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COMPANY PROFILE

BOARD OF DIRECTORS	Executive Directors Mr. Muhammad Mubeen Jumani (Chief Executive) Mr. Faraz Mubeen Jumani (Managing Director) Non-Executive Directors Mrs. Qamar Mubeen Jumani - Chairperson Mr. Fahad Mubeen Jumani Miss. Arisha Mubeen Jumani Mr. Ahmed Ali Jumani Lt. Gen (Retd.) Anis Ahmed Abbasi
COMPANY SECRETARY	Mr. Abdul Wahid Naviwala
BANKERS	National Bank of Pakistan United Bank Limited Allied Bank Limited MCB Bank Limited Askari Bank Limited Bank Al Falah Limited
STATUTORY AUDITORS	M/S. Haroon Zakaria & Company Chartered Accountants Room 211, 2nd Floor, Progressive Plaza, Plot No. 5 CL - 10, Civil Lines Quarter, Beaumont Road, Near Dawood Centre, Karachi - 75530 PAKISTAN.
COST AUDITORS	M/S. Siddiqi & Company Cost & Management Accountants Suite # 147, First Floor, Haroon Shopping Emporium, Sector 15-A-1, North Karachi, Karachi-75850
AUDIT COMMITTEE	Lt. Gen (Retd.) Anis Ahmed Abbasi Chairman Mr. Ahmed Ali Jumani Member Mrs. Qamar Mubeen Jumani Member
HR AND REMUNERATION COMMITTEE	Miss. Arisha Mubeen Jumani Chairman Lt. Gen. (Retd.) Anis Ahmed Abbasi Member Mr. Muhammad Mubeen Jumani Member
LEGAL ADVISOR	Syed Zafar Ali Shah (Advocate) Bukhari Law Associates, B-8, 3rd Floor, Jumani Arcade, Near Old Subzi Mandi No. 2, University Road, Gulshan-e-Iqbal, Karachi.
SHARES REGISTERAR	C & K Management Associates (Pvt) Ltd. 404, Trade Tower, Abdullah Haroon Road, Near Metropole Hotel, Karachi.
REGISTERED OFFICE	3rd Floor, Plot No. 15-C, 9th Commercial Lane, Zamzama, D.H.A, Karachi.
FACTORY	Naroo Dhoro, Taluka Kot Diji, Khairpur.

CHIEF EXECUTIVE REVIEW

Dear Members
Assalam-o-Alaikum

On behalf of the Board of Directors, it is my privilege to present before you the condensed un-audited accounts for the 3rd quarter ended 30th June, 2015.

FINANCIAL RESULTS

	<u>30-06-2015</u>	<u>30-06-2014</u>
	>>>> RUPEES IN '000' <<<<	
Profit before Taxation	109,111	171,416
Taxation	(18,987)	(16,418)
Profit after Taxation	90,124	154,998
Earning per Shar	5.63	9.68

PERFORMANCE REVIEW

The operating results for the crushing season is mentioned here under:

	SEASON 2014-2015	SEASON 2013-2014
Season Started	05-12-2014	01-11-2013
Season Ended	03-04-2015	04-04-2014
Number of days worked	120	155
Sugarcane Crushing (MT)	649,133.52	819,718.97
Recovery (%) Sugar	10.60	10.30
Recovery (%) Molasses	3.99	4.32
Production – Sugar (MT)	68,797.50	84,430
Production – Molasses (MT)	25,915	36,332

The above results has already been presented in half yearly account (as of 31 March,2015) which shows less crushing during the current crushing season (2014-15). The quantum of sugarcane crushed was lower due to lesser availability of sugarcane.

During the current quarter, Sugar and Molasses prices in domestic market were impressive which draw the company's profitability upwards.

Management is hopeful for a better future and I would like to place on record the sincere efforts and hard work put up by workers, staff and officers of KSM family.

For and on behalf of the Board

Karachi
July 16, 2015

Muhammad Mubeen Jumani
Chief Executive

**CONDENSED INTERIM BALANCE SHEET
(UN-AUDITED)
AS AT 30 JUNE 2015**

	<u>Note</u>	Un-audited June 30, 2015	Audited September 30, 2014
		← (Rupees in '000) →	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	1,503,845	1,495,397
Long term deposits		262	262
		1,504,107	1,495,659
Current Assets			
Stores, spares and loose tools		114,659	96,369
Stock in trade		1,217,164	269,293
Loans and advances		240,301	247,926
Deposits, prepayments and other receivables		7,748	7,748
Taxation - net		-	5,566
Cash and bank balances		181,859	21,205
		1,761,731	648,107
Total Assets		3,265,838	2,143,766

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Muhammad Mubeen Jumani
Chief Executive

Karachi the dated
16th July, 2015

	Un-audited June 30, 2015	Audited September 30, 2014
<u>Note</u>	← (Rupees in '000) →	
EQUITY AND LIABILITIES		
Authorized Capital		
20,000,000 Ordinary shares of Rs. 10 each	<u>200,000</u>	200,000
Share capital and reserves		
Issued, subscribed and paid up capital	160,175	160,175
Accumulated loss	<u>(621,234)</u>	(719,221)
	(461,059)	(559,046)
Surplus on revaluation of fixed assets - net	<u>317,321</u>	325,184
	(143,738)	(233,862)
Non-Current Liabilities		
Long term financing	1,167,836	1,142,805
Deferred liabilities	97,203	91,804
	1,265,039	1,234,609
Current Liabilities		
Short term borrowings	876,650	326,000
Trade and other payables	1,233,983	800,542
Taxation - net	8,513	-
Accrued markup	25,391	16,477
	2,144,537	1,143,019
Contingencies and commitments	<u>7</u>	<u>7</u>
	3,265,838	2,143,766

Faraz Mubeen Jumani
Managing Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
(UNAUDITED)
FOR THE NINE MONTHS AND THIRD QUARTER ENDED JUNE 30, 2015

	Nine month ended		Third quarter ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	← Rupees in '000' →			
Sales - net	2,370,004	3,283,511	869,686	935,811
Cost of sales	(2,112,692)	(2,931,540)	(747,232)	(780,143)
Gross profit	257,312	351,971	122,454	155,668
Administrative expenses	(85,213)	(85,772)	(21,048)	(23,060)
Distribution expenses	(11,008)	(56,609)	(758)	(492)
	(96,221)	(142,382)	(21,806)	(23,553)
Operating profit	161,091	209,589	100,648	132,115
Other income	2,633	3,082	2,528	7,221
Other charges	(2,828)	-	-	-
	(195)	3,082	2,528	7,221
	160,896	212,671	103,176	139,336
Financial charges	(51,785)	(41,256)	(25,501)	(24,813)
Profit before taxation	109,111	171,416	77,675	114,524
Taxation				
- Current	(18,380)	(16,418)	(8,696)	7,059
- Deferred	(607)	-	-	-
	(18,987)	(16,418)	(8,696)	7,059
Profit after taxation	90,124	154,998	68,979	121,583
Earnings per share - basic and diluted	5.63	9.68	4.31	7.59

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Muhammad Mubeen Jumani
Chief Executive

Faraz Mubeen Jumani
Managing Director

Karachi the dated
16th July, 2015

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)**

FOR THE NINE MONTHS AND THIRD QUARTER ENDED JUNE 30, 2015

	Nine month ended		Third quarter ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	← (Rupees in '000) →			
Profit / (Loss) for the period	90,124	154,998	68,979	121,583
Other comprehensive income				
-Transfer from surplus on revaluation of property and plant on account of incremental depreciation - net	7,863	8,277	7,863	-
Total comprehensive income for the year	97,987	163,275	76,842	121,583

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Muhammad Mubeen Jumani
Chief Executive

Faraz Mubeen Jumani
Managing Director

Karachi the dated
16th July, 2015

**CONDENSED INTERIM CASH FLOW STATEMENT
(UN-AUDITED)**

FOR THE NINE MONTHS ENDED JUNE 30, 2015

	June 30, 2015 Un-audited	June 30, 2014 Un-audited
	<i>← (Rupees in '000) →</i>	
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation	109,111	171,416
Adjustments for:		
- Financial cost	51,785	41,256
- Depreciation	55,821	58,204
- Gratuity	4,792	8
	112,398	99,467
Working capital changes:		
Stores, spares and loose tools	(18,290)	(19,366)
Stock in trade	(947,871)	(934,522)
Loans and advances - Considered good	7,625	21,710
Deposits, prepayments and other receivables	-	(7,252)
Trade and other payables	433,441	809,888
	(525,095)	(129,542)
	(303,586)	141,341
Taxes paid - net	(4,301)	(14,107)
Financial charges paid	(42,871)	(12,744)
Net cash used in operating activities	(350,758)	114,490
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(64,269)	(16,948)
Net cash used in investing activities	(64,269)	(16,948)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (repayments) from long term loans	25,031	(1,173)
Proceeds from short term borrowing	550,650	617,479
Net cash generated from financing activities	575,681	616,306
Net (decrease) in cash and cash equivalents	160,654	(87,665)
Cash and cash equivalent at beginning of the period	21,205	119,438
Cash and cash equivalent at end of the period	181,859	31,773

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Muhammad Mubeen Jumani
Chief Executive

Faraz Mubeen Jumani
Managing Director

Karachi the dated
16th July, 2015

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	Issued, Subscribed & paid up Capital	Appropriated Loss	Total
	----- Rupees in '000' -----		
Balance as at October 01, 2013	160,175	(764,354)	(604,179)
Total comprehensive income for the period ended June 30, 2014			
- Profit for the period	-	154,998	154,998
- Other comprehensive income for the period	-	8,277	8,277
	-	163,275	163,275
Balance as at June 30, 2014	<u>160,175</u>	<u>(601,079)</u>	<u>(440,904)</u>
Balance as at October 01, 2014	160,175	(719,221)	(559,046)
Total comprehensive income for the period ended June 30, 2015			
- Profit for the period	-	90,124	90,124
- Other comprehensive income for the period	-	7,863	7,863
	-	97,987	97,987
Balance as at June 30, 2015	<u>160,175</u>	<u>(621,234)</u>	<u>(461,059)</u>

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

Muhammad Mubeen Jumani
Chief Executive

Faraz Mubeen Jumani
Managing Director

Karachi the dated
16th July, 2015

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)**

FOR THE NINE MONTHS ENDED JUNE 30, 2015

1. NATURE AND STATUS OF BUSINESS

The Company was incorporated in Pakistan on August 23, 1989 as a public limited company under the Companies Ordinance, 1984 and its shares are quoted on the Karachi Stock Exchange. The registered office of the Company is situated at 3rd floor, Plot No.15C, 9th Commercial lane, Zamzama, D.H.A Karachi . The principal activity of the Company is the production and sale of white sugar.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of, and directives issued under the Companies Ordinance 1984; in case, where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Companies Ordinance 1984, have been followed. The interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2014.

These condensed interim financial statements are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.

These condensed interim financial statements are presented in Pakistani Rupee which is also the Company's functional currency and all numbers presented have been rounded off to the nearest thousand.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended September 30, 2014.

4. ACCOUNTING ESTIMATES, JUDGEMENT AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates,

assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2014.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2014.

	Un-audited	Audited
	June 30,	September 30,
	2015	2014
	<i>(Rupees in '000)</i>	

5. PROPERTY, PLANT & EQUIPMENT

Written down value at 1 October	1,477,791	1,520,745
Additions	60,011	38,267
Disposals - net	-	(2,484)
Depreciation	(55,821)	(78,738)
	1,481,981	1,477,791
Capital work in progress	21,864	17,608
	1,503,845	1,495,399

5.1 Additions

Plant and machinery	53,196	26,421
Office equipment	-	1,060
Vehicles	6,815	10,786
	60,011	38,267

Un-audited	Audited
June 30,	September 30,
2015	2014
← (Rupees in '000) →	

6. SHORT TERM BORROWINGS

From banking company - Secured

- National Bank of Pakistan	599,950	326,000
- Sindh Bank Limited	276,700	-
	<u>876,650</u>	<u>326,000</u>

- 6.1** The company has obtained cash finance facility from banking companies at different rates at three months KIBOR + 2.5 % and 14% with the sanctioned limit of Rs. 900 million. The facility is secured against finished goods and personal properties and guarantees of the directors of the Company.

7. CONTINGENCIES AND COMMITMENTS

As at 30 June 2015, there is no material change in the status of matters reported as contingencies and commitments in the notes to financial statements of the company for the year ending 30 September 2014.

8. SEASONALITY OF OPERATIONS

The Sugar Industry are operating on seasonal basis normally from November to April. Therefore, all major production cost other than fixed cost, for example cost of goods manufactured, stock and short term finances being reflected to be high on this period.

9. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise group companies, associates, directors and key management personnel.

During the period, following transactions with related parties are carried out: -

	Nine months ended	
	June 30,	June 30,
	2015	2014
	← Rupees in '000' →	
Loan from directors - receipts	<u>211,090</u>	<u>106,020</u>
Loan from directors - repayments	<u>186,059</u>	<u>100,023</u>

10. DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on 16 July 2015 by the Board of Directors of the Company.

11. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Muhammad Mubeen Jumani
(Chief Executive)

Faraz Mubeen Jumani
(Managing Director)

Karachi the dated
16th July, 2015
