

# quarter ended report



Bosicor Pakistan Limited



Accounts for the Quarter Ended September 30, 2005

# September 30, 2005





<b>Chairman</b>	Mr. Parvez Abbasi
<b>Directors</b>	Mr. Amir Abbassciy (Vice Chairman) Mr. Muhammad Rashid Zahir Mr. Muhammad Mahmood Hussain Syed Arshad Raza Mrs. Uzma Abbassciy Mrs. Samia Roomi
<b>President &amp; CEO</b>	Mr. M. Wasi Khan
<b>Chief Financial Officer</b>	Mr. Asad A. Siddiqui
<b>Corporate Secretary</b>	Mr. Abid Amin
<b>Audit committee</b>	Mr. Muhammad Rashid Zahir - Chairman Mr. Amir Abbassciy - Member Syed Arshad Raza - Member
<b>Registered &amp; Corporate Office</b>	2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi.
<b>Plant</b>	Mouza Kund, Sub Tehsil Gadani Lasbella-Baluchistan
<b>Bankers</b>	Habib Bank Limited National Bank of Pakistan Union Bank Limited Saudi Pak Commercial Bank Limited Bank of Khyber Bank Al-Falah Limited KASB Bank Limited United Bank Limited Faysal Bank Limited Mybank Limited Standard Chartered Bank
<b>Auditors</b>	Faruq Ali & Co Chartered Accountants
<b>Legal Advisor</b>	Saleem uz Zaman of Kabraji & Talibuddin
<b>Website</b>	<a href="http://www.bosicor.com.pk">www.bosicor.com.pk</a>

The Board of Directors of the Company has pleasure in presenting the first quarterly report and Un-audited Financial Statements for the quarter ended September 30, 2005.

By the grace of Allah the performance of your company was satisfactory during the quarter under review. The Company has carried out turnaround activities from 15<sup>th</sup> July, 2005 to 15<sup>th</sup> August, 2005 at the Plant which increased the production capacity to 18,000 ~ 18,500 barrels per day. The company has also carried out revamp study with the consultation of (UOP), UK and started its implementation which will enhance the production capacity to 30,000 barrels per day by the end of current financial year.

Refining margins during the quarter was volatile but substantially improved during the month of August. Total sales (gross) during the quarter were Rs. 3,691 million compared to Rs. 2,117 million in the corresponding quarter last year with gross profit of Rs. 111 million compared to Rs. 51 million in the corresponding quarter last year. The company earned net profit after taxation amounting to Rs. 28 million with earnings per share of Rs. 0.11 compared to Rs. 0.06 per share in the corresponding quarter last year.

The highlights of the accounts for the 1st quarter ended are as follows:

(Rs.in '000)	
Profit before taxation	44,094
Taxation	16,042
Profit after taxation	28,052

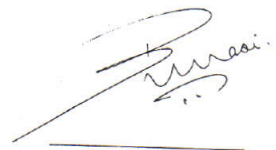
The interest rates trend in the inter-bank market, particularly for shorter tenures, remained upward which is expected to continue in forthcoming periods. The company has increased its total facility of the syndicate for import of crude oil to Rs. 7,116 million due to increasing trend of the crude oil prices and higher production capacity.

The Company is committed to the Safety and Health of its Employees, Contractors working on its site and visitors as well as protection of environment.

The Board places on record its gratitude to its valued shareholders, staff, federal and provincial government authorities and the financial institutions whose co-operation & continued support is helping us in achieving our goals.

In conclusion, we pray to Almighty Allah for His continued blessings to us.

For and on behalf of the Board of Directors

  
 Parvez Abbasi  
 Chariman

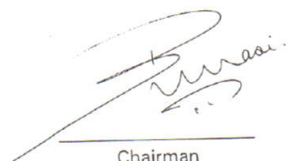
Karachi : 28th October, 2005

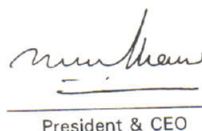
# balance sheet

as at Sept 30, 2005 (Unaudited)

	Note	Sept 30, 2005 Rs.'000	June 30, 2005
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	3,269,970	3,274,196
Intangible assets		6,409	5,769
Long term deposits and deferred cost		92,189	89,902
<b>CURRENT ASSETS</b>			
Stores and spares		109,200	84,784
Stock-in-trade		1,992,614	1,812,325
Trade debts - Considered good		1,970,366	1,260,162
Loans and advances - Considered good		64,176	19,625
Trade deposits, prepayments, current account balances			
with statutory authorities and other receivables	5	34,462	28,489
Cash and bank balances		9,726	300,887
		4,180,544	3,506,272
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,289,567	2,581,418
Accrued markup		7,324	26,793
Short term borrowings - Secured		667,431	760,545
Current portions of non- current liabilities		46,790	53,557
Provision for taxation		66,037	49,995
		4,077,149	3,472,308
<b>NET CURRENT ASSETS</b>		103,395	33,964
<b>NON-CURRENT LIABILITIES</b>			
Term finance certificates - secured		750,000	750,000
Long term loans - secured		46,875	51,563
Liabilities against assets subject to finance lease		63,987	19,219
Deferred taxation		21,488	21,488
		882,350	842,270
<b>CONTINGENCIES AND COMMITMENTS</b>	6		
<b>NET ASSETS</b>		2,589,613	2,561,561
<b>FINANCED BY SHARE CAPITAL AND RESERVES</b>			
Authorized share capital		3,600,000	3,600,000
360,000,000 (2004: 360,000,000) Ordinary shares of Rs.10/- each			
Issued, subscribed and paid-up capital		2,450,652	2,450,652
Accumulated profit		138,961	110,909
		2,589,613	2,561,561

The annexed notes form an integral part of these accounts.

  
Chairman

  
President & CEO

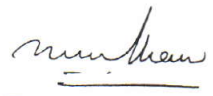
# profit & loss

account for the first quarter ended  
Sept 30, 2005 (Unaudited)

	Sept 30, 2005	Sept 30, 2004
	Rs.'000	
Gross sales	3,691,137	2,117,097
sales tax	482,778	276,143
Net sales	3,208,360	1,840,954
Cost of sales	3,096,837	1,789,517
Gross profit	111,523	51,437
Administrative and selling expenses	27,018	15,234
Operating Profit	84,505	36,203
Other Income	8,021	-
	92,527	36,203
Financial & other charges	48,432	12,377
Profit before taxation	44,094	23,826
Taxation	16,042	9,205
Net profit for the quarter	28,052	14,621
Unappropriated profit brought forward	110,909	-
Unappropriated profit carried forward	138,961	14,621
Basic earnings per share	0.11	0.06

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Chairman

  
President & CEO

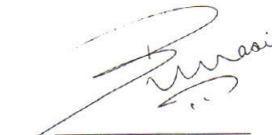


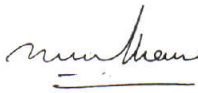
# cash flow

account for the first quarter ended  
Sept 30, 2005 (Unaudited)

	Sept 30, 2005	Sept 30, 2004
	Rs.'000	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	44,093	23,826
Adjustments for non-cash charges and other items:		
Depreciation	78,798	83,835
Financial charges	46,112	12,377
Workers' profit participation fund	2,321	-
Loss on disposal of fixed assets	72	-
<b>Cash flow before working capital changes</b>	<b>171,397</b>	<b>120,038</b>
<b>Movement in working capital</b>		
<b>(Increase)/decrease in current assets</b>		
Stores and spares	(24,416)	(5,959)
Stock in trade	(180,289)	(293,048)
Trade debts - considered good	(710,204)	76,663
Loans and advances - considered good	(44,551)	(27,012)
Trade deposits, prepayments, current account balances with statutory authorities	(5,079)	(45,709)
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	705,829	376,035
<b>Cash generated from/(used in) operations</b>	<b>(87,313)</b>	<b>201,008</b>
<b>Payments for:</b>		
Financial charges	(65,581)	(2,375)
Taxes	(379)	(39)
<b>Net cash generated from / (used in) operating activities</b>	<b>(153,273)</b>	<b>198,594</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(26,588)	(276,809)
Intangible asset (software under development)	(640)	-
Sale proceeds of fixed assets	232	-
Long term deposits	(2,803)	(42)
<b>Net cash used in investing activities</b>	<b>(29,799)</b>	<b>(276,851)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds against right issue of shares	-	267,099
Proceeds against term finance certificates	-	459,000
Repayment of long term loans	(4,688)	(412,016)
Repayment of liabilities against assets subject to finance lease	(10,287)	(9,496)
Loan from sponsors and associated undertaking	-	25,033
Short term borrowings	(550,000)	-
<b>Net cash used in financing activities</b>	<b>(564,974)</b>	<b>329,620</b>
Net increase in cash & cash equivalents	(748,047)	251,363
Cash and cash equivalents at the beginning of the period	140,342	59,544
<b>Cash and cash equivalents at the end of the period</b>	<b>(607,705)</b>	<b>310,907</b>

The annexed notes form an integral part of these accounts.

  
Chairman

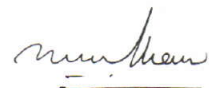
  
President & CEO

Statement of changes in **equity** for the first quarter ended  
Sept 30, 2005 (Unaudited)

	Share Capital	Unappropriated Profit	Total
	<u>Rs.'000</u>		
Balance as at July 01, 2004	1,750,466	-	1,750,466
Reght shares issued	700,186	-	700,186
Net profit for the period	-	14,621	14,621
Balance as on September 30, 2004	2,450,652	14,621	2,465,273
Balance as at July 01, 2005	2,450,652	110,909	2,561,561
Net profit for the period		28,052	28,052
<b>Balance as at September 30, 2005</b>	2,450,652	138,961	2,589,613

The annexed notes form an integral part of these accounts.

  
Chairman

  
President & CEO

# notes to the **accounts** for the first quarter ended Sept 30, 2005 (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 and Lahore Stock Exchanges. The principal business of the company is refining and selling of the petroleum products. The company has started commercial operations from 01st July 2004.

## 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" as applicable in Pakistan.

## 3. Accounting policies

The accounting policies and methods of computation followed for the preparation of these financial statements are same as those applied in the preparation of the preceding annual financial statements of the company.

## 4. Property, plant and equipment

	Sept 30, 2005	June 30, 2005
	Rs. '000	
Opening balance (including CWIP)	3,274,196	3,148,340
Additions during the period	74,876	463,524
	3,349,072	3,611,864
Disposal during the period	(304)	(124)
Depreciation charged during the period	(78,798)	(337,544)
	3,269,970	3,274,196

## 5. Trade deposits, prepayments, current account balances with statutory authorities.

Deposits	10,079	9,276
Pre-payments	22,207	15,311
Advance income tax	903	524
Sales tax refundable/adjustable	-	3,378
Insurance claim receivable	1,273	-
	34,462	28,489

## 6. Contingencies and commitments

6.1 There has been no material change in contingencies since the last audited annual accounts, June 30, 2005.

6.2 Commitments in respect of letter of credits amounting to Rs. 1,794 million.



# notes to the **accounts** for the first quarter ended Sept 30, 2005 (Unaudited)

## 7. Cash and cash equivalents

	Sept 30 2005	June 30 2005
	Rs. '000	
Cash and bank balances	9,726	310,907
Running finances under mark up arrangements	(617,431)	-
	<u>(607,705)</u>	<u>310,907</u>

## 8. Transaction with related parties

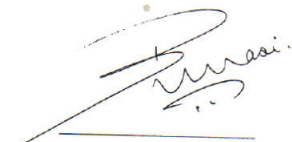
Purchase of operating fixed assets	1,196	-
Rent	87	87
Payment against services (freight)	48,857	-
Loan from group companies & associates	-	25,033

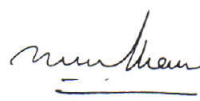
## 9. Date of authorization

This financial statements were authorized for issue on 28th October, 2005 by the Board of Directors of the company.

## 10. General

The figure have been rounded off to the nearest thousand rupees.

  
Chairman

  
President & CEO



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