

# *Quarterly Report*

*Condensed Interim  
Financial Information (Un-Audited)  
For the Nine Months Period Ended  
June 30, 2012*

*P u r i t y   R e d e f i n e d*



**AL-ABBAS SUGAR MILLS LIMITED**



## Contents

Company Information	2
Directors' Review Report	3
Condensed Interim Balance Sheet (Un-audited)	6
Condensed Interim Profit and Loss Account (Un-audited)	7
Condensed Interim Statement of Comprehensive Income (Un-audited)	8
Condensed Interim Cash Flow Statement (Un-audited)	9
Condensed Interim Statement of Changes in Equity (Un-audited)	10
Notes to the Condensed Interim Financial Information (Un-audited)	11



## COMPANY INFORMATION

### BOARD OF DIRECTORS

Muhammad Iqbal Usman	Chairman
Shunaid Qureshi	Chief Executive
Asim Ghani	Director
Duraid Qureshi	Director
Jahangir Siddiqui	Director
Muhammad Salman Husain Chawala	Director
Abdul Hamid Ahmed Dagia	Director

### COMPANY SECRETARY

Muhammad Suleman Kanjiani - FCA

### CHIEF FINANCIAL OFFICER

Zuhair Abbas - ACA (Resigned w.e.f June 30, 2012)

### AUDIT COMMITTEE

Muhammad Iqbal Usman	Chairman
Jahangir Siddiqui	Member
Asim Ghani	Member
Duraid Qureshi	Member
Safar Ali - ACA	Secretary

### HUMAN RESOURCE AND REMUNERATION COMMITTEE

Jahangir Siddiqui	Chairman
Muhammad Iqbal Usman	Member
Shunaid Qureshi	Member

### AUDITORS

Hyder Bhimji & Co.	Chartered Accountants
--------------------	-----------------------

### LEGAL ADVISOR

Usmani & Iqbal	Advocate & Solicitors
----------------	-----------------------

### BANKERS

Al-Baraka Islamic Bank Limited  
Allied Bank Limited  
Bank Alfalah Limited  
BankIslami Pakistan Limited  
Barclays Bank Plc Pakistan  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
KASB Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pak Brunei Investment Company Limited  
Standard Chartered Bank  
United Bank Limited

### REGISTERED OFFICE

2nd Floor, Pardesi House, Survey No. 2/1,  
R.Y. 16, Old Queens Road, Karachi - 74000  
Tel: 92-21-111-111-224  
Fax: 92-21-32470090  
Website: www.aasml.com

### SHARE REGISTRAR OFFICE

Technology Trade (Pvt.) Ltd.  
Dagia House, 241-C. Block-2,  
P.E.C.H.S., Off. Shahrah-e-Quaideen, Karachi.

### FACTORIES LOCATIONS

- 1) Mirwah Gorchani, Distt. Mirpurkhas, Sindh
- 2) Main National Highway, Dhabeji, Sindh



## DIRECTORS' REVIEW REPORT

The directors are pleased to present the condensed interim financial information for the nine months period ended June 30, 2012.

The financial results of the Company during the period under review compared with the corresponding period are summarized below:

The profit and loss account for the nine months period ended June 30, 2012 under review is as follows:

	Nine months ended June 30, 2012	Nine months ended June 30, 2011
	← (Rupees in thousands) →	
Profit before taxation	445,410	345,230
Taxation	<u>(48,737)</u>	<u>(48,827)</u>
Profit after taxation	396,673	296,403
Loss from discontinued operations	-	(25,943)
Net profit for the period	<u>396,673</u>	<u>270,460</u>
Basic earnings per share (Rupees)	<u>22.85</u>	<u>15.57</u>

### OPERATING RESULTS

During the nine months period ended June 30, 2012, your Company has earned profit after tax amounting to Rs. 396.673 million as compared to the profit after tax of Rs. 270.460 million of the corresponding period of last year registering increase of Rs. 126.213 million in overall profitability.

The division - wise performance is presented below:

#### Sugar Division

The financial and operational performance is given below:

#### Financial performance

	Nine months ended June 30, 2012	Nine months ended June 30, 2011
	← (Rupees in thousands) →	
Sales - net	2,286,139	2,373,534
Cost of sales	<u>(1,967,955)</u>	<u>(2,010,942)</u>
Gross (loss) / profit	318,184	362,592
Distribution cost	<u>(72,902)</u>	<u>(8,787)</u>
Segment result	<u>245,282</u>	<u>353,805</u>

#### Operational performance

	2011-12	2010-11
Date of start of season	December 09, 2011	November 03, 2010
No. of days worked	93	137
Crushing (M. Tons)	402,317	594,000
Production from sugarcane (M.Ton)	39,479	60,395
Production from raw sugar (M.Ton)	-	3,596
Recovery (%)	9.83	10.17



Crushing operations for 2011-12 season started on December 09, 2011 and the plant operated for 93 days ended on March 10, 2012 as against 137 days for preceding season. The Sugarcane crushed during the current season was 402,317 M.T with average sucrose recovery of 9.83% and sugar production of 39,479 M.T, as compared with crushing of 594,000 M.T with average sucrose recovery of 10.17% and sugar production of 60,395 M.T of same period of last year. The Company also produced 3,597 M.T of sugar from raw sugar last year. The reason behind the decline in crushing, production and recovery percentage owes to the long standing water in the field due to heavy rainfall during last monsoon season.

Prompt cash payment to the farmer has enabled Company to maintain its procurement share of sugarcane in the vicinity.

#### Ethanol Division

	Nine months ended June 30, 2012	Nine months ended June 30, 2011
	← (Rupees in thousands) →	
Sales - net	<b>2,064,006</b>	2,134,559
Cost of sales	<b>(1,430,931)</b>	(1,589,087)
Gross (loss) / profit	<b>633,075</b>	545,472
Distribution cost	<b>(67,402)</b>	(57,995)
Segment result	<b>565,673</b>	487,477

The operational data is given below:

#### Operational data

Operational performance	2011-12	2010- 11
Production (M. Tons) - Unit I and II	<b>30,937</b>	31,265
Capacity attained Unit I and II	<b>97.2%</b>	98%

During the period under review, this division produced 30,937 M.T ethanol as compared to corresponding period of last financial year of 31,265 M.T showing decrease of 1.05% production.

#### Power, Chemical and Alloys Division

During the period under review, the chemical division has incurred segment loss of Rs. 36.216 million as compared to the segment loss of Rs. 160.181 million for the same period last year. The loss is mainly due to unavoidable fixed input cost of production of ferroalloys. During this quarter, one of the furnace plant has been given to third party on a fixed monthly rental.

The Company incurred segment loss of Rs. 11.222 million during the year under review in power division as compared to the segment profit of Rs. 3.857 million in corresponding period. During the period under review, no power generation was carried out and the loss majorly represents the depreciation charge of Rs. 10.388 million.



### **FUTURE PROSPECTS**

The sugar price of local and international market is showing improvement as compared to previous quarters. The decision of Government to allow exports of 200,000 M. Tons and to procure approx. 200,000 M. Tons through Trading Corporation of Pakistan (TCP) is paving high dividend for the sugar industry as a whole.

Pakistan's role and contribution has increased significantly in recent years and Pakistani manufacturers are considered as a reliable supplier of ethanol. New markets are being explored with a view to identify and serve the final consumer and increase the customer base.

As a whole, your Company is well aware of the challenges being faced and would do its best to take all necessary measures to increase the production of all its divisions and overall profitability of the Company despite a daunting situation ahead.

### **ACKNOWLEDGEMENT**

The Company strongly believes that its success is driven by the commitment and dedication of its employees. We acknowledge the contribution of each and every staff member of the Company for significant contribution in delivering such a strong performance. We would also like to express our thanks to the customers for their trust in our products and look forward to their continued patronage. We also thank our shareholders, banks and financial institution for their support, guidance and confidence reposed in our enterprise and stand committed to do our best to ensure full reward of their investment in the coming years. May Allah bless us in our efforts. A'meen!

On behalf of Board of Directors

**Shunaid Qureshi**  
Chief Executive Officer

Karachi: July 18, 2012

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)  
AS AT JUNE 30, 2012**

	Note	June 30, 2012 Un-audited	September 30, 2011 Audited
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	2,022,113	1,999,174
Intangible assets		153	613
Long term loans and advances		4,029	3,404
Long term deposits		11,328	11,127
Long term investments		18,105	9,114
Deferred tax asset	7	11,336	14,586
		<u>2,067,064</u>	<u>2,038,018</u>
<b>CURRENT ASSETS</b>			
Stores and spares		148,447	153,152
Stock-in-trade		2,688,036	2,430,743
Trade debts		280,967	487,536
Loans and advances		142,636	170,399
Trade deposits and short term prepayments		50,181	1,012
Other receivables		21,504	19,600
Short term investment		28,165	10,000
Accrued mark-up		281	416
Cash and bank balances		8,976	18,179
		<u>3,369,193</u>	<u>3,291,037</u>
<b>Total assets</b>		<u>5,436,257</u>	<u>5,329,055</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital 17,500,000 Ordinary shares of Rs. 10 each		<u>175,000</u>	<u>175,000</u>
Issued, subscribed and paid-up capital		173,623	173,623
Reserves		<u>1,457,344</u>	<u>1,207,941</u>
<b>Shareholders' equity</b>		<u>1,630,967</u>	<u>1,381,564</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term financing		231,518	433,791
Deferred liability		51,614	47,591
		<u>283,132</u>	<u>481,382</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,265,561	1,588,808
Accrued mark-up		51,520	84,026
Short term borrowings		1,972,534	1,548,977
Current maturity of non-current liabilities		219,697	219,697
Provision for taxation		12,846	24,601
		<u>3,522,158</u>	<u>3,466,109</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	8		
<b>Total equity and liabilities</b>		<u>5,436,257</u>	<u>5,329,055</u>

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

**Shunaid Qureshi**  
Chief Executive

**Asim Ghani**  
Director



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2012**

Nine months period ended		Quarter Ended	
June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011
(Rupees in thousand)			

**Continuing operations**

Sales - net	<b>4,363,862</b>	4,740,847	<b>1,553,633</b>	1,261,749
Cost of sales	<b>(3,462,874)</b>	(3,982,854)	<b>(1,213,165)</b>	(940,900)
<b>Gross profit</b>	<b>900,988</b>	757,993	<b>340,468</b>	320,849

Distribution cost	<b>(140,304)</b>	(66,782)	<b>(45,389)</b>	(18,889)
Administrative expenses	<b>(88,777)</b>	(80,963)	<b>(32,576)</b>	(25,298)
Other operating expenses	<b>(39,088)</b>	(26,815)	<b>(11,457)</b>	(11,033)
	<b>(268,169)</b>	(174,560)	<b>(89,422)</b>	(55,220)
<b>Operating profit</b>	<b>632,819</b>	583,433	<b>251,046</b>	265,629

Finance cost	<b>(210,067)</b>	(274,353)	<b>(72,048)</b>	(121,349)
Other operating income	<b>22,658</b>	36,150	<b>6,272</b>	-
<b>Profit before taxation</b>	<b>445,410</b>	345,230	<b>185,270</b>	144,280

<b>Taxation</b>	<b>(48,737)</b>	(48,827)	<b>(12,472)</b>	(13,948)
<b>Profit after taxation from continuing operations</b>	<b>396,673</b>	296,403	<b>172,798</b>	130,332

**Discontinued operations**

Loss from discontinued operations	-	(25,943)	-	(13,441)
<b>Net profit for the period ended</b>	<b>396,673</b>	270,460	<b>172,798</b>	116,891

	(Rupees)			
Earning per share - from continuing operations -				
Basic and diluted	<b>22.85</b>	17.06	<b>9.95</b>	7.50
Loss per share - from discontinued operations -				
Basic and diluted	-	(1.49)	-	(0.77)
<b>Earning per share - for the nine months ended</b>				
Basic and diluted	<b>22.85</b>	15.57	<b>9.95</b>	6.73

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

  
**Shunaid Qureshi**  
 Chief Executive

  
**Asim Ghani**  
 Director





**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2012**

	Nine months period ended		Quarter Ended	
	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011
	(Rupees in thousand)			
Profit after taxation	<b>396,673</b>	270,460	<b>172,798</b>	116,891
<b>Other comprehensive income</b>				
Unrealised gain/(loss) on revaluation of available for sale investments	<b>8,991</b>	(3,123)	<b>2,367</b>	(2,279)
<b>Total comprehensive income for the period</b>	<b><u>405,664</u></b>	<u>267,337</u>	<b><u>175,165</u></b>	<u>114,612</u>

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

**Shunaid Qureshi**  
Chief Executive

**Asim Ghani**  
Director



**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2012**

	Note	Nine months period ended	
		June 30, 2012	June 30, 2011
(Rupees in thousand)			
<b>Cash flows from operating activities</b>			
Cash used in operations	9	334,980	(1,427,409)
Financial charges paid		(242,573)	(237,283)
Taxes paid		(57,242)	(69,783)
		<u>(299,815)</u>	<u>(307,066)</u>
<b>Net cash generated from / (used in) operating activities</b>		<b>35,165</b>	<b>(1,734,475)</b>
<b>Cash flows from investing activities</b>			
Capital expenditure on property, plant and equipment		(111,573)	(24,655)
Proceeds from disposal of fixed assets		3,008	1,918
Proceeds from sales of non-current assets held for sale		-	104,145
Long term loans and advances		(625)	554
Long term deposits		(201)	1,100
<b>Net cash (used in) / generated from investing activities</b>		<b>(109,391)</b>	<b>83,062</b>
<b>Cash flows from financing activities</b>			
Repayment of long term financing		(202,273)	(202,273)
Repayment of liabilities against assets subject to finance lease		-	(1,627)
Dividend paid		(156,261)	(86,812)
Short term borrowings - net		423,557	1,933,340
<b>Net cash generated from financing activities</b>		<b>65,023</b>	<b>1,642,628</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(9,203)</b>	<b>(8,785)</b>
Cash and cash equivalents at beginning of the period		18,179	29,613
<b>Cash and cash equivalents at the end of the period</b>		<b>8,976</b>	<b>20,828</b>

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

**Shunaid Qureshi**  
Chief Executive

**Asim Ghani**  
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2012**

	Issued, subscribed and paid-up capital	Revenue reserves		Fair value reserve on remeasurement of available for sale investment	Total reserves	Total shareholder's equity
		General reserve	Unappropriated profit			
<b>Balance as at October 01, 2010</b>	173,623	458,000	637,141	(21,863)	1,073,278	1,246,901
<b>Total comprehensive income for the period</b>	-	-	270,460	-	270,460	270,460
Profit for the Period	-	-	-	(3,123)	(3,123)	(3,123)
Other comprehensive income	-	-	270,460	(3,123)	267,337	267,337
<b>Distribution to owners</b>	-	-	(86,812)	-	(86,812)	(86,812)
Final Dividend 2010: Rs. 5 per share	-	-	(86,812)	-	(86,812)	(86,812)
<b>Balance as at June 30, 2011</b>	<b>173,623</b>	<b>458,000</b>	<b>820,789</b>	<b>(24,986)</b>	<b>1,253,803</b>	<b>1,427,426</b>
<b>Balance as at October 01, 2011</b>	173,623	458,000	777,192	(27,251)	1,207,941	1,381,564
<b>Total comprehensive income for the period</b>	-	-	396,673	-	396,673	396,673
Profit for the Period	-	-	-	8,991	8,991	8,991
Other comprehensive income	-	-	396,673	-	396,673	396,673
<b>Distribution to owners</b>	-	-	(86,812)	-	(86,812)	(86,812)
Final Dividend 2011: Rs. 5 per share	-	-	(86,812)	-	(86,812)	(86,812)
Interim Dividend 2012: Rs. 4 per share	-	-	(69,449)	-	(69,449)	(69,449)
<b>Balance as at June 30, 2012</b>	<b>173,623</b>	<b>458,000</b>	<b>1,017,604</b>	<b>(18,260)</b>	<b>1,457,344</b>	<b>1,630,967</b>

Balance as at October 01, 2010  
Total comprehensive income for the period  
Profit for the Period  
Other comprehensive income

Distribution to owners  
Final Dividend 2010: Rs. 5 per share  
Balance as at June 30, 2011  
Balance as at October 01, 2011  
Total comprehensive income for the period  
Profit for the Period  
Other comprehensive income

Distribution to owners  
Final Dividend 2011: Rs. 5 per share  
Interim Dividend 2012: Rs. 4 per share  
Balance as at June 30, 2012

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

**Shunaid Qureshi**  
Chief Executive

**Asim Ghani**  
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2012**

**1 THE COMPANY AND ITS OPERATIONS**

Al-Abbas Sugar Mills Limited - AASML ("the Company") was incorporated in Pakistan on May 2, 1991 as a public limited company under the Companies Ordinance, 1984. The Company is listed on the Karachi Stock Exchange. The registered office of the Company is situated at Pardesi House, Survey No. 2/1, R.Y.16. Old Queens Road, Karachi, Pakistan. The principal activities of the Company under following business segments / divisions comprises of :

S.NO	Division	Principal Activities	Location of undertaking	Commencement of commercial production
1	Sugar	Manufacturing and sale of sugar	Mirwah Gorchani, Mirpurkhas	December 15, 1993
2	Ethanol	Processing and sale of industrial ethanol	Mirwah Gorchani, Mirpurkhas	Unit I: August 20, 2000 Unit II: January 23, 2004
3	Power*, chemical and alloys Division	Manufacturing and sales of Calcium Carbide, Ferro alloys, *Generation and sales of electricity	Dhabeji, Thatta.	November 1, 2006 *April 06, 2010

**2 BASIS OF PREPARATION**

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standards 34 "Interim Financial Reporting" and is submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the published annual financial statements for the year ended September 30, 2011.

**3 ACCOUNTING POLICIES**

The accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the annual financial statements of the Company for the year ended September 30, 2011.

**4 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND AND WORKERS' WELFARE FUND**

Provision in respect of income tax, workers' profit participation fund and workers welfare fund are estimated only and final liabilities will be determined on the basis of annual results.

**5 SEASONAL PRODUCTION**

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

	Un-audited June 30, 2012	Audited September 30, 2011
	(Rupees in thousand)	
<b>6 PROPERTY, PLANT AND EQUIPMENT Additions</b>		
Furniture, fixture and others	48	3,500
Vehicles	2,596	123
Office equipment	1,017	661
Computers	1,885	1,309



	Un-audited June 30, 2012 (Rupees in thousand)	Audited September 30, 2011
<b>Additions to CWIP</b>		
Tank Terminal	44,519	45,348
Storage Tanks	58,725	-
Godown	2,783	-
<b>Disposal/Adjustment</b>		
Vehicle - at cost	4,158	4,681

## 7 DEFERRED TAX ASSET

The company has not recognised its entire deferred tax debit relating to tax losses upto the period ended June 30, 2012 as it is improbable that in current/ensuing years, available tax losses would be fully adjusted against taxable incomes.

## 8 CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There were no major changes in the status of contingencies as reported in the annual financial statements for the year ended September 30, 2011. Bank guarantees of Rs. 122.09 million ( 2010: Rs. 54.5 million ) have been issued in favour of customer and supplier.

### 8.2 Commitments

Commitments in respect of open letter of credit is amounting to Rs. 11.155 million (September 30, 2011: Rs. 2.284 million) and capital commitments in respect of tank terminal is Rs. 9.05 million (September 30, 2011: Rs. 40 million), Storage tanks Rs. 18.158 million (September 30, 2011: Rs. Nil) and Sugar Godown Rs. 17.018 million (September 30, 2011: Rs. Nil).

	June 30, 2012 (Rupees in thousand)	June 30, 2011
<b>9 CASH USED IN OPERATIONS</b>		
Profit before taxation	445,410	345,230
Adjustments for:		
Depreciation	87,283	89,066
Gain on disposal of fixed assets	(1,657)	(1,184)
Amortization of intangible assets	460	8,298
Fair value changes in short term investment	(4,075)	1,250
Interest income on loan to growers	(567)	(534)
Finance cost	210,067	274,353
Increase in deferred liability	4,023	4,088
	<b>295,534</b>	<b>375,337</b>
Operating profit before working capital changes	<b>740,944</b>	<b>720,567</b>
(Increase)/decrease in current assets		
Stores, spare parts and loose tools	4,705	(21,951)
Stock-in-trade	(257,293)	(2,365,400)
Trade debts	206,569	85,393
Loans and advances	27,763	(3,122)
Other receivables	(1,904)	16,254
Trade deposits and short term prepayments	(49,169)	9,730
Short term Investment	(14,090)	-
Accrued mark-up	702	272
	<b>(82,717)</b>	<b>(2,278,824)</b>
Increase in trade and other payables	<b>(323,247)</b>	<b>130,848</b>
	<b>334,980</b>	<b>(1,427,409)</b>



10 SEGMENT REPORTING

(Rupees in thousand)

	Nine Months Ended June 30						Total
	2012	2011	2012	2011	2012	2011	
	<b>Sugar</b>		<b>Ethanol</b>		<b>Power, Chemical, Alloys and Others</b>		
Sales	2,286,139	2,373,534	2,064,006	2,134,559	13,717	232,754	4,363,862
Segment results	245,282	353,805	565,673	487,477	(50,271)	(150,071)	760,684
Administrative expenses							(88,777)
Other operating expenses							(39,088)
Finance cost							(210,067)
Other operating income							22,658
Taxation							(48,737)
Net profit from continuing operations							396,673
Loss from discontinued operations							296,403
Net profit for the period							-
							(25,943)
							396,673
							270,460



(Rupees in thousand)

	Quarter Ended June 30						Total	
	2012		2011		2012			2011
	Sugar	Ethanol	Power, Chemical, Alloys and Others		2012	2011		
Sales	<u>764,647</u>	<u>583,673</u>	<u>785,496</u>	<u>670,121</u>	<u>3,490</u>	<u>7,955</u>	<u>1,553,633</u>	<u>1,261,749</u>
Segment results	<u>73,835</u>	<u>171,960</u>	<u>232,739</u>	<u>165,534</u>	<u>(11,495)</u>	<u>(35,534)</u>	<u>295,079</u>	<u>301,960</u>
Administrative expenses							<u>(32,576)</u>	<u>(25,298)</u>
Other operating expenses							<u>(11,457)</u>	<u>(11,033)</u>
Finance cost							<u>(72,048)</u>	<u>(121,349)</u>
Other operating income							<u>6,272</u>	<u>-</u>
Taxation							<u>(12,472)</u>	<u>(13,948)</u>
Net profit from continuing operations							<u>172,798</u>	<u>130,332</u>
Loss from discontinued operations							<u>-</u>	<u>(13,441)</u>
Net profit for the period							<u>172,798</u>	<u>116,891</u>



	(Rupees in thousand)						
	June 30, 2012	September 30, 2011	June 30, 2012	Ethanol	September 30, 2011	June 30, 2012	September 30, 2011
Segment assets	2,591,120	2,636,562	1,965,681	1,793,476	798,172	5,279,761	5,228,210
Unallocated segment assets	-	-	-	-	-	156,496	100,845
						<u>5,436,257</u>	<u>5,329,055</u>
Segment liabilities	2,554,181	2,819,725	989,763	955,737	511	3,544,510	3,775,973
Unallocated segment liabilities	-	-	-	-	-	260,780	171,518
						<u>3,805,290</u>	<u>3,947,491</u>
Capital expenditure	2,783	400	103,244	45,348	-	106,027	45,748
Unallocated capital expenditure	-	-	-	-	-	5,546	5,593
						<u>111,573</u>	<u>51,341</u>
	(Rupees in thousand)						
	Nine Months Ended June 30						
	2012	2011	2012	2011	2011	2012	2011
	Power, Chemical, Alloys and Others						
Depreciation	39,097	39,382	21,171	22,455	27,230	87,283	89,066
Amortization	276	4,149	184	4,149	-	460	8,298

10.1 The operation of Power, Chemical, Alloys and Others has been suspended. One of the furnace has been given to third party on rental basis.





## 11 RELATED PARTY TRANSACTIONS

Transactions in relation to sales, purchases and services with related parties are made at arm's length prices determined in accordance with the Comparable Uncontrolled Price Method except for the allocation of expenses such as utilities and office rent, shared with associated company, which are based on the advices received.

	June 30, 2012	June 30, 2011
	(Rupees in thousand)	
Dividend received	810	-
Contribution paid to employee Gratuity Fund	31,000	6,902
Rental Income	1,437	-
Insurance premium paid	19,798	21,884
Finance cost - related parties	27,468	15,641

### Key management personnel

Remuneration of chief executive, directors and executives.	59,166	54,783
---	--------	--------

## 12 CORRESPONDING FIGURES

12.1 Corresponding figures in the Condensed Interim Balance Sheet and Condensed Interim Statement of Changes in Equity comprise of balances as per the annual audited financial statements for the year ended September 30, 2011. Corresponding figures in the Condensed Interim Profit and Loss Account, Condensed Interim Other Comprehensive Income and Condensed Interim Cash Flow Statement comprise of balances of comparable period as per the Condensed Interim Financial Information for the nine months ended June 30, 2012.

12.2 In the comparative cash flow statement proceeds from non current assets held for sale amounting to Rs. 104.145 million have been re-classified as 'cash flow from investing activities' instead of 'cash flow from operations' for correct presentation.

12.3 In note 11 'related party transaction' the purchase of cement from Al-Abbas cement limited has been omitted from the comparative figure of June 30, 2011, since it is no more a related party.

## 13 DATE OF AUTHORIZATION FOR ISSUE

These financial Information were authorised for issue on July 18, 2012 by Board of Directors' of the Company.

## 14 GENERAL

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

**Shunaid Qureshi**  
Chief Executive

**Asim Ghani**  
Director



**AL-ABBAS SUGAR MILLS LTD.**

Head Office:  
Pardesi House, Survey No. 2/1, R.Y. 16,  
Old Queens Road, Karachi - 74000  
Tel: 111-111-224 Fax: (9221) 32470090  
E-mail: info@aasmi.com

w w w . a a s m i . c o m

CORPORATE