KOHINOOR
ENERGY LIMITED

Half Yearly Report 2014
July-December (Un-Audited)

Contents

Corporate Information

Board of Directors

Mr. M. Naseem Saigol
Chairman
Mr. Tatsuo Hisatomi
Chief Executive Officer
Mr. S M Shakeel
Mr. Hidenori Saito
Mr. Manabu Iida
Mr. Yasunori Mizuno
Mr. Muhammad Asad Khan
Nominee of Wartsila Finland Oy

Company Secretary
Mr. Muhammad Asif

Audit Committee
Mr. Hidenori Saito
Chairman
Mr. S M Shakeel
Mr. Muhammad Asad Khan
Mr. Yasunori Mizuno

HR & Remuneration Committee
Mr. Hidenori Saito
Chairman
Mr. Tatsuo Hisatomi
Mr. S M Shakeel
Mr. Manabu Iida

Management
Mr. Tatsuo Hisatomi
Chief Executive Officer
Mr. S M Shakeel
Chief Operating Officer
Mr. Ghazanfar Ali Zaidi
General Manager Technical
Mr. Muhammad Ashraf
Chief Financial Officer

Auditors
A. F. Ferguson & Co.
Chartered Accountants

Bankers

Standard Chartered Bank (Pakistan) Limited
Bank Alfalah Limited
Askari Bank Limited
AL Baraka Bank (Pakistan) Limited
Meezan Bank
Habib Bank Limited
NIB Bank

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301, 3RD Floor, Green Trust Tower,
Blue Area Islamabad, Pakistan.
Tel : +92-51-2813021-2
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Shares Registrar
M/S. Corplink (Pvt.) Ltd.
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35916719
Fax : +92-42-35869037

Lahore Office
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Website
www.kel.com.pk

Directors' Review

The Board feels pleasure to present you the brief report together with operational and financial results of the Company reviewed by the statutory auditors, for the 2nd quarter/half year ended December 31, 2014.

The Company is engaged in electricity generation from a furnace oil fired power plant having a net capacity of 124 MW. Water and Power Development Authority (WAPDA) is the exclusive purchaser of the electricity being generated at the plant. During the half year under review, the plant operated at 82.17% capacity factor and delivered 449,957 MWh of electricity to WAPDA; while during the corresponding period last year the plant by running at 77.52% capacity factor delivered 424,492 MWh.

We report that during the half year, 4 engines have been dealt with major maintenance work under 8k-hours maintenance program, while during the corresponding period last year two engines were dealt with the major maintenance. The maintenance work has been completed within the budgeted amounts.

During the half-year under review, the sales revenue of the Company stood at Rs. 7.03 billion as compared to Rs. 7.11 billion in corresponding period last year; and the Company posted net profit of Rs. 425 million as compared to Rs. 502 million posted during the corresponding period last year. The 8-k hours maintenance work of 4 engines compared to 2 engines in the previous period and reduction in furnace oil price are the main reasons for reduction in the profits.

With respect to the matters of dispute with WAPDA on 1) eligibility of indexation on non-escalable component of the capacity purchase price and 2) the imposition of liquidated damages (as detailed in Notes 4.1.1 and 4.1.2 to the financial information respectively), the status is same as reported earlier.

We would also like to inform you that during the current period the Assistant Commissioner Inland Revenue (ACIR) has raised sales tax demand of Rs. 505.41 million by disallowing the input sales tax for the tax periods from August 2009 to June 2013. Such demand has been raised on other IPPs as well, on the ground that the revenue derived by the Company on account of capacity purchase price was against the non-taxable supply and thus the input sales tax claimed by the Company was required to be apportioned with the energy purchase price.

The Company preferred an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the demand, which is pending adjudication. We are of the view that since under the Special Procedure of the Sales Tax the amount of capacity purchase price is not the component of taxable supply rather than non-taxable supply therefore apportionment does not apply. We are confident that the matter shall be decided in Company's favor therefore in this regard no provision has been made in these financial statements.

We feel pleasure to inform you that the Board in its meeting held on February 18, 2015 has declared an interim dividend of 20% (Rs. 2.00 per share) for the financial year 2014-15, for which the date of entitlement has been fixed as March 05, 2015.

The Board expresses its appreciation to the financial institutions, WAPDA, Pakistan State Oil, Wartsila and suppliers as well as the valued shareholders of the Company for their continued support that resulted in successful and smooth operations. The Board also appreciates the enthusiasm and determination of the management and employees of the Company resulting in the safe, efficient and smooth operations of the power complex.

for and on behalf of the Board

Tatsuo Hisatomi
Chief Executive

Lahore
February 18, 2015

Auditors' Report to The Members on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Kohinoor Energy Limited as at December 31, 2014 and 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 for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed 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 condensed 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, 2014 and 2013 have not been reviewed as we are required to review only the cumulative figures for the half year 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 half year 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.

Emphasis of Matter

We draw attention to notes 4.1.1 and 4.1.2 of condensed interim financial information which describes the uncertainty regarding the outcome of certain claims by WAPDA which have been disputed by the Company. Our conclusion is not qualified in respect of these matters.

A. F. Ferguson & Co.
Chartered Accountants

Lahore
February 18, 2015

Amer Raza Mir
Partner

KOHINOOR ENERGY LIMITED

Condensed Interim Balance Sheet

	Note	December 31, 2014	June 30, 2014
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital			
170,000,000 (June 30, 2014: 170,000,000) ordinary shares of Rs 10 each		1,700,000	1,700,000
Issued, subscribed and paid up capital			
169,458,614 (June 30, 2014: 169,458,614) ordinary shares of Rs 10 each		1,694,586	1,694,586
Unappropriated profit		4,807,933	4,806,261
		6,502,519	6,500,847
NON -CURRENT LIABILITIES			
Long term financing -secured		94,754	189,721
CURRENT LIABILITIES			
Staff retirement benefits		21,183	41,467
Finances under mark up arrangements		2,688,291	3,083,465
Current portion of long term financing		126,108	89,078
Trade and other payables		195,627	222,617
Accrued finance cost		60,545	27,229
Provision for taxation		14,630	26,518
		3,106,384	3,490,374
CONTINGENCIES AND COMMITMENTS	4		
		9,703,657	10,180,942

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

As At December 31, 2014 (Un-Audited)

	Note	December 31, 2014	June 30, 2014
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,118,536	4,222,938
Capital work in progress		69,474	80,865
Intangible assets		2,777	3,020
Long term loans, advances and deposits		16,188	17,232
		4,206,975	4,324,055
CURRENT ASSETS			
Stores, spares and loose tools		383,878	385,208
Stock-in-trade		147,333	295,464
Trade debts		3,787,161	4,598,451
Loans, advances, deposits, prepayments and other receivables		493,840	356,071
Cash and bank balances		684,470	221,693
		5,496,682	5,856,887
		9,703,657	10,180,942

Director

KOHINOOR ENERGY LIMITED

Condensed Interim Profit And Loss Account

For the Quarter and Half Year ended December 31, 2014 (Un-audited)

	Note	Quarter ended		Half year ended	
		December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
		(Rupees in thousand)			
Sales		3,262,755	3,564,714	7,029,584	7,113,890
Cost of sales	6	(2,902,544)	(3,188,588)	(6,292,490)	(6,390,245)
Gross profit		360,211	376,126	737,094	723,645
Administration and general expenses		(67,874)	(55,540)	(144,630)	(123,950)
Other operating income		287	2,208	3,563	7,396
Profit from operations		292,624	322,794	596,027	607,091
Finance costs		(85,928)	(63,032)	(169,497)	(102,483)
Profit before tax		206,696	259,762	426,530	504,608
Taxation		(97)	(1,171)	(1,211)	(2,514)
Profit for the period		206,599	258,591	425,319	502,094
Earnings per share - basic and diluted	Rupees	1.22	1.53	2.51	2.96

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive **Director**

Condensed Interim Statement Of Comprehensive Income

For the Quarter and Half Year ended December 31, 2014 (Un-audited)

	Quarter ended		Half year ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	(Rupees in thousand)			
Profit for the period	206,599	258,591	425,319	502,094
Other comprehensive income/(loss):				
Items that will not be reclassified to profit or loss:				
Re-measurement of acturial losses on retirement benefit plan	–	(7,570)	–	(15,140)
Total comprehensive income for the period	206,599	251,021	425,319	486,954

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

KOHINOOR
ENERGY LIMITED

Condensed Interim Cash Flow Statement

For the Half Year ended December 31, 2014 (Un-audited)

	Note	July 1 to December 31 2014	July 1 to December 31 2013
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from / (used in) operations	7	1,575,536	(918,881)
Staff retirement benefits paid		(37,383)	(6,188)
Finance costs paid		(136,181)	(81,609)
Taxes paid		(13,099)	(29,004)
Net cash generated from / (used in) operations		1,388,873	(1,035,682)
Cash flows from investing activities			
Fixed capital expenditure		(56,510)	(424,908)
Income on bank deposits received		691	4,411
Net decrease in long term loans, advances and deposits		1,044	440
Proceeds from sale of property, plant and equipment		4,811	6,686
Net cash used in investing activities		(49,964)	(413,371)
Cash flows from financing activities			
Dividend paid		(423,021)	(1,227,403)
Long term loan acquired during the period		–	321,362
Long term loan repaid during the period		(57,937)	(30,180)
Net cash used in financing activities		(480,958)	(936,221)
Net increase/(decrease) in cash and cash equivalents		857,951	(2,385,274)
Cash and cash equivalents at beginning of the period		(2,861,772)	269,367
Cash and cash equivalents at the end of the period	8	(2,003,821)	(2,115,907)

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive **Director**

Condensed Interim Statement Of Changes In Equity

For the Half Year ended December 31, 2014 (Un-audited)

	Share capital	Un-appropriated profit	Total
		(Rupees in thousand)	
Balance as on July 1, 2013	1,694,586	5,636,292	7,330,878
Interim dividend for the year ended June 30, 2013 at the rate of Rs. 4.25 per share	–	(720,199)	(720,199)
Final dividend for the year ended June 30, 2013 at the rate of Rs. 3.00 per share	–	(508,376)	(508,376)
Total Comprehensive income for the period	–	486,954	486,954
Balance as on December 31, 2013	1,694,586	4,894,671	6,589,257
Interim dividend for the year ended June 30, 2014 at the rate of Rs. 2.00 per share	–	(338,917)	(338,917)
Interim dividend for the year ended June 30, 2014 at the rate of Rs. 2.00 per share	–	(338,917)	(338,917)
Total Comprehensive income for the period	–	589,424	589,424
Balance as on June 30, 2014	1,694,586	4,806,261	6,500,847
Final dividend for the year ended June 30, 2014 at the rate of Rs. 2.50 per share		(423,647)	(423,647)
Total comprehensive income for the period	–	425,319	425,319
Balance as on December 31, 2014	1,694,586	4,807,933	6,502,519

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

Selected Notes To The Condensed Interim Financial Information

For the Quarter and Half Year ended December 31, 2014 (Un-audited)

1. Basis of preparation

This condensed interim financial information is unaudited and has been prepared in accordance with section 245 of the Companies Ordinance, 1984 and International Accounting Standard (IAS) 34 - 'Interim Financial Reporting'. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2014.

2. Significant Accounting Policies

2.1 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended June 30, 2014.

2.2 Standards, interpretations and amendments to published approved accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Amendments to published standards effective in current year

The following standards are effective from current period but do not have a material impact on the company's interim financial information:

- IFRS 7, 'Financial Instruments: Disclosure'
- IAS 27 (Revised), 'Separate financial statements'
- IAS 28 (Revised), 'Associates and joint ventures'
- IAS 32, 'Financial instruments: Presentation'
- IAS 36, 'Impairment of Assets: Disclosure'
- IAS 39, 'Financial instruments: Recognition and Measurement'
- IFRIC 21, 'Levies: Accounting for an Obligation to pay a Levy'
- Annual improvements 2012; IFRS 2, 'Share-based payment'. IFRS 3, 'Business combinations'. IFRS 8, 'Operating segments'. IFRS 9, 'Financial instruments'. IFRS 13, 'Fair value measurement'. IAS 16, 'Property, plant and equipment'. IAS 37, 'Provisions, contingent liabilities and contingent assets' IAS 38, 'Intangible assets'
- Annual improvements 2013; IFRS 1, 'First time adoption'. IFRS 3, 'Business combinations'. IFRS 13, 'Fair value measurement'. IAS 40, 'Investment property'

2.2.2 Standards, amendments and interpretations to existing standards applicable to the company not yet effective

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after their respective effective dates:

Standards or interpretation:	**Effective date (accounting periods beginning on or after)**
- Annual improvements 2014; IFRS 5, 'Non current assets held for sale and discontinued operations'. IAS 19, 'Employee benefits' regarding discount rates'. IAS 34, 'Interim financial reporting'. Consequential amendments to IFRS 1 regarding servicing contracts.	January 1, 2016
IAS 16 (Amendment), 'Property, plant and equipment'	January 1, 2016
IAS 19 (Amendments), 'Employee benefits'	January 1, 2015
IAS 27 (Amendment), 'Separate financial statements'	January 1, 2016
IAS 38 (Amendment), 'Intangible Assets'	January 1, 2016
IFRS 9, 'Financial Instruments'	January 1, 2015
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15 'Revenue from contracts with customers'	January 1, 2017

2.2.3 Standards, amendments and interpretations to published standards effective in the current period not relevant to the company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the company's accounting periods beginning on or after July 1, 2014 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in this condensed interim financial information.

3. The provision for taxation for the half year ended December 31, 2014 has been made on an estimated basis.

4. Contingencies and commitments

4.1 Contingencies

4.1.1 During year ended June 30, 2010, WAPDA disputed the eligibility of indexation of non-escalable component (NEC) of the capacity purchase price relating to the period subsequent to the repayment of foreign currency loan taking the stance that under the Power Purchase Agreement (PPA) indexation is allowed until the repayment of foreign currency loan, and since the loan was fully repaid in September 2008, therefore no indexation was to be allowed from September 2008 onwards (Dispute 1). WAPDA had earlier paid Rs 430.517 million relating to the period from September 2008 to September 2009 but subsequently withheld this amount in June 2010 against the invoices of April 2010 (Dispute 2).

The management of the company is of the view that under the terms of the PPA, (i) the company is entitled to the continued indexation of the NEC after repayment of foreign currency loans; and (ii) the invoice receiving party may serve a dispute notice to the other party at any time prior to 180 days of receipt of such invoice. Since the invoices for the period from September 2008 to September 2009 were not disputed within the prescribed period of 180 days therefore WAPDA has waived its right to seek revision of such invoices in terms of section 9.7 (d) of the PPA.

Article XV of PPA requires that if a dispute arises the matter shall be decided by (i) mutual discussions failing which (ii) through mediation by an expert and as a last resort through (iii) arbitration. The company's initial views were to refer the disputed matter to arbitration under the Rules of Arbitration of the International Chamber of Commerce to expedite the resolution of the dispute. However, during the year ended 30 June 2011, the Management of the company referred the matter to the expert. Consequently an expert was engaged with the consent of both the parties. The expert has given his decision / recommendation on December 30, 2011 which states that the adjustment of Rs. 430.517 million is unlawful, therefore, WAPDA is required to pay this amount to the company.

WAPDA has not accepted the decision / recommendation of the Expert (on Dispute 2). The Management of the company and legal advisor is of the opinion that the matter will be settled in company's favour and consequently the company has not provided for Rs. 430.517 million in this condensed interim financial information.

4.1.2 WAPDA have imposed liquidated damages (after taking into account forced outage allowance stipulated under the terms of the Power Purchase Agreement) on account of short supply of electricity by the Company, which was due to cash flow constraints of the Company as a result of default by WAPDA in making timely payments. Currently, the amount of liquidated damages invoiced by WAPDA is Rs. 390.238 million. The Company disputes and rejects any claim on account of liquidated damages that is or may be raised by WAPDA on the premise that its failure to dispatch electricity was due to WAPDA's nonpayment of dues on timely basis to the Company and consequential inability of the Company to make advance payments to its fuel supplier Pakistan State Oil that resulted in inadequate level of electricity production owing to shortage of fuel. According to legal advisors of the company, there are adequate grounds to defend any claim by WAPDA for such liquidated damages since these conditions were imposed on the Company by WAPDA due to circumstances beyond its control. During the year ended June 30, 2014, the management of the Company decided to join hands with two Independent Power Producers (IPP): M/S Lalpir Power Limited and PakGen Power Limited who had already initiated the expert mediation with WAPDA on a similar issue. Currently WAPDA and IPPs are in the process of the expert appointment under the mechanism given in the Power Purchase Agreement. The ultimate outcome of the matter cannot presently be determined, and consequently, no provision for such liquidated damages has been made in this condensed interim financial information.

4.1.3 During the current period, a sales tax demand of Rs 505.41 million was raised against the company through order dated August 29, 2014 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from August 2009 to June 2013. Such amount was disallowed on the grounds that the revenue derived by the company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the company. Against the aforesaid order, the company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vide its order dated November 6, 2014, upheld the ACIR's order on the issue regarding apportionment of input sales tax with the caveat that tax demand pertaining to period of show cause notice beyond the limitation of five years cannot be sustained and reduced from the tax demand. Consequently, the company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR'), which is pending for adjudication. However, in response to an application by the company, the Lahore High Court in its order dated December 31, 2014, stayed the recovery of tax demand till adjudication by ATIR subject to deposit of Rs. 10 million with the Tax Department which the Company duly submitted on January 7, 2015.

Based on the advice of the company's legal counsel, management believes that there are meritorious grounds to defend the company's stance in respect of the above mentioned input sales tax claimed by the company. Consequently, no provision has been made in this condensed interim financial information.

4.1.4 The company has issued the following guarantees in favour of:

(i) Water and Power Development Authority (WAPDA) on account of liquidated damages, in case the Company fails to make available electricity to WAPDA on its request, amounting to Rs. 180 million (June 30, 2014: Rs. 180 million).

(ii) Sui Northern Gas Pipelines Limited on account of payment of dues against gas sales etc., amounting to Rs 2.15 million (June 30, 2014: Rs 2.15 million).

4.2 Commitments

(i) Letters of credit/ Bank contracts other than capital expenditure are Rs. 32.412 million (June 30, 2014: Rs. 12.978 million).

(ii) Letters of credit for capital expenditure Rs. 10.242 million (June 30, 2014: Nil).

5. Property, plant and equipment

	Note	December 31, 2014	June 30, 2014
		(Rupees in thousand)	
Opening net book value		4,222,938	3,870,267
Add: Additions during the period	5.1	51,791	659,046
Transfer from capital work-in-progress	5.2	16,110	–
		4,290,839	4,529,313
Less: Disposals during the period (at book value)	5.3	1,938	5,404
Depreciation charged during the period		170,365	300,971
		172,303	306,375
		4,118,536	4,222,938

5.1 Additions during the period

	December 31, 2014	June 30, 2014
Buildings on freehold land	–	689
Plant and machinery	41,515	640,801
Office appliances and equipment	–	409
Laboratory Equipment	580	3,022
Electric appliances and equipment	329	4,195
Computers	363	1,150
Vehicles	9,004	8,780
	51,791	659,046

5.2 Transfer from capital work-in-progress

	December 31, 2014	June 30, 2014
Plant and machinery	16,110	–

5.3 Disposals during the period

	December 31, 2014	June 30, 2014
Office appliances and equipments	–	85
Vehicles	1,938	5,318
	1,938	5,403

	Quarter ended		Half year ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	(Rupees in thousand)			

6. Cost of sales

Raw material consumed	2,648,512	2,972,947	5,781,889	5,977,027
Salaries, wages and benefits	42,822	30,109	95,792	81,108
Fee for Produce of Energy (FPE)	20,056	18,681	40,537	38,851
Stores and spares consumed	80,117	69,751	161,978	104,446
Depreciation/amortization	88,762	73,659	166,527	141,224
Insurance	10,084	12,806	20,165	24,870
Travelling, conveyance and entertainment	3,673	3,169	6,776	6,721
Repairs and maintenance	3,682	2,545	7,991	5,906
Communication charges	1,105	787	1,105	787
Electricity consumed in-house	290	1,637	660	2,077
Miscellaneous	3,441	2,497	9,070	7,228
	2,902,544	3,188,588	6,292,490	6,390,245

7. Cash generated from operations

	July 1 to December 31	
	2014	2013
	(Rupees in thousand)	
Profit before tax	426,530	504,608
Adjustments for:		
Depreciation/amortisation	170,608	145,633
Gain on disposal of property, plant and equipment	(2,873)	(3,021)
Income on bank deposits	(691)	(4,375)
Staff retirement benefits accrued	17,099	3,084
Finance costs	169,497	102,483
Profit before working capital changes	780,170	748,412
Effect on cash flow due to working capital changes:		
- Decrease/(Increase) in stores, spares and loose tools	1,330	(49,389)
- Decrease/(Increase) in stock-in-trade	148,131	(301,207)
- Decrease/(Increase) in trade debts	811,290	(1,436,314)
- (Increase)/Decrease in loans, advances, deposits, prepayments and other receivables	(137,769)	122,213
- Decrease in trade and other payables	(27,616)	(2,596)
	795,366	(1,667,293)
	1,575,536	(918,881)

	December 31, 2014	December 31, 2013
	(Rupees in thousand)	

8. Cash and cash equivalents

Cash and bank balances	684,470	181,997
Finances under mark-up arrangements - secured	(2,688,291)	(2,297,904)
	(2,003,821)	(2,115,907)

9. Transactions with related parties

	July 1 to December 31 2014	2013
	(Rupees in thousand)	
Purchase of goods and services	156	181
Key management personnel compensation	49,815	44,100
Charge in respect of staff retirement benefit plan	9,752	(4,263)

Period end balances

	December 31, 2014	June 30, 2014
	(Rupees in thousand)	
Payable to related parties	30	45

10. Date of authorization for issue

This condensed interim financial information was authorised for issue on February 18, 2015 by the Board of Directors of the Company.

11. Events after the balance sheet date

The Board of Directors have declared an interim dividend of Rs 2.0 per share (June 30, 2014: Rs 2.5 per share), amounting to Rs 338,917 thousand (June 30, 2014: Rs. 423,647 thousand) at their meeting held on February 18, 2015. This condensed interim financial information does not include the effect of the above interim dividend which will be accounted for in the period in which it is declared.

12. Corresponding figures

Corresponding figures have been re-arranged, where necessary, for the purpose of comparison. However no significant re-arrangements were made during the period.

Chief Executive **Director**

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GREEN OFFICE

A WWF INITIATIVE TO REDUCE ECOLOGICAL FOOTPRINT

Contribution to Social Welfare