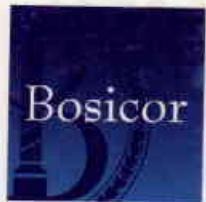


Accounts for the
Half Year Ended
December 31, 2003
Bosicor Pakistan Limited



Boscor Pakistan Limited		Annual Report 2011	
		2011	2010
Assets			
Current Assets		1,234,567	1,123,456
Cash and bank balances		123,456	112,345
Trade receivables		234,567	223,456
Inventories		345,678	334,567
Prepaid expenses		45,678	44,567
Other current assets		85,988	88,987
Non-current Assets		1,111,111	1,011,111
Property, plant and equipment		800,000	750,000
Intangible assets		100,000	100,000
Other non-current assets		211,111	161,111
Total Assets		2,345,678	2,134,567
Equity and Liabilities			
Equity		1,234,567	1,123,456
Share capital		100,000	100,000
Reserves		1,134,567	1,023,456
Liabilities		1,111,111	1,011,111
Current liabilities		800,000	750,000
Non-current liabilities		311,111	261,111
Total Equity and Liabilities		2,345,678	2,134,567

10. **Corporate Governance** - 10%
- 10.1 **Board of Directors** - 5%
- 10.1.1 **Composition** - 2%
- 10.1.2 **Independence** - 3%
- 10.2 **Board Committees** - 5%
- 10.2.1 **Remuneration Committee** - 2%
- 10.2.2 **Audit Committee** - 3%
- 10.3 **Shareholders** - 5%
- 10.3.1 **General Meeting** - 2%
- 10.3.2 **Dividend Payout** - 3%
- 10.4 **Other** - 5%
- 10.4.1 **Code of Conduct** - 2%
- 10.4.2 **Other** - 3%

COMPANY INFORMATION

Board of Directors

Chairman & CEO

Mr. Parvez Abbasi

Directors

Mr. Amir A. Abbassciy
 Mr. Muhammad Rashid Zahir
 Mr. Rizwan A. Panjwani
 Syed Arshad Raza
 Mrs. Uzma A. Abbassciy
 Mrs. Samia Roomi

Chief Financial Officer Corporate Secretary

Mr. Tariq Mohammad Khan
 Mr. Abid Amin

Audit Committee

Mr. Muhammad Rashid Zahir - Chairman
 Mr. Amir A. Abbassciy - Member
 Mr. Rizwan A. Panjwani - Member

Registered & Corporate Office

2nd Floor, Business Plaza
 Mumtaz Hasan Road-Karachi

Plant

Mouza Kund, Sub Tehsil Gadani
 Lasbella-Baluchistan

Bankers

Habib Bank Limited
 National Bank of Pakistan
 Union Bank Limited
 Saudi Pak Commercial Bank Limited
 The Bank of Khyber

Auditors

Khalid Majid Rahman Sarfaraz Rahim Iqbal Rafiq
 Chartered Accountants

Legal Advisor

Saleem uz Zaman of Kabraji & Talibuddin

DIRECTORS' REPORT

I am pleased to present on behalf of the Board of Directors, the report of the company together with the Reviewed Accounts for the half year ended 31st December 2003.

The Mouza Kund Plant 1 (MKP 1) Facilities were hot commissioned in October 2003 and commenced dispatch of its products comprising primarily of Kerosene, High Speed Diesel, and Furnace Oil to Pakistan State Oil Company Limited in November 2003.

The Company will commence commercial operations from 1st July 2004. We expect that the Plant will be supplying the complete range of its petroleum products and will be operating at its optimum capacity during the year 2004 - 2005 with environment, health and safety guidelines firmly in place.

Efforts have now been initiated to reduce the overall operating and financial costs of the Company.

The Board places on record its gratitude to its valued Shareholders, Federal and Provincial Governments, Banks and Financial Institutions for their cooperation and continued support.

The Board also expresses its appreciation for the valuable services, loyalty and efforts rendered by the Executives, Staff Members and Workers of the Company, during the period under review.

In conclusion, we pray to Almighty Allah for his continued blessings and guidance.

For and on behalf of the Board of Directors
Parvez Abbasi
Chairman & Chief Executive

Karachi : 28th February 2004

REVIEW REPORT TO THE MEMBERS

We have reviewed the annexed balance sheet of Bosicor Pakistan Limited as at December 31, 2003, cash flow statement and statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "financial statements") for the half-year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the International Standard on Auditing applicable to review engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the annexed financial statements are not presented fairly, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Khalid Majid Rahman Sarfaraz
Rahim Iqbal Rafiq
Chartered Accountants

Karachi
Dated : 28th February 2004



BALANCE SHEET AS AT DECEMBER 31, 2003

(Unaudited) (Audited)

December 31, 2003 June 30, 2003

	Note	Rs.'000	
Tangible Fixed Assets			
Operating assets	4	48,932	22,778
Capital work-in-progress	4	2,379,974	2,299,689
Unallocated capital expenditure	5	527,448	415,437
		2,956,354	2,737,904
Investment Property	7	-	29,000
Long Term Deposits & Deferred Cost		12,497	16,020
Current Assets			
Stock in trade		329,911	-
Stores and spares		17,862	-
Debtor - Considered good		233,614	-
Advances, deposits, prepayments & other receivables		93,857	43,713
Cash & bank balances		54,176	704
		729,420	44,417
Current Liabilities			
Current obligation under finance lease		30,141	30,700
Current portion of long term loan		111,358	85,291
Short term finances - secured	8	267,720	-
Creditors, Accrued & other liabilities		682,300	94,326
Provision for taxation		1,438	-
		1,092,957	210,317
Net current (liabilities) / assets		(363,537)	(165,900)
Long Term Liabilities			
Long term loan		365,625	385,675
Gratuity Payable		-	245
Loan from Sponsors and Associated Undertakings		443,898	430,902
Obligation under finance lease	9	45,326	49,736
		(854,849)	(866,558)
Contingencies and commitments	11	-	-
Net Assets		<u>1,750,466</u>	<u>1,750,466</u>
Represented by			
Authorized capital			
217,000,000 ordinary shares of Rs. 10/-each		2,170,000	2,170,000
Issued, subscribed and paid up capital		1,750,466	1,750,466
		<u>1,750,466</u>	<u>1,750,466</u>

Chairman & CEO

Director

CASH FLOW STATEMENT (Unaudited) FOR HALF YEAR ENDED DECEMBER 31, 2003

	<u>December 31,</u> <u>2003</u>	<u>December 31,</u> <u>2002</u>
	Rs.'000	
CASH FLOW FROM OPERATING ACTIVITIES		
Changes in working capital		
(Increase) / Decrease in current assets		
Stock in trade	(329,911)	-
Stores and spares	(17,862)	-
Debtor	(233,614)	-
Advances, deposits, prepayments & other receivables	(47,143)	3,351
	(628,530)	3,351
Increase / (Decrease) in current liabilities		
Accrued and other liabilities	589,413	(7,853)
Net cash used in operating activities	(39,118)	(4,502)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(94,461)	(77,830)
Unallocated capital expenditure	(90,686)	(61,471)
Sale proceed from investment property	10,000	-
Long term deposits and deferred cost	(977)	14,793
Net cash used in investing activities	(176,123)	(124,508)
CASH FLOW FROM FINANCING ACTIVITIES		
Loans from sponsors	12,995	12,583
Repayment of obligation under finance lease	(17,774)	(37,172)
Running finance	217,720	-
Short term finance	50,000	-
Long term loan	6,017	130,025
Gratuity paid	(245)	-
Deferred liabilities	-	14,505
Net cash flow from financing activities	268,713	119,941
Decrease/(Increase) in cash and cash equivalents	53,472	(9,069)
Cash and cash equivalents at the beginning of the period	704	9,282
Cash and cash equivalents at the end of the period	54,176	213

Chairman & CEO

Director

**STATEMENT OF CHANGES IN EQUITY (Unaudited)
FOR THE HALF YEAR ENDED DECEMBER 31, 2003**

Rs.'000

Particulars	Issued share capital	Advance against share capital	Total
Balance as at July 01, 2002	1,377,566	372,900	1,750,466
Share capital issued	372,900	(372,900)	-
Balance as at June 30, 2003	<u>1,750,466</u>	<u>-</u>	<u>1,750,466</u>
Balance as on December 31, 2003	<u><u>1,750,466</u></u>	<u><u>-</u></u>	<u><u>1,750,466</u></u>

Chairman & CEO

Director

BOSICOR PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)
FOR THE HALF YEAR ENDED DECEMBER 31,2003.

1 The Company and Its Operations

1.1 The Company was incorporated in Pakistan as a Public Limited Company on 9th January, 1995. The Company is listed on Karachi and Lahore Stock Exchanges. The principal business of the company is refining and selling of the petroleum products.

1.2 The company will commence commercial operation from 1st July 2004. During the period the company started trial production with effect from 1st November 2003, results of which are disclosed in Note # 6.1.

2 Basis of Preparation

These financial statements are unaudited but subject to limited scope review by the auditors and are submitted to the share holders as required under Section 245 of the Companies Ordinance, 1984. These financial statement have been prepared in accordance with the requirements of the International Accounting Standard 34 (Interim Financial Reporting) as applicable in Pakistan.

3 Accounting Policies

The accounting policies and methods of computation followed for the preparation of these financial statements are the same as those applied in preparing the financial statements for the year ended 30th June, 2003 except for the following policies adopted as a result of commencement of trial production.

3.1 Taxation

Current

Tax has been provided u/s 113 of the Income Tax Ordinance 2001.

3.2 Inventories

The basis of valuation has been specified against each.

Stores, spares and loose tools:

In hand	-	At moving average cost.
In transit	-	Actual cost incurred upto the balance sheet date

Stock in trade

Stock of crude oil is valued at cost determine on a first-in-first-out basis. Crude oil in transit is valued at cost comprising invoice value plus other charges incurred thereon accumulated to the balance sheet date. Stock of finished products are valued at lower of cost and net realizable value. Cost in relation to finished products represent cost of crude oil and an appropriate allocation of manufacturing overheads. Net realizable value (NRV) represents ex-refinery prices as determined by the Oil Companies Advisory Committee, (OCAC).

3.3 Trade debts

Known bad debts are written off and provision is made for debts considered doubtful.

3.4 Revenue recognition

Sales are recognized on delivery of finished products.

4 Fixed Assets and Capital Work In Progress

Fixed Capital expenditure during the period amounted to Rs.108.765 million (June 30, 2003: Rs.184.441 million).

5 Unallocated Capital Expenditure

	<u>Dec 31, 2003</u>	<u>Jun 30, 2003</u>
	<u>Rs.'000</u>	
Unallocated Capital Expenditure	506,037	415,437
Trial run loss	21,411	-
	<u>527,448</u>	<u>415,437</u>

6 Result of Trial Run

6.1 Net sales	250,097
Cost of sales	<u>(262,993)</u>
Gross profit / (Loss)	(12,896)
Administrative and general expense	<u>(3,995)</u>
Operating profit/ (Loss)	(16,891)
Financial charges	<u>(3,082)</u>
Profit/ (Loss) before Taxation	(19,973)
Taxation	(1,438)
Trial run loss transferred to unallocated capital expenditure	<u>(21,411)</u>

7 Investment property

Disposal of land costing Rs.29 Million was made during the period at a price of Rs. 10 Million. The loss incurred has been transferred to unallocated capital expenditure.

	<u>Dec 31, 2003</u>	<u>Jun 30, 2003</u>
	<u>Rs.'000</u>	
8 Short term finance		
Running Finance	217,720	-
Short term Finance	50,000	-
	<u>267,720</u>	<u>-</u>

8.1 During the period company obtained running finance facility with limit of Rs.300 million with mark up ranging from 7 to 10 % secured by way of pari passu charge on Plant and Machinery.

8.2 The company also obtained finance with a markup of 7% secured against charge on plant and machinery including stores and spares.

9 Obligation under finance lease

During the period, the company obtained further lease facility of Rs. 14.305 million.

Dec 31, 2003 Jun 30, 2003

10 Related party transactions

Rs.'000

Purchase of operating assets and services	<u>1,587</u>	<u>-</u>
Loans from sponsors and associated undertakings - net	<u>12,995</u>	<u>128,806</u>

Transactions with related party are entered into and recorded at fair value.

11 Contingencies and commitment**11.1 Contingencies**

There is no change in contingencies during the period as disclosed in note 15 of the Audited financial statements for the year ended 30th June, 2003.

11.2 Commitment

Commitment in respect of letter of credits amounting to Rs.571.074 Million (June 2003:Rs 46.024 Million)

12 Authorization for Issue

These financial statements have been authorized for issue on 28th February, 2004 by the Board of Directors of the Company.

13 General

13.1 Figures have been rounded off to the nearest rupee.

13.2 The Company has not yet started its commercial operations and as such Profit and Loss Account has not been prepared.

Chairman & CEO

Director

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(Under Postal Certificate)

If undelivered please return to :

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Bosicor Pakistan Limited