

# Company Information

## Board of Directors

Amir Abbasci, *Chairman*  
Hamid Imtiaz Hanfi, *Director*  
Muhammad Rashid Zahir, *Director*  
Syed Arshad Raza, *Director*

Farooq Ahmed Yamin Zubairi, *Director*  
Samia Roomi, *Director*  
Uzma Abbasci, *Director*

## Audit Sub Committee of the Board

Muhammad Rashid Zahir, *Chairman*  
Hamid Imtiaz Hanfi, *Member*  
Syed Arshad Raza, *Member*

Ozair Muhammad, *Secretary*  
M. Mazahir Hussain (*by invitation*)

## Corporate Secretariat

Hamid Imtiaz Hanfi, *Vice Chairman*  
Amir Waheed Ahmed, *GM Corporate Services*  
& *Company Secretary*

Ozair Muhammad, *Head Internal Financial Audits*

## CEO / President Secretariat & Management Team

Mohammad Wasi Khan, *President & Chief Executive Officer*  
Syed Masood Raza, *VP Admin & HR*  
Derek Lawler, *VP Technical*  
M. Mazahir Hussain, *Chief Financial Officer*

Jawed Ahmed, *VP Commercial*  
Muhammad Waseem, *GM Projects*  
Shamim Anwar, *GM Oil Refining Unit*  
Sh. Atta-ur-Rehman, *Head Oil Marketing Unit*

## Auditors

Faruq Ali & Co. Chartered Accountants

## Legal Advisor

Saleem uz Zaman of Kabraji & Talibuddin

## Bankers

Allied Bank Limited  
Bank Al-Falah Limited  
Bank Islami Pakistan Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited

KASB Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
United Bank Limited  
The Bank of Khyber

## Shares Registrar

THK Associates (Pvt) Limited,  
Ground Floor, State Life Building No.3,  
Dr. Ziauddin Ahmed Road, Karachi - 75530

Tel # (021) 111 000 322  
Fax # (021) 5655595

## Registered Office

2nd Floor, Business Plaza,  
Mumtaz Hassan Road,  
Karachi-74000

Tel # (021) 111 222 081  
Fax # (021) 2420722  
(021) 111 888 081

## Website

[www.bosicor.com.pk](http://www.bosicor.com.pk)

# Directors' Report

In the name of Allah the Most Merciful and the Most Benevolent.

The Directors are pleased to present their report together with the condensed interim financial statements of company for the third fiscal quarter and nine months ended 31st March, 2008.

During the period under review, the refining margins have remained robust and your company was able to partially achieve its targeted profits.

By the grace of Almighty Allah the revamp project has enabled your Company to attain production capacity of over 30,000 barrels per stream day during the later half of this quarter. With the achievement of this historical milestone the Company is now geared to focus on upgrading the supply chain, storage and product handling facilities.

Additionally, with the blessing of Allah, we have successfully launched 16 Petroleum Dispensing Stations till now with the aim to offer POL products and value added services comparable to international excellence and safety standards. We have kept the target as 50 sites for this year; however the target for the next year will be based on the actual results of this year.

During the nine months period under review, the company generated a profit after taxation amounting to Rs. 238.875 million from the sales of Rs 22,724.709 million as compared to a loss after taxation amounting to Rs. 864.040 million earned from the sale of Rs. 16,601.115 million during the corresponding period last year.

## FUTURE OUTLOOK

We feel confident that our strategies will deliver sustained profitable performance and develop our financial strength and grow our strong assets base. We are aiming to develop integrated position in growth areas. To accomplish this, aggressive efforts are under way to deliver the remaining part of the promised growth plan adopted by your Company which includes construction of additional storage tanks, installation of Single Buoy Mooring (SBM) and Isomerization unit, in addition to expanding our presence in the oil marketing business.

Our focus remains on maintaining environment, health and safety and security standards and achieve operational excellence to fuel overall economic growth and human progress. We value efforts, dedication, resourcefulness and sheer ingenuity of our staff which drives our success as our most significant asset.

In conclusion, the Board prays to Almighty Allah for His blessings and true guidance, we would like to extend the gratitude to Shareholders for their continued support, the Financial Institutions for their confidence and trust and the Ministry of Petroleum & Natural Resources for their assistance.

For and on behalf of the Board of Directors

Chairman

Karachi: April 24, 2008

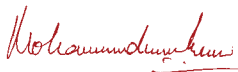
# Balance Sheet

as at March 31, 2008

Amounts in Rs '000

|  | Note | Unaudited<br>Mar 31, 2008 | Audited<br>Jun 30, 2007 |
|--|------|---------------------------|-------------------------|
| <b>ASSETS</b>  |      |                           |                         |
| <b>NON CURRENT ASSETS</b>  |      |                           |                         |
| Property, plant and equipment  | 4    | 7,542,473                 | 6,387,534               |
| Intangible assets  |      | 11,503                    | 14,157                  |
| Long term deposits   |      | 22,138                    | 17,239                  |
| Long term investments  | 5    | 300,000                   | 300,000                 |
| <b>CURRENT ASSETS</b>  |      |                           |                         |
| Stores and spares  |      | 120,607                   | 138,342                 |
| Stock in trade   |      | 4,595,221                 | 5,177,422               |
| Trade debts - considered good  |      | 3,834,434                 | 1,079,213               |
| Loans and advances - considered good   |      | 160,614                   | 87,005                  |
| Trade deposits, prepayments and other receivables  |      | 88,831                    | 252,854                 |
| Cash and bank balances   |      | 1,824,999                 | 1,788,863               |
|  |      | <b>10,624,706</b>         | <b>8,523,699</b>        |
|  |      | <b>18,500,820</b>         | <b>15,242,629</b>       |
| <b>EQUITY AND LIABILITIES</b>  |      |                           |                         |
| <b>SHARE CAPITAL AND RESERVES</b>  |      |                           |                         |
| Authorized share capital<br>500,000,000 (2007: 500,000,000) Ordinary shares of<br>Rs.10/- each |      | 5,000,000                 | 5,000,000               |
| Issued, subscribed and paid-up capital   |      | 3,921,044                 | 2,450,652               |
| Accumulated loss   |      | (176,625)                 | (437,581)               |
|  |      | <b>3,744,419</b>          | <b>2,013,071</b>        |
| Surplus on revaluation of property, plant and equipment  |      | 1,579,617                 | 1,601,698               |
| <b>NON-CURRENT LIABILITIES</b>   |      |                           |                         |
| Contribution towards right issue of shares   |      | -                         | 1,434,028               |
| Loan from sponsor - unsecured  |      | 458,149                   | -                       |
| Term finance certificates - secured  |      | 107,149                   | 321,396                 |
| Long term loans - secured  | 6    | 754,340                   | 984,739                 |
| Liabilities against assets subject to finance lease  |      | 160,049                   | 145,454                 |
| Deferred taxation  |      | 260,463                   | 272,353                 |
| <b>CURRENT LIABILITIES</b>   |      |                           |                         |
| Trade and other payables   | 7    | 10,580,281                | 7,402,998               |
| Accrued markup   |      | 135,310                   | 110,658                 |
| Short term borrowings - secured  |      | -                         | 249,000                 |
| Current portion of non current liabilities   |      | 620,977                   | 610,375                 |
| Provision for taxation   |      | 100,066                   | 96,859                  |
|  |      | <b>11,436,634</b>         | <b>8,469,890</b>        |
| <b>CONTINGENCIES AND COMMITMENTS</b>   |      |                           |                         |
|  | 8    | -                         | -                       |
|  |      | <b>18,500,820</b>         | <b>15,242,629</b>       |

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



Chief Executive



Director

# Profit and Loss Account

for the nine months ended March 31, 2008 (Unaudited)

Amounts in Rs '000

|   | 3 months ended Mar 31 |             | 9 months ended Mar 31 |               |
|---|-----------------------|-------------|-----------------------|---------------|
|   | 2008                  | 2007        | 2008                  | 2007          |
| Gross sales   | 11,456,662            | 4,851,407   | 22,724,709            | 16,601,115    |
| Sales tax, discount and others  | 1,127,592             | 881,235     | 2,711,300             | 3,072,465     |
| Net sales   | 10,329,070            | 3,970,172   | 20,013,409            | 13,528,650    |
| Cost of sales   | 9,773,439             | 3,671,446   | 18,874,524            | 13,868,739    |
| Gross profit / (loss)   | 555,631               | 298,726     | 1,138,885             | (340,089)     |
| Operating expenses  |                       |             |                       |               |
| Administrative expenses   | 59,225                | 38,003      | 164,111               | 122,317       |
| Selling expenses  | 34,601                | 15,053      | 80,367                | 27,655        |
|   | 93,826                | 53,056      | 244,478               | 149,972       |
| Operating profit / (loss)   | 461,805               | 245,670     | 894,407               | (490,061)     |
| Other income  | 20,354                | 6,441       | 68,845                | 27,965        |
|   | 482,159               | 252,111     | 963,252               | (462,096)     |
| Financial and other charges   | 332,532               | 153,962     | 630,189               | 339,663       |
| Profit / (loss) before taxation   | 149,627               | 98,149      | 333,063               | (801,759)     |
| Taxation  |                       |             |                       |               |
| Current   | 51,645                | 19,851      | 100,067               | 67,643        |
| Prior   | 6,011                 | -           | 6,011                 | -             |
| Deferred  | (3,799)               | (4,021)     | (11,890)              | (5,362)       |
|   | 53,857                | 15,830      | 94,188                | 62,281        |
| Profit / (loss) after taxation  | 95,770                | 82,319      | 238,875               | (864,040)     |
| <b>Earnings / (loss) per share -<br/>    basic and diluted (Rupees)</b> | <b>0.25</b>           | <b>0.29</b> | <b>0.62</b>           | <b>(3.01)</b> |

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



Chief Executive



Director

# Cash Flow Statement

for the nine months ended March 31, 2008 (Unaudited)

Amounts in Rs '000

|   | <b>9 months ended Mar 31</b> |                    |
|---|------------------------------|--------------------|
|   | <b>2008</b>                  | <b>2007</b>        |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                              |                    |
| Profit / (loss) before taxation                                 | 333,063                      | (801,759)          |
| Adjustments for non-cash charges and other items:               |                              |                    |
| Depreciation  | 182,516                      | 148,923            |
| Financial charges   | 630,189                      | 339,663            |
| Amortization of intangible assets                               | 2,654                        | -                  |
| Gain on disposal of vehicle                                     | (156)                        | -                  |
| Operating profit / (loss) before working capital changes        | <u>1,148,266</u>             | <u>(313,173)</u>   |
| <b>Movement in working capital</b>                              |                              |                    |
| <i>(Increase) / decrease in current assets</i>                  |                              |                    |
| Stores and spares   | 17,735                       | (41,555)           |
| Stock in trade  | 582,201                      | (991,223)          |
| Trade debts - considered good                                   | (2,755,221)                  | (57,195)           |
| Loans and advances  | (73,609)                     | (305,259)          |
| Trade deposits, prepayments and other receivables               | 138,495                      | (33,522)           |
| <i>Increase / (decrease) in current liabilities</i>             |                              |                    |
| Trade and other payables  | <u>3,177,283</u>             | <u>1,048,048</u>   |
| Cash generated from / (used in) operations                      | <u>2,235,150</u>             | <u>(693,879)</u>   |
| Payments for:   |                              |                    |
| Financial charges   | (605,537)                    | (427,362)          |
| Dividend  | -                            | (79,374)           |
| Income tax  | (77,776)                     | (108,336)          |
| Net cash flow from / (used in) operating activities             | <u>1,551,837</u>             | <u>(1,308,951)</u> |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |                              |                    |
| Fixed capital expenditure                                       | (1,287,252)                  | (488,329)          |
| Proceeds from disposal of vehicle                               | 1,309                        | -                  |
| Long term deposits  | (4,467)                      | -                  |
| Net cash used in investing activities                           | <u>(1,290,410)</u>           | <u>(488,329)</u>   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                      |                              |                    |
| Contribution towards right issue of shares                      | 36,364                       | -                  |
| Short term financing - net                                      | (249,000)                    | 717,750            |
| Loan from sponsor   | 458,149                      | 300,592            |
| Repayment of obligation under finance lease                     | (26,154)                     | (16,935)           |
| Repayment against term finance certificates                     | (214,247)                    | (214,286)          |
| Long term loans - net   | (230,403)                    | 221,221            |
| Net cash (used in) / generated from financing activities        | <u>(225,291)</u>             | <u>1,008,342</u>   |
| <b>Net increase / (decrease) in cash and cash equivalents</b>   | <b>36,136</b>                | <b>(788,938)</b>   |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>1,788,863</b>             | <b>2,189,778</b>   |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>1,824,999</b>             | <b>1,400,840</b>   |

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



Chief Executive



Director

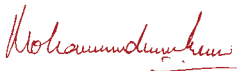
# Statement of Changes in Equity

for the nine months ended March 31, 2008 (Unaudited)

Amounts in Rs '000

|   | Issued,<br>subscribed<br>and paid-up<br>capital | Accumulated<br>profit / (loss) | Total            |
|---|---|--------------------------------|------------------|
| <b>Balance as on July 01, 2006</b>  | 2,450,652                                       | 307,939                        | 2,758,591        |
| Final dividend for the year<br>ended June 30, 2006                                    | –   | (81,785)                       | (81,785)         |
| Net loss for the period   | –   | (864,040)                      | (864,040)        |
| Transfer from surplus on revaluation of<br>property, plant and equipment - net of tax | –   | 9,960                          | 9,960            |
| <b>Balance as at March 31, 2007</b>   | <u>2,450,652</u>                                | <u>(627,926)</u>               | <u>1,822,726</u> |
| <b>Balance as at July 01, 2007</b>  | 2,450,652                                       | (437,581)                      | 2,013,071        |
| Issuance of right shares  | 1,470,392                                       | –                              | 1,470,392        |
| Net profit for the period   | –   | 238,875                        | 238,875          |
| Transfer from surplus on revaluation of<br>property, plant and equipment - net of tax | –   | 22,081                         | 22,081           |
| <b>Balance as at March 31, 2008</b>   | <u>3,921,044</u>                                | <u>(176,625)</u>               | <u>3,744,419</u> |

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



Chief Executive



Director

# Notes to the Financial Statements

for the nine months ended March 31, 2008 (Unaudited)

## 1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a Public Limited Company on January 09, 1995 and was granted a certificate of commencement of business on March 13, 1995. The company is quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The principal business of the company is refining and selling of the petroleum products.

## 2 BASIS OF PREPARATIONS

These financial statements are unaudited and have been prepared in accordance with the requirements of section 245 of the Companies Ordinance 1984 and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

## 3 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these nine monthly accounts are the same as those applied in the preparation of the financial statements for the preceding year ended June 30, 2007.

Amounts in Rs '000

|  | Mar 31, 2008     | Jun 30, 2007     |
|--|------------------|------------------|
| <b>4 PROPERTY, PLANT AND EQUIPMENT</b>         |                  |                  |
| Operating fixed assets - at written down value | 4,928,006        | 5,077,202        |
| Capital work in progress - at cost             | 2,614,467        | 1,310,332        |
|  | <u>7,542,473</u> | <u>6,387,534</u> |
| <b>5 LONG TERM INVESTMENT</b>                  |                  |                  |
| Associated companies                           |                  |                  |
| Bosicor Chemicals Pakistan Limited             | 150,000          | 150,000          |
| Bosicor Oil Pakistan Limited                   | 150,000          | 150,000          |
|  | <u>300,000</u>   | <u>300,000</u>   |

5.1 These represent advance against future issuance of 15 million shares @ Rs.10/- in each of the associated companies.

## 6 LONG TERM LOANS - Secured

|                        |                  |                  |
|------------------------|------------------|------------------|
| From Banks             |                  |                  |
| Term finance           | 33,333           | 49,999           |
| Term finance - I       | 179,010          | 238,680          |
| Term finance - II      | 150,000          | 175,000          |
| Syndicated Loan        | 630,000          | 700,000          |
| From Related Party     |                  |                  |
| Financial Institution  |                  |                  |
| Term finance           | 18,750           | 32,813           |
| Term finance - II      | 105,000          | 150,000          |
|                        | <u>1,116,093</u> | <u>1,346,492</u> |
| Less: Current maturity |                  |                  |
| Banks                  | 283,003          | 283,003          |
| Related party          | 78,750           | 78,750           |
|                        | <u>361,753</u>   | <u>361,753</u>   |
|                        | <u>754,340</u>   | <u>984,739</u>   |

Mar 31, 2008 Jun 30, 2007

**7 TRADE AND OTHER PAYABLES**

|                                    |                   |                  |
|------------------------------------|-------------------|------------------|
| Bills payable                      | 9,740,761         | 7,122,325        |
| Creditors for services             | 144,077           | 96,220           |
| Creditors for supplies             | 104,251           | 94,696           |
| Sales tax payable                  | 464,206           | -                |
| Advances from customers            | 98,966            | 64,911           |
| Payable to staff provident fund    | 1,623             | 963              |
| Accrued expenses                   | 263               | 477              |
| Withholding tax deductions payable | 5,071             | 2,210            |
| Other payables                     | 21,063            | 21,196           |
|                                    | <b>10,580,281</b> | <b>7,402,998</b> |

**8 CONTINGENCIES AND COMMITMENTS**

Commitments in

Letter of credits other than capital expenditures amounting to Rs. 3,047 million (2007: Rs. NIL.)  
capital expenditures amounting to Rs. 856 million (2007: Rs. 915 million.)

**9 TRANSACTIONS WITH RELATED PARTIES****Holding company:**

|                 |         |         |
|-----------------|---------|---------|
| Receipt of loan | 458,149 | 367,914 |
| Mark up         | 14,693  | -       |

**Associated companies:**

|  |         |         |
|--|---------|---------|
| Purchase of operating fixed assets               | 1,429   | 10,680  |
| Services received                                | 18,627  | 1,845   |
| Sale of fixed assets                             | 1,184   | 12,000  |
| Rent   | 262     | 350     |
| Receipt of loans                                 | -       | 225,000 |
| Repayment of loan and lease liabilities          | 97,103  | 58,298  |
| Payment against services (freight for crude oil) | 265,162 | 372,657 |
| Advance towards equity investment                | -       | 300,000 |
| Markup on borrowings and leases                  | 14,632  | 22,733  |

**Staff provident fund**

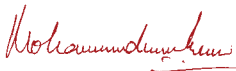
|   |        |        |
|---|--------|--------|
| Payment of employees and company's contribution | 14,104 | 10,321 |
|---|--------|--------|

**10 DATE OF AUTHORIZATION OF ISSUE**

The financial statements were authorized for issue on April 24, 2008 in accordance with resolution of the Board of Directors of the company.

**11 GENERAL**

These financial statements are presented in rupees and figures have been rounded off to the nearest thousand rupees.



Chief Executive



Director