

# 11 Coke & Refined Petroleum Products

## Performance at a Glance

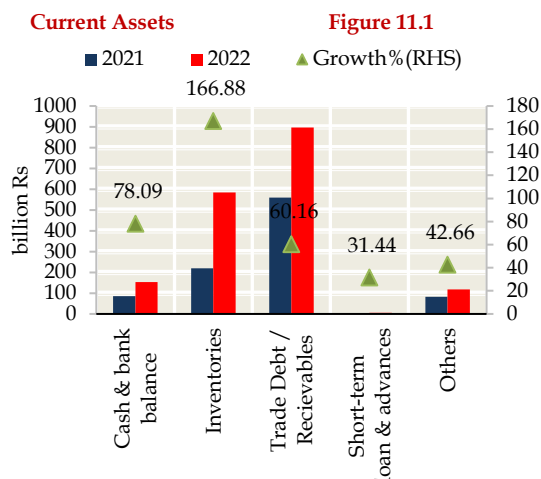
The balance sheet size of the coke & refined petroleum products sector increased by 51.80 percent in 2022 over 2021. Sales of the sector recorded a YoY growth of 85.34 percent during 2022, reaching Rs 4,454.01 billion by end-2022. Moreover, profit before and after taxation posted a YoY growth of 143.77 percent and 103.43 percent respectively during 2022. The shareholders' equity grew by 26.91 percent during 2022.

Sector's Summary (billion Rs)		Table 11.1	
Items	2022	2021	Growth (%)
<b>Assets</b>	2,386.12	1,571.87	51.80
Non-Current	559.84	533.04	5.03
Current	1,826.28	1,038.82	75.80
<b>Liabilities</b>	1,535.82	901.87	70.29
Non-Current	174.59	161.98	7.78
Current	1,361.24	739.89	83.98
<b>Shareholders' Equity</b>	850.30	670.00	26.91
<i>of which</i>			
Paid-up Capital	110.73	110.49	0.21
Reserves	669.94	507.14	32.10
<b>Sales</b>	4,454.01	2,403.14	85.34
<b>Gross Profit</b>	481.21	212.54	126.41
<b>Profit after taxation</b>	205.19	100.87	103.43
<b>ROA (%)</b>	10.37	6.74	-
<b>ROE (%)</b>	26.99	16.26	-

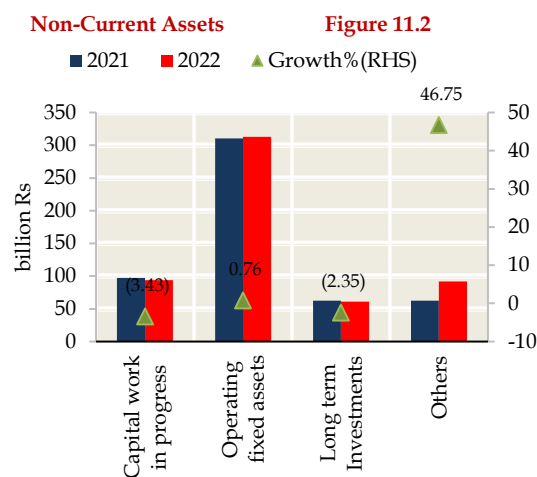
## Assets

Overall assets size of the coke & refined petroleum sector increased to Rs 2,386.12 billion in 2022 from Rs 1,571.87 billion in 2021, posting an increase of Rs 814.26 billion. Most of the assets increase was in the form of current assets, which increased to Rs 1,826.28 billion in 2022, showing a growth of 75.80 percent. Within current assets, significant increase was observed in inventories and trade debt. The inventories grew by 166.88 percent, reaching Rs 584.56 billion in 2022 from Rs 219.04 billion. The trade debt & account receivables grew by 60.16 percent, reaching Rs 896.92 billion in 2022. However, short-term investments decreased to Rs 68.32 billion in 2022 from Rs 87.12 billion in 2021. Cash & bank balances posted a growth of

78.09 percent (Rs 67.37 billion) during 2022.

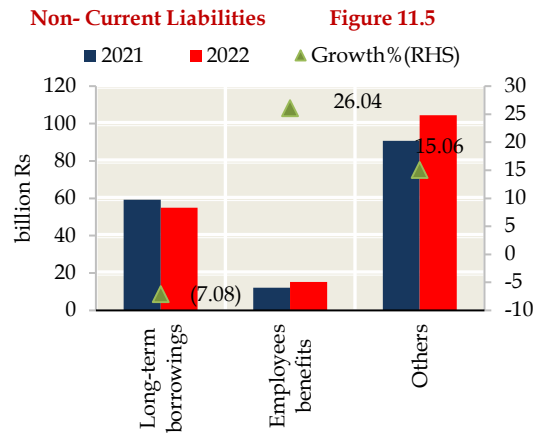
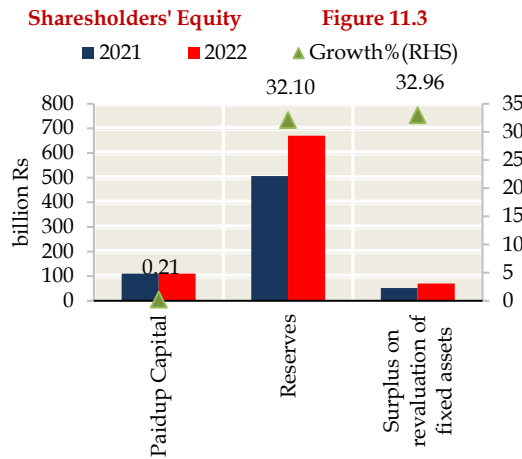


The non-current assets increased by Rs 26.80 billion during 2022, which came primarily in other non-current assets (Rs 29.23 billion) during 2022.

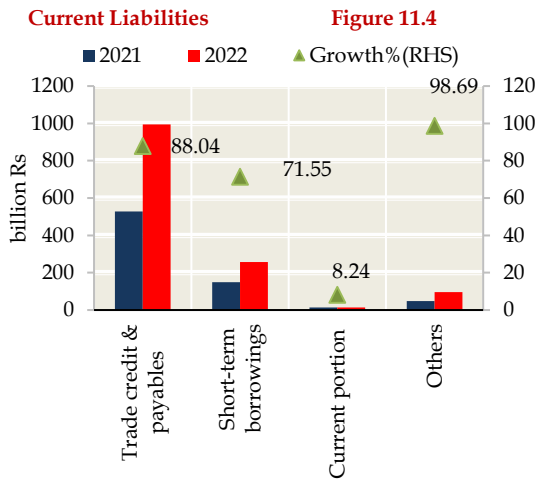


## Shareholders' Equity & Liabilities

Total shareholders' equity reached Rs 850.30 billion in 2022 from Rs 670.00 billion in 2021, posting a growth of 26.91 percent, which is mainly attributed to increase in reserves (Rs 162.81 billion). Besides, surplus on revaluation of fixed assets increased by Rs 17.26 billion (32.96 percent) during 2022.



Total liabilities increased by 70.29 percent, reaching Rs 1,535.82 billion in 2022 from Rs 901.87 billion in 2021. A further analysis reveals that current liabilities grew by 83.98 percent (Rs 621.35 billion) during 2022, reaching Rs 1,361.24 billion. Trade credit and short term borrowings were major contributors in the rise of current liabilities. Specifically, trade credit (which holds 73.01 percent share of current liabilities) increased by Rs 465.28 billion during 2022 whereas short-term borrowings increased by Rs 107.02 billion.

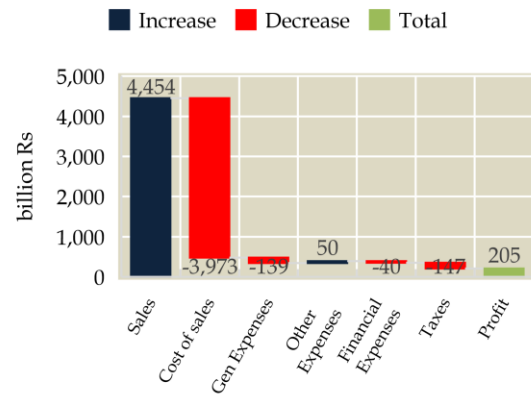


The non-current liabilities of the sector increased by Rs12.61 billion, mainly due to increase in other non-current liabilities (Rs 14.70 billion).

### Operating Efficiency & Ratio Analysis

The sales of the sector reached Rs 4,454.01 billion in 2022, posting a YoY increase of Rs 2,050.87 billion. The gross profit of the sector increased to Rs 481.21, posting a YoY increase of Rs 268.67 billion during 2022. On the back of smaller growth in expenses, EBIT increased by Rs 221.50 billion during 2022.

**Operating Efficiency 2022** **Figure 11.6**



Increase in profit before taxation was observed owing to relatively smaller rise in interest expenses, posting a YoY growth of 143.77 percent during 2022. The profit after taxation ended up at Rs 205.19 billion during 2022, posting a YoY growth of 103.43 percent.

Both return on equity (ROE) and return on assets (ROA) witnessed significant improvement

during 2022. While ROE increased from 16.26 percent to 26.99 percent during 2022, the ROA improved from 6.74 percent in 2021 to 10.37 percent.

Similar pattern can be observed in other profitability ratios, like net profit margin and basic earnings per share.

