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# Company Information

## Board of Directors

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

## Audit Committee

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

## Human Resource and Remuneration Committee

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

## Executive Director & Chief Financial Officer

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Mr. Wasif Khalid

## Executive Director & Company Secretary

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Mr. Abid A. Vazir

## Auditors

Kreston Hyder Bhimji & Co.  
Chartered Accountants

## Cost Auditors

UHY Hassan Naeem & Co.  
Chartered Accountants

## Share Registrar

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

## BANKERS

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Al Baraka Bank (Pakistan) Ltd.  
Allied Bank Ltd.  
Askari Bank Ltd. - Islamic Banking  
Bank Alfalah Ltd. - Islamic Banking  
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.  
Samba Bank Ltd.  
Soneri Bank Ltd.  
United Bank Ltd.

## Registered Office / Factory

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Sub Post Office Sugar Mill  
Jamrao, Umerkot Road  
Mirpurkhas, Sindh

## Legal Advisor

K.M.S. Law Associates

# Directors' Review

The Board of Directors presents the un-audited financial results of the company for the nine months period ended June 30, 2016.

## Overview

The crushing season 2015/16 commenced 14 days earlier than last year as the factory operated for 106 days. For the season 2015/16, Sindh Government had notified the price of sugarcane at Rs. 172 per maund. However, anticipated shortage of sugarcane crop in Sindh led to price competition among the sugar mills, which resulted in increase in costs of sugarcane and pushed up the production costs as compared to the same time last year. For the season, sucrose recovery of the company remained 10.82% as compared to 11.02% during the preceding period. During the season 2015/16, lower recoveries were seen across the country including Sindh. Thus considering the same, the recovery of MSM remained satisfactory.

## Operational Highlights

	2015/16	2014/15
Season startup date	Nov. 24, 2015	Dec. 7, 2014
Sugarcane crushed (M. Tons)	616,716	609,569
Capacity utilization	78%	72%
Sugar produced (M. Tons)	66,753	67,175
Molasses produced (M. Tons)	28,325	28,570
Sucrose recovery (%)	10.82%	11.02%
Operational days	106	113

## Financial Performance

During the nine months period under review, the sales revenue of the company increased by Rs. 315 million i.e. 16% from the corresponding period last year. The increase in sales turnover was attributable to rise in the quantity of sugar sold by the company and slight improvement in selling price of sugar. During the period under review, the company sold 44,594 metric tons of sugar against 42,827 metric tons sold at the same time last year. During the period under review, the company earned other income of Rs. 47.29 million from receipt of dividends from investments made in various shares and fair value adjustment of biological assets. The company accounted for its one-third share of profit in Unicol Limited amounting to Rs. 96.01 million and adjusted its investment in the associate by the same amount.

	Jun. 30, 2016	Jun. 30, 2015
	(Rs. in million)	
Net sales	2,297.81	1,982.29
Cost of sales	(2,069.87)	(1,768.21)
Gross profit	227.94	214.08
Other income	47.29	59.46
Share of profit in an associate	96.01	65.06
Other expenses & taxes	(270.16)	(308.18)
Net profit	101.08	30.42
Earnings per share - basic (Rupees)	8.24	2.48

## UniEnergy

We wish to report that UniEnergy Limited - a joint venture wind power project, has been granted Letter of Intent and formally allotted land for setting up the project at Jhampir, district Thatta. The JV partners have made initial equity investment in the company to meet the ongoing financial requirements for the project. In this regard, MSM has made an equity investment of Rs. 7.69 million following the approval of the shareholders. At present, work on technical studies is taking place on the project. Furthermore, the management of the company is in the process of getting approvals from various governmental agencies and is also in touch with financial institutions for funding of the project.

## Bagasse based Power Generation Project:

In line with its vision for diversification and keeping in view the growing demand for electricity in the country, the company has decided to invest of up to Rs. 600 million in a Bagasse based Power Generation Company (to be incorporated). It will be a 100% owned subsidiary of MSM. The planned capacity of the power project is around 26 MW and it is expected to be commissioned in 30 months' time.

**Future Prospects**

Pakistan's sugar industry is highly regulated which leads to uncertainty in sugar production and carryover sugar stocks. Despite the export subsidy given by the Government, there was very little impact on sugar exports for Pakistani sugar due to its high cost and low prices prevailing in the international markets. The government had approved export of 0.5 million metric tons of sugar until March 31, 2016. Furthermore, the Ministry of Commerce had approved an export rebate of Rs. 13 per kg. However, it linked the rebate with the price of Rs. 180 per maund to be paid to the grower for sugarcane. Out of the total quantity allowed for export, only 253,908 metric tons of sugar was registered for export with the State Bank of Pakistan. Although, the Federal government's policy for export of sugar was a good move for the industry, however, linking the same with the price of sugarcane paid to the growers created an anomaly, which resulted in a disadvantage for growers and millers in Sindh; hence no export was made from most of the sugar mills in Sindh.

Sugar prices have improved slightly since last quarter owing to shortfall in production. The government is urged to play its part in stabilizing the local sugar market and for mills to be able to make cane payments. Additionally, the government is also requested to immediately release freight subsidy on export of sugar done in the past to help sugar mills improve their financial position.

**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

**Maqbool H. H. Rahimtoola**  
Chairman

Karachi: July 27, 2016

# Condensed Interim Balance Sheet

As at June 30, 2016

	Note	Jun. 30, 2016 (Unaudited)	Sep. 30, 2015 (Audited)
(Rupees in '000)			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,910,496	1,681,812
Intangible asset	7	-	367
Long-term investments	8	740,917	660,274
Long-term deposits		3,181	4,581
		<u>2,654,594</u>	<u>2,347,034</u>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		192,760	167,509
Stock-in-trade	9	1,452,187	387,049
Biological assets	10	34,358	28,362
Trade debts	11	59,101	34,609
Loans and advances		217,485	107,413
Trade deposits and short-term prepayments		4,193	2,750
Other receivables		292,860	241,668
Short-term investments		1,192,328	791,498
Tax refunds due from the Government		111,021	72,460
Cash and bank balances		60,675	56,156
		<u>3,616,968</u>	<u>1,889,474</u>
		<u>6,271,562</u>	<u>4,236,508</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	12	122,682	122,682
Reserves		2,011,518	1,566,899
		2,134,200	1,689,581
<b>SURPLUS ON REVALUATION OF FIXED ASSETS</b>			
		555,749	555,749
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing		602,500	540,000
Deferred liabilities		279,117	233,235
		881,617	773,235
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,174,437	548,469
Accrued mark-up		48,764	21,784
Short-term borrowings	13	1,426,795	597,690
Current portion of long-term financing		50,000	50,000
		2,699,996	1,217,943
<b>CONTINGENCIES AND COMMITMENTS</b>			
	14		
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<u>6,271,562</u>	<u>4,236,508</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

**ASLAM FARUQUE**  
Chief Executive

**TARIQ FARUQUE**  
Director

## Condensed Interim Profit and Loss Account (Unaudited)

for the period ended June 30, 2016

Note	Period ended		Quarter ended		
	Jun. 30, 2016	Jun. 30, 2015	Jun. 30, 2016	Jun. 30, 2015	
	(Rupees in '000)				
<b>Turnover - net</b>	16	2,297,806	1,982,298	1,207,045	1,326,056
Cost of sales	17	(2,069,870)	(1,768,214)	(1,087,755)	(1,197,001)
<b>Gross profit</b>		227,936	214,084	119,290	129,055
Distribution cost		(5,959)	(5,800)	(2,061)	(2,242)
Administrative expenses		(78,167)	(80,370)	(18,470)	(29,328)
Other operating expenses		(6,531)	(45,758)	(3,605)	(7,051)
		(90,657)	(131,928)	(24,136)	(38,621)
Other income	18	47,286	59,457	(4,602)	2,701
<b>Operating profit</b>		184,565	141,613	90,552	93,135
Finance cost		(106,111)	(122,160)	(44,601)	(49,939)
		78,454	19,453	45,951	43,196
Share of profit in an associate		96,013	65,058	27,346	5,000
<b>Profit before taxation</b>		174,467	84,511	73,297	48,196
Taxation		(73,382)	(54,094)	(22,869)	(43,537)
<b>Profit for the Period</b>		101,085	30,417	50,428	4,659
Earnings per share - basic (Rupees)	19	8.24	2.48	4.11	Re. 0.38

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

**ASLAM FARUQUE**  
Chief Executive

**TARIQ FARUQUE**  
Director

## Condensed Interim Statement of Comprehensive Income (Unaudited)

for the period ended June 30, 2016

	Period ended		Quarter ended	
	Jun. 30, 2016	Jun. 30, 2015	Jun. 30, 2016	Jun. 30, 2015
	(Rupees in '000)			
<b>Profit for the period</b>	101,085	30,417	50,428	4,659
<b>Other Comprehensive income</b>				
<b>Items that may be reclassified subsequently to profit and loss account</b>				
Fair value gain on available-for-sale securities	386,473	413,548	166,487	133,551
<b>Total comprehensive income for the period</b>	<u>487,558</u>	<u>443,965</u>	<u>216,915</u>	<u>138,210</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

**ASLAM FARUQUE**  
Chief Executive

**TARIQ FARUQUE**  
Director

# Condensed Interim Cash Flow Statement (Unaudited)

for the period ended June 30, 2016

	Jun. 30, 2016	Jun. 30, 2015
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	174,467	84,511
<b>Adjustments for :</b>		
Depreciation	46,084	46,050
Amortization	367	825
Provision for market committee fee	6,167	6,097
Fair value adjustment of biological assets	(7,721)	44,380
Dividend income from related parties	(34,328)	(13,010)
Share of profit in an associate	(96,013)	(65,058)
Gain on disposal of operating property, plant and equipment	(1,240)	(42,764)
Finance cost	106,111	122,160
	19,427	98,680
	<u>193,894</u>	<u>183,191</u>
<b>Working capital changes :</b>		
<b>(Increase) / decrease in current assets :</b>		
Stores, spare parts and loose tools	(25,251)	(26,316)
Stock-in-trade	(1,065,138)	(993,551)
Biological assets	1,725	12,199
Trade debts	(24,492)	(9,497)
Loans and advances	(110,072)	(140,612)
Short-term prepayments	(1,443)	(605)
Other receivables	(51,192)	(98,350)
	(1,275,863)	(1,256,732)
<b>Increase in current liabilities :</b>		
Trade and other payables	655,193	418,695
<b>Cash used in operations</b>	<u>(426,776)</u>	<u>(654,846)</u>
Income tax paid - net	(72,228)	(80,312)
<b>Net cash used in operating activities</b>	<u>(499,004)</u>	<u>(735,158)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(276,230)	(15,644)
Sale proceeds of operating property, plant and equipment	2,702	44,430
Short-term investments	(14,357)	(50,000)
Long-term investments	15,370	-
Long-term deposits	1,400	(9)
Dividend received from related parties	34,328	13,010
<b>Net cash used in investing activities</b>	<u>(236,787)</u>	<u>(8,213)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance cost paid	(79,131)	(94,520)
Short-term borrowings	829,105	869,503
Long-term financing-net	62,500	(37,500)
Payment of dividend	(72,164)	(18)
<b>Net cash generated from financing activities</b>	<u>740,310</u>	<u>737,465</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	4,519	(5,906)
<b>Cash and cash equivalents at the beginning of the period</b>	56,156	20,339
<b>Cash and cash equivalents at the end of the period</b>	<u>60,675</u>	<u>14,433</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

**ASLAM FARUQUE**  
Chief Executive

**TARIQ FARUQUE**  
Director



## Condensed Interim Statement of Changes in Equity (Unaudited)

for the period ended June 30, 2016

	Issued subscribed and paid-up capital	Reserves				Total reserves	Total
		General reserves	Unapp- ropriated profit	Actuarial gain on defined benefit plan	Fair value gain on available- for-sale securities		
(Rupees in '000')							
<b>Balance as on October 01, 2014</b>	122,682	34,250	620,473	41,117	260,873	956,713	1,079,395
Profit for the period	-	-	30,417	-	-	30,417	30,417
Other comprehensive income	-	-	-	-	413,548	413,548	413,548
Total comprehensive income	-	-	30,417	-	413,548	443,965	443,965
<b>Balance as at June 30, 2015</b>	122,682	34,250	650,890	41,117	674,421	1,400,678	1,523,360
<b>Balance as at October 01, 2015</b>	122,682	34,250	709,555	117,330	705,764	1,566,899	1,689,581
Profit for the period	-	-	101,085	-	-	101,085	101,085
Other comprehensive income	-	-	-	-	386,473	386,473	386,473
Total comprehensive income	-	-	101,085	-	386,473	487,558	487,558
<b>Transaction with owners</b>							
Final cash dividend for the year ended September 30, 2015 @ Rs. 3.50 per share	-	-	(42,939)	-	-	(42,939)	(42,939)
<b>Balance as at June 30, 2016</b>	122,682	34,250	767,701	117,330	1,092,237	2,011,518	2,134,200

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

**ASLAM FARUQUE**  
Chief Executive

**TARIQ FARUQUE**  
Director

# Notes to the Condensed Interim Financial Statements (Unaudited)

for the period ended June 30, 2016

## 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 Pakistan Stock Exchange. Principal activity of the Company is manufacturing and selling of sugar. The registered office of the Company is situated at Sub Post Office Sugar Mill Jamrao, Umerkot Road Mirpurkhas, Sindh.

## 2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the nine months period ended June 30, 2016 have been prepared in accordance with the requirements of the International accounting Standards 34- Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

## 3. BASIS OF PRESENTATION

These condensed interim financial statements are un-audited and are being submitted to the shareholders in accordance with Section 245 of the Companies Ordinance, 1984. 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, 2015.

## 4. 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, 2015 except as follows:

The Company has adopted the following standards which became effective during the period:

IFRS 10	-	Consolidated Financial Statements
IFRS 11	-	Joint Arrangements
IFRS 12	-	Disclosure of Interest in Other Entities
IFRS 13	-	Fair Value Measurement

The adoption of the above standards did not have any material effect on these condensed interim financial statements.

## 5. 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, alternate corporate tax calculated under section 113C 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.

6. PROPERTY, PLANT AND EQUIPMENT	Note	Jun. 30, 2016	Sep. 30, 2015 (Audited)
		(Rupees in '000)	
Opening book value		1,540,282	1,593,974
Additions during the period / year	6.1	139,470	28,010
		1,679,752	1,621,984
Disposals during the period / year at book value	6.1	(1,462)	(1,667)
Depreciation charged during the period / year		(46,084)	(61,769)
Reversal of revaluation of freehold land - sold	6.1	-	(18,266)
		1,632,206	1,540,282
Capital work in progress	6.2	278,290	141,530
		1,910,496	1,681,812

### 6.1 Additions & disposals in property, plant and equipment

	Additions		Disposals at book value	
	Jun. 30, 2016	Sep. 30, 2015 (Audited)	Jun. 30, 2016	Sep. 30, 2015 (Audited)
	(Rupees in '000)			
Free hold land	-	-	-	19,485
Plant and machinery	116,083	22,629	-	-
Vehicles	22,565	4,467	1,462	448
Office and other equipment	157	164	-	-
Computers & accessories	665	750	-	-
	139,470	28,010	1,462	19,933

### 6.2 Capital work-in-progress

	Note	Jun. 30, 2016	Sep. 30, 2015 (Audited)
		(Rupees in '000)	
Plant and machinery		276,290	140,430
Stores held for capitalisation		2,000	1,100
		278,290	141,530

### 6.3 Movement in Capital work in progress

Opening	141,530	19,060
Add: Addition during the period / year	225,778	145,099
	367,308	164,159
Less: Transferred during the period / year	(89,018)	(22,629)
	278,290	141,530

### 7. INTANGIBLE ASSET

Opening book value	367	1,467
Amortization charged during the period / year	(367)	(1,100)
	-	367

### 8. LONG-TERM INVESTMENT

Unicol Limited	8.1		
As at October 1,		660,274	558,396
Dividend received		(23,060)	-
		637,214	558,396
Share of profit for the period / year		96,013	101,878
		733,227	660,274
UniEnergy Limited	8.2	7,690	-
		740,917	660,274

- 8.1** The Company holds 33.33 percent (Sep. 2015: 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 the 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, 2015. The share of Company in the net assets has been determined on the basis of the un-audited financial statements for the period ended June 30, 2016.
- 8.2** During the period, the Company has invested Rs. 7.69 million in 768,999 shares having face value of Rs.10/- each representing shareholding of 7.69% (Sep. 30, 2015: Nil) of UniEnergy Limited, a public Limited (Un-quoted) company. UniEnergy is a joint venture wind power project, which is in the process of implementation. This investment in UniEnergy Limited will be accounted for using the Equity method.

9. STOCK-IN-TRADE	Note	Jun. 30, 2016	Sep. 30, 2015 (Audited)
		(Rupees in '000)	
Sugar		1,448,740	384,180
Sugar in process		3,447	2,869
Molasses		-	-
		<u>1,452,187</u>	<u>387,049</u>

## 10. BIOLOGICAL ASSETS

Sugarcane	31,594	25,701
Others	2,764	2,661
	<u>34,358</u>	<u>28,362</u>

### Movement during the period:

As at October 01	28,362	72,150
Addition due to cultivation	46,555	47,405
Gain / loss arising from initial recognition of standing crop less cost to sell	7,721	(36,905)
Decrease due to harvest sale	(48,280)	(54,288)
	<u>34,358</u>	<u>28,362</u>

## 11. TRADE DEBTS - unsecured, considered good

Related party:			
Unicol Limited	11.1	-	2,047
Others		59,101	32,562
		<u>59,101</u>	<u>34,609</u>

### 11.1 Trade receivable are non-interest bearing and aging analysis of trade debts is as follows:

Past due but not impaired-within 30 days	-	2,047
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## 12. SHARE CAPITAL

### 12.1 Authorized capital

Jun. 30, 2016	Sep. 30, 2015 (Audited)		Jun. 30, 2016	Sep. 30, 2015 (Audited)
Number of shares			(Rupees in '000)	
50,000,000	15,000,000	Ordinary shares of Rs.10/- each	500,000	150,000

## 12.2 Issued subscribed and paid-up capital

Jun. 30, 2016	Sep. 30, 2015 (Audited)		Jun. 30, 2016	Sep. 30, 2015 (Audited)
Number of shares			(Rupees in '000)	
1,770,000	1,770,000	Issued for cash	17,700	17,700
		Issued as fully paid bonus shares:		
10,498,219	10,498,219	-Opening balance	104,982	104,982
-	-	-Issued during the period / year	-	-
10,498,219	10,498,219		104,982	104,982
12,268,219	12,268,219		122,682	122,682

## 13. SHORT-TERM BORROWINGS - SECURED

These represent utilized portion of seasonal/ non-seasonal financing facilities from various commercial banks. These facilities are secured against registered first pari passu hypothecation charge over various assets of the Company.

## 14. CONTINGENCIES AND COMMITMENTS

The status of contingencies as at Jun. 30, 2016 is the same as reported in the annual financial statements for the year ended September 30, 2015.

Jun. 30, 2016	Sep. 30, 2015 (Audited)
(Rupees in '000)	
24,117	64,202

### 14.1 Letter of credit issued by commercial banks

## 15. 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.

## 16. TURNOVER-NET

	Period ended		Quarter ended	
	Jun. 30, 2016	Jun. 30, 2015	Jun. 30, 2016	Jun. 30, 2015
	(Rupees in '000)			
Local sales	2,481,630	2,236,490	1,303,608	1,541,390
Less: federal excise duty	(183,824)	(254,192)	(96,563)	(215,334)
	2,297,806	1,982,298	1,207,045	1,326,056

## 17. COST OF SALES

Opening stock finished goods	384,180	271,299	2,433,955	2,590,106
Cost of goods manufactured / purchased	3,134,430	2,761,937	102,540	(128,083)
	3,518,610	3,033,236	2,536,495	2,462,023
Closing stock finished goods	(1,448,740)	(1,265,022)	(1,448,740)	(1,265,022)
	2,069,870	1,768,214	1,087,755	1,197,001

## 18. OTHER INCOME

### Income from Financial Assets

	Jun. 30, 2016	Jun. 30, 2015	Jun. 30, 2016	Jun. 30, 2015
Dividend income from a related party	34,328	13,010	-	-
Profit on PLS accounts with banks	780	545	225	111
Mark-up on growers' loan	630	324	-	-
	<u>35,738</u>	<u>13,879</u>	<u>225</u>	<u>111</u>

### Income / (loss) from non-financial assets

Gain on disposal of operating property, plant and equipment	1,240	42,764	-	99
Gain on fair value adjustment of biological assets	10,061	-	(4,951)	-

### Others

Miscellaneous	247	2,814	124	2,491
	<u>47,286</u>	<u>59,457</u>	<u>(4,602)</u>	<u>2,701</u>

## 19. EARNINGS PER SHARE- Basic

Profit after taxation (Rs.'000)	101,085	30,417	50,428	4,659
Weighted average no. of ordinary shares in issue	<u>12,268,219</u>	<u>12,268,219</u>	<u>12,268,219</u>	<u>12,268,219</u>
Earnings per share-basic (Rupees.)	<u>8.24</u>	<u>2.48</u>	<u>4.11</u>	<u>Re. 0.38</u>

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

## 20. 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 Transaction	Period ended		Quarter ended	
		Jun. 30, 2016	Jun. 30, 2015	Jun. 30, 2016	Jun. 30, 2015
		(Rupees in '000)			
Group companies	Goods purchased	24,653	49,127	756	206
	Services received	6,091	5,308	1,940	1,821
	Sales made	261,568	302,779	72,599	41,098
	Dividend received	57,388	13,010	-	-
	Dividend paid	33,323	-	-	-
	Investment made	22,047	50,000	-	-
Other related parties	Charge for staff provident and gratuity funds	5,435	4,795	1,764	1,574
Key management personnel	Remuneration	52,431	47,244	21,167	16,751

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.

**21. DATE OF AUTHORIZATION**

These condensed interim financial statements have been authorized for issue on 27 July 2016 by the Board of Directors of the Company.

**22. GENERAL**

**22.1** Provisions of Workers' Profit Participation Fund, Workers' Welfare Fund, Income Tax and Deferred Tax (where applicable) are interim and final liability will be determined on the basis of annual results.

**22.2** Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

**ASLAM FARUQUE**  
Chief Executive

**TARIQ FARUQUE**  
Director

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