

Crescent Sugar Mills And Distillery Limited



**INTERIM CONDENSED FINANCIAL
STATEMENTS FOR THE NINE
MONTHS AND QUARTER
ENDED 30 JUNE 2010**

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ZAMMAD PRINTERS, 0411-2626223

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

DIRECTORS' REVIEW TO THE MEMBERS

Dear Members,

On behalf of the Board of Directors, we present to you the Condensed Interim Financial Information for the nine months ended June 30, 2010. During the period under review, your company earned a pre-tax profit of Rs. 20.092 Million as compared to the loss of Rs. 128.231 Million sustained in the corresponding period of last year.

Sugar Unit

As already reported in our last quarter that due to overall shortage of sugarcane cultivation, the crushing season of 2009-2010 was not very significant as we could only operate the factory for 86 days and therefore the production figures are far less than last year.

Due to limited sugarcane supply in the region, there was an intense competition for sugarcane procurement among the various sugar mills situated in our surroundings, though there was a significant increase in the sugarcane support price by the Government of Punjab, but in spite of this increase the sugarcane growers were not ready to supply their sugarcane at the price fixed by the government. In order to procure sugarcane as well as compete with the rest of the mills in our surrounding area we had to purchase sugarcane at a higher price, hence we ended up in procuring the raw material at much higher rates than the actual support price.

The start stop operation of the factory for almost the entire season on 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 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 worked for only 36 days during the review period and produced 569,480 Liters after consuming 2,265 M.Tons of molasses. During the corresponding period of last year, the unit worked for 19 days and produced 271,557 Liters after consuming 1,044 M. Tons of molasses.

Textile Units

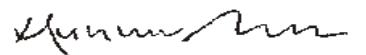
The textile units of your company have been able to present a good performance in the period under review. The margin on sales was comfortable and these units were able to generate good profit. Although, during the year for the first time in the history of Pakistan we had to face the suspension of gas supply in the summer months but due to other alternate measures we were able to maintain our production level.

The Government of Pakistan tried to regulate the export of yarn first by implementing quota on export sales and in the month of May 2010 by imposing regulatory duty. Since our mills were primarily export oriented mills, this decision affected our profitability to a great extent. Now the regulatory duty has been lapsed on July 26, 2010 and we expect better working environment for our mills.

During the period under review the company's textile units have produced 8,859,805 Kgs of yarn as compared to 6,833,620 Kgs last year.

FAISALABAD:
July 29, 2010

**For and on behalf of
The Board of Directors.**



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

**CRESCENT SUGAR MILLS
CONDENSED INTERIM BALANCE**

NOTE	UNAUDITED		AUDITED		UNAUDITED		AUDITED	
	(RUPEES IN THOUSAND)				UNAUDITED		AUDITED	
	THE COMPANY		CONSOLIDATED		30 June 2010	30 September 2009	30 June 2010	30 September 2009
EQUITY AND LIABILITIES								
SHARE CAPITAL AND RESERVES								
Authorized share capital 30 000 000 (30 September 2009: 30 000 000) ordinary shares of Rupees 10 each								
	300,000	300,000	300,000	300,000				
Issued, subscribed and paid up share capital								
	213,775	213,775	213,775	213,775				
Reserves								
	(108,097)	(102,385)	(60,550)	(120,935)				
Total equity	105,678	111,390	153,225	92,840				
SURPLUS ON REVALUATION OF ASSETS	2,513,042	-	2,513,042	-				
NON-CURRENT LIABILITIES								
Long term financing	37,465	44,958	38,180	75,981				
Employees' retirement benefits	11,525	8,807	11,525	12,293				
	48,990	53,765	49,705	88,274				
CURRENT LIABILITIES								
Trade and other payables	309,308	229,707	315,267	284,437				
Accrued markup	17,447	33,143	25,649	58,097				
Short term borrowings	603,532	536,757	603,532	536,757				
Current portion of non-current liabilities	14,986	23,741	14,986	32,741				
Provision for taxation	21,943	10,466	26,619	17,344				
	967,216	833,814	986,053	929,376				
TOTAL LIABILITIES	1,016,206	887,579	1,035,758	1,017,650				
CONTINGENCIES AND COMMITMENTS 6								
TOTAL EQUITY AND LIABILITIES	<u>3,634,926</u>	<u>998,969</u>	<u>3,702,025</u>	<u>1,110,490</u>				

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

**AND DISTILLERY LIMITED
SHEET AS AT 30 JUNE 2010**

NOTE	UNAUDITED		AUDITED		UNAUDITED		AUDITED	
	(RUPEES IN THOUSAND)				UNAUDITED		AUDITED	
	THE COMPANY		CONSOLIDATED		30 June 2010	30 September 2009	30 June 2010	30 September 2009
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment	7	2,887,871	398,374	2,888,752	406,282			
Long term investments	8	45,108	56,792	217,609	221,201			
Long term deposits		2,740	2,710	3,261	4,239			
		<u>2,935,719</u>	<u>457,876</u>	<u>3,109,622</u>	<u>631,722</u>			
CURRENT ASSETS								
Stores, spare parts and loose tools		67,807	64,153	72,419	69,106			
Stock-in-trade		303,467	170,442	303,467	170,442			
Trade debts		57,731	65,437	57,731	94,818			
Loans and advances		31,698	22,557	31,698	22,797			
Prepayments and balances with statutory authorities		58,401	37,603	57,480	45,435			
Other receivables		31,032	34,815	32,507	51,145			
Short term investments	9	129,968	142,976	14,920	18,402			
Cash and bank balances		19,103	3,110	22,181	6,623			
		<u>699,207</u>	<u>541,093</u>	<u>592,403</u>	<u>478,768</u>			
TOTAL ASSETS		<u>3,634,926</u>	<u>998,969</u>	<u>3,702,025</u>	<u>1,110,490</u>			


ABID MEHMOOD
DIRECTOR

**CRESCENT SUGAR MILLS
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE**

**AND DISTILLERY LIMITED
NINE MONTHS ENDED 30 JUNE 2010 (UNAUDITED)**

(RUPEES IN THOUSAND)

NOTE	THE COMPANY				CONSOLIDATED				
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED		
	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009	
SALES	2,295,379	1,420,675	748,744	522,033	2,295,379	1,440,093	748,744	528,419	
COST OF SALES	10	2,151,243	1,416,778	715,847	507,074	2,151,243	1,416,778	715,847	507,074
GROSS PROFIT/(LOSS)	144,136	3,897	32,897	14,959	144,136	23,315	32,897	21,345	
DISTRIBUTION COST	29,831	13,459	6,368	7,085	29,831	13,763	6,368	7,247	
ADMINISTRATIVE EXPENSES	57,489	52,699	9,306	17,331	57,120	66,714	13,874	21,831	
OTHER OPERATING EXPENSES	490	100	-	100	490	100	-	100	
	87,810	66,258	15,674	24,516	87,441	80,577	20,242	29,178	
	56,326	(62,361)	17,223	(9,557)	56,695	(57,262)	12,655	(7,833)	
OTHER OPERATING INCOME	11	20,116	5,820	3,638	4,892	18,288	5,820	1,810	4,892
PROFIT/(LOSS) FROM OPERATIONS	76,442	(56,541)	20,861	(4,665)	74,983	(51,442)	14,465	(2,941)	
FINANCE COST	56,350	71,690	17,592	21,979	56,350	75,397	17,592	23,054	
	20,092	(128,231)	3,269	(26,644)	18,633	(126,839)	(3,127)	(25,995)	
GAIN ON DISPOSAL OF SUBSIDIARY COMPANY	-	-	-	-	58,110	-	-	-	
SHARE OF PROFIT/(LOSS) FROM ASSOCIATED COMPANIES	-	-	-	-	307	(14,137)	(18,967)	4,448	
PROFIT/(LOSS) BEFORE TAXATION	20,092	(128,231)	3,269	(26,644)	77,050	(140,976)	(22,094)	(21,547)	
PROVISION FOR TAXATION	11,477	2,341	3,744	1,285	11,477	2,438	3,744	1,317	
PROFIT/(LOSS) AFTER TAXATION	8,615	(130,572)	(475)	(27,929)	65,573	(143,414)	(25,838)	(22,864)	
EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)	0.40	(6.11)	(0.02)	(1.31)	3.07	(6.71)	(1.21)	(1.07)	

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


MUHAMMAD ARSHAD
 CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
 DIRECTOR

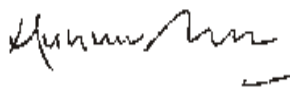
CRESCENT SUGAR MILLS AN NDD ISTILLERY LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 JUNE 2010 (UN-AUDITED)

(RUPEES IN THOUSAND)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009
PROFIT/(LOSS) AFTER TAXATION	8,615	(130,572)	(475)	(27,929)	65,573	(143,414)	(25,838)	(22,864)
OTHER COMPREHENSIVE INCOME								
(Deficit)/surplus on remeasurement of available for sale investments	(14,327)	(147,710)	(16,869)	(37,923)	(5,188)	(39,964)	(5,157)	(9,170)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	<u>(5,712)</u>	<u>(278,282)</u>	<u>(17,344)</u>	<u>(65,852)</u>	<u>60,385</u>	<u>(183,378)</u>	<u>(30,995)</u>	<u>(32,034)</u>

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



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED 30 JUNE 2010 (UNAUDITED)

		(RUPEES IN THOUSAND)			
		THE COMPANY		CONSOLIDATED	
	NOTE	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009
CASH UTILIZED IN OPERATIONS	12	40,380	94,397	93,098	125,319
Finance cost paid		(72,046)	(62,033)	(88,798)	(62,701)
Gratuity paid		(1,246)	(5,225)	(1,246)	(5,225)
Income tax paid		(20,369)	(18,299)	(19,823)	(19,229)
Dividend paid		(7)	(226)	(7)	(226)
		(93,668)	(85,783)	(109,874)	(87,381)
NET CASH USED IN OPERATING ACTIVITIES		(53,288)	8,614	(16,776)	37,938
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditure on Property, Plant and Equipment		(6,861)	(6,666)	(6,708)	(6,666)
Proceeds from sale of operating fixed assets		5,200	1,675	5,200	1,675
Proceeds from sale of investments		20,445	3,801	20,445	3,801
Long term deposits		(30)	-	978	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		18,754	(1,190)	19,915	(1,190)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of long term financing		(16,248)	(19,999)	(54,356)	(26,749)
Repayment of finance lease liabilities		-	(1,977)	-	(1,977)
Short term borrowings - net		66,775	10,828	66,775	(11,278)
NET CASH FLOWS FROM FINANCING ACTIVITIES		50,527	(11,148)	12,419	(40,004)
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,993	(3,724)	15,558	(3,256)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		3,110	11,643	6,623	14,930
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		19,103	7,919	22,181	11,674

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


 MUHAMMAD ARSHAD
 CHIEF EXECUTIVE OFFICER

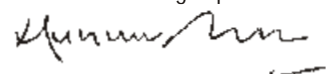

 ABID MEHMOOD
 DIRECTOR

CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 JUNE 2010 (UNAUDITED) (RUPEES IN THOUSAND)

The Company	SHARE CAPITAL	CAPITAL RESERVES			REVENUE RESERVES			ACCUMULATED PROFIT/ (LOSS)	Sub Total	TOTAL
		Premium on Issue of Shares	Plant modernisation	Fair Value	Sub Total	General	Dividend equalization			
Balance as at 01 October 2008	213,775	5,496	12,000	194,453	211,949	96,988	4,000	(168,262)	(67,274)	358,450
Total comprehensive loss for the nine months ended 30 June 2009	-	-	-	(147,710)	(147,710)	-	-	(130,572)	(130,572)	(278,282)
Balance as at 30 June 2009	213,775	5,496	12,000	46,743	64,239	96,988	4,000	(298,834)	(197,846)	80,168
Total comprehensive income/(loss) for the next quarter ended 30 September 2009	-	-	-	41,808	41,808	-	-	(10,586)	(10,586)	31,222
Balance as at 30 September 2009	213,775	5,496	12,000	88,551	106,047	96,988	4,000	(309,420)	(208,432)	111,390
Total comprehensive income/(loss) for the nine months ended 30 June 2010	-	-	-	(14,327)	(14,327)	-	-	8,615	8,615	(5,712)
Balance as at 30 June 2010	213,775	5,496	12,000	74,224	91,720	96,988	4,000	(300,805)	(199,817)	105,678
<u>Consolidated</u>										
Balance as at 01 October 2008	213,775	5,496	12,000	31,275	48,771	44,975	4,000	(38,746)	10,229	272,775
Total comprehensive loss for the nine months ended 30 June 2009	-	-	-	(39,964)	(39,964)	-	-	(143,414)	(143,414)	(183,378)
Balance as at 30 June 2009	213,775	5,496	12,000	(8,689)	8,807	44,975	4,000	(182,160)	(133,185)	89,397
Total comprehensive income/(loss) for the next quarter ended 30 September 2009	-	-	-	12,524	12,524	-	-	(9,081)	(9,081)	3,443
Balance as at 30 September 2009	213,775	5,496	12,000	3,835	21,331	44,975	4,000	(191,241)	(142,266)	92,840
Total comprehensive income/(loss) for the nine months ended 30 June 2010	-	-	-	(5,188)	(5,188)	-	-	65,573	65,573	60,385
Balance as at 30 June 2010	213,775	5,496	12,000	(1,353)	16,143	44,975	4,000	(125,668)	(76,693)	153,225

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



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 JUNE 2010 (UNAUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Sugar Mills and Distillery Limited (the Company) 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 embroidery unit. Registered office of the Company is situated at New Lahore Road, Nishatabad, Faisalabad.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984. This condensed interim financial information has been prepared in accordance with the International Accounting Standard (IAS) 34 'Interim Financial Reporting' as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This condensed interim financial information should be read in conjunction with the annual published financial statements for the year ended 30 September 2009.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

Accounting policies and methods of computation for the preparation of this condensed 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 2009.

(a) Standards that are effective in current year

The following new and revised standards relevant to the Company have been adopted in the current period:

IFRS 8 'Operating Segments' introduces the 'management approach' to segment reporting. It requires presentation and disclosure of segment information based on internal reports regularly reviewed by the Company's chief operating decision maker in order to assess each segment's performance and to allocate resources to them. The adoption of IFRS 8 has resulted in certain additional disclosures in the condensed interim financial information.

IAS 1 (Revised) 'Presentation of Financial Statements'. The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in performance statement. Companies can choose whether to present one performance statement (the statement on comprehensive income) or two statements (profit and loss account and statement of comprehensive income). The Company has preferred to present two statements; a profit and loss account and a statement of comprehensive income. In this condensed interim financial information, comparative information has been re-presented in conformity with the revised standard. Since this change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

In addition to above, there are other new standards and amendments to published approved accounting standards which are mandatory for financial statements for annual periods beginning on or after 01 January 2009 and are also relevant to the Company. However, the adoption of these new standards and amendments to the standards did not have any significant impact on this condensed interim financial information of the Company, therefore, are not analyzed in detail.

In addition to above, there are other new standards and amendments to published approved accounting standards which are mandatory for financial statements for annual periods beginning on or after 01 January 2009 and are also relevant to the Company. However, the adoption of these new standards and amendments to the standards did not have any significant impact on this condensed interim financial information of the Company, therefore, are not analyzed in detail.

(b) Condensed interim consolidated financial information

Condensed interim consolidated financial information includes financial results of Crescot Mills Limited, 66.15 percent owned subsidiary company. The shares of other subsidiary company, Karachi Bulk Storage and Terminals (Pvt.) Limited (99.99 percent) were sold during the period.

4. SEASONALITY OF OPERATIONS

The Company is, inter alia, engaged in manufacturing of sugar for which the season begins in November and ends in February / March. 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.

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 June 2010	30 September 2009	30 June 2010	30 September 2009
5. LONG TERM FINANCING SECURED				
Opening balance	68,699	90,076	107,522	137,020
Less: Paid during the period/year	16,248	21,377	54,356	29,498
	<u>52,451</u>	<u>68,699</u>	<u>53,166</u>	<u>107,522</u>
UN-SECURED				
Director's loan	-	-	-	1,200
	<u>52,451</u>	<u>68,699</u>	<u>53,166</u>	<u>108,722</u>
Less: Current portion shown under current liabilities	14,986	23,741	14,986	32,741
	<u>37,465</u>	<u>44,958</u>	<u>38,180</u>	<u>75,981</u>

6. 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 12.578 million (30 September 2009: Rupees 12.578 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 filed 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 23.546 million (30 September 2009: Rupees 23.546 million).

COMMITMENTS

- Contracts for capital expenditure are Nil (30 September 2009: Nil).

- Contracts for other than capital expenditure are Rupees 24.809 million (30 September 2009: Nil).

7. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	(7.1)	2,887,871	370,529	2,888,752	378,282
Assets subject to finance lease	(7.2)	-	27,394	-	27,549
Capital work-in-progress		-	451	-	451
		<u>2,887,871</u>	<u>398,374</u>	<u>2,888,752</u>	<u>406,282</u>

7.1 OPERATING FIXED ASSETS

Opening book value		370,529	397,109	378,282	405,875
Add : Additions/transfer during the period/year	(7.1.1)	2,572,034	14,370	2,572,034	14,370
		<u>2,942,563</u>	<u>411,479</u>	<u>2,950,316</u>	<u>420,245</u>
Less:					
Book value of deletions during the period/year	(7.1.2)	3	941	6,537	941
Depreciation charged during the period/year		30,405	40,009	30,743	41,022
Depreciation adjustment related to leased asset		24,284	-	24,284	-
		<u>54,692</u>	<u>40,950</u>	<u>61,564</u>	<u>41,963</u>
Book value at the end of the period/year		<u>2,887,871</u>	<u>370,529</u>	<u>2,888,752</u>	<u>378,282</u>

(RUPEES IN THOUSAND)

	THE COMPANY		CONSOLIDATED	
	30 June 2010	30 September 2009	30 June 2010	30 September 2009
7.1.1 Additions/transfer during the period/year				
Land -Freehold (Revaluation)	2,513,042	-	2,513,042	-
Plant and machinery	56,223	12,077	56,223	12,077
Electric installations	-	270	-	270
Tools and equipment	1,347	138	1,347	138
Furniture and fixtures	191	210	191	210
Vehicles	1,019	1,467	1,019	1,467
Office equipment	212	208	212	208
	<u>2,572,034</u>	<u>14,370</u>	<u>2,572,034</u>	<u>14,370</u>
7.1.2 Deletions during the period/year				
Freehold land	3	-	3	-
Plant and machinery	-	103	-	103
Vehicles	-	838	-	838
	<u>3</u>	<u>941</u>	<u>3</u>	<u>941</u>
7.2 ASSETS SUBJECT TO FINANCE LEASE				
Opening book value	27,394	30,502	27,549	30,696
Less:				
Deletions/transfers during the period/year	51,678	-	51,833	-
Depreciation charged during the period/year	-	3,108	-	3,147
	<u>51,678</u>	<u>3,108</u>	<u>51,833</u>	<u>3,147</u>
	(24,284)	27,394	(24,284)	27,549
Add: Adjustment on disposal during the period/year	24,284	-	24,284	-
Book value at the end of the period/year	<u>-</u>	<u>27,394</u>	<u>-</u>	<u>27,549</u>
8. LONG TERM INVESTMENTS				
In associates:				
Cost	-	-	49,247	49,602
Share of post acquisition profit:				
At the beginning of the period/year	-	-	164,424	181,732
Dividend received during the period/year	-	-	(1,828)	-
Share of profit / (loss) during the period/year	-	-	307	(17,308)
	<u>-</u>	<u>-</u>	<u>162,903</u>	<u>164,424</u>
	-	-	212,150	214,026
Available for sale:				
Unquoted - Subsidiary Companies	22,182	32,182	-	-
Quoted - Associated Companies	1,607	2,597	-	-
Quoted - Others	1,500	1,605	1,500	1,605
Unquoted - Associated Companies	2,500	2,500	-	-
Unquoted - Others	11,635	11,635	1,831	1,831
	39,424	50,519	3,331	3,436
Less: Impairment charged during the period/year	-	(1,086)	-	(96)
Add: Fair value adjustment	5,684	7,359	2,128	3,835
	<u>45,108</u>	<u>56,792</u>	<u>5,459</u>	<u>7,175</u>
	<u>45,108</u>	<u>56,792</u>	<u>217,609</u>	<u>221,201</u>
9. SHORT TERM INVESTMENTS – Available for sale				
Quoted - Associated Companies	43,025	44,505	-	-
Quoted - Others	18,403	28,118	18,402	28,118
	61,428	72,623	18,402	28,118
Less: Impairment loss charged to profit and loss account	-	(10,839)	-	(9,716)
Add: Fair value adjustment	68,540	81,192	(3,482)	-
	<u>129,968</u>	<u>142,976</u>	<u>14,920</u>	<u>18,402</u>

(RUPEES IN THOUSAND)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009	30 June 2010	30 June 2009
10. COST OF SALES								
Raw material consumed	1,836,147	1,235,948	432,268	248,125	1,836,147	1,235,948	432,268	248,125
Salaries, wages and other benefits	133,418	109,918	42,190	32,975	133,418	109,918	42,190	32,975
Stores, spare parts and loose tools	68,668	53,225	21,223	13,517	68,668	53,225	21,223	13,517
Fuel and power	197,423	119,376	70,280	32,487	197,423	119,376	70,280	32,487
Other manufacturing overheads	4,702	3,778	951	909	4,702	3,778	951	909
Insurance	2,807	2,946	788	833	2,807	2,946	788	833
Repair and maintenance	9,117	13,055	(359)	2,475	9,117	13,055	(359)	2,475
Depreciation and amortization	28,524	30,116	9,553	10,158	28,524	30,116	9,553	10,158
	<u>2,280,806</u>	<u>1,568,362</u>	<u>576,894</u>	<u>341,479</u>	<u>2,280,806</u>	<u>1,568,362</u>	<u>576,894</u>	<u>341,479</u>
Work-in-process:								
Opening stock	25,688	21,669	56,448	21,745	25,688	21,669	56,448	21,745
Closing stock	(44,014)	(21,708)	(44,014)	(21,708)	(44,014)	(21,708)	(44,014)	(21,708)
	<u>(18,326)</u>	<u>(39)</u>	<u>12,434</u>	<u>37</u>	<u>(18,326)</u>	<u>(39)</u>	<u>12,434</u>	<u>37</u>
Cost of goods manufactured	<u>2,262,480</u>	<u>1,568,323</u>	<u>589,328</u>	<u>341,516</u>	<u>2,262,480</u>	<u>1,568,323</u>	<u>589,328</u>	<u>341,516</u>
Cost of goods purchased	38,794	-	9,257	-	38,794	-	9,257	-
	<u>2,301,274</u>	<u>1,568,323</u>	<u>598,585</u>	<u>341,516</u>	<u>2,301,274</u>	<u>1,568,323</u>	<u>598,585</u>	<u>341,516</u>
Finished goods:								
Opening stock	69,195	135,568	336,488	452,671	69,195	135,568	336,488	452,671
Closing stock	(219,226)	(287,113)	(219,226)	(287,113)	(219,226)	(287,113)	(219,226)	(287,113)
	<u>(150,031)</u>	<u>(151,545)</u>	<u>117,262</u>	<u>165,558</u>	<u>(150,031)</u>	<u>(151,545)</u>	<u>117,262</u>	<u>165,558</u>
	<u>2,151,243</u>	<u>1,416,778</u>	<u>715,847</u>	<u>507,074</u>	<u>2,151,243</u>	<u>1,416,778</u>	<u>715,847</u>	<u>507,074</u>
11. OTHER OPERATING INCOME								
Gain on sale of investments	10,082	3,668	1,278	3,668	10,082	3,668	1,278	3,668
Dividend income	1,828	383	1,828	-	-	383	-	-
Gain on disposal of operating fixed assets	5,197	647	-	-	5,197	647	-	-
Stores, scrap and mud sales	1,033	1,111	474	81	1,033	1,111	474	81
Liabilities written back	1,823	3	58	-	1,823	3	58	-
Rental income	-	-	-	-	-	-	-	-
Exchange gain	-	-	-	1,140	-	-	-	1,140
Others	153	8	-	3	153	8	-	3
	<u>20,116</u>	<u>5,820</u>	<u>3,638</u>	<u>4,892</u>	<u>18,288</u>	<u>5,820</u>	<u>1,810</u>	<u>4,892</u>

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009
12. CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	20,092	(128,231)	77,050	(140,976)
Adjustments for non-cash charges and other items:				
Depreciation	30,405	32,100	30,743	32,765
Provision for gratuity	3,964	3,415	478	3,331
Gain on disposal of operating fixed assets	(5,197)	(647)	(5,197)	(647)
Gain on sale of investments	(10,082)	(3,668)	(10,082)	(3,668)
Credit balances added back	1,823	3	1,823	3
Share of (profit)/loss from associated companies	-	-	(307)	14,137
Finance cost	56,350	71,690	56,350	75,397
Working Capital Changes (Note 12.1)	(56,975)	119,735	(57,760)	144,977
CASH UTILIZED IN OPERATIONS	40,380	94,397	93,098	125,319
12.1 CASH FLOWS FROM WORKING CAPITAL CHANGES				
(Increase)/decrease in current assets				
Stores, spare parts and loose tools	(3,654)	(5,487)	(3,313)	(5,518)
Stock in trade	(133,025)	(42,695)	(133,025)	(42,695)
Trade debts	7,706	16,454	37,087	16,709
Loans and advances	(9,141)	2,638	(8,901)	2,639
Prepayments and balances with statutory authorities	(429)	(3)	2,740	109
Other receivables	3,783	393	18,638	(166)
Increase in current liabilities				
Trade and other payables	77,785	148,435	29,014	173,899
	(56,975)	119,735	(57,760)	144,977

13. SEGMENT INFORMATION - THE COMPANY (UN-AUDITED)

13.1 The Company has three reportable operating segments. The following summary describes the operation in each of the Company's reportable segments:

Sugar: Manufacturing and sale of sugar and allied products.

Distillery: Manufacturing and sale of distillate products.

Textile: Production of different quality of yarn using natural and artificial fibers. This segment also includes production of different embroidery products.

Transactions among the operating segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases have been eliminated from the total.

(RUPEES IN THOUSAND)

	SUGAR UNIT		DISTILLERY UNIT		TEXTILE UNITS		Elimination of Inter-segment transaction		TOTAL	
	Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended	
	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009
Sales	454,105	403,785	15,001	14,081	1,844,847	1,008,033	18,574	5,224	2,295,379	1,420,675
Cost of sales	551,969	413,421	13,339	7,843	1,604,509	1,000,738	18,574	5,224	2,151,243	1,416,778
Gross (loss)/profit	(97,864)	(9,636)	1,662	6,238	240,338	7,295	-	-	144,136	3,897
Distribution cost	426	906	898	713	28,507	11,840	-	-	29,831	13,459
Administrative expenses	25,811	24,914	124	123	31,554	27,662	-	-	57,489	52,699
Other operating expenses	490	100	-	-	-	-	-	-	490	100
	26,727	25,920	1,022	836	60,061	39,502	-	-	87,810	66,258
Other operating income	(124,591)	(35,556)	640	5,402	180,277	(32,207)	-	-	56,326	(62,361)
(Loss)/ profit from operations	19,563	4,681	-	-	553	1,139	-	-	20,116	5,820
Finance cost	(105,028)	(30,875)	640	5,402	180,830	(31,068)	-	-	76,442	(56,541)
(Loss) / profit before taxation	18,230	22,913	-	-	38,120	48,777	-	-	56,350	71,690
	(123,258)	(53,788)	640	5,402	142,710	(79,845)	-	-	20,092	(128,231)
Provision for taxation									11,477	2,341
Profit / (loss) after taxation									8,615	(130,572)

14. SEGMENT INFORMATION - CONSOLIDATED (UN-AUDITED)

14.1 The Company has four reportable operating segments. The following summary describes the operation in each of the Company's reportable segments:

Sugar: Manufacturing and sale of sugar and allied products.

Distillery: Manufacturing and sale of distillate products.

Textile: Production of different quality of yarn using natural and artificial fibers. This segment also includes production of different embroidery products.

Bulk Storage: Imports, exports and storage of molasses, tallow and edible oil. This segment has been disposed of during the period as its shares were sold by the Company.

Transactions among the operating segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases have been eliminated from the total.

(RUPEES IN THOUSAND)

	SUGAR UNIT		DISTILLERY UNIT		TEXTILE UNITS		BULK STORAGE		Elimination of Inter-segment transaction		Consolidated	
	Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended	
	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009
Sales	454,105	403,785	15,001	14,081	1,844,847	1,008,033	-	19,418	18,574	5,224	2,295,379	1,440,093
Cost of sales	551,969	413,421	13,339	7,843	1,604,509	1,000,738	-	-	18,574	5,224	2,151,243	1,416,778
Gross (loss)/profit	(97,864)	(9,636)	1,662	6,238	240,338	7,295	-	19,418	-	-	144,136	23,315
Distribution cost	426	906	898	713	28,507	11,840	-	304	-	-	29,831	13,763
Administrative expenses	25,811	24,914	124	123	31,905	27,919	-	14,478	720	720	57,120	66,714
Other operating expenses	490	100	-	-	-	-	-	-	-	-	490	100
	26,727	25,920	1,022	836	60,412	39,759	-	14,782	720	720	87,441	80,577
	(124,591)	(35,556)	640	5,402	179,926	(32,464)	-	4,636	(720)	(720)	56,695	(57,262)
Other operating income	17,735	4,681	-	-	1,273	1,859	-	-	720	720	18,288	5,820
(Loss)/ profit from operations	(106,856)	(30,875)	640	5,402	181,199	(30,605)	-	4,636	-	-	74,983	(51,442)
Finance cost	18,230	22,913	-	-	38,120	48,777	-	3,707	-	-	56,350	75,397
(Loss) / profit before taxation and un-allocatable income / expenses	(125,086)	(53,788)	640	5,402	143,079	(79,382)	-	929	-	-	18,633	(126,839)
Unallocated income / expenses:												
Gain on disposal of subsidiary company											58,110	-
Share of profit / (loss) from associated company											307	(14,137)
Provision for taxation											11,477	2,438
Profit / (loss) after taxation											65,573	(143,414)

15. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary company, 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)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009	30 JUNE 2010	30 JUNE 2009
Subsidiary Company								
Rental expense	720	720	240	240	-	-	-	-
Associated Companies								
Sales	8,000	38,585	8,000	6,585	-	38,585	-	6,585
Insurance charges	4,576	4,427	-	-	4,576	4,427	78	-
Others								
Employees' Provident Fund Trust	1,181	1,370	265	427	1,181	1,370	453	427
Loans received from directors/sponsors	11,909	-	3,505	-	8,404	-	3,237	-
Loans repaid to directors/sponsors	6,577	-	2,565	-	4,012	-	2,342	-
Remuneration paid to key management personnel	18,584	17,595	6,195	5,865	18,584	17,595	6,195	5,865

16. DATE OF AUTHORIZATION

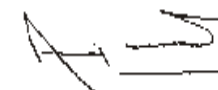
This condensed interim financial information was approved by Board of Directors and authorized for issue on July 29, 2010.

CORRESPONDING FIGURES

17. - Comparative figures have been re-arranged/reclassified, wherever necessary for the purpose of comparison. However, no significant rearrangements/reclassification has been made except for grouping exchange gain in sales instead of showing in other operating income.
- Figures have been rounded off to the nearest thousand rupees.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR