Condensed Interim Report

For the Nine Months Period Ended 30 June 2013

Shakarganj Mills Limited

CONTENTS

Vision, Mission and Values	2
Company Information	3
Shareholders' Information	4
Company Profile	5
Directors' Review	7
Condensed Interim Balance Sheet	8
Condensed Interim Profit and Loss Account	10
Condensed Interim Statement of Comprehensive Income	11
Condensed Interim Cash Flow Statement	12
Condensed Interim Statement of Changes in Equity	13
Selected Notes to the Condensed Interim Financial Information	14

VISION, MISSION & VALUES

To gain and maintain leadership in the industries it competes in by producing the best quality products with lowest possible cost.

To give the best returns to shareholders by optimal allocation of resources to the products and markets the Company competes in.

To provide the best value products and services to its customers through investment in technology, human resources, operational systems and processes.

To provide the best working environment to its employees and provide opportunities to them for enhancing their skills.

To work with its farmers, suppliers and distributors as partners developing their expertise and profitability.

To pursue environment friendly policies and effectively and efficiently use all energy resources aiming for zero waste and a clean healthy environment in its vicinity.

To be a socially responsible corporate citizen supporting education, health, environment and socio economic development of the society.

COMPANY INFORMATION

Board of Directors

1	Chairman (Non-Executive)	Mazhar Karim
2.	Chief Executive Officer	Ahsan M. Saleem
	In alphabetic order:	
3.	Executive Director	Ali Altaf Saleem
4.	Non-Executive Director	Khalid Bashir
5.	Non-Executive Director	Muhammad Anwar
6.	Non-Executive Director	Muhammad Arshad
7.	Non-Executive Director	Rubina Rizvi (NIT)

Audit Committee

Chairman	Khalid Bashir
Member	Muhammad Anwar
Member	Ali Altaf Saleem

Human Resource & Remuneration Committee

Chairman	Muhammad Anwar
Member	Khalid Bashir
Member	Ali Altaf Saleem

Chief Financial Officer S. M. Chaudhry

Company Secretary Asif Ali

Management Committees

Executive Committee

Chairman	Ahsan M. Saleem
	Anjum M. Saleem
	Ali Altaf Saleem

Business Strategy Committee

Chairman	Ahsan M. Saleem
	Anjum M. Saleem
	Ali Altaf Saleem
	Muhammad Pervaiz Akhter
	S.M. Chaudhry
	Manzoor Hussain Malik

System & Technology Committee

Chairman	Muhammad Pervaiz Akhtar
	S.M. Chaudhry
	Ibrahim Ahmad Cheema

SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Mills Limited is a listed company and its shares are traded on all the three stock exchanges of Pakistan. Daily quotes on the Company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Food Producers'

Public Information

Financial analysts, Stock brokers, interested investors and financial media desiring information about "Shakarganj" should contact Asif Ali at Company's Office, Jhang.
Tel: 047 765 2801 - 06
Fax: 047 765 2811
E-mail: info@shakarganj.com.pk

Shareholders' Information

Inquiries concerning lost stock certificates, dividend payment, change of address, verification of transfer deeds and share transfers should be directed to CorpTec Associates (Pvt) Limited Share Registrar of the Company at Lahore.
Tel: 042 3517 0336 - 7
Fax: 042 3517 0338
E-mail: info@corptec.com.pk

Products

- Sugar
- Bio Fuel
- Bio Power
- Building Materials
- Yarn

Legal Advisor

Hassan & Hassan Advocates,
Lahore

Bankers

Allied Bank Limited
MCB Bank Limited
National Bank of Pakistan
The Bank of Punjab
United Bank Limited
Standard Chartered Bank
Silk Bank Limited
Bank Alfalah Limited
Faysal Bank Limited

Works

Principal Facility

Management House,
Toba Road Jhang, Pakistan
Tel: 047 765 2801 - 06
Fax: 047 765 2811
E-mail: info@shakarganj.com.pk

Satellite Facility

Shakarganj Bhone
63 km Jhang Sargodha Road,
Bhone, Pakistan
Tel: 048 688 9210, 12
Fax: 048 688 9211

Website

www.shakarganj.com.pk
Note: This Interim Report is available on Shakarganj website.

Registered and Principal Office

10th Floor, BOP Tower,
10-B Block E 2, Gulberg III,
Lahore, Pakistan
Tel: 042 3578 3801- 06
Fax: 042 3578 3811

Karachi Office

12th Floor, Sidco Avenue Centre,
264 R.A. Lines, Karachi, Pakistan
Tel: 021 3568 8149
Fax: 021 3568 0476

Faisalabad Office

Nishatabad, New Lahore Road,
Faisalabad, Pakistan
Tel: 041 875 2810
Fax: 041 875 2811

Share Registrar

CorpTec Associates (Pvt) Limited
503-E, Johar Town
Lahore
Tel: 042 3517 0336 - 7
Fax: 042 3517 0338
E-mail: info@corptec.com.pk

COMPANY PROFILE

Shakarganj Mills Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on all three stock exchanges of Pakistan. Shakarganj is a leading manufacturer of food products, bio fuel and building materials as well as textiles. We transform renewable crops such as sugarcane and cotton into value added products comprising refined sugar, textiles, bio fuel and building materials in addition to generating bio power from biogas. The Company has two manufacturing facilities in Jhang District. Our registered office is in Lahore.

Shakarganj Mills, through its interest in Shakarganj Food Products Limited, is also active in production of dairy and fruit products.

Sugar Business:

We have two manufacturing facilities, located in District Jhang. We produce different types of sugar comprising pharmaceutical, beverage and commercial grades sugar as well as soft brown sugar, castor and icing sugar, sugar cubes, sachets and retail packs.

Our combined crushing capacity is of 20,000 MT of sugarcane per day which is extendable to 32,000 MT per day.

Bio Fuel Business:

We have distilleries located at Jhang and Bhone where various grades of bio fuel are produced. Our products include rectified bio fuel for industrial and food grades, anhydrous bio fuel for fuel grade and extra neutral bio fuel for pharmaceutical and perfume grades. The combined capacity of our distilleries is 280,000 - 300,000 litres per day.

Bio Power Business:

Biogas power generation facility is located at Jhang. This facility comprises an Effluent Treatment Plant (ETP) and a Power Generation Facility. ETP operations involve biological treatment of distillery waste to produce methane and a biological de-sulphurization plant to remove sulphur from the methane gas. This gas is then used in the power house to produce electricity which is sold to a utility company on the national grid. The present capacity of this plant is 8 megawatts. For better control, from January 2013 ETP has been transferred to Bio Fuel Business.

Building Materials Business:

Our Building Materials Division is located at Jhang facility, with a capability to produce 12 x 4 feet sheets of particle board of varying thickness. Our daily production capacity is 30 cubic metres.

Textile Business:

Located at Jhang, this cotton spinning unit produces carded cotton yarns ranging from 10/s to 30/s and doubled cotton yarn ranging from 8 to 15 TPI. The installed capacity is 25,856 spindles for cotton spinning and 2,304 spindles for doubling.

Farming & Allied Business:

This comprises different parcels of land mainly located at Jhang Division nearby our manufacturing facilities. Total area under cultivation is over 1,766 acres of which nearly 1,355 acres is owned land and rest is leased. The main crops include sugarcane, wheat, gram, maize, fodder and seasonal vegetables. A dairy farm located at Jhang has been developed, with a herd of 200 milking and fattening cattle. Small herd of rams and bucks for fattening purpose has also been developed.

Shakarganj has also launched a new product in the area of non chemicals fertilizers under the brand name of "Shakarganj Tiger Compost". The product as organic fertilizer has been developed using aerobic decomposition process with addition of standardized microbial culture in filter cake. The compost is a rich source of organic matter, with macro and micro nutrients to help improve soil is very useful for better growth, yield and quality of all field crops in general and specifically for sugarcane. This is at its initial stage and would grow up in the farmer's community with the practical exposures.

Business Vision and Strategy:

Shakarganj's vision is to create country's leading renewable ingredients business. We aim to achieve this by building a consistent portfolio of distinctive, profitable, high-value solutions in products and services for our customers. Shakarganj is committed to provide long-term value for our shareholders. Our strategy is to build a stronger value added business with a low-cost commodity base.

We focus on five key business objectives to deliver consistent growth.

- Serve our Customers:

Delivering excellent customer service is at the core of everything we do. Our aim is to be the partner of choice in our customers' processes and to help them develop more successful consumer products.

- Operate Efficiently and Safely:

We aim to be the lowest-cost and most efficient producer in all our markets. Through our expertise in high-volume process management, our focus is on technical and manufacturing excellence and the efficient use of services such as logistics and utilities. We are continually working to improve operational efficiency and strive to ensure safe and healthy conditions for everyone at our sites.

- Invest in Long Term Assets and Partnerships:

We continually evaluate investment opportunities that would add strategic value by enabling us to enter new markets or add products, technologies and knowledge more efficiently than we could organically. We also aim to grow our business by forming joint ventures and partnerships to enhance the capabilities of our existing product portfolio. Using alliances and joint ventures can be an efficient way to lower our cost of investing in new areas and markets, and will help secure access to new and complementary technology and expertise.

- Invest in Technology and People:

We are investing in our research and development capabilities to help us in developing innovative solutions that meet our customers' product challenges. We are also complementing our own capabilities through business and technology partnerships, and university collaborations. To develop talent, improve leadership and help our employees succeed, we operate various programs designed to ensure the right skills at all levels to grow our business.

- Grow the Contribution from Value Added Products:

We are committed to grow the contribution from our value added products. Value added products utilize technology and intellectual property enabling us to obtain a price premium along with sustainable and/or higher margins.

DIRECTORS' REVIEW

I am pleased to present the unaudited condensed interim financial information of the Company for the nine months period ended 30 June 2013.

Overall performance of our Company during the period under review has remained satisfactory. Higher bio power, building material and yarn productions, and better results from associated companies all contributed our positive results i.e. an after tax profit of Rs. 428 million in nine months of FY2013 compared to Rs. 297 million in corresponding period, as detailed below:

Our Sugar Division crushed 1,409,811 MT of sugarcane to produce 133,753 MT of sugar at an average recovery of 9.49 percent. This was an overall increase of 7 percent in sugar recovery compared to same period last year when we produced 173,620 MT of sugar from 1,957,358 MT of sugarcane at a sugar recovery of 8.87 percent.

In the period under review, the performance of our Bio Fuel Division remained reasonable, which produced 61.1 million litres, lower from 71.4 million litres in the corresponding period last year due to late start. Exports accounted for around 93 percent of total sales.

During the period under review, the performance of our Bio Power Division remained good. We generated 22.9 million units of bio power, up by 12% as compared to 20.5 million units during the nine months of last year.

In the period under review, our Building Materials Division produced 6,855 cubic metres of particle board compared to 6,824 cubic metres in nine months of FY2012.

Yarn production at our Textile Division increased to 5.13 million kg in the period under review, in comparison to 5.03 million kg in nine months of FY2012. Capacity utilization was better due to regular arrival of cotton and with increased production and better yarn prices, this division contributed significantly toward bottom line results.

Due to non-availability of sugarcane, crushing season 2012-13 was closed in last week of March 2013. Depressed market prices of sugar also affected our core business so far, however, we anticipate an improvement in sale prices due to export of sugar. Performance of our Bio Fuel, Bio Power and Textile Divisions were remained satisfactory contributing positively to our bottom line and we are hopeful that the Company would achieve positive results in Fiscal 2013.

On behalf of the Board

Ahsan M. Saleem
Chief Executive Officer

Date: 25 July 2013

CONDENSED INTERIM BALANCE SHEET

As at 30 June 2013 (Un-Audited)

	Note	June 2013 Un-Audited	September 2012 Audited
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
80,000,000 (30 September 2012: 80,000,000) ordinary shares of Rs. 10 each		800,000	800,000
50,000,000 (30 September 2012: 50,000,000) preference shares of Rs. 10 each		500,000	500,000
		1,300,000	1,300,000
Issued, subscribed and paid up capital			
69,523,798 (30 September 2012: 69,523,798) ordinary shares of Rs. 10 each		695,238	695,238
Reserves		1,086,825	970,230
Accumulated loss		(1,798,289)	(2,268,692)
		(16,226)	(603,224)
Surplus on revaluation of property, plant and equipment		2,239,561	2,281,579
Non-current liabilities			
Long term finances	7	322,528	459,964
Liabilities against assets subject to finance lease		11,861	18,793
Employees' retirement benefits		-	-
		334,389	478,757
Current liabilities			
Current portion of long term liabilities		1,871,878	1,959,402
Short term borrowings - secured		1,880,697	2,507,350
Trade and other payables		3,165,923	1,979,617
Accrued finance cost		964,305	1,122,448
Provision for taxation		-	504
		7,882,803	7,569,321
Contingencies and commitments	8		
		10,440,527	9,726,433

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

Chief Executive

	Note	June 2013 Un-Audited	September 2012 Audited
		(Rupees in thousand)	
ASSETS			
Non-current assets			
Property, plant and equipment	9	6,402,519	6,401,019
Intangible assets		1,015	1,045
Biological assets		10,504	8,895
Investments - related parties	10	943,451	750,895
Employees' retirement benefits		5,070	5,071
Long term loans, advances, deposits and prepayments		39,588	39,969
Deferred taxation		-	-
		7,402,147	7,206,894
Current assets			
Biological assets		21,771	37,395
Stores, spares and loose tools		136,474	129,862
Stock-in-trade		2,063,536	1,765,735
Trade debts		354,164	243,138
Investments	11	154,878	119,041
Loans, advances, deposits, prepayments and other receivables		262,238	154,767
Cash and bank balances		45,319	69,601
		3,038,380	2,519,539
		10,440,527	9,726,433

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For the nine months period ended 30 June 2013 (Un-Audited)

	Note	Quarter ended		Nine months ended	
		30 June 2013	30 June 2012	**30 June 2013**	30 June 2012
		(Rupees in thousand)			
			(Represented)		(Represented)
Sales	12.1	4,714,261	3,658,845	11,274,112	10,972,552
Cost of sales	12.2	(4,458,826)	(3,511,224)	(10,145,734)	(9,596,373)
Gross profit		255,435	147,621	1,128,378	1,376,179
Administrative expenses		(70,030)	(78,002)	(218,968)	(238,839)
Distribution and selling costs		(97,442)	(64,638)	(275,389)	(231,073)
Other operating expenses		(15,521)	(17,936)	(61,590)	(74,414)
Other operating income		42,772	21,224	149,758	84,342
Profit from operations		115,214	8,269	722,189	916,195
Finance cost		(111,986)	(214,495)	(345,108)	(616,486)
Share of income from associates		31,966	72,830	155,707	122,793
Profit before taxation		35,194	(133,396)	532,788	422,502
Taxation					
- Company		(34,300)	(36,598)	(82,513)	(109,415)
- Associates		(5,135)	(4,192)	(21,889)	(16,356)
		(39,435)	(40,790)	(104,402)	(125,771)
Profit after taxation		(4,241)	(174,186)	428,386	296,731
Earnings per share					
Basic earnings per share	13	(0.06)	(2.51)	6.16	4.27
Diluted earnings per share	13	(0.06)	(2.51)	5.69	4.23

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the nine months period ended 30 June 2013 (Un-Audited)

	Quarter ended		Nine months ended	
	30 June 2013	30 June 2012	**30 June 2013**	30 June 2012
	(Rupees in thousand)			
Profit for the period	(4,241)	(174,186)	428,386	296,731
Other comprehensive income				
Fair value gain on ' Available for sale' investments	60,277	35,089	112,515	60,661
Share of other comprehensive (loss) / income of associates	2,025	1,127	4,080	2,818
	62,302	36,216	116,595	63,479
Total comprehensive income for the period	58,061	(137,970)	544,981	360,210

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT

For the nine months period ended 30 June 2013 (Un-Audited)

	Note	Nine months ended June 2013	June 2012
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from / (used in) operations	14	1,660,723	186,537
Finance cost paid		(379,351)	(447,956)
Taxes paid		(128,493)	(146,826)
WPPF Paid		(19,519)	
Employees' retirement benefits paid		(9,083)	(10,257)
Net (increase)/decrease in long term advances, loans, deposits and prepayments		381	(33,237)
Net cash used in operating activities		1,124,658	(451,739)
Cash flows from investing activities			
Fixed capital expenditure		(266,986)	(253,802)
Dividend received		31,765	33,371
Income from bank deposits received		420	12,395
Sale proceeds from sale of livestock		602	1,533
Sale proceeds from sale of property, plant and equipment		20,725	57,205
Net cash used in investing activities		(213,474)	(149,298)
Cash flows from financing activities			
Repayment of finance lease		(7,272)	(536,190)
Short term financing - net		(465,572)	1,064,409
Long term financing - net		(462,622)	(21,474)
Net cash (used in) / generated from financing activities		(935,466)	506,744
Net decrease in cash and cash equivalents		(24,282)	(94,293)
Cash and cash equivalents at the beginning of the period		69,601	119,169
Cash and cash equivalents at the end of the period		45,319	24,876

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months period ended 30 June 2013 (Un-Audited)

(Rupees in thousand)

	CAPITAL RESERVE					REVENUE RESERVE				
	Share Capital	Share Premium	Share in capital reserves of associates	Fair Value Reserve	Difference of Capital Under Scheme of Arrangement of Merger	General	Dividend Equalization	Equity Investment Market Value Equalization	Accumulated (loss) / profit	Total
Balance as on 30 September 2011	695,238	243,282	15,904	(38,437)	155,930	410,606	22,700	83,000	(2,767,168)	**(1,178,945)**
Total comprehensive income for nine months period ended 30 June 2012	-	-	2,818	60,661	-	-	-	-	296,731	**360,210**
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax - incremental depreciation for the period	-	-	-	-	-	-	-	-	9	**9**
Balance as at 30 June 2012	695,238	243,282	18,722	22,224	155,930	410,606	22,700	83,000	(2,470,428)	**(818,726)**
Total comprehensive income for three months period ended 30 September 2012	-	-	1,101	12,665	-	-	-	-	201,736	**215,502**
Balance as at 30 September 2012	695,238	243,282	19,823	34,889	155,930	410,606	22,700	83,000	(2,268,692)	**(603,224)**
Total comprehensive income for nine months period ended 30 June 2013	-	-	4,080	112,515	-	-	-	-	428,386	**544,981**
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax - incremental depreciation for the period - on account of disposal of land	-	-	-	-	-	-	-	-	40,040 1,978	**40,040** **1,978**
Balance as at 30 June 2013	695,238	243,282	23,903	147,404	155,930	410,606	22,700	83,000	(1,798,289)	**(16,226)**

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months period ended 30 June 2013 (Un-Audited)

1. The Company and its operations

1.1 The Company is incorporated in Pakistan on 20 September 1967 and is listed on Karachi, Lahore and Islamabad Stock Exchanges. It is principally engaged in manufacture, purchase and sale of sugar, bio fuel, building materials, yarn (textile) and engaged in generation and sale of electricity (bio power). The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Company is situated in Lahore.

1.2 Going concern assumption

As at the reporting date, the current liabilities of the Company have exceeded its current assets by Rs. 4,844 million (30 September 2012: Rs. 5,050 million), the equity has been eroded and stands at negative Rs. 16 million (30 September 2012 Rs. 603 million). The Company has not been able to meet its various obligations for long term loans and short term borrowings. Borrowings (including mark-up payable thereon) aggregating Rs. 2,390 million (30 September 2012: Rs. 2,855 million) are over-due for payment.

The Company has been facing liquidity crunch for the last few years. In February 2010 the Company entered into agreement for a bridge finance facility of Rs. 2,466 million and short term running finance facility of Rs. 2,980 million from a consortium of its existing lenders. The bridge finance was envisaged to be operational by April 2010 and fully repaid by June 2011 through sale of certain assets of the Company, identified in the agreement. However, neither the bridge finance facility nor the consortium cash finance could become operative due to delays in obtaining No-objection certificate from National Bank of Pakistan for creation of pari passu charge on the assets against the above new facilities. Furthermore, the Company was not able to liquidate all of the specified assets as per timelines identified in the bridge loan agreement and subsequent to 30 June 2011, these facilities stood expired.

Furthermore, the Company issued redeemable preference shares in 2005 to the shareholders of the Company which were to be redeemed along with any outstanding dividend payable in December 2009. Due to liquidity crunch and negative equity the Company has not been able to redeem the preference shares and preference dividend amounting to Rs. 64.792 million which was also outstanding as on 30 June 2013.

The above conditions raise significant doubts on the Company's ability to continue as a going concern. However, the management is confident of the Company's ability to continue as a going concern based on its concerted effort to re-profile borrowings and utilisation of improved liquidity in higher operational levels of cane crushing and ethanol manufacturing.

The steps taken by management up till now and planned in future are as follows:

The Company took significant operational measures in previous year to improve its productivity and financial results in order to generate liquidity for financing of operations and repayment of borrowings. During the period to date, the operational performance of the sugar division remained low as the Company was only able to crush 1.410 million tons of sugarcane as compared to 1.957 million tons of sugarcane during the last period. The production of ethanol decreased from 71.418 million liters in last period to 61.052 million liters in current period. The textile unit of the Company has generated positive cash flows for the Company as the production of yarn increased from 110,972 bags in last period to 113,142 bags in current period.

To date the Company has repaid Rs. 1,979 million of the bridge loan through utilization of improved liquidity resulting from better operational results as explained above and sale of certain assets of the Company.

Short term secured financing

The Company requested its lenders for following short term secured financing for operational liquidity:

- Working capital line against pledge of sugar at 20% margin for 120 to 150 days with an incentive for lender to adjust 10% of the new disbursement against settlement of existing over-due loans (principal only); and

- An FE 25 loan in US Dollars with a maturity of 120-150 days after settlement of working capital against pledge of sugar. Such loan is being offered to be securitised against pledge of molasses/ethanol with an incentive for lender to adjust 20% of the new disbursement against settlement of existing over-due loans (principal only).

Newly disbursed facilities shall be settled upon sale of respective commodities (sugar/ethanol).

The Company after successfully negotiating with some of its lenders on bilateral terms received responses from a number of banks and obtained working capital lines of Rs. 1,000 million from MCB Bank Limited, Rs. 240 million from NIB Bank Limited, Rs. 200 million from Bank Alfalah Limited, Rs. 200 million from The Bank of Punjab and an FE 25 loan of Rs. 100 million from Faysal Bank Limited. The facilities have been obtained against pledge of sugar at margin ranging from 15% to 25% and have resulted in improved operational results in current period.

Relaxations in repayments of existing loans

To date the Company has been able to restructure/reschedule various loans from its lenders resulting in relaxation in payments, the details of which are as follows:

- Restructuring of Rs. 473 million of various over-due borrowings to long term loans and rescheduling of long term loan of Rs. 92 million from MCB Bank Limited;

- Restructuring of Rs. 176 million of over-due long term running finance and Rs. 75 million of overdue accrued mark-up under bridge finance to long term demand finance from The Bank of Punjab;

- Restructuring of Rs. 161 million of short term running finance and Rs. 76 million of overdue accrued mark-up under bridge finance to long term loan from Allied Bank Limited;

- Restructuring of Bridge finance of Rs. 181 million to long term loan from United Bank Limited;

- Restructuring of Bridge finance of Rs. 57 million to long term loan and rescheduling of over-due markup of Rs. 23 million from Habib Bank Limited.

- Restructuring of PPTFC of Rs. 80 million to long term loan from UBL Fund Manager.

The condensed interim financial information have been prepared on a going concern basis based on management's expectation that:

- the Company will continue to get support of its lenders and will be able to obtain relaxation in payment terms of its over-due borrowings; and

- the Company will be able to generate adequate liquidity through new short term borrowings and will be successful in utilising such funds to increase its operations and achieve its budgeted targets for production of sugar, ethanol etc.

The condensed interim financial information consequently, do not include any adjustments relating to the realisation of its assets and liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Basis of preparation

This condensed interim financial information is un-audited and has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. The disclosures in this condensed interim financial information does not include all the information reported for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended 30 September 2012.

This condensed interim financial information is being submitted to the shareholders as required by section 245 the Companies Ordinance, 1984.

3. Significant Accounting Policies

3.1 The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 30 September 2012 and should be read in conjunction with those financial statements.

4. Estimates

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 September 2012.

5. Seasonality of operations

Due to seasonal nature of sugar segment lower operating profits are usually expected in the last quarter than the first nine months.

6. Taxation

The provision for taxation for the nine months ended 30 June 2013 has been made on an estimated basis.

	Note	June 2013	September 2012
		(Rupees in thousand)	
7. Long term finances			
Long term loans - secured		1,412,133	1,579,622
Redeemable Capital			
Preference shares (non-voting) - unsecured		345,756	345,756
Term finance certificates (non-voting) - secured		428,060	485,192
		773,816	830,948
Long term running finances - secured		-	-
		2,185,949	2,410,570
Less: Current portion shown under current liabilities	7.1		
- Long term loans - secured		(1,089,605)	(1,119,658)
- Redeemable capital - Preference Shares (non-voting) - secured		(345,756)	(345,756)
- Redeemable capital - term finance certificates (non-voting) - secured		(428,060)	(485,192)
- Long term running finances - secured		-	-
		(1,863,421)	(1,950,606)
		322,528	459,964

7.1 The aggregate current portion of Rs. 1,863 million (30 September 2012: Rs. 1,951 million) includes over due principal installments aggregating to Rs. 583 million (30 September 2012: Rs. 640 million) and Rs. 592 million (30 September 2012: Rs. 760 million) representing principal installments which under the term of original loan agreements are due for repayment in period subsequent to 30 June 2014. However, as the Company could not repay on a timely basis the installments due uptill the period ended 30 June 2013 and is non-compliant with certain debt covenants, which represents a breach of the respective agreements , therefore these loans are required to be disclosed as a current liability under the guidance contained in IAS 1 "Presentation of financial statements". The banks have not demanded an early repayment nor have levied any penalties.

8. Contingencies and commitments

8.1 Contingencies

(i) The Company has issued following guarantees:

Bank guarantee of Rs. 9.552 million (30 September 2012: Rs. 9.552 million) in favour of Sui Northern Gas Pipelines Limited against performance of contracts.

Cross corporate guarantee in favour of Allied Bank Limited to secure long term finance facility availed by the Company's associate, Shakarganj Food Products Limited of Rs. 467 million (30 September 2012: Rs. 467 million).

(ii) The Company has issued a post dated cheque in favour of the Collector of Customs against custom duty clearance in respect of import of plant and machinery amounting to Rs. 5.040 million (30 September 2012: Rs. 5.040 million).

(iii) As referred to in note 1.2, the Company entered into a bridge finance agreement with a consortium of banks for Rs. 2,466 million to be repaid by 30 June 2011 from the sale of assets, identified in the agreement. For reasons specified in the note 1.2, the bridge facility could not become operative and expired on 30 June 2011. The Company has, in these financial statements, accrued markup based on the reduced rates contained in the bridge finance agreement on its respective borrowings to the tune of Rs. 2,466 million. Had the markup been accrued at the terms of original agreements, it would have been higher by Rs. 151.609 million (30 September 2012: Rs. 144.398 million) approximately. However, as explained in note 1.2, the Company is in process of negotiation with lenders for restructuring of overdue balances and is confident that the lenders will not demand markup as per original agreements.

Moreover, pending the finalisation of restructured terms of payments with all lenders, the Company has not recognised penalties of Rs. 365.212 million (30 September 2012: Rs. 433.313 million) approximately which may be leviable under the terms of borrowings agreements including the bridge finance facility. None of the lenders has demanded any payment for the above referred penalties and the Company is confident that it will be able to negotiate restructured terms for repayment of loans and no penalty shall be levied by the lenders.

(iv) The Sindh High Court through its order dated 01 March 2013 declared the amendments made in the WWF Ordinance, 1971 through Finance Act, 2008 applicable through which WWF is applicable on accounting profits rather than on the taxable income computed after incorporating the brought forward losses. In the light of the above order, the provision to date based on accounting profit comes to Rs. 18.8 million (30 September 2012: Rs. 8.8 million). However, this condensed financial information does not include any adjustment to this effect since the Company is of the opinion that it does not come under the purview of the order of the Sindh High Court and that the Lahore high Court had already declared the above amendments unconstitutional via the case reported as 2011 PLD 2643.

8.2 Commitments

The Company has the following commitments in respect of:

(i) Contracts for capital expenditure amounting to Rs. 65.213 million (30 September 2012: Rs. 65.213 million).

(ii) Contracts for acquisition of intangible (computer software) amounting to Rs. 20 million (30 September 2012: Rs. 20 million).

(iii) Contracts for other than capital expenditures Rs. 1.73 million (30 September 2012: Rs. 7.29 million).

(iv) The amount of future payments under operating leases and the period in which these payments will become due are as follows:

	June 2013	September 2012
	(Rupees in thousand)	
Not later than one year	2,836	4,992
Later than one and not later than five years	1,380	1,350
	4,216	6,342

	Note	June 2013 Un-Audited	September 2012 Audited
		(Rupees in thousand)	
9. Property, plant and equipment			
Operating assets - at net book value			
- Owned assets		6,014,462	5,950,551
- Leased assets		61,754	67,296
	9.1	6,076,216	6,017,847
Capital work in progress	9.2	326,303	383,172
		6,402,519	6,401,019
9.1 Operating assets - at net book value			
Net book value at the beginning of the period / year		6,017,847	4,969,048
Add: Additions during the period / year	9.1.1	318,313	311,170
Revaluation during the period / year		-	1,059,400
Less: Deletions during the period / year		(5,363)	(36,021)
Depreciation charged during the period / year		(254,581)	(285,750)
		6,076,216	6,017,847
9.1.1 Additions during the period / year			
Freehold Land		12,559	1,670
Building and roads on freehold land		40,392	51,374
Plant and machinery		250,884	199,234
Tools and equipments		2,534	4,139
Laboratory equipment		1,185	3,516
Office equipments		3,251	6,424
Water, electric and weighbridge equipments		2,490	7,038
Furniture and fixtures		2,560	3,587
Vehicles		2,393	33,993
Library books		65	195
		318,313	311,170
9.2 Capital work in progress			
Civil works		4,869	8,399
Plant and machinery		163,505	111,528
		168,374	119,927
Advances to suppliers		170,913	280,143
Less: Provision for doubtful advances		(12,984)	(12,984)
Impairment charged during the period / year		-	(3,914)
		157,929	263,245
Total		326,303	383,172

	Note	June 2013 Un-Audited	September 2012 Audited
		(Rupees in thousand)	
10. Investments - related parties			
In equity instruments of associates	10.1	768,758	652,880
Available for sale	10.3	174,693	98,015
		943,451	750,895
10.1 In equity instruments of associates			
Cost		545,793	545,793
Brought forward amounts of post acquisition reserves, profits and negative goodwill recognized directly in profit and loss account		107,086	(1,926)
		652,879	543,867
Share of movement in reserves during the period / year		4,080	3,919
Share of profit for the period / year			
- before taxation		155,707	138,580
- provision for taxation		(21,889)	(8,117)
		133,818	130,463
		790,777	678,249
Dividend received during the period / year		(22,019)	(25,369)
Balance as at period / year end	10.2	768,758	652,880
10.2 In equity instruments of associates			
Quoted			
Crescent Steel and Allied Products Limited 2,720,062 (30 September 2012: 2,720,062) fully paid ordinary shares of Rs. 10 each Equity held: 4.82% (30 September 2012: 4.82%)		235,949	204,715
Safeway Mutual Fund Limited 16,579,143 (30 September 2012: 16,579,143) fully paid ordinary shares of Rs. 10 each Equity held: 30.45% (30 September 2012: 30.45%)		206,175	148,771
Unquoted			
Shakarganj Food Products Limited 74,654,596 (30 September 2012: 74,654,596) fully paid ordinary shares of Rs. 10 each Equity Held: 49.24% (30 September 2012: 49.24%)		326,634	299,394
		768,758	652,880

10.2.1 Investments in associates include goodwill amounting to Rs. 82.886 million (30 September 2012: Rs. 82.886 million).

10.2.2 The Company's share of the results of its principal associates, all of which are incorporated in Pakistan, and its share of the assets (including goodwill) and liabilities are as follow:

	For the nine months ended 30 June 2013				
Name	**Percentage interest held**	**Assets**	**Liabilities**	**Revenues**	**Profit / (loss)**
		---------- **(Rupees in thousand)** ----------			
Crescent Steel and Allied Products Limited	4.82%	297,160	(72,727)	188,160	32,778
Safeway Mutual Fund Limited	30.45%	292,422	(1,108)	79,476	73,983
Shakarganj Food Products Limited	49.24%	750,387	(495,029)	1,678,172	27,057
		1,339,970	(568,865)	1,945,808	133,818

	For the year ended 30 September 2012				
Name	**Percentage (interest held)**	**Assets**	**Liabilities**	**Revenues**	**Profit / (loss)**
		---------- **(Rupees in thousand)** ----------			
Crescent Steel and Allied Products Limited	4.82%	244,845	(51,661)	190,046	22,690
Safeway Mutual Fund Limited	30.45%	234,740	(833)	56,491	66,042
Shakarganj Food Products Limited	49.24%	652,447	(424,329)	1,986,195	41,731
		1,132,032	(476,823)	2,232,732	130,463

10.2.3 The Company's investment in Crescent Steel and Allied Products Limited is less than 20% but it is considered to be associate as per the requirements of IAS - 28 'Investments in Associates' because the Company has significant influence over its financial and operating policies through the director and chief executive of the Company.

10.2.4 The above figures of Crescent Steel and Allied Products Limited & Safeway Mutual Fund Limited are based on un-audited condensed interim consolidated financial information and un-audited condensed interim financial information as at 31 March 2013.

10.2.5 The Company has assessed the recoverable amount of investment in Crescent Steel and Allied Products Limited based on value in use calculation. This calculation has been made on discounted cashflow methodology which assumes gross profit margin of 14.44% - 16.54%, EBITDA of 22.20% - 25.42%, terminal growth rate of 9% and weighted average cost of capital of approximately 16.50%.

10.2.6 The Company has assessed the recoverable amount of investment in Shakarganj Food Products Limited based on value in use calculation. This calculation has been made on discounted cashflow methodology which assumes gross profit margin of 12.74% - 13.93%, EBITDA of 3.67% - 4.28%, terminal growth rate of 8% and weighted average cost of capital of approximately 14.71%.

	Note	June 2013	September 2012
		(Rupees in thousand)	
10.3 Available for sale			
Associated companies - at cost	10.3.1	147,917	147,917
Others - at cost	10.3.2	2,200	2,200
		150,117	150,117
Add: Cumulative fair value gain	10.3.3	117,833	41,155
Less: Cumulative impairment losses recognized	10.3.4	(93,257)	(93,257)
Fair value gain / (loss)		24,576	(52,102)
		174,693	98,015
10.3.1 Associated companies			
Quoted			
Crescent Jute Products Limited			
536,817 (30 September 2012: 536,817)			
fully paid ordinary shares of Rs.10 each		-	-
Asian Stocks Fund Limited			
16,245,673 (30 September 2012: 16,245,673)			
fully paid ordinary shares of Rs. 10 each		144,917	144,917
Equity held 18.05% (30 September 2013: 18.05%)			
Unquoted			
Crescent Standard Telecommunications Limited			
300,000 (30 September 2012: 300,000)			
fully paid ordinary shares of Rs. 10 each		3,000	3,000
		147,917	147,917
10.3.2 Others			
Unquoted			
Crescent Group Services (Private) Limited			
220,000 (30 September 2012: 220,000)			
fully paid ordinary shares of Rs. 10 each		2,200	2,200
10.3.3 Cumulative fair value gain			
As at 1 October		41,155	17,325
Fair value gain during the period / year		76,678	23,830
		117,833	41,155
Impairment loss transferred to profit and loss account		-	-
As at period / year end		117,833	41,155

	Note	June 2013	September 2012
		(Rupees in thousand)	
10.3.4 Cumulative impairment losses recognized			
As at 1 October		93,257	93,257
Recognized during the period / year		-	-
As at period / year end		93,257	93,257

10.4 Investments with face value of Rs. 922.486 million (30 September 2012: Rs. 922.486 million) and market value of Rs. 1,181.824 million (30 September 2012: Rs. 903.817 million) are pledged as security against long term running finances and short term borrowings.

11. Investments

	Note	June 2013	September 2012
		(Rupees in thousand)	
Available for sale - cost	11.1	125,307	125,307
Add: Cumulative fair value gain / (loss)	11.2	29,571	(6,266)
		154,878	119,041

11.1 Available for sale - at cost

	June 2013	September 2012
Altern Energy Limited - Quoted		
12,530,582 (30 September 2012: 12,530,582) fully paid ordinary shares of Rs. 10 each	125,307	125,307
Innovative Investment Bank Limited - Unquoted		
51,351 (30 September 2012: 51,351) fully paid ordinary shares of Rs. 10 each	-	-
	125,307	125,307

11.2 Cumulative fair value gain / (loss)

	June 2013	September 2012
As at 1 October	(6,266)	(55,762)
Fair value gain during period / year	35,837	49,496
As at period / year end	29,571	(6,266)

11.3 Investments with face value of Rs. 124.66 million (30 September 2012: Rs. 124.66 million) and market value of Rs. 154.080 million (30 September 2012: Rs. 118.427 million) are pledged as security against long term running finances and short term borrowings.

12. Segments information

(Rupees in thousand)

	Sugar				Bio Fuel				Bio Power				Building materials				Sub-total carried forward			
	Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended	
	30 June 2013	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012
12.1 Sales																				
- External	2,756,351	2,342,253	5,386,290	6,187,591	1,408,417	761,442	4,204,123	3,217,655	21,472	66,645	155,532	173,881	13,893	19,648	59,358	82,966	4,200,133	3,189,989	9,805,303	9,662,094
- Intersegment	182,972	243,928	991,577	1,213,741	36,094	40,965	121,550	91,931	38,732	969	47,044	969	-	-	915	-	257,798	285,862	1,161,086	1,306,641
	2,939,324	2,586,181	6,377,868	7,401,333	1,444,511	802,407	4,325,673	3,309,586	60,203	67,614	202,575	174,850	13,893	19,648	60,273	82,966	4,457,931	3,475,851	10,966,389	10,968,735
12.2 Segment expenses																				
Cost of sales																				
- Net of intersegment costs	2,917,372	2,644,528	6,311,133	7,272,120	1,058,319	394,635	2,376,840	989,731	31,559	14,960	80,886	55,231	(70)	3,708	18,974	31,703	4,007,180	3,057,831	8,787,833	8,348,785
- Intersegment costs	-	-	7,592	3,392	174,205	188,861	952,520	1,145,687	36,094	40,965	121,550	91,931	13,079	19,937	39,507	46,299	223,378	249,762	1,121,168	1,287,308
	2,917,372	2,644,528	6,318,725	7,275,512	1,232,524	583,496	3,329,360	2,135,418	67,653	55,925	202,436	147,162	13,009	23,645	58,481	78,002	4,230,558	3,307,593	9,909,002	9,636,093
Gross profit / (loss)	21,952	(58,347)	59,143	125,821	211,987	218,911	996,313	1,174,168	(7,450)	11,689	139	27,688	884	(3,997)	1,792	4,964	227,373	168,257	1,057,387	1,332,641
- Administrative expenses	(41,699)	(50,673)	(112,186)	(146,419)	(18,380)	(17,441)	(77,052)	(65,473)	(729)	(1,048)	(3,628)	(3,459)	(195)	(403)	(1,138)	(1,641)	(61,003)	(69,565)	(194,004)	(216,992)
- Distribution and selling cost	(15,043)	(4,094)	(23,680)	(10,837)	(81,898)	(59,798)	(250,132)	(218,006)	-	(143)	-	(328)	(11)	(42)	(46)	(137)	(96,952)	(64,077)	(273,858)	(229,308)
	(56,742)	(54,767)	(135,866)	(157,256)	(100,278)	(77,239)	(327,184)	(283,479)	(729)	(1,191)	(3,628)	(3,787)	(206)	(445)	(1,184)	(1,778)	(157,955)	(133,642)	(467,862)	(446,300)
Segment results	(34,790)	(113,114)	(76,723)	(31,435)	111,709	141,672	669,129	890,689	(8,179)	10,498	(3,489)	23,901	678	(4,442)	608	3,186	69,419	34,615	589,526	886,341

12. Segments information

(Rupees in thousand)

	Sub-total brought forward				Textile				Farms				Others				Total			
	Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended	
	30 June 2013	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012	**30 June 2013**	30 June 2012 (Represented)	**30 June 2013**	30 June 2012 (Represented)
12.1 Sales																				
- External	4,200,133	3,189,989	9,805,303	9,662,094	479,798	430,378	1,406,795	1,243,394	12,186	14,920	23,837	31,080	22,144	23,559	38,177	35,985	4,714,261	3,658,845	11,274,112	10,972,552
- Intersegment	257,798	285,862	1,161,086	1,306,641	-	-	-	-	-	-	12,232	3,392	-	-	-	-	-	-		
	4,457,931	3,475,851	10,966,389	10,968,735	479,798	430,378	1,406,795	1,243,394	12,186	14,920	36,069	34,472	22,144	23,559	38,177	35,985	4,714,261	3,658,845	11,274,112	10,972,552
12.2 Segment expenses																				
Cost of sales																				
- Net of intersegment costs	4,007,180	3,057,831	8,787,833	8,348,785	426,565	430,000	1,299,065	1,193,568	12,121	12,151	34,763	36,615	12,959	11,241	24,072	17,404	4,458,826	3,511,224	10,145,734	9,596,373
- Intersegment costs	223,378	249,762	1,121,168	1,287,308	34,825	4,928	46,412	22,725	-	-	5,482	-	-	-	256	-	-	-		
	4,230,558	3,307,593	9,909,002	9,636,093	461,390	434,928	1,345,477	1,216,293	12,121	12,151	40,245	36,615	12,959	11,241	24,328	17,404	4,458,826	3,511,224	10,145,734	9,596,373
Gross profit / (loss)	227,373	168,257	1,057,387	1,332,641	18,408	(4,550)	61,318	27,101	64	2,769	(4,176)	(2,144)	9,185	12,318	13,849	18,581	255,435	147,621	1,128,378	1,376,179
- Administrative expenses	(61,003)	(69,565)	(194,004)	(216,992)	(7,969)	(7,142)	(22,426)	(19,411)	(708)	(583)	(1,862)	(1,724)	(349)	(712)	(675)	(712)	(70,030)	(78,002)	(218,968)	(238,839)
- Distribution and selling cost	(96,952)	(64,077)	(273,858)	(229,308)	(490)	(561)	(1,531)	(1,743)	-	-	-	-	-	(1)	-	(22)	(97,442)	(64,638)	(275,389)	(231,073)
	(157,955)	(133,642)	(467,862)	(446,300)	(8,459)	(7,703)	(23,957)	(21,154)	(708)	(583)	(1,862)	(1,724)	(349)	(713)	(675)	(734)	(167,472)	(142,640)	(494,357)	(469,912)
Segment results	69,419	34,615	589,526	886,341	9,949	(12,253)	37,361	5,947	(644)	2,186	(6,039)	(3,868)	8,836	11,605	13,174	17,847	87,963	4,981	634,021	906,267
Other operating expenses																	(15,521)	(17,936)	(61,590)	(74,414)
Finance Costs																	(111,986)	(214,495)	(345,108)	(616,486)
Other Operating Income																	42,772	21,224	149,758	84,342
Share of income of associates																	31,966	72,830	155,707	122,793
Taxation																	(39,435)	(40,790)	(104,402)	(125,771)
Profit / (loss) for the period																	(4,241)	(174,186)	428,386	296,731

	Segment assets		Segment liabilities	
	30 June 2013	30 September 2012	**30 June 2013**	30 September 2012
		(Rupees in thousand)		
12.3 Segment assets and liabilities				
Sugar	6,151,915	3,272,704	5,625,932	5,280,716
Bio Fuel	1,283,571	1,579,188	2,350,386	1,234,749
Building materials	49,132	47,390	2,238	255
Bio Power	495,614	745,653	22,580	117,341
Textile	315,093	342,358	87,782	154,609
Farms	752,003	754,214	15,627	14,379
Others	2,693	4,610	-	-
Unallocated	1,390,506	2,980,316	112,647	1,246,029
	10,440,527	9,726,433	8,217,192	8,048,078

13. Earnings per share

13.1 Basic earnings per share

		Quarter ended		Nine months ended	
		30 June 2013	30 June 2012	**30 June 2013**	30 June 2012
Profit for the period	***Rupees***	(4,241,000)	(174,186,000)	428,386,000	296,731,000
Weighted average number of ordinary shares in issue during the period	***Number***	69,523,798	69,523,798	69,523,798	69,523,798
Earnings per share - basic	***Rupees***	(0.06)	(2.51)	6.16	4.27

13.2 Diluted earnings per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company has a commitment to convert 1,000 preference shares into 167 ordinary shares of Rs. 10 each. For the purposes of computing the diluted EPS the convertible preference shares are assumed to have been converted into ordinary shares, and the profit is adjusted to eliminate the preference dividend.

		Quarter ended		Nine months ended	
		30 June 2013	30 June 2012	**30 June 2013**	30 June 2012
Profit for the period	***Rupees***	(4,241,000)	(174,186,000)	428,386,000	296,731,000
Preference dividend on convertible preference shares	***Rupees***	-	7,327,175	-	21,981,526
Profit used to determine diluted earnings per shares	***Rupees***	(4,241,000)	(166,858,825)	428,386,000	318,712,526
Weighted average number of ordinary shares in issue during the period	***Number***	69,523,798	69,523,798	69,523,798	69,523,798
Assumed conversion of convertible preference shares into ordinary shares	***Number***	5,774,108	5,774,108	5,774,108	5,774,108
Weighted average number of ordinary shares for diluted earnings per share	***Number***	75,297,906	75,297,906	75,297,906	75,297,906
Earnings per share - diluted	***Rupees***	(0.06)	(2.22)	5.69	4.23

	Nine months ended	
	June 2013	June 2012
	(Rupees in thousand)	
14. Cash used in operating activities		
Profit before taxation	532,788	422,502
Adjustments for:		
Depreciation on operating assets	260,123	210,849
Amortization of intangible assets	30	69
Profit on sale of property, plant and equipment	(15,362)	(21,776)
Dividend income	(13,808)	(10,722)
Share of profit from associates	(155,707)	(122,793)
Return on bank deposits	(420)	(629)
Fair value gain on livestock	(214)	230
Provision for WPPF	21,577	-
Provision for employee benefits	9,087	10,070
Finance cost	345,108	616,486
Markup waived off	(46,980)	(1,783)
Effect of revaluation on agricultural assets	(6,287)	(1,173)
Gain on marked to market valuation of interest rate swap	-	(7,811)
Provision against doubtful advances	-	1,645
	397,147	672,662
Profit before working capital changes	929,935	1,095,164
(Increase)/ decrease in current assets:		
Stock-in-trade	(297,801)	(3,026,113)
Trade debts	(111,026)	307,760
Stores and spares	(6,612)	(30,130)
Other receivables	(57,935)	(101,659)
Biological assets	19,914	(5,397)
Increase in current liabilities:		
Trade and other payables	1,184,248	1,946,912
	730,788	(908,627)
Cash generated from / (used in) operations	1,660,723	186,537

15. Transactions with related parties

Relationship with the company	Nature of transactions	Nine months ended June 2013	June 2012
		(Rupees in thousand)	
i. Associated undertakings	Purchase of goods and services	38,584	127,180
	Sale of goods and services	14,250	5,901
	Share of common expenses	3,152	2,357
	Health and vehicle insurance expenses	3,918	2,969
	Dividend income	35,828	33,371
	Advance for purchase of material	-	441
	Advance against sale of land	70,000	-
	Payments made on behalf of related parties	-	6,238
ii. Post employment benefit plans	Expense charged in respect of retirement benefit plans	12,815	12,763
	Transactions with gratuity and pension fund account		
	- Funds received	-	208,420
	- Funds repaid	-	208,473
	- Markup expense	-	11,952
iii. Key Management Personnel	Salaries and other employee benefits	59,681	57,135

15.1 All transactions with related parties have been carried out on bilaterally agreed terms.

16. Date of authorisation for issue

This condensed interim financial information was authorised for issue on 25 July 2013 by the Board of Directors of the Company.

17. General

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework.

Chief Executive

Director

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