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Company Information

Board of Directors

Mr. Mahmood Faruque	Chairman
Mr. Aslam Faruque	Chief Executive
Mr. Arif Faruque	Director
Mr. Amer Faruque	Director
Mr. Tariq Faruque	Director
Mr. Maqbool H. H. Rahimtoola (NIT)	Director
Mr. Samir Mustapha Chinoy	Director
Mr. Yasir Masood	Director

Audit Committee

Mr. Maqbool H.H. Rahimtoola	Chairman
Mr. Tariq Faruque	Member
Mr. Samir Mustapha Chinoy	Member
Mr. Yasir Masood	Member

Human Resource and Remuneration Committee

Mr. Arif Faruque	Chairman
Mr. Aslam Faruque	Member
Mr. Amer Faruque	Member

Executive Director & Chief Financial Officer

Mr. Wasif Khalid

Executive Director & Company Secretary

Mr. Abid A. Vazir

Auditors

Kreston Hyder Bhimji & Co.
Chartered Accountants

Cost Auditors

Tahir Jawad Imran Fecto
Chartered Accountants

Legal Advisor

K.M.S. Law Associates

Share Registrar

Central Depository
Company of Pakistan Limited
CDC House, 99 - B,
Block - B, S.M.C.H.S.
Main Shahrah-e-Faisal
Karachi - 74400.

Bankers

Allied Bank Ltd.
Bank Alfalah Ltd.
Bank Al Habib Ltd.
Dubai Islamic Bank Pakistan Ltd.
Habib Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
National Bank of Pakistan
NIB Bank Ltd.
Soneri Bank Ltd.
United Bank Ltd.

Registered Office

Modern Motors House
Beaumont Road
Karachi - 75530.

Factory

Sub Post Office Sugar Mill
Jamrao, Umerkot Road
Mirpurkhas



Directors' Review

The Board of Directors presents the un-audited financial results of the Company, duly reviewed by the auditors, for the half year ended March 31, 2014.

Production & sales

During the season 2013/14, the factory operated for 126 days and crushed 725,210 metric tons of sugarcane to produce 76,228 metric tons of sugar as against 100 days during the last season, when it crushed 535,963 metric tons of sugarcane to produce 58,920 metric tons of sugar. The sucrose recovery during the period declined to 10.51% as against 11% last season. This season, the production of molasses increased to 35,100 metric tons as against 25,680 metric tons at the corresponding period last year. During the period under review, sugar prices continued to remain depressed due to supply glut, which had an adverse impact on the financial position of the entire industry.

Financial Performance

During the half year under review, the Company sold 40,871 metric tons of sugar as against 36,392 metric tons sold at the same time last year. Despite 12% increase in the quantity of sugar sold, sales revenue of the Company only rose by 1% during the six months under review compared to the corresponding period last year due to significant decline in the sugar prices. Furthermore, increase in cost of production because of low sucrose recovery also had an adverse impact on financial results for the Company. However, there was an increase in the Other income of the Company during the period due to higher dividend income and gain on agricultural produce. During the six months period, higher working capital requirement led to increase in finance cost from the same time last year. The Company accounted for its one-third share of profit in Unicol Limited amounting to Rs. 48.96 million earned during the half year and adjusted its investment in associate by the same amount.

	Mar. 31, 2014	Mar. 31, 2013
	------(Rs. in million)-----	-----
Net sales	1,828.49	1,811.03
Cost of sales	(1,641.29)	(1,642.53)
Gross profit	187.20	168.50
Other income	28.21	14.47
Share of profit in an associate	48.96	89.57
Other expenses & taxes	(201.99)	(190.79)
Net profit	62.38	81.75
Earnings per share - basic (Rupees)	5.08	6.66

Future Prospects

Because of an oversupply position, sugar prices have dropped to an unsustainable level. We take this opportunity to urge the government to allow incentive based export of sugar to earn much needed foreign exchange for the country. Further, the government is also requested to immediately release freight subsidy to the mills on export of sugar.

Acknowledgment

The management of the Company would like to thank all the financial institutions, individuals, staff members and shareholders who have been associated with the Company for their continued support and cooperation.

On behalf of the Board of Directors

Mr. Aslam Faruque
Chairman of the meeting

Karachi: May 20, 2014



Auditors' Report to the Members on Review of Condensed Interim Financial Information

INTRODUCTION:

We have reviewed the accompanying condensed interim balance sheet of MIRPURKHAS SUGAR MILLS LIMITED as of March 31, 2014, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account for quarters ended March 31, 2014 and March 31, 2013 have not been reviewed, as we were required to review only the cumulative figures for the half year ended March 31, 2014.

SCOPE OF REVIEW:

We conducted our review in accordance with the 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 as of and for the half year ended on March 31, 2014, is not prepared, in all material respects, in accordance with approved Accounting Standards as applicable in Pakistan.



Condensed Interim Balance Sheet

As at March 31, 2014

	Note	Mar. 31, 2014	Sep. 30, 2013 (Audited) (Restated)
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	5	1,312,240	1,278,312
Intangible asset	6	2,017	2,567
		1,314,257	1,280,879
Long-term investment	7	554,409	505,451
Long-term deposits		995	995
		1,869,661	1,787,325
CURRENT ASSETS			
Stores, spare parts and loose tools		146,221	147,052
Stock-in-trade	8	1,693,718	108,687
Biological assets	9	29,325	47,084
Trade debts	10	22,236	13,595
Loans and advances		24,101	56,919
Short-term prepayments		7,506	1,137
Other receivables		90,220	76,358
Short-term investments		370,212	226,968
Tax refunds due from the Government		48,739	41,764
Cash and bank balances		29,085	11,494
		2,461,363	731,058
TOTAL ASSETS		4,331,024	2,518,383
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	122,682	111,529
Reserves		985,888	791,422
		1,108,570	902,951
SURPLUS ON REVALUATION OF FIXED ASSETS		282,552	282,552
NON-CURRENT LIABILITIES			
Long-term financing		415,000	490,000
Deferred liabilities		253,208	245,956
		668,208	735,956
CURRENT LIABILITIES			
Trade and other payables		417,661	241,200
Accrued mark-up		35,135	14,278
Short-term borrowings	12	1,668,898	191,446
Current portion of long-term financing		150,000	150,000
		2,271,694	596,924
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		4,331,024	2,518,383

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

ASLAM FARUQUE
Chief Executive

YASIR MASOOD
Director

March 31, 2014

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Condensed Interim Profit and Loss Account (un-audited)

For The Half Year Ended March 31, 2014

		Half yearly Ended		Quarter Ended	
Note		Mar. 31, 2014	Mar. 31, 2013	Mar. 31, 2014	Mar. 31, 2013
(Rupees in '000)					
Turnover - net	15	1,828,487	1,811,037	1,261,883	1,374,518
Cost of sales	16	(1,641,286)	(1,642,534)	(1,069,840)	(1,212,024)
Gross profit		187,201	168,503	192,043	162,494
Distribution cost	17	(43,985)	(60,362)	(42,678)	(58,695)
Administrative expenses		(57,003)	(43,814)	(32,363)	(25,958)
Other operating expenses		(2,961)	(5,472)	(2,921)	(5,377)
		(103,949)	(109,648)	(77,962)	(90,030)
Other income / (loss)	18	28,205	14,474	(399)	5,306
Operating income		111,457	73,329	113,682	77,770
Finance cost	19	(74,855)	(63,836)	(49,661)	(38,657)
		36,602	9,493	64,021	39,113
Share of profit in an associate		48,958	89,570	36,760	34,570
Profit before taxation		85,560	99,063	100,781	73,683
Taxation		(23,185)	(17,311)	(15,129)	(13,817)
Profit for the period		62,375	81,752	85,652	59,866
Earnings per share - basic (Rupees)	20	5.08	(Restated) 6.66	6.98	(Restated) 4.88

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Condensed Interim Statement of Comprehensive Income (un-audited)

For The Half Year Ended March 31, 2014

	Half yearly Ended		Quarter Ended	
	Mar. 31, 2014	Mar. 31, 2013	Mar. 31, 2014	Mar. 31, 2013
	(Rupees in '000)			
Profit for the period	62,375	81,752	85,652	59,866
Fair value gain on available-for-sale securities	143,244	32,156	87,925	3,616
Total comprehensive income for the period	<u>205,619</u>	<u>113,908</u>	<u>173,577</u>	<u>63,482</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

ASLAM FARUQUE
Chief Executive

YASIR MASOOD
Director

March 31, 2014

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Condensed Interim Cash Flow Statement (un-audited)

For The Half Year Ended March 31, 2014

	Mar. 31, 2014	Mar. 31, 2013
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	85,560	99,063
Adjustments for :		
Depreciation	27,821	27,272
Amortization	550	550
Provision for market committee fee	7,252	5,358
Provision for stores obsolescence	-	1,019
Fair value adjustment of biological assets	1,967	3,192
Dividend income from related parties	(12,671)	(11,564)
Share of profit in an associate	(48,958)	(89,570)
Gain on disposal of operating property, plant and equipment	(1,323)	(969)
Finance cost	74,855	63,836
	49,493	(876)
	135,053	98,187
Working capital changes :		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	831	3,203
Stock-in-trade	(1,585,031)	(1,028,353)
Biological assets	15,792	(23,572)
Trade debts	(8,641)	(25,103)
Loans and advances	32,818	46,911
Short-term prepayments	(6,369)	(3,014)
Other receivables	(13,862)	11,109
	(1,564,462)	(1,018,819)
Increase / (decrease) in current liabilities:		
Trade and other payables	176,463	(48,273)
Cash used in operations	(1,252,946)	(968,905)
Income tax paid - net	(30,160)	(19,773)
Net cash used in operating activities	(1,283,106)	(988,678)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(62,495)	(52,101)
Sale proceeds of operating property, plant and equipment	2,069	1,255
Long-term deposits	-	(263)
Dividend received from related parties	12,671	11,564
Net cash used in investing activities	(47,755)	(39,545)
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost paid	(53,998)	(49,595)
Short-term borrowings	1,477,452	1,167,541
Long-term financing	(75,000)	(74,444)
Payment of dividend	(2)	(8)
Net cash generated from financing activities	1,348,452	1,043,494
Net increase in cash and cash equivalents	17,591	15,271
Cash and cash equivalents at the beginning of the period	11,494	16,477
Cash and cash equivalents at the end of the period	29,085	31,748

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Condensed Interim Statement of Changes in Equity (un-audited)

For The Half Year Ended March 31, 2014

	Issued subscribed and paid-up capital	Reserves				Total
		General reserves	Unapp- ropriated profit	Fair value gain on available- for-sale securities	Total reserves	
(Rupees in '000')						
Balance as on September 30, 2012 as previously reported	96,982	34,250	424,461	144,709	603,420	700,402
Impact of change in accounting policy Note 3.1 Gain on remeasurment of defined benefit plan	-	-	13,135	-	13,135	13,135
Balance as on September 30, 2012-restated	96,982	34,250	437,596	144,709	616,555	713,537
Total comprehensive income for the half year ended March 31, 2013			81,752	32,156	113,908	113,908
Transaction with owners Issue of bonus shares @ 15% i.e 1.50 share for every 10 shares held	14,547	-	(14,547)	-	(14,547)	-
Balance as at March 31, 2013 - restated	111,529	34,250	504,801	176,865	715,916	827,445
Impact of change in accounting policy Note 3.1 Gain on remeasurment of defined benefit plan	-	-	1,711	-	1,711	1,711
Total comprehensive income for the half year ended Sep. 30, 2013	-	-	59,426	14,369	73,795	73,795
Balance as at September 30, 2013 - restated	111,529	34,250	565,938	191,234	791,422	902,951
Balance as on October 01, 2013 as previously reported	111,529	34,250	551,092	191,234	776,576	888,105
Impact of change in accounting policy Note 3.1 Gain on remeasurment of defined benefit plan	-	-	14,846	-	14,846	14,846
Balance as on October 01, 2013 - restated	111,529	34,250	565,938	191,234	791,422	902,951
Total comprehensive income for the half year ended March 31, 2014	-	-	62,375	143,244	205,619	205,619
Transaction with owners Issue of bonus shares @ 10% i.e 01 share for every 10 shares held	11,153	-	(11,153)	-	(11,153)	-
Balance as on March 31, 2014	122,682	34,250	617,160	334,478	985,888	1,108,570

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

ASLAM FARUQUE
Chief Executive

YASIR MASOOD
Director

March 31, 2014



Notes To The Condensed Interim Financial Statements (un-audited)

For The Half Year Ended March 31, 2014

1. STATUS AND NATURE OF THE BUSINESS

The Company was incorporated in Pakistan on May 27, 1964 as a public limited company and its shares are quoted at Karachi Stock Exchange. Principal activity of the Company is manufacturing and selling of sugar. The registered office of the Company is situated at Modern Motors House, Beaumont Road, Karachi.

2. BASIS OF PRESENTATION

These condensed interim financial statements are un-audited but subject to limited scope review by auditors and are being submitted to the shareholders in accordance with Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 "Interim Financial Reporting", as applicable in Pakistan. These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended September 30, 2013.

3. ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies which were applied in the preparation of the annual financial statements of the Company for the year ended September 30, 2013 except as follows:

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective during the period:

IAS 19 Employee Benefits - (Revised)

IFRS 7 Financial Instruments: Disclosures - (Amendment)
- Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 Stripping cost in the Production Phase of a Surface mine

The adoption of the above revision, amendments and interpretation of the standards did not have any effect on these condensed interim financial statements except for IAS-19 which has resulted in a change in accounting policy during the period as described below:

3.1 IAS 19 (revised) 'Employee benefits' amends the accounting for employment benefits which became effective to the Company from 1st October 2013. The changes introduced by the IAS 19 (revised) are as follows:

- a) The standard requires past service cost to be recognized immediately in profit or loss;
- b) The standard replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit assets or liability and the discount rate, measured at the beginning of the year;
- c) There is new term "measurement". This is made up of actuarial gains and losses, the difference between actual investment returns and return implied by the net interest cost: and
- d) The amendment requires an entity to recognize remeasurement immediately in other comprehensive income. Actuarial gains or losses beyond corridor limits were previously amortized over the expected future services of the employees.

The management believes that the effects of these changes would not have significant effect on this condensed interim financial statements except for the changes referred to in (d) above that has been accounted for retrospectively in accordance with International Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors", resulting in restatement of financial statements of prior periods.

The effect of the change in accounting policy has been demonstrated below:



	Sep. 30, 2013	Oct. 1st, 2012
	(Rupees in '000)	
Effect on the balance sheet		
<i>Unappropriated profit</i>		
As previously reported	551,092	424,461
Effect of change in accounting policy		
Effect of change in accounting policy	14,846	13,135
<i>Unappropriated profit as restated</i>	<u>565,938</u>	<u>437,596</u>
Staff retirement benefit		
As previously reported	3,015	-
Effect of change in accounting policy	14,846	13,135
As restated	<u>17,861</u>	<u>13,135</u>

4. TAXATION

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The tax charge as calculated above is compared with 1% of turnover tax, calculated at applicable tax rates under section 113 of the Income Tax Ordinance, 2001 and under final tax regime, whichever is higher is provided in the condensed interim financial statements. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

5. PROPERTY, PLANT AND EQUIPMENT

	Mar. 31, 2014	Sep. 30, 2013 (Audited)
	(Rupees in '000)	
Opening book value	1,268,384	1,241,331
Additions during the period / year	69,932	83,819
	<u>1,338,316</u>	<u>1,325,150</u>
Disposals during the period / year	(746)	(723)
Depreciation charged during the period / year	(27,821)	(56,043)
	<u>1,309,749</u>	<u>1,268,384</u>
Capital work in progress	2,491	9,928
	<u>1,312,240</u>	<u>1,278,312</u>

5.1 Additions & disposal in property, plant and equipment

	Additions		Disposals at book value	
	Mar. 31, 2014	Sep. 30, 2013 (Audited)	Mar. 31, 2014	Sep. 30, 2013 (Audited)
	(Rupees in '000)			
Free hold land	-	5,831	-	-
Building - Factory	-	10,308	-	-
Plant and machinery	44,578	59,717	-	-
Furniture & fittings	-	274	-	-
Vehicles	24,246	5,915	745	680
Office and other equipment	763	725	-	2
Computers & accessories	345	1,049	1	41
	<u>69,932</u>	<u>83,819</u>	<u>746</u>	<u>723</u>



5.2 Movement in Capital work in progress

	Mar. 31, 2014	Sep. 30, 2013 (Audited)
	(Rupees in '000)	
Opening	9,928	18,595
Add: Addition during the period / year	1,771	9,928
	11,699	28,523
Less: Transferred during the period / year	(9,208)	(18,595)
	2,491	9,928

6. INTANGIBLE ASSET

Opening book value	2,567	3,667
Amortization charged during the period	(550)	(1,100)
	2,017	2,567

7. LONG-TERM INVESTMENT

Unicol Limited	505,451	376,209
Share of profit for the period	48,958	129,242
	554,409	505,451

The Company holds 33.33 percent (Sep. 2013: 33.33 percent) interest in Unicol Limited, which is a public limited (Un-quoted) company. Share of profit / (loss) arising from the associate has been taken to profit and loss account in accordance with the accounting policy as mentioned in note no.3.6(a) to the annual audited financial statements for the year ended September 30, 2013. The share of Company in the net assets has been determined on the basis of the un-audited financial statements for the period ended March 31, 2014.

8. STOCK-IN-TRADE

Sugar	1,599,159	104,383
Sugar in process	3,473	4,304
Molasses	91,086	-
	1,693,718	108,687

9. BIOLOGICAL ASSETS

Sugarcane	23,169	46,589
Others	6,156	495
	29,325	47,084

Movement during the period:

As at October 01	47,084	-
Increase due to purchase / cost incurred	49,103	47,228
	96,187	47,228
Decrease due to harvest sales	(62,674)	(17,566)
Fair value gain related to sales during the year	(15,455)	(875)
Fair value adjustment of biological assets	11,267	18,297
	(66,862)	(144)
	29,325	47,084

10. TRADE DEBTS - unsecured, considered good

Others	22,236	13,595
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10.1 Trade receivable are non-interest bearing and aging analysis of trade debts is as follows:

Neither past due nor impaired	22,236	13,595
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11. SHARE CAPITAL

11.1 Authorized capital

Mar. 31, 2014	Sep. 30, 2013 (Audited)		Mar. 31, 2014	Sep. 30, 2013 (Audited)
Number of shares		Ordinary shares of Rs.10/- each	(Rupees in '000)	
15,000,000	15,000,000		150,000	150,000

11.2 Issued subscribed and paid-up capital

1,770,000	1,770,000	Issued for cash	17,700	17,700
9,382,927	7,928,198	Issued as fully paid bonus shares:	93,829	79,282
1,115,293	1,454,729	-Opening balance	11,153	14,547
10,498,220	9,382,927	-Issued during the period/ year	104,982	93,829
12,268,220	11,152,927		122,682	111,529

12. SHORT-TERM BORROWINGS - SECURED

These represent utilized portion of available finance facilities aggregating to Rs. 2,425 million (Sep. 2013: Rs.1,850 million) from various commercial banks. These facilities are secured against registered first pari passu hypothecation charge over assets of the Company. These facilities are repayable / renewable annually.

13. CONTINGENCIES AND COMMITMENTS

Letter of guarantee issued by a commercial bank	6,351	-
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The status of other contingencies as at March 31, 2014 is same as reported in the annual financial statements for the year ended September 30, 2013.

14. SEASONAL PRODUCTION

Due to the seasonal availability of sugarcane, the production of sugar is carried out during the period of availability of sugarcane and costs incurred / accrued up to the reporting date have been accounted for. Accordingly, the costs incurred / accrued after the reporting date will be reported in the subsequent annual financial statements.

15. TURNOVER-NET

	Half year ended		Quarter ended	
	Mar. 31, 2014	Mar. 31, 2013	Mar. 31, 2014	Mar. 31, 2013
	(Rupees in '000)			
Local sales	744,330	723,614	137,081	252,277
Less: Federal excise duty	(47,318)	(53,492)	(6,673)	(18,687)
Special excise duty	-	(13)	-	-
	697,012	670,109	130,408	233,590
Export sales	1,131,475	1,140,928	1,131,475	1,140,928
	1,828,487	1,811,037	1,261,883	1,374,518

16. COST OF SALES

Opening stock finished goods	104,383	627,727	665,045	997,935
Cost of goods manufactured	3,047,757	2,633,602	1,915,649	1,832,884
Cost of finished goods purchased	88,305	-	88,305	-
	3,240,445	3,261,329	2,668,999	2,830,819
Closing stock finished goods	(1,599,159)	(1,618,795)	(1,599,159)	(1,618,795)
	1,641,286	1,642,534	1,069,840	1,212,024



17. DISTRIBUTION COST

	Half year ended		Quarter ended	
	Mar. 31, 2014	Mar. 31, 2013	Mar. 31, 2014	Mar. 31, 2013
	(Rupees in '000)			
Salaries, wages and other benefits	1,425	1,403	873	804
Insurance	754	758	590	551
Sugar export freight & port handling	40,498	57,929	39,839	57,123
Brokerage & commission	9	-	6	-
Other expenses	1,123	49	1,284	106
Depreciation	121	168	59	84
Amortization	55	55	27	27
	<u>43,985</u>	<u>60,362</u>	<u>42,678</u>	<u>58,695</u>

18. OTHER OPERATING INCOME / (LOSS)

Income from Financial Assets

Dividend income from a related parties	12,671	11,564	4,795	3,427
Profit on PLS accounts with banks	925	270	331	250
Mark-up on growers' loan	1,139	745	(6)	3
	<u>14,735</u>	<u>12,579</u>	<u>5,120</u>	<u>3,680</u>

Income / (loss) from non-financial assets

Gain on disposal of operating property, plant and equipment	1,323	969	849	953
Net gain / (loss) / fair value adjustment of Biological Assets	11,267	-	(6,805)	-

Others

Miscellaneous	880	926	437	673
	<u>28,205</u>	<u>14,474</u>	<u>(399)</u>	<u>5,306</u>

19. FINANCE COST

Mark-up on long-term financing	31,337	27,138	15,607	10,658
Mark-up on short-term borrowings	41,985	35,873	33,058	27,871
Bank charges	1,533	825	996	128
	<u>74,855</u>	<u>63,836</u>	<u>49,661</u>	<u>38,657</u>

20. EARNINGS PER SHARE- Basic

Profit after taxation (Rs.'000)	62,375	81,752	85,652	59,866
Weighted average no. of ordinary shares in issue	<u>12,268,220</u>	<u>12,268,220</u>	<u>12,268,220</u>	<u>12,268,220</u>
Earnings per share-basic (Rupees.)	5.08	(Restated) 6.66	6.98	(Restated) 4.88

There is no dilutive effect on basic earnings per share of the Company.



21. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of related group companies, associated companies, key management personnels and staff retirement funds. The Company in the normal course of business carries out transactions with various related parties.

Relationship	Nature of transactions	Half year ended		Quarter ended	
		Mar. 31, 2014	Mar. 31, 2013	Mar. 31, 2014	Mar.31, 2013
----- (Rupees ` 000) -----					
Group companies	Goods purchased	32,143	21,048	16,199	17,902
	Services received	2,812	2,660	1,440	1,197
	Sales made	289,348	206,434	192,348	162,607
	Dividend received	12,671	11,564	4,795	3,427
Other related parties	Charge for staff provident and gratuity funds	2,983	3,469	1,509	2,158
	Insurance premium	-	672	-	380
Key management personnel	Remuneration	34,065	25,792	19,609	14,101

In addition, certain actual administrative expenses are being shared amongst the group companies. Transactions with related parties are based on the policy that all transactions between the Company and the related parties are carried out at arm's length.

22. DATE OF AUTHORIZATION

These condensed interim financial statements have been authorized for issue on May 20, 2014 by the Board of Directors of the Company.

23. GENERAL

Figures presented in these condensed interim financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.

ASLAM FARUQUE
Chief Executive

YASIR MASOOD
Director

March 31, 2014

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