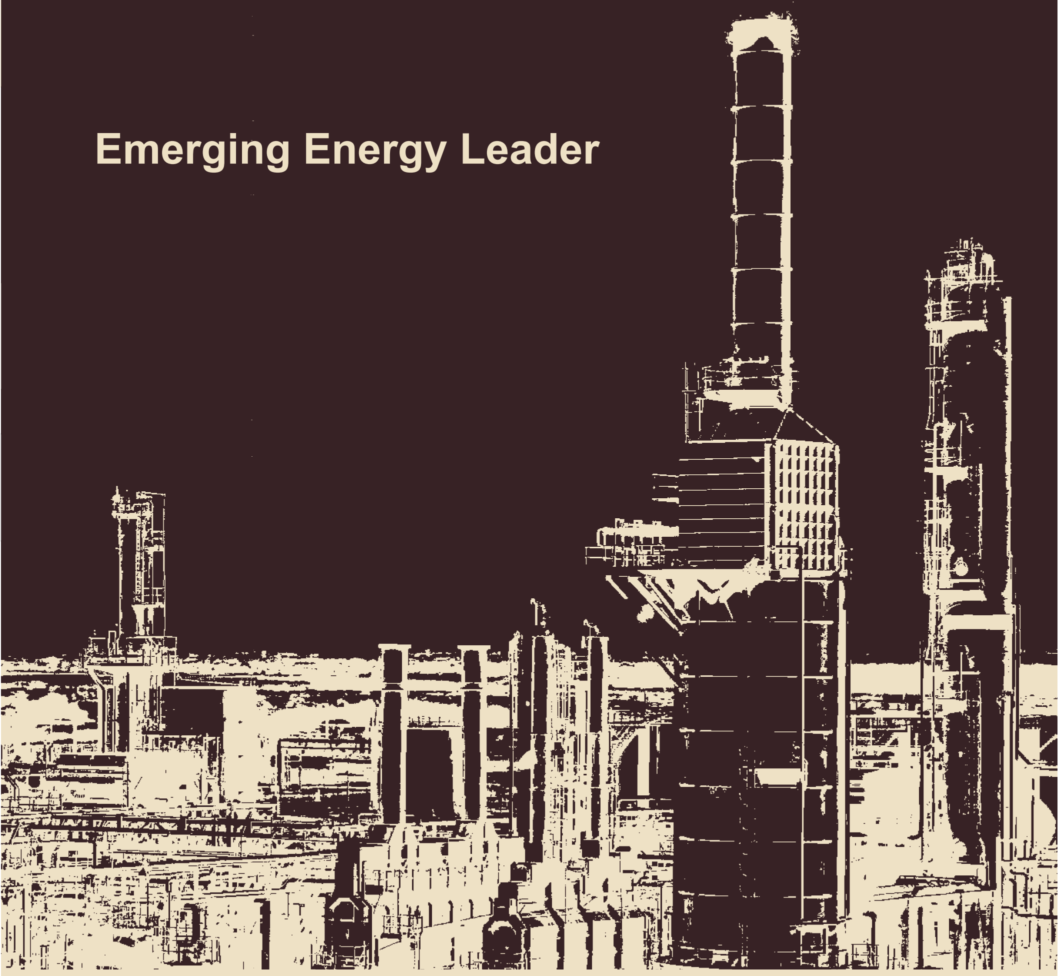
Byco

Emerging Energy Leader



Byco Petroleum Pakistan Limited

(Formerly Bosicor Pakistan Limited)

second fiscal
quarter report
December 31, 2009

Contents

Company Information

Board of Directors
Amir Abbassciy, *Chairman & CEO*

Hamid Imtiaz Hanfi, *Director*
Muhammad Rashid Zahir, *Director*
Syed Arshad Raza, *Director*
Farooq Ahmed Yamin Zubairi, *Director*
Samia Roomi, *Director*
Uzma Abbassciy, *Director*

Kashif Shah, *Sponsors' Advisor (by invitation)*
Amir Waheed Ahmed, *Company Secretary*

Audit Sub Committee of the Board
Muhammad Rashid Zahir, *Chairman*
Hamid Imtiaz Hanfi, *Member*
Syed Arshad Raza, *Member*
Ozair Muhammad, *Secretary*

Corporate Secretariat
Hamid Imtiaz Hanfi, *Vice Chairman*
Jawed Ahmad, *VP Corporate Compliance*
Amir Waheed Ahmed, *GM Corporate Services*
Syed Masood Raza, *VP Corporate Strategy*

Presidents & Management Teams
Kalim A. Siddiqui, *President Petroleum Marketing*
Sh. Atta-ur-Rehman, *Head of Marketing*
Zafar Ahmed Khan, *Head of Operations*
Zafar Haleem, *President Oil Refining*
Shamim Anwar, *GM Oil Refining*

Corporate Office
Imran Farookhi, *GM Admin & HR*
Roshan Mehri, *GM Treasury & CFO*
Wajahat Athar Jafri, *GM Commercial*
Derek Lawler, *VP Technical*

Legal Counsel
Shahana Ahmed Ali

Auditors
Faruq Ali & Co. Chartered Accountants

Bankers
Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
Bank Islami Pakistan Limited
Barclays Bank PLC, Pakistan
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
KASB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Khyber
United Bank Limited

Share Registrar
FAMCO Associates (Pvt) Limited
First Floor, State Life Building No. 1A,
I. I. Chundrigar Road, Karachi - 74000
Tel: (92 21) 3242 7012, 3242 6597, 3242 5467
Fax: (92 21) 3242 6752, 3242 8310

Registered Office
9th Floor, The Harbour Front, Dolmen City
HC-3, Block-4, Marine Drive, Clifton
Karachi-75600, Pakistan
Tel: (92 21) 111 222 081
Fax: (92 21) 111 888 081

Website
www.byco.com.pk

Directors' Report

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

The Board of Directors of the Company present their report together with the condensed interim financial statements of the Company for the six month period ending December 31, 2009 and the review report of the external Auditors' thereon.

During the fourth quarter of the calendar year 2009, most large economies posted respectable growth numbers and in their case, what is now called the Great Recession seems to be finally over. However, in our Country we continue to be challenged by external and socio-economic issues. In the face of a dramatically weaker industry environment, with refining margins in the fourth quarter at the lowest level for almost 15 years, your Company has strived to continue making steady progress in its various projects and also in diversifying its operations.

One of the significant issues facing the industry is achieving an equitable refining pricing mechanism. Pursuant to the recommendations of the judicial commission, headed by Mr. Justice (R) Rana Bhagwandas, a Committee comprising of experts, Refinery representatives and other Stakeholders was constituted by the Ministry of Petroleum & Natural Resources. Presently, this Committee is actively working through a number of options to reach to a mechanism which can ensure a fair and consistent Gross Refinery Margin (GRM) for Refineries whereby their expenses and a reasonable return for the investors/shareholders is covered. The current profitability issues are also caused by factors like circular debt and devaluation of Rupee. The Refineries have been emphasizing that the revised mechanism must also be capable of addressing these abnormal elements which are not part of core refining business and thus beyond their control. It is expected that the Committee will formulate its recommendations by the end of February 2010.

Due to diversification of our operations, during the quarter ended December 31, 2009, your Refinery has been able to achieve a profit of Rs. 6.061 million at the gross level after a period of almost one and a half year. Your Refinery operated at an average capacity of 17,800 bpd. However, due to Circular Debt issues, the financial charges in this quarter were over Rs. 440 million with Rs. 82 million being incurred on account of exchange losses. This has resulted in a loss after taxation of Rs. 840 million on net sales of Rs. 10,982 million as against a loss after tax of Rs. 5,408 million from net sales of Rs. 10,358 million in the same period last year. The cumulative loss after tax for the half year ended December 31, 2009 amounted to Rs. 1,955 million as against a loss of Rs. 7,918 million for the same period last year.

As you are aware, our Petroleum Marketing Business (PMB) has been revitalized with a new vision through the addition of quality human resource. With a rich blend of youth and experience, PMB is gearing up to be a significant player in the oil marketing sector of Pakistan's economy. Though in its infancy stages, PMB has already gained the coveted no. 6 position amongst the 11 OMCs up to December 2009 with a cumulative market share of 1.6% in liquid fuels. Following a multipronged strategy entailing rapid expansion in our key segments of Retail, Consumer and International Sales, PMB has already established 52 retail outlets up to December 09 and is expected to add more than 50 modernized sites within the current financial year. Aspiring to cater to the Country's fuel requirements; plans are underway to market quality LPG and Lubricants to the consumers.

Supply chain mechanism has been strengthened with availability of storages at Keamari, Machike, Ghatti, and Chaklala in order to meet marketing requirements. Keeping in mind the Country's energy requirements, PMB has finalized fuel supply agreement with a major rental power project which will enable us to have a sustainable business over an extended period of time. Further avenues of sustainable business are being explored in all major segments in alignment with our strategy.

Detailed engineering work for debottlenecking of your Refinery to increase its throughput capacity with minimal capital expenditure has also commenced. The project execution will be implemented in two phases; the first phase will be done in the upcoming Turnaround in May/June this year and the second phase will be completed during the next fiscal year.

Work on the Isomerization plant is progressing as per plan and it will be ready for mechanical commissioning soon. However, this plant will commence its operations when our associated company, Byco Oil Pakistan Limited (BOPL), starts up its refining operations, as our Isomerization Plant will also take its Naptha feed from BOPL.

Your Sponsoring shareholders continue to show their full commitment to the company and have injected additional cash of Rs 250 million as Sponsor Loan during the quarter under review.

Auditor's observations

Auditors of the company have modified their review report by way of a qualification and a matter of emphasis paragraph as following:

- As basis for the qualified conclusion, they have expressed their reservations regarding the amount receivable from the crude supplier amounting to US$ 8.493 million equivalent to Rs.715.938 million. They are of the opinion that the same should not be accounted for in the financial statements on account of uncertainties involved therein. We are in the process of settlement of the said claim with the supplier in an amicable manner; however, if the same remains unrecovered by the end of June 30, 2010, full provision of entire amount will be made in the annual financial statements for the year ending June 30, 2010. Complete details of the said receivable are given in note 7.1 to the condensed interim financial information.

- Without further qualifying their conclusion they have expressed their doubts about the use of the going concern assumption in preparation of financial statements. The auditors' observation is based on some negative indicators like loss after taxation, net current liability position and negative equity. The management is of the view that these conditions are temporary, not permanent and would reverse in foreseeable future. The mitigating factors are also discussed in note 4 to the condensed interim financial information which justify the use of going concern assumption in preparation of condensed interim financial information.

In conclusion, the Board prays to the Almighty Allah for his blessings and extends its gratitude to our Shareholders, Financial Institutions and the Government of Pakistan through Ministry of Petroleum & Natural Resources for their continued support, confidence and trust in your Company and its employees' efforts.

For and on behalf of the Board of Directors

Karachi: February 26, 2010

Chairman

Review Report to the Members

Introduction

We have reviewed the accompanying interim condensed balance sheet of Byco Petroleum Pakistan Limited (formerly: Bosicor Pakistan Limited) as at December 31, 2009, and the related interim condensed profit and loss account, interim condensed cash flow statement and interim condensed statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "interim condensed financial information") for the six months' period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim condensed financial information based on our review. The figures for the quarters ended December 31, 2009 and 2008 in the interim condensed profit and loss account have not been reviewed and we do not express a conclusion thereon.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As per note 7.1 to the interim condensed financial information the company has recognized receivable from crude supplier amounting to US$8.493 million equivalent to Rs.715.938 million which the company, after the lapse of considerable period of time, is still in the process to decide about seeking remedies available in the agreement with the supplier. Since the realization of aforesaid receivable is dependent upon the outcome of the remedies available to the company which are yet to be sought (as more fully explained in said note) therefore in our opinion the receivable should not be recognized in the interim condensed financial information on account of uncertainties involved therein. Had the receivable not been accounted for in the financial statements the loss after tax for the period would have been higher by same amount.

Qualified Conclusion

Based on our review, except for the matter discussed in preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Matter of emphasis

Without further qualifying our conclusion, we draw attention to note no 4 to the interim condensed financial statements which indicate that the company has incurred net loss after taxation amounting to Rs. 1.956 billion during the period ended December 31, 2009 and as of that date its accumulated losses of Rs. 12.456 billion have resulted in net capital deficiency of Rs. 8.535 billion and its current liabilities exceeded its current assets by Rs. 10.621 billion. These conditions, along with other matters as set forth in note 4, indicate the existence of material uncertainty which may cast significant doubt about company's ability to continue as going concern.

Faruq Ali & Co.

Dated: February 26, 2010
Place : Karachi

Faruq Ali & Co.
Chartered Accountants

Engagement Partner: Fasih uz Zaman

Condensed Interim Balance Sheet

as at December 31, 2009

Amount in Rs. '000

	Note	Unaudited Dec 31, 2009	Audited June 30, 2009
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	**16,020,140**	14,778,562
Intangible asset		**5,310**	7,079
Long term deposits		**57,905**	57,360
Long term loan		**28,080**	31,320
CURRENT ASSETS			
Stores and spares		**154,047**	152,342
Stock in trade		**5,266,017**	4,487,801
Trade debts - considered good		**7,324,575**	9,089,974
Loans and advances - considered good	6	**322,817**	112,787
Trade deposits, prepayments and other receivables	7	**976,458**	780,691
Markup accrued		**42,432**	42,432
Cash and bank balances		**975,206**	2,078,445
		15,061,552	16,744,472
		31,172,987	31,618,793
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
500,000,000 (June 2009: 500,000,000) Ordinary shares of Rs.10/- each		**5,000,000**	5,000,000
Issued, subscribed and paid-up capital		**3,921,044**	3,921,044
Accumulated loss		**(12,455,596)**	(10,597,517)
		(8,534,552)	(6,676,473)
Surplus on revaluation of property, plant and equipment	8	**3,987,022**	4,084,753
NON-CURRENT LIABILITIES			
Subordinated loan from sponsor and associates - unsecured		**4,024,622**	4,023,101
Long term loans - secured		**4,212,145**	5,158,837
Liabilities against assets subject to finance lease		**227,596**	273,308
Long term deposits		**4,446**	4,446
Deferred liabilities		**1,569,016**	1,621,641
CURRENT LIABILITIES			
Trade and other payables	9	**21,434,431**	20,397,465
Accrued markup		**1,612,930**	1,071,469
Short term borrowing	10	**535,909**	217,549
Current portion of non-current liabilities	11	**1,994,431**	1,442,697
Provision for taxation		**104,991**	–
		25,682,692	23,129,180
COMMITMENTS	12	**–**	–
		31,172,987	31,618,793

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

Chief Executive **Director**

Condensed Interim Profit and Loss Account

for the six months ended December 31, 2009 (Unaudited)

Amount in Rs. '000

	Note	3 months Oct - Dec 2009	3 months Oct - Dec 2008	6 months Jul - Dec 2009	6 months Jul - Dec 2008
Gross sales		**12,881,308**	12,754,467	**24,842,344**	34,499,431
Sales tax, discount and others		**1,899,266**	2,396,279	**3,844,141**	4,377,740
Net sales		**10,982,042**	10,358,188	**20,998,203**	30,121,691
Cost of sales	13	**10,975,981**	13,053,105	**21,214,609**	33,435,394
Gross profit / (loss)		**6,061**	(2,694,917)	**(216,406)**	(3,313,703)
Operating expenses					
Administrative expenses		**157,702**	70,021	**269,476**	141,683
Selling expenses		**169,028**	40,560	**229,178**	92,953
Operating loss		**(320,669)**	(2,805,498)	**(715,060)**	(3,548,339)
Other income		**36,771**	57,883	**70,680**	263,399
		(283,898)	(2,747,615)	**(644,380)**	(3,284,940)
Financial and other charges					
Financial Charges		**444,959**	178,307	**964,544**	420,424
Exchange differences-net		**82,590**	2,498,342	**294,520**	4,228,515
		527,549	2,676,649	**1,259,064**	4,648,939
Loss before taxation		**(811,447)**	(5,424,264)	**(1,903,444)**	(7,933,879)
Taxation					
Current		**54,910**	–	**104,991**	–
Deferred		**(26,198)**	(15,684)	**(52,625)**	(15,684)
		28,712	(15,684)	**52,366**	(15,684)
Loss after taxation		**(840,159)**	(5,408,580)	**(1,955,810)**	(7,918,195)
Loss per share - basic and diluted (Rupees)	14	**(2.14)**	(13.79)	**(4.99)**	(20.19)

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

Chief Executive **Director**

Condensed Interim Cash Flow Statement

for the six months ended December 31, 2009 (Unaudited)

	Amount in Rs. '000 6 months ended	
	Dec 31, 2009	Dec 31, 2008
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	**(1,903,444)**	(7,933,879)
Adjustments for non-cash charges and other items:		
Depreciation	**313,619**	177,875
Financial and other charges	**1,259,064**	4,648,939
Amortization of intangible assets	**1,769**	1,769
(Gain) on disposal of asset(s)	**(201)**	(112)
Operating loss before working capital changes	**(329,193)**	(3,105,408)
Working capital changes		
(Increase) / decrease in current assets		
Stores and spares	**(1,705)**	(2,237)
Stock in trade	**(778,216)**	10,671,862
Trade debts	**1,765,399**	(349,871)
Loans and advances	**(210,030)**	(63,201)
Trade deposits, prepayments and other receivables	**(100,964)**	(223,257)
Increase / (decrease) in current liabilities		
Trade and other payables	**1,036,966**	(7,720,840)
Cash generated from /(used in) operations	**1,382,257**	(792,952)
Payments for:		
Financial charges	**(704,864)**	(4,723,953)
Taxes	**(91,563)**	(117,233)
Net cash generated from/(used in) operating activities	**585,830**	(5,634,138)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	**(1,547,670)**	(715,175)
Proceeds from disposal of vehicles	**1,861**	1,053
Long term deposits	**(545)**	(8,686)
Net cash used in investing activities	**(1,546,354)**	(722,808)
CASH FLOW FROM FINANCING ACTIVITIES		
Short term financing - net	**318,360**	(590,349)
Loan from sponsor and associates	**(11,218)**	(170,140)
Repayment of obligation under finance leases	**(50,952)**	(14,769)
Repayment of term finance certificates	**(107,094)**	(107,092)
Repayment of long term loans	**(291,811)**	(180,876)
Net cash used in financing activities	**(142,715)**	(1,063,226)
Net decrease in cash and cash equivalents	**(1,103,239)**	(7,420,172)
Cash and cash equivalents at the beginning of the period	**2,078,445**	7,906,497
Cash and cash equivalents at the end of the period	**975,206**	486,325

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

Chief Executive **Director**

Condensed Interim Statement of Changes in Equity

for the six months ended December 31, 2009 (Unaudited)

Amount in Rs. '000

	Issued, subscribed and paid up capital	Accumulated (Loss)	Total
Balance as at July 01, 2008	3,921,044	(392,409)	3,528,635
Total comprehensive (loss) for the period	–	(7,918,195)	(7,918,195)
Transfer from surplus on revaluation of property, plant and equipment - net of tax	–	29,128	29,128
Balance as at December 31, 2008	3,921,044	(8,281,476)	(4,360,432)
Balance as at July 01, 2009	3,921,044	(10,597,517)	(6,676,473)
Total comprehensive (loss) for the period	–	(1,955,810)	(1,955,810)
Transfer from surplus on revaluation of property, plant and equipment - net of tax	–	97,731	97,731
Balance as at December 31, 2009	**3,921,044**	**(12,455,596)**	**(8,534,552)**

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

Chief Executive

Director

Condensed Interim Statement of Comprehensive Income

for the six months ended December 31, 2009 (Unaudited)

Amount in Rs. '000

	3 months		6 months	
	Oct - Dec 2009	Oct - Dec 2008	**Jul - Dec 2009**	Jul - Dec 2008
Net loss after taxation	**(840,159)**	(5,408,580)	**(1,955,810)**	(7,918,195)
Comprehensive income transferred to equity	**(840,159)**	(5,408,580)	**(1,955,810)**	(7,918,195)
Component of comprehensive income not reflected in equity				
Surplus on revaluation of property, plant and equipment	–	4,062,989	–	4,062,989
Deferred tax on surplus	–	(1,422,046)	–	(1,422,046)
	–	2,640,943	–	2,640,943
Total comprehensive income for the period	**(840,159)**	(126,694)	**(1,955,810)**	(2,636,309)

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

Chief Executive

Director

Notes to the Condensed Interim Financial Statements

for the six months ended December 31, 2009 (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 & Islamabad Stock Exchanges. The principal business of the company is refining, selling and marketing of petroleum products.

During the period under review, on October 30, 2009 the Byco Industries Incorporated (BII) has made public announcement of offer to purchase up to 136,510,046 shares of the company at a price of Rs.10/- per share pursuant to Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002. The offer has been made by virtue of an agreement between BII and Bosicor Corporation Limited (BCL) (holding company) whereby it has been agreed that BCL will transfer its entire shareholding in the company to BII, where the BCL and Abraaj Mauritius Oil and Gas SPV hold 60% and 40% shares respectively. The period of acceptance for the offer commenced on December 21, 2009 for fifteen days and ended on January 4, 2010. During the acceptance period 48,373,347 shares were tendered by 406 shareholders. The relevant formalities for transfer of shares in the name of BII are in progress. This will further enhance strong shareholder's support to the company.

Name of the company has been changed to M/s Byco Petroleum Pakistan Limited ("Byco") w.e.f. January 01, 2010 in accordance with the Special resolution passed by the shareholders in Annual General Meeting of the Company held on December 07, 2009.

2 BASIS OF PREPARATION

These interim condensed financial statements are unaudited but subject to limited scope review by the auditors. These are required to be presented to the shareholders under section 245 of the Companies Ordinance, 1984 and have been prepared in a condensed form in accordance with the requirements of the International Accounting Standard (IAS-34)"Interim Financial Reporting" as applicable in Pakistan. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2008 and 2009 have not been reviewed by the auditors of the company as they have reviewed the cumulative figures for the half year ended December 31, 2008 and 2009.These condensed interim financial statements do not include all the information and disclosure required in the annual financial statements, and should be read in conjunction with the company's annual financial statements for the year ended June 30, 2009.

3 ACCOUNTING POLICIES

3.1 The accounting policies and estimates adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the company's annual financial statements for the year ended June 30, 2009, except adoption of revised IAS 1 as noted below.

3.2 IAS 1 (Revised) Presentation of financial statements effective from January 1, 2009 issued in September 2007. The revised standard prohibits the presentation of items of income and expenses (that is non-owner changes in equity) in the statement of changes in equity requiring non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement the statement of comprehensive income or two statements the Income statement and the statement of comprehensive income. The company has opted for two statement approach and the interim financial information has been prepared under revised disclosure requirement.

4 GOING CONCERN ASSUMPTION

During the period ended December 31, 2009 Company incurred net loss after tax of Rs. 1.956 billion and as of that date it has accumulated losses of Rs.12.456 billion, which have resulted in net capital deficiency of Rs.8.535 billion and excess of current liabilities over current assets of Rs.10.621 billion . These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as going concern, therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements have been prepared using going concern assumption as the management is confident that all these conditions are temporary, not permanent and would reverse in foreseeable future. The company is in process to enhance its existing letter of credits limit to Rs.22 billion which will enable the company to operate at the full refining capacity.

Further, the company's ability to arrange funds from sponsors / associates as and when required is yet another positive indicator. Accordingly the sponsors have arranged the funds amounting to Rs.250 million during the period under review and further agreed to provide funds up to Rs. 950 million by the end of financial year.

Apart from the refinery operations the company is also targeting its Petroleum Market Business which has visibly improved Company's market position in the oil marketing sector and has also enabled the Company to diversify its revenue stream. Further the company's projects in progress like Isomerization Plant, which is expected to commence its operations from the third quarter of 2010, will enable the company to process naphtha, which will ultimately increase the profit margins of the company, and single buoy mooring will reduce the product transportation costs. Furthermore, the offer to purchase of the company's share pursuant to the Listed Companies Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002 has been made during the period under review due to the finalization of an arrangement with Abraaj Capital Limited as more fully explained in note 1. Addition of Abraaj as sponsor of the company alongwith BCL shall substantially add to financial strength of Byco's sponsors and enhance strong shareholder's support to the company.

All these steps contribute towards favorable conditions and mitigate the risks involved, therefore, the preparation of financial statements using the going concern assumption is justified.

Amount in Rs. '000

	Note	Dec 31, 2009	June 30, 2009
5 PROPERTY PLANT AND EQUIPMENT			
Operating fixed assets - at written down value		**10,187,881**	10,480,610
Capital work in progress - at cost		**5,832,259**	4,297,952
		16,020,140	14,778,562
5.1 Additions, Revaluations and Disposals during the period (Operating fixed assets)			
Revaluation:			
Plant and machinery		–	3,919,379
Generators		–	128,398
Safety and laboratory equipments		–	15,212
		–	4,062,989
Addition in Owned Assets:			
Plant and machinery		**145**	509,863
Generators		**4,985**	10,293
Furniture and fixtures		**1,520**	592
Computer and allied		**6,713**	6,418
Safety and laboratory equipments		–	2,927
Vehicles		–	16,059
		13,363	546,152
Addition in Leased Assets:			
Plant and machinery		**1,889**	49,752
Vehicles		**7,298**	162,841
		9,187	212,593
Disposals			
Vehicles-owned (net book value)		**1,011**	1,082
Vehicles-leased (net book value)		**649**	799
		1,660	1,881
5.2 Additions during the period (Capital work in progress)			
Plant and machinery		**462,703**	1,811,740
Civil and mechanical works		**1,071,604**	64,055
		1,534,307	1,875,795

6 LOAN AND ADVANCES - Considered good

Included herein a sum of NIL (June 2009: Rs.16.790 million) advance to associated company M/s. Premier Services (Pvt) Ltd, in respect of freight services.

7 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

7.1 Included herein a sum of Rs.715.938 million (equivalent $ 8.493 million) due from BP Singapore Pte Limited (BP) in respect of a difference in price charged by BP as against the pricing clause contained in the relevant agreement for the purchase and sale of crude oil. Company had contractually agreed to lift a shipment of crude in August 2008 which it was unable to do so. Subsequently this cargo was lifted in September 2008. The receivable is in respect of the price charged by BP, whereby BP has charged Company for the relevant shipment as per the August 2008 Official Selling Price; whereas as per the pricing clause contained in the Agreement, the price charged should have been as per the month in which the bill of lading for the subject cargo is dated i.e. September 2008. Although Company has paid under protest, the price charged by BP; it considers the above amount to be recoverable from BP. The Company is in process to seek remedies available in terms of the Agreement and Local and International Statute including but not limited to referring the matter to competent courts.

7.2 Included herein a sum of Rs.45.560 million receivable from associated companies namely; Byco Chemicals Pakistan Limited (Formerly: Bosicor Chemicals Pakistan Limited) and Byco Oil Pakistan Limited (Formerly: Bosicor Oil Pakistan Limited) in respect of land lease rentals and liquidated damages thereon.

8 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Amount in Rs. '000

	Dec 31, 2009	June 30, 2009
Surplus on revaluation of Property, plant and equipment - Opening	**4,084,753**	1,571,647
Surplus arising due to revaluation of property, plant and equipment	–	4,062,989
Related deferred tax liability	–	(1,422,046)
Transfer to accumulated loss in respect of incremental depreciation charged during the year - Net of tax	**(97,731)**	(127,837)
Surplus on revaluation of Property, plant and equipment - Closing	**3,987,022**	4,084,753

9 TRADE AND OTHER PAYABLES

This includes an amount of Rs.68.803 million (June 2009:Rs.6.300 million) due to associated companies.

10 SHORT TERM BORROWINGS

		Dec 31, 2009	June 30, 2009
From banks - Secured			
Short term loan	10.1	**466,000**	216,000
Temporary bank overdraft		**69,909**	1,549
		535,909	217,549

10.1 The facilities have been obtained from a commercial bank against the available limit of Rs.466 million for the purpose of import of Raw materials. The facilities carry mark up @ 1 to 2 month KIBOR plus 1.5 % payable quarterly. The finance facilities are secured against Standby Letters of Credit (SBLC) issued by Credit Agricole (Suisse) SA, Geneva, Switzerland. The applicant of SBLCs is M/s Bosicor Corporation Limited (Holding Company).

Amount in Rs. '000

	Dec 31, 2009	June 30, 2009
11 CURRENT PORTIONS OF NON CURRENT LIABILITIES		
Term finance certificates	–	107,094
Long term loans	1,893,384	1,238,503
Liabilities against assets subject to finance leases	101,047	97,100
	1,994,431	1,442,697

12 COMMITMENTS

Commitments in respect of capital expenditures amount to Rs.2,579.770 million (2009: Rs. 715.440 million).

	3 months Oct-Dec 2009	3 months Oct-Dec 2008	6 months July-Dec 2009	6 months July-Dec 2008
13 COST OF SALES				
Opening stock of raw material	4,175,116	4,716,538	3,333,945	10,733,399
Purchases	10,720,215	7,950,149	21,494,664	22,408,117
Available for use	14,895,331	12,666,687	24,828,609	33,141,516
Closing stock of raw material	(3,054,162)	(1,010,343)	(3,054,162)	(1,010,343)
Raw material consumed	11,841,169	11,656,344	21,774,447	32,131,173
Manufacturing expenses	240,442	188,144	498,161	353,345
Cost of goods manufactured	12,081,611	11,844,488	22,272,608	32,484,518
Opening stock of finished products	1,106,225	1,458,586	1,153,856	1,200,845
Closing stock of finished products	(2,211,855)	(249,969)	(2,211,855)	(249,969)
	10,975,981	13,053,105	21,214,609	33,435,394
14 LOSS PER SHARE - BASIC AND DILUTED				
Loss after taxation	(840,159)	(5,408,580)	(1,955,810)	(7,918,195)
	Number of Shares		Number of Shares	
Weighted average number of ordinary shares	392,104,400	392,104,400	392,104,400	392,104,400
	Rupees		Rupees	
Loss per share - basic and diluted	(2.14)	(13.79)	(4.99)	(20.19)

Amount in Rs. '000

	6 months July-Dec 2009	6 months July-Dec 2008
15 TRANSACTION WITH RELATED PARTIES		
Holding company:		
Receipt of loan	**207,782**	111,052
Repayment of loan	**–**	170,140
Markup on loan	**2,498**	300
Associated companies:		
Purchase of operating fixed assets and services	**138,171**	9,053
Payment of rent	**230**	230
Repayment of loan and lease liabilities	**254,653**	45,029
Payment against services (freight for crude oil)	**197,258**	537,422
Markup on borrowings and leases	**312,707**	9,335
Land lease rentals	**21,875**	21,875
Shared expenses	**21,244**	–
Liquidated damages	**7,935**	–
Staff provident fund		
Payment of employees and company's contribution	**20,447**	13,508

16 DATE OF AUTHORIZATION OF ISSUE

The financial statements were authorized for issue on February 26, 2010 in accordance with the resolution of the Board of Directors of the Company.

17 GENERAL

These interim condensed financial information are presented in Rupees, which is the Company's functional currency. All financial information presented in Rupees have been rounded off to nearest thousand.

Chief Executive

Director

Byco

Byco Petroleum Pakistan Limited
(Formerly Bosicor Pakistan Limited)
9th Floor, The Harbour Front, Dolmen City
HC-3, Block 4, Marine Drive, Clifton
Karachi - 75600, Pakistan

+ (92 21) 111 222 081
+ (92 21) 111 888 081
web : www.byco.com.pk