The Company's production facilities at Uch field's control, due to purchase of total output by Uch Power Limited (UPL) an Independent Power Producer (IPP), appears to fall in the definition of lease. However, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 21 of 2009 has decided to defer the implementation of IFRIC 4 to all companies which have executed implementation agreements with the Government/Authority or entity, this relaxation would be available till the conclusion of their agreements, entered on or before 30 June 2010. However, impact of IFRIC-4 is mandatory to be disclosed in the financial statements as per requirements of IAS-8.

Had this interpretation been applied, following adjustments to profit and loss account and balance sheet would have been made:

	Unaudited 30 April 2011	Audited 30 June 2010
	(Rupees '000)	
Profit for the period/year	52,808,321	59,177,125
Amortization reversed	179,682	55,124
Finance income recognized	2,900,220	3,174,773
Sales revenue reversed	(3,181,368)	(3,567,889)
Tax impact at estimated effective rate	30,359	101,127
Adjusted profit for the period/year	52,737,214	58,940,260

Carried forward balance of unappropriated profit at the end of period would have been as follows.

Adjusted unappropriated profit brought forward	113,699,972	82,917,111
Adjusted profit for the period/year	52,737,214	58,940,260
	166,437,186	141,857,371
Transfer to capital reserve	(166,209)	(201,364)
Dividend paid	(19,354,179)	(27,956,035)
Adjusted unappropriated profit at end of period/year	146,916,798	113,699,972
Unadjusted profit	143,811,453	110,523,520

38 DATE OF AUTHORIZATION FOR ISSUE

This interim financial information was authorized for issue on 14 June 2011 by the Board of Directors of the Company.

39 GENERAL

Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

Chief Executive **Director**