



Shakarganj Limited
(Formerly Shakarganj Mills Limited)



**Condensed Interim Report
For the six months period
ended 31 March 2016**



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> 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)	Muhammad Anwar
2. Chief Executive Officer	Anjum Muhammad Saleem
<i>In alphabetic order:</i>	
3. Executive Director	Ali Altaf Saleem
4. Non-Executive Director	Hajerah Ahsan Saleem
5. Non-Executive Director	Khalid Bashir
6. Non-Executive Director	Muhammad Arshad
7. Non-Executive Director (NIT)	Sheikh Asim Rafiq

Audit Committee

Chairman	Khalid Bashir
Member	Muhammad Anwar
Member	Sheikh Asim Rafiq (NIT)
Member	Hajerah Ahsan Saleem

Human Resource & Remuneration Committee

Chairman	Muhammad Anwar
Member	Anjum Muhammad Saleem
Member	Khalid Bashir

Chief Financial Officer

Nisar Ahmad Alvi

Company Secretary

Asif Ali

Management Committees

Executive Committee

Chairman	Anjum Muhammad Saleem
	Ali Altaf Saleem
	Muhammad Pervez Akhtar

Business Strategy Committee

Chairman	Anjum Muhammad Saleem
	Ali Altaf Saleem
	Muhammad Pervez Akhtar
	Nisar Ahmad Alvi
	Manzoor Hussain Malik

System & Technology Committee

Chairman	Muhammad Pervez Akhtar
	Nisar Ahmad Alvi
	Ibrahim Ahmad Cheema

> SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Limited (Formerly Shakarganj Mills Limited) is a listed company and its shares are traded on Pakistan Stock Exchange. Daily quotes on the Company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Sugar & Allied Industries'

Public Information

Financial analysts, Stock brokers, interested investors and financial media desiring information about "Shakarganj" should contact Mr. Asif Ali at the Company's Office, Jhang. Tel: 047 763 1001 - 05 Fax: 047 763 1011 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
- Tiger Compost

Legal Advisor

Hassan & Hassan Advocates, Lahore

Auditors

KPMG Taseer Hadi & Co. Chartered Accountants

Bankers

Faysal Bank Limited
MCB Bank Limited
National Bank of Pakistan
Standard Chartered Bank
Bank Islami Pakistan Limited

Works

Principal Facility

Management House
Toba Road, Jhang, Pakistan
Tel: 047 763 1001 - 05
Fax: 047 763 1011
E-mail: info@shakarganj.com.pk

Satellite Facility

Management House
63 km, Jhang Sargodha Road
Bhone, Pakistan
Tel: 048 688 9211 - 13
Fax: 047 763 1011

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 Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on Pakistan Stock Exchange. 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 Limited, 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 1,336 acres of which nearly 1,285 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 150 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 half year ended 31 March 2016. This condensed interim financial information was subject to a limited scope review by the external auditors, KPMG Taseer Hadi & Co., Chartered Accountants. The auditor's review report is attached to this financial information.

Financial and Operational Performance:

Summary of operating performance:

The divergency in sugarcane support price as noticed during previous crushing season between Sindh and Punjab provinces was also witnessed during the current season. The support price announced in the Punjab province was Rs. 180 per 40 kg, compared to Rs. 172 per 40 kg in Sindh. This disparity created uncertainty in local sugar market. The per acre yield also declined by more than 7% leading to a shortened crushing season which closed in early March 2016. Moreover, the drop of international prices of petroleum products adversely affected the profitability of our Bio Fuel Division. Sugar prices during this period were better than last year but at the same time, the cost of production also went up due to increased price competition for the limited sugarcane crop.

The current season proved to be another difficult season for Company whereby our capacity utilization was adversely affected by market conditions and liquidity crunch. In spite of 4% increase in average recovery of sugar at Shakarganj, the Sugar Division recorded operational losses of Rs. 72 million due to increased cost of production on account of higher sugarcane price and increased fixed overheads cost per unit due to low capacity utilization. In addition to continued financial pressure, the adverse business environment had affected our core operations.

Despite all the challenges, positive bottom line helped the Company to manage the affairs within range bound. With the help of share

of profit from associated companies, your Company was able to post Rs. 227.73 million profit before tax as compared to Rs. 34.53 million losses before tax in the corresponding period. After tax profit for the half year ended 31 March 2016 was Rs. 206.85 million as compared to a loss of Rs 100.87 million in corresponding period of last year. We are still trying to arrest the situation and hope that in remaining part of Fiscal 2016, after revival of liquidity scenario, bio-fuel and bio-power as well as other operational business segments will start.

Business Segments:

Sugar Division:

Due to shortage of raw material the operations started fairly late on 28 November 2015 and came to a halt on 03 March 2016. The production of sugar was obviously much lower. The Sugar Division crushed 450,804 MT (H1FY15: 615,394 MT) of sugarcane to produce 45,707 MT (H1FY15: 59,905 MT) of sugar at an average recovery rate of 10.16 percent (H1FY15: 9.73 percent) resulting in a 24 percent decrease in sugar production.

Bio-Fuel Division:

During the period under review, the performance of Bio-Fuel Division was affected due to low level of crushing when compared to the corresponding period last year. Reduction in sales prices and working capital constraints also affected this business adversely. Exports accounted for around 92 percent of total sales. For part of the period under review, we operated on a limited scale in order to stretch the production timeline utilizing our available molasses stocks while at the same time facilitating commissioning of our Carbon Dioxide Plant established by Pak Gases.

Bio-Power Division:

The Bio-Power Division was not operated and bio power generation remained nil (H1FY15:

6.3 million units) primarily due to lower price paid for bio power by FESCO as opposed to utilizing the biogas in our boilers.

Building Materials Division:

In view of depressed selling prices of particle board, this division did not operate during the period under consideration.

Textile Division:

Yarn production decreased to 1.70 million kg (H1FY15: 2.90 million kg). The decrease in production was mainly attributable to changes in product mix, focus on higher count yarn & utilization of efficient machinery, and liquidity problems.

Outlook:

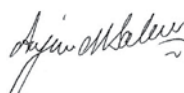
As explained in our last annual report, the Company has been in a tight liquidity position since 2009. Subsequent to the year ended 30 September 2015, the Company has again requested its lenders for working capital lines for financing of its operations in Fiscal 2016. Negotiations are also in process for the long term financing with one of Company lenders and hopefully this would be finalized soon. Company remains committed to do its best efforts to keep the operations going on and to improve its liquidity scenario. Keeping in view the financials of the Company, further equity amounting to Rs. 404.76 million has been injected through issuance of right shares and as explained in note 1.2 and 7 to the attached condensed interim financial information, the same has been utilized for redemption of preference shares and outstanding preference dividend.

After having working capital lines, improvements are expected in the results of

bio-fuel as well as production from the bio-power and textile business. In spite of all the challenges financial performance remained marginally better in H12016 as compared to H1FY15. The management is trying its best to deal with the situation of adverse business environment. The Company has also entered into agreement for sale of carbon dioxide (CO₂), produced as a by-product of bio fuel manufacturing process, that will help generate additional liquidity. Due to unforeseen factors, commissioning of the CO₂ plant was delayed, however, we expect revenue generation from this business with the start up of operations of bio fuel.

Without qualifying their opinion, the Company auditors' have given a paragraph of emphasis in their review report drawing attention to conditions that may affect the Company's ability to continue as a going concern. The Company believes that there is no doubt on its ability to continue as a going concern as it has adequate operating capabilities to continue operations for the foreseeable future. The steps taken by the management so far and those planned for the future are explained in Note 1.2 of the annexed condensed interim financial information.

On behalf of the Board



Anjum Muhammad Saleem
Chief Executive Officer

Date: 30 May 2016



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Chartered Accountants
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Servis House
2-Main Gulberg Jail Road,
Lahore Pakistan

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Independent Auditor's Report on Review of Condensed Interim Financial Information to the Members

Introduction

We have reviewed the accompanying condensed interim balance sheet of Shakarganj Limited ("the Company") as at 31 March 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial information for the six-months period then ended (here-in-after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 March 2016 and 31 March 2015, have not been reviewed and we do not express a conclusion on them.

We draw attention to note 1.2 to the interim financial information, which highlights poor operational results of the Company primarily because of insufficient operational liquidity along-with the Company's inability to timely meet its obligation in respect of principal and markup repayments on borrowings from financial institutions. As at the reporting date, the current liabilities of the Company have exceeded its current assets by Rs. 3,926 million and accumulated losses stands at Rs. 1,959 million. These conditions along with other matters set forth in note 1.2 indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.

Our conclusion is not qualified in respect of this matter.

Lahore
Date: 30 May 2016

KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

> CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

As at 31 March 2016

	Note	31 March 2016 (Un-audited) (Rupees in thousand)	30 September 2015 (Audited)
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
150,000,000 (30 September 2015: 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000
50,000,000 (30 September 2015: 50,000,000) preference shares of Rs 10 each		500,000	500,000
		<u>2,000,000</u>	<u>2,000,000</u>
Issued, subscribed and paid up capital			
110,000,000 (30 September 2015: 69,523,798) ordinary shares of Rs 10 each	7	1,100,000	695,238
Equity portion of director loan - net of tax		49,275	-
Reserves		1,000,340	896,940
Accumulated loss		(1,958,527)	(2,303,988)
		<u>191,088</u>	<u>(711,810)</u>
Surplus on revaluation of property, plant and equipment		5,064,447	5,203,063
Non-current liabilities			
Long term finances	8	509,818	-
Deferred taxation		843,807	864,353
		<u>1,353,625</u>	<u>864,353</u>
Current liabilities			
Current portion of long term liabilities		447,408	1,034,356
Short term borrowings	9	1,619,297	2,584,737
Trade and other payables		3,392,101	3,737,147
Accrued finance cost		282,255	616,745
		<u>5,741,061</u>	<u>7,972,985</u>
Contingencies and commitments	10		
		<u>12,350,221</u>	<u>13,328,591</u>

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.


Chief Executive



	Note	31 March 2016 (Un-audited) (Rupees in thousand)	30 September 2015 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	9,304,659	9,599,483
Intangible assets		729	775
Biological assets		9,526	9,954
Investments - related parties	12	1,171,104	901,845
Employees' retirement benefits		12,126	12,126
Long term loans, advances and deposits		36,945	36,945
		10,535,089	10,561,128
Current assets			
Biological assets		13,660	20,668
Stores, spares and loose tools		81,484	83,516
Stock-in-trade	13	726,819	804,951
Trade debts		59,082	30,564
Loans, advances, deposits, prepayments and other receivables		408,466	299,308
Cash and bank balances	14	525,621	1,528,456
		1,815,132	2,767,463
		12,350,221	13,328,591


Chairman

> CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For the Six Months Period Ended 31 March 2016 (Un-Audited)

	Note	Quarter ended		Half year ended	
		31 March	31 March	31 March	31 March
		2016	2015	2016	2015
----- (Rupees in thousand) -----					
Sales	15.1	2,868,846	3,019,666	3,461,956	4,634,778
Cost of sales	15.2	(2,771,704)	(2,888,753)	(3,423,293)	(4,612,047)
Gross profit		97,142	130,913	38,663	22,731
Administrative expenses		(68,272)	(72,883)	(121,783)	(141,057)
Distribution and selling costs		(30,186)	(75,988)	(41,083)	(95,473)
Other operating expenses		(23,791)	(1,026)	(34,324)	(8,661)
Other income	16	112,259	11,305	310,064	107,062
Profit / (loss) from operations		87,152	(7,679)	151,537	(115,398)
Finance cost		(68,695)	(71,760)	(110,159)	(133,961)
Share of income from associate		99,881	129,206	186,352	214,826
Profit / (loss) before taxation		118,338	49,767	227,730	(34,533)
Taxation					
- Company		(14,997)	(42,203)	(392)	(46,192)
- Associates		(7,972)	(9,794)	(20,493)	(20,143)
		(22,969)	(51,997)	(20,885)	(66,335)
Profit / (loss) after taxation		95,369	(2,230)	206,845	(100,868)
Earnings per share					
Basic earnings/ (loss) per share	17.1	0.95	(0.03)	2.33	(1.33)
Diluted earning / (loss) per share	17.2	0.95	(0.03)	2.33	(1.33)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.


Chief Executive


Chairman



> CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Six Months Period Ended 31 March 2016 (Un-Audited)

	Quarter ended		Half year ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	----- (Rupees in thousand) -----			
Profit / (loss) after taxation for the period	95,369	(2,230)	206,845	(100,868)
<u>Other comprehensive income</u>				
Item that are or may be subsequently reclassified to profit or loss account				
Fair value gain on ' Available for sale' investments	(20,317)	6,499	103,406	49,700
Share of other comprehensive (loss) / income of associates	(81)	406	(6)	209
	(20,398)	6,905	103,400	49,909
Total comprehensive income / (loss) for the period	74,971	4,675	310,245	(50,959)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.


Chief Executive


Chairman

> CONDENSED INTERIM CASH FLOW STATEMENT

For the Six Months Period Ended 31 March 2016 (Un-Audited)

	Note	Half year ended	
		31 March 2016 (Rupees in thousand)	31 March 2015
Cash flows from operating activities			
Cash (used in) / generated from operations	19	(162,514)	47,652
Finance cost paid		(161,982)	(113,488)
Taxes paid		(37,678)	(29,013)
Net changes in long term advances, loans, deposits and prepayments		-	(1,878)
Net cash used in operating activities		(362,174)	(96,727)
Cash flows from investing activities			
Fixed capital expenditure		(1,231)	(2,287)
Dividend received		-	4,488
Proceeds from sale of investment		-	81,562
Proceeds from sale of right allotment letters		31,682	-
Sale proceeds from sale of livestock		585	1,207
Proceeds from sale of property, plant and equipment		6,731	1,293
Net cash generated from investing activities		37,767	86,263
Cash flows from financing activities			
Repayment of finance lease		-	(9,931)
Proceeds against right shares		404,762	-
Short term borrowings - net		(965,440)	302,033
Long term finances obtained		200,000	-
Long term finances repaid		(317,750)	(231,245)
Net cash (used in) / generated from financing activities		(678,428)	60,857
Net (decrease) / increase in cash and cash equivalents		(1,002,835)	50,393
Cash and cash equivalents at beginning of period		1,528,456	94,992
Cash and cash equivalents at end of period		525,621	145,385

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.


Chief Executive


Chairman

> CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Six Months Period Ended 31 March 2016 (Un-Audited)

(Rupees in thousand)

	CAPITAL RESERVE				REVENUE RESERVE				Total		
	Share Capital	Equity portion of director loan - net of tax	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
Balance as at 01 October 2014	695,238	-	243,282	23,803	170,414	155,930	410,606	22,700	83,000	(2,459,840)	(654,867)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(100,868)
Loss for the six months period ended 31 March 2015	-	-	-	-	49,700	-	-	-	-	-	49,700
Other comprehensive income for the period:	-	-	-	-	(34,416)	-	-	-	-	-	(34,416)
Fair value gain on 'Available for sale' investments	-	-	-	-	-	-	-	-	-	-	-
Gain realised on disposal of 'Available for sale' investments transferred to profit and loss	-	-	-	209	-	-	-	-	-	-	209
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-	-
Surplus transferred to accumulated losses on account of incremental depreciation on property, plant and equipment - net of tax	-	-	-	209	15,284	-	-	-	-	-	(85,375)
Balance as at 31 March 2015	695,238	-	243,282	24,012	185,698	155,930	410,606	22,700	83,000	(2,425,734)	(605,268)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(41,888)
Loss for the six months period ended 30 September 2015	-	-	-	-	(65,947)	-	-	-	-	-	(65,947)
Other comprehensive income for the period:	-	-	-	-	(135,998)	-	-	-	-	-	(135,998)
Fair value gain on 'Available for sale' investments	-	-	-	-	-	-	-	-	-	-	-
Reassessment gain on employee retirement benefits transferred to profit and loss	-	-	-	-	-	-	-	-	-	-	22,033
Other comprehensive income of ass. ociate reclassified to profit and loss on loss of significant influence	-	-	-	(26,579)	-	-	-	-	-	-	(26,579)
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-	236
Surplus transferred to accumulated losses on account of: - disposal of plant and machinery - incremental depreciation of property, plant and equipment - net of tax	-	-	-	(26,343)	(201,945)	-	-	-	-	-	(248,143)
Balance as at 30 September 2015	695,238	-	243,282	(2,331)	(16,247)	155,930	410,606	22,700	83,000	(2,303,988)	(711,810)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	154
Profit for the six months period ended 31 March 2016	-	-	-	-	-	-	-	-	-	-	141,447
Other comprehensive income for the period:	-	-	-	-	103,406	-	-	-	-	-	103,406
Fair value gain on 'Available for sale' investments	-	-	-	(6)	-	-	-	-	-	-	(6)
Share of other comprehensive income of associate	-	-	-	(6)	103,406	-	-	-	-	-	103,406
Surplus transferred to accumulated losses on account of incremental depreciation on property, plant and equipment - net of tax	-	-	-	-	-	-	-	-	-	-	206,845
Transactions with owners of the Company recognized directly in equity	-	-	-	-	-	-	-	-	-	-	138,616
Proceeds from rights shares	404,762	-	-	-	-	-	-	-	-	-	404,762
Equity portion of loan from director - net of tax	-	49,275	-	-	-	-	-	-	-	-	49,275
Balance as at 31 March 2016	1,100,000	49,275	243,282	(2,337)	87,159	155,930	410,606	22,700	83,000	(1,958,527)	191,088

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

Anil K. Sharma
Chief Executive

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Chairman



> NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the Six Months Ended 31 March 2016 (Un-Audited)

1. THE COMPANY AND ITS OPERATIONS

1.1 The Company is incorporated in Pakistan and is listed on Pakistan Stock Exchange. 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 at 10th floor, BOP tower, 10-B, Block E-2, Main Boulevard, Gulberg-III, Lahore.

1.2 Going concern assumption

The Company has been facing liquidity crunch for the last few years. During this interim period, the liquidity position further deteriorated resulting in low level of cane procurement and consequent low level of crushing. As at the reporting date the current liabilities of the Company have exceeded its current assets by Rs. 3,926 million (30 September 2015: Rs. 5,206 million) and as at this date the accumulated losses stands at Rs. 1,959 million (30 September 2015: Rs. 2,304 million)

During this interim period, the Company has crushed 0.45 million tonnes (31 March 2015: 0.62 million tonnes) of sugarcane and produced sugar of 45,798 tonnes (31 March 2015: 59,903 tonnes) at average recovery of 10.16% (31 March 2015: 9.73%). Further 9.52 million litre (31 March 2015: 31.92 million litre) of bio fuel was produced during the period. The lower level of operations is primarily due to liquidity constraints.

Long term loans, redeemable term finance certificates and redeemable preference shares overdue as of 31 March 2016 amounts to Rs. 6.14 million, Rs. 58.2 million and Rs. 345.76 million respectively alongwith overdue accrued markup of Rs. 246.62 million.

The above conditions raise significant doubts on the Company's ability to continue as a going concern and, therefore, it may not be able to realize its assets and discharge its liabilities in the normal course of business. 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 cost efficient operational levels of cane crushing and bio fuel manufacturing.

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

To-date out of total overdue finances the Company has repaid the bridge finance and other overdue borrowings through utilisation of cashflows from operational results and sale of certain assets of the Company, namely, Sugar Unit at Dargai Shah, power division at Dargai Shah, disposal of certain investments (Safeway Fund Limited, Safeway Mutual Fund Limited, Asian Stocks Fund Limited, Crescent Jute Products Limited and Altern Energy Limited) and partial disposal of agricultural land.

During the period, further equity amounting to Rs. 404.76 million has been injected through issuance of right shares and as explained in note 7.1 to this condensed interim unconsolidated financial information, the same will be utilized for redemption of preference shares and outstanding preference dividend. Further, as referred to in note 8.2, Rs. 200 million has been given as loan by Executive Director of the Company.

The Company, in its efforts to re-profile its borrowings, continued the process of negotiations with its lenders seeking short term financing facilities for operational liquidity and relaxation in payments of its existing loans.



Long term financing - secured

The Company requested its lenders for restructuring of over-due balances including mark-up to term borrowings under reduced and/or non-mark-up arrangements. As a result, the Company has in current and prior periods successfully restructured/rescheduled various loans amounting to Rs. 2,105 million with respective lenders (including term finance certificate holders), out of which Rs. 1,669 million has been repaid as of 31 March, 2016. As explained in detail in note 8.1, during the six months, the Company has restructured principal and markup outstanding of Rs. 481 million and Rs.189.05 million into term loans with National Bank of Pakistan. As at the period end, loan amounting to Rs. 58.2 million is in overdue.

Short term financing- secured

The Company has negotiated with its lenders for short term secured financing for operational liquidity and has obtained working capital lines of Rs 1,400 million from a number of banks of which Rs 1,194 million has been utilized as of 31 March, 2016. These facilities have been obtained against pledge of Sugar / Molasses / Bio Fuel at margin ranging from 15% to 20% and have resulted in operational liquidity support in the current period.

This condensed financial information is prepared on a going concern basis. The management is confident that it will continue to be supported by the lenders for operational liquidity and will utilize such funds to increase its operations and generate positive operational results. 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 2015.

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** Except for note 3.2, the accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements for the year ended 30 September 2015.

3.2 Change in accounting policies

The Company has adopted IFRS-13 'Fair Value Measurement' during the period which became effective for financial periods beginning on or after 1 January 2015. IFRS-13 'Fair Value Measurement' establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required and permitted by other IFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants on the measurement date. It replaces and expands the disclosure requirements about fair value measurement in other IFRSs, including IFRS-7 'Financial Instruments : Disclosures'. As a result the Company has added additional disclosures in this regard in note 17 to the condensed interim financial information. In accordance with the transitional provisions of IFRS-13, the Company has applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impacts on the measurements of the Company's financial assets and liabilities.

4. ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, 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 these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 September 2015.

5. SEASONALITY OF OPERATIONS

Due to seasonal nature of sugar segment, operating results are expected to fluctuate in the second half of the year than the first six months.

6. TAXATION

The provision for taxation for the half year ended 31 March 2016 has been made on an estimated basis.

7. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

This includes proceeds of Rs. 404.76 million against 40,476,204 right shares issued pursuant to the decision of the Board of Directors of the Company in the meeting held on 08 January 2016 to offer right shares to the shareholders in the proportion of 0.5822 for every ordinary share held. These shares have been duly allocated subsequent to the period end. The primary purpose of the right issue was redemption of preference shares alongwith outstanding preference dividend.



	Note	31 March 2016 (Rupees in thousand)	30 September 2015
8. LONG TERM FINANCES			
<i>Under interest/markup arrangements:</i>			
Long term loans - secured			
Interest bearing		312,650	569,400
Interest free	8.1.1	103,618	-
		416,268	569,400
Redeemable Capital			
Preference shares (non-voting) - unsecured		345,756	345,756
Term finance certificates (non-voting) - secured		58,200	119,200
		403,956	464,956
Loan from director	8.2	137,002	-
		957,226	1,034,356
Less: Current portion shown under current liabilities	8.3		
- Long term loans - secured		(43,452)	(569,400)
- Redeemable capital - preference shares (non-voting) - secured		(345,756)	(345,756)
- Redeemable capital - term finance certificates (non-voting) - secured		(58,200)	(119,200)
		(447,408)	(1,034,356)
		509,818	-

8.1 During the period, the Company has executed a restructuring arrangement for the settlement of their outstanding exposure with National Bank of Pakistan. As per the arrangement, the principal overdue under demand finances amounting to Rs 481 million has been rescheduled to a term loan repayable in five years with an upfront deposit of 35% of the overdue principal amount and at a reduced mark-up rate. The total markup payable under the overdue demand finances (frozed markup) was Rs. 348.83 million out of which Rs. 189.05 million has been restructured to an interest free term loan repayable in five years with an upfront deposit of 35% of the restructured markup amount. The remaining overdue markup of Rs. 159.78 million has been waived off by the bank and consequently charged to profit and loss account. Further the export refinance working capital line has also been renewed up-to Rs 300 million after an upfront deposit of 35% of outstanding principal and markup. As per the restructuring arrangement, an event of default will be occur if the Company fails to make any repayment under the arrangement.

8.1.1 The frozen markup restructured to an interest free loan has been recognized at amortized cost using discount rate of 3 months Kibor + 1%. The resulting change has been recognized in the profit and loss account.

	Note	31 March 2016 (Rupees in thousand)	30 September 2015
Interest free loan		122,883	-
Present value adjusted on initial recognition of loan	16	(21,170)	-
Notional finance cost		1,905	-
		103,618	-

- 8.2** This represents unsecured interest free loan obtained from executive director of the Company and is repayable in lump sum after five years.

	Note	31 March 2016 (Rupees in thousand)	30 September 2015
Loan from director		200,000	-
Equity portion of loan - Present value adjustment		(62,998)	-
	8.2.1	137,002	-

- 8.2.1** This loan has been recognized at amortised cost using discount rate of 7.86%. The resulting change has been charged to equity.

- 8.3** The aggregate current portion of Rs. 447.41 million (30 September 2015: Rs. 1,034.36 million) includes over-due principal installments aggregating to Rs. 400.10 million (30 September 2015: Rs. 869.96 million) and Rs 47.31 million (30 September 2015: Rs. 164.40 million) representing principal installments which under the term of original loan agreements are due for repayment in period subsequent to 31 March, 2016. However, as the Company could not repay on a timely basis the installments due up till the year ended 31 March, 2016 and is not compliant with certain debt covenants, which represents a breach of the respective agreements, therefore these loans have been disclosed as a current liability under the guidance contained in "IAS 1 Presentation of financial statements".

Further the lenders as part of the financing/restructuring agreements have restricted dividend distribution by the company until full satisfaction of the entire over-due amount and other amounts due during the tenor of the finance facilities.

	Note	31 March 2016 (Rupees in thousand)	30 September 2015
9. SHORT TERM BORROWINGS			
Secured:			
- Cash / running finances	9.2	447,980	-
- Export refinance	9.3	746,325	659,578
- Short term loan	9.4	-	1,500,000
Unsecured:			
- Short term interest free financing	9.5	424,992	425,159
		1,619,297	2,584,737
9.1 Types of short term borrowings			
Interest / mark-up based financing		1,094,305	559,578
Islamic mode of financing		100,000	1,600,000
Interest free financing		424,992	425,159
		1,619,297	2,584,737



9.2 Cash / Running finances

These finances were available at a mark-up ranging from 8.33% to 8.36% (30 September 2015: 8.68% to 12.22%) on the outstanding balance or part thereof.

The aggregate cash/running finances are secured against pledge of stock-in-trade and registered hypothecation charge on property, plant and equipment and current assets of the Company.

9.3 Export refinance

These finances were available at a mark-up ranging from 8.33% to 9.25% (30 September 2015: 8.68% to 13.16%) on the outstanding balance or part thereof. Foreign currency borrowings were available at mark-up rates based on LIBOR ranging from 3.43% to 3.52% (2015: 3.38% to 4.68%).

The aggregate export and import finances are secured against lien on export contracts and first charge on current assets of the Company.

As explained in note 8.1, it includes Rs. 231.07 million from National Bank of Pakistan as part of the restructuring arrangement finalized with the bank.

9.4 Short term loan

This loan was available at a mark-up of base rate (corporate saving account rate) plus 1.5% and was secured by 100% cash security in shape of lien over corporate saving account of the Company maintained with the bank as referred to in note 14.1 and exclusive charge over diminishing musharika (DM) assets, where Company's share is minimum 10% of DM assets. This loan has been fully repaid during the period.

9.5 Short term interest free financing

It represents unsecured short term interest free financing provided by a sugar agent for financing the operations of the Company.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no material change in the status of contingencies as set out in note 15.1 to the financial statements of the Company for the year ended 30 September 2015.

10.2 Commitments

The Company has the following commitments in respect of:

- (i) Contract for capital expenditure amounting to Rs. nil (30 September 2015: Rs. 76.18 million).
- (ii) Contracts for acquisition of intangible (computer software) amounting to Rs 20 million (30 September 2015: Rs. 20 million).
- (iii) Contracts for other than capital expenditures Rs. 1.2 million (30 September 2015: Rs 2.45 million)

	Note	31 March 2016 (Rupees in thousand)	30 September 2015
11. PROPERTY, PLANT AND EQUIPMENT			
<i>Operating assets - at net book value</i>			
- Owned assets	11.1	9,253,416	9,545,987
Capital work in progress	11.2	51,243	53,496
		9,304,659	9,599,483
11.1 Operating assets - at net book value			
Net book value at the beginning of the period / year		9,545,987	10,115,176
Add: Additions during the period / year	11.1.1	3,484	13,320
Transfer from leased assets - plant and machinery		-	53,862
		3,484	67,182
Less: Deletions during the period / year		4,761	4,276
Depreciation charged during the period / year		291,294	632,095
		296,055	636,371
		9,253,416	9,545,987
11.1.1 Additions during the period / year			
Freehold Land		-	100
Building and roads on freehold land		1,693	-
Plant and machinery		1,598	12,501
Tools and equipments		126	79
Office equipments		-	334
Water, electric and weighbridge equipments		67	152
Furniture and fixtures		-	147
Library books		-	7
		3,484	13,320
11.2 Capital work in progress			
Civil works		1,198	2,813
Plant and machinery		37,046	36,805
		38,244	39,618
Advances to suppliers		49,937	50,816
Less: Provision for doubtful advances		(36,938)	(36,938)
		12,999	13,878
		51,243	53,496



	Note	31 March 2016 (Rupees in thousand)	30 September 2015
12. INVESTMENTS - RELATED PARTIES			
In equity instrument of associate	12.1	819,297	653,444
Available for sale	12.2	351,807	248,401
		1,171,104	901,845
12.1 In equity instruments of associate			
<i>Unquoted</i>			
Shakarganj Food Products Limited			
74,654,596 (30 September 2015: 74,654,596) fully paid ordinary shares of Rs. 10 each			
Equity Held: 49.24% (September 30 2015: 49.24%)			
	12.1.1	819,297	653,444
12.1.1 Movement during the period / year			
Cost		393,818	444,494
Brought forward amounts of post acquisition reserves, profits and negative goodwill recognized directly in profit and loss account		259,626	159,193
		653,444	603,687
Share of movement in reserves during the period / year		(6)	445
Share of profit for the period / year			
- before taxation		186,352	378,618
- provision for taxation		(20,493)	(53,510)
		165,859	325,108
		819,297	929,240
Dividends received during the year		-	(4,488)
Transferred to available for sale		-	(271,308)
		-	(275,796)
Balance as at period / year end		819,297	653,444

12.1.2 Investment in associate includes goodwill amounting to Rs. 71.26 million (30 September 2015: Rs. 71.26 million).

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

For the half year ended 31 March 2016					
Name	Percentage interest held	Assets	Liabilities	Revenues	Profit
----- (Rupees in thousand) -----					
Shakarganj Food Products Limited	49.24%	1,877,029	(1,128,992)	2,445,677	165,859
		<u>1,877,029</u>	<u>(1,128,992)</u>	<u>2,445,677</u>	<u>165,859</u>
For the year ended 30 September 2015					
Name	Percentage (interest held)	Assets	Liabilities	Revenues	Profit
----- (Rupees in thousand) -----					
Shakarganj Food Products Limited	49.24%	1,723,853	(1,141,670)	4,148,983	315,471
		<u>1,723,853</u>	<u>(1,141,670)</u>	<u>4,148,983</u>	<u>315,471</u>

12.1.4 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 19.40% - 21.34%, EBITDA of 8.74% - 10.48%, terminal growth rate of 4% and weighted average cost of capital of approximately 10.60%.

	Note	31 March 2016	30 September 2015
(Rupees in thousand)			
12.2 Available for sale			
Associated / Related companies - at cost	12.2.1	267,648	267,648
Others - at cost	12.2.2	2,200	2,200
		<u>269,848</u>	<u>269,848</u>
Add: Cumulative fair value reserve	12.2.3	87,159	(16,247)
Less: Cumulative impairment losses recognized	12.2.4	(5,200)	(5,200)
Fair value gain / (loss)		81,959	(21,447)
		<u>351,807</u>	<u>248,401</u>



	Note	31 March 2016 (Rupees in thousand)	30 September 2015
12.2.1 Associated / Related companies			
<u>Quoted - related party</u>			
Crescent Steel and Allied Products Limited	12.2.1.1	264,648	264,648
2,992,068 fully paid ordinary shares of Rs. 10 each Equity held: 3.85% (30 September 2015: 4.82%) Market value - Rs. 351.807 million (30 September 2015: Rs. 248.4 million)			
<u>Unquoted - associated company</u>			
Crescent Standard Telecommunications Limited			
300,000 (30 September 2015: 300,000) fully paid ordinary shares of Rs. 10 each			
		3,000	3,000
		267,648	267,648

12.2.1 During the period, Crescent Steel and Allied Products Limited (CSAPL) made a right issue which was not subscribed up by the Company and consequently the letter of right were disposed off. This dilution in equity held is due to disposing off letter of right for 0.75 million ordinary shares of CSAPL for Rs. 31.68 million.

	31 March 2016 (Rupees in thousand)	30 September 2015
12.2.2 Others		
<u>Unquoted</u>		
Crescent Group Services (Private) Limited		
220,000 (30 September 2015: 220,000) fully paid ordinary shares of Rs. 10 each		
	2,200	2,200
	2,200	2,200
12.2.3 Cumulative fair value reserve		
As at 01 October	(16,247)	-
Fair value adjustment during the period / year	103,406	(16,247)
As at period / year end	87,159	(16,247)
12.2.4 Cumulative impairment losses recognized		
As at 01 October	5,200	5,200
Reversed during the period / year	-	-
As at period / year end	5,200	5,200

12.3 Investments with face value of Rs 575.55 million (30 September 2015: 575.55 million) are pledged as security against long term running finances and short term borrowings.

	Note	31 March 2016 (Rupees in thousand)	30 September 2015
13. STOCK IN TRADE			
Raw materials		273,496	296,213
Work-in-process		12,248	6,419
Finished goods		441,075	502,319
		726,819	804,951

13.1 The amount charged to profit and loss account on account of write down of finished goods to net realizable value amount to Rs. 10.40 million (30 September 2015: Rs. 81.28 million).

14. CASH AND BANK BALANCES

At banks on:

- Saving accounts			
- Pak rupees	14.1	26,780	1,500,056
- Foreign currency	14.2	75	74
		26,855	1,500,130
- Current accounts	14.3	495,189	27,609
		522,044	1,527,739
In hand		3,577	217
In transit		-	500
		525,621	1,528,456

14.1 Profit on balances in saving accounts ranges from 3.5% to 4.1% (30 September 2015: 0.10% to 6.00%) per annum. This includes nil (30 September 2015: Rs. 1,500 million) under lien with lender as referred to in note 9.4.

14.2 Foreign currency account includes Euros 635 (30 September 2015: Euros 635).

14.3 This includes Rs. 404.76 million received against issue of right shares as referred to in note 7.

15. SEGMENTS INFORMATION

(Rupees in thousand)

	Sugar				Bio Fuel				Bio Power				Building materials				Sub-total carried forward				
	Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		
	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	
15.1 Sales																					
External																					
-Local	2,240,063	1,823,367	2,661,836	2,614,801	24,873	64,261	25,180	118,237	-	-	-	-	-	-	-	5,373	2,264,936	1,887,628	2,687,016	2,738,411	
-Export	33,887	815	37,555	2,977	372,569	810,489	372,569	1,207,191	-	-	-	-	-	-	-	-	406,456	811,304	410,124	1,210,168	
	2,273,950	1,824,182	2,699,391	2,617,778	397,442	874,750	397,749	1,325,428	-	-	-	-	-	-	-	5,373	2,671,392	2,698,932	3,097,140	3,948,579	
Intersegment	164,899	328,050	223,442	437,047	26,760	63,698	27,051	75,810	-	57,456	-	73,139	-	-	-	-	-	-	-	-	-
	2,438,849	2,152,232	2,922,833	3,054,825	424,202	938,448	424,800	1,401,238	-	57,456	-	73,139	-	-	-	5,373	2,671,392	2,698,932	3,097,140	3,948,579	
15.2 Segment expenses																					
Cost of sales																					
Net of intersegment costs	2,319,784	2,187,644	2,853,946	3,291,612	234,538	410,982	178,139	658,249	10,616	19,004	13,388	31,339	2,013	2,442	2,643	10,068	2,566,951	2,620,072	3,048,116	3,991,268	
Intersegment cost	42,315	44,945	42,606	60,601	158,639	331,665	217,182	438,178	-	23,154	-	32,693	2	71	2	107	-	-	-	-	-
	2,362,099	2,232,589	2,896,552	3,352,213	393,177	742,647	395,321	1,096,427	10,616	42,158	13,388	64,032	2,015	2,513	2,645	10,175	2,566,951	2,620,072	3,048,116	3,991,268	
Gross profit / (loss)	76,750	(80,357)	26,281	(297,388)	31,025	195,801	29,479	304,811	(10,616)	15,298	(13,388)	9,107	(2,015)	(2,513)	(2,645)	(4,802)	104,441	78,860	49,024	(42,689)	
Administrative expenses	(48,189)	(39,002)	(95,592)	(78,549)	(13,835)	(24,654)	(13,894)	(44,931)	-	(1,346)	-	(2,033)	-	(9)	-	(244)	(62,024)	(65,011)	(109,486)	(125,757)	
Distribution and selling cost	(21)	(3,925)	(2,465)	(6,609)	(30,110)	(71,637)	(38,207)	(88,010)	-	-	-	-	-	(1)	-	(6)	(30,131)	(75,563)	(40,672)	(94,625)	
	(48,210)	(42,927)	(98,057)	(85,158)	(43,945)	(96,291)	(52,101)	(132,941)	-	(1,346)	-	(2,033)	-	(10)	-	(250)	(92,155)	(140,574)	(150,158)	(220,382)	
Segment results	28,540	(123,284)	(71,776)	(382,546)	(12,920)	99,510	(22,622)	171,870	(10,616)	13,952	(13,388)	7,074	(2,015)	(2,523)	(2,645)	(5,052)	12,286	(61,714)	(101,134)	(263,071)	



15. SEGMENTS INFORMATION

(RUPEES IN THOUSAND)

	Sub-total brought forward						Textile						Farms						Others						Total					
	Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended			
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016			
15.1 Sales	2,264,936	1,887,628	2,687,016	2,738,411	194,618	311,720	357,680	662,569	2,836	6,545	5,672	14,611	-	2,469	9,019	1,464	9,019	2,462,390	2,208,362	3,051,832	3,424,610	406,456	811,304	410,124	1,210,168	2,868,846	3,019,666	3,461,956	4,634,778	
External	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-Local	2,671,392	2,698,932	3,097,140	3,948,579	194,618	311,720	357,680	662,569	2,836	6,545	5,672	14,611	-	2,469	9,019	1,464	9,019	2,868,846	3,019,666	3,461,956	4,634,778	-	-	-	-	-	-	-	-	
-Export	2,671,392	2,698,932	3,097,140	3,948,579	194,618	311,720	357,680	662,569	2,836	6,545	5,672	14,611	-	2,469	9,019	1,464	9,019	2,868,846	3,019,666	3,461,956	4,634,778	-	-	-	-	-	-	-	-	
Intersegment	2,671,392	2,698,932	3,097,140	3,948,579	194,618	311,720	357,680	662,569	12,133	13,440	14,969	29,060	-	2,469	9,019	1,464	9,019	2,868,846	3,019,666	3,461,956	4,634,778	-	-	-	-	-	-	-	-	
15.2 Segment expenses																														
Cost of sales																														
Net of intersegment costs	2,566,951	2,620,072	3,048,116	3,991,268	199,191	262,764	362,337	595,356	5,432	4,347	11,680	20,075	-	130	1,570	1,160	5,348	2,771,704	2,888,753	3,423,293	4,612,047	-	-	-	-	-	-	-	-	
Intersegment cost	2,566,951	2,620,072	3,048,116	3,991,268	199,191	262,764	362,337	595,356	64,876	3,990	11,680	20,075	-	130	1,570	1,160	5,348	2,771,704	2,888,753	3,423,293	4,612,047	-	-	-	-	-	-	-	-	
Gross profit/ (loss)	104,441	78,860	49,024	(42,689)	(4,573)	(3,318)	(4,657)	2,337	6,701	5,103	3,289	4,995	-	(130)	899	304	3,671	97,142	2,888,753	3,423,293	4,612,047	-	-	-	-	-	-	-	-	
Administrative expenses	(62,024)	(65,011)	(1,09,486)	(1,25,757)	(5,905)	(7,200)	(11,403)	(13,718)	(438)	(634)	(846)	(1,256)	-	95	(38)	(48)	(326)	(68,272)	(72,883)	(1,21,783)	(1,41,057)	(30,131)	(75,563)	(40,672)	(94,625)	(55)	(425)	(411)	(848)	
Distribution and selling cost	(92,155)	(140,574)	(1,50,158)	(2,20,382)	(5,960)	(7,625)	(11,814)	(14,566)	(438)	(634)	(846)	(1,256)	-	95	(38)	(48)	(326)	(98,458)	(148,871)	(1,62,866)	(2,36,530)	-	-	-	-	-	-	-	-	
Segment results	12,286	(61,714)	(1,01,134)	(263,071)	(10,533)	(10,943)	(16,471)	(12,229)	6,263	4,469	2,443	3,739	(35)	861	256	3,345	(1,316)	(17,958)	(124,203)	(213,799)	(23,791)	(1,026)	(54,324)	(66,995)	(71,760)	(133,961)	(110,159)	(133,961)		
Other operating expenses																														
Finance costs																														
Other operating income																														
Share of income of associates																														
Taxation																														
Profit/ (loss) for the period	95,369	(2,230)	206,845	(100,868)																										



	Segment assets		Segment liabilities	
	31 March 2016	30 September 2015	31 March 2016	30 September 2015
	(Rupees in thousand)			
15.3 Segment assets and liabilities				
Sugar	6,309,631	7,417,190	4,453,110	5,917,096
Bio Fuel	2,213,815	2,826,749	1,678,970	2,259,940
Bio Power	269,769	277,934	26,160	32,661
Building materials	53,981	55,548	24,329	22,239
Textile	409,226	397,019	184,723	158,434
Farms	694,477	700,700	78,689	77,323
Others	-	22,212	521	8,971
Unallocated	2,399,322	1,631,239	648,184	360,674
	12,350,221	13,328,591	7,094,686	8,837,338

	Note	31 March 2016	31 March 2015
		(Rupees in thousand)	
16. OTHER INCOME			
<u>Income from financial assets</u>			
Dividend income		4,488	-
Profit on sale of 'Available for Sale' investments		-	56,255
Profit on sale of right allotment letters		31,682	-
Return on bank deposits		13,976	112
		50,146	56,367
<u>Income from non-financial assets</u>			
Scrap sales		5,044	6,053
Profit on sale of:			
- Property, plant and equipment		1,970	798
- Store items		-	4
Liabilities written back		212,786	26,308
Rental income		3,915	4,746
Export rebate		8,580	-
Present value adjustment on initial recognition of interest free loan	8.1.1	21,170	-
Others		6,453	12,786
		259,918	50,695
		310,064	107,062

		Quarter ended		Half year ended	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
17. EARNINGS PER SHARE					
17.1 Basic earnings / (loss) per share					
Profit / (loss) for the period	Rupees	95,369,000	(2,230,000)	206,845,000	(100,868,000)
Weighted average number of ordinary shares in issue during the period	Number	100,863,529	75,646,713	88,670,762	75,646,713
Earnings / (loss) per share - basic	Rupees	0.95	(0.03)	2.33	(1.33)

17.2 Diluted earnings / (loss) per share

Diluted earnings / (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 had a commitment to convert 1,000 preference shares into 167 ordinary shares of Rs. 10 each. However subsequent to the period, the preference shares have been redeemed in cash. For the purposes of computing the diluted EPS for the current period, no dilution effect for these convertible preference have been taken.

		Quarter ended		Half year ended	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
Profit / (loss) for the period	Rupees	95,369,000	(2,230,000)	206,845,000	(100,868,000)
Profit / (loss) used to determine diluted earnings / (loss) per shares	Rupees	95,369,000	(2,230,000)	206,845,000	(100,868,000)
Weighted average number of ordinary shares in issue during the period	Number	100,863,529	75,646,713	88,670,762	75,646,713
Assumed conversion of convertible preference shares into ordinary shares	Number	-	5,774,108	-	5,774,108
Weighted average number of ordinary shares for diluted earnings per share	Number	100,863,529	81,420,821	88,670,762	81,420,821
Earnings / (loss) per share - diluted	Rupees	0.95	(0.03)	2.33	(1.24)

The effect of conversion of preference shares into ordinary shares is anti-dilutive for the prior period, accordingly the diluted EPS is restricted to the basic EPS.

18. FINANCIAL INSTRUMENTS - FAIR VALUES

The additional disclosures due to the adoption of FRS-13 Fair value measurement are as follows:

	Note	Carrying Amount			Fair Value		
		Trade and other receivables	Rupees Cash and cash equivalents	Other financial liabilities	Level 1	Level 2	Level 3
				Total			
On-Balance sheet financial instruments							
31 March 2016- (Un-audited)							
Financial assets measured at fair value							
Available for sale investments	18.1	351,807,000	-	-	351,807,000	-	-
Biological assets	18.1	23,186,000	-	-	23,186,000	-	23,186,000
		374,993,000	-	-	374,993,000	-	23,186,000
Financial assets not measured at fair value							
Advances, deposits and other receivables	18.1	408,466,000	-	-	408,466,000	-	-
Long term deposits	18.1	36,945,000	-	-	36,945,000	-	-
Trade debts - unsecured, considered good	18.1	59,082,000	-	-	59,082,000	-	-
Cash and bank balances	18.1	-	525,621,000	-	525,621,000	-	-
		504,493,000	525,621,000	-	1,030,114,000	-	-
Financial liabilities measured at fair value							
Financial liabilities not measured at fair value							
Trade and other payables	18.1	-	-	2,101,611,984	2,101,611,984	-	-
Short term borrowing		-	-	1,619,297,000	1,619,297,000	-	-
Accrued mark up	18.1	-	-	282,255,000	282,255,000	-	-
		-	-	4,003,163,984	4,003,163,984	-	1,619,297,000

18.1 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.



	Half year ended	
	31 March 2016 (Rupees in thousand)	31 March 2015
19. CASH GENERATED FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	227,730	(34,533)
<i>Adjustments for:</i>		
Depreciation on operating assets	291,294	317,250
Amortization of intangible assets	46	45
Gain on sale of property, plant and equipment	(1,970)	(798)
Dividend income	(4,488)	-
Share of profit from associates	(186,352)	(214,826)
Fair value gain on livestock	(157)	(291)
Profit on sale of investment	-	(56,255)
Profit on sale of right allotment letters	(31,682)	-
Finance cost	112,064	133,961
Present value adjustment on initial recognition of interest free loan	(21,170)	-
Liabilities no longer payable written back	(212,786)	(26,214)
	(55,201)	152,872
Profit before working capital changes	172,529	118,339
<i>(Increase)/ decrease in current assets:</i>		
Stock-in-trade	78,132	(732,159)
Trade debts	(28,518)	(408,744)
Stores and spares	2,032	(10,213)
Other receivables	(101,653)	72,354
Biological assets	7,008	1,096
Increase in current liabilities: Trade and other payables	(292,044)	1,006,979
	(335,043)	(70,687)
Cash (used in) / generated from operations	(162,514)	47,652



20. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, post employment benefit plans, other related companies and key management personnel. The company in the normal course of business carries out transactions with various related parties. Transactions with related parties are as follows:

	Relationship with the company	Nature of transactions	Half year ended	
			31 March 2016 (Rupees in thousand)	31 March 2015
i.	Associated/Related undertakings			
	Crescent Steel & Allied Products Limited (CSAPL)	Purchase of goods	19,650	4,158
		Common expenses	1,934	3,130
		Dividend income	4,488	4,488
		Advance received for purchase of material	70,000	-
	Shakarganj Food Products Limited	Sale of goods	81,246	7,601
		Salary expense and other Common expenses	2,231	736
	Shakarganj Energy (Private) Limited associated undertaking of CSAPL	Sale of bagasse and water	160,115	241,018
		Purchase of electricity and steam	164,359	248,734
		Advance received for purchase of material	-	40,000
		Rent paid against use of boiler	5,000	-
	Crescent Hadeed (Private) Limited associated undertaking of CSAPL	Rendering of services	200	-
		Sale of material	1,643	-
	Crescent Cotton Mills Limited	Purchase of Yarn	4,353	-
	Premier Insurance Limited	Insurance expenses	3,334	2,336
ii.	Post employment benefit plans	Expense charged in respect of retirement benefit plans	10,067	12,550
		Transactions with gratuity and pension fund account		
		- Funds received	489,346	651,951
		- Funds repaid	489,346	651,951
		- Markup expense	24,740	21,561
iii.	Key Management Personnel	Salaries and other employee benefits	47,715	49,676
		Loan received from director	200,000	-

21. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 30 May 2016 by the Board of Directors of the Company.

22. 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


Chairman



BOOK POST



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