ANNUAL REPORT' 2000

Shakarganj Mills Limited



Corporate Mission

Preamble

We, the management of Shakarganj Mils Limited, have set forth our belief as to the purpose for which the Company is established and the principles under which it should operate. We pledge our efforts to the accomplishment of the purpose within the agreed principles.

Basic Purpose

The basic purpose of Shakarganj Mills Limited is to perpetuate as a Public
Limited Company engaged in manufacturing and marketing white refined cane
sugar, food products, sugar by-products and other products wherein management
or sponsors have expertise. In addition we preserve to assume a leadership position
in related industry regarding: quality of the product, cost effectiveness, turnover and technology.

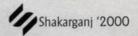
What We Do

Our main business area is the production of refined cane sugar and sugar by-products.

We recognise the value of technological improvement keep in step with the latest innovations and developments in our field. We believe in modern management practice and use latest techniques. We constantly train our people and keep them highly motivated as they are our most important assets. We strongly believe in integrity in business and integrity of Shakarganj depends on integrity of each one of its employees. We consider Research and Development as back bone of our business and conduct extensive Agricultural Research through Shakarganj Sugar Research Institute.

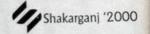
We consider our farmers who are our raw material suppliers as the most important part of our business. We transfer the technology and results of our research to our farmers with the objective of matching their sugar cane output to world standard.

We believe in diversification through new manufacturing facilities and through equity participation.



Five Years Financial Summary (Rupees in Thousand, except amounts per share)

	2000	1999	1998	1997	1996
Operating Results:					
Net Sales	1.180.681	1.864,677	1,816,421	1,398,384	1,187,626
Cost of Sales	1.041,975	1,627,251	1,657,492	1,233,714	1,040,912
Selling, General and Admin Expense		79,351	47,160	43,735	36,978
nterest Expenses	161,479	179,395	179,744	189,290	168,803
	80,141	32,682	46,815	66,131	26,066
Other Income, Net	10,217	10,505			(33.319
Pre-Tax Profit/(Loss)	5,903	9,210	(21,830) 8,441	(3,037) 6,155	(17,196
Income Tax Net-Income	4,314	1,295	(30,271)	(9,192)	(16,123
Per Share Results and Return:					
Earning Per Share	0.15	0.04	(1.03)	(0.35)	(0.67
Stock Dividend Per Share	-		-	1:10	1:10
Net Income Sales Percent	0.37	0.07	(1.67)	(0.66)	(1.36
Return on Average Assets Percent	0.27	0.07	(1.69)	(0.55)	(1.02
Return on Average Equity Percent	0.97	0.29	(6.65)	(1.94)	(3.34
Financial Position:					
Current Assets	567,276	863,642	826,450	821,965	565,000
Current Liabilities	736,766	962,678	950,180	1,023,355	674,023
Operating Fixed Assets	701,690	745,879	727,120	768,703	801,017
Total Assets	1,433,551	1,757,592	1,785,026	1,790,570	1,561,415
Long-Term Debt	329,110	407,537	429,361	462,621	538,059
Shareholders' Equity	445,602	441,288	439,993	470,264	479,456
Break-up Value per share	15.22	15.07	15.02	17.66	19.81
Financial Ratios:					
Current Liabilities to Current Assets	1:30	1:11	1:15	1:25	1:15
Long-Term Debt to Capitalization Pe		48.01	49.39	49.59	52.88
Total Debt to Total Assets Percent	68.92	74.89	75.35	73.74	69.29
Interest Coverage (Times)	1.07	1.06	0.88	0.98	0.80
Average Collection Period (Days)	6.61	5.65	1.39	6.90	1.09
Inventory Turnover (Times)	23.31	4.96	3.90	3.67	10.43
Fixed Assets Turnover (Times)	1.46	2.20	2.22	1.71	1.39
Total Assets Turnover (Times)	0.82	1.06	1.02	0.78	0.76
Other Data:					
Depreciation & Amortization	67,861	72,547	90,478	91,100	94,457
Capital Expenditure	19,130	81,599	39,332	54,086	83,215



PRODUCTION DATA 1974-2000

	No alle	SUGAR				MOLASSES	ALCOHOL	BOARD
Season	Duration of Season (Days)	Cane Crushed (M.Tons)	Sugar Produced (M.Tons)	Recovery (Percent)	Process Losses (Percent)	Molasses (M.Tons)	Industrial Alcohol (Litres)	Particle Board (Cubic Meters
2000	***	524,376,688	39,965,000	7.63	2.20	24,243	4,967,000	497.480
1999-2000	144	1,350,118.540	101,479,000	7.51	2.23	61,756	5,324,756	1,921.688
1998-99	157	1,434,389.418	112,430.000	7.85	2.38	73,477	6,350,000	2,784.438
1997-98	163	1,036,955.123	79,740.000	7.69	2.50	54,711	6,015,000	Nil
1996-97	176	763,316.236	60,285.000	7.92	2.65	39,397	2,573,700	2,117.539
1995-96	151	1,057,035.578	86,075.000	8.11	2.77	53,172	5,460,000	5,299.260
1994-95	157		88,116.500	7.34	2.65	60,150	5,250,076	4,334.770
1993-94	196	1,203,371.201 691.838.635	54,055.000	7.85	2.68	35,980	4,887,020	1,662.757
1992-93	161	746,506,346	63,985.500	8.57	2.53	37,710	4,525,900	3,360.000
1991-92	174		65,536.800	7.56	2.59	47,135	3,422,204	642.940
1990-91	204	866,552.129	57,912.000	8.17	2.31	33,180	3,030,217	
1989-90	187	708,632.495	36.366.800	7.70	2.44	22,410		
1988-89	170	446,324.860	55,726.000	7.98	2.61	38,740	308,494	
1987-88	193	698,604.856	27.898.600	8.36	2.24	15,060	1,855,809	
1986-87	149	333,601.075	20,625.000	8.66	2.29	11,470	20,239	
1985-86	113	237,601.670	39,522.600	8.96	2.38	22,580		
1984-85	168	441,717.765		8.31	2.40	21,860		
1983-84	173	427,169.490	35,501.200	8.16	2.44	16,255		
1982-83	173	361,291.485	29,440.000	8.47	2.48	21,255		
1981-82	207	466,040.000	39,474.000	8.89	2.42	13,373		
1980-81	187	287,723.000	25,562.000	8.95	2.25	2,358		
1979-80	112	61,206.625	5,619.300	The state of the s	2.27	4,147		
1978-79	114	107,106.070	9,267.300		2.44	14,103		
1977-78	177	319,960.400	27,620.000	1	2.67	15,228		
1976-77	166	308,987.443	26,085.600		2.68	11,424		
1975-76	157	246,393.593	18,864.880	0.00	2.75	4.182		
1974-75	107	104,069.161	8,252.618		3.57	4,726		
1973-74	101	87,824.720	5,476.830	0.20	3.31	1,7.00		

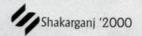
ABOUT SHAKARGANJ:

Shakarganj Mills Limited is a public limited company incorporated on September 20, 1967 and is listed on all the Stock Exchanges of Pakistan. The manufacturing facilities consisting of Sugar, Industrial Alcohol and Particle Board are located in the famous town of Jhang in the Central Punjab. High quality Sugar conforming to international standard is manufactured and used by Pharmaceutical Industry and other food manufacturers in addition to quality conscious housewives.

At Shakarganj three co-products of sugar are produced.
Molasses is converted into Industrial Alcohol and
Sugarcane bagasse is converted to high quality Particle
Board. Surplus power is supplied to a neighbouring textile
company.

Research and Development is very important aspect of business at Shakarganj and for this purpose Shakarganj Sugar Research Institute has been established since 1983 along side the other facilities. Shakarganj serves 24,500 farming families in addition to several other suppliers.

Crescent Business Management (Private) Limited is a wholly owned subsidiary of Shakarganj. This company manages First Crescent Modaraba which is listed on Karachi, Lahore and Islamabad Stock Exchanges. First Crescent Modaraba is dedicated to reform the financial and business conduct and bring it in accordance with the principles enshrined in the Sharia.



Directors Report to Shareholders

Dear Shakarganj Shareholders/ Investor:

Your Directors are pleased to present the 33rd Annual Report along with audited accounts of the company for the year ended September 30, 2000.

Financial Results

We started our season on 1st November 1999, well ahead of the adjoining Mills to get some advantage of cane procurement. In spite of higher prices than last season the growers where reluctant to deliver cane in the early days and we could run only one Mill. The Mills started an unreasonable price war and cane price remained very irregular. We could crush only 524,376.688 M. Tons compared to 1,350,118.540 M. Tons in the year before.

The area under sugarcane crop within Shakarganj Supply zone this year was less than normal. The reasons were nonavailability of quality seed due to wide spread disease last year. The weather was also not very favourable for sugarcane crop. The crop yield was also affected and the total cane available for crushing in the area was significantly decreased.

This resulted in very low production of 39,965 M. Tons of sugar.

Sugar Division

The Sugar Division produced 39,965 M. Tons of sugar against 101,479 M. Tons last year.

The main cause of decrease was non-availability of sugarcane. In spite of best efforts sugarcane could not be procured at any reasonable price. Had we entered into the price war, the losses could have been higher as there was no cane in the field. The sugar recovered percent cane was 7.63 percent as compared to 7.51 percent last year. The gross profit was Rs. 138.71 million, the operating profit was Rs. 92.22 million as the net profit was Rs. 4.31 million. Earning per share increased to Rs. 0.15 as compared to Rs. 0.04 last year.

Industrial Alocohol Division

The Alcohol Division had a satisfactory production at 4.967 million liters against 5.324 million liters last year. Due to short crushing, we had only 24,423 M. Tons of Molasses as compared to 61,756 M. Tons last year. The gross profit of Distillery was Rs. 9.72 million.

Kanewood Industries

Due to low sugarcane production very small quantity of bagasse could be saved for manufactures of particle-board. We were able to manufacture only 497.48 Cubic Meters of board. The gross loss of this operation was Rs. 0.6 million against Rs. 3.8 million last year. This was achieved by drastic decrease in administration and other expenses on this plant.

Export

In the year under review there was no export of sugar as the domestic production was much lower than the country's consumption. In fact the country had to import sugar to meet the domestic demand. Only Ethanol was exported and the total export amounted to Rs. 47.9 million.

Co-Generation

Due to very low crushing of sugarcane extra electricity could not be generated, as such there was no sale of electricity.

Contribution to Economy

During the year under review your company's contribution to Federal, Provincial and Local Taxes were to the tune of Rs. 142.55 million. We spent Rs. 161.148 million, as cost of financing and share of workers was Rs. 62.52 million. During the last ten years, your company had made a consolidated contribution of Rs. 1.84 billion in shape of Federal, Provincial and Local taxes.

Human Resource Development

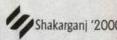
A strong emphasis on Human Resource Development continued at Shakarganj. Training of Shakarganj personnel was kept up and given top priority. A well equipped Library with latest books on all aspects of our business is maintained for the benefit of the team members. The Library subscribes to some 130 periodicals and collection of books exceeds 4600.

Environmental Awareness

Our efforts towards reducing the waste water and maximum water recycling in the plant were appreciably improved. Our environmental policy, revolves around three basic principles:

- Shakarganj assumes responsibility for the environment.
- All decisions at Shakarganj shall favour environment.
- Information is open and free.

Shakarganj takes active part in tree planted with the community. To set an example 10,000 trees have been planted this year around the sugar factory. The tree plantation continued as before and about 5,000 trees were further added in the premises. The filter cake and distillery waste are mixed and the required nutrients are added to make a good Biocompost, which was supplied, to the farmers for use as fertilizer at Rs. 200/- per trolley load. This has become very popular among the growers and this year the demand was again higher than what could be produced.



About 2000/2001

The prospects for 2000-2001 crop is very bright. We have already crushed nine million tones of sugarcane and hope to reach a respectable total before the end of the season by last week of Mach 2001. Special efforts were made to get healthy cane planted. Growers were supplied inputs at reasonable price enabling them to sow a good crop in the year 2001-2002.

Future Outlook

As indicated in the last year's report to the shareholders, the year 2001-2002 seems to be a good year. It is very difficult to forecast for the 2001-2002 as the irrigation water supply has been drastically reduced. We have been able to get planted a large acreage under sugarcane during the September 2000 and Spring 2001. The fate of the crop will depend on the rainfall. The canal water has been drastically curtailed and hopes for improvement are dim. Your company, however, expects better results than the surrounding companies keeping in view the sugarcane we have been able to get planted in our zone.

Riaz Ahmad & Company, Chartered Accountant retire and offer themselves for re-appointment.

Auditors Qualification

As regards auditor's qualification in their report to the members, the Directors would like to inform the shareholders that the provision for fall in the market value of short term investments as on September 30, 2000 is not made as the directors are of the view of decline in the market value as on September 30, 2000 was temporary and would reverse once the stock market improves.

Pattern of Shareholding

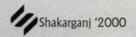
A statement showing the pattern of shareholding in the company as on September 30, 2000 appears on page......

Directors, Employees and Suppliers

The Directors are always a source of guidance and support for the management and we appreciate their commitment to your company's progress and prosperity.

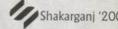
Your company's progress has mainly been possible throug the dedication of the employees and they deserve a ver warm vote of thanks. They have always shown the willingness to take advantage of opportunity and far challenges of changing economic picture. Our sugarcar farmers are the backbone of our industry and we thank the for their continued support.

AHSAN M. SALEEM Chief Executive



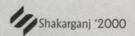
Statement of Value Added

	2000	Rs. in Mi	llion) 1999	
SALES REVENUE	1,180.68		1,864.68	
OTHER RECEIPTS	80.14		32.68	
	1,260.82		1,897.36	
LESS: MATERIALS & SERVICES	821.98		1,293.75	
VALUE ADDED	438.84		603.61	
APPLIED THE FOLLOWING WAY TO EMPLOYEES:		%AGE		%AGI
WAGES, SALARIES AND RELATED COSTS	62.52		71.06	11.77
TO GOVERNMENT:				
INCOME TAX, EXCISE DUTY, SALES TAX AND OTHER TAXES	142.55	32.48	279.01	46.22
TO PROVIDERS OF CAPITAL				
FINANCE CHARGES ON LOANS AND ADVANCES	161.48	36.80	179.40	29.72
TO CHARITABLE INSTITUTIONS	0.12	0.03	0.30	0.05
TO PROVIDE FOR MAINTENANCE & EXPANSION OF ASSETS:				
DEPRECIATION / AMORTIZATION	67.86	15.46	72.55	12.02
PROFIT / (LOSS) RETAINED	4.31	0.98	1.30	0.21
	72.17	16.45	73.85	12.23
	438.84	85.75	603.61	100.00



Flow of Funds Analysis Development of net current position in million of Rupees

	Sep. 30 1998	Change	Sep. 30 1999	Change	Sep. 30 2000
Liquid Assets Short term receivable Short term liabilities and provision	+ 608.24 + 6.92 - 823.55	- 98.82 + 21.92 + 15.95	+ 509.42 + 28.84 - 807.60	- 294.24 - 7.46 + 242.48	+ 215.18 + 21.38 - 565.12
	- 208.39	- 60.95	- 269.34	- 59.22	- 328.56
Factors affecting the change In net current position					
Source of Funds Net Income/(loss) for the year Depreciation Amortization of assets subject to Finance Lease			+ 1.29 + 61.59 + 10.95		+ 4.31 + 58.17 + 9.69
Internal Financing		THE REAL PROPERTY.	+ 73.83		+ 72.17
Fixed Assets disposed Redeemable Capital Liability against assets subject to Finance Lease Sales of Investments			+ 1.25 +185.94 + 30.94 + 0.00		+ 5.15 +123.42 + 19.49 + 0.00
Source of Funds - Total			+291.96		+220.23
Application of Funds: Addition to Fixed assets Assets subject to Finance Lease Addition to Investments Redeemable Capital Long Term deposits Liability against assets subject to Finance lease Loans Repaid			- 70.64 - 30.94 - 20.00 - 178.61 - 1.67 - 21.90 - 29.15		- 16.48 - 19.49 - 5.35 - 200.19 - 9.36 - 26.92 - 1.66
Application of Funds - Total			-352.91	13600	- 279.45
Changes in the net position		1 198	- 60.95		- 59.22



Board of Governors.

Mr. M. Asghar Qureshi Chairman

Mr. Altaf M. Saleem Member

Mr. M. Awais Qureshi Member

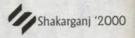
Mr. Malik Manzoor Hussain Member

Dr. Shahid Afghan Member

Shakarganj Sugar Research Institute.

Principal Functions

- Sugarcane breeding to evolve fertilizer responsive, disease resistant and stress tolerance varieties with high sucrose content.
- To investigate the agronomic problem of sugarcane production.
- Research and development on biocompost prepared from Sugar industry effluents and its use for sustainable agriculture.
- To study soils in sugarcane producing areas and to relate these to crop management.
- · To study the fertigation requirements of sugarcane.
- To study and monitor the pests and disease of sugarcane and so develop appropriate control measures.
- To conduct basic research on germination of sugarcane setts, sucrose production, translocation and storage and on the environmental influences on these processes.
- To provide advice on the use of fertilizers and other agricultural chemicals, irrigation, drainage, diseases and pests control, the use of machines and equipment, land and water management, and other aspects of crop production planting and management.
- To publish and disseminate information on all aspects of sugarcane production.
- To provide educational courses in various aspects of sugarcane growing for growers.
- To collaborate and exchange information and material with Research Organizations in Pakistan and other countries.
- To improve technology of sugarcane production inside the sugar factories by improving process and milling efficiency.



Shakargani Sugar Research Institute's Review 2000

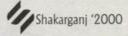
This report summarizes research and development work being conducted at Shakarganj Sugar Research Institute (SSRI) with emphasis on main goals that were reached during the year 1999-2000.

Activities of SSRI revolved around evolution and development of new sugarcane varieties acceptable to both cane growers and sugar industry. Main objective is development of cane varieties capable of producing sugar and other products of economic importance at lower cost than could be attained with existing varieties. Standard procedures were developed from growing of original seedling to final selection. The clones in final trails & pipeline had shown good promise for cane and sugar yield with resistance to major disease.

Hybrid seed was obtained from different international research institutes like Bureau of Sugar Experiment Station (BSES), Commonwealth Scientific Industrial Research Organization (CSIRO, Davis Laboratories) Australia, South African Sugar Association Experiment Station (SASAEX), South Africa and Louisiana Agricultural Experiment Station (LAES), USA.

Enough material was available for further testing and selection. The detail on status of promising clones under defferent selection stages is given in table-1.

Table -1	Status of Different Selection Stages						
Stage /	Description		Yes	ır	Acreage		
Seedling Year			1999	2000			
Stage-5/95	Final Variety Trials						
stage 3/77	S95NSG-Series		6	4	10		
Stage-4/96	Semi-Final Variety Trials						
	S96NSG-Series		32	16	2		
Stage-3/97-98	Ratoon seedlings						
	RS97NSG-Series		7	3	1		
	RS98NSG- Series		13	13	1		
Stage-3/98	Advanced clones		1				
	S98CSSG-Series		2205	127	3		
Stage-2/99	Progeny clones						
	a. SASAEX, South Africa (S99NSG-Series)		1202	95			
	b. BSES, Australia (S99QSG-Series)		689	67			
	c. Houma, USA (S99 HoSG-Series)		33516	1847			
		Total:	35407	2040	4		
Stage-1/99	Original seedlings						
	Ho-USA			30859	9		
	CP-USA			11057	_3		
		Total:		41916	12		
	National trials						
	National Uniform Varietal Yield Trial						
	(7 locations)		1	1	1		
	Coordinated Trials		No. of Steel				
	(4 locations)		8	8	2		
	Agronomic studies on:						
	Fertigation, Seed rate, Weed control,		4	4	2		
	Disease screening, Seed treatment and						
	Post harvest losses.						
	Introduction of germplasm from other I	nstitutions	•				
	SRI-Faisalabad clones		8	20	2 acres		
	Habib Sugar Mills, clones		4	4	1 kanal		
	SCRI-clones, Mardan		78	47	1 acre		
	NARC-clones, Islamabad		2	2	1 marla		
	SRI-clones, Sri Lanka			7	1 marla		
	ROC-clones, China			1	1 kanal		



Research Activities and Achievements

Research activities conducted on various aspects of cane production are given below.

- 1. Sugarcane variety development
- 2. Biological control of borer complex
- 3. Studies on disease tolerance
- 4. Studies on insect resistance
- 5. Bio-technology project
- 6. Soil and water advisory service
- 7. Vegetable program
- 8. Workshop on R & D activities
- 9. Publication of research journals

1. Sugarcane variety development

Studies on quantitative and qualitative characteristics of seedling clones for selection of promising strains under different selection stages was in progress. Status of the germplasm in hand at SSRI is briefly discussed below.

a. Original seedling

At stage-1 from 155 bi-parental crosses, 41916 original seedlings obtained were transplanted in the field on 12 acres at Ghazi Shah Farm of SSRI in single stools during autumn 2000.

b. Progeny clones

At stage-II from 35407 original seedlings of BSES-Australia, SASAEX-South Africa and Houma-USA, a total of 2040 progency clones were selected and advanced on an area of 4 acres during autumn 2000. In the same year 16 clones from ration seedling 1997/98 of SASEX fuzz has shown a good promise.

c. Advanced clones

At stage-III from single plots of 2205 progeny clones, 127 clones were selected and advanced in a plot size 400 sq. ft. during autumn-2000 parent wise performance and data on bio-metric traits of each clone was recorded.

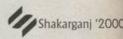
d. Promising clones for semi final trials

At stage-IV amongst 32 clones for semi-final varietal trials 16 were selected. Most of selected clones had shown better germination capacity, tillering potential, striped can yield, early maturity, high sucrose content and resistance against major diseases like red rot, rust, smut and pokkah boeng.

e. Promising clone for final trials

At stage-V, Four clones S95NSG-6, S95NSG15, S95NSG-39 & S95NSG-60 have shown better performance. These were included in coordinated trials, extensive testing and seed multiplication program. About forty acres of these clones were planted at different cane seed banks. Demonstration plot of S95NSG-6, S95NSG-15 & S95NSG-60 on 344 acres was planted at 688 grower's field of SML during autumn 2000.

Agronomic traits of these promising clones are elaborated in Table-2a. Quality trend compared with standard check SPSG-26 is given in Table-2b.



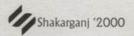
Research Activities and Achievements

Table-2 a	Agro-economic	traits of clones in	final trials			
Clones	Parent	age	Ger. (%) Average	(3 year Tiller/ plant average	ars pooled means) Millable cane (acres)	Yield/acre (mds.)
S95NSG-6	77F790	x 87F2007	68.6 a	3.13 d	51818 d	1070 ab
S95NSG-15	N23 x 7	7F790	59.6 с	3.83 c	50910 c	916 с
\$95NSG-39	84F275	3 x MO	58.8 c	4.70 b	61709 b	1107 a
S95NSG-60	71W510	0 x 82F542	53.5 d	6.36 a	64523 a	1036 b
SPSG-26	SP77/5	368 x CP70/1143	64.0 b	2.73 d	49095 e	942 c
LSD value			1.867	0.5912	0.5671	37.22
Table-2 b	Sugar r	ecovery % cane of p	promising clone	es at final stge 1998-2	2000)	
Clones	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
S95NSG-6	8.77	8.88	8.95	9.73	10.24	10.79
S95NSG-15	7.87	8.47	8.71	9.10	9.78	10.03
S95NSG-39	8.77	9.36	9.68	10.15	10.43	10.66
S95NSG-60	8.34	8.73	9.39	10.1	11.46	11.51
SPSG	8.22	8.8	9.26	10.1	10.22	10.59

Studies were in progress on the germplasm collected from various research stations. These were 47 clones from SCI Mardan, 20 clones from AARI, Faisalabad, 4 clones from Habid Sugar Mills and 2 clones from NARC Islamabad, 7 clone from Sri Lanka and one 1 clone from China.

2. Biological control of borers complex

Biological control of sugarcane borers with Trichogramma chilonis was found most economical, effective an environment friendly. It was very successful during the year under report. Infestation in Trichogramma released are was found below economic threshold level. Parasitized Trichogramma was found beneficial for sugarcane crop again top borer, stem borer, gurdaspur borer and root borer. One lace twenty five thousand tricho cards were prepared, an installed in grower's fields covering an area of 36,916 acres from March to September 2000. The tricho cards were sold the farmers at a heavily subsidized price of Rs. 3/- per card.



3. Studies on disease tolerance

Nine different sources of sugarcane varieties were selected for screening against diseases like red rot, rust, pokkah boeng and smut. Amongst 2424 clones tested against major diseases 288 had shown combine resistance. The clone in final stage and in semi final had shown combined resistance. Series wise detail of clones, tested in disease nursery during the year under report is given in table-3.

Table-3 Series under combined screening of vari	ous diseases
-------------------------------------------------	--------------

Sr.	Origin	No.of		Re	sistance to	0		
No		clones	Red rot	Rust	P. Boeng	Smut	Combined	
	SSRI, Jhang							
1	Promising varieties South Africa (S95NSG series)	18	-4	13	5	4	4	
2	Semi final clones South Africa (S96N series	32	14	16	18	17	14	
3	Advance lines (Nursery-II) South Africa (Rs97 & RS98NSG series)	67	10	21	21	19	10	
4	Progeny clone (Nursery-I CSIRO Astralia (S98CSSG series) SCRI, Mardan	2205	127	321	240	227	222	
5	Mardan varieties SRI, Faisalabad	79	25	61	48	67	25	
6	Faisalabad varieties Habib Sugar Mill, Nawabshah	8	4	8	8	8	4	
7	HS varieties	6	1	6	6	5	1	
8	USA clone (S97US series)	3	2	3	3	2	2	
9	Sri Lanka clones (SL series)	6		6	6	6	6	
	Total	2424	187	455	355	355	288	

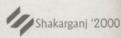
4. Studies on insect resistance

Twenty-six promising clones of different series were included in the trial. The infestation of the pests like top, stem, root and gurdaspur borers was estimated counting infested internodes of millable stalks. The results have shown that most of promising clones had combined resistance against borer complex.

5. Biotechnology project

The project was in progress during year under report. Sudzucker send us an experiment protocol for the isolation and screening of microorganisms. Samples were collected from different locations for screening of microorganism. Five installments of different slants was dispatched to Sudzucker, Germany. Detail of installments sent is given below.

Date	Install- Ment	No.of slants	Sampling location	Date of collection	Dilution	Temperature
7.09.1999	l.	06	4	15-20 Aug, 1999	1:100	37C
4.12.1999	2.	23	3	16 Oct20 Nov. 1999	1:10 & 1:100	30, 37 & 45C
24.3.2000	3.	16	3	12 Feb 8Mar. 2000	1:10 & 1:100	30, 37 & 45C
15.6.2000	4.	10	3	8 June - 3 July 2000	1:10 & 1:100	30, 37 & 45C
1.10.2000	5.	08	4	1Aug 11 Sept. 2000	1:10 & 1:100	30C



6. Soil and water advisory service

Analysis of composite soil samples from 1850 acres for 52 growers around SML were completed. Water samples for quality analysis were collected from 95 tube wells and 1396 samples were analyzed. The data is utilized for formulating recommendation in soil reclamation and increasing productivity.

7. Vegetable Program

The program of growing off-seasoned vegetable with imported seed was started in April 1999. Five tunnels were constructed at Ghazishah farm of SSRI. Services of Mr. Langar Khan were acquired as advisor of this program. Nursery of Chinese cabbage, Iceberg, Broccoli, Leek, Celery and Brussels sprouts were transplanted in the field during July 2000. Seven varieties of In-determinate Cucumbers were directly sown in three tunnels during autumn 2000. Nursery of Indeterminate type Tomato and Chilles would be grown in December 2000. The detail of vegetables grown in the field and under the tunnels is given in table-4.

Table-4	Different vegetables grown une	der open and controlled condition	
Sr. No	Vegetables Field plantation	Sowing time	Area
1	Chinese cabbage	July to September 2000	3 kanal
2	Ice Berg	July-September 2000	2 knanl
3	Broccoli	July to August 2000	1/2 kanal
4	Brussels sprout	July 2000	1/2 kanal
5	Celery	September 2000	1/2 kanal
6	Leek	September 2000	1/2 kanal
	Tunnel plantation		72 plants/tunne
1	Multiple crop	November 2000	3 tunnels
	a. Cucumber (Parthenocarpic)	+ December 2000	5 tunners
	b. Chilles	+ December 2000	
8	Sole crop	D12000	2 months
	Tomato (Indeterminate)	December 2000	2 tunnels

8. Workshop on R & D activities on sugarcane crop

A two days workshop on "R&D activities on sugarcane crop in Pakistan" was held on September 15-16, 2000 at Shakargani Sugar Research Institute (SSRI), Jhang. The aim was to get the scientists, working on various disciplines of sugarcane crop under one roof, to have a through discussion on various aspects of research, and development. Thirty one scientists participated in the workshop from all over the country. Fourteen research manuscripts were presented and discussed. The views of all the concerned scientists working on this crop gave very valuable inputs to formulate recommendations for improvement of sugarcane.

9. Publication of research journal

Pakistan Sugar Journal (PSJ) was published regularly on bio-monthly. Some papers received from other countries were included.



Auditor's Report to the Members

We have audited the annexed balance sheet of SHAKARGANJ MILLS LIMITED as at 30 September 2000 and the related profit and loss account, cash flow statement and statements of changes in equity, together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare ad present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that provision for diminution in market/break-up value of short term investments as on 30 September 2000 amounting to Rupees 147.218 million (Note 21.1) has not been made. Had it been provided, the profit for the year and value of short term Investments as on 30 September 2000 would have been lower accordingly. Except for this failure, we report that:

a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;

b) in our opinion:

- The balance sheet and profit and loss account, together with the notes thereon, have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the change as stated in note 2.12 with which we concur:
- the expenditure incurred during the year was for the purpose of the company's business; and
- the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- c) In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity, together with the notes forming part thereof, conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at 30 September 2000 and of the profit, its cash flows and changes in equity for the year then ended; and
- d) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Riaz Ahmad and Company Chartered Accountants

Faisalabad. March 2001



Balance Sheet as at

(RUPEES IN THOUSAND) NOTE 2000 1999

	NOTE	2000	1999
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
50 000 000 ordinary shares of Rupees 10 each		500,000	500,000
Issued, subscribed and paid up share capital Reserves Unappropriated profit	3	292,860 146,543 6,199 445,602	292,860 146,543 1,885 441,288
SURPLUS ON REVALUATION OF OPERATING FIXED ASSETS		10,745	10,745
NON-CURRENT LIABILITIES			
REDEEMABLE CAPITAL	4	163,546	251,206
LONG TERM LOANS	5	23,968	27,678
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE CURRENT LIABILITIES	6	52,924 240,438	63,997 342,881
Current portion of long term liabilities Short term finances Creditors, accrued and	7 8	170,954 300,597	154,370 468,209
other liabilities Workers' participation fund Provision for taxation Unclaimed dividend	9 10	206,739 540 57,241 695 736,766	287,513 553 51,338 695 962,678
COTA IGENCIES AND COMMITMENTS	11		
		1,433,551	1,757,592

The annexed notes form an integral part of these accounts.

Chief Executive

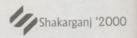


30 September 2000

		(RUPEES IN		
	NOTE	2000	1999	
ASSETS				
NON-CURRENT ASSETS				
Tangible fixed assets				
Operating fixed assets	12	701,690	745,879	
Assets subject to finance lease	13	97,277	100,242	
Capital work-in-progress	14	10,119		
		809,086	846,121	
Equity investments	15	37,750	37,750	
long term deposits and deferred cost	16	19,439	10,079	
CURRENT ASSETS		866,275	695,950	
Stores, spare parts and loose tools	17	33,625	37,136	
Stock-in-trade	18	17,034	339,174	
Trade debts	19	21,379	28,841	
Advances, deposits, prepayments and other receivables	20	142,979	109,324	
Short term investments	21	330,726	325,379	
Cash and bank balances	22	21,533	23,788	
		567,276	863,642	

1,433,551 1,757,592

Chairman



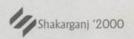
Profit and Loss Account for the year ended 30 September 2000

ended 30 September 2000	(RUPEES IN THOUSAI			
		NOTE	2000	1999
SALES		23	1,180,681	1,864,677
COST OF GOODS SOLD	OST OF GOODS SOLD			1,627,251
GROSS PROFIT		138,706	237,426	
OPERATING EXPENSES				
Administrative and general		25	37,741	41,548
Selling and distribution		26	8,749	37,803
			46,490	79,351
OPERATING PROFIT		27	92,216	158,075
OTHER INCOME		28	80,141	32,682
			172,357	190,757
FINANCIAL AND OTHER CHAR	GES	29	161,600	179,699
WORKERS' PARTICIPATION FU			540	553
			162,140	180,252
PROFIT BEFORE TAXATION			10,217	10,505
TAXATION	30	(5,903)	(9,210)	
PROFIT AFTER TAXATION				1,295
UNAPPROPRIATED PROFIT BR		1,885	590	
UNAPPROPRIATED PROFIT CA BALANCE SHEET	ARRIED TO		6,199	1,885
EARNING PER SHARE	(RUPEES)	33	0.15	0.04

The annexed notes form an integral part of these accounts.

Chief Executive

Chairman

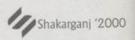


Cash Flow Statement for the year ended 30 September 2000 (RUPEES IN THOUSAND) 2000 1999 CASH FLOWS FROM OPERATING ACTIVITIES Profit before taxation 10.217 10,505 Adjustments to reconcile profit to net cash provided by operating activities Depreciation and amortization 67,861 72,547 Contribution to employees retirement benefits 4.876 9.275 Gain on disposal of operating fixed assets (16,876)(375)Credit balances added back (2.524)Financial charges 161,479 179,395 Cash flows from operating activities before working capital changes 227,557 268,823 Cash Flows From Working Capital Changes (Increase)/decrease in current assets Stores, spare parts and loose tools 3.511 (1.051)Stock-In-trade 90,766 322,140 Trade debts 7,462 (21,917)Advances, deposits, prepayments and other receivables (21,717)(748)Increase/(decrease) in current liabilities Short term finances (167,612) (76,494)Creditors accrued and other liabilities (73,715)56,506 Workers' participation fund (13)553 NET CASH FLOWS FROM WORKING CAPITAL CHANGES 70.056 47,615 CASH FLOWS FROM OPERATING ACTIVITIES 297,613 316,438 Financial charges paid (166, 947)(182, 792)Income tax paid (11, 187)(18, 112)Employees retirement benefits paid (7,218)(7,390)

112,261

108,144

NET CASH FLOWS FROM OPERATING ACTIVITIES

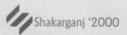


(RUPEES	IN	THOUSAND)
2000		1999

CASH FLOWS FROM INVESTING ACTIVITIES	CASH	FLOWS FROM	INVESTING	ACTIVITIES
--------------------------------------	------	------------	-----------	-------------------

Proceeds from sale of operating fixed assets Fixed assets acquired Long term deposits Investments made	22,021 (16,481) (9,360) (5,347)	(70,638) (1,677) (20,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(9,167)	(90,693)
CASH FLOWS FROM FINANCING ACTIVITIES		
Redeemable capital Redemption of redeemable capital Repayment of long term loans Repayment of finance lease liabilities	123,419 (200,189) (1,657) (26,922)	185,944 (178,615) (29,153) (21,907)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(105,349)	(43,731)
NET DECREASE IN CASH AND CASH EQUIVALENT	(2,255)	(26,280)
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	23,788	50,068
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	21,533	23,788

OF THE YEAR



Notes to the Accounts for the year ended 30 September 2000

1. STATUS AND NATURE OF BUSINESS

Shakarganj Mills Limited was incorporated on 20 September 1967 under the Companies Act, 1913 (Now Companies Ordinance, 1984). Shares of the company are quoted on the stock exchanges in Pakistan. The principal activity of the company is to manufacture, purchase and sale of sugar, distillate and kanewood.

1.1 Compliance with International Accounting Standards (IAS)

These accounts comply with International Accounting Standards, as applicable in Pakistan, in all material respects.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These accounts have been prepared under the historical cost convention as modified by capitalization of exchange differences and revaluation of certain operating fixed assets as referred to in note 2.4 and 2.5.

2.2 Staff retirement benefits

The company operates pension and gratuity fund schemes for all permanent employees who are in management cader and salaried director. Premium is payable to the funds monthly on the basis of actuarial computation subject to a maximum 20 % and 8.33 % of basic salary of the employees respectively.

The company also operates a funded contributory provident fund scheme for all permanent employees. Equal monthly contributions are made both by the company and employees at the rate of 7 and 8 Percent of basic pay for officers and workers respectively.

2.3 Taxation

Charge for current taxation is based on taxable income at current tax rate after taking into account the tax credits and tax rebates available, if any.

Deferred taxation is accounted for by using the liability method on all major timing differences.

2.4 Foreign currencies

Liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange ruling at balance sheet date. Exchange gain or loss on foreign currency loans is adjusted against cost of operating fixed assets acquired from the proceeds of loans. Exchange gain or loss on translation of other liabilities in Foreign currencies is charged to the current years income.

2.5 Tangible fixed assets and depreciation

Operating fixed assets are stated at cost and appreciated value less accumulated depreciation. Freehold land is stated at cost/appreciated value and capital work-in-progress at cost.

Cost of tangible fixed assets consists of historical cost, applicable exchange differences, appreciated value and direct attributable cost of bringing the assets to working condition. Borrowing cost pertaining to the construction/ erection period up to the date of completion is also capitalized as part of historical cost.



- 12.1 The company has given 10.39 acres land valuing Rupees 0.260 million for 20 years lease to Crescent Ujala Limited on annual rent of Rupees 3,968 per acre. Lease rent will be increased by 15 percent after every three years and lease is extendible for an other term of 20 years with mutual consent of both parties.
- 12.2 Land, buildings and plant and machinery were revalued by an independent valuer as at 30 September 1979 and stated in note 12 at appreciated value. Had there been no revaluation on that date, the value of these operating fixed assets would have been lower by Rupees 38.637 million (1999; Rupees 38.637 million).
- 12.3 Borrowing cost capitalized during the year was Rupees NIL (1999: Rupees 7.740 million) under the head of plant and machinery.

(RUPEES I	N	THOUSAND)
2000		1999

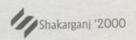
12.4 Depreciation charge for the year has been allocated as follows:

Cost of goods sold

1,097 952	1,163 1,029
4,051	4,222
58,174	61,593
	4,051

12.5 DISPOSAL OF OPERATING FIXED ASSETS

				CALE	MODE OF	PARTICULARS OF PURCHASERS
DESCRIPTION	COST	DEPRECIATION	BOOK	PROCEEDS	DISPOSAL	
Land Land at Chak No. 75 RB, Tehsii, Jaranwala Distt. Faisalabad.	3,503	1	3,503	19,504	Agreement	M.S.C. Textile Mills IPvti Limited, Jaranwala.
Plant and machinery Turbine 2mm works pool Hydraulic accumulator with blader	1 No 2,100 1 No 592	1,960	140	125	Negotiation	S.S. Electric Company, Landre. Kamalia Sugar Mills Limited
Furniture and fixtures Ceiling fan, almirah and sofa set Table and sofa set Sofa set, centre table and chairs Room water cooler and sofa set Air conditioners PEL	5 Nos. 2 Nos. 6 Nos. 7 2 Nos. 10 Nos. 20	20 14 7 6 10 5 11 8	9 - 12 10 09	7 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Negotlation Negotlation Negotlation Negotlation Sale and lease back	Rans Atzat Ahmad (Company's Ex-employee) Akntar Ali Akntar (Company's Ex-employee) Sajid Salahuddin (Company's Ex-employee) Abdui Jabbar (Company's Ex-employee) ORIX Leasing Pakstan LS-112
Vehicles Suzuki Mehran 800 CC, JGB 404 Suzuki Margala 1300 CC, JGB 1661 Suzuki Margala 1300 CC, JGB 525 Suzuki Margala 1300 CC JGB 525 Suzuki Margala 1300 CC JGB 4050 Suzuki Margala 800 CC FDR 6494 Mitsubishi exceed car CA 8672	2 8 8 2	54 57 267 96 196 96 179 65 55 55	96 100 114 7	99 130 136 141 300	As per company policy	M. Bashir (Company's employee) M. Pervatz Akhtar (Company's employee) Dr. Shahid Afgran (Company's employee) Majik Manzoor Hussain (Company's employee) Hist Ahmad (Company's employee) Muhammad Asir Butt, 2-V, Defence Housing Society, Jahore Cantt.
Suzuki Mehran 800 CC JGB 832 Suzuki Margala 1300 CC FDR 7779 Suzuki Knyber 1000 CC JGB 1991 Suzuki Margala 1300 CC JGB 1800 Suzuki Margala 800 CC JGB 3100 Suzuki Margala 1300 CC FDS 5382 Motor Cycles Cycles	1 No 2 Nos. 2 Nos.	192 69 192 69 204 74 205 74 245 88 245 88 34 15	85 25 25 25 25 25 25 25 25 25 25 25 25 25	001 041 441 441 88 88 00	As per company policy	M. Saifullah. (Company's employee) Abbas Ali Gi (Company's employee) Zahid Mahmod (Company's employee) Bahshir Ahmad (Company's employee) Nast (Company's employee) Company's eventployee Company's employees Company's employees



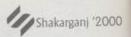
13. ASSETS SUBJECT TO FINANCE LEASE

(RUPEES IN THOUSAND)

		c	0 5	T	Al	MORTIZATIO	N		BOOK VALUE	DEPRECIATION
DI	ESCRIPTION	As at 01 October 1999	Additions/ (Deletions)	As at 30 September 2000	As at 01 October 1999	Adjustments	Charge for the year	As at 30 September 2000	As At 30 September 2000	Rate %
B	uilding	255		255	255			255		7.5
P	ant and machine	ry 110,365	17.981		20,025	(5,867)	7,351	23,509	90,662	7.5
	ehicles	11,702	(14,175	8,336	4,526	(2,415)	1,245	3,356	4,980	20
E	guipments	4,544		4,544	1,818		1,091	2,909	1,63	5 40
	000	126,866	19,490		26,624	(6,282)	9,687	30,029	97,27	7
1	999	99,766	30,94		17,547	(1,877)	10,954	26,624	100,24	2

- 13.1 Deletions represent the leased assets purchased at the expiry of lease term and transferred to operating fixed assets.
- 13.2 Amortization charge of leasehold assets for the year has been allocated as follows:

		(RUPEES IN	THOUSAND)
		* 2000	1999
	Cost of goods sold- Sugar (Note 24.2)	7,351	7,325
	Administrative and coneral	2,336	3,629
	Administrative and general Expenses-Sugar (Note 25.1)	9,687	10,954
14.	CAPITAL WORK-IN-PROGRESS		
	Buildings	2,886	-
	Plant and machinery	7,233	
		10,119	-



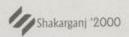
	(RUPEES IN T	(HOUSAND)
	2000	1999
EQUITY INVESTMENTS		
QUOTED Associated undertakings:		
Crescent Investment Bank Limited 475,000 (1999: 475,000) ordinary shares of Rupees 10 each fully paid	4,750	4,750
Crescent Steel and Allied Products Limited 300,000 (1999: 300,000) ordinary shares of Rupees 10 each fully paid	3,000	3,000
Pakistan Industrial Leasing Corporation Limited 625,000 (1999: 625,000) ordinary shares of Rupees 10 each fully paid	20,000 27,750	20,000 27,750
UNQUOTED Subsidiary Company:		
Crescent Business Management (Private) Limited -		
1,000,000 ordinary shares of Rupees 10 each fully paid Equity held: 88.79% Break up value as per last audited accounts as on 30 June 2000 was Rupees 11.28 per share	10,000	10,000
	37,750	37,750
15.1 Aggregate market value of quoted investments as at 30 Ser	ptember 2000 was R	upees 18.10

15.

^{15.2} Following investments having face value of Rupees 3.000 million (1999: Rupees 6.500 million are deposited as security with banking companies and investment banks.

Against short term finances obtained from Banking Companies (Note 8.4)		3,500
Against bank guarantee issued by Crescent Investment Bank Limited (An associated undertaking)	3,000	3,000
	3,000	6,500
	The second secon	

million (1999: Rupees 26.963 million).



5.2 Loan No. IBRD-3019 and loan No. ADB-966 are payable in 09 and 12 semi annual installments commenced from 01 January 1993 and 01 July 1994. Loans carry interest at the rate of 15 and 15.65 percent per annum respectively. According to revised schedule last installment will be due on 01 January 2006 and 01 July 2004 respectively.

(RUPEES IN	THOUSAND)
2000	1999

6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

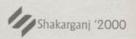
Future rentals and periods during which they fall due are as under:

30 September 2000 30 September 2001 30 September 2002 30 September 2003 30 September 2004 30 September 2004 Balance rentals as at 30 September Less: financial charges Present value of minimum lease payments Less: Current portion (Note 7)	39,745 30,506 22,802 6,112 2,126 101,291 19,009 82,282 29,358	38,631 33,360 24,119 16,592 2,957 115,659 25,945 89,714 25,717
	52,924	63,997
	The state of the s	-

6.1 The value of minimum lease rental payments has been discounted at an implicit interest rate ranging from 17 to 22 percent. The balance rentals are payable in monthly/quarterly installments and in case of default in any payment, an additional charge at the rate of 2 percent shall be paid. Taxes, repairs and insurance costs are to be born by lessee. Lessee shall have no right to terminate lease agreements and if lease agreements are terminated, the lessee shall pay entire amount of rentals for unexpired period of lease agreements. Lease agreements are renewable at the option of lessor on such terms as may be agreed upon. Liabilities are secured against deposit of Rupees 9.091 million (1999: Rupees 9.813 million) included in long term deposits and deferred cost (Note 16) and Rupees 2.121 million (1999: Rupees 0.905 million) included in advances, deposits, prepayments and other Receivables (Note 20).

CURRENT PORTION OF LONG TERM LIABILITIES

Redeemable capital	137,886	126,996
Long term loans	3,710	1,657
Liabilities against assets subject to finance lease	29,358	25,717
	170,954	154,370



(RUPEES IN THOUSAND)

2000

8. SHORT TERM FINANCES

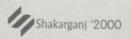
Secured:

From Investment banks From Investment company From Finance corporation (Note 8.1) (Note 8.2) (Note 8.3)	104,767 7,500 32,000	156,500 7,500 33,699
From banking and modaraba companies:	144,267	197,699

Secured (Note 8.4) Unsecured-Unpresented cheques

155,374 956	270,014 496
156,330	270,510
300,597	468,209

- 8.1 Short term finances obtained from Investment Banks include Rupees NIL (1999: Rupees 9.500) million) from Crescent Investment Bank Limited (An associated undertaking). Finances are secured by way of hypothecation of stores, spares, stocks, book debts and pledge of shares of listed companies having face value of Rupees 24.525 million (1999: Rupees 8.289 million) as referred to in Note 21.2 and personal guarantee of directors. Mark-up is payable at the rate of 14.50 to 23 percent per annum. The finances are repayable on different dates before 30 September 2001.
- 8.2 This forms part of total sanctioned limit of Rupees 7.500 million (1999: Rupees 7.500 million) obtained from Saudi Pak Industrial and Agricultural Investment Company (Private) Limited and carries mark-up at the rate of 15 to 18.25 percent per annum. The finance is secured by way of pledge of shares of listed companies having face value of Rupees 27,118 million (1999; Rupees 48.144 million) as referred to Note 21.2. The finance is Repayable in January 2001.
- 8.3. This forms part of total sanctioned limit of Rupees 35 million(1999: Rupees 80 million) obtained from National Development Finance Corporation and carries mark-up at the rate of 14.60 to 20.07 percent per annum. The finance is secured against bank guarantee of Trust Investment Bank Limited. The finance is repayable in March 2001.
- 8.4 These are secured against pledge and hypothecation of stores, spare parts, stocks, book debts, current assets demand promising note, pledge of shares of listed companies having face value of Rupees NIL (1999: Rupees 3.610 million) as referred to in Note 15.2 & 21.2 second charge on fixed assets of the company and personal guarantee of directors. Mark-up is chargeable at the rate of paisas 42 to 50 per Rupees 1,000 per day. These form part of aggregate credit facility of Rupees 402.224 million (1999: Rupees 307.000 million).



(DUDEEC IN TUOLICANID)

		(RUPEES I	N THOUSAND)
		2000	1999
9.	CREDITORS, ACCRUED AND OTHER LIABILITIES		
	Creditors	27,834	39,133
	Advance from customers Securities from contractors - Interest free, repayable	44,659	44,483
	on completion of contracts	810	1,076
	Income tax deducted at source	- 198	380
	Mark-up accrued on redeemable capital - Secured	13,588	14,513
	Interest accrued on long term loans - Secured	1,105	1,160
	Mark-up accrued on short term finances - Secured	17,992	22,480
	Excise duty and sales tax payable	4,016	24,514
	Due to Gratuity fund	535	873
	Due to associated undertakings	52,641	32,053
	Payable to pension fund		1,112
	Due to Employees Provident Fund Trust	40.000	141
	Other accrued liabilities	43,361	105,595
		206,739	287,513
10.	WORKERS' PARTICIPATION FUND		
	Balance as at 01 October	553	
	Allocation for the year	540	553
	Interest accrued	52	555
		1,145	553
	Less: Payments made during the year	605	333
		540	553
	40 4 Interest is maid at the assessment of the		annes a responsable and

^{10.1} Interest is paid at the prescribed rate under the Act on the funds utilized by the company till the date of allocation to workers.

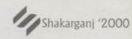
11. CONTINGENCIES AND COMMITMENTS

Contingencies

The company is contingently liable in respect of employees, claims amounting to Rupees 0.100 million (1999: Rupees 0.100 million), Central Excise duty claims amounting to Rupees 18.435 million (1999: Rupees 19.833 million) and other claims amounting to Rupees 7.192 million (1999: Rupees 3.421 million). These claims have not been acknowledged by the company and cases are pending with various courts.

Commitments

The capital commitments are Rupees NIL (1999: Rupees 1.665 million). Letters of credit other than for capital expenditure are amounting to Rupees NIL (1999: Rupees 0.383 million).



12. OPERATING FIXED ASSETS

	COS	T/RE-ASSESS	ED VALUE	D	EPREC	LATI	DIN	Book Value	Depre-
DESCRIPTION	As at 01 October 1999	Additions/ (Deletions)	As at 30 September 2000	As at 01 October 1999	Adjust- ments	Charge for the year	As at 30 September 2000	As at 30 September 2000	clation
Land free hold (Note 12.1)	25,924	(3,503)	22,421					22,42,1	-
Building and roads on Freehold land	104,530	338	104,868	63,098		3,134	66,232	38,636	7.5
Plant and machinery	1,308,736	13,573 (2,492)	1,319,817	644,858	(2326)	50,796	693,328	626,489	7.5
Laboratory equipments	952	-	952	926		10	936	16	40
Tubewell and water pumps	3,069	273	3,342	2,135		241	2,376	966	20
Electric installations	3,871	109	3,980	1,429	-	510	1,939	2,041	20
Weighbridges and scales	4,284	-	4,284	3,437		169	3,606	678	20
Furniture and fixtures	10,537	298 (248)	10.587	7,806	(73)	570	8,503	2,284	20
Office equipments	6,804	274 (89)	6,989	5,995	(35)	412	6,372	617	40
Vehicles	11,689	3,175 (2,028)	12,836	6,745	(781)	1,375	7,339	5,497	20
Arms and ammunition	86		86	57		3	60	26	10
Library books	5,429	744	6,173	3,823	1	705	4,528	1,645	30
Tools and equipments	3,873	346	4.219	3,639		252	5,871	348	40
Telephone equipments	357		357	514		17	331	26	40
2000 1	,490,141	19,130 (8,360))	1,500,911	744,262	(3,215)	58,174	799,221	701,690	
1999 1	,410,443	81,599 (1,9901)	1,490,141	683,323	(654)	61,593	744,262	745,879	



- 12.1 The company has given 10.39 acres land valuing Rupees 0.260 million for 20 years lease to Crescent Ujala Limited on annual rent of Rupees 3,968 per acre. Lease rent will be increased by 15 percent after every three years and lease is extendible for an other term of 20 years with mutual consent of both parties.
- 12.2 Land, buildings and plant and machinery were revalued by an independent valuer as at 30 September 1979 and stated in note 12 at appreciated value. Had there been no revaluation on that date, the value of these operating fixed assets would have been lower by Rupees 38.637 million (1999; Rupees 38.637 million).
- 12.3 Borrowing cost capitalized during the year was Rupees NIL (1999: Rupees 7.740 million) under the head of plant and machinery.

(RUPEES	IN	THOUSAND)
2000		1999

12.4 Depreciation charge for the year has been allocated as follows:

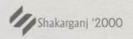
Cost of goods sold

Sugar (Note 24.2) Distillate (Note 24.3) Kanewood (Note 24.4)	52,074 1,097 952	55,179 1,163 1,029
Administrative and general expenses - Sugar (Note 25.1)	4,051	4,222
	58,174	61,593

12.5 DISPOSAL OF OPERATING FIXED ASSETS

DESCRIPTION		COST	ACCUMULATED DEPRECIATION	BOOK	SALE	MODE OF DISPOSAL	PARTICULARS OF PURCHASERS
Land Land at Chak No 75 RB, Tehsil, Jaranwala, Distt. Falsalabad.		5,503	T	3,508	19,504	Agreement	M.S.C. Textile Mills (Pvt) Limited, Jaranwala
Plant and machinery Turbine 2mm works pool Hydraulic accumulator with blader	ON T ON T	392	1,960	5 %	250	Negotiation Negotiation	S.S. Electric Company, Lahore. Kamalia Sugar Milis Umified
Furniture and fixtures Ceiling fan, almirah and sofa set Table and sofa set	5 Nos. 2 Nos.	7 20	40	- 0	<u> </u>	Negotiation Negotiation	Rana Azzz Ahmad (Company's Ex-employee) Akntar All Akntar (Company's employee)
Sofa set, centre table and chairs Room water cooler and sofa set Air conditioners PEL	6 Nos. 2 Nos. 10 Nos.	200 7 10	v & Q	160	2027	Negotiation Negotiation Sale and lease back	Sajid Salahuddin (Company's Ex-employee) Abdul Jabbar (Company's Ex-employee) ORIX Leasing Pakistan LS-112
Vehicles Suzuki Mehran 800 CC JG8 404 Suzuki Margala 1300 CC JG8 1661 Suzuki Margala 1300 CC JG8 1661		87.5	2 × 2	96 97 54	8 8 5	As per company policy As per company policy As per company policy	M. Bashir (Company's employee) M. Pervaiz Akhtar (Company's employee) Dr. Chaylal Akhtar (Company's employee)
Suzuki Margala 1300 CC JOB 323 Suzuki Margala 1300 CC JOB 4050 Suzuki Margala 800 CC FDR 6494 Mitsubishi exceed car CA 8672		196 178 185 185	8888	554	136 141 300	As per company policy As per company policy Negotiation	Mail: Manzoor Hussian (Company's employee Hila Ahmad (Company's employee) Muhammad Asif Butt. 2-V, Defence Housing Society, Lahore Cantt.
Suzuki Mehran 800 CC JGB 832 Suzuki Margala 1300 CC FDR 7779 Suzuki Khyber 1000 CC JGB 1991 Suzuki Margala 1300 CC JGB 1800		192 131 204	1848	109 123 105	8 4 5 4 8 4 5 4	As per company policy As per company policy As per company policy As per company policy	M. Saifullah (Company's employee) Abbas Ali Gli (Company's employee) Zahid Mahmood (Company's employee) Bahshir Ahmad (Company's employee)
Suzuki Margala 800 CC JCB 3100 Suzuki Margala 1300 CC FDS 5382 Motor Cycles Motor Cycles Cycles	1 No 4 Nos. 2 Nos.	28 28 28 28 28 28 28 28 28 28 28 28 28 2	¥ 88 es 52 -	25年1	<u> </u>	As per company policy	M. Rlaz (Company's employee) Nasir Marmicod Nasir (Company's employee) Company's ex-employee Company's employees Company's employees
Office equipments Personal computer and printer	2 Not.	68	35	35	8	Sale and lease back	ORIX Leasing Pakistan Umited

9



13. ASSETS SUBJECT TO FINANCE LEASE

(RUPEES IN THOUSAND)

	C	0 8		A	MORTIZATIO	N		BOOK VALUE	DEPRECIATION
DESCRIPTION	As at 01 October 1999	Additions/ (Deletions)	As at 30 September 2000	As at 01 October 1999	Adjustments	Charge for the year	As at 30 September 2000	As At 30 September 2000	Rate %
Building	255		255	255		-	255		7.5
Plant and machine	y 110,365	17.981	114,171	20,025	(3,867)	7,351	23,509	90,662	7.5
Vehicles	11,702	1,509 (4,875)	8,336	4,526	(2,415)	1,245	3,356	4,980	20
Equipments	4,544		4,544	1,818		1,091	2,909	1,635	40
2000	126,866	19,490		26,624	(6,282)	9,687	30,029	97,277	
1999	99,766	30,945 (3,845		17,547	(1,877)	10,954	26,624	100,242	

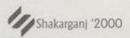
- 13.1 Deletions represent the leased assets purchased at the expiry of lease term and transferred to operating fixed assets.
- 13.2 Amortization charge of leasehold assets for the year has been allocated as follows:

	(RUPEES IN	THOUSAND)
	2000	1999
Cost of goods sold- Sugar (Note 24.2)	7,351	7,325
Administrative and general	2,336	3,629
Expenses-Sugar (Note 25.1)	9,687	10,954
14. CAPITAL WORK-IN-PROGRESS		
Buildings	2,886	
Plant and machinery	7,233	
	10,119	-

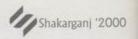


		(RUPEES IN	THOUSAND
		2000	1999
15.	EQUITY INVESTMENTS		
	QUOTED Associated undertakings:		
	Crescent Investment Bank Limited 475,000 (1999: 475,000) ordinary shares of Rupees 10 each fully paid	4,750	4,750
	Crescent Steel and Allied Products Limited 300,000 (1999: 300,000) ordinary shares of Rupees 10 each fully paid	3,000	3,000
	Pakistan Industrial Leasing Corporation Limited 625,000 (1999: 625,000) ordinary shares of Rupees 10 each fully paid	20,000 27,750	<u>20,000</u> 27,750
	UNQUOTED Subsidiary Company:		
	Crescent Business Management (Private) Limited -		
	1,000,000 ordinary shares of Rupees 10 each fully paid Equity held: 88.79% Break up value as per last audited accounts as on 30 June 2000 was Rupees 11.28 per share	10,000	10,000
		37,750	37,750
	15.1 Aggregate market value of quoted investments as at 30 Septen million (1999: Rupees 26.963 million).	nber 2000 was Ru	pees 18.106
	15.2 Following investments having face value of Rupees 3,000 million are deposited as security with banking companies and investments.	n (1999: Rupees 6 nt banks:	.500 million

	3,000	6,500
Against bank guarantee issued by Crescent Investment Bank Limited (An associated undertaking)	3,000	3,000
Against short term finances obtained from Banking Companies (Note 8.4)		3,500



		(RUPEES IN THOUSAND)	
		2000	1999
16.	LONG TERM DEPOSITS AND DEFERRED COST		
21.70	Deposits:		
	Securities	266	266
	Security deposit against leasehold assets (Note 6.1)	9,091	9,813
		9,357	10,079
	Deferred expenses:		
	TFC issue expenses (Rating fee)	210	
	New Cane Varieties Development	9,872	-
		10,082	10.000
		19,439	10,079
	16.1 These expenses were incurred on development of new amortized over a period of five years commencing from		
17.	STORES, SPARES PARTS AND LOOSE TOOLS		
	Stores	18,859	23,720
	Spare parts	15,470 796	14,188 728
	Loose tools	35,125	38,636
	Less: Provision for obsolescence	1,500	1,500
	Cost, Floriston for describents	33,625	37,136
40	CTOCK IN TRADE		
18.	STOCK-IN-TRADE	1,945	1,406
	Work-in-process Finished goods:	1,343	1,400
	Sugar	9,668	294,629
	Molasses	0,000	7,878
	Distillate	3,150	22,593
	Kanewood	2,271	12,668
		15,089	337,768
		17,034	339,174
19.	TRADE DEBTS		
	Considered good:		
	Secured (against letters of credit)		19,471
	Unsecured	21,379	9,370
		21,379	28,841



	(RUPEES IN	(RUPEES IN THOUSAND)	
	2000	1999	
ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Loans and advances -Considered good: Employees-Interest free Suppliers and contractors Income tax Pension fund Sugarcane growers (Note 20.1) Considered doubtful:	96 6,503 58,128 751 18,525 84,003	126 8,846 46,941 4,681 60,594	
Sugarcane growers Less: Provision for doubtful	2,001	2,001 2,001	
Deposits:	84,003	00,394	
Margin against bank guarantees Security deposit against leasehold assets (Note 6.1)	1,159 2,121 3,280	1,352 905 2,257	
Letters of credit Short term prepayments Due from Crescent Group Services (Private)	28,379	688 33,694	
Limited (associated undertaking) Accrued interest Sundry receivables	96 27,221	160 530 11,401	
	142,979	109,324	
20.1 Loans to suparcane growers are partly interest free	and partly interest bearing	at the	

20.1 Loans to sugarcane growers are partly interest free and partly interest bearing at the rate of 16.79 to 18.27 percent per annum.

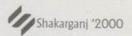
21. SHORT TERM INVESTMENTS

QUOTED

20

Associated Undertakings:

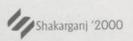
Crescent Sugar Mills and Distillery Limited 487,132 (1999: 487,132) ordinary shares of Rupees 10		
each fully paid	10,080	10,080
150,276 (1999: 150,276) bonus shares of Rupees 10 each		



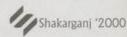
	(RUPEES IN THOUSAND)	
	2000	1999
Crescent Boards Limited 84,700 (1999: 84,700) ordinary shares of Rupees 10 each fully paid 7,260 (1999: 7,260) bonus shares of Rupees 10 each	978	978
Crescent Jute Products Limited 434,982(1999: 434,982)ordinary shares of Rupees 10 each fully paid	10,249	10,249
Jubilee Spinning and Weaving Mills Limited 4,000 (1999: 4,000) ordinary shares of Rupees 10		
each fully paid 11,584 (1999: 11,584) bonus shares of Rupees 10 each	66	66
The Crescent Textile Mills Limited 143,943(1999: 143,943) ordinary shares of Rupees 10 each fully paid 41,268 (1999: 41,268) bonus shares of Rupees 10 each	2,234	2,234
Crescent Steel and Allied Products Limited 180,000 (1999:180,000) ordinary shares of Rupees 10 each fully paid 323,415 (1999: 323,415) bonus shares of Rupees 10 each	2,784	2,784
Pakistan Industrial Leasing Corporation Limited 2,323,430 (1999:2,323,430) ordinary shares of Rupees 10 each fully paid 784,636 (1999:784,636) bonus shares of Rupees 10 each Equity held: 17.13%	65,158	65,158
Crescent Investment Bank Limited 1,241,595 (1999: 1,241,595) ordinary shares of Rupees 10 each fully paid 454,565 (1999: 454,565) bonus shares of Rupees 10 each	20,508	20,508
Others:		
The Premier Insurance Company of Pakistan Limited 3,600 (1999: 3,6000 ordinary shares of Rupees 5 each fully paid 51,529 (1999:51,529) bonus shares of Rupees 5 each	60	60
Crescent Leasing Corporation Limited 2,291,000 (1999: 2,291,000) ordinary shares of Rupees 10 each fully paid 343,650 (1999: 343,650) bonus shares of Rupees 10 each Equity held: 15,27%	30,440	30,440



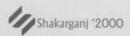
	(RUPEES IN	
	2000	1999
First Crescent Modaraba 110,000 (1999: 110,000) certificates of Rupees 10 each fully paid 1,786 (1999:1,786) bonus certificates of Rupees 10 each	965	965
Pakistan Industrial Credit and Investment Corporation Limited 2,697,196 (1999: 2,697,196) ordinary shares of Rupees 10 each fully paid 1,153,462 (1999: 1,153,462) bonus shares of Rupees 10 each	149,601	149,601
Crescent Spinning Mills Limited 341,300(1999: 341,300) ordinary shares of Rupees 10 each fully paid	3,413	3,413
Crescent Knitwear Limited 700,000 (1999: 700,000) ordinary shares of Rupees 10 each fully paid	7,122	7,122
Husein Sugar Mills Limited 631(1999: 631)bonus shares of Rupees 10 each		
AR Pak. International Investment Limited 10,000(1999:10,000) ordinary shares of Rupees 10 each	93	93
Pakistan International Airlines Corporation 51 (1999:51) bonus shares of Rupees 10 each		
Pakistan Oil Fields Limited 500 (1999:500) ordinary shares of Rupees 10 each fully paid 250 (1999:250) bonus shares of Rupees 10 each	34	34
Prudential Discount and Guarantee House Limited 131,000 (1999:131,000) ordinary shares of Rupees 10 each fully paid	1,033	1,033
Pakistan Telecommunication Corporation Limited 10,000(1999:NIL) ordinary shares of Rupees 10 each fully paid	295	
Fauji Fertilizer Company Limited 25,000 (1999:NIL) ordinary shares of Rupees 10 each fully paid	1,620	
Atlas Bot Lease Company Limited 13,203 (1999:NIL) ordinary shares of Rupees 10 each 30,366 (1999:26,406) bonus shares of Rupees 10	132	
each fully paid		



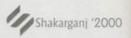
Auslim Commercial Bank Limited 1,565 (1999:3,565) bonus shares of Rupees 10 each 1,565 (1999:3,565) bonus shares of Rupees 10 each 1,050,000 (1999:1,050,000) ordinary shares of Rupees 10 each fully paid 13,650 Vazir Cotton Mills Limited 171,113 (1999:471,113) ordinary shares of Rupees 10 each fully paid 171,113 (1999:471,113) ordinary shares of Rupees 10 each fully paid 171,113 (1999: 61,242) bonus share 171,114 (1999: 61,242) bonus share 171,115 (1999: 61,242) bonus share 171,115 (1999: 61,242) bonus share 171,116 (1999: 220,000) Ordinary shares of Rupees 10 each fully paid 171,116 (1999: Rupees 10,242) bonus share 171,117 (1999: Rupees 10,242) bonus share 171,117 (1999: Rupees 10,242) bonus share 171,117 (1999: Rupees 10,242) bonus share 171,118 (1999: Rupees 10,242) bonus share			(RUPEES IN	THOUSAND
Associated Undertaking: Crescent Group Services (Private) Limited Associated Undertaking: Crescent Undertaking: 2,200 2,200 2,200 2,200 2,200 330,726 330,726 330,726 330,726 330,726 330,726 330,726 330,726 325,375 330,726 325,375 330,726 325,375 330,726 325,375 325,375 330,726 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375 325,375			2000	1999
13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 13,650 14,711 13,1199;471,113) ordinary shares of Rupees 10 each fully paid 10,454 (1999; 61,242) bonus share 10,550 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,0				
Rupees 10 each fully paid Nazir Cotton Mills Limited 171,113 (1999:471,113) ordinary shares of Rupees 10 each fully paid 4,711 4,711 Sul Nothern Gas Pipelines Limited 70,454 (1999: 61,242) bonus share of Rs. 10,000 UNQUOTED Associated Undertaking: Crescent Group Services (Private) Limited 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200 2,200				
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20,454 (1999: 61,242) bonus share of Rs. 10,000 UNOUOTED Associated Undertaking: Crescent Group Services (Private) Limited 1999: 220,000 Ordinary shares of Rupees 10 each fully paid Equity held 18.96 percent. Break-up value as per last audited accounts was Rupees zero per shares Other Crescent Ujala Limited 330,000 ordinary shares of Rupees 10 each fully paid 330,726 325.375 21.1 Market/break-up value of short term investments as on 30 September 2000 was Rupees 183.508 (1999: Rupees 102.143 million) which was lower than the cost by Rupees 147.218 million. 21.2 Following investments having face value of Rupees 61.489 million (1999: Rupees 66.389 million) are deposited as security with banks, financial institutions and investment companies. Against short term running finances obtained from: 10,500	Nazir Cotton Mills Limite 171,113 (1999:471,113)	ed ordinary shares of Rupees 10 each fully paid	4,711	4,711
Associated Undertaking: Crescent Group Services (Private) Limited 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 2,200 2,200 2,200 Coulty held 18.96 percent. Break-up value as per last audited accounts was Rupees zero per shares Other Crescent Ujala Limited 330,000 ordinary shares of Rupees 10 each fully paid 330,726 325,375 21.1 Market/break-up value of short term investments as on 30 September 2000 was Rupees 183,508 (1999): Rupees 102,143 million) which was lower than the cost by Rupees 147,218 million. 21.2 Following investments having face value of Rupees 61,489 million (1999: Rupees 66,389 million) are deposited as security with banks, financial institutions and investment companies. Against short term running finances obtained from: Investment banks (Note 8.1) Investment companies (Note 8.2) Banking companies (Note 8.4) Against bank guarantees issued by: Crescent investment Bank Limited Against central excise duty on loan: Pakistan industrial Credit and investment Comporation Limited	70,454 (1999: 61,242) b			
Crescent Group Services (Private) Limited 1999: 220,000 Ordinary shares of Rupees 10 each fully paid 2,200 2,200 Equity held 18.96 percent. Break-up value as per- last audited accounts was Rupees zero per shares Other Crescent Ujala Limited 330,000 ordinary shares of Rupees 10 each fully paid 3,300 330,726 325,375 21.1 Market/break-up value of short term investments as on 30 September 2000 was Rupees 183,508 (1999: Rupees 102,143 million) which was lower than the cost by Rupees 147,218 million. 21.2 Following investments having face value of Rupees 61,489 million (1999: Rupees 66,389 million) are deposited as security with banks, financial institutions and investment companies. Against short term running finances obtained from: 10	UNQUOTED			
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Crescent Ujala Limited 330,000 ordinary shares of Rupees 10 each fully paid 330,726 325,379 21.1 Market/break-up value of short term investments as on 30 September 2000 was Rupees 183,508 (1999; Rupees 102,143 million) which was lower than the cost by Rupees 147,218 million. 21.2 Following investments having face value of Rupees 61,489 million (1999; Rupees 66,389 million) are deposited as security with banks, financial institutions and investment companies. Against short term running finances obtained from: 10.4,525 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,118 10.7,1	1999: 220,000 Ordinary Equity held 18.96 percei	shares of Rupees 10 each fully paid nt. Break-up value as per	2,200	2,200
330,000 ordinary shares of Rupees 10 each fully paid 330,726 325,379 21.1 Market/break-up value of short term investments as on 30 September 2000 was Rupees 183.508 (1999: Rupees 102.143 million) which was lower than the cost by Rupees 147.218 million. 21.2 Following investments having face value of Rupees 61.489 million (1999: Rupees 66.389 million) are deposited as security with banks, financial institutions and investment companies. Against short term running finances obtained from: 1. Vestment banks (Note 8.1)	Other			
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183.508 (1999: Rupees 102.143 million) which was lower than the cost by Rupees 147.218 million. 21.2 Following investments having face value of Rupees 61.489 million (1999: Rupees 66.389 million) are deposited as security with banks, financial institutions and investment companies. Against short term running finances obtained from: 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285 10.4525 8.285			330,726	325,379
Against short term running finances obtained from: Investment banks (Note 8.1) 27,118 48,144 (Note 8.2) 27,118 (Note 8.2) 27,118 (Note 8.4) (Note 8.4) 27,118 (Note 8.4) 27,1	183.508 (1999: Ru 147.218 million. 21.2 Following investmentalion) are deposi	ents having face value of Rupees 61,489 million	ne cost by Ruj on (1999: Rup	pees ees 66.389
Investment banks (Note 8.1) 27,118 48,144 110 110 110 110 110 110 110 110 110				
Investment companies (Note 8.2) Banking companies (Note 8.4) Against bank guarantees issued by: 9,309 Crescent Investment Bank Limited Against central excise duty on loan: Pakistan Industrial Credit and Investment 537 Comporation Limited	Against short term run	ning finances obtained from:	24,525	8,289
Against bank guarantees issued by: Crescent Investment Bank Limited Against central excise duty on loan: Pakistan Industrial Credit and Investment Corporation Limited 1006 8.27 9,309 9,309 9,309 537 537	Investment banks		27,118	
Against Dank guarantees issued by. Crescent Investment Bank Limited Against central excise duty on loan: Pakistan Industrial Credit and Investment Sorooration Limited				110
Pakistan Industrial Credit and Investment 537 537 Corporation Limited			9,309	9,309
Corporation Limited	DI COCCITE III II COCITICO DE	nk Limited		
	Against central excise of	duty on loan:	537	537



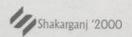
	(RUPEES	IN THOUSANI
	2000	1999
22. CASH AND BANK BALANCES		
Cash in hand	193	154
Cash with banks on:		
Current accounts	15,968	16,856
Short term deposit accounts	5,126	6,35
Dividend account Dollar deposit account	14	1
Dollar deposit account	232	27 67
	21,340 21,533	23,63
	21,553	25,/8
22.1 Term deposit receipts amounting to Rupees 4 lying with Muslim Commercial Bank Limited under	.759 million (1999: Rupees 6.3 er lien against loans to sugarcai	353 million) ne growers.
23. SALES		
Sugar:		
Local	1,188,495	1,669,29
Export		150,03
Rebate on export of sugar		52,68
	4 400 400	202,72
Distillate:	1,188,495	1,872,01
Local	27,273	44,58
Export	47,903	84,10
Sale of baggare	75,176	128,68
Sale of baggase Kanewood	331 15,108	8,29
	15,100	0,23
Molasses (By-product)	25,650	38,86
	1,304,760	2,047,85
Less: Commission to selling agents	2,446	4,68
Sales tax on sugar	121,633	178,48
	124,079	183,178
	1,180,681	1,864,677
24. COST OF GOODS SOLD		
Sugar (Note 24.1)	960,805	1,528,010
Distillate (Note 24.3)	65,458	87,342
Kanewood (Note 24.4)	15,712	11,899
	1,041,975	1,627,251



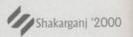
24.1	COST OF GOODS SOLD - SUGAR		(RUPEES I 2000	N THOUSAND) 1999
	Raw material Salaries, wages and other benefits Stores, spare parts and loose tools Dyes and chemicals Packing material Fuel and power Repair and maintenance		497,590 39,236 3,388 4,885 8,997 16,002	1,236,902 44,028 3,588 13,885 20,535 27,356
	Insurance Vehicles' running Travelling and conveyance Printing and stationery		18,156 2,921 852 208 252	17,929 3,153 640 237 379
	Rent, rates and taxes Excise duty		170	114 22,586
	Other factory overheads Sugarcane research and developme Staff training and development Depreciation/amortization (Note 24)		4,087 11,541 795 59,425	6,445 9,779 2,171 62,504
	Work-in-process inventory:		668,505	1,472,231
	As at 01 October As at 30 September		1,406 1,945 (539)	3,319 1,406 1,913
	Cost of goods produced		667,966	1,474,144
	Finished goods inventory:		007,300	1,474,144
	As at 30 September		302,507 9,668 292,839 960,805	356,373 302,507 53,866 1,528,010
242	DEPRECIATION/AMORTIZATION			
	Depreciation (Note 12.4) Amortization (Note 13.2)		52,074 7,351 59,425	55,179 7,325 62,504
24.3	COST OF GOODS SOLD - DISTILLATE			
	Molasses Stores, spare parts and loose tools Salarles, wages and other benefits Chemicals Fuel and power Insurance Other factory overheads Depreciation (Note 12.4) Cost of goods produced Finished goods inventory: As at 01 October		21,305 706 1,476 4,693 15,285 165 1,288 1,097 46,015	25,756 1,197 2,102 5,263 14,454 95 1,584 1,163 51,614
	As at 30 September	43	3,150 19,443 65,458	22,593 35,728 87,342



	(RUPEES IN	THOUSAND)
	2000	1999
24.4 COST OF GOODS SOLD - KANEWOOD		
Raw material	396	2,287
Stores, spare parts and loose tools	1,139	4,339
Salaries, wages and other benefits Insurance	1,581 98	1,549 101
Fuel and power	1.055	3,031
Other factory overheads	94	304
Depreciation (Note 12.4)	952	1,029
Cost of goods produced	5,315	12,640
Finished goods inventory:		
As at 01 October	12,668	11,927
As at 30 September	2,271	12,668
	10,397	(741)
	15,712	11,899
25. ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries, wages and other benefits	19,418	21,175
Directors' meeting fee	12	35
Travelling and conveyance	1,067	1,089
Printing and stationery Telephone, postage and telegrams	480 1,375	656 1,258
Vehicles' running	2.313	2.212
Legal and professional	975	1,122
Auditors' remuneration:		
Audit fee	225	205
Out of pocket expenses	15	15
Repair and maintenance	240 961	1,108
Entertainment	83	209
Subscription	1,641	1,694
Rent, rates and taxes	713	616
Publicity	182	230
Registered office expenses	634	751
Miscellaneous Depreciation (amortization (Note 25.4)	1,260	1,322
Depreciation/amortization (Note 25.1)	6,387	7,851
	37,741	41,548
		1

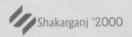


	(RUPEES	IN THOUSAND)
	2000	1999
25:1 DEPRECIATION/AMORTIZATION		
Depreciation (Note 12.4) Amortization (Note 13.2)	4,051 2,336	4,222 3,629
	6,387	7,851
26. SELLING AND DISTRIBUTION EXPENSES		
Freight and forwarding: Sugar		27.004
Distillate	5,707	23,001 10,282
Handling and distribution Loading and unloading Insurance	882 808 1,352	1,910 1,067 1,543
	8,749	37,803
27. OPERATING PROFIT /(LOSS)		
Sugar (Note 27.1) Distillate (Note 27.2) Kanewood (Note 27.3)	91,928 1,414 (1,126)	134,484 27,646 (4,055)
	92,216	158,075
27.1 OPERATING PROFIT - SUGAR Sales - Net Cost of goods sold Gross profit	1,090,397 960,805 129,592	1,727,897 1,528,010 199,887
Operating expenses		
Administrative and general Selling and distribution	34,855 2,809	38,500 26,903
	37,664	65,403
	91,928	134,484
27.2 OPERATING PROFIT - DISTILLATE Sales - Net Cost of goods sold Gross profit	75,176 65,458 9,718	128,687 87,342 41,345



(RUPEES IN THOUSAND)

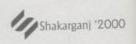
	(KOPEES III	HOODHIND
	2000	1999
Operating expenses		
Operating expenses		
Administrative and general	2,403	2,867
Selling and distribution	5,901	10,832
	8,304	13,699
	1,414	27,646
27.3 OPERATING LOSS - KANEWOOD		
Sales - Net	15,108	8,093
Cost of goods sold	15,712	11,899
Gross loss	(604)	(3,806)
Operating expenses		
Administrative and general	483	181
Selling and distribution	39	68
	522	249
	(1,126)	(4,055)
28. OTHER INCOME		
Commission on fertilizer	153	45
Gain on disposal of operating fixed assets	16,876	375
Dividend Income (Note 28.1)	33,137	2,708
Return on bank deposits	463	1,254
Mark-up on advances to associated undertakings	6,841	6,756 10,697
Agricultural farm income	13,584 126	10,097
Rental income Electricity income	120	7,919
Gain on sale of imported sugar	7,564	
Credit balances added back		2,524
Miscellaneous	1,397	297
	80,141	32,682
28.1 DIVIDEND INCOME		
Associated undertakings:		
Crescent Investment Bank Limited	15,928	-
Crescent Steel and Allied Products Limited	1,870	2,281
Pakistan Industrial Leasing Corporation Limited	7,063	
The Crescent Textile Mills Limited	679	327



	(RUPEES II	N THOUSAND
	2000	1999
Others:		
Paksitan Industrial Credit and Investemtn		
Corporation Limited The Premier Insurance Company of	4,705	
Pakistan Limited	69	46
Crescent Leasing Corporation Limited	2,635	-
AR Pak International Investment Limited Thal Jute Limited	5 15	5
Pakistan Oli Field Limited	5	1
Atlas Bot Lease Company Limited	13	40
Muslim Commercial Bank Limited Fauji Fertilizer Company Limited	150	
	33,137	2,708
FINANCIAL AND OTHER CHARGES		
Financial		
Mark-up/interest on:		
Redeemable capital	49,912	40,283
Short term finances Advances from associated undertakings	84,700 1,932	107,979
Long term loans	4,505	5,685
Worker's Participation fund	52	46.706
Finance charges on lease liabilities Lease agreements fee	14,314 256	16,326 728
Bank charges, commission and Excise duty	5,808	4,380
	161,479	1,79,395
Others:		
Donations	121	304
	161,600	179,699
TAVATION		

30. TAXATION

This represents provision for the year against minimum tax under Section 80 (D) of the Income Tax Ordinance, 1979. After considering the available tax losses, no provision for taxation except minimum tax is required. Tax losses available to be carried forward are Rupees 472.899 as on 30 September 2000 (1999: 548.726 million).



31. CHIEF EXECUTIVE AND EXECUTIVES' REMUNERATION

The aggregate amount charged in the accounts for the year for remuneration, allowances including all benefits to chief executive and executives of the company are as follows:

(RUPEES IN THOUSAND)

		100000000000000000000000000000000000000	200	222
	200	00	19	199
Description	Chief Executive	Executives	Chief Executive	Executives
anagerial remuneration	1,680	14,004	2,040	11,817
ousing	756	3,528	918	2,830
ontribution to:			***	776
rovident fund	118	897	143	
rension fund	336	2,039	408	1,880
cratuity fund	140	881	170	822
lospitalisation		159		592
Other benefits:				
utility allowance	168	1,400	204	1,181
Reimbursable expenses	2	727	85	636
CHILDS SOCK TO T	3,200	23,635	5,968	20,534
Number of persons	1	59	1	55
Number of persons	1		_1_	

- 31.1 Five executives have been provided free maintained vehicles by the company.
- 31.2 Aggregate amount charged in the accounts for fee to six directors in respect of two meetings was Rupees 12,500 (1999: Rupees 35,000 for six directors of two meetings).

32. TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

Maximum aggregate amount due from associated undertakings at the end of any month during the year was Rupees 39 889 million (1999: Rupees 46.235 million).

The company purchased from and sold to associated undertakings, materials, goods and services in the aggregate sum of Rupees 0.019 million and Rupees NiL respectively (1999: Rupees 1.229million and Rupees 1.044 million) respectively. Purchases/sales of materials, goods and services are made at prevailing market prices.

Mark-up on advances to associated undertakings is received/paid at the rate of 16 to 21 percent per annum (Note 28 and Note 29).

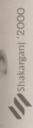
33. EARNING/(LOSS) PER SHARE -BASIC

There is no dilutive effect on the basic earning per share, which is based on:

(Rupees)

Profit attributable to ordinary
Shareholders
Number of shares
Earning per share

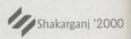
(Rupees	in	thousand)	



34.1 Financial assets and liabilities

(RUPEES IN THOUSAND)

							(RUP)	(RUPEES IN THOUSAND)	AND)
		TNI	INTEREST/MARK-UP BEARING	RING		NON	NON INTEREST BEARING		
	Interest rates range%	Maturity within oneyear	Maturity more than one year but less than five years	Maturity more than five years	Sub-Total	Maturity within one year	Maturity more than one year but less than five years	Sub-Total	TOTAL
Financial Assets Long term deposits					,		9.357	9.357	9.357
Trade debts						21.579		21,379	21,379
Advances, deposits and other receivables	507			· ·		55,721	,	55,721	55,721
Short term in vestments Cash and bank balances	45	5,358	()	1.1	5,358	216,469	11	216,469	216,469
		5,358		9	5,358	309,744	9,357	319,101	324,459
Financial Labilities Redeemable capital Long term loans	07 to 22 15 to 15,65	137,886 3,710	163,546	5,174	301,432	1.0	1.1	1.1	301,432 27,678
Labilities against assets subject to finance lease Short form finances	17 to 22	29,358	52,924		82,282	1		200	82,282
Creditors, accrued and other labilities Contingencies					1 1	161,545		161,545	161,545
		471,551	237,264	5,174	711,989	187,272	1	187,272	899,261
		TNI	1 9	9 9 9		NON	NON INTEREST READING	S. S.	
	Interest rate range%	Maturity within oneyear	Maturity more than one year but less than five years	Maturity more than five years	Sub-Total	Maturity within	Maturity more than one year but less than five years	Sub-Total	TOTAL
Financial Assets Long term deposits		r	1	1	1		10,079	10,079	10,079
Trade debts					1	28,841		28,841	28,841
Advances, Deposits, prepayments and other receivables Short term in viertweeks	ther receivab	es sa	1		1	28,689		28,689	28,689
Cash and bank balances	12	6,764	. 1	1 1	6,764	17,024	. ,	17,024	23,788
		6,764	,		6,764	285,676	10,079	295,755	302,519
Financial Liabilities Redeemable capital Long term loans Liabilities answer seates	06 to 22 15 to 16.65	126,996	251,206	8,849	378,202 29,335	1.1	1.1		378,202 29,335
to finance lease Short term finances	19 to 25	25,717	63,997		89,714			11	89,714
Creditors, accrued and other liabilities		1			1	240,904		240,904	240,904
Contingencies		10		-	1	23,354		23,354	23,354
commitments		1			1	2,048	1	2,048	2,048
		622,579	334,032	8,849	965,460	266,306		266,306	1,231,766



34.2 Financial instruments and risk management policies

The company issues financial instruments mainly to finance its operations. In addition financial instruments such as trade receivables and trade payables arise directly from the company's operation.

The company finances its operations primarily by a mixture of issued share capital, retained profits, long term and short term loans and liabilities. Company borrows funds in local currency usually at fixed rate of interest.

Overall risks arising from the company's financial instruments are limited.

(a) Interest rate risk

Since the company borrows funds usually at fixed interest rates, therefore the risk occurrence is minimal.

(b) Foreign exchange risk management

Foreign currency risk on financial instruments, receivables or payable in foreign currency is also not material.

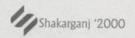
(c) Credit risk

The company deals mostly with regular and permanent customers who pay the instrument on due dates. Company considers the credit risk as minimal.

(d) Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values except for equity investments which are stated at cost less provision for diminution in break-up/market value of investment. Market value is also disclosed in note 15.1 and 21.1.

	(RUPEES IN	THOUSAND)
35. EMPLOYEES RETIREMENTS BENEFITS	2000	1999
Contribution to :		
Employees provident fund trust Pension fund Gratuity fund Employees oldage benefits	1,648 2,068 1,160 1,330	1,388 6,330 1,557 976
	6,206	10,251
Number of employees at the year end	548	614



36. PLANT CAPACITY AND ACTUAL PRODUCTION

Sugar: Capacity	108,800 680	M. Tons in 160 days i.e. M. Tons per day
Actual production: Current year	39,965 277.535	M. Tons in 144 days i.e. M. Tons per day
Previous year Distillery:	101,479 646.363	M. Tons in 157 days i.e. M. Tons per day
Capacity	40,000	Liters per day
Actual production: Current year	4,967,000	Litres in 169 days i.e.
Previous year	29,390 5,324,756 25,356	Litres per day Litres in 210 days i.e. Litres per day
Kanewood: Capacity	30	Cubic meters per day
Actual production: Current year	497.480	Cubic meters in 20 days i.e.
Previous year	24.874 1,921.679 26.689	Cubic meters per day Cubic meters in 72 days i.e. Cubic meters per day

36.1 REASONS FOR LOW PRODUCTION

Sugar

Sugar plant operated below capacity due to lessor availability of sugarcane.

Distillery

Operated below capacity due to lessor molasses available because of reduce quantum of sugarcane.

Kanewood

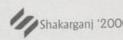
Low demand for particle board due to recession in building industry.

		(RUPEES	(RUPEES IN THOUSAND		
		2000	1999		
37. SE	GMENT ASSETS AND OTHER INFORMATION				
D	ugar Istillery anewood	1,400,435 16,200 16,916	1,716,991 19,862 20,739		
		1,433,551	1,757,592		
37	.1 Molasses and baggase (By - Products of Sugar) are at market prices.	211111111111111111111111111111111111111	-		

38. CORRESPONDING FIGURES

Previous years' figures have been re-arranged, wherever necessary, for the purpose of comparison.

Chief Executive Chairman



Statement and Report under Sub Section (I) (e), (f) and (g) of Section 237 of the Companies Ordinance, 1984

Crescent Business Management (Pvt) Limited

Statement under sub-section (1) (e)

a) Extent of the Interest of Crescent Business Management (Pvt) Limited (the holding company) in the equity of its subsidiary at the end of the year September 30, 2000.

100%

- b) The net aggregate amount of profit, less (losses) of the subsidiary company, so far as these concern members of the holding company and have not been dealt with in the accounts of the holding company for the year ended June 30, 2000 are:
 - for the last financial year of the subsidiary.

15,858,839 Rs.

(14,884,268)

for the previous periods.

(1,440,233)

(iii) accumulated to last audited balance sheet as at June 30, 2000.

(c) The net agreegate amount of losses of the subsidiary company so far as these have been dealt with or provision made for losses in the accounts of the holding company for the year ended September 30, 2000 are:

for the financial year ended September 30, 2000

Nii NII

for the previous periods.

N/A

Statement under sub-section (1) (f) and (g)

Chief Executive

Chairm



Crescent Business Management (Private) Limited

Financial Statements June 30, 2000



Directors' Report

The Directors have pleasure in presenting the audited accounts of the Company together with Auditors' Report thereon for the year ended 30 June 2000;

Financial Results:	Outstanding As on 30/6/2000	Outstanding As on 30/6/1999
Long Term Investments	60.39	46.14
Advances, prepayments etc.	7.88	2.66
Other Assets	8.61	0.09
Total Assets	76.88	48.89
Financed By:		
Due to Holding Company	20.01	30.56
Other Liabilities	44.17	21.95
Equity	12.70	(3.62)
Total Resources	76.88	48.89

Merger:

During the year, the Honorable Lahore High Court approved the merger of Confidence Modaraba Management (Private) Limited with Crescent Business Management (Private) Limited and First Confidence Modaraba with First Crescent Modaraba effective July 01, 1999. Accordingly, the results of Confidence Modaraba Management (Private) Limited have been merged with CBM.

Review of Operation:

During the year under review the Company incurred a net profit of Rs. 16.67 million as compared to a net loss of Rs. 4.72 million during the corresponding period last year. The main portion of the profit may be attributed to the capital market activities. The management will continue its efforts for increasing the profitability of the company and to improve the

capital and external debt structure of the company. During the year under review, the company incurred management administration expenses of Rs. 1.69 million against Rs. 0.54 million during the corresponding period last year.

Future Prospects:

The directors perceive that consistent with the benefits of the earlier merger, the position of First Crescent Modaraba (FCM) will be furthe strengthened due to merger of First Confidence Modaraba with FCM, hencefort more benefits will flow to the management company.

The Directors hope that the financial position of the company will improve in the comin financial year due to stock market operation and reduction in financial costs.

Auditors:

The Auditors M/s Fazal Mahmood & Compan Chartered Accountants, retire and bein eligible offerthemselves for re-appointment.

For and on Behalf of the Board

MAHMOOD AHMED Chief Executive

Dated: January 29, 2001

Auditor's Report to the Members

We have audited the annexed balance sheet of CRESCENT BUSINESS MANAGEMENT (PRIVATE) LIMITED as at June 30,2000 and the related profit and loss account, together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- b) In our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up inconfor-



mity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

- ii) the expenditure incurred during the year was for the purpose of the company's business; and
- iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- c) In our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account together with the notes forming part thereof, give the information required by the Companies Ordinance, 1984, in the manner required and respectively give a true and fair view of the state of the company's affairs as at June 30,2000 and of the loss for the year then ended; and
- d) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Lahore: FAZAL MAHMOOD & COMPANY Chartered Accountants

Dated: January 29, 2001

Balance Sheet

	NOTE	2000 Rupees	1999 Rupees
CAPITAL AND LIABILITIES SHARE CAPITAL			
Authorized :			
5,000,000 Ordinance shares of Rs.10/- each		50,000,000	50,000,000
Issued, subscribed and paid up:	3	11,262,500	11,262,500
Accumulated profit/(loss)		1,440,233	(14,884,268)
		12,702,733	(3,621,768)
CURRENT LIABILITIES			
Due to Associated and Holding			
Companies	4 5	20,011,668	30,559,764 21,636,259
Creditors and Accruals Provision for Taxation	-	392,988	319,913
		64,183,787	52,515,936
		76 006 500	48,894,168
		76,886,520	40,034,100

The annexed notes form an integral part of these financial statements.

Chief Executive

Director



as at June 30, 2000

	NOTE	2000 Rupees	1999 Rupees
PROPERTY AND ASSETS			
FIXED ASSETS-at written down value	6	6,290,446	66,464
LONG TERM INVESTMENT	7	60,394,065	46,136,565
CURRENT ASSETS			
Due from associated companies		3,779,775	1,306,814
Due from associated companies Advances, Deposits, Prepayments	8	3,779,775 4,101,659	1,306,814 1,360,072
CURRENT ASSETS Due from associated companies Advances, Deposits, Prepayments and Other receivables Cash and Bank Balances	8		

76,886,520 48,894,168

Chief Executive

Director



Profit and Loss Account for the year ended June 30, 2000

Profit received from bank Management fee Dividend income Capital gain Commission Balance written off Rent Other

Less:

Staff Salary and Benefits Travelling and conveyances Printing and Stationery Postage, telegram and telephone Legal and Professional Audit Fee Out of Pocket Expenses Entertainment Registration, Fee and Subscription Rent, rate and taxes Bank Charges and Commission Meeting Fee Mark-up to Holding Company General Expenses Professional Tax Repair and Miantenance Vehicle running sand maintanance Insurance Fee and subscription Advertisement Loss on disposal of vehicle Depreciation

Profit / (Loss) before taxation

Taxation:

Current Prior

Profit / (Loss) after taxation Previous year balance brought forward Net loss of Al-Atta Management Services (Private) Limited as on February 01, 1999 BALANCE CARRIED TO BALANCE SHEET

2000 Rupees	1999 Rupees
130,329 2,518,395 3,291,205 15,501,000 2,018,144 276,646 180,000 1,963	6,986 924,934 - - - - -
23,917,682	931,920

586,000	18,000
600	850
6.653	9,261
126	-
106,805	22,500
15,000	15,000
2,500	2,500
-	13,325
10,000	14,167
432,385	375,000
1,076	182
7,500	7,000
5,553,843	5,120,200
503	93
34,855	
57,368	46,375
7,950	-
14,401	-
14,000	-
21,640	-
35,660 337,422	10,923
337,422	10,040
7,246,287	5,655,376
16,671,395	(4,723,456)

7,246,287	5,655,376		
16,671,395	(4,723,456)		

119,588	
692,968	
812,556	
15,858,839	(4,723,45)
(14,418,606)	(9,707,36)

41410100	W.F.	A 1 L JOHN THE ME.
		(453,44

1,440,233 (14.884.268)

The annexed notes form an integral part of these financial statements.



Notes to the accounts for the year ended June 30, 2000

1. STATUS AND NATURE OF BUSINESS

Crescent Business Management (Private) Limited is incorporated in Pakistan as private limited company by shares under the companies ordinance, 1984. The company is a wholly owned subsidiary of Shakarganj Mills Limited. The primary aim of the company is floatation and management of modarabas and for this purpose it has been registered as modaraba company with the Registrar of Modaraba Companies and Modarabas, Islamabad.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

2.1 Accounting convention

These account have been prepared under the historical cost convention.

2.2 Fixed Assets

These are stated at cost less accumulated depreciation. Depreciation is calculated on reducing balance method at the rates specified in Note 6. Full year depreciation is charged on addition made during the year, while no depreciation is charged in the year of assets' disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss, if any, on disposal of tangible fixed assets is included in current years income.

2,3 Long Term Investments

These are stated at cost.

2.4 Revenue Recognition

Management fees from modaraba (s) floated by the company is recognized on the basis of annual audited accounts of the modaraba (s).

Return on deposits with banks is recognized on a time proportionate basis after considering the principal outstanding and applicable rates of profit thereon.

2.5 Taxation

Provision for taxation is made on the basis of taxable income, as per provision of the income Tax Ordnance, 1979. Provision for current taxation is based on taxable income at the current rates of taxation after taking into account brought forward losses and tax credits available, if

The company does not account for deferred taxation.

Rupees Rupees

3. ISSUED, SUBSCRIBED AND PAID UP

1,126,250 ordinary shares of Rs. 10/- each fully paid in cash 1,000,000 ordinary shares of Rs. 10/- each are held by holding company and its nominees.

11,262,500

11,262,500

1999

Rupees



Rupees 4. DUE TO ASSOCIATED AND HOLDING COMAPNY 276,646 Crescent Investment Bank Ltd. 28,573,587 20.011.668 4.1 Shakarganj Mills Ltd.-Secured 1,056,250 Crescent Foundation 653,281 Due to Modaraba 20,011,668 30,559,764

- 4.1 i) This represents the loan payable to holding company and mark-up thereon.
 - ii) Mark-up is charged @ 21% p.a. (1999 21% p.a.) On daily product basis.
 - iii) The loan is secured against 315,000 shares of Crescent Leasing Corporation Limited and 300,000 shares of Nazir Cotton Mills Limited. The above shares will remain in the custody of Shakarganj Mills Limited till repayment of loan.
 - iv) Repayment to be made as per availability of funds with the company.

5. CREDITORS AND ACCRUALS

Creditors Accrued expenses

21,514,000 43,564,000 122,259 215,131 43,779,131 21,636,259

6. SCHEDULE OF TANGIBLE FIXED ASSETS

	C O S T			DEPRECIATION			Writte	
	As on 01/07/1999	Additions/ (Deletions)	As on 30/06/2000	RATE	Up to 01/07/1999	Charged for the year	Accumulated as at 30/06/2000	Down Value As a 30/06/2
	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rug
Office Equipment	15,500		15,500	15	8,233	1,090	9,323	6,
Electric Installation	64,920		64,920	15	32,141	4,917	37,058	27,
Telephone Equipment	31,700	-	31,700	15	17,634	2,110	19,744	11,
Furniture & Fixture	15,250	=	15,250	10	2,898	1,235	4,133	11,
Office Premises	7,177,650	-	7,177,650	5	616,246	328,070	944,316	6,233,
Vehicle	363,300	(363,300)	2	20	290,640 (290,640)	-	-	
Total Rs. 2000	7,668,320	(363,300)	7,305,020		967,792 (290,640)	337,422	1,014,574	6,290
Total Rs. 1999	127,370	-	127,370		49,983	10,923	60,906	.66



LONG TERM INVESTMENT		2000 Rupees	1999 Rupees
Investment in subsidiary			
Crescent Capital Management (Pvt.) Ltd. 1,750,000 ordinary shares of Rs. 10/- each. Break up value per share as per audited accounts is 5.44 (1999; Rs. 6.50)		17,776,500	17,776,500
Investment in Associated Undertaking			
First Crescent Modaraba 1,000,000 certificates of Rs. 10/- each 592,467 bonus certificates of	7.1.	10,000,000	10,000,000
Rs. 10/- each. 54,300 certificates @ Rs. 20.14		1,093,595	1,093,595
557,980 certificates of Rs. 10/- each 15,000 certificates @ Rs 6.70/- each 1,125,300 certificates	7.2	5 ,000,000 100,500	5,000,000
@ Rs. 12.58/- each (Aggregate Market value Rs. 13,045,683/- 1999 Rs. 4,960,681)	7.3	14,157,000	
Investment in Listed Companies other than mentioned above:			
Crescent Leasing Corporation Limited 403,000 ordinary shares of Rs. 10/- each 241,800 right shares @ Rs. 17.50 96,720 bonus shares of Rs. 10/- each (Aggregate Market value Rs. 7,415,200/- 1999 Rs. 4,078,360/-)	7.4	4,030,000 4,231,500	4,030,000 4,231,500
Pioneer Cement Limited 1,297 ordinary shares of Rs. 10/- each 2,000 shares @ Rs. 56	7.5	12,970	12,970
(Aggregate Market value Rs. 11,210/- 1999 Rs. 8,407/-)		112,000	112,000
Nazir Cotton Mills Limited 300,000, ordinary shares of Rs. 10/- each (Aggregate Market value	7.5	3,000,000	3,000,000
Rs. 1,200,000/- 1999 Rs. 1,425,000/-)			



9. CASH AND BANK BALANCE

Cash in Hand

Cash at Banks:

On Current accounts On Deposit accounts

2000 Rupees	1999 Rupees
1,231	
71,818	21,751
2,247,526	2,502
2,319,344	2,502

10. FINANCIAL STATEMENTS OF MODARABA AND SUBSIDIARY COMPANY

The Modaraba company floated a Modaraba under the name of First Crescent Modaraba. The company has acquired a subsidiaary company namely Crescent Capital Modaraba (Private) Limited during the year. Therefore, financial statements of the company include the audited financial statements along with auditor's and director's report of the modaraba and the subsidiary company, as required by the provisions of the Company Ordinance, 1984.

11. GENERAL

- 11.1 The company is entitled to receive a management fee to the extent of 10% of the net annual profits of each modaraba to be floated by it on the basis of annual audited accounts of the modaraba.
- 11.2 i) Figures have been rounded off to the nearest rupee.
 - Previous year's figures have been re-arranged wherever necessary for the purpose of comparison.
 - iii) Previous year's figures of Confidence Modaraba Management (Private) Limited have not been added to comparative figures.

Chief Executive

Director



Statement and Report under Sub Section (I), (e),(f) and (g) of Section 237 of the Companies Ordinance, 1984

Subsidiry Crescent Capital Management Pvt Ltd.

Rs.

Statement under sub-section (1) (e)

Extent of the interest of Crescent Business Management (Pvt)
 Limited (the holding company) in the equity of subsidiary
 as at the end of the last of the financial years of the subsidiary

85.36%

(792,597)

- b) The net aggregate amount so far as it concerns members of the holding company and is not dealt with in the company's accounts, of the subsidiary's profits after deducting its losses or vice versa --
 - (i) for the financial year or years of the subsidiary aforesaid; and Rs. (1,862,565)
 - (ii) for the previous financial years of the subsidiary since it became the holding company's subsidiary; so for as those Profits are debt with, or provision is made for those losses, in The company's accounts.
 - (c) The net aggregate amount of the profits of the subsidiary after deducting its losses or vice versa--
 - (i) for the financial year or years of the subsidiary aforesald; and

NIL

 for the previous financial years of the subsidiary since its became the holding company's subsidiary;
 So far as those profits are dealt with, or provision is made for those losses, in the company's account

Nil

Statement under sub-section (1) (f) Statement under Sub-Section (1) clause (g)

N/A

Chief Executive

Director

Crescent Capital Management (Private) Limited

Financial Statements June 30, 2000

Directors' Report

The Directors take pleasure in presenting the audited financial statements of the Company to the Shareholders for the period July 1, 1999 to June 30, 2000.

Overview

The continued dismal performance of the economy, negative industrial growth rate, lack of consistent economic policies and political instability have contributed towards the sluggish performance of financial sector in general and money and capital markets in particular. The operating risk of the company continued unabated because of limited source of small sphere of permissible activities.

Despite the hindrances posed by financial and economic environment of the country, your company managed to not only increase its revenue but also retain its market share in this highly competitive market. The major operating division of the company went through a lot of restructuring, change in policies and high employee turnover during the period under review. The steps taken are likely to lead to reduction in operating leverage of the company, better control over administrative expenses and increase in revenue generating capability.

The brokerage revenue and other fee based have shown a considerable improvement of 12% amounting to Rs. 8.4 million as compared to Rs. 7.5 million in the previous year. However, the results are not in line with the earlier expectations of the management and an overall accounting loss Rs. 2.1 million has been booked. This was mainly due to the increase in the administrative and general expenses, and bad debts. These expenses collectively amounted to Rs. 10.5 million as compared to Rs. 9.9 million in the previous year. However, on cash basis, the loss amounts to only Rs. 0.32 million, Since amortization has been completed, bad debts written off, the next year is expected to turn out to be a profitable one.

Money Markets

Revenue in this department has been relatively

low, In Ileu of the earlier expected targets, thas increased by 23% to Rs. 6.2 million compared to Rs. 5.1 million in the previous ye since the business in this area revolves arouthe activity within the Interbank Market, the inconsistency of the economic conditionalong with the continuation of "direct dealing practice by some institutions, had an adverge effect on the revenues."

Forex Desk

The Department's revenues decreased by from Rs. 1.1 million last year to Rs, 1.0 million Again the prevalent economic scenario and numerous periodic restrictions imposed by the Sate Bank of Pakistan confined this area business within difficult parameters to trade. These constraints, as you all know, surface after May-98 and compelled the entire mark to sustain heavily reduced revenue in this area.

Corporate Finance

As may be recalled from the last year's repo Corporate Finance Department was established with the objective of building another source revenue, greater market presence, and diversification of operating activities. Sin inception, the department has been focusing mainly on marketing of its services. The Company has managed to secure the mandatof a TFC issue expected to be completed. January 2001. This transaction will significant increase the revenue of the department as was the profitability of the company.

Conclusion

The future prospects are visibly bright as the past year was not only trying but also full of new experiences for the management. Not the company having a niche in the market would be able to perform against previously well-entrenched competition. Now that the trading teams have settled down and some new inclusions are lined up along with significant reduction in non-cash expenses, we believe that the future profitability of our company is assured. The Directors would also like to appreciate the efforts and hard work of the staff in achieving the presents status for the company during the year.

Auditor's Report to the Members

We have audited the annexed balance sheet of CRESCENT CAPITAL MANAGEMENT (PRIVATE) UMITED as at June 30,2000 and the related profit and loss account and statement of changes in financial position (cash flow statement) and statement of changes in equity, together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

it is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- ai in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984:
- b) in our opinion.
 - i) the balance sheet and profit and loss

account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied:

- the expenditure incurred during the yearwas for the purpose of the company's business; and
- the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of changes in financial position (cash flow statement) and statement of changes in equity, together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2000 and of the loss and of the loss and its cash flows for the year then ended; and
- di in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Karachi: KHALID MAJID HUSAIN RAHMAN Chartered Accountants

Dated: January 12, 2001

as at June 30, 2000

	NOTE	2000 Rupees	1999 Rupees
Fixed Assets	5	4,493,401	5,290,484
Foreign exchange license		651,282	651,282
Long term investments	6	96,032	96,032
Long term receivable	7	326,701	323,701
long term deposits		267,243	253,350
Deferred costs	8	-	584,861
Current Assets			
Short term musharika finance	9	5,756,946	5,912,152
Trade debtors	10	683,950	1,063,086
Advances, deposits, prepayments and other receivables	11	265,377	301,254
Advance taxation		1,146,504	2,049,977
Cash and bank balances	12	634,844	404,395
		8,487,621	9,730,864

14,322,280 16,930,574

Chief Executive

Director

Cash Flow Statement for the year ended 30 September 2000

	2000 Rupees	1999 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(2,139,511)	(2.206,407)
Adjustments for:		
Amortization of deferred cost	584,861	584,858
Depreciation	985,689	938,986
Loss/(Gain) on disposal of assets	50,621	(173,102)
Finance charges on leased assets	452,297	495,591
Provision for diminution in value of investments	-	50,000
	2,073,468	1,896,333
Operating loss before working capital changes	(66,043)	(310,137)
Decrease/(Increase) in current assets		
Short term musharika finance	155,206	2,578,696
Trade debtors	379,136	(71,215)
Advances, deposits, prepayments and other receivables	35,877	(46,298)
	570,219	2,461,183
Increase in long term receivable	(3,000)	(3,000)
Increase in long term deposits	(13,893)	(59,800)
Increase in creditors and accrued expenses	64,372	816,151
Net cash generated from operating activities before income tax	122.22	
Income tax paid	5,51,655	2,904,397
Income tax refunded	(654,381)	(568,148)
Wildlife Cox Ferdilided	1,515,354	
Not carb apparented force apparent as and the	860,973	(568,148)
Net cash generated from operating activities	1,412,628	2,336,249
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(76,100)	(1,613,068)
Sale proceeds of fixed assets	35,000	1,088,150
Net cash (used in) from investing activities	(41,100)	(524,918)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of finance lease liabilities	(1,141,079)	(1,649,137)
Net cash (used in) financing activities	(1,141,079)	(1,649,137)
increase in cash and bank balances during the year	230,449	162,194
Cash and bank balances at beginning of the year	404,395	242.201
Cash and balances at end of the year		-
The state of the s	634,844	404,395

Notes to the accounts for the year ended June 30, 2000

1. STATUS AND NATURE OF BUSINESS

Shoalb capital (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 on January 24, 1995 as a private limited company. The name of the Company had been changed to Crescent Capital Management (Private) Limited with effect from June 6, 1998. The Company is registered as an investment and advisor under Investment Companies and Investment Advisor's Rules, 1971. The principal activities of the Company include money market brokerage, investment advisory, portfolio management, equity research and corporate finance.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These financial statement have been prepared under the historical cost convention.

2...2 Fixed assets

Owned

Fixed assets are stated at cost less accumulated depreciation. Depreciation charge is based on the reducing balance method whereby the cost of an asset is written off over its estimated useful life, Full year's depreciation is charged on the assets acquired during the year, whereas on depreciation is charged in the year of disposal. Normal repairs and maintenance are charged to income as and when incurred.

Leased

Assets subject to finance lease are stated at lower of percent value of minimum lease payments under the lease agreement and the fair value of the leased assets. The related obligation under the lease are accounted for as liabilities. Depreciation charge is based on the reducing balance method whereby the cost of an asset is written off over its estimated useful life.

2.3 Foreign exchange license

This has been stated at acquisition cost.

2.4 Long term investments

These are stated at cost less any provision for other than temporary diminution in market value determined on the basis of respective individual security.

2.5 Deferred cost

Expenses incurred on incorporation of the Company and cost incurred during the initial period are deferred and are amortised over a period of five years in equal installments, commencing from the year in which these have been incurred.

2.6 Foreign currencies

Foreign currencies are translated into Pak Rupees at the rate of exchange prevailing on the date of the transaction. Assets and liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange ruling on the balance sheet date Exchange differences are included in income currently.

5. FIXED ASSETS

		Cost			Depreciation		Written down Depre-	
	As on July 1, 1999	Additions / (deletions) inter-transfers	As on June 30, 2000	As on July 1, 1999	Charge for the year	As at June 30, 2000	Value as at June 30, 2000	ciation rate% per annum
Owned								
Furniture and								
future	613,219	38,100	651,319	134,823	51,650	186,473	464,846	10
Office equipment	1,246,674	43,000* (130,500)	1,159,174	386,866 (44,879) 11,653*	128,731	482,371	676,803	10-33 1 3
Computer software	245,000		245,000	84,256	53,575	137,831	107,169	33 1 3
Vehicles	1,189,000	337,000*	1,526,000	257,710 164,456*	220,767	642,933	883,067	20
	3,293,893	38,100 (130,500) 380,000*	3,581,493	863,655 (44,879) 176,109*	454,723	1,449,608	2,131,885	
Leased								
Office equipment	1,455,500	236,127 (43,000)*	1,648,627	192,278 (11,653)*	246,070	426,695	1,221,932	10-33 1 3
Venicles	2,302,500	(337,000)*	1,965,500	705,476 (164,456)*	284,896	825,916	1,139,584	20
	3,758,000	236,127 (380,000)*	3,614,127	897,754 (176,109)*	530,966	1,252,611	2,361,516	
2000	7,051,893	274,227 (130,500)	7,195,620	1,761,409 (44,879)	985,689	2,702,219	4,493,401	
1999	4,573,646	3,629,068 (1,150,821)	7,051,893	1,058,196 (235,773)	938,986	1,761,409	5,290,484	

9. SHORT TERM MUSHARIKA FINANCE - unsecured, considered good

These represent funds placed under Musharika Agreements with First Crescent Modaraba. Expected rate of profit ranging between 18% to 18.75%

		2000 Rupees	1999 Rupees
10.	TRADE DEBTORS - Unsecured, considered good		
	Inter bank brokerage Advisory fee Others	683,950	820,792 54,100 188,194
		683,950	1,063,086
11.	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
	Advances to staff Security deposits Prepayments Other receivables	75,063 9,750 121,516 59,048 265,377	63,258 38,000 117,492 82,504 301,254
12.	CASH AND BANK BALANCES		
	Cash in hand At banks - on current accounts - on deposit accounts	11,964 616,870 6,010 634,844	9,080 389,005 6,310 404,395
13.	REVENUE		
	Brokerage Income Advisory fee Return on musharika finance	7,290,808 128,800 1,042,960 8,462,568	6,212,050 100,000 1,249,264 7,561,314
14.	ADMINISTRATIVE EXPENSES		
	Salaries and other benefits Rent, rates and taxes Vehicle running Insurance Repair and maintenance Computer expenses Power and utilities Fees and subscription	4,647,505 680,000 498,030 188,300 107,920 22,275 167,538	3,714,645 953,393 516,585 238,672 146,112 28,125 152,637
	rees and subscription	74,863	109,240

19. INTEREST RATE RISK EXPOSURE

The information about the Company's exposure to interest rate risk based on contractual refinancing or maturity date, whichever is earlier is as follows:

		0 0	0			4 6 0		Kabaday
		Interest bearing	Non-interest			Interest bearing	Non-Interest	b
	Less than one year	One year and above	bearing	Total	Less than one year	One year and above	bearing	Total
Financial Assets								
Long term investments	11	,	96,052	96.032		,	96,032	96,032
Long term receivable	4		\$26,501	326.301			325,701	\$25,701
tong term deposits		Y	267,245	267,243			255,550	255,850
Short term in mushanka finance	5,756,946			5,758,946	5,912,152	,		5,912,152
Trade debts			685,950	056,589			1,063,086	1,065,086
Advances, deposits and other receivables	vables -	59,048	9,750	68,798	,	82,504	38,000	120,504
Cash and bank balances	6,010		628.854	634,844	6.310		398,085	404,395
	5,762,956	89,048	2,012,110	7,834,114	5,918,462	82,504	2,172,254	8.173,220
Pinancial Liabilities Liabilities against assets subject to finance lease	806.944	1,334,399	,	2,141,343	658,530	1,973,468		2,631,998
Creditors and accrued expenses		*	1,029,884	1,029,854			965,462	965,462
	808.944	1,834,899	1,029,854	\$,171,177	658,530	1,973,468	965,462	8,597,460
On-balince sheet gap (a)	4,956,012	(1,225,351)	962,276		5,259,952	(1,890,964)	1,206,792	
Total mark-up rate sensitivity gap	4,956,012	(1,275,351)			5,259,952	11,890,964)		

- a) The on balance sheet gap represents the net amounts of on-balance sheet items.
- b) The effective interest rates for financial assets and liabilities are as follows:

	2000	199
Financial assets		
Short term musharika finance	18 - 18.75	18 - 18.7
Cash and bank balances	11.00	11.0
Financial liabilities		
Liabilities against assets subject to finance lease	20.13 - 22.33	20.83 - 22.3

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of all financial assets and financial liabilities is estimated to approximate their carrying value as at June 30, 2000.

21. NUMBER OF EMPLOYEES

The total number of employees of the Company as at June 30, 2000 is 24 (1999: 24)

22. CORRESPONDING FIGURES

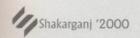
Corresponding figures have been re-arranged and reclassified wherever necessary for the purpose of comparison.

Chief Executive

Direct

111

Consolidated Accounts of Shakarganj and Subsidiaries



Auditor's Report to the Members

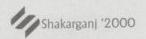
We have examined the annexed consolidated finanancial statements comprising consolidated balance sheet of SHAKARGANJ MILLS LIMITED AND ITS SUBSIDIARY COMPANIES as at 30 September 2000 and the related consolidated profit and loss account, consolidated cash flow statement and consolidated statement of changes in equity, together with the notes forming part thereof, for the year ended 30 September 2000. We have also expressed separate opinion on the financial statements of Shakarganj Mills Limited while its subsidiary companies Crescent Business Management (Private) Limited and Crescent Capital Management (Private) Limited were audited by other firms of Chartered Accountants, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included for such companies, is based solely on the reports of such other auditors. These financial statements are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these financial statements based on our examination.

Our examination was made in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

The provision for diminution in market/breakup value of short term investments as on 30 September 2000 amounting to Rupees 147.403 million (Note 21.1) has not been made. Had it been provided, the profit for the year and value of short term investments as on 30 September. 2000 would have been lower accordingly. Except for this failure, in our opinion, the consolidated financial statements examined by us present fairly the financial position of Shakarganj Mills Limited and its subsidiary companies as at 30 September 2000 and the results of their operations for the year then ended.

(RIAZ AHMAD & COMPANY)
Chartered Accountants

FAISALABAD: - March, 2001



Balance Sheet as at

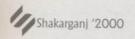
1,816,095

1,516554

		(RUPEES IN 1	THOUSAND)
	NOTE	2000	1999
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
50 000 000 ordinary shares of Rupees 10 each		500 000	500 000
Issued, subscribed and paid	3	292,860	292 860
up share capital Reserves Unappropriated profit		140,851 23,195	140,851 6,974
опарующиеся розги		456,906	440,685
Surplus on revaluation of operating fixed assets Minority interest		10 745 4,344	10 745 2,993
NON-CURRENT LIABILITIES			
Redeemable Capital Long term loans	4 5	163,546 23,968	251,206 27,678
Liabilities against assets subject to finance Lease	6	54,258	65,970
		241,772	344,854
CURRENT LIABILITIES			
Current portion of long term liabilities Short term finances Creditors, accrued and other liabilities Workers' participation fund Provision for taxation Unclaimed dividend	7 8 9 10	171,761 300,597 271,560 540 57,634 695	155,029 468,209 340,674 553 51,658 695
	11	802,787	1,016,818
CONTINGENCIES AND COMMITMENTS			-

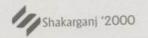
The annexed notes form an integral part of these accounts.

Chief Executive



30	Son	tom	hor	200	n
00	och	CCIII	DCI	200	v

30 September 2000		(RUPEES	IN THOUSAND)
ASSETS	NOTE	2000	
NON-CURRENT ASSETS			
Tangible fixed assets			
Operating fixed assets	12	710,112	748,376
Assets subject to finance lease	13	99,639	103,103
Capital work-in-progress	14	10,119	
		819,870	851,479
Equity investments	15	89,849	76,476
Foreign exchange license		651	651
Long term deposits, receivable &			
deferred cost	16	20,033	11,241
		930,403	939,847
CURRENT ASSETS			
Stores, spare parts and loose tools	17	33.625	37,136
Stock-in-trade	18	17,034	339,174
Trade debts	19	22,063	29,904
Advances, deposits, prepayments		2.2,000	23,304
and other receivables	20	152,272	114,342
Short term investments	21	336,668	331,476
Cash and bank balances	22	24,489	24,216
		586,151	876,248
		1,516,554	1,816,095

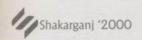


Profit and Loss Account for the year		(RUPEES IN	THOUSAND)
ended 30 September 2000	NOTE	2000	1999
TO AND DEVENUE	23	1,209,181	1,869,692
SALES AND REVENUE COST OF GOODS SOLD	24	1,041,975	1,627,251
		167,206	242,441
GROSS PROFIT			
OPERATING EXPENSES	25	48,933	46,511
Administrative and general Seiling and distribution	26	8,749	37,803
Selling and distribution		57,682	84,314
OPERATING PROFIT	27	109,524	158,127
OTHER INCOME	28	74,021	27,719
OTHER INCOME		183,545	185,846
THE CHAPTES	29	162,640	180,315
FINANCIAL AND OTHER CHARGES WORKER'S PARTICIPATION FUND		540	553
WORKER 3 Parties		163,180	180,868
		20,365	4,978
SHARE OF PROFIT/(LOSS) OF ASSOCIATED COMPANIES		3,404	(1,084)
PROFIT/(LOSS) BEFORE TAXATION		23,769	3,894
TAXATION	30	(6,662)	(7,906)
PROFIT (LOSS) AFTER TAXATION		17,107	(4,012)
MINORITY INTEREST		(1,351)	341
MINORITIMERES		15,756	(3,671)
UNAPPROPRIATED PROFIT BROUGHT FORWARD		6,974	11,098
UNAPPROPRIATED PROFIT OF CONFIDENCE MODARABA MANAGEMENT (PRIVATE) LIMITED		465	5
NET LOSS OF ALATTAA MANAGEMENT SERVICES		_	(453)
(PRIVATE) LIMITED		7,439	10,645
UNAPPROPRIATED PROFIT CARRIED TO		23,195	6,974
BALANCE SHEET	33	0.55	(0.15)
EARNING/(LOSS) PER SHARE (RUPEES)			

The annexed notes form an integral part of these accounts.

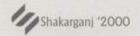
320,057

338,441

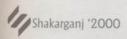


CASH FLOWS FROM OPERATING ACTIVITIES

Cash Flow Statement for the year ended 30 September 2000		
citaca de depectitibos 2000		THOUSAND)
	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	23,769	3,894
Adjustments to reconcile profit to net cash provided by operating activities		
Depreciation and amortization	69,183	72,981
Amortization of deferred cost	585	293
Contribution to employees retirement benefits	5,002	9,397
Gain on disposal of operating fixed assets	(16,790)	(513)
Credit balances added back	(276)	(2,524)
Financial charges	161,934	179,668
Cash flows from operating activities before working capital changes	243,407	263,196
Cash flows from working capital changes		
(Increase)/decrease in current assets		
Stores, spare parts and loose tools	3,511	(1,051)
Stock-in-trade	322,140	90,766
Trade debts	7,841	(22,275)
Advances, deposits, prepayments and other receivables	(27,438)	(558)
INCREASE/(DECREASE) IN CURRENT LIABILITIES		
Short term finances	(167,612)	(76,494)
Creditors accrued and other liabilities	(61,779)	84,304
Workers' participation fund	(13)	553
NET CASH FLOWS FROM WORKING CAPITAL CHANGES	76,650	75,245



	(RUPEES IN	THOUSAND!
	2000	1999
Financial charges paid income tax paid Employees retirement benefits paid	(167,402) (10,427) (7,344)	(183,065) (18,703) (7,512)
NET CASH FLOWS FROM OPERATING ACTIVITIES	134,884	129,161
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of operating fixed assets Fixed assets acquired Long term deposits, receivables and deferred Investments made	22,095 (23,154) (9,377) (19,451)	2,029 (71,113) (1,691) (42,969)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(29,887)	(113,744)
CASH FLOWS FROM FINANCING ACTIVITIES		
Minority interrest Redeemable capital Redemption of redeemable capital Repayment of long term loans Repayment of finance lease liabilities	1,351 123,419 (200,189) (1,657) (27,648)	2,993 185,944 (178,615) (29,153) (22,802
NET CASH FLOWS FROM FINANCING ACTIVITIES	(104,724)	(41,633)
Net increase/(decrease) in cash and cash equivalent	273	(26,216)
Cash and cash equivalent at the beginning of the year	24,216	50,141
Cash In hand on acquisition	-	291
	24,216	50,432
Cash and cash equivalent at the end of the year	24,489	24,216



Notes to the accounts for the year ended 30 September 2000

1. THE GROUP AND ITS ACTIVITIES

Holding Company

Shakarganj Mills Limited was incorporated on 20 September 1967 under the Companies Act, 1913 (Now Companies Ordinance, 1984). Shares of the company are quoted on the stock exchanges in Pakistan. The principal activity of the company is to manufacture, purchase and sale of sugar, distillate and kanewood.

Subsidiary companies

Crescent Business Management (Private) Limited, subsidiary company, was incorporated in Pakistan as Private Limited Company. The primary aim of the company is flotation and management of modarabs and for this purpose it has been registered as modaraba company with the registrar of modarabas companies and modarabas, Islamabad.

Shoaib Capital (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 on 24 January 1995 as a private limited company. The name of the company was changed to Crescent Capital Management (Private) Limited with effect from 06 June 1998. The company is registered as an investment advisor under investment Companies and investment Advisor's Rules, 1971. The principal activities of the company include money market brokerage, investment advisory, portfolio management, equity research and corporate finance.

1.1 Compliance with International Accounting Standards (IAS)

These accounts comply with international Accounting Standards, as applicable in Pakistan, in all material respects.

SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These accounts have been prepared under the historical cost convention as modified by capitalization of exchange differences and revaluation of certain operating fixed assets as referred to in Note 2.5 and 2.6.

2.2 Basis of consolidation

Consolidated financial statements include Shakarganj Mills Limited and following Subsidiary companies incorporated in Pakistan.

Financial year ending on:

Crescent Business Management (Private) Limited

Crescent Capital Management (Private) Limited

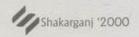
30 June 2000 30 June 2000

The subsidiaries are consolidated using purchase method from the effective date of acquisition.

2.3 Staff retirement benefits

Shakrganj Mills Limited operates pension and gratuity fund schemes for all permanent employees who are in management cader and salaried director. Premium is payable to the funds monthly on the basis of actuarial computation subject to a maximum 20 % and 8.33% of basic salary of the employees respectively.

The company also operates a funded contributory provident fund scheme for all permanent employees. Equal monthly contributions are made both by the company and employees at the rate of 7 and 8 Percent of basic pay of officers and workers respectively.



2.4 Taxation

Charge for current taxation is based on taxable income at current tax rate after taking into account the tax credits and tax rebates available, if any. Deferred taxation is accounted for by using the liability method on all major timing differences.

2.5 Foreign currencies

Liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange ruling at balance sheet date. Exchange gain or loss on foreign currency loans is adjusted against cost of operating fixed assets acquired from the proceeds of loans. Exchange gain or loss on translation of other liabilities in Foreign currencies is charged to the current years income.

2.6 Tangible fixed assets and depreciation

Operating fixed assets are stated at cost and appreciated value less accumulated depreciation. Freehold land is stated at cost/appreciated value and capital work-in-progress at cost.

Cost of tangible fixed assets consists of historical cost, applicable exchange differences, appreciated value and direct attributable cost of bringing the assets to working condition. Borrowing cost pertaining to the construction/ erection period up to the date of completion is also capitalized as part of historical cost.

Depreciation on operating fixed assets is charged to income on reducing balance method to write off the cost or appreciated value including related exchange differences over their expected useful life. Full years depreciation is charged on additions, while no depreciation is charged on assets deleted during the year.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of operating fixed assets a charged to current years income.

2.7 Assets subject to finance lease

These are stated at the lower of present value of minimum lease payments under the lease agreements and the fair value of assets acquired on lease. Aggregate amount of obligations relating to assets subject to finance lease are accounted for at net present value of liabilities. Assets so acquired are amortized over their expected useful life. Amortization of lease assets is charged to current years income.

2.8 Equity investments

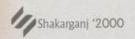
Long term investment in associated companies is accounted for by equity method. Other long term investments are stated at cost. Provision for diminution in value is made, if considered permanent. Short term investments are stated at lower of cost and market value determined on aggregate portfolio basis.

2.9 Borrowing cost

Interest, mark-up and other charges on long term liabilities are capitalized upto the date of commissioning of respective fixed assets acquired out of the proceeds of such long term liabilities. All other interest, mark-up and other charges are charged to income.

2.10 Foreign exchange licence

This has been stated at acquisition cost.



2.11 Deferred cost

Expenses incurred on incorporation of the company and cost incurred during the initial period are deferred and are amortised over a period of five years in equal installment, commencing from the year in which these have been incurred.

2.12 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at cost calculated on moving average basis less provision for obsolescence except for Items in transit which are stated at invoice values plus other charges paid thereon to the balance sheet date.

2.13 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value except molasses (By-product) which is valued at net realizable value. Cost in relation to work-in-process and finished goods consists of average material cost, direct labor and factory overheads. Net realizable value signifies the prevailing market prices in the ordinary course of business less selling expenses incidental to sales.

2.14 Trade debts

Known bad debts are written off and provision is made against debts considered doubtful.

2.15 Revenue recognition

Shakarganj Mills Limited

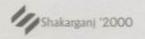
Revenue from sales is recognized on delivery of goods to customers. Dividend income and is regcongnise when right to receive the dividend is established. Gain on sale of investments is accounted for on receipt basis. Previously dividend income was accounted for on receipt basis. This change has been made for compliance with International Accounting Standards. The financial impact for the year due to this change comes to Rupees 9.661 million.

Crescent Business Management (Private) Limited

Management fees from modarabas floated by the company is recognised on the basis of annual audited accounts of the modarabas. Return on deposits with the banks is recognised on a time proportionate basis after considering the principal outstanding and applicable rates of profit thereon.

Crescent Capital Management (Private) Limited

Brokerage, advisory fee and commission incomes are recognised as and when services are provided. Return on Musharika investments and short term placements is recognised on accrual basis. Dividend income is recognised when right to receive dividend is established.



	(RUPEES IN	N THOUSAND
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2000	1999
13,198,995 ordinary shares of Rupees 10 each fully paid up in cash	131,990	131,990
750,000 (1999: 750,000) ordinary shares of Rupees 10 each issued to Pakistan Industrial Credit and investment Corporation Limited against their right of option to convert 20 percent of their loan into fully paid up shares	7,500	7,500
15,337,034 (1997:15,337,034) Ordinary shares of Rupees 10 each issued as fully paid bonus shares	153,370	153,370
	292,860	292,860

^{3.1 12,193,602 (1999: 12,193,602)} shares of company are held by associated undertaking.



Statement of Changes in Equity

(RUPEPS IN THOUSA

	CAPITAL		200	Parallel	RESERVES						UN-APPROFPIATED	TOTAL
	1 10	Balancing demication	Research and development	Premium on insue of right. Shares	Sub-Total	For tissue of Donus shares	Centeral	Revenue Dividend equalization	Sub-Total	Total	PROFIT/ILOSSI	
Balance as on 01 October 1996	292,800	15,000	\$,000	33,464	15.53		78.079	25,000	103.079	146.545	1001	450.501
Goodwill written off			,		1		6,6920		6,6920	(5,692)	1	6,692
Witt loss for the year	1	,			11	-	1		1	1	14,124	(4,126)
Malance as on 50 September 1999 23,800	292,860	15,000	\$,000	23.664	6,484		72307	25.000	10,387	140,851	476.9	440,605
Net profit for the year	1	1		1	1	,	1		1	1	16,221	16,221
Balance as on 30 September 2000 293,860	292,860	15,000	2,000	21,464	45,464	,	72,387	25,000	97,387	140,851	28,195	456.906

4. REDEEMABLE CAPITAL

Long term finances utilized under mark-up arrangements are made as under:

Consolidated Accounts

	Pakistan Industria	Il Credit and	Banking	Banking First International	First Leasing	Jesco	TOTAL	
	Investment Corporation Limited (Note 4.1) Loan I to iv PLS-50	ation Limited (1) PLS-50	Companies (Note 4.2)	Investment Bank Umited (Note 4.3)	Corporation	(Private) Limited (Note 4.4)	2000	1999
Balance as at 01 October	101.686	18,419	150.00	15,000	40,000	25,097	378,202	570,873
Received during the year	,	18,419	1	15,000	,	000'06	123,419	185,944
	101,686	36,838	150,000	30,000	40,000	148,097	129105	556,817
Less. Repaid	54,743	9,207	18.750	15,000	40,000	82,489	200,189	178,615

			1			
1	82,489	80,608	80,608	ì	Of tumsum	September 2002
1	40,000	1	1	1		
15,000	30,000	t	30,000	1	Wanterfo 80	Spotterrible 2000 Petinuary and July 2001
75,000	93,750	36,250	312,200	1	08 Quarterly	September 2000
18,421	77,628	9,210	36,842	2	06 Quarterly	April 2000
29,465	64,208	57,478	247,102	12.55	21 to 36 Quarterly	April 1995 to April 1996
Current portion (Note 7)		Balance as at 50 September	Sanctioned Limited	Unavailed credit Facility	No of installments	Rippsyment date of st. installment
94						

251,206

728,520

686,752

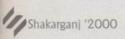
31,976

12,572

126,996

157,886

338,075



- 4.1 As per purchase and sale agreements, Pakistan Industrial Credit and Investment Corporation Limited has purchased machinery valuing Rupees 323, 331 million (1999: Rupees 286.489 million) from the company which was deemed to have been resold to the company at marked-up price of Rupees 507, 871 million (1999: Rupees 464, 490 million) which includes rebate of Rupees 86.091 million (1999: Rupees 77.415 million) on timely payments of marked-up price. These are secured against security mentioned in note No.5.1.
- 4.2 Finances from Banking Companies are secured against first charge on fixed assets of the company ranking pari passu with other creditors, & personal guarantees of directors.
- 4.3 The finance from First International Investment Bank Limited is secured against first change on fixed assets of the company both movable and immovable, ranking pari passu, upto the extent of Rupees 20 million and personal guarantee of the directors.
- 4.4 The finances obtained from Jhang Electric Supply Corporation (Private) Limited is secured against hypothecation of stores, spares and book debts of the company.

	(RUPEES IN	THOUSAND)
LONG TERM LOANS	2000	1999
Pakistan Industrial Credit and Investment Corporation Limited Loan No:		
IBRD-3019 (Note 5.1 and 5.2)	3,016	3,284
ADB-966 (Note 5.1 and 5.2)	24,662	26,051
	27,678	29,335
Less: Current portion (Note 7)	3,710	1,657
	23,968	27,678

- 5.1 Long term loans from Pakistan Industrial Credit and Investment Corporation Limited are secured against:
 - (8) first legal mortgage on company's present and future immovable properties wherever situated including all buildings, plant and machinery and fixtures;
 - (b) first charge ranking pari passu with the existing charges by way of hypothecation in respect of all the machinery of the company, present and future:
 - first floating charge ranking pari passu with the existing charge on all other assets of the company, both present and future, subject to the hypothecation or charge in favour of company's bankers as referred to in Note No.8.4: and (d) demand promissory note.
- Loan No. IBRD-3019 and loan No. ADB-966 are payable in 9 and 12 semi annual installments commenced from 01 January 1993 and 01 July 1994. Loans carry interest at the rate of 15 and 15.65 percent per annum respectively. According to revised schedule last installment will be due on 01 January 2006 and 01 July 2004 respectively.

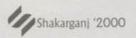
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Future rentals and periods during which they fall due are as under:

30 September 2000 30 September 2001

40.874

144.267



	(RUPEES IN	(THOUSAND)
	2000	1999
30 September 2002	31,608	25,128
30 September 2003	23,186	16,905
30 September 2004	6,112	2,957
30 September 2005	2,126	-
Balance rentals as at 30 September	103,906	119,149
Less: financial charges	19,483	26,803
Present value of minimum lease payments	84,423	92,346
Less: current portion (Note 7)	30,165	26,376
	54,258	65,970

6.1 The value of minimum lease rental payments has been discounted at an implicit interest rate ranging from 17 to 22 percent. The balance rentals are payable in monthly/quartery installments and in case of default of any payment, an additional charge at the rate of 2 percent shall be paid. Taxes, repairs and insurance costs are to be born by lessee. Lessee shall have no right to terminate lease agreements and if lease agreements are terminated, the lessee shall pay entire amount of rentals for unexpired period of lease agreements. Lease agreements are renewable at the option of lessor on such terms as may be agreed upon Liabilities are secured against deposit of Rupees 9.358 million (1999: Rupees 10.066 million included in long term deposits, receivable and deferred cost (Note 16)and Rupees 2.121 million (1999: Rupees 0.905 million) included in advances, deposits, prepayments and other Receivables (Note 20).

CURRENT PORTION OF LONG TERM LIABILITIES

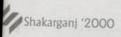
8.

LINDILITIES			
Redeemable capital Long term loans Liabilities against assets subject to finance lease		137,886 3,710 30,165	126,996 1,657 26,376
		171,761	155,029
SHORT TERM FINANCES Secured:			
From investment banks From investment company From finance corporation	(Note 8.1) (Note 8.2) (Note 8.3)	104,767 7,500 32,000	156,500 7,500 33,699

From banking and modaraba companies:

155,374 956	270,014 496
156,330	270.510
300,597	468,209
	156,330

8.1 Short term finances obtained from Investment Banks include Rupees NIL (1999:Rupes 9.500 million) from Crescent Investment Bank Limited (An associated undertaking). Finance are secured by way of hypothecation of stores, spares, stocks, book debts, pledge of shares listed companies having face value of Rupees 24,525 million (1999:Rupees 8.289 millions referred to in Note 21.3 and personal guarantee of directors. Mark-up is payable at the rate of 14.50 to 23 percent per annum. The finances are repayable on different dates before 30 September 2001.



otes to the accounts for the year nded 30 September 2000

THE GROUP AND ITS ACTIVITIES

Holding Company

Shakarganj Mills Limited was incorporated on 20 September 1967 under the Companies Act, 1913 (Now Companies Ordinance, 1984). Shares of the company are quoted on the stock exchanges in Pakistan. The principal activity of the company is to manufacture, purchase and sale of sugar, distillate and kanewood.

Subsidiary companies

Crescent Business Management (Private) Limited, subsidiary company, was incorporated in Pakistan as Private Limited Company. The primary aim of the company is flotation and management of modarabs and for this purpose it has been registered as modaraba company with the registrar of modarabas companies and modarabas, Islamabad.

Shoaib Capital (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 on 24 January 1995 as a private limited company. The name of the company was changed to Crescent Capital Management (Private) Limited with effect from 06 June 1998. The company is registered as an investment advisor under investment Companies and Investment Advisor's Rules, 1971. The principal activities of the company include money market brokerage, investment advisory, portfolio management, equity research and corporate finance.

1.1 Compliance with International Accounting Standards (IAS)

These accounts comply with International Accounting Standards, as applicable in Pakistan, in

SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting convention

These accounts have been prepared under the historical cost convention as modified by capitalization of exchange differences and revaluation of certain operating fixed assets as referred to in Note 2.5 and 2.6.

2.2 Basis of consolidation

Consolidated financial statements include Shakarganj Milis Limited and following Subsidiary companies incorporated in Pakistan.

Crescent Business Management (Private) Limited Crescent Capital Management (Private) Limited

Financial year ending on: 30 June 2000

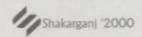
30 June 2000

The subsidiaries are consolidated using purchase method from the effective date of acquisition.

2.3 Staff retirement benefits

Shakrganj Mills Limited operates pension and gratuity fund schemes for all permanent employees who are in management cader and salaried director. Premium is payable to the funds monthly on the basis of actuarial computation subject to a maximum 20 % and 8.33% of basic salary of the employees respectively.

The company also operates a funded contributory provident fund scheme for all permanent employees. Equal monthly contributions are made both by the company and employees at the rate of 7 and 8 Percent of basic pay of officers and workers respectively.



2.4 Taxation

Charge for current taxation is based on taxable income at current tax rate after taking into account the tax credits and tax rebates available, if any. Deferred taxation is accounted for by using the liability method on all major timing differences.

2.5 Foreign currencies

Liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange ruling at balance sheet date. Exchange gain or loss on foreign currency loans is adjusted against cost of operating fixed assets acquired from the proceeds of loans. Exchange gain or loss on translation of other liabilities in Foreign currencies is charged to the current year's income.

2.6 Tangible fixed assets and depreciation

Operating fixed assets are stated at cost and appreciated value less accumulated depreciation. Freehold land is stated at cost/appreciated value and capital work-in-progress at cost.

Cost of tangible fixed assets consists of historical cost, applicable exchange differences, appreciated value and direct attributable cost of bringing the assets to working condition. Borrowing cost pertaining to the construction/ erection period upto the date of completion is also capitalized as part of historical cost.

Depreciation on operating fixed assets is charged to income on reducing balance method to write off the cost or appreciated value including related exchange differences over their expected useful life. Full years depreciation is charged on additions, while no depreciation is charged on assets deleted during the year.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of operating fixed assets is charged to current years income.

2.7 Assets subject to finance lease

These are stated at the lower of present value of minimum lease payments under the lease agreements and the fair value of assets acquired on lease. Aggregate amount of obligations relating to assets subject to finance lease are accounted for at net present value of liabilities. Assets so acquired are amortized over their expected useful life. Amortization of lease assets is charged to current years income.

2.8 Equity investments

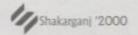
Long term investment in associated companies is accounted for by equity method. Other long term investments are stated at cost. Provision for diminution in value is made, if considered permanent. Short term investments are stated at lower of cost and market value determined on aggregate portfolio basis.

2.9 Borrowing cost

interest, mark-up and other charges on long term liabilities are capitalized upto the date of commissioning of respective fixed assets acquired out of the proceeds of such long term liabilities. All other interest, mark-up and other charges are charged to income.

2.10 Foreign exchange licence

This has been stated at acquisition cost.



2.11 Deferred cost

Expenses incurred on incorporation of the company and cost incurred during the initial period are deferred and are amortised over a period of five years in equal installment, commencing from the year in which these have been incurred.

2.12 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at cost calculated on moving average basis less provision for obsolescence except for items in transit which are stated at invoice values plus other charges paid thereon to the balance sheet date.

2.13 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value except molasses (By-product) which is valued at net realizable value. Cost in relation to work-in-process and finished goods consists of average material cost, direct labor and factory overheads. Net realizable value signifies the prevailing market prices in the ordinary course of business less selling expenses incidental to sales.

2.14 Trade debts

Known bad debts are written off and provision is made against debts considered doubtful.

2.15 Revenue recognition

Shakarganj Mills Limited

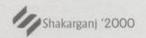
Revenue from sales is recognized on delivery of goods to customers. Dividend income and is regcongnise when right to receive the dividend is established. Gain on sale of investments is accounted for on receipt basis. Previously dividend income was accounted for on receipt basis. This change has been made for compliance with international Accounting Standards. The financial impact for the year due to this change comes to Rupees 9, 661 million.

Crescent Business Management (Private) Limited

Management fees from modarabas floated by the company is recognised on the basis of annual audited accounts of the modarabas. Return on deposits with the banks is recognised on a time proportionate basis after considering the principal outstanding and applicable rates of profit thereon.

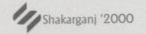
Crescent Capital Management (Private) Limited

Brokerage, advisory fee and commission incomes are recognised as and when services are provided. Return on Musharika investments and short term placements is recognised on accrual basis. Dividend income is recognised when right to receive dividend is established.



		(RUPEES IN	N THOUSAND
3.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2000	1999
	13,198,995 ordinary shares of Rupees 10 each fully paid up in cash	131,990	131,990
	750,000 (1999: 750,000) ordinary shares of Rupees 10 each Issued to Pakistan Industrial Credit and Investment Corporation Limited against their right of option to convert 20 percent of their loan into fully paid up shares	7,500	7,500
	15,337,034 (1997:15,337,034) Ordinary shares of Rupees 10 each issued as fully paid bonus shares	153,370	153,370
		292,860	292,860

^{3.1 12,193,602 (1999: 12,193,602)} shares of company are held by associated undertaking.



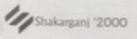
15 EQUITY INVESTMENTS

					(RUPEES IN T)	HOUSAND)
		2000			1999	
	COST	SHARE OF POST ACQUISITION PROFIT	NET	COST	SHARE OF POST ACQUISITION PROFIT	NET
QUOTED Associated undertakings:						
Crescent Investment Bank Limited 475,000 (1999:475,000) ordinary shares of Rupees 10 each fully paid	4,750	3,501	8,051	4,750	4,595	9,345
Crescent Steel and Allied Products Limited 500,000 (1999:500,000) ordinary shares of Rupees 10 each fully paid	3,000	7,548	10,548	3,000	6,818	9,818
Pakistan Industrial Leasing Corporation Limit 625,000 (1999-625,000) ordinary shares of Rupees 10 each fully paid	ed 20,000	8,536	28,536	20,000	8,857	28,857
Others:						
First Crescent Modaraba 2,752,580 (1999-1,612,280)certificates of Rupees 10 each fully paid	30,351	-	30,351	16,093	-	16,093
592,467 (1999: 592,467) bonus certificates of Rupees 10 each	-	-	-	+	-	-
Crescent Leasing Corporation Limited 644,800 (1999): 644,800 (ordinary shares of Rupees 10 each fully paid 96,720 (1999): 96,720) bonus shares of Rupees 10 each	8,262	-	8,262	8,262	-	8.262
Pioneer Cement Limited 3,297 (1999: 3,297) ordinary shares of Rupees 10 each fully paid	125	-	125	125	-	125
Nazir Cotton Mills Limited 500,000 (1999) 300,000/ordinary shares of Rupees 10 each fully paid	5,000	-	5,000	3,000	-	5,000
Cherat Cement Company Limited 1,875 (1999: 1,875) ordinary shares of Rupees 10 each fully paid	79	-	79	79	-	79
ist Punjab Modaraba 1,000 (1999: 1,000) certificates of Rupees 10 each fully paid	8	-	8	8	-	8
ibrahim Modaraba 1,000 (1999: 1,000) certificates of Rupees 10 each fully paid	8	-	8	8	-	
Modaraba Al-Mali 2,000 (1999: 2,000) ordinary shares of Rupees 10 each fully paid	16	-	16	16		16
	69,599	19,385	88,984	55,341	20,270	75,611

35

76,526

76,476



Less: Provision for diminution in market

SCL-Alpha Funds Limited 3,500 (1999: 3,500) shares of Rupees 10 each fully paid (Note 15.3)

value of investment.

					(RUPEES IN T	HOUSAND)
		2000			1999	
	COST	SHARE OF POST ACQUISITION PROFIT	NET		SHARE OF POST COUISITION PROFIT	NET
UN-QUOTED						
Others:						
International Assets Management Company Ltd. 88,000 (1999: 88,000) ordinary shares of Rupees 10 each fully paid Break-up value as per last audited accounts was Rupees 52,65 (1999: Rupees 49,26) per share	860	-	880	890	-	880
SCI. Almba Econde Limited						

35

50

89.899

89,849

35

50

56.256

56,206

15.1 Aggregate market value of quoted investments as at 30 September 2000 was Rupees 39.837 million (1999: Rupees 37.507 million).

19.385

55

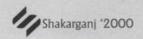
70.514

70,464

15.2 Following investments having face value of Rupees 3.000 million (1999: Rupees 6.500 million) are deposited as security with banking companies and investment banks:

	(RUPEES IN THOUSAND)	
	2000	1999
Against short term finances obtained from Banking Companies (Note 8.4)		3,500
Against bank guarantee issued by Crescent Investment Bank Limited (An associated undertaking)	3,000	3,000
	3,000	6,500

15.3 Shares certificates are in the names of five directors of the company, one employee of the company and one employee of an associated undertaking, each holding 500 shares. The shares with verified transfer deeds are in possession of company.

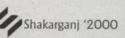


		(RUPEES IN T	HOUSAND)
		2000	1999
6. LONG TERM DEPOSITS, RECEIVABLES AND	DEFERRED COST		
Deposits: Securities		266	266
Security deposit against leasehold assets	(Note 6.1)	9.358	10,066
		9,624	10,332
Receivable	(Note 16.1)	327	324
Deferred expenses:		[040]	
TFC issue expenses (Rating fee)	(Note 46.2)	210 9,872	
New cane varities development expenses Preliminary expenses	(Note 16.2)	228	228
Share issue expenses		122	122
Pre-operating expenses		2,574	2.574
		13,006	2,924
		(2,924)	(2,339)
		10,082	585
		20,033	11,241

- 16.1 Expenses incurred on the incorporation of SCL Alpha Fund Limited have been disbursed by the company. These expenses are recoverable from the fund over a period of five years in equal annual installments from the date of commencement of business of the fund.
- 16.2 These expenses were incurred on development of new varieties of cane and will be amortized over a period of five years commencing from start of commercial production.

17. STORES, SPARES PARTS AND LOOSE TOOLS

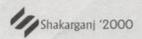
Stores	18,859	23,720
Spare parts	15,470	14,188
Loose tools	796	728
	35,125	38,636
Less: Provision for obsolescence	1,500	1,500
	33,625	37,136



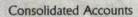
		(RUPEES IN	THOUSAND)
3. S	TOCK-IN-TRADE	2000	1999
٧	Vork-in-process	1,945	1,406
F	inished goods:		
	ugar folasses	9,668	294,629
	olstillate	3,150	7,878
	anewood	2,271	22,593 12,668
		15,089	337,768
		17,034	339,174
Т	RADE DEBTS		
	onsidered good:		
	ecured (against letters of credit)		19,471
·	Insecured	22,063	10,433
		22,063	29,904
	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
1	oans and advances -Considered good:		
1	Employees-Interest free	171	189
	Suppliers and contractors	6,503	8,846
	ncome tax	59,787	50,046
-	Sugarcane growers (Note 20.1)	18,525	4,681
(Considered doubtful:	84,986	63,762
	Sugarcane growers	2,001	2,001
1	less: Provision for doubtful	2,001	2,001
		84,986	63,762
1	Deposits:		00,702
	Security deposits	10	
8	Margin against bank guarantees	1,159	1,352
	Security deposit against leasehold assets (Note 6.1)	2,121	905
	attend of seadle	3,290	2,257
	Letters of credit Short term prepayments	20.557	688
	Due from Crescent Group Services (Private)	28,567	33,811
	Limited (associated undertaking)		167
	Due from Pension fund	751	_
	Accrued Interest	96	530
	Sundry receivables	34,582	13,127
		152,272	114,342

^{20.1} Loan to sugarcane growers are partly interest free and partly interest bearing at the rate of 16.79 to 18.25 percent per annum.

105



		(RUPEES IN	THOUSAND
1.	SHORT TERM INVESTMENTS	2000	1999
	QUOTED Associated undertakings:		
	Crescent Sugar Mills and Distillery Limited 487,132 (1999:487,132) ordinary shares of		
	Rupees 10 each fully paid 150,276 (1999:150,276) bonus shares of Rupees 10 each	10,080	10,080
	Crescent Boards Limited		
	84,700 (1999:84,700) ordinary shares of Rupees 10 each fully paid 7,260 (1999:7,260) bonus shares of Rupees 10 each	978	978
	Crescent Jute Products Limited 434,982 (1999:434,982) ordinary shares of		
	Rupees 10 each fully paid 101,835 (1999:101,835) bonus shares of	10,249	10,249
	Rupees 10 each		
	Jubilee Spinning and Weaving Mills Limited 4,000 (1999:4,000) ordinary shares of		
	Rupees 10 each fully paid 11,584 (1999:11,584) bonus shares of Rupees 10 each	66	66
	The Crescent Textile Mills Limited		
	143,943 (1999:143,943) ordinary shares of Rupees 10 each fully pald	2,234	2,234
	41,268 (1999:41,268) bonus shares of Rupees 10 each	-	
	Crescent Steel and Allied Products Limited 180,000 (1999:180,000) ordinary shares of		
	Rupees 10 each fully paid 323,415 (1999: 323,415) bonus of Rupees 10 each	2.784	2.784
	Rupees 10 each		
	Pakistan Industrial Leasing Corporation Ltd. 2,323,430 (1999:2,323,430) ordinary shares of	05.450	CE 450
	Rupees 10 each fully paid 784,636 (1999: 784,636) bonus of Rupees 10 each	65,158	65,158
	Equity held: 17.13%		
	Crescent Investment Bank Limited 1,241,595 (1999:1,241,595) ordinary shares of		
	Rupees 10 each fully paid 454,565 (1999: 454,565) bonus of	20,508	20,508
	Rupees 10 each		



Shakarganj '2000

	(RUPEES IN 2000	THOUSAND)
Others: The Premier Insurance Company of Pakistan Limited 3,600 (1999:3,600) ordinary shares of		
Rupees 5 each fully paid 51,529 (1999: 51,529) bonus of Rupees 5 each	60	60
Crescent Leasing Corporation Limited 2,291,000 (1999: 2,291,000)ordinary shares of		
Rupees 10 each fully paid 343,650 (1999: 343,650) bonus shares of Rupees 10 each	30,440	30,440
Equity held: 15.27%		
First Crescent Modaraba 110,000 (1999:110,000)certificates of Rupees 10 each fully paid 1,786 (1999: 1,786) bonus certificates of	965	965
Rupees 10 each	-	-
Pakistan Industrial Credit and Investment Corporation Limited 2,697,196 (1999:2,697,196) ordinary shares of		
Rupees 10 each fully paid 1,153,462 (1999:1,153,462) bonus shares of Rupees 10 each	149,786	149,786
Crescent Spinning Mills Limited 341,300 (1999:341,300)ordinary shares of Rupees 10 each fully paid	3,413	3,413
Crescent Knitwear Limted 700,000 (1999:700,000)ordinary shares of Rupees 10 each fully paid	7,122	7,122
Husein Sugar Mills Limited 631 (1999: 631)bonus shares of Rupees 10 each		
AR Pak. International Investment Limited 10,000 (1999:10,000)ordinary shares of Rupees 10 each	93	93
Pakistan International Airlines Corporation 51 (1999:51)bonus shares of Rupees 10 each		-
Pakistan Oil Fields Limited 500 (1999: 500)ordinary shares of Rupees 10 each fully paid	34	34
250 (1999: 125) bonus shares of Rupees 10 each	-	-
Prudential Discount and Guarantee House Limited 131,000 (1999:131,000) ordinary shares of Rupees 10 each fully paid	1,033	1,033
Sui Northern Gas Pipeline Limited 70,454 (1999:61,242) bonus share of Rupees 10 each		
Naposo io Guerr		

Shakarganj '2000	Consolidate	Consolidated Accounts	
	(RUPEES IN TH	HOUSAND)	
Pakistan Telecommunication Corporation Limited 10,000 (1999:Nii) ordinary shares of			
Rupees 5 each fully paid	295		
Fauji Fertilizer Company Limited			
25,000 (1999: NILDordinary shares of Rupees 10 each fully paid	1,620	-	
Atlas Bot Lease Company Limited 13,203 (1999: NiL)ordinary shares of Rupees 10 each 30,366 (1999: 26,406) bonus shares of	132		
Rupees 10 each fully paid			
Muslim Commercial Bank Limited 3,565 (1999: 3,565)bonus shares of Rupees 10 each		-	
Shaheen Cotton Mills Limited 1,050,000 (1999: 1,050,000)ordinary shares of Rupees 10 each fully paid	13,650	13,650	
Nazir Cotton Mills Limited			
471,113 (1999: 471,113) ordinary shares of Rupees 10 each fully paid	4,711	4,711	
UNQUOTED			
Associated undertakings:			
Crescent Group Services (Private) Limited 220,000 (1999:220,000) ordinary shares of Rupees 10 each fully paid Equity held 18.96 percent. Break-up value as per last	2,200	2,200	
audited accounts was Rupees zero per share.			

Others:

5.912 5.757 Musharika investment (Note 21.2) Crescent Ujala Limited 330,000 ordinary shares of Rupees 10 each fully paid 3,300

21.1 Market/break-up value of short term investments as on 30 September 2000 was Rupees 189.265 million (1999: Rupees 102.143 million) which was lower than the cost by Rupees 147,403 million.

336,668

331,476

21.2 These represent funds placed under Musharika agreement with Al-Zamin Leasing Modaraba and First Crescent Modaraba. Expected rate of profit range between 18 percent to 18.75 percent (1999: 18 percent to 18.75 percent) per annum.

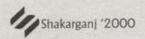
21.3 Following investments having face value of Rupees 61.489 million (1999: Rupees 66.389) million) are deposited as security with bank, financial institutions and investment companies

Shakarganj '2000	Consolidat	ed Accounts
	(RUPEES IN	THOUSAND)
Against short term running finances obtained from:	2000	1999
Investment banks (Note 8.1)	24,525	8.289
Investment company (Note 8.2)	27,118	48,144
Banking companies (Note 8.4)		110
Against bank guarantees issued by:		
Crescent Investment Bank Limited	9,309	9,309
Against central excise duty on loan: Pakistan Industrial Credit and Investment Corporation Limited	537	537
	61,489	66,389
. CASH AND BANK BALANCES		
Cash in hand	206	163
Cash with banks on:		
Current accounts	16,658	17,267
Short term deposit accounts	7,379	6,361
Dividend account	14	14
Dollar deposit account	232	411
	24,283	24,053
	24,489	24,216

22.1 Term deposit receipts amounting to Rupees 4.834 million (1999:Rupees 6.353 million) are lying with Muslim Commercial Bank Limited under lien against loans to sugarcane growers.

3. SALES AND REVENUE

, SALES AND REVENUE		
Sales:		
Sugar:		
Local	1,188,495	1,669,292
Export		150,035
Rebate on export of sugar	-	52,686
		202,721
	1,188,495	1,872,013
Distillate:		
Local	27,273	44,581
Export	47,903	84,106
	75,176	128,687
Sales of baggase	331	
Kanewood	15,108	8,295
Molasses (By-product)	25,650	38,860
	1,304,760	2,047,855
Less: Commission to selling agents	2,446	4,689
Sales tax on sugar	121,633	178,489
	124,079	183,178
	1,180,681	1,864,677



Revenue: Advisory fee Management fee Capital gain Brokerage income

Commission

Consolidated Accounts

(RUPEES IN THOUSAND)

2000	1999
129	-
2,518	925
15,501	-
7,291	3,577
1,043	513
2,018	-

28,500 1,209,181 1

960,805

65,458

15,712

1.041.975

1,869,692

1,528,010

1.627.251

87,342

11,899

9,779

62,504

1,472,231

24. COST OF GOODS SOLD

Sugar	(Note 24.1)
Distillate	(Note 24.3)
Kanewood	(Note 24.4)

Paw material

Return on Musharika finance

24.1 Cost of goods sold - sugar

Kaw material
Salaries, wages and other benefits
Stores, spare parts and loose tools
Dyes and chemicals
Packing material
Fuel and power
Repair and maintenance
Insurance
MATERIAL CONTRACTOR CO
Vehicles' running
Travelling and conveyance
Printing and stationery
Rent, rates and taxes
Excise duty
Other factory overheads
Sugarcane research and development
Staff training and development
Depreciation/amortization (Note 24.2)

Work-in-process inventory:

As at 01 October As at 30 September

Cost of goods produced Finished goods inventory:

As at 01 October As at 30 September

1,041,070	1,027,231
497,590	1.236.902
39,236	44,028
3,388	3,588
4,885	13,885
8,997	20,535
16,002	27,356
18,156	17,929
2,921	3,153
852	640
208	237
252	379
170	114
-	22,586
4,087	6,445

11,541

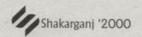
59,425 668,505

795

1,406 1,945	3,319 1,406
(539)	1,913
667,966	1,474,144

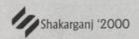
178	
56,373	302,507
02,507	9,668
53,866	292,839
28,010	960,805
53,86	292,839

100SH	akargani '2000	Consolidate	d Accounts
		(RUPEES IN THOUSAND)	
		2000	1999
24.2	Depreciation/Amortization		
	Depreciation (Note 12.4)	52,074	55,179
	Amortization (Note 13.2)	7,351 59,425	7,325
		39,423	02,304
24.3		04 705	25,756
	Molasses	21,305 706	1,197
	Stores, spare parts and loose tools	1.476	2,102
	Salaries, wages and other benefits Chemicals	4,693	5,263
	Fuel and power	15,285	14,454
	Insurance	165	95
	Other factory overheads	1,288	1,584
	Depreciation (Note 12.4)	1,097	1,163
	Cost of goods produced	46,015	51,614
	Finished goods inventory:		1004040000
	As at 01 October	22,593	58,321
	As at 30 September	3,150	22,593
		19,443	35,728
		65,458	87,342
24.4	Cost of goods sold - kanewood		
	Raw material	396	2,287
	Stores, spare parts and loose tools	1,139	4,339
	Salaries, wages and other benefits	1,581	1,549
	Insurance	98 1,055	3,031
	Fuel and power	94	304
	Other factory overheads	952	1,029
	Depreciation (Note 12.4)	5,315	12,640
	Cost of goods produced		
	Finished goods inventory:	12,668	11,927
	As at 01 October As at 30 September	2,271	12,668
	75 de 30 september	10,397	(741)
		15,712	11,899
25. ADM	INISTRATIVE AND GENERAL EXPENSES		
		24.653	23.250
	Salaries, wages and other benefits Director's meeting fee	24,633	42
	Travelling and conveyance	1,119	1,132
	Printing and stationery	684	739
	Telephone, postage and telegrams	2,557	1,787
	Vehicles' running	2,819	2,504
	Legal and professional	1,082	1,215
	Auditors' remuneration: (Note 25.1)	744	250
	Audit fee	311	250 18
	Out of pocket expenses		
		329	268



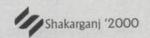
					(RUPEES 2000	IN THOUSAND)
		debts iir and maintenance			284 1,126	1,224
		rtainment			396	370
		cription			1,740	1,763
		, rates and taxes			1,860	1,327
	Publi				203	265
		stered office expenses ellaneous			634	751
		eciation/amortization (Note 25.2)			1,718	1,589
	осы	colation affortization (note 25.2)			7,709	8,285 46,511
	25.1	Auditor's remuneration		2000		1999
			Fee	Out of pocket		Out of pocket
		Riaz Ahmad and Company	225	15	205	15
		Fazal Mahmood and Company	15	3	15	3
		Khalid, Majid, Husain, Rehman	71		30	
			311	. 18	250	18
	25.2	Depreciation/Amortization	-			-
		Depreciation (Note 12.4)			4,842	4,435
		Amortization (Note 13.2)			2,867	3,850
					7,709	8,285
26.	SELLI	NG AND DISTRIBUTION EXPENSES				
	Freig	ht and forwarding:				
	Sugar				-	23,001
	Distill				5,707	10,282
		ling and distribution			882	1,910
	Insura	ng and unloading			808	1,067
	msura	ance			1,352	1,543
					8,749	37,803
27.	OPER	ATING PROFIT /(LOSS)				
	Sugar	(Note 27.1)			91,928	134,484
	Distilli				1,414	27,646
		vood (Note 27.3)			(1,126)	(4,055)
	Moda	raba/Investment (Note 27.4)			17,308	52
	524				109,524	158,127
	27.1	Operating profit - sugar			Name and American	
		Sales - Net Cost of goods sold			1,090,397	1,727,897
		Gross profit			960,805 129,592	1,528,010 199,887
		Operating expenses			123,332	155,007
		Administrative and general			34,855	38,500
		Selling and distribution				
					2,809 37,664	26,903 65,403
					91,928	134,484
					31,320	134,404

	Consolidated	Accounts
hakarganj '2000		Control of the contro
	(RUPEES IN T	
	2000	1999
Operating profit - distillate	75,176	128,687
Sales - Net	65,458	87,342
Cost of goods sold	9,718	41,345
Gross profit		
Operating expenses	2,403	2,867
Administrative and general	5,901	10,832
Selling and distribution	8,304	13,699
	1,414	27,646
3 Operating loss - kanewood	15,108	8,093
Sales - Net	15,712	11,899
Cost of goods sold Gross Loss	(604)	(3,806)
Operating expenses	483	181
Administrative and general	39	68
Selling and distribution	(522)	(249)
	(1,126)	(4,055)
7.4 Operating profit-Modaraaba/Investment	28,500	5,015
Povenue	(11,192)	(4,963)
Administrative and general expenses	17,308	52
THER INCOME	457	45
ammission on fertilizer	153 16,790	513
ain on disposal of operating fixed assets	32,052	2,708
lividend income (Note 28.1)	609	1,274
bank donocits	1,287	1,635
Mark-up on advances to associated undertakings	13,584	10,697
gricultural farm income	307	107
lental income lectricity income	7.554	7,919
ain on sale of imported sugar	7,564 276	2,524
redit balances added back	1,399	297
Miscellaneous	74,021	27,719
The state of the same		
28.1 Dividend Income Associated undertakings:	47.005	
Crescent Investment Bank Limited	13,095	2,281
Crescent Steel and Allied Products Limited	1,255	327
The Croscent Textile Mills Limited	679	32/
Pakistan Industrial Leasing Corporation Limited	6,126	
Others: Pakistan Industrial Credit and Investment		
Corporation Limited	4,705	
The Croscopt Leasing COMORATION	3,377	5
AR Pak International Investment Limited	5	



	(RUPEES IN	THOUSAND)
	2000	1999
Atlas Bot Lease Company Limited	-	40
Pakistan Oil fields Limited	5	1
The Premier Insurance Company of		45
Pakistan Limited Muslim Commercial Bank Limited	69 13	46
That Jute Limited	15	
First Punjab Modaraba	1	
Cherat Cement	4	
Ibrahim Modaraba	1	-
Modaraba Al-Mali	2	-
Fauji Fertlizer Company Limited	150	
First Crescent Modaraba	1,703	
First Confidence Modaraba	847	
	32,052	2,708
29. FINANCIAL AND OTHER CHARGES		
Financial:		
Mark-up on:		
Redeemable capital	49,912	40,283
Short Term finances	84,700	107,979
Advances from associated undertakings	1,932	4,014
Interest on long term loans	4,505	5,685
Interest on Worker's Participation Fund	52	40 500
Finance charges on lease liabilities	14,766 256	16,598 728
Lease agreements fee Bank charges and commission	5.811	4,381
Dalik Cridiges and Commission		-
Others:	161,934	179,668
Donations	121	304
Dimunition in value of investments		50
Amortization of deferred cost	585	293
	162,640	180,315
30. TAXATION		
Holding and subsidiary company:		
Current - for the year	6.065	9,230
-prior years	693	-
Associates	(96)	(1,324)
	6,662	7,906
	-	MINISTER STREET, STREE

Current taxation for the year represents minimum tax under Section 80 (D) of the Income Tax Ordinance, 1979. After considering the available tax losses, no provision for taxation except minimum tax is required. Tax losses available to be carried forward are Rupees 472.899 million as on 30 September 2000 (1999: Rupees 548.726 million).



31. CHIEF EXECUTIVE AND EXECUTIVES'S REMUNERATION

The aggregate amount charged in the accounts for the year for remuneration, allowances including all benefits to chief executive and executives of the company are as follows:

(RUPEES IN THOUSAND)

	2000		1999	
Description	Chief Executive	Executives	Chief Executive	Executives
Managerial remuneration	1,680	16,290	2,040	13,406
Housing	756	4,539	918	3,475
Contribution to:				
Provident fund	118	997	143	871
Pension fund	336	2,039	408	1,880
Employees's oldage benefits	-	21	-	19
Gratuity fund	140	881	170	822
Hospitalisation	-	215	-	754
Other benefits:				
Utility allowance	168	1,629	204	1,324
Leave encashment/leave fare allowance		86	-	54
Conveyance allowance	-	30	-	-
Incentive commission/bonus		112	-	-
Reimbursable expenses	2	874	85	666
	3,200	27,713	3,968	23,271
	1		_1_	_ 67

Number of persons

- 31.1 Eleven executives have been provided free maintained vehicles by the company.
- 31.2 Aggregate amount charged in the accounts for fee to six directors in respect of two meetings was Rupees 12,500 (1999; Rupees 35.500) for six directors of two meetings).

32. TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

Maximum aggregate amount due from associated undertakings at the end of any month during the year was Rupees 39.889 million (1999: Rupees 46.235 million).

The company purchased from and sold to associated undertakings, materials, goods and services in the aggregate sum of Rupees 0.019 million and Rupees Nil respectively (1999: Rupees 1.229 million and Rupees 1.044 million respectively). Purchases/sales of material, goods and services are made at prevailing market prices.

Mark-up on advances to associated undertakings is received/paid at the rate of 16 to 21 percent per annum (Note 28 and Note 29).

33. EARNING/(LOSS) PER SHARE-BASIC

There is no dilutive effect on the basic earning/(loss) per share, which is based on:

(RUPEES IN THOUSAND)

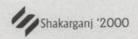
to ordinary	
	4,124)
29,286,029 29,28	86,029
(Rupees) 0.55	(0.15)
	,28

34.1 Interest/Mark-up rate

			2	0 0 0					
		IN	INTEREST/MARK-UP BEARING	ARING		NON	NON INTEREST BEARING		
	rates range%	Maturity within oneyear	Maturity more than one year but less than five years	Maturity more than five years	Sub-Total	Maturity within one year	Maturity more than one year but less "than five years	Sub-Total	TOTAL
Financial Assets Long term investments							A17.CA	42 744	42.714
foreign exchange licence			1.1				684	REG	684
Long term denotite and receivable			r.				0.000	0.054	0 000
Track clebes						32000	108.8	25,831	22.068
Advances decoults prepayments						64,000		52 467	58 457
and other receivables				10	10	222,414		222.411	222 411
Short term in vestments	15	7,611			7,611	16,878		16,878	24,489
Cash and bank balances		7,611		,	7,611	\$24,519	53,316	377,835	385,446
Bedreimanie caotral	00 00 00	417 006	252 224		204 483				204 462
Long term loans	15 to 15.65		20,794	3,174	27,678				27,678
Labither against assets subject to finance inste	17 to 22	30.465	54 258		84 42 X				RGADR
Short term finances	14.5 to 23	300,597	and the same of th		300,597				300,597
Creditors, accrued and other liabilities						226,356		226,366	226.366
Contingencies						25,727		25,727	25,727
		472.358	238,598	3,174.	714,130	252,093		252,093	966,223
							(RUF	(RUPEES IN THOUSAND)	(AND)
		STATE OF STREET	1	6 6 6		The second			
		INI	INTEREST/MARK-UP BEARING			NON	NON INTEREST BEARING		
	rates	Maturity within onevear	Maturity more than one year but less than five years	Maturity more than	Sub-Total	Maturity within	Maturity more than one year but less than five years	Sub-Total	TOTAL
Financial Assets						and and			
Long term investments					,		28,456	28,456	28,456
Long term deposits and receivables						A	10,656	10,656	10,656
Trade debts					,	29,904		29,904	29,904
Advances, deposits, prepayments						29,797		29,797	29,797
Short term in vestments	15	6,772			6.772	17,444		17,444	24.216
Cash and bank balances		6.772	-		6,772	294,364	39,112	335,476	340,248
Redeemable capital	06 to 22	54	251,206		378,202			,	378,202
Labilities against assets subject	15 to 16.65	1,657	18,829	8,849	29,335				29,535
Short term finances	19 to 25	26,376	65,970		92,346				92,346
Completion arranged and other natures		-			458,209	204.046		294,046	204,046

116

25,354



34.2 Financial instruments and risk management policies

The companies issue financial instruments mainly to finance its operations. In addition financial instruments such as trade receivables and trade payables arise directly from the company's operation.

The companies finance operations primarily by a mixture of issued share capital, retained profits, long term and short term loans and liabilities. The companies borrow funds in local currency usually at fixed rate of interest.

Overall risks arising from the company's financial instruments are limited.

(a) Interest rate risk

Since the companies borrow funds usually at fixed interest rates, therefore the risk occurrence is minimal.

(b) Foreign exchange risk management

Foreign currency risk on financial instruments, receivables or payable in foreign currency is also not material.

(c) Credit risk

The companies deal mostly with regular and permanent customers who pay the instrument on due dates. The companies consider the credit risk as minimal.

(d) Fair value of financial assets and liability

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values except for equity investments which are stated at cost less provision for diminution in break-up/market value of investment. Market value is also disclosed in Note 15.1 and 21.1.

	(RUPEES IN	THOUSAND)
	2000	1999
5. EMPLOYEES RETIREMENT BENEFITS		
Contribution to: Employees provident fund trust Pension fund Gratuity fund Employees's oldage benefits	1,774 2,068 1,160 1,374	1,510 6,330 1,557 1,013
	6,376	10,410
Number of employees at the year end	572	666

108 800 M. Tons in 160 days i.e.

39 965 M. Tons in 144 days i.e. 277.535 M. Tons per day

101 479 M. Tons In 157 days i.e. 644.363 M. Tons per day

4 967 000 Liters in 169 days i.e.

5 324 756 Liters in 210 days i.e.

497.480 Cubic meters in 20 days i.e. 24.874 Cubic meters per day

1 921.679 Cubic meters in 72 days i.e.

680 M. Tons per day

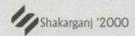
40 000 Liters per day

29 390 Liters per day

25 356 Liters per day

30 Cubic meters per day

26.689 Cubic meters per day



36. PLANT CAPACITY AND ACTUAL PRODUCTION

Sugar:

Capacity

Actual production:

Current year

Previous year

Distillery:

Capacity

Actual production:

Current year

Previous year

Kanewood:

Capacity

Actual production:

Current year

Previous year

36.1 Reasons for low production

Sugar

Decrease in season days and recovery percent (due to lessor availability of Sugarcane) were attributable to decrease in production.

Operated below capacity due to lessor Molasses available because of reduce quantum of

Distillery

Kenwewood Low demand for particle board due to recession in building industry.

Sugarcane.

(RUPEES IN THOUSAND) 37. SEGMENT ASSETS AND OTHER INFORMATION 2000 1999 Sugar 1,400,435 1,716,991 Distillery 16.200 19,862 Kanewood 16.916 20,739 Modaraba /Investment 83.003 58.503 1,516,554 1,816,095

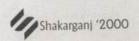
37.1 Molasses and baggase (By-Products of Sugar) are issued to distillery and particle board plant at market prices.

38. GENERAL

D Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison.

H The subsidiary company Messers Crescent Business Management (Private) Limited is entitled to receive a management fee to the extent of ten percent of the net annual profit of each modaraba to be floated by it on the basis on annual audited accounts of the modarabas.

Chief Executive



Statement and Report under Sub Section (1)(e),(f) and (g) of Section 237 of the Companies Ordinance, 1984

Crescent Business Management (Pvt) Limited

Statement under sub-section (1) (e)

 Extent of the Interest of Crescent Business Management (Pvt) Limited (the holding company) in the equity of its subsidiary at the end of the year September 30, 1999. 100%

- b) The net aggregate amount of profit, less (losses) of the subsidiary company, so far as these concern members of the holding company and have not been dealt with in the accounts of the holding company for the year ended June 30, 1999 are:
 - (i) for the last financial year of the subsidiary.

Rs. (5,176,900)

(ii) for the previous periods.

(9,707,368)

(iii) accumulated to last audited balance sheet as at June 30, 1999.

(14,884,268)

(c) The net agreegate amount of losses of the subsidiary company so far as these have been dealt with or provision made for losses in the accounts of the holding company for the year ended September 30, 1999 are:

for the financial year ended September 30, 1999

Nil

(ii) for the previous periods.

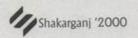
NII

Statement under sub-section (1) (f) and (g)

N/A

Chief Executive

Chairman



Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 33rd Annual General Meeting of the shareholders of SHAKARGANJ MILLS LIMITED will be held on Saturday the May 26, 2001 at 11:00 a.m. at Holiday Inn, Lahore to transact the following business:

- To receive, consider and adopt the Audited Accounts of the company for the year ended September 30, 2000 together with the Directors' and Auditors' Reports thereon.
- 2. To appoint Auditors and fix their remuneration.

PARTICIPATION IN THE ANNUAL GENERAL MEETING:

 A member eligible to attend and vote at this Meeting may appoint another members his/her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received by the Company at the Registered Office not later than 48 hours before the time for holding the Meeting.

BOOK CLOSURE:

The Members Register will remain closed from May 20, 2001 to May 26, 2001 (both days inclusive).

ON BEHALF OF THE BOARD

HILAL AHMED Corporate Secretary

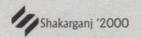
REGISTERED OFFICE: 2nd Floor, 131 A-E/1, Main Boulevard, Gulberg III, Lahore. Pakistan Tel: 92-042-5712036 & 5877087 Fax: 92-042-5877325 Dated: May 3rd, 2001.

Pattern of holding of shares Held by the Shareholders as at September 30, 2000

Form 34

	SHAREHOLDING		
No. of Shareholders	From	То	Total Shares Held
153	1	100	5339
209	101	500	58499
	501	1000	171739
244	1001	5000	460994
206	5001	10000	393152
53	10001	15000	219787
18	15001	20000	186519
11	20001	25000	269828
12	25001	30000	197040
7	30001	35000	312398
10		40000	263222
7	35001	45000	346436
8	40001	50000	186836
4	45001	55000	313874
6	50001	60000	57898
1	55001	65000	187335
3	60001		216313
3	70001	75000	234228
3	75001	80000	
4	80001	85000	83692
1	95001	100000	9572
4	105001	110000	10693
4	140001	145000	141420
4	155001	160000	. 15790
1	165001	170000	16997
4	180001	185000	18092
	185001	190000	18643
	190001	195000	19157
	200001	205000	20410
4	220001	225000	22144
	225001	230000	22948
	255001	260000	25692
	305001	310000	30636
	315001	320000	31544
1	470001	475000	47220
1		630000	62541
	625001	780000	77928
	775001	835000	83332
1	830001	880000	87585
1	875001		89855
1	895001	900000	143976
1	1435001		191549
1	1915001	1920000	266698
1	2665001	2670000	323064
1	3230001	3235000	
1	8615001	8620000	861872
984			2928602

CATEGORIES OF SHAREHOLDERS	NUMBER	SHARES HELD	PERCENTAGE
Financial Institutions	6	10601562	36.20
Individuals	944	5208809	17.79
Investment Companies	5	1121447	3,83
Insurance Companies	2	257041	0.88
	19	11138901	38.03
Joint Stock Companies Others	8	958267	3.27
Total	984	29286027	100,00
OTHERS		811224	2.77
Modarabas	5	1157	0.00
Non-Resident	1	145886	0.50
Trust	2	143660	0,50
TOTAL	8	958267	3.27



DIRECTORS

Gul Nawaz Nominee NIT 1999

Khalid Bashir Chief Executive Shams Textile Mills Limited 1969

Mazhar Karim Chief Executive Crescent Jute Products Limited Chairman Shakarganj Mills Limited 1971

Muhammad Anwar Chief Executive The Crescent Textile Mills Limited 1984

Muhammad Arshad Chief Executive The Crescent Sugar Mills & Distillery Limited 1996

Muhammad Asif Nominee NIT 1999

Muhammad Bilal Sheikh Nominee PICIC 1998

* Year elected to Board

General Counsel Sh. Magsood Ahmad, Advocate

Independent Auditors Riaz Ahmad & Company Chartered Accountants

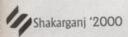
Corporate Secretary Rashid Sadiq

OFFICERS

Altaf M.Saleem 49 President (on leave) *1973 Muhammad Asghar Qureshi 72 Chief Advisor Shakarganj Mills Limited Chairman Shakarganj Sugar Research Institute 1999 Muhammad Awais Qureshi 59 Executive Vice President and Chief Operating Officer Abdul Hag Saeed 59 Vice President 1985 Hilal Ahmad 58 Vice President and Chief Financial Officer 1978 Muhammad Zahid 57 Vice President 1981 Pervaiz Akhtar 46 General Manager Production 1981 Nusrat All 48 General Manager Engineering 1977 Dr. Shahid Afghan 37 Director Research

*Year Joined Company

1998



Investor Information Operating Division

Shakarganj Mills Limited

Sugar Division
Management House, Toba Road
Jhang, Pakistan.
Tel: 92-0471-614971-614973
Tlx: 43471 CJP PK
Fax: 92-0471-620272
E-Mail: ssugar@jng.pknet.come.pk

Shakarganj Distillery

Industrial Alcohol Division Toba Road, Jhang, Pakistan. Ttel: 92-0471-614971-614973 fax: 92-0471-620272 EMail: ssugar@jng.pknet.come.pke

Kanewood Industries

Particle Boaard Division Toba Road, Jhang, Pakistan. Tel: 92-0471-614971-614973 Thx: 43471 CJP PK Fax: 92-0471-620272

Crescent Business Management (Private) Limited

Financial Services Division 2nd Floor, 131 A-E/I, Main Boulevard, Gulberg III, Lahore. Pakistan Tel: 92-042-5712036 & 5877087 Fax: 92-042-5877325

Stock Exchange Listing

Shakarganj Mills Limited is listed on the Karachi, Lahore and Islamabad Stock Exchanges

Daily quotes on the company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Sugar and Allied'

Public Information

Financial analysts, Stock brokers interested investors and financial media desiring infromation about "Shakarganj" should contact the following individuals in Corporate Investor Relation:

Muhammad Yar Rahi Asif Ali Sadaqat Hussain Tel: 92-0471-614971-614973 Fax: 92-9-0471-620272 E-Mail: ssugar@jng.paknet.com.pk

Shareholder Information

Inquiries concerning lost stock certificate, dividend payment change of address, verification of transfer deeds and share transfer should be directed to:

Shakarganj Mills Limited

Shareholders Services 2nd Floor, 131 A-E/I, Main Boulevard, Gulber III, Lahore. Pakistan Tel: 92-042-5712036 & 5877087 Fax: 92-042-5877325

Annual Meeting 33rd Annual General Meeting of Shakarganj Mills Limited will be held on 26-5-2001at Holiday Inn, Lahore At 11:00 a.m.

Proxy material is enclosed with this Annual Report.



If undervered please return to: Shakarganj Mills Limited 2nd Floor, 131 A-E/1 Main Boulevard, Gulberg III, Lahore Pakistan Tet; 5712036 & 5877087 Fax: 5877325