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# Crescent Sugar Mills And Distillery Limited



**INTERIM CONDENSED FINANCIAL  
STATEMENTS FOR THE NINE  
MONTHS AND QUARTER  
ENDED JUNE 30, 2009**

## COMPANY PROFILE

### BOARD OF DIRECTORS

Mr. Mazhar Karim (Chairman)  
Mr. Muhammad Arshad (Chief Executive Officer)

### DIRECTORS

(in alphabetical order)

Mr. Abid Mehmood  
Mr. Jamal Nasim (Nominee NIT)  
Mr. Khalid Bashir  
Mr. Muhammad Anwar  
Mr. Salman Rafi

### AUDIT COMMITTEE

Mr. Muhammad Anwar (Chairman)  
Mr. Jamal Nasim  
Mr. Khalid Bashir

### COMPANY SECRETARY

Mr. Sami Ullah Chaudhry

### BANKERS

National Bank of Pakistan  
Habib Metropolitan Bank Limited

### AUDITORS

Riaz Ahmad & Company  
Chartered Accountants

### U.R.L:

[www.crescentsugar.com](http://www.crescentsugar.com)

## 15. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary companies, companies in which directors are interested, staff retirement funds, directors and key management personnel. Significant transactions with related parties and associated companies are as under :

	(RUPEES IN THOUSAND)	
	June 30, 2009	June 30, 2008
Associated Companies		
Sales	38,585	62,387
Dividend	-	5,664
Insurance charges	4,427	3,974
Subsidiary Company		
Rental expense	720	725
Others		
Employees' Provident Fund Trust	1,370	1,207

## 16. DATE OF AUTHORIZATION

These financial statements have been approved and authorized for issue by the Board of Directors of the company on July 27, 2009.

## 17. CORRESPONDING FIGURES

- Comparative figures of interim condensed profit and loss account for the nine months ended June 30, 2008 have been reclassified, wherever necessary for the purpose of comparison. However, no significant reclassification has been made.
- Figures have been rounded off to the nearest thousand rupees.

  
MUHAMMAD ARSHAD  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD ANWAR  
DIRECTOR

	SUGAR UNIT		DISTILLERY UNIT		TEXTILE UNITS		BULK STORAGE		CONSOLIDATED	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
<b>14.2 COST OF SALES</b>										
Raw material consumed	508,479	542,885	-	-	727,469	932,492	-	-	1,235,948	1,475,377
Molasses transferred/purchased	(5,224)	(6,216)	5,224	6,216	-	-	-	-	-	-
Salaries, wages and other benefits	22,852	20,982	1,142	1,109	85,924	87,549	-	-	109,918	109,640
Stores, spare parts and loose tools	19,451	29,135	1,487	891	32,287	43,943	-	-	53,225	73,969
Fuel and power	11,607	8,058	-	41	107,769	114,266	-	-	119,376	122,365
Other manufacturing overheads	1,738	1,903	-	-	2,040	2,930	-	-	3,778	4,833
Insurance	293	462	136	68	2,517	2,157	-	-	2,946	2,687
Repair and maintenance	11,643	12,794	150	219	1,262	2,324	-	-	13,055	15,337
Depreciation and amortization	4,976	4,937	59	66	25,081	27,672	-	-	30,116	32,675
	575,815	614,940	8,198	8,610	984,349	1,213,333	-	-	1,568,362	1,836,883
Work-in-process:										
Opening stock	8,081	8,912	-	-	13,588	9,736	-	-	21,669	18,648
Closing stock	(4,950)	(7,495)	-	-	(8,758)	(13,050)	-	-	(21,708)	(20,545)
	(4,869)	1,417	-	-	4,830	(3,314)	-	-	(39)	(1,897)
Cost of goods manufactured	570,946	616,357	8,198	8,610	989,179	1,210,019	-	-	1,568,323	1,834,986
Cost of goods purchased	-	-	-	-	-	9,524	-	-	-	9,524
	570,946	616,357	8,198	8,610	989,179	1,219,543	-	-	1,568,323	1,844,510
Finished goods:										
Opening stock	64,936	59,386	17,471	18,486	53,161	65,245	-	-	1,559	144,676
Closing stock	(227,685)	(166,242)	(17,826)	(24,402)	(41,602)	(45,898)	-	-	(1,559)	(238,101)
	(162,749)	(106,856)	(355)	(5,916)	11,559	19,347	-	-	(151,545)	(93,425)
	408,197	509,501	7,843	2,694	1,000,738	1,238,890	-	-	1,416,778	1,751,085

## DIRECTORS' REVIEW TO THE MEMBERS

Dear Members,

On behalf of the Board of Directors, we present to you the Un-audited Interim Condensed Financial Statements of the Company for the period ended June 30, 2009. During the period under review, your company sustained a pre-tax loss of Rs. 128.231 Million as compared to the loss of Rs. 34.038 Million sustained in the corresponding period of last year.

### Sugar Unit

As already reported in our last quarter report that due to overall shortage of sugarcane cultivation, the crushing season of 2008-2009 was not very significant as we could only operate the factory for 106 days and therefore the production figures are far less than our target.

Due to limited sugarcane supply in the region, there was an intense competition for the sugarcane procurement among the various units situated in our region and though there was a significant increase in the sugarcane support price by the Government of Punjab but in order to compete with the rest of the mills of our area, we ended up in procuring the raw material at much higher than the actual support price. The start stop operation of the factory for almost the entire season has on the one hand, had a negative impact on the sugarcane recovery but on the other hand has also increased our cost of manufacturing.

In relation to this, the price on the end product in the local market remained much below the economically viable level. There has always been a pressure on sugar sales during the peak of the season as most of the factories continuously offload their sugar stocks in order to make timely payments to the sugarcane growers. For this very reason, there is always a tremendous pressure on this commodity for the most part of the season.

The cost of manufacturing has risen by manifolds in the last few years due to increase in the raw material prices, increase in the fuel charges, increase in the labour charges and an upward revision in the mark up rates but in relation to this, the prices of the end product is mostly traded well below the breakeven level and therefore this operation has resulted in substantial loss for the review period as was the case during previous years.

### DISTILLERY UNIT

The Distillery unit just worked for 19 days during the review period and produced 271,557 liters after consuming 1,045 M.Tons of Molasses. During the corresponding period of last year, the unit worked for 32 days and produced 463,516 liters after consuming 1,829 M. Tons of molasses.

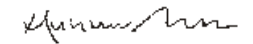
### TEXTILE UNITS

As reported in our six monthly review, the current financial year has been worst year in our history. The losses sustained during first six months determined our position. We could not achieve optimum production during winter months which resulted in increase of cost of goods produced tremendously.

The impact of external factors such as increase in bank markup rates, salaries and wages, power tariff and transportation cost put enormous pressure on our working.

The new crop of cotton lint has arrived and the initial results suggest that the quality of cotton is much better than last year. We hope with the new cotton lint our working will become better and our results will improve.

For and on behalf of  
The Board of Directors.



MUHAMMAD ARSHAD  
CHIEF EXECUTIVE OFFICER

FAISALABAD:  
July 27, 2009

## CRESCENT SUGAR MILLS

### INTERIM CONDENSED BALANCE

NOTE	UNAUDITED		AUDITED		UNAUDITED		AUDITED	
	(RUPEES IN THOUSAND)							
	THE COMPANY				CONSOLIDATED			
	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008
<b>EQUITY AND LIABILITIES</b>								
<b>SHARE CAPITAL AND RESERVES</b>								
<b>Authorized share capital</b>								
30,000,000 (2008: 30,000,000)								
ordinary shares of Rupees 10 each								
	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>				
<b>Issued, subscribed and paid up share capital</b>								
5	213,775	213,775	213,775	213,775				
<b>Capital reserves</b>								
	64,239	211,949	8,807	48,771				
<b>Revenue reserves</b>								
	(197,846)	(67,274)	(133,185)	10,229				
	<u>80,168</u>	<u>358,450</u>	<u>89,397</u>	<u>272,775</u>				
<b>NON-CURRENT LIABILITIES</b>								
Long term financing								
6	52,451	49,085	84,845	88,229				
Employees' retirement benefits								
	6,433	8,243	9,361	11,255				
	58,884	57,328	94,206	99,484				
<b>CURRENT LIABILITIES</b>								
Trade and other payables								
	397,106	248,894	442,260	268,583				
Accrued markup								
	45,025	35,368	68,994	56,298				
Short term finances								
	556,769	545,941	556,769	568,047				
Current portion of long term liabilities								
	18,047	43,389	27,047	52,389				
Provision for taxation								
	13,707	11,366	18,564	16,126				
	<u>1,030,654</u>	<u>884,958</u>	<u>1,113,634</u>	<u>961,443</u>				
<b>Total liabilities</b>								
	<u>1,089,538</u>	<u>942,286</u>	<u>1,207,840</u>	<u>1,060,927</u>				
<b>CONTINGENCIES AND COMMITMENTS</b>								
7	-	-	-	-				
<b>TOTAL EQUITY AND LIABILITIES</b>								
	<u>1,169,706</u>	<u>1,300,736</u>	<u>1,297,237</u>	<u>1,333,702</u>				

The annexed notes form an integral part of this interim financial information.

  
**MUHAMMAD ARSHAD**  
 CHIEF EXECUTIVE OFFICER

#### 14. SUMMARISED WORKING RESULTS OF EACH LINE OF BUSINESS FOR THE NINE MONTHS ENDED JUNE 30, 2009-CONSOLIDATED

	NOTE	SUGAR UNIT		DISTILLERY UNIT		TEXTILE UNITS		BULK STORAGE		CONSOLIDATED	
		June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
		(RUPEES IN THOUSAND)									
Sales	(14.1)	398,561	494,802	4,908	4,908	1,005,292	1,330,804	19,418	12,927	1,437,352	1,843,441
Cost of sales	(14.2)	408,197	509,501	7,843	2,694	1,000,738	1,238,890	-	-	1,416,778	1,751,085
Gross (loss)/profit		(9,636)	(14,699)	6,238	2,214	4,554	91,914	19,418	12,927	20,574	92,356
Distribution cost		906	1,252	713	749	11,840	19,019	304	327	13,763	21,347
Administrative expenses		24,914	23,985	123	74	27,199	25,770	14,478	9,436	66,714	59,265
Other operating expenses		100	25	-	-	-	-	-	-	100	25
		<u>25,920</u>	<u>25,262</u>	<u>836</u>	<u>823</u>	<u>39,039</u>	<u>44,789</u>	<u>14,782</u>	<u>9,763</u>	<u>80,577</u>	<u>80,637</u>
		<u>(35,556)</u>	<u>(39,961)</u>	<u>5,402</u>	<u>1,391</u>	<u>(34,485)</u>	<u>47,125</u>	<u>4,636</u>	<u>3,164</u>	<u>(60,003)</u>	<u>11,779</u>
Other operating income		4,681	18,593	-	-	3,880	2,475	-	-	8,561	21,068
(Loss)/profit from operations		<u>(30,875)</u>	<u>(21,368)</u>	<u>5,402</u>	<u>1,391</u>	<u>(30,605)</u>	<u>49,600</u>	<u>4,636</u>	<u>3,164</u>	<u>(51,442)</u>	<u>32,787</u>
Finance cost		22,913	24,932	-	-	48,777	44,599	3,707	3,360	75,397	72,891
(Loss)/profit before taxation		<u>(53,788)</u>	<u>(46,300)</u>	<u>5,402</u>	<u>1,391</u>	<u>(79,382)</u>	<u>5,001</u>	<u>929</u>	<u>(196)</u>	<u>(126,839)</u>	<u>(40,104)</u>
<b>14.1 SALES</b>											
Main products / services		351,571	422,301	14,081	4,908	988,276	1,301,501	19,418	12,927	1,373,346	1,741,637
Molasses (By-Product)		46,990	72,501	-	-	-	-	-	-	46,990	72,501
Waste		398,561	494,802	14,081	4,908	1,005,292	1,330,804	19,418	12,927	1,437,352	1,843,441

(RUPEES IN THOUSAND)

	SUGAR UNIT		DISTILLERY UNIT		TEXTILE UNITS		TOTAL
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	
<b>13.2 COST OF SALES</b>							
Raw material consumed	508,479	542,885	-	-	932,492	1,475,377	
Molasses transferred/purchased	(5,224)	(6,216)	5,224	6,216	-	-	
Salaries, wages and other benefits	22,852	20,982	1,142	1,109	85,924	109,918	
Stores, spare parts and loose tools	19,451	29,135	1,487	891	32,287	53,225	
Fuel and power	11,607	8,058	-	41	107,769	119,376	
Other manufacturing overheads	1,738	1,903	-	-	2,040	3,778	
Insurance	293	462	136	68	2,157	2,946	
Repair and maintenance	11,643	12,794	150	219	1,262	13,055	
Depreciation and amortization	4,976	4,937	59	66	25,081	30,116	
	<u>575,815</u>	<u>614,940</u>	<u>8,198</u>	<u>8,610</u>	<u>984,349</u>	<u>1,568,362</u>	<u>1,836,883</u>
Work-in-process:							
Opening stock	8,081	8,912	-	-	13,588	9,736	18,648
Closing stock	(12,950)	(7,495)	-	-	(8,758)	(13,050)	(20,545)
	<u>(4,869)</u>	<u>1,417</u>	-	-	<u>4,830</u>	<u>(3,314)</u>	<u>(1,897)</u>
Cost of goods manufactured	570,946	616,357	8,198	8,610	989,179	1,568,323	1,834,986
Cost of goods purchased	-	-	8,198	8,610	-	-	9,524
	<u>570,946</u>	<u>616,357</u>	<u>8,198</u>	<u>8,610</u>	<u>989,179</u>	<u>1,568,323</u>	<u>1,844,510</u>
Finished goods:							
Opening stock	64,936	59,386	17,471	18,486	53,161	65,245	143,117
Closing stock	(162,749)	(166,242)	(355)	(5,916)	(41,602)	(45,898)	(236,542)
	<u>(162,749)</u>	<u>(166,856)</u>	<u>(355)</u>	<u>(5,916)</u>	<u>11,559</u>	<u>19,347</u>	<u>(93,425)</u>
	<u>408,197</u>	<u>509,501</u>	<u>7,843</u>	<u>2,694</u>	<u>1,000,738</u>	<u>1,238,890</u>	<u>1,751,085</u>

## AND DISTILLERY LIMITED

### SHEET AS AT JUNE 30, 2009

NOTE	UNAUDITED				AUDITED			
	(RUPEES IN THOUSAND)							
	THE COMPANY				CONSOLIDATED			
	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008
<b>ASSETS</b>								
<b>NON-CURRENT ASSETS</b>								
Property, plant and equipment	8	401,600	428,062	409,895	437,022			
Long term investments	9	56,832	62,601	225,571	242,650			
Long term deposits		2,710	2,710	4,239	4,239			
		<u>461,142</u>	<u>493,373</u>	<u>639,705</u>	<u>683,911</u>			
<b>CURRENT ASSETS</b>								
Stores, spare parts and loose tools		72,071	66,584	77,047	71,529			
Stock-in-trade		352,695	310,000	352,695	310,000			
Trade debts		58,374	74,828	72,899	89,608			
Loans and advances		24,035	26,673	24,257	26,896			
Short term deposits, prepayments and balances with statutory authorities		47,136	28,834	54,234	35,114			
Other receivables		32,952	33,345	49,905	49,739			
Short term investments	10	113,382	255,456	14,821	51,975			
Cash and bank balances		7,919	11,643	11,674	14,930			
		<u>708,564</u>	<u>807,363</u>	<u>657,532</u>	<u>649,791</u>			
<b>TOTAL ASSETS</b>		<u>1,169,706</u>	<u>1,300,736</u>	<u>1,297,237</u>	<u>1,333,702</u>			

  
 MUHAMMAD ANWAR  
 DIRECTOR

# CRESCENT SUGAR MILLS

## INTERIM CONDENSED PROFIT AND LOSS ACCOUNT FOR THE

	NOTE	THE COMPANY			
		NINE MONTHS ENDED		QUARTER ENDED	
		June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
SALES		1,417,934	1,830,514	522,033	630,197
COST OF SALES	11	1,416,778	1,751,085	507,074	582,703
GROSS PROFIT		1,156	79,429	14,959	47,494
DISTRIBUTION COST		13,459	21,020	7,085	9,029
ADMINISTRATIVE EXPENSES		52,699	49,975	17,331	16,929
OTHER OPERATING EXPENSES		100	25	100	-
		<u>66,258</u>	<u>71,020</u>	<u>24,516</u>	<u>25,958</u>
		(65,102)	8,409	(9,557)	21,536
OTHER OPERATING INCOME	12	8,561	26,484	4,892	7,706
(LOSS)/PROFIT FROM OPERATIONS		<u>(56,541)</u>	<u>34,893</u>	<u>(4,665)</u>	<u>29,242</u>
FINANCE COST		71,690	68,931	21,979	22,410
		<u>(128,231)</u>	<u>(34,038)</u>	<u>(26,644)</u>	<u>6,832</u>
SHARE OF PROFIT/(LOSS) FROM ASSOCIATED COMPANIES		-	-	-	-
(LOSS)/PROFIT BEFORE TAXATION		<u>(128,231)</u>	<u>(34,038)</u>	<u>(26,644)</u>	<u>6,832</u>
PROVISION FOR TAXATION		2,341	9,152	1,285	2,765
(LOSS)/PROFIT AFTER TAXATION		<u>(130,572)</u>	<u>(43,190)</u>	<u>(27,929)</u>	<u>4,067</u>
(LOSS)/EARNING PER SHARE - BASIC AND DILUTED (RUPEES)		<u>(6.11)</u>	<u>(2.02)</u>	<u>(1.31)</u>	<u>0.19</u>

The annexed notes form an integral part of this interim financial information.

  
**MUHAMMAD ARSHAD**  
 CHIEF EXECUTIVE OFFICER

	NOTE	THE COMPANY				CONSOLIDATED			
		NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
		June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
<b>12. OTHER OPERATING INCOME</b>									
Gain on sale of investments		3,668	14,089	3,611	3,611	14,089	3,668	3,611	3,611
Dividend income		383	5,664	2,240	2,240	383	-	-	-
Gain on disposal of operating fixed assets		647	259	-	-	647	282	23	23
Stores, scrap and mud sales		1,111	4,955	527	527	1,111	4,955	81	528
Liabilities written back		3	-	-	-	3	-	-	-
Rental income		-	-	-	-	-	225	-	-
Exchange gain		2,741	1,412	1,294	1,294	2,741	1,412	1,140	1,294
Miscellaneous income		8	105	33	33	8	105	3	33
		<u>8,561</u>	<u>26,484</u>	<u>4,892</u>	<u>7,705</u>	<u>8,561</u>	<u>21,068</u>	<u>4,892</u>	<u>5,489</u>
<b>13. SUMMARISED WORKING RESULTS OF EACH LINE OF BUSINESS FOR THE NINE MONTHS ENDED JUNE 30, 2009-THE COMPANY</b>									
		SUGAR UNIT		DISTILLERY UNIT		TEXTILE UNITS		TOTAL	
		June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Sales	(13.1)	398,561	494,802	14,081	4,908	1,005,292	1,330,804	1,417,934	1,830,514
Cost of sales	(13.2)	408,197	509,501	7,843	2,694	1,000,738	1,238,890	1,416,778	1,751,085
Gross (loss)/profit		(9,636)	(14,699)	6,238	2,214	4,554	91,914	1,156	79,429
Distribution cost		906	1,252	713	749	11,840	19,019	13,459	21,020
Administrative expenses		24,914	23,985	123	74	27,662	25,916	52,699	49,975
Other operating expenses		100	25	-	-	-	-	100	25
		<u>25,920</u>	<u>25,262</u>	<u>836</u>	<u>823</u>	<u>39,502</u>	<u>44,935</u>	<u>66,258</u>	<u>71,020</u>
Other operating income (Loss)/profit from operations		(35,556)	(39,961)	5,402	1,391	(34,948)	46,979	(65,102)	8,409
Finance cost		4,681	24,257	-	-	3,880	2,227	8,561	26,484
(Loss)/profit before taxation		<u>(30,875)</u>	<u>(15,704)</u>	<u>5,402</u>	<u>1,391</u>	<u>(31,068)</u>	<u>49,206</u>	<u>(56,541)</u>	<u>34,893</u>
Finance cost		22,913	24,932	-	-	48,777	43,999	71,690	68,931
(Loss)/profit before taxation		<u>(53,788)</u>	<u>(40,636)</u>	<u>5,402</u>	<u>1,391</u>	<u>(79,845)</u>	<u>5,207</u>	<u>(128,231)</u>	<u>(34,038)</u>
<b>13.1 SALES</b>									
Main products		351,571	422,301	14,081	4,908	988,276	1,301,501	1,353,928	1,728,710
Molasses (By-Product)		46,990	72,501	-	-	17,016	46,990	46,990	72,501
Waste		398,561	494,802	14,081	4,908	1,005,292	1,330,804	1,417,934	1,830,514

(RUPEES IN THOUSAND)

## THE COMPANY

## CONSOLIDATED

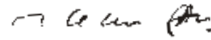
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
<b>11. COST OF SALES</b>								
Raw material consumed	1,235,948	1,475,377	248,125	327,891	1,235,948	1,475,377	248,125	327,891
Salaries, wages and other benefits	109,918	109,640	32,975	36,328	109,918	109,640	32,975	36,328
Stores, spare parts and loose tools	53,225	73,969	13,517	21,676	53,225	73,969	13,517	21,676
Fuel and power	119,376	122,365	32,487	43,667	119,376	122,365	32,487	43,667
Other manufacturing overheads	3,778	4,833	909	1,085	3,778	4,833	909	1,085
Insurance	2,946	2,687	833	993	2,946	2,687	833	993
Repair and maintenance	13,055	15,337	2,475	2,374	13,055	15,337	2,475	2,374
Depreciation and amortization	30,116	32,675	10,158	11,096	30,116	32,675	10,158	11,096
	<u>1,568,362</u>	<u>1,836,883</u>	<u>341,479</u>	<u>445,110</u>	<u>1,568,362</u>	<u>1,836,883</u>	<u>341,479</u>	<u>445,110</u>
Work-in-process:								
Opening stock	21,669	18,648	21,745	18,656	21,669	18,648	21,745	18,656
Closing stock	(39)	(1,897)	37	(20,545)	(39)	(1,897)	37	(20,545)
	<u>1,568,323</u>	<u>1,834,986</u>	<u>341,516</u>	<u>443,221</u>	<u>1,568,323</u>	<u>1,834,986</u>	<u>341,516</u>	<u>443,221</u>
Cost of goods manufactured	-	9,524	-	7,994	-	9,524	-	7,994
Cost of goods purchased	<u>1,568,323</u>	<u>1,844,510</u>	<u>341,516</u>	<u>451,215</u>	<u>1,568,323</u>	<u>1,844,510</u>	<u>341,516</u>	<u>451,215</u>
Finished goods:								
Opening stock	135,568	143,117	452,671	368,030	135,568	144,616	452,671	369,589
Closing stock	(287,113)	(236,542)	(287,113)	(236,542)	(287,113)	(238,101)	(287,113)	(238,101)
	<u>(151,545)</u>	<u>(93,425)</u>	<u>165,558</u>	<u>131,488</u>	<u>(151,545)</u>	<u>(93,425)</u>	<u>165,558</u>	<u>131,488</u>
	<u>1,416,778</u>	<u>1,751,085</u>	<u>507,074</u>	<u>582,703</u>	<u>1,416,778</u>	<u>1,751,085</u>	<u>507,074</u>	<u>582,703</u>

## AND DISTILLERY LIMITED

### NINE MONTHS ENDED JUNE 30, 2009 (UNAUDITED)

(RUPEES IN THOUSAND)

CONSOLIDATED			
NINE MONTHS ENDED		QUARTER ENDED	
June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
1,437,352	1,843,441	528,419	632,480
1,416,778	1,751,085	507,074	582,703
<u>20,574</u>	<u>92,356</u>	<u>21,345</u>	<u>49,777</u>
13,763	21,347	7,247	8,932
66,714	59,265	21,831	19,350
100	25	100	-
<u>80,577</u>	<u>80,637</u>	<u>29,178</u>	<u>28,282</u>
(60,003)	11,719	(7,833)	21,495
<u>8,561</u>	<u>21,068</u>	<u>4,892</u>	<u>5,489</u>
(51,442)	32,787	(2,941)	26,984
<u>75,397</u>	<u>72,891</u>	<u>23,054</u>	<u>23,644</u>
(126,839)	(40,104)	(25,995)	3,340
<u>(14,137)</u>	<u>(11,501)</u>	<u>4,448</u>	<u>(13,523)</u>
(140,976)	(51,605)	(21,547)	(10,183)
2,438	9,222	1,317	2,778
<u>(143,414)</u>	<u>(60,827)</u>	<u>(22,864)</u>	<u>(12,961)</u>
<u>(6.71)</u>	<u>(2.85)</u>	<u>(1.07)</u>	<u>(0.61)</u>

  
**MUAHMMAD ANWAR**  
 DIRECTOR

# CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

## INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED JUNE 30, 2009 (UNAUDITED)

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Loss before taxation</b>	(128,231)	(34,038)	(140,976)	(51,605)
Adjustments for non-cash charges and other items:				
Depreciation	32,100	34,897	32,765	35,916
Provision for gratuity	3,415	(205)	3,331	95
Gain on disposal of operating fixed assets	(647)	(259)	(647)	(282)
Gain on sale of investments	(3,668)	(14,089)	(3,668)	(14,089)
Liabilities written back	3	-	3	-
Share of loss / (profit) from associated companies	-	-	14,137	11,501
Finance cost	71,690	68,931	75,397	72,891
<b>CASH (USED IN) / FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>	(25,338)	55,237	(19,658)	54,427
<b>CASH FLOWS FROM WORKING CAPITAL CHANGES</b>				
(INCREASE)/DECREASE IN CURRENT ASSETS				
Stores, spare parts and loose tools	(5,487)	(2,051)	(5,518)	(2,023)
Stock in trade	(42,695)	(139,138)	(42,695)	(139,138)
Trade debts	16,454	(8,759)	16,709	(9,320)
Loans and advances	2,638	(8,218)	2,639	(29,215)
Short term deposits, prepayments and balances with statutory authorities	(3)	(1,534)	109	3,886
Other receivables	393	194	(166)	14,666
INCREASE IN CURRENT LIABILITIES				
Trade and other payables	148,435	18,842	173,899	23,510
Short term finances	10,828	162,745	(11,278)	163,621
<b>NET CASH GENERATED FROM WORKING CAPITAL CHANGES</b>	130,563	22,081	133,699	25,987
<b>CASH GENERATED FROM OPERATIONS</b>	105,225	77,318	114,041	80,414
Finance cost paid	(62,033)	(57,114)	(62,701)	(58,838)
Gratuity paid	(5,225)	-	(5,225)	-
Income tax paid	(18,299)	(8,108)	(19,229)	(8,207)
Dividend paid	(226)	-	(226)	-
	(85,783)	(65,222)	(87,381)	(67,045)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	19,442	12,096	26,660	13,369

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008
<b>8.1 Additions/transfer during the period/year</b>				
Plant and machinery	5,825	63,513	5,825	63,513
Electric installations	267	-	267	-
Tools and equipment	93	1,104	93	1,104
Furniture and fixtures	222	647	222	647
Vehicles	57	1,329	57	1,367
Office equipment	202	513	202	535
	<u>6,666</u>	<u>67,106</u>	<u>6,666</u>	<u>67,166</u>
<b>8.2 ASSETS SUBJECT TO FINANCE LEASE</b>				
Book value at the beginning of the period/year	30,502	67,368	30,696	67,610
Less : Deletions/transfers during the period/year	-	51,913	-	51,913
	30,502	15,455	30,696	15,697
Less: Depreciation charged during the period/year	2,331	3,470	2,362	3,518
Add: Adjustment on disposal during the period/year	-	18,517	-	18,517
Book value at the end of the period/year	<u>28,171</u>	<u>30,502</u>	<u>28,334</u>	<u>30,696</u>
<b>9. LONG TERM INVESTEMENTS</b>				
Long term Investments-Available for sale	50,525	50,542	53,367	53,500
Add :-				
Unrealized gain on revaluation of investments	6,307	12,059	4,608	7,418
Share of post acquisition profits	-	-	167,596	181,732
	6,307	12,059	172,204	189,150
	<u>56,832</u>	<u>62,601</u>	<u>225,571</u>	<u>242,650</u>
<b>10. SHORT TERM INVESTMENTS – Available for sale RELATED PARTIES:</b>				
QUOTED				
Shakarganj Mills Limited 2 865 830 (2008 : 2 865 830) ordinary shares of Rupees 10 each fully paid	24,395	24,395	-	-
The Crescent Textile Mills Limited 2 681 875 (2008 : 2 681 875) ordinary shares of Rupees 10 each fully paid	17,909	17,909	-	-
Crescent Steel and Allied Products Limited 1 014 968 (2008 : 1 061 568) ordinary shares of Rupees 10 each fully paid	2,524	2,640	-	-
OTHERS :				
QUOTED				
SAMBA Bank Limited (formerly Crescent Commercial Bank Limited) 4 973 666 (2008 : 4 973 666) ordinary shares of Rupees 10 each fully paid	28,118	28,118	28,118	28,118
	72,946	73,062	28,118	28,118
Unrealized gain/(loss) on revaluation of investments	40,436	182,394	(13,297)	23,857
	<u>113,382</u>	<u>255,456</u>	<u>14,821</u>	<u>51,975</u>



# CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED JUNE 30, 2009 (UNAUDITED) (RUPEES IN THOUSAND)

	CAPITAL RESERVES		REVENUE RESERVES		ACCUMULATED PROFIT/ (LOSS)		Sub Total	TOTAL	
	Premium on Issue of Shares	Plant modernisation	Unrealized gain on revaluation of investments	Sub Total	General	Dividend equalization			
<b>The Company</b>									
Balance as at 01 October 2007	213,775	5,496	12,000	409,337	426,833	96,988	4,000	(22,890)	617,718
Net loss for the nine months ended 30 June 2008	-	-	-	(11,505)	(11,505)	-	-	(43,190)	(43,190)
Unrealized loss on revaluation of investments	-	-	-	(11,505)	(11,505)	-	-	-	(11,505)
Balance as at 30 June 2008	213,775	5,496	12,000	397,832	415,328	96,988	4,000	(66,080)	563,023
Net loss for the next quarter ended 30 September 2008	-	-	-	-	-	-	-	(1,194)	(1,194)
Unrealized loss on revaluation of investments	-	-	-	(203,379)	(203,379)	-	-	-	(203,379)
Balance as at 30 September 2008	213,775	5,496	12,000	194,453	211,949	96,988	4,000	(67,274)	358,450
Net loss for the nine months ended 30 June 2009	-	-	-	(147,710)	(147,710)	-	-	(130,572)	(130,572)
Unrealized loss on revaluation of investments	-	-	-	(147,710)	(147,710)	-	-	-	(147,710)
Balance as at 30 June 2009	213,775	5,496	12,000	46,743	64,239	96,988	4,000	(298,834)	80,168
<b>Consolidated</b>									
Balance as at 01 October 2007	213,775	5,496	12,000	81,417	98,913	44,975	4,000	22,023	383,686
Net loss for the nine months ended 30 June 2008	-	-	-	(9,472)	(9,472)	-	-	(60,827)	(60,827)
Unrealized loss on revaluation of investments	-	-	-	(9,472)	(9,472)	-	-	-	(9,472)
Balance as at 30 June 2008	213,775	5,496	12,000	71,945	89,441	44,975	4,000	(38,804)	313,387
Net profit for the next quarter ended 30 September 2008	-	-	-	-	-	-	-	58	58
Unrealized loss on revaluation of investments	-	-	-	(40,670)	(40,670)	-	-	-	(40,670)
Balance as at 30 September 2008	213,775	5,496	12,000	31,275	48,771	44,975	4,000	(38,746)	272,775
Net loss for the nine months ended 30 June 2009	-	-	-	-	-	-	-	(143,414)	(143,414)
Unrealized loss on revaluation of investments	-	-	-	(39,964)	(39,964)	-	-	-	(39,964)
Balance as at 30 June 2009	213,775	5,496	12,000	(8,689)	8,807	44,975	4,000	(182,160)	89,397

The annexed notes form an integral part of this interim financial information.

MUHAMMAD ARSHAD  
CHIEF EXECUTIVE OFFICER

MUHAMMAD ANWAR  
DIRECTOR

## CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

### SELECTED NOTES TO THE INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED JUNE 30, 2009 (UNAUDITED)

#### 1. THE COMPANY AND ITS OPERATIONS

Crescent Sugar Mills and Distillery Limited is a public limited company incorporated in March 1959 in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984). The Shares of the company are quoted on all Stock Exchanges of Pakistan. The company is engaged in manufacturing and sale of sugar, distillate and yarn. The company also operates an embryodery unit. Registered office of the company is situated at New Lahore Road, Nishatabad, Faisalabad.

#### 2. BASIS OF PREPARATION

This interim financial information is unaudited but subject to limited scope review by the auditors and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984. These have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP).

#### 3. ACCOUNTING POLICIES AND COMPUTATION METHODS

3.1 Accounting policies and methods of computation for the preparation of this interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended 30 September 2008.

3.2 Consolidated interim financial information includes financial results of Crescot Mills Limited, 66.15 percent owned subsidiary company and Karachi Bulk Storage and Terminals (Pvt.) Limited, 99.99 percent owned subsidiary company.

#### 4. SEASONALITY OF OPERATIONS

The company is, inter alia, engaged in manufacturing of sugar for which the season begins in October and ends in March/ April. Therefore, majority of expenses are incurred and production activities are undertaken in first half of the company's financial year thus increasing volume of inventories and financing at the end of the first half.

#### 5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

5 509 767 (2008: 5 509 767) ordinary shares of Rupees 10 each fully paid up in cash

15 709 697 (2008: 15 709 697) ordinary shares of Rupees 10 each issued as fully paid bonus shares

158 014 (2008: 158 014) ordinary shares of Rupees 10 each issued as fully paid up to Pakistan Industrial Credit and Investment Corporation Limited against their right of option for conversion of debentures pursuant to a loan agreement

	(RUPEES IN THOUSAND)	
	June 30, 2009	September 30, 2008
5 509 767 (2008: 5 509 767) ordinary shares of Rupees 10 each fully paid up in cash	55,098	55,098
15 709 697 (2008: 15 709 697) ordinary shares of Rupees 10 each issued as fully paid bonus shares	157,097	157,097
158 014 (2008: 158 014) ordinary shares of Rupees 10 each issued as fully paid up to Pakistan Industrial Credit and Investment Corporation Limited against their right of option for conversion of debentures pursuant to a loan agreement	1,580	1,580
	<u>213,775</u>	<u>213,775</u>

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008
<b>6. LONG TERM FINANCING SECURED</b>				
Opening balance	90,076	117,459	137,020	178,759
Less: Paid during the period/year	19,999	27,383	26,749	41,739
	<u>70,077</u>	<u>90,076</u>	<u>110,271</u>	<u>137,020</u>
Less: Current portion	17,626	40,991	26,626	49,991
	<u>52,451</u>	<u>49,085</u>	<u>83,645</u>	<u>87,029</u>
<b>UN-SECURED</b>				
Director's loan	-	-	1,200	1,200
	<u>52,451</u>	<u>49,085</u>	<u>84,845</u>	<u>88,229</u>

## 7. CONTINGENCIES AND COMMITMENTS

### Contingencies

- Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 8.693 million (2008: Rupees 8.693 million). The Company, being aggrieved, has filed appeals with the Honourable High Court which are still pending. No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals preferred by the Company.

- Aggregate amount of guarantees issued by the banks on behalf of the Company in favour of Sui Northern Gas Pipelines Limited is Rupees 21.759 million (2008: Rupees 21.759 million).

### COMMITMENTS

- Commitment for capital expenditure as at balance sheet date is Rupees Nil (2008: Rupees 4.457 million). Commitment for expenditure other than capital is Rupees Nil (2008: Rupees 0.318 million).

NOTE	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	June 30, 2009	September 30, 2008	June 30, 2009	September 30, 2008
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>				
Operating fixed assets (8.1)	372,978	397,109	381,110	405,875
Assets subject to finance lease (8.2)	28,171	30,502	28,334	30,696
Capital work-in-progress	451	451	451	451
	<u>401,600</u>	<u>428,062</u>	<u>409,895</u>	<u>437,022</u>

### 8.1 OPERATING FIXED ASSETS

Book value at the beginning of the period / year	397,109	391,771	405,875	402,012
Add : Additions/transfer during the period/year (8.1.1)	6,666	67,106	6,666	67,166
Less : Deletions during the period/year	2,499	1,073	2,499	1,097
	<u>401,276</u>	<u>457,804</u>	<u>410,042</u>	<u>468,081</u>
Less: Depreciation during the period/year	29,769	43,168	30,403	44,703
Add: Adjustment on disposal during the period/year	1,471	(17,527)	1,471	(17,503)
Book value at the end of the period/year	<u>372,978</u>	<u>397,109</u>	<u>381,110</u>	<u>405,875</u>

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Fixed capital expenditure	(6,666)	(6,486)	(6,666)	(6,543)
Proceeds from sale of operating fixed assets	1,675	300	1,675	323
Proceeds from sale of investments	3,801	15,330	3,801	15,330
Dividend from associated companies	-	-	-	5,664
Long term deposits	-	(90)	-	(89)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	(1,190)	9,054	(1,190)	14,685
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of long term finances	(19,999)	(22,755)	(26,749)	(29,689)
Repayment of finance lease liabilities	(1,977)	(2,659)	(1,977)	(2,659)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(21,976)	(25,414)	(28,726)	(32,348)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(3,724)	(4,264)	(3,256)	(4,294)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	11,643	13,344	14,930	16,651
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>7,919</u>	<u>9,080</u>	<u>11,674</u>	<u>12,357</u>

The annexed notes form an integral part of this interim financial information.

  
 MUHAMMAD ARSHAD  
 CHIEF EXECUTIVE OFFICER

  
 MUHAMMAD ANWAR  
 DIRECTOR