

Company Information

Board of Directors	Mr. Yasir Ahmed Awan Mr. Imran Ghafoor Mr. Haroon Ahmed Zuberi (FCA) Mr. Junaid Makda Mrs. Sharmeen Imran Mr. Saqib Anjum Mr. Saim Bin Saeed	Chairman Chief Executive Officer Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director
Chief Financial Officer	Mr. Shahid Irshad	
Company Secretary	Mr. Mazhar Ali Khan	
Head of Internal Audit	Mr. Zia-ul-Mustafa	
Audit Committee	Mr. Saim Bin Saeed Mr. Yasir Ahmed Awan Mr. Haroon Ahmed Zuberi (FCA)	Chairman Member Member
Human Resource and Remuneration Committee	Mrs. Sharmeen Imran Mr. Imran Ghafoor Mr. Saqib Anjum	Chairperson Member Member
External Auditors	M/s Yousuf Adil Chartered Accountants	
Legal Advisor	Sahibzada Waqar Arif	
Registered Office	601-602, Business Centre, Mumtaz Hassan Road, Off. I. I. Chundrigar Road, Karachi - 74000 Ph : (92 21) 32401373, 32413944	
Company Website	www.sitaraperoxide.com	
Bankers	Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited MCB Bank Limited Meezan Bank Limited National Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited United Bank Limited JS Bank Limited First Women Bank Limited Bank Al Habib Limited	
Share Registrar	THK Associates (Private) Limited Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi - 75500, Pakistan. UAN: (92 21) 111-000-322 Ph: (92 21) 35310183-84 Fax: (92 21) 35310191	
Head Office & Project Location	26 - KM Sheikhpura Road, Faisalabad. Ph : (92 41) 2400900-2, 2400904-5	

SITARA PEROXIDE LIMITED**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)****AS AT MARCH 31, 2023**

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note Rupees
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,658,193,319	2,789,162,656
Long term deposits		52,730,973	17,817,143
		2,710,924,292	2,806,979,799
CURRENT ASSETS			
Stores, spare parts and loose tools		107,532,307	116,585,945
Stock-in-trade	5	294,097,815	272,468,996
Trade debts		201,895,164	215,238,160
Advances		262,286,024	129,102,245
Deposits and short term prepayments		180,698,406	146,463,633
Advance income tax		52,169,309	182,317,697
Tax refundable		83,343,720	35,073,952
Cash and bank balances		15,862,764	1,816,178
		1,197,885,509	1,099,066,806
		3,908,809,801	3,906,046,605
SHARE CAPITAL AND RESERVES			
Share capital		551,000,000	551,000,000
Un-appropriated (loss) / profit		(86,738,455)	140,654,535
Surplus on revaluation of property, plant and equipment		1,368,798,291	1,444,238,118
		1,833,059,836	2,135,892,653
NON-CURRENT LIABILITIES			
Long-term financing		-	17,437,818
Deferred liabilities		494,623,570	545,980,578
		494,623,570	563,418,396
CURRENT LIABILITIES			
Trade and other payables		486,846,489	380,738,235
Contract liabilities		228,441,816	178,838,380
Loan from Chief Executive Officer		234,965,000	233,263,515
Accrued markup		253,294,638	25,000,000
Running finance under markup arrangement		146,245,215	129,184,738
Current portion of long term financing		223,498,619	236,705,593
Provision for income tax		7,834,618	23,005,095
		1,581,126,395	1,206,735,556
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		3,908,809,801	3,906,046,605

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER**CHIEF FINANCIAL OFFICER****DIRECTOR**

SITARA PEROXIDE LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Note	Nine Months ended		Quarter ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		Rupees			
Sales	7	522,307,878	1,544,575,347	136,566,840	500,425,115
Cost of sales	8	678,539,087	1,459,557,978	179,937,815	474,001,740
Gross profit		(156,231,209)	85,017,369	(43,370,975)	26,423,375
Other operating income		1,175,274	1,300,659	400,000	955,544
		(155,055,935)	86,318,028	(42,970,975)	27,378,919
Distribution expenses		17,170,248	71,985,870	3,252,296	22,869,544
Impairment loss on financial assets		15,823,291	9,040,671	-	-
Administrative expenses		94,706,462	107,047,308	17,020,582	35,176,375
Other operating expenses		20,936,772	-	-	-
Finance cost		50,972,410	40,590,647	16,511,193	11,675,526
		199,609,183	228,664,496	36,784,071	69,721,445
(Loss) / profit before taxation		(354,665,118)	(142,346,468)	(79,755,046)	(42,342,526)
Provision for income tax		51,832,301	712,537	(3,012,855)	(7,498,523)
(Loss) / profit for the period		(302,832,817)	(141,633,931)	(82,767,901)	(49,841,049)
Other comprehensive income		-	-	-	-
Total comprehensive (loss) / profit for the period		(302,832,817)	(141,633,931)	(82,767,901)	(49,841,049)
Earning per share - basic and diluted		(5.50)	(2.57)	(1.50)	(0.90)

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

SITARA PEROXIDE LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

Nine Months ended March 31,
2023 **2022**
..... **Rupees**

CASH FLOWS FROM OPERATING ACTIVITIES

(Loss) / profit before taxation (354,665,118) (142,346,468)

Adjustments for:

Depreciation of property, plant and equipment	138,831,756	136,230,948
Gain on disposal of property, plant and equipment	-	-
Profit on bank deposits	(25,274)	(249,928)
Impairment loss on financial assets	15,823,291	
Provision for sales tax refundable	20,936,772	
Provision for deferred employee benefits	8,536,145	6,071,795
Finance cost	50,972,410	40,590,647
	<u>235,075,100</u>	<u>182,643,462</u>
	(119,590,018)	40,296,994

Working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and loose tools	9,053,638	(10,563,236)
Stock-in-trade	(21,628,819)	58,590,009
Trade debts	(2,480,295)	48,065,730
Advances	(133,183,781)	(46,083,767)
Deposits and prepayments	(34,234,773)	(666,100)

(Decrease)/ increase in current liabilities:

Trade and other payables	106,108,254	(41,997,476)
Contract liabilities	49,603,436	(15,378,579)
	<u>(26,762,340)</u>	<u>(8,033,419)</u>

Cash generated from operations

(146,352,358) 32,263,575

Finance cost paid

(30,941,287) (24,801,259)

Sales tax refunded/ (paid)

41,985,743 (891,125)

Employee benefits paid

(226,236) (4,146,204)

Income tax (refunded) / paid

(4,048,986) (7,354,421)

6,769,234 (37,193,009)

Net cash generated from operating activities

(139,583,124) (4,929,434)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment

(7,862,419) (51,908)

Proceeds from sale of property, plant and equipment

- -

(Increase) / decrease in long-term deposits

(34,913,830) -

Profit received on bank deposits

25,274 249,928

Net cash generated (used in) / generated from investing activities

(42,750,975) 198,020

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from long-term financing

- 12,730,668

Repayment of long-term financing

(30,644,792) (24,326,000)

Net increase in short-term borrowings

17,060,477 (10,895,536)

Loan from Chief Executive Officer

209,965,000 -

Net cash used in financing activities

196,380,685 (22,490,868)

(Decrease) / increase in cash and cash equivalents

14,046,586 (27,222,282)

Cash and cash equivalents at beginning of period

1,816,178 30,320,105

Cash and cash equivalents at end of period

15,862,764 3,097,823

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

SITARA PEROXIDE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Share capital	Accumulated losses	Surplus on revaluation of property, plant and equipment	Total
 Rupees			
Balance as at July 01, 2021 (audited)	551,000,000	377,944,872	1,544,824,554	2,473,769,426
Total comprehensive income for the period ended March 31, 2022				
Loss for the period	-	(141,633,931)		(141,633,931)
Other comprehensive income	-	-		-
	-	(141,633,931)	-	(141,633,931)
Transfer to un-appropriated profit on account of incremental depreciation - net of tax	-	71,447,100	(71,447,100)	-
Balance as at March 31, 2022 (un-audited)	<u>551,000,000</u>	<u>307,758,041</u>	<u>1,473,377,454</u>	<u>2,332,135,495</u>
Balance as at July 01, 2022 (audited)	551,000,000	140,654,535	1,444,238,118	2,135,892,653
Total comprehensive income for the period ended March 31, 2023				
Loss for the period	-	(302,832,817)		(302,832,817)
Other comprehensive income	-	-		-
	-	(302,832,817)	-	(302,832,817)
Transfer to un-appropriated profit on account of incremental depreciation - net of tax	-	75,439,827	(75,439,827)	-
Balance as at March 31, 2023 (un-audited)	<u>551,000,000</u>	<u>(86,738,455)</u>	<u>1,368,798,291</u>	<u>1,833,059,836</u>

The annexed notes from 1 to 11 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

SITARA PEROXIDE LIMITED
SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2023

1. GENERAL INFORMATION

Sitara Peroxide Limited ("the Company") is limited by shares, incorporated in Pakistan on March 08, 2004 as a public limited company under the Companies Ordinance, 1984. The Company is listed on Pakistan Stock Exchange Limited. 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).

2. STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements of the Company for the nine months period ended March 31, 2023 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. In case where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2 These condensed interim financial statements should be read in conjunction with annual audited financial statements for the year ended June 30, 2022. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2021 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 statements for the nine months ended on March 31, 2022.
- 2.3 These condensed interim financial statements are un-audited.
- 2.4 These condensed interim financial statements have been presented in Pak Rupee, which is the Company's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended 30 June 2021.

4. PROPERTY PLANT AND EQUIPMENT

	(Un-audited)	(Audited)
	March 31,	June 30,
	2023	2022
 Rupees
Operating assets	<u>2,658,193,319</u>	<u>2,789,162,656</u>
Operating assets		
Written down value at beginning of the period / year	2,789,162,656	3,015,780,434
Revaluation surplus	-	-
Plant and machinery	-	-
Vehicles	<u>7,862,419</u>	<u>4,275,000</u>
Additions during the period / year	<u>7,862,419</u>	<u>4,275,000</u>
	<u>2,797,025,075</u>	<u>3,020,055,434</u>
Deletions at WDV during the period / year	-	(826,912)
Less: depreciation charged during the period / year	<u>(138,831,756)</u>	<u>(230,065,866)</u>
Written down value at the end of the period / year	<u>2,658,193,319</u>	<u>2,789,162,656</u>

			(Un-audited) March 31, 2023	(Audited) June 30, 2022
		 Rupees
5. STOCK IN TRADE				
Raw material			52,765,645	17,795,355
Packing material			2,889,795	3,324,693
Working solution			213,392,935	247,337,600
Finished goods			25,049,440	4,011,348
			<u>294,097,815</u>	<u>272,468,996</u>
6. CONTINGENCIES AND COMMITMENTS				
6.1 Contingencies				
6.1.1 Guarantees issued by banks on behalf of the Company			<u>54,640,000</u>	<u>99,270,865</u>
6.2 Commitments				
Irrevocable letters of credit			-	-
			<u>-</u>	<u>-</u>
		Nine Months Ended March 31,	Three Months Ended March 31,	
		2023	2022	2023
		2022	2022	2022
		(Un-audited)	(Un-audited)	
			Rupees	
		
7. SALES - NET				
Sales		523,563,498	1,552,735,872	136,566,840
Less: Trade discount		1,255,620	8,160,525	-
		<u>522,307,878</u>	<u>1,544,575,347</u>	<u>136,566,840</u>
				<u>502,123,855</u>
				<u>1,698,740</u>
				<u>500,425,115</u>
8. COST OF SALES				
Opening finished goods		4,011,348	3,848,667	-
Cost of goods manufactured		699,577,179	1,460,210,104	204,987,255
		<u>703,588,527</u>	<u>1,464,058,771</u>	<u>204,987,255</u>
				<u>478,502,533</u>
Less: closing finished goods		25,049,440	4,500,793	25,049,440
Cost of goods sold		<u>678,539,087</u>	<u>1,459,557,978</u>	<u>179,937,815</u>
				<u>474,001,740</u>

9. TRANSACTIONS WITH RELATED PARTIES

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. Significant transactions with related parties are as follows:

Relationship	Nature of transaction	Nine Months Ended	
		March 31, 2023	March 31, 2022
		(Un-audited)	
	
		Rupees	
Associated companies			
	Organizational expenses charged	213,122	11,036,782
Key management personnel			
	Remuneration and other benefits	31,251,351	34,145,262
Employee benefit plan			
	Provision for the period	8,536,145	6,071,795
	Payment during the period	226,236	4,146,204

10. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for