A Lasting Bond

Annual Report 2013

MITCHELL'S®

“In all our consumer contacts, it is the sense of continued appreciation of our products that gives us the greatest satisfaction and creates the most lasting bond.”

Contents

Company Information

BOARD OF DIRECTORS

S. M. Mohsin	Chairman Non Executive Director
Mujeeb Rashid	Chief Executive Officer & Managing Director
Sitwat Mohsin	Non Executive Director
Mehdi Mohsin	Executive Director
Moaz Mohiuddin	Independent, Non Executive Director
Syed Faisal Imam	Non Executive Director
Umme Kulsum Imam	Non Executive Director
Jamal Nasim	Non Executive Director (NIT Nominee)

AUDIT COMMITTEE

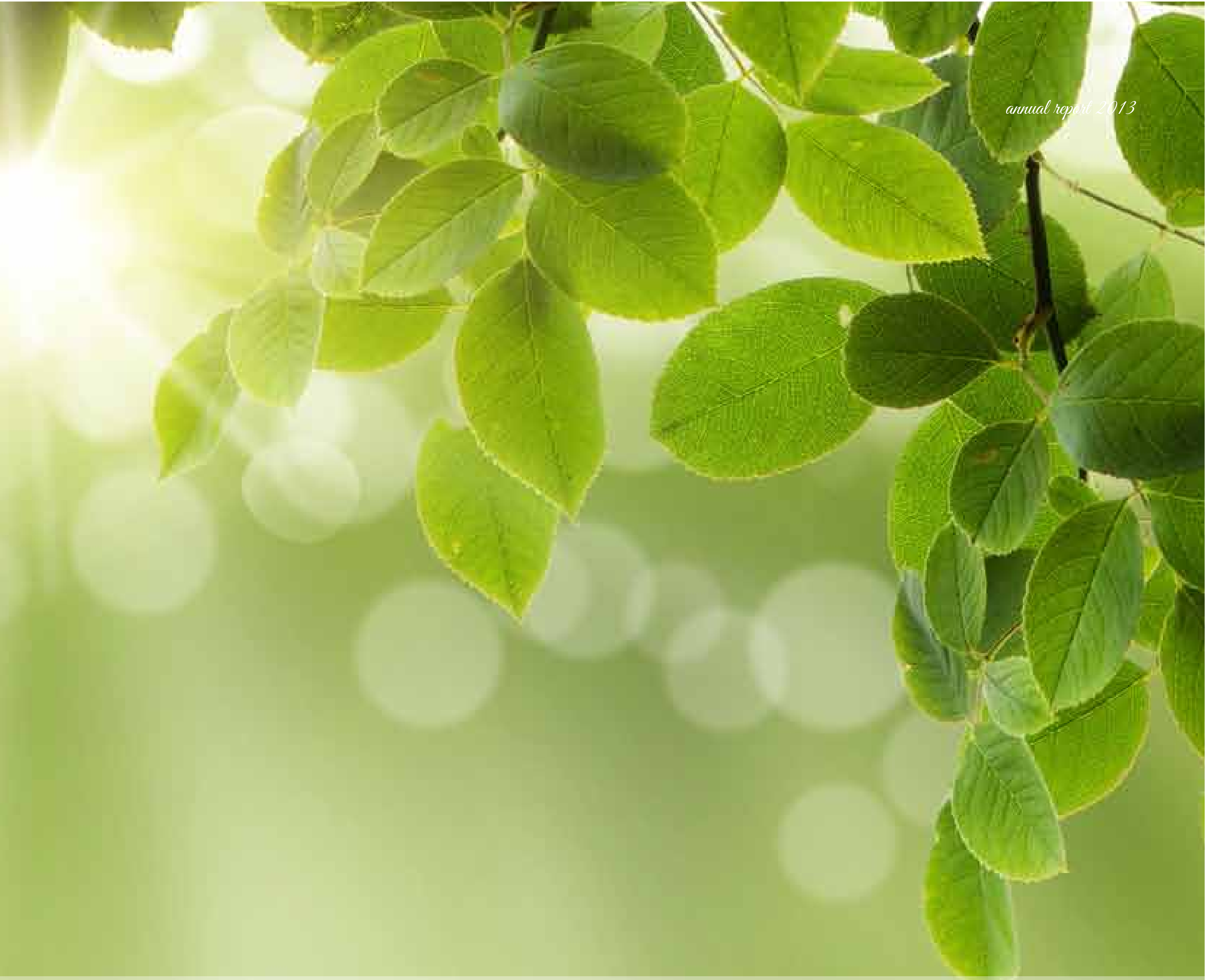
Moaz Mohiuddin	Chairman
S. M. Mohsin	Member
Syed Faisal Imam	Member

COMPANY SECRETARY/CFO
Atif Fayyaz

AUDITORS
A.F. Ferguson & Company
Chartered Accountants

LEGAL ADVISORS
Minto & Mirza
78-Mozang Road, Lahore
Phone: (042) 36315469-70
Fax: (042) 36361531

BANKERS
Habib Bank Limited
Askari Bank Limited
Standard Chartered Bank (Pakistan) Limited
MCB Bank Limited
National Bank of Pakistan



SHARE REGISTRAR
Corplink (Private) Limited,
Wings Arcade, 1-K (Commercial)
Model Town, Lahore
Phone : (042) 35839182, 35887262,
Fax:(042) 35869037

CORPORATE OFFICE
40-A, Zafar Ali Road, Gulberg V, Lahore
Phones: (042) 35872392-96,
Fax: (042) 35872398
E-Mail: ho@mitchells.com.pk
Website: www.mitchells.com.pk

FACTORY, REGIONAL SALES OFFICE (CENTRAL) & FARMS
Renala Khurd, District Okara, Pakistan
Phones: (044) 2635907-8, 2622908
Fax: (044) 2621416
E-Mail: rnk@mitchells.com.pk
rsoc@mitchells.com.pk

REGIONAL SALES OFFICE (NORTH)
Plot No. 111, Street No. 10, I - 9/2,
Industrial Area, Islamabad
Phones: 051-4443824-6
Fax : (051) 4443827
E-Mail: rson@mitchells.com.pk

REGIONAL SALES OFFICE (SOUTH)
Mehran VIP II, Ground Floor,
Plot 18/3 Dr. Dawood Pota Road, Karachi
Phones: (021) 35212112, 35212712
& 35219675
Fax: (021) 35673588
E-Mail: rsos@mitchells.com.pk

Vision & Mission Statement

1. To be a leader in the markets we serve by providing quality products to our consumers while learning from their feedback to set even higher standards.

2. To be a company that continuously enhances its superior technological skills to remain internationally competitive in this day and age of increasing challenges.

3. To be a company that attracts and retains competent people by creating a culture that fosters innovation, promotes individual growth and rewards initiative and performance.

4. To be a company which optimally combines its people, technology, management systems, and market opportunities to achieve profitable growth while providing fair returns to its shareholders.

5. To be a company that endeavours to set the highest standards in corporate ethics.

6. To be a company that fulfills its social responsibility.


MITCHELL'S
TOMATO
KETCHUP
The joy of togetherness...

Our delicious Ketchup and Sauces are made from hand picked, farm fresh ripe tomatoes. Richer than any other ketchup, Mitchell's has been adding life to your snacks since 1933.

– Tantalizing Tastes

MITCHELL'S®

"KETCHUP & SAUCES"

Notice of Annual General Meeting

Notice is hereby given that the 81st Annual General Meeting of Mitchell's Fruit Farms Limited will be held on January 31, 2014 on Friday at 11:00 a.m. at the Registered Office of the Company at 40-A, Zafar Ali Road, Gulberg V, Lahore to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of last General Meeting held on January 31, 2013.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended September 30, 2013 together with the Directors' and Auditors' reports thereon.
3. To approve payment of cash dividend @ 75% as recommended by the Board of Directors.
4. To appoint auditors for the year ending September 30, 2014 and to fix their remuneration as suggested by the audit committee to the Board of Directors. The retiring auditors namely Messers A. F. Ferguson & Co. Chartered Accountants, being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

5 To approve the issue of Bonus Shares in the ratio of 25 shares for every 100 shares held (i.e. 25%) as declared and recommended by the Board of Directors, and if thought fit, pass the following resolutions as ordinary resolutions:

"Resolved that a sum of PKR 15.750 million out of reserves of the Company available for appropriation as at September 30, 2013 be capitalized and applied for issue of 1,575,000 Ordinary Shares of PKR 10/- each allotted as fully paid bonus shares to the members of the Company whose names appear on the register of members as at close of business on January 22, 2014 in the proportion of 25 shares for every 100 shares held (i.e. 25%) and that such shares shall rank pari passu in every respect with the existing ordinary shares of the Company."

"Further resolved that the bonus shares so allotted shall not be entitled for final cash dividend for the year ended September 30, 2013."

"Also resolved that fractional entitlement of the members shall be consolidated into whole shares and sold on the Stock Exchange and the Company Secretary is authorized to pay the proceeds of sale when realized to any recognized charitable institution."

"Further resolved that the Company Secretary be and is hereby authorized and empowered to give effect to these ordinary resolutions and to do or cause to do all acts, deeds and things that may be necessary or required for issue, allotment and distribution of bonus shares."

6 To approve placement of quarterly accounts on Company's website instead of sending by post to the members.

OTHER BUSINESS

7 To transact any other business which may be placed before the meeting with the permission of the chair.

A Statement under Section 160(1) (b) of Companies Ordinance, 1984 setting forth all material facts pertaining to the Special Business referred above is annexed to this Notice.

BY ORDER OF THE BOARD

Lahore,
January 09, 2014

Atif Fayyaz
Company Secretary

NOTES

1. The share transfer books of the Company will remain closed from January 23, 2014 to January 31, 2014 (both days inclusive) for entitlement of final cash dividend and bonus shares for the accounting period ended September 30, 2013. Transfers received in order (including deposit requests under CDS) at our Registrar's office Corplink (Private) Limited, Wings Arcade, 1-K (Commercial) Model Town, Lahore up to 01:00 p.m. on January 22, 2014 will be considered in time.
2. A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the time meeting is scheduled for.
3. Shareholders are requested to immediately notify the change in their address, if any to the Company's share registrar.
4. The Beneficial Owners of Central Depository Company, entitled to attend and vote at this meeting, must bring his/her NIC or Passport to prove his/her identity. In case of Proxy, an attested copy of his/her NIC or Passport must be enclosed. Representatives of corporate numbers should bring the usual documents required for such purpose.

Statement under Section 160 (1) (n) of the Companies Ordinance, 1984 pertaining to Special Business:

This Statement sets out the material facts pertaining to the Special Business to be transacted at the 81st Annual General Meeting of the Company.

Agenda No.5- Issue of Bonus Shares:

The Director are of the view that the reserves/profits are adequate for capitalization of a sum of PKR 15.750 million for issue of the proposed 25% bonus shares; and in this regard compliance has been made under Rule 6 of the Companies (Issue of Capital) Rules, 1996. External Auditors' Certificate in respect of adequacy of reserves has also been obtained. The Directors are interested in this business to the extent of their entitlement to the bonus shares as shareholders.

Agenda No.6- Placement of Quarterly Accounts on Company's website:

As per SECP circular No 19 of 2004, the Company intends to place its quarterly accounts on its website instead of sending the same by post to the members. The Company after obtaining the requisite permission from the Commission shall inform its shareholders through advertisement in the press that subsequent quarterly accounts would be transmitted to them through the Company website.

Directors' Report

The year under review was once again marked by very slow economic growth, high inflation, falling value of the Rupee, the worst yet Gas and Electricity shortfalls and continued sporadic disturbances in some parts of our country.

The ensuing pressure on the spending power of the consumer had its effect on slowing the evolution of some of our price sensitive product categories. On the other hand several categories from our portfolio registered appreciable growth in volume.

Your Company's sales thus improved in double digits to Rs. 2,084 million during the year ended 30th September, 2013 from Rs. 1,885 million in the corresponding period last year. This includes 16% increase in export sales as compared to previous year.

Growth of Sales during the year under review was well supported by improvements in the Operating Margins of our main product categories that resulted from higher productivity and our continuing efforts to promote the Distribution and Communication of our brands.

Profit from Operations Rs. 204 million represents a 17% growth over last year. Judicious management of funds and supply chain efficiencies helped in reducing financial cost by 24% and as a result Profit Before Tax increased 23% to Rs. 187 million compared to last year's Rs. 152 million.

After Tax Profit for the year increased to Rs. 132 million from Rs. 108 million last year representing a growth of 22% in the EPS over the corresponding period.

Dividend

The Board proposed cash dividend of Rs. 7.50 per share and bonus shares in the ratio of 25 shares for every 100 shares held (i.e. 25%).

Modernizing of Plant and Processes

In order to continue improving our productivity and operating efficiencies adequate funds were spent on balancing and modernizing some of our equipment and processes that also contributed much to improving our margins and consumer experience.

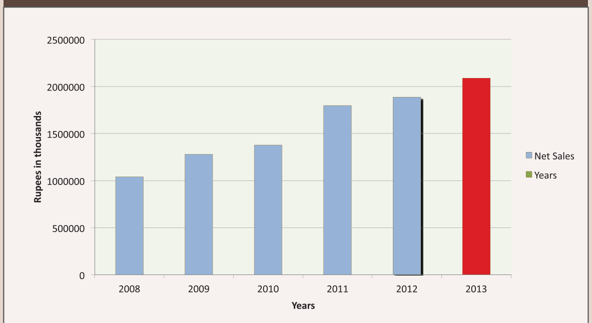
Human Resource Development

Continued on the job training to our staff in Sales, Supply Chain, Quality Assurance and Productivity played a strong role in enhancing our overall operational performance. Selected functional managers were sent to executive training courses both within the country and abroad.

Corporate Social Responsibility

Our Effluent Treatment Plant continued to operate

Net Sales

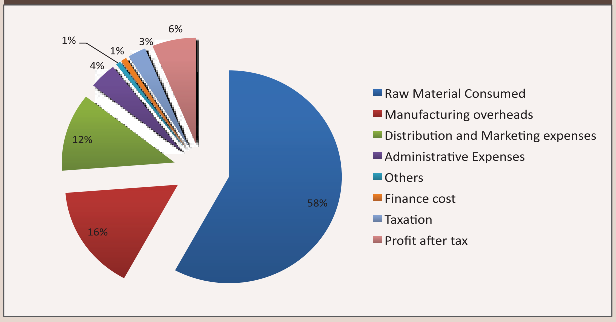


efficiently during the year to ensure that the effluents flowing outside from our factory would not cause any harm to our environment.

Business ethics are an integral part of our policies and procedures. We have strict measures in place to avoid any corruption.
While continuing with our efforts towards promotion of high quality education during the year we have contributed Rs. 1 million to AKRA.

The company contributed Rs. 316 million (15% of net sales) to the National Exchequer on account of various

Distribution of Revenue



government levies including customs duty, sales tax and income tax.
Furthermore foreign exchange of Rs. 189 million was generated through our exports.

Future Outlook

With our continuing efforts towards building and improving both Technical and Managerial Competencies that will drive value, we will also in the future convert more volume of the Agri produce from our surrounding farmlands thus promoting economic wellbeing of the communities surrounding our factory.

Although continuing growth is foreseen in most of our product categories we plan in the future to rationalize our product portfolio to reduce our dependence on the volumes of low margin items and instead focus and concentrate on the higher value added segments in line with the changing consumer habits and lifestyles.

It goes without saying that macro economic and political developments in the coming years will have a strong influence on our prospects.

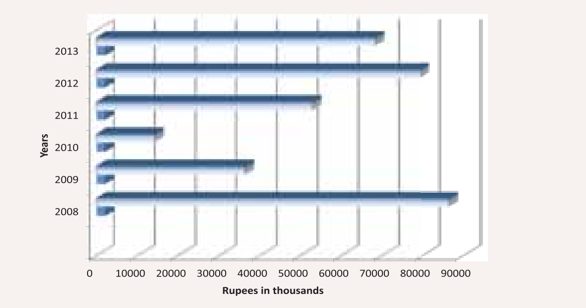
Corporate and financial reporting framework

In compliance with the code of corporate governance, we give below statements on corporate and financial reporting framework

- The financial statements, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the company have been maintained.

- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

Capital Expenditure



Key Financial Data
A statement regarding key financial data for the last six years is annexed to this report.

Board of Directors
During the year under review four meetings of the Board of Directors were held. Attendance by each Director was as follows:-

Name of Director	Attendance
S.M.Mohsin	4
Mujeeb Rashid	4
Sitwat Mohsin	4
Moaz Mohiuddin	4
Jamal Nasim	4
Mehdi Mohsin	0
Syed Faisal Imam	0
Umme Kulsum Imam	0

Leave of absence was granted to directors who could not attend the meeting.

Audit Committee
During the year under review four meetings of the audit committee were held. Attendance by each Director was as follows:-

Name of Director	Attendance
Moaz Mohiuddin	4
S.M.Mohsin	4
Syed Faisal Imam	0

Leave of absence was granted to director who could not attend the meeting.

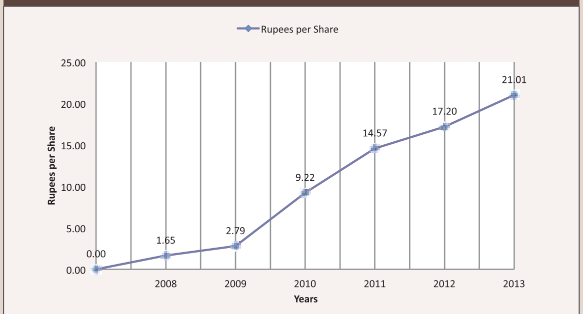
Human Resource & Remuneration Committee
During the year under review two meetings of the HR and Remuneration committee were held. Attendance by each Director was as follows: -

Name of Director	Attendance
Sitwat Mohsin	2
Mujeeb Rashid	2
Umme Kulsum Imam	0

Leave of absence was granted to director who could not attend the meeting.

Corporate Governance
The statement of compliance with the best practices of Code of Corporate Governance is annexed.

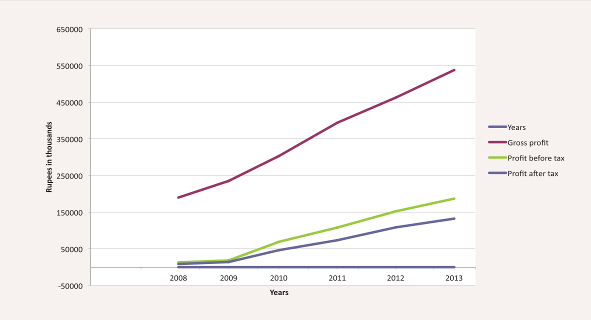
Earnings Per Share



Pattern of Shareholding and Information under clause XIX (I) and (J) of the Code of Corporate Governance.

The information under this head as on September 30, 2013 is annexed.

Gross Profit, Profit before and After Tax



Related Parties

The transactions between the related parties were made at arm's length prices, determined in accordance with the comparable uncontrolled prices method.

Earnings Per Share

Basic and diluted earnings per share for the year under review is Rs. 21.01 as compared to Rs. 17.20 for previous year.

Auditors

M/s A.F. Ferguson & Company, Chartered Accountants are retiring, and being eligible have offered themselves for re-appointment. The Audit Committee has also recommended their re-appointment.

Acknowledgements

The board of directors would like to express their gratitude to all employees for their strong contribution in successfully overcoming adverse circumstances faced by the company during the year.

For and on behalf of
The Board of Directors

Mujeeb Rashid
Managing Director &
Chief Executive Officer

Lahore,
January 02, 2014


MITCHELL'S®
Squashes
MITCHELL'S
Orange Squash
Made with REAL FRUIT
MITCHELL'S
Mango Squash
Made with REAL FRUIT
MITCHELL'S
Lemon Squash
Made with REAL FRUIT
Refreshing LOOK For a Refreshing Summer
Made with real fruit...


MITCHELL'S
Mixed Fruit Squash
Made with real fruit...

The real fruit refreshment that gives you the swing that no other fruit drink can. Mitchell's squashes have been a source of energy and nourishment for decades.

– Real Refreshment

MITCHELL'S

"SQUASHES"

Statement of Compliance
with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No.35 of listing regulations of Karachi Stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	Moaz Mohiuddin
Executive Directors	Mujeeb Rashid and Mehdi Mohsin
Non-Executive Directors	S.M. Mohsin, Sitwat Mohsin, Syed Faisal Imam, Umme Kulsum Imam and Jamal Nasim

The independent director meets the criteria of independence under clause I (b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4 No casual vacancy occurred in the Board during the year.

5 The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

6 The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7 All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.

8 The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers were circulated at least seven days before the meeting. The minutes of the meetings were appropriately recorded and circulated.

9 All directors of the Board are fully conversant with their duties and responsibilities as directors of corporate bodies.

10 No new appointment of Chief Financial Ofiicer, Company Secretary and Head of Internal Audit were made during the year, however remunerations including terms and conditions have been approved by the Board.

11 The Directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12 The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer prior to approval by the Board of Directors.

13 The Directors, Chief Executive Officer and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

14 The Company has complied with all the corporate and financial reporting requirements of the CCG.

15 The Board has formed an audit committee. The committee consists of three members of whom all are non-executive directors and the chairman of the committee is an independent director.

16 The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

17 The Board has formed an HR and Remuneration Committee. It comprises of three members, of whom two are non-executive directors and the Chairman of the committee is a non-executive director.

18 The Board has set-up an effective internal audit function, members of which are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

19 The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.

20 The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21 The 'closed period', prior to the announcement of interim / final results and business decisions which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchanges.

22 Material/price sensitive information has been disseminated among all the market participants at once through stock exchanges.

23 We confirm that all other material principles enshrined in the CCG have been complied with.

Lahore,
January 02, 2014

Mujeeb Rashid
Managing Director &
Chief Executive Officer

Vertical Analysis of Financial Statements

Statement of Financial Position

Balance Sheet	2013 Rs. In '000	2013 %	2012 Rs. In '000	2012 %
Non-current Assets	404,567	43.72	375,503	46.13
Current Assets	520,756	56.28	438,583	53.87
Total Assets	925,323	100.00	814,086	100.00
Equity	527,105	56.96	432,565	53.14
Non-current Liabilities	111,235	12.02	93,013	11.43
Current Liabilities	286,982	31.01	288,508	35.44
Total equity and Liabilities	925,323	100.00	814,086	100.00

Profit and Loss Account	2013 Rs. In '000	2013 %	2012 Rs. In '000	2012 %
Net Sales	2,084,262	100.00	1,884,503	100.00
Cost of Sales	(1,546,820)	(74.21)	(1,421,736)	(75.44)
Gross Profit	537,441	25.79	462,768	24.56
Selling and Distribution expenses	(82,868)	(3.98)	(84,568)	(4.49)
Administrative expenses	(248,456)	(11.92)	(206,796)	(10.97)
	206,117	9.89	171,404	9.10
Other operating expense	(14,221)	(0.68)	(12,104)	(0.64)
Other operating income	12,534	0.60	16,024	0.85
	204,430	9.81	175,324	9.30
Financial expenses	(17,558)	(0.84)	(22,964)	(1.22)
Profit before tax	186,873	8.97	152,359	8.08
Taxation	(54,533)	(2.62)	(44,009)	(2.34)
Profit for the year	132,340	6.35	108,350	5.75

2011 Rs. In '000	%	2010 Rs. In '000	%	2009 Rs. In '000	%	2008 Rs. In '000	%
332,169	43.51	312,945	47.68	329,522	45.27	329,788	45.72
431,253	56.49	343,442	52.32	398,386	54.73	391,584	54.28
763,421	100.00	656,387	100.00	727,908	100.00	721,372	100.00
359,495	47.09	306,230	46.65	269,842	37.07	260,830	36.16
79,710	10.44	75,820	11.55	50,479	6.93	56,976	7.90
324,216	42.47	274,337	41.80	407,587	55.99	403,565	55.94
763,421	100.00	656,387	100.00	727,908	100.00	721,372	100.00

2011 Rs. In '000	%	2010 Rs. In '000	%	2009 Rs. In '000	%	2008 Rs. In '000	%
1,794,248	100.00	1,376,861	100.00	1,255,064	100.00	1,038,637	100.00
(1,400,132)	(78.03)	(1,073,514)	(77.97)	(1,020,067)	(81.28)	(848,824)	(81.72)
394,117	21.97	303,348	22.03	234,997	18.72	189,814	18.28
(66,739)	(3.72)	(60,991)	(4.43)	(49,421)	(3.94)	(40,780)	(3.93)
(183,404)	(10.22)	(135,993)	(9.88)	(124,570)	(9.93)	(108,185)	(10.42)
143,974	8.02	106,364	7.73	61,006	4.86	40,849	3.93
(8,374)	(0.47)	(7,057)	(0.51)	(1,948)	(0.16)	(1,535)	(0.15)
10,907	0.61	7,513	0.55	12,963	1.03	6,123	0.59
146,507	8.17	106,820	7.76	72,021	5.74	45,437	4.37
(38,360)	(2.14)	(37,613)	(2.73)	(53,487)	(4.26)	(32,323)	(3.11)
108,146	6.03	69,208	5.03	18,534	1.48	13,113	1.26
(34,721)	(1.94)	(22,740)	(1.65)	(4,482)	(0.36)	(4,776)	(0.46)
73,425	4.09	46,468	3.37	14,052	1.12	8,338	0.80

Horizontal Analysis of Financial Statements

Statement of Financial Position

Balance Sheet	2013 Rs. In '000	2012 Rs. In '000	2011 Rs. In '000	2010 Rs. In '000
Non-current Assets	404,567	375,503	332,169	312,945
Current Assets	520,756	438,583	431,253	343,442
Total Assets	925,323	814,086	763,421	656,387
Equity	527,105	432,565	359,495	306,230
Non-current Liabilities	111,235	93,013	79,710	75,820
Current Liabilities	286,982	288,508	324,216	274,337
Total equity and Liabilities	925,323	814,086	763,421	656,387
Profit and Loss Account				
Net Sales	2,084,262	1,884,503	1,794,248	1,376,861
Cost of Sales	(1,546,820)	(1,421,736)	(1,400,132)	(1,073,514)
Gross Profit	537,441	462,768	394,117	303,348
Administrative expenses	(82,868)	(84,568)	(66,739)	(60,991)
Selling and Distribution expenses	(248,456)	(206,796)	(183,404)	(135,993)
	206,117	171,404	143,974	106,364
Other operating expenses	(14,221)	(12,104)	(8,374)	(7,057)
Other operating income	12,534	16,024	10,907	7,513
	204,430	175,324	146,507	106,820
Financial expenses	(17,558)	(22,964)	(38,360)	(37,613)
Profit before tax	186,873	152,359	108,146	69,208
Taxation	(54,533)	(44,009)	(34,721)	(22,740)
Profit for the year	132,340	108,350	73,425	46,468

Summary of Cash Flows	2013 Rs. In '000	2012 Rs. In '000	2011 Rs. In '000	2010 Rs. In '000
Net cash flows from operating activities	171,462	120,891	85,407	156,022
Net cash flows from investing activities	(64,648)	(73,851)	(47,951)	(10,042)
Net cash flows from financing activities	(37,483)	(34,457)	(20,183)	(10,014)
Net change in cash and cash equivalents	69,331	12,582	17,273	135,966

2009 Rs. In '000	2008 Rs. In '000	2013	% increase/ (decrease) over preceding year 2012	2011	2010	2009	2008
329,522	329,788	0.08	0.13	0.06	(0.05)	(0.00)	0.21
398,386	391,584	0.19	0.02	0.26	(0.14)	0.02	0.28
727,908	721,372	0.14	0.07	0.16	(0.10)	0.01	0.25
269,842	260,830	0.22	0.20	0.17	0.13	0.03	(0.01)
50,479	56,976	0.20	0.17	0.05	0.50	(0.11)	(0.09)
407,587	403,565	(0.01)	(0.11)	0.18	(0.33)	0.01	0.59
727,908	721,372	0.14	0.07	0.16	(0.10)	0.01	0.25
1,255,064	1,038,637	0.11	0.05	0.30	0.10	0.21	0.20
(1,020,067)	(848,824)	0.09	0.02	0.30	0.05	0.20	0.20
234,997	189,814	0.16	0.17	0.30	0.29	0.24	0.18
(49,421)	(40,780)	(0.02)	0.27	0.09	0.23	0.21	0.22
(124,570)	(108,185)	0.20	0.13	0.35	0.09	0.15	0.61
61,006	40,849	0.20	0.19	0.35	0.74	0.49	(0.32)
(1,948)	(1,535)	0.17	0.45	0.19	2.62	0.27	(0.42)
12,963	6,123	(0.22)	0.47	0.45	(0.42)	1.12	0.53
72,021	45,437	0.17	0.20	0.37	0.48	0.59	(0.26)
(53,487)	(32,323)	(0.24)	(0.40)	0.02	(0.30)	0.65	0.52
18,534	13,113	0.23	0.41	0.56	2.73	0.41	(0.67)
(4,482)	(4,776)	0.24	0.27	0.53	4.07	(0.06)	(0.66)
14,052	8,338	0.22	0.48	0.58	2.31	0.69	(0.68)

2009 Rs. In '000	2008 Rs. In '000	2013	% increase/ (decrease) over preceding year 2012	2011	2010	2009	2008
36,674	(51,013)	0.42	0.42	(0.45)	3.25	(1.72)	(2.34)
(26,466)	(82,776)	(0.12)	0.54	3.78	(0.62)	(0.68)	0.51
(26,861)	(24,817)	0.09	0.71	1.02	(0.63)	0.08	0.66
(16,653)	(158,606)	4.51	(0.27)	(0.87)	(9.16)	(0.90)	4.02

Statement of Value Additions

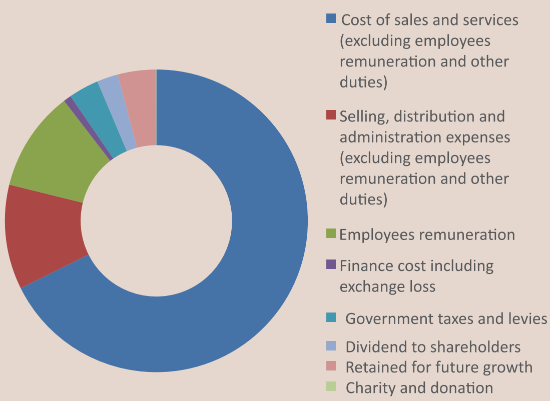
Statement of Financial Position

Wealth Generated	2013 Rs. In '000	2013 %	2012 Rs. In '000	2012 %
Net slaes	2,084,262	99.40	1,884,503	99.16
Other operating income	12,534	0.60	16,024	0.84
	2,096,796	100.00	1,900,527	100.00

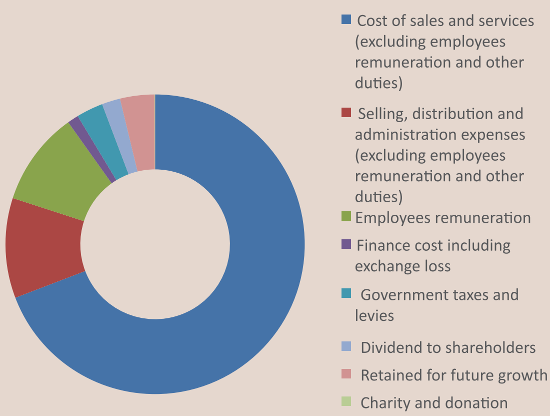
Distribution of Wealth

	2013 Rs. In '000	2013 %	2012 Rs. In '000	2012 %
Cost of sales and services (excluding employees remuneration and other duties)	1,418,635	67.66	1,314,977	69.19
Selling, distribution and administration expenses (excluding employees remuneration and other duties)	234,645	11.19	205,231	10.80
Employees remuneration	224,864	10.72	192,891	10.15
Finance cost including exchange loss	17,558	0.84	22,964	1.21
Government taxes and levies (Income tax, WPPF and WWF)	67,754	3.23	54,968	2.89
Dividend to shareholders	47,250	2.25	37,800	1.99
Retained for future growth	85,090	4.06	70,550	3.71
Charity and donation	1,000	0.05	1,145	0.06
	2,096,796	100	1,900,527	100

Distribution of Wealth 2013



Distribution of Wealth 2012

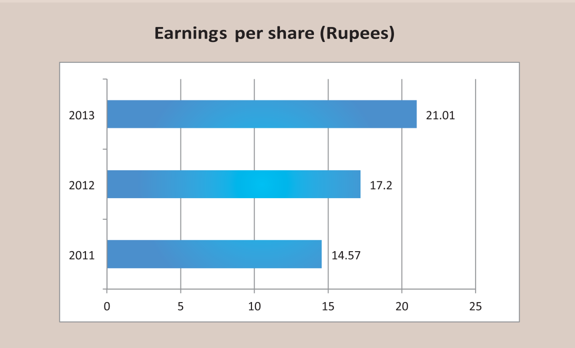


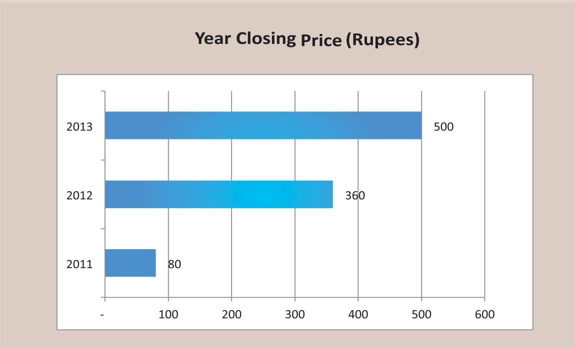
Stakeholder Information

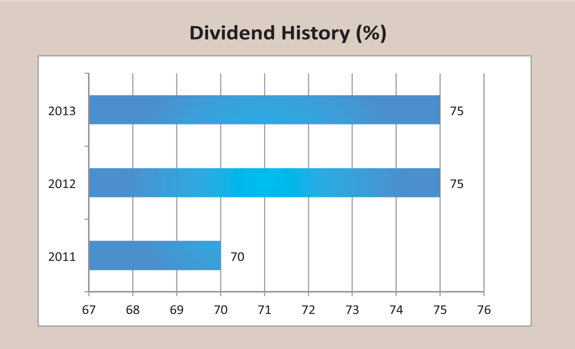
Financial Ratios

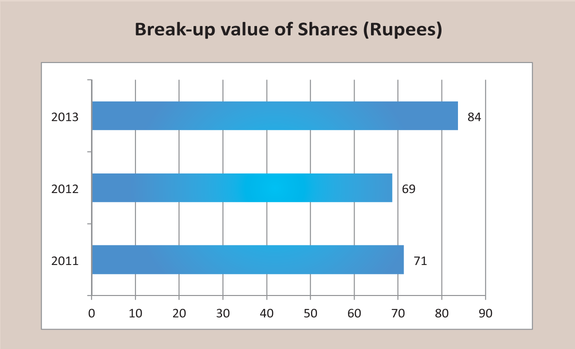
Rate of return	Unit	2013	2012	2011	2010	2009	2008
Return on assets	%	14.30	13.31	9.62	7.08	1.93	1.16
Return on equity	%	25.11	25.05	20.42	15.17	5.21	3.20
Return on capital employed	%	32.03	33.36	33.36	27.96	22.48	14.30
Interest cover	Times	11.64	7.63	3.82	2.84	1.35	1.41
Gross profit Margin	%	25.79	24.56	21.97	22.03	18.72	18.28
Net profit to sales	%	6.35	5.75	4.09	3.37	1.12	0.80
EBITDA	Rs	241,966	210,578	177,648	136,364	102,231	71,939
EBITDA margin to sales	%	11.61	11.17	9.90	9.90	8.15	6.93
Liquidity							
Current ratio		1.81	1.52	1.33	1.25	0.98	0.97
Quick Ratio		0.67	0.33	0.37	0.41	0.34	0.25
Financial Gearing							
Debt-Equity Ratio	Times	0.76	0.88	1.12	1.14	1.70	1.77
Debt to Assets	%	43.04	46.86	52.91	53.35	62.93	63.84
Capital Efficiency							
Debtor turnover/No. of days in receivables	Days	10	12	13	11	17	14
Inventory turnover/ No. of days in inventory	Days	77	88	81	79	93	124
Creditor turnover/ No.of days in payables	Days	44	38	44	35	31	39
Operating Cycle	Days	43	62	51	54	79	99
Fixed assets turnover ratio	Times	5.39	5.36	5.81	4.55	3.97	3.41
Total assets turnover	Times	2.25	2.31	2.35	2.10	1.72	1.44

Shareholder Information










Desire
Chocolate
Premium Swiss Recipe
The fulfillment of desire...

Give in to your sweet cravings and gratify your senses with Mitchell's chocolates. Whether it's Pakistan's favourite Jubilee chocolate or the seductive sweetness of Desire, Mitchell's has been making your life sweet for generations.

– Sweet Indulgence

MITCHELL'S

"CHOCOLATES"

Pattern of Shareholding

As at September 30, 2013

No of Shareholders	From	To	Total Shares Held
223	1	100	7,442
274	101	500	61,319
124	501	1,000	98,912
55	1,001	5,000	120,568
6	5,001	10,000	47,720
7	10,001	15,000	88,706
1	20,001	25,000	22,140
4	25,001	30,000	114,429
2	50,001	55,000	103,619
1	60,001	65,000	60,893
1	65,001	70,000	69,587
2	100,001	105,000	202,140
2	135,001	140,000	272,721
1	230,001	235,000	234,191
1	335,001	340,000	339,811
1	560,001	565,000	565,000
1	695,001	700,000	698,753
1	805,001	810,000	808,487
1	1,015,001	1,020,000	1,015,701
1	1,365,001	1,370,000	1,367,861
709			6,300,000

Categories of shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse and minor childern	3,639,020	57.7622
Associated Companies, undertakings and related parties.	-	-
NIT and ICP	701,553	11.1358
Banks, Development Financial Institutions, Non Banking Financial Institutions.	13,944	0.2213
Insurance Companies	234,191	3.7173
Modarabas and Mutual Funds	125	0.0020
Share holders holding 10%	4,235,363	67.2280
General Public		
a. Local	1,622,620	25.7559
b. Foreign		
Others		
a. Joint Stock Companies	35,344	0.5610
b. Pension and benevolent funds	53,203	0.8445

Categories of Shareholders as required under C.C.G.

As at September 30, 2013

SR. NO.	NAME	Shares Held	Percentage
Associated Companies, Undertakings and Related Parties		-	-
Mutual Funds		-	-
Directors, CEO and their Spouse and Minor Chidren			
1	S.M. MOHSIN	1,367,861	21.7121
2	SITWAT MOHSIN	1,355,512	21.5161
3	MEHDI MOHSIN	813,237	12.9085
4	FAISAL IMAM	100,260	1.5914
5	UMME KULSUM IMAM	900	0.0143
6	MOAZ MOHIUDDIN	625	0.0099
7	JAMAL NASIM (NIT NOMINEE)	-	-
8	MUJEEB RASHID (CDC)	625	0.0099
Executives		360	0.0057
Public Sector Companies & Corporations		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds		299,659	4.7565

Shareholders holding 5% or more voting intrest

S. No.	Name	Shares Held	Percentage
1	S.M. MOHSIN	1,367,861	21.7121
2	SITWAT MOHSIN	1,355,512	21.5161
3	MEHDI MOHSIN	813,237	12.9085
4	NATIONAL BANK OF PAKISTAN TRUSTEE DEPTT. (CDC)	698,753	11.0913
5	AMINA WADALAWALA	565,000	8.9683

Review Report to the Members

On Statement of Compliance with Best Practices of Code of Corporate Governance

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of Mitchell's Fruit Farms Limited to comply with the Listing Regulation No. 35 of the Karachi, Lahore and Islamabad Stock Exchanges, where the company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Further, Sub-Regulation (x) of Listing Regulation 35 notified by the Karachi, Lahore and Islamabad Stock Exchanges requires the company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price, recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the Audit Committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the Audit Committee.

We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the company for the year ended September 30, 2013.

A. F. Ferguson & Co.
Chartered Accountants
Engagement Partner: Amer Raza Mir

Lahore,
January 02, 2014


MITCHELL'S
MITCHELL'S
Bursting with the goodness of real fruit...

Mitchell's has extracted the true flavours and goodness of fruits and transformed this natural richness into delicious jam. Completing your breakfast table, our mouth-watering spreads of apple jam, orange marmalade and mixed fruit jam will leave you feeling satisfied and healthy.

- Deliciously Wholesome

MITCHELL'S

"JAM, JELLIES & MARMALADE"

The joy of growing up...

What could be more joyous than a treat of crunchy, juicy candies or melt in your mouth, soft, milky toffees? Making every child and adult alike, smile with pleasure, Mitchell's sweets provide the best sugar rush.

- Pure Joy

MITCHELL'S®

"SUGAR CONFECTIONARIES"

Auditors' Report to the Members

We have audited the annexed balance sheet of Mitchell's Fruit Farms Limited as at September 30, 2013 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conduct our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

(a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;

(b) in our opinion:

(i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

(ii) the expenditure incurred during the year was for the purpose of the company's business; and

(iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;

(c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at September 30, 2013 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and

(d) in our opinion zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that ordinance.

A. F. Ferguson & Co.
Chartered Accountants
Engagement Partner: Amer Raza Mir

Lahore,
January 02, 2014

Financial Statements

Balance Sheet

As at September 30, 2013

	Note	2013 Rupees	2012 Rupees
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital			
20,000,000 (2012: 10,000,000) ordinary shares of Rs. 10 each		200,000,000	100,000,000
Issued, subscribed and paid up capital	5	63,000,000	50,400,000
6,300,000 (2012: 5,040,000) ordinary shares of Rs. 10 each			
Reserves	6	9,635,878	9,635,878
Unappropriated profit		454,469,244	372,529,248
		527,105,122	432,565,126
NON-CURRENT LIABILITIES			
Deferred liabilities	7	111,235,470	93,012,838
CURRENT LIABILITIES			
Short term running finances-Secured	8	97,102,844	140,987,776
Creditors, accrued and other liabilities	9	188,394,095	146,322,898
Accrued finance cost on short term finances		1,485,143	1,197,065
		286,982,082	288,507,739
CONTINGENCIES AND COMMITMENTS	10		
		925,322,674	814,085,703

The annexed notes 1 to 36 form an integral part of these financial statements.

	Note	2013 Rupees	2012 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	393,166,181	364,711,648
Intangible Assets	12	1,077,596	1,285,370
Biological assets	13	9,573,000	9,505,667
Long term receivables		750,000	-
		404,566,777	375,502,685
CURRENT ASSETS			
Stores, spares and loose tools	14	15,026,848	12,491,433
Stock in trade	15	327,371,490	342,532,608
Trade debts	16	56,548,807	59,816,430
Advances, deposits, prepayments and other receivables	17	84,008,075	11,387,684
Cash and bank balances	18	37,800,677	12,354,863
		520,755,897	438,583,018
		925,322,674	814,085,703

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Profit and Loss Account

For the year ended September 30, 2013

	Note	**2013 Rupees**	2012 Rupees
Sales	19	2,084,261,537	1,884,503,125
Cost of sales	20	(1,546,820,121)	(1,421,735,606)
Gross profit		537,441,416	462,767,519
Administration expenses	21	(82,867,912)	(84,567,766)
Distribution and marketing expenses	22	(248,456,191)	(206,795,747)
Other expenses	23	(14,221,178)	(12,104,042)
Other income	24	12,534,263	16,023,676
Profit from operations		204,430,398	175,323,640
Finance cost	25	(17,557,660)	(22,964,482)
Profit before tax		186,872,738	152,359,158
Taxation	26	(54,532,742)	(44,009,003)
Profit for the year		132,339,996	108,350,155
Earnings per share - Basic and diluted	32	21.01	17.20

The annexed notes 1 to 36 form an integral part of these financial statements.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Statement of Comprehensive Income

For the year ended September 30, 2013

	2013 Rupees	2012 Rupees
Profit for the period	132,339,996	108,350,155
Other comprehensive income for the year	-	-
Total comprehensive income for the year	132,339,996	108,350,155

The annexed notes 1 to 36 form an integral part of these financial statements.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Cash Flow Statement

For the year ended September 30, 2013

	Note	2013 Rupees	2012 Rupees
Cash flows from operating activities			
Cash generated from operations	30	329,008,425	172,661,924
Finance cost paid		(17,269,582)	(24,655,076)
Net income tax paid		(133,921,266)	(21,569,887)
Retirement benefits paid		(6,356,075)	(5,546,349)
Net cash from operating activities		171,461,502	120,890,612
Cash flows from investing activities			
Fixed capital expenditure		(68,196,513)	(79,145,933)
Purchase of intangible assets		(58,000)	-
Sale proceeds of property, plant and equipment		2,824,222	4,447,236
Net increase in long term security deposits		(750,000)	-
Proceeds from sale of biological assets		1,532,200	847,300
Net cash used in investing activities		(64,648,091)	(73,851,397)
Cash flows from financing activities			
Dividend paid		(37,482,665)	(34,457,318)
Net cash used in financing activities		(37,482,665)	(34,457,318)
Net increase in cash and cash equivalents		69,330,746	12,581,897
Cash and cash equivalents at beginning of the year		(128,632,913)	(141,214,810)
Cash and cash equivalents at end of the year	31	(59,302,167)	(128,632,913)

The annexed notes 1 to 36 form an integral part of these financial statements.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Statement of Changes in Equity

For the year ended September 30, 2013

	Share capital	Share premium	General reserve	Accumulated profit	Total
	--------------------------------Rupees--------------------------------				
Balance as at September 30, 2011	50,400,000	9,335,878	300,000	299,459,093	359,494,971
Final dividend for the year ended September 30, 2011 Rs. 7 per share	-	-	-	(35,280,000)	(35,280,000)
Profit for the year ended September 30, 2011	-	-	-	108,350,155	108,350,155
Balance as at September 30, 2012	50,400,000	9,335,878	300,000	372,529,248	432,565,126
Transfer to reserve for issuance of bonus shares	-	-	12,600,000	(12,600,000)	-
Issuance of bonus shares	12,600,000	-	(12,600,000)	-	-
Final dividend for the year ended September 30, 2012 Rs. 7.5 per share	-	-	-	(37,800,000)	(37,800,000)
Profit for the year ended September 30, 2013	-	-	-	132,339,996	132,339,996
Balance as at September 30, 2013	63,000,000	9,335,878	300,000	454,469,244	527,105,122

The annexed notes 1 to 36 form an integral part of these financial statements.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

1. Legal status and nature of business

The Company is incorporated in Pakistan and is listed on Karachi, Lahore and Islamabad Stock Exchanges. It is principally engaged in the manufacture and sale of various farm and confectionery products. The registered office of the company is located in Lahore.

2. Basis of preparation

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan (SECP) differ with the requirements of IFRS or IFAS, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

2.2 Standards, interpretations and amendments to published approved accounting standards

2.2.1 Amendments and interpretations to published standards effective in current year

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

- IAS 1 (amendment), 'Financial statement presentation' regarding other comprehensive income is effective for periods starting from or on July 1 2012. It requires entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. This does not have a material impact on company's financial statements.

- IAS 12 (amendment), 'Income taxes' regarding the measurement of the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale is effective for periods starting January 1, 2012. As a result of this amendment SIC - 21 would no longer apply to investment properties carried at fair value and it also incorporates into IAS - 12 remaining guidance in SIC - 21, which is withdrawn accordingly. This does not have a material impact on the financial statements.

2.2.2 Standards, amendments and interpretations to existing standards effective in current year but not applicable/relevant to the Company's operations

The other new standards amendments and interpretations that are mandatory for accounting period beginning on or after October 01,2012 are considered not to be relevant or to have any significant impact on company's financial reporting and operations.

2.2.3 Standards, amendments and interpretation to existing standards that are not yet effective

Standards and interpretations	Effective date (accounting periods beginning on or after)
- IFRS 7 Financial Instruments: Disclosure	January 01, 2013
- IFRS 10 Consolidated financial information	January 01, 2013
- IFRS 12 Disclosures of interest in other entities	January 01, 2013
- IFRS 13 Fair value measurements	January 01, 2013
- IAS 32 Financial instruments: Presentation	January 01, 2013
- IAS 27 Separate financial statements	January 01, 2013
- IAS 28 Associates and joint ventures	January 01, 2013
- Annual improvements 2011; IFRS 1, 'First time adoption'. IAS 1, 'Financial statement presentation'. IAS 16, 'Property plant and equipment'. IAS 32, 'Financial instruments; Presentation'. IAS 34, Interim financial reporting'	January 01, 2013
- IAS 32, 'Financial instruments: Presentation, on offsetting financial asset and financial liabilities.	January 01, 2014
- IFRS 9 Financial Instruments	January 01, 2015

3. Basis of measurement

3.1 These financial statements have been prepared under the historical cost convention except for revaluation of certain financial instruments, biological assets and agricultural produce at fair values as referred to in notes 4.5 and recognition of certain employee retirement benefits at present value as referred to in note 4.2.

The company's significant accounting policies are stated in note 4. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

a) Retirement benefits

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 4.2.

b) Provision for taxation

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

c) Useful lives and residual values of property, plant and equipment

The Company reviews the useful lives of property, plant and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with the corresponding effect on the depreciation charge and impairment.

d) Biological assets

The Company bases its valuation upon yield assessment performed by an independent agricultural expert and computes fair value less estimated point of sales cost to arrive at its valuation. The fair value less estimated point of sales cost is based on factors mentioned in note 4.5.

4. Significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

4.1 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to equity in which case it is included in equity.

4.2 Employee retirement benefits

The main features of the schemes operated by the Company for its employees are as follows:

(a) Defined benefit plans

The Company operates an unfunded gratuity scheme for all employees according to the terms of employment subject to a minimum qualifying period of service . Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits irrespective of the qualifying period.

The latest actuarial valuation for gratuity scheme was carried out as at September 30, 2013. Projected Unit Credit Method, using the following significant assumptions is used for valuation of the scheme:

- Discount rate 11.5 percent per annum (2012: 11.5 percent per annum).
- Expected rate of increase in salary level 10.5 percent per annum (2012: 10.5 percent per annum).
- Average expected remaining working life time of employees 11 years.

The Company's policy with regard to actuarial gains/losses is based on the "minimum 10% corridor" approach mentioned under paragraph 92 of IAS - 19 (Employee Benefits).

(b) Accumulating compensated absences

The Company provides accumulating compensated absences, when the employees render service that increase their entitlement to future compensated absences.

Provisions are made annually to cover the obligation for accumulating compensated absences for executives based on actuarial valuation and are charged to profit.

The latest actuarial valuation was carried out as at September 30, 2013. Projected Unit Credit Method, using the following significant assumptions is used for valuation of accumulating compensated absences.

- Discount rate 11.5 percent per annum (2012: 11.5 percent per annum).
- Expected rate of increase in salary level 10.5 percent per annum (2012: 10.5 percent per annum).
- Average expected remaining working life time of employees 14 years.

Actuarial gains and losses arising during the year are recognised immediately in accordance with the provisions of IAS 19 "Employee benefits".

Retirement benefits are payable to staff on completion of prescribed qualifying period of service under these schemes.

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to certain property, plant and equipment signifies historical cost and borrowing cost as referred to in note 4.15.

Depreciation on all operating fixed assets is charged to profit on the reducing balance method so as to write off the depreciable amount of an asset over its estimated useful life at the annual rates mentioned in note 11.1, after taking into account the impact of their residual values, if considered significant.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if the impact on depreciation is significant. The Company's estimate of the residual value of its operating fixed assets as at September 30, 2013 has not required any adjustment as its impact is considered insignificant.

Depreciation on additions to operating fixed assets is charged from the month in which an asset is acquired or capitalised while no depreciation is charged for the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as mentioned in note 4.6.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense.

4.3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.4 Intangible assets

Intangible assets represents the cost of computer software acquired and stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets are amortised using the reducing balance method at the rate of 20% so as to write off the cost of an asset over its estimated useful life.

Amortization on additions is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off. Amortization is being charged as mentioned in note 12.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as mentioned in note 4.6.

4.5 Biological assets and agriculture produce

Biological assets comprise of livestock and trees. These are measured at fair value less estimated point-of-sale costs with any resultant gain/loss being recognised in the profit and loss account. Fair value of livestock is determined on the basis of market prices of livestock of similar age, breed and genetic merit. Fair value of trees is determined on the basis of market prices of similar items in local areas. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

The Company held 119 animals (2012: 132) including cows, calves, horses and sheep and estimates to beneficially own 829 (2012: 836) trees of various kinds including mango, jamboline, kachnar, ceruse, amla, spikenard, borh and sheesham etc as on September 30, 2013.

4.6 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation/amortisation and are tested annually for impairment. Assets that are subject to depreciation/amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.7 Leases

4.7.1 Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit on a straight line basis over the lease term.

4.8 Stores, spares and loose tools

Usable stores, spares and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

4.9 Stock-in-trade

Stock of raw materials, except for those in transit and finished goods are valued principally at the lower of moving average cost and net realizable value.

Cost of raw material signifies average direct material cost.

Finished goods comprise cost of direct materials, labour and appropriate manufacturing overheads.

Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

4.10 Financial instruments

4.10.1 Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available for sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

a) **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

b) **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets. Loans and receivables comprise loans, advances, deposits and other receivables and cash and cash equivalents in the balance sheet.

c) **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investments within twelve months from the balance sheet date.

d) **Held to maturity**

Financial assets with fixed or determinable payments and fixed maturity, where management has the intention and ability to hold till maturity are classified as held to maturity and are stated at amortised cost.

All financial assets are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss account in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit and loss account as part of other income when the Company's right to receive payments is established.

Changes in the fair value of securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit and loss account as gains and losses from investment securities. Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit and loss account. Dividends on available-for-sale equity instruments are recognised in the profit and loss account when the Company's right to receive payments is established.

The fair values of quoted investments are based on current prices. If the market for a financial asset is not active (and for unlisted securities), the Company measures the investments at cost less impairment in value, if any.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss is removed from equity and recognised in the profit and loss account. Impairment losses recognised in the profit and loss account on equity instruments are not reversed through the profit and loss account. Impairment testing of trade debts and other receivables is described in note 4.11.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

4.10.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit and loss account.

4.10.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.11 Trade debts and other receivables

Trade debts and other receivables are recognised initially at invoice value, which approximates fair value and subsequently measured at amortised cost using the effective interest method less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that the Company will not be able to collect all the amount due according to the original terms of the receivable. Significant financial difficulties of the debtors, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade debt is impaired. The provision is recognised in the profit and loss account. When a trade debt is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the profit and loss account.

4.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities as finances under markup arrangement on the balance sheet.

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement cash and cash equivalents comprise cash in hand, demand deposits, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and finances under mark-up arrangements. In the balance sheet, finances under mark-up arrangements are included in current liabilities.

4.13 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

4.14 Borrowings

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

4.15 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the profit and loss account in the period in which they arise.

4.16 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.17 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.18 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company does not designate derivatives as cash flow hedges.

4.19 Revenue recognition

Revenue from sales is recognised on dispatch of goods to customers.

Return on deposits is recognised on a time proportion basis taking into account the amounts outstanding and the rates applicable thereon.

4.20 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account. All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.21 Dividend

Dividend distribution to the Company's members is recognised as a liability in the period in which the dividends are approved.

5. Issued, subscribed and paid up capital

2013 (Number of Shares)	2012 (Number of Shares)		2013 Rupees	2012 Rupees
1,417,990	1,417,990	Ordinary shares of Rs. 10 each fully paid in cash	**14,179,900**	14,179,900
44,020	44,020	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash	**440,200**	440,200
4,837,990	3,577,990	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	**48,379,000**	35,779,900
6,300,000	5,040,000		**63,000,000**	50,400,000

		Note	2013 Rupees	2012 Rupees
6.	**Reserves**			
	Movement in and composition of reserves is as follows:			
	Capital Reserve			
	- Share premium	6.1	9,335,878	9,335,878
	Revenue			
	- General reserve		300,000	300,000
			9,635,878	9,635,878

6.1 This reserve can be utilised by the company only for the purposes specified in section 83(2) of the Companies Ordinance, 1984.

			2013 Rupees	2012 Rupees
7.	**Deferred liabilities**			
	These are composed of:			
	Deferred taxation	7.1	50,728,711	45,360,346
	Retirement and other benefits	7.2	60,506,759	47,652,492
			111,235,470	93,012,838

7.1 Deferred taxation

	2013 Rupees	2012 Rupees
The liability for deferred taxation comprises temporary differences relating to:		
Accelerated tax depreciation & amortization	74,032,798	67,353,310
Retirement benefits	(19,525,531)	(15,440,837)
Other provisions	(3,778,556)	(6,552,127)
	50,728,711	45,360,346

7.2 Retirement and other benefits

		2013 Rupees	2012 Rupees
Staff gratuity	7.2.1	52,086,148	42,450,472
Accumulating compensated absences		8,420,611	5,202,020
		60,506,759	47,652,492

7.2.1 Staff gratuity

	Note	2013 Rupees	2012 Rupees
Present value of defined benefit obligation as at September 30, 2013		63,174,475	47,653,965
Unrecognised actuarial loss		(11,088,327)	(5,203,493)
Liability as at September 30, 2013		52,086,148	42,450,472
Liability as at October 1, 2012		42,450,472	33,293,652
Charge to profit and loss account		14,380,256	13,268,252
Contributions by the company		(4,744,580)	(4,111,432)
Liability as at September 30, 2013		52,086,148	42,450,472
The movement in the present value of defined benefit obligation is as follows:			
Present value of defined benefit obligation as at October 1		47,653,965	39,977,668
Service cost		9,073,385	8,134,544
Interest cost		5,242,381	4,853,594
Benefits paid		(4,744,580)	(4,111,432)
Actuarial loss		5,949,324	(1,200,409)
Present value of defined benefit obligation as at September 30		63,174,475	47,653,965

As at September 30	2013	2012	2011	2010	2009
	(Rupees in thousands)				

The present value of defined benefit obligation and the experience adjustment on obligation is as follows:

	2013	2012	2011	2010	2009
Present value of defined benefit obligation	63,174	47,654	39,978	31,865	26,098
Experience adjustment on obligation	5,949	(1,200)	963	958	(4,110)

8. Short term running finances - secured

Short term running finances, available from commercial banks under mark-up arrangements amount to Rs. 385 million (2012: Rs. 385 million). The rates of mark-up range from 10.33% to 11.70% per annum on the balance outstanding and is payable quarterly.

Of the aggregate facility of Rs. 145 million (2012: Rs. 145 million) for opening letter of credits and Rs. 32 million (2012: Rs. 32 million) for guarantees, the amount utilised at September 30, 2013 was Rs. 130 million (2012: Rs. 35 million) and Rs. 17.20 million (2012: Rs. 17.20 million) respectively. The guarantees of Rs. 32 million are a sub-facility of the running finance facilty obtained i.e; Rs. 385 million.

The aggregate short term facilities are secured by a hypothecation of stores and spares, stock in trade, trade debts and a charge on the present and future fixed assets of the company.

	Note	2013 Rupees	2012 Rupees
9. Creditors, accrued and other liabilities			
Trade creditors		86,929,927	56,191,791
Accrued liabilities		39,832,002	28,321,045
Advances from customers		13,182,250	20,404,799
Interest free deposits repayable on demand		110,000	175,000
Due to related parties	9.1	-	142,828
Income tax payable		-	10,638,266
Sales tax payable		15,023,587	-
Workers' profit participation fund	9.2	9,835,407	8,015,261
Workers' welfare fund		7,035,052	5,894,947
Unclaimed dividends		1,467,387	1,150,052
Others		14,978,483	15,388,909
		188,394,483	146,322,898

9.1 These relate to normal business of the company and are interest free.

9.2 Workers' profit participation fund

	Note	2013 Rupees	2012 Rupees
Opening balance		8,015,261	5,619,197
Provision for the year	23	9,835,407	7,998,857
Interest for the year	25	217,432	150,204
		18,068,100	13,768,258
Less: Payments made during the year		(8,232,693)	(5,752,997)
Closing balance		9,835,407	8,015,261

10. Contingencies and commitments

10.1 Contingencies

The company has issued a guarantee in favour of Sui Northern Gas Pipelines Limited on account of payment of dues against gas consumption amounting to Rs. 17.200 million (2012: Rs. 17.200 million).

The company has issued post dated cheques amounting to Rs. 89 million (2012: Rs. 52 million) to Collector of Customs Lahore Dry Port on account of taxable duty which might become payable against Duty and Tax Remission on Export under SRO # 450 (I)/2001 dated June 30, 2001 under Customs Rules 2001.

10.2 Commitments

Letters of credit including capital expenditure are Rs. 130 million (2012: Rs. 35 million).

11. Property, plant and equipment

	Note	2013 Rupees	2012 Rupees
Operating fixed assets	11.1	386,610,321	351,429,726
Capital work-in-progress	11.2	6,555,860	13,281,922
		393,166,181	364,711,648

11.1 Property, plant and equipment

	Land	Buildings							
	Freehold	On freehold land	On leasehold land	Plant and machinery	Vehicles	Furniture and Fittings	Electric Installations	Computer Hardware	Total
					(Rupees)				
Net carrying value basis									
Year ended September 30, 2013									
Opening net book value (NBV)	15,547	25,514,917	980,252	284,807,171	20,174,001	1,061,443	16,950,813	1,925,582	351,429,726
Additions (at cost)	-	41,433,710	2,917,518	17,127,068	5,967,770	748,983	6,209,257	518,269	74,922,575
Disposals (at NBV)/ Write off	-	-	(906,734)	-	(1,506,446)	-	(57,904)	(1,500)	(2,472,584)
Adjustments	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(3,892,345)	(268,020)	(23,887,112)	(2,673,363)	(263,862)	(5,830,288)	(454,406)	(37,269,396)
Closing net book value (NBV)	15,547	63,056,282	2,723,016	278,047,127	21,961,962	1,546,564	17,271,878	1,987,945	386,610,321
Gross carrying value basis									
As at September 30, 2013									
Cost	15,547	108,717,802	2,917,517	562,972,253	33,210,915	4,575,714	45,569,572	8,105,563	766,084,883
Accumulated depreciation	-	(45,661,520)	(194,501)	(284,925,126)	(11,248,953)	(3,029,150)	(28,297,694)	(6,117,618)	(379,474,562)
Net book value (NBV)	15,547	63,056,282	2,723,016	278,047,127	21,961,962	1,546,564	17,271,878	1,987,945	386,610,321
Depreciation rate % per annum	-	10	20	10	20	20	20-33.33	20	
Net carrying value basis									
Year ended September 30, 2012									
Opening net book value (NBV)	15,547	26,995,586	1,013,660	236,030,239	19,602,332	893,460	22,785,884	1,588,935	308,925,643
Additions (at cost)	-	1,391,187	-	70,567,922	6,002,845	385,998	1,284,359	734,880	80,367,191
Disposals (at NBV)	-	-	-	(425,305)	(2,496,255)	-	-	(8,200)	(2,929,760)
Adjustments	-	(75,509)	75,509	-	-	-	-	-	-
Depreciation charge	-	(2,796,347)	(108,917)	(21,365,685)	(2,934,921)	(218,015)	(7,119,430)	(390,033)	(34,933,348)
Closing net book value (NBV)	15,547	25,514,917	980,252	284,807,171	20,174,001	1,061,443	16,950,813	1,925,582	351,429,726
Gross carrying value basis									
As at September 30, 2012									
Cost	15,547	67,284,091	4,166,846	545,845,186	30,472,894	3,826,731	39,534,864	7,588,796	698,734,955
Accumulated depreciation	-	(41,769,174)	(3,186,594)	(261,038,015)	(10,298,893)	(2,765,288)	(22,584,051)	(5,663,214)	(347,305,229)
Net book value (NBV)	15,547	25,514,917	980,252	284,807,171	20,174,001	1,061,443	16,950,813	1,925,582	351,429,726
Depreciation rate % per annum	-	10	10	10	20	20	20-33.33	20	

11.1.1 The cost of fully depreciated assets which are still in use as at September 30, 2013 is Rs. 59.858 million (2012: Rs. 46.323 million).

11.1.2 The depreciation charge for the year has been allocated as follows:

	Note	2013 Rupees	2012 Rupees
Cost of sales	20	28,047,476	24,270,949
Administration expenses	21	1,894,789	1,695,498
Distribution and marketing expenses	22	7,327,131	8,966,901
		37,269,396	34,933,348

11.1.3 Disposal of operating fixed assets

Detail of operating fixed assets sold during the year is as follows:

Particulars of assets	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposals
			2013			
			Rupees			
Vehicles						
	Outsiders					
	Mr. Naeem Iqbal	1,355,780	720,134	635,646	1,532,000	Negotiation
	Mr. Murtaza Khan	504,000	184,208	319,792	422,222	Negotiation
	Phoola Auto Service	316,969	199,269	117,700	83,500	Negotiation
	Ismail Karyana Store	1,053,000	619,692	433,308	720,000	Negotiation
On leasehold land						
	General Public	869,125	441,878	427,247	25,000	Negotiation
	Write off	3,297,722	2,818,235	479,487	-	
Other assets with book value less than Rs. 50,000		176,049	116,645	59,404	41,500	
		7,572,645	**5,100,061**	**2,472,584**	**2,824,222**	

Detail of operating fixed assets sold during the year is as follows:

Particulars of assets	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposals
			2012			
Vehicles						
	Employee					
	Mr. Atif Fayyaz	837,290	409,277	428,013	428,013	Company policy
	Outsiders					
	Bismillah Auto	457,530	152,307	305,223	450,000	Negotiation
	Mr. Anwar Maqsood	723,634	263,973	459,661	765,000	Negotiation
	Mr. Mukhtar Ahmed	914,000	722,321	191,679	857,786	Negotiation
	Mr. Irfan Khan	872,000	338,243	533,757	924,000	Negotiation
	Mr. Maaz Saleem	630,000	310,693	319,307	540,000	Negotiation
	IGI Insurance	66,956	13,019	53,937	57,500	Claim against stolen bike
Plant and Machinery						
	Mr. Nazar Hussain	555,000	129,694	425,306	225,000	Negotiation
Other assets with book value less than Rs. 50,000		463,199	250,322	212,877	199,937	
		5,519,609	**2,589,849**	**2,929,760**	**4,447,236**	

	Note	2013 Rupees	2012 Rupees
11.2 Capital work-in-progress			
Civil Works		1,380,444	13,221,922
Plant and machinery		5,175,416	60,000
		6,555,860	13,281,922

12. Intangible Assets

	2013 Rupees	2012 Rupees
Net carrying value basis		
Year ended September 30, 2013		
Opening net book value (NBV)	1,285,370	1,606,712
Additions at cost	58,000	-
Deletions at NBV	-	-
Amortisation charge	(265,774)	(321,342)
Closing net book value (NBV)	1,077,596	1,285,370
Gross Carrying Value basis		
Cost	5,226,677	5,168,677
Accumulated Amortization	(4,149,081)	(3,883,307)
Net book value (NBV)	1,077,596	1,285,370
Amortization rate % per annum	20	20

12.1 The amortization charge for the year has been allocated as follows:

	Note	2013 Rupees	2012 Rupees
Cost of sales	20	84,935	106,168
Administration expenses	21	180,839	215,174
		265,774	321,342

13. Biological assets

	2013	2012
Livestock	7,536,333	7,470,667
Trees	2,036,667	2,035,000
	9,573,000	9,505,667

		Note	2013 Rupees	2012 Rupees
14.	**Stores, spares and loose tools**			
	General Stores		4,097,770	3,752,627
	Engineering Stores		17,191,961	13,623,831
			21,289,731	17,376,458
	Less: Provision for obsolete items			
	- Engineering Store	14.2	(6,262,883)	(4,885,025)
			15,026,848	12,491,433

14.1 Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

		Note	2013 Rupees	2012 Rupees
14.2	**Provision for obsolete items - Engineering Store**			
	Opening Balance		4,885,025	5,552,855
	Add: Provision for the year	20	1,377,858	(667,830)
	Closing balance		6,262,883	4,885,025

		Note	2013 Rupees	2012 Rupees
15.	**Stock in trade**			
	Raw materials [including in transit Rs. 5.574 million (2012: Rs. 7.565 million)]		112,503,512	139,488,187
	Packing materials [including in transit Rs. 19.877 million (2012: 7.184 million)]		146,210,553	123,513,945
	Finished goods		74,579,020	87,265,109
			333,293,085	350,267,241
	Less: Provision for obsolete items			
	- Raw Material	15.1	(5,921,595)	(7,734,633)
			327,371,490	342,532,608

		Note	2013 Rupees	2012 Rupees
15.1	**Provision for obsolete items - Raw material**			
	Opening balance		7,734,633	7,201,828
	Add: Provision for obsolete items	20	(1,813,038)	532,805
	Closing balance		5,921,595	7,734,633

		Note	2013 Rupees	2012 Rupees
16.	**Trade debts**			
	Considered good		56,548,807	59,816,430
	Considered doubtful		473,330	2,442,918
			57,022,137	62,259,348
	Less: Provision for doubtful debts	16.1	(473,330)	(2,442,918)
			56,548,807	59,816,430

	Note	2013 Rupees	2012 Rupees
16.1 Provision for doubtful debts			
Opening balance		2,442,918	3,938,305
Add: Provision for the year	22	(323,561)	(1,495,387)
		2,119,357	2,442,918
Less: Bad debts written off against provision		1,646,027	-
Closing balance		473,330	2,442,918

17. Advances, deposits, prepayments and other receivables

	Note	2013 Rupees	2012 Rupees
Advances - considered good			
- To employees	17.1	2,945,323	2,641,328
- To suppliers		2,775,538	3,260,941
Prepayments		524,502	166,375
Letters of credit - margins, deposits, opening charges, etc.		1,111,135	629,413
Claims recoverable from the government			
- Income tax refundable		74,118,623	-
- Sales tax		-	2,543,938
		74,118,623	2,543,938
Due from related parties	17.2	136,748	598,914
Other receivables		2,396,206	1,546,775
		84,008,075	11,387,684

17.1 Included in advances to employees are amounts due from the Directors Rs. Nil (2012: Rs. 14,125).

The maximum aggregate amount at the end of any month during the year due from the Chief Executive is Rs. 21,483 (2012: Rs. 122,936) and Directors Rs. 280,775 (2012: Rs. 861,808).

17.2 Due from related parties	2013 Rupees	2012 Rupees
Haider Fruit Growers (Private) Limited	-	102,535
AKRA (Anjuman-e-Khuddam-e-Rasool Allah)	2,450	87,911
Lessee	134,298	300,725
Punjab Fruit Growers (Private) Limited	-	107,743
	136,748	598,914

These relate to normal business of the company and are interest free.

		Note	2013 Rupees	2012 Rupees
17.3	**Ageing of related party balance**			
	One to six months		136,748	598,914
	More than 6 months		-	-
	Total		136,748	598,914

18. Cash and bank balances

		2013 Rupees	2012 Rupees
Balances at banks on current accounts		35,987,261	10,959,935
Special account related to dividend payable		1,467,387	1,034,715
Cash in hand		346,029	360,213
		37,800,677	12,354,863

19. Sales

			2013 Rupees	2012 Rupees
Gross sales				
	- Local		2,237,588,424	2,032,329,349
	- Export		188,592,852	162,937,878
			2,426,181,276	2,195,267,227
Less:	Sales returns		56,653,491	48,500,582
	Rebates		254,939,611	230,186,483
	Trade promotion		30,326,637	32,077,037
			341,919,739	310,764,102
			2,084,261,537	1,884,503,125

Local sales are exclusive of sales tax of Rs. 347.103 million (2012: Rs. 288.868 million).

20. Cost of sales

	Note	2013 Rupees	2012 Rupees
Raw and packing material consumed		1,214,509,613	1,158,998,250
Salaries, wages and other benefits	20.1	128,184,901	106,758,790
Furnace oil consumed		45,900,267	23,392,659
Freight and octroi		117,118	277,293
Travelling and vehicle running		2,269,333	2,625,068
Repairs and maintenance		24,281,635	20,246,658
Power, Water and Gas		62,840,287	54,138,704
Insurance		3,373,272	3,467,012
Rent, rates and taxes		1,737,167	329,365
Depreciation on property, plant and equipment	11.1	28,047,476	24,270,949
Amortization of intangible assets	12.1	84,935	106,168
Provision for obsolete stock	15.1	(1,813,038)	532,805
Provision for obsolete stores and spares	14.2	1,377,858	(667,830)
Other expenses		23,223,208	21,780,675
Cost of goods manufactured		1,534,134,032	1,416,256,566
Opening finished goods		87,265,109	92,744,149
Closing finished goods		(74,579,020)	(87,265,109)
		12,686,089	5,479,040
		1,546,820,121	1,421,735,606

	2013 Rupees	2012 Rupees
20.1 Salaries, wages and other benefits include the following in respect of gratuity:		
Current service cost	3,268,656	3,888,871
Interest cost for the year	1,992,105	2,461,359
Experience Loss	24,506	142,052
	5,285,267	6,492,282

In addition to above Rs. 2.831 million (2012: Rs. 2.088 million) have been charged in respect of company's contribution towards staff compensated absences.

21. Administration expenses

	Note	2013 Rupees	2012 Rupees
Salaries, wages and other benefits	21.1	47,158,836	39,800,382
Travelling and vehicle running		4,064,697	4,005,666
Entertainment		969,246	820,485
Repairs and maintenance		2,063,955	1,469,747
Insurance		580,283	631,064
Rent, rates and taxes		3,104,382	2,378,496
Power, Water and Gas		2,132,995	1,942,800
Printing and stationery		1,188,333	1,131,524
Postage and telephone expenses		1,885,717	1,773,572
Professional services	21.3	5,719,281	9,372,284
Depreciation on property, plant and equipment	11.1	1,894,789	1,695,498
Amortization of intangible assets	12.1	180,839	215,174
Dairy expenses		7,850,097	8,532,150
Other expenses		4,074,462	10,798,924
		82,867,912	84,567,766

21.1 Salaries, wages and other benefits include the following in respect of gratuity:

	2013	2012
Current service cost	2,536,073	1,912,598
Interest cost for the year	1,258,171	977,413
Experience Loss	15,478	56,409
	3,809,722	2,946,420

In addition to above Rs. 0.736 million (2012: Rs. 0.721 million) have been charged in respect of company's contribution towards staff compensated absences.

21.2 Number of employees

	2013		2012	
	As at 30 September	**Average during the year**	As at 30 September	Average during the year
Executives	53	54	57	53
Non- Executives	291	295	309	310

21.3 Professional services

The charges for professional services include the following in respect of auditors' services for:

	Note	2013 Rupees	2012 Rupees
Statutory audit		650,000	650,000
Half yearly review		275,000	275,000
Workers' profit participation fund's audit and sundry services		119,000	30,000
Out of pocket expenses		163,110	102,749
		1,207,110	1,057,749

22. Distribution and marketing expenses

	Note	2013 Rupees	2012 Rupees
Salaries, wages and other benefits	22.1	49,519,996	46,331,874
Travelling and vehicle running		13,334,906	14,751,251
Entertainment		351,500	361,449
Freight expenses		67,957,858	60,596,247
Export expenses		9,736,390	5,898,662
Advertisement		70,262,966	48,142,829
Repairs and maintenance		92,460	90,239
Insurance		(162,509)	1,661,104
Rent, rates and taxes		443,340	337,340
Power, Water and Gas		414,219	398,089
Printing and stationery		189,982	174,776
Postage and telephone		1,462,878	1,668,246
Depreciation on property, plant and equipment	11.1	7,327,131	8,966,901
Service charges to distributors		2,591,704	2,646,579
Provision for doubtful debts	16.1	(323,561)	(1,495,387)
Other expenses		25,256,931	16,265,548
		248,456,191	206,795,747

22.1 Salaries, wages and other benefits include the following in respect of gratuity:

	2013	2012
Current service cost	3,268,656	2,333,075
Interest cost for the year	1,992,105	1,414,822
Experience Loss	24,506	81,653
	5,285,267	3,829,550

In addition to above Rs. 1.263 million (2012: Rs. 0.976 million) have been charged in respect of company's contribution towards staff compensated absences.

	Note	2013 Rupees	2012 Rupees
23. Other expenses			
Workers' profit participation fund		9,835,407	7,998,857
Workers welfare fund		3,385,771	2,959,705
Donations - Anjuman-e-Khuddam-e-Rasool Allah, Shergarh, District Okara (S. M Mohsin, Chairman of the company is the founder member of the Anjuman)		1,000,000	945,480
Donations - Others		-	200,000
		14,221,178	12,104,042
24. Other income			
Profit on sale of property, plant and equipment		351,638	1,525,677
Profit on sale and revaluation of live stock		1,524,766	2,958,167
Profit on sale and revaluation of trees		74,767	261,800
Exchange gain		2,271,072	1,029,427
Scrap sales		7,572,442	6,612,449
Others		739,578	3,636,156
		12,534,263	16,023,676
25. Finance cost			
Interest and mark up on			
- Short term running finances- Secured		13,897,146	20,247,442
- Workers' profit participation fund		217,432	150,204
Bank and other charges		3,443,082	2,566,836
		17,557,660	22,964,482
26. Provision for taxation			
For the year			
- Current		52,961,354	42,213,992
- Deferred		5,368,365	1,795,011
		58,329,719	44,009,003
Prior years			
- Current		(3,796,977)	-
		(3,796,977)	-
		54,532,742	44,009,003

	2013	2012
26.1 Tax charge reconciliation	%	%
Numerical reconciliation between the average effective tax rate and the applicable tax rate.		
Applicable tax rate	34.00	35.00
Tax effect of amounts that are:		
- Exempt for tax purposes	(0.30)	(0.74)
- Tax credits	(0.79)	(4.85)
Tax effect under presumptive tax regime and others	(1.70)	(0.52)
Effect of change in prior tax year	(2.03)	-
	(4.82)	(6.11)
Average effective tax rate charged to profit and loss account	29.18	28.89

27. Transactions with related parties

The related parties comprise associated undertakings and key management personnel. The company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of the key management personnel is disclosed in note 28. Other significant transactions with related parties are as follows:

Description	2013 Rupees	2012 Rupees
Purchase of goods	5,010,304	7,199,187
Donations	1,000,000	945,480
Rent	1,848,000	1,680,000
Scrap Sales	-	9,464
	7,858,304	9,834,131

All transactions with related parties have been carried out on commercial terms and conditions.

28. Remuneration of Chairman, Chief Executive and Executives

28.1 The aggregate amount charged in the financial statements for the year for remuneration including certain benefits to the Chief Executive, Directors and Executives of the Company is as follows:

	Chief Executive		Directors				Executive	
	2013	2012	2013		2012		2013	2012
			Non Executive Directors	Executive Directors	Non Executive Directors	Executive Directors		
	Rupees							
Managerial remuneration	10,852,350	8,971,286	-	2,482,764	-	2,482,764	13,882,425	11,180,036
Retirement Benefits	2,665,322	2,582,235	-	-	-	-	9,224,386	7,946,915
House rent allowance	3,877,588	3,205,474	-	1,117,236	-	1,117,236	7,119,950	5,393,081
Utilities	861,688	712,330	-	492,093	-	475,837	2,693,261	1,404,197
Club expenses	17,624	21,164	-	219,923	-	198,843	-	-
Bonus	-	-	-	764,037	-	713,794	7,395,133	6,217,727
	18,274,572	15,492,489	-	5,076,053	-	4,988,474	40,315,155	32,141,956
Number of persons	1	1	6	1	6	1	18	15

The Company also provides the Chief Executive, Directors and certain employees with free use of Company maintained cars.

The Chief Executive and employees are entitled to reimbursement of medical expenses upto an amount equal to three basic salaries.

28.2 Remuneration to other directors

Aggregate amount charged in the financial statements for the year for fee to 8 Directors (2012: 8 Directors) is Rs. 160,000 (2012: Rs. 160,000).

29. Capacity and production

The capacity of the plant is not determinable as it is a multi product plant capable of producing several interchangeable products.

	Actual production in cartons	
	2013	2012
Groceries	1,220,396	1,339,922
Confectioneries	713,362	581,034

		Note	2013 Rupees	2012 Rupees
30.	**Cash generated from operations**			
	Profit before tax		186,872,738	152,359,158
	Adjustments for:			
	Depreciation on operating fixed assets		37,269,396	34,933,348
	Amortization on intangibles		265,774	321,342
	Profit on sale of property, plant and equipment		(351,638)	(1,525,677)
	Loss on donation of Property, plant and equipment		-	8,200
	Retirement benefits		19,210,342	17,054,116
	Profit on revaluation of livestock		(1,599,533)	(3,219,967)
	Advances written off		-	258,460
	Duties written off		-	1,082,210
	Provision for doubtful debts - trade		323,561	1,495,387
	Provision for obsolete stock		(1,813,038)	532,805
	Stock in trade written off		12,504,280	3,411,026
	Provision for obsolete stores and spares		1,377,858	(667,830)
	Finance cost		17,557,660	22,964,482
	Profit before working capital changes		271,617,400	229,007,060
	Effect on cash flow due to working capital changes			
	- (Increase)/Decrease in stores, spares and loose tools		(3,913,273)	(2,529,701)
	- (Increase)/Decrease in stock in trade		4,469,876	(34,410,463)
	- (Increase)/Decrease in trade debts		2,944,062	1,933,064
	- (Increase)/Decrease in advances, deposits prepayments and other receivables		1,498,232	10,333,922
	- Increase/(Decrease) in creditors, accrued and other liabilities		52,392,128	(31,671,958)
			57,391,025	(56,345,136)
	Cash generated from operations		329,008,425	172,661,924
31.	**Cash and cash equivalents**			
	Cash and bank balances	18	37,800,677	12,354,863
	Short term running finances		(97,102,844)	(140,987,776)
			(59,302,167)	(128,632,913)

32. Earnings per share

32.1 Basic earnings per share

		2013	2012
Net profit for the year	**Rupees**	132,339,996	108,350,155
Weighted average number of ordinary shares	**Number**	6,300,000	6,300,000
Basic earnings per share	**Rupees**	21.01	17.20

32.2 Diluted earnings per share

There is no dilution effect on the basic earnings per share of the company as the company has no such commitments.

33. Financial risk management

33.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable / payable from / to the foreign entities. The Company's exposure to currency risk at the reporting date is as follows:

	2013	2012
Trade debts - USD	208,755	178,298
Short term Finance - USD	-	(249,463)
Net exposure-USD	208,755	(71,165)

The following significant exchange rates were applied during the year:

Rupees per USD		
Average rate	105.14	93.68
Reporting date rate	105.30	94.60

If the functional currency at reporting date had fluctuated by 5% against the USD with all other variables held constant, the impact on profit before taxation for the year would have been Rs. 1,100,139 (2012: Rs. 336,610) higher / lower, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk since there are no investments in equity securities. The Company is also not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

(iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from short term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At the balance sheet date, the interest rate profile of the Company's interest bearing financial instruments was:

	2013 Rupees	2012 Rupees
Floating rate instruments		
Financial liabilities		
Short term running finances - secured	(97,102,844)	(140,987,776)
Net exposure	(97,102,844)	(140,987,776)

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on long term finances and short term running finance at the year end date fluctuate by 1% higher/lower with all other variables held constant, profit before taxation for the year would have been Rs. 0.97 million (2012: Rs. 1.41 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from deposits with banks and other receivables.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2013 Rupees	2012 Rupees
Trade debts	57,022,137	62,259,348
Loans, advances, deposits, prepayments and other receivables	6,589,412	5,416,430
Cash and bank balances	37,454,648	11,994,650
	101,066,197	79,670,428

The age of trade receivables and related impairment loss at balance sheet date is as follows:

The age of trade receivables
Past Due but not impaired

- Not past due	42,930,818	50,378,417
- Past due 0 - 180 days	13,738,096	9,438,012
- Past due 181 - 365 days	237,154	147,497
- Over 365 days	116,069	2,295,422
	57,022,137	62,259,348

(ii) Credit quality of major financial assets

The credit quality of major financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating Short term	Long term	Rating Agency	2013 (Rupees)	2012 (Rupees)
National Bank of Pakistan	A-1+	AAA	JCR-VIS	303,420	2,043,823
MCB Bank Limited	A-1+	AAA	PACRA	836,106	956,345
Habib Bank Limited	A-1+	AAA	JCR-VIS	36,315,122	8,994,482
				37,454,648	11,994,650

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At September 30, 2013, the Company had Rs. 385 million available borrowing limits from financial institutions and Rs. 37.80 million cash and bank balances.

The following are the contractual maturities of financial liabilities as at September 30, 2013:

	Carrying amount	Less than one year	One to five years	More than five years
		Rupees		
Trade and other payables	156,500,049	156,500,049	-	-
Accrued finance cost	1,485,143	1,485,143	-	-
	157,985,192	157,985,192	-	-

The following are the contractual maturities of financial liabilities as at September 30, 2012:

	Carrying amount	Less than one year	One to five years	More than five years
	Rupees			
Trade and other payables	132,412,690	132,412,690	-	-
Accrued finance cost	1,197,065	1,197,065	-	-
	133,609,755	133,609,755	-	-

33.2 Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

33.3 Financial instruments by categories

	Loans and receivables	
	2013 Rupees	2012 Rupees
Assets as per balance sheet		
Trade debts	57,022,137	62,259,348
Loans, advances, deposits, prepayments and other receivables	6,589,412	5,416,430
Cash and bank balances	37,454,648	11,994,650
	101,066,197	79,670,428

	Financial liabilities at amortised cost	
	2013 Rupees	2012 Rupees
Liabilities as per balance sheet		
Trade and other payables	156,500,049	132,412,690
Accrued finance cost	1,485,143	1,197,065
	157,985,192	133,609,755

33.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including current and non-current borrowings, as disclosed in note 8, less cash and cash equivalents as disclosed in note 31.Total capital is calculated as 'equity' as shown in the balance sheet plus net debt. The gearing ratio as at September 30, 2013 and September 30, 2012 is as follows:

	Note	**2013** **Rupees**	2012 Rupees
Cash and cash equivalents	31	(59,302,167)	(128,632,913)
Net debt		59,302,167	128,632,913
Total equity		527,105,122	432,565,126
Total capital		586,407,289	561,198,039
Gearing ratio	**Percentage**	10%	23%

34. Date of authorisation

These financial statements were authorised for issue on January 02, 2014 by the board of directors of the company.

35. Events after the balance sheet date

The Board of Directors have proposed a final dividend for the year ended September 30, 2013 of Rs. 7.5 (2012: Rs. 7.5) per share, amounting to Rs. 47,250,000 (2012: Rs. 37,800,000) and bonus shares of 25% (2012: 25%) at their meeting held on January 2, 2014 for approval of the members at the Annual General Meeting to be held on January 31, 2014. These financial statements do not reflect this dividend payable.

36. Corresponding figures

Corresponding figure have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Proxy Form

Mitchell's Fruit Farms Limited
81st Annual General Meeting

I/We ______________________________

of ______________________________

being a member of Mitchell's Fruit Farms Limited, hereby appoint ______________________________

____
(Name)

of ______________________________

or failing him/her ______________________________

____
(Name)

of ______________________________

another member of the Company, as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 81st Annual General Meeting of the Company to be held on January 31, 2014 at 11:00 a.m. at the Registered Office of the Company located at 40-A, Zafar Ali Road, Gulberg V, Lahore.

Signed this ______________________________ day of ______________ 2014

Please affix revenue stamp

Please quote folio number

Signature of Member

IMPORTANT:
This instrument, appointing a proxy, duly completed, must be received at the Registered Office of the Company located at 40-A, Zafar Ali Road, Gulberg V, Lahore not later than 48 hours before the scheduled time of the meeting.

AFFIX
CORRECT
POSTAGE

The Company Secretary

Mitchell's Fruit Farms Limited
40-A, Zafar Ali Road, Gulberg V,
Lahore.