



Shakarganj
Limited



CONDENSED INTERIM REPORT

For the Nine Months Period Ended
30 June 2019

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VISION, MISSION & CORE VALUES

- To gain and maintain leadership in our relevant sectors by producing the best quality products at the lowest possible cost
- To give the best returns to our shareholders by optimal allocation of resources to the products and markets we compete in
- To provide the best value products and services to our customers through investment in technology, human resources, operational systems, and processes
- To provide the best working environment to our employees and provide them opportunities to enhance their skills
- To work with our farmers, suppliers, and distributors as partners in 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
- To be a socially responsible corporate citizen supporting education, health, environment, and socio economic development of its community

COMPANY INFORMATION

Board of Directors

1. Chairman (Non-Executive)	Muhammad Anwar
2. Chief Executive Officer	Anjum Muhammad Saleem
In alphabetic order:	
3. Executive Director	Ali Altaf Saleem
4. Non-Executive Director	Hajerah Ahsan Saleem
5. Non-Executive Director	Khalid Bashir
6. Non-Executive Director (Independent)	Khawaja Jalaluddin
7. Non-Executive Director	Muhammad Arshad
8. Non-Executive Director (Independent)	Sheikh Asim Rafiq

Audit Committee

Chairman	Khalid Bashir
Member	Hajerah Ahsan Saleem
Member	Khawaja Jalaluddin (Independent)
Member	Sheikh Asim Rafiq (Independent)

Human Resource & Remuneration Committee

Chairman	Muhammad Anwar
Member	Anjum Muhammad Saleem
Member	Khalid Bashir

Chief Financial Officer

Muhammad Asif

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
	Muhammad Asif
	Manzoor Hussain Malik

System & Technology Committee

Chairman	Muhammad Pervez Akhtar
	Muhammad Asif
	Ibrahim Ahmad Cheema

SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Limited is a listed company and its shares are traded on the 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
- Biofuel
- Yarn
- Tiger Compost

Legal Advisors

Saad Rasool Law Associates, Lahore
Hassan & Hassan Advocates, Lahore

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

MCB Bank Limited
National Bank of Pakistan
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 Report is available on Shakarganj website.

Registered and Principal Office

Executive Floor, IT Tower, 73 E 1
Hali Road, Gulberg III, Lahore, Pakistan
UAN: (042) 111 111 765
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 AND GROUP STRUCTURE

Shakarganj Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on the Pakistan Stock Exchange. Shakarganj is a leading manufacturer of food products, biofuel as well as textiles. We transform renewable crops such as sugarcane and cotton into value added products including refined sugar, textiles and biofuel. Our registered office is in Lahore with regional offices in Faisalabad and Karachi.

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

Sugar Business:

We have two manufacturing facilities, which are both 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 Tons of Cane per Day (TCD) which is extendable to 32,000 TCD.

Biofuel Business:

We have Six distillation plants of which three are located at our Jhang facility and the remaining three are located at our Bhone facility where various grades of biofuel are produced. Our products include Rectified Ethanol (REN) for industrial and food grades, Anhydrous Ethanol for fuel grade, and Extra Neutral Alcohol (ENA) for pharmaceutical and perfume grades. The combined capacity of our distilleries is 350,000 litres per day.

Textile Business:

Located at our Jhang facility, this cotton spinning unit produces carded cotton and PC yarn ranging from 10/s to 33/s and doubled yarn ranging from 8 to 40 TPI. The installed capacity is 24,960 spindles for cotton/PC spinning and 2,304 spindles for doubling.

Farming & Allied Business:

This comprises different parcels of land mainly located in Jhang District near our manufacturing facilities. Total area under

cultivation is 1,285 acres which is our owned land. 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. A 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 standardised microbial culture in filter cake. The compost is a rich source of organic matter, with macro and micro nutrients to help improve soil and it 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 the 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 providing 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 originally. 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 Programmes 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 utilise 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 statements of the Company for the nine months period ended 30 June 2019.

Financial and Operational Performance:

Summary of operating performance:

As discussed in our last interim review, we could not start our crushing campaign timely due to declined selling prices of sugar and high procurement rates of sugarcane fixed by the Government. Shakarganj started its crushing campaign on 30 December 2018 which ended on 22 March 2019 resulting a very short season. Sugar mills were reluctant to start crushing season and none of the sugar mills in Punjab could start crushing till the mid of December 2018. Unpredictable and impractical policies of the Government pertaining to sugar exports have created problems both for millers and growers. Prices of sugar were subsequently improved but due to low per acre yield of sugarcane, the season ended up early with low capacity utilization, however, sugar recovery was improved which reduced a little bit of loss in sugar business.

Our biofuel business performance suffered due to molasses price which jumped up quickly rendering biofuel business no more viable as almost hundred percent increase in raw material costs was witnessed.

Due to reduced operational activities in all segments, the Company incurred before tax loss of Rs. 347.76 million as compared profit before tax of Rs. 80.79 million during corresponding period. Consequently, Company incurred an overall after-tax loss of Rs. 357.50 million as compared to after tax profit of Rs. 17.07 million in the corresponding period last year.

Business Segments:

Sugar Division:

The crushing campaign had started late, (on 30 December 2018) and the production of sugar had declined significantly. The Sugar Division crushed 484,762 MT (3QFY18: 669,064 MT) of sugarcane and produce 49,016 MT (3QFY18: 61,634 MT) of sugar at an average recovery rate of 10.13 percent (3QFY18: 9.20 percent) which resulted in a 20 percent decrease in sugar production.

Biofuel Division:

The production of this Division decreased to 15.16 million litres (3QFY18: 41.19 million litres). During the period under review, the performance of Biofuel Division was negligible in terms of production and profitability. The exports accounted for 92 percent of total biofuel sales for this period.

Textile Division:

Yarn production increased to 3.66 million kg (3QFY18: 2.66 million kg). In spite of increase in productions, the bottom line result could not eliminate the loss due to cost inflation without corresponding increase in selling prices of yarn.

Outlook:

Due to short season and non-availability of molasses at viable cost, biofuel business was closed down in second half of the fiscal year 2019. The Textile Division performance is expected to improve due to improvement in production. However, the profitability of this division is uncertain due to current policies of the GOP. The Company remains committed to its best efforts and is hopeful for recovery.

On behalf of the Board


Anjum Muhammad Saleem
Chief Executive Officer


Ali Altaf Saleem
Director

Date: 30 July 2019

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2019 (Un-audited)

	Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
150,000,000 (30 September 2018: 150,000,000) ordinary shares of Rs. 10 each		1,500,000	1,500,000
50,000,000 (30 September 2018: 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			
125,000,000 (30 September 2018: 125,000,000) ordinary shares of Rs. 10 each		1,250,000	1,250,000
Reserves		2,174,121	2,196,442
Accumulated loss		(1,689,601)	(1,588,974)
Surplus on revaluation of property, plant and equipment- net of tax		6,583,877	6,825,404
		<u>8,318,397</u>	<u>8,682,872</u>
Non-current liabilities			
Long term finances	7	258,665	442,703
Deferred taxation		1,065,487	1,129,461
		<u>1,324,152</u>	<u>1,572,164</u>
Current liabilities			
Current portion of long term liabilities		203,120	97,703
Short term borrowings	8	1,875,539	2,243,284
Trade and other payables		1,759,609	1,663,125
Unclaimed dividend		2,047	2,273
Accrued finance cost		49,916	45,711
		<u>3,890,231</u>	<u>4,052,096</u>
Contingencies and commitments			
	9	<u>13,532,780</u>	<u>14,307,132</u>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.


Chief Executive

	Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	10,408,153	10,825,661
Biological assets		13,106	11,558
Investments - related parties	11	1,961,302	1,938,565
Employees' retirement benefits		11,948	11,948
Long term loans, advances and deposits		34,001	33,986
		12,428,510	12,821,718
Current assets			
Biological assets		14,030	19,717
Stores, spares and loose tools		76,381	65,756
Stock-in-trade	12	296,164	1,028,311
Trade debts		326,153	39,431
Loans, advances, deposits, prepayments and other receivables		228,983	303,928
Cash and bank balances		162,559	28,271
		1,104,270	1,485,414
		13,532,780	14,307,132

A. M. Khan
Director

[Signature]
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For the Nine Months Period Ended 30 June 2019 (Un-Audited)

Note	Quarter ended		Nine months ended		
	30 June 2019	30 June 2018	30 June 2019	30 June 2018	
----- (Rupees in thousand) -----					
Sales - net	131	1,501,134	1,140,061	5,942,723	5,968,593
Cost of sales	13.2	(1,560,538)	(969,680)	(5,735,148)	(5,583,358)
Gross profit / (loss)		(59,404)	170,381	207,575	385,235
Administrative expenses		(72,783)	(70,261)	(223,740)	(218,612)
Distribution and selling costs		(25,155)	(65,113)	(135,470)	(150,473)
Other expenses		(9,613)	(27,133)	(40,960)	(58,643)
Other income		12,839	23,292	51,858	75,711
(Loss) / profit from operations		(154,116)	31,165	(140,737)	33,218
Finance cost		(85,467)	(111,791)	(241,057)	(190,146)
Share of profit from equity accounted investment		(64,683)	68,978	34,035	237,713
(Loss) / profit before taxation		(304,266)	(11,648)	(347,759)	80,785
Taxation					
- Company		4,413	11,979	(5,418)	(13,481)
- Equity accounted investment		28,954	(4,397)	(4,324)	(50,239)
		33,367	7,582	(9,742)	(63,720)
(Loss) / profit after taxation		(270,899)	(4,066)	(357,501)	17,065
(Loss) / earnings per share					
- basic and diluted	Rupees	(2.17)	(0.03)	(2.86)	0.14

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Nine Months Period Ended 30 June 2019 (Un-Audited)

	Quarter ended		Nine months ended	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	----- (Rupees in thousand) -----			
(Loss) / profit after taxation	(270,899)	(4,066)	(357,501)	17,065
<u>Other comprehensive income</u>				
<i>Items that are or may be subsequently reclassified to profit or loss account:</i>				
Fair value gain / (loss) on ' Available for sale' investments	(182)	(6,361)	(6,974)	(12,063)
Total comprehensive (loss) / income	(271,081)	(10,427)	(364,475)	5,002

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the Nine Months Period Ended 30 June 2019 (Un-Audited)

	Note	Nine months ended	
		30 June 2019 (Rupees in thousand)	30 June 2018
Cash flows from operating activities			
Cash used in operations	16	921,058	76,402
Finance cost paid		(236,852)	(178,851)
Dividend Paid		(226)	(155,452)
Taxes paid		(64,708)	(66,101)
Net changes in long term advances, loans, deposits and prepayments		(15)	2,545
Net cash generated / (used) in operating activities		619,257	(321,457)
Cash flows from investing activities			
Fixed capital expenditure		(58,739)	(85,252)
Dividend received		180	585
Proceeds from sale of livestock		757	753
Proceeds from sale of property, plant and equipment		19,199	800
Net cash used in investing activities		(38,603)	(83,114)
Cash flows from financing activities			
Short term borrowings - net		(367,745)	735,877
Long term finances obtained		-	95,000
Long term finances repaid		(78,621)	(384,639)
Net cash (used in) / generated from financing activities		(446,366)	446,238
Net increase in cash and cash equivalents		134,288	41,668
Cash and cash equivalents at beginning of period		28,271	5,255
Cash and cash equivalents at end of period		162,559	46,923

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Nine Months Period Ended 30 June 2019 (Un-Audited)

	CAPITAL RESERVE				REVENUE RESERVE			(Rupees in thousand)				
	Share Capital	Share Premium	Share in Capital Reserves Accounted Investment	Fair Value Reserve	Difference of Capital Under Scheme of Arrangement of Merger	Equity portion of director loan - net of tax	Surplus on revaluation on property, plant and equipment - net of tax	General	Dividend Equalization	Equity Investment Market Value Equalization	Accumulated loss	Total
Balance as on 01 October 2017 - restated	12500000	1056373	14688	12553	155930	47055	4719906	410606	22700	83000	(1606671)	6136764
Total comprehensive income for the period	-	-	-	(12,063)	-	-	-	-	-	-	17065	17065
Profit for the nine months period ended 30 June 2018	-	-	-	(12,063)	-	-	-	-	-	-	-	-
Other comprehensive income for the period:	-	-	-	(12,063)	-	-	-	-	-	-	-	(12,063)
Share of other comprehensive income of equity accounted investments	-	-	-	(12,063)	-	-	-	-	-	-	-	(12,063)
Fair value loss on Available for sale investments	-	-	-	(12,063)	-	-	-	-	-	-	-	(12,063)
Surplus transferred to accumulated losses on account of:	-	-	-	-	-	-	-	-	-	-	17065	17065
- incremental depreciation on property, plant and equipment - net of deferred tax	-	-	-	-	-	-	(167689)	-	-	-	167689	-
Transactions with owners of the Company, recognized directly in equity	-	-	-	-	-	(47055)	-	-	-	-	(156250)	(47055)
Equity portion of loan from director - net of tax	-	-	-	-	-	(47055)	-	-	-	-	(156250)	(47055)
Dividend paid for the year ended 30 September 2017	-	-	-	-	-	(47055)	-	-	-	-	(156250)	(47055)
Balance as at 30 June 2018	12500000	1056373	14688	490	155930	-	4552217	410606	22700	83000	(1578167)	5938461
Total comprehensive income for the period	-	-	-	(2,637)	-	-	-	-	-	-	31073	31073
Loss for the quarter ended 30 September 2018	-	-	-	(2,637)	-	-	-	-	-	-	-	(2,637)
Other comprehensive income for the period:	-	-	-	(2,637)	-	-	-	-	-	-	-	(2,637)
Share of other comprehensive income of equity accounted investments	-	-	484,668	-	-	-	-	-	-	-	-	484,668
Fair value loss on Available for sale investments	-	-	-	(2,637)	-	-	-	-	-	-	-	(2,637)
Revaluation surplus on equipment	-	-	-	-	-	-	2,721,104	-	-	-	-	2,721,104
Related deferred tax liability on revaluation surplus	-	-	-	-	-	-	(332,032)	-	-	-	-	(332,032)
Remeasurement gain on employee retirement benefits	-	-	-	-	-	-	-	-	-	-	(43,376)	(43,376)
Surplus transferred to accumulated losses on account of:	-	-	484,668	(2,637)	-	-	2,329,072	-	-	-	(74,449)	2736554
- incremental depreciation on property, plant and equipment - net of deferred tax	-	-	-	-	-	-	(55,686)	-	-	-	55,686	-
Transactions with owners of the Company, recognized directly in equity	-	-	-	-	-	-	-	-	-	-	7757	7757
Equity portion of loan from director - net of tax	-	-	-	-	-	-	-	-	-	-	7757	7757
Balance as at 30 September 2018	12500000	1056373	469980	(2,147)	155930	-	6825404	410606	22700	83000	(1588974)	8682872
Total comprehensive income for the period	-	-	-	(6,974)	-	-	-	-	-	-	(357,501)	(357,501)
Loss for the nine months period ended 30 June 2019	-	-	-	(6,974)	-	-	-	-	-	-	-	(6,974)
Other comprehensive income for the period:	-	-	-	(6,974)	-	-	-	-	-	-	-	(6,974)
Share of other comprehensive income of equity accounted investments	-	-	-	(6,974)	-	-	-	-	-	-	-	(6,974)
Fair value loss on Available for sale investments	-	-	-	(6,974)	-	-	-	-	-	-	-	(6,974)
Surplus transferred to accumulated losses on account of:	-	-	(15,347)	-	-	-	(24,1527)	-	-	-	25,6874	-
- incremental depreciation on property, plant and equipment - net of deferred tax	-	-	(15,347)	-	-	-	(24,1527)	-	-	-	25,6874	-
Balance as at 30 June 2019	12500000	1056373	464633	(9,121)	155930	-	6583877	410606	22700	83000	(1689601)	8,318,397

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended 30 June 2019 (Un-Audited)

1. The Company and its operations

1.1 The Company is incorporated in Pakistan and is listed on Pakistan Stock Exchange under the Listing Regulations of Pakistan Stock Exchange. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn (textile). The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Company is situated at E-floor, IT tower, 73-E/1, Hali Road, Gulberg-III, Lahore. Following are the business unit and their respective locations.

Business Unit	Location
- Jhang Unit	Toba tek singh road, Jhang - 35200 Pakistan.
- Bhone Unit	57 km Jhang - Sargodha road, Bhone - 35200 Pakistan.

2. Basis of preparation

2.1 Statement of compliance

2.1.1 These condensed interim financial statements comprise the condensed interim statement of financial position of the Company as at 30 June 2019 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof for the period from 01 October 2018 to 30 June 2019.

2.1.2 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.3 These condensed interim financial statements do not include all of the statements required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended 30 September 2018.

2.1.4 Corresponding statement of financial position numbers are extracted from the annual audited financial statements of the Company for the year ended 30 September 2018, whereas corresponding figures of profit or loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial statements of the Company for the nine months period ended 30 June 2018.

2.1.5 These condensed interim financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

3. Statement of consistency in accounting policies

3.1 The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial statements are same as those applied in the preparation of the audited financial statements for the year ended 30 September 2018 except for change in accounting policy as disclosed in note 3.2.

3.2 Change in significant accounting policy

The Company has adopted IFRS 15 'Revenue from Contracts with Customers' from 01 July 2018 which is effective from the annual periods beginning on or after 01 July 2018. There are other new standards which are effective from 01 July 2018 but they do not have a material effect on the Company's condensed interim financial statements.

During the period, the Company has adopted IFRS 15 'Revenue from Contracts with Customers'. The details of new significant accounting policy adopted and the nature and effect of the changes from previous accounting policies are set out in note 3.2.1.

3.2.1 IFRS 15 'Revenue from Contracts with Customers'

The Company manufactures and contracts with customers for the sale of goods which generally includes single performance obligation. Management has concluded that revenue from sale of goods be recognized at the point in time when control of the asset is transferred to the customer. However, the adoption of IFRS 15 which has replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations, did not have a material impact on the amounts of revenue recognized in these condensed interim financial statements.

3.2.2 IFRS 9 Financial Instruments

IFRS 9 replaced the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting and was effective for annual periods beginning on or after 01 July 2018. The securities and Exchange Commission of Pakistan (SECP), vide its S.R.O. 229(I)/2019 dated 14 February 2019 has deferred the applicability of IFRS 9 (Financial Instruments) for reporting period ended on 31 December 2018. IFRS 9 will now be applicable for reporting periods / year ending on or after 30 June 2019.

3.3 The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2019 and are not expected to have significant impact on these condensed interim financial statements:

Standard or interpretation	Effective date (accounting periods beginning on or after)
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
Annual Improvements to IFRS Standards 2015-2017 Cycle	01 January 2019
IFRS 16 - Leases	01 January 2019
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
Amendments to IFRS 9 - Financial Instrument	01 January 2019

4. Estimates

The preparation of condensed interim financial statements require 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 statements, 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 2018.

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.

The sugar cane crushing started in December end and lasted till March end.

6. Taxation

The provision for taxation for the nine months period ended 30 June 2019 has been made on an estimated basis.

	Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
7. Long term finances			
Long term loans - secured Interest bearing		461,785	540,406
		461,785	540,406
Less: Current portion of long term loans- secured		(203,120)	(97,703)
		258,665	442,703
8. Short term borrowings			
<i>Secured:</i>			
- Cash / Running finances	8.2	621,000	394,200
- Export refinance	8.3	900,000	1,474,800
<i>Unsecured:</i>			
- Short term interest free financing	8.4	354,539	374,284
		1,875,539	2,243,284
8.1 Types of short term borrowings			
Interest / mark-up based financing		1,421,000	1,769,000
Islamic mode of financing		100,000	100,000
Interest free financing		354,539	374,284
		1,875,539	2,243,284

8.2 Cash / Running finances

The Company has arranged this short term finance facility from MCB Bank Limited to meet working capital requirements to the extent of Rs. 1,200 million. This finance is available at a mark-up ranging from 10.83% to 14.80% (30 September 2018: 8.11% to 9.86%) on the outstanding balance or part thereof. Expiry date of this facility is 30 September 2019.

The cash / running finance is secured against pledge of sugar, first joint pari passu charge of Rs. 1,000 million and ranking charge of Rs. 200 million over all present and future fixed assets of the Company.

8.3 Export refinance

The Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark up arrangements to the extent of Rs. 1,975 million (30 September 2018: Rs. 1,775 million). These finances were available at a mark-up ranging from 3.0% to 15.21% (30 September 2018: 3.0% to 9.86%) on the outstanding balance or part thereof. Foreign currency borrowings were available at mark-up rate based on LIBOR ranging around 5.72% (30 September 2018: 4.86% to 5.72%). Expiry date of the finances obtained from Bank Islamic Pakistan Limited is 31 July 2019 for MCB Bank Limited 30 September 2019 and for National Bank of Pakistan is 31 December 2019.

The aggregate export finance is secured against lien on export contracts, pledge of stock-in-trade, registered hypothecation charge on property, plant and equipment, current and fixed assets of the Company and first joint pari passu charge over fixed assets of the company. Furthermore, it is secured against personal guarantees of CEO and Director and pledge of 55 million shares of Shakarganj Food Products Limited at a price of Rs. 10/share.

8.4 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.

9. Contingencies and commitments

9.1 Contingencies

There is no material change in the status of contingencies as set out in note 12.1 to the financial statements of the Company for the year ended 30 September 2018.

9.2 Commitments

The Company has commitment in respect of contracts for other than capital expenditures Rs. 0.92 million (30 September 2018: Rs 4.45 million).

10. Property, plant and equipment

Operating assets - at net book value
Capital work in progress

Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
10.1	10,267,689	10,706,426
10.2	140,464	119,235
	<u>10,408,153</u>	<u>10,825,661</u>

	Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
10.1 Operating assets - at net book value			
Net book value at the beginning of the period / year		10,706,426	8,386,457
Add: Additions during the period / year	10.1	37,509	90,257
Revaluation during the period / year		-	2,735,071
Less: Deletions during the period / year		(14,977)	(5,863)
Depreciation charged during the period / year		(461,269)	(499,496)
		(476,246)	(505,359)
		10,267,689	10,706,426
10.1.1 Addition during the period/year			
Buildings and roads on freehold land		4,193	-
Plant and machinery		28,097	49,126
Tools and equipment		565	19
Water, electric and weighbridge equipment		3,003	2,098
Office equipment		303	70
Vehicles		816	37,812
Furniture and fixtures		532	1,132
		37,509	90,257
10.2 Capital work-in-progress			
Civil works		3,712	5,112
Plant and machinery		108,577	87,357
		112,289	92,469
Advances to suppliers		65,112	63,703
Less: Provision for doubtful advances and impairment		(36,937)	(36,937)
		28,175	26,766
		140,464	119,235

	Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
11. Investments - related parties			
In equity instruments of Shakarganj Food Products Limited ("SFPL")	11.1	1,954,502	1,924,791
Available for sale	11.2	6,800	13,774
		<u>1,961,302</u>	<u>1,938,565</u>
11.1 In equity instruments of SFPL			
Unquoted			
<i>Shakarganj Food Products Limited</i>			
87,785,643 (30 September 2018: 87,785,643) fully paid ordinary shares of Rs. 10 each Equity Held: 52.39% (30 September 2018: 52.39%)		1,954,502	1,924,791
11.1.1 Movement during the period / year			
Cost			
- Opening Balance		590,784	393,818
- Further acquisition due to right shares		-	196,966
		590,784	590,784
Brought forward amounts of post acquisition reserves		1,334,007	662,184
Share of movement in reserves during the period / year		-	484,668
Share of profit for the period before taxation		34,035	265,754
Provision for taxation		(4,324)	(78,599)
		<u>1,363,718</u>	<u>1,334,007</u>
Balance as at period / year end	11.1	<u>1,954,502</u>	<u>1,924,791</u>

11.1.2 Shakarganj Food Products Limited ("SFPL") is a public unlisted Company incorporated in Pakistan and is principally engaged in the business of manufacturing, processing and sale of food products. The activities of SFPL are largely independent of the Company. The following table summarizes the financial information of SFPL as included in its own financial statements and the Company's share in the results. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in SFPL.

	30 June 2019 (Un-audited)	30 September 2018 (Audited)
Percentage interest held	52.39%	52.39%
	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
Non-current assets	7,497,150	4,879,041
Current assets	2,576,977	3,475,686
Non-current liabilities	(2,302,633)	(1,694,572)
Current liabilities	(4,176,837)	(3,122,209)
Net assets (100%)	3,594,657	3,537,946
Company's share of net assets	1,883,241	1,853,530
Excess of purchase consideration over net assets	71,261	71,261
Carrying amount of interest in SFPL	1,954,502	1,924,791
Revenue	12,734,354	15,775,889
Profit after taxation	56,712	356,024
Other comprehensive income	-	926,322
Total comprehensive income (100%)	56,712	1,282,346
Company's share of total comprehensive income	29,711	671,821

The above figures (adjusted with the top up effect of revaluation surplus) are based on un-audited financial statements as of the same period.

11.1.3 Investments with face value of Rs. 550 million (30 September 2018: Rs. 550 million) are pledged as security against short term borrowings.

11.1.4 Investment in SFPL is treated as joint venture in these financial statements due to joint control over SFPL as a result of the shareholders' agreement dated 12 April 2008.

11.2 Available for sale

a) Associated / Related companies

Quoted - related party

Crescent Steel and Allied Products Limited:

180,000 fully paid ordinary shares of Rs. 10 each
Equity held: 0.23% (30 September 2018: 0.23%)
Market value - Rs. 6.80 million
(30 September 2018: Rs. 13.77 million)

	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
	15,921	15,921

	Note	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
<u>Unquoted - associated company</u>			
<i>Crescent Standard Telecommunications Limited:</i>			
300,000 (30 September 2018: 300,000) fully paid ordinary shares of Rs. 10 each		3,000	3,000
b) Others			
<u>Unquoted</u>			
<i>Crescent Group Services (Private) Limited</i>			
220,000 (30 September 2018: 220,000) fully paid ordinary shares of Rs. 10 each		2,200	2,200
<i>Innovative Investment Bank Limited</i>			
51,351 (30 September 2018: 51,351) fully paid ordinary shares of Rs 10 each		-	-
		21,121	21,121
Cumulative fair value reserve	11.2.1	(9,121)	(2,147)
Cumulative impairment losses recognized	11.2.2	(5,200)	(5,200)
Fair value (loss)		(14,321)	(7,347)
		6,800	13,774
11.2.1 Cumulative fair value reserve			
As at 01 October		(2,147)	12,553
Fair value adjustment during the period / year		(6,974)	(14,700)
As at period / year end		(9,121)	(2,147)
11.2.2 Cumulative impairment losses recognized			
As at 01 October		5,200	5,200
As at period / year end		5,200	5,200
12. Stock-in-trade			
Raw materials		27,189	29,820
Work-in-process		23,068	7,958
Finished goods		245,907	990,533
		296,164	1,028,311

13. SEGMENTS INFORMATION

	Sugar						Bottled						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		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended					
	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018						
13.1 Sales - Net	79,142	32,620	256,297	3,706,922	13,869	43,324	88,529	1,952	438,472	215,088	1,025,616	676,954	11,34	7863	28,234	24,946	-	270	472	1,090	1,256,023	659,155	3,885,958	40,144	405	1,256,023	659,155	3,885,958	40,144	405						
- Local	23,392	5,898	179,521	2,532,128	15,948	54,345	36,531	13,941	13,837	967	13,837	5,958	-	-	-	-	-	-	-	-	380,027	192,420	1,961,889	27,807	-	380,027	192,420	1,961,889	27,807	-						
- By product	82,613	33,724	2,870,401	3,480,404	20,145	57,029	152,413	1,792,41	453,249	210,075	1,019,483	682,992	11,34	7863	28,234	24,946	-	270	472	1,090	1,501,034	1,440,001	5,542,723	5,883,953	-	1,501,034	1,440,001	5,542,723	5,883,953	-						
Intersegment	11,024	98,413	4,900,511	44,332,9	5,099	47,250	80,065	112,389	-	-	-	-	1,316	64	15,749	80,994	-	270	472	1,090	1,501,034	1,440,001	5,542,723	5,883,953	-	1,501,034	1,440,001	5,542,723	5,883,953	-						
83,720	4,86,227	3,360,912	39,033,733	215,534	621,279	2,004,918	1,891,630	453,249	220,075	1,119,483	682,992	12,830	7927	43,983	33,040	-	270	472	1,090	1,501,034	1,440,001	5,542,723	5,883,953	-	1,501,034	1,440,001	5,542,723	5,883,953	-							
13.2 Segment expenses	88,116	54,751	3,464,527	4,068,641	241,042	208,766	1,137,959	818,715	433,094	211,844	1,065,14	654,345	5,296	1,023	26,334	20,831	-	285	574	825	1,560,138	968,680	5,783,148	5,883,358	-	1,560,138	968,680	5,783,148	5,883,358	-						
Cost of sales	5,111	47,321	91,421	119,426	11,003	98,375	49,042	443,279	-	-	-	1,316	-	-	4,422	1,076	-	30	30	30	-	-	-	-	-	-	-	-	-	-	-					
Net of intersegment costs	88,627	5,920,42	3,355,948	4,208,067	252,005	30,744	1,627,881	1,261,994	433,094	211,844	1,065,14	654,345	6,812	1,023	30,756	21,907	-	316	574	855	1,560,138	968,680	5,783,148	5,883,358	-	1,560,138	968,680	5,783,148	5,883,358	-						
Intersegment	(49,017)	(15,884)	(95,036)	(284,134)	(36,571)	341,38	376,537	629,636	2,0165	8,231	12,869	28,567	6,018	69,04	13,227	11,33	-	(46)	(102)	2,35	(594,04)	170,381	2,072,5	385,235	-	(594,04)	170,381	2,072,5	385,235	-						
Gross profit / (loss)	(45,000)	(32,365)	(1,946,55)	(1,295,10)	(7,954)	(29,014)	(65,503)	(9,497)	(75,55)	(4,499)	(215,47)	(215,47)	(556)	(339)	(1,006)	(1,044)	-	(46)	(105)	(68)	(72,382)	(70,393)	(2,337,40)	(1,842,1)	-	(72,382)	(70,393)	(2,337,40)	(1,842,1)	-						
Administrative expenses	(9,188)	(2,159)	(6,827)	(2,290)	(1,953)	(62,460)	(41,523)	(41,523)	(83)	(283)	(1,163)	(962)	-	-	-	-	-	-	-	-	(2,152)	(6,813)	(135,470)	(50,473)	-	(2,152)	(6,813)	(135,470)	(50,473)	-						
Distribution and selling cost	(5,050)	(5,484)	(132,992)	(137,491)	(37,547)	(61,676)	(189,521)	(200,216)	(9,844)	(7,908)	(25,656)	(23,516)	(396)	(339)	(1,016)	(1,014)	-	(14)	(105)	(38)	(9,378)	(135,374)	(399,270)	(399,068)	-	(9,378)	(135,374)	(399,270)	(399,068)	-						
Segment results	(59,207)	(94,329)	(3,08,028)	(4,21,825)	(74,118)	222,462	1,76,996	422,610	10,321	423	(12,697)	5,051	5,652	6,51	12,211	10,119	-	(59)	(177)	197	(157,342)	36,007	(51,633)	16,160	-	(157,342)	36,007	(51,633)	16,160	-						
Other operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Other operating income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Share of income of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
(Loss) / profit before taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
(Loss) / profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				

(Rupees in thousand)

15. Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value					
	Available for sale	Trade and other receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	T o t a l
----- Rupees in thousands -----									
13,774	-	-	-	-	13,774	13,774	-	-	13,774
-	31,275	-	-	-	31,275	-	11,558	19,717	31,275
13,774	31,275	-	-	-	45,049	13,774	11,558	19,717	45,049
-	33,986	-	-	-	33,986	-	-	-	-
-	1,924,791	-	-	-	1,924,791	-	-	-	-
-	39,431	-	-	-	39,431	-	-	-	-
-	25,317	-	-	-	25,317	-	-	-	-
-	-	28,271	-	-	28,271	-	-	-	-
-	2,023,525	28,271	-	-	2,051,796	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	540,406	540,406	-	540,406	-	540,406
-	-	-	-	2,243,284	2,243,284	-	2,243,284	-	2,243,284
-	-	-	-	958,057	958,057	-	-	-	-
-	-	-	-	45,711	45,711	-	-	-	-
-	-	-	-	3,787,458	3,787,458	-	2,783,690	-	2,783,690

Note

30 September 2018 - (Audited)

Financial assets - measured at fair value

Available for sale investments
Biological assets

Financial assets - not measured at fair value

Long term deposits
Investments - related parties
Trade debts - unsecured, considered good
Advances, deposits, prepayments and other receivables
Cash and Bank balances

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Financial liabilities - measured at fair value

Financial liabilities - not measured at fair value

Long term loans
Short term borrowings
Trade and other payables
Accrued mark-up

15.1 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.

	Nine months ended	
	30 June 2019 (Rupees in thousand)	30 June 2018
16. Cash generated from operating activities		
(Loss) / profit before taxation	(347,759)	80,785
<i>Adjustments for:</i>		
Depreciation on operating fixed assets	461,269	373,696
Gain on sale of property, plant and equipment	(4,221)	(747)
Share of profit from equity accounted investments	(34,035)	(237,713)
Fair value gain on livestock	(2,305)	117
Finance cost	241,057	190,146
Dividend income	(180)	(585)
Liabilities no longer payable written back	(2,037)	(15,143)
Employees' retirement benefits	-	11,441
	659,548	321,212
Profit before working capital changes	311,789	401,998
Effect on cash flow due to working capital changes <i>(Increase) / decrease in current assets:</i>		
Stock-in-trade	732,147	(340,495)
Trade debts	(286,722)	131,880
Stores and spares	(10,625)	(17,732)
Other receivables	70,261	(324,205)
Biological assets	5,687	4,466
Increase in current liabilities: Trade and other payables	98,521	220,490
	609,269	(325,596)
Cash generated from operations	921,058	76,402

17. Related party disclosures

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

Name of Party	Nature of transactions	Nine months ended	
		30 June 2019 (Rupees in thousand)	30 June 2018
i Associated / Related Undertaking			
Crescent Steel & Allied Products Limited Associate due to shareholding by CSAPL in SL of 21.93% (2018: 21.93%)	Purchase of goods Salary expense and other common Dividend income	1537 2167 180	582 2,809 585
CS Energy (Private) Limited (Associated undertaking of CSAPL)	Sale of bagasse and water Purchase of electricity and steam Common expenses	179,521 191,289 5,245	253,128 275,155 8,219
Shakarganj Engineering (Division of CSAPL)	Purchase of goods	-	140
Crescent Hadeed (Private) Limited (Associated undertaking of CSAPL and Common Directorship)	Rendering of services	1,792	640

Name of Party	Nature of transactions	Nine months ended	
		30 June 2019 (Rupees in thousand)	30 June 2018
Premier Insurance Limited Common directorship	Insurance expenses	7,899	8,083
Shakarganj Food Products Limited Common CEO - 52.39% (2018: 52.39%) of shareholding in associate.	Sale of goods	289,655	167,531
	Salary expense and other common expenses	1,049	1,464
ii Post employment benefit plans	Expense charged in respect of retirement benefit plans	8,961	17,162
	Transactions with gratuity and pension fund account		
	- Funds received	567,336	548,550
	- Funds repaid	567,336	548,550
	- Markup expense	34,392	21,534
iii Key Management Personnel	Salaries and other employee benefits	105,203	88,470

Period / year end balances	30 June 2019 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
<u>Receivable / (Payable) to Associated/ Related undertakings:</u>		
Crescent Steel & Allied Products Limited (CSAPL) (CSAPL holds 21.93% (30 September 2018: 21.93%) in the Company)	(10,109)	(2,062)
Shakarganj Food Products Limited (Equity Held: 52.39% (30 September 2018: 52.39%))	46,894	16,036
CS Energy (Private) Limited (Associated undertaking of CSAPL)	(3,199)	1,840
Premier Insurance Limited (Common directorship)	(6,813)	(4,857)
Crescent Hadeed (Private) Limited (Associated undertaking of CSAPL and Common Directorship)	3,072	1,062
Post employment benefit plans	11,948	11,948

18. Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended 30 September 2018.

19. Date of authorization for issue

This condensed interim financial information was authorized for issue on 30 July 2019 by the Board of Directors of the Company.

20. Events after the balance sheet date

There are no material subsequent events occurred after the date of statement of financial position.


Chief Executive


Director


Chief Financial Officer

ڈائریکٹرز کا جائزہ

میں 30 جون 2019ء کو ختم ہونے والی نو ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات بخوشی پیش کر رہا ہوں۔

مالی اور آپریشنل کارکردگی:

آپریٹنگ کارکردگی کا خلاصہ:

جیسا کہ ہمارے پچھلے عبوری جائزہ میں بتایا گیا کہ چینی کی کم قیمتوں اور حکومت کی طرف سے مقرر کردہ گئے کی خریداری کی اعلیٰ شرحوں کی وجہ سے ہم بروقت اپنی کرشنگ مہم کو شروع نہیں کر سکے۔ شکر گنج نے اپنی کرشنگ مہم 30 دسمبر 2018 کو شروع کی جو 22 مارچ 2019 کو ختم ہو گئی نتیجتاً بہت ہی مختصر سیزن رہا۔ شوگر ملز کرشنگ سیزن کا آغاز کرنے سے بچکچاتی تھی اور پنجاب میں کوئی بھی شوگر مل دسمبر 2018 کے وسط تک کرشنگ کا آغاز نہیں کر سکی تھی۔ چینی کی برآمدات سے متعلق حکومت کی ناقابل اعتماد اور غیر متوقع پالیسیوں نے مل مالکان اور کسانوں دونوں کے لئے مشکلات پیدا کی ہیں چینی کی قیمتیں بالآخر بہتر ہوئی ہیں لیکن گئے کی فی ایکڑ پیداوار کم ہونے کے باعث سیزن کم صلاحیتی استعمال کے ساتھ جلدی ختم ہو گیا۔ تاہم، چینی کی ریکوری بہتر تھی جس نے چینی کے کاروبار میں نقصان کو قدرے کم کیا۔

ہمارے بائیو فیول کاروبار کی کارکردگی مولا سس کی قیمت میں تیزی سے اضافہ کی وجہ سے مشکلات سے دوچار ہوئی بائیو فیول کاروبار کی بقاء ممکن نہ رہی کیونکہ خام مال کی قیمتوں میں تقریباً 100 فیصد اضافہ ہو گیا۔

تمام شعبوں میں آپریشنل سرگرمیاں کم ہونے کی وجہ سے، کمپنی نے ٹیکس سے قبل 347.76 ملین روپے کا نقصان اٹھایا جبکہ گزشتہ سال کی اسی مدت میں ٹیکس سے قبل 80.79 ملین روپے منافع کمایا۔ کمپنی نے بالترتیب گزشتہ سال کی اسی مدت میں 17.07 ملین روپے کا بعد از ٹیکس منافع کے مقابلے میں 357.50 ملین روپے کا بعد از ٹیکس نقصان اٹھایا ہے۔

کاروباری شعبہ جات:

شوگر ڈویژن:

کرشنگ مہم بہت تاخیر سے (30 دسمبر 2018 کو) شروع ہوئی اور چینی کی پیداوار نمایاں کم ہوئی۔ شوگر ڈویژن نے 10.13 فیصد (3QFY18: 9.20 فیصد) کی اوسط وصولی کی شرح پر 49,016 میٹرک ٹن (3QFY18: 61,634 میٹرک ٹن) چینی بنانے کے لئے 484,762 میٹرک ٹن (3QFY18: 669,064 میٹرک ٹن) گنا کرش کیا جس کے نتیجے میں چینی کی پیداوار میں 20 فی صد کمی واقع ہوئی۔

بائیو فیول ڈویژن:

اس ڈویژن کی پیداوار 15.16 ملین لیٹرز (3QFY18: 41.19 ملین لیٹرز) تک کم ہو گئی۔ زیر جائزہ مدت کے دوران، بائیو فیول ڈویژن کی کارکردگی پیداوار اور منافع کے لحاظ سے برائے نام تھی۔ اس مدت کے دوران، برآمدات کل بائیو فیول کی فروخت کا 92 فیصد شمار کی گئی ہے۔

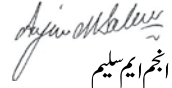
ٹیکسٹائل ڈویژن


یارن کی پیداوار 3.66 ملین کلوگرام (3QFY18: 2.66 ملین کلوگرام) تک بڑھ گئی۔ پیداوار میں اضافہ کے باوجود، چلی لائن کا نتیجہ یارن کی فروخت قیمتوں میں بالترتیب اضافہ کے بغیر لاگت بڑھنے کی وجہ سے نقصان الگ نہیں کر سکے۔

مستقبل کا نقطہ نظر:

مختصر بینز اور موزوں قیمت پر مولا س کی عدم دستیابی کی وجہ سے، بائیوفیول کاروبار مالی سال 2019 کی دوسری ششماہی میں کم ہو گیا تھا۔ ٹیکسٹائل ڈویژن کی کارکردگی پیداوار میں بہتری کے باعث بہتر ہونے کی توقع ہے۔ تاہم، اس ڈویژن کا منافع حکومت پاکستان کی موجودہ پالیسیوں کی بدولت غیر یقینی ہے۔ کمپنی اپنی بہترین کوششوں کے لئے پختہ عزم رکھتی ہے اور ریکوری کے لئے پُر امید ہے۔

منجانب بورڈ


انجم ایم سلیم
چیف ایگزیکٹو آفیسر


علی الطاف سلیم
ڈائریکٹر

تاریخ: 30 جولائی 2019ء



Shakarganj Limited

Executive Floor, IT Tower, 73 E 1
Hali Road, Gulberg III, Lahore, Pakistan
Telephone: (042) 111 111 765
Fax: (042) 3578 3811