BABA FARID

SUGAR MILLS LIMITED



Condensed Interim Financial Statements (Un-Audited) For the Half Year Ended March 31, 2018

BABA FARID SUGAR MILLS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Naheed Roohi	*Chairperson*
Muhammad Sarwar	*Chief Executive*
Mr. Mirza Maqsood-ul-Hassan	*Executive*
Mr. Shahid Mahmood Quershi	*Independent Director*
Syed Qaissar Abbas Naqvi	*Non-Executive*
Ms. Rafia Aslam	*Non-Executive*
Muhammad Ashraf	*Independent Director*

AUDIT COMMITTEE

Muhammad Ashraf	*Chairman*
Ms. Rafia Aslam	*Member*
Syed Qaissar Abbas Naqvi	*Member*
Mr. Shahid Mahmood Quershi	*Member*

HR & R COMMITTEE

Mrs. Naheed Roohi	*Member*
Ms. Rafia Aslam	*Member*
Mr. Shahid Mahmood Quershi	*Member*

COMPANY SECRETARY

Muhammad Ibrahim Raza

CHIEF FINANCIAL OFFICER

Muhammad Khalid Ali

HEAD OF INTERNAL AUDIT

Mr. Shahid Iqbal Mirza

AUDITORS

M/s Hasnain Ali & Co
Chartered Accountants
Room # 103, 1st Floor, Regency Plaza
Near Mini Market, Gulberg III, Lahore.
Tel; 042-35755212, Fax; 042-35755213
Email ; info@hac.com.pk

SHARE REGISTRAR

M/s. Corplink (Pvt.) Ltd.
Share Registrar & Corporate Consultants
Wing Arcade, 1-K, Commercial
Model Town, Lahore
Tel; 042-35916714, Fax; 042-35869037
Email ; corplink786@gmail.com

MILLS

S. K.M. Faisalabad Road
Okara
Tel; 0442-522878, 511878, Fax; 0442-522978

REGISTERED OFFICE

Suite - T 09, 3rd Floor, Hafeez Centre 75 - E/1
Main Boulevard, Gulberg III, Lahore
Tel; 042-35884180-5, Fax; 042-35884138-39
Email ; info@bfsml.com

BANKERS

Habib Bank Limited
Bank Al-Habib Limited
United Bank Limited
MCB Bank Limited
J.S Bank Limited

LEGAL ADVISOR

MOHSIN TAYEBALY & CO.
Corporate Legal Consultants | Barristers & Advocates | High Courts & Supreme Courts
Lahore Office: 102-C/1, St. John's Park (opp Fortress Stadium). Lahore Cantt, Lahore
Tel: (92-42) 36672102
Email: arshad.mirza@mtclaw.com.pk

DIRECTOR, S REVIEW

The Members,
Baba Farid Sugar Mill
Asslam –o – Alaikum

On behalf of the Board of Directors, we are pleased in presenting the Un-audited Financial Statements of the Company for the half year ended 31st March, 2018, together with the review report by the Auditors of the Company.

Highlights of the Company's performance of 1st half year and comparison with the corresponding period are as under:

OPERATIONAL PERFORMANCE

		2017-18	2016-17
Crushing Season Started		December 25,2017	November 19,2016
Duration of season	Days	93	128
Sugarcane Crushed	M.Ton	208,593.73	393,034.57
Sugar Produced	M.Ton	18,261.90	35,496.50
Sugar Recovery	% age	8.773	9.109

The crushing season commenced on December 25, 2017 and Mill crushed 208,593.73 M.T of sugarcane as compared to 393,034.57 M.Ton of corresponding last period. The decrease in sugarcane crushing is 46.93 %.The sugar recovery has been decreased from 9.109% to 8.773%.The company has witnessed a decline in the duration of crushing season and also reduction in sugarcane crushed as compared to previous period. The reason behind are technical problems of power house, turbine, transformer and boiler.

FINANCIAL RESULTS

	2017-18 (Million)	2016-17 (Million)
Sales	1038.56	1,425.26
Gross (Loss) / Profit	(250.00)	212.53
Operating (Loss) / Profit	(273.58)	180.37
(Loss) / Profit After Taxation	(356.49)	124.50
(Loss) / Earnings per share	(37.72)	13.17

The Government of Punjab has maintained the minimum price of sugar cane at Rs.180/- per 40 Kg .Sugar rate at present is depressed due to bumper cane crops, declining trend of sale rate of sugar in the local as well as international market, excess production and carryover of stock. It affects the sales revenue and profitability of the company.

FUTURE OUTLOOK

In the current year, we are expecting that prices of sugar will be stable in the coming period.

ACKNOWLEDGEMENT

The Board of directors appreciates the banks and the Government department on their continued support, which gave strength to pursue our corporate objective with vigor. The Board also acknowledges the valuable teamwork, devotion and dedication of the executives, employees and workers in the Company.

For and on behalf of the Board
(Muhammad Sarwar)
Chief Executive

May 28, 2018

ڈائریکٹرز رپورٹ

ارا کین،

بابا فرید شوگر ملز لمیٹڈ

اسلام علیکم!

بورڈ آف ڈائریکٹرز کی طرف سے، ہم 31 مارچ 2018ء کو ختم ہونے والے نصف سال کے لئے کمپنی کے آڈیٹرز کی جائزہ رپورٹ کے ساتھ مل کر کمپنی کے غیر آڈٹ شدہ مالی بیانات میں پیش کرتے ہیں۔

کمپنی کی کارکردگی کے پہلے نصف سال کی وضاحت اور متعلقہ مدت کے ساتھ مقابلے میں ذیل میں ہیں:

آپریشنل پرفارمنس

	2016-17	2017-18
کرشنگ کا موسم	نومبر 19، 2016	دسمبر 25، 2017
پیدائی کے دن	128	93
گنے کی پیدائی (ٹن)	393،034.57	208،593.73
شوگر کی پیداوار (ٹن)	35،496.50	18،261.90
شوگر کی وصولی (٪)	9.109	8.773

کرشنگ موسم کا آغاز 25 دسمبر، 2017ء کو شروع ہوا اور مل نے آخری مدت کے مطابق 208،593.73 ٹن کے مقابلے میں پچھلے سال 393،034.57 ٹن کے گنے کی کرشنگ میں کمی 46.93 فیصد ہے۔ چینی کی وصولی 9.109ء سے 8.773 فیصد تک کمی ہوئی۔ کمپنی نے کرشنگ موسم کی مدت میں کمی اور پچھلے عرصے کے مقابلے میں گنے کی کرشنگ میں کمی بھی دیکھی ہے بجلی و جوہات بادر گھر، زرہائی زراعت مراور یوریا کی تکنیکی مسائل ہیں۔

مالیاتی نتائج

	2016-17	2017-18
	(ملین)	(ملین)
سیلز	1،425.26	1038.56
مجموعی (نقصان)/منافع	212.53	(250.00)
آپریٹنگ (نقصان)/منافع	180.37	(273.58)
(نقصان)/منافع ٹیکس کے بعد	124.50	(356.49)
(نقصان)/آمدنی فی حصہ	13.17	(37.72)

بالجانب حکومت نے گنے کی فی من کم از کم قیمت 180 روپے پر برقرار رکھی ہے۔ چینی کی قیمت میں کمی وافر مقدار میں گنے کی پیداوار اور لوکل اور انٹرنیشنل مارکیٹ اور اضافی اسٹاک کی وجہ سے ہے۔ یہ کمپنی کی فروخت آمدنی اور منافع بخش کو متاثر کرتی ہے۔

مستقبل کے امکانات

موجودہ سال میں، ہم امید کر رہے ہیں کہ آنے والی مدت میں چینی کی قیمتیں مستحکم رہیں گی۔

اعتراف

بورڈ آف ڈائریکٹرز نے بینکوں اور گورنمنٹ ڈیپارٹمنٹس کی حمایت کو سراہا ہے، جس نے ہمارے کارپوریٹ مقصد کو مضبوط بنانے میں طاقت دی۔ بورڈ اپنے تمام ورکرز، سٹاف اور مینجمنٹ ٹیم کی محنت اور کاوشوں کو خراج تحسین پیش کرتا ہے۔

(محمد سرور)

چیف ایگزیکٹو

28 مئی 2018ء

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

Introduction

We have reviewed the accompanying condensed interim balance sheet of **BABA FARID SUGAR MILLS LIMITED** ("the company") as at March 31, 2018 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended March 31, 2018 and March 31, 2017 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended March 31, 2018.

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 condensed 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 condensed interim financial information as of and for the half year ended March 31, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended March 31, 2018 and March 31, 2017, have not been reviewed and we do not express a conclusion on them.

We draw attention to note 1.2 to the annexed condensed interim financial information. During the current period, the Company has incurred loss before tax of Rs. 354,205,581 (March 31, 2017: Profit of Rs. 121,884,723) and at balance sheet date its accumulated losses have stood up to Rs. 1,492,993,640 (September 30, 2017: Rs.1,146,927,052). Furthermore, the Company's equity is in negative and its current liabilities exceeds its current assets by Rs. 1,196,411,082 (September 30, 2017: Rs. 811,890,913). The Company may be unable to realize its assets and discharge its liabilities in the normal course of business. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Our conclusion is not qualified in respect of this matter.

HASNAIN ALI & CO
Chartered Accountants
Engagement Partner
Hasnain Adam Ali

Lahore
28-May-18

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2018

	Note	March 31, 2018 Rupees (Un-Audited)	September 30, 2017 Rupees (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
70,000,000 ordinary shares of Rs. 10/- each		700,000,000	700,000,000
Issued, subscribed and paid up capital		94,500,000	94,500,000
Accumulated loss		(1,492,993,640)	(1,146,927,052)
		(1,398,493,640)	(1,052,427,052)
Surplus on revaluation of property, plant & equipment		1,735,585,569	1,746,005,655
NON-CURRENT LIABILITIES			
Long term financing-secured	6	150,000,000	200,000,000
Loan from holding company	7	500,000,000	500,000,000
Deferred liabilities	8	302,220,897	313,488,827
		952,220,897	1,013,488,827
CURRENT LIABILITIES			
Current portion of long term liabilities	9	125,000,000	125,000,000
Trade and other payables		360,191,359	360,343,121
Short term finances	10	21,096,189	89,155,032
Due to related party	11	1,262,786,615	1,130,247,361
Mark-up accrued		121,590,646	50,651,849
Provision for taxation		13,549,023	21,662,092
		1,904,213,832	1,777,059,455
TOTAL EQUITY & LIABILITIES		3,193,526,658	3,484,126,885
Contingencies & commitments	12		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	2,485,136,333	2,518,370,768
Long term deposits		587,575	587,575
		2,485,723,908	2,518,958,343
CURRENT ASSETS			
Stores, spares and loose tools		34,445,449	37,271,741
Stock-in-trade		286,853,187	533,034,690
Trade debts		109,310,165	121,322,598
Loans and advances		161,930,972	167,029,163
Trade deposits and prepayments		176,470	-
Other receivables		105,742,500	105,742,500
Cash and bank balances		9,344,007	767,850
		707,802,750	965,168,542
TOTAL ASSETS		3,193,526,658	3,484,126,885

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2018

	Note	Half Year Ended		Quarter Ended	
		March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
Sales - net		1,038,563,624	1,425,259,871	841,193,486	962,828,111
Cost of sales	14	(1,288,566,678)	(1,212,725,007)	(1,100,057,923)	(809,999,164)
Gross (Loss)/profit		(250,003,054)	212,534,864	(258,864,437)	152,828,947
Distribution costs		(1,732,730)	(3,147,715)	(1,590,954)	(2,464,978)
Administrative expenses		(21,848,763)	(29,019,840)	(14,127,069)	(20,091,535)
		(23,581,493)	(32,167,555)	(15,718,023)	(22,556,513)
Operating (Loss) / profit		(273,584,547)	180,367,309	(274,582,460)	130,272,434
Finance costs		(80,621,034)	(58,482,586)	(40,336,042)	(28,525,400)
(Loss)/Profit before taxation		(354,205,581)	121,884,723	(314,918,502)	101,747,034
Taxation		(2,281,093)	2,615,221	(12,587,971)	(4,892,164)
(Loss)/Profit after taxation		(356,486,674)	124,499,944	(327,506,473)	96,854,870
(Loss)/Earnings per share - basic and diluted		(37.72)	13.17	(34.66)	10.25

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER | DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2018

	Half Year Ended		Quarter Ended	
	March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
(Loss)/Profit after taxation	(356,486,674)	124,499,944	(327,506,473)	96,854,870
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income for the period	(356,486,674)	124,499,944	(327,506,473)	96,854,870

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER | DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2018

	Note	Half Year Ended March 31, 2018 Rupees	Half Year Ended March 31, 2017 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	15	30,614,573	284,725,269
Finance costs paid		(9,682,237)	(47,327,276)
Taxes paid		(22,511,257)	(20,933,299)
Net cash (used in) / generated from operating activities		(1,578,921)	216,464,694
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(4,325,333)	(68,674,168)
Net cash (used) in investing activities		(4,325,333)	(68,674,168)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term loan		(50,000,000)	-
Due to related party		132,539,254	(64,413,967)
Net cash generated from / (used in) financing activities		82,539,254	(64,413,967)
Net increase in cash and cash equivalents		76,635,000	83,376,559
Cash and cash equivalents at the beginning of the period		(88,387,182)	(100,104,159)
Cash and cash equivalents at the end of the period	16	(11,752,182)	(16,727,600)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER | DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2018

	Share Capital	Accumulated (Loss)	Total
	Rupees	Rupees	Rupees
Balance as at October 01, 2016 (Audited)	94,500,000	(1,217,959,120)	(1,123,459,120)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	20,935,845	20,935,845
Comprehensive income for the half year ended March 31, 2017	-	124,499,944	124,499,944
Balance as at March 31, 2017 - (Un-audited)	94,500,000	(1,072,523,331)	(978,023,331)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	20,935,846	20,935,846
Comprehensive loss for the half year ended September 30, 2017	-	(95,339,567)	(95,339,567)
Balance as at September 30, 2017 - (Audited)	94,500,000	(1,146,927,052)	(1,052,427,052)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	10,420,086	10,420,086
Comprehensive loss for the half year ended March 31, 2018	-	(356,486,674)	(356,486,674)
Balance as at March 31, 2018 - (Un-Audited)	94,500,000	(1,492,993,640)	(1,398,493,640)

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER | DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2018

1 THE COMPANY AND ITS OPERATIONS

1.1 Baba Farid Sugar Mills Limited ("the Company") was incorporated in 1978 under the Companies Act 1913 (now Companies Act, 2017) as a Public Limited Company and its shares are quoted at Pakistan Stock Exchange. It is principally engaged in the manufacturing and sale of sugar including its by-products i.e. molasses and V.Filter cake. The registered office of the Company is situated at Suite-T-09, 3rd floor, 75-E/1, Main Boulevard, Gulberg III, Lahore and its manufacturing facilities are located in the district Okara, Punjab.

1.2 Going Concern Assumption

During the current financial period, the Company has incurred loss before tax amounting to Rs. -354,205,581/- (March 31, 2017: Profit of Rs. 121,884,723) and at balance sheet date its accumulated losses have stood up to Rs.1,492,993,640 (September 30, 2017: Rs. 1,146,927,052). Furthermore, the Company's equity is in negative and its current liabilities exceeds its current assets by Rs. 1,196,411,082 (September 30, 2017: Rs. 811,890,913). These conditions cast significant doubt on Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the management has taken various measures to improve the financial position of the Company which include the sponsors' continued assurance for arrangement of funds as and when required, prompt discharging of its liabilities including financial obligations, securing growers' commitments for availability of quality sugarcane and hiring of competent management personnel for managing Company's affairs.

The management has firm belief that the above stated measures shall mitigate the doubt about the Company's ability to continue as a going concern and also justifies the preparation of this condensed interim financial information on going concern basis.

2 BASIS OF PREPARATION

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 237 of the Companies Act, 2017. This condensed interim financial information of the Company for the half year ended 31 March 2018 has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended September 30, 2017.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended September 30, 2017.

3.1 IFRS 13 Fair value measurement establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required and permitted by other IFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants on the measurement date. It replaces and expands the disclosure requirements about fair value measurement in other IFRSs, including IFRS 7 Financial Instruments: Disclosures. As a result the Company has added additional disclosures in this regard in note 18 to the condensed interim unconsolidated financial information. In accordance with the transitional provisions of IFRS 13, the Company has applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impacts on the measurements of the Company's financial assets and liabilities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that effect and application of accounting policies and the reported amount of assets, liabilities, income and expenses. However, actual results may differ from these estimates.

In preparing this condensed interim financial information the significant estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainties are the same as those was that applied to the financial information as at and for the year ended September 30, 2017.

5 CYCLICALITY OF OPERATIONS

The sugarcane crushing season starts from November and lasts till April each year.

	NOTE	Half Year Ended March 31, 2018 Rupees (Un-Audited)	Year Ended September 30, 2017 Rupees (Audited)
6 Long term financing-secured			
JS Bank Limited		300,000,000	300,000,000
Less: Payment made during the year		(50,000,000)	-
		250,000,000	**300,000,000**
Less: current portion		(100,000,000)	(100,000,000)
		150,000,000	200,000,000

6.1

This represents term finance facility obtained from JS Bank Limited for working capital requirements due to BMR activities carried out for enhancement in production capacity. It shall be repaid through 6 equal biannually installments along with mark up. It is secured by way of first charge over fixed assets of the Company amounting to Rs. 400 million (with 25% margin), corporate guarantee of M/s Pattoki Sugar Mills Limited, subordination of Director's loan of Rs. 500 million in favor of JS Bank and personal guarantees of all directors along with net worth statements.

7 LOAN FROM HOLDING COMPANY			
Pattoki Sugar Mills Limited (PSML)	**7.1**	**525,000,000**	525,000,000
Less: current portion		(25,000,000)	(25,000,000)
		500,000,000	500,000,000

7.1

The Company obtained unsecured loan from M/s Pattoki Sugar Mills Limited (PSML) - the holding company that carries mark-up at the rate of 3 month's KIBOR plus 2% per annum.

8 DEFERRED LIABILITIES		
Deferred taxation	299,169,743	310,437,673
Staff retirement benefits - gratuity	3,051,154	3,051,154
	302,220,897	313,488,827

			Half Year Ended March 31, 2018 Rupees	Year Ended September 30, 2017 Rupees
9	**CURRENT PORTION OF LONG TERM LIABILITIES**			
	Long term loans		100,000,000	100,000,000
	Loan from holding company		25,000,000	25,000,000
			125,000,000	125,000,000
10	**SHORT TERM FINANCES**			
	Temporary bank overdraft - unsecured	10.1	**21,096,189**	89,155,032

10.1 This represents temporary overdraft due to cheques issued by the Company in excess of balance with banks.

11	**DUE TO RELATED PARTY**			
	Pattoki Sugar Mills Limited		**1,262,786,615**	1,130,247,361

The Company has obtained unsecured short term loan from M/s Pattoki Sugar Mills Limited (PSML) - the holding company that carries mark-up at the rate of 3 month's KIBOR plus 2% per annum.

12 CONTINGENCIES & COMMITMENTS

There are no material change in the status of contingencies and commitments since the year ended September 30, 2017 .

13	**PROPERTY, PLANT & EQUIPMENT**			
	Operating fixed assets	13.1	2,367,671,314	2,400,905,749
	Capital work-in-progress	13.2	117,465,019	117,465,019
			2,485,136,333	2,518,370,768
	13.1 Opening book value		2,400,905,749	2,437,806,352
	Additions during the period	13.1.1	4,325,333	42,741,276
			2,405,231,082	2,480,547,628
	Depreciation during the period / year		(37,559,768)	(79,641,879)
	Closing book value		2,367,671,314	2,400,905,749
	13.1.1 Additions during the period			
	Plant and machinery		4,186,000	42,321,386
	Furniture & fixtures		-	44,678
	Office equipment		116,050	273,262
	Electric Installation		-	6,700
	Vehicles		23,283	95,250
			4,325,333	42,741,276
	13.2 Capital work-in-progress			
	Building on freehold land		**117,465,019**	117,465,019

14 COST OF SALES

	Half Year Ended		Quarter Ended	
	March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
Raw materials and expenses thereon	**956,559,806**	1,829,525,659.00	951,898,848	1,192,840,460
Manufacturing expenses	**131,183,577**	140,964,350.00	96,731,852	78,594,357
	1,087,743,383	1,970,490,009.00	1,048,630,700	1,271,434,817
Work in process				
Opening	**30,439,554**	13,322,874.00	69,995,070	69,995,070
Closing	(35,665,986)	(30,001,682.00)	(35,665,986)	(30,001,682)
	(5,226,432)	(16,678,808.00)	34,329,084	39,993,388
	1,082,516,951	1,953,811,201.00	1,082,959,784	1,311,428,205
Sale of by-products				
Molasses	**(44,498,030)**	(103,532,546.00)	(44,498,030)	(103,532,546)
V.F. Cakes	**(860,177)**	-	-	-
	(45,358,207)	(103,532,546.00)	(44,498,030)	(103,532,546)
Cost of goods manufactured	1,037,158,744	1,850,278,655.00	1,038,461,754	1,207,895,659
Finished goods				
Opening	502,595,135	367,754,742.00	607,411,895	607,411,895
Closing	(251,187,201)	(1,005,308,390)	(251,187,201)	(1,005,308,390)
	251,407,934	(637,553,648)	356,224,694	(397,896,495)
	1,288,566,678	1,212,725,007	1,394,686,448	809,999,164

			Half Year Ended March 31, 2018 Rupees	Half Year Ended March 31, 2017 Rupees
15	**CASH (USED IN) OPERATIONS**			
	(Loss) / Profit before taxation		(354,205,581)	121,884,723
	Adjustment for non cash charges and other items:			
	Depreciation		37,559,768	39,536,176
	Finance costs		80,621,034	58,482,586
	Working capital changes	15.1	266,639,352	64,821,784
			384,820,154	162,840,546
			30,614,573	284,725,269
15.1	**Working capital changes**			
	Decrease / (Increase) in current assets			
	Stores, spares and loose tools		2,826,292	12,482,139
	Stock-in-trade		246,181,503	(654,232,457)
	Trade debts		12,012,433	5,947,666
	Loans and advances		5,947,356	(110,407,841)
	Trade deposits and prepayments		(176,470)	20,587,000
	Increase in current liabilities			
	Trade and other payables		(151,762)	790,445,277
			266,639,352	64,821,784
16	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances		9,344,007	10,527,182
	Short term finances		(21,096,189)	(27,254,782)
			(11,752,182)	(16,727,600)

17 TRANSACTION WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related companies, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

Name of related party	Nature of relationship	Nature of transaction	Amount (Rupees)
Imporient Chemicals (Private) Limited	Associate	Purchase of chemicals	4,131,183
Pattoki Sugar Mills Limited	Holding	Mark-up	68,066,558
Pattoki Sugar Mills Limited	Holding	Increase in amount payable	132,539,254

18 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 September 2017.

19 FINANCIAL INSTRUMENTS-FAIR VALUES

The additional disclosures due to the adoption of IFRS 13 Fair value measurement are as follows :

		Carrying Amount			Fair Value		
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
		---------- Rupees ----------					
On - balance sheet financial instruments							
Financial assets measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial assets not measured at fair value							
Cash and bank balances	19.1	9,344,007	-	9,344,007	-	-	-
Trade deposits and short term prepayments	19.1	176,470	-	176,470	-	-	-
Trade debts - unsecured, considered good	19.1	109,310,165	-	109,310,165	-	-	-
Loans and advances	19.1	161,930,972	-	161,930,972	-	-	-
Long term deposits	19.1	587,575	-	587,575	-	-	-
Other receivables	19.1	105,742,500	-	105,742,500	-	-	-
		387,091,689	-	387,091,689	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial liabilities not measured at fair value							
Long term finances		525,000,000	-	525,000,000	-	525,000,000	-
Trade and other payables	19.1	360,191,359	-	360,191,359	-	-	-
Short term borrowing		21,096,189	-	21,096,189	-	21,096,189	-
Due to related party		1,262,786,615	-	1,262,786,615	-	-	-
Accrued finance cost	19.1	121,590,646	-	121,590,646	-	-	-
		2,290,664,809	-	2,290,664,809	-	546,096,189	-

19.1 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or re-price over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on May 28, 2018 by the Board of Directors' of the Company.

21 CORRESPONDING FIGURES

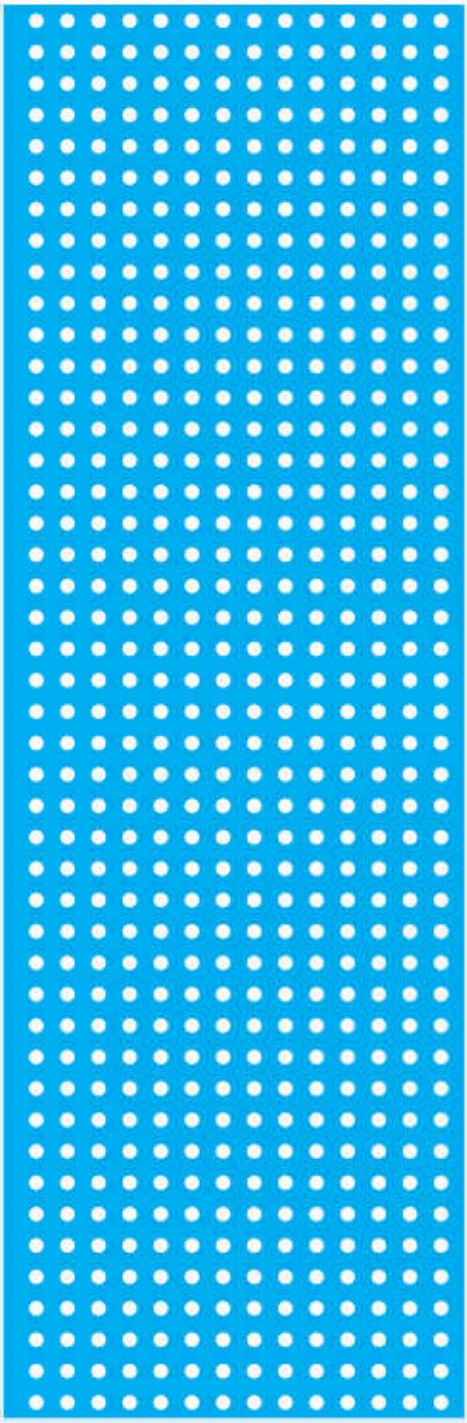
In order to comply with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

22 GENERAL

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

CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER | DIRECTOR



IF UNDELIVERED PLEASE RETURN TO

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