

9 Fuel and Energy

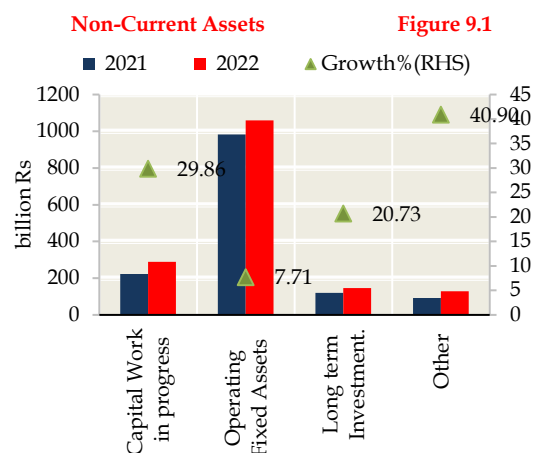
Performance at a Glance

The balance sheet size of fuel & energy sector increased by Rs 812.68 billion, reaching Rs 4,951.46 billion during 2022. Shareholders' equity grew by 11.36 percent during 2022 improving to Rs 1,621.31 billion. Total liabilities increased by Rs 647.30 billion during 2022. Sales of the sector grew YoY by 56.14 percent, reaching Rs 2,976.75 billion during 2022. The gross profit posted a YoY growth of 39.45 percent during 2022. Profit before and after taxation posted YoY growth of 37.93 percent and 19.95 percent respectively during 2022.

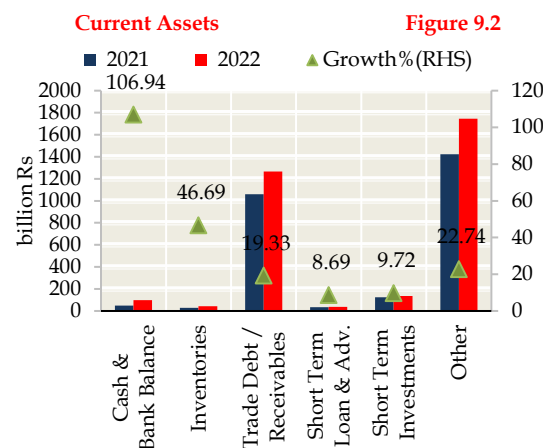
Sector's Summary (billion Rs)			Table 9.1
Items	2022	2021	Growth (%)
Assets	4951.46	4138.78	19.64
Non-Current	1625.44	1420.65	14.42
Current	3326.02	2718.13	22.36
Liabilities	3330.14	2682.85	24.13
Non-Current	707.66	535.63	32.12
Current	2622.49	2147.22	22.13
Equity	1621.31	1455.93	11.36
<i>of which</i>			
Paid-up Capital	205.57	205.65	-0.04
Reserves	1320.45	1168.70	12.98
Sales	2976.75	1906.45	56.14
Gross Profit	508.02	364.31	39.45
Profit after tax	246.53	205.54	19.95
ROA (%)	5.42	5.21	-
ROE (%)	16.02	14.84	-

Assets

The breakup of assets accumulation (19.64 percent) during 2022 reveals that the current assets grew by 22.36 percent while non-current assets grew by 14.42 percent. The non-current assets of the sector stood at Rs 1,625.44 billion posting an increase of Rs 204.79 billion. Within non-current assets, operating fixed assets (after deducting accumulated depreciation) and capital work in progress were main contributor; posting an increase of Rs 75.81 billion and Rs 66.47 billion respectively during 2022.

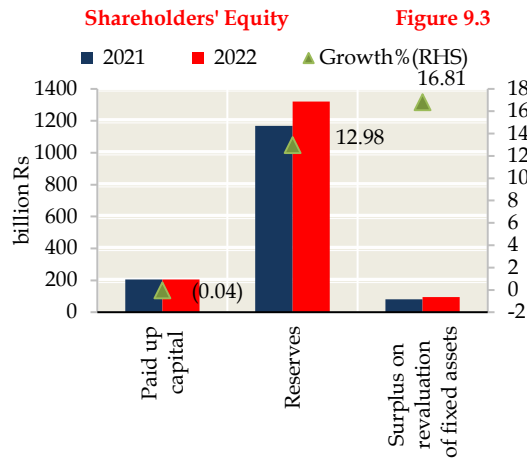


The current assets during the year under review increased by Rs 607.89 billion, mainly in the form of trade debt/accounts receivables (Rs 204.86 billion) and cash & bank balance (Rs 50.95 billion).

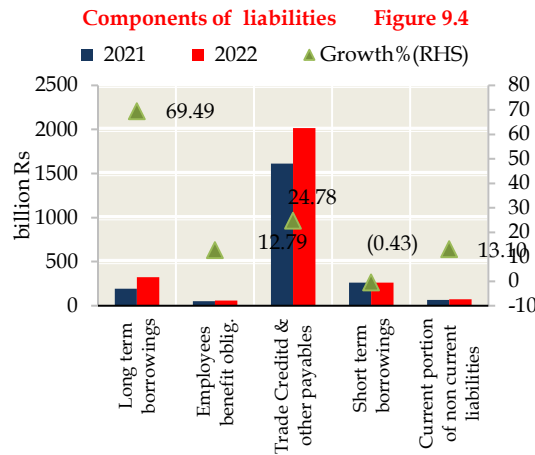


Shareholders' Equity & Liabilities

Shareholders' equity increased to Rs 1,621.31 billion, recording an addition of Rs 165.38 billion during 2022. This increase in equity is represented primarily by un-appropriated profit/retained earnings, which increased by Rs 155.54 billion.



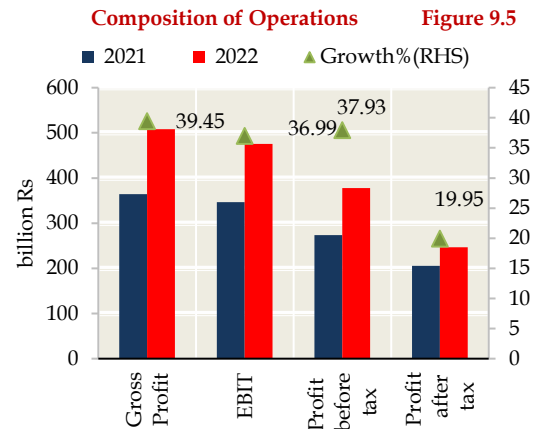
The breakup of total liabilities reveals that the 24.13 percent accumulation during 2022 came in the form of both current and non-current liabilities. Specifically, current liabilities increased by Rs 475.27 billion (22.13 percent),



whereas non-current liabilities increased by Rs 172.03 billion (32.12 percent). A further analysis of current liabilities shows that Rs 404.04 billion increase is recorded in trade credit/other accounts payables (which has share of 76.81 percent in current liabilities). Under non-current liabilities, an increase of Rs 132.90 billion was observed in long term borrowings during 2022.

Operating Efficiency & Ratio Analysis

Sales of the sector soared up by Rs 1,070.30 billion, posting a YoY growth of 56.14 percent during 2022. The gross profit grew YoY by 39.45 percent, reaching Rs 508.02 billion in 2022. Profit before and after taxation increased YoY by Rs 103.83 billion and Rs 41.00 billion during 2022.



Key performance indicators of the sector reflects improvement during 2022. Return on assets (ROA) increased to 5.42 percent in 2022 from 5.21 percent in 2021. Return on equity (ROE) improved to 16.02 percent in 2022 from 14.84 percent in 2021. Basic earnings per share increased to Rs 7.04 in 2022 from Rs 5.87 in 2021.

