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Pakistan International Bulk Terminal Limited

Head Office

2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi 74000, Pakistan.

Tel. (+9221) 32400450-3 Fax. (+9221) 32400281 Email. info@pibt.com.pk Website. www.pibt.com.pk



## HALF YEARLY REPORT

December 31, 2014



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### COMPANY INFORMATION

#### BOARD OF DIRECTORS

<b>Chairman</b>	Capt. Haleem A. Siddiqui
<b>Chief Executive Officer</b>	Mr. Sharique Azim Siddiqui
<b>Directors</b>	Mr. Aasim Azim Siddiqui Capt. Zafar Iqbal Awan Syed Nizam A. Shah Mr. Ali Raza Siddiqui Mr. M. Masood Ahmed Usmani, FCA

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<b>Chief Financial Officer &amp; Company Secretary</b>	Mr. Arsalan I. Khan, ACA
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#### AUDIT COMMITTEE

<b>Chairman</b>	Syed Nizam A. Shah
<b>Members</b>	Mr. Aasim Azim Siddiqui Mr. Ali Raza Siddiqui
<b>Chief Internal Auditor &amp; Secretary</b>	Mr. Noman Yousuf

#### HUMAN RESOURCE & REMUNERATION COMMITTEE

<b>Chairman</b>	Syed Nizam A. Shah
<b>Members</b>	Mr. Ali Raza Siddiqui Mr. Sharique Azim Siddiqui
<b>Secretary</b>	Mr. Arsalan I. Khan, ACA

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<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes Sidat Hyder Chartered Accountants</b> 6th Floor, Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi-75530
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<b>Legal Advisor</b>	<b>Khalid Anwer &amp; Co.</b> 153-K, Sufi Street, Block-2, PECHS, Karachi 75400  <b>Kabraji &amp; Talibuddin</b> 64-A/1, Gulshan-e-Faisal, Bath Island, Karachi.  <b>The Continental Law Associates</b> Panorama Centre, Saddar, Karachi.
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<b>Bankers</b>	Al-Baraka Bank Limited Bank Islami Pakistan Limited The Bank of Punjab Faysal Bank Limited JS Bank Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Samba Bank Limited
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<b>Registrar / Transfer Agent</b>	<b>Technology Trade (Pvt.) Ltd.</b> 241-C, Block-2, P.E.C.H.S., Karachi. Tel: 92-21-34391316-7
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<b>Registered &amp; Head Office</b>	2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi-74000 Pakistan. Tel. 92-21-32400450-3Fax. 92-21-32400281
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## Directors' Report

The Directors have pleasure to present the Financial Statements of Pakistan International Bulk Terminal Limited (PIBT) (Company) together with the Auditors' Report to the members on review of interim financial information for the half year ended December 31, 2014.

### OPERATIONAL OVERVIEW & PROJECT BRIEF:

1. The Company has entered into a Build Operate Transfer (BOT) contract with Port Qasim Authority ("PQA") on November 06, 2010 for the construction, development, operations and management of a coal and clinker / cement terminal at Port Muhammad Bin Qasim for a period of thirty years which is to commence from the date of completion of construction of terminal. The Company's terminal project is in start-up and construction phase and as a result the Company has not yet commenced its operations.
2. The Company has entered into an Engineering, Procurement and Construction (EPC) Contract with China Harbour Engineering Company Limited ("CHEC") for the purpose of engineering, procuring, supplying, constructing, installing, testing and commissioning civil works for the Company's coal, cement and clinker bulk handling facility amounting to Rs. 12.499 billion. CHEC has mobilized at the Site and commenced civil works activity with target completion date of end of 2016. The Current Progress activities carried on by CHEC at the Project and their pace are satisfactory and it is expected that the Project would be completed within its stipulated deadlines.
3. The Company has appointed M/s Hamburg Port Consultancy, Germany as consultant in procurement process of the plant and equipment. The technical specifications of the Plant and Machinery have already been finalized and the tenders have also been evaluated. The Company expects to finalize and award the equipment procurement contract latest by March 2015 so as the Import Shipment Schedule is aligned with the civil works Timeline agreed with CHEC.

### FINANCIAL PERFORMANCE

During the period, the Company has earned other income of Rs. 121.699 million (December 2013: Rs. 2.477 million) which comprises the interest income on the deposits held with the Commercial Bank and unrealized gain on investment in money/income funds. The company has posted a profit before taxation for the period amounting to Rs. 89.407 million against a loss of Rs. 14.203 million during the period ended December 2013.

Net profit after tax for the period is Rs. 60.481 million in comparison with a loss of Rs. 8.371 million during the previous period.

	<i>Rupees in '000'</i>
Profit before taxation	89,407
Taxation	<u>(28,926)</u>
Profit after tax	60,481
Un-appropriated loss brought forward	<u>(46,313)</u>
Un-appropriated profit carried forward	<u>14,168</u>
	<u>Rs. 0.08</u>

1. To strengthen the capital base of the Company in line with shareholders commitment to the Company's Lenders, and to create a strong financial standing to facilitate Project Completion, the Board of Directors of the Company, approved the issue of 704,037,921 ordinary shares by way of right issue at the rate of 12.9 shares for every one existing ordinary share at par value of Rs. 10 per share. The Right Issue was fully subscribed by the entitled shareholders and the allotment of the shares was made on July 08, 2014. The Directors express their gratitude to the General Public, Institutional Investors and other shareholders for instigating confidence among the Board of Directors, the Lenders and all the stakeholders of the Company.

2. As per the financing commitments with International Finance Corporation (IFC), a portion of the financing to be provided by IFC is to be made in the form of equity. In line of the above commitments, the Board of Directors had proposed an issue of shares other right for 189,653,626 shares approximating to 20% of the issued, subscribed & paid capital of the Company according special resolution of the members at the 5th Annual General Meeting of the Company held on October 15, 2014. The members also passed the said special resolution. Accordingly, the Company has obtained approval of the Securities & Exchange Commission of Pakistan for the issue in accordance with the requirements of the Companies Ordinance, 1984. The related legal and procedural formalities are in the process and will be completed in due course.

In the end, the Board of Directors of the company would like to reiterate their commitment to build Pakistan's first state of the art modern and fully mechanized bulk cargo handling terminal for handling Coal, Clinker & Cement, compliant with international standards of excellence which will curtail environment pollution and modernize the port infrastructure of the country.

For and on behalf of Board of Directors

**Sharique Azim Siddiqui**  
Chief Executive Officer  
Karachi: February 25, 2014



PAKISTAN INTERNATIONAL BULK TERMINAL LIMITED

# Condensed Interim Financial Statements

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

**Introduction**

We have reviewed the accompanying condensed interim balance sheet of Pakistan International Bulk Terminal Limited as at 31 December 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity, together with the notes forming part thereof (here-in-after referred to as "interim financial information") for the six-months period then ended. 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.

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

**Ernst & Young Ford Rhodes Sidat Hyder**  
Chartered Accountants  
Engagement Partner: Riaz A. Rehman Chamdia  
Date: February 25, 2014  
Place: Karachi

A member firm of Ernst & Young Global Limited





**CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2014**

	Note	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
----- (Rupees in '000) -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	5,335,619	3,521,594
Intangible assets		349,562	356,015
Deferred transaction costs on long term financing		162,675	150,713
Deferred tax	5	46,671	36,220
		<u>5,894,527</u>	<u>4,064,542</u>
<b>CURRENT ASSETS</b>			
Deposits		250	250
Short term investments	6	392	376
Cash and bank balances		1,846,504	2,525,719
		<u>1,847,146</u>	<u>2,526,345</u>
<b>TOTAL ASSETS</b>		<u><u>7,741,673</u></u>	<u><u>6,590,887</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised capital</b>			
1,500,000,000 (June 2014:1,500,000,000) Ordinary shares of Rs. 10/- each		<u>15,000,000</u>	<u>15,000,000</u>
<b>Issued, subscribed and paid-up capital</b>			
758,614,504 (June 2014: 54,576,583) Ordinary shares of Rs. 10/- each fully paid in cash	7	7,586,145	545,766
Accumulated profit / (loss)		14,168	(46,313)
		<u>7,600,313</u>	<u>499,453</u>
Subscription money against issue of right shares		-	6,066,330
		<u>7,600,313</u>	<u>6,565,783</u>
<b>NON-CURRENT LIABILITIES</b>			
Retention money		117,209	-
Staff compensated absences		8,757	8,278
		<u>125,966</u>	<u>8,278</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		13,558	16,791
Taxation net		1,836	35
		<u>15,394</u>	<u>16,826</u>
<b>COMMITMENTS</b>	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>7,741,673</u></u>	<u><u>6,590,887</u></u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE OFFICER

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2014  
(UN-AUDITED)**

	Note	Half-year Ended		Quarter Ended	
		December 31,2014	December 31, 2013	December 31, 2014	December 31, 2013
----- (Rupees in '000) -----					
Administrative expenses		(29,858)	(16,639)	(11,313)	(11,005)
Other operating expenses - workers' welfare fund		(2,434)	(41)	(1,159)	(31)
Other income	9	121,699	2,477	57,951	1,855
<b>Profit / (loss) for the period before taxation</b>		<u>89,407</u>	<u>(14,203)</u>	<u>45,479</u>	<u>(9,181)</u>
Taxation	10	(28,926)	5,832	(14,803)	4,039
<b>Profit / (loss) for the period after taxation</b>		<u>60,481</u>	<u>(8,371)</u>	<u>30,676</u>	<u>(5,142)</u>
			(Restated)		(Restated)
<b>Earnings / (loss) per ordinary share - 11 basic and diluted</b>		<u>Rs. 0.08</u>	<u>Rs. (0.06)</u>	<u>Rs. 0.04</u>	<u>Rs. (0.03)</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE OFFICER

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED DECEMBER 31, 2014  
(UN-AUDITED)**

	Half-year Ended		Quarter Ended	
	December 31,2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- (Rupees in '000) -----			
Profit / (loss) for the period	60,481	(8,371)	30,676	(5,142)
Other comprehensive income net of taxation	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u><u>60,481</u></u>	<u><u>(8,371)</u></u>	<u><u>30,676</u></u>	<u><u>(5,142)</u></u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
**CHIEF EXECUTIVE OFFICER**

**CAPT. ZAFAR IQBAL AWAN**  
**DIRECTOR**

**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2014  
(UN-AUDITED)**

	Half-year ended	
	December 31, 2014	December 31, 2013
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) for the period before taxation	89,407	(14,203)
Adjustments for non-cash items:		
Depreciation	544	547
Unrealised gain on investment - net	(16)	(326)
Gain on disposal of fixed assets	(145)	-
Staff compensated absences	57	-
Amortisation	2	9
<b>Operating profit / (loss) before working capital changes</b>	<b>89,849</b>	<b>(13,973)</b>
<b>Decrease in current assets</b>		
Deposits	-	7,013
Accrued mark-up	-	110
	-	7,123
<b>Decrease in current liabilities</b>		
Trade and other payables	(3,233)	(583,459)
<b>Cash generated from / (used in) operations</b>	<b>86,616</b>	<b>(590,309)</b>
Taxes paid	(37,576)	(753)
Staff compensated absences paid	(95)	-
Increase in retention money	117,209	-
<b>Net cash generated from / (used in) operating activities</b>	<b>166,154</b>	<b>(591,062)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to operating fixed assets	(16,362)	(1,505)
Proceeds from disposal of operating fixed assets	1,314	-
Additions to capital work in progress	(1,792,408)	(113,643)
Redemption of short-term investments	-	45,350
<b>Net cash used in investing activities</b>	<b>(1,807,456)</b>	<b>(69,798)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Transaction cost paid on long term finance	(11,962)	(21,737)
Advance received against issue of shares	-	700,000
Proceeds against issue of shares	974,049	-
<b>Net cash generated from financing activities</b>	<b>962,087</b>	<b>678,263</b>
Net (decrease) / increase in cash and cash equivalents	<b>(679,215)</b>	17,403
Cash and cash equivalents as at the beginning of the period	<b>2,525,719</b>	27,170
Cash and cash equivalents as at the end of the period	<b>1,846,504</b>	<b>44,573</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
**CHIEF EXECUTIVE OFFICER**

**CAPT. ZAFAR IQBAL AWAN**  
**DIRECTOR**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2014  
(UN-AUDITED)**

	Issued, subscribed and paid-up capital	Revenue reserve- accumulated loss	Total
	------(Rupees in '000)-----		
<b>Balance as at July 01, 2013</b>	<b>545,766</b>	<b>(29,445)</b>	<b>516,321</b>
Loss for the period	-	(8,371)	(8,371)
Other comprehensive income	-	-	-
Total comprehensive loss	-	(8,371)	(8,371)
<b>Balance as at December 31, 2013</b>	<b>545,766</b>	<b>(37,816)</b>	<b>507,950</b>
<b>Balance as at July 01, 2014</b>	<b>545,766</b>	<b>(46,313)</b>	<b>499,453</b>
Issue of right shares	7,040,379	-	7,040,379
Profit for the period	-	60,481	60,481
Other comprehensive income	-	-	-
Total comprehensive income	-	60,481	60,481
<b>Balance as at December 31, 2014</b>	<b>7,586,145</b>	<b>14,168</b>	<b>7,600,313</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE OFFICER

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2014  
(UN-AUDITED)**

**1. CORPORATE INFORMATION AND OPERATIONS**

- 1.1. Pakistan International Bulk Terminal Limited (the Company) was incorporated under the Companies Ordinance, 1984 on March 22, 2010 as a private limited company. Subsequently, it was converted to an unquoted public limited and later on, listed on the Karachi Stock Exchange on December 23, 2013. The registered office of the Company is situated at 2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi. The Company's terminal project is in start-up and construction phase and as a result, the Company has not commenced its operations.
- 1.2. The Company has entered into a Build Operate Transfer (BOT) contract with Port Qasim Authority (PQA) on November 06, 2010 for the exclusive construction, development, operations and management of a coal and clinker / cement terminal at Port Muhammad Bin Qasim for a period of thirty years which is to commence from the date of completion of construction of terminal.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These condensed interim financial statements are unaudited but subject to limited scope review by auditors, except for 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 December 31, 2013. These are required to be presented to the shareholders under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 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 shall prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2014.

**2.2 Accounting convention**

These financial statements have been prepared under the historical cost convention except for investment designated at fair value through profit or loss.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2014 except as follows:

**3.1 New, amended and revised standards and interpretations of IFRS**

The Company has adopted the following amendments and interpretation of IFRSs which became effective for the current period:

- IAS 19 - Employee Benefits (Amendment)- Defined Benefit Plans: Employee Contributions
- IAS 32 - Financial Instruments : Presentation (Amendment)
  - Offsetting Financial Assets and Financial Liabilities
- IAS 36 - Impairment of Assets (Amendment)
  - Recoverable Amount Disclosures for Non-Financial Assets
- IAS 39 - Financial Instruments: Recognition and Measurement (Amendment)
  - Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC 21 - Levies

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the International Accounting Standards Board (IASB) and are generally effective for current period. The Company expects that such improvements to the standards do not have any impact on the Company's financial statements for the period.

		December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
Note		----- (Rupees in '000) -----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Fixed assets	4.1	33,998	24,216
Capital work-in-progress	4.2	5,301,621	3,497,378
		<u>5,335,619</u>	<u>3,521,594</u>
<b>4.1 Operating fixed assets - owned</b>			
Book value as at the beginning of the period / year		24,216	33,359
Additions during the period / year	4.1.1	16,362	2,101
Disposals during the period / year		(1,169)	-
		<u>39,409</u>	<u>35,460</u>
Less: depreciation charged during the period / year		5,411	11,244
		<u>33,998</u>	<u>24,216</u>
<b>4.1.1 Additions during the period / year</b>			
Vehicles		15,578	774
Computers		499	879
Furniture and fixtures		240	395
Office equipment		45	53
		<u>16,362</u>	<u>2,101</u>
<b>4.2 Capital work- in- progress</b>			

	Consultancy and survey fees	Depreciation and amortization	Civil works (Note 4.2.1)	Other ancillary costs (Note 4.2.2)	Advance to EPC contractor	Total
	----- (Rupees in 000) -----					
<b>Balance as at June 30, 2014</b>	432,247	50,850	2,149,994	239,337	624,950	3,497,378
Capital expenditure incurred during the period	37,021	11,318	1,080,103	168,061	507,740	1,804,243
<b>Balance as at December 31, 2014 (un-audited)</b>	<u>469,268</u>	<u>62,168</u>	<u>3,230,097</u>	<u>407,398</u>	<u>1,132,690</u>	<u>5,301,621</u>

4.2.1 This represents amount charged by the EPC Contractor for civil work carried out on the Project site

4.2.2 These include salaries, wages and benefits, legal and professional charges, insurance and other directly attributable costs.

December 31, 2014 (Un-audited) ----- (Rupees in '000) -----  
 June 30, 2014 (Audited)

**5. DEFERRED TAX**

Deductible temporary differences arising on:-		
pre-incorporation expenses	3,626	3,626
pre-commencement expenses	<u>43,045</u>	<u>32,594</u>
	<u>46,671</u>	<u>36,220</u>

**6. SHORT TERM INVESTMENTS**

Designated at fair value through profit or loss

Number of units			Cost	Fair value	Cost	Fair value
December 31, 2014	June 30, 2014		December 31, 2014 (Un-audited)	June 30, 2014 (Audited)	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
Listed Mutual Funds (Open Ended)						
1,368	1,368	HBL Money Market Fund	-	143	-	137
1,191	1,191	JS Cash Fund	-	127	-	122
1,166	1,166	UBL Liquidity Plus Fund	<u>35</u>	<u>122</u>	<u>35</u>	<u>117</u>
			35	392	35	376
Unrealized gain on revaluation of investments						
			<u>357</u>	-	341	-
			<u>392</u>	<u>392</u>	<u>376</u>	<u>376</u>

**7. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

December 31, 2014	June 30, 2014		December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
(Number of Shares)				
Ordinary shares of Rs.10/- each fully paid in cash				
54,576,583	54,576,583	Opening balance	545,766	545,766
704,037,921	-	Issued during the period	<u>7,040,379</u>	-
<u>758,614,504</u>	<u>54,576,583</u>	Closing balance	<u>7,586,145</u>	<u>545,766</u>

7.1 The Board of Directors of the Company, in their meeting held on April 11, 2014, approved the issue of 704,037,921 ordinary shares by way of right issue at the rate of 12.9 shares for every one existing ordinary share at par value of Rs. 10 per share. The Company obtained approval of the Karachi Stock Exchange for the issuance of right shares and all the related matters and legal formalities were completed. The Company had received advances against the issue of right shares over the past years from its majority shareholders, and further received subscription money from the general public. During the period, the call for the remaining unsubscribed shares of the right issue was made to the Company's underwriters and the subscription was received in full. The entire process of allotment of right shares was completed on July 08, 2014 and all the advances received against the issue of shares were adjusted.

7.2 The members of the Company, in the Annual General Meeting of the Company held on October 15, 2014, approved the issue of 189,653,626 ordinary shares to International Finance Corporation (IFC) by way of issue of shares otherwise than right at par value of Rs. 10 per share. The Company has obtained approval of the Securities & Exchange Commission of Pakistan for the issue in accordance with the requirements of the Companies Ordinance, 1984 and the related legal and procedural formalities will be completed in due course.





**8. COMMITMENTS**

- 8.1 Performance bond issued by bank on behalf of the Company to PQA in pursuance of the Implementation Agreement in equivalence of USD 2.5 million amounted to Rs. 254 million (30 June 2014: Rs. 264.250 million).
- 8.2 Capital expenditure contracted but remaining to be executed amounted to Rs. 10.404 billion pertaining to the new contract for civil works at the Company's site.
- 8.3 The Company has entered into a loan agreement with International Finance Corporation (IFC) on June 28, 2012 for an amount of USD 26,500,000 for a period of 12 years repayable in 18 semi-annual installments commencing from September 15, 2015. This loan carries markup at the rate of 6 months' LIBOR + 5% and will be secured against the project assets of the Company. The Company has not made any draw down from this loan facility.
- 8.4 The Company has entered into a loan agreement with OPEC Fund for International Development (OFID) on July 12, 2012 for an amount of USD 20,000,000 for a period of 12 years repayable in 18 semi-annual installments commencing from September 15, 2015. This loan carries markup at the rate of 6 months' LIBOR + 5% and will be secured against the project assets of the Company. The Company has not made any draw down from this loan facility.
- 8.5 The Company has entered into a Term Facility with four commercial banks namely Faysal Bank Limited, NIB Bank Limited, The Bank of Punjab and JS Bank Limited on November 12, 2012 for an aggregate amount of Rs 3,250,000,000 for a period of 12 years repayable in 18 semi-annual installments commencing from September 15, 2015. This loan carries mark-up at the rate of 6 months KIBOR + 3% and will be secured against the project assets of the Company. The Company has not made any draw down from this loan facility.
- 8.6 The Company has entered into a Musharaka agreement with three financial institutions namely Meezan Bank Limited, Al Baraka Bank and Bank Islami Pakistan Limited on November 12, 2012 for an aggregate amount of Rs 1,120,000,000 for a period of 12 years repayable in 18 semi-annual installments commencing from September 15, 2015. Faysal Bank Limited is acting as a Musharaka agent for the agreement. The loan carries mark-up at the rate of 6 months KIBOR + 3% and will be secured against the project assets of the Company. The Company has not made any draw down from this facility.

Half-year Ended		Quarter Ended	
December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
----- (Un-Audited) -----			
----- (Rupees in '000) -----			

**9. OTHER INCOME**

**Income from financial assets**

Profit on savings account	121,560	2,069	57,951	1,531
Unrealised gain on revaluation of short term investment	16	326	-	324
Gain on sale of short term investment	-	82	-	-
Gain on disposal of fixed assets	123	-	-	-
	<u>121,699</u>	<u>2,477</u>	<u>57,951</u>	<u>1,855</u>

**10. TAXATION**

Current	39,352	(689)	18,739	(510)
Prior	25	-	-	-
Deferred	(10,451)	6,521	(3,936)	4,549
	<u>28,926</u>	<u>5,832</u>	<u>14,803</u>	<u>4,039</u>

	Half-year Ended		Quarter Ended	
	December 31,2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- (Un-Audited) ----- ----- (Rupees in '000) -----			
<b>11. EARNINGS / (LOSS) PER ORDINARY SHARE</b>				
Profit / (loss) after taxation	<u>60,481</u>	<u>(8,371)</u>	<u>30,676</u>	<u>(5,142)</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>735,424,127</u>	<u>149,038,878</u>	<u>735,424,127</u>	<u>149,038,878</u>
		(Re-stated)		(Re-stated)
Basic earnings / (loss) per share	<u>0.08</u>	<u>(0.06)</u>	<u>0.04</u>	<u>(0.03)</u>

11.1 As fully disclosed in note 7.1, the Company issued right shares during the current period. The impact of bonus element due to right issue is accounted for in the weighted average number of ordinary shares outstanding in the current and prior year.

11.2 There is no dilution effect on basic earnings per share of the Company.

**12. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties comprise of entities which have the ability to control the Company to exercise significant influence over the Company in making financial and operating decisions or vice versa. The related parties comprise principal shareholders and their affiliates' directors, companies with common directors and key management personnel and employees' benefit fund. Balances with related parties have been disclosed in respective notes to the financial statements. Significant transactions with related parties are as follows:

	Half-year Ended		Quarter Ended	
	December 31,2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- (Un-Audited) ----- ----- (Rupees in '000) -----			
<b>Associated Companies</b>				
<b>Entities having directors in common with the Company</b>				
<b>Premier Mercantile Services (Private) Limited</b>				
Issue of share capital	3,909,544	-	-	-
Advance against future issue of share capital	-	450,000	-	-
Rent against office premises	1,350	1,350	675	675
Purchase of vehicle	-	19	-	19
<b>Travel Club (Private) Limited</b>				
Payment for travelling expenses	1,050	1,561	1,050	1,561
<b>EFU General Insurance Limited</b>				
Insurance Premium	95,824	844	269	13



**PAKISTAN INTERNATIONAL BULK TERMINAL LIMITED**

	Half-year Ended		Quarter Ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- (Un-Audited) ----- ----- (Rupees in '000) -----			
<b>Staff retirement contribution plan</b>				
Contributions to staff provident fund	1,709	1,390	867	748
<b>Other related party</b>				
<b>Jahangir Siddiqui &amp; Co. Limited</b>				
Issue of share capital	1,483,500	-	-	-
Advance against future issue of share capital	-	250,000	-	250,000

**12.1 Period / year end balances**

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
	----- (Rupees in '000) -----	
<b>Associated Company</b>		
Premier Mercantile Services (Private) Limited	-	2,989,100
<b>Other related party</b>		
Jahangir Siddiqui & Co. Limited	-	1,483,500

**13. EXEMPTION FROM APPLICABILITY OF IFRIC 12 "SERVICE CONCESSION ARRANGEMENTS"**

The Securities and Exchange Commission of Pakistan (SECP) in pursuance of the Circular No. 24 dated January 16, 2012 has granted waiver, with immediate effect, from the implementation of IFRIC 12 "Service Concession Arrangements". However, the SECP made it mandatory to disclose the impact on the results of application of IFRIC-12.

Under IFRIC-12, the consideration required to be made by operator (the Company) for the right to use the asset is to be accounted for as an intangible asset under IAS 38 "Intangible Assets". If the Company were to follow IFRIC-12 and IAS-38, the effect on the financial statements would be as follows:

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
	----- (Rupees in '000) -----	
Reclassification from property, plant and equipment (CWIP) to intangible assets (Port Concession Rights) written down value	<u>5,301,631</u>	<u>3,497,378</u>
Recognition of intangible assets (Port Concession Rights) on account of rent of backup and waterfront area (Rent)	<u>125,977</u>	<u>125,977</u>
Recognition of present value of concession liability on account of intangibles (Rent)	<u>141,180</u>	<u>140,083</u>
Interest expense charged for the period / year on account of intangibles (Rent)	<u>3,922</u>	<u>7,691</u>

**14. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements have been authorised for issue by the Board of Directors of the Company on February 25, 2015.

**15. GENERAL**

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 and notes forming part thereof have not been reviewed by the auditors' of the Company as they have reviewed the cumulative figures for the half years ended December 31, 2014 and 2013.

**15.2** Amounts have been rounded off to the nearest thousand rupees unless otherwise stated.

**SHARIQUE AZIM SIDDIQUI**  
**CHIEF EXECUTIVE OFFICER**

**CAPT. ZAFAR IQBAL AWAN**  
**DIRECTOR**