

Half Yearly Report
December 2014





Mrs. Sharmeen Imran (Chairperson)
Mr. Imran Ghafoor (CEO)
Mr. Muhammad Adrees
Mr. Muhammad Asif Pasha
Mr. Muhammad Khalil
Mr. Saim Bin Saeed
Mr. Waleed Asif

Board of Directors

Mr. Waqas Ashraf (FCA)

Chief Financial Officer

Mr. Mazhar Ali Khan

Company Secretary

Mr. Zia-ul-Mustafa

Head of Internal Audit

Mr. Saim Bin Saeed (Chairman)
Mrs. Sharmeen Imran (Member)
Mr. Waleed Asif (Member)
Mr. Zia-ul-Mustafa (Secretary)

Audit Committee

Mr. Muhammad Asif Pasha (Chairman)
Mr. Saim Bin Saeed (Member)
Mr. Waleed Asif (Member)

Human Resource and Remuneration Committee

M/s. M. Yousuf Adil Saleem & Co.,
Chartered Accountants

External Auditors

Sahibzada Waqar Arif

Legal Advisor

601-602 Business Centre, Mumtaz Hassan Road,
Off. I.I. Chundrigar Road, Karachi-74000.
Ph: 021 32401373, 32413944

Registered Office

www.sitaraperoxide.com

Company Website

Askari Bank Limited
Al-Baraka Islamic 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

Bankers**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
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Share Registrar

26 - KM Sheikhpura Road, Faisalabad.
Ph : (92 41) 2400900 - 5

Head Office & Project Location

I, on the behalf of Board of Directors of your Company, have pleasure in presenting you the un-audited condensed interim financial information for the half year ended December 31, 2014.

The last quarter under review remained a very challenging period for your Company. In last quarter, supply of natural gas to manufacturing sector was curtailed. Demand of hydrogen peroxide also remained depressed because textile industry, major consumer of our product, operated well below its capacities due to prevailing energy crises in the country. Despite above challenges, your Company successfully maintained its market share in local market.

Capacity utilization of your Company during the six months under review decreased by 6% as compared to corresponding period of last year. Production of the Company was adversely affected due to reduced natural gas supply. The Company had to take forced shut down of two weeks in the months of October and of one week in the month of December due to non-supply of natural gas.

Sales of your Company in last six months remained Rs. 631 million against Rs. 721 million in the same period last year. Drop in turnover is mainly attributed to low production. Cost of sales rose to Rs. 583 million as compared to 546 million. High cost of power and rising packing costs are major reasons of the above increase. Due to low capacity utilization and rising cost of production, gross profits of your Company decreased. Loss per share in six months remained Rs. (0.18) against earnings per share of Rs. 0.44 in last year. However, in last quarter, your Company earned net profit after tax of Rs. 13 million and earnings per share remained Rs. 0.24 per share. Proceeds of Rs. 60 million were earned from export of consumed / exhausted catalyst which contributed towards profitability of the Company in last quarter.

Due to energy crises and stagnant economy; management of your Company foresee challenging times ahead for manufacturing sector. However, recent decrease in oil prices in international market is silver lining in otherwise a gloomy economic horizon. Decrease in power tariff is anticipated which will improve the depressed margins of your Company. Easing of monetary policy will reduce the finance cost as well. Cost of chemicals and packing materials imported are also expected to fall due to decrease in oil prices and stable Pak rupee against US dollar. Plant management has also inducted new catalyst in last quarter to attain maximum capacity utilization. Management of your Company is fully confident of higher capacity utilization in 2nd half of current financial year which will offset production losses in first six months.

I would like to take this opportunity to express our appreciation for stakeholders for their dedication, support and cooperation throughout the period.

Allah may give us the courage to face the challenges ahead. Aameen

On behalf of Board of Directors



Faisalabad
February 21, 2015

IMRAN GHAFOR
Chief Executive Officer

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, 2014, 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 for the quarters ended December 31, 2014 and December 31, 2013 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2014.

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, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

M. Javafadi Saleh

Chartered Accountants
Engagement Partner: Talat Javed

February 21, 2015
Multan

Condensed Interim Balance Sheet As At December 31, 2014

		Un-Audited December 31, 2014	Audited June 30, 2014
	Note	----- Rupees -----	
ASSETS			
Non - current assets			
Property, plant and equipment	4	2,419,441,340	2,490,671,198
Long term advances and deposits		3,905,000	3,905,000
		<u>2,423,346,340</u>	<u>2,494,576,198</u>
Current assets			
Stores, spare parts and loose tools		91,441,919	91,315,479
Stock in trade		533,836,291	521,114,471
Trade debts		49,461,251	31,184,709
Advances		103,305,067	96,137,520
Deposits and short term prepayments		35,287,913	23,874,259
Sales tax refundable		152,078,906	91,054,056
Cash and bank balances		7,998,889	847,908
		<u>973,410,236</u>	<u>855,528,402</u>
Total assets		<u>3,396,756,576</u>	<u>3,350,104,600</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	5	551,000,000	551,000,000
Accumulated losses		(232,478,949)	(256,140,395)
		<u>318,521,051</u>	<u>294,859,605</u>
Surplus on revaluation of property, plant and equipment	6	949,523,244	983,327,979
Non - current liabilities			
Long term financing	7	783,304,070	893,735,288
Liabilities against assets subject to finance lease		260,672	604,818
Deferred liabilities		309,305,740	320,418,033
Deferred mark-up		162,832,430	138,342,357
		<u>1,255,702,912</u>	<u>1,353,100,496</u>
Current liabilities			
Trade and other payables	8	281,370,200	193,825,769
Accrued markup		15,724,696	27,315,264
Short term borrowings		305,968,900	261,175,926
Current portion of long term financing		262,805,512	221,390,536
Current portion of liabilities against assets subject to finance lease		669,493	628,349
Provision for taxation		6,470,568	14,480,676
		<u>873,009,369</u>	<u>718,816,520</u>
Contingencies and commitments	9		
Total equity and liabilities		<u>3,396,756,576</u>	<u>3,350,104,600</u>

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, 2014

	Note	Six months ended		Three months ended	
		December 31 2014	December 31 2013	December 31 2014	December 31 2013
----- Rupees -----					
Sales - net	10	630,796,858	720,929,403	308,243,285	382,449,795
Cost of sales	11	(582,570,054)	(546,218,312)	(300,224,385)	(297,076,285)
Gross profit		48,226,804	174,711,091	8,018,900	85,373,510
Other income	12	60,412,940	4,237,197	59,923,291	2,641,008
		108,639,744	178,948,288	67,942,191	88,014,518
Distribution cost		(13,029,696)	(16,780,854)	(6,674,737)	(9,336,327)
Administrative expenses		(32,487,112)	(29,310,240)	(17,290,647)	(12,681,605)
Other expenses		-	(8,442,189)	353,710	(6,556,305)
Finance cost		(78,311,340)	(85,589,868)	(39,514,929)	(42,090,517)
		(123,828,148)	(140,123,151)	(63,126,603)	(70,664,754)
(Loss) / profit before taxation		(15,188,404)	38,825,137	4,815,588	17,349,764
Provision for taxation	13	5,045,115	(14,646,143)	8,279,316	(11,170,929)
(Loss) / profit for the period		(10,143,289)	24,178,994	13,094,904	6,178,835
(Loss) / earnings per share					
- basic and diluted	14	(0.18)	0.44	0.24	0.11

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, 2014

Note	Six months ended		Three months ended	
	December 31 2014	December 31 2013	December 31 2014	December 31 2013
	----- Rupees -----			
(Loss) / profit for the period	(10,143,289)	24,178,994	13,094,904	6,178,835
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>(10,143,289)</u>	<u>24,178,994</u>	<u>13,094,904</u>	<u>6,178,835</u>

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, 2014

	Note	Six months ended	
		December 31	December 31
		2014	2013
		----- Rupees -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(15,188,404)	38,825,137
Adjustments for:			
Depreciation of property, plant and equipment		86,160,188	84,612,619
Gain on sale of property, plant and equipment		-	(1,731,159)
Profit on bank deposit		(678,009)	(1,206,738)
Provision for staff retirement gratuity		2,142,416	780,978
Finance cost		(78,311,340)	85,589,868
		9,313,255	168,045,568
Operating cash flow before working capital changes		(5,875,149)	206,870,705
Changes in working capital	16	(10,602,084)	4,271,702
Cash (used in) / generated from operations		(16,477,233)	211,142,407
Finance cost paid		91,210,845	(84,044,730)
Staff retirement gratuity paid		(1,121,426)	(640,203)
Income taxes paid - net		(27,682,614)	(10,849,261)
		62,406,805	(95,534,194)
Net cash generated from operating activities		45,929,572	115,608,213
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(14,930,330)	(3,489,131)
Proceeds from sale of property, plant and equipment		-	11,450,000
Profit received on bank deposits		678,009	1,206,738
Decrease in long term deposits		-	1,300,000
Net cash (used in)/ generated from investing activities		(14,252,321)	10,467,607
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		-	135,000,000
Payment of long-term financing		(69,016,242)	(88,045,226)
Short term financing - net		44,792,974	(129,030,887)
Payment of finance lease liabilities		(303,002)	(9,278,094)
Net cash used in financing activities		(24,526,270)	(91,354,207)
Net increase in cash and cash equivalents (A+B+C)		7,150,981	34,721,613
Cash and cash equivalents at beginning of period		847,908	15,972,007
Cash and cash equivalents at end of the period		7,998,889	50,693,620

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, 2014

	Share capital	Accumulated losses	Total
	----- Rupees -----		
Balance as at July 01, 2013 - restated (audited)	551,000,000	(291,847,959)	259,152,041
Profit for the six months ended December 31, 2013	-	24,178,994	24,178,994
Other comprehensive income for the six months ended December 31, 2013	-	-	-
Total comprehensive income	-	24,178,994	24,178,994
Transfer to accumulated losses on account of incremental depreciation - net of tax	-	14,922,814	14,922,814
Balance as at December 31, 2013	551,000,000	(252,746,151)	298,253,849
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	-	(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

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, 2014

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 Karachi 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 Sheikhpura 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, 2014 has been prepared in accordance with the International Accounting Standard - 34 "Interim Financial Reporting" and 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, 2014. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2014 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, 2013.
- 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

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2014.

	(Un-Audited) December 31 2014	(Audited) June 30 2014
Note	----- Rupees -----	
4 PROPERTY, PLANT AND EQUIPMENT		
Opening carrying value	2,490,671,198	1,826,370,173
Additions during the period / year:		
Electric installations	125,654	179,600
Office equipment	35,938	64,583
Laboratory equipment	-	270,000
Furniture and fittings	23,238	393,115
Vehicles	14,745,500	4,497,335
	14,930,330	5,404,633
Net book value of assets disposed off during the period / year	-	(29,367,174)
	2,505,601,528	1,802,407,632
Depreciation charged during the period / year	(86,160,188)	(169,547,267)
Effect of revaluation of property, plant and equipment	-	857,810,833
	<u>2,419,441,340</u>	<u>2,490,671,198</u>
5 SHARE CAPITAL		
Authorized		
"60,000,000 (June 30, 2013: 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, 2013: 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	983,327,979	427,709,455
Revaluation surplus created during the period / year	-	861,277,500
Relevant deferred tax liability	-	(275,361,141)
Revaluation surplus created during the period / year - net of tax	-	585,916,359
Transfer to accumulated losses in respect of incremental depreciation charged during the period / year - net of deferred tax	6.1 (33,804,735)	(30,297,835)
	<u>949,523,244</u>	<u>983,327,979</u>
6.1 "Incremental depreciation charged during the period / year"		
Charge of the period / year	50,118,213	45,220,651
"Less: deferred tax liability relating to incremental depreciation"	16,313,478	14,922,816
	<u>33,804,735</u>	<u>30,297,835</u>

	Note	(Un-Audited)	(Audited)
		December 31 2014	June 30 2014
		Rupees-----	
7 LONG-TERM FINANCING			
Secured - from financial institutions			
Under sukuk arrangements			
Balance at beginning of the period / year		990,667,495	1,178,921,055
Less: paid during the period / year		63,266,244	188,253,560
Less: current portion		240,541,622	209,890,536
Balance at the end of period / year	7.1	686,859,629	780,776,959
Under mark-up arrangements			
Balance at beginning of the period / year		124,458,329	135,000,000
Less: paid during the period / year		5,749,998	10,541,671
Less: current portion		22,263,890	11,500,000
Balance at the end of period / year		96,444,441	112,958,329
Un-secured			
From other parties			
Balance at beginning of the period / year		-	29,200,000
Add: obtained during the period / year		-	2,150,000
Less: paid during the period / year		-	31,350,000
Balance at the end of period / year		-	-
		<u>783,304,070</u>	<u>893,735,288</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 November 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 the Company 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. 99,107,728 (June 30, 2014: Rs. 88,472,856) due to associated undertakings.**

(Un-Audited) December 31 2014	(Audited) June 30 2014
----- Rupees -----	

9 CONTINGENCIES AND COMMITMENTS**9.1 Contingencies**

Bank guarantee issued by Faysal Bank Limited in favor of Sui Northern Gas Pipelines Limited for supply of Gas

53,538,000

53,538,000

- 9.2 "Gas Infrastructure Development Cess (GIDC) amounting to Rs. 54,670,984 along with interest is payable by the Company to Sui Northern Gas Pipelines Limited subject to an Order of the Court/Authority. The matter is pending adjudication.**

Management is confident that no financial liability will arise in this case, therefore no provision has been made in this condensed interim financial information."

(Un-Audited) December 31 2014	(Audited) June 30 2014
----- Rupees -----	

9.2 Commitments

Irrevocable letters of credit

27,395,913

25,922,738

	Six months ended		Three months ended	
	December 31 2014	December 31 2013	December 31 2014	December 31 2013
----- Rupees -----				
10 SALES - NET				
Local sales	648,667,760	731,092,249	316,886,910	383,385,144
Less: Commission and discount	(19,622,208)	(18,360,817)	(8,643,625)	(9,133,320)
	<u>629,045,552</u>	<u>712,731,432</u>	<u>308,243,285</u>	<u>374,251,824</u>
Export sales	<u>1,751,306</u>	<u>8,197,971</u>	-	<u>8,197,971</u>
	<u>630,796,858</u>	<u>720,929,403</u>	<u>308,243,285</u>	<u>382,449,795</u>
11 COST OF SALES				
Raw material consumed	189,048,228	76,250,822	128,666,047	41,540,379
Fuel and power	175,397,467	126,457,003	83,094,684	65,752,371
Packing material consumed	130,265,355	122,332,938	55,238,189	60,563,897
Salaries, wages and benefits	33,142,845	26,422,803	15,423,092	11,513,167
Factory overheads	107,017,024	113,197,480	55,440,953	57,740,273
	<u>634,870,919</u>	<u>464,661,046</u>	<u>337,862,965</u>	<u>237,110,087</u>
Work-in-process				
Opening stock	336,697,220	341,025,388	370,200,862	330,022,391
Closing stock	(446,116,393)	(329,958,890)	(446,116,393)	(329,958,890)
	<u>(109,419,173)</u>	<u>11,066,498</u>	<u>(75,915,531)</u>	<u>63,501</u>
Cost of goods manufactured	<u>525,451,746</u>	<u>475,727,544</u>	<u>261,947,434</u>	<u>237,173,588</u>
Finished goods				
Opening stock	19,471,146	11,545,648	14,984,789	18,069,397
Closing stock	(11,042,838)	(8,645,964)	(11,042,838)	(8,645,964)
	<u>8,428,308</u>	<u>2,899,684</u>	<u>3,941,951</u>	<u>9,423,433</u>
Cost of goods sold - own manufactured products	<u>533,880,054</u>	<u>478,627,228</u>	<u>265,889,385</u>	<u>246,597,021</u>
Outside purchases	<u>48,690,000</u>	<u>67,591,084</u>	<u>34,335,000</u>	<u>50,479,264</u>
	<u>582,570,054</u>	<u>546,218,312</u>	<u>300,224,385</u>	<u>297,076,285</u>
12 OTHER INCOME				

This includes gain of Rs. 59,623,917 on sale of consumed Palladium (Catalyst). This Palladium (Catalyst) had been fully consumed as per the company policy.

	Six months ended		Three months ended	
	December 31 2014	December 31 2013	December 31 2014	December 31 2013
----- Rupees -----				
13 PROVISION FOR TAXATION				
Current - for the period	7,088,168	7,389,637	3,853,967	3,914,423
Deferred	(12,133,283)	7,256,506	(12,133,283)	7,256,506
	<u>(5,045,115)</u>	<u>14,646,143</u>	<u>(8,279,316)</u>	<u>11,170,929</u>
14 EARNINGS PER SHARE - BASIC AND DILUTED				
(Loss)/ profit for the period	(10,143,289)	24,178,994	13,094,904	6,178,835
Weighted average number of ordinary shares outstanding during the period	55,100,000	55,100,000	55,100,000	55,100,000
(Loss)/ earnings per share	<u>(0.18)</u>	<u>0.44</u>	<u>0.24</u>	<u>0.11</u>

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:

		Six months ended	
		December 31 2014	December 31 2013
----- Rupees -----			
Relationship with the Company	Nature of transactions		
Associated companies	Organizational charges charged	225,478	170,689
	Purchases	14,921,374	17,130,740
Key Management Personnel	Loan obtained from Chief Executive Officer	-	10,000,000
	Repayment of loan to Chief Executive officer	-	19,726,372
	Remuneration and other benefits	10,134,273	8,337,848
Employee benefit plan	Payment during the period	1,121,426	640,203

Six months ended	
December 31 2014	December 31 2013
-----Rupees -----	

16 CHANGES IN WORKING CAPITAL

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(126,440)	(6,942,079)
Stock-in-trade	(12,721,820)	18,794,469
Trade debts	(18,276,542)	(6,359,436)
Advances	5,416,791	(20,925,959)
Deposits and short term prepayments	(11,413,654)	(29,435,409)
Sales tax refundable	(61,024,850)	5,506,902
Increase in current liability		
Trade and other payables	87,544,431	43,633,214
	<u>(10,602,084)</u>	<u>4,271,702</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 21, 2015.

18 GENERAL

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



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