy as described in note 4.12 is satisfied.

	2023 Rs '000	2022 Rs '000
Balance at beginning of the year	123,847	193,073
Advance received during the year	12,505,939	6,891,051
Revenue recognized during the year	(12,502,494)	(6,960,277)
Balance at end of the year	127,292	123,847

During the year, the entire opening balance has been transferred to revenue.

10.3 These are repayable on demand and cannot be utilised for the purpose of business in accordance with the terms of written agreements with these parties. The amount in this respect has been kept in separate bank account.

11. SHORT TERM FINANCING

The Company has obtained short term financing from a bank for an amount of Rs 3,000 million (June 30, 2022: Rs 3,000 million) to finance its working capital requirements. This facility is secured by ranking hypothecation charge over all present and future current and fixed assets (excluding land and building) of the Company. The rate of mark-up on short term financing facility is 3 months KIBOR plus 0.08% p.a. which is payable on quarterly basis. The outstanding amount for the drawdowns made by the Company against the said facility as of reporting date was Rs nil (June 30, 2022: Rs 2,500 million).

	2023 Rs '000	2022 Rs '000
12. LEASE LIABILITY		
Balance at beginning of the year	157,404	342,231
Deletions during the year	-	(120,889)
Lease finance charges	11,478	75,200
Lease rentals paid	(245,911)	(144,581)
Exchange Loss	77,029	5,443
Balance at end of the year	-	157,404

13. UNPAID DIVIDEND- AWAITING REMITTANCE BY THE AUTHORIZED BANK

This represents dividend payable to non-resident major shareholder company, The Attock Oil Company Limited, England for the year June 30, 2022, awaiting remittance by the authorized bank due to regulatory constraints.

		2023 Rs '000	2022 Rs '000
14.	**CONTINGENCIES AND COMMITMENTS**		
	Contingencies:		
i)	Consequent to amendment through the Finance Act, 2014, SRO 575(I)/2006 was withdrawn. As a result, all imports relating to the ARL Up-gradation Project were subjected to the higher rate of customs duties, sales tax and income tax. Aggrieved by the withdrawal of the said SRO, the Company filed a writ petition on August 20, 2014, in the Lahore High Court, Rawalpindi Bench (the Court). The Court granted interim relief by allowing the imports against submission of bank guarantees and restraining customs authorities from charging an increased amount of customs duty/sales tax. Bank guarantees were issued in favour of the Collector of Customs, as per the directives of the Court. These guarantees include amounts aggregating to Rs 731 million on account of adjustable/claimable government levies. On November 10, 2020, the Court referred the case to Customs authorities with the instruction not to encash the bank guarantees without giving the Company appropriate remedy under the law. In June 2021, the Customs authorities have issued orders granting partial relief for Company's contention. The Company preferred an appeal before Collector of Appeals. On June 14, 2023, the Custom Appellate Tribunal (CAT) has passed order against the Company. The Company intends to file reference against the order of CAT before Honourable High Court of Sindh. Management and its legal advisors are confident that the Company has reasonable grounds to defend the case. Accordingly, no provision has been made in the consolidated financial statements.	1,326,706	1,326,706
ii)	Due to circular debt in the oil industry, certain amounts due from the oil marketing companies (OMCs) and due to crude oil suppliers have not been paid/received on their due dates for payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in the consolidated financial statements as these have not been acknowledged as debt by either parties.		
iii)	Claims for land compensation contested by the Company.	5,300	5,300
iv)	Guarantees issued by banks on behalf of the Company [(other than (i) above)]	-	408
v)	Price adjustment related to crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreement (COSA) and may require adjustment in subsequent periods as referred to in note 28.1, the amount of which can not be presently quantified.		

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
vi) In March 2018, Mela and Nashpa Crude Oil Sale and Purchase Agreement (COSA) with effective date of March 27, 2007 was executed between the President of Pakistan and the working interest owners of a Petroleum Concession Agreement (PCA) whereby various matters including the pricing mechanism for crude oil were prescribed. The Company has been purchasing crude oil from respective fields since 2007 and 2009. In this respect, an amount of Rs 2,484 million was demanded from the Company as alleged arrears of crude oil price for certain periods prior to signing of aforementioned COSA. In view of the foregoing, the Company filed a writ petition on December 17, 2018 before the Honourable Islamabad High Court (the Court), whereby interim relief was granted to the Company by restraining respondents from charging the premium or discount regarding the supplies of crude oil made to the Company between 2012 to 2018. Based on the Company's assessment of related matter and based on the legal advices obtained from its legal consultants the Company did not acknowledge the related demand and accordingly, not provided for the same in its books of account. The matter is pending for adjudication.	2,484,098	2,484,098
vii) Claim by the Company from Government on account of additional deemed duty on High Speed Diesel (HSD). In the Policy Framework of 2013 for Up-gradation of Refineries, the Government had committed to enhance deemed duty on HSD from 7.5% to 9% subject to setting up of Diesel Hydrodesulphurisation (DHDS) unit. However, this incentive had been withdrawn on April 25, 2016. The Company has strongly taken up with the Government the matter of withdrawal of additional deemed duty as this incentive was primarily given to recover the cost of investment on DHDS unit which the Company has successfully installed and commissioned.	6,323,537	4,345,274
viii) In October 2021, the Honorable Supreme Court of Pakistan rejected Company's appeal relating to levy of sales tax on supply of Mineral Turpentine Oil during the period July 1994 to June 1996. In this respect, the Company has filed a review petition with the Honorable Supreme Court of Pakistan which is currently pending for adjudication. Further to the orders of the Honorable Supreme Court, the DCIR raised the sales tax demand for principal along with default surcharge and penalty and issued a refund order adjusting the cumulative prior income tax refunds of the Company against the aforesaid demand. Being aggrieved, in relation to the defualt surcharge and penalty, the Company has preferred an appeal before CIR(A) wherein the CIR(A) has remanded the case back to DCIR. Whilst the Company had deposited the principal amount of sales tax involved but is contesting before the Honorable Islamabad High Court, the alleged levy of default surcharge and penalty for an amount of Rs 155.05 million in this matter along the coercive adjustment thereof against Company's income tax refunds. In addition, the Company is also contesting before the Commissioner Inland Revenue (Appeals), the matter relating to short determination of refund due to the Company by an amount of Rs 501.53 million.	656,580	656,580

		2023 Rs '000	2022 Rs '000
ix)	In November 30, 2021, the Commissioner Inland Revenue (CIR) issued order in respect of sales tax for the periods July 2018 to June 2019, alleging the Company on various issues including suppression of sales and raised a demand of Rs 8,147 million and Rs 407 million in respect of sales tax and penalty respectively. Being aggrieved the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide the appellate order dated May 31, 2022 upheld the demand of Rs 740 million and remanded the case back on other issues. Pursuant to the aforementioned demand, on June 15, 2022, the Department recovered an amount of Rs 1,077 million (including the related penalty and default surcharge). The Company filed writ petition against the aforesaid recovery from the company's bank account before the Islamabad High Court which vide order dated September 15, 2022 (received on October 6, 2022) ordered tax authorities to reimburse the recovered amount to the Company within thirty days. The Company has approached the tax authorities for reimbursement of said amount but the payment is currently pending. Accordingly, being entitled to a refund in respect of the recovered amount, a receivable in this respect has been recognised as disclosed in note 23 to consolidated financial statements.	1,076,579	1,076,579
x)	The Group's share in contingencies of associated companies	4,752,213	3,570,805
	Commitments:		
i)	Capital expenditure	510,007	73,471
ii)	Letters of credit and other contracts for purchase of store items	1,345,490	455,773
iii)	The Group's share of commitments of associated companies		
	Capital expenditures commitments	850,744	533,088
	Outstanding letters of credit	2,248,242	2,153,197

15. PROPERTY, PLANT AND EQUIPMENT

	2023 Rs '000	2022 Rs '000
Operating assets		
Owned assets - note 15.1	63,999,096	36,338,667
Right of use assets (ROU) - note 15.6	71,975	167,260
	64,071,071	36,505,927

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

15.1 Operating assets

	Freehold land (note 15.2)	Buildings on freehold land	Plant and machinery	Computer equipment	Furniture, fixtures and equipment	Vehicles	Total
				Rs '000			
As at July 1, 2021							
Cost or valuation	25,147,641	253,065	29,826,953	88,671	173,242	180,818	55,670,390
Accumulated depreciation	-	(149,707)	(16,443,427)	(76,334)	(116,488)	(150,618)	(16,936,574)
Net book value	25,147,641	103,358	13,383,526	12,337	56,754	30,200	38,733,816
Year ended June 30, 2022							
Opening net book value	25,147,641	103,358	13,383,526	12,337	56,754	30,200	38,733,816
Additions	-	4,364	180,593	6,969	3,656	19,991	215,573
Disposals							
Cost	-	-	(20,549)	(2,085)	(3,152)	(7,725)	(33,511)
Accumulated depreciation	-	-	20,541	2,085	3,051	7,725	33,402
	-	-	(8)	-	(101)	-	(109)
Depreciation charge	-	(9,182)	(2,565,471)	(6,017)	(13,095)	(16,848)	(2,610,613)
Closing net book value	25,147,641	98,540	10,998,640	13,289	47,214	33,343	36,338,667
As at June 30, 2022							
Cost or valuation	25,147,641	257,429	29,986,997	93,555	173,746	193,084	55,852,452
Accumulated depreciation	-	(158,889)	(18,988,357)	(80,266)	(126,532)	(159,741)	(19,513,785)
Net book value	25,147,641	98,540	10,998,640	13,289	47,214	33,343	36,338,667
Year ended June 30, 2023							
Opening net book value	25,147,641	98,540	10,998,640	13,289	47,214	33,343	36,338,667
Additions	-	-	81,779	23,934	25,618	83,924	215,255
Revaluation Surplus	30,067,169	-	-	-	-	-	30,067,169
Disposals							
Cost	-	-	(2,105)	-	(652)	(20,621)	(23,378)
Accumulated depreciation	-	-	2,105	-	651	17,969	20,725
	-	-	-	-	(1)	(2,652)	(2,653)
Depreciation charge	-	(9,334)	(2,565,967)	(8,680)	(13,894)	(21,467)	(2,619,342)
Closing net book value	55,214,810	89,206	8,514,452	28,543	58,937	93,148	63,999,096
As at June 30, 2023							
Cost or valuation	55,214,810	257,429	30,066,671	117,489	198,712	256,387	86,111,498
Accumulated depreciation	-	(168,223)	(21,552,219)	(88,946)	(139,775)	(163,239)	(22,112,402)
Net book value	55,214,810	89,206	8,514,452	28,543	58,937	93,148	63,999,096
Annual rate of depreciation (%)	-	5	10	20	10	20	

15.2 Freehold land revalued in May 2023 and the revaluation surplus of Rs 30,067,169 thousand was added to the value of freehold land and corresponding amount was transferred to surplus on revaluation of freehold land. Had the freehold land been stated on the historical cost basis, the carrying amount of land would have been Rs 54.22 million (2022: Rs 54.22 million).

In the event of sale of the freehold land, any balance in the reserve will be transferred to the retained earnings. The surplus on revaluation is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

Original cost of freehold land	Rs 54,221,409
Revalued amount	Rs 55,214,810,000
Date of valuation	May 23, 2023
Basis of valuation	Estimated current market value
Name & qualification of independent valuer	Iqbal A. Nanjee & Co. Valuation Consultants

15.3 Forced sales value of freehold land based on valuation conducted in May 2023 was Rs 44,171.85 million.

15.4 Operating asset disposed off during the year, having net book value in excess of Rs 500,000 is as follow:

	Original cost	Book Value	Sale Proceeds	Gain/(Loss)	Mode of Disposal	Particulars of purchaser
	Rs '000					
Vehicle	2,841	2,651	2,841	190	Open offer	National Cleaner Production Centre Foundation

15.5 Particulars of Group's immovable property (i.e. land and building) including location and area of land are as follows:

Location	Usage of immovable property	Total Area (in acres)
Morgah Rawalpindi	Refinery processing plants, office and staff colony	392.99
Chak Shahpur, Morgah, Rawalpindi	Water wells	44.96
Humak (adjacent DHA II), Islamabad	Water wells	7.34

		2023 Rs '000	2022 Rs '000
15.6	**Right of use asset - Building**		
	Balance at beginning of the year	167,260	384,795
	Termination of right of use asset	-	(120,889)
	Depreciation for the year	(95,285)	(96,646)
	Balance at end of the year	71,975	167,260

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

15.7 The depreciation relating to operating assets and right of use assets for the year has been allocated as follows:

	2023 Rs '000	2022 Rs '000
Cost of sales - note 28	2,595,268	2,595,538
Administration expenses - note 29	118,523	111,145
Distribution costs - note 30	836	575
	2,714,627	2,707,258

16. CAPITAL WORK-IN-PROGRESS

	2023 Rs '000	2022 Rs '000
Balance at beginning of the year	843,218	862,679
Additions during the year	618,981	159,390
Transfer to operating assets		
- Buildings on freehold land	-	(4,364)
- Plant and machinery	(46,762)	(173,781)
- Furniture, fixtures & equipment	-	(706)
	(46,762)	(178,851)
Balance at end of the year	1,415,437	843,218
Break-up of the closing balance of capital work-in-progress		
Civil works	11,682	-
Plant and machinery	1,402,755	842,218
Pipeline project	1,000	1,000
	1,415,437	843,218

17. LONG TERM INVESTMENTS

	2023 Rs '000	2022 Rs '000
Balance at beginning of the year	26,124,703	22,199,744
Share of profit of associated companies	2,140,762	7,061,150
Share in other comprehensive income/(loss)	104,991	(19,588)
Dividend received from associated companies	(1,629,999)	(1,134,778)
Impairment reversal/(charge) on investment	2,164,812	(1,981,825)
Balance at end of the year	28,905,269	26,124,703

		2023		2022	
		% age holding	Rs '000	% age holding	Rs '000
17.1	**Investment in associated companies**				
	Associated companies				
	Quoted				
	National Refinery Limited (NRL) - note 17.3	25	11,395,237	25	10,535,595
	19,991,640 (2022: 19,991,640) fully paid ordinary shares including 3,331,940 (2022: 3,331,940) bonus shares of Rs 10 each				
	Market value as at June 30, 2023: Rs 2,999 million (June 30, 2022: Rs 5,049 million)				
	Attock Petroleum Limited (APL) - note 17.4	21.88	12,968,391	21.88	11,459,007
	27,216,206 (2022: 21,772,965) fully paid ordinary shares including 16,716,126 (2022: 11,272,885) bonus shares of Rs 10 each				
	Market value as at June 30, 2023: Rs 8,172 million (June 30, 2022: Rs 6,990 million)				
	Unquoted				
	Attock Gen Limited (AGL)	30	4,484,293	30	4,082,551
	7,482,957 (2022: 7,482,957) fully paid ordinary shares of Rs 100 each				
	Attock Information Technology Services (Private) Limited (AITSL)	10	57,348	10	47,550
	450,000 (2022: 450,000) fully paid ordinary shares of Rs 10 each				
			28,905,269		26,124,703

All associated companies are incorporated in Pakistan. Although the Group has less than 20 percent shareholding in AITSL, it has been treated as associate since the Group has representation on its Board of Directors and investment in AITSL has been made under the authority of special resolution. The investment in AITSL was made in accordance with the requirements under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). During the year no new investments in associated companies have been made.

17.2 The tables below provide summarised financial information for associated companies. The information disclosed reflects the amounts presented in the audited financial statements of the relevant associates. Adjustments made by the reporting entity when using the equity method, including fair value adjustments have been reflected in these consolidated financial statements.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

	National Refinery Limited		Attock Petroleum Limited		Attock Gen Limited		Attock Information Technology Services (Pvt) Limited	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rs '000		Rs '000		Rs '000		Rs '000	
Summarised statement of financial position								
Current assets	78,788,494	69,590,902	87,219,524	78,375,032	15,955,678	20,187,281	529,425	413,770
Non- current assets	32,991,424	33,115,406	19,000,060	17,242,096	5,719,653	6,174,232	77,910	86,994
Current liabilities	(76,445,155)	(61,869,415)	(54,099,015)	(51,685,732)	(6,401,129)	(12,455,488)	(24,447)	(18,925)
Non- current liabilities	(736,084)	(1,017,535)	(8,635,345)	(7,346,158)	(326,559)	(297,521)	(9,406)	(6,335)
Net assets	34,598,679	39,819,358	43,485,224	36,585,238	14,947,643	13,608,504	573,482	475,504
Reconciliation to carrying amounts:								
Net assets as at July 1	39,819,358	31,587,387	36,585,238	22,362,155	13,608,504	11,172,974	475,504	407,416
(Loss)/profit for the year	(4,463,086)	9,079,013	11,460,026	18,161,205	2,466,116	2,705,981	97,977	68,088
Other comprehensive income/(loss)	441,906	(47,376)	(18,856)	(6,576)	(4,533)	(21,019)	-	-
Dividends paid	(1,199,499)	(799,666)	(4,541,184)	(3,931,546)	(1,122,444)	(249,432)	-	-
Net assets as at June 30	34,598,679	39,819,358	43,485,224	36,585,238	14,947,643	13,608,504	573,482	475,504
Company's percentage shareholding in the associate	25%	25%	21.88%	21.88%	30.00%	30.00%	10.00%	10.00%
Company's share in net assets	8,649,671	9,954,841	9,512,472	8,003,088	4,484,293	4,082,551	57,348	47,550
Excess of purchase consideration over carrying amount at the date of acquisition	6,371,654	6,371,654	3,455,919	3,455,919	-	-	-	-
Proportionate share in carrying value of net assets before impairment	15,021,325	16,326,495	12,968,391	11,459,007	4,484,293	4,082,551	57,348	47,550
Impairment	(3,626,088)	(5,790,900)	-	-	-	-	-	-
Carrying amount of investment	11,395,237	10,535,595	12,968,391	11,459,007	4,484,293	4,082,551	57,348	47,550
Summarised statements of comprehensive income								
Net revenue	298,805,449	251,875,728	473,938,329	370,074,929	17,271,061	20,961,819	184,189	161,769
(Loss)/profit for the year	(4,463,086)	9,079,013	11,460,026	18,161,205	2,466,116	2,705,981	97,977	68,088
Other comprehensive income/(loss)	441,906	(47,376)	(18,856)	(6,576)	(4,533)	(21,019)	-	-
Total comprehensive income/(loss)	(4,021,180)	9,031,637	11,441,170	18,154,629	2,461,583	2,684,962	97,977	68,088

During the year, dividend received from National Refinery Limited was Rs 300 million (2022: Rs 200 million), Attock Petroleum Limited was Rs 993 million (2022: Rs 860 million) and Attock Gen Limited was Rs 337 million (2022: Rs 75 million).

17.3 The carrying value of investment in National Refinery Limited at June 30, 2023 is net of impairment loss of Rs 3,626.09 million (2022: Rs 5,790.90 million). The value of investment in National Refinery Limited (NRL) as at June 30, 2023 is based on lower of carrying value and recoverable amount. The Group has assessed the recoverable amount of the investment in National Refinery Limited based on higher of Value In Use (VIU) and fair value (level 1 in the fair value hierarchy - quoted market price as at June 30, 2023). VIU is based on a valuation analysis carried out by an external investment advisor engaged by the Group. VIU has been assessed on discounted cash flow based valuation methodology which assumes gross profit margin of 5.52% (2022: 5.74%), a terminal growth rate of 4.00% (2022: 4.00%) and weighted average cost of capital of 30.20% (2022: 17.51%).

17.4 Based on a valuation analysis carried out by the management, the recoverable amount of investment in Attock Petroleum Limited exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation. These calculations have been made on discounted cash flow based valuation methodology which assumes an average gross profit margin of 4.92% (2022: 5.83%), a terminal growth rate of 4.00% (2022: 4.00%) and a capital asset pricing model based discount rate of 23.10% (2022: 20.51%).

17.5 Considering the nature of business and financial performance of the associated companies, the management presently do not foresee any material risk associated with the investment in these entities.

	2023 Rs '000	2022 Rs '000
18. LONG TERM LOANS AND DEPOSITS		
Loans - secured and considered good - note 18.1		
Employees	42,372	50,212
Executives	43,719	31,878
	86,091	82,090
Amounts due within next twelve months shown		
under current assets - note 23	(53,723)	(53,425)
	32,368	28,665
Security deposits	15,415	14,616
	47,783	43,281

18.1 These are interest free loans for miscellaneous purposes and are recoverable in 24, 36 and 60 equal monthly installments depending on case to case basis. These loans are secured against outstanding provident fund balance or a third party guarantee. Receivable from executives of the Group does not include any amount receivable from Directors or Chief Executive Officer. The maximum amount due from executives of the Group at the end of any month during the year was Rs 48.21 million (2022: Rs 31.88 million). These loans have not been discounted, as the impact is considered insignificant.

	2023 Rs '000	2022 Rs '000
19. DEFERRED TAXATION		
Temporary differences between accounting and tax base		
of non-current assets and investment in associated companies	(3,866,048)	(2,926,692)
Unused tax losses	-	4,029,679
Deferred grant	1,121	1,315
Remeasurement loss on staff retirement benefit plans	363,416	294,515
Provisions	244,185	182,740
	(3,257,326)	1,581,557
19.1 Movement of deferred tax (liability)/asset		
Balance at beginning of the year	1,581,557	6,963,147
Tax charge recognised in profit or loss from refinery operations	(3,628,073)	(4,527,441)
Tax charge recognised in profit or loss from non-refinery operations	(1,278,625)	(955,720)
Tax charge related to subsidiary accounted for separately	(1,086)	(637)
	(4,907,784)	(5,483,798)
Tax charge recognised in other comprehensive income	68,901	102,208
Balance at end of the year	(3,257,326)	1,581,557

19.2 The deferred tax asset recognised on business losses of the Group has been realized during the year.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
20.	**STORES, SPARES AND LOOSE TOOLS**		
	Stores (including items in transit amounting to Rs 1,034.50 million; 2022: Rs 298.84 million)	4,634,289	2,990,451
	Spares	1,319,224	1,209,657
	Loose tools	1,242	1,172
		5,954,755	4,201,280
	Less: Provision for slow moving items - note 20.1	205,269	189,825
		5,749,486	4,011,455
20.1	**Movement in provision for slow moving items**		
	Balances at beginning of the year	189,825	169,971
	Reversal of provision against stores written off	-	(14,884)
	Provision for the year	15,444	34,738
	Balances at end of the year	205,269	189,825
21.	**STOCK-IN-TRADE**		
	Crude oil	4,537,391	3,903,823
	Semi-finished products	3,521,438	4,192,253
	Finished products	12,549,591	9,646,632
	Medical supplies	7,032	3,261
		20,615,452	17,745,969

21.1 Stock-in-trade include stocks carried at net realisable value of Rs 5,335.56 million (2022: Rs 6,637.72 million). Adjustments amounting to Rs 1,343.91 million (2022: Rs 1,752.79 million) have been made to closing inventory to write down stocks to their Net Realisable Value (NRV). The NRV write down is mainly due to decline in the selling prices of certain petroleum products.

22. TRADE DEBTS - unsecured and considered good

22.1 Trade debts include amount receivable from an associated company Attock Petroleum Limited of Rs 18,340.01 million (2022: Rs 15,838.27 million) and Pakistan Oilfields Limited Rs 14.08 million (2022: Rs nil).

Age analysis of trade debts from associated companies and not impaired at reporting date is as follow:

	2023 Rs '000	2022 Rs '000
Not due	16,635,778	8,260,933
Past due		
0 to 6 months	1,718,315	7,577,332
6 to 12 months	-	-
Above 12 months	-	-
	18,354,093	15,838,265

22.2 The maximum aggregate amount due from the related party at the end of any month during the year was Rs 20,480.39 million (2022: Rs 16,422.81 million).

		2023 Rs '000	2022 Rs '000
23.	**LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Loans and Advances - considered good		
	Current portion of long term loans - secured - note 18		
	Employees	24,815	31,639
	Executives	28,908	21,786
		53,723	53,425
	Advances		
	Suppliers	38,893	57,112
	Employees	13,475	11,398
		52,368	68,510
		106,091	121,935
	Deposits and Prepayments		
	Trade deposits	286	286
	Short term prepayments	212,409	132,088
		212,695	132,374
	Due from associated companies		
	Attock Information Technology Services (Private) Limited	1,593	838
	Attock Petroleum Limited	1,058,206	592,347
	Attock Leisure and Management Associates (Private) Limited	122	94
	Attock Gen Limited	7,913	689
	Attock Cement Pakistan Limited	13	7
	National Cleaner Production Centre Foundation	2,916	689
	Attock Energy (Private) Limited	-	39
	Capgas (Private) Limited	209	182
	National Refinery Limited	2,437	-
	Attock Sahara Foundation	794	267
	Income accrued on bank deposits	204,091	116,073
	Receivable from statutory authorities in respect of petroleum development levy and excise duty	-	6,365
	Workers' Profit Participation Fund - note 23.1	117,495	-
	Sales tax forcely recovered - note 14 (ix)	1,076,579	1,076,579
	Income tax refundable	3,427	8,897
	Other receivables	256,029	250,430
		2,731,824	2,053,496
	Loss allowance - note 23.3	(343,353)	(291,195)
		2,707,257	2,016,610

Notes to and Forming Part of the Consolidated Financial Statements
For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
23.1	**Workers' Profit Participation Fund**		
	Balance payable at beginning of the year	(82,215)	-
	Interest on fund utilised in Group's business	1,466	-
	Amount paid to the fund	2,680,749	740,000
	Amount allocated for the year - note 31	(2,482,505)	(822,215)
	Balance receivable/(payable) at end of the year	117,495	(82,215)

23.2 The maximum aggregate amount due from the related parties at the end of any month during the year was Rs 1,087.86 million (2022: Rs 606.95 million).

Age analysis of other receivables from associated companies, past due but not impaired.

		2023 Rs '000	2022 Rs '000
	0 to 6 months	766,691	196,813
	6 to 12 months	303,837	94,084
	Above 12 months	3,675	304,255
		1,074,203	595,152
23.3	**Movement in loss allowances**		
	Balance at beginning of the year	291,195	326,746
	Impairment loss/(reversal) on financial asset	52,158	(35,551)
	Balance at end of the year	343,353	291,195

This includes loss allowance on amount due from associated Company Attock Petroleum Limited of Rs 96.76 million (2022: Rs 57.22 million)

24. SHORT TERM INVESTMENT

Represents investment in 3 months Government Treasury Bill bearing markup @ 21.88% (2022: nil %) per annum.

		2023 Rs '000	2022 Rs '000
25.	**CASH AND BANK BALANCES**		
	Cash in hand (including US $ 3,143; 2022: US $ 2,153)	2,543	2,106
	With banks:		
	Local Currency		
	Current Accounts	12,292	9,272
	Short term deposits - note 25.1, 25.2 and 25.3	4,917,722	11,666,114
	Savings accounts	10,183,076	12,990,874
	Pay orders in hand	-	75,200
	Foreign Currency		
	Saving accounts (US $ 465,453; 2022: US $ 464,182)	133,073	95,064
		15,248,706	24,838,630

25.1 Deposit accounts include Rs 4,917.72 million (2022: Rs 4,241.31 million) placed in a 90-days interest-bearing account consequent to directives of the Ministry of Energy - Petroleum Division on account of amounts withheld along with related interest earned thereon net of withholding tax, as referred to in note 10.1.

25.2 Balances with banks include Rs nil (2022: Rs 7,500 million) in respect of deposits placed in 30-days interest-bearing account.

25.3 Bank deposits of Rs 1,326.71 million (2022: Rs 1,327.11 million) and Rs 23.48 million (2022: Rs nil) were under lien with bank against a bank guarantee and letter of credit issued on behalf of the Company.

25.4 Balances with banks include Rs 3.29 million (2022: Rs 3.29 million) in respect of security deposits received from customers etc.

25.5 Interest/mark-up earned on balances with banks ranged between 12.25% to 21.90% (2022: 5.50% to 18.00%) with weighted average rate of 17.17% (2022: 9.97%) per annum.

	2023 Rs '000	2022 Rs '000
26. GROSS SALES		
- The Company		
Local sales	460,832,564	303,167,945
Naphtha export sales	295,374	1,731,233
Reimbursement due from the Government under import		
parity pricing formula/Price differential claim - note 26.1	-	497,226
- Subsidiary		
Local sales	151,544	123,404
	461,279,482	305,519,808

26.1 This represents amount due from the Government of Pakistan (GoP) on account of shortfall in ex-refinery prices of certain petroleum products under the import parity pricing formula.

	2023 Rs '000	2022 Rs '000
27. TAXES, DUTIES, LEVIES, DISCOUNT AND PRICE DIFFERENTIAL		
Sales tax	14,798,192	19,448,134
Petroleum development levy	53,591,562	8,450,116
Custom duties and other levies - note 27.1	16,202,937	11,375,408
Discount	17,268	-
PMG RON differential - note 27.2	1,807,041	1,780,458
HSD Euro-V price differential - note 27.3	5,322,984	1,175,525
HSD Premium Differential - note 27.4	166,405	1,182,948
	91,906,389	43,412,589

27.1 This includes Rs 16,202.78 million (2022: Rs 11,375.27 million) recovered from customers and payable as per Oil and Gas Regulatory Authority directives on account of custom duty on PMG and HSD.

27.2 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of differential between price of PSO's imported 92 RON PMG and 91 RON PMG sold by the Company during the year.

27.3 This represents amount payable as per Oil and Gas Regulatory Authority directives on account of HSD Euro-III and V price differential claim.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

27.4 HSD premium differential as notified by OGRA is the difference of Pakistan State Oil's (PSO) weighted average premium (KPC premium) and average tendered premium used in pricing of HSD.

	2023 Rs '000	2022 Rs '000
28. COST OF SALES		
Opening stock of semi-finished products - note 21	4,192,253	2,448,840
Crude oil consumed - note 28.1	302,850,289	231,743,467
Transportation and handling charges	693,170	145,734
Salaries, wages and other benefits - note 28.2	1,807,223	1,279,525
Printing and stationery	5,036	2,068
Chemicals consumed	8,180,798	5,245,728
Fuel and power	8,746,521	8,057,220
Rent, rates and taxes	18,391	16,877
Telephone	3,135	2,373
Professional charges for technical services	11,379	10,249
Insurance	493,610	427,427
Repairs and maintenance (including stores and spares consumed Rs 386.05 million; 2022: Rs 257.51 million)	566,354	425,262
Staff transport and traveling	33,804	17,549
Cost of receptacles	32,352	21,865
Research and development	21,158	222
Depreciation - note 15.7	2,595,268	2,595,538
Security charges	38,541	26,620
Contract services	307,991	235,062
	330,597,273	252,701,626
Closing stock of semi-finished products - note 21	(3,521,438)	(4,192,253)
	327,075,835	248,509,373
Opening stock of finished products - note 21	9,646,632	4,442,826
Closing stock of finished products - note 21	(12,549,591)	(9,646,632)
	(2,902,959)	(5,203,806)
	324,172,876	243,305,567
28.1 Crude oil consumed		
Stock at beginning of the year - note 21	3,903,823	2,487,241
Purchases	303,483,857	233,160,049
	307,387,680	235,647,290
Stock at end of the year - note 21	(4,537,391)	(3,903,823)
	302,850,289	231,743,467

Certain crude oil and condensate purchases have been recorded based on provisional prices due to non-finalisation of Crude Oil Sale Purchase Agreements (COSA) and may require adjustment in subsequent periods.

28.2 Salaries, wages and other benefits under cost of sales, administration expenses and distribution costs include expenses in respect of Group's contribution to the Provident Fund of Rs 50.52 million (2022: Rs 41.21 million) and charge in respect of Pension and Gratuity Funds of Rs 107.05 million (2022: Rs 62.07 million).

		2023 Rs '000	2022 Rs '000
29.	**ADMINISTRATION EXPENSES**		
	Salaries, wages and other benefits - note 28.2	772,407	540,887
	Board meeting fee	14,296	9,794
	Transport, traveling and entertainment	38,877	1,594
	Telephone	3,126	3,056
	Electricity, gas and water	24,506	25,687
	Printing and stationery	11,588	6,758
	Auditor's remuneration - note 29.1	19,326	8,889
	Legal and professional charges	31,117	22,488
	Repairs and maintenance	121,887	100,522
	Subscription	41,731	32,282
	Publicity	8,533	6,302
	Scholarship scheme	4,483	3,360
	Rent, rates and taxes	32,229	12,850
	Insurance	2,417	2,268
	Donations - note 29.2	15,831	540
	Training expenses	3,906	363
	Depreciation - note 15.7	118,523	111,145
	Contract services	72,105	59,507
		1,336,888	948,292
29.1	**Auditor's remuneration**		
	Annual audit	3,232	2,943
	Review of half yearly financial statement, audit of consolidated financial statements, employee funds and special certifications	2,236	2,318
	Tax services	13,068	2,992
	Out of pocket expenses	790	636
		19,326	8,889

29.2 Donation of Rs 15,000 thousand (2022: Rs nil) was given to Prime Minister Flood Relief Fund 2022. Included in donation is Rs 291 thousand (2022: Rs nil) donated to Attock Sahara Foundation (ASF), a related party, sponsored by ARL. Interest of the Chief Executive Officer of ARL in ASF is limited to the extent of his involvement in ASF as President.

		2023 Rs '000	2022 Rs '000
30.	**DISTRIBUTION COSTS**		
	Salaries, wages and other benefits - note 28.2	69,933	45,435
	Transport, traveling and entertainment	757	255
	Telephone	315	275
	Electricity, gas and water	5,333	5,719
	Printing and stationery	103	34
	Repairs and maintenance including packing and other stores consumed	12,015	17,731
	Rent, rates and taxes	1,074	985
	Depreciation - note 15.7	836	575
	Contract services	6,697	5,826
		97,063	76,835

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

		2023 Rs '000	2022 Rs '000
31.	**OTHER CHARGES**		
	Provision for slow moving store items	15,445	34,738
	Workers' Profit Participation Fund	2,482,505	822,215
	Workers' Welfare Fund	973,741	335,581
		3,471,691	1,192,534
32.	**OTHER INCOME**		
	Income from financial assets measured at amortized cost		
	Income on bank deposits	7,170,696	1,187,137
	Interest on delayed payments	908,743	553,631
		8,079,439	1,740,768
	Income from non - financial assets		
	Income from crude desalter operations - note 32.1	5,655	1,702
	Rental income	124,093	111,897
	Sale of scrap	2,704	17,026
	Amortization of deferred grant	670	670
	Profit on disposal of operating assets	11,223	22,778
	Calibration charges	2,724	3,955
	Handling and service charges	87,428	91,688
	Penalties from carriage contractors	862	1,561
	Miscellaneous - note 32.2	21,214	15,881
		256,573	267,158
		8,336,012	2,007,926
32.1	**Income from crude desalter operations**		
	Income	207,555	67,530
	Less: Operating costs		
	Salaries, wages and other benefits	6,319	2,060
	Chemicals consumed	7,863	2,564
	Fuel and power	125,742	40,997
	Repairs and maintenance	61,976	20,207
		201,900	65,828
		5,655	1,702

32.2 This mainly includes income from laboratory testing services.

33.	**FINANCE COSTS**		
	Exchange loss - net	2,217,972	2,218,642
	Interest on long term financing measured at amortized cost	81,422	930,000
	Interest on short term financing measured at amortized cost	3,132	69,369
	Interest on Workers' Profit Participation Fund	1,013	-
	Interest on lease liability measured at amortized cost	11,478	75,200
	Bank and other charges	613	806
		2,315,630	3,294,017

		2023 Rs '000	2022 Rs '000
34.	**TAXATION**		
	Current tax	14,575,972	1,675,962
	Deferred tax	3,629,158	4,528,078
		18,205,130	6,204,040
34.1	**Relationship between tax expense and accounting profit (refinery operations)**		
	Accounting profit before taxation	46,262,799	15,333,451
	Tax at applicable tax rate of 29% (2022: 29%)	13,416,212	4,446,701
	Tax effect of income taxable at special rates	(5,511)	(10,508)
	Effect of change in tax rate	87,475	117,599
	Effect of super tax	4,765,825	1,645,931
	Others	(58,871)	4,317
		18,205,130	6,204,040

35. INTEREST IN SUBSIDIARY

AHL is a wholly owned subsidiary of ARL as at June 30, 2023. The principal activities of the AHL are provision of medical services to the employees of the Group Companies as well as private patients. AHL was incorporated in Pakistan and its principal place of business is Morgah, Rawalpindi in Pakistan. There are no significant restrictions on Company's ability to use assets, or settle liabilities of AHL.

35.1 Following is the summarised financial information of the subsidiary. The amounts disclosed are before inter-company eliminations:

	2023 Rs '000	2022 Rs '000
Summarised statement of financial position		
Current assets	150,773	104,993
Non-current assets	52,593	42,751
Current liabilities	(35,624)	(34,402)
Non-current liabilities	(5,283)	(6,862)
Net assets	162,459	106,480
Summarised statements of profit or loss and other comprehensive income		
Revenue	259,109	202,474
Expenses and taxation	(211,266)	(170,057)
Profit after tax for the year	47,843	32,417
Other comprehensive income/(loss)	8,135	(15,690)
Total comprehensive income for the year	55,978	16,727
Summarised statement of cash flows		
Cash flows from operating activities	46,630	34,445
Cash flows from investing activities	(7,674)	(2,449)
Cash flows from financing activities	(1,261)	(1,148)
	37,695	30,848

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

36. SHARE IN PROFIT OF ASSOCIATED COMPANIES

Share in profits of associated companies is based on the audited financial statements of the associated companies for the year ended June 30, 2023 and has been reflected net of taxation and applicable charges in respect of Workers' Profit Participation Fund and Workers' Welfare Fund. Taxation is based on presumptive tax rate applicable to dividend income from associated companies.

	2023 Rs '000	2022 Rs '000
37. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after taxation from refinery operations	28,057,669	9,129,411
Profit after taxation from non-refinery operations	2,612,104	3,822,827
	30,669,773	12,952,238
Weighted average number of fully paid ordinary shares ('000)	106,616	106,616
Earnings per share - Basic and Diluted (Rs)		
Refinery operations	263.17	85.63
Non-refinery operations	24.50	35.86
Earnings per share	287.67	121.49

38. EMPLOYEES' DEFINED BENEFIT PLANS

The latest actuarial valuation of the employees' defined benefit plans was conducted at June 30, 2023 using the projected unit credit method. Details of the defined benefit plans are:

	Funded pension		Funded gratuity	
	2023	2022	2023	2022
	Rs '000		Rs '000	
a) The amounts recognised in the consolidated statement of financial position:				
Present value of defined benefit obligations	1,694,064	1,442,498	676,828	634,432
Fair value of plan assets	(1,660,475)	(1,298,571)	(625,231)	(454,032)
Net liability	33,589	143,927	51,597	180,400
b) The amounts recognised in the consolidated statement of profit or loss:				
Current service cost	33,827	27,398	30,297	25,472
Net interest cost/(income)	17,920	(2,920)	25,015	11,099
	51,747	24,478	55,312	36,571
c) Movement in the present value of defined benefit obligation:				
Present value of defined benefit obligation at beginning of the year	1,442,498	1,187,158	634,432	578,667
Current service cost	33,827	27,398	30,297	25,472
Interest cost	191,059	118,636	78,170	54,442
Benefits paid	(71,808)	(62,131)	(134,388)	(82,036)
Benefits payable to outgoing member	-	(358)	(10,487)	(2,085)
Remeasurement loss on defined benefit obligation	98,488	171,795	78,804	59,972
Present value of defined benefit obligation at end of the year	1,694,064	1,442,498	676,828	634,432

		Funded pension		Funded gratuity	
		2023	2022	2023	2022
		Rs '000		Rs '000	
d)	**Movement in the fair value of plan assets:**				
	Fair value of plan assets at beginning of the year	1,298,571	1,217,790	454,032	465,338
	Expected return on plan assets	173,139	121,556	53,155	43,343
	Contributions	170,420	23,138	216,808	29,754
	Benefits paid	(71,808)	(62,131)	(134,388)	(82,036)
	Benefits payable to outgoing member	-	(358)	(10,487)	(2,085)
	Remeasurement gain/(loss) of plan assets	90,153	(1,424)	46,111	(282)
	Fair value of plan assets at end of the year	1,660,475	1,298,571	625,231	454,032

The Group expects to contribute Rs 90.70 million during the year ending June 30, 2024 to its defined benefit pension and gratuity plans.

		Funded pension		Funded gratuity	
		2023	2022	2023	2022
		Rs '000		Rs '000	
e)	**Plan assets comprise of:**				
	Investment in equity securities	107,882	111,845	5	6
	Investment in mutual funds	9,013	11,372	3,078	3,791
	Debt instruments	1,511,922	1,258,650	601,665	439,201
	Deposits with banks	31,246	26,540	20,384	36,237
	Others	412	457	99	-
	Share of asset of related parties	-	(110,293)	-	(25,203)
		1,660,475	1,298,571	625,231	454,032

f) The expected return on plan assets is based on the market expectations and depend upon the asset portfolio of the Funds, at the beginning of the year, for returns over the entire life of the related obligations.

		Funded pension		Funded gratuity	
		2023	2022	2023	2022
		Rs '000		Rs '000	
g)	**Remeasurement (loss)/gain recognised in OCI:**				
	Remeasurement loss on obligation				
	Loss due to change in:				
	Financial assumptions	(26,895)	(25,864)	(972)	(929)
	Experience adjustments	(71,593)	(145,931)	(77,832)	(59,043)
		(98,488)	(171,795)	(78,804)	(59,972)
	Remeasurement gain/(loss) on plan assets	90,153	(1,424)	46,111	(282)
		(8,335)	(173,219)	(32,693)	(60,254)
h)	**Principal actuarial assumptions used in the actuarial valuation are as follows:**				
	Discount rate	16.25%	13.25%	16.25%	13.25%
	Expected return on plan assets	16.25%	13.25%	16.25%	13.25%
	Future salary increases	15.25%	12.25%	15.25%	12.25%
	Future pension increases	10.25%	7.25%	N/A	N/A
	Demographic assumptions				
	Rates of employee turnover	4.6%-14%	4.6%-14%	4.6%-14%	4.6%-14%
	Mortality rates	SLIC (2001 -05)-1 year	SLIC (2001-05)-1 year	SLIC (2001-05)-1 year	SLIC (2001-05)-1 year

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

i) Sensitivity Analysis:

The calculation of defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/(decreased) as a result of a change in respective assumptions by one percent.

	Funded pension		Funded gratuity	
	Effect of 1 percent increase on obligation	Effect of 1 percent decrease on obligation	Effect of 1 percent increase on obligation	Effect of 1 percent decrease on obligation
	Rs '000		Rs '000	
Discount rate	(185,853)	222,296	(34,442)	38,559
Future salary growth	60,184	(57,759)	38,559	(35,011)
Pension increase	161,964	(143,198)	N/A	N/A

If the life expectancy increase/decrease by 1 year, the impact on defined benefit obligation would be Rs 18.18 million.

The above sensitivity analysis are based on the changes in assumptions while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant assumptions the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied when calculating the liability recognized within the consolidated statement of financial position.

j) Projected benefit payments from fund are as follows:

	Pension	Gratuity
	Rs '000	
FY 2024	41,142	142,354
FY 2025	92,012	132,911
FY 2026	107,270	99,603
FY 2027	126,052	78,790
FY 2028	145,781	77,789
FY 2029-34	1,128,327	635,023

k) The weighted average number of years of defined benefit obligation is given below:

	Pension	Gratuity
	Years	
Plan Duration		
June 30, 2023	11.03	5.05
June 30, 2022	11.10	4.57

l) The Group contributes to the gratuity and pension funds on the advice of the fund's actuary. The contributions are equal to the current service cost with adjustment for any deficit.

m) The Group faces following risks on account of defined benefit plans;

Final salary risk: The risk that the final salary at the time of cessation of service is greater than what the group has assumed. Since, the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Asset volatility/investment risk: There is no significant risk associated with the plan assets, as significant component thereof comprises of fixed interest rate bearing TDR's and saving accounts with financial institutions having satisfactory credit ratings. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation: The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans bond holdings.

Risk of insufficiency of assets: This is managed by making regular contribution to the fund as advised by the actuary.

39. DEFINED CONTRIBUTION PLAN

Investments out of provident fund have been made in accordance with the provisions of section 218 of Companies Act 2017, and applicable rules for the purpose.

40. OPERATING SEGMENTS

These consolidated financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Group are as follows:

	2023 Rs '000	2022 Rs '000
High Speed Diesel	166,550,852	103,939,471
Premier Motor Gasoline	187,523,170	116,244,396
Furnace Fuel Oil	47,783,775	45,530,127
Jet Petroleum	42,573,831	25,823,376
Naphtha	295,374	1,731,233
Others	16,552,480	12,251,205
	461,279,482	305,519,808
Less: Taxes, duties, levies, discount and price differential	91,906,389	43,412,589
	369,373,093	262,107,219

Revenue from four major customers of the Group constitute 93% (2022: 94%) of total revenue during the year.

41. RELATED PARTY TRANSACTIONS

41.1 The Attock Oil Company Limited holds 61.06% (2022: 61.06%) shares of the Company at the year end. Therefore, all subsidiaries and associated undertakings of The Attock Oil Company Limited are related parties of the Group. The related parties also comprise of directors, major shareholders, key management personnel, entities over which the directors are able to exercise significant influence on financial and operating policy decisions and employees' funds. Amount due from and due to these undertakings are shown under receivables and payables. The remuneration of Chief Executive Officer, directors and executives is disclosed in note 42 to the financial statements.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
Associated companies		
Pakistan Oilfields Limited (POL)		
Rental income	2,069	1,704
Rental expense	2,955	2,908
Sale of hospital and medical services to POL	19,396	16,974
Sale of goods	4,481	8,687
Sale of Regulated Petroleum Products	33,629	19,763
Sale of De-regulated Petroleum Products	277,503	208,942
Purchase of crude oil	32,906,949	28,337,768
Purchase of gas	12,983	9,862
Pipeline Charges	2,578	2,952
Reimbursement of expenses incurred by POL on behalf of the Company	669	1,058
Reimbursement of expenses incurred by the Company on behalf of POL	14,813	11,634
LPG Handling Charges	552	497
Attock Petroleum Limited (APL)		
Rental income	1,811	1,732
Interest Income on delayed payments	908,743	553,631
Dividend received by the Company from APL	993,392	860,032
Sale of goods	12,259	12,352
Dividend paid to APL by the Company	17,900	-
Sale of hospital and medical services to APL	16,608	12,401
Sale of services	909	89
Sale of Regulated Petroleum Products	92,937,133	66,606,343
Sale of De-Regulated Petroleum Products	34,837,364	29,098,579
Purchase of Regulated Petroleum Products	1,462	33,335
Purchase of lube oil	6,216	3,027
Naphtha Export	3,861	23,769
Reimbursement of expenses incurred by the Company on behalf of APL	13,980	13,068
Reimbursement of expenses incurred by APL on behalf the Company	-	251
RFO Handling Charges	60,595	74,351
National Refinery Limited (NRL)		
Dividend received by the Company from NRL	299,874	199,916
Purchase of services	7,588	17,191
Reimbursement of expenses incurred by Company on behalf of the NRL	-	184
Reimbursement of expenses incurred by NRL on behalf of the Company	247	-
Attock Cement Pakistan Limited (ACPL)		
Sale of hospital and medical services to ACPL	49	40
Reimbursement of expenses incurred by ACPL on behalf of the Company	539	184

	2023 Rs '000	2022 Rs '000
Attock Gen Limited (AGL)		
Storage tank lease income	29,231	24,526
Land lease income	50,488	38,661
Dividend received by the Company from AGL	336,733	74,830
Sale of Regulated Petroleum Products	3,127	1,564
Sale of goods	37,257	21,496
Sale of hospital and medical services to AGL	1,895	1,449
Sale of services	522	378
Reimbursement of expenses incurred by the Company on behalf of AGL	22,187	18,948
National Cleaner Production Centre Foundation (NCPC)		
Rental income	3,581	3,328
Sale of hospital and medical services to NCPC	566	124
Sale of services	18,512	17,398
Sale of Regulated Petroleum Products	228	198
Purchase of services	5,724	3,888
Reimbursement of expenses incurred by the Company on behalf of NCPC	23,856	16,483
Attock Information Technology Services (Private) Limited (AITSL)		
Purchase of services	62,212	55,479
Purchase of goods	4,728	4,370
Sale of Regulated Petroleum Products	1,118	575
Reimbursement of expenses incurred by the Company on behalf of AITSL	2,124	2,020
Attock Leisure & Management Associates (Private) Limited (ALMA)		
Sale of Regulated Petroleum Products	380	473
Rental income	87	-
Reimbursement of expenses incurred by the Company on behalf of ALMA	78	18
Attock Sahara Foundation (ASF)		
Rental income	136	150
Donation	291	-
Purchase of goods	14,377	12,402
Sale of hospital and medical services to ASF	1,715	1,134
Sale of goods	766	220
Sponsorship	965	1,111
Reimbursement of expenses incurred by the Company on behalf of ASF	169	1,046
Attock Energy (Private) Limited (AEPL)		
Purchase of goods and services	4,783	-
Sale of goods	272	263
Reimbursement of expenses incurred by the Company on behalf of AEPL	313	313

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
Capgas (Private) Limited		
Sale of Regulated Petroleum Products	1,618	969
Sale of hospital and medical services to Capgas	844	816
Reimbursement of expenses incurred by the Company on behalf of Capgas	87	31
Holding Company		
The Attock Oil Company Limited (AOC)		
Rental income	306	295
Rental Expense	264,924	161,726
Dividend paid to AOC by the Company	147,195	-
Purchase of crude oil	744,239	826,302
Sale of Regulated Petroleum Products	251	476
Sale of goods	4,849	5,250
Sale of hospital and medical services to AOC	143	127
Reimbursement of expenses incurred by AOC on behalf of the Company	1,634	2,581
Reimbursement of expenses incurred by the Company on behalf of AOC	909	2,340
Other related parties		
Remuneration including benefits and perquisites of		
Chief Executive Officer and key management personnel	152,051	118,683
Dividend paid to Chief Executive Officer and key management personnel	59	-
Directors Fees	14,296	9,794
Contribution to staff retirement benefits plans		
Staff Pension Fund	170,420	23,137
Staff Gratuity Fund	216,808	29,754
Staff Provident Fund	50,518	41,216
Contribution to Workers' Profit Participation Fund	2,482,505	822,215

41.2 Following are the related parties with whom the Group had entered into transactions or have arrangement/ agreement in place.

Sr. No.	Company Name	Basis of association	Aggregate % of shareholding
1	The Attock Oil Company Limited		
	(Incorporated in UK - Pakistan Branch Office)	Holding Company	61.06%
2	National Refinery Limited	Associated Company	25.00%
3	Attock Petroleum Limited	Associated Company	21.88%
4	Attock Gen Limited	Associated Company	30.00%
5	Attock Information Technology Services (Private) Limited	Associated Company	10.00%
6	Pakistan Oilfields Limited	Group Company	Nil
7	Attock Cement Pakistan Limited	Group Company	Nil
8	National Cleaner Production Centre Foundation	Group Company	Nil
9	Attock Leisure & Management Associates (Private) Limited	Group Company	Nil
10	Attock Energy (Private) Limited	Group Company	Nil
11	Capgas (Private) Limited	Group Company	Nil
12	Attock Sahara Foundation	Associated Undertaking	Nil

41.3 Associated Companies incorporated outside Pakistan with whom the Group had entered into transaction or had agreements are as follows:

Name of undertaking	The Attock Oil Company Limited
Country of Incorporation	England
Basis of association	Parent Company
Aggregate %age of Shareholding	61.06%

42. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the accounts for remuneration, including benefits and perquisites, are as follows:

	Chief Executive Officer		Executives	
	2023 Rs '000	2022 Rs '000	2023 Rs '000	2022 Rs '000
Managerial remuneration/honorarium	13,762	13,181	327,002	169,809
Bonus	7,870	3,407	149,432	32,061
Company's contribution to Provident,				
Pension and Gratuity Funds	-	-	62,672	36,597
Housing and utilities	10,094	8,663	269,707	130,141
Leave passage	1,703	1,703	21,727	16,115
	33,429	26,954	830,540	384,723
Less: charged to Attock Gen Limited	9,688	8,086	-	-
	23,741	18,868	830,540	384,723
No of person(s)	1	1	146	78

42.1 In addition to above, the Chief Executive Officer and 19 (2022: 20) executives were provided with limited use of the Group's cars. The Chief Executive Officer and all executives were provided with medical facilities. Limited residential telephone facility was also provided to the Chief Executive Officer and 24 (2022: 16) executives. Leave passage is paid to Chief Executive Officer and all executives in accordance with the terms of employment.

42.2 Further, based on actual attendance, meeting fee of Rs 9.71 million (2022: Rs 6.99 million) was paid to 5 (2022: 5) Non-Executive Directors, Rs 1.94 million (2022: Rs 1.40 million) to Chief Executive Officer and Rs 2.65 million (2022: Rs 1.40 million) to 2 (2022: 1) alternate directors of the Group.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
43. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT		
43.1 Financial assets and liabilities		
Financial assets classified as amortised cost:		
Maturity upto one year		
Trade debts	39,513,594	30,279,029
Loans, advances, deposits & other receivables	2,321,558	1,816,012
Short term investment	14,139,114	-
Cash and bank balances		
Foreign currency - US $	133,972	95,505
Local currency	15,114,734	24,743,125
Maturity after one year		
Long term loans and deposits	47,783	43,281
	71,270,755	56,976,952
Financial liabilities classified as amortised cost:		
Maturity upto one year		
Trade and other payables	37,571,695	49,400,147
Unclaimed/unpaid dividends	11,800	9,254
Long term financing	-	2,200,000
Short term financing	-	2,500,000
Lease liability	-	157,404
Accrued mark-up on long term financing	-	170,966
Accrued mark-up on short term financing	-	31,146
Maturity after one year		
Long term financing	-	2,504,914
	37,583,495	56,973,831

43.2 Credit quality of financial assets

The credit quality of Group's financial assets have been assessed below by reference to external credit ratings of counterparties determined by The Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited (JCR-VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any defaults in meeting obligations.

	Rating	2023 Rs '000	2022 Rs '000
Trade debts			
Counterparties with external credit rating	A 1+	13,615,029	8,717,849
Counterparties without external credit rating			
Due from associated companies		18,354,093	15,838,265
Others *		7,544,472	5,722,915
		39,513,594	30,279,029

* These balances represent receivable from oil marketing companies and defence agencies.

	Rating	2023 Rs '000	2022 Rs '000
Loans, advances, deposits and other receivables			
Counterparties without external credit rating		2,369,341	1,859,293
Bank balances			
Counterparties with external credit rating			
	A 1+	15,245,551	24,835,945
	A 1	612	579
		15,246,163	24,836,524
Short Term Investment	A 1+	14,139,114	-

43.3 Financial risk management

43.3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies.

a) Credit risk

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

The Group's credit risk is primarily attributable to its trade debts, short term investment and balances at banks. Credit sales are essentially to oil marketing companies and reputable foreign customers. The Group maintains investment and balances with banks having satisfactory credit rating. Due to the high credit worthiness of counter parties the credit risk is considered minimal. The maximum exposure to credit risk at reporting date was:

	2023 Rs '000	2022 Rs '000
Trade debts	39,513,594	30,279,029
Loans, advances, deposits & other receivables	2,321,558	1,816,012
Cash and bank balances	15,248,706	24,838,630
Short term investment	14,139,114	-
Long term loans and deposits	47,783	43,281
	71,270,755	56,976,952

Geographically, there is no concentration of credit risk.

The maximum exposure to credit risk for trade debts at the reporting date are with local OMCs within the Country. As at June 30, 2023 more than 90% of the receivable pertains to major four OMCs with whom the Group has regular sales. There is no history of defaults with these customers and the management regularly monitors their credit quality based on individual credit ratings available for each listed customer.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

Ageing analysis of trade debts not impaired at reporting date is as follows:

	2023 Rs '000	2022 Rs '000
Not Due	37,791,854	22,699,393
Past Due		
0 to 6 months	1,721,740	7,579,636
6 to 12 months	-	-
Above 12 months	-	-
	39,513,594	30,279,029

Based on past experience, the management believes that no impairment allowance is necessary in respect of trade debts.

b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group uses different methods which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group maintains lines of credit as mentioned in note 11 to the consolidated financial statements.

The table below analyses the contractual maturities of the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the maturity date. The amounts disclosed in the table are undiscounted cash flows.

	Carrying amount	Contractual cash flows	Less than 1 Year	Above 1 year
	Rs '000	Rs '000	Rs '000	Rs '000
At June 30, 2023				
Trade and other payables	37,571,695	37,571,695	37,571,695	-
Unpaid dividend	503,762	503,762	503,762	-
Unclaimed dividends	11,800	11,800	11,800	-
At June 30, 2022				
Long term financing	4,875,880	5,550,926	2,816,414	2,734,512
Accrued interest on long term financing	170,966	170,966	170,966	-
Lease liability	157,404	157,404	157,404	-
Trade and other payables	49,400,147	49,400,147	49,400,147	-
Short term financing	2,500,000	2,500,000	2,500,000	-
Unclaimed dividends	9,254	9,254	9,254	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

c) Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Group incurs financial liabilities to manage its market risk. All such activities are carried out with the approval of the Board. The Group is exposed to interest rate risk, currency risk and market price risk.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. Financial assets include Rs 134 million (2022: Rs 96 million) and financial liabilities include Rs 2,526 million (2022: Rs 4,105 million) which were subject to currency risk.

	2023	2022
Rupees per USD		
Average rate	248.63	178.00
Reporting date rate	286.40	205.30

Sensitivity analysis

At June 30, 2023, if the currency had weakened/strengthened by 10% against US dollar with all other variables held constant, profit after tax for the year would have been Rs 146 million (2022: Rs 285 million) lower/higher.

ii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has no long term interest bearing financial assets whose fair value or future cash flows will fluctuate because of changes in market interest rates. Financial assets and liabilities include balances of Rs 29,373 million (2022: Rs 24,827 million) and Rs 4,940 million (2022: Rs 8,948 million) respectively, which are subject to interest rate risk. Applicable interest rates for financial assets and liabilities have been indicated in respective notes.

Sensitivity analysis

At June 30, 2023, if interest rates had been 1% higher/lower with all other variables held constant, profit after tax for the year would have been Rs 149 million (2022: Rs 113 million) higher/lower, mainly as a result of higher/lower interest income/expense from these financial assets and liabilities.

iii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

At the year end the Group is not exposed to price risk since there are no financial instruments, whose fair value or future cash flows will fluctuate because of changes in market prices.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

43.3.2 Capital risk management

The objective of the Group is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and the level of dividend to ordinary shareholders. There was no change to the Group's approach to the capital management during the year.

The Group is subject to pricing formula whereby profits after tax from refinery operations in excess of 50% of the paid up capital as of July 1, 2002 are transferred to special reserve and can only be utilized to offset against any future losses or to make investment for expansion or upgradation and is therefore not available for distribution.

The Group finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. In addition, the Group also monitors its gearing ratio, which as at the year end is as follows:

	2023 Rs '000	2022 Rs '000
Long term financing	-	4,704,914
Accrued mark-up	-	170,966
Lease liabilities	-	157,404
Trade and other payables	56,962,918	69,671,582
Short term financing	-	2,500,000
Cash and cash equivalents	(28,037,622)	(23,511,516)
Net debt	28,925,296	53,693,350
Issued, subscribed and paid-up capital	1,066,163	1,066,163
Capital reserve	39,033,934	13,283,491
Revenue reserve	27,265,509	23,279,478
Total capital	67,365,606	37,629,132
Capital and net debt	96,290,902	91,322,482
Gearing ratio	30%	59%

Reconciliation of movement of liabilities to cash flow arising from financing activities

	Long term financing (including accrued markup)	Lease liability	Unpaid/ Unclaimed dividends	Accrued mark-up on short term financing	Bank balances under lien	Total
	Rs '000					
Balance at July 1, 2022	4,875,880	157,404	9,254	31,131	-	5,073,669
Cash flow movement	(4,957,302)	(245,911)	(559,855)	(35,904)	(23,084)	(5,822,056)
Other non-cash movements	81,422	88,507	1,066,163	4,773	-	1,240,865
Balance at June 30, 2023	-	-	515,562	-	(23,084)	492,478
Balance at July 1, 2021	7,844,815	342,231	9,302	16,191	-	8,212,539
Cash flow movement	(3,898,935)	(144,581)	(48)	(55,219)	-	(4,098,783)
Other non-cash movements	930,000	(40,246)	-	70,159	-	959,913
Balance at June 30, 2022	4,875,880	157,404	9,254	31,131	-	5,073,669

43.4 Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. For instruments carried at amortized cost, since the majority of the interest bearing investments are variable rate based instruments, there is no difference in carrying amount and the fair value. Further, for fixed rate instruments, since there is no significant difference in market rate and the rate of instrument and therefore most of the fixed rate instruments are short term in nature, fair value significantly approximates to carrying value.

43.5 Fair value of financial assets and liabilities

The carrying values of financial assets and liabilities approximate their fair value.

44. FAIR VALUE HIERARCHY

Fair value of land

Valuation of the freehold land owned by the Group was valued by independent valuers to determine the fair value of the land as at June 30, 2023. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of freehold land'. The different levels have been defined as follows:

- **Level 1**
  Quoted prices (unadjusted) in active market for identical assets/liabilities.
- **Level 2**
  Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- **Level 3**
  Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Fair value of land has been determined using level 2 fair values under following valuation technique.

Level 2 fair value of land has been derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot and a slight change in the estimated price per square foot of the land would result in a significant change in the fair value of the freehold land.

There has been no change to the valuation technique during the year.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

	2023 Rs '000	2022 Rs '000
45. CASH GENERATED FROM OPERATIONS		
Profit before taxation	50,568,373	20,412,776
Adjustments for:		
Depreciation	2,714,627	2,707,258
Gain on disposal of operating assets	(11,223)	(22,778)
Provision for slow moving, obsolete and in transit stores	15,445	34,738
Workers' Welfare Fund	973,741	335,581
Workers Profit Participation Fund	2,482,505	822,215
Amortization of deferred grant	(670)	(670)
Interest income	(7,170,696)	(1,187,137)
Finance cost - net	2,315,630	3,294,017
Effect of exchange rate changes	38,466	22,011
Interest on delayed payments	(908,743)	(553,631)
Share of profit in associates including other comprehensive income/(loss)	(2,140,762)	(7,061,150)
Impairment (reversal)/loss on investment in associated company	(2,164,812)	1,981,825
Impairment charge/(reversal) on financial asset	52,158	(35,551)
	46,764,039	20,749,504
Working capital changes		
(Increase)/decrease in current assets:		
Stores, spares and loose tools	(1,753,476)	(288,978)
Stock-in-trade	(2,869,483)	(8,364,447)
Trade debts	(9,231,120)	(17,042,746)
Loans, advances, deposits, prepayments and other receivables	365,981	90,261
	(13,488,098)	(25,605,910)
(Decrease)/Increase in current liabilities:		
Trade and other payables	(15,483,068)	21,840,238
Cash generated from operations	17,792,873	16,983,832
Payments of WPPF and WWF	(3,017,352)	(740,048)
Income taxes paid	(9,796,968)	(953,280)
	(12,814,320)	(1,693,328)
Net cash generated from operating activities	4,978,553	15,290,504

		2023 Rs '000	2022 Rs '000
46.	**CASH AND CASH EQUIVALENTS**		
	Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:		
	Cash and bank balances	15,248,706	24,838,630
	Short term financing	-	(2,500,000)
	Short term investment	14,139,114	-
		29,387,820	22,338,630
	Bank balances under lien - note 25.3	(1,350,198)	(1,327,114)
		28,037,622	21,011,516

47. DISCLOSURE FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under Paragraph 10 of Part I of the 4th Schedule to the Companies Act, 2017 relating to "All Shares Islamic Index".

	Description	Explanation
i)	Loans obtained as per Islamic mode	Disclosed in note 8
ii)	Security deposits	Non-interest bearing
iii)	Segment revenue	Disclosed in note 40
iv)	Relationship with banks having Islamic windows	Following is the list of banks with which the Group has a relationship with Islamic window of operations:
		1. Meezan Bank Limited
		2. AlBaraka Bank (Pakistan) Limited
		3. Dubai Islamic Bank

			2023 Rs '000	2022 Rs '000
v)	Bank balances	Placed under interest arrangement	15,236,137	24,826,799
		Placed under Shariah permissible arrangement	10,026	9,725
			15,246,163	24,836,524
vi)	Income on bank deposits including income accrued as at reporting date	Placed under interest arrangement	7,169,963	1,185,384
		Placed under Shariah permissible arrangement	733	1,753
			7,170,696	1,187,137
vii)	Interest paid including accrued as at reporting date	Placed under interest arrangement	64,476	770,039
		Placed under Shariah permissible arrangement	20,078	229,330
			84,554	999,369
viii)	Short term investment	Under interest arrangement	14,139,114	-
ix)	All sources of other income	Disclosed in note 32		
x)	Exchange gain	Earned from actual currency		

Disclosures other than above are not applicable to the Group.

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended June 30, 2023

48. GENERAL

48.1 Capacity and production

Against the designed annual refining capacity of US barrels 18.690 million (2022: 18.690 million) the actual throughput during the year was US barrels 14.484 million (2022: 14.717 million). The plant's operational capacity was maintained around 78% during the year to achieve production of an optimal product mix.

Total capacity of the hospital is 46 beds (2022: 46 beds).

	2023	2022
48.2 Number of employees		
Number of employees at June 30		
Permanent	623	556
Contract	277	338
	900	894
Average number of employees for the year		
Permanent	593	504
Contract	297	387
	890	891

48.3 Unavailed credit facilities

The Company has entered into an arrangement with banks for obtaining Letter of Credit (Sight) and Letter of Guarantee facility to import chemical, spare parts and other materials upto a maximum of Rs 6,753 million (2022: Rs 3,178 million). The facility is secured against lien on shipping documents. The unavailed facility at June 30, 2023 was Rs 4,007.52 million (2022: Rs 1,383.74 million). The facilities will expire on various dates after June 30, 2023. and the management is confident that the same would be renewed/extended if needed.

48.4 Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of better presentation in accordance with the accounting and reporting standards as applicable in Pakistan.

48.5 Non-adjusting event after the statement of financial position date

The Board of Directors in its meeting held on August 29, 2023 has proposed a cash dividend for the year ended June 30, 2023 @ Rs 12.50/- per share, amounting to Rs 1,332,703 thousand for approval of the members in the Annual General Meeting to be held on October 09, 2023.

48.6 Rounding off

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

49. DATE OF AUTHORISATION

These consolidated financial statements have been authorised for issue by the Board of Directors of the Company on August 29, 2023.

Syed Asad Abbas	M. Adil Khattak	Abdus Sattar
Chief Financial Officer	Chief Executive Officer	Director

Notice of Annual General Meeting

Notice is hereby given that the 45th Annual General Meeting of the Company will be held on October 09, 2023 at 11:30 a.m. at Attock House, Morgah, Rawalpindi and also through video link, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the separate and consolidated audited financial statements of the Company together with Directors' and Auditor's Reports for the year ended June 30, 2023.
2. To consider and if thought fit, approve the final cash dividend of 125% (Rs 12.50 per share) as recommended by the Board of Directors for the year ended June 30, 2023.
3. To appoint auditors for the year ending on June 30, 2024 and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolutions for circulation of Annual Audited Financial Statements through QR enabled code and web-link as an ordinary resolution:

   "**RESOLVED THAT** Attock Refinery Limited (the "Company") be and is hereby authorized to circulate its annual report, including the annual audited financial statements, auditor's report, Directors' report, Chairman's review report and other reports contained therein, to the members of the Company through QR enabled code and weblink, in accordance with S.R.O. 389(I)/2023 issued by the Securities and Exchange Commission of Pakistan, and that the practice of circulation of the annual report through CD/USB may be discontinued."

   "**FURTHER RESOLVED THAT** Company Secretary be and is hereby singly authorized to take and do all necessary actions, deeds and things which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution."

   (A Statement of material facts under Section 134(3) of the Companies Act, 2017 is annexed to this Notice).

5. To transact any other ordinary business of the Company with the permission of the Chairman.

By Order of the Board

Saif-ur-Rehman Mirza
Company Secretary

Registered Office:
The Refinery,
Morgah, Rawalpindi
September 18, 2023

Notice of Annual General Meeting

NOTES:

1. ONLINE PARTICIPATION IN THE ANNUAL GENERAL MEETING:

Securities & Exchange Commission of Pakistan through its Circular No. 4 dated February 15, 2021 has directed the listed companies to ensure the participation of members in General Meeting through electronic means as a regular feature in addition to holding physical meetings. Accordingly, the shareholders intending to participate in the meeting via video link are hereby requested to share following information with the Company Secretary office at the earliest but not later than 48 hours before the time of the AGM i.e. before 11:30 a.m. on October 07, 2023.

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	Mobile No.*	Email Address*

Shareholders are requested to provide their active mobile number and email address to ensure timely communication.

Modes of Communication:

The above mentioned information can be provided through following modes:

a) Mobile/WhatsApp: 0307-6660423

b) Email: 45agm@arl.com.pk

Video link details and login credentials (ZOOM Application) will be shared with those shareholders who have shown their intent to attend the meeting containing all the particulars as mentioned above on or before October 07, 2023 by 11:30 a.m.

2. FOR APPOINTING PROXIES:

i. A member entitled to attend, speak and vote may appoint any other person as his/her proxy to attend, speak and vote on his/her behalf. Proxies must be received at the Registered Office of the Company duly signed not later than 48 hours before the time of holding the meeting.

ii. The proxy form shall be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

iii. Attested copies of valid CNIC or the passport of the beneficial owners shall be furnished with the proxy form.

iv. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

v. Proxies attending meeting on behalf of members are also required to provide below information in case they will be attending the meeting through video link. Video link details and login credentials will be shared with proxy after verification.

Name of Proxy	CNIC No.	Folio No./CDC Account No.	Mobile No.	Email Address

3. VOTING THROUGH E-VOTING AND POSTAL BALLOT PAPER:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(1)/2022 dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Attock Refinery Limited (the "Company") will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on Monday, October 09, 2023, at 11.30 a.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

i) E-VOTING PROCEDURE

(a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company within due course.

(b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

(c) Identity of the members intending to cast vote through E-Voting shall be authenticated through authentication for login.

(d) E-Voting lines will start from October 05, 2023, 9:00 a.m. and shall close on October 08, 2023 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is casted by a member, he/she shall not be allowed to change it subsequently.

ii) POSTAL BALLOT

(a) Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.arl.com.pk

(b) The members shall ensure that duly filled and signed ballot paper, along with copy of valid Computerized National Identity Card (CNIC) or passport for foreign member and Board Resolution /Power of Attorney for body corporate, Corporation and Federal Government, should reach the Chairman of the meeting through post on the Company's registered address at P.O. Refinery Morgah, Rawalpindi (Attention of the Company Secretary) or e-mail at 45agm@arl.com.pk on or before, October 08, 2023, during working hours. The signature on the ballot paper shall match with the signature on CNIC / record of the Company. A postal ballot received after this time / date shall not be considered for voting.

4. COMPUTERIZED NATIONAL IDENTITY CARD NUMBER/NATIONAL TAX NUMBER:

In compliance with regulatory directives issued from time to time, members who have not yet provided their Computerized National Identity Card (CNIC) Numbers and/or National Tax Numbers (NTN), as the case may be, are requested to kindly provide copies of their valid CNIC and/or NTN certificates at the earliest:

- The shareholders who hold Company's shares in physical form are requested to submit the above information to the Share Registrar of the Company.
- Shareholders maintaining their shareholdings under Central Depository System (CDS) are advised to submit the above information directly to relevant Participant/CDC Investor Account Service.

5. DEDUCTION OF INCOME TAX FOR FILER AND NON-FILER:

The rates of deduction of income tax under Section 150 of the Income Tax Ordinance, 2001 from dividend payment will be as follows:

1.	Rate of tax deduction for shareholders appearing in Active Taxpayer List (ATL)	15%
2.	Rate of tax deduction for shareholders not appearing in Active Taxpayer List (ATL)	30%

In case of joint account, each holder is to be treated individually as appearing in ATL or not appearing in ATL and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if not so notified, each joint holder shall be assumed to have an equal number of shares.

Folio/CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
		Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

The CNIC/NTN number is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued and updated by the Federal Board of Revenue (FBR) in a timely manner.

6. EXEMPTION FROM DEDUCTION OF INCOME TAX/ZAKAT:

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

7. CLOSURE OF SHARE TRANSFER BOOKS:

The share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from October 03, 2023 to October 09, 2023 (both days inclusive). Transfers received in order at the office of Share Registrar M/s CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, Pakistan at the close of business on October 02, 2023 will be treated in time for the purpose of Annual General Meeting.

8. CIRCULATION/TRANSMISSION OF ANNUAL REPORTS THROUGH ELECTRONIC FORM:

The Company has circulated annual financial statements to its members through CD/DVD at their registered address. Printed copy of above referred statements can be provided to members upon request. Request Form is available on the website of the Company i.e. www.arl.com.pk.

Notice of Annual General Meeting

9. CONSENT FOR VIDEO CONFERENCE FACILITY:

In accordance with Section 132 (2) of the Companies Act, 2017 if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 7 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility a request is to be submitted to the Company Secretary on given address:

The Company Secretary,
Attock Refinery Limited,
The Refinery,
Morgah, Rawalpindi.

10. CHANGE OF ADDRESS:

Members are requested to promptly notify any change of address to the Company's Share Registrar.

11. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE:

The audited financial statements of the Company for the year ended June 30, 2023 have been made available on the Company's website www.arl.com.pk in addition to annual and quarterly financial statements for the prior years.

12. PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE (MANDATORY):

In accordance with the section 242 of the Companies Act, 2017 cash dividend can only be paid through electronic mode directly into the respective bank account designated by the entitled shareholder. Shareholders are requested to provide their bank account details (IBAN format) directly to our Share Registrar (for physical shares) or to their respective participant/broker (for CDS shares) as the case may be. Form for updating of bank account details (IBAN Format) is available at Company's website i.e. www.arl.com.pk.

In the absence of bank account details or in case of incomplete details, the Company will be constrained to withhold the payment of cash dividend of those shareholders who have not provided the same.

13. UNCLAIMED DIVIDEND AND UNDELIVERED SHARE CERTIFICATES:

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law.

Shareholders, whose dividends still remain unclaimed and/or undelivered share certificates are available with the Company, are hereby once again requested to approach the Company to claim their outstanding dividend amounts and/or undelivered share certificates.

14. DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNT:

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017. Further, SECP vide its letter dated March 26, 2021 has advised to comply Section 72 of the Act and encourage shareholders to convert their shares in book entry form.

In light of above, the shareholders having physical shareholding are requested to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

Statement of Material Facts under Section 134(3) of the Companies Act, 2017

The Securities and Exchange Commission of Pakistan ("SECP") through its Notification No. S.R.O 389(1)/2023 dated March 21, 2023, has allowed companies to circulate the annual balance sheet and profit and loss account, auditor's report and directors report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink.

The approval of the shareholders has to be obtained in the general meeting to circulate the annual audited financial statements to its members through QR enabled code and weblink.

A shareholder may request the Company Secretary or Share Registrar of the Company to provide a hard copy of Annual Audited Accounts, and the same will be provided at shareholder's registered addresses, free of cost within one week of the demand. In this regard, the Company's designated email address/Share Registrar email address will be placed on website of the Company. A shareholder may also prefer to receive hard copies for all future Annual Audited Accounts.

Ballot Paper

ATTOCK REFINERY LIMITED

ARL

POSTAL BALLOT PAPER

for voting through post for the Special Business at the Annual General Meeting to be held on Monday, October 09, 2023, at 11.30 AM . at Attock House, Morgah, and Rawalpindi.
Phone: 051-5487041-45, Website: www.arl.com.pk.

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and Federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution For Agenda Item No. 4

To consider and, if thought fit, to pass the following resolutions for circulation of Annual Audited Financial Statements through QR enabled code and web-link as an ordinary resolution:

RESOLVED THAT Attock Refinery Limited (the "Company") be and is hereby authorized to circulate its annual report, including the annual audited financial statements, auditor's report, Directors' report, Chairman's review report and other reports contained therein, to the members of the Company through QR enabled code and weblink, in accordance with S.R.O. 389(I)/2023 dated March 21, 2023 issued by the Securities and Exchange Commission of Pakistan, and that the practice of circulation of the annual report through CD / USB may be discontinued."

FURTHER RESOLVED THAT Company Secretary be and is hereby singly authorized to take and do all necessary actions, deeds and things which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution.

Instructions For Poll

1. Please indicate your vote by ticking (√) the relevant box.
2. In case if both the boxes are marked as (√), your poll shall be treated as **"Rejected"**.

I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution For Agenda Item No. 4		

Notes:

Duly filled postal ballot should be sent to

1. Chairman of the meeting through post at P.O. Refinery Morgah, Rawalpindi (Attention of the Company Secretary) or e-mail at
   45agm@arl.com.pk
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within business hours by or before **October 08, 2023.** Any postal Ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper form has also been placed on the website of the Company at: **www.arl.com.pk.** Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.

Date ____________

____

Shareholder / Proxy holder Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)

کرنسی کی قدر میں بڑے پیمانے پر کمی، مہنگائی اور شرح سود میں اضافے کی وجہ سے ملک کا کاروباری ماحول بہت مشکل ہو گیا ہے۔ جبکہ انتظامیہ نے ان چیلنجز سے نمٹنے کے لیے فعال اقدامات کیے ہیں ہم پُر امید کہ حکومت کی جانب سے معیشت کو خود کفیل ترقی کی راہ پر گامزن کرنے اور معاشی استحکام کو دوبارہ حاصل کرنے کے لیے ضروری اقدامات کیے جائیں گے۔

کمپنی اعلیٰ معیار کے متنوع ماحول دوست توانائی کے وسائل فراہم کرنے اور جدید ترین ٹیکنالوجیز اور بہترین انسانی وسائل کے بہترین امتزاج کے استعمال کے لیے پر عزم ہے۔

۲۹۔ اظہارِ تشکر:

بورڈ آف ڈائریکٹرز انتظامیہ اور اپنے ملازمین کے کام سے مسلسل وابستگی پر شکر گزار ہیں۔ بورڈ پوری کمپنی کو تعاون کرنے میں ہمارے صارفین، سپلائرز، وزارت توانائی کے غیر معمولی تعاون کو تسلیم کرنا چاہتا ہے اور مستقبل میں ان کی مسلسل مدد کا منتظر ہے۔

بورڈ کی جانب سے

عبدالستار
ڈائریکٹر

ایم عادل خٹک
چیف ایگزیکٹو آفیسر

۲۹ اگست ۲۰۲۳

راولپنڈی

ڈائریکٹرز کی رپورٹ

مندرجہ ذیل افراد سال کے دوران اے ایچ ایل کے ڈائریکٹر تھے۔

نمبر شمار	ڈائریکٹرز کے نام	عہدہ
ا۔	جناب شعیب اے ملک	ڈائریکٹر اور چیئرمین
۲۔	جناب ایم عادل خٹک	ڈائریکٹر
۳۔	جناب رحمتُ اللہ بڑدائی	ڈائریکٹر

سال کے دوران ڈاکٹر محمد افتخار کو ۲۷ دسمبر ۲۰۲۳ کو ختم ہونے والی مدت کے لیے چیف ایگزیکٹو آفیسر (ایگزیکٹیو ڈائریکٹر) کے طور پر دوبارہ تعینات کیا گیا۔

اے ایچ ایل انتظامیہ کو فوری طور پر کوئی خطرہ یا غیر یقینی کی صورتحال نظر نہیں آرہی ہے کیونکہ اِرد گرد کے علاقے میں کوئی مسابقتی ہسپتال دستیاب نہیں ہے جو مریضوں کی تعداد کو متاثر کرے۔

اندرونی کنٹرول کا نظام مضبوط بنیادوں پر استوار ہے اور موثر طریقے سے روبہ عمل ہے جس کی مسلسل نگرانی بھی کی جاتی ہے۔

اے ایچ ایل کو ۲۵ اپریل ۲۰۱۸ کو پنجاب ہیلتھ کیئر کمیشن ایکٹ ۲۰۱۰ کے سیکشن ۱۳ کے تحت پنجاب ہیلتھ کیئر کمیشن کے ساتھ پرائیویٹ ہیلتھ کیئر اسٹیبلشمنٹ کے طور پر رجسٹر کیا گیا تھا۔

سال کے دوران اے ایچ ایل کی طرف سے حصص داران کیلئے کسی بھی منافع کی ادائیگی کا اعلان نہیں کیا گیا۔

آڈیٹر ز میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس **(M/s A.F. Ferguson & Co. Chartered Accountants)** ریٹائر ہو گئے اور ۳۰ جون ۲۰۲۴ کو ختم ہونے والے مالی سال کے لیے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے ایسی شرائط وضوابط اور معاوضہ جس کا تعین باہمی اتفاقِ رائے سے ہو اپنی خدمات کی پیشکش کی ہے۔

اٹک ریفائنری لمیٹڈ کے پاس اٹک ہسپتال (پرائیویٹ) لمیٹڈ کے ۱۰۰٪ حصص ہیں۔

۲۷۔ یکجا گوشوارے: (CONSOLIDATED ACCOUNTS)

کمپنی کے یکجا گوشوارے (Consolidated Accounts) منسلک ہیں۔ سال کے دوران کمپنی کا یکجا منافع ٹیکس ادا کرنے کے بعد ۳۰,۶۷۰ ملین روپے رہا (۳۰ جون ۲۰۲۲: ۱۲,۹۵۲ ملین روپے کا منافع) یعنی کہ یکجا فی حصص منافع ۲۸۷.۶۷ روپے رہا (۳۰ جون ۲۰۲۲: ۱۲۱.۴۹ فی حصص)۔

۲۸۔ مستقبل کا منظرنامہ:

جیسا کہ پہلے ہی بات کی جا چکی ہے، کمپنی یورو-۵ (Euro-V) ایندھن کی تصریحات کو پورا کرنے کے لیے تجدید کے منصوبوں کو نافذ کرنے کے لیے پرعزم ہے۔ طویل انتظار کی ریفائننگ پالیسی کی منظوری نے کمپنی کے تجدید کے منصوبوں کی حمایت کی ہے۔ تاہم سرمایہ کاری کے سازگار ماحول کے ساتھ ساتھ مستقبل کی حکومتوں کی طرف سے پالیسی کا تسلسل بھی ضروری ہے۔

اے ایچ ایل کے مالیاتی نتائج برائے سال ۳۰ جون ۲۰۲۳ اختصار کے ساتھ مندرجہ ذیل ہیں:

	روپے ملین میں
ٹیکس سے پہلے منافع	٦٧.٨٦
مختص شُدہ ٹیکس	۲۰.۰۲
ٹیکس کے بعد منافع	۴۷.۸۴
فی حصص منافع (روپے میں)	۲۳۹.۲۲

ہسپتال کے آپریشنز سال بھر خوش اسلوبی سے جاری رہے۔ رواں سال کا اختتام بعد از اں ٹیکس منافع ۴۷.۸۴ ملین روپے کے منافع کے ساتھ ہوا۔ موجودہ سال کے اعداد و شمار منافع میں نمایاں اضافہ دیکھا گیا جو بنیادی طور پر طبی خدمات کے نرخوں پر نظر ثانی اور مریضوں کی تعداد میں اضافے کی وجہ سے ہے۔ سال کے دوران اے ایچ ایل کا سال کے لیے بیرونی مریضوں کا کل ٹرن اوور ۱۷٦,٦۷۳ (۲۰۲۲: ۱٦۱,۱۲۲) تھا۔ مریضوں کا ہسپتال میں داخل رہنے کا دورانیہ ٦,۰۵۸ دن رہا (۲۰۲۲: ۵,۴۲۰ دن) جو ۳٦٪ (۲۰۲۲: ۳۲٪) کی شرح سے داخلے کی نمائندگی کرتے ہیں۔ سال کے دوران کیے گئے کل تشخیصی ٹیسٹ ٦۲,۵۱۱ تھے (۲۰۲۲: ۵٦,۵۵۲)۔ آپریشن تھیٹر میں ہونے والی سرجریوں کی تعداد کم ہو کر ۹۵٦ ,ا ہو گئی (۲۰۲۲: ۲,۱۴۲)۔ آمدنی میں مجموعی طور پر تقریباً ۲۸٪ اضافہ ہوا۔
سال کے دوران اینڈوسکوپی کے طریقہ کار کو سروس میں شامل کیا گیا جو کہ آنے والے وقت میں آمدنی پیدا کرنے کا ذریعہ بن جائے گا۔

مزید برآں سال کی آخری سہ ماہی میں سولر پاور سسٹم نصب کیا گیا تھا جو مکمل طور پر کام کر رہا ہے اور مستقبل میں ہسپتال کی بجلی کی لاگت کو کم کرے گا۔

زیر جائزہ مدت کے دوران اے ایچ ایل نے ارد گرد کے علاقے کے کم مراعات یافتہ لوگوں کی ضروریات کو پورا کرنے کے لیے اقدامات کیے تھے۔ اس سلسلے میں اے ایچ ایل کی طرف سے قائم کردہ غریب مریض فنڈ سے ۸۲۵,۰۰۰ روپے کی مفت خدمات فراہم کیں۔ نوشہرہ میں سال کے دوران اٹک آئل کمپنی، ایس این جی پی ایل اور ڈی ایچ کیو نوشہرہ کی انتظامیہ کے تعاون سے تین میڈیکل کیمپ لگائے گئے۔ مذکورہ سرگرمی کا بنیادی مقصد سیلاب زدہ علاقوں میں صحت کی سہولیات فراہم کرنا تھا۔

کل ۷۴۳ مریضوں (۲٦۱ خواتین، ۳۰۲ بچے اور ۱۸۰ مرد) کا چیک اپ کیا گیا۔ انہیں مفت ادویات دی گئیں جس کا انتظام اٹک آئل کمپنی نے کیا تھا۔
سال کے دوران خون کے عطیہ کی مہم چلائی گئی جس میں خون کے ۲۹ بیگز جمع کیے گئے۔

مقامی کمیونٹی کو مزید فائدہ پہنچانے کے لیے اگلے سال کے دوران آنکھوں کی او پی ڈی (Ophthalmology OPD) شروع کرنے کا منصوبہ بنایا گیا ہے۔

ڈائریکٹرز کی رپورٹ

۲۱۔ آڈیٹرز:

آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور انھوں نے اگلے سال کے لیے اپنی خدمات کی پیشکش کی ہے۔ آڈٹ کمیٹی نے میسرز اے ایف فرگوسن اینڈ کمپنی کی اگلے مالی سال کے لیے، جس کا اختتام ۳۰ جون ۲۰۲۴ کو ہو گا ایسی شرائط وضوابط اور معاوضہ جس کا تعین باہمی اتفاقِ رائے سے ہو گا، بطور آڈیٹرز تقرری کی سفارش کی ہے۔ بورڈ آف ڈائریکٹرز نے بھی اس کی سفارش آئندہ ہونے والے سالانہ اجلاسِ عام میں حصص داران کی منظوری کے لیے کی ہے۔

۲۲۔ حصص داران کی تفصیل (PATTERN OF SHAREHOLDING):

کمپنی کے کل حصہ داروں کی تعداد ۳۰ جون ۲۰۲۳ کو ۶,۱۱۲ تھی جبکہ گزشتہ برس ۳۰ جون ۲۰۲۲ کو یہ تعداد ۶,۰۶۶ تھی۔ ۳۰ جون ۲۰۲۳ تک کی حصہ داران کی تفصیل (Pattern of Shareholding) اس سالانہ رپورٹ کے ساتھ منسلک ہے۔ کمپنی کے حصص میں ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر اور کمپنی سیکرٹری اور ان کے ازواج اور چھوٹے بچوں کی جانب سے کئے گئے ہر لین دین، اگر کوئی ہو، ان کی تفصیل رپورٹ کے ہمراہ منسلک ہے۔

۲۳۔ فی حصص منافع/(EARNINGS PER SHARE):

خالص منافع کی بنیاد پر رواں برس کے لیے فی حصص منافع ۱۲.۴۷ روپے ہے (۳۰ جون ۲۰۲۲: فی حصص منافع ۱۴.۹۳ روپے)۔

۲۴۔ مالیاتی حسابات پر آڈیٹرز کی رپورٹ:

کمپنی کے بیرونی آڈیٹرز اے ایف فرگوسن اینڈ کمپنی نے اے آر ایل کے الگ اور یکجا گوشواروں کا آڈٹ کیا ہے اور بلا اعتراض آڈٹ رپورٹ جاری کی ہے جس میں کہا گیا ہے کہ مالیاتی حسابات ۳۰ جون ۲۰۲۳ تک کمپنی کے امور کا صحیح اور منصفانہ نقشہ پیش کرتے ہیں۔

۲۵۔ محلوک کمپنی (HOLDING COMPANY):

"دی اٹک آئل کمپنی لمیٹڈ" جو انگلینڈ میں قائم کی گئی ہے، اٹک ریفائنری کمپنی کی محلوک کمپنی (Holding Company) ہے۔

۲۶۔ ذیلی کمپنی (SUBSIDIARY COMPANY):

اٹک ریفائنری لمیٹڈ (اے آر ایل) بلا شرکت غیر ایک ذیلی کمپنی (Subsidiary Company) کی ملکیت رکھتی ہے جو "اٹک ہاسپٹل پرائیویٹ لمیٹڈ (AHL)" ہے۔ AHL کے اکاؤنٹس، اٹک ریفائنری لمیٹڈ (ARL) کے اکاؤنٹس سے مربوط ہیں۔ مالی سال ۲۰۲۲-۲۳ کے دوران اے ایچ ایل کی مالی اور آپریشنل کارکردگی درج ذیل ہے:

مالی سال ۲۰۲۲-۲۳ کے دوران اے ایچ ایل نے ۸۴.۷۴ ملین روپے کا بعد از ٹیکس منافع کمایا جب کہ گزشتہ سال کے دوران کمائے گئے ۳۲.۴۲ ملین روپے کے مقابلے میں ۱۶۰٪ کا نمایاں اضافہ ظاہر ہوتا ہے۔ اس کے نتیجے میں ۲۳۹.۲۲ روپے فی حصص کی آمدنی ہوئی (۳۰ جون ۲۰۲۲: ۹۱.۶۲ روپے فی حصص)۔

۱۸.۳۔ پاکستان سے باہر منعقد ہونے والے اجلاس:

۳۰ جون ۲۰۲۳ کو ختم ہونے والے سال کے دوران بورڈ آف ڈائریکٹرز کا ایک اجلاس ملک سے باہر منعقد ہوا۔

۱۹۔ سال کے دوران بورڈ کمیٹیوں کے اجلاس:

زیرِ جائزہ سال میں بورڈ کمیٹیوں کے اجلاسوں کی تفصیل درج ذیل ہے:۔

آڈٹ کمیٹی:

نمبر شمار	ڈائریکٹرز کے نام	منعقدہ اجلاس	شرکت
۱۔	جناب شمیم احمد خان (چیئر مین)	۴	۴
۲۔	جناب شعیب اے ملک	۴	۴
۳۔	جناب عبدالستار	۴	۴
۴۔	جناب طارق اقبال خان	۴	۴
۵۔	جناب بابر بشیر نواز (جناب وائل جی فرعون کے متبادل ڈائریکٹر)	۴	۴

انسانی وسائل و معاوضہ (HR&R) کمیٹی:

نمبر شمار	ڈائریکٹرز کے نام	منعقدہ اجلاس	شرکت
۱۔	جناب طارق اقبال خان (چیئر مین)	۱	۱
۲۔	جناب شعیب اے ملک	۱	۱
۳۔	جناب جمیل اے خان	۱	۱
۴۔	جناب ایم عادل خٹک (سی ای او)	۱	۱

۲۰۔ ڈائریکٹرز اور چیف ایگزیکٹو کا معاوضہ:

نان ایگزیکٹو ڈائریکٹرز بشمول خود مختار ڈائریکٹرز بورڈ اجلاسوں میں شرکت کے لئے صرف فیس کے مستحق ہیں۔ غیر ملکی ڈائریکٹرز نے بورڈ اجلاس کی فیس نہ لینے کا فیصلہ کیا ہے۔ سال کے دوران چیف ایگزیکٹو آفیسر کو ادا کیے جانے والے معاوضہ کی تفصیل مالیاتی حسابات کے نوٹ ۴۰ میں دی گئی ہے۔

ڈائریکٹرز کی رپورٹ

سال کے دوران مندرجہ ذیل افراد کمپنی کے ڈائریکٹرز تھے:

نمبر شمار	ڈائریکٹرز کے نام	عہدہ	جنس
۱۔	جناب لیث جی فرعون	نان ایگزیکٹو ڈائریکٹر	مرد
۲۔	جناب وائل جی فرعون	نان ایگزیکٹو ڈائریکٹر	مرد
۳۔	جناب شعیب اے ملک (چیئر مین)	نان ایگزیکٹو ڈائریکٹر	مرد
۴۔	جناب عبدالستار	نان ایگزیکٹو ڈائریکٹر	مرد
۵۔	جناب جمیل اے خان	نان ایگزیکٹو ڈائریکٹر	مرد
۶۔	جناب شمیم احمد خان	خود مختار ڈائریکٹر	مرد
۷۔	جناب طارق اقبال خان	خود مختار ڈائریکٹر	مرد
۸۔	جناب ایم عادل خٹک	ایگزیکٹو ڈائریکٹر	مرد

مذکورہ بالا میں کمپنی کے منتخب ڈائریکٹرز اور ا چیف ایگزیکٹو آفیسر شامل ہیں۔

سال کے دوران جناب ایم عادل خٹک کو ۳۱ دسمبر ۲۰۲۳ کو ختم ہونے والی مدت کے لیے چیف ایگزیکٹو آفیسر کے طور پر دوبارہ تعینات کیا گیا۔

۱۸.۲۔ سال کے دوران ڈائریکٹرز کے اجلاس:

زیر جائزہ سال میں بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے اور اس میں ڈائریکٹرز کی شرکت کچھ اس طرح تھی:۔

نمبر شمار	ڈائریکٹرز کے نام	منعقدہ اجلاس	شرکت
۱۔	جناب لیث جی فرعون	۵	۵*
۲۔	جناب وائل جی فرعون	۵	۵*
۳۔	جناب شعیب اے ملک (چیئر مین)	۵	۵
۴۔	جناب عبدالستار	۵	۵
۵۔	جناب جمیل اے خان	۵	۵
۶۔	جناب شمیم احمد خان	۵	۵
۷۔	جناب طارق اقبال خان	۵	۵
۸۔	جناب ایم عادل خٹک (سی ای او)	۵	۵

*بیرونِ ملک مقیم ڈائریکٹرز نے اجلاس میں بذاتِ خود یا ان کی طرف سے متبادل ڈائریکٹر نے شرکت کی۔

xii. بورڈ اس بات کے لئے مسلسل کوشاں ہے کہ وہ اپنی کارکردگی کی افادیت میں اضافہ کرے۔"ضابطہ برائے کاروباری نظم و نسق"میں تجویز کردہ طریقہ کار کے مطابق بورڈ نے اپنی کارکردگی کا سالانہ جائزہ لینے کا انتظام کیا ہے۔ اس کے علاوہ بورڈ مسلسل کاروباری انتظام کے حوالے سے تازہ ترین پیش رفت سے خود کو آگاہ رکھتا ہے تاکہ انتظامی حوالے سے بہترین طریقہ کار اختیار کیا جاسکے۔

xiii. بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضہ کی ایک پالیسی تشکیل دی ہے جس کی اہم خصوصیات میں شامل ہے کہ ہر ایک ڈائریکٹر بشمول متبادل ڈائریکٹر، بورڈآف ڈائریکٹرز کے اجلاس میں شرکت کے لیے فیس بطور معاوضہ لینے کا حقدار ہوگا۔ اجلاس عام یا بورڈ کی کمیٹیوں کے اجلاس اور کمپنی کے کاروباری اجلاس میں شرکت کرنے کے لیے کوئی بھی معاوضہ نہیں دیا جائے گا۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کو دیے جانے والے معاوضہ کی مجموعی رقم منسلک مالیاتی بیانات کے نوٹ ۴۰ میں ظاہر کر دیا گیا ہے۔

xiv. کمپنی کے گزشتہ ۶ برس کے انتظامی ومالی اُمور سے متعلق اعدادوشمار منسلک ہیں۔

xv. کارپوریٹ گورننس کے معاملے کے بارے میں دیگر معلومات اس رپورٹ میں الگ سے شامل ہیں۔

علاوہ ازیں اس ضابطے پر عمل درآمد کا چیئرمین اور چیف ایگزیکٹو آفیسر سے دستخط شدہ تعمیل کا بیان اس سالانہ رپورٹ کے ساتھ الگ سے شامل کیا گیا ہے۔

۱۵۔ مناسب اندرونی مالیاتی ضابطے:

بورڈ نے آڈٹ کمیٹی کو رپورٹنگ کرنے والے اہل فرد کی سربراہی میں ایک آزاد آڈٹ سیکشن ترتیب دیا ہے۔ کمپنی کے اندرونی آڈیٹنگ کا دائرہ واضح طور پر بیان کیا گیا ہے جس میں اس کے "اندرونی کنٹرول سسٹمز" کا جائزہ لینا اور جانچنا وسیع پیمانے پر شامل ہے۔ بورڈ اسکے علاوہ سالانہ اندرونی آڈٹ منصوبوں کی بھی منظوری دیتا ہے۔

۱۶۔ مالی سال کے ختم ہونے کے بعد کے واقعات:

مالی سال کے اختتام اور رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی اہم تبدیلیاں یا ادائیگیاں نہیں ہوئی ہیں۔

۱۷۔ کریڈٹ ریٹنگ:

کمپنی کی طویل المدت درجہ بندی (ریٹنگ)"AA"(ڈبل اے) جبکہ قلیل المدت درجہ بندی"A1+"(اے ون پلس) ہے۔ یہ درجہ بندی"پاکستان کریڈٹ ریٹنگ ایجنسی(PACRA)"نے متعین کی ہے۔ اس درجہ بندی سے ظاہر ہوتا ہے کہ کمپنی کو کسی کریڈٹ رسک کا سامنا کرنے کا بہت کم امکان ہے جس کی بنیاد مالیاتی واجبات کی بروقت ادائیگی ہے۔

۱۸۔ ڈائریکٹرز اور سال کے دوران ہونے والے بورڈ کے اجلاس:

۱۸.۱۔ کمپنی کے ڈائریکٹرز اور ترتیب و تفصیل:

ڈائریکٹرز کی رپورٹ

کمپنی پوری طرح "ضابطہ برائے کاروباری نظم ونسق-۲۰۱۹(کوڈ)" پر عمل پیرا ہے اور قواعد وضوابط کے مطابق درج ذیل مخصوص نکات پیش ہیں:

i. کمپنی کے حسابداری کے باقاعدہ کھاتے مرتب کیے جاتے ہیں۔

ii. انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے تمام معاملات کو واضح طور پر پیش کرتے ہیں جیسے سرگرمیوں کے نتائج، رقم کی آمدورفت اور کاروباری سرمائے میں ہونے والی تبدیلیاں۔

iii. مناسب حسابداری کے اصول تسلسل سے مالیاتی حسابات بنانے میں استعمال ہوتے ہیں جو منظور شدہ حسابداری کے معیارات سے مطابقت رکھتے ہیں جن کا پاکستان میں اطلاق ہوتا ہے۔ گوشوارے ہمیشہ انتہائی منطقی اور محتاط اندازوں پر مشتمل ہوتے ہیں۔

iv. پاکستان میں لاگو "انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز" کو مالیاتی گوشواروں کی تیاری کے لیے بروئے کار لایا جاتا ہے۔ اگر کہیں ان کے سفارش کردہ ضوابط سے انحراف کیا جاتا ہے تو واضح طور پر اس کی بھی نشاندہی اور وضاحت کی جاتی ہے۔

v. اندرونی کنٹرول کا نظام مضبوط بنیادوں پر استوار ہے اور موثر طریقے سے روبہ عمل ہے جس کی مسلسل نگرانی بھی کی جاتی ہے۔

vi. کمپنی کے قائم نہ رہنے کے حوالے سے کسی بھی قسم کا کوئی خدشہ نہیں پایا جاتا۔

vii. کمپنی میں "ضابطہ برائے کاروباری نظم ونسق" میں بیان کردہ ضابطوں کی کوئی واضح خلاف ورزی سامنے نہیں آئی۔

viii. گزشتہ برس کے انتظامی نتائج مستقبل کے منصوبوں سے واضح انحراف اور قیمتوں کے تعین میں تبدیلی اگر کوئی ہو تو اُس کا "بورڈ آف ڈائریکٹرز" رپورٹ میں جہاں مناسب تھا ذکر کیا گیا ہے۔

ix. اپنی عمومی کاروباری سرگرمیوں کے لیے حکومت کو واجب الادا تمام رقوم جو ۳۰ جون ۲۰۲۳ کو واجب الادا تھیں اور جن کی مالیت ۶,۶۵۵ ملین روپے تھی وہ سال کے اختتام کے بعد ادا کی جاچکی ہیں۔

x. کارکنوں کے ریٹائرمنٹ فنڈ میں کی گئی سرمایہ کاری کی کل مالیت جو تازہ ترین غیر آڈٹ شدہ مالیاتی کھاتوں ۳۰ جون ۲۰۲۳ کے اعدادوشمار سے مرتب کی گئی ہے، درجہ ذیل ہیں:۔

	روپے ملین میں
مینجمنٹ سٹاف پنشن فنڈ	۱,۵۴۴
سٹاف پراویڈنٹ فنڈ	۸۱۶
جنرل سٹاف پراویڈنٹ فنڈ	۲۹۷
گریجویٹی فنڈ	۵۹۶

xi. کوڈ کے مطابق کمپنی اپنے تمام ڈائریکٹرز کو ۳۰ جون ۲۰۲۲ تک ڈائریکٹرز ٹریننگ پروگرام (ڈی ٹی پی) میں شرکت کی حوصلہ افزائی کرتی ہے۔ فی الوقت پانچ ڈائریکٹرز ایسے ہیں جو ڈی پی ٹی سے استثنٰی کے تقاضوں پر پُورا اترتے ہیں جبکہ دو ڈائریکٹرز پہلے ہی پروگرام مکمل کر چکے ہیں علاوہ ازیں ایک متبادل ڈائریکٹر اور کمپنی کے چیف ایگزیکٹو آفیسر (سی ای او) بھی ڈی ٹی پی (DTP) مکمل کر چکے ہیں۔

سیفٹی ویک کے دوران ملازمین کے ساتھ حفاظتی مذاکرات کا ایک سلسلہ منعقد کیا گیا تاکہ ان کی تجاویز کو سامنے رکھ کر او ایچ ایس کے طریقوں کو مزید بہتر بنایا جا سکے۔ پیشہ ورانہ حاصل شدہ امراض، الیکٹریکل سیفٹی، کیمیکل ہینڈلنگ اور سٹوریج سیفٹی پر پریزنٹیشنز منعقد کی گئیں۔ مزید برآں، نیشنل ہائی وے اینڈ موٹروے پولیس کی جانب سے دفاعی ڈرائیونگ اور روڈ سیفٹی کے حوالے سے ایک انتہائی اہم اور معلوماتی سیشن کا انعقاد کیا گیا۔

۱۱.۳۔ عالمی یوم ماحولیات (World Environment Day) ۲۰۲۳:

اے آر ایل نے ۵ جون ۲۰۲۳ کو عالمی یومِ ماحولیات منایا۔ پلاسٹک آلودگی کو ختم کرنے کی مہم کے تحت اس سال ۲۰۲۳ کیلئے خیال تھا "پلاسٹک کی آلودگی سے نجات"۔ ماحول سے ہماری وابستگی کو تقویت دینے کے لیے:

i. اے آر ایل کی ماحولیاتی ٹیم نے عالمی یوم ماحولیات ۲۰۲۳ کے موقع پر آگاہی سیشن کا انعقاد کیا۔

ii. اے آر ایل نے دونوں اپنے اندرون ریفائنری سٹاف اور نیشنل کلینر پروڈکشن سینٹر (NCPC) کے ساتھ شراکت داری کی تاکہ ریفائنری کے احاطے سے باہر آگاہی پیدا کی جا سکے۔

iii. عوامی آگاہی کے لیے پلاسٹک کی آلودگی سے متعلق بینرز بھی آویزاں کیے گئے۔

iv. عام اور انتظامیہ کے ملازمین تک پیغام پہنچانے کیلئے "پلاسٹک کی آلودگی کے حل" کے موضوع پر ایک آگاہی سیشن کا انعقاد کیا گیا۔

۱۲۔ تجارتی اور سماجی ذمہ داری:

کمپنی نے اپنی تجارتی و سماجی ذمہ داری (CSR) کو پورا کرنے کے لئے مزید کئی اقدامات جاری رکھے ہوئے ہیں۔ ان سرگرمیوں کی تفصیلات بھی سالانہ رپورٹ کے ایک الگ حصے میں درج ہیں۔ کمپنی کو ان ذمہ داریوں کو نبھانے کی اپنی طویل تاریخ پر فخر ہے۔

۱۳۔ تجارتی ایوارڈز اور اعترافات:

۱۳.۱۔ سالانہ ادارجاتی ایوارڈ:

کمپنی نے ایمپلائرز فیڈریشن آف پاکستان کے زیر اہتمام "سالانہ ادارجاتی ایوارڈ (میڈیم نیشنل کیٹیگری)" میں دوسری پوزیشن حاصل کی۔

۱۳.۲ بہترین کارپوریٹ اور استحکام رپورٹ ایوارڈز:

کمپنی نے انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی سی اے پی) (ICAP) اور انسٹی ٹیوٹ آف کاسٹ اینڈ مینجمنٹ اکاؤنٹنٹس آف پاکستان (آئی سی ایم اے پی) (ICMAP) کی مشترکہ کمیٹی کے زیرِ اہتمام "بہترین کارپوریٹ اور استحکام رپورٹ ایوارڈز" کیلئے میرٹ ایوارڈ میں ایوارڈ حاصل کیا۔

۱۴۔ ضابطہ برائے کاروباری نظم و نسق:

کمپنی کی انتظامیہ اور بورڈ آف ڈائریکٹرز بہترین کارپوریٹ مینجمنٹ کے اصولوں پر عمل کرنے پر یقین رکھتے ہیں اور اس کے لیے شفافیت اور افشائے حقائق پر زور دیتے ہیں۔ بورڈ اور انتظامیہ اس سلسلہ میں اعلیٰ ترین معیارات کی پابندی کو یقینی بناتے ہیں۔

ڈائریکٹرز کی رپورٹ

۱۰.۵- حج اور عمرہ کی قرعہ اندازی ۲۰۲۳:

کمپنی کی پالیسی کے مطابق ہر سال حج کے لیے چار اور عمرہ کے لیے پانچ ملازمین کے ساتھ اُن شریک حیات یا زیر کفالت افراد کو قرعہ اندازی کے ذریعے نامزد کیا جاتا ہے۔ یہ تقریب ۳۱ جنوری ۲۰۲۳ کو منعقد ہوئی۔

۱۰.۶- غیر مسلموں کے مقاماتِ مقدسہ کی زیارت کیلئے قرعہ اندازی:

کمپنی کی پالیسی کے مطابق ہر سال ایک غیر مسلم کارکن کو پاکستان میں مقدس مقامات کی زیارت کے لیے قرعہ اندازی کے ذریعے نامزد کیا جاتا ہے۔ یہ تقریب ۹ دسمبر ۲۰۲۲ کو ایلیٹ کلب میں منعقد ہوئی۔ تقریب میں تمام غیر مسلم کارکنان اور سی بی اے ایگزیکٹو باڈی کے ممبران نے شرکت کی۔ آپریشنز ڈیپارٹمنٹ کے ایک غیر مسلم کارکن کو شریک حیات کے ساتھ پاکستان کے اندر مقدس مقام کی زیارت کے لیے قرعہ اندازی کے ذریعے کامیاب قرار دیا گیا۔

۱۱- ادارہ جاتی ترقی

ایک ذمہ دار کارپوریٹ ادارے کے طور پر اے آر ایل اس بات کا ادراک رکھتا ہے کہ قدرتی توانائی کے وسائل نہ صرف نایاب ہیں بلکہ بہت قیمتی بھی ہیں اور انہیں بہترین طریقے سے استعمال کرنے کی ضرورت ہے۔ اس سلسلہ میں اے آر ایل میں توانائی کا ہفتہ ۱۷-۲۱ اکتوبر ۲۰۲۳ منایا گیا تا کہ اس کے عزم کا اعادہ کیا جاسکے اور توانائی کے انتظام اور تحفظ کی ثقافت کو فروغ دیا جاسکے۔

اس تقریب کا بنیادی مقصد ملازمین میں توانائی کے شعور کی تعلیم دینا، حوصلہ افزائی کرنا اور ان کی توانائی کے تحفظ کے لیے ان کی لگن کو مضبوط کرنا تھا۔

۱۱.۱- توانائی کا ہفتہ (Energy Week)-۲۰۲۲ :

ایک ذمہ دار کارپوریٹ ادارے کے طور پر اے آر ایل اس بات کا ادراک رکھتا ہے کہ قدرتی توانائی کے وسائل نہ صرف نایاب ہیں بلکہ بہت قیمتی بھی ہیں اور انہیں بہترین طریقے سے استعمال کرنے کی ضرورت ہے۔ اس سلسلہ میں اے آر ایل میں توانائی کا ہفتہ ۱۷-۲۱ اکتوبر ۲۰۲۲ تک منایا گیا تا کہ اس عزم کا اعادہ کیا جاسکے اور توانائی کے انتظام اور تحفظ کی ثقافت کو فروغ دیا جاسکے۔

اس جشن کا مقصد ملازمین کی حوصلہ افزائی کرنا، انہیں توانائی کی اہمیت سے آگاہ کرنا اور کام کی جگہ پر توانائی کے تحفظ کے لئے اپنی وابستگی کے عزم کو مضبوط بنانا ہے۔

۱۱.۲- احتیاط اور حفاظت کا ہفتہ (Safety Week)-اپریل ۲۰۲۳:

انٹرنیشنل لیبر آرگنائزیشن (ILO) پیشہ ورانہ حادثات اور بیماریوں کی روک تھام کو فروغ دینے کے لئے ہر سال ۲۸ اپریل کو کام کے مقام پر حفاظت اور صحت کے لئے عالمی دن مناتی ہے۔ اس سلسلہ میں اے آر ایل نے ۲۶-۲۸ اپریل ۲۰۲۳ کو سیفٹی ویک منایا۔ ۲۰۲۳ کیلئے آئی ایل او کی تھیم ہے "ایک محفوظ اور صحت مند کام کرنے کا ماحول ایک بنیادی اصول اور کام کے دوران حق ہے"

سیفٹی ویک کے پہلے دن ریفائنری کے ملازمین ایک ساتھ سیفٹی واک میں شامل ہوئے۔ سیفٹی واک ریفائنری آپریشنز کے تمام پہلوؤں میں حفاظتی کلچر کو ترجیح دینے کی اہمیت کو یاد دلاتی ہے۔ اس تقریب نے ایک محفوظ کام کی جگہ کو برقرار رکھنے کے لیے تنظیم کے عزم کا اعادہ کیا جو اس کے ملازمین کی فلاح و بہبود اور حفاظت کو ترجیح دیتا ہے۔

۱۰.۱ - ملازمین کی ترقی اور تربیت:

اے آر ایل کی انتظامیہ نے ہمیشہ عملے کی ترقی کے لیے ان کی تربیت پر زور دیا ہے۔ تجدید کے منصوبوں کے بعد ریفائنری کی پیچیدگی میں اضافہ ہوا جس سے عملے کی تربیت خاص طور پر تربیتی انجینئرز اور ڈی اے ای کے لیے ان کی مہارت کی سطح کو بہتر بنانے کے لیے زیادہ توجہ دینے کی ضرورت بڑھ گئی ہے۔ جبکہ تربیت ایک جاری عمل ہے جو پہلے سے موجود ہے یہ محسوس کیا گیا کہ ایک زیادہ منظم توجہ مرکوز کرنے کی ضرورت ہے۔ یہ تصور کیا گیا تھا کہ آپریٹر ٹریننگ سمیلیٹر کی تربیت کے ساتھ ساتھ کلاس روم میں تربیت کو بھی ٹیکنیکل ٹریننگ اینڈ ڈیولپمنٹ سنٹر کی ترقی کے تصور کے ساتھ متعارف کرایا جائے۔ نئے بھرتی کیے گئے عملے کی استعداد کار بڑھانے کے لیے ۱۰ نومبر ۲۰۲۲ کو تربیتی مرکز کو فعال کر دیا گیا۔

تجربہ کار آپریشن انجینئرز کو معلم کے طور پر تعینات کیا جاتا ہے جو تربیتی اجلاس منعقد کرتے ہیں۔ ٹریننگ ماڈیول میں پریزنٹیشنز، ویڈیوز، معلوماتی تکنیکی گفت وشنید، تھیوریٹیکل لیکچرز، تجربہ کے اشتراک کے اجلاس اور آخر میں تشخیص کے لیے اسائنمنٹس / ٹیسٹ شامل ہیں۔

تربیتی پروگرام کے حصے کے طور پر تجربہ کار عملے کے ساتھ ساتھ تربیت یافتہ افراد کے استعمال کے لیے ایک ڈیجیٹل لائبریری تیار کی گئی ہے۔ اے آر ایل کے پاس کام کرنے کے طریقے کار اور آلات سے متعلق ایک وسیع معلومات دستیاب ہے۔ تاہم یہ بکھرا ہوا تھا اور سب کے لیے آسانی سے قابل رسائی نہیں تھا۔ تمام سطحوں پر سیکھنے کے عمل کو بہتر بنانے کے لیے فوری حوالہ اور تکنیکی مدد کے لیے متعلقہ آلات، مشینری، تکنیکی کاغذات، کتابیں اے آر ایل کی اندرونی دستاویزات اور ریفائنری کے عمل کا احاطہ کرنے والا ایک جامع ڈیجیٹل معلومات کا ذخیرہ تیار کیا گیا۔

اس کے علاوہ تربیتی منصوبہ ہماری کارکردگی کے انتظام کی حکمت عملی کا ایک لازمی حصہ ہے اور اسے تربیت کی ضرورت کی تشخیص، بہتری کے لیے کارکردگی کا جائزہ لینے کیلئے اظہار رائے، ملازمین کی ترقی کی منصوبہ بندی اور دیگر تنظیمی ضروریات کی بنیاد پر تیار کیا جاتا ہے۔

۱۰.۲- تحریک و ترغیب اور حوصلہ افزائی کے اعزازات:

کارکنان کی بہترین صلاحیتوں سے کام لینے کو یقینی بنانے کے لئے اٹک ریفائنری میں ہر سہ ماہی کے اختتام پر تقریبات کا اہتمام کا کیا جاتا ہے جس میں ہر محکمے کے بہترین کارکنان کو اعلیٰ کارکردگی کی بنیاد پر شیلڈ اور نقد انعامات سے نوازا جاتا ہے۔ کارکردگی کے یہ اعزازات بنیادی کارکردگی، تحفظ، دفتری صفائی ستھرائی اور ادارے کی بہتری جیسے شعبوں میں دیئے جاتے ہیں۔

۱۰.۳- ورکرز یونین (سی بی اے) سے معاہدہ ۲۰۲۳-۲۰۲۱:

سی بی اے معاہدے (۲۰۲۳-۲۰۲۱) پر دو سال کی مدت کے لیے ۱۹ جولائی ۲۰۲۲ کو انتظامیہ اور سی بی اے نے باہمی طور پر دستخط کیے تھے۔ اس معاہدے کے ذریعے کارکنان کے معاوضوں اور مراعات پر نظر ثانی کر کے اضافہ کر دیا گیا۔

۱۰.۴- سی بی اے (CBA) ریفرنڈم:

مشترکہ سوداکاری نمائندہ (سی بی اے) کا ریفرنڈم ۲۶ دسمبر ۲۰۲۲ء کو ہوا جس میں دو ٹریڈ یونینز کے مابین مقابلہ ہوا۔ ریفائنری ایمپلائز یونین نے سب سے زیادہ ووٹ حاصل کیے۔ رجسٹرار ٹریڈ یونینز راولپنڈی نے انھیں دو سال کے لیے سی بی اے سرٹیفیکٹ دیا۔

ڈائریکٹرز کی رپورٹ

لیے ٹینڈر دستاویزات کی تیاری کے لیے مشورہ دینے کے کام کا معاہدہ دیا گیا ہے۔ فیڈ کے دائرہ کار میں سی سی آر کمپلیکس اور ڈی ایچ ڈی ایس کی تجدید اور موجودہ ریفائنری کے ساتھ نئے / تجدید شدہ یونٹس کے انضمام کے لیے یوٹیلٹیز اور آف سائٹس کی بنیادی انجینئرنگ شامل ہے۔

فرنس فیول آئل (ایف ایف او) کی کم طلب کو پورا کرنے کے لیے اور حکومت کی ہدایات کے مطابق تمام ریفائنریز نے ایک بین الاقوامی مشیر کو شامل کیا تاکہ باٹم آف دی بیرل (بی او بی) اپ گریڈیشن کے لیے مشترکہ منصوبے کا تکنیکی مطالعہ کیا جائے۔ بین الاقوامی مشیر کی جانب سے فرنس آئل کی تجدید کے لیے تمام ریفائنریوں کے مجوزہ مشترکہ منصوبے کے لیے تکنیکی مطالعہ مکمل کر لیا گیا ہے اور جمع کرا دیا گیا ہے۔ کئی قابلِ عمل منصوبوں کا تفصیل سے تجزیہ کیا گیا۔ منصوبے کی لاگت، اقتصادیات اور دیگر عوامل کو مد نظر رکھتے ہوئے اس منصوبے پر عمل درآمد کو آگے بڑھانا ممکن نظر نہیں آتا۔

اے آر ایل کا منصوبہ ہے کہ ایک اعلیٰ قسم کی ڈیپ کنورژن (Deep Conversion) گرین فیلڈ ریفائنری کی تنصیب کی جائے جس کی گنجائش ۵۰،۰۰۰ بیرل یومیہ ہو۔ تاہم اس کا انحصار شمال سے خام تیل کی مسلسل فراہمی اور حکومت کی معاونت پر ہے۔

سرمایہ کاری کے مذکورہ بالا تمام منصوبے مناسب معیار کے پائیدار مقامی خام تیل کی دستیابی، پیٹرولیم مصنوعات کی طلب کی فراہمی کی صورتحال، ملک میں مروجہ / مستقبل کی مصنوعات کی خصوصیات اور حکومتی پالیسیوں پر منحصر ہیں۔

۹۔ قومی معیشت میں شراکت:

ٹیکسوں اور ڈیوٹیز کی صورت میں قومی خزانے میں کمپنی کا سالانہ حصہ ۱۰۳ ارب روپے سے زائد ہے جبکہ درآمدی متبادل اور برآمدات کے ذریعے ۳۸۷ ملین امریکی ڈالر کے زرمبادلہ کی بچت حاصل کی گئی۔

کمپنی ملک کی واحد ریفائنری ہے جو ۱۰۰٪ مقامی خام تیل کی پیداوار کرتی ہے۔ یہ پاکستان کے شمالی حصے میں واقع کئی آئل فیلڈز کو ایک اہم آؤٹ لیٹ فراہم کرتی ہے۔ کمپنی پاکستان کے شمالی علاقے میں سول اور دفاعی شعبوں کے لیے پیٹرولیم مصنوعات کا اہم ذریعہ بھی ہے۔

۱۰۔ انسانی وسائل کی ترقی:

کمپنی انسانی وسائل کو اس کا سب سے قیمتی اثاثہ اور ریڑھ کی ہڈی کی مانند تصور کرتی ہے۔ اٹک ریفائنری لمیٹڈ میں ہم قابلیت پر مبنی متوازن کام کے ماحول کو برقرار رکھنے کیلئے پُرعزم ہیں جو ملازمین کو ان کی مکمل صلاحیتوں کے استعمال کرنے کے قابل بناتے ہیں۔ کمپنی افرادی قوت کو فروغ دینے کے لئے ان کی خود اعتمادی کو یقینی بناتے ہوئے فلاح و بہبود پر بھی مناسب زور دیتی ہے۔ کمپنی منصفانہ اور مناسب معاوضوں پر مساوی مواقع کی پالیسی کے ذریعے بہترین اہل پیشہ ور افراد کی خدمات حاصل کرتی ہے، کمپنی ملازمین کو اپنے علم اور مہارت کو مزید بڑھانے کیلئے تربیت فراہم کرتی ہے تاکہ ان کی کارکردگی بہتر ہو سکے۔ کمپنی نے ملازمین کو اپنے کیریئر میں آگے بڑھنے کیلئے منصوبہ بندی اور سازگار حالات میں کام جاری رکھنے کیلئے ایک تشکیل شدہ پالیسی اختیار کی ہے۔ کمپنی مزدور انتظامیہ کے اختلافات کو حل کرنے کیلئے تمام کوششیں بروئے کار لاتی ہے تاکہ کمپنی میں صنعتی امن و ہم آہنگی برقرار رہے۔

کمپنی طویل عرصے سے منتظر ریفائننگ پالیسی کی منظوری کا خیر مقدم کرتی ہے اور مستقبل کی حکومتوں کی طرف سے بھی اس کے تسلسل کے لئے پُر امید ہے۔ پالیسی یقینی طور پر تجدید کے منصوبوں کے لیے کمپنی کی مدد کرے گی۔

۷- اہم خطرات اور غیر یقینی عوامل:

ریفائنری حکومت کی طرف سے منظور شدہ قیمتوں کے فارمولے کے تحت کام کرتی ہے۔ کمپنی پٹرولیم مصنوعات اور خام تیل کی بین الاقوامی قیمتوں میں منفی اتار چڑھاؤ کے خطرے سے دوچار ہے۔ تاہم، موٹر اسپرٹ اور ہائی اسپیڈ ڈیزل کی قیمتوں میں پندرہ روزہ قیمتوں کا تعین اور حقیقی شرح مبادلہ کے اطلاق سے ان خطرات کو کچھ حد تک کم کیا گیا ہے۔

ریفائنری کی مصنوعات کے تصریحی معیار حکومتِ پاکستان کی طرف سے مقرر کیے جاتے ہیں اور ریفائنری کو اس طرح کی تصریحی معیار کی سختی سے تعمیل کرنی پڑتی ہے۔ ان تصریحی معیار میں کسی بھی قسم کی تبدیلی سے ریفائنری کو اپنے تیل نتھارنے کے معیار اور پلانٹس میں تبدیلیاں کرنے کی ضرورت پڑ سکتی ہے۔ اس مسئلے کو حل کرنے کے لیے کمپنی مصنوعات کے طے کردہ تصریحات کی تعمیل کرنے کے لیے اپنے ریفائننگ یونٹس کو باقاعدگی سے اپ ڈیٹ کرتی رہی ہے۔ اب ریفائننگ پالیسی کی منظوری کے ساتھ ایک واضح مناسب وقت دستیاب ہے جس کے بعد تصریحات تبدیل کی جائیں گی اور اس طرح مستقبل کے تقاضوں کی بہتر منصوبہ بندی کی جائے گی۔

کمپنی خاص طور پر سردیوں کے مہینوں میں فرنس آئل کی کھپت میں کمی جیسے وابستہ خطرات سے بھی دوچار ہے۔ حال ہی میں کمپنی کو اپنے سپلائی کے علاقوں میں اسمگل شدہ ڈیزل کی دستیابی کی وجہ سے بھی مسائل کا سامنا کرنا پڑا۔ کمپنی نے ان معاملات کو حکومت کے ساتھ اٹھایا ہے اور ان مسائل کو حل کرنے کے لیے تجاویز پیش کی ہیں۔ مزید یہ کہ کمپنی فرنس آئل کے لیے کراچی میں سٹوریج کی سہولت حاصل کرنے کی کوشش کر رہی ہے تاکہ ریفائنری کی سرگرمیوں میں آسانی پیدا ہو سکے۔

کمپنی کے کاروبار سے متعلق مالیاتی خطرات اور ان خطرات کو کم کرنے کے لیے پیائش کرنے والوں کی تفصیلات مالی بیانات کے نوٹ ۴۱ میں تفصیل سے بیان کی گئی ہیں۔

۸- ریفائنری کی وسعت اور تجدید کے منصوبے:

ریفائنری کو درپیش سب سے اہم چیلنج یورو-۵ (Euro –V) ایندھن کی خصوصیات کو پورا کرنے کے لیے اپنے پلانٹس کو اپ گریڈ کرنا ہے۔ کمپنی نے مصنوعات کی تصریحات کو بہتر بنانے کے لیے توسیع کے لیے ایک اہم منصوبہ تیار کیا ہے۔ طے شدہ منصوبے درج ذیل ہیں:

- کانٹینوس کیٹیلیٹک ریفارمر (Continuous Catalytic Reformer) پی ایم جی پُول اوکٹین (PMG Pool Octane) کی تصریحات کو نیفتھا کی برآمدگی اور تیل کے اندر ملانے والے کیمیکل کے جزو کو ختم کرتے ہوئے بڑھائے گا۔
- یورو-۵ تصریحات (۱۰ پی پی ایم سلفر میکس) کی پیداوار کیلئے اٹک ریفائنری کے ڈی ایچ ڈی ایس (DHDS) یونٹ کی تجدید۔

سی سی آر کمپلیکس کے لیے لائسنسر فیڈ پیکج اور یورو-۵ (Euro –V) کے مطابق پی ایم جی اور ڈیزل کی پیداوار کے لیے ڈی ایچ ڈی ایس یونٹ کی بحالی میسرز ہنی ویل یواوپی، یو ایس اے (M/s Honeywell UOP, USA) نے مکمل کی تھی۔ تجدیدی منصوبے میں آگے بڑھتے ہوئے، ای پی سی (EPC) مرحلے کے دوران فیڈ کنٹریکٹر کے انتخاب کے علاوہ پروجیکٹ مینجمنٹ کنسلٹنٹ (PMC) خدمات کے

ڈائریکٹرز کی رپورٹ

مختلف طریقہ کار کو نافذ کیا ہے۔ مذکورہ بالا کو مد نظر رکھتے ہوئے سال کے دوران پانی کے تحفظ سے متعلق مندرجہ ذیل دو مطالعات انجام دیے گئے:

i. **بوائلر فیڈ واٹر (بی ایف ڈبلیو) ریویمپ اسٹڈی** بوائلرز کی بہتر کارکردگی کے لیے، توانائی کا تحفظ کرتا ہے اور فضلے کے معیار کو بہتر بناتا ہے، اور

ii. **زیرو لیکویڈ ڈسچارج اسٹڈی** نتھارنے کے عمل میں بہہ جانے والے پانی کی ری سائیکلنگ کرنا ہے جس سے پانی کی بچت ہوتی ہے۔

یہ تمام اقدامات پائیدار بنیادوں پر ماحولیات پر منفی اثرات کو کم کرنے کے لیے کمپنی کے مضبوط عزم کی عکاسی کرتے ہیں۔ توانائی کے انتظام کے معیار آئی ایس او - ۵۰۰۰۱ کا نفاذ، فضلے کے ٹریٹمنٹ پلانٹ کا استعمال اور پانی کے تحفظ کے اقدامات جیسے ڈرپ اریگیشن، آلودہ پانی کی ری سائیکلنگ / دوبارہ استعمال ماحول، حفاظت اور معیار کے لیے ہماری مسلسل وابستگی کو ظاہر کرتے ہیں۔ اس سلسلے میں کمپنی کی کوششوں کو متعلقہ فورمز پر خوب سراہا گیا اور ایوارڈز کی شکل میں تسلیم کیا گیا۔

۵- قیمتوں کے تعین کا طریقہ:

کمپنی کی پٹرولیم مصنوعات کی قیمتوں کا تعین "درآمدی قیمت سے برابری کا فارمولہ" (Import Parity Pricing Formula) اور حکومت کی طرف سے اس میں کی گئی وقتاً فوقتاً ترامیم کی بنیاد پر کیا جاتا ہے۔ اس فارمولے کے تحت خام تیل کی قیمت کا تعین پندرہ دن کی بنیاد پر درآمدی قیمت کی بنیاد پر کیا جاتا ہے۔ تیار کردہ مصنوعات کی قیمت درآمدی قیمت کے مقررہ ضابطوں کے تحت مقرر کی جاتی ہیں۔ حکومت کی دیگر ہدایات کے ساتھ ساتھ پرائسنگ فارمولا تقاضا کرتا ہے کہ کمپنی یکم جولائی ۲۰۰۲ تک کے سرمایہ حصص سے ۵۰٪ سے زیادہ منافع کو ریفائنری کے توسیع و جدت کے لیے "سپیشل ریزور اکاؤنٹ" میں منتقل کرے گی۔ تاہم موجودہ ریفائنریز کے لیے ریفائننگ پالیسی کی نوٹیفکیشن کے بعد اس شرط کو ختم کر دیا گیا ہے اور مستقبل کے ادوار کے لیے لاگو نہیں ہو گی۔

۶- موجودہ ریفائنریز کیلئے پاکستان ریفائننگ پالیسی ۲۰۲۳:

حکومت نے اگست ۲۰۲۳ میں موجودہ ریفائنریز کے لیے پاکستان ریفائننگ پالیسی ۲۰۲۳ (پالیسی) کی منظوری دے دی ہے۔ پالیسی میں موجودہ ریفائنریوں کے لیے ٹیرف پروٹیکشن کی شکل میں مالی مراعات شامل ہیں جو اوگرا کی نگرانی سمیت سخت شرائط وضوابط سے مشروط ہیں۔ پالیسی کے تحت ریفائنریز کو پالیسی کے نوٹیفکیشن کی تاریخ سے ۶ سال تک پٹرول اور ڈیزل کی ریفائنری قیمت پر ۱۰٪ محصولات کی مدّ میں ٹیرف پروٹیکشن کا فائدہ ہو گا۔ تاہم یہ فائدہ اوگرا کے زیر انتظام ایسکرو اکاؤنٹ (Escrow Account) میں صرف تجدید کے پراجیکٹس پر استعمال کے لیے جمع کیا جائے گا۔ ایسکرو اکاؤنٹ (Escrow Account) سے رقم کا استعمال اوگرا کی نگرانی، پراجیکٹ کے سنگ میل وغیرہ کی تعمیل سے مشروط ہو گا۔ ریفائنریز کو ایسکرو اکاؤنٹ (Escrow Account) سے تجدید کے پروجیکٹ کی لاگت کا زیادہ سے زیادہ ۴/۱ حصہ استعمال کرنے کی اجازت ہو گی۔

سال کے دوران کمپنی نے ۳۰,٦٧٠ ملین روپے کا ٹیکس کے بعد یکجا منافع کمایا (۳۰جون۲۰۲۲: ۱۲,۹۵۲ ملین روپے)۳۰جون ۲۰۲۳: ۲۸۷.٦٧ فی حصص منافع (جون ۲۰۲۲: ۱۲۱.۴۹روپے فی حصص)۔

۲۔ اختصاص اور منافع کا تصرف:

بورڈ نے کیش ڈیویڈنڈ بشرح ۱۲۵٪ یعنی روپے ۱۲.۵۰ فی حصص (۳۰ جون ۲۰۲۳: ۱۰۰٪) کی سفارش کی ہے جو کمپنی کی سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

۳۔ اہم سرگرمیاں، ترقی وکارکردگی:

اٹک ریفائنری لمیٹڈ (کمپنی) کو پاکستان میں ۱۹۷۸ کو ایک پرائیویٹ لمیٹڈ کمپنی کے طور پر شامل کیا گیا تھا اور اگلے سال اسے ایک پبلک کمپنی میں تبدیل کر دیا گیا تھا۔ کمپنی بنیادی طور پر خام تیل کو صاف کرنے میں مصروف ہے۔ اس کے حصص پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہیں۔ کمپنی اور اٹک ہسپتال (پرائیویٹ) لمیٹڈ کے کاروبار کی نوعیت کے بارے میں کوئی تبدیلی نہیں کی گئی ہے جہاں کمپنی کے ۱۰۰٪ حصص ہیں۔

سال کے دوران ریفائنری کو اپنی استعداد کے تقریباً ۸۷٪ پر چلایا گیا (۳۰ جون ۲۰۲۲: ۷۹٪)۔ یہ فیصلہ ریفائنری معاشیات اور خام تیل کی دستیابی کو مد نظر رکھتے ہوئے کیا گیا تاکہ کمپنی کو مناسب استعداد پر چلایا جائے اور خسارے کو کم سے کم کرنے کے ساتھ ساتھ اپنی پیٹرولیم مصنوعات کی طے شدہ فراہمی جاری رکھ سکے۔

زیر جائزہ سال کے دوران ریفائنری کی پیداوار ۱.۸۸۱ ملین ٹن رہی (۳۰ جون ۲۰۲۲: ۱.۹۱۱ ملین ٹن)۔ ملک کے شمالی علاقے سے نکالے جانے والے تمام خام تیل کا بڑا حصہ ریفائنری میں نتھارا جاتا ہے۔ حال ہی میں حکومت نے ملک کے جنوبی آئل فیلڈز سے کمپنی کو تقریباً ۵,۰۰۰ بی پی ڈی خام تیل مختص کرنے کی منظوری دی ہے۔ اس سے کمپنی میں خام تیل کی وصولی میں بہتری آئے گی جو شمالی آئل فیلڈز سے پیداوار میں کمی کی وجہ سے متاثر ہوئی تھی۔

خام تیل کو نتھارنے کے تمام یونٹس درست حالت میں کام کر رہے ہیں۔ کمپنی نے سال کے دوران ۱.۷٦۸ ملین ٹن (۳۰ جون ۲۰۲۲: ۱.۸۰۲ ملین ٹن) کی مختلف پیٹرولیم مصنوعات فراہم کیں جو سب کی سب طے کردہ معیارات کی تصریحات کے عین مطابق تھیں۔

کاروباری عمل کی ری انجینئرنگ، تحقیق اور ترقی کے سلسلے میں تفصیلات سالانہ رپورٹ کے ایک علیحدہ حصے میں دی گئی ہیں۔

۴۔ کمپنی کے کاروباری ماحول پر اثرات:

کمپنی صحت مند ماحول کو برقرار رکھنے کی ذمہ داری سے مکمل طور پر آگاہ ہے۔ صحت مند ماحول کے استحکام کو یقینی بنانے کیلئے تمام کوششیں بروئے کار لائی جاتی ہیں۔ اس سلسلے میں کمپنی نے توانائی کے انتظام، پانی کے تحفظ، حیاتیاتی تنوع کے تحفظ اور وسائل کی کارکردگی کے لیے

بسم اللہ الرحمن الرحیم

اٹک ریفائنری لمیٹڈ

ڈائریکٹرز کی رپورٹ

ہم بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی ۴۵ ویں سالانہ رپورٹ جو ۳۰ جون ۲۰۲۳ کو اختتام پذیر ہونے والے مالی سال کے لیے آڈٹ شدہ مالیاتی گوشواروں اور آڈیٹرز رپورٹ پر مشتمل ہے پیش کر رہے ہیں۔

ا۔ مالیاتی نتائج:

مالی سال ۲۳-۲۰۲۲ کے دوران کمپنی کو ریفائنری سرگرمیوں سے ۲۸,۰۱۰ ملین روپے کا منافع ہوا (۳۰ جون ۲۰۲۲: ۹,۰۹۷ ملین روپے)۔ جبکہ زیرِ جائزہ سال کے دوران غیر ریفائنری ذرائع سے ہونے والی آمدن ۱,۲۱۵ ملین روپے رہی (۳۰ جون ۲۰۲۲: ۸۳۴ ملین روپے)۔ نتیجتاً زیرِ جائزہ سال کا خالص منافع بڑھ کر ۲۹,۲۲۵ ملین روپے ہو گیا (۳۰ جون ۲۰۲۲: ۹,۹۳۱ ملین روپے)۔ نتیجتاً فی حصص منافع ۲۷۴.۱۲ روپے رہا (۳۰ جون ۲۰۲۲: ۹۳.۱۴ روپے فی حصص)۔

ملک کے دیگر اداروں کی طرح آپ کی کمپنی کو بھی ملک کی بڑے پیمانے پر معاشی صورت حال کی خرابی کی وجہ سے سنگین چیلنجز کا سامنا کرنا پڑا۔ اس کی عکاسی زرمبادلہ کے ذخائر میں کمی، لیٹر آف کریڈٹ (LCs) کھولنے اور ادائیگی میں مشکلات، کرنسی کی قدر میں نمایاں کمی اور بلند افراط زر سے ہوتی ہے۔ ملک کے کئی حصوں میں سیلاب نے وسیع پیمانے پر تباہی مچادی جس نے صورتحال کو مزید گھمبیر بنا دیا۔ پڑوسی ملک سے ڈیزل کی اسمگلنگ سے ملک میں ریفائنریز بھی متاثر ہوئیں۔ ان چیلنجز کے باوجود کمپنی کاروباری عمل اور منافع میں بہتری کے لیے ہر موقع کو استعمال کرنے کے اپنے عزم پر ثابت قدم رہی۔ زیرِ جائزہ مدت میں بہترین مجموعی ریفائننگ مارجنز، خام تیل اور پیٹرولیم کی مصنوعات کا بہترین انتظام اور بہترین استعداد پر ریفائنری چلانے کی وجہ سے ریکارڈ منافع دیکھا گیا۔ بہتر مالی کارکردگی کا فائدہ اٹھاتے ہوئے کمپنی نے بقایا طویل المدتی قرض کی قبل از وقت ادائیگی کر دی ہے۔

۳۰ جون ۲۰۲۳ کو ختم ہونے والے سال کے لیے مالی نتائج اور اختصاص کا خلاصہ درج ذیل ہے:

	روپے ملین میں
ٹیکس کے بعد منافع:	۲۹,۲۲۵
جمع: سال کے لیے دیگر جامع منافع:	۲۰
جمع: غیر تقسیم شُدہ منافع برائے ۳۰ جون ۲۰۲۲:	۱۰,۶۳۶
منفی: سال ۲۲-۲۰۲۱ کیلئے حتمی تقسیم شُدہ منافع - بشرح ۱۰۰ فیصد:	۱,۰۶۶
منفی: ریفائنری فارمولا کے مطابق رقم کی اسپیشل ریزرو میں منتقلی:	۲۵,۶۶۳
غیر تقسیم شُدہ منافع برائے ۳۰ جون ۲۰۲۳:	۱۳,۱۵۲
سال کے اختتام کے بعد کے معاملات:	
سال ۲۳-۲۰۲۲ کیلئے منافع کا تصرّف - بشرح ۱۲۵ فیصد ۱۲.۵۰ روپے فی حصص	۱,۳۳۳
	۱۱,۸۱۹

Glossary

AGL
Attock Gen Limited

AGM
Annual General Meeting

AHL
Attock Hospital (Pvt.) Limited

AOC
Attock Oil Company Limited

APL
Attock Petroleum Limited

ASF
Attock Sahara Foundation

AITSL
Attock Information Technology Services (Pvt.) Limited

BPD
Barrels Per Day

BR&A
Business Review and Assurance

CBA
Collective Bargaining Agent

CCG
Code of Corporate Governance

CCR
Continuous Catalyst Regeneration

CDC
Central Depository Company of Pakistan Limited

CSR
Corporate Social Responsibility

DHDS
Diesel Hydro De-Sulpurization

EPS
Earning Per Share

FFO
Furnace Fuel Oil

GRM
Gross Refiner's Margin

HBU
Howe Baker Unit

HOBC
High Octane Blending Component

HR&A
Human Resource and Administration

HSD
High Speed Diesel

HSEQ
Health Safety Environment and Quality

HSFO
High Sulfur Furnace Fuel Oil

IAS
International Accounting Standards

ICAP
Institute of Chartered Accountants of Pakistan

ICMAP
Institute of Cost and Management Accountants of Pakistan

IFEM
Inland Freight Equalisation Margin

IFRS
International Financial Reporting Standards

IPP
Independent Power Producer

ISO
International Organization for Standardization

JBO
Jute Batching Oil

JPs
Jet Petroleum

LDO
Light Diesel Oil

LPG
Liquefied Petroleum Gas

LPS
Loss Per Share

LSFO
Low Sulfur Furnace Fuel Oil

LSRN
Light Straight Run Naphtha

MTT
Mineral Turpentine Tar

NCPC
National Cleaner Production Centre

NRL
National Refinery Limited

OGRA
Oil and Gas Regulatory Authority

OHSAS
Occupational Health and Safety Management System

OMCs
Oil Marketing Companies

PACRA
The Pakistan Credit Rating Agency Limited

PICG
Pakistan Institute of Corporate Governance

PMG
Premium Motor Gasoline

POL
Pakistan Oilfields Limited

PSO
Pakistan State Oil Company Limited

PSQCA
Pakistan Standard Quality Control Authority

RFO
Residual Fuel Oil

SECP
Securities and Exchange Commission of Pakistan

SWOT
Strengths, Weaknesses, Opportunities, Threats

UNGC
United Nations Global Compact

UOP
Universal Oil Products

WPPF
Workers Profit Participation Fund

WWF
Workers Welfare Fund

Form of Proxy
Attock Refinery Limited
45th Annual General Meeting

I/We ____

of ____

being member(s) of Attock Refinery Limited holding ____________________

ordinary shares hereby appoint Mr./Mrs./Miss ____________________

of ____________________________________ or failing him/her

____ of

____________________________________ as my/our proxy in my/our

absence to attend and vote for me/us and on my/our behalf, at the 45th Annual General Meeting of the Company to be held on Monday, October 09, 2023 at 11:30 a.m. at Attock House, Morgah, Rawalpindi, and also through video link, and at any adjournment thereof.

Folio No.	CDC Account No.	
	Participant I.D.	Account No.

Signature on Fifty Rupees Revenue Stamp

The Signature should agree with the specimen registered with the Company

Dated this ________ day of ______________ 2023.

Signature of Shareholder ____________________

Signature of Proxy ____________________

1. WITNESS:

Signature ____________________

Name ____________________

Address ____________________

____

CNIC No. or | | | | | | – | | | | | | | | – | |

Passport No. ____________________

2. WITNESS:

Signature ____________________

Name ____________________

Address ____________________

____

CNIC No. or | | | | | | – | | | | | | | | – | |

Passport No. ____________________

Important:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, P.O. Refinery, Morgah, Rawalpindi-46600, Pakistan not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
3. For CDC Account Holders/Corporate Entities:
   In addition to the above the following requirements have to be met:

i. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.

ii. In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

AFFIX
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The Company Secretary,
ATTOCK REFINERY LIMITED
P. O. Refinery, Morgah,
Rawalpindi - 46600,
Pakistan.

نیابت داری فارم

اٹک ریفائنری لمیٹڈ

۴۵واں سالانہ اجلاسِ عام

میں / ہم ____________ سکنہ ____________________ بحیثیت ممبر اٹک ریفائنری لمیٹڈ کے ________ عمومی حصص کا / کی / کے مالک ہوں / ہیں۔ جناب / مسز / محترمہ ____________ سکنہ ____________________ یا اُن کی عدم حاضری کی وجہ سے جناب / مسز / محترمہ ____________ سکنہ ____________________ کو کمپنی کے ۴۵ویں سالانہ اجلاسِ عام جو بروز سوموار، ۹ اکتوبر ۲۰۲۳ کو ۱۱:۳۰ بجے صبح، اٹک ہاؤس، مورگاہ، راولپنڈی میں بذریعہ وڈیو لنک منعقد ہوگا یا اس کے کسی بھی التوائی اجلاس کیلئے میرے / میری / ہمارے نیابت دار کے طور پر مقرر کرتا / کرتی / کرتے ہوں / ہیں کہ وہ میری / ہماری غیر موجودگی میں میری / ہماری جانب سے شرکت کریں اور رائے دہندگی کا استعمال کریں۔

پچاس روپے کی رسیدی ٹکٹ پر دستخط

دستخط کمپنی میں محفوظ نمونے کے مطابق ہونے چاہیں

فولیو نمبر	سی ڈی سی اکاؤنٹ نمبر	
	پارٹیسپنٹ آئی ڈی	اکاؤنٹ نمبر

حصہ دار کے دستخط ____________

نیابت دار کے دستخط ____________

تاریخ: دن ______ ماہ ______ ۲۰۲۳

۱- گواہ:	۲- گواہ:
دستخط ____________	دستخط ____________
نام ____________	نام ____________
پتہ ____________	پتہ ____________

شناختی کارڈ نمبر ____________ شناختی کارڈ نمبر ____________

یا یا

پاسپورٹ نمبر ____________ پاسپورٹ نمبر ____________

ضروری اُمور:

۱- باضابطہ مکمل شدہ اور دستخط کردہ نیابت داری فارم اجلاس کے انعقاد سے کم از کم ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ دفتر، پوسٹ بکس ریفائنری، مورگاہ، راولپنڈی –۴۶۲۰۰ پاکستان میں جمع کرانا ضروری ہے۔

۲- اگر ایک ممبر ایک سے زیادہ نیابت دار مقرر کرتا / کرتی ہے اور کمپنی میں ایک سے زیادہ نیابت داری کے فارم جمع کرواتا / کرواتی ہے تو ایسی تمام دستاویزات غیر مؤثر ہو جائیں گی۔

۳۔ **سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریٹ اداروں کیلئے:**

مندرجہ بالا کے علاوہ درج ذیل تقاضے بھی پورے کرنے ہوں گے:۔

i. نیابت داری فارم کے ساتھ حصہ داران اور نیابت دار کا شناختی کارڈ یا پاسپورٹ کی مصدقہ کاپی فراہم کرنا ہو گی۔

ii. کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ کے ساتھ نمونے کے دستخط (اگر پیشگی مہیا نہیں کیا گیا) کمپنی کے نیابت داری فارم کے ساتھ پیش کرنا ہوں گے۔

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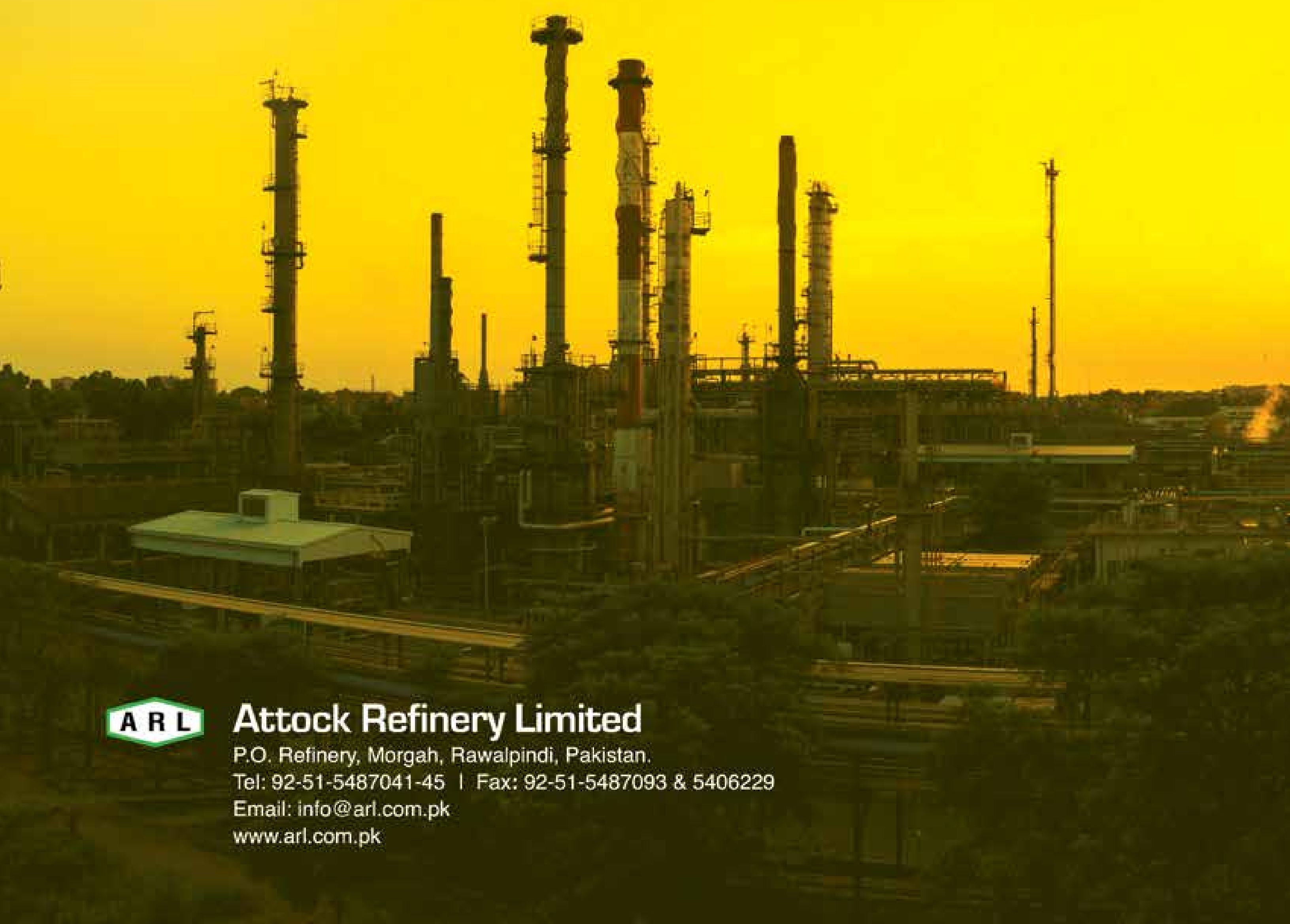
The Company Secretary,
ATTOCK REFINERY LIMITED
P. O. Refinery, Morgah,
Rawalpindi - 46600,
Pakistan.



Attock Refinery Limited

P.O. Refinery, Morgah, Rawalpindi, Pakistan.
Tel: 92-51-5487041-45 | Fax: 92-51-5487093 & 5406229
Email: info@arl.com.pk
www.arl.com.pk