BABA FARID

SUGAR MILLS LIMITED



CONDENSED INTERIM
FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE HALF YEAR ENDED
MARCH 31, 2016

BABA FARID SUGAR MILLS LIMITED

Corporate Information

Board Of Directors

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

Audit Committee

Muhammad Ashraf	Chairman
Mr. Mirza Maqsood-ul-Hassan	Member
Syed Qaissar Abbas Naqvi	Member
Mr. Shahid Mahmood Qureshi	Member

Human Resource & Remuneration

Mr. Shahid Mahmood Qureshi	Member
Mrs. Naheed Roohi	Member
Ms. Rafia Aslam	Member

Company Secretary

Muhammad Ibrahim Raza

Chief Financial Officer

Muhammad Khalid Ali

Auditors

M/s Hasnain Ali & Co
Chartered Accountants
Room No 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

5. 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
Website; www.bfsml.com

Bankers

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

Legal Advisor

Muzamil Akhtar Shabir
(Advocate)

BABA FARID SUGAR MILLS LIMITED

DIRECTOR'S REVIEW

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

On behalf of the Board of Directors having pleasure in presenting the Un-audited Financial Statements of the Company for the half year ended on 31st March, 2016, duly reviewed by the Auditors of the Company.

OPERATIONAL PERFORMANCE

Operating result for the year under review is summarized below:

		2015-16	2014-15
Crushing Season Started		November 27,2015	November 28,2014
Duration Of Season	Days	100	94
Sugarcane Crushed	M.Ton	261,930.97	249,227.70
Sugar Produced	M.Ton	23,946.25	21,845.00
Sugar Recovery	% age	9.165	8.82
Molasses produced	M.Ton	12,154.70	11,209.18
Molasses recovery	% age	4.65	4.524

The half year under review witnessed one of the toughest season of the sugar industry but Our share holders will appreciate that by the grace of Allah, our technical performance for the season 2015-16 has been good. The crushing season commenced on November 27, 2015 and Mill crushed 261,930.97 M. T of sugar cane as compared to 249,227.70 M.Ton of corresponding of last year. The increase in sugar cane crushing of 5.10%. The sugar recovery has been increased from 8.82% to 9.165%. You will observe that there is an improvement of sugar recovery.

FINANCIAL RESULTS

The comparative summarized financial results of the company are given below:

	2015-16 (Million)	2014-15 (Million)
Sales	337.58	545.46
Gross Profit	73.86	3.22
Operating Profit / (Loss)	50.99	(23.12)
Profit /(Loss)After Taxation	5.34	(110.57)
Earnings / (Loss)per share	0.57	(11.70)

FUTURE OUTLOOK

In the current year, we are expecting that price of sugar will be stabilized.

ACKNOWLEDGEMENT

The Directors express their deep concern on the attitude of the sugar cane growers and the menace of middle man and appreciate the bank and the Government department of their continued support, which give strength to pursue our corporate objective with vigor. The Board also acknowledges the valuable teamwork, devotion and dedication by the executives, employees and workers of the Company.

For and on behalf of the Board

(Muhammad Sarwar)
Chief Executive

May 27, 2016

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, 2016 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, 2016 and March 31, 2015 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, 2016.

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, 2016 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, 2016 and March 31, 2015, 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.(9,355,160) [March 31, 2015 : Rs.(123,577,515)] and at balance sheet date its accumulated losses have stood up to Rs. (1,243,647,019) [September 30, 2015: Rs.1,266,087,217)]. Furthermore, the Company's equity is in negative and its current liabilities exceeds its current assets by Rs.991,515,765 (September 30, 2015: Rs.997,691,225). 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.

The financial statements of the Company for the year ended September 30, 2015 were reviewed and audited by another firm of Chartered Accountant whose report dated December 31, 2015 expressed an unqualified opinion with emphasis of matter paragraph thereon.

HASNAIN ALI & CO
Chartered Accountants
Engagement Partner
Hasnain Adam Ali

BABA FARID SUGAR MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016

	Note	March 31, 2016 Rupees (Un-Audited)	September 30, 2015 Rupees (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
10,000,000 ordinary shares of Rs. 10/- each		100,000,000	100,000,000
Issued, subscribed and paid up capital		94,500,000	94,500,000
Accumulated (loss)		(1,243,647,019)	(1,266,087,217)
		(1,149,147,019)	(1,171,587,217)
Surplus on revaluation of property, plant & equipment		1,390,097,255	1,407,196,280
NON-CURRENT LIABILITIES			
Long term loan	**6**	-	8,333,334
Loan from holding company	**7**	500,000,000	500,000,000
Deferred liabilities	**8**	278,000,466	296,732,631
		778,000,466	805,065,965
CURRENT LIABILITIES			
Current portion of long term liabilities	**9**	70,631,998	81,743,108
Trade and other payables		1,812,628,016	467,794,368
Short term finances	**10**	4,094,566	247,126,965
Due to related party	**11**	654,788,076	718,754,403
Mark-up accrued		104,210,334	63,057,318
Provision for taxation		4,035,832	15,583,818
		2,650,388,822	1,594,059,980
TOTAL EQUITY & LIABILITIES		3,669,339,524	2,634,735,008
Contingencies & commitments	**12**		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**13**	2,009,878,891	2,037,778,678
Long term deposits		587,575	587,575
		2,010,466,466	2,038,366,253
CURRENT ASSETS			
Stores, spares and loose tools		42,643,685	37,444,120
Stock-in-trade		1,281,362,161	252,997,843
Trade debts		123,970,312	98,574,506
Loans and advances		74,883,870	77,055,602
Trade deposits and prepayments		20,972,550	20,636,150
Other receivables		105,742,500	107,742,500
Cash and bank balances		9,297,979	1,918,034
		1,658,873,057	596,368,755
TOTAL ASSETS		3,669,339,524	2,634,735,008

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE **DIRECTOR**

BABA FARID SUGAR MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2016

	Note	Half Year Ended		Quarter Ended	
		March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2016 Rupees	March 31, 2015 Rupees
Sales - net		337,583,126	545,458,971	316,063,220	307,788,504
Cost of sales	14	(263,727,330)	(542,239,179)	(253,761,793)	(314,475,141)
Gross profit / (loss)		73,855,796	3,219,792	62,301,427	(6,686,637)
Distribution costs		(2,265,188)	(9,242,387)	(1,428,149)	(8,818,165)
Other expenses		-	(37,748)	-	-
Administrative expenses		(20,598,292)	(17,058,279)	(10,624,501)	(7,854,377)
		(22,863,480)	(26,338,414)	(12,052,650)	(16,672,542)
Operating profit / (loss)		50,992,316	(23,118,622)	50,248,778	(23,359,179)
Finance costs		(60,347,476)	(100,458,893)	(36,104,185)	(52,547,074)
(Loss) / Profit before taxation		(9,355,160)	(123,577,515)	14,144,593	(75,906,253)
Taxation		14,696,333	13,008,401	21,065,909	19,216,459
Profit / (Loss) after taxation		5,341,173	(110,569,114)	35,210,502	(56,689,794)
Earnings / (Loss) per share - basic and diluted		0.57	(11.70)	3.73	(6.00)

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE **DIRECTOR**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2016

	Half Year Ended		Quarter Ended	
	March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2016 Rupees	March 31, 2015 Rupees
Profit / (Loss) after taxation	5,341,173	(110,569,114)	35,210,502	(56,689,794)
Other comprehensive income		-		-
Total comprehensive (loss) / income for the period	5,341,173	(110,569,114)	35,210,502	(56,689,794)

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE **DIRECTOR**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2016

	Note	Half Year Ended March 31, 2016 Rupees	Half Year Ended March 31, 2015 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	15	365,484,181	(152,469,620)
Finance costs paid		(19,194,460)	(37,260,948)
Taxes paid		(7,307,898)	(7,428,148)
Net cash generated from / (used in) operating activities		338,981,823	(197,158,716)
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(5,158,708)	(2,555,376)
Net cash (used) in investing activities		(5,158,708)	(2,555,376)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term loan		(19,444,444)	(16,666,667)
Due to related party		(63,966,327)	96,935,151
Net cash (used in) / generated from financing activities		(83,410,771)	80,268,484
Net increase / (decrease) in cash and cash equivalents		250,412,344	(119,445,608)
Cash and cash equivalents at the beginning of the year		(245,208,931)	(523,539,161)
Cash and cash equivalents at the end of the period	16	5,203,413	(642,984,769)

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE **DIRECTOR**

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2016

	Share Capital Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as at October 01, 2014 (Audited)	94,500,000	(1,101,736,762)	(1,007,236,762)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	17,169,527	17,169,527
Comprehensive income for the half year ended March 31, 2015	-	(110,569,114)	(110,569,114)
Balance as at March 31, 2015 - (Un-audited)	94,500,000	(1,195,136,350)	(1,100,636,350)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	17,682,049	17,682,049
Comprehensive (loss) for the half year ended September 30, 2015	-	(88,632,917)	(88,632,917)
Balance as at September 30, 2015 - (Audited)	94,500,000	(1,266,087,217)	(1,171,587,217)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	17,099,025	17,099,025
Comprehensive income for the half year ended March 31, 2016	-	5,341,173	5,341,173
Balance as at March 31, 2016 - (Un-Audited)	94,500,000	(1,243,647,019)	(1,149,147,019)

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE **DIRECTOR**

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2016

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 Ordinance, 1984) 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. (9,355,160) [March 31, 2015: Rs.(123,577,515)] and at balance sheet date its accumulated losses have stood up to Rs. (1,243,647,019) [September 30, 2015: Rs.(1,266,087,217)]. Furthermore, the Company's equity is in negative and its current liabilities exceeds its current assets by Rs.991,515,765 (September 30, 2015: Rs.997,691,225). 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 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the half year ended 31 March 2016 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 Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 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, 2015.

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, 2015.

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 20 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 as sumptions 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, 2015.

5 CYCLICALITY OF OPERATIONS

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

	NOTE	March 31, 2016 Rupees (Un-Audited)	September 30, 2015 Rupees (Audited)
6 LONG TERM LOAN			
Bank Al Habib Limited	**6.1**	**24,999,998**	**44,444,442**
Less: Current portion		(24,999,998)	(36,111,108)
		-	8,333,334

6.1 This represents term finance facility obtained from Bank Al Habib Limited for purchase of plant and machinery and increasing godown capacity. It shall be repaid through 36 equal monthly installments starting from December 2013. It carries mark up at the rate of average 6 month KIBOR plus 1.75% per annum, mark up shall be serviced on quarterly basis. It is secured by way of first charge over plant and machinery of the Company amounting to Rs. 170 million and personal guarantees of directors and corporate guarantee of M/s Pattoki Sugar Mills Limited.

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. This loan is subordinate to the loan from Bank AL Habib Limited.

8 DEFERRED LIABILITIES		
Deferred taxation	276,588,403	295,320,568
Staff retirement benefits - gratuity	1,412,063	1,412,063
	278,000,466	296,732,631

	NOTE	March 31, 2016 Rupees	September 30, 2015 Rupees
9 CURRENT PORTION OF LONG TERM LIABILITIES			
Long term loans		24,999,998	36,111,108
Loan from holding company		25,000,000	25,000,000
Liability against assets subject to finance lease	**9.1**	20,632,000	20,632,000
		70,631,998	81,743,108

9.1 This liabilityis overdue. The company has a dispute with BRR Guardian Modarba "the leasing company" regarding the settlement of securities provided for the subject facility. The company has officially lodged a complainin Consumer Protection Department of State Bank of Pakistan against the leasing company for release of the delivery orders, return of the post dated cheques and discharge of the personal guarantee of the directors.

10 SHORT TERM FINANCES			
MCB Bank Limited			
Cash finance - secured	**10.1**	-	242,949,521
Temporary bank overdraft - unsecured		4,094,566	4,177,444
		4,094,566	247,126,965

10.1 Short term finance facilities available from MCB Bank Limited under mark-up arrangements aggregate Rs.Nil (2015: Rs. 500.00 million). These facilities, during the half year, carried mark-up at the rates 3 months KIBOR plus 1.5%. Mark-up is payable on quarterly basis.

The aggregate facilitiesare secured against pledge of sugar bags, personal guarantees of the directors and corporate guarantee of the holding company M/S Pattoki Sugar Mills Ltd amounting to Rs. 500 million.

11 DUE TO RELATED PARTY

The Company has obtained unsecured short term loan from M/s Pattoki Sugar Mills Limited (PSML) - the holdingcompany that carries mark-up at the rate of 3 month's KIBOR plus 1.5% per annum. The effective mark-up rate charged by PSML during the half year ranged from 7.99% to 8.51% (2015: 9.01% to 11.63%) per annum.

12 CONTINGENCIES & COMMITMENTS

There are no changes in the status of contingencies and commitments since the year ended September 30, 2015.

			Half Year Ended March 31, 2016 Rupees (Un-Audited)	Year Ended September 30, 2015 Rupees (Audited)
13	**PROPERTY, PLANT & EQUIPMENT**			
	Operating fixed assets	**13.1**	1,976,534,410	2,009,259,345
	Capital work-in-progress	**13.2**	33,344,481	28,519,333
			2,009,878,891	2,037,778,678
13.1	Opening book value		2,009,259,345	2,078,716,672
	Disposal at NBV		-	(53,427)
	Additions during the period	**13.1.1**	333,560	1,213,649
			2,009,592,905	2,079,876,893
	Depreciation during the period / year		(33,058,495)	(70,617,548)
	Closing book value		1,976,534,410	2,009,259,345
13.1.1	**Additions during the period**			
	Plant and machinery		193,000	989,139
	Office equipment		140,560	224,510
			333,560	1,213,649
13.2	**Capital work-in-progress**			
	Building on freehold land		33,344,481	28,519,333

14 COST OF SALES

	Half Year Ended		Quarter Ended	
	March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2016 Rupees	March 31, 2015 Rupees
Raw materials and expenses thereon	1,232,996,401	1,102,995,197	754,597,889	688,396,736
Manufacturing expenses	125,095,281	94,575,087	77,659,037	40,642,094
	1,358,091,682	1,197,570,284	832,256,926	729,038,830
Work in process				
Opening	12,671,829	4,041,321	75,141,379	75,141,379
Closing	(13,335,963)	(11,717,820)	(13,335,963)	(11,717,820)
	(664,134)	(7,676,499)	61,805,416	63,423,559
	1,357,427,548	1,189,893,785	894,062,343	792,462,389
Sale of by-products				
Molasses	(66,000,033)	(8,769,573)	(66,000,033)	(8,769,573)
V.F. Cakes	-	(1,021,756)	-	-
	(66,000,033)	(9,791,329)	(66,000,033)	(8,769,573)
Cost of goods manufactured	1,291,427,515	1,180,102,456	828,062,310	783,692,816
Finished goods				
Opening	240,326,014	600,194,323	768,839,924	768,839,924
Closing	(1,268,026,198)	(1,238,057,599)	(1,268,026,198)	(1,238,057,599)
	(1,027,700,185)	(637,863,276)	(499,186,274)	(469,217,675)
	263,727,330	542,239,179	328,876,035	314,475,141

			Half Year Ended March 31, 2016	Half Year Ended March 31, 2015
15	**CASH (USED IN) OPERATIONS**		**Rupees**	**Rupees**
	(Loss) before taxation		(9,355,160)	(123,577,515)
	Adjustment for non cash charges and other items:			
	Depreciation		33,058,495	35,326,073
	Finance costs		60,347,476	100,458,893
	Working capital changes	**15.1**	281,433,371	(164,677,071)
			374,839,342	(28,892,105)
			365,484,181	(152,469,620)
15.1	**Working capital changes**			
	Decrease / (increase) in current assets			
	Stores, spares and loose tools		(5,199,565)	2,517,919
	Stock-in-trade		(1,028,364,318)	(645,539,776)
	Trade debts		(25,395,806)	(345,733,195)
	Loans and advances		(6,104,188)	(6,193,752)
	Trade deposits and prepayments		1,663,600	(364,232)
	Increase in current liabilities			
	Trade and other payables		1,344,833,648	830,635,965
			281,433,371	(164,677,071)
16	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances		9,297,979	54,323,190
	Short term finances		(4,094,566)	(697,307,959)
			5,203,413	(642,984,769)

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	13,316,755
Pattoki Sugar Mills Limited	Holding	Mark-up	54,273,004
Pattoki Sugar Mills Limited	Holding	Increase in amount payable	(63,966,327)

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 2015.

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	12,169,320	-	12,169,320	-	-	-
Trade deposits and short term prepayments	19.1	20,972,550	-	20,972,550	-	-	-
Trade debts - unsecured, considered good	19.1	123,970,312	-	123,970,312	-	-	-
Loans and advances	19.1	74,883,870	-	74,883,870		-	-
Long term deposits	19.1	587,575	-	587,575	-	-	-
Other receivables	19.1	105,742,500	-	105,742,500	-	-	-
		338,326,127	-	338,326,127	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial liabilities not measured at fair value							
Long term finances		549,999,998	-	549,999,998	-	549,999,998	-
Trade and other payables	19.1	1,812,628,016	-	1,812,628,016	-	-	-
Short term borrowing		4,094,566	-	4,094,566	-	4,094,566	-
Due to related party		654,788,076	-	654,788,076	-	-	-
Other current liabilities		20,632,000					
Accrued finance cost	19.1	104,210,334	-	104,210,334	-	-	-
		3,146,352,990	-	3,125,720,990	-	554,094,564	-

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

20 NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Company's application for increase in authorised capital from Rs.100,000,000 to Rs.700,000,000 was duly approved by competent authority on April 20, 2016.

21 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on May 27, 2016 by the Board of Directors' of the Company.

22 CORRESPONDING FIGURES

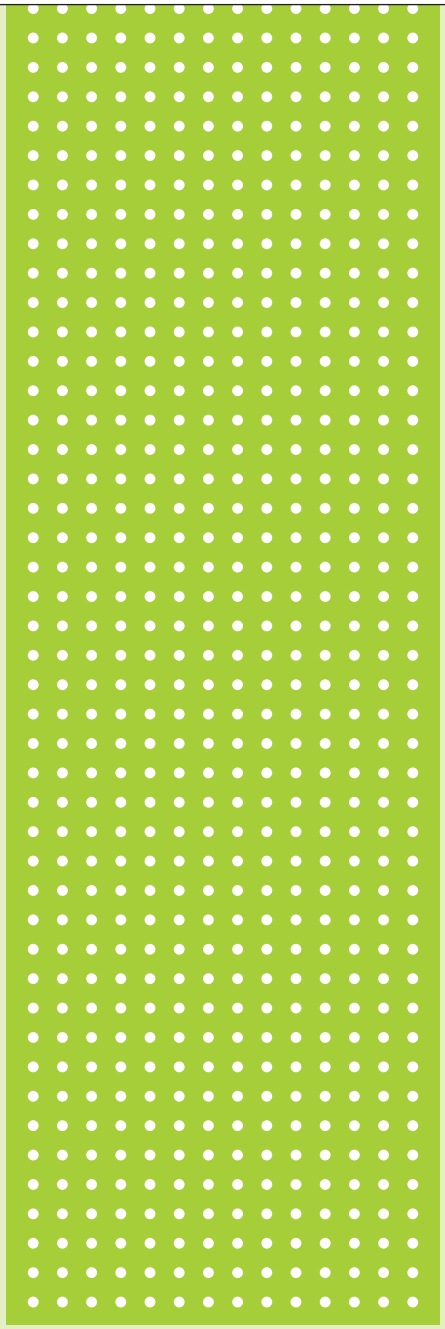
In order to comply with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting, the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial 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.

23 GENERAL

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

CHIEF EXECUTIVE **DIRECTOR**



BOOK POST

IF UNDELIVERED PLEASE RETURN TO

BABA FARID SUGAR MILLS LIMITED
Suite-T-09., 3rd Floor, Hafeez Center,
75-E/1, Main Boulevard,
Gulberg III, Lahore.