

**CONDENSED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED)**

**FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2009**





## Directors' Review

I would like to present the Directors' Review together with the financial statements of your Company (un-audited) for the quarter and nine months ended 30 September 2009 as follows.

During the 9 months under review, the country continued to experience difficulties mainly due to the deteriorating law & order situation and unabated power outages which has led to a poor overall economic performance. As a result, the business environment remained difficult for both the manufacturing and service sectors. However, after the Stand By Arrangement of the Government with the IMF, inflation began to decline and current account deficit narrowed. These improvements in the macroeconomic indicators are very encouraging but the economy still remains fragile.

In addition to the above factors, fierce competition in the gases business, escalating costs of production & distribution and lower demand in the market, as already reported in our Half Yearly Review, also significantly affected sales revenue and margins. Further, damage to our grid station at Port Qasim plant, due to a fire, has put an additional pressure on our production and profitability. As a result, turnover at Rs 1,754 million and profit from operations at Rs 361 million was lower by 8.6% and 28.6%, respectively compared to the same period last year; and therefore profit before taxation at Rs 360 million and EPS at Rs 9.53 was also lower by 28.6% and 28% respectively compared to the same period last year.

Despite growing competition and challenges stated above, the Company is confident of its strengths to maintain market leadership through enhanced focus on productivity and cost-effectiveness, for which a restructuring process was initiated by the Company this year.

Finally I am pleased to state that our 40 Kg/ hour nitrous oxide (N<sub>2</sub>O) plant at Lahore is expected to commence production in the last quarter of FY2009.

On behalf of the Board

**MUNNAWAR HAMID OBE**  
Chairman

**Karachi:**

23 October 2009

**BOCPakistan Limited****Condensed Interim Profit and Loss Account (Unaudited)***For the nine months ended 30 September 2009*

	Note	For the nine months ended		For the third quarter ended	
		30 September 2009	30 September 2008	30 September 2009	30 September 2008
(Rupees in '000)					
Net sales	5	1,753,726	1,917,966	542,993	602,574
Cost of sales	5	(1,204,610)	(1,229,868)	(361,718)	(403,930)
<b>GROSS PROFIT</b>		<b>549,116</b>	<b>688,098</b>	<b>181,275</b>	<b>198,644</b>
Distribution and marketing expenses	5	(109,415)	(123,600)	(36,139)	(39,025)
Administrative expenses	5	(98,217)	(96,060)	(31,530)	(30,961)
Other operating expenses	6	(97,707)	(41,877)	(10,304)	(12,452)
Other operating income	7	144,262	79,555	13,446	19,404
Restructuring cost	8	(26,635)	-	(4,640)	-
		(187,712)	(181,982)	(69,167)	(63,034)
<b>PROFIT FROM OPERATIONS</b>		<b>361,404</b>	<b>506,116</b>	<b>112,108</b>	<b>135,610</b>
Finance costs	5	(1,701)	(2,209)	(564)	(970)
<b>PROFIT BEFORE TAXATION</b>		<b>359,703</b>	<b>503,907</b>	<b>111,544</b>	<b>134,640</b>
Taxation	9	(121,204)	(172,584)	(39,555)	(48,986)
<b>PROFIT AFTER TAXATION</b>		<b>238,499</b>	<b>331,323</b>	<b>71,989</b>	<b>85,654</b>
(Rupees)					
<b>Earnings per share - basic and diluted</b>		<b>9.53</b>	<b>13.23</b>	<b>2.88</b>	<b>3.42</b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**Syed Ayaz Bokhari**  
Chief Executive**Munnawar Hamid OBE**  
Chairman



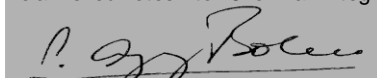
**BOCPakistan Limited**  
**Condensed Interim Balance Sheet**  
*As at 30 September 2009*

	<i>Note</i>	<b>30 September 2009</b>	31 December 2008
<b>ASSETS</b>		<b>Unaudited</b>	
		<b>(Rupees in '000)</b>	
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	1,069,368	1,128,372
Net investment in finance lease	11	218,644	239,988
Long term loans		773	1,168
Long term deposits and prepayments		11,181	10,638
		<b>1,299,966</b>	<b>1,380,166</b>
<b>CURRENT ASSETS</b>			
Stores and spares		84,264	83,712
Stock-in-trade	12	218,252	246,276
Current maturity of net investment in finance lease	11	71,302	59,022
Trade debts, considered good - unsecured		187,484	157,555
Loans and advances		21,049	11,625
Deposits and prepayments		13,965	15,090
Other receivables		22,521	24,376
Cash and bank balances		377,331	334,478
		<b>996,168</b>	<b>932,134</b>
		<b>2,296,134</b>	<b>2,312,300</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised:			
40,000,000 (2008: 40,000,000) Ordinary shares of Rs. 10 each		<b>400,000</b>	400,000
Issued, subscribed and paid-up:			
25,038,720 (2008: 25,038,720) Ordinary shares of Rs. 10 each		<b>250,387</b>	250,387
General reserve		1,006,653	925,358
Unappropriated profit		242,974	331,682
		<b>1,249,627</b>	1,257,040
		<b>1,500,014</b>	1,507,427
<b>NON-CURRENT LIABILITIES</b>			
Long term deposits		113,818	113,001
Deferred liabilities	13	238,222	229,124
		<b>352,040</b>	342,125
<b>CURRENT LIABILITIES</b>			
Trade and other payables		398,025	390,431
Provisions		29,934	28,638
Taxation - net		16,121	43,679
		<b>444,080</b>	462,748
		<b>2,296,134</b>	<b>2,312,300</b>

**CONTINGENCIES AND COMMITMENTS**

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The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



**Syed Ayaz Bokhari**  
Chief Executive



**Munnawar Hamid OBE**  
Chairman

**BOCPakistan Limited****Condensed Interim Cash Flow Statement (Unaudited)***For the nine months ended 30 September 2009*

	Note	For the nine months ended	
		30 September 2009	30 September 2008
(Rupees in '000)			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	15	466,806	390,528
Finance costs paid		(1,664)	(1,873)
Income tax paid		(142,754)	(168,383)
Payment of post retirement medical benefits		(183)	(442)
Long term loans, deposits and prepayments		(148)	1,058
Long term deposits		817	7,814
Net investment in finance lease		21,344	20,424
<b>Net cash from operating activities</b>		<b>344,218</b>	<b>249,126</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(85,302)	(235,306)
Proceeds from disposal of operating assets		5,221	3,853
Interest received on balances with banks		18,723	30,738
Interest received on investment in finance lease		9,646	11,527
<b>Net cash used in investing activities</b>		<b>(51,712)</b>	<b>(189,188)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividends paid		(249,653)	(317,794)
<b>Net cash used in financing activities</b>		<b>(249,653)</b>	<b>(317,794)</b>
Net decrease in cash and cash equivalents		42,853	(257,856)
Cash and cash equivalents at beginning of the period		334,478	546,915
<b>Cash and cash equivalents at end of the period</b>		<b>377,331</b>	<b>289,059</b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**Syed Ayaz Bokhari**  
Chief Executive

**Munnawar Hamid OBE**  
Chairman

**BOCPakistan Limited****Condensed Interim Statement of Changes in Equity (Unaudited)***For the nine months ended 30 September 2009*

	Share capital Issued, subscribed and paid-up capital	Revenue reserves		Total
		General reserve	Unappropriated profit	
		(Rupees in '000)		
<b>Balance as at 1 January 2008</b>	250,387	661,572	514,173	1,426,132
Final dividend for the year ended 31 December 2007 - Rs 10 per share	-	-	(250,387)	(250,387)
Transfer to general reserve	-	263,786	(263,786)	-
Total comprehensive income for the period	-	-	331,323	331,323
Interim dividend for the year ending 31 December 2008	-	-	(75,116)	(75,116)
<b>Balance as at 30 September 2008</b>	<b>250,387</b>	<b>925,358</b>	<b>256,207</b>	<b>1,431,952</b>
<b>Balance as at 1 January 2009</b>	250,387	925,358	331,682	1,507,427
Final dividend for the year ended 31 December 2008 - Rs 10 per share	-	-	(250,387)	(250,387)
Transfer to general reserve	-	81,295	(81,295)	-
Total comprehensive income for the period	-	-	242,974	242,974
<b>Balance as at 30 September 2009</b>	<b>250,387</b>	<b>1,006,653</b>	<b>242,974</b>	<b>1,500,014</b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**Syed Ayaz Bokhari**  
Chief Executive**Munnawar Hamid OBE**  
Chairman

**BOCPakistan Limited****Condensed Interim Statement of Comprehensive Income (Unaudited)***For the nine months ended 30 September 2009*

	<b>For the nine months ended</b>	
	<b>30 September 2009</b>	<b>30 September 2008</b>
	<b>(Rupees in '000)</b>	
Profit for the period	<b>238,499</b>	331,323
<i>Other comprehensive income</i>		
Defined benefit plan actuarial gains	<b>6,885</b>	-
Deferred tax	<b>(2,410)</b>	-
<b>Total comprehensive income for the period</b>	<b><u>242,974</u></b>	<b><u>331,323</u></b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

**Syed Ayaz Bokhari**  
Chief Executive

**Munnawar Hamid OBE**  
Chairman

## BOCPakistan Limited

### Notes to the Condensed Interim Financial Statements (Unaudited)

*For the nine months ended 30 September 2009*

#### **1. LEGAL STATUS AND OPERATIONS**

BOCPakistan Limited ("the Company") was incorporated in Pakistan under the Companies Act, 1913 (now Companies Ordinance, 1984), as a private limited company in 1949 and converted into a public limited company in 1958. Its shares are quoted on all the Stock Exchanges of Pakistan. The address of its registered office is West Wharf, Dockyard Road, Karachi, Pakistan.

The Company is principally engaged in the manufacture of industrial and medical gases, welding electrodes and marketing of medical equipment.

The Company is a subsidiary of The BOC Group Limited whereas its ultimate parent company is Linde AG, Germany.

#### **2. BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

These condensed interim financial statements are unaudited and are being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements do not include all the information required for full annual financial statements, and should be read in conjunction with the Company's annual financial statements as at and for the year ended 31 December 2008.

#### **3. SIGNIFICANT ACCOUNTING POLICIES**

**3.1** The accounting policies adopted by the Company in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the preceding published financial statements of the Company for the year ended 31 December 2008.

**3.2** IAS1 (Revised), "Presentation of financial statements" (effective from 1 January 2009), was issued in September 2007. According to the revised standard, those items of income and expense that are not recognised in the profit or loss, and non-owner changes in equity should be recognised through statement of comprehensive income. The revised Standard requires an entity to opt for presenting such items of income and expense either in (a) single statement (a 'statement of comprehensive income'), or (b) two statements (a separate 'income statement' and 'statement of comprehensive income').

The Company has adopted IAS1 (Revised), with effect from 1 January 2009 and accordingly, items of income and expense that are not recognised in the profit or loss, and non-owner changes in equity have been presented in a separate 'statement of comprehensive income' in these financial statements.





**3.3** The Company has adopted IFRS8 Operating Segments which became effective for periods beginning on and after 1 January 2009. As of 1 January 2009, the Company determines and presents operating segments based on the information that internally is provided to the Company's chief operating decision maker, that is, the organisation's function which allocates resources to and assesses performance of its operating segments. However, adoption of the said IFRS does not have a significant effect on the Company's financial statements.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment.

#### **4. ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published financial statements of the Company as at and for the year ended 31 December 2008.





## 5. SEGMENT RESULTS

	For the nine months ended						For the third quarter ended					
	30 September 2009			30 September 2008			30 September 2009			30 September 2008		
	Industrial and medical gases	Welding and others	Total	Industrial and medical gases	Welding and others	Total	Industrial and medical gases	Welding and others	Total	Industrial and medical gases	Welding and others	Total
	(Rupees in '000)						(Rupees in '000)					
Gross sales	1,533,210	426,244	1,959,454	1,653,580	487,269	2,140,849	514,708	87,511	602,219	543,648	125,641	669,289
Trade discount	(6,996)	-	(6,996)	(1,384)	-	(1,384)	(994)	-	(994)	(727)	-	(727)
Sales tax	(143,652)	(55,080)	(198,732)	(161,583)	(59,916)	(221,499)	(47,241)	(10,991)	(58,232)	(50,117)	(15,871)	(65,988)
Net sales	1,382,562	371,164	1,753,726	1,490,613	427,353	1,917,966	466,473	76,520	542,993	492,804	109,770	602,574
Cost of sales	(887,636)	(316,974)	(1,204,610)	(853,748)	(376,120)	(1,229,868)	(295,675)	(66,043)	(361,718)	(308,543)	(95,387)	(403,930)
Distribution and marketing expenses	(98,617)	(10,798)	(109,415)	(115,291)	(8,309)	(123,600)	(34,421)	(1,718)	(36,139)	(36,885)	(2,140)	(39,025)
Administrative expenses	(88,524)	(9,693)	(98,217)	(88,842)	(7,218)	(96,060)	(30,101)	(1,429)	(31,530)	(28,521)	(2,440)	(30,961)
	(1,074,777)	(337,465)	(1,412,242)	(1,057,881)	(391,647)	(1,449,528)	(360,197)	(69,190)	(429,387)	(373,949)	(99,967)	(473,916)
	<b>307,785</b>	<b>33,699</b>	<b>341,484</b>	<b>432,732</b>	<b>35,706</b>	<b>468,438</b>	<b>106,276</b>	<b>7,330</b>	<b>113,606</b>	<b>118,855</b>	<b>9,803</b>	<b>128,658</b>
<i>Unallocated corporate expenses:</i>												
- Other operating expenses	6		(97,707)			(41,877)			(10,304)			(12,452)
- Other operating income	7		144,262			79,555			13,446			19,404
- Restructuring cost	8		(26,635)			-			(4,640)			-
Operating profit			361,404			506,116			112,108			135,610
- Finance cost			(1,701)			(2,209)			(564)			(970)
- Taxation	9		(121,204)			(172,584)			(39,555)			(48,986)
Profit for the period			<b>238,499</b>			<b>331,323</b>			<b>71,989</b>			<b>85,654</b>

**6. OTHER OPERATING EXPENSES**

	For the nine months ended		For the third quarter ended	
	30 September 2009	30 September 2008	30 September 2009	30 September 2008
	(Rupees in '000)		(Rupees in '000)	
Workers' profit participation fund	19,566	27,393	6,239	8,587
Workers' welfare fund	7,435	10,407	2,371	2,284
Legal and professional and donations	5,322	4,077	1,694	1,581
Assets written off 10.1.1	15,063	-	-	-
Repair and installation of grid station 10.1.2	50,321	-	-	-
	<b>97,707</b>	<b>41,877</b>	<b>10,304</b>	<b>12,452</b>

**7. OTHER OPERATING INCOME**

Income from savings account and deposits	17,383	21,749	4,678	4,203
Income on investment in finance lease	9,646	11,528	3,053	3,688
Exchange gain - net	37,419	43,176	2,465	10,830
Insurance claim 10.1.1	50,000	-	-	-
Profit on disposal of property, plant and equipment	5,221	2,012	3,250	683
Liabilities no more payable written back	24,331	-	-	-
Others	262	1,090	-	-
	<b>144,262</b>	<b>79,555</b>	<b>13,446</b>	<b>19,404</b>

**8. RESTRUCTURING COST**

This represents cost incurred in relation to the staff redundancy due to restructuring in accordance with an approved plan.

**9. TAXATION**

Current				
- for the year	114,774	186,604	45,104	53,218
- for prior year	422	3,775	422	3,775
Deferred	6,008	(17,795)	(5,971)	(8,007)
	<b>121,204</b>	<b>172,584</b>	<b>39,555</b>	<b>48,986</b>

**10. PROPERTY, PLANT AND EQUIPMENT**

		30 September 2009	31 December 2008
		(Rupees in '000)	
Operating assets	10.1	1,018,920	1,029,650
Capital work-in-progress		50,448	98,722
		<b>1,069,368</b>	<b>1,128,372</b>

**10.1 Operating assets**

**30 September**      **31 December**  
**2009**                      **2008**  
**(Rupees in '000)**

Net book value (NBV) as at 1 January 2009/ 2008

**1,029,650**                      836,890

Additions during the period/ year:

- Building
- Plant and machinery
- Vehicles
- Furniture and fittings
- Office equipments

<b>316</b>	11,702
<b>123,700</b>	307,986
<b>4,035</b>	13,011
<b>440</b>	3,567
<b>5,085</b>	6,666
<b>133,576</b>	342,932

Less:

- Disposals during period/ year (NBV)
- Depreciation/ Impairment charge during the period/ year
- Assets written off during the period

10.1.1

-	(1,355)
<b>(129,243)</b>	(148,817)
<b>(15,063)</b>	-
<b>(144,306)</b>	(150,172)

<b>1,018,920</b>	1,029,650
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**10.1.1** During the period, power grid station having a net book value of Rs. 15,063 thousand as at 30 June 2009 was completely damaged due to fire and has been accordingly written off. Insurance claim amounting to Rs. 50,000 thousand was recovered from insurance company on account of part payment against the cost incurred to replace the damaged grid station.

**10.1.2** The grid station has been handed over to Karachi Electric Supply Company Limited (KESC) in pursuance to an agreement.

**11. NET INVESTMENT IN FINANCE LEASE**

**30 September 2009**

	Minimum lease payments	Finance income for future periods (Rupees in '000)	Principal outstanding
Not later than one year	81,834	10,532	71,302
Later than one year and not later than five years	<b>227,110</b>	<b>15,175</b>	<b>211,935</b>
Later than five years	<b>6,832</b>	<b>123</b>	<b>6,709</b>
	<b>233,942</b>	<b>15,298</b>	<b>218,644</b>
	<b>315,776</b>	<b>25,830</b>	<b>289,946</b>



	31 December 2008		
	Minimum lease payments	Finance income for future periods (Rupees in '000)	Principal outstanding
Not later than one year	71,556	12,534	59,022
Later than one year and not later than five years	245,850	22,251	223,599
Later than five years	17,080	691	16,389
	262,930	22,942	239,988
	<b>334,486</b>	<b>35,476</b>	<b>299,010</b>

**12. STOCK-IN-TRADE**

	30 September 2009	31 December 2008
	(Rupees in '000)	
Raw and packing materials	64,513	28,140
In transit	3,090	9,025
	<b>67,603</b>	<b>37,165</b>
Finished goods		
- in hand	98,802	109,711
- in bonded warehouse	42,235	89,514
- in transit	9,612	9,886
	<b>150,649</b>	<b>209,111</b>
	<b>218,252</b>	<b>246,276</b>

**13. DEFERRED LIABILITIES**

Deferred taxation	231,839	223,421
Post retirement medical benefits	6,383	5,703
	<b>238,222</b>	<b>229,124</b>



**14. CONTINGENCIES AND COMMITMENTS****Contingencies**

- 14.1** The Company has disputed the unilateral increase in rentals of one of its leased premises being exorbitant, unreasonable and unjustified, a view supported by the Company's legal advisor. The amount not acknowledged as debt in this regard as at 30 September 2009 amounted to Rs. 26,891 thousand (31 December 2008: Rs. 26,845 thousand).
- 14.2** Claims against the Company not acknowledged as debt amounted to Rs. 20,000 thousand (31 December 2008: Rs.20,000 thousand), as the management is confident that ultimately these claims would not be payable.
- 14.3** The Company has guaranteed repayment of loans given by a bank to certain members of the Company's staff. The amount of such loans outstanding at the balance sheet date amounted to Rs.1,688 thousand (31 December 2008: Rs. 3,309 thousand).

**Commitments**

- 14.4** Capital commitments outstanding as at 30 September 2009 amounted to Rs. 30,514 thousand (31 December 2008: Rs. Nil).

**15. CASH GENERATED FROM OPERATIONS**

	<b>For the nine months ended</b>	
	<b>30 September 2009</b>	<b>30 September 2008</b>
	<b>(Rupees in '000)</b>	
Profit before taxation	<b>359,703</b>	503,907
<i>Adjustments for :</i>		
Depreciation	<b>129,243</b>	108,088
Assets written off during the period	<b>15,063</b>	-
Profit on disposal of property, plant and equipment	<b>(5,221)</b>	(2,012)
Income from savings account and deposits	<b>(17,383)</b>	(21,749)
Income on investment in finance lease	<b>(9,646)</b>	(11,527)
Finance costs	<b>1,701</b>	2,209
Post retirement medical benefits	<b>621</b>	3,834
	<b>474,081</b>	582,750
Working capital changes	<b>(7,275)</b>	(192,222)
	<b>466,806</b>	390,528

15.1

**15.1 Working capital changes**

	<b>For the nine months ended</b>	
	<b>30 September 2009</b>	<b>30 September 2008</b>
	<b>(Rupees in '000)</b>	
<i>(Increase) / decrease in current assets:</i>		
Stores and spares	<b>(552)</b>	14,132
Stock-in-trade	<b>28,024</b>	(147,906)
Trade debts	<b>(29,929)</b>	(52,353)
Loans and advances	<b>(9,424)</b>	(6,252)
Deposit and prepayments	<b>1,125</b>	(4,108)
Net investment in finance lease	<b>(12,280)</b>	(15,677)
Other receivables	<b>7,642</b>	15,241
	<b>(15,394)</b>	(196,923)
<i>(Decrease) / increase in current liabilities:</i>		
Trade and other payables	<b>8,119</b>	4,701
	<b>(7,275)</b>	(192,222)

**16. TRANSACTIONS WITH RELATED PARTIES**

**16.1** Related parties comprise holding company, associated companies, other companies with common directors, retirement benefit funds, directors and key management personnel.

**16.2** Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Sales	<b>10,262</b>	13,701
Purchases	<b>49,853</b>	94,677
Technical assistance fee	<b>19,207</b>	19,586
License and maintenance fee	<b>8,581</b>	7,396
Insurance premium/ commission	<b>292</b>	709
Charge for staff retirement benefits cost:		
- Staff Provident Fund	<b>6,189</b>	5,686
- Management Staff Defined Contribution Pension Fund	<b>5,814</b>	5,384
- Management Staff Pension Fund	<b>(856)</b>	(2,110)
- Pakistan Employees' Gratuity Fund	<b>3,863</b>	5,051
Meeting fee to Directors and remuneration to Non-Executive Directors	<b>1,982</b>	2,027
Actuarial gain/ (loss) recognised during the period in the Statement of Comprehensive Income on account of:		
- Management Staff Pension Fund	<b>4,062</b>	-
- Pakistan Employees' Gratuity Fund	<b>3,066</b>	-

**16.3** Balances with related parties can be summarised as follows:

	<b>30 September 2009</b>	31 December 2008
	(Rupees in '000)	
Receivable from associates in respect of trade debts	<u>342</u>	<u>1,619</u>
Receivable from holding company / associate in respect of other receivables	<u>1,064</u>	<u>2,260</u>
Payable to holding company / associate in respect of trade and other payables	<u>(9,928)</u>	<u>(65,152)</u>
Payable to Staff Provident Fund	<u>(1,301)</u>	<u>(1,771)</u>
(Payable to) / Receivable from Management Staff Defined Contribution Pension Fund	<u>(645)</u>	<u>1,102</u>
Receivable from Management Staff Pension Fund	<u>12,530</u>	<u>7,612</u>
Receivable from Employees Gratuity Fund	<u>7,362</u>	<u>4,218</u>

**16.4** Sales, purchases and other transactions with related parties are carried out on commercial terms and conditions. The cost of technical assistance fee has been determined on the basis of agreement, duly acknowledged by the State Bank of Pakistan, between the Company and The BOC Group Limited based on an agreed methodology consistently applied.

All transactions with key management personnel are under the terms of employment.

**17. DATE OF AUTHORISATION**

These financial statements were authorized for issue on 23 October 2009 by the Board of Directors of the Company.

**18. CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance Sheet has been compared with the preceding Balance Sheet as at the period-end, whereas the 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 have been compared with the corresponding periods of the previous year.

**Syed Ayaz Bokhari**  
Chief Executive

**Munnawar Hamid OBE**  
Chairman