

HALF YEARLY
REPORT DECEMBER

2015



Sitara Peroxide
Limited



Company Information

Board of Directors	Mrs. Sharmeen Imran Mr. Imran Ghafoor Mr. Muhammad Asif Pasha Mr. Muhammad Khalil Mr. Saim Bin Saeed Mr. Waleed Asif Mr. Abdullah Javed	(Chairperson) (CEO)
Chief Financial Officer	Mr. Waqas Ashraf (FCA)	
Company Secretary	Mr. Mazhar Ali Khan	
Head of Internal Audit	Mr. Zia-ul-Mustafa	
Audit Committee	Mr. Saim Bin Saeed Mrs. Sharmeen Imran Mr. Waleed Asif Mr. Zia-ul-Mustafa	(Chairman) (Member) (Member) (Secretary)
Human Resource and Remuneration Committee	Mr. Muhammad Asif Pasha Mr. Saim Bin Saeed Mr. Waleed Asif	(Chairman) (Member) (Member)
External Auditors	M/s. Deloitte Yousuf Adil, Chartered Accountants	
Legal Advisor	Sahibzada Waqar Arif	
Registered Office	601-602 Business Centre, Mumtaz Hassan Road, Off. I.I. Chundrigar Road, Karachi-74000. Ph: 021 32401373, 32413944	
Company Website	www.sitaraperoxide.com	
Bankers	Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited MCB Bank Limited Meezan Bank Limited National Bank Limited Silk Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited United Bank Limited	
Share Registrar	THK Associates (Private) Limited Ground Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road, Karachi, 75530 P.O. Box No. 8533 UAN : +92 (21) 111-000-322 Fax: +92 (21) 35655595	
Head Office & Project Location	26 - KM Sheikhpura Road, Faisalabad. Ph : (92 41) 2400900-2, 2400904-5	



On behalf of Board of Directors of your Company, I am pleased to present the half year report along with the reviewed interim condensed financial statements of the Company for the six months period ended December 31, 2015. The results for half year are summarized below:

	Six month ended	
	Dec-15	Dec-14
	Rupees in millions	
Sales - net	677.19	630.80
Gross profit	75.40	48.23
Profit / (loss) after tax	2.80	(10.14)
Earnings / (loss) per share (Rupee)	0.05	(0.18)

Your plant achieved Capacity utilization of 84% of the total installed capacity in first six months of current financial year which was 7% higher than the production achieved in the corresponding period. The net sales revenue remained at Rs. 677 million as against Rs. 630 million in the same period last year. Net sales increased by 7% which is due to rise in quantity sold. Prices of hydrogen peroxide remained stable during the period. Cost of sales rose to Rs. 602 million against Rs. 583 million in the sale period, rise in cost of sales is mainly due to higher production and rise in tariff of natural gas by 23% and imposition of Gas Infrastructure Development Cess (GIDC) of Rs. 100 per mmbtu; whereas per unit cost of sales remained on lower side as compared to the same period last year, due to increased production and increased units sold. Gross profit remained Rs. 75 million which is 36% higher the comparative period. Finance cost decreased to Rs. 48 million as against Rs. Rs. 78 million in the same period last year. Decrease in finance cost is due to repayment of principal long term loans amounting to Rs. 103 million and effective management of working capital. Earnings per share of the Company remained Rs. 0.05 per share as against loss of Rs. 0.18 per share in last year.

In second quarter of financial year 2015-16, capacity utilization remained 84% of the installed capacity which is 12% higher than the capacity utilization in corresponding period. Net sales remained at Rs. 346 million which is 11% higher than the corresponding quarter of last financial year. Cost of sales almost remained same as compared with corresponding quarter of last financial year, whereas, gross profit in second quarter rose to Rs. 44 million against Rs. 8 million in the same quarter of last financial year.

Due to uphill struggle of your Company with National Tariff Commission (NTC), to protect the local industry from dumping of product by international producers, in the second quarter of financial year 2015-16, NTC has imposed provisional anti-dumping duty of 19.32% on the dumped imports from Bangladesh. We are confident that this provisional anti-dumping duty will be converted into permanent anti-dumping duty in the near future. Due to imposition of anti-dumping duty, increase in sale prices is observed during second quarter, which will ultimately enhance profitability of your Company.

The overall business conditions in Pakistan continue to be challenging. Much of our business performance depends upon the industrial growth and overall economic revival of the country. Management of your Company is hopeful that government has taken measures to rectify negative indicators such as, energy shortage, decline in textile exports and inconsistent taxation policies etc and hence economy would revive in coming years. Despite all challenges, management of the Company is confident of maintaining its market share.

Your Company is adhering to energy conservation initiatives, application of cost management strategies and compliance to regulatory requirements to meet the challenges ahead. We stand committed to work hard to deliver performance as per our goals for the full year of 2016. The Board takes this opportunity to thank all stakeholders for their continued support. We also appreciate and acknowledge the continued commitment, loyalty and hard work of our employees.

May Allah give us the courage to face the challenges ahead. Ameen!

On behalf of Board of Directors

IMRAN GHAFUOR
Chief Executive Officer

Faisalabad
February 22, 2016



AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Sitara Peroxide Limited (the Company) as at December 31, 2015, the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, and condensed interim statement of changes in equity and notes to the accounts for the six-month period then ended (here-in-after referred to as the "interim financial information"). 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 financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2015 and December 31, 2014 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2015.

Scope of Review

We conducted our review in accordance with 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the six months period ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants

Engagement Partner:

Rana M. Usman Khan

Dated: February 22, 2016

Lahore



Condensed Interim Balance Sheet as at December 31, 2015

	Note	December 31, 2015 (Un-Audited)	June 30, 2015 (Audited)
		Rupees	
ASSETS			
Non - current assets			
Property, plant and equipment	4	2,236,593,709	2,327,432,515
Long term advances and deposits		3,905,000	3,905,000
		2,240,498,709	2,331,337,515
Current assets			
Stores, spare parts and loose tools		86,825,767	88,108,495
Stock in trade		465,839,054	509,269,141
Trade debts		79,083,942	51,924,234
Advances		160,510,148	126,332,952
Deposits and short term prepayments		61,163,638	37,446,075
Sales tax refundable		190,651,341	173,630,975
Cash and bank balances		19,606,174	6,378,894
		1,063,680,064	993,090,766
Total assets		3,304,178,773	3,324,428,281
EQUITY AND LIABILITIES			
Equity			
Share capital	5	551,000,000	551,000,000
Accumulated losses		(223,929,655)	(253,678,095)
		327,070,345	297,321,905
Surplus on revaluation of property, plant and equipment	6	902,478,291	929,428,187
Non - current liabilities			
Long term financing	7	544,683,694	662,164,533
Deferred liabilities		289,528,362	291,200,178
Deferred mark-up		204,688,775	190,797,488
		1,038,900,831	1,144,162,199
Current liabilities			
Trade and other payables	8	363,836,781	308,722,308
Accrued markup		9,955,237	19,373,851
Short term borrowings		363,176,195	333,677,696
Current portion of long term financing		291,682,305	277,658,084
Current portion of liabilities against assets subject to finance lease		260,330	605,351
Provision for taxation		6,818,458	13,478,700
		1,035,729,306	953,515,990
Contingencies and commitments	9		
Total equity and liabilities		3,304,178,773	3,324,428,281

The annexed selected notes 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Condensed Interim Profit and Loss Account (Un-audited) for the Six Months Ended December 31, 2015

	Note	Six months ended		Three months ended	
		December 31 2015	December 31 2014	December 31 2015	December 31 2014
----- Rupees -----					
Sales - net	10	677,185,975	630,796,858	345,984,983	308,243,285
Cost of sales	11	(601,786,993)	(582,570,054)	(301,744,795)	(300,224,385)
Gross profit		75,398,982	48,226,804	44,240,188	8,018,900
Distribution cost		(15,862,220)	(13,029,696)	(8,510,695)	(6,674,737)
Administrative expenses		(39,644,630)	(32,487,112)	(19,755,862)	(17,290,647)
Other expenses		(868,185)	-	(868,185)	-
Finance cost		(48,083,797)	(78,311,340)	(22,793,414)	(39,514,929)
		(104,458,832)	(123,828,148)	(51,928,156)	(63,480,313)
Other income	12	35,807,100	60,412,940	418,109	60,277,001
Profit/ (loss) before taxation		6,747,250	(15,188,404)	(7,269,859)	4,815,588
Provision for taxation	13	(3,948,706)	5,045,115	(229,618)	8,279,316
Profit/(loss) for the period		2,798,544	(10,143,289)	(7,499,477)	13,094,904
Earnings/ (Loss) per share					
- basic and diluted	14	0.05	(0.18)	(0.14)	0.24

The annexed selected notes 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Condensed Interim Statement of Comprehensive Income (Un Audited) for the Six Months Ended December 31, 2015

	Six months ended		Three months ended	
	December 31 2015	December 31 2014	December 31 2015	December 31 2014
	----- Rupees -----			
Profit/ (Loss) for the period	2,798,544	(10,143,289)	(7,499,477)	13,094,904
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	2,798,544	(10,143,289)	(7,499,477)	13,094,904

The annexed selected notes 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Condensed Interim Cash Flow Statement (Un-audited) for the Six Months Ended December 31, 2015

Note	Six months ended	
	December 31, 2015	December 31, 2014
	----- Rupees -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit /(loss) before taxation	6,747,250	(15,188,404)
Adjustments for:		
Depreciation of property, plant and equipment	91,133,733	86,160,188
Gain on sale of property, plant and equipment	(450,000)	-
Profit on bank deposit	(520,081)	(678,009)
Provision for staff retirement gratuity	2,580,422	2,142,416
Finance cost	(48,083,797)	(78,311,340)
	44,660,276	9,313,255
Operating cash flow before working capital changes	51,407,526	(5,875,149)
Changes in working capital	16	4,697,550
Cash generated from / (used in) operations	56,105,076	(16,477,233)
Finance cost paid	52,556,470	91,210,845
Staff retirement gratuity paid	(950,567)	(1,121,426)
Income taxes paid - net	(20,855,713)	(27,682,614)
	30,750,190	62,406,805
Net cash generated from operating activities	86,855,266	45,929,572
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(294,927)	(14,930,330)
Proceeds from sale of property, plant and equipment	450,000	-
Profit received on bank deposits	520,081	678,009
Net cash generated from / (used in) investing activities	675,154	(14,252,321)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of long-term financing	(103,456,618)	(69,016,242)
Short term financing - net	29,498,499	44,792,974
Payment of finance lease liabilities	(345,021)	(303,002)
Net cash used in financing activities	(74,303,140)	(24,526,270)
Net increase in cash and cash equivalents (A+B+C)	13,227,280	7,150,981
Cash and cash equivalents at beginning of period	6,378,894	847,908
Cash and cash equivalents at end of the period	19,606,174	7,998,889

The annexed selected notes 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Condensed Interim Statement of Changes In Equity (Un-audited) for the Six Months Ended December 31, 2015

	Share capital	Accumulated losses	Total
	Rupees		
Balance as at July 01, 2014 (audited)	551,000,000	(256,140,395)	294,859,605
Loss for the six months ended December 31, 2014	-	(10,143,289)	(10,143,289)
Other comprehensive income for the six months ended December 31, 2014	-	-	-
Total comprehensive income/(Loss)	-	(10,143,289)	(10,143,289)
Transfer to accumulated losses on account of incremental depreciation - net of tax	-	33,804,735	33,804,735
Balance as at December 31, 2014	551,000,000	(232,478,949)	318,521,051
Balance as at July 01, 2015 (audited)	551,000,000	(253,678,095)	297,321,905
Profit for the six months ended December 31, 2015	-	2,798,544	2,798,544
Other comprehensive income for the six months ended December 31, 2015	-	-	-
Total comprehensive income	-	2,798,544	2,798,544
Transfer to accumulated losses on account of incremental depreciation - net of tax	-	26,949,896	26,949,896
Balance as at December 31, 2015	551,000,000	(223,929,655)	327,070,345

The annexed selected notes 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR



Selected Explanatory Notes to the Condensed Interim Financial Information (Un-audited) for the Six Months Ended December 31, 2015

1. LEGAL STATUS AND OPERATIONS

- 1.1** Sitara Peroxide Limited ("the Company") is limited by shares, incorporated in Pakistan on March 08, 2004 as a public limited company under the Companies Ordinance, 1984. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at 601-602, Business Centre, Mumtaz Hassan Road, Karachi in the province of Sindh and the manufacturing facilities are located at 26-KM Sheikhupura Road, Faisalabad in the province of Punjab. The principal activity of the Company is manufacturing and sale of hydrogen peroxide (H₂O₂).
- 1.2** This condensed interim financial information is presented in Pak Rupee, which is the Company's functional and presentation currency.

2. BASIS OF PREPARATION

- 2.1** This condensed interim financial information of the Company for the six month period ended December 31, 2015 has been prepared in accordance with the International Accounting Standard - 34 "Interim Financial Reporting" provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2** This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2015. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2015 whereas comparative profit and loss account, comparative statement of comprehensive income, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited condensed interim financial information for the six months ended on December 31, 2014.
- 2.3** This condensed interim financial information is un-audited. However, a limited scope review has been performed by the statutory auditors of the Company in accordance with the clause (xxi) of the Code of Corporate Governance and they have issued their review report thereon.

3. ACCOUNTING POLICIES AND ESTIMATES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2015. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2015, which donot have any impact on this condensed interim financial information except for IFRS 13 "Fair Value Measurement".



IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note 4.1.

(Un-Audited)
December 31,
2015
----- **Rupees** -----
(Audited)
June 30,
2015

4. PROPERTY PLANT AND EQUIPMENT

Opening carrying value	2,327,432,515	2,490,671,198
Surplus on revaluation	-	-
Additions during the period / year:		
Electric installations	161,257	179,895
Office equipment	-	52,884
Plant and machinery	-	3,156,077
Furniture and fittings	-	46,476
Vehicles	133,670	14,745,500
	294,927	18,180,832
Disposal during the period / year	-	-
	2,327,727,442	2,508,852,030
Depreciation charged during the period / year	(91,133,733)	(181,419,515)
Effect of revaluation of property, plant and equipment	-	-
	2,236,593,709	2,327,432,515

4.1 The Company follows the revaluation model. Revaluation of Land and building was carried out by MYK Associates (Private) Limited and Property, Plant and Equipment and electric installations by Mericon Consultants (Private) Limited, independent valuer not related to the Company. MYK Associates (Private) Limited is on panel of Pakistan Banks Association as 'Any Amount' asset valuator. It is also on panel of State Bank of Pakistan and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations. The fair value was determined using the comparable price method after performing detailed enquiries and verification from various estate agents, brokers and builders keeping in view the location of the property/project, condition, size, utilization, and other relevant factors.

The revaluation performed in 2014 resulted in a further surplus of Rs. 861 million. Out of the total revaluation surplus of Rs. 1,628 million, Rs. 902 million net of tax (June 2015: Rs. 929 million) remains undepreciated as at December 31, 2015.



Since the date of last revaluation, there has been no material change in the market factors that derive fair value of these properties, therefore, management believes that the carrying value of 'office premises' approximate its fair market value.

Details of the Company's revalued assets and information about fair value hierarchy, as at December 31, 2015 are as follows.

	Level 1	Level 2	Level 3	Total
	Rupees			
Land	-	197,304,000	-	197,304,000
Building	-	193,210,449	-	193,210,449
Plant and Machinery	-	1,706,330,018	-	1,706,330,018
Electric Installation	-	117,683,843	-	117,683,843
Factory Equipment	-	2,831,748	-	2,831,748
			(Un-Audited) December 31, 2015	(Audited) June 30, 2015
		Note	Rupees	

5 SHARE CAPITAL

Authorized 60,000,000 (June 30, 2015: 60,000,000) ordinary shares of Rs. 10 each	600,000,000	600,000,000
Issued, subscribed and paid up 55,100,000 (June 30, 2015: 55,100,000) ordinary shares of Rs. 10 each	551,000,000	551,000,000

6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

Balance at beginning of the period / year	929,428,187	983,327,979
Transfer to accumulated losses in respect of incremental depreciation charged during the period / year - net of deferred tax	6.1 (26,949,896)	(53,899,792)
	902,478,291	929,428,187

6.1 Incremental depreciation charged during the period / year

Charge of the period / year	39,632,200	79,264,400
Less: deferred tax liability relating to incremental depreciation	12,682,304	25,364,608
	26,949,896	53,899,792



		(Un-Audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- Rupees -----	
7. LONG-TERM FINANCING			
Secured - from financial institutions			
Under sukuk arrangements			
Balance at beginning of the period / year		826,864,283	990,667,494
Less: paid during the period / year		(90,053,841)	(163,803,211)
Less: current portion		(254,348,972)	(242,477,526)
Balance at the end of period / year	7.1	482,461,470	584,386,757
Under mark-up arrangements			
Balance at beginning of the period / year		112,958,334	124,458,329
Less: paid during the period / year		(13,402,777)	(11,499,995)
Less: current portion		(37,333,333)	(35,180,558)
Balance at the end of period / year		62,222,224	77,777,776
		<u>544,683,694</u>	<u>662,164,533</u>

- 7.1** During 2008 the Company had issued privately placed diminishing Musharaka based SUKUK certificates arranged by consortium of financial institutions through trustee, amounting to Rs. 1,400 million. Due to financial difficulties, the Company was unable to comply with the prevailing repayment arrangements and negotiated with the investors to reschedule the repayment arrangements for the outstanding amount of Rs. 1,243 million payable under this arrangement. Accordingly, on February 19, 2012 the Company entered into second supplemental agreement which is effective from February 19, 2012. The major terms and conditions of the second supplemental agreement are given below:

Profit Rate:

According to the revised terms of the loan agreement, profit rate is 1 Month KIBOR + 1% p.a. (KIBOR to be reset on monthly basis).

Rental / Profit Payment:

Each year, rental / profit payments will be made for six months at the rate of 1 Month KIBOR. The 1% spread for the first six months and the rental / profit for the remaining six months shall be deferred to be paid in 12 equal installments after repayment of entire principal.

Principal Repayment:

The principal will be repaid in seven years period in 80 monthly installments started from July 19, 2012.

Call Option:

The Company has a call option in accordance with terms and conditions of the entire



amount or partial amount in the event it has free cash flows available. The Company shall use at least 70% of its free cash flows, if available, in exercising the call option.

Security:

First Joint Pari Passu charge on the fixed assets of the company through equitable mortgage of land & building and Hypothecation charge on plant & machinery with a margin of 25%. First exclusive charge over fixed assets of the company for PKR 1,866.667 million, pledge over 10 million shares of SPL in the name of sponsors, and personal guarantees of Chief Executive Officer and three directors of the company.

Other conditions:

The Company is required not to declare any dividend during the entire tenor of the SUKUK issue.

8. These include Rs. 17,983,166 (June 30, 2015: Rs. 17,553,235) payable to associated undertakings.

(Un-Audited)	(Audited)
December 31,	June 30,
2015	2015
Rupees	

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

Bank guarantees issued by Banks on behalf of the company

53,538,000

53,538,000

9.2 Commitments

Irrevocable letters of credit

10,990,080

23,850,456

10,990,080

23,850,456



	Six months ended		Three months ended	
	December 31 2015	December 31 2014	December 31 2015	December 31 2014
----- Rupees -----				
10 SALES - NET				
Local sales	686,043,171	648,667,760	352,422,531	316,886,910
Less: Commission and discount	(18,623,316)	(19,622,208)	(8,448,188)	(8,643,625)
	667,419,855	629,045,552	343,974,343	308,243,285
Export sales	9,766,120	1,751,306	2,010,640	-
	677,185,975	630,796,858	345,984,983	308,243,285
11 COST OF SALES				
Raw material consumed	84,619,525	189,048,228	45,627,541	128,666,047
Fuel and power	186,146,087	175,397,467	91,949,304	83,094,684
Packing material consumed	107,439,419	130,265,355	53,335,982	55,238,189
Salaries, wages and benefits	34,655,279	33,142,845	16,880,022	15,423,092
Factory overheads	115,054,283	107,017,024	64,037,628	55,440,953
	527,914,593	634,870,919	271,830,477	337,862,965
Work-in-process				
Opening stock	433,639,504	336,697,220	423,190,744	370,200,862
Closing stock	(418,451,304)	(446,116,393)	(418,451,304)	(446,116,393)
	15,188,200	(109,419,173)	4,739,440	(75,915,531)
Cost of goods manufactured	543,102,793	525,451,746	276,569,917	261,947,434
Finished goods				
Opening stock	6,120,813	19,471,146	6,946,491	14,984,789
Closing stock	(6,431,613)	(11,042,838)	(6,431,613)	(11,042,838)
	(310,800)	8,428,308	514,878	3,941,951
Cost of goods sold - own manufactured products	542,791,993	533,880,054	277,084,795	265,889,385
Outside purchases	58,995,000	48,690,000	24,660,000	34,335,000
	601,786,993	582,570,054	301,744,795	300,224,385
12 OTHER INCOME				

This includes gain of Rs. 34,602,968 on sale of consumed Palladium (Catalyst). Palladium was part of stock-in-trade at Rs. Nil and has been fully consumed as per the company policy.



	Six months ended		Three months ended	
	December 31 2015	December 31 2014	December 31 2015	December 31 2014
----- Rupees -----				
13. PROVISION FOR TAXATION				
Current - for the period	7,250,376	7,088,168	3,531,288	3,853,967
Deferred	(3,301,670)	(12,133,283)	(3,301,670)	(12,133,283)
	<u>3,948,706</u>	<u>(5,045,115)</u>	<u>229,618</u>	<u>(8,279,316)</u>
14. EARNINGS PER SHARE - BASIC AND DILUTED				
Profit/ (Loss) for the period	2,798,544	(10,143,289)	(7,499,477)	13,094,904
Weighted average number of ordinary shares outstanding during the period	55,100,000	55,100,000	55,100,000	55,100,000
Earnings/(Loss) per share	0.05	(0.18)	(0.14)	0.24

15. TRANSACTIONS WITH RELATED PARTIES - UN-AUDITED

The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The company in the normal course of business carries out transactions with various related parties. The significant transactions with related parties are as follows:

Relationship with the Company	Nature of transactions	Six months ended	
		December 31 2015	December 31 2014
----- Rupees -----			
Associated companies	Organizational charges charged	445,431	225,478
	Purchases	8,514,017	14,921,374
	Sales	241,313	-
	Remuneration and other benefits	17,156,763	10,134,273
Employee benefit plan	Payment during the period	950,567	1,121,426



Six months ended
December 31 **December 31**
2015 **2014**
 ----- Rupees -----

16. CHANGES IN WORKING CAPITAL

(Increase) / decrease in current assets		
Stores, spare parts and loose tools	1,282,728	(126,440)
Stock-in-trade	43,430,087	(12,721,820)
Trade debts	(27,159,708)	(18,276,542)
Advances	(27,232,101)	5,416,791
Deposits and short term prepayments	(23,717,563)	(11,413,654)
Sales tax refundable	(17,020,366)	(61,024,850)
Increase in current liability		
Trade and other payables	55,114,473	87,544,431
	<u>4,697,550</u>	<u>(10,602,084)</u>

17. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on February 22, 2016.

18. GENERAL

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR



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