



Shah Taj Sugar Mills Limited

Condensed Interim Financial Information
For the Nine Month Period Ended
30 June 2014 (Un-Audited)



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Company Information

Board of Directors

Mr. Mahmood Nawaz	Chairman
Mr. Muneer Nawaz	Chief Executive
Mr. Cyrus R. Cowasjee	
Mr. M. Naeem	
Mr. Ijaz Ahmad	
Mrs. Samia Shahnawaz Idris	
Mr. Rashed Amjad Khalid	
Mr. Toqueer Nawaz	
Mr. Attaullah A. Rasheed	(S.L.I.C.)
Mr. Aamir Amin	(N.I.T.)

Company Secretary

Mr. Jamil Ahmad Butt

Chief Financial Officer

Mr. Muhammad Asghar

Audit Committee

Mr. M. Naeem	Chairman
Mr. Rashed Amjad Khalid	Member
Mr. Toqueer Nawaz	Member

Human Resources &

Remuneration Committee

Mr. Rashed Amjad Khalid	Chairman
Mr. Muneer Nawaz	Member
Mr. Attaullah A. Rasheed	Member

Head Office

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Gulberg III, Lahore - 54660.
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Fax : (042) 3571 1904
Website : www.shahtajsugar.com
E-mail : mail@shahtajsugar.com
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Registered Office

19, Dockyard Road,
West Wharf, Karachi - 74000.
Phone : (021) 3231 3934 - 38
Fax : (021) 3231 0623
E-mail : registeredoffice@shahtajsugar.com

Production Facility

Mandi Bahauddin - 50400.
Phone : (0546) 501 147 - 48
 : (0546) 508 047 - 48
Fax : (0546) 501 768
E-mail : mills@shahtajsugar.com

Auditors

Ernst & Young Ford Rhodes Sidat Hyder,
Chartered Accountants,
Mall View Building,
4 - Bank Square, Lahore.

Legal Advisor

Mr. Ras Tariq Chowdhary,
30 - Mall Mansion,
The Mall, Lahore.

Share Registrar

Evolution Factor (Private) Limited,
Suite No. 407 - 408,
4th Floor, Al - Ameera Centre,
Shahrah - e - Iraq, Saddar, Karachi.

Bankers

United Bank Limited
Habib Bank Limited
MCB Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited

Directors' Report to the Members

Your Directors have pleasure in presenting the un-audited condensed interim financial information for the nine month period ended 30 June 2014.

Operational performance of the present crushing season as compared with that of last year is produced below:

PRODUCTION DATA

		Nine Month Ended 30 June	
		2014	2013
Start of season		27.11.2013	30.11.2012
End of season		06.03.2014	22.03.2013
Duration	Days	100	113
Sugarcane crushed	(M.Tons)	817,752	946,416
Production:			
Sugar	(M.Tons)	80,434	90,555
Molasses	(M.Tons)	39,840	45,374
Recovery:			
Sugar	%	9.84	9.57
Molasses	%	4.87	4.79

As already reported in half yearly results above data is depicting decline in crushing of sugarcane, increase in recovery percentage and decrease of production in both sugar and molasses. In this season about 56% purchases of sugarcane were made from the adjoining areas as compared with 47% in the previous year. The overall cost of sugarcane procurement remained higher by about Rs. 2/- per 40 Kg. i.e. at Rs. 179/- per 40 Kg. as compared with Rs. 177/- per 40 Kg. in the last year. As informed earlier, Government of Punjab did not increase the support price in this season. However sugarcane procurement cost increased due to higher transportation charges.

There is very insignificant improvement in average selling rates of sugar at the close of the reporting period however due to surge in financial charges and other expenses of the third quarter financial results are in negative.

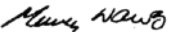
High pressure boiler which was commissioned in mid December 2013 remained in operation throughout the season due to which we were able to sell more quantity of bagasse generating sale revenue of Rs. 91.212 million.

There is an acute shortage of electricity in the Punjab. After installation of the high pressure boiler, it is now our desire to generate electricity for the national grid under the government's Co-Generation Policy of electricity for the sugar mills. We plan to install two turbines of about 15 MW each to generate electricity from biomass for our own use and sell the surplus electricity to the national grid. Electricity would be generated by burning bagasse in our high pressure boiler. In this regard, we are actively conducting negotiations with Chinese suppliers of Turbo Generators. The electricity would be generated as long as bagasse is available

Sowing of sugarcane crop for the next crushing season is reported to be little short of last year's level. Our field staff is doing its best to persuade the sugarcane growers to use required quantity of inputs so that high quality of sugarcane is available for our crushing. Let us also pray for good monsoon rains in the coming summer season.

Your Directors place on record their appreciation of the diligence and devotion of the Officers, Members of Staff and Workers of all categories.

For and on behalf of the Board,


MUNEER NAWAZ
Chief Executive

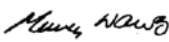
Karachi: 23 July 2014.

Condensed Interim Balance Sheet

As at 30 June 2014

	Note	(Un-Audited) 30 June 2014	(Audited) 30 September 2013
(Rupees in thousand)			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	742,559	707,623
Investments - associates	8	88,969	88,817
Loans and advances		2,338	2,420
Deposits		840	843
Deferred taxation	9	55,493	10,760
		890,199	810,463
CURRENT ASSETS			
Stores, spares and loose tools		115,173	89,617
Stock in trade	10	988,137	261,899
Trade debts		104,645	52,334
Loans and advances		65,371	53,953
Deposits, prepayments and other receivables		52,622	28,098
Cash and bank balances		59,802	143,677
		1,385,750	629,578
TOTAL ASSETS		2,275,949	1,440,041
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		120,111	120,111
Capital reserve - Share premium		27,534	27,534
Revenue reserve and unappropriated profits		928,442	934,821
TOTAL EQUITY		1,076,087	1,082,466
NON CURRENT LIABILITIES			
Long term borrowing	11	150,000	175,000
Deferred taxation		-	-
Retirement benefit obligations		25,018	24,193
		175,018	199,193
CURRENT LIABILITIES			
Current maturity of long term borrowing		50,000	25,000
Trade and other payables		204,395	79,875
Short term borrowings	12	722,781	-
Accrued interest on long term borrowing		11,049	4,690
Provision for taxation		36,619	48,817
		1,024,844	158,382
TOTAL LIABILITIES		1,199,862	357,575
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		2,275,949	1,440,041

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.


Chief Executive


Director

Condensed Interim Profit and Loss Account (Un-Audited)

for the nine month period ended 30 June 2014

	Note	Nine month period ended 30 June		Three month period ended 30 June	
		2014	2013	2014	2013
(Rupees in thousand)					
Sales - net	14	3,442,050	3,858,145	1,189,026	1,476,095
Cost of sales	15	(3,267,149)	(3,698,691)	(1,147,608)	(1,420,477)
Gross profit		174,901	159,454	41,418	55,618
Distribution cost		(6,660)	(7,541)	(1,527)	(1,788)
Administrative expenses		(131,450)	(122,096)	(29,572)	(27,236)
Other operating expenses		(2,634)	(3,088)	(753)	(1,037)
Other operating income		21,771	13,492	8,284	69
		(118,973)	(119,233)	(23,568)	(29,992)
Operating profit		55,928	40,221	17,850	25,626
Finance cost		(76,683)	(50,318)	(40,715)	(30,936)
		(20,755)	(10,097)	(22,865)	(5,310)
Share of profit in associates - net		4,291	5,297	-	-
(Loss) / profit before taxation		(16,464)	(4,800)	(22,865)	(5,310)
Taxation	16	10,085	(36,036)	(15,818)	(26,801)
Net (loss) / profit for the period		(6,379)	(40,836)	(38,683)	(32,111)
(Loss) / Earnings per ordinary share -					
Basic and Diluted (Rupees)		(0.53)	(3.40)	(3.22)	(2.67)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

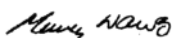

Chief Executive


Director

Condensed Interim Statement of Comprehensive Income (Un-Audited) for the nine month period ended 30 June 2014

Note	Nine month period ended 30 June		Three month period ended 30 June	
	2014	2013	2014	2013
	(Rupees in thousand)			
Net (loss) / profit for the period	(6,379)	(40,836)	(38,683)	(32,111)
Other comprehensive income	–	–	–	–
Total comprehensive (loss) / income for the period	(6,379)	(40,836)	(38,683)	(32,111)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.


Chief Executive


Director

Condensed Interim Cash Flow Statement (Un-Audited)

for the nine month period ended 30 June 2014

	Nine month period ended 30 June	
	2014	2013
(Rupees in thousand)		
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(16,464)	(4,800)
Non-cash adjustments to reconcile (loss) / profit before tax to net cash flows		
Depreciation	52,294	24,772
Interest / Mark-up	75,531	48,668
Profit on bank deposits	(4,333)	(9,308)
Share of profit in associates	(4,291)	(5,297)
Gain on disposal of property, plant and equipment	(6,848)	(172)
Provision for gratuity and retirement benefits	2,587	2,825
Loss on initial recognition of financial assets at fair value	47	241
	114,987	61,729
Operating profit before working capital changes	98,523	56,929
(Increase) / decrease in current assets		
Stores, spares and loose tools	(25,556)	(10,492)
Stock in trade	(726,238)	(783,204)
Trade debts	(52,311)	(132,054)
Loans and advances	(11,418)	27,657
Deposits, prepayments and other receivables	4,892	(444)
	(810,631)	(898,537)
Increase / (decrease) in current liabilities		
Trade and other payables	85,784	5,448
Short term borrowings	722,781	552,580
	808,565	558,028
Interest paid	(30,466)	(18,295)
Income tax (paid) / refund	(76,262)	(46,801)
Retirement benefits paid	(1,762)	(908)
	(108,490)	(66,004)
Increase in non - current liabilities	-	200,000
Net cash used in operating activities	(12,033)	(149,584)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(87,395)	(191,148)
Sale proceeds from disposal of property, plant and equipment	7,013	988
Profit received on bank deposits	4,333	12,604
Loans and advances	82	(510)
Dividend received	4,140	4,025
Deposits	3	(42)
Net cash used in investing activities	(71,824)	(174,083)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(18)	(83,946)
Net cash used in financing activities	(18)	(83,946)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(83,875)	(407,613)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	143,677	505,320
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	- A	59,802
		97,707

-A Cash and cash equivalents include cash and bank balances as stated in balance sheet.

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.



Chief Executive



Director

Condensed Interim Statement of Changes in Equity (Un-Audited) for the nine month period ended 30 June 2014

	Share Capital	Share Premium	General Reserve	Unappropriated Profits	Total
	(R u p e e s i n t h o u s a n d)				
Balance as at 01 October 2012	120,111	27,534	776,000	243,711	1,167,356
Final dividend @ Rs. 7 per share for the year 2012	–	–	–	(84,078)	(84,078)
Transfer to general reserve for the year 2012	–	–	140,000	(140,000)	–
Total comprehensive loss for the period	–	–	–	(40,836)	(40,836)
Balance as at 30 June 2013	120,111	27,534	916,000	(21,203)	1,042,442
Balance as at 01 October 2013	120,111	27,534	916,000	18,821	1,082,466
Total comprehensive loss for the period	–	–	–	(6,379)	(6,379)
Balance as at 30 June 2014	120,111	27,534	916,000	12,442	1,076,087

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

1 THE COMPANY AND ITS OPERATIONS

Shahtaj Sugar Mills Limited was incorporated in Pakistan on 27 March 1965 as a Public Limited Company under the Companies Ordinance, 1984 with a registered office situated in Karachi. The Company is listed on Karachi and Lahore Stock Exchanges and is engaged in the manufacture of sugar from sugarcane. Molasses is the only significant by-product contributing to Company's revenue.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the nine month period ended 30 June 2014 has been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

3 BASIS OF PRESENTATION AND MEASUREMENT

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with financial statements of the Company for the year ended 30 September 2013.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those of the previous financial year except as follows:

New, Amended and Revised Standards and Interpretations of IFRSs

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

- IAS 1 - Presentation of Financial Statements - Presentation of items of other comprehensive income (Amendment)
- IAS 19 - Employee Benefits - (Revised)
- IFRS 7 - Financial Instruments : Disclosures - (Amendment)
 - Amendments enhancing disclosures about offsetting of financial assets and financial liabilities
- IFRIC 20 - Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

- IAS 1 - Presentation of Financial Statements - Clarification of the requirements for comparative information

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

- IAS 16 - Property, Plant and Equipment - Clarification of Servicing Equipment
 IAS 32 - Financial Instruments : Presentation - Tax Effects of Distribution to Holders of Equity Instruments
 IAS 34 - Interim Financial Reporting - Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any material effect on this condensed interim financial information.

5 SEASONALITY OF OPERATIONS

The Company is inter-alia, engaged in manufacturing of sugar for which the season begins in November/ December 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.

6 TAXATION, WORKERS' WELFARE FUND AND WORKERS' PROFIT PARTICIPATION FUND

Provisions in respect of Taxation, Retirement Benefit Obligations, Workers' Welfare Fund and Workers' Profit Participation Fund are estimated and these are subject to final adjustments in the annual audited financial statements.

	Note	(Un-audited) 30 June 2014 (Rupees in thousand)	(Audited) 30 September 2013	
7	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets	7.1	737,602	285,630
	Capital work in progress	7.2	4,957	421,993
			742,559	707,623

7.1 Additions and deletions made to operating fixed assets during the nine month period ended 30 June 2014 are as under:

	Additions (Rupees in thousand)	Deletions
Plant and machinery	500,322	2,273
Building on freehold land	316	-
Motor vehicles	1,522	-
Office equipment	693	541
Telephone exchange	89	77
Furniture and fittings	1,489	31
	504,431	2,922

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

7.2 The position of capital work in progress as at 30 June 2014 is as follows:

	Note	(Un-audited) 30 June 2014 (Rupees in thousand)	(Audited) 30 September 2013
Capital work in progress			
Plant and machinery		4,957	118,207
Advance against plant and machinery		–	303,786
		4,957	421,993

8 LONG TERM INVESTMENTS

Investment in Associate

Associates - Equity method

Shahtaj Textile Limited - Listed

8.1

88,969

88,817

8.1 Market value of investment as at 30 June 2014 is Rs. (thousand) 124,706 (30 September 2013: Rs. (thousand) 57,500).

	Note	(Un-audited) 30 June 2014 (Rupees in thousand)	(Audited) 30 September 2013
9 DEFERRED TAXATION			
Deferred tax assets / (liabilities)			
- Taxable temporary differences		(99,221)	(66,274)
- Deductible temporary differences		15,244	14,964
- Carry forward tax losses and credits		139,470	62,070
		55,493	10,760

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

Movement for the nine month period ended 30 June 2014

	Opening balance	Recognized in profit and loss	Effect of change in rate recognized in profit and loss	Closing balance
Deferred tax liabilities on taxable temporary differences arising in respect of:				
Property, plant and equipment-owned assets	(58,542)	(32,932)	–	(91,474)
Investment in associate	(7,732)	(15)	–	(7,747)
Deferred tax assets on deductible temporary differences arising in respect of:				
Staff gratuity and retirement benefits	8,226	280	–	8,506
Quality premium	6,738	–	–	6,738
Carry forward tax losses and credits	62,070	77,400	–	139,470
	10,760	44,733	–	55,493

During the period, the Company has incurred taxable loss of Rs. (thousand) 80,618 (2013: Rs. (thousand) 45,026) against which a deferred tax asset has been recognized by the Company at the tax rate of 34% amounting to Rs. (thousand) 27,410 (2013: Rs. (thousand) 15,309). These include unabsorbed tax depreciation of Rs. (thousand) 33,719 (2013: Rs. (thousand) 26,899) which is adjustable for indefinite period, while remaining amount of Rs. (thousand) 46,899 (2013: Rs. (thousand) 18,163) is adjustable against future taxable income till tax year 2021.

Furthermore, the Company has paid minimum tax under section 113 of income tax ordinance, 2001 amounting to Rs. (thousand) 34,648 (2013: Rs. (thousand) 46,761) which is also adjustable against future taxable income till tax year 2020.

The Company is expecting growth in operations which will result in generation of taxable income in future to set off against these carry forward losses.

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

	Note	(Un-audited) 30 June 2014 (Rupees in thousand)	(Audited) 30 September 2013
10 STOCK IN TRADE			
Sugar - Finished		965,660	259,631
Sugar in process		2,204	1,693
Molasses fine		9,090	–
Molasses in process		29	21
Bagasse		9,739	–
		986,722	261,345
Insecticides		36	3
Fair price shop - stock		1,379	551
		1,415	554
		988,137	261,899
11 LONG TERM BORROWING			
Long term borrowing	11.1	200,000	200,000
Less: Current maturity		50,000	25,000
		150,000	175,000

11.1 This represents long term finance facility of PKR 200 million obtained from MCB Bank Limited. The principal is repayable in 8 equal half yearly installments which will commence after a grace period of one year. First principal installment is due in 18 months after the initial disbursement date. The rate of mark-up is six months KIBOR + 1.00% payable half yearly in arrears. The loan is secured by 1st exclusive charge over entire plant and machinery with 25% margin.

12 SHORT TERM BORROWINGS - SECURED

The aggregate facility of short-term borrowings available from commercial banks as at 30 June 2014 is Rs. (thousand) 2,370,000 (30 September 2013: Rs. (thousand) 2,270,000). These facilities are secured against pledge over stock and hypothecation over stores and spares.

The rates of mark - up ranges between 1 month / 3 month KIBOR + 0.75% to 1 month / 3 month KIBOR + 1.15% (30 September 2013: 1 month / 3 month KIBOR + 0.75% to 1 month / 3 month KIBOR + 1.15%).

The unutilized facility for letter of credit and guarantees as at 30 June 2014 is Rs. (thousand) 51,000 (30 September 2013: Rs. (thousand) 44,429).

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There is no material change in contingencies since the last published financial statements.

13.2 Commitments

The Company's commitments for capital expenditure as at 30 June 2014 are Rs. (thousand) 4,957 (30 September 2013: Rs. (thousand) 497,287).

The Company's commitments for letter of credit as of 30 June 2014 amounts to Rs. (thousand) Nil (30 September 2013: Rs. (thousand) 6,571).

	(Un-audited) Nine month period ended 30 June		(Un-audited) Three month period ended 30 June	
	2014	2013	2014	2013
	(Rupees in thousand)			
14 SALES - net				
Sugar	3,261,499	3,734,110	1,169,586	1,415,147
Molasses	370,012	428,336	83,581	165,780
Bagasse	106,718	30,349	44,241	30,349
Press mud	5,643	5,678	1	–
	3,743,872	4,198,473	1,297,409	1,611,276
Less:				
Broker's commission on sugar	7,782	9,317	2,609	3,246
Sales tax / FED	291,508	331,011	105,164	131,935
Withholding tax / Further sales tax on sales	2,532	–	610	–
	301,822	340,328	108,383	135,181
	3,442,050	3,858,145	1,189,026	1,476,095

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

	(Un-audited) Nine month period ended 30 June		(Un-audited) Three month period ended 30 June	
	2014	2013	2014	2013
	(Rupees in thousand)			
15 COST OF SALES				
Cost of sugarcane procured	3,659,556	4,180,447	280	214
Process materials	38,114	42,426	412	1,205
Fuel and power	17,030	7,718	7,330	318
Stores and spares consumed	44,498	41,268	10,416	10,737
Repairs and maintenance	6,325	15,954	629	13,460
Salaries, wages and other benefits	120,853	119,030	16,163	17,946
Company's contribution to provident fund	1,308	1,263	408	394
Rent, rates and taxes	912	873	60	77
Insurance	2,768	2,836	922	945
Conveyance and travelling	7,456	7,556	1,592	1,302
Depreciation	49,002	21,155	19,222	7,177
Other expenses	6,388	4,571	119	166
	3,954,210	4,445,097	57,553	53,941
Add: Opening stock of sugar and molasses in process	1,714	1,446	2,177	1,669
Less: Closing stock of sugar and molasses in process	(2,233)	(1,686)	(2,233)	(1,686)
Cost of sugar manufactured	3,953,691	4,444,857	57,497	53,924
Packing material	38,316	36,090	–	213
Cost of sugar bagged	3,992,007	4,480,947	57,497	54,137
Add: Opening stock of sugar and by-products	259,631	202,506	2,074,600	2,351,102
Less: Closing stock of sugar and by-products	(984,489)	(984,762)	(984,489)	(984,762)
	3,267,149	3,698,691	1,147,608	1,420,477
16 TAXATION				
Taxation for the period				
Current	(34,648)	(38,808)	(11,932)	(26,801)
Deferred	44,733	2,772	(3,886)	–
	10,085	(36,036)	(15,818)	(26,801)

Notes to the Condensed Interim Financial Information (Un-Audited) for the nine month period ended 30 June 2014

17 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise related group companies, local associates, staff retirement funds, directors and key management personnel. Transactions and balances with related parties and associated undertakings, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Nine Month Period ended 30 June 2014					
Related Parties					
M/s. Shahtaj Textile Limited	M/s. Shezan International Limited	M/s. Shahnawaz (Private) Limited	M/s. Information Systems Associates Ltd	M/s. Shezan Services (Pvt) Limited	Staff Provident Fund

(Rupees in thousand)

Transactions					
Dividend received	4,600	—	—	—	—
Utilities paid	—	—	201	—	—
Purchases and services received	270	583	347	1,009	—
Sales	—	527,612	—	—	—
Staff provident fund	—	—	—	—	2,588

Nine Month Period ended 30 June 2013					
Related Parties					
M/s. Shahtaj Textile Limited	M/s. Shezan International Limited	M/s. Shahnawaz (Private) Limited	M/s. Information Systems Associates Ltd	M/s. Shezan Services (Pvt) Limited	Staff Provident Fund

(Rupees in thousand)

Transactions					
Dividend received	4,025	—	—	—	—
Utilities paid	—	—	206	—	—
Purchases and services received	270	397	300	1,508	—
Dividend paid	—	—	—	—	2,000
Sales	—	448,163	—	—	—
Staff provident fund	—	—	—	—	2,790

All transactions with the related parties and associated undertakings are entered into arm's length determined in accordance with comparable uncontrolled price method except for transactions with M/s Shahnawaz (Private) Limited, where an additional discount of 40% is received on service charges and 15% on spare parts in connection with the repairs of motor vehicles, due to group policy. The effect of this policy on the balance sheet and profit and loss account is considered to be immaterial.

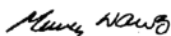
No buying or selling commission has been paid to any associated undertaking.

18 AUTHORIZATION

This condensed interim financial information was authorized for issue by the Board of Directors on 23 July 2014.

19 GENERAL

Figures in this condensed interim financial information has been rounded off to the nearest thousand of rupees unless otherwise stated.



Chief Executive



Director



Shahtaj Sugar Mills Limited



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