2024
ANNUAL REPORT

REFINING WITH VISION

National Refinery Limited

CONTENTS

COMPANY OVERVIEW

VISION

Our passion is to attain distinctive leadership amongst the corporate success stories of tomorrow.

We at NRL recognize that realization of this passion needs superior professional competencies, continuous value addition and improvising, development of human capital and complete commitment to safety, occupational health and environment.

MISSION

- To remain the premium and preferred supply source for various petroleum products and petrochemicals.
- Offer products that are not only viable in terms of desirability and price but most importantly give true and lasting value to our customers.
- Deliver strong returns on existing and projected investments of our stakeholders by use of specialised and high quality corporate capabilities.
- Business development by adoption of emerging technologies, growth in professional competence, support to innovation, enrichment of human resource and performance recognition.
- Be a responsible corporate citizen by serving the community through a variety of socio-economic acts and maintaining a high level of safety, occupational health and environmental care.

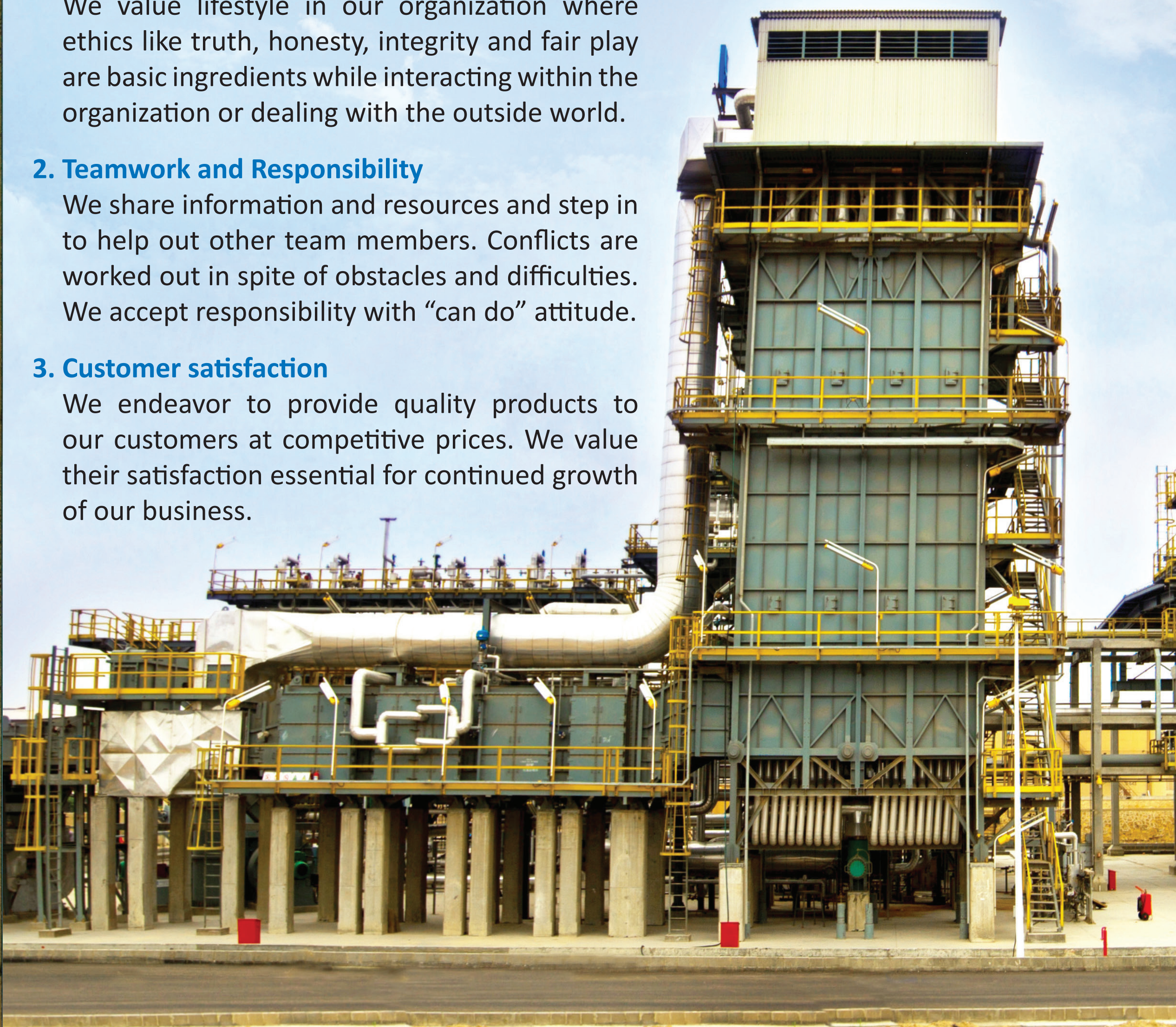
CORE VALUES

Following concepts and ideas guide the Management and Staff of National Refinery Limited in conducting its business practices in most ethical ways:

1. **Ethical Conduct and Integrity**
   We value lifestyle in our organization where ethics like truth, honesty, integrity and fair play are basic ingredients while interacting within the organization or dealing with the outside world.

2. **Teamwork and Responsibility**
   We share information and resources and step in to help out other team members. Conflicts are worked out in spite of obstacles and difficulties. We accept responsibility with “can do” attitude.

3. **Customer satisfaction**
   We endeavor to provide quality products to our customers at competitive prices. We value their satisfaction essential for continued growth of our business.



4. Continuous improvement

We generate new ideas and creative approaches to upgrade and update our refinery to best available technology and processes so that our products are at the level of internationally accepted standards.

5. Profitability

We believe in enhancing our profitability to the maximum so that Employees, Shareholders and Government all benefit from it.

6. Corporate Citizenship

As a good Corporate Citizen, we are more than willing and happy to meet our social responsibilities towards the community around us. We are also committed to meet requirements of health, safety and environment.

CORPORATE INFORMATION

Board of Directors

Laith G. Pharaon
Alternate Director: Shuaib A. Malik

Wael G. Pharaon
Alternate Director: Babar Bashir Nawaz

Shuaib A. Malik - Chairman

Shamim Ahmad Khan

Abdus Sattar

Sajid Nawaz

Khondamir Nusratkhujaev

Chief Executive Officer

Shahid Waheed Khwaja

Chief Financial Officer

Nouman Ahmed Usmani

Company Secretary

Badruddin Khan

Audit Committee

Shamim Ahmad Khan	Chairman
Abdus Sattar	Member
Babar Bashir Nawaz Alternate Director for Mr. Wael G. Pharaon	Member
Muhammad Atta ur Rehman Malik	Secretary

Human Resource and Remuneration (HR&R) Committee

Shamim Ahmad Khan	Chairman
Shuaib A. Malik	Member
Babar Bashir Nawaz Alternate Director for Mr. Wael G. Pharaon	Member
Nouman Ahmed Usmani	Secretary

CORPORATE INFORMATION

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor

Ali Sibtain Fazli & Associates
Legal Advisors, Advocates & Solicitors

Bankers

Habib Bank Limited	BankIslami Pakistan
Meezan Bank Limited	Habib Metropolitan Bank Limited
Allied Bank Limited	Dubai Islamic Bank
National Bank of Pakistan	MCB Bank Limited
The Bank of Punjab	Samba Bank Limited
Bank Alfalah Limited	Bank AL-Habib Limited
United Bank Limited	Askari Bank Limited
Faysal Bank Limited	Industrial & Commercial Bank of China Limited

Registered Office

7-B, Korangi Industrial Area, Karachi-74900
P.O. Box: 8228, Karachi-74900
UAN: +92-21-111-675-675
PABX: +92-21-35064981-86
+92-21-35064977-79
Website: www.nrlpak.com
E-mail: info@nrlpak.com

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi – 74400.
Tel: (Toll Free) 0800-23275
Fax: +92-21-34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

NRL AT A GLANCE

FIRST LUBE REFINERY

BEFORE RE-VAMP

Design capacity	3,976,500 barrels per year of Crude Oil processing
Design capacity	533,400 barrels per year of Lube Base Oils
Date Commissioned	June 1966
Project Cost	Rs. 103.9 million

AFTER RE-VAMP

Design capacity	5,610,000 barrels per year of Crude Oil processing
Design capacity	568,860 barrels per year of Lube Base Oils
Date Commissioned	September 2020
Project Cost of Revamping	Rs. 1,562 million

FUEL REFINERY

BEFORE RE-VAMP

Design capacity	11,385,000 barrels per year of Crude Oil processing
Date Commissioned	April 1977
Project Cost	Rs. 607.5 million

AFTER FIRST RE-VAMP

Design capacity	16,500,000 barrels per year of Crude Oil processing
Date Commissioned	February 1990
Project Cost of Revamping	Rs. 125.0 million

AFTER SECOND RE-VAMP

Design capacity	17,490,000 barrels per year of Crude Oil processing
Date Commissioned	March 2017
Project Cost of Revamping	Rs. 548.0 million

HSD DESULPHURIZATION AND ASSOCIATED UNITS

Date Commissioned	June 2017
Project Cost	Rs. 26.82 billion

NAPHTHA BLOCK (ISOMERIZATION UNIT)

Date Commissioned	October 2017
Project Cost	Rs. 6.54 billion

BTX UNIT

Design capacity	180,000 barrels per year of BTX
Date Commissioned	April 1979
Project Cost	Rs. 66.7 million

SECOND LUBE REFINERY

BEFORE RE-VAMP

Design capacity	700,000 barrels per year of Lube Base Oils
Date Commissioned	January 1985
Project Cost	Rs. 2,082.4 million

AFTER RE-VAMP

Design capacity	805,000 barrels per year of Lube Base Oils
Date Commissioned	June 2007
Project Cost of Revamping	Rs. 585.0 million

SHARE CAPITAL (RS. IN MILLION)

	Fuel	Lube	Total
June 2002	229.171	437.217	666.388
June 2024	275.005	524.661	799.666

SHAREHOLDERS' EQUITY

June 1966	Rs. 20.0 million
June 2024	Rs. 19,216.6 million

CORPORATE OBJECTIVES & DEVELOPMENT STRATEGY

National Refinery Limited is a petroleum refining and petrochemical complex engaged in manufacturing and supplying a wide range of fuel products, lubes, BTX, asphalts and specialty products for domestic consumption and export.

NRL objectives and development strategy are aimed at achieving sustainable productivity and profitability and high standards of safety, occupational health and environmental care. This entails human resource re-engineering & development, enhancing value addition, implementing conservation measures and continuing growth through up-gradation of existing as well as addition of new facilities. In the changing global environment, corporate objective and development strategy have been defined to meet the challenges of 21st Century.

Corporate Objectives

- Ensure that business policies and targets are in conformity with the national goals.
- Contribute in meeting the country's demand of petroleum and petrochemical products.
- Customer's satisfaction by providing best value and quality products.
- Optimization of the value of barrel of crude oil and cost reduction through conservation measures.
- Achieving and maintaining a high standard of Occupational Health, Safety and Environmental care.
- Ensure reasonable return on the shareholders' existing and projected investments.
- Maintain modern management systems conforming to international standards needed for an efficient organization.

Development Strategy

- Contribute in national efforts towards attaining sustainable self-efficiency in petroleum products.
- Human resource development by upgrading training facilities and exposure to modern technologies/management techniques.
- Balancing and Modernization for energy conservation and enhanced yield of value added products as well as revamping for environment friendly products.
- Expansion of refining capacity by de-bottlenecking and adding new facilities.
- Acquire newer generation technologies for the efficient refinery operations as well as for attaining highest standards of Occupational Health, Safety and Environmental care.
- Acquiring self-sufficiency in re-engineering, design and fabrication of equipments.

DIRECTORS' PROFILE

Mr. Laith 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. Laith holds a graduate degree from the University of Southern California. He is a Director on the Board of various companies of The Attock Group.

Other Engagements

Chairman & Director
- Attock Petroleum Limited
- The Attock Oil Company Limited

Director
- Pakistan Oilfields Limited
- Attock Refinery Limited
- Attock Cement Pakistan Limited
- Attock Gen Limited
- Attock Energy (Pvt.) Limited

Mr. Wael G. Pharaon
(Non-Executive Director)

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

Other Engagements

Director
- The Attock Oil Company Limited
- Attock Cement Pakistan Limited
- Attock Refinery Limited
- Pakistan Oilfields Limited
- Attock Petroleum Limited
- Attock Gen Limited
- Angoori Heights Development (Pvt.) Limited
- Margalla Farm Houses Development (Pvt.) Limited
- Rawal Lodges Development (Pvt.) Limited

DIRECTORS' PROFILE

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 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 recognition of his outstanding and visionary leadership, Mr. Shuaib A. Malik has been conferred upon the Sitara e Imtiaz by the Government of Pakistan.

Other Engagements

Group Chief Executive

Chairman, Chief Executive & Director
- Pakistan Oilfields Limited

Chairman & Director
- Attock Refinery Limited
- Attock Cement Pakistan Limited
- Attock Hospital (Pvt.) Limited

Chief Executive & Director
- Attock Petroleum Limited
- The Attock Oil Company Limited
- Attock Information Technology Services (Pvt.) Limited
- Angoori Heights Development (Pvt.) Limited
- Attock Leisure & Management Associates (Pvt.) Limited
- Falcon Pakistan (Pvt.) Limited
- Attock Energy (Pvt.) Limited

Director
- Attock Gen Limited
- Rawal Lodges Development (Pvt.) Limited
- Margalla Farm Houses Development (Pvt.) Limited

Resident Representative
- Pharaon Investment Group Limited Holding SAL

DIRECTORS' PROFILE

Mr. Shamim Ahmad Khan

(Independent 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 Member and later as Chairman. He restructured it as Securities and Exchange Commission of Pakistan (SECP) and became its first Chairman. He is also Chairman of IGI Life Insurance and IGI General Insurance. Mr. Khan has also undertaken a number of consultancy assignments for Asian Development Bank, World Bank and DFID. He is also member of Board of Governors of SDPI and director of Karandaaz, a non-profit company sponsored by DFID.

Other Engagements

Director

- Attock Refinery Limited
- Pakistan Oilfields Limited
- Attock Cement Pakistan Limited
- IGI Holdings Limited
- IGI Life Insurance Limited
- IGI General Insurance Limited
- Packages Foundation
- Karandaaz – NPO

Member Board of Governors

- Sustainable Development Policy Institute (SDPI)

Mr. Abdus Sattar

(Non-Executive Director)

Mr. Abdus Sattar has over 35 years of Financial Management experience at key positions of responsibility in various Government organizations / ministries, commercial organizations with the main objective of controlling costs of various commodities, to watch consumer interest, minimize government subsidies, improve government revenues, eliminate wasteful expenses / leakages and fixation of gas and POL prices. After serving as Financial Advisor to Ministry of Petroleum & Natural Resources, Government of Pakistan, he also remained Financial Advisor for Mari Gas Company Limited for around 8 years including 6 years as its Director on the Board. While working as Financial Advisor in Ministry of Petroleum he also served as Director on a number of boards like OGDCL, PPL, SNGPL, SSGCL, PSO, PARCO, ARL, POL, NRL, PMDC etc. as a nominee of Government of Pakistan for about seven years. He is a fellow member of Institute of Cost and Management Accountant of Pakistan (ICMAP) and was also nominated as council member of ICMAP for the three years (Jan 2000 to Dec 2002) by the Government of Pakistan. He has attended many advance financial management courses, programs and trainings in institutions of international repute in Pakistan and abroad. Presently, he is on the Board of all the Listed Companies of The Attock Group.

Other Engagements

Director

- Attock Refinery Limited
- Attock Petroleum Limited
- Pakistan Oilfields Limited
- Attock Cement Pakistan Limited

DIRECTORS' PROFILE

Mr. Sajid Nawaz

(Non-Executive Director)

Mr. Sajid Nawaz has over 30 years of work experience in service with Government of Pakistan at various management posts both within country and abroad. Due to the nature of posts and assignments he carries considerable experience of working in different environments. He has attended various management courses abroad and in Pakistan, including the course on International Petroleum Management at Canadian Petroleum Institute, Canada. He is presently holding position of Managing Director of Pakistan Oilfields Limited (POL) and has almost 20 years of work experience with the Company in Senior Management positions. He has also served as Director on Boards of Attock Petroleum Limited, Attock Refinery Limited and Attock Cement Pakistan Limited.

Other Engagements

Director & Managing Director

- Pakistan Oilfields Limited

Mr. Khondamir Nusratkhujaev

(Independent Director)

Mr. Khondamir Nusratkhujaev has more than 20 years of diversified working experience in the areas of Auditing, Internal Controls and Financial Controls (COSO), Budgeting and Islamic Banking. He is a Chartered Certified Accountant, UK and also holds Master's degree in Business Administration. Besides he is also a Certified Islamic Public Accountant. Mr. Nusratkhujaev has been associated with top international accounting firms including Deloitte Russia, Ernst & Young Kazakhstan & PWC Uzbekistan in the areas of Auditing and Accounting Advisory. Currently he is associated with Islamic Development Bank, Jeddah as Manager accounting and reporting division and manages full financial and management reporting cycle. He is also author of many international publications on Islamic Finance and Banking.

Other Engagements

Manager

- Accounting and Reporting at Islamic Development Bank

Board Member

- Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)

DIRECTORS' PROFILE

Mr. Babar Bashir Nawaz

Alternate for
Mr. Wael G. Pharaon
(Non-Executive Director)

He 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. He holds a postgraduate degree in Business Administration from the Quaid-e-Azam University, Islamabad. 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

Director & Chief Executive
- Attock Cement Pakistan Limited
- Rawal Lodges Development (Pvt.) Limited

Director
- Angoori Heights Development (Pvt.) Limited
- Margalla Farm Houses Development (Pvt.) Limited
- Falcon Pakistan (Pvt.) Limited

Alternate Director
- Pakistan Oilfields Limited
- Attock Refinery Limited
- Attock Petroleum Limited
- Attock Leisure & Management Associates (Pvt.) Limited

Mr. Shahid Waheed Khwaja

Chief Executive Officer
(Executive Director)

Mr. Shahid Waheed Khwaja, Chief Executive Officer of the Company possesses more than five decades of extensive experience in the Petroleum and Chemical Sectors. He holds a Bachelor's Degree in Chemical Engineering (1970) and has done Masters in Business Administration-Marketing (1989). His career began in 1970 in the Chemical Sector, and he later joined National Refinery Limited in 1978. His extensive experience led to his elevation to the position of General Manager (Commercial and Procurement) within the Company.

The Board of Directors appointed him as the Chief Executive of the Company with effect from July 26, 2024 due to his experience and knowledge of industry.

CHAIRMAN'S REVIEW

I am pleased to present the annual review of your Company for the year ended June 30, 2024.

During the year our economy continued to face multiple challenges such as high inflation, low foreign exchange reserves and high policy rate, which affected Country's performance. The State Bank of Pakistan managed imports to control the outflow of foreign exchange together with maintaining higher policy rate aiming to control Inflation. Further, strict measures were taken to secure IMF bailout package so that the Country could come out of economic difficulties.

Overall products' margins as well as their market premiums declined sharply especially during the last nine months of the year, resulting in significantly lower Gross Refining Margins. Further, the oil prices witnessed continuous decline in the International Market resulting in inventory losses especially in the second and fourth quarters, which significantly impacted company's financial results. Additionally, escalating operational costs driven by increased utility tariffs, high inflation, and rising finance costs posed significant challenges for the company throughout the year. Accordingly, the Company adopted a careful approach to operate at low throughput to mitigate exposure to uncertainties.

In view of the foregoing, the Company reported a loss after tax of Rs. 15.79 billion for the year ended June 30, 2024 as compared to a loss after tax of Rs. 4.46 billion in the last year.

In these challenging times, the Board of Directors played a pivotal role in navigating your Company. The Board guided the Company to follow robust corporate governance processes to ensure high standards of governance. The Board was ably supported by key sub-committees - the Board Audit Committee and the Human Resource and Remuneration Committee, which identified areas for improvement in both processes and performance. However, external factors, such as oil prices volatility, higher policy rates and economic uncertainty continued to strain working capital besides impacting Company's operations and financial performance negatively during the year. Nevertheless, the management is fully committed to mitigate the impact of these challenges, identifying appropriate opportunities, and fostering sustainable refinery operations.

On behalf of the Board of Directors, I place on record sincere appreciation of the service of Mr. Jamil A. Khan, who resigned from company Chief Executive Officer on June 13, 2024. His tenure has been marked by notable achievements. He played a pivotal role in the growth and operational upgrade of NRL. I also welcome Mr. Shahid Waheed Khwaja, who has been appointed as company's new Chief Executive Officer effective July 26, 2024. He has served the company in the capacity of General Manager Commercial and Procurement till March 2023. His services in the Company spans over more than 40 years. I wish both the gentlemen all the best.

I may appreciate the commitment of the management and board members. I may also extend my appreciation to our shareholders, customers, suppliers, financial institutions and all other stakeholders for their continued support. With your support, I am confident that your Company will navigate through these difficult times and continue serving its valued customers.

Shuaib A. Malik
Chairman

Rawalpindi
September 02, 2024

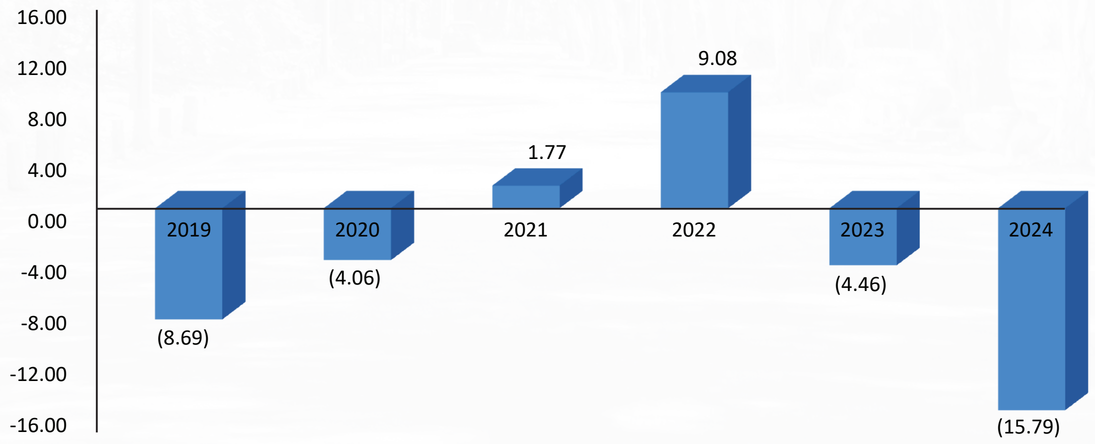
DIRECTORS' REPORT

The Board of Directors is pleased to present the 61st Annual Report of National Refinery Limited together with the audited financial statements and auditors' report thereon for the year ended June 30, 2024.

FINANCIAL RESULTS

The financial year 2024 was quite challenging for the refinery. Initially, the year started with promising margins, but these quickly declined after the first quarter. Margins continued to shrink throughout the year due to irregular demand-supply gap and falling products premiums. The situation was further compounded by political instability due to election year together with economic uncertainty, which resulted in higher inflation, higher mark-up rates and lower foreign exchange reserves. Besides, increased utility rates due to IMF program conditions also raised operational costs substantially. These challenges compelled the company to cautiously operate the refinery at lower throughput. Lower sales volumes, inventory losses, and higher finance costs adversely affected the company's performance resulting in significantly high loss for the year. Consequently, due to these difficult conditions and operational constraints, the company posted a loss after tax of Rs. 15.79 billion for the year, compared to a loss after tax of Rs. 4.46 billion reported in the previous year.

(LOSS)/PROFIT AFTER TAX - (Rs in billion)



Fuel Segment

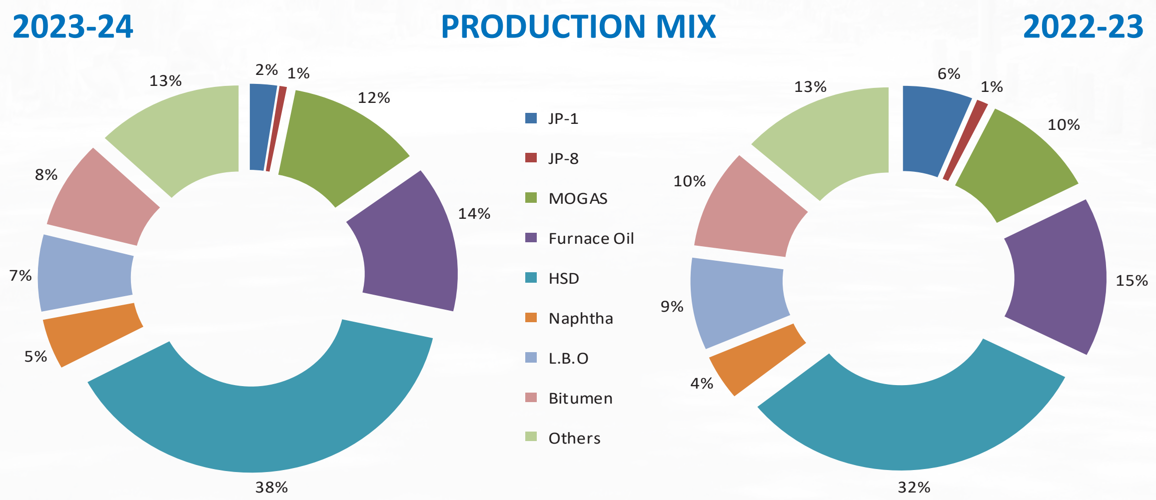
During the year international oil prices witnessed declining trend especially in the second and fourth quarters, which disturbed the usual pattern of products offtake resulting in inventory buildups and substantial inventory losses. Further, the margins and premium of HSD and Motor Gasoline also declined sharply in the last three quarters, which resulted in huge reduction in Gross Refining Margins.

The segment's results were further affected by lower offtake of Furnace Oil due to lower demand by Independent Power Producer (IPP) for electricity generation which remained a major challenge. In order to overcome this challenge, the company has started export of Furnace oil. The company managed to export two cargoes cumulatively of 22,882 MT in the fourth quarter and is further exploring the market as well as the internal resources to increase the Furnace Oil exports and at lower cost.

Additionally, the country's low foreign exchange reserves and downgraded credit rating created challenges in establishing and confirming letters of credit (LCs) for the import of crude oil. Although the company was able to establish LCs, it did so at significantly higher rates, leading to a substantial increase in LC confirmation charges. Further, reduced demand for other petroleum products was also driven by a general downturn in economic activity across the country. The demand for High-Speed Diesel (HSD) further decreased due to availability of cheaper alternatives through porous borders. Considering the above challenges, the company's throughput was maintained at 51.95% (for the last year ended June 30, 2023: 51.92%).

Despite increase in sales of HSD and Motor Gasoline as compared to last year, the fuel segment ended up in loss after tax of Rs. 17.12 billion this year, compared to a loss of Rs. 10.89 billion in the previous year owing to the factors as explained above.

During the year, exchange rate fluctuations were minimal, which kept the exchange loss to Rs. 148.77 million, a significant reduction from the Rs. 9,877 million recorded in the previous year. However, due to higher working capital financing requirements and elevated mark-up rates, the company incurred a financing cost of Rs. 9,124 million, compared to Rs. 6,329 million in the previous year.



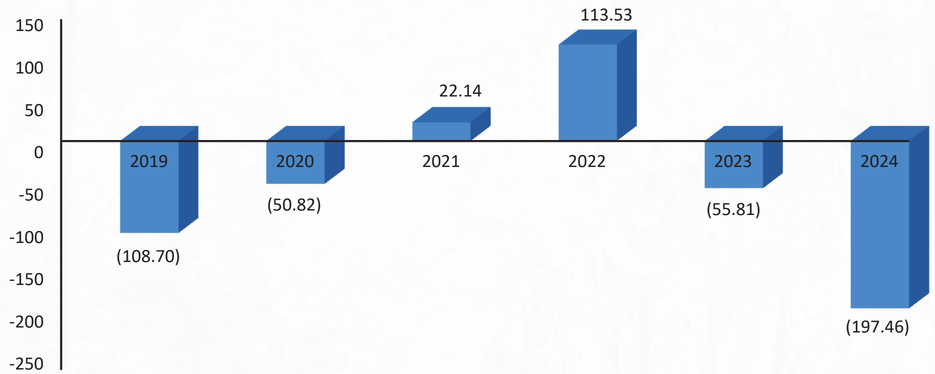
Lube Segment

The Lube segment recorded a nominal net profit of Rs. 1.33 billion, compared to Rs. 6.43 billion in the previous year. During the year, sales of lube products declined by 20%, mainly due to Lube-II refinery turnaround, which was initially planned last year but delayed due to LC opening issues for required spares. The increased maintenance requirements prolonged the turnaround, which also resulted in delayed start-up of some units. Resultantly, the Company could achieve the regular production towards the end of third quarter. The demand for Bitumen also remained sluggish due to lower economic activity, non-availability of funds for development of (roads and construction) and movement of product across the Western borders. To address ullage constraints, the company exported 46,287 MT of Bitumen this year.

LOSS / EARNINGS PER SHARE

Loss per share is Rs. 197.46 as compared to loss per share of Rs. 55.81 per share in last year.

(LOSS)/EARNING PER SHARE (Rs. per share)



DIVIDEND

Considering the overall loss position, the Board of Directors decided not to consider any dividend for the current year.

COMPANY BUSINESS

The Company is engaged in the business of Crude Oil Refining with three refineries commissioned in the year 1966, 1977 and 1985. Last upgradation includes Diesel Hydro Desulphurization and Isomerization units commissioned during the year 2017 and 2018 in order to produce environment friendly low Sulphur HSD ranging from Euro II to Euro V standard and to convert Naphtha into Motor Gasoline respectively. Further, through revamp of fuel and lube – I refinery, the Company has increased its crude oil processing capacity from 62,050 barrels per day to 70,000 barrels per day and production capacity of lube base oil by 5000 - 6000 MT per year.

The Company was privatized in the year 2005, whereby 51% shares of the Company are held by Attock Group.

The Company operates its three refineries into two business segments “Fuel Segment” and “Lube Segment”. Fuel Segment is the producer of High-Speed Diesel, Naphtha, Motor Gasoline, Liquefied Petroleum Gas, Jet Fuels and Furnace Oil. Lube Segment produces multiple grades of Lube Base Oils, Bitumen, Furnace oil, Waxes, Rubber Process Oil and some quantities of other fuel products. The products are marketed locally, whereas Naphtha is exported. Some quantities of Lube Base Oils, Bitumen and Furnace Oil are also exported as per the requirement.

PRICING FORMULA

The Company's Fuel Segment is regulated by Government under the Import Parity Pricing Formula. In 2012-13, price of HSD was also de-regulated and linked with PSO import price, which NRL became entitled to effective July 2017 post completion of DHDS project.

However, effective September 1st, 2020, the Government has introduced fortnightly pricing mechanism whereby prices are based on Arab Gulf daily FOB average for the number of days in the pricing period to be taken as base commodity price, instead of PSO's actual price for the month. However, incidentals are included in the price based on PSO's actual cost for the fortnight.

Effective January 1st, 2021, NRL is entitled for HSD Euro-V price based on Import Parity Price and PSO's import incidentals due to its capability of producing the same.

According to the Import Parity Pricing formula, the distribution of profits from Fuel Segment was restricted to 50% of the paid-up capital as of July 1, 2002 and the remaining amount was required to be transferred to special reserves. During the year, the Government has announced the Brown Field Refining Policy 2023, that supersedes all previous refining policies, thus the above mention transfer to special reserves is no more required.

SUSTAINABILITY

Following are the key sustainability risks & uncertainties together with measures to manage or mitigate the same:

I. RISK & UNCERTAINITIES

- The volatile crude oil and product prices in international market mostly results in narrow margins. In such case the Company periodically reviews its production and sale schedule to minimize the losses.
- The negative outlook with downgraded credit rating of the country and the top tier banks by international credit rating agencies has evolved as a major risk that has impacted/disrupted supply chain not only for the company but for oil industry specifically and also for all import dependent businesses across the country.
- The Company generally faces exchange losses due to devaluation of Pak Rupee in making payments especially for crude oil procurement to its suppliers in foreign currencies. Some measures have been taken by the Government to reduce the impact of exchange losses by incorporating its impact in pricing that covers the risk to some extent.
- The global progress on introducing Electric Vehicles and reducing reliance on Fossil Fuels will reduce the margins of finished petroleum products in medium to long term. Further, the huge decline in Furnace oil demand for power generation has resulted in a huge challenge for the company. In order to avoid ullage constraints, the company has started to export furnace oil and is planning to further enhance its export to improve throughput.

II. FUTURE OUTLOOK

In a challenging macroeconomic environment, business sentiment in the country is not positive. Rising external vulnerabilities, a significant increase in operating costs, inflation, political instability, sudden tax measures in the Federal Budget with potentially unfavorable impacts, and higher interest rates have collectively contributed to an overall climate of uncertainty.

Furthermore, the negative outlook for the country and top-tier local banks, as indicated by international credit rating agencies, has exposed crude oil imports to letter of credit confirmation risks, resulting in increased costs. The company, along with the entire sector, faces additional challenges due to rampant smuggling along the Western borders, with smuggled products easily entering the market and at lower prices.

The Company's management believes that significant bottlenecks for refineries' profitable operations are thin products margins, increasing utility cost, increasing freight & LC confirmation charges, short recovery of custom duty and foreign exchange loss in relation to crude oil import, which not only hits Company's positive cash flows, increases working capital financing requirement and resultant borrowing cost especially under high interest rates' environment, but also hits Company's overall performance and profitability.

After, the year end, some of the indicators have improved, such as decline in inflation as well as adjustment in policy rate with a cumulative cut of 2.5%. Additionally, Fitch has upgraded country's rating from CCC to CCC+ towards the end of July 2024. These measures, alongwith anticipated finalization of IMF program, would have a positive impact on the businesses.

The long-awaited Pakistan Oil Refinery Policy 2023 for brownfield refineries which was earlier approved in August 2023 was further amended in February 2024 to address certain concerns that refineries raised regarding the policy. The revised 'Pakistan Oil Refining Policy for Upgrading Brownfield Refineries 2023, (as amended in February 2024)' initially required refineries to sign upgrade agreements within 60 days. Despite the Company forwarded the mutually agreed upgrade agreement for signing, it could not be executed and the deadline has been further extended by the Government for an additional six months period. The policy includes several incentives to promote investment and growth in the sector, contingent upon existing refineries signing upgrade agreements.

Under the Policy, 2.5% custom duty on High Speed Diesel and 10% duty on Motor Gasoline (which is already a part of pricing) has been approved as incremental incentive, however, the incremental amount is to be deposited in an OGRA controlled joint Escrow Account, to be utilized by refineries for upgradation upto 27.5% of project cost. The incremental incentives are subject to legally binding agreement with OGRA wherein the upgrade is to be completed in 6 years. Custom duty on crude oil will be reimbursed to refineries through Inland Freight Equalization Margin (IFEM) instead of current adjustment mechanism.

However, under the Finance Act 2024, the Government has changed the status of some petroleum products (i.e., Motor Gasoline, HSD, Kerosene and LDO) from taxable supplies (with zero rating) to 'exempt' in the Sales Tax Act, 1990. This means that the Company would not be able to claim upto 75% of its input sales tax thereby increasing Company's operating cost as well as overall cost of Company's future upgrade projects. In view of its adverse implications, the Company along with other refineries has strongly taken up the issue with concerned authorities and hope that it would be favourably resolved.

Company's management firmly believes that by addressing brownfield refineries' concerns and challenges, this policy could play a pivotal role in promoting sector development and stability.

Company's management is addressing the challenging conditions being faced with utmost care and vigilance. Despite the complexities, the management is overseeing the operations to ensure efficient functioning and prudent decision-making. This careful approach is aimed at mitigating risks and optimizing performance.

In June 2024, Mr. Jamil A. Khan, the Company's Chief Executive Officer resigned. Mr. Shahid Waheed Khwaja joined as the Company's new CEO in July 2024, bringing in extensive refinery experience with him. We hope his experience will help the Company to meet the challenges successfully.

III. FUTURE PROJECTS

Following are the company's future projects aiming to improve Company's products quality, enhance value added products and maintain Company's operational capabilities for smooth refinery operations:

A. Upgrade Projects

Refinery's upgrade projects involve huge capital investment, however after the approval of brownfield refining policy whereby the Government has offered certain incentives, your company plans the following upgradation projects subject to signing of the upgrade agreement:

- **Hydrocracker / Bottom of Barrel upgrade**
  This upgradation aims to partially reduce the production of Furnace oil and convert it to value added products. Your company is studying and evaluating available options which best suits the company. Specific configuration in relation to bottom of the barrel will firm up on completion of Front End Engineering Design (FEED).

- **CCR (Continuous Catalyst Regeneration) Platforming Unit**
  This unit aims to increase the Gasoline production and to meet country's Gasoline Euro-V specifications. The Company is considering installation of a CCR (Continuous Catalyst Regeneration) Platforming unit along with other associated units. However, specific configuration of the units will firm up on completion of Front End Engineering Design (FEED).

B. Other Improvement Projects

- **Turnaround of Lube-I Refinery**
  Company would be undertaking the turnaround of its Lube-I Refinery in 2024-25 as a mandatory activity so as to keep the refinery operating. This will result in continuous production of plant at optimum level without frequent maintenance requirements.

- **Upgradation of API Separators & Effluent Water Treatment Plant (ETP)**
  The upgrade of API Separators & Effluent Water Treatment Plant (ETP) has been planned to reduce the consumption of water by recycling to utilize it as feed water to Reverse Osmosis Plants.

IV. COMPLETED PROJECTS

During the year company completed the following project:

- **Turnaround of Lube-II Refinery**
  During the year, Company completed the Turnaround of its Lube-II Refinery as a mandatory activity so as to keep the refinery operating. This has resulted in continuous production of plant at optimum level reducing frequent maintenance requirements.

V. RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS

Your Company continues to maintain history of making timely payments for the supply of crude oil to Saudi Aramco for imported crude oil. Further, payments to other foreign and local oil exploration companies operating in Pakistan are also being released on regular basis.

We always endeavor to maintain good relationship with our local suppliers, customers and other business partners involved in the supply chain.

VI. CORPORATE SOCIAL RESPONSIBILITY

The Company realizes its social responsibility towards the national economy apart from its customers, employees and shareholders. As a responsible corporate entity, the Company has contributed to different social segments of the economy in various ways for improving quality of life as well as safety awareness in the country. During the year company contributed Rs. 510,850 on safety advertisement in News Papers while using LPG; besides, Rs. 75,000 was paid to a charitable Trust.

The Company has kept three differently abled persons on its manpower strength as prescribed in ‘The Sindh Differently abled persons (The Sindh empowerment of persons with Disabilities Act 2018)’ and also made payments amounting to Rs. 16.15 million to Department of Empowerment of person with Disabilities, Government of Sindh.

VII. EMPLOYEES & MANAGEMENT RELATIONS

The relationship between the management and employees including workers' union continued to be cordial. Long Service Award is given to employees to acknowledge their long association with NRL. The Charter of Demands submitted by Collective Bargaining Agent of NRL Workers after extensive negotiations has already reached an amicable settlement of their final demands for a two-year period ending February 2025.

VIII. HUMAN RESOURCE DEVELOPMENT

Human Resource of the Company is playing a very significant role in achieving the short and long-term corporate objectives of the Company. Therefore, our Company focuses special attention on their training and development. Various staff members attended numerous courses and workshops in different technical and non-technical disciplines. In addition to hands on training programs, the Company has also conducted Management Trainees and Apprenticeship programs where theoretical and practical training in Refinery operations and maintenance was imparted which will not only meet the additional requirement of trained manpower for operations of the Company but would extend a great help to the Petroleum Refinery industry of the country in the form of trained manpower.

IX. DIVERSITY, EQUITY AND INCLUSION (DE&I)

The Company is trying to promote gender diversity. NRL has been hiring and retaining women across various departments such as Human Resource, Treasury and Commercial etc.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

The company's dedication towards protecting the environment is evident from its safe operations. NRL team is focused to conserve energy, optimize resources and mitigate waste generations. The company has a comprehensive integrated Management System in place in accordance with the requirements of ISO 14001:2015, ISO 45001:2018 and ISO 9001:2015. It has helped in strengthening Health, Safety, Environmental and Quality awareness along with promoting culture of teamwork, empowerment and continuous improvement. NRL team ensures that company's refining activities are in line with the occupational health, safety and environmental legislations, Company's standard operating procedures and safe work practices compliance towards environment protection.

NRL strives to offer products and services that are clean, safe and of high quality. People at NRL believe that the realization of this basic fact is aimed to fulfill their responsibility for better environment.

QUALITY CONTROL FUNCTION

Quality Control (QC) function at NRL manages the testing of crude oil, gases & fuels, petrochemicals, and a variety of other petroleum industry products/materials using modern sophisticated analytical equipment's. The role is, however, not limited to quality control alone but quality assurance & research and development work is also carried out to give a basis for innovation in processes & products. QC also deals in project-based work under defined testing services.

NRL's QC function has been awarded ISO/IEC 17025:2017 accreditation by the Pakistan National Accreditation Council (PNAC), Ministry of Science and Technology, Government of Pakistan which has been fully adopted. This accreditation is basically the criteria for laboratories to demonstrate the technical competence to carry out specific test methods, generate valid internationally traceable calibration data, test results, and operate an effective quality system. With this valuable achievement, NRL has reached a new level of Management System which brings the company at par with renowned companies that are equipped with world class testing facilities and laboratories.

KEY OPERATING AND FINANCIAL DATA

Key operating and financial data of last six years (2019 - 2024) is shown on page 45.

REFINERIES PRODUCTION

According to capacity analysis, NRL is currently the third largest refinery of Pakistan with production capacity of 23.10 million barrels per annum. NRL is the only refining complex in Pakistan which includes Lube Refinery, producing multiple grades of Lube Base Oils to meet the demand of the Country.

CREDIT RATINGS

The long-term and short-term entity ratings of the Company have been revised to AA (Previous: AA+) and A1 (Previous: A1+) respectively by Pakistan Credit Rating Agency (PACRA) during the year. These ratings signify a very low expectation of credit risk and a strong capability for timely payment of financial commitments. Company's outlook has improved to 'stable', however, given the current situation and challenges outlined earlier, rating watch status of the Company is continuing.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the financial year, the Company contributed Rs. 88.89 billion to the National exchequer in the shape of taxes, duties and levies and earned valuable foreign exchange of US$ 85.09 million through the export of Naphtha, Bitumen, Furnace Oil and Lube Base Oils.

SYSTEM OF INTERNAL FINANCIAL CONTROL

The company ensures that adequate internal controls are in place for all its activities including financial transactions. There is an internal audit department in place which conducts regular audits to assess if internal financial controls are adequate in design and have been appropriately implemented and monitored. The directors of the company have constituted an "Audit Committee" that reviews the internal audit department's reports on quarterly basis.

CORPORATE GOVERNANCE

The Company is committed to good corporate governance and has complied with the applicable Listed Companies (Code of Corporate Governance) Regulations 2019 and states that:

a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, change in equity and cash flows.

b) Proper books of account have been maintained in the manner required under the Companies Act 2017.

c) Appropriate accounting policies have been consistently applied in the preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment. From current year, the classification of Minimum Tax which is not adjustable against the future income tax liability and Final Tax has been changed from income tax expense to 'Levies' as an other operating expense. The details of the changes are discussed in note 3.23 of the financial statements under 'restatement'.

d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.

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

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

g) The value of investment of various funds, based on their respective accounts as at 30 June, 2024 are as under:

Description	(Rs. in millions) Un-audited
Management staff	
Pension Fund	6,469
Provident Fund	1,417
Post-Retirement Medical Fund	1,603
Gratuity Fund	117
Non-Management staff	
Gratuity Fund	174
Provident Fund	854

h) Seven directors have either already attended the directors' training program as required in previous years or meet the exemption criteria contained in the regulations.

i) No trade in the shares of the Company was carried out by the Board of Directors, CEO, CFO, Head of Internal Audit, Company Secretary, Executives and their spouses and minor children except that mentioned in ''Pattern of Shareholding".

Composition and Meetings of the Board of Directors

The board comprises of seven directors and a chief executive officer. Currently there is no female Director on Company's Board.

The composition of the board throughout the year is as follows:

	Category	Names
i	Independent Directors	Mr. Shamim Ahmad Khan Mr. Khondamir Nusratkhujaev
ii	Non-executive Directors	Mr. Laith G. Pharaon Alternate Director: Mr. Shuaib A. Malik / Mr. Mohammad Raziuddin* Mr. Wael G. Pharaon Alternate Director: Mr. Babar Bashir Nawaz Mr. Shuaib A. Malik Mr. Abdus Sattar Mr. Sajid Nawaz
iii	Executive Director	Mr. Jamil A. Khan *** (Chief Executive Officer)

*During the year Mr. Shuaib A. Malik was appointed as alternate director for Mr. Laith G. Pharaon in place of Mr. Mohammad Raziuddin.

During the financial year 2023-24 Seven meetings of the Board of Directors were held. The attendance of the Directors is as under:

Name of Directors	Total Number of Meetings	Meeting Attended
Mr. Laith G. Pharaon	7	7**
Mr. Wael G. Pharaon	7	7**
Mr. Shuaib A. Malik – Chairman	7	7
Mr. Abdus Sattar	7	7
Mr. Khondamir Nusratkhujaev – IDB Nominee	7	7
Mr. Sajid Nawaz	7	7
Mr. Shamim Ahmad Khan	7	6
Mr. Jamil A. Khan *** Chief Executive Officer	7	7

** attended by the directors or their alternate on the Board of the Company.

Human Resource & Remuneration Committee

HR&R Committee consists of four members. Following is the attendance of the members during the period from July 1, 2023 to June 30, 2024:

Name of Members	Total Number of Meetings	Meeting Attended
Mr. Shamim Ahmad Khan (Chairman)	1	1
Mr. Shuaib A. Malik	1	1
Mr. Babar Bashir Nawaz (Alternate for Mr. Wael G. Pharaon)	1	1
Mr. Jamil A. Khan *** (Chief Executive Officer)	1	1

*** resigned in June 2024.

Audit Committee

Audit committee consists of three members. The attendance of the Directors' for Audit Committee meetings for the year ended June 30, 2024 is as follows:

Name of Members	Total Number of Meetings	Meeting Attended
Mr. Shamim Ahmad Khan – Chairman	4	4
Mr. Abdus Sattar	4	4
Mr. Babar Bashir Nawaz (Alternate for Mr. Wael G. Pharaon)	4	4

DIRECTORS' REMUNERATION POLICY

The Board is authorized to determine the remuneration / fee of its directors for attending meetings of the Board. No remuneration shall be paid for attending meetings of the Committee(s) of the Board and for attending General Meeting(s) or any other business meeting(s) of the company. Besides, travelling, hotel and other expenses incurred for attending the meetings are also paid.

The details of fee paid during the year and remuneration package of Chief Executive Officer are disclosed in note 42 to the financial statements.

PATTERN OF SHAREHOLDING

Pattern of shareholdings is shown on page 122.

AUDITORS

Present auditors Messrs. A. F. Ferguson & Co., Chartered Accountants retire and, being eligible, offer themselves for reappointment. Accordingly, the Board, on the recommendation of the Board Audit Committee, recommends the reappointment of Messrs. A.F. Ferguson & Co. Chartered Accountants as the auditors of the Company for the financial year 2024-25 at a fee of Rs. 3,800,000/- with out of pocket expenses and services sales tax which are to be paid at actual.

ACKNOWLEDGEMENT

The Board appreciates the commitment and dedication of the management and employees. The Board also acknowledges the efforts and contributions of customers, suppliers, foreign and local contractors, financial institutions and other stakeholders for their continuous support. The Board is thankful to the Ministry of Energy for their support.

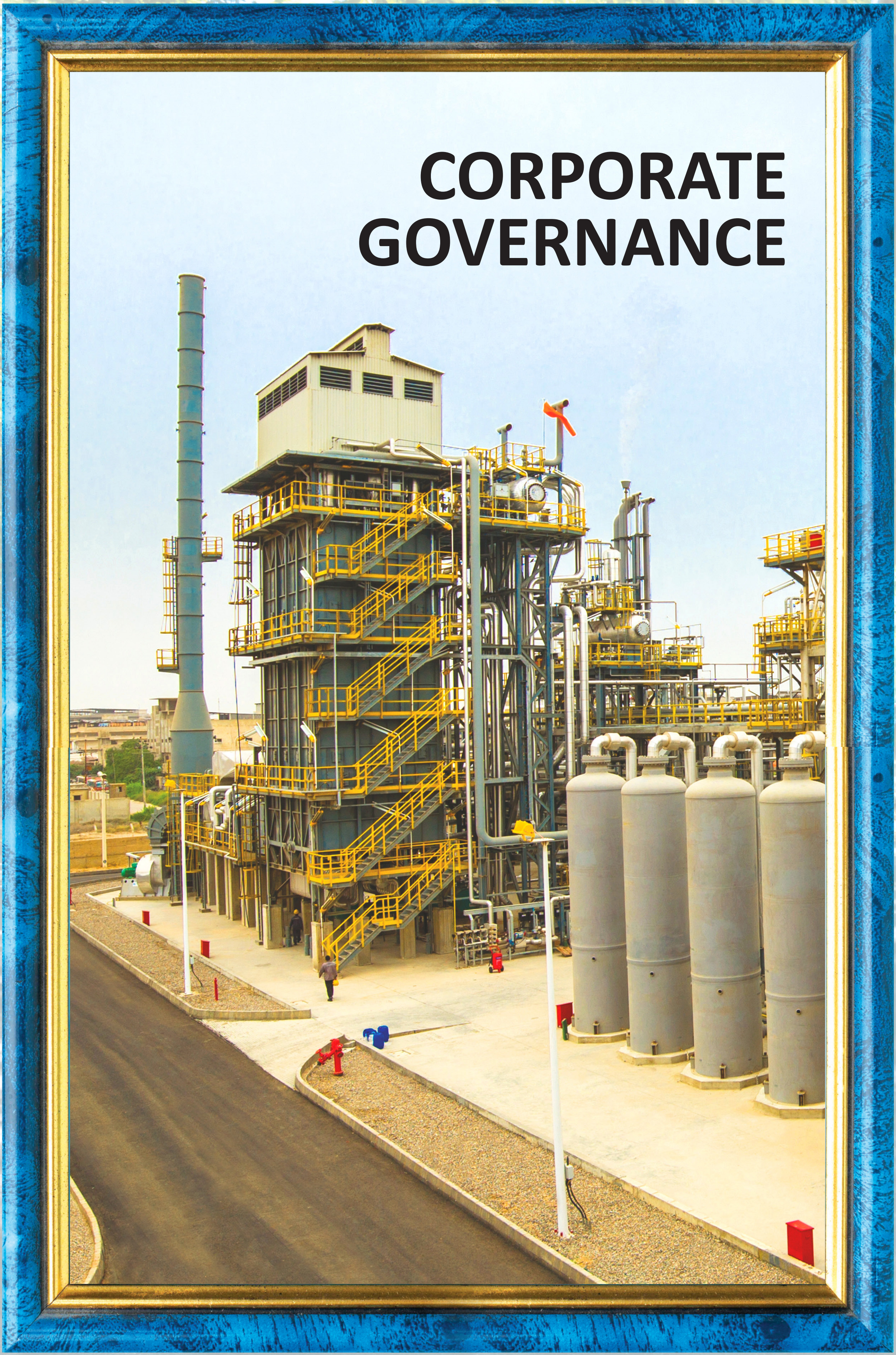
On behalf of the Board.

Director

Chief Executive Officer

Rawalpindi
September 02, 2024

CORPORATE GOVERNANCE



CODE OF CONDUCT

National Refinery Limited (the Company) is engaged in the manufacturing of wide range of petroleum products with the objective to achieve sustainable productivity, profitability and high standards of safety, occupational health and environmental care. This entails human resource development, enhancing value addition, implementing conservation measures and growth by up-gradation and addition of newer generation technologies.

The Company requires all its Board Members and Employees to act within the authority conferred upon them and in the best interests of the Company and observe all the Company's policies and procedures as well as relevant laws and regulations, as are applicable in individual capacity or otherwise, including but not limited to the corporate values, business principles and the acceptable and unacceptable behaviour (hereinafter called the Company's Code of Conduct) embodied in this document.

The Company believes that the credibility, goodwill and repute earned over the years can be maintained through continued conviction in our corporate values of honesty, justice, integrity and respect for people. The Company strongly promotes trust, openness, teamwork and professionalism in its entire business activities.

- The business principles are derived from the above stated corporate values and are applied to all facets of business through well-established procedures. These procedures define behavior expected from each employee in the discharge of his / her responsibility.

- NRL recognizes following obligations, which need to be discharged with best efforts, commitment and efficiency:

    - Safeguarding of shareholders' interest and a suitable return on equity.
    - Service customers by providing products, which offer value in terms of price, quality, safety and environmental impact.
    - Respect human rights, provide congenial working environment, offer competitive terms of employment, develop human resource and be an equal opportunity employer.
    - Seek mutually beneficial business relationship with contractors, suppliers and investment partners.

- The Company believes that profit is essential for business survival. It is a measure of efficiency and the value that the customer places on products and services produced by the Company.

- The Company requires honesty and fairness in all aspect of its business and in its relationships with all those with whom it does business. The direct or indirect offer, payment, soliciting and accepting of bribe in any form is undesirable.

- The Company is fully committed to reliability and accuracy of financial statements and transparency of transactions in accordance with established procedures and practices.

- The Company does not support any political party or contributes funds to groups having political interests. The Company will however, promote its legitimate business interests through trade associations.
- The Company, consistent with its commitments to sustainable developments, has a systematic approach to the management of health, safety and environment.
- The Company is committed to observe laws of Pakistan and is fully aware of its social responsibility. It would assist the community in activities such as education, sports, environment preservation, training programs, skills development and employment within the parameters of its commercial objectives.
- The Company supports free market system. It seeks to compete fairly and ethically within the framework of applicable competition laws in the country. The Company will not stop others from competing freely with it.
- In view of the critical importance of its business and impact on national economy, the Company provides all relevant information about its activities to legitimate interested parties, subject to any overriding constraints of confidentiality and cost.
- The Company requires all its board members and employees to essentially avoid conflict of interest between private financial and/or other activities and their professional role in the conduct of Company business.
- No board member or employee shall in any manner disclose to any person or cause disclosure of any information or documents, official or otherwise, relating to the Company, except those published, and unless he/she is authorised by the management.
- All papers, books, drawings, sketches, photographs, documents and similar papers containing analysis, formulas, notes or information relating to the Company's business affairs or operations shall always be treated as the Company property, whether prepared by the employee or otherwise and no employee shall be permitted to carry any of these outside business premises unless specifically authorised to do so by the management.
- The Company's property, funds, facilities and services must be used only for authorised purposes.
- The board members or employees of the Company specifically those coming in direct contact with the vendors doing or seeking to do business with the Company shall not receive favours or incur obligations. In case any contractor/supplier to have business relations with the Company happen to be a relative of an official who is entrusted the responsibility of opening/evaluation/award of supply/contract job or with execution or certification of material/services, he/she shall immediately bring the fact to the notice of Managing Director who may entrust the responsibility to another.

- Each employee shall devote his/her full time and energy exclusively to the business and interests of the Company. In particular, no employee (including those on leave) unless otherwise permitted by the Company, shall directly or indirectly engage in any other profession or business or enter the services of or be employed in any capacity for any purpose whatsoever and for any part of his/her time by any other person, government department, firm or Company and/or shall not have any private financial dealings with any other persons of firms having business relations with the Company for sale or purchase of any materials or equipments or supply of labour or for any other purpose. Every employee shall hold himself in readiness to perform any duties required of him by his/her superiors to the best of his/her ability.
- No board member or employee of the Company shall, directly or indirectly, deal in the shares of the Company in any manner during the closed period, as determined and informed by the Company.
- No board member or employee of the Company shall practice insider trading.

Without prejudice to any penal action defined in any statute, as applicable, against any kind of non-compliances/violations, non-compliance with the Company's Code of Conduct may expose the person involved to disciplinary action as per Company's rules and/or as determined by the management or the Board of Directors of the Company, as the case may be, on case to case basis.

On behalf of the Board

SHUAIB A. MALIK
Deputy Chairman &
Chief Executive Officer

June 18, 2012

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

FOR THE YEAR ENDED JUNE 30, 2024

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:

a.	Male	Eight
b.	Female*	None

** The Company has filed a constitutional petition before the Honorable High Court of Sindh challenging, inter alia, the compliance of clause No. 7 of the Regulations relating to appointment of female director, which is pending adjudication. The law officer of Securities and Exchange Commission of Pakistan has undertaken that no action contrary to the law would be taken against the Company.*

2. The composition of board is as follows:

	Category	Names
a)	Independent Directors*	Mr. Shamim Ahmad Khan Mr. Khondamir Nusratkhujaev
b)	Non-Executive Directors	Mr. Laith G. Pharaon Alternate Director: Mr. Shuaib A. Malik ** Mr. Wael G. Pharaon Alternate Director: Mr. Babar Bashir Nawaz Mr. Shuaib A. Malik Mr. Abdus Sattar Mr. Sajid Nawaz
c)	Executive Director	Mr. Jamil A. Khan *** Chief Executive Officer
d)	Female Directors	None

* *Best practices in Corporate Governance imply that not only the individual directors be qualified and independent but collectively they should add value through their diverse skills, governance experience and industry related expertise. The current composition of the Board adequately meets the requirements, therefore, the fraction i.e. 0.33 contained in one third of 7 elected directors or 0.66 contained in one third of 8 directors (including the Chief Executive Officer) was not rounded up as one.*

** *During the year Mr. Shuaib A. Malik was appointed as alternate director for Mr. Laith G. Pharaon, in place of Mr. Mohammad Raziuddin.*

*** *resigned in June 2024.*

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 has been duly exercised and decisions on relevant matters have been taken by the 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

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

9. The Directors were apprised of their duties and responsibilities from time to time. Seven directors have either already attended the directors' training program as required in previous years or meet the exemption criteria as contained in the Regulations;

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment 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:

    a) Audit Committee

Mr. Shamim Ahmad Khan - Chairman
Mr. Abdus Sattar
Mr. Babar Bashir Nawaz (Alternate Director for Mr. Wael G. Pharaon)

b) HR and Remuneration Committee

Mr. Shamim Ahmad Khan - Chairman
Mr. Shuaib A. Malik
Mr. Babar Bashir Nawaz (Alternate Director for Mr. Wael G. Pharaon)
Mr. Jamil A. Khan *

** resigned in June 2024.*

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 committee were as per following:
a) Audit Committee: Quarterly
b) HR and Remuneration Committee: Yearly;

15. The Board has set up an effective internal audit function experienced for the purpose and is 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 director 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 the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

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

S. No.	Requirement	Explanation	Reg. No.
1	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.	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.	29
2	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.	The Board has not constituted a risk management committee as risk management framework is managed at Company's level by the executive committee which is headed by the CEO and the CEO apprises the Board accordingly.	30
3	The Company may post on its website key elements of its significant policies including but not limited to the following: i. Communication and disclosure policy; ii. Code of conduct for members of board of directors, senior management and other employees; iii. Risk management policy; iv. Internal control policy; v. Whistle blowing policy; vi. Corporate social responsibility / sustainability / environmental, social and governance related policy; vii. Policies for promoting DE&I and protection against harassment at the workplace.	As the regulation provides concession with respect to disclosure of key elements of significant policies on the website, only those policies which were considered necessary, have been posted.	35(1)
4	Role of the Board and its members to address sustainability risk and opportunities. The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term Corporate value. The board may establish a dedicated sustainability committee.	At present the Board provides governance and oversight in relation to Company's initiatives on environmental, social and governance (ESG) matters. Nevertheless, the requirements introduced recently by SECP through notification dated June 12, 2024 will be complied with in due course.	10A

On behalf of the Board

Shahid Waheed Khwaja
Chief Executive Officer

Shuaib A. Malik
Chairman

September 02, 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
NATIONAL 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 National Refinery Limited (the Company) for the year ended June 30, 2024 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, 2024.

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

Chartered Accountants
Karachi

Dated: September 12, 2024

UDIN: CR202410073sCV3t24JT

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KARACHI LAHORE ISLAMABAD

TERMS OF REFERENCE OF AUDIT COMMITTEE

The Board has constituted a fully functional Audit Committee. The features of the terms of reference of the committee in accordance with the Code of Corporate Governance are as follows:

(a) Determination of appropriate measures to safeguard the company's assets;

(b) Review of preliminary announcements of results prior to external communication and publication;

(c) Review of quarterly, half-yearly and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:

- Major judgmental areas;
- Significant adjustments resulting from the audit;
- The going concern assumption;
- Any changes in accounting policies and practices;
- Compliance with applicable accounting standards;
- Compliance with the code of corporate governance regulations and other statutory and regulatory requirements; and
- All related party transactions.

(d) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

(e) Review of management letter issued by external auditors and management's response thereto;

(f) Ensuring coordination between the internal and external auditors;

(g) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed;

(h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

(i) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and reporting structure are adequate and effective;

(j) Review of company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;

(k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;

(l) Determination of compliance with relevant statutory requirements;

(m) Monitoring compliance with the code of corporate governance regulations and identification of significant violations thereof;

(n) 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;

(o) Recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations; and

(p) Consideration of any other issue or matter as may be assigned by the Board of Directors.

TERMS OF REFERENCE OF HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

The Board adopted the responsibilities contained in clause (xxv) of the Code 2012 from (i) to (iv) as the Terms of Reference (TOR) of the HR&R Committee.

The committee shall be responsible for:

i) Recommending human resource management policies to the board;

ii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;

iii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) of COO, CFO, Company Secretary and Head of Internal Audit; and

iv) Consideration and approval on recommendations of CEO on such matters for key management positions who report directly to CEO or COO.

GENDER PAY GAP STATEMENT UNDER SECP'S CIRCULAR 10 OF 2024

Following is gender pay gap calculated for the year ended June 30, 2024:

i. Mean Gender Pay Gap: (11.21)%

ii. Median Gender Pay Gap: (0.7)%

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.

Chief Executive Officer
Date: September 02, 2024

Stakeholders' Information

SIX YEARS AT A GLANCE

Description		2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
		← Rupees in million →					
Statement of Profit or Loss							
Net sales		308,842	298,805	251,876	139,625	125,613	160,906
Cost of sales		316,610	285,608	228,081	135,700	136,731	165,355
Purchases		300,809	274,064	240,750	134,357	111,935	166,822
Gross (loss) / profit		(7,768)	13,197	23,795	3,925	(11,118)	(4,449)
Operating (loss) / profit		(9,346)	11,122	20,878	2,341	(12,350)	(5,743)
(Loss) / profit before tax		(18,656)	(5,123)	11,810	1,400	(14,863)	(11,029)
(Loss) / profit after tax		(15,790)	(4,463)	9,079	1,770	(4,064)	(8,692)
Statement of Financial Position							
Share Capital		800	800	800	800	800	800
Reserves		18,417	33,799	39,019	30,788	29,037	33,074
Shareholder equity		19,217	34,599	39,819	31,588	29,837	33,874
Fixed Assets		23,560	25,599	28,349	31,228	34,218	35,695
Current Assets		67,859	78,788	69,591	36,192	21,346	37,489
Current Liabilities		83,264	76,445	61,869	42,920	32,983	42,001
Net current assets / liabilities		(15,405)	2,343	7,722	(6,728)	(11,637)	(4,512)
Financial Ratios		**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**
Gross (loss) / profit	%	(2.52)	4.42	9.45	2.81	(8.85)	(2.76)
Net (loss) / profit to sales	%	(5.11)	(1.49)	3.60	1.27	(3.24)	(5.40)
EBITDA Margin to sales	%	(1.95)	1.56	7.21	4.61	(7.20)	(3.91)
Return on Equity	%	(82.17)	(12.90)	22.80	5.60	(13.62)	(25.66)
Return on Capital Employed	%	(58.68)	(11.99)	25.43	5.76	(12.76)	(22.54)
Liquidity Ratios							
Current Ratio	*Times*	0.81	1.03	1.12	0.84	0.65	0.89
Quick / Acid test ratio	*Times*	0.22	0.40	0.39	0.34	0.29	0.28
Cash to Current Liabilities	*Times*	0.01	0.01	0.01	0.01	0.02	0.02
Activity / Turnover Ratios							
Inventory turnover	*Days*	55.63	59.13	52.95	44.07	49.35	41.69
Debtors turnover	*Days*	19.10	23.74	18.25	16.83	16.51	17.32
Creditors turnover	*Days*	29.69	41.95	38.37	32.91	29.18	27.27
Total Assets turnover ratio	*Times*	2.99	2.67	2.45	1.84	1.98	2.11
Fixed assets turnover ratio	*Times*	13.11	11.67	8.88	4.47	3.67	4.51
Investment / Market Ratios							
(Loss) / Earnings per share (LPS) and diluted (LPS) / EPS	*Rs.*	(197.46)	(55.81)	113.53	22.14	(50.82)	(108.70)
Price earning ratio	*Times*	(1.34)	(2.69)	2.22	23.63	(2.11)	(1.04)
Dividend yield ratio	*%*	-	-	5.94	1.91	-	-
Cash Dividend payout ratio	*%*	-	-	13.21	45.17	-	-
Dividend cover ratio	*Times*	-	-	7.57	2.21	-	-
Cash Dividend per share	*Rs./share*	-	-	15.00	10.00	-	-
Market value per share at year end	*Rs./share*	265	150	253	523	107	113
Breakup value per share	*Rs./share*	240	432	498	395	373	423

HORIZONTAL STATEMENT OF FINANCIAL POSITION

	2024		2023		2022		2021		2020		2019	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
ASSETS												
NON-CURRENT ASSETS												
Fixed assets	23,559.58	66.0%	25,599.05	71.7%	28,348.95	79.4%	31,228.09	87.5%	34,217.92	95.9%	35,695.33	100.0%
Long term investment	14.82	111.0%	14.55	109.0%	17.47	130.9%	9.79	73.3%	12.94	96.9%	13.35	100.0%
Long term loans	20.28	40.8%	25.89	52.1%	37.99	76.4%	36.98	74.4%	46.35	93.2%	49.72	100.0%
Long term deposits	30.27	100.0%	30.27	100.0%	30.26	100.0%	30.26	100.0%	30.27	100.0%	30.27	100.0%
Deferred taxation	10,931.38	380.3%	6,911.88	240.5%	4,655.29	162.0%	8,161.77	284.0%	7,639.92	265.8%	2,874.07	100.0%
Retirement benefit prepayments	757.33	4851.6%	409.79	2625.2%	25.45	163.0%	22.41	143.6%	19.79	126.8%	15.61	100.0%
	35,313.66	91.3%	32,991.43	85.3%	33,115.41	85.6%	39,489.30	102.1%	41,967.19	108.5%	38,678.35	100.0%
CURRENT ASSETS												
Stores, spares and chemicals	1,802.41	114.6%	2,586.18	164.5%	1,914.83	121.8%	1,705.85	108.5%	1,553.00	98.8%	1,572.57	100.0%
Stock-in-trade	49,719.86	193.7%	48,136.90	187.5%	45,684.81	178.0%	21,403.62	83.4%	11,820.28	46.0%	25,668.59	100.0%
Trade receivables	9,855.37	131.4%	22,914.67	305.6%	16,502.29	220.1%	9,031.92	120.4%	4,022.17	53.6%	7,499.05	100.0%
Loans and advances	104.57	333.0%	94.53	301.1%	52.11	166.0%	36.67	116.8%	43.94	139.9%	31.40	100.0%
Trade deposits and short-term prepayments	55.64	160.8%	98.53	284.7%	55.96	161.7%	31.14	90.0%	21.23	61.3%	34.61	100.0%
Interest accrued	68.18	479.5%	33.64	236.6%	11.90	83.7%	7.20	50.6%	8.83	62.1%	14.22	100.0%
Other receivables	2,943.51	177.0%	1,477.20	88.8%	1,395.15	83.9%	1,199.91	72.2%	1,070.13	64.4%	1,662.81	100.0%
Taxation - payments less provision	2,744.78	10139.6%	2,841.54	10497.0%	3,355.43	12395.4%	2,168.58	8011.0%	2,253.41	8324.4%	27.07	100.0%
Cash and bank balances	564.36	57.7%	605.30	61.8%	618.42	63.2%	607.33	62.1%	552.61	56.5%	978.68	100.0%
	67,858.68	181.0%	78,788.49	210.2%	69,590.90	185.6%	36,192.22	96.5%	21,345.60	56.9%	37,489.00	100.0%
TOTAL ASSETS	103,172.34	135.5%	111,779.92	146.8%	102,706.31	134.8%	75,681.52	99.4%	63,312.79	83.1%	76,167.35	100.0%
EQUITY AND LIABILITIES												
SHARE CAPITAL AND RESERVES												
Share capital	799.67	100.0%	799.67	100.0%	799.67	100.0%	799.67	100.0%	799.67	100.0%	799.67	100.0%
Reserves	18,416.89	55.7%	33,799.01	102.2%	39,019.69	118.0%	30,787.72	93.1%	29,037.62	87.8%	33,073.80	100.0%
	19,216.56	56.7%	34,598.68	102.1%	39,819.36	117.6%	31,587.39	93.3%	29,837.29	88.1%	33,873.47	100.0%
LIABILITIES												
NON - CURRENT LIABILITIES												
Long-term lease liability	143.92	-	158.34	-	169.46	-	177.76	-	183.66	-	-	-
Provision for Gas Infrastructure Development Cess	-	-	53.62	-	353.76	-	626.52	-	-	-	-	-
Retirement benefit obligations	547.71	186.7%	524.13	178.7%	494.31	168.5%	370.04	126.2%	308.55	105.2%	293.31	100.0%
CURRENT LIABILITIES												
Trade and other payables	29,004.80	176.7%	36,650.28	223.2%	41,378.32	252.0%	22,616.44	137.8%	15,492.19	94.4%	16,418.26	100.0%
Contract liabilites	-	-	915.32	-	1,224.46	-	-	-	-	-	-	-
Dividend payable	102.78	106.0%	104.24	107.5%	97.17	100.2%	92.73	95.6%	94.03	96.9%	97.01	100.0%
Accrued mark-up	1,251.89	343.0%	1,147.30	314.3%	531.42	145.6%	94.87	26.0%	310.26	85.0%	365.04	100.0%
Provisions	112.36	100.0%	112.36	100.0%	112.36	100.0%	112.36	100.0%	112.36	100.0%	112.36	100.0%
Borrowings	52,777.90	211.0%	37,504.53	150.0%	18,517.39	74.1%	19,997.51	80.0%	16,777.52	67.1%	25,007.90	100.0%
Unearned revenue	-	-	-	-	-	-	-	-	193.08	-	-	-
Current portion of long-term lease liability	14.42	-	11.12	-	8.30	-	5.90	-	3.85	-	-	-
	83,264.15	198.2%	76,445.15	182.0%	61,869.42	147.3%	42,919.81	102.2%	32,983.29	78.5%	42,000.57	100.0%
TOTAL EQUITY AND LIABILITIES	103,172.34	135.5%	111,779.92	146.8%	102,706.31	134.8%	75,681.52	99.4%	63,312.79	83.1%	76,167.35	100.0%

VERTICAL STATEMENT OF FINANCIAL POSITION

AS AT JUNE, 30

	2024		2023		2022		2021		2020		2019	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
ASSETS												
NON-CURRENT ASSETS												
Fixed assets	23,559.58	22.8%	25,599.05	22.9%	28,348.95	27.6%	31,228.09	41.3%	34,217.92	54.0%	35,695.33	46.9%
Long term investment	14.82	0.0%	14.55	0.0%	17.47	0.0%	9.79	0.0%	12.94	0.0%	13.35	0.0%
Long term loans	20.28	0.0%	25.89	0.0%	37.99	0.1%	36.98	0.1%	46.35	0.1%	49.72	0.1%
Long term deposits	30.27	0.0%	30.27	0.0%	30.26	0.0%	30.26	0.0%	30.27	0.1%	30.27	0.0%
Deferred taxation	10,931.38	10.6%	6,911.88	6.2%	4,655.29	4.5%	8,161.77	10.8%	7,639.92	12.1%	2,874.07	3.8%
Retirement benefit prepayments	757.33	0.7%	409.79	0.4%	25.45	0.0%	22.41	0.0%	19.79	0.0%	15.61	0.0%
	35,313.66	34.1%	32,991.43	29.5%	33,115.41	32.2%	39,489.30	52.2%	41,967.19	66.3%	38,678.35	50.8%
CURRENT ASSETS												
Stores, spares and chemicals	1,802.41	1.7%	2,586.18	2.3%	1,914.83	1.9%	1,705.85	2.3%	1,553.00	2.5%	1,572.57	2.1%
Stock-in-trade	49,719.86	48.2%	48,136.90	43.1%	45,684.81	44.5%	21,403.62	28.3%	11,820.28	18.6%	25,668.59	33.7%
Trade receivables	9,855.37	9.6%	22,914.67	20.5%	16,502.29	16.1%	9,031.92	11.9%	4,022.17	6.4%	7,499.05	9.8%
Loans and advances	104.57	0.1%	94.53	0.1%	52.11	0.0%	36.67	0.0%	43.94	0.1%	31.40	0.0%
Trade deposits and short-term prepayments	55.64	0.1%	98.53	0.1%	55.96	0.1%	31.14	0.0%	21.23	0.0%	34.61	0.1%
Interest accrued	68.18	0.1%	33.64	0.0%	11.90	0.0%	7.20	0.0%	8.83	0.0%	14.22	0.0%
Other receivables	2,943.51	2.9%	1,477.20	1.3%	1,395.15	1.3%	1,199.91	1.6%	1,070.13	1.7%	1,662.81	2.2%
Taxation - payments less provision	2,744.78	2.7%	2,841.54	2.6%	3,355.43	3.3%	2,168.58	2.9%	2,253.41	3.5%	27.07	0.0%
Cash and bank balances	564.36	0.5%	605.30	0.5%	618.42	0.6%	607.33	0.8%	552.61	0.9%	978.68	1.3%
	67,858.68	65.9%	78,788.49	70.5%	69,590.90	67.8%	36,192.22	47.8%	21,345.60	33.7%	37,489.00	49.2%
TOTAL ASSETS	103,172.34	100.0%	111,779.92	100.0%	102,706.31	100.0%	75,681.52	100.0%	63,312.79	100.0%	76,167.35	100.0%
EQUITY AND LIABILITIES												
SHARE CAPITAL AND RESERVES												
Share capital	799.67	0.8%	799.67	0.7%	799.67	0.8%	799.67	1.1%	799.67	1.3%	799.67	1.1%
Reserves	18,416.89	17.9%	33,799.01	30.3%	39,019.69	38.0%	30,787.72	40.7%	29,037.62	45.8%	33,073.80	43.4%
	19,216.56	18.7%	34,598.68	31.0%	39,819.36	38.8%	31,587.39	41.8%	29,837.29	47.1%	33,873.47	44.5%
LIABILITIES												
NON - CURRENT LIABILITIES												
Long-term lease liability	143.92	0.1%	158.34	0.1%	169.46	0.2%	177.76	0.2%	183.66	0.3%	-	-
Provision for Gas Infrastructure Development Cess	-		53.62	0.0%	353.76	0.3%	626.52	0.8%	-	-	-	-
Retirement benefit obligations	547.71	0.5%	524.13	0.5%	494.31	0.5%	370.04	0.5%	308.55	0.5%	293.31	0.4%
Deferred taxation	-	-	-	-	-	-	-	-	-	-	-	-
CURRENT LIABILITIES												
Trade and other payable	29,004.80	28.1%	36,650.28	32.8%	41,378.32	40.3%	22,616.44	29.9%	15,492.19	24.4%	16,418.26	21.6%
Contract liabilites	-	-	915.32	0.8%	1,224.46	1.2%	-	-	-	-	-	-
Dividend payable	102.78	0.1%	104.24	0.1%	97.17	0.1%	92.73	0.1%	94.03	0.2%	97.01	0.1%
Accrued mark-up	1,251.89	1.2%	1,147.30	1.0%	531.42	0.5%	94.87	0.1%	310.26	0.5%	365.04	0.4%
Provisions	112.36	0.1%	112.36	0.1%	112.36	0.1%	112.36	0.2%	112.36	0.2%	112.36	0.2%
Borrowings	52,777.90	51.2%	37,504.53	33.6%	18,517.39	18.0%	19,997.51	26.4%	16,777.52	26.5%	25,007.90	32.8%
Unearned revenue	-	-	-	-	-	-	-	-	193.08	0.3%	-	-
Current portion of long-term lease liability	14.42	0.0%	11.12	0.0%	8.30	0.0%	5.90	0.0%	3.85	0.0%	-	-
	83,264.15	80.7%	76,445.15	68.4%	61,869.42	60.2%	42,919.81	56.7%	32,983.29	52.1%	42,000.57	55.1%
TOTAL EQUITY AND LIABILITIES	103,172.34	100.0%	111,779.92	100.0%	102,706.31	100.0%	75,681.52	100.0%	63,312.79	100.0%	76,167.35	100.0%

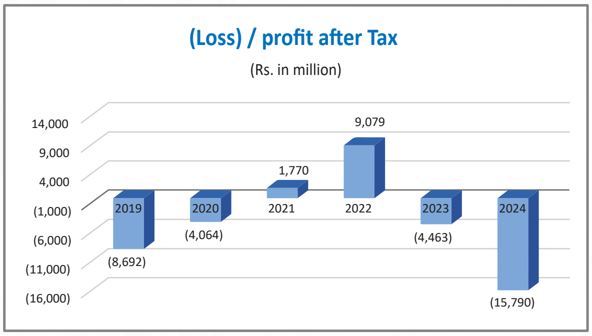
HORIZONTAL STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED

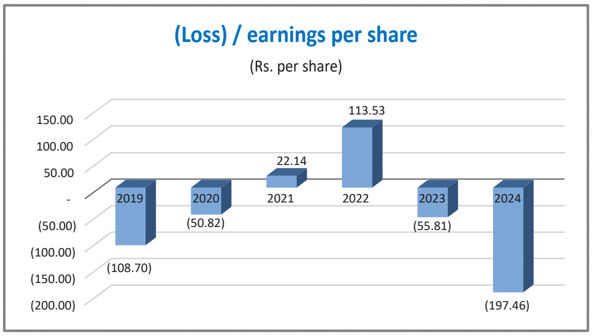
	2024		2023		2022		2021		2020		2019	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
Net revenue from contracts with customers	308,841.83	191.9%	298,805.45	185.7%	251,875.73	156.5%	139,625.20	86.8%	125,612.65	78.1%	160,906.20	100.0%
Cost of sales	(316,609.83)	191.5%	(285,608.76)	172.7%	(228,080.83)	137.9%	(135,700.35)	82.1%	(136,730.49)	82.7%	(165,355.34)	100.0%
Gross (loss) / profit	(7,768.00)	174.6%	13,196.69	-296.6%	23,794.90	-534.8%	3,924.85	-88.2%	(11,117.84)	249.9%	(4,449.14)	100.0%
Distribution cost	(649.26)	79.7%	(1,416.96)	174.0%	(1,459.17)	179.2%	(925.63)	113.6%	(730.85)	89.7%	(814.48)	100.0%
Administrative expenses	(1,180.57)	142.0%	(1,066.27)	128.2%	(948.70)	114.1%	(897.75)	108.0%	(867.17)	104.3%	(831.56)	100.0%
Other income	347.40	94.0%	450.65	122.0%	313.53	84.9%	370.39	100.2%	380.94	103.1%	369.51	100.0%
Other operating expenses	(95.47)	542.8%	(42.51)	241.7%	(822.32)	4674.9%	(131.26)	746.2%	(14.93)	84.9%	(17.59)	100.0%
Operating (loss) / profit	(9,345.90)	162.7%	11,121.60	-193.6%	20,878.24	-363.5%	2,340.60	-40.8%	(12,349.85)	215.0%	(5,743.26)	100.0%
Finance cost - net	(9,310.05)	176.1%	(16,244.34)	307.3%	(9,067.97)	171.6%	(940.39)	17.8%	(2,513.24)	47.5%	(5,285.75)	100.0%
(Loss) / profit before taxation	(18,655.95)	169.2%	(5,122.74)	46.4%	11,810.27	-107.1%	1,400.21	-12.7%	(14,863.09)	134.8%	(11,029.01)	100.0%
Taxation & levies	2,865.73	122.6%	659.65	28.2%	(2,731.26)	-116.9%	369.89	15.8%	10,799.33	462.2%	2,336.58	100.0%
(Loss) / profit after taxation	(15,790.22)	181.7%	(4,463.09)	51.3%	9,079.01	-104.4%	1,770.10	-20.4%	(4,063.76)	46.8%	(8,692.43)	100.0%

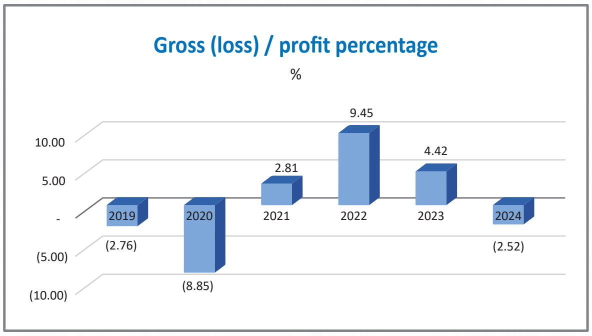
VERTICAL STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED

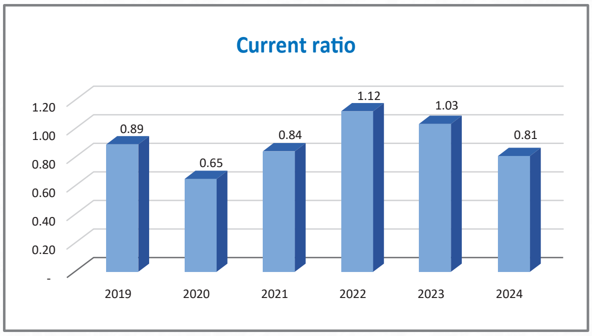
	2024		2023		2022		2021		2020		2019	
	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%	Rupees in million	%
Net revenue from contracts with customers	308,841.83	100.0%	298,805.45	100.0%	251,875.73	100.0%	139,625.20	100.0%	125,612.65	100.0%	160,906.20	100.0%
Cost of sales	(316,609.83)	-103%	(285,608.76)	-95.6%	(228,080.83)	-90.5%	(135,700.35)	-97.2%	(136,730.49)	-108.8%	(165,355.34)	-102.8%
Gross (loss) / profit	(7,768.00)	-2.5%	13,196.69	4.4%	23,794.90	9.5%	3,924.85	2.8%	(11,117.84)	-8.8%	(4,449.14)	-2.8%
Distribution cost	(649.26)	-0.2%	(1,416.96)	-0.5%	(1,459.17)	-0.6%	(925.63)	-0.7%	(730.85)	-0.6%	(814.48)	-0.5%
Administrative expenses	(1,180.57)	-0.4%	(1,066.27)	-0.4%	(948.70)	-0.4%	(897.75)	-0.6%	(867.17)	-0.7%	(831.56)	-0.5%
Other income	347.40	0.1%	450.65	0.2%	313.53	0.1%	370.39	0.3%	380.94	0.3%	369.51	0.2%
Other operating expenses	(95.47)	0.0%	(42.51)	0.0%	(822.32)	-0.3%	(131.26)	-0.1%	(14.93)	-0.0%	(17.59)	0.0%
Operating (loss) / profit	(9,345.90)	-3.0%	11,121.60	3.7%	20,878.24	8.3%	2,340.60	1.7%	(12,349.85)	-9.8%	(5,743.26)	-3.6%
Finance cost - net	(9,310.05)	-3.0%	(16,244.34)	-5.4%	(9,067.97)	-3.6%	(940.39)	-0.7%	(2,513.24)	-2.0%	(5,285.75)	-3.3%
(Loss) / profit before taxation	(18,655.95)	-6.0%	(5,122.74)	-1.7%	11,810.27	4.7%	1,400.21	1.0%	(14,863.09)	-11.8%	(11,029.01)	-6.9%
Taxation & levies	2,865.73	0.9%	659.65	0.2%	(2,731.26)	-1.1%	369.89	0.3%	10,799.33	8.6%	2,336.58	1.5%
(Loss) / profit after taxation	(15,790.22)	-5.1%	(4,463.09)	-1.5%	9,079.01	3.6%	1,770.10	1.3%	(4,063.76)	-3.2%	(8,692.43)	-5.4%

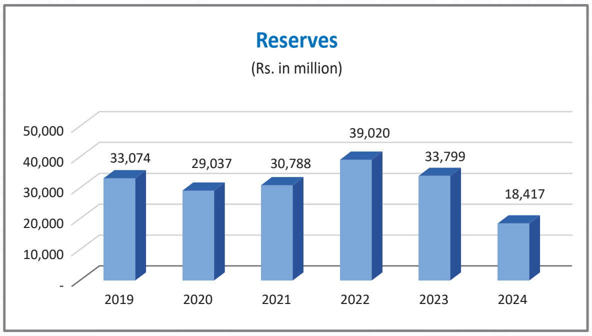
GRAPHICAL REPRESENTATION

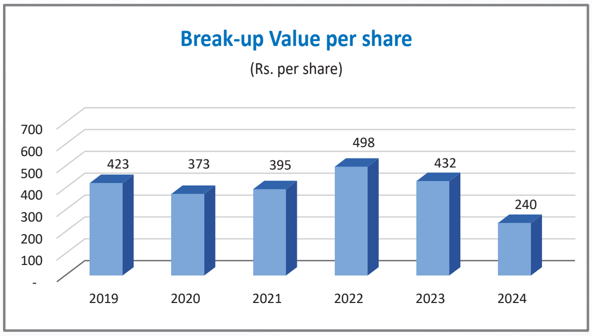


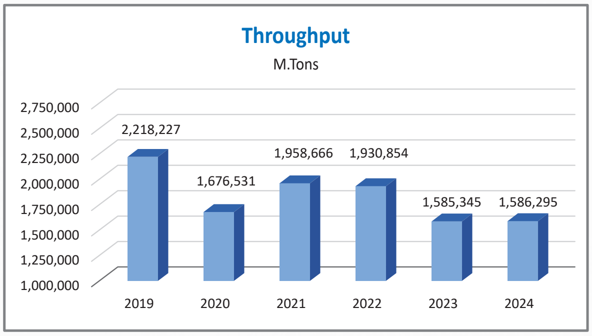


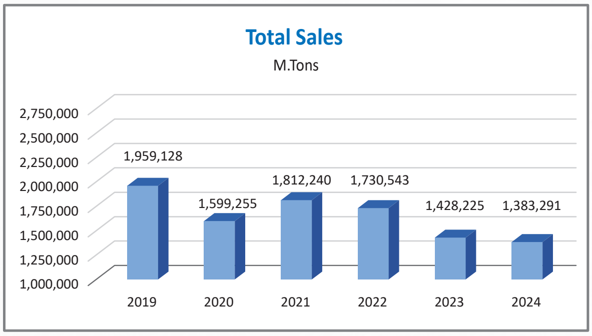








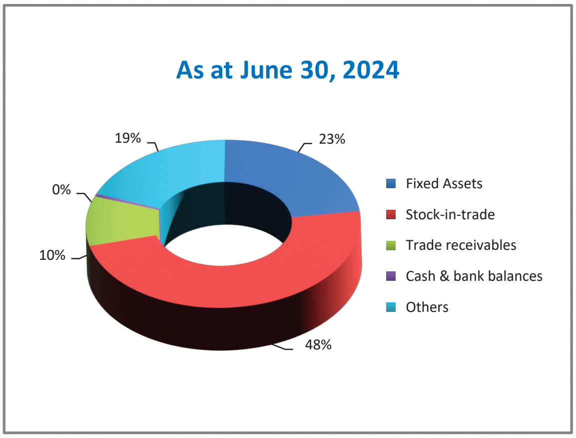


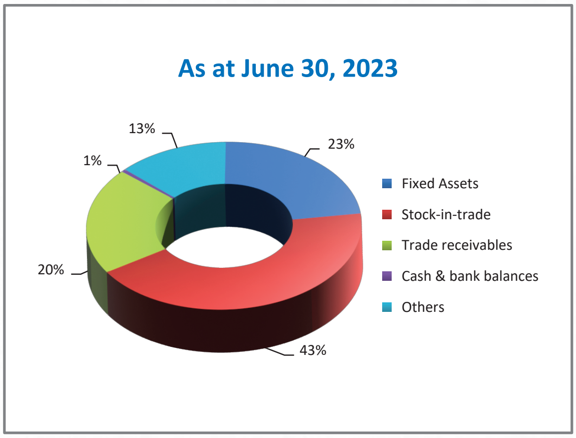


GRAPHICAL REPRESENTATION

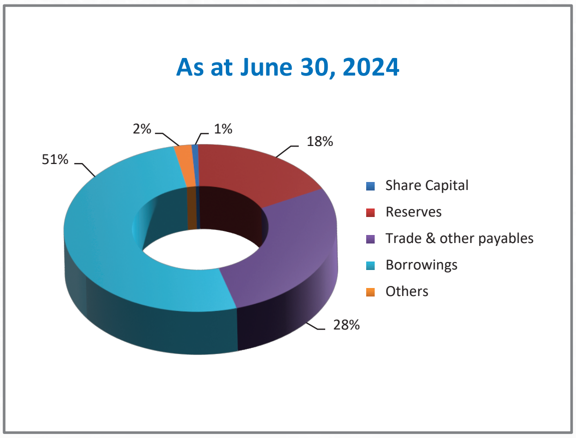
STATEMENT OF FINANCIAL POSITION

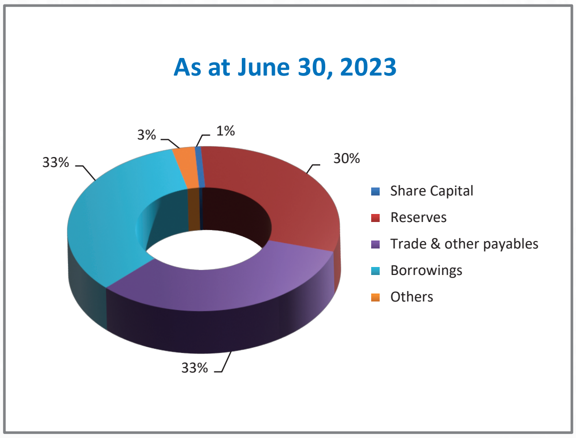
ASSETS



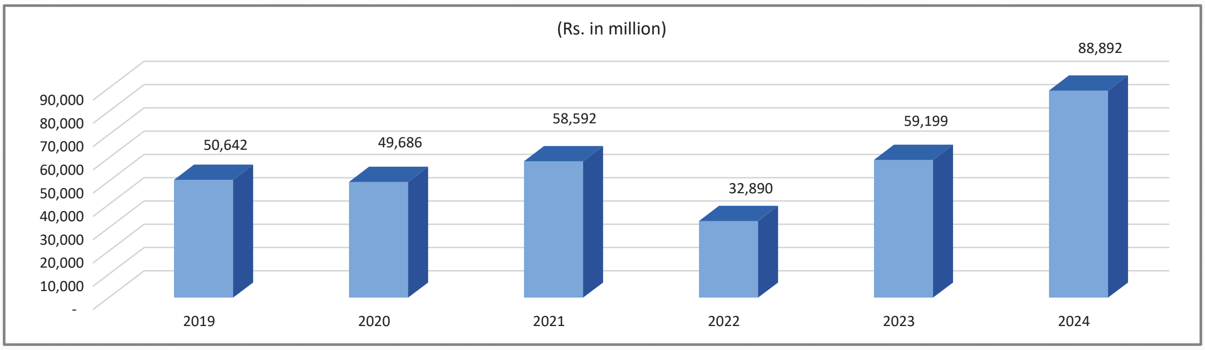


SHARE CAPITAL, RESERVES AND LIABILITIES

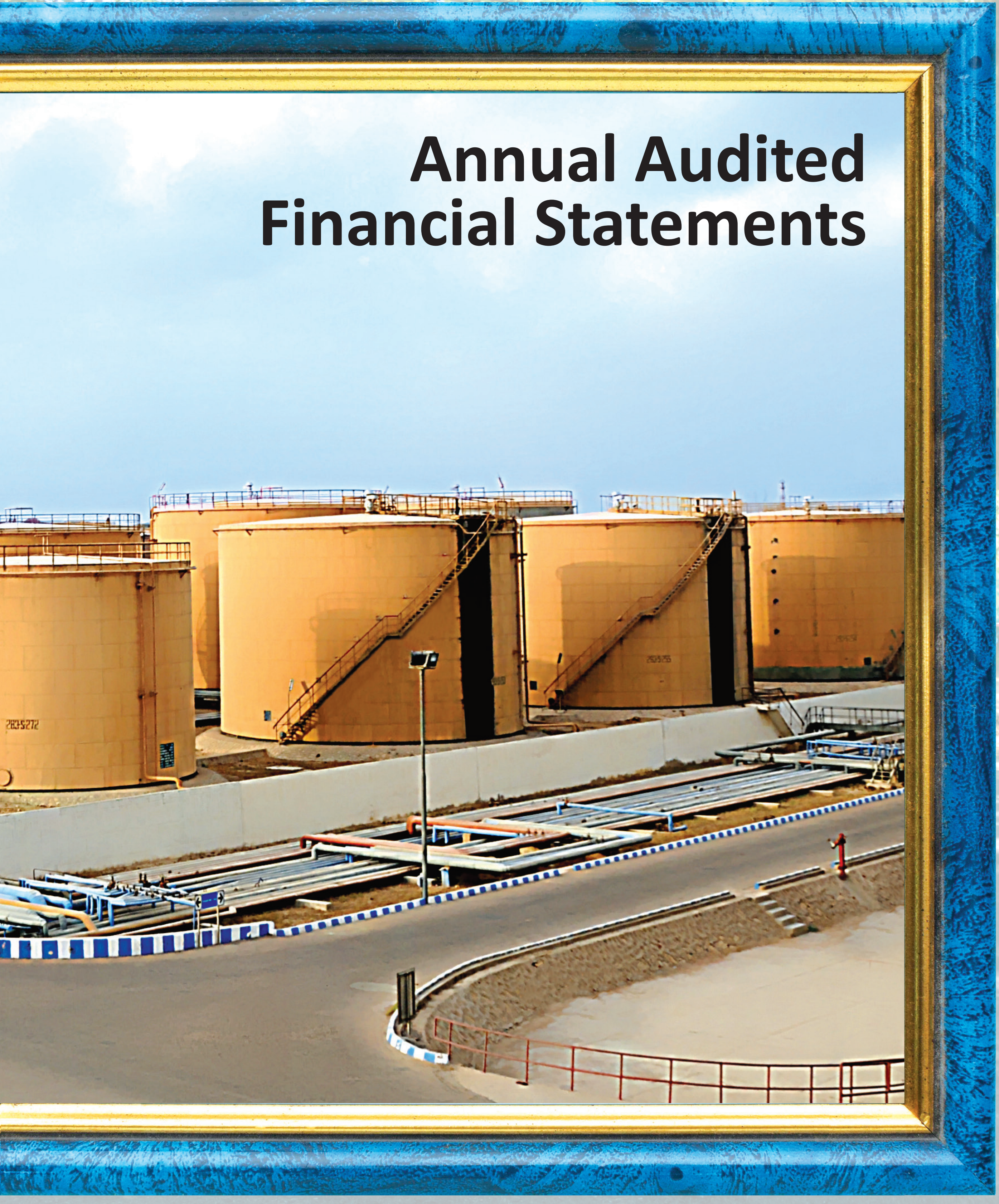




CONTRIBUTION TO NATIONAL EXCHEQUER



Annual Audited Financial Statements



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INDEPENDENT AUDITOR'S REPORT

To the members of National Refinery Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of National Refinery Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss 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 Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current 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 are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	**Deferred tax** *(Refer note 3.14.2 and 9 to the financial statements)* The Company has booked net deferred tax asset of Rs. 10,931 million as at June 30, 2024, that mainly is recognised on minimum tax and business tax losses. Deferred tax asset valuation is considered a key audit matter because the amounts involved are material, the complexities of the calculation of future taxable profits and the inherent uncertainty involved in forecasting taxable profits available in future periods is most sensitive to certain key assumptions. The recoverability of deferred tax asset is dependent on availability of future taxable profits and involves preparation of future profitability projections that takes into account significant estimates and judgements about refinery margin and capacity utilisation. Due to this involvement of significant estimates and management judgements we considered this as a key audit matter.	Our audit procedures included the following: • Considered the expected timing of utilisation of the Deferred Tax Assets (DTA) keeping in view the relevant provision of Income Tax Ordinance 2001 that apply to the utilisation of minimum tax, Alternate Corporate Tax (ACT) and tax losses; • Evaluated the extent to which sufficient probable taxable profits would arise in the period within which the related losses would be available for utilisation, considering for example limits on the length of time that losses can be carried forward; • Considered whether the tax balances were calculated using appropriate and substantively enacted tax laws and rates; • Obtained financial projections from the Company's management; • Obtained understanding of the Company's process of preparing financial projections along with its key assumptions; • Evaluated the financial projections and assessed the likelihood of the Company generating sufficient future taxable profits; and • Checked that the presentation and disclosures related to deferred tax are in accordance with the applicable accounting and reporting standards.

S. No.	Key audit matters	How the matter was addressed in our audit
(ii)	**Stock-in-trade** *(Refer note 3.6 and 11 to the financial statements)* Stock-in-trade as at June 30, 2024, comprises of crude oil and condensate, semi-finished and finished products amounting to Rs. 18,394 million, Rs. 9,435 million and Rs. 21,891 million respectively. Crude oil, condensate, semi-finished and finished products are valued at lower of cost and net realisable value. The inventory quantities are determined through complex process involving various estimates. Due to the significance of the stock balances, related complexities involved and significant management judgements in determining net realisable value and resultant carrying value of stock in trade, this is considered a key audit matter.	Our audit procedures included the following: • Attended the physical count of the stock-in-trade and observed the said parameters along with the employees of the Company and an external surveyor; • Our audit work included obtaining samples of stock-in-trade from the storage tanks to determine the nature / characteristics of the product / stock. Such samples were sent to the Company's laboratory to further confirm the nature of the product / stock after our internal coding of the samples; • Obtained the stock-in-trade count report of the surveyor for 100% stock-in-trade and re-performed the working for determination of volume; • Assessed the background and experience of the surveyor to ensure their competence and capability; • Assessed appropriateness of the Company's accounting policies for valuation of stock in trade and compliance of those policies with applicable accounting standards; • Obtained an understanding and assessed reasonableness of the management's determination of net realisable value (NRV) and key estimates adopted, including future selling prices, future cost to complete work-in-progress and cost necessary to make the sales and their basis; • Compared the NRV to the cost of stock in trade to assess whether any adjustments are required to value stock-in-trade in accordance with the accounting policy; and • Checked that the presentation and disclosures related to stock-in-trade are in accordance with the applicable accounting and reporting standards.

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Information Other than the 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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is 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.

Report on Other Legal and Regulatory Requirements

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

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

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

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

(d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Syed Muhammad Hasnain.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 12, 2024

UDIN: AR202410073mcDMXv6k3

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024	2023
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	23,555,669	25,595,902
Intangible assets	5	3,915	3,144
Long-term investment	6	14,822	14,555
Long-term loans	7	20,280	25,892
Long-term deposits	8	30,265	30,265
Deferred taxation	9	10,931,383	6,911,879
Retirement benefit prepayments	21	757,326	409,787
		35,313,660	32,991,424
CURRENT ASSETS			
Stores, spares and chemicals	10	1,802,405	2,586,185
Stock-in-trade	11	49,719,863	48,136,902
Trade receivables	12	9,855,369	22,914,667
Loans and advances	13	104,574	94,531
Trade deposits and short-term prepayments	14	55,638	98,535
Interest accrued		68,179	33,637
Other receivables	15	2,943,508	1,477,197
Taxation - payments less provision		2,744,783	2,841,539
Cash and bank balances	16	564,360	605,301
		67,858,679	78,788,494
TOTAL ASSETS		103,172,339	111,779,918
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	17	799,666	799,666
Reserves	18	18,416,889	33,799,013
		19,216,555	34,598,679
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liability	19	143,916	158,338
Provision for Gas Infrastructure Development Cess	20	-	53,618
Retirement benefit obligations	21	547,712	524,128
		691,628	736,084
CURRENT LIABILITIES			
Trade and other payables	22	29,004,804	36,650,283
Contract liabilities	23	-	915,317
Unclaimed dividend	24	59,128	59,462
Unpaid dividend	24	43,658	44,776
Accrued mark-up	25	1,251,885	1,147,302
Provisions	26	112,361	112,361
Borrowings	27	52,777,898	37,504,532
Current portion of lease liability	19	14,422	11,122
		83,264,156	76,445,155
TOTAL LIABILITIES		83,955,784	77,181,239
CONTINGENCIES AND COMMITMENTS	28		
TOTAL EQUITY AND LIABILITIES		103,172,339	111,779,918

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive	Director

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	(Restated) 2023
		(Rupees in thousand)	
Revenue from contracts with customers	29	396,927,746	352,596,887
Trade discounts, taxes, duties, levies and price differentials	30	(88,085,918)	(53,791,438)
Net revenue from contracts with customers		308,841,828	298,805,449
Cost of sales	31	(316,609,825)	(285,608,763)
Gross (loss) / profit		(7,767,997)	13,196,686
Distribution cost	32	(649,259)	(1,416,958)
Administrative expenses	33	(1,180,566)	(1,066,269)
Other income	34	347,398	450,650
Other operating expenses	35	(95,470)	(42,508)
Operating (loss) / profit		(9,345,894)	11,121,601
Finance cost - net	36	(9,310,053)	(16,244,345)
Loss before tax		(18,655,947)	(5,122,744)
Levies - final tax	37	(224,418)	(195,450)
Taxation	38	3,090,150	855,108
Loss after taxation		(15,790,215)	(4,463,086)
		(Rupees)	
Loss per share - basic and diluted	39	(197.46)	(55.81)

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive	Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in thousand)	
Loss after taxation	(15,790,215)	(4,463,086)
Other comprehensive income		
Items that will not be reclassified to statement of profit or loss		
Change in fair value of long term investment - note 6	267	(2,917)
Remeasurements of post employment benefit obligations - note 21	407,928	443,943
	408,195	441,026
Deferred tax thereon	(104)	880
Other comprehensive income - net of tax	408,091	441,906
Total comprehensive loss	(15,382,124)	(4,021,180)

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive

Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	SHARE CAPITAL	CAPITAL RESERVES				REVENUE RESERVES			Total
	Issued, subscribed and paid-up	Capital compensation reserve (note 18.1)	Exchange equalisation reserve	Special reserve (note 18.2)	Utilised special reserve (note 18.3)	General reserve	Gain / (loss) on revaluation of investment at fair value through OCI	Accumulated loss	
	(Rupees in thousand)								
Balance as at July 1, 2022	799,666	10,142	4,117	-	9,631,914	31,961,000	17,472	(2,604,953)	39,819,358
Total comprehensive loss for the year ended June 30, 2023									
- Loss for the year ended June 30, 2023	-	-	-	-	-	-	-	(4,463,086)	(4,463,086)
- Other comprehensive income for the year ended June 30, 2023	-	-		-	-	-	(2,917)	444,823	441,906
	-	-	-	-	-	-	(2,917)	(4,018,263)	(4,021,180)
Transaction with owners in their capacity as owners									
Final Dividend for the year ended June 30, 2022 @ Rs. 15 per share	-	-	-	-	-	-	-	(1,199,499)	(1,199,499)
Balance as at June 30, 2023	799,666	10,142	4,117	-	9,631,914	31,961,000	14,555	(7,822,715)	34,598,679
Total comprehensive loss for the year ended June 30, 2024									
- Loss for the year ended June 30, 2024	-	-	-	-	-	-	-	(15,790,215)	(15,790,215)
- Other comprehensive income for the year ended June 30, 2024	-	-	-	-	-	-	267	407,824	408,091
	-	-	-	-	-	-	267	(15,382,391)	(15,382,124)
Balance as at June 30, 2024	799,666	10,142	4,117	-	9,631,914	31,961,000	14,822	(23,205,106)	19,216,555

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive	Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	40	(3,848,541)	(10,346,860)
Income tax and levies paid - net		(1,057,016)	(1,082,164)
Mark-up paid on Conventional financing		(8,852,790)	(3,661,274)
Mark-up paid on Islamic financing		(167,091)	(2,051,448)
Decrease in long-term loans		5,612	12,093
Payment made to staff retirement benefit funds		(20,706)	(60,572)
Net cash used in operating activities		(13,940,532)	(17,190,225)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,502,681)	(696,657)
Purchase of intangible assets	5.1	(3,884)	(54)
Proceeds from disposal of property, plant and equipment		15,360	3,187
Return on investments and bank accounts		153,728	109,110
Net cash used in investing activities		(1,337,477)	(584,414)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(1,452)	(1,192,434)
Lease rentals paid	19.2	(34,846)	(33,188)
Net cash used in financing activities		(36,298)	(1,225,622)
Net decrease in cash and cash equivalents		(15,314,307)	(19,000,261)
Cash and cash equivalents at beginning of the year		(36,899,231)	(17,898,970)
Cash and cash equivalents at end of the year	41	(52,213,538)	(36,899,231)

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND OPERATIONS

National Refinery Limited was incorporated in Pakistan on August 19, 1963 as a public limited company and its shares are listed on the Pakistan Stock Exchange.

The Company is engaged in the manufacturing, production and sale of a large range of petroleum products. The refinery complex of the Company comprises of three refineries, consisting of two lube refineries, commissioned in 1966 and 1985, and a fuel refinery added to the complex in 1977. The Company has also commissioned Diesel Hydro De-sulphurisation (DHDS) and Isomerisation (ISOM) units during the financial years 2017 and 2018 respectively.

During the year ended June 30, 2024, the Government has announced the ‘Pakistan Oil Refining Policy for upgradation of Existing / Brownfield Refineries 2023’ (as amended in February 2024), which was earlier approved in August 2023. As per the amended policy, refineries were initially allowed to sign the upgrade agreement within 60 days, however the Government has now extended the deadline for signing of agreement by six months.

The geographical locations and addresses of the Company's business units, including plant are as under:

- Refinery complex and registered office of the Company is situated at 7-B Korangi Industrial Area, Karachi; and
- Oil terminal at Keamari, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) 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, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2.3 Functional and presentation currency

The financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency and figures are rounded off to the nearest thousand of Rupees.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical 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. Taxation

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.

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.

ii. Post employment benefits

Significant estimates relating to post employment benefits are disclosed in note 21.

iii. Property, plant and equipment

Estimates with respect to depreciation method and useful life of property, plant and equipment is disclosed in note 4.1 to these financial statements. Further, the Company reviews the carrying value of assets for impairment, if any, on each reporting period.

iv. Stock-in-trade

Estimates relating to net realisable value of stock-in-trade are disclosed in note 3.6. Further the inventory quantities are determined through complex process involving various estimates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

Management believes that the change in outcome of estimates would not have a material impact on the amounts disclosed in the financial statements.

2.5 Changes in accounting standards, interpretations and pronouncements

(a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2023. However, these do not have any significant impact on the Company’s financial reporting.

(b) Standards and amendments to approved accounting standards that are not yet effective

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Property, plant and equipment

These are initially recognised at cost and are subsequently carried at cost less accumulated depreciation and impairment, if any, except major spare parts and stand-by equipment which are stated at cost less accumulated impairment, if any, and capital work-in-progress, which are stated at cost.

Major spare parts and stand-by equipment qualify as property, plant and equipment when the Company expects to use them during more than one year. Transfers are made to relevant operating assets category as and when such items are available for use.

Capital work-in-progress consists of expenditure incurred and advances made in respect of tangible and intangible assets in the course of their construction and installation. Transfers are made to relevant operating assets category as and when assets are available for use.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Depreciation is charged to income using the straight-line method whereby the cost of an asset is written off over its estimated useful life at the rates stated in note 4.1 to the financial statements. Depreciation on additions is charged from the month in which the asset is put to use and on disposals up to the month immediately preceding the disposal. Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

The carrying value of operating assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

Gains and losses on disposal or retirement of property, plant and equipment are recognised in statement of profit or loss.

3.2 Intangible assets

An intangible asset is recognised if it is probable that future economic benefits attributable to the asset will flow to the Company and that the cost of such asset can be measured reliably. These are stated at cost less accumulated amortisation and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding the cost beyond one year, are recognised as intangible assets. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Intangible assets are amortised using the straight-line method over a period of three years or license period, whichever is less.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

3.3 Financial Instruments - Initial recognition and subsequent measurement

Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognised at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income / (loss).

ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognised in the statement of profit or loss. Currently, there are no financial liabilities designated at FVTPL.

Impairment of financial asset

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortised cost at an amount equal to life time ECLs except for the following, which are measured at 12 months ECLs:

- bank balances for whom credit risk (the risk of default occurring over the expected life of the financial instrument has not increased since the inception).

- employee receivables.

- other short term receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Company considers a financial asset in default when it is more than 90 days past due.

Life time ECLs are the ECLs that results from all possible defaults events over the expected life of a financial instrument. 12 months ECLs are that portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

Derecognition

i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3.4 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.5 Stores, spares and chemicals

Stores, spares and chemicals, except items in transit, are stated at moving average cost. Cost comprises invoice value and other direct costs. Provision is made for slow moving and obsolete items wherever necessary.

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

3.6 Stock-in-trade

Stock of crude oil and condensate is valued at lower of cost, determined on a First-In-First-Out (FIFO) basis and net realisable value. Crude oil in transit is valued at cost comprising invoice value plus other charges incurred thereon.

Stocks of semi-finished and finished products are valued at lower of cost, determined on a FIFO basis and net realisable value. Cost in relation to semi-finished and finished products represents cost of crude oil and an appropriate portion of manufacturing overheads.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred to make the sale.

3.7 Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Refer note 3.3 for a description of the Company's impairment policies.

3.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts, short-term investments with original maturities of three months or less and short term borrowing and short term finances availed by the Company, which form an integral part of the Company's cash management.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3.9 Staff retirement benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans.

3.9.1 Defined contribution plan

The Company operates an approved contributory provident fund for all employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% per annum of the basic salary. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

3.9.2 Defined benefit plans

Defined benefit plans define an amount of pension or gratuity or medical benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the Projected Unit Credit Method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bonds. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related benefit obligation.

The Company operates the following schemes:

i) Funded pension scheme for permanent, regular and full time managerial and supervisory staff of the Company who joined prior to January 01, 2012. Contributions are made to the fund on the basis of actuarial valuation and are charged to income. The most recent valuation of the scheme was carried out as at June 30, 2024, using the 'Projected Unit Credit Method'.

ii) Funded gratuity scheme for non-management permanent employees of the Company. Provision is made annually to cover obligations under the scheme, as per actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2024, using the 'Projected Unit Credit Method'.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

iii) Funded medical scheme for management employees who joined the Company prior to September 01, 2006. Provision is made annually to cover obligations under the scheme, by way of a charge to income, calculated in accordance with the actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2024, using the 'Projected Unit Credit Method'.

iv) Funded gratuity scheme for management employees of the Company joining on or after January 1, 2012. Provision is made annually to cover obligations under the scheme, as per actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2024, using the 'Projected Unit Credit Method'.

The amount arising as a result of remeasurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur.

Past-service costs are recognised immediately in statement of profit or loss.

3.10 Compensated absences

The Company accounts for compensated absences on the basis of unavailed leave balance of each entitled employee at the end of the year.

Provisions are made to cover the obligations under the scheme on the basis of actuarial valuation and are charged to income. The most recent valuation was carried out as at June 30, 2024 using the 'Projected Unit Credit Method'.

3.11 Trade and other payables

Liabilities for trade and other payables including amounts payable to related parties are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received.

3.12 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3.13 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.

3.14 Taxation

3.14.1 Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability.

3.14.2 Deferred

Deferred tax is accounted for using the liability method on all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent of availability of future taxable profits and involve preparation of future cash flow projections that take into account significant estimates and judgements about future margin and capacity utilisation against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited in the statement of profit or loss. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

3.14.3 Levy

Minimum Taxes (i.e. the amount in excess of Company corporate income tax) which is not adjustable against the future income tax liability and final tax, are classified as Levies and presented as an other operating expense in the statement of profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3.15 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control over the products is transferred to the customer, that is when the customer has the ability to control the use of the transferred products provided and generally derive their remaining benefits and there is no unfulfilled obligation that could affect the customer's acceptance of the product. It is measured at the transaction price which the Company expects to be entitled to and represents the amount of products supplied, after netting of discounts and value added taxes. The performance obligation is satisfied and revenue is recognized as follows:

a) Local sales of products delivered through pipelines are recorded when products pass through pipelines' flange. Sale of products loaded through gantry is recognised when products are loaded into tank lorries.

b) Export sales are recorded on the basis of products delivery at agreed delivery points.

No element of financing is deemed present as the sales are made with a credit term of 21 days, which is consistent with the market practice.

The transaction price of the regulated products are determined in accordance with the directives of Oil and Gas Regulatory Authority (OGRA). Whereas, the transaction prices of deregulated products are agreed under the contract with customer.

Net revenue from products, which are sold at volume discount, is recognised net of such discounts.

3.16 Other income

Sale of fixed assets is recognised as income when risk and rewards of ownership are transferred.

Profit from savings accounts is accounted for as income on accrual basis.

Rent income is accounted on straight line basis or in accordance with the terms of the agreement.

Handling and storage income, pipeline charges, scrap sales, insurance rebate and rental income are recognised when services are rendered.

3.17 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction cost incurred.

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.

3.19 Functional currency and foreign currency transactions

Transactions in foreign currencies are converted into Pak Rupees using the exchange rates prevailing on the dates of the transactions. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees using the exchange rates prevailing on the statement of financial position date. Exchange differences are taken to statement of profit or loss currently.

3.20 Segment reporting

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 Chief Executive Officer of the Company.

3.21 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.

3.22 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Lease payments include fixed payments or 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 elected to apply the practical expedient not to recognise right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

3.23 RESTATEMENT

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax regime (which is not adjustable against the future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) — 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position and Statement of Cash Flows as a result of this change.

	For the year ended June 30, 2024			For the year ended June 30, 2023		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	(Rupees in thousand)					
Effect on statement of profit or loss						
Loss before tax	(18,655,947)	-	(18,655,947)	(5,122,744)	-	(5,122,744)
Levies - final tax	-	(224,418)	(224,418)	-	(195,450)	(195,450)
Taxation	2,865,732	224,418	3,090,150	659,658	195,450	855,108

	2024	2023
	(Rupees in thousand)	
4. PROPERTY, PLANT AND EQUIPMENT		
- Operating assets - note 4.1	20,936,774	23,463,248
- Major spare parts and stand-by equipment - note 4.2	793,821	588,771
- Capital work-in-progress - note 4.3	1,825,074	1,543,883
	23,555,669	25,595,902

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.1 Operating assets

	Leasehold land (note 4.1.1)	Buildings on leasehold land	Right-of-use asset (note 4.1.3)	Plant and machinery (note 4.1.5)	Vehicles	Furniture and fixtures	Computers and other related accessories	Office and other equipment	Total
	(Rupees in thousand)								
Year ended June 30, 2024									
Opening net book value	40,661	486,067	120,671	22,275,618	46,379	13,541	5,891	474,420	23,463,248
Additions	-	-	-	-	19,208	1,196	7,080	17,950	45,434
Transfers from capital work in progress	-	13,732	-	929,584	-	976	2,203	25,258	971,753
Disposals									
Cost	-	-	-	-	(18,070)	-	-	-	(18,070)
Accumulated depreciation	-	-	-	-	17,322	-	-	-	17,322
	-	-	-	-	(748)	-	-	-	(748)
Written off									
Cost	-	-	-	(78,239)	-	-	-	-	(78,239)
Accumulated depreciation	-	-	-	20,873	-	-	-	-	20,873
	-	-	-	(57,366)	-	-	-	-	(57,366)
Depreciation charge - note 4.1.6	(596)	(45,979)	(17,238)	(3,296,180)	(18,047)	(1,932)	(5,002)	(100,573)	(3,485,547)
Closing net book value	40,065	453,820	103,433	19,851,656	46,792	13,781	10,172	417,055	20,936,774
As at June 30, 2024									
Cost	60,035	1,061,941	189,627	49,594,491	199,207	38,025	97,473	1,662,067	52,902,866
Accumulated depreciation	(19,970)	(608,121)	(86,194)	(29,742,835)	(152,415)	(24,244)	(87,301)	(1,245,012)	(31,966,092)
Net book value	40,065	453,820	103,433	19,851,656	46,792	13,781	10,172	417,055	20,936,774
Year ended June 30, 2023									
Opening net book value	41,257	513,098	137,910	25,186,091	48,318	14,098	6,764	562,817	26,510,353
Additions	-	-	-	93	24,532	1,387	3,163	10,873	40,048
Transfers from capital work in progress	-	18,688	-	326,512	-	-	700	10,474	356,374
Disposals									
Cost	-	-	-	-	(8,759)	-	-	-	(8,759)
Accumulated depreciation	-	-	-	-	5,539	-	-	-	5,539
	-	-	-	-	(3,220)	-	-	-	(3,220)
Written off									
Cost	-	-	-	-	-	-	-	(851)	(851)
Accumulated depreciation	-	-	-	-	-	-	-	667	667
	-	-	-	-	-	-	-	(184)	(184)
Depreciation charge - note 4.1.6	(596)	(45,719)	(17,239)	(3,237,078)	(23,251)	(1,944)	(4,736)	(109,560)	(3,440,123)
Closing net book value	40,661	486,067	120,671	22,275,618	46,379	13,541	5,891	474,420	23,463,248
As at June 30, 2023									
Cost	60,035	1,048,209	189,627	48,743,146	198,069	35,853	88,190	1,618,859	51,981,988
Accumulated depreciation	(19,374)	(562,142)	(68,956)	(26,467,528)	(151,690)	(22,312)	(82,299)	(1,144,439)	(28,518,740)
Net book value	40,661	486,067	120,671	22,275,618	46,379	13,541	5,891	474,420	23,463,248
Annual Rate of Depreciation %	1	5 to 20	9.09	5 to 33.33	20	7 to 33.33	10 to 33.33	5 to 50	
Useful life (in years)	100	10 to 20	11	3 to 20	5	8 to 15	3 to 6.5	2 to 20	

4.1.1 Leasehold land includes land sub-leased to Anoud Power Generation Limited and licensed to the following licensees:

- Pak-Hy Oils (Private) Limited*
- Pakistan State Oil Company Limited*
- PERAC Research & Development Foundation*
- Petroleum Packages (Private) Limited*
- Pakistan Oilfields Limited
- Attock Petroleum Limited

The carrying value of each of the above is immaterial.

* *License period of these licensees has expired and the Company has initiated the necessary course to recover the possession of land.*

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

4.1.2 The cost of operating assets includes assets amounting to Rs. 8,620.03 million (2023: Rs. 8,128.54 million) with nil book value.

4.1.3 The right-of-use asset comprise a leasehold land at oil installation area, Keamari of Karachi Port Trust (KPT), used by the Company for its operations.

4.1.4 In the current year variable lease for right-of-use assets amounted to Rs. 5.72 million (2023: Rs. 29.63 million).

4.1.5 Plant and machinery includes oil terminal, processing plant and storage tanks, power generation plants, pipelines, water, power and other utilities.

4.1.6 The break up of depreciation charge for the year is as follows:

	2024	2023
	(Rupees in thousand)	
Cost of sales - note 31	3,424,135	3,373,122
Distribution cost - note 32	3,421	3,689
Administrative expenses - note 33	57,991	63,312
	3,485,547	3,440,123

4.1.7 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)
Plot No. 7B, 7D, 7E and other adjacent plots, Korangi Industrial Area, Karachi	Refining complex and related facility	275

4.2 Major spare parts and stand-by equipment

	2024	2023
	(Rupees in thousand)	
Net carrying value		
Balance at beginning of the year	677,171	555,688
Additions during the year	709,811	274,716
Transfers made during the year	(508,509)	(153,233)
	878,473	677,171
Provision for impairment - note 4.2.1	(84,652)	(88,400)
Balance at end of the year	793,821	588,771

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

4.2.1 During the year, net reversal of provision amounting to Rs. 3.75 million (2023: Rs. Nil) has been made.

4.3 Capital work-in-progress

	Balance as at July 1, 2023	Additions during the year	Transfers	Balance as at June 30, 2024	Balance as at July 1, 2022	Additions during the year	Transfers	Balance as at June 30, 2023
	(Rupees in thousand)							
Buildings on leasehold land	10,377	24,644	(8,882)	26,139	15,629	12,694	(17,946)	10,377
Refineries upgradation projects	970,358	1,377	-	971,735	982,766	6,255	(18,663)	970,358
Plant and machinery	371,559	1,132,101	(894,901)	608,759	306,183	388,528	(323,152)	371,559
Office and other equipments	78,901	93,531	(67,970)	104,462	51,892	41,476	(14,467)	78,901
	1,431,195	1,251,653	(971,753)	1,711,095	1,356,470	448,953	(374,228)	1,431,195
Advances to contractors / suppliers	112,688	115,331	(114,040)	113,979	9,711	112,706	(9,729)	112,688
	1,543,883	1,366,984	(1,085,793)	1,825,074	1,366,181	561,659	(383,957)	1,543,883

	2024	2023
	(Rupees in thousand)	
5 INTANGIBLE ASSETS		
Operating intangible assets - note 5.1	2,865	2,094
Capital work in progress (CWIP)	1,050	1,050
	3,915	3,144

5.1 Operating intangible assets - computer softwares

	2024	2023
Net carrying value		
Balance at beginning of the year	2,094	5,123
Additions during the year	3,884	54
Amortisation for the year - note 5.3	(3,113)	(3,083)
Balance at end of the year	2,865	2,094
Gross carrying value		
Cost	367,358	363,474
Accumulated amortisation	(364,493)	(361,380)
Net book value	2,865	2,094
Amortisation rate (per annum)	33.33%	33.33%

5.2 The cost of intangible assets include assets amounting to Rs. 362.54 million (2023: Rs. 353.80 million) with nil book value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

5.3 The break up of amortisation charge for the year is as follows:

	2024	2023
	(Rupees in thousand)	
Cost of sales - note 31	2,892	2,857
Administrative expenses - note 33	221	226
	3,113	3,083

6. LONG-TERM INVESTMENT

Fair value through OCI

Anoud Power Generation Limited [1,080,000 (2023: 1,080,000) Ordinary shares of Rs.10 each, Equity held 9.09 percent (2023: 9.09 percent)]	14,822	14,555

The above investment was revalued by an independent valuer - M/s JS Global Capital Limited on June 30, 2024 based on the discounted cash flow analysis (level 3).

The different levels have been defined in IFRS 13 as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs e.g. estimated future cash flows) (level 3).

The following table presents the movement in level 3 item for the year ended June 30, 2024.

	Unlisted equity security	
	2024	2023
	(Rupees in thousand)	
Balance at the beginning of the year	14,555	17,472
Gain / (loss) recognised during the year	267	(2,917)
Balance at the end of the year	14,822	14,555

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in thousand)	
7. LONG-TERM LOANS		
Loans - considered good		
Secured - note 7.1		
Loans to employees	26,926	33,862
Less: Recoverable within one year - note 13	(7,173)	(8,671)
	19,753	25,191
Unsecured - note 7.2		
Loans to employees	701	967
Less: Recoverable within one year - note 13	(174)	(266)
	527	701
	20,280	25,892

7.1 The secured loans to employees are for the purchase of motor cars and house building. These are granted in accordance with the terms of their employment and are recoverable in monthly installments over a period ranging between 5 to 10 years (2023: 5 to 10 years). Out of these, car loans amounting to Rs. 2.53 million (2023: Rs. 5.2 million) carry interest ranging from 3% to 7% (2023: 3% to 7%) per annum. These loans are secured against original title documents of respective assets.

7.2 The unsecured loans to employees are either personal loans or given for the purchase of furniture and motor cycles. These are granted in accordance with the terms of their employment and are recoverable in monthly installments over a period of 4 to 12 (2023: 4 to 12) years and are interest free.

7.3 Long term loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material in the overall context of these financial statements.

	2024	2023
	(Rupees in thousand)	
8. LONG-TERM DEPOSITS		
Utilities	14,216	14,216
Others	16,049	16,049
	30,265	30,265

8.1 These deposits do not carry any mark up arrangement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

9. DEFERRED TAXATION

	2024	2023
	(Rupees in thousand)	
Deferred tax asset	14,801,203	10,907,575
Deferred tax liability	(3,869,820)	(3,995,696)
	10,931,383	6,911,879

	Accelerated tax depreciation and amortisation	Right-of-use asset net of lease liability - IFRS 16	Provision for duties and taxes	Provision for slow moving and obsolete stores, spares and chemicals	Provision for old outstanding liabilities offered for tax	Provision for doubtful debt, doubtful receivables, staff retirement benefits, pending litigation and others	Minimum tax	Alternate corporate tax	Tax loss	Total
	(Rupees in thousand)									
July 01, 2023	(3,995,696)	17,397	17,474	140,881	18,903	164,526	1,866,523	354,693	8,327,178	6,911,879
Credit / (charge) to statement of profit or loss and other comprehensive income for the year	125,876	4,016	1,638	974	115,180	45,467	(441,475)	(354,693)	4,522,521	4,019,504
June 30, 2024	(3,869,820)	21,413	19,112	141,855	134,083	209,993	1,425,048	-	12,849,699	10,931,383
July 01, 2022	(3,706,908)	5,465	12,859	105,051	13,910	91,005	468,510	181,447	7,483,948	4,655,287
Credit / (charge) to statement of profit or loss and other comprehensive income for the year	(288,788)	11,932	4,615	35,830	4,993	73,521	1,398,013	173,246	843,230	2,256,592
June 30, 2023	(3,995,696)	17,397	17,474	140,881	18,903	164,526	1,866,523	354,693	8,327,178	6,911,879

9.1 The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position.

9.2 Deferred tax Asset / (liability) is recorded at 100% (2023: 91.43%) of the total deferred tax liability based on the changes in Finance Act 2024, according to which export sales will not be treated as Final Tax Regime, instead the export sales will now fall under the Minimum Tax Regime.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

9.3 Deferred tax asset has been recognised on unused tax losses, unabsorbed tax depreciation and minimum tax amounting to Rs. 9.27 billion (2023: Rs. 5.33 billion), Rs. 3.57 billion (2023: Rs. 3 billion) and Rs. 1.43 billion (2023: Rs. 1.87 billion) respectively, in view of future estimated taxable profits required to recover the benefit. Deferred tax asset on minimum tax and unused tax losses will lapse after 3 and 6 years of occurence of the losses respectively, however deferred tax on loss of unabsorbed depreciation will be available for indefinite period.

9.4 Under the Finance Act, 2019, corporate rate of tax has been fixed at 29% for tax year 2020 and onwards. In addition, as per Finance Act, 2023, companies are liable to pay super tax at the rate of upto 10% for the tax year 2023 and onwards. Accordingly, deferred tax assets and liabilities have been recognised using the expected applicable rate.

	2024	2023
	(Rupees in thousand)	
10. STORES, SPARES AND CHEMICALS		
In hand		
- Stores	88,461	80,250
- Spares	1,594,034	1,744,768
- Chemicals	353,416	1,058,569
	2,035,911	2,883,587
In transit	45,573	9,300
	2,081,484	2,892,887
Provision for net realisable value write down - note 10.1	(279,079)	(306,702)
	1,802,405	2,586,185

10.1 The Company made a reversal of provision for net realisable value of slow moving and obsolete stores, spares and chemicals of Rs. 15.65 million (2023: Rs. 5.26 million).

	2024	2023
	(Rupees in thousand)	
11. STOCK-IN-TRADE		
Crude oil and condensate [including in transit Rs. 0.15 billion (2023: Rs. 8.35 billion)] - note 11.1	18,393,630	23,007,454
Semi-finished products - note 11.2	9,435,346	10,556,874
Finished products - note 11.3	21,890,887	14,572,574
	49,719,863	48,136,902

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

11.1 As at June 30, 2024, stock of crude oil and condensate has been written down by Rs. 294.18 million (2023: Rs. Nil) to arrive at its net realisable value of Rs. 18,239.97 million (2023: Rs. Nil).

11.2 As at June 30, 2024, stock of semi-finished products has been written down by Rs. 397.89 million (2023: Rs. Nil) to arrive at its net realisable value of Rs. 3,673.80 million (2023: Rs. Nil).

11.3 As at June 30, 2024, stock of finished products has been written down by Rs. 784.01 million (2023: Rs. 128.75 million) to arrive at its net realisable value of Rs. 10,984.30 million (2023: Rs. 2,607.01 million).

	2024	2023
	(Rupees in thousand)	
12. TRADE RECEIVABLES - unsecured		
Considered good		
- Related party - Attock Petroleum Limited - notes 12.1 & 12.2	5,032,807	12,332,941
- Others - note 12.3	4,822,562	10,581,726
Considered doubtful	7,832	7,832
	9,863,201	22,922,499
Less: Allowance for expected credit loss	(7,832)	(7,832)
	9,855,369	22,914,667

12.1 There are no trade receivable from related party that are past due or impaired.

12.2 The maximum aggregate amount due from the related party at the end of any month during the year was Rs. 9,732.22 million (2023: Rs. 12.43 million).

12.3 The trade receivables that are past due but not impaired is Rs. 0.031 million (2023: Rs. 0.031 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in thousand)	
13.	**LOANS AND ADVANCES**		
	Loans - considered good		
	Current portion of long term loans - note 7		
	Secured		
	- Employees	7,173	8,671
	Unsecured		
	- Employees	174	266
	Short term loans to employees - unsecured and interest free	861	1,008
	Advances - note 13.1		
	- Employees	11,649	6,724
	- Suppliers - note 13.1.1	84,717	77,862
		96,366	84,586
		104,574	94,531

13.1 These advances do not carry any mark up arrangement.

13.1.1 These include advances to foreign suppliers against purchases of stores and various other items amounting to Rs. 55.63 million (2023: Rs. 56.78 million).

		2024	2023
		(Rupees in thousand)	
14.	**TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**		
	Deposits - note 14.1	12,399	66,569
	Prepayments		
	- Insurance	180	5,044
	- Others	43,059	26,922
		43,239	31,966
		55,638	98,535

14.1 These deposits do not carry any mark up arrangement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in thousand)	
15. OTHER RECEIVABLES – considered good		
Receivable from related parties - 15.1		
- Attock Petroleum Limited	13,926	26,442
- The Attock Oil Company Limited	3	3
- Pakistan Oilfields Limited	120	62
- Attock Refinery Limited	72	194
Others:		
- Government of Pakistan - note 15.2	232,809	232,809
- Sales tax receivable - note 15.3	567,691	567,691
- Additional tax claimed by Federal Board of Revenue - note 15.4	251,625	251,625
- Custom duty receivable - note 15.5	1,813,265	226,548
- Various	63,997	171,823
	2,943,508	1,477,197

15.1 The maximum aggregate amount due from related parties at the end of any month during the year was Rs. 32.29 million (2023: Rs. 28.45 million).

15.2 This represents Price Differential Claims (PDC) receivable from Government of Pakistan. On behalf of oil refineries, Oil Companies Advisory Committee (OCAC) has presented the claims before the Ministry of Petroleum & Natural Resources (MoPNR). In 2018, the Company received a report on PDC from Ministry of Energy - Petroleum Division through OCAC. The management is in the process of assessing the report and believes that such receivable is good and no provision has been made there against.

15.3 This represents receivable on account of sales tax paid to the Federal Board of Revenue amounting to Rs. 567.69 million (2023: Rs. 567.69 million) in respect of sales tax demand received for the periods July 2013 to June 2014, July 2015 to June 2016 and June to September 2016. These cases were remanded back by Commissioner Inland Revenue (Appeals) (CIRA). The CIRA in remand back proceedings has decided the cases in favour of the Company for the total amount of Rs. 552.99 million. However, the Company has filed appeals with the Appellate Tribunal Inland Revenue (ATIR) against orders of CIRA on certain points which were not decided in favour of the Company.

15.4 This represents amount paid against the order of demand for monitoring of withholding taxes for tax years 2014 and 2016. For tax year 2014, the case has been remanded back by Commissioner Inland Revenue (Appeals) (CIRA), and remand back proceedings have decided the case in favour of the Company . Whereas, for tax year 2016, the Company had filed an appeal before the CIRA against the order passed in remand back proceedings, the said appeal has been decided in the Company's favour vide order dated 19 June 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

15.5 This represents differential of custom duty paid on import of crude oil and amount recovered through sale of petroleum products. Upto February 22, 2024, the differential has been worked out in accordance with OGRA's approved recovery mechanism; whereas, for the subsequent period it includes custom duty on crude oil to be reimbursed to refineries through IFEM netted off with custom duty at the rate 2.5% on High Speed Diesel and 10% on Motor Gasoline to be deposited into Inland Freight Equalization Margin (IFEM) pool till the time an OGRA controlled joint Escrow Account is maintained under the Pakistan Oil Refining Policy for Upgradation of Existing / Brownfield Refineries, 2023 (as amended in February 2024).

16. CASH AND BANK BALANCES

	2024	2023
	(Rupees in thousand)	
Cash at bank		
Conventional		
Current accounts	58,310	71,947
Savings accounts - note 16.1	15,334	3,922
Deposit accounts - notes 16.1 and 16.2	490,063	490,063
	563,707	565,932
Islamic		
Current accounts	116	106
Savings accounts - note 16.1	37	38,763
	153	38,869
Cash in hand	500	500
	564,360	605,301

16.1 These carry interest rates ranging from 11.5% to 20.5% (2023: 11.5% to 19.5%) per annum.

16.2 These represent Term Deposit Receipts as bank guarantees under lien issued on behalf of the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in thousand)	
17. SHARE CAPITAL			
Number of shares			
Authorised share capital			
100,000,000	Ordinary shares of Rs. 10 each	1,000,000	1,000,000
Issued, subscribed and paid-up capital			
59,450,417	Ordinary shares of Rs. 10 each fully paid in cash	594,504	594,504
6,469,963	Ordinary shares of Rs. 10 each issued for consideration other than cash	64,700	64,700
14,046,180	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	140,462	140,462
79,966,560		799,666	799,666

17.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

17.2 As at June 30, 2024 and 2023 Attock Group holds 51% equity stake in the Company through the following Companies:

	2024	2023
	(Number of shares)	
- Attock Refinery Limited	19,991,640	19,991,640
- Pakistan Oilfields Limited	19,991,640	19,991,640
- Attock Petroleum Limited	799,665	799,665

	2024	2023
	(Rupees in thousand)	
18. RESERVES		
Capital reserves		
Capital compensation reserve - note 18.1	10,142	10,142
Exchange equalisation reserve	4,117	4,117
Special reserve - note 18.2	-	-
Utilised special reserve - note 18.3	9,631,914	9,631,914
	9,646,173	9,646,173
Revenue reserves		
General reserve	31,961,000	31,961,000
Revaluation of investment at fair value through OCI	14,822	14,555
Accumulated loss	(23,205,106)	(7,822,715)
	8,770,716	24,152,840
	18,416,889	33,799,013

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

18.1 Capital compensation reserve includes net amounts for (a) premature termination of crude oil sales, bareboat charter-party and technical assistance agreements, (b) design defects and terminated service agreements and (c) termination of bareboat charter-party and affreightment agreements.

18.2 As per the Import Parity Pricing (IPP) formula, effective July 1, 2002, certain refineries including the Company have been directed to transfer from their net profit after tax for the year from fuel refinery operations, an amount in excess of 50% of the paid-up share capital, as on July 1, 2002 attributable to fuel segment, to Special Reserve to offset against any future losses or to make investment for expansion or upgradation.

During 2013, Government of Pakistan issued a policy framework for upgradation and expansion of refinery projects which interalia states that till the completion of the projects, refineries will not be allowed to offset losses, if any, for the year ended June 30, 2013 or subsequent years against the amount of profit above 50% accumulated or to be accumulated in the special reserves account as per current pricing formula.

During the year, the Government of Pakistan has notified the “Pakistan Oil Refining Policy for up-gradation of Existing / Brownfield Refineries, 2023” (the 2023 Policy) on August 17, 2023 updated in February 2024. This Policy supersedes all previous Refining Policies. Thus, the requirement to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into Special Reserve Account is no more required.

18.3 This represents amounts utilised out of the Special Reserve for upgradation and expansion of the refinery.

19. LEASE LIABILITY

	2024	2023
	(Rupees in thousand)	
Lease liabilities under IFRS 16 - notes 19.1 & 19.2	158,338	169,460
Non Current portion	143,916	158,338
Current portion	14,422	11,122

19.1 Maturity analysis of lease liabilities

	2024			2023		
	Minimum lease payments	Interest	Present value of minimum lease payments	Minimum lease payments	Interest	Present value of minimum lease payments
	(Rupees in thousands)					
Less than one year	36,589	(22,167)	14,422	34,847	(23,724)	11,122
Between one and five years	212,287	(68,371)	143,916	248,876	(90,538)	158,338
	248,876	(90,538)	158,338	283,723	(114,263)	169,460

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

19.2 Following is the carrying amount of lease liabilities and the movement during the year:

	2024	2023
	(Rupees in thousand)	
Balance at the beginning of the year	169,460	177,761
Interest expense	23,724	24,887
Payments	(34,846)	(33,188)
Balance at the end of the year	158,338	169,460

19.3 The lease liability was measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate of 14%.

	2024	2023
	(Rupees in thousand)	

20. PROVISION FOR GAS INFRASTRUCTURE DEVELOPMENT CESS

	2024	2023
Provision for Gas Infrastructure Development Cess - notes 20.1 & 20.2	966,401	934,130
Non-current portion	-	53,618
Current portion - note 22	966,401	880,512

20.1 Following is the carrying amount of provision for gas infrastructure development cess and the movement during the year:

	2024	2023
	(Rupees in thousand)	
Balance at the beginning of the year	934,130	861,132
Recognised during the year	32,271	72,998
Balance at the end of the year	966,401	934,130

20.2 The Supreme Court of Pakistan through its judgement dated August 13, 2020 had decided the Appeal against consumers upholding the vires of GIDC Act, 2015. The Review Petition was also dismissed on merits; however, the Honorable Court had provided some relief by increasing the time period for recovery of GIDC from 24 to 48 installments.

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The Company also filed a civil suit before the Honorable High Court of Sindh (SHC) on the ground that the Company falls under the category of consumers and it has not passed on the burden of Cess. Accordingly, stay order was granted. However, while pendency of aforesaid suit, the Company kept on paying GIDC installments under protest and without prejudice to the Company's legal rights till August 2021 (upto 13th installment). In September 2021, Sui Southern Gas Company Limited (SSGC) revised the payment terms from 48 to 24 months. The Company, after giving notice to SSGC stopped payment of further installments of GIDC as the stay order has been operative, whereby SHC has restrained SSGC from taking any coercive action against the Company in relation to non-payment of installments of GIDC arrears. The suit is still pending adjudication before the Honourable High Court of Sindh at Karachi and interim order, granting a stay, continues and is in effect till further orders.

21. RETIREMENT BENEFIT OBLIGATIONS / (PREPAYMENTS)

21.1 The Company operates approved funded pension scheme for permanent management staff who joined prior to January 01, 2012, approved funded gratuity scheme for permanent management employees who joined the Company on or after January 1, 2012, approved funded gratuity scheme for permanent non-management employees and approved funded medical scheme for management employees of the Company who joined prior to September 01, 2006. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2024 using the 'Projected Unit Credit Method'.

21.2 Plan assets held in trust are governed by local regulations which mainly include the Trust Act, 1882; the Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the trust deeds. Responsibility for governance of the Plans, including investment decisions, lies with the Boards of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

21.3 Risks on account of defined benefit plan

The Company faces the following risks on account of defined benefit plan:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investment.

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21.4 The latest actuarial valuation of the Plans as at June 30, 2024 was carried out using the Projected Unit Credit Method. Details of the Funds as per the actuarial valuation are as follows:

	2024				2023			
	Pension fund	Medical fund	Non - management gratuity fund	Management gratuity fund	Pension fund	Medical fund	Non - management gratuity fund	Management gratuity fund
	(Rupees in thousand)							
21.4.1 Balance sheet reconciliation								
Present value of defined benefit obligation at June 30 - note 21.4.2	5,698,349	2,054,088	255,590	131,562	5,173,423	1,860,986	216,976	101,071
Fair value of plan assets at June 30 - note 21.4.3	(6,455,675)	(1,603,466)	(171,234)	(118,828)	(5,575,474)	(1,395,546)	(158,288)	(108,807)
Deficit / (surplus)	(757,326)	450,622	84,356	12,734	(402,051)	465,440	58,688	(7,736)
21.4.2 Movement in the present value of defined benefit obligation								
Balance at July 1	5,173,423	1,860,986	216,976	101,071	5,017,745	1,658,374	251,855	98,251
Benefits paid by the plan	(441,059)	(115,979)	-	(14,325)	(410,590)	(92,746)	(15,095)	(13,166)
Current service cost	44,792	12,199	4,195	17,990	48,616	10,900	9,604	18,606
Interest cost	800,024	296,289	34,915	17,625	633,033	215,336	33,205	14,067
Transfers	33,218	-	(33,218)	-	23,042	-	(23,042)	-
Remeasurement on obligation	87,951	593	32,722	9,201	(138,423)	69,122	(39,551)	(16,687)
Balance at June 30	5,698,349	2,054,088	255,590	131,562	5,173,423	1,860,986	216,976	101,071
21.4.3 Movement in the fair value of plan assets								
Balance at July 1	5,575,474	1,395,546	158,288	108,807	5,037,583	1,255,541	160,380	103,865
Contributions paid into the plan	-	8,283	12,423	-	42,752	7,170	10,650	-
Transfers	33,218	-	(33,218)	-	23,042	-	(23,042)	-
Benefits paid by the plan	(441,059)	(115,979)	-	(14,325)	(410,590)	(92,746)	(15,095)	(13,166)
Interest income	857,592	221,042	25,924	18,792	634,692	162,407	21,503	14,766
Remeasurement on plan assets	430,450	94,574	7,817	5,554	247,995	63,174	3,892	3,342
Balance at June 30	6,455,675	1,603,466	171,234	118,828	5,575,474	1,395,546	158,288	108,807
21.4.4 (Income) / expense recognised in the statement of profit or loss								
Current service cost	44,792	12,199	4,195	17,990	48,616	10,900	9,604	18,606
Net interest (income) / cost	(57,568)	75,247	8,991	(1,167)	(1,659)	52,929	11,702	(699)
(Income) / expense recognised in statement of profit or loss	(12,776)	87,446	13,186	16,823	46,957	63,829	21,306	17,907

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21.4.5 Remeasurement recognised in Other Comprehensive Income or loss

	2024 Pension fund	2024 Medical fund	2024 Non - management gratuity fund	2024 Management gratuity fund	2023 Pension fund	2023 Medical fund	2023 Non - management gratuity fund	2023 Management gratuity fund
	(Rupees in thousand)							
(Gain) / loss from changes in financial assumptions	(30,085)	(10,169)	11,627	5,635	(149,168)	15,818	(35,303)	(11,743)
Gain due to changes in demographic assumptions	-	-	-	(6,183)	-	-	-	-
(Gain) / loss due to changes in experience adjustments	118,036	10,762	21,095	9,749	10,745	53,304	(4,249)	(4,944)
Gain on remeasurement of fair value of plan assets	(430,450)	(94,574)	(7,817)	(5,554)	(247,995)	(63,174)	(3,892)	(3,342)
Remeasurements	(342,499)	(93,981)	24,905	3,647	(386,418)	5,948	(43,444)	(20,029)

21.4.6 Net recognised liability / (asset)

	2024 Pension fund	2024 Medical fund	2024 Non - management gratuity fund	2024 Management gratuity fund	2023 Pension fund	2023 Medical fund	2023 Non - management gratuity fund	2023 Management gratuity fund
Net liability / (asset) at the beginning of the year	(402,051)	465,440	58,687	(7,736)	(19,838)	402,833	91,475	(5,614)
(Income) / expense recognised in profit and loss account	(12,776)	87,446	13,186	16,823	46,957	63,829	21,306	17,907
Contribution made to the fund during the year	-	(8,283)	(12,423)	-	(42,752)	(7,170)	(10,650)	-
Remeasurements recognised in other comprehensive income or loss	(342,499)	(93,981)	24,905	3,647	(386,418)	5,948	(43,444)	(20,029)
Recognised liability / (asset) as at end of the year	(757,326)	450,622	84,355	12,734	(402,051)	465,440	58,687	(7,736)

21.4.7 Major categories / composition of plan assets are as follows:

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2024	2023	2024	2023	2024	2023	2024	2023
Debt instruments	94.97%	95.51%	92.08%	99.32%	96.76%	98.33%	86.57%	98.53%
Equity - Listed	0.00%	1.37%	0.00%	0.00%	2.44%	1.52%	0.00%	0.00%
Mutual funds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Others	5.03%	3.13%	7.92%	0.68%	0.79%	0.14%	13.43%	1.47%

21.4.8 Composition of fair value of plan assets are as follows:

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Rupees in thousand)							
Debt instruments	6,130,778	5,324,872	1,476,405	1,386,123	165,692	155,652	102,871	107,207
Equity - Listed	-	76,257	-	-	4,186	2,412	-	-
Others	324,897	174,345	127,062	9,423	1,356	224	15,957	1,601
	6,455,675	5,575,474	1,603,467	1,395,546	171,234	158,288	118,828	108,808

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21.4.9 Actuarial Assumptions

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2024	2023	2024	2023	2024	2023	2024	2023
Discount rate at June 30	14.75%	16.25%	14.75%	16.25%	14.75%	16.25%	14.75%	16.25%
Future salary increases / increase in cost								
- First year following the valuation	9.75%	6.50%	12.75%	14.25%	9.75%	6.50%	9.75%	6.50%
- Second year following the valuation	9.75%	6.50%	12.75%	14.25%	9.75%	6.50%	9.75%	6.50%
- Third year following the valuation	9.75%	6.50%	12.75%	14.25%	9.75%	6.50%	9.75%	6.50%
- Long term increase	12.75%	15.25%	12.75%	15.25%	13.75%	15.25%	13.75%	15.25%
Expected rate of increase in pension	8.95%	10.45%	-	-	-	-	-	-
Expected retirement age	60 years	60 years	60 years	60 years	60 years	60 years	60 years	60 years

21.4.10 Maturity profile of the defined benefit obligation

	Pension fund		Medical fund		Non - management gratuity fund		Management gratuity fund	
	2024	2023	2024	2023	2024	2023	2024	2023
Distribution of timing of benefit payments								
One year	629,366	564,751	1,945,638	1,761,298	17,886	8,591	7,356	2,624
Two years	746,702	610,817	2,172,746	1,970,150	33,218	48,445	8,800	4,753
Three years	678,855	725,553	2,061,713	1,869,052	21,140	25,938	14,071	4,734
Four years	740,450	678,409	2,046,668	1,853,154	27,056	18,899	12,151	9,689
Five years	751,851	746,531	2,167,145	1,963,880	25,436	24,470	16,104	6,247
Six years and onwards	4,924,778	4,741,608	1,949,529	1,765,846	410,177	367,187	176,631	111,052

Mortality was assumed to be SLIC (2001-05) table.

21.5 In case of the funded plans, the Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the retirement benefit plan. Within this framework, the Company's ALM objective is to match assets to the retirement benefit obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement benefit plan obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2024 consists of government securities. The Company believes that government securities offer the best returns over the long term with an acceptable level of risk.

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21.6 The expected return on plan assets has been determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the statement of financial position date.

The Company's contributions to gratuity, pension and medical benefit funds in 2025 is expected to amount to Rs. 68.22 million.

The actuary conducts separate valuations for calculating contribution rates. The Company contributes to the pension, gratuity and medical benefit funds appropriately.

21.7 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
		(Rupees in thousand)	
Discount rate at June 30	0.5%	(991,164)	(300,286)
Future salary increases	0.5%	(411,787)	(519,362)
Future pension increases	0.5%	(301,274)	(860,375)
Future medical increases	0.5%	(185,036)	(200,934)

If longevity increases by 1 year, the resultant increase in obligation is insignificant.

The above sensitivity analyses are based on a change in an assumption 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 the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity, pension and medical benefit liability recognised within the statement of financial position of the Company.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

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21.8 Historical information

	2024	2023	2022	2021	2020
	(Rupees in thousand)				
Pension fund					
Present value of defined benefit obligation	5,698,349	5,173,423	5,017,745	4,948,236	4,849,641
Fair value of plan assets	(6,455,675)	(5,575,474)	(5,037,583)	(4,940,243)	(4,826,069)
Deficit in the plan	(757,326)	(402,051)	(19,838)	7,993	23,572
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	87,951	(138,423)	(21,107)	50,168	(198,313)
(Loss) / gain on plan assets	430,450	247,995	23,252	76,981	(160,540)
Medical Benefit					
Present value of defined benefit obligation	2,054,088	1,860,986	1,658,374	1,503,143	1,430,513
Fair value of plan assets	(1,603,466)	(1,395,546)	(1,255,541)	(1,227,074)	(1,211,026)
Deficit in the plan	450,622	465,440	402,833	276,069	219,487
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	593	69,122	99,724	21,542	(2,592)
(Loss) / gain on plan assets	94,574	63,174	8,396	(9,591)	(16,608)
Gratuity fund - Non-management					
Present value of defined benefit obligation	255,590	216,976	251,855	231,180	204,971
Fair value of plan assets	(171,234)	(158,288)	(160,380)	(145,194)	(139,478)
Deficit in the plan	84,356	58,688	91,475	85,986	65,493
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	32,722	(39,552)	6,067	19,663	(1,646)
(Loss) / gain on plan assets	7,817	3,892	2,070	(2,594)	(2,612)
Gratuity fund - management					
Present value of defined benefit obligation	131,562	101,071	98,251	79,947	62,705
Fair value of plan assets	(118,828)	(108,807)	(103,865)	(102,356)	(82,491)
Surplus in the plan	12,734	(7,736)	(5,614)	(22,409)	(19,786)
Remeasurement recognised in other comprehensive income or loss					
(Gain) / loss on obligation	9,201	(16,687)	1,793	(1,822)	(2,743)
(Loss) / gain on plan assets	5,554	3,342	(7)	(1,238)	(1,382)

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21.9 The weighted average duration of the plans are as follows:

	No. of years
Pension fund	9.15
Gratuity fund - Non-management	4.94
Medical fund	10.56
Gratuity fund - Management	11.11

21.10 The Company's contributions toward the provident fund for the year ended June 30, 2024 amounted to Rs. 54.49 million (2023: Rs. 52.16 million).

21.11 The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

22. TRADE AND OTHER PAYABLES

	2024	2023
	(Rupees in thousand)	
Trade creditors	18,016,858	28,222,793
Due to Government of Pakistan - note 22.1	2,017,015	1,354,588
Due to related parties:		
- Attock Petroleum Limited	6,828	59,871
- Attock Oil Company Limited	329	548
Accrued liabilities	1,122,496	920,081
Current portion of provision for Gas Infrastructure and Development Cess - note 20	966,401	880,512
HSD Euro-V Differential - note 22.2	2,621,249	111,653
PMG-RON differential - note 22.3	-	84,732
PMG-Euro-V differential	25,695	5,879
Sales tax payable	154,910	828,535
Retention money	77,174	62,879
Deposits from contractors - note 22.4	57,828	58,704
Workers' Welfare Fund	83,016	79,241
Income tax deducted at source	2,862	30,881
Excise duty and petroleum levy	3,844,958	3,937,678
Others	7,185	11,708
	29,004,804	36,650,283

22.1 This includes Rs. 1,676.18 million (2023: Rs. 1,034.44 million) in respect of discount and windfall payable on purchase of local crude oil and condensate.

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22.2 This represents differential of Euro V vs Euro I / II / III HSD on account of sale of Euro I / II / III HSD by the Company. The differential has been worked out using criteria provided by Ministry of Energy through letter dated February 26, 2013, and November 17, 2020.

22.3 This represents a differential payable as per the defined formula in the notification PL-9 (544)/2015 dated September 5, 2016 issued by the Ministry of Petroleum & Natural Resources which requires the Oil Marketing Companies to import Premium Motor Gasoline (PMG) of 92 Research Octane Number (RON). However, under such notification, refineries are allowed to produce PMG of less than 92 RON and account for the differential. The amount is paid as per the directives of the Regulator.

22.4 These represent amount received from contractors of the Company as a security deposit with reference to the contracts. Such amounts are kept in a separate bank account and are non-interest bearing.

23. CONTRACT LIABILITIES

These represent advances received from customers against supply of petroleum products which are recognised as revenue when the performance obligation is satisfied. During the year, the amount recognised as revenue from contract liabilities balance at the beginning of the year amounts to Rs. 915.32 million (2023: 1,224.45 million).

24. UNPAID DIVIDEND / UNCLAIMED DIVIDEND

Unpaid dividend includes dividend withheld due to non-compliance of certain legal / regulatory requirements by the shareholders.

25. ACCRUED MARK-UP

Accrued mark-up comprises of mark-up on borrowings.

	2024	2023
	(Rupees in thousand)	
26. PROVISIONS		
Duties and taxes - note 26.1	29,006	29,006
Others - note 26.2	83,355	83,355
	112,361	112,361

26.1 These represent provision made by the Company in respect of sales tax and central excise duty aggregating to Rs. 29.01 million (2023: Rs. 29.01 million), determined by the Collectorate of Customs, Sales Tax and Central Excise (Adjudication) in 2004 in respect of goods sold by the Company to one of its customers without deduction of sales tax and central excise duties.

26.2 These include Rs. 55.62 million (2023: Rs. 55.62 million) in respect of sales tax and excise duty on account of purchases of crude oil and drums.

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	2024	2023
	(Rupees in thousand)	
27. BORROWINGS		
Conventional		
Running finance under mark-up arrangements - note 27.1	9,577,898	12,042,884
Short term loans - note 27.3	26,000,000	12,000,000
Local bill discounting - note 27.4	-	2,461,648
Islamic		
Financing under Islamic arrangement - note 27.2	17,200,000	11,000,000
	52,777,898	37,504,532

27.1 The facilities for running finance under mark-up arrangements with various banks amounted to Rs. 48 billion (2023: Rs. 41.08 billion) of which the amount remaining unutilised at the year end was Rs. 13.64 billion (2023: Rs. 17.66 billion). The rates of mark-up applicable on running finance ranges from 0.04% to 1% above one / three months KIBOR (2023: one / three months KIBOR + 0.15% to 1%) per annum.

27.2 The facilities from Istisna, Musharakah and Tijarah arrangement from various Islamic banks amounted to Rs. 17.90 billion (2023: Rs. 17.90 billion) of which Rs. 0.7 billion (2023: Rs. 6.78 billion) remained unutilised as at the year end. The rate of mark-up applicable is based on relevant KIBOR + 0.05% to 0.25% (2023: one / three months KIBOR + 0.05% to 0.25%) per annum.

27.3 These represent short term loans obtained on rollover basis from commercial banks amounted to Rs. 26 billion (2023: Rs. 12 billion). These loans are interchangeable facilities with running finance arrangement as disclosed in note 27.1. The rate of mark-up applicable on these loans is based on respective tenor KIBOR plus spread ranging from 0% to +0.15% (2023: -0.7% to +1%) per annum.

27.4 The facility for local bill discounting as at June 30, 2024 amounted to Rs. 10 billion (2023: 10 billion) of which the amount remaining unutilized at the year end was Rs. 10 billion (2023: 7.54 billion). The rate of mark-up applicable on this facility is based on respective tenor KIBOR plus spread ranging from 0.04% to 0.15% per annum.

27.5 The facilities for opening the letters of credit and guarantees as at June 30, 2024 amounted to Rs. 125.57 billion (2023: Rs. 122.77 billion) of which the amount remaining unutilised at year end was Rs. 64.66 billion (2023: Rs. 68.55 billion). The above financing arrangements to the tune of Rs. 45.40 billion (2023: Rs. 44.48 billion) are interchangeable of these non-funded limits.

27.6 These facilities are secured against ranking charge on the Company's stocks, receivables and stores, spares and chemicals.

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28. CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

28.1.1 Claims not acknowledged as debt

Claims not acknowledged by the Company as debt at the end of the year amounted to Rs. 5.36 billion (2023: Rs. 5.36 billion). These include claims accumulating to Rs. 5.32 billion (2023: Rs. 5.32 billion) in respect of late payment surcharge claimed by crude oil suppliers.

28.1.2 The Company has raised claims on certain Oil Marketing Companies (OMCs) in respect of interest on late payments against receivables aggregating to Rs. 5.07 billion (2023: Rs. 5.07 billion). However, these have not been recognised in the financial statements as these claims have not been acknowledged by the OMCs.

28.2 Commitments

28.2.1 Commitments outstanding for capital expenditures as at June 30, 2024 amounted to Rs. 1,442.64 million (2023: Rs. 926.07 million).

29. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2024	2023
	(Rupees in thousand)	
Local	372,993,571	333,075,065
Exports	23,934,175	19,521,822
	396,927,746	352,596,887

30. TRADE DISCOUNTS, TAXES, DUTIES, LEVIES AND PRICE DIFFERENTIALS

	2024	2023
Sales tax	15,769,220	19,066,919
Further tax	14,624	6,862
Excise duty	83	123
Petroleum levy	58,704,600	26,674,278
Trade discounts	682,061	-
HSD premium differential	-	178,316
HSD Euro V differential - note 22.2	4,458,216	327,770
PMG - RON differential - note 22.3	-	765,761
PMG - Euro V differential	25,715	31,922
Custom duty - note 15.5	8,431,399	6,739,487
	88,085,918	53,791,438

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31. COST OF SALES

	2024	2023
	(Rupees in thousand)	
Opening stock of semi-finished products	10,556,874	11,104,961
Crude oil, condensate and drums consumed - notes 31.1 and 31.2	306,610,979	270,656,562
Stores, spares and chemicals consumed	3,742,262	2,906,092
Salaries, wages and staff benefits - note 31.3	1,453,368	1,382,543
Staff transport and canteen	144,747	121,893
Fuel, power and water	5,677,605	4,208,872
Rent, rates and taxes	25,052	38,108
Insurance	969,848	852,640
Contract services	134,643	100,368
Repairs and maintenance	527,436	170,167
Reversal of provision for net realisable value of slow moving and obsolete stores, spares and chemicals	(15,653)	(5,259)
Stores, spares and chemicals written off	6,747	-
Depreciation - note 4.1.6	3,424,135	3,373,122
Amortisation of intangible assets - note 5.3	2,892	2,857
Professional charges	14,359	22,708
Consultancy charges	29,271	19,162
Security charges	21,702	17,032
Others	37,217	65,037
	322,806,610	283,931,904
Closing stock of semi-finished products - note 11	(9,435,346)	(10,556,874)
Cost of products manufactured	323,928,138	284,479,991
Opening stock of finished products	14,572,574	15,701,346
Closing stock of finished products - note 11	(21,890,887)	(14,572,574)
	(7,318,313)	1,128,772
	316,609,825	285,608,763

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		2024	2023
		(Rupees in thousand)	
31.1	Crude oil, condensate and drums consumed		
	Crude oil and condensate		
	- Opening stock	23,007,454	18,878,501
	- Purchases - note 31.2	300,808,809	274,064,302
	- Closing stock - note 11	(18,393,630)	(23,007,454)
		305,422,633	269,935,349
	Drums	1,188,346	721,213
		306,610,979	270,656,562

31.2 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.

During the year, the Company has recorded a reversal amounting to Rs. 69.60 million (2023: 739.39 million based on the price differential claims).

31.3 This include Rs. 78.28 million (2023: Rs. 96.60 million) and Rs. 32.69 million (2023: Rs. 31.52 million) in respect of defined benefit and defined contribution plans respectively.

		2024	2023
		(Rupees in thousand)	
32.	**DISTRIBUTION COST**		
	Commission on local sales	203,210	729,539
	Commission on export sales	-	109,778
	Export expenses	302,938	437,589
	Salaries and staff benefits - note 32.1	90,129	89,040
	Depreciation - note 4.1.6	3,421	3,689
	Security charges	31,486	25,548
	Repairs and maintenance	180	180
	Pipeline charges	3,660	9,425
	Postage and periodicals	5,899	4,070
	Staff transport and canteen	6,844	5,443
	Others	1,492	2,657
		649,259	1,416,958

32.1 This include Rs. 6.76 million (2023: Rs. 7.94 million) and Rs. 2.73 million (2023: Rs. 2.86 million) in respect of defined benefit and defined contribution plans respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in thousand)	
33. ADMINISTRATIVE EXPENSES		
Salaries and staff benefits - note 33.1	620,084	600,799
Staff transport and canteen	52,834	39,888
Directors' fee	22,339	12,056
Rent, rates and taxes	14,866	13,033
Depreciation - note 4.1.6	57,991	63,312
Amortisation of intangible assets - note 5.3	221	226
Legal and professional charges	27,809	25,662
Printing and stationery	12,882	12,855
Contract services	69,333	60,562
Repairs and maintenance	159,798	124,723
Telecommunication	4,826	3,353
Electricity and power	7,649	6,891
Insurance	3,004	2,188
Travelling expenses	6,694	3,435
Postage and periodicals	12,185	10,776
Security charges	59,055	44,144
Others	48,996	42,366
	1,180,566	1,066,269

33.1 These include Rs. 19.63 million (2023: Rs. 45.46 million) and Rs. 19.07 million (2023: Rs. 17.78 million) in respect of defined benefit and defined contribution plans respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

34. OTHER INCOME

	2024	2023
	(Rupees in thousand)	
Income from financial assets		
Return / interest / mark-up on:		
- PLS savings and deposit accounts - note 34.1	188,270	130,844
- Return of Pakistan Investment Bonds - note 34.2	40,110	-
- Secured loans to employees - note 7.1	127	197
	228,507	131,041
Others		
Handling and storage income	39,202	11,930
Hospitality income	43,749	129,853
Liabilities no longer payable written back	-	253
Sale of scrap and empties	3,492	8,065
Pipeline charges recovered	1,328	2,958
Gain on disposal of property, plant and equipment	15,360	-
Rental income	12,256	11,167
Insurance rebate	571	387
Others	2,933	154,996
	347,398	450,650

34.1 This profit is earned from bank accounts under mark up arrangements maintained with conventional banks.

34.2 This represents return earned by the Company on invesment in Pakistan Investment Bonds (PIBs) amounting to Rs. 14.75 billion (2023: Rs. Nil) carrying interest rate ranging from 21.60% to 22.01%.

35. OTHER OPERATING EXPENSES

	2024	2023
	(Rupees in thousand)	
Workers' Welfare Fund	19,393	15,841
Loss on disposal of property, plant and equipment	-	33
Property, plant and equipment written off	57,367	184
Auditors’ remuneration - note 35.1	18,124	11,375
Corporate Social Responsibility	586	15,075
	95,470	42,508

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in thousand)	
35.1	Auditors' remuneration		
	Audit fee	3,685	3,350
	Taxation services	9,590	3,973
	Fee for review of half yearly financial information, special reports and certifications	2,989	2,478
	Out-of-pocket expenses	1,860	1,574
		18,124	11,375

36.	**FINANCE COST - NET**		
	Exchange loss - note 36.1	148,771	9,877,059
	Mark-up on Conventional Financing	5,892,569	4,054,331
	Mark-up on Islamic Financing	3,231,791	2,274,276
	Interest on Workers' Profits Participation Fund	-	2,052
	Guarantee commission and service charges	883	883
	Interest on lease liability	23,724	24,887
	Bank charges	12,315	10,857
		9,310,053	16,244,345

36.1 This is net of exchange gain on export sales amounting to Rs. 29.24 million (2023: Rs. 22.54 million).

		2024	2023
		(Rupees in thousand)	
37.	**LEVIES - FINAL TAX**		
	Final tax - note 37.1	224,418	195,450

37.1 These represent final tax under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

		2024	2023
		(Rupees in thousand)	
38.	**TAXATION**		
	Current		
	for the year	1,425,048	1,400,604
	for prior years - note 38.1	(495,590)	-
	Deferred	(4,019,608)	(2,255,712)
		(3,090,150)	(855,108)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

38.1 This represents prior year refund with respect to the refund orders issued by tax department for the tax years 2006 and 2011.

38.2 Relationship between tax expense and accounting loss before tax

	2024	2023
	(Rupees in thousand)	
Accounting loss before income tax and levies	(18,655,947)	(5,122,744)
Tax at the applicable tax rate	(5,410,225)	(1,485,596)
Tax effect of Final Tax Regime	750,997	409,029
Effect of income taxable at lower rate	-	(648)
Effect of change of rate	-	649,726
Effect of prior years current tax	(495,590)	-
Reversal of prior years deferred tax	2,221,216	(173,246)
Others	67,870	(58,923)
Levies and taxation - notes 37 & 38	(2,865,732)	(659,658)

39. EARNINGS PER SHARE - basic and diluted

	2024	2023
Loss after taxation (Rupees in thousand)	(15,790,215)	(4,463,086)
Weighted average number of ordinary shares in issue (in thousand)	79,967	79,967
Basic and diluted loss per share (Rupees)	(197.46)	(55.81)

There were no dilutive potential ordinary shares in issue as at June 30, 2024 and 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		(Rupees in thousand)	
40. CASH USED IN OPERATIONS			
Loss before tax		(18,655,947)	(5,122,744)
Adjustment for non cash charges and other items:			
Depreciation	31 & 32 & 33	3,485,547	3,440,123
Amortisation	31 & 33	3,113	3,083
Mark-up on Conventional Financing	36	5,892,569	4,054,331
Mark-up on Islamic Financing	36	3,231,791	2,274,276
Interest on Lease liability	36	23,724	24,887
Provision for staff retirement benefit funds	21.4.4	104,679	149,999
(Gain) / loss on disposal of property, plant and equipment	34.	(15,360)	33
Property, plant and equipment written off	35.	57,367	184
Reversal of provision for impairment of major spare parts and stand-by equipment	31	(15,653)	(5,259)
Return on PLS savings and deposit accounts	34	(188,270)	(130,844)
Change in working capital	40.1	2,227,899	(15,034,929)
		(3,848,541)	(10,346,860)

40.1 Change in working capital

	2024	2023
Decrease / (increase) in current assets		
Stores, spares and chemicals	799,433	(666,095)
Stock-in-trade	(1,582,961)	(2,452,094)
Trade receivables	13,059,298	(6,412,377)
Loans and advances	(10,043)	(42,422)
Trade deposits and short-term prepayments	42,897	(42,573)
Other receivables	(1,466,311)	(82,045)
	10,842,313	(9,697,606)
Increase / (decrease) in current liabilities		
Trade and other payables	(7,699,097)	(5,028,185)
Contract liabilities	(915,317)	(309,138)
	(8,614,414)	(5,337,323)
	2,227,899	(15,034,929)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in thousand)	
41. CASH AND CASH EQUIVALENTS		
Cash and bank balances - note 16	564,360	605,301
Borrowings - note 27	(52,777,898)	(37,504,532)
	(52,213,538)	(36,899,231)

42. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024			2023		
	Chief Executive	Executive Director	Executives	Chief Executive	Executive Director	Executives
	(Rupees in thousand)					
Managerial remuneration	17,068	-	205,686	14,854	-	165,128
Bonus	3,647	-	38,127	4,550	-	43,696
Retirement benefits	3,413	-	38,281	3,505	-	28,311
House rent	6,265	-	64,560	5,258	-	54,926
Conveyance	811	-	25,117	707	-	19,241
Leave benefits	2,692	-	15,516	1,416	-	12,690
	33,896	-	387,287	30,290	-	323,992
Number of person(s)	1	-	81	1	-	75

Besides, fee paid to one executive and seven non-executive / independent directors during the year amounted to Rs. 3 million (2023: Rs. 1.91 million) and Rs. 19.34 million (2023: Rs. 10.15 million) respectively.

In addition to above, arrears amounting to Rs. 3.93 million has been paid to Chief Executive on account of a revision in utility tariff from time to time effective from November 2018.

42.1 The Chairman, Chief Executive and some of the executives of the Company are provided with free use of the Company's cars and additionally, the Chief Executive and executives are also entitled to medical benefits, travelling allowance, club membership and subscriptions in accordance with their terms of service.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

43. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company's activities expose it to a variety of financial risks: capital risk, 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.

Risk Management framework

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.

43.1 Financial assets and liabilities

	2024						
	Interest/mark-up bearing			Non-interest/mark-up bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	Total
	(Rupees in thousand)						
Financial assets							
Fair value through OCI							
Long-term investment	-	-	-	-	14,822	14,822	14,822
Amortised Cost							
Loans and advances	891	2,529	3,420	18,966	17,751	36,717	40,137
Deposits	-	-	-	12,399	30,265	42,664	42,664
Trade receivables	-	-	-	9,855,369	-	9,855,369	9,855,369
Interest accrued	-	-	-	68,179	-	68,179	68,179
Other receivables	-	-	-	78,118	-	78,118	78,118
Cash and bank balances	505,434	-	505,434	58,926	-	58,926	564,360
2024	506,325	2,529	508,854	10,091,957	62,838	10,154,795	10,663,649
Financial liabilities							
Trade and other payables	-	-	-	20,051,120	-	20,051,120	20,051,120
Unclaimed dividend	-	-	-	59,128	-	59,128	59,128
Unpaid dividend	-	-	-	43,658	-	43,658	43,658
Accrued mark-up	-	-	-	1,251,885	-	1,251,885	1,251,885
Borrowings	52,777,898	-	52,777,898	-	-	-	52,777,898
Lease liability	14,422	143,916	158,338	-	-	-	158,338
2024	52,792,320	143,916	52,936,236	21,405,791	-	21,405,791	74,342,027
On balance sheet gap							
2024	(52,285,995)	(141,387)	(52,427,382)	(11,313,834)	62,838	(11,250,996)	(63,678,378)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2023						
	Interest/mark-up bearing			Non-interest/mark-up bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	Total
	(Rupees in thousand)						
Financial assets							
Fair value through OCI							
Long-term investment	-	-	-	-	14,555	14,555	14,555
Amortised Cost							
Loans and advances	1,842	3,330	5,172	14,827	22,562	37,389	42,561
Deposits	-	-	-	66,569	30,265	96,834	96,834
Trade receivables	-	-	-	22,914,667	-	22,914,667	22,914,667
Accrued interest	-	-	-	33,637	-	33,637	33,637
Other receivables	-	-	-	198,524	-	198,524	198,524
Cash and bank balances	493,985	-	493,985	72,553	-	72,553	566,538
2023	495,827	3,330	499,157	23,300,777	67,382	23,368,159	23,867,316
Financial liabilities							
Amortised Cost							
Trade and other payables	-	-	-	29,336,584	-	29,336,584	29,336,584
Unclaimed dividend	-	-	-	59,462	-	59,462	59,462
Unpaid dividend	-	-	-	44,776	-	44,776	44,776
Accrued mark-up	-	-	-	1,147,302	-	1,147,302	1,147,302
Borrowings	37,504,532	-	37,504,532	-	-	-	37,504,532
Lease liability	11,122	158,338	169,460	-	-	-	169,460
2023	37,515,654	158,338	37,673,992	30,588,124	-	30,588,124	68,262,116
On balance sheet gap							
2023	(37,019,827)	(155,008)	(37,174,835)	(7,287,347)	67,382	(7,219,965)	(44,394,800)
OFF BALANCE SHEET ITEMS							
Commitments for capital expenditure							1,442,639
Letters of credit							15,021,619
Letters of guarantees							490,371
2024							16,954,629
2023							27,235,209

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

43.2 Financial risk management objectives and policies

(i) Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as going concern in order to provide returns for shareholders and benefit for other stakeholders. The Company operates under tariff protection formula for fuel refinery operations whereby profits after tax attributable to fuel segment in excess of 50% of the paid up capital as of July 1, 2002 are transferred to special reserve.

During the year, the Government of Pakistan has notified the "Pakistan Oil Refining Policy for up-gradation of Existing / Brownfield Refineries, 2023" (the 2023 Policy) on August 17, 2023 updated in February 2024. This Policy supersedes all previous Refining Policies. Thus, the requirement to transfer the amount of profit above 50% of paid-up capital as at July 1, 2002 into Special Reserve Account is no more required.

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.

(ii) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties fail to perform as contracted. The financial assets that are subject to credit risk amounted to Rs. 10.65 billion (2023: Rs. 23.89 billion).

The Company monitors its exposure to credit risk on an ongoing basis at various levels. The Company believes that it is not exposed to any major concentration of credit risk as it operates in an essential products industry and has as customers only sound organisations. Further, the cash and bank balances represent low credit risk as all balances are placed with banks having credit ratings of AA or above as assigned by PACRA or JCR-VIS.

The carrying values of financial assets which are neither past due nor impaired are as under:

	2024	2023
	(Rupees in thousand)	
Long-term investment	14,822	14,555
Loans and advances	40,137	42,561
Deposits	42,664	96,834
Trade receivables	9,855,369	22,914,667
Interest accrued	68,179	33,637
Other receivables	78,118	198,524
Cash and bank balances	564,360	605,301
	10,663,649	23,906,079

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

(iii) Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. The following are contractual maturities of financial liabilities including mark-up payments:

	2024					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	(Rupees in thousand)					
Financial liabilities						
Trade and other payables	18,024,015	(18,024,015)	(18,024,015)	-	-	-
Unclaimed dividend	59,128	(59,128)	(59,128)	-	-	-
Unpaid dividend	43,658	(43,658)	(43,658)	-	-	-
Accrued mark-up	1,251,885	(1,251,885)	(1,251,885)	-	-	-
Borrowings	52,777,898	(52,777,898)	(52,777,898)	-	-	-
Lease liability	158,338	(248,876)	-	(36,589)	(172,467)	(39,820)
	72,314,922	(72,405,460)	(72,156,584)	(36,589)	(172,467)	(39,820)

	2023					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	(Rupees in thousand)					
Financial liabilities						
Trade and other payables	28,283,212	(28,283,212)	(28,283,212)	-	-	-
Unclaimed dividend	59,462	(59,462)	(59,462)	-	-	-
Unpaid dividend	44,776	(44,776)	(44,776)	-	-	-
Accrued mark-up	1,147,302	(1,147,302)	(1,147,302)	-	-	-
Borrowings	37,504,532	(37,504,532)	(37,504,532)	-	-	-
Lease liability	169,460	(283,723)	-	(34,847)	(202,178)	(46,698)
	67,208,744	(67,323,007)	(67,039,284)	(34,847)	(202,178)	(46,698)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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(iv) Market risk

(a) Currency risk

Foreign currency risk arises mainly when receivables and payables exist due to transactions in foreign currencies primarily with respect to US Dollar. Foreign currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. Financial assets include Rs. 0.73 billion (2023: Rs. 0.16 billion) and financial liabilities include Rs. 12.3 billion (2023: Rs. 24.23 billion) which are subject to foreign currency risk.

As at June 30, 2024, if the Pak Rupee had weakened / strengthened by 10% against the US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 1.3 billion (2023: Rs. 2.41 billion), mainly as a result of foreign exchange losses / gains on translation of US Dollar-denominated trade payables and trade debts.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. The Company is exposed to cash flow interest rate risk on its conventional and Islamic financing facility which is priced ranging from 0% to 1% above respective / agreed tenor KIBOR.

As at June 30, 2024, the Company has variable interest bearing financial liabilities of Rs. 52.27 billion (2023: Rs. 37.01 billion), and had the interest rate varied by 1% with all the other variables held constant, profit before income tax for the year would have been approximately Rs. 522.69 million (2023: Rs. 370.05 million) higher / lower, mainly as a result of higher / lower mark-up expense on floating rate borrowings.

(c) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is not exposed to any material price risk.

(v) Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between the carrying value and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44. SEGMENT INFORMATION

44.1 Basis for segmentation

The Company's operating segments are organised and managed separately according to the nature of production process for products and services provided, with each segment representing a strategic business unit. The fuel segment is primarily a diverse supplier of fuel products and offers gasoline, diesel oils, and furnace oil. The lube segment mainly provides different types of lube base oils, asphalt, furnace oil, wax free oil and other petroleum products for different sectors of the economy. Inter-segment transfers are made at relevant costs to each segment.

44.2 Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated assets include property, plant and equipment.

44.3 Information about reportable segments

The financial information regarding business segments is as follows:

	FUEL		LUBE		TOTAL	
	2024	2023	2024	2023	2024	2023
	(Rupees in thousand)					
Segment Revenue						
Revenue from external customers						
- local, net of discounts, taxes, duties, levies and price differentials	217,262,757	208,618,349	67,644,896	70,665,278	284,907,653	279,283,627
- exports	15,647,648	10,879,541	8,286,527	8,642,281	23,934,175	19,521,822
	232,910,405	219,497,890	75,931,423	79,307,559	308,841,828	298,805,449
Inter-segment transfers	71,757,609	66,383,331	-	-	71,757,609	66,383,331
Elimination of inter-segment transfers	-	-	-	-	(71,757,609)	(66,383,331)
Net revenue from contracts with customers	304,668,014	285,881,221	75,931,423	79,307,559	308,841,828	298,805,449
Segment results after tax	(17,117,048)	(10,894,716)	1,326,833	6,431,630	(15,790,215)	(4,463,086)
Other comprehensive income	136,031	147,302	272,060	294,604	408,091	441,906
Total Comprehensive income	(16,981,017)	(10,747,414)	1,598,893	6,726,234	(15,382,124)	(4,021,180)
Segment assets	63,183,638	81,694,409	19,173,101	14,577,528	82,356,739	96,271,937
Unallocated assets	-	-	-	-	20,815,600	15,507,981
Total assets	63,183,638	81,694,409	19,173,101	14,577,528	103,172,339	111,779,918
Segment liabilities	77,922,638	71,768,893	5,485,434	4,888,218	83,408,072	76,657,111
Unallocated liabilities	-	-	-	-	547,712	524,128
Total liabilities	77,922,638	71,768,893	5,485,434	4,888,218	83,955,784	77,181,239
Other Segment Information:						
Capital expenditure	510,476	204,661	506,711	398,095	1,017,187	602,756
Unallocated capital expenditure	-	-	-	-	709,811	274,717
	510,476	204,661	506,711	398,095	1,726,998	877,473
Depreciation and amortisation	3,108,805	3,071,327	379,855	371,879	3,488,660	3,443,206
Interest income	62,799	43,680	125,598	87,361	188,397	131,041
Mark-up expense	8,606,859	6,045,567	541,225	307,927	9,148,084	6,353,494
Non-cash expenses other than depreciation	(5,218)	(1,753)	(10,435)	(3,506)	(15,653)	(5,259)
Stock-in-trade written down	1,474,430	128,755	1,659	-	1,476,089	128,755

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

44.4 Incremental expenses of Diesel Hydro De-Sulphurisation (DHDS) and Isomerisation (ISOM) units have been charged to fuel segment in accordance with note 44.2 above.

44.5 The Company sells its manufactured products to Oil Marketing Companies (OMCs) and other organisations / institutions. Out of these, three (2023: two) of the Company's customers contributed towards 68.62% (2023: 58.41%) of the net revenues during the year amounting to Rs. 255.97 billion (2023: Rs. 174.53 billion) and each customer individually exceeds 10% of the net revenues.

45. TRANSACTIONS WITH RELATED PARTIES

45.1 The following transactions were carried out with related parties during the year:

Nature of relationship	Nature of transactions	2024	2023
		(Rupees in thousand)	
Associated companies			
- Pakistan Oilfields Limited (POL)			
	Rental income	4,288	3,891
	Products - sale of petroleum products	194,659	251,139
	Reimbursement of expenses incurred by POL on behalf of NRL	70	69
	Reimbursement of expenses incurred by NRL on behalf of POL	337	324
	Dividend paid to POL by NRL	-	299,875
- Attock Refinery Limited (ARL)			
	Reimbursement of expenses incurred by NRL on behalf of ARL	1,623	799
	Naphtha handling income	34,257	4,535
	Dividend paid to ARL by NRL	-	299,875
- Attock Petroleum Limited (APL)			
	Sale of petroleum products	155,501,115	145,367,546
	Trade discounts	329,414	-
	Commission on export sales	-	124,049
	Commission on local sales	229,627	824,380
	Purchase of petroleum products	36,732	37,061
	Hospitality charges on sales	39,223	140,999
	Price differential claims - (HSD)	-	238,861

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Nature of relationship	Nature of transactions	2024	2023
		(Rupees in thousand)	
Associated companies			
	Handling charge on local sales	-	4,880
	Rental income	6,158	5,610
	Reimbursement of expenses incurred by NRL on behalf of APL	24,838	6,512
	Reimbursement of expenses incurred by APL on behalf of NRL	385	-
	Dividend paid to APL by NRL	-	11,995
- Attock Cement Pakistan Limited (ACPL)			
	Sale of products	175	4,180
	Reimbursement of expenses incurred by ACPL on behalf of NRL	714	468
	Reimbursement of expenses incurred by NRL on behalf of ACPL	426	316
	Purchase of stores	1,673	828
- Attock Oil Company Limited (AOCL) *			
	Reimbursement of expenses incurred by AOCL on behalf of NRL	831	616
	Reimbursement of expenses incurred by NRL on behalf of AOCL	37	37
Other related parties			
- Contribution to staff retirement benefits plans			
	Employees provident fund	54,490	52,162
	Employees gratuity fund	12,423	10,650
	Employees pension fund	-	42,752
	Post retirement medical fund	8,283	7,170
- Key management compensation **			
	Salaries and other employee benefits	58,777	54,359
	Post employment benefits	6,171	5,027
	Directors' fee	22,339	12,056

** The Company is incorporated in United Kingdom with registered address 4, Swan Street Manchester England M4 5JN.*

*** Key management personnel include Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and General Manager Commercial.*

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

45.1.1 Sales of petroleum products to associated companies are based on prices fixed by the Oil and Gas Regulatory Authority, import prices of Pakistan State Oil and Company announced prices.

45.1.2 Purchase of crude oil and condensate from associated company is based on price mechanism provided in their respective Petroleum Concession Agreement till finalisation of Crude Oil / Condensate Sale and Purchase Agreements.

45.2 The related party status of outstanding balances as at June 30, 2024 is included in trade receivables, other receivables and trade and other payables. These are settled in the ordinary course of business.

45.3 Following are the related parties with whom the Company had entered into transactions or has arrangement / agreement in place:

S.No.	Company name	Basis of association	Aggregate % of Shareholding
1.	Attock Refinery Limited	Group Company	25%
2.	Pakistan Oilfields Limited	Group Company	25%
3.	Attock Petroleum Limited	Group Company	1%
4.	Attock Cement Pakistan Limited	Group Company	N/A
5.	Attock Oil Company Limited	Group Company	N/A

46. CAPACITY

	Crude oil - throughput	
	Annual designed capacity	Actual throughput
	(In Barrels)	
2024 - note 46.1	23,100,000	11,848,500
2023	23,100,000	11,729,322

46.1 Actual throughput is less than the designed capacity due to crude price and product margins, volatility in international market and product demand pattern.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

47. NUMBER OF EMPLOYEES

	2024	2023
Number of employees including contractual employees at June 30	1,024	971
Average number of employees including contractual employees during the year	998	976

48. CORRESPONDING FIGURES

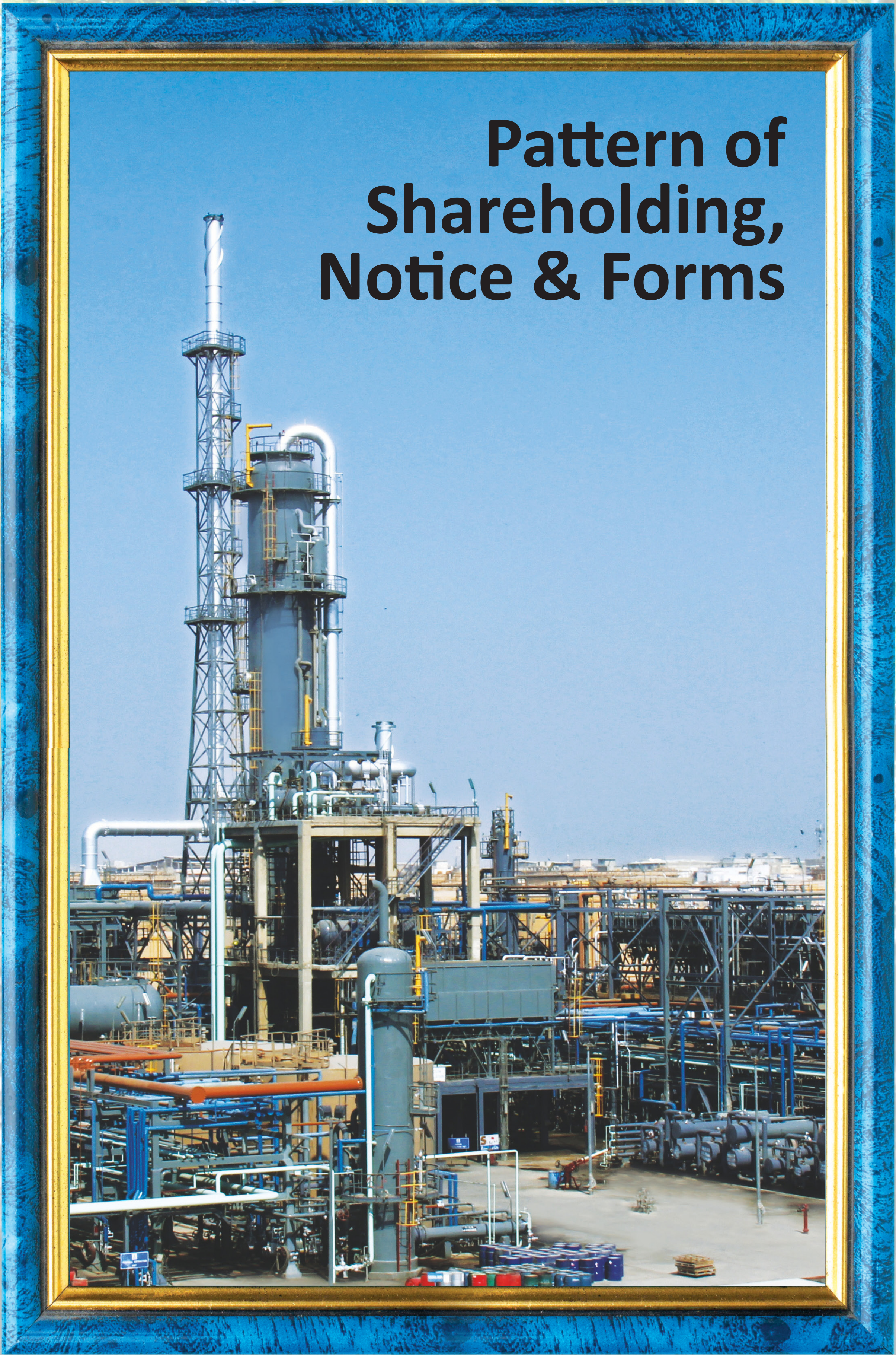
Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparision and better presentation, the effect of which is not material.

49. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 02, 2024 by the Board of Directors of the Company.

Chief Financial Officer	Chief Executive	Director

Pattern of Shareholding, Notice & Forms



PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2024

FORM 20

NUMBER OF SHAREHOLDERS	SHAREHOLDINGS FROM	TO	TOTAL SHARES HELD	% ON ISSUED
2636	1	100	105,348	0.13
2139	101	500	629,221	0.79
993	501	1000	802,503	1.00
1302	1001	5000	3,038,137	3.80
248	5001	10000	1,778,251	2.22
173	10001	50000	3,605,721	4.51
22	50001	100000	1,594,066	1.99
10	100001	250000	1,667,542	2.09
14	255001	5000000	14,762,491	18.46
1	5000001	12000000	12,000,000	15.01
2	12000001	20000000	39,983,280	50.00
7540			79,966,560	100.00

Categories of shareholders	Percentage %	Number of Shareholders	Number of Shares held
Directors, Chief Executive Officer, and their spouse(s) and minor children.	0.00	6	7
Associated Companies, undertakings and related parties.	51.00	3	40,782,945
NIT and ICP.	1.18	8	945,510
Banks, Development Financial Institutions and			
Non Banking Financial Institutions.	3.43	30	2,746,052
Insurance Companies.	4.33	7	3,465,429
Modarabas and Mutual Funds.	1.74	26	1,388,545
Shareholders holding 10%.			
- Islamic Development Bank, Jeddah.	15.01	1	12,000,000
General Public:			
a. Local.	19.61	7,339	15,685,335
b. Foreign.	0.02	8	13,563
Joint Stock Companies.	0.72	32	572,710
Others.	2.96	80	2,366,464
	100.00	7,540	79,966,560

CATEGORIES OF SHAREHOLDERS

AS AT JUNE 30, 2024

	Percentage %	Number of Shares held
Directors, Chief Executive Officer, their spouse(s) and minor children		
Mr. Laith G. Pharaon		1
Mr. Wael G. Pharaon		1
Mr. Shuaib A. Malik		2
Mr. Shamim Ahmad Khan		1
Mr. Abdus Sattar		1
Mr. Babar Bashir Nawaz		1
Associated Companies		
Attock Refinery Limited		19,991,640
Pakistan Oilfields Limited		19,991,640
Attock Petroleum Limited		799,665
Shareholders holding 10% or more voting interest		
Attock Refinery Limited	25	19,991,640
Pakistan Oilfields Limited	25	19,991,640
Islamic Development Bank, Jeddah	15	12,000,000

Trade in the shares of the Company carried out by directors, executives, their spouse(s) and minor children during the year 2023-24

Executive(s)	Buy	Sell
Mr. Mahmood Azam	-	1
Mr. Muhammad Irfan	1	-

The expression “executive” means the CEO, CFO, Head of Internal Audit, Company Secretary and other employees of the Company drawing annual basic salary of Rs. 1,200,000 including all employees of the Finance Division, Internal Audit Function and Company Secretary Office.

Annual General Meeting 2024

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Sixty First (61st) Annual General Meeting** of National Refinery Limited will be held on **Monday, October 21, 2024 at 1400 hours in Marriott Hotel, Karachi, and also through electronic means,** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and approve the Audited Financial Statements of the Company for the year ended June 30, 2024 together with the Reports of the Board and the Auditors thereon.

2. To appoint Company's auditors for the year ending June 30, 2025 and to fix their remuneration.

3. To elect seven (7) Directors of the Company as fixed by the Board pursuant to the provision of Section 159 of the Companies Act, 2017 for a term of three (3) years commencing from October 21, 2024. The names of the retiring Directors are:

   1. Mr. Laith G. Pharaon
   2. Mr. Wael G. Pharaon
   3. Mr. Shuaib A. Malik
   4. Mr. Shamim Ahmad Khan
   5. Mr. Sajid Nawaz
   6. Mr. Abdus Sattar
   7. Mr. Khondamir Nusratkhujaev

   The retiring directors are eligible for re-election.

OTHER BUSINESS

4. To transact such other business as may be placed before the meeting with the permission of the Chairman.

By Order of the Board

Badruddin Khan
Company Secretary

Karachi:
Dated: September 27, 2024

The financial statements of the Company can be accessed through the weblink and QR enabled code:
http://nrlpak.com/FinancialReports.aspx

NOTES:

1. ELECTION OF DIRECTORS

The notice of intention to offer for election as a director in terms of Section 159(3) of the Companies Act, 2017, selecting any one category stated below in which he/she intends to contest, in accordance with the amendments made by the SECP in Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the "CCG Regulations") through S.R.O. 906(I)/2023 dated July 07, 2023:

a. Independent Director
b. Female Director
c. Other Director

It shall be filed, with the Company at the Registered Office, 7-B, Korangi Industrial Area, Karachi, by a member, not later than fourteen (14) days before the date of the meeting, along with the following:

- Consent to act as Director on Form 9 of Companies Regulations, 2024 under Section 167 of the Act.

- Candidate's detailed profile along with his/her office address as required under SECP's SRO 1196(I)/2019 dated October 03, 2019 (for placement on the Company Website).

- Signed declaration to the effect that the candidate is aware of the duties and powers of directors under the Companies Act, 2017, Memorandum and Articles of Association of the Company, Rule Book of Pakistan Stock Exchange Limited, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations.

- Signed declaration to the effect that the candidate is compliant with the requirements and eligibility criteria as set out in the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 to be appointed as a Director of the listed Company.

- Copy of valid CNIC/Passport and taxpayer registration certificate.

Following additional documents are to be submitted by the candidate(s) intending to contest election of directors as an independent director:

- Declaration under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 that the candidate qualifies the criteria of independence notified under the Companies Act, 2017; and

- Undertaking on non-judicial stamp paper that the candidate meets the requirements of Regulation 4(1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

2. CLOSURE OF SHARE TRANSFER BOOK

The Register of Members will remain closed from **October 11, 2024** to **October 21, 2024** (both days inclusive). Transfers received in order at the office of the Company's 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.
Telephone (Toll Free) 0800-23275
Email: info@cdcsrsl.com

at the close of business on **October 10, 2024** will be treated in time for the purpose of determination of entitlement to the transferees.

3. PARTICIPATION IN ANNUAL GENERAL MEETING

a) Through Electronic Means:

Shareholders interested to attend the meeting via video link i.e. through ZOOM application instead of physical presence are requested to get themselves registered with CDC Share Registrar Services Limited on or before **October 20, 2024** at cdcsr@cdcsrsl.com or WhatsApp on: **+92 321-8200864** by providing the following details:

Full Name of Shareholder / Proxy Holder	Company	* CNIC / Passport Number	Folio / CDC A/c No.	** Email ID	** Mobile Phone No.
	National Refinery Limited				

**Shareholders shall also share copy of original CNIC or passport.*
***Shareholders are requested to provide active email address and mobile phone number.*

b) Through In Person:

- An Individual shall authenticate his identity by showing original Computerized National Identity Card (CNIC) or original passport.

- In case of Corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

c) For Appointing Proxies:

- A member may appoint another person as his proxy to attend, speak and vote instead of him. A proxy need not be a member.
- Proxy, in order to be effective, must be in writing duly signed, witnessed, stamped and deposited at the Registered office of the Company not less than 48 hours before the meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.
- Form of proxy is annexed at the end of annual report as well as available at Company's website i.e., www.nrlpak.com.

4. E-VOTING & VOTING THROUGH POSTAL BALLOT

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018, the right to vote through electronic voting facility and voting by post shall be provided to the members if the number of persons who offer themselves to be elected is more than the number of directors fixed by board of directors of the Company, subject to the conditions contained in the Companies (Postal Ballot) Regulations, 2018.

5. VIDEO-LINK FACILITY

At least seven days prior to the date of meeting, on the demand of members residing in a city who hold at least ten percent of the total paid up capital of the Company, the facility of video-link will be provided to such members in that city enabling them to participate in the Annual General Meeting through video-link facility.

6. MANDATORY REGISTRATION DETAILS

Members whose mandatory registration details under law including usual residential address, mobile/landline number, Email address, Computerized National Identity Card Number (CNIC) / Passport number, National Tax Number (NTN), bank account details (IBAN) etc. are not available in Company's records have been intimated from time to time to provide the same.

Such members are hereby once again advised to provide the same to the Company's Share Registrar in case of physical shareholding or their relevant Participant / CDC Investor Account Services (IAS), in case of shareholding in the book entry form, immediately to avoid any inconvenience in future.

7. UNCLAIMED SHARES / DIVIDEND

Pursuant to Section 244 of the Companies Act, 2017, the Company has dispatched notices from time to time, followed by newspaper advertisements, in respect of shares / dividend that remained unclaimed or unpaid to the shareholders at their last known addresses, with the request to lodge their claims. Lists of shareholders regarding unclaimed dividends and shares are also available on Company's website. Accordingly, if such claims are not lodged within prescribed time period, the Company shall proceed according to the requirements of the Law.

8. ELECTRONIC TRANSMISSION OF ANNUAL AUDITED FINANCIAL STATEMENTS

In compliance with section 223(6) of the Companies Act, 2017, pursuant to the SECP's S.R.O. 389(I)/2023 dated March 21, 2023 and the shareholders' approval in the 60th Annual General Meeting held on October 23, 2023 to circulate the annual audited financial statements to its members through QR enabled code and weblink. Thus, the audited financial statements of the Company for the year ended June 30, 2024 can be accessed through the following QR enabled code and weblink:

Weblink: http://www.nrlpak.com/FinancialReports.aspx

The Company will, however, provide hard copy of the Annual Audited Financial Statements to the shareholders at their registered addresses, within seven days, on request, free of cost. The request form is available on Company's website.

9. DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNT

In light of Section 72 of the Companies Act, 2017, SECP has advised all the listed companies to pursue their shareholders who still hold shares in physical form, requiring them to convert their shares in book-entry form. Holding shares in book-entry form has numerous benefits including secure custody of shares, instantaneous transfer of ownership and no risk of damaged, lost, forged or duplicate certificates. Accordingly, Shareholders having physical shareholding are requested to convert their shares in book-entry form by opening CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-less form.

10. MERGER OF DIFFERENT FOLIOS INTO ONE FOLIO

As per record, some of the shareholders are maintaining more than one folio under the same particulars. Carrying two different folios may be a hassle for the shareholders to reconcile and receive different benefits in the shape of dividends/bonus. In order to provide better services and convenience, such shareholders, are requested to send requests to the Company's Share Registrar and Transfer agent to merge their folios into one folio.

11. STATUTORY CODE OF CONDUCT AT AGM:

Shareholders are requested to observe the conduct referred in sub-regulation 2 of Regulation 55 of the Companies Regulations, 2024 while attending the AGM.

STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017 RELATING TO JUSTIFICATION FOR CHOOSING THE APPOINTEE FOR APPOINTMENT AS INDEPENDENT DIRECTOR

In compliance with Section 166(3) of the Companies Act, 2017, for an independent director, consent papers will be accepted from those persons who are in compliance with Section 166(2) of the Act and their names are appearing in databank of Independent Directors maintained by Pakistan Institute of Corporate Governance.

شیئر ہولڈنگ کا خلاصہ

شیئر ہولڈنگ کا خلاصہ صفحہ نمبر 122 پر دکھایا گیا ہے۔

آڈیٹرز

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اپنے کام سے سبکدوش ہو رہے ہیں اور خود کو دوبارہ تقرری کیلئے پیش کرتے ہیں۔ اس کے مطابق، بورڈ آف ڈائریکٹرز، بورڈ آڈٹ کمیٹی کی تجویز پر میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو مالی سال ۳۰ جون ۲۰۲۵ء کے اختتام کے لیے -/3,800,000 روپے کی فیس پر کمپنی کے آڈیٹرز مقرر کرنے کی تجویز کرتے ہیں ، 'out of pocket' اخراجات اور سیلز ٹیکس اس کے علاوہ ادا کیے جائیں گے۔

اظہارِ تشکر

بورڈ انتظامیہ اور ملازمین کے عزم اور لگن کی تعریف کرتا ہے۔ بورڈ تمام صارفین، سپلائرز، غیر ملکی اور مقامی ٹھیکیداروں، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز کے مسلسل اعتماد پر بھی مشکور ہے۔ بورڈ وزارتِ توانائی کے تعاون کا بھی شکر گزار ہے۔

بورڈ کی جانب سے۔

ڈائریکٹر

چیف ایگزیکٹیو آفیسر

راولپنڈی

۲ ستمبر، ۲۰۲۴ء

ملازمین کے معاملات کی کمیٹی

ایچ آر کمیٹی چار ارکان پر مشتمل ہے۔ یکم جولائی ۲۰۲۳ء سے 30 جون ۲۰۲۴ء کی مدت کے دوران ارکان کی حاضری درج ذیل رہی:

ارکان کے نام	کُل اجلاس	اجلاسوں میں شرکت
جناب شمیم احمد خان - چیئرمین	۱	۱
جناب شعیب اے ملک	۱	۱
جناب بابر بشیر نواز (متبادل ڈائریکٹر برائے جناب وائی جی فرعون)	۱	۱
جناب جمیل اے خان* (چیف ایگزیکیٹو آفیسر)	۱	۱

* جون ۲۰۲۴ میں مستعفی ہو گئے۔

آڈٹ کمیٹی

آڈٹ کمیٹی تین ارکان پر مشتمل ہے۔ ۳۰ جون ۲۰۲۴ء کو ختم ہونے والے سال کے لئے آڈٹ کمیٹی کے اجلاسوں کے لئے ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

ارکان کے نام	کُل اجلاس	اجلاسوں میں شرکت
جناب شمیم احمد خان - چیئرمین	۴	۴
جناب عبدالستار	۴	۴
جناب بابر بشیر نواز (متبادل ڈائریکٹر برائے جناب وائی جی فرعون)	۴	۴

ڈائریکٹرز کی ریمونریشن پالیسی

بورڈ کے اجلاسوں میں شرکت کے لئے ڈائریکٹرز کے معاوضہ/فیس کے تعین کا اختیار بورڈ کے پاس ہے۔ بورڈ کی کمیٹیوں کے اجلاسوں میں شرکت کیلئے اور جنرل اجلاس میں یا کسی دوسرے کاروباری اجلاس میں شرکت کے لئے کوئی معاوضہ ادا نہیں کیا جاتا ہے۔ اسکے علاوہ، اجلاسوں میں شرکت کیلئے سفر، ہوٹل اور دیگر اخراجات ادا کئے جاتے ہیں۔

اس سال ادا کیے جانے والی فیس اور چیف ایگزیکٹو آفیسر کو ادا کیے گئے معاوضے کے پیکج کی تفصیلات مالیاتی گوشوارے کے نوٹ نمبر 42 میں بیان کی گئی ہیں۔

بورڈ کی تشکیل سال بھر مندرجہ ذیل رہی:

	قسم	نام
i	انڈیپنڈنٹ ڈائریکٹرز	جناب شمیم احمد خان جناب خوند امیر نصرت خوجائیو
ii	نان ایگزیکٹیو ڈائریکٹرز	جناب لیث جی فرعون متبادل ڈائریکٹر: جناب شعیب اے ملک/ جناب محمد رضی الدین * جناب وائل جی فرعون متبادل ڈائریکٹر: جناب بابر بشیر نواز جناب شعیب اے ملک جناب عبدالستار جناب ساجد نواز
iii	ایگزیکٹیو ڈائریکٹر	جناب جمیل اے خان *** (چیف ایگزیکیٹو آفیسر)

* سال کے دوران، جناب شعیب اے ملک کو جناب محمد رضی الدین کی جگہ جناب لیث جی فرعون کے متبادل ڈائریکٹر کے طور پر مقرر کیا گیا ہے۔

مالی سال 24-2023 کے دوران بورڈ آف ڈائریکٹرز کے سات اجلاس منعقد ہوئے۔ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

ڈائریکٹر کا نام	کُل اجلاس	اجلاسوں میں شرکت
جناب لیث جی فرعون	۷	۷**
جناب وائل جی فرعون	۷	۷**
جناب شعیب اے ملک - چیئرمین	۷	۷
جناب عبدالستار	۷	۷
جناب خوند امیر نصرت خوجائیو - IDB کے نمائندے	۷	۷
جناب ساجد نواز	۷	۷
جناب شمیم احمد خان	۷	۶
جناب جمیل اے خان *** (چیف ایگزیکیٹو آفیسر)	۷	۷

** سال کے دوران متعلقہ میٹنگ کے وقت کمپنی کے بورڈ پر موجود ڈائریکٹرز یا انکے متبادل کی طرف سے شرکت کی گئی۔

*** جون ۲۰۲۴ میں مستعفی ہو گئے۔

- مناسب اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ اکاؤنٹنگ کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔ موجودہ سال سے، کم از کم ٹیکس جو کہ مستقبل کے انکم ٹیکس سے ایڈجسٹ نہ ہو سکے اور فائنل ٹیکس کی درجہ بندی کو انکم ٹیکس کے اخراجات سے نکال کر دیگر آپریٹنگ اخراجات کے طور پر 'لیویز' کے طور پر الگ دکھایا گیا ہے۔ ان کی تفصیلات 'ریسٹیٹمنٹ' کے تحت مالی گوشوارے کے نوٹ 3.23 میں زیر بحث ہیں۔
- مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS)، جو کہ پاکستان میں نافذ العمل ہیں، ان کی پیروی کی گئی ہے۔
- انٹرنل کنٹرول کا نظام مضبوط ہے اور اسکی مؤثر طریقے سے عملدر آمد اور نگرانی کی جاتی ہے۔
- آنے والے سالوں میں کمپنی کی کاروباری تسلسل پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں۔
- ۳۰ جون ۲۰۲۴ء کو مختلف فنڈز کی سرمایہ کاری کی مالیت مندرجہ ذیل ہے:

تفصیل	ملین روپے (غیر آڈٹ شدہ)
انتظامی عملے سے متعلق فنڈز	
پینشن فنڈ	6,469
پراویڈنٹ فنڈ	1,417
بعد ریٹائرمنٹ میڈیکل فنڈ	1,603
گریجویٹی فنڈ	117
غیر انتظامی عملے سے متعلق فنڈز	
گریجویٹی فنڈ	174
پراویڈنٹ فنڈ	854

- سات ڈائریکٹرز گزشتہ سالوں میں ضابطہ برائے کاروباری نظم ونسق کے تحت پہلے سے ہی ڈائریکٹرز کے تربیتی پروگراموں میں شرکت کر چکے ہیں یا ریگولیشنز میں شامل استثنیٰ یا نرمی کے معیار پر پورا اترتے ہیں۔
- کمپنی کے حصص میں بورڈ آف ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری، ایگزیکٹوز اور ان کی بیگمات اور چھوٹے بچوں کی طرف سے کوئی سودا نہیں کیا گیا سوائے اس کے کہ جن کا ذکر "شیئر ہولڈنگ کے پیٹرن" میں کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کی تشکیل اور ان کے اجلاس

بورڈ سات ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر مشتمل ہے۔ فی الحال کمپنی کے بورڈ پر کوئی خاتون ڈائریکٹر نہیں ہے۔

ریفائنریز کی پیداواری صلاحیت

پیداواری صلاحیتوں کے تجزیہ کے مطابق، این آر ایل 23.10 ملین بیرل سالانہ پیداواری صلاحیت کے ساتھ پاکستان کی تیسری بڑی ریفائنری ہے۔ این آر ایل پاکستان میں واحد ریفائنری کمپلیکس ہے جس میں لیوب ریفائنری شامل ہے اور ملک کی مانگ کو پورا کرنے کے لیے لیوب بیس آئل کے متعدد درجات کی پیداوار کرتا ہے۔

کریڈٹ ریٹنگ

سال کے دوران پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) کی جانب سے کمپنی کی طویل مدتی اور قلیل مدتی درجہ بندیوں کو بالترتیب AA (گزشتہ درجہ بندی: +AA) اور A1 (گزشتہ درجہ بندی: +A1) کر دیا گیا ہے۔ یہ درجہ بندیاں کریڈٹ رسک کی بہت کم توقع اور بروقت مالی وعدوں کے لیے مضبوط صلاحیت کی نشاندہی کرتی ہیں۔ کمپنی کے آؤٹ لُک کو بہتر کرکے 'مستحکم' کر دیا ہے۔ تاہم، موجودہ صورتحال اور پہلے بیان کردہ چیلنجز کے پیشِ نظر، کمپنی کی ریٹنگ واچ کی حیثیت جاری ہے۔

قومی خزانے کو کی جانے والی ادائیگی

موجودہ مالی سال کے دوران، کمپنی نے ٹیکسز، ڈیوٹیز اور لیویز کی مد میں 88.89 ارب روپے قومی خزانے میں جمع کرائے اور نیفتھا، تارکول، فرنس آئل اور لیوب بیس آئل کی برآمد کے ذریعے 85.09 ملین امریکی ڈالر کا قیمتی زرمبادلہ کمایا۔

انٹرنل فنانشل کنٹرول سسٹم

کمپنی اس بات کو یقینی بناتی ہے کہ مالی معاملات سمیت تمام سرگرمیوں کیلئے مناسب داخلی کنٹرولز موجود ہیں۔ کمپنی میں انٹرنل آڈٹ ڈپارٹمنٹ موجود ہے جو داخلی مالی کنٹرولز کے ڈیزائن کی درستگی اور ان کنٹرولز کے مناسب طریقے سے لاگو ہونے اور انکی نگرانی کی تشخیص کیلئے ریگولر آڈٹ کرتا ہے۔ کمپنی کے ڈائریکٹرز نے "آڈٹ کمیٹی" تشکیل دی ہے جو انٹرنل آڈٹ ڈپارٹمنٹ کی رپورٹوں کا سہ ماہی بنیاد پر جائزہ لیتی ہے۔

کاروباری نظم ونسق

کمپنی اچھے کاروباری نظم ونسق پر کاربند رہنے کا تہیہ کئے ہوئے ہے اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ۲۰۱۹ پر عمل پیرا ہے اور یہ بیان کیا جاتا ہے کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے آپریشنز کے نتائج، ایکویٹی میں تبدیلی اور کیش فلو کی شفاف عکاسی کرتے ہیں۔
- کمپنی کے کھاتے کمپنیز ایکٹ ۲۰۱۷ کے تحت مناسب طریقے سے رکھے جا رہے ہیں۔

IX ڈائیورسٹی، مساوات اور شمولیت (DE&I)

کمپنی جینڈر ڈائیورسٹی (Gender Diversity) کو فروغ دینے کے لئے کوشاں ہے۔ این آر ایل مختلف ڈیپارٹمنٹس، جیسے کہ ایچ آر، ٹریژری اور کمرشل وغیرہ میں خواتین ملازمین کی خدمات حاصل کر رہا ہے اور اس کو برقرار رکھے ہوئے ہے۔

پیشہ ورانہ زندگی میں صحت، حفاظت اور ماحول

ماحول کے تحفظ کے لیے کمپنی کی سنجیدگی اس کے بحفاظت آپریشنز کی انجام دہی سے واضح ہے۔ این آر ایل کی ٹیم کی توجہ توانائی کے تحفظ، وسائل کو بہتر بنانے اور فضلہ کی پیداوار کو کم کرنے پر مرکوز ہے۔ کمپنی کے پاس ISO2015: 14001، ISO2018: 45001 اور ISO2015: 9001 کی ضروریات کے مطابق ایک جامع مربوط مینجمنٹ سسٹم موجود ہے۔ یہ سسٹم صحت، حفاظت، ماحولیات اور معیار کی آگاہی کو مضبوط بنانے کے ساتھ ٹیم ورک، بااختیار بنانے اور مسلسل بہتری کے کلچر کو فروغ دینے میں مدد کرتا ہے۔ این آر ایل ٹیم اس بات کو یقینی بناتی ہے کہ کمپنی کی ریفائننگ سرگرمیاں پیشہ ورانہ صحت کی حفاظت اور ماحولیاتی قانون سازی، کمپنی کے معیاری آپریٹنگ طریقہ کار اور ماحولیاتی تحفظ کے لیے بحفاظت آپریشنز کے طریقوں کے عین مطابق ہیں۔

این آر ایل ایسی مصنوعات اور خدمات پیش کرنے کی کوشش کرتا ہے جو صاف، محفوظ اور اعلیٰ معیار کی ہوں۔ این آر ایل کے لوگوں کا خیال ہے کہ اس بنیادی حقیقت کا ادراک بہتر ماحول کے لیے اپنی ذمہ داری کو پورا کرنا ہے۔

کوالٹی کنٹرول فنکشن

این آر ایل میں کوالٹی کنٹرول (QC) فنکشن جدید ترین تجزیاتی آلات کا استعمال کرتے ہوئے خام تیل، گیسوں اور ایندھن، پیٹروکیمیکلز، اور پیٹرولیم انڈسٹری کی دیگر مصنوعات/میٹیریل کی جانچ کا انتظام کرتا ہے۔ تاہم، یہ کردار صرف کوالٹی کنٹرول تک محدود نہیں ہے بلکہ کوالٹی اشورینس اور تحقیق اور ترقی کا کام بھی پروسیسس اور مصنوعات میں جدت کی بنیاد فراہم کرنے کے لیے کیا جاتا ہے۔ QC طے شدہ جانچ کی خدمات کے تحت پروجیکٹ پر مبنی کام بھی کرتا ہے۔

NRL کے QC فنکشن کو پاکستان نیشنل ایکریڈیٹیشن کونسل (PNAC)، وزارت سائنس اور ٹیکنالوجی، حکومتِ پاکستان کی طرف سے ISO/IEC 17025:2017 ایکریڈیٹیشن سے نوازا گیا ہے جسے مکمل طور پر نافذ العمل کر دیا گیا ہے۔ یہ ایکریڈیٹیشن بنیادی طور پر لیبارٹریوں کے لیے مخصوص ٹیسٹ کے طریقوں کو انجام دینے، درست بین الاقوامی سطح پر ٹریس ایبل کیلیبریشن ڈیٹا، ٹیسٹ کے نتائج، اور ایک موثر معیار کے نظام کو چلانے کے لیے تکنیکی قابلیت کا مظاہرہ کرنے کا معیار ہے۔ اس قابل قدر کامیابی کے ساتھ، این آر ایل مینجمنٹ سسٹم کی ایک نئی سطح پر پہنچ گیا ہے جو کمپنی کو ان مشہور کمپنیوں کے مساوی کر دیتا ہے جو عالمی معیار کی جانچ کی سہولیات اور لیبارٹریز سے لیس ہیں۔

کلیدی آپریٹنگ اور مالی اعداد و شمار

گزشتہ چھ سال (۲۰۱۹ - ۲۰۲۴) کی کلیدی آپریٹنگ اور مالیاتی تفصیل صفحہ نمبر 45 پر دکھائی گئی ہے۔

V سپلائرز اور صارفین کے ساتھ کاروباری تعلقات

ہم سعودی آرامکو کو درآمد شدہ خام تیل کی فراہمی پر بروقت ادائیگی کرنے کی تاریخی حیثیت برقرار رکھے ہوئے ہیں۔ مزید، پاکستان میں سرگرم تیل کی تلاش کرنے والی دیگر غیر ملکی اور مقامی کمپنیوں کو بھی باقائدگی سے ادائیگی کی جاتی ہے۔ ہم سپلائی چین جو مقامی سپلائرز، صارفین اور دیگر کاروباری شراکت دار پر مبنی ہے ان کے ساتھ اچھے تعلقات برقرار رکھنے کی کوشش میں مصروف ہیں۔

VI کاروباری سماجی ذمہ داری

کمپنی اپنے صارفین، ملازمین اور حصص یافتگان کے علاوہ قومی معیشت کیلئے اپنی سماجی ذمہ داری کا احساس رکھتی ہے۔ ایک ذمہ دار ادارہ کے طور پر، کمپنی نے ملک میں معیارِ زندگی کو بہتر بنانے کے ساتھ ساتھ حفاظتی اقدامات سے متعلق آگہی کے لئے مختلف طریقوں سے معیشت کے مختلف سماجی کاموں میں اہم کردار ادا کیا ہے۔ اس سال کمپنی نے ایل پی جی کے استعمال کے دوران حفاظتی اقدامات سے متعلق آگہی کے لئے اشتہارات کی مد میں 510,850 روپے کا تعاون کیا۔ مزید براں، ایک خیراتی ادارہ کو 75,000 روپے عطیہ کے طور پر دیے ہیں۔

کمپنی نے تین خصوصی افراد کو سندھ معذور افراد (ملازمت، بحالی اور فلاح و بہبود ایکٹ ۲۰۱۸ء) 'The Sindh Differently abled persons (The Sindh empowerment of persons with Disabilities Act 2018)' کی ہدایت کیمطابق ملازمت دے رکھی ہے اور حکومتِ سندھ کے مخصوص افراد کو بااختیار بنانے کے محکمہ کو 16.15 ملین روپے کی ادائیگی بھی کر چکی ہے۔

VII ملازمین اور انتظامیہ کے تعلقات

انتظامیہ اور ملازمین بشمول یونین کے درمیان خوشگوار تعلقات برقرار ہیں۔ این آر ایل کے ساتھ اس طویل وابستگی کو تسلیم کرنے کے لیے ملازمین کو لانگ سروس ایوارڈ دیا جاتا ہے۔ وسیع مذاکرات کے بعد این آر ایل ورکرز کے اجتماعی بارگیننگ ایجنٹ کی طرف سے پیش کردہ چارٹر آف ڈیمانڈز کے حتمی مطالبات پہلے ہی فروری ۲۰۲۵ء کو ختم ہونے والی دو سالہ مدت کے لیے خوش اسلوبی سے طے پا چکے ہیں۔

VIII انسانی وسائل کی ترقی

کمپنی کے انسانی وسائل مختصر اور طویل مدتی کارپوریٹ مقاصد کے حصول میں بہت اہم کردار ادا کر رہے ہیں۔ لہذا، آپ کی کمپنی اپنے ملازمین کی تربیت اور ترقی پر خصوصی توجہ مرکوز کرتی ہے۔ مختلف اسٹاف ممبران نے مختلف تکنیکی اور غیر تکنیکی شعبوں میں متعدد کورسز اور ورکشاپس میں شرکت کی۔ تربیتی پروگراموں کے علاوہ، کمپنی اپنے مینجمنٹ ٹرینیز اور اپرنٹس شپ پروگراموں کے ذریعے ریفائنری آپریشنز اور دیکھ بھال کے حوالے سے علمی اور عملی تربیت فراہم کرتی ہے جو نہ صرف کمپنی کے آپریشنز کے لیے تربیت یافتہ افرادی قوت کے اضافی تقاضوں کو پورا کرتی ہے بلکہ تیل صاف کرنے کی صنعت کے لیے تربیت یافتہ افرادی قوت کا سبب بنتی ہے۔

- ### ہائیڈروکریکر/ باٹم آف بیرل اپگریڈ

اس اپ گریڈ کا مقصد فرنس آئل کی پیداوار کو جزوی طور پر کم کرنا اور اسے ویلیو ایڈڈ مصنوعات میں تبدیل کرنا ہے۔ آپ کی کمپنی ان دستیاب آپشنز کا بغور جائزہ لے رہی ہے جو کمپنی کے لیے نہایت موزوں ہوں۔ باٹم آف بیرل کی مخصوص کنفیگریشن فرنٹ اینڈ انجینئرنگ ڈیزائن (FEED) کی تکمیل پر واضح ہو جائے گی۔

- ### سی سی آر۔ (کنٹینیوئس کیٹالسٹ ریجینیریشن) پلیٹ فارمنگ یونٹ۔

اس یونٹ کا مقصد پٹرول کے حجم کو بڑھانا اور ملک کی یورو-V معیار کے پٹرول کی پیداوار کو پورا کرنا ہے۔ کمپنی دیگر متعلقہ یونٹوں کے ساتھ CCR (کنٹینیوئس کیٹالسٹ ریجینیریشن) پلیٹ فارمنگ یونٹ کی تنصیب پر غور کر رہی ہے۔ تاہم، یونٹس کی مخصوص کنفیگریشن فرنٹ اینڈ انجینئرنگ ڈیزائن (FEED) کی تکمیل پر واضح ہوگی۔

۲۔ دیگر بہتری کے منصوبے

- ### لیوب۔ ون ریفائنری ٹرن اراؤنڈ

کمپنی کی جانب سے 25-2024 میں Lube-I ریفائنری کے ٹرن اراؤنڈ کی منصوبہ بندی کی گئی ہے، تاکہ ریفائنری کے آپریشنز کو بہترین طریقہ سے جاری رکھا جا سکے۔ اس کے نتیجہ میں زیادہ سے زیادہ سطح پر مسلسل پیداوار کو برقرار رکھنا اور مستقل مینٹیننس کی ضروریات کو کم کرنا ہے۔

- ### اے پی آئی سیپریٹرز اور ایفلوئنٹ واٹر ٹریٹمنٹ پلانٹ (ای ٹی پی) کی اپ گریڈیشن

اے پی آئی سیپریٹرز اور ایفلوئنٹ واٹر ٹریٹمنٹ پلانٹ (ای ٹی پی) کے اپ گریڈ کا منصوبہ بنایا گیا ہے تاکہ پانی کی ری سائیکلنگ کے ذریعے اسے ریورس اوسموسس پلانٹس میں فیڈ واٹر کے طور پر استعمال کیا جا سکے۔

IV مکمل منصوبے

اس سال کمپنی نے مندرجہ ذیل منصوبوں کو مکمل کیا:

- ### لیوب۔ ٹو ریفائنری ٹرن اراؤنڈ

سال کے دوران، کمپنی نے اپنی Lube-II ریفائنری کے ٹرن اراؤنڈ کو ایک لازمی سرگرمی کے طور پر مکمل کیا تاکہ ریفائنری کے آپریشنز کو جاری رکھا جا سکے۔ اس کے نتیجے میں پلانٹ کی زیادہ سے زیادہ سطح پر مسلسل پیداوار برقرار رکھنے میں مدد ملے گی اور مستقل مینٹیننس کی ضروریات بھی کم رہیں گی۔

توسیع کر دی گئی ہے۔ پالیسی میں اس شعبے میں سرمایہ کاری اور ترقی کو فروغ دینے کے لیے کئی مراعات شامل ہیں، جو کہ موجودہ ریفائنریوں کے اپ گریڈ معاہدوں پر دستخط کرنے پر منحصر ہیں۔

پالیسی کے تحت، ہائی اسپیڈ ڈیزل پر 2.50 فیصد کسٹم ڈیوٹی اور پیٹرول پر 10 فیصد ڈیوٹی (جو پہلے سے ہی قیمتوں کا ایک حصہ ہے) کو اضافی مراعات کے طور پر منظور کیا گیا ہے، تاہم، اضافی رقم اوگرا کے زیرِ کنٹرول مشترکہ ایسکرو اکاؤنٹ میں جمع کی جاتی ہے۔ جس میں سے ریفائنریاں پراجیکٹ لاگت کا 27.50 فیصد تک اپنی اپ گریڈیشن کے لیے استعمال کر سکتی ہیں۔ اضافی مراعات اوگرا کے ساتھ قانونی طور پر پابند معاہدے سے مشروط ہیں جس کے تحت اپ گریڈ چھ سال میں مکمل ہونا ہے۔ خام تیل پر کسٹم ڈیوٹی ریفائنریز کو موجودہ ایڈجسٹمنٹ کے طریقہ کار کے بجائے ان لینڈ فریٹ ایکولائزیشن مارجن (IFEM) کے ذریعے ادا کی جائے گی۔

تاہم، فنانس ایکٹ 2024 کے تحت، حکومت نے کچھ پیٹرولیم مصنوعات (یعنی پیٹرول، ڈیزل، مٹی کا تیل اور LDO) کی حیثیت کو قابل ٹیکس سپلائیز (صفر سیلز ٹیکس کی شرح کے ساتھ) سے ہٹا کر سیلز ٹیکس ایکٹ، 1990 میں 'استثنیٰ شدہ مصنوعات' میں تبدیل کر دیا ہے۔ اس کا مطلب یہ ہے کہ کمپنی اپنی خریداری پر ادا شدہ سیلز ٹیکس کا 75 فیصد تک ایڈجسٹ نہیں کر سکے گی اس طرح کمپنی کی آپریٹنگ لاگت کے ساتھ ساتھ کمپنی کے مستقبل کے اپ گریڈ منصوبوں کی مجموعی لاگت میں بھی اضافہ ہوگا۔ اس کے منفی اثرات کے پیش نظر، کمپنی دیگر ریفائنریوں کے ساتھ اس مسئلے کے تصفیہ کے لئے متعلقہ حکام کے ساتھ رابطے میں ہے اور امید ہے کہ اسے احسن طریقے سے حل کر لیا جائے گا۔

کمپنی کی انتظامیہ کو پختہ یقین ہے کہ براؤن فیلڈ ریفائنریز کے خدشات اور چیلنجز کو حل کرتے ہوئے، یہ پالیسی شعبے کی ترقی اور استحکام کو فروغ دینے میں اہم کردار ادا کر سکتی ہے۔

کمپنی کی انتظامیہ انتہائی محتاط رویہ کے ساتھ درپیش مشکل حالات کا سامنا کر رہی ہے۔ پیچیدگیوں کے باوجود، انتظامیہ کاروباری سرگرمیوں کی نگرانی کر رہی ہے تاکہ مؤثر آپریشنز اور سمجھداری سے مناسب فیصلہ سازی کو یقینی بنایا جا سکے۔ اس محتاط نقطہ نظر کا مقصد خطرات کو کم کرنا اور کارکردگی کو بہتر بنانا ہے۔

جون ۲۰۲۴ء میں، کمپنی کے چیف ایگزیکٹو آفیسر، جناب جمیل اے خان صاحب نے استعفیٰ دے دیا۔ جناب شاہد وحید خواجہ صاحب نے جولائی ۲۰۲۴ء میں کمپنی کے نئے سی ای او کے طور پر شمولیت اختیار کی ہے، جو ریفائنری کا وسیع تجربہ اپنے ساتھ لائے ہیں۔ ہمیں امید ہے کہ ان کا وسیع تجربہ کمپنی کو کامیابی سے چیلنجز کا مقابلہ کرنے میں مددگار ثابت ہوگا۔

III مستقبل کے منصوبے

کمپنی کے مستقبل کے منصوبے مندرجہ ذیل ہیں جن کا مقصد کمپنی کی مصنوعات کے معیار کو بہتر بنانا، ویلیو ایڈڈ مصنوعات کو بڑھانا اور سازگار ریفائنری سرگرمیوں کے لئے کمپنی کی آپریشنل صلاحیتوں کو برقرار رکھنا ہے۔

ا۔ اپ گریڈ منصوبے

ریفائنری کے اپ گریڈ منصوبوں میں خطیر سرمایا کاری درکار ہوتی ہے، تاہم براؤن فیلڈ ریفائننگ پالیسی کی منظوری کے تحت حکومت نے کچھ مراعات کی پیشکش کی ہے، آپ کی کمپنی درج ذیل اپ گریڈیشن پروجیکٹس کی منصوبہ بندی کر رہی ہے جو کہ اپ گریڈ معاہدے پر دستخط کئے جانے سے مشروط ہیں:

- کمپنی کو خاص طور پر خام تیل کی خریداری کے لیے سپلائرز کو ادائیگی غیر ملکی کرنسی میں کرنی ہوتی ہے جس میں پاکستانی روپے کی قدر میں کمی کی وجہ سے عام طور پر زرمبادلہ کے نقصان کا سامنا رہتا ہے۔ حکومت کی جانب سے کچھ اقدامات کیے گئے ہیں تاکہ زرمبادلہ کے نقصانات کے اثرات کو قیمتوں میں شامل کر کے اس کے اثرات کو کم کیا جا سکے جو کہ کسی حد تک خطرے کا احاطہ کرتا ہے۔

- الیکٹرک گاڑیاں متعارف کرانے اور فوسل فیول پر انحصار کم کرنے کے حوالے سے عالمی پیشرفت درمیانی سے طویل مدت میں تیار شدہ پٹرولیم مصنوعات کے مارجنز کو کم کرنے کا سبب بنے گا۔ مزید برآں، بجلی کی پیداوار کے لیے فرنس آئل کی طلب میں بڑی کمی کمپنی کے لیے ایک بہت بڑا چیلنج ہے۔ اسٹوریج کی رکاوٹوں سے بچنے کے لیے، کمپنی نے فرنس آئل برآمد کرنا شروع کر دیا ہے اور تھروپٹ کو بہتر بنانے کے لیے اپنی برآمدات کو مزید بڑھانے کا منصوبہ بنا رہی ہے۔

II مستقبل کا منظر نامہ

ملک میں کاروباری معاملات کو چیلنجنگ میکرو اکنامک صورتِ حال کا سامنا ہے۔ بیرونی عوامل کے خطرات میں اضافہ، آپریٹنگ اخراجات میں نمایاں اضافہ، بڑھتی ہوئی افراطِ زر، سیاسی عدم استحکام، وفاقی بجٹ میں غیر متوقعہ طور پر ٹیکس میں اضافہ کے اقدامات اور بلند شرح سود نے مجموعی طور پر غیر یقینی کی فضاء پیدا کر دی ہے۔

مزید برآں، بین الاقوامی کریڈٹ ریٹنگ ایجنسیوں کی طرف سے ملک اور اعلی درجے کے مقامی بینکوں کے متعلق منفی تاثر نے خام تیل کی درآمدات کے سلسلے میں لیٹر آف کریڈٹ کی تصدیق کے خطرات سے دوچار کر دیا ہے، جس کے نتیجے میں لاگت میں اضافہ ہوا ہے۔ کمپنی اور پورے سیکٹر کو، مغربی سرحدوں کے ساتھ وسیع پیمانے پر ہونے والی غیر قانونی نقل و حمل کی وجہ سے، اسمگل شدہ تیل کی با آسانی کم قیمت پر مارکیٹ میں رسائی کے سبب، اضافی چیلنجز کا سامنا ہے۔

کمپنی کی انتظامیہ سمجھتی ہے کہ ریفائنریز کو منافع کمانے میں اہم رکاوٹوں میں مصنوعات کے کم مارجنز، یوٹیلیٹی لاگت میں اضافہ، مال برداری کے اخراجات، LC تصدیقی چارجز میں اضافہ اور خام تیل کی درآمد پر کسٹم ڈیوٹی کی مختصر وصولی اور غیر ملکی زرمبادلہ کی مد میں نقصان شامل ہیں، جو کہ نہ صرف کمپنی کے مثبت کیش فلوز کو متاثر کرتے ہیں، بلکہ ورکنگ کیپیٹل فنانسنگ کی ضروریات میں اضافہ کرنے کے ساتھ ساتھ بلند شرح سود کے ماحول میں قرض لینے کی لاگت میں بھی اضافہ کرتے ہیں، جو کہ کمپنی کی مجموعی کارکردگی اور منافع پر بھی اثر انداز ہوتے ہیں۔

سال کے اختتام کے بعد، کچھ اشاریوں میں بہتری آئی ہے، جیسے افراطِ زر میں کمی اور 2.5 فیصد کی مجموعی کٹوتی کے ساتھ پالیسی ریٹ میں ایڈجسٹمنٹ۔ مزید برآں، Fitch نے جولائی ۲۰۲۴ء کے آخر میں ملک کی درجہ بندی کو CCC سے +CCC میں اپ گریڈ کر دیا ہے۔ آئی ایم ایف پروگرام کی متوقع حتمی شکل کے ساتھ ان اقدامات کا کاروبار پر مثبت اثر پڑے گا۔

براؤن فیلڈ ریفائنریوں کے لیے طویل انتظار کے بعد پاکستان آئل ریفائنری پالیسی 2023 جو اگست ۲۰۲۳ء میں منظور کی گئی تھی، فروری ۲۰۲۴ء میں اس پالیسی میں مزید ترمیم کی گئی تاکہ پالیسی کے حوالے سے ریفائنریوں کی جانب سے اٹھائے گئے خدشات کو دور کیا جا سکے۔ نظر ثانی شدہ 'براؤن فیلڈ ریفائنریز کو اپ گریڈ کرنے کے لیے پاکستان آئل ریفائننگ پالیسی 2023 (جس میں فروری ۲۰۲۴ء میں ترمیم کی گئی)' کے تحت ابتدائی طور پر ریفائنریز کو 60 دنوں کے اندر اپ گریڈ معاہدوں پر دستخط کرنے تھے۔ کمپنی کی جانب سے باہمی رضامندی سے طے شدہ اپ گریڈ معاہدے کو دستخط کے لیے آگے بھیجنے کے باوجود، اس پر دستخط نہ ہو سکے اور حکومت کی جانب سے مقررہ مدت میں مزید چھ ماہ کی

کمپنی کی تینوں ریفائنریوں کے دو کاروباری شعبہ جات "فیول سیگمینٹ" اور "لیوب سیگمینٹ" ہیں۔ فیول سیگمینٹ کی پیداوار میں ہائی سپیڈ ڈیزل، نیفتھا، پیٹرول، مائع پیٹرولیم گیس، جیٹ ایندھن اور فرنس آئل شامل ہیں۔ لیوب سیگمینٹ کی پیداوار میں مختلف گریڈ کے لیوب بیس آئلز، تار کول، فرنس آئل، موم، ربڑ بنانے کا تیل اور کچھ مقدار دیگر فیول پروڈکٹس کی شامل ہیں۔ تمام مصنوعات کی مارکیٹنگ مقامی طور پر کی جاتی ہے، جبکہ نیفتھا برآمد کیا جاتا ہے۔ لیوب بیس آئل اور تار کول کی بھی کچھ مقدار ضرورت کے تحت برآمد کی جاتی ہے۔

پرائسنگ فارمولا

کمپنی کا فیول سیگمنٹ حکومت کے امپورٹ پیریٹی پرائسنگ (Import Parity Pricing) فارمولے کے تحت ریگولیٹ کیا جاتا ہے۔ 2012-13 میں ڈیزل کی قیمت کو بھی ڈی ریگولیٹ کر کے پی ایس او کی درآمدات کی قیمت کے ساتھ منسلک کر دیا گیا تھا۔ تاہم این آر ایل ۲۰۱۷ میں ڈی ایچ ڈی ایس منصوبے کے مکمل ہونے کے بعد اس قیمت کا حقدار رہا۔

یکم ستمبر ۲۰۲۰ سے، حکومت نے پیٹرولیم مصنوعات کی قیمتوں کا تعین PSO کی ماہانہ قیمت کے بجائے پندرہ دن کی خلیج عرب کی روزانہ ایف او بی اوسط پر مبنی قیمت کی بنیاد پر کرنا شروع کر دیا ہے اور انسیڈ ینٹلز کو PSO کی پندرہ دن کی اصل لاگت کی بنیاد پر قیمت میں شامل کیا جاتا ہے۔

EURO-V ڈیزل کی پیداوار کی صلاحیت کی وجہ سے یکم جنوری ۲۰۲۱ سے این آر ایل EURO-V ڈیزل کی پیداوار پر EURO-V کی قیمت کی حقدار ہوگئی ہے جو کہ امپورٹ پیریٹی پرائسنگ اور PSO امپورٹ انسیڈ ینٹلز پر مبنی ہے۔

امپورٹ پیریٹی پرائسنگ فارمولے کے مطابق فیول سیگمنٹ کے منافع کو یکم جولائی ۲۰۰۲ کے مطابق موجودہ ادا شدہ سرمایہ کے ۵۰ فیصد تک تقسیم کیا جا سکتا تھا اور باقی منافع کو اسپیشل ریزرو (special reserves) میں منتقل کرنا ضروری تھا۔ سال کے دوران، حکومت نے براؤن فیلڈ ریفائننگ پالیسی ۲۰۲۳ کا اعلان کیا ہے، جو تمام پچھلی ریفائننگ پالیسیوں کو منسوخ کرتی ہے، جس کے بعد مذکورہ بالا اسپیشل ریزرو میں منتقلی کی اب مزید ضرورت نہیں ہے۔

پائیداری (SUSTAINABILITY)

پائیداری (SUSTAINABILITY) کے اہم خطرات اور غیر یقینی صورتحال بشمول وہ اقدامات جو ایسے خطرات اور صورتحال میں معاون ثابت ہوں، درج ذیل ہیں:

I پیشِ نظر خدشات

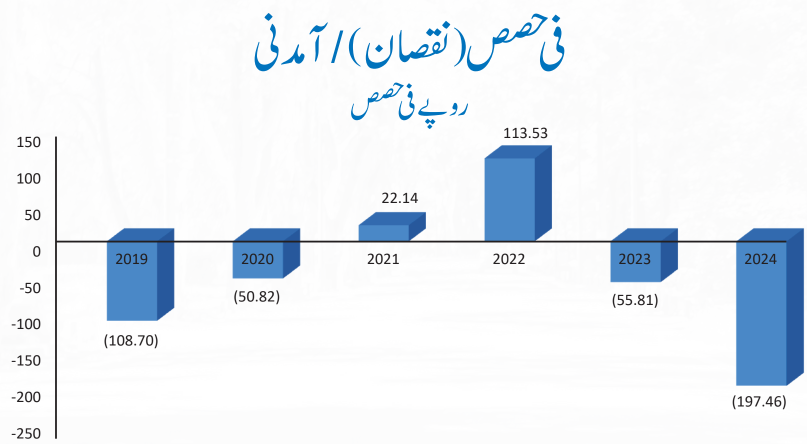
- بین الاقوامی مارکیٹ میں خام تیل اور مصنوعات کی قیمتوں میں غیر مستحکم اتار چڑھاؤ کے نتیجہ میں مارجنز کم ملتے ہیں۔ ایسی صورت میں کمپنی نقصانات کو کم سے کم کرنے کے لئے وقتاً فوقتاً اپنی پیداوار اور فروخت کے شیڈول کا جائزہ لیتی ہے۔
- بین الاقوامی کریڈٹ ریٹنگ ایجنسیوں کی طرف سے ملک اور اعلیٰ درجے کے بینکوں کا منفی منظر نامہ ایک بڑے خطرے کے طور پر اُبھرا ہے جو نہ صرف کمپنی کے لیے بلکہ تیل کی صنعت کے لیے خاص طور پر اور ملک بھر میں درآمد پر منحصر تمام کاروباروں کے لیے سپلائی چین کو متاثر کر چکا ہے۔

لیوب سیگمینٹ

لیوب سیگمنٹ کو 1.33 ارب روپے کے ٹیکس کے بعد منافع ہوا جو کہ گزشتہ سال 6.43 ارب روپے تھا۔ سال کے دوران، لیوب مصنوعات کی فروخت میں 20 فیصد کی کمی واقع ہوئی، جس کی بنیادی وجہ لیوب II ریفائنری کا ٹرن اراؤنڈ ہے۔ جس کی ابتدائی طور پر گزشتہ سال منصوبہ بندی کی گئی تھی لیکن مطلوبہ اسپیئرز کے لیے LC کھلوانے کے مسائل کی وجہ سے ٹرن اراؤنڈ میں تاخیر ہوئی۔ مینٹیننس کی بڑھتی ہوئی ضروریات نے ٹرن اراؤنڈ کی مدت میں اضافہ کیا، جس کے نتیجے میں کچھ یونٹوں کے آپریشنل ہونے میں بھی تاخیر ہوئی۔ نتیجتاً، کمپنی کو لیوب سیگمینٹ کی باقاعدہ پیداوار تیسری سہ ماہی کے اختتام تک حاصل ہوسکی۔ کم اقتصادی سرگرمیوں، سڑکوں اور تعمیرات کے لئے ترقیاتی فنڈ کی عدم دستیابی اور مغربی سرحدوں سے مصنوعات کی نقل و حرکت کی وجہ سے تارکول کی مانگ بھی کم رہی۔ محدود اسٹوریج کی وجہ سے، کمپنی نے اس سال 46,287 ایم ٹن تارکول برآمد کیا۔

فی حصص نقصان/آمدنی

اس سال فی حصص نقصان 197.46 روپے رہا جبکہ گزشتہ سال فی حصص نقصان 55.81 روپے تھا۔



ڈیویڈنڈ

نقصان کے پیشِ نظر، بورڈ آف ڈائریکٹرز نے فیصلہ کیا ہے کہ موجودہ سال کے لیے کسی قسم کے ڈیویڈنڈ کو زیرِ غور نہیں لایا جائے گا۔

کمپنی کا کاروبار

کمپنی تین ریفائنریوں کی مدد سے خام تیل صاف کرنے کے کاروبار میں مصروفِ عمل ہے جن کو ۱۹۶۶ء، ۱۹۷۷ء اور ۱۹۸۵ء میں کمیشن کیا گیا۔ آخری اپ گریڈیشن میں ڈیزل ہائیڈروڈیسلفیو رائزیشن اور آئسومرائزیشن یونٹ شامل ہیں جو کہ سال ۲۰۱۷ء اور ۲۰۱۸ء کے دوران بالترتیب ماحول دوست یورو II سے لیکر یورو V سٹینڈرڈ تک سلفر کی کم مقدار والے ڈیزل اور نیفتھا کو پیٹرول میں تبدیل کرنے کے لیے لگائے گئے ہیں۔ مزید برآں، فیول اور لیوب ریفائنری کے ریویمپ کے ذریعے، کمپنی نے اپنی خام تیل کی پروسیسنگ کی گنجائش 62,050 بیرل یومیہ سے بڑھا کر 70,000 بیرل یومیہ کردی ہے اور لیوب بیس آئل کی سالانہ پیداوار 5000 – 6000 ایم ٹن سے بڑھ گئی ہے۔

۲۰۰۵ء میں کمپنی کی نجکاری کی گئی جس کے نتیجہ میں 51 فیصد حصص اٹک گروپ کی ملکیت میں ہیں۔

فیول سیگمنٹ

سال کے دوران خاص طور پر دوسری اور چوتھی سہ ماہی میں تیل کی بین الاقوامی قیمتوں میں کمی کا رجحان دیکھا گیا۔جس نے مصنوعات کی معمول کی خریداری کے انداز کو متاثر کیا،جس کے نتیجے میں انوینٹری میں اضافہ ہوا اور کمپنی کو بھاری انوینٹری نقصانات کا سامنا کرنا پڑا۔مزید برآں، ڈیزل اور پیٹرول کے مارجنز اور پریمیم میں بھی آخری تین سہ ماہیوں میں تیزی سے کمی واقع ہوئی جس کے نتیجے میں کمپنی کے مجموعی ریفائننگ مارجنز بری طرح متاثر ہوئے۔

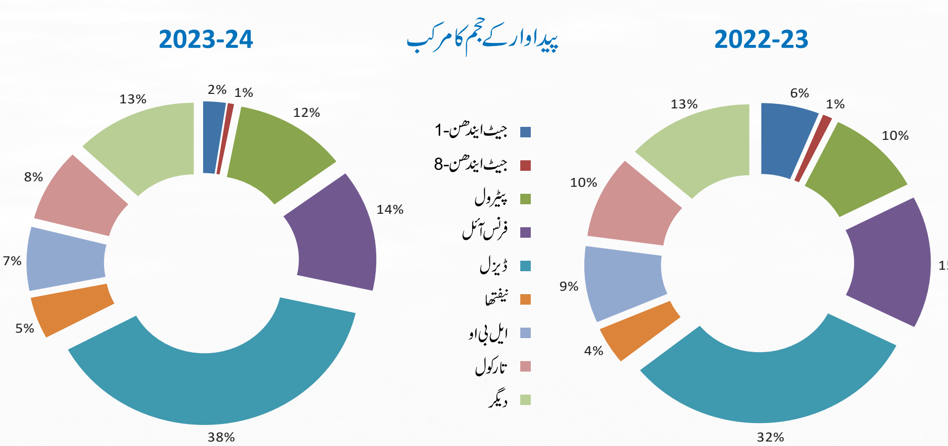
بجلی کی پیداوار کے لیے انڈیپنڈنٹ پاور پروڈیوسرز (IPPs) کی جانب سے فرنس آئل کی کم مانگ بھی ایک بڑا چیلنج رہا جسکی وجہ سے فرنس آئل کی کم فروخت نے بھی فیول سیگمنٹ کے نتائج کو مزید متاثر کیا۔اس چیلنج پر قابو پانے کے لیے کمپنی نے فرنس آئل کی برآمد شروع کر دی ہے۔کمپنی چوتھی سہ ماہی میں مجموعی طور پر 22,882 ایم ٹن کے دو کارگو برآمد کرنے میں کامیاب رہی اور فرنس آئل کی برآمدات کو بڑھانے کے لیے مارکیٹ کے ساتھ ساتھ کم لاگت والے اندرونی وسائل کی مزید تلاش کر رہی ہے۔

مزید برآں، ملک کے کم زرمبادلہ کے ذخائر اور کریڈٹ ریٹنگ میں کمی نے خام تیل کی درآمد کے لیے لیٹر آف کریڈٹ (LCs) کے قیام اور تصدیق میں مشکلات پیدا کی ہیں۔اگرچہ کمپنی LCs قائم کرنے میں کامیاب رہی،لیکن بلند شرح تصدیق کے نتیجے میں LC تصدیقی چارجز میں خاطر خواہ اضافہ ہوا۔مزید یہ کہ ملک بھر میں عام معاشی سرگرمیوں میں مندی کی وجہ سے بھی دیگر پیٹرولیم مصنوعات کی مانگ میں کمی ہوئی۔غیر محفوظ سرحدوں کے ذریعے سستے متبادل کی دستیابی کی وجہ سے ڈیزل کی مانگ میں مزید کمی واقع ہوئی۔مندرجہ بالا مشکلات پر غور کرتے ہوئے،کمپنی کا تھروپٹ 51.95 فیصد پر برقرار رکھا گیا (جو کہ ۳۰ جون ۲۰۲۳ء کو ختم ہونے والے گزشتہ سال کے لیے 51.92 فیصد تھا)۔

ڈیزل اور پٹرول کی فروخت میں اضافے کے باوجود، اوپر بیان کئے گئے عوامل کی وجہ سے، فیول سیگمنٹ 17.12 ارب روپے ٹیکس کے بعد خسارے میں چلا گیا۔جب کہ گزشتہ سال فیول سیگمنٹ کا ٹیکس کے بعد خسارہ 10.89 ارب روپے تھا۔

سال کے دوران، شرح مبادلہ میں اتار چڑھاؤ کم سے کم تھا، جس سے زرمبادلہ کا نقصان نمایاں کمی کے ساتھ 148.77 ملین روپے تک رہا جو کہ گزشتہ سال 9,877 ملین روپے ریکارڈ کیا گیا تھا۔تاہم، زیادہ ورکنگ کیپیٹل فنانسنگ کی ضروریات اور مارک اپ کی بلند شرح کی وجہ سے، کمپنی کو 9,124 ملین روپے کی لاگت آئی جبکہ گزشتہ سال یہ لاگت 6,329 ملین روپے تھی۔

پیداوار کے حجم کا مرکب



ڈائریکٹرز رپورٹ

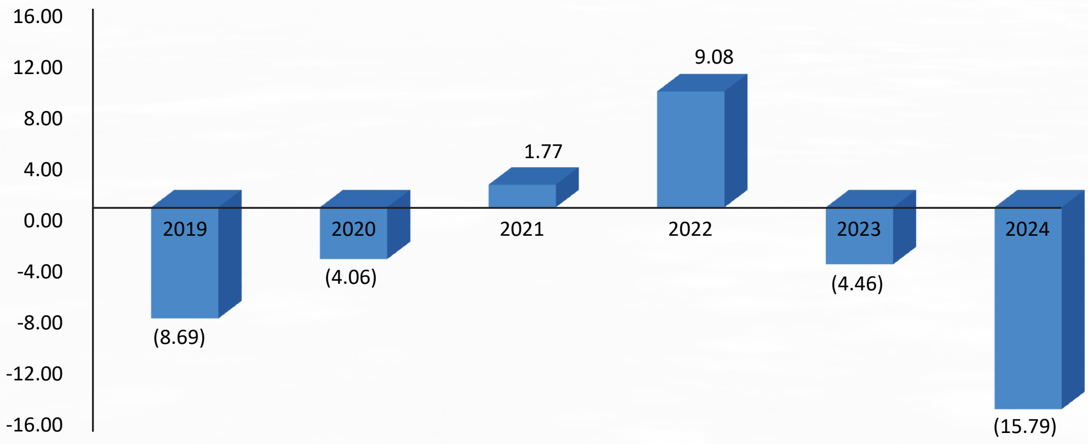
بورڈ آف ڈائریکٹرز مسرت کے ساتھ ۳۰ جون ۲۰۲۴ء کو مکمل ہونے والے سال کے لیے نیشنل ریفائنری لمیٹڈ کی ۶۱ ویں سالانہ رپورٹ بمع آڈٹ شدہ مالیاتی گوشوارے اور ان پر آڈیٹر کی رپورٹ پیش کرتے ہیں۔

مالیاتی نتائج

مالی سال ۲۰۲۴ء ریفائنری کے لیے کافی مشکل رہا۔ ابتدائی طور پر، سال کا آغاز بہتر مارجنز کے ساتھ ہوا، لیکن پہلی سہ ماہی کے بعد سے ہی ان مارجنز میں تیزی سے کمی واقع ہونا شروع ہوگئی۔ ڈیمانڈ سپلائی کے بے ربط فرق اور مصنوعات کے گرتے ہوئے پریمیم کی وجہ سے مارجنز میں سال بھر کمی آتی رہی۔ انتخابی سال کی وجہ سے سیاسی عدم استحکام اور غیر یقینی اقتصادی حالات کے سبب صورتحال مزید پیچیدہ ہوگئی، جس کے نتیجے میں مہنگائی میں اضافہ، مارک اپ کی بلند شرح اور زرمبادلہ کے ذخائر کم ہوئے۔ اس کے علاوہ، آئی ایم ایف پروگرام کی شرائط کی وجہ سے یوٹیلیٹی ریٹ میں اضافے نے بھی آپریشنل اخراجات میں خاطر خواہ اضافہ کیا۔ ان مشکلات نے کمپنی کو مجبور کیا کہ ریفائنری کو محتاط رویہ اختیار کرتے ہوئے کم تھروپٹ پر چلایا جائے۔ فروخت کے کم حجم، انوینٹری کے نقصانات، اور بڑھتے ہوئے مالیاتی اخراجات نے کمپنی کی کارکردگی کو بری طرح متاثر کیا جس کے نتیجے میں کمپنی کو بھاری نقصان کا سامنا کرنا پڑا۔

نتیجتاً، ان مشکل حالات اور آپریشنل رکاوٹوں کی وجہ سے کمپنی کو گزشتہ سال کے 4.46 ارب روپے ٹیکس کے بعد نقصان کے مقابلے میں موجودہ سال میں 15.79 ارب روپے ٹیکس کے بعد نقصان ہوا۔

ٹیکس کے بعد (نقصان) / منافع - ارب روپے



FORM OF PROXY

61st ANNUAL GENERAL MEETING
NATIONAL REFINERY LIMITED

I ____ of ___________________________________in the district of __________________________________ being a Member of NATIONAL REFINERY LIMITED hereby appoint ____________________________________ of _________________________ as my proxy, and failing him, ______________________ of ______________________ another Member of the Company to vote for me and on my behalf at the 61st Annual General Meeting of the Company to be held on the 21st day of October 2024 and at any adjournment thereof.

Signed this _________ day of __________ 2024.

Signed by the said Member

Signed in the presence of:

1. Signature: _____________________
   Name: ________________________
   Address: ______________________
   CNIC/Passport No. ______________

2. Signature: _____________________
   Name: ________________________
   Address: ______________________
   CNIC/Passport No. ______________

<table>
<tr><td colspan="2" rowspan="2">Information required</td><td rowspan="2">For Member (Shareholder)</td><td>For Proxy</td><td>For alternate Proxy (*)</td></tr>
<tr><td colspan="2">(if member)</td></tr>
<tr><td colspan="2">Number of shares held</td><td></td><td colspan="2"></td></tr>
<tr><td colspan="2">Folio No.</td><td></td><td colspan="2"></td></tr>
<tr><td rowspan="2">CDC Account No.</td><td>Participant I.D.</td><td></td><td colspan="2"></td></tr>
<tr><td>Account No.</td><td></td><td colspan="2"></td></tr>
</table>

Revenue stamp of appropriate value (To the extent applicable)

(*) Upon failing of appointed Proxy.

Notes:

1. A member entitled to attend and vote at Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him / her. A proxy need not be a member.

2. This Proxy Form, duly completed and signed, together with Board Resolution / Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited, at the registered office of the Company not later than 48 hours before the time of holding the meeting.

3. The instrument appointing a proxy should be signed by the member or his / her attorney duly authorized in writing. If the member is a corporate entity its common seal should be affixed on the instrument.

4. Any alteration made in this instrument of proxy should be initialed by the person who signs it.

5. Attested copies of CNIC or the passport of the beneficial owners and of the proxy shall be provided with the proxy form.

6. 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.

7. In the case of joint holders the vote of the senior who tenders a vote whether in person or by Proxy will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the Register of Members.

8. The proxy shall produce his / her original CNIC or passport at the time of the meeting.

AFFIX
POSTAGE
STAMP

Company Secretary
National Refinery Limited
7-B, Korangi Industrial Area, Karachi-74900
UAN: +92-21-111-675-675
PABX: +92-21-35064981-86
+92-21-35064977-79

نوٹ:۔

۱۔ایک ممبر جو سالانہ اجلاس عام میں شرکت کرنے اور حق رائے دہی استعمال کرنے کا اہل ہے اپنے بجائے شرکت کرنے اور حق رائے دہی استعمال کرنے کے لئے ایک پراکسی مقرر کرسکتا ہے۔ پراکسی کا ممبر ہونا ضروری نہیں۔

۲۔ پراکسی فارم کا ہر لحاظ سے مکمل، دستخط شدہ بمع ڈائرکٹرز کی قرارداد یا پاور آف اٹارنی اگر کوئی ہو یا ان کی نوٹرائزڈ کاپی جس کے تحت یہ دستخط کیا گیا ہو اجلاس شروع ہونے سے ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں موصول ہونا لازمی ہے۔

۳۔ پراکسی منتخب کرتے ہوئے رکن یا اس کے تحریری طور پر مجاز اٹارنی کا پراکسی فارم پر دستخط کرنا ضروری ہے۔کارپوریٹ ادارے کی صورت میں پراکسی فارم پر کمپنی کی سیل (Seal) کا لگا ہوا ہونا لازمی ہے۔

۴۔ پراکسی فارم میں کسی قسم کی تبدیلی کیلئے پراکسی منتخب کرنے والے کے دستخط ہونا ضروری ہے۔

۵۔بینیفیشل اونرز (رکن) اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی پراکسی فارم کے ساتھ منسلک کرنی ہونگی۔

۶۔اگر کوئی ممبر ایک سے زیادہ پراکسی منتخب کرے یا ایک سے زیادہ پراکسی فارمز کمپنی میں جمع کرائے ایسی صورت میں تمام پراکسی فارمز غیر مؤثر قرار پائیں گے۔

۷۔مشترکہ حصہ دار ہونے کی صورت میں جسکا نام ممبر رجسٹر میں پہلے درج ہوگا (سینئر) اسکا اپنا یا اسکے منتخب پراکسی کا ووٹ قابل قبول ہوگا بنسبت دیگر مشترکہ حصہ داروں کے ووٹ کے۔

۸۔ پراکسی کو اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

AFFIX
POSTAGE
STAMP

Company Secretary
National Refinery Limited
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UAN: +92-21-111-675-675
PABX: +92-21-35064981-86
+92-21-35064977-79

پراکسی فارم
۶۱ واں سالانہ اجلاس عام
نیشنل ریفائنری لمیٹڈ

میں __________ کا / کی __________ ضلع __________ بحیثیت رکن نیشنل ریفائنری لمیٹڈ، محترم / محترمہ __________
ضلع __________ کو اپنا پراکسی یا ان کی غیر موجودگی کی صورت میں کمپنی کے دوسرے / کی دوسری رکن محترم / محترمہ __________
ضلع __________ کو اپنے ایماء پر ۲۱ اکتوبر ۲۰۲۴ یا اسکے التواء کی صورت میں متبادل تاریخ کو منعقد ہونے والے کمپنی کے ۶۱ واں سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے کے لئے اپنا پراکسی مقرر کرتا / کرتی ہوں۔

آج بروز __________ بتاریخ __________ ۲۰۲۴ کو دستخط کئے گئے۔

رکن کے دستخط

گواہان:

1:۔
دستخط : __________
نام : __________
پتہ : __________
کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر: __________

2:۔
دستخط : __________
نام : __________
پتہ : __________
کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر: __________

مناسب قیمت کے محصول ٹکٹ (قابل قبول حد تک)

درکار معلومات		رکن کیلئے	پراکسی کیلئے	* متبادل پراکسی کیلئے
		(شیئر ہولڈر)	(بصورت رکن)	
حصص کی تعداد				
فولیو نمبر				
سی ڈی سی اکاؤنٹ نمبر	متعلقہ شریک آئی ڈی			
	اکاؤنٹ نمبر			

* پراکسی کی غیر موجودگی کی صورت میں

E-DIVIDEND

Members of National Refinery Limited

Pursuant to the provisions of Section 242 of the Companies Act, 2017, every listed company is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders.

In compliance with the said requirements, in order to receive your all future dividends, as and when declared, directly into your Bank Account, you are required to provide the information as contained in the below mentioned form and send the same to the Company's Share Registrar, if the shares are held in physical form or to your brokers / CDC Investor Account Service (IAS) Department, if the shares are held in the electronic form.

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

To

For Shares held in book entry form

E-DIVIDEND FORM

(i) Shareholder's Detail	
Name of the shareholder	
Folio / CDS A/c No.	
CNIC No.	
Passport No. (in case of Foreign Shareholder)	
Land Line Phone No.	
Mobile Phone No.	
E-mail Address	

(ii) Shareholder's Bank Detail	
Bank's Name	
Branch Name and Address	
Title of Bank Account	
IBAN Number	
Full Bank Account Number	

It is stated that the above-mentioned information is correct, and that I will intimate the changes in the above-mentioned information to the broker / CDC (IAS) / Company's Share Registrar, as the case may be, as soon as any change occurs.

Signature of the Member/Shareholder
of National Refinery Limited

Date: ____________

Note:

- The shareholders who hold shares in physical form are requested to submit duly filled-in, duly signed and stamped, where applicable, E-Dividend Form to the Share Registrar concerned.
- Shareholders maintaining their shareholdings under Central Depository System (CDS) are advised to submit this form directly to relevant Participant / CDC (IAS) Department.
- Please attach attested photocopy of the CNIC or Passport (in case of Foreign Shareholder).

AFFIX
POSTAGE
STAMP

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi – 74400.
Tel: (Toll Free) 0800-23275
Fax: +92-21-34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

National Refinery Limited

7-B, Korangi Industrial Area, Karachi-74900.
UAN: 111-675-675
Website: www.nrlpak.com
E-mail: info@nrlpak.com

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