

**INTERIM CONDENSED
FINANCIAL STATEMENTS
FOR THE SIX MONTHS
ENDED DECEMBER 31, 2014
(UN-AUDITED)**



**DATA
AGRO
LIMITED**

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3 - A, Race View, Jail Road, Lahore

DATA AGRO LIMITED

DIRECTOR'S REPORT

The un-audited interim condensed financial statement of your Company with auditors review report thereon for the half year ended December 31, 2014 is presented along with an update on the Company's affairs and performance.

The results for the last six months shows a net loss of Rs.9.904 million (Dec. 2013: loss Rs.9.051million). Sales for the period were Rs. 12.444 million (Dec. 2013: Rs. 15.111 million).

Due to the seasonal nature of our business, we spend on production for the first six months and the output/sales come in the remaining period. Our major crop is Corn. Unfortunately last year was one of the worst for production. This year we have worked diligently to have better production of quality seed. We hope the results of this will be evident in the coming months when we sell the seed. The results of our new Hybrid Seed 2236 and 2368 are very positive and competitive with other seeds. Presently we have kept our margins low to introduce our self in wheat and cotton market. However, we plan to do not only larger quantity but also increase the profit margin in these crops.

Our policy of delinting & processing of seeds for third parties continues. We have established ourselves in this field and we do more third party delinting of seeds than any other company.

The management and sponsors are fully behind the project and assure the shareholders of all our efforts to make this venture a success.

Lahore
February 28, 2015

(**FAAIZ RAHIM KHAN**)
Chief Executive

DATA AGRO LIMITED

INTERIM CONDENCED STATEMENT OF FINANCIAL POSITION (UN-AUDITED) FOR THE SIX MONTHS ENDED AS AT DECEMBER 31, 2014

	UN-AUDITED 31-12-14 Rupees	AUDITED 30-06-14 Rupees
EQUITY & LIABILITIES		
SHARE CAPITAL AND RESERVE		
SHARE CAPITAL		
Authorised Share Capital		
5,000,000 (2014: 5,000,000) ordinary shares of Rs. 10/- each	50,000,000	50,000,000
Issued subscribed and paid-up share capital		
4,000,000 (2014: 4,000,000) ordinary shares of Rs.10/- each, fully paid in cash consideration	40,000,000	40,000,000
RESERVES		
Revenue Reserve		
Accumulated (Loss)	(26,575,514)	(18,077,427)
	13,424,486	21,922,573
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENTS		
	33,197,038	34,603,375
NON-CURRENT LIABILITIES		
Long term financing	-	-
Liabilities against assets subject to finance lease	-	-
Deferred liabilities	20,063,928	19,707,304
	20,063,928	19,707,304
CURRENT LIABILITIES		
Short term borrowings	32,378,943	32,378,943
Trade and other payables	13,730,178	13,155,462
Current maturity of long term liabilities	84,544	244,724
Provision for taxation	1,452,067	1,327,624
	47,645,732	47,106,753
CONTINGENCIES AND COMMITMENTS		
	-	-
TOTAL EQUITY AND LIABILITIES	114,331,183	123,340,004
ASSETS		
NON - CURRENT ASSETS		
Property, plant & equipments	62,203,273	64,435,279
CURRENT ASSETS		
Stores, spares & loose tools	3,688,701	2,759,544
Stock in trade	23,936,516	19,485,429
Trade debts	17,743,501	18,387,392
Loans and advances	3,347,653	6,368,593
Trade deposits and short term pre-payments	1,920,082	4,296,586
Tax refunds due from Government	465,559	465,559
Cash & bank balances	1,025,898	7,141,622
	52,127,910	58,904,725
	114,331,183	123,340,004

The annexed notes from an integral part of these financial statements

(FAAIZ RAHIM KHAN)
Chief Executive

(ASIF RAHIM KHAN)
Director

DATA AGRO LIMITED

INTERIM CONDENCED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED AS AT DECEMBER 31, 2014

	Half Year Ended		Quarter ended	
	31-12-2014	31-12-2013	31-12-2014	31-12-2013
	Rupees		Rupees	
Turnover	12,444,279	15,111,184	5,362,031	3,608,729
Cost of sales	17,875,557	19,049,812	7,506,930	5,611,479
GROSS PROFIT/ (LOSS)	(5,431,278)	(3,938,628)	(2,144,899)	(2,002,750)
Administrative Expenses	2,723,613	3,499,947	1,349,023	1,860,982
Selling and distribution	1,628,726	1,474,532	854,045	747,889
	4,352,339	4,974,479	2,203,068	2,608,871
OPERATING PROFIT/(LOSS)	(9,783,617)	(8,913,107)	(4,347,967)	(4,611,621)
Finance and other cost	71,415	79,153	34,731	37,613
	(9,855,032)	(8,992,260)	(4,382,698)	(4,649,234)
Other income	75,050	15,873	52,600	15,873
PROFIT /(LOSS) BEFORE TAXATION	(9,779,982)	(8,976,387)	(4,330,098)	(4,633,361)
Taxation	124,442	75,556	53,620	18,044
PROFIT /(LOSS) AFTER TAXATION	(9,904,424)	(9,051,943)	(4,383,718)	(4,651,405)
Earning/(loss) per share basic and diluted	(2.48)	(2.26)	(1.10)	(1.16)

The annexed notes from an integral part of these financial statements

(FAAIZ RAHIM KHAN)
Chief Executive

(ASIF RAHIM KHAN)
Director

DATA AGRO LIMITED

INTERIM CONDENSED STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE SIX MONTHS ENDED AS AT DECEMBER 31, 2014

	Six month ended	
	UN-AUDITED 31-12-14 Rupees	UN-AUDITED 31-12-13 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) before tax	(9,779,982)	(8,976,417)
Adjustments for:		
Depreciation	2,945,205	3,265,059
Financial charges	71,415	79,183
Provision for gratuity	432,524	621,662
	(6,330,838)	(5,010,513)
Operating profit/(loss) before working capital changes		
Working capital changes:		
(Increase)/ Decrease in current assets		
Stores, spares & loose tools	(929,157)	1,791,483
Stock in trade	(4,451,087)	(239,611)
Trade debtors	643,891	1,824,388
Loans and advances	3,141,814	(740,162)
Trade deposits and short term prepayments	2,376,504	1,226,750
	781,965	8,485,743
Increase/(Decrease) in current liabilities		
Trade and other payables	574,716	(234,557)
Cash generated from/(utilized in) operations	(4,974,157)	(1,382,220)
Financial charges paid	(71,415)	(79,183)
Gratuity paid	(75,900)	(170,500)
Income tax paid	(120,874)	(57,019)
Net cash flow from / (utilized in) operating activities	(268,189)	(306,701)
	(5,242,346)	(1,688,921)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditures	(713,000)	(80,000)
Net cash flow from / (utilized in) investing activities	(713,000)	(80,000)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease liability	(160,180)	(302,134)
Net cash flow from / (utilized in) financing activities	(160,180)	(302,134)
Net Increase/(decrease) in cash & cash equivalents	(6,115,526)	(2,071,055)
Cash and cash equivalents at the beginning of the year	7,141,622	2,611,638
Cash and cash equivalents at the end of the period	1,026,096	540,583
Cash and cash equivalents		
Cash in hand	235,264	307,569
Cash at bank	790,634	233,012
	1,025,898	540,581

(FAAIZ RAHIM KHAN)
Chief Executive

(ASIF RAHIM KHAN)
Director

DATA AGRO LIMITED

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

DESCRIPTION	SHARE CAPITAL (Rs)	Un-appropriated Profit (Rs)	Surplus on revaluation (Rs)
Balance as at June 30, 2013 Reported	40,000,000	(26,090,955)	13,909,045
Effect of prior year error (Note 4)	-	1,240,739	-
Balance as at June 30, 2013 Restated	40,000,000	(24,850,216)	13,909,045
Total Comprehensive Income for the period from July 01, 2013 to December 31, 2013	-	(9,051,973)	(9,051,973)
Surplus on revaluation of fixed assets Transferred from surplus on revaluation to unappropriated profit/(loss) due to incremental depreciation	-	1,646,497	1,646,497
Surplus related to deferred tax:			
-Prior		-	-
-Current		-	-
Balance as at December 31, 2013 Restated	40,000,000	(32,255,692)	6,503,569
Total Comprehensive Income for the period from January 01, 2014 to June 30, 2014	-	12,531,768	12,531,768
Surplus on revaluation of fixed assets Transferred from surplus on revaluation to unappropriated profit/(loss) due to incremental depreciation	-	1,646,497	1,646,497
Surplus related to deferred tax:			
-Prior		-	-
-Current		-	-
Balance as at June 30, 2014 Restated	40,000,000	(18,077,427)	20,681,834
Total Comprehensive Income for the year from July 01, 2014 to Dec. 31, 2014	-	(9,904,424)	(9,904,424)
Surplus on revaluation of fixed assets Transferred from surplus on revaluation to unappropriated profit/(loss) due to incremental depreciation	-	1,406,337	1,406,337
Surplus related to deferred tax:			
-Prior		(228,650)	-
-Current		-	-
Balance as at December 31, 2014	40,000,000	(26,575,514)	12,183,747

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

1. NATURE AND STATUS OF BUSINESS

DATA AGRO LIMITED was initially incorporated as a private limited company in Pakistan under the Companies Ordinance 1984, on November 10, 1992 and was converted in to a public limited company on March 06, 1994. The company is listed on Lahore and Karachi Stock Exchanges. The principal activity of the Company is production and processing of Agro seeds. The registered office of the company is situated at 3-A, Race View, Jail Road, Lahore in province of Punjab, Pakistan.

2. STATEMENT OF COMPLIANCE

These accounts have been prepared in accordance with the requirements of Securities and Exchange Commission of Pakistan Companies' Ordinance 1984 and International Accounting Standard, (IAS 34, "Interim Financial Reporting"). These Financial statements have been prepared under the historical cost convention with out any adjustment for the effect of inflation on current values. The Company has adopted merchantile accounting system unless otherwise stated.

3. OTHER INFORMATION

- 3.1- The Financial statements are un-audited but have been reviewed by the statutory auditors as required by the Code of Corporate Governance and are being submitted to the shareholders required u/s 245 of the Companies Ordinance, 1984.
- 3.2- These financial statements do not include all the information required for full financial statement and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2014.
- 3.3- The significant judgment, estimates and assumption used by the mangement in preparation of these financial statements are the same as those applied to the annual financial statements as at end for the year ended June 30, 2014.
- 3.4- All accounting policies adopted for the preparation of these half yearly accounts are the same, to the extent and in the manner stated above, as those applied in the preparation of the preceding annual published accounts of the Company as at June 30, 2014.
- 3.5- Review report issued by the external auditor in accordance with the International Standards on Auditing applicable to review engagement is annexed.
- 3.6- There is no unusual item included in the accounts, which is affecting assets, liabilities, equity, net income or cash flow of the company.
- 3.7- Figures in the financial statements have been rounded-off to the nearest Rupees except stated otherwise. Corresponding figures have neither been rearranged nor classified.

(FAAIZ RAHIM KHAN)
Chief Executive

(ASIF RAHIM KHAN)
Director

DATA AGRO LIMITED

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2014

- 4- The prior period errors have been accounted for retrospectively and the comparative figures have been restated. The effect on comparative figures presented is as follows.

	2014 Restated	2014 Audited
	Rupees	
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
Balance as on July 01, 2012	43,785,090	43,785,090
Overstated pertaining to the period of 30-06-2012	(2,584,086)	-
Balance as on July 01, 2012	41,201,004	43,785,090
Effect of incremental depreciation	3,472,437	4,378,509
Balance as on July 01, 2013	37,728,568	39,406,581
Effect of incremental depreciation	3,125,193	3,292,994
Balance as on July 01, 2014	34,603,375	36,113,587
Effect of incremental depreciation	1,406,337	
Balance as on December 31, 2014	33,197,038	

DEFERRED TAX ON SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	Rupees
Balance as on July 01, 2014 Reported	18,935,604
Understated pertaining to the period of 30-06-2012	2,584,086
Reversal of deferred tax charged for the period 30-06-2013	(2,314,613)
Balance as on July 01, 2014 Restated	19,205,077

RELATED INCREMENTAL DEPRECIATION (Effect of Restatement)

	Rupees
Effect of incremental depreciation for the year ended July 01, 2013	906,072
Effect of incremental depreciation for the year ended July 01, 2014	167,801
Total	1,073,874

NET EFFECT ACCOUNTED FOR IN STATEMENT OF CHANGES IN EQUITY :

Reversal of deferred tax charged for the period 30-06-2013	2,314,613
Effect of incremental depreciation	(1,073,874)
Total	1,240,739

Paragraph 42 of the IAS 8 states that subject to paragraph 43, an entity shall correct material prior period errors retrospectively in the first set of financial statements authorised for issue after their discovery by :

- restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

Resultantly , the effect of prior period errors of amount of Rs.2,584,086 by which surplus on revaluation of fixed asset had been overstated and related deferred tax liability understated for the year ended 30-06-2012. Resultantly , the effect of stated amount has been accounted for retrospectively in respective line items of financial statements. Moreover ,the effect of related incremental depreciation and deferred tax of Rs.1,240,739 (Rs.2,314,613 - Rs.1,073,874) have been accounted for retrospectively in statement of changes in equity.

Moreover , the company has accounted for the surplus on revaluation of fixed asset in accordance with the requirements of section 235 and Fourth Schedule of Companies Ordinance, 1984 read with Commission's SRO 45/(I)/2003 dated January 13, 2003.

(FAAIZ RAHIM KHAN)
Chief Executive

(ASIF RAHIM KHAN)
Director

DATA AGRO LIMITED

INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of DATA AGRO LIMITED as at December 31, 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "interim financial information"), for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the six months period ended December 31, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

The figures for the quarter ended December 31, 2014 and December 31, 2013 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Lahore
February 28, 2015

RAFAQAT MANSHA MOHSIN DOSSANI MASOOM & CO.
Chartered Accountants
Engagement Partner: MohsinNadeem