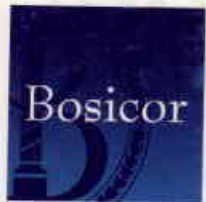


Accounts for the  
Half Year Ended  
December 31, 2003  
Bosicor Pakistan Limited



Boscor Pakistan Limited		Annual Report 2011	
		2011	2010
<b>Assets</b>			
Fixed Assets		1,234,567	1,123,456
Current Assets		567,890	678,901
Intangible Assets		12,345	23,456
Other Assets		34,567	45,678
<b>Total Assets</b>		<b>1,848,769</b>	<b>1,871,491</b>
<b>Liabilities</b>			
Current Liabilities		789,012	890,123
Long-term Liabilities		234,567	345,678
Other Liabilities		123,456	234,567
<b>Total Liabilities</b>		<b>1,146,035</b>	<b>1,470,368</b>
<b>Equity</b>			
Share Capital		100,000,000	100,000,000
Reserves		748,769	371,491
<b>Total Equity</b>		<b>748,769</b>	<b>371,491</b>

- 1. **Corporate Governance Structure** (T.M.V. 10)
- 2. **Board of Directors** (T.M.V. 10)
- 3. **Shareholders** (T.M.V. 10)
- 4. **Management** (T.M.V. 10)
- 5. **Internal Control System** (T.M.V. 10)
- 6. **Financial Statements** (T.M.V. 10)
- 7. **Annual Report** (T.M.V. 10)
- 8. **Dividends** (T.M.V. 10)
- 9. **Share Transfer** (T.M.V. 10)
- 10. **Share Buyback** (T.M.V. 10)
- 11. **Share Pledging** (T.M.V. 10)
- 12. **Share Lending** (T.M.V. 10)
- 13. **Share Repurchase** (T.M.V. 10)
- 14. **Share Redemption** (T.M.V. 10)
- 15. **Share Conversion** (T.M.V. 10)
- 16. **Share Split** (T.M.V. 10)
- 17. **Share Consolidation** (T.M.V. 10)
- 18. **Share Mergers** (T.M.V. 10)
- 19. **Share Acquisitions** (T.M.V. 10)
- 20. **Share Offerings** (T.M.V. 10)
- 21. **Share Subscriptions** (T.M.V. 10)
- 22. **Share Allotment** (T.M.V. 10)
- 23. **Share Issuance** (T.M.V. 10)
- 24. **Share Listing** (T.M.V. 10)
- 25. **Share Trading** (T.M.V. 10)
- 26. **Share Settlement** (T.M.V. 10)
- 27. **Share Clearance** (T.M.V. 10)
- 28. **Share Delivery** (T.M.V. 10)
- 29. **Share Custody** (T.M.V. 10)
- 30. **Share Record Keeping** (T.M.V. 10)
- 31. **Share Reporting** (T.M.V. 10)
- 32. **Share Transparency** (T.M.V. 10)
- 33. **Share Accountability** (T.M.V. 10)
- 34. **Share Responsibility** (T.M.V. 10)
- 35. **Share Ethics** (T.M.V. 10)
- 36. **Share Integrity** (T.M.V. 10)
- 37. **Share Honesty** (T.M.V. 10)
- 38. **Share Fairness** (T.M.V. 10)
- 39. **Share Justice** (T.M.V. 10)
- 40. **Share Equity** (T.M.V. 10)
- 41. **Share Balance** (T.M.V. 10)
- 42. **Share Proportionality** (T.M.V. 10)
- 43. **Share Reasonableness** (T.M.V. 10)
- 44. **Share Prudence** (T.M.V. 10)
- 45. **Share Caution** (T.M.V. 10)
- 46. **Share Carefulness** (T.M.V. 10)
- 47. **Share Diligence** (T.M.V. 10)
- 48. **Share Diligence** (T.M.V. 10)
- 49. **Share Diligence** (T.M.V. 10)
- 50. **Share Diligence** (T.M.V. 10)

## 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	
<b>Tangible Fixed Assets</b>			
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
<b>Investment Property</b>	7	-	29,000
<b>Long Term Deposits &amp; Deferred Cost</b>		12,497	16,020
<b>Current Assets</b>			
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
<b>Current Liabilities</b>			
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)
<b>Long Term Liabilities</b>			
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)
<b>Contingencies and commitments</b>	11	-	-
<b>Net Assets</b>		<u>1,750,466</u>	<u>1,750,466</u>
<b>Represented by</b>			
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>
	<b>Rs.'000</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Changes in working capital</b>		
<b>(Increase) / Decrease in current assets</b>		
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
<b>Increase / (Decrease) in current liabilities</b>		
Accrued and other liabilities	589,413	(7,853)
Net cash used in operating activities	(39,118)	(4,502)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
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)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
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 &amp; 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.

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Chairman & CEO

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Director

# BOOK POST

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## **Bosicor Pakistan Limited**

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: (92-21) 241-0909,

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**Bosicor Pakistan Limited**