



Habib Sugar Mills Limited

**Report and Condensed Interim
Financial Statements
for the Quarter and Nine months
ended June 30, 2020
(Unaudited)**



Contents

Company Information	2
Vision and Mission Statement	3
Directors' Report	4
Unconsolidated Condensed Interim Statement of Financial Position	6
Unconsolidated Condensed Interim Statement of Profit or Loss	7
Unconsolidated Condensed Interim Statement of Comprehensive Income	8
Unconsolidated Condensed Interim Statement of Changes in Equity	9
Unconsolidated Condensed Interim Statement of Cash Flows	10
Notes to the Unconsolidated Condensed Interim Financial Statements	11
Consolidated Condensed Interim Statement of Financial Position	22
Consolidated Condensed Interim Statement of Profit or Loss	23
Consolidated Condensed Interim Statement of Comprehensive Income	24
Consolidated Condensed Interim Statement of Changes in Equity	25
Consolidated Condensed Interim Statement of Cash Flows	26
Notes to the Consolidated Condensed Interim Financial Statements	27
ڈائریکٹرز کی رپورٹ	39



Company Information

Board of Directors	Asghar D. Habib Ali Raza D. Habib Adnan Afridi Murtaza Habib Tyaba Muslim Habib Shams Muhammad Haji Farouq Habib Rahimtoola Raeesul Hasan	<i>Chairman</i> <i>Chief Executive</i>
Audit Committee	Shams Muhammad Haji Farouq Habib Rahimtoola Tyaba Muslim Habib	Chairman Member Member
Human Resource & Remuneration Committee	Tyaba Muslim Habib Shams Muhammad Haji Raeesul Hasan	Chairperson Member Member
COO & Company Secretary	Khursheed Anwer Jamal	
Chief Financial Officer	Amir Bashir Ahmed	
Registered Office	3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi-75530 Phones : (+92-21) 35680036 - 5 Lines Fax : (+92-21) 35684086 www : habibsugar.com E-mail : sugar@habib.com	
Mills	Sugar & Distillery Division Nawabshah District Shaheed Benazirabad Phones : (+92-244) 360751 - 5 Lines Fax : (+92-244) 361314 Textile Division D-140/B-1 Mangopir Road S.I.T.E. Karachi-75700 Phones : (+92-21) 32571325, 32572119 Fax : (+92-21) 32572118	
Bulk Storage	Terminal 60/1-B Oil Installation Area Keamari Karachi-75620 Phones : (+92-21) 32852003-4 Fax : (+92-21) 32852005	
Bankers	Allied Bank Limited Bank AL Habib Limited First Women Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan United Bank Limited	
Statutory Auditors	EY Ford Rhodes Chartered Accountants	
Share Registrar	THK Associates (Pvt.) Limited 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400 Phones : (+92-21) 111-000-322 Fax : (+92-21) 34168271 E-mail : sfc@thk.com.pk info@thk.com.pk Website : www.thk.com.pk	



VISION STATEMENT

We aim to be a leading manufacturer and supplier of quality sugar, ethanol, liquidified carbon dioxide (CO₂) and household textiles in local and international markets. We aspire to be known for the quality of our products and intend to play a pivotal role in the economic and social development of Pakistan.

MISSION STATEMENT

As a prominent producer and supplier of sugar, ethanol, liquidified carbon dioxide (CO₂) and household textiles, we shall continue to strive to achieve excellence in performance and aim to exceed the expectations of all stakeholders. We target to achieve technological advancements to inculcate the most efficient, ethical and time tested business practices in our management.



Directors' Report

Dear Members – Assalam-o-Alekum

On behalf of the Board of Directors, it is our privilege to present to you the unaudited consolidated and unconsolidated condensed interim financial statements of the Company for the three quarters ended June 30, 2020.

On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic and alerted the world that this pandemic will infect a large number of population and will claim many lives across the world. Scientists across the world are conducting research to develop vaccine for the COVID-19, however, until such time the vaccine is developed the only means to control the spread of virus is to implement strict social distancing and other protective measures as recommended by WHO.

The economic ramifications of the crisis are also significant in Pakistan. The Government of Pakistan responded well to the crisis and implemented a carefully crafted lockdown phase in March 2020. The measures taken to reduce the spread have resulted in an overall economic slowdown and disruptions to various businesses. Considering the economic hardships of masses, the Government has substantially eased the lockdown policy.

The Management of the Company also responded well and had taken necessary steps and continued to discharge its Corporate Social Responsibility and to ensure best possible smooth operations during this time of crisis.

Financial Results

By the Grace of Allah, during the period under review the operations of your Company resulted in a pre-tax profit of Rs.977.62 million. The financial results for the three quarters are as follows :

	(Rupees in thousands)
Profit before taxation	977,624
Taxation	130,000
Profit after taxation	847,624
Unappropriated profit brought forward	5,797
Unappropriated profit carried forward	853,421
Earnings per share – Basic and diluted	Rs. 5.65

Performance Review

Sugar Division

The crushing season 2019-20 commenced on November 26, 2019 and the plant operated upto March 5, 2020 for 101 days as against 98 days in the preceeding season. Sugarcane crushed during the current season was 620,425 M. Tons with average sucrose recovery of 9.91 % and sugar production of 61,488 M.Tons as compared with crushing of 771,864 M. Tons with average sucrose recovery of 10.87 % and sugar production of 83,910 M. Tons during the preceding season.



The Government of Sindh on December 9, 2019 issued notification fixing the minimum support price of sugarcane for the crushing season 2019-20 at Rs.192 per 40 kgs as against Rs. 182 per 40 kgs for crushing season 2018-19. In addition, mills were also required to pay quality premium at the rate of paisas fifty for every 0.1 percent recovery in excess of the bench mark of 8.7%.

The sugar division earned operating profit of Rs.32.13 million as against profit of Rs.83.45 million during the corresponding period of the previous year. The main reason for decrease in profit was higher production cost during the period.

Distillery Division

During the period under review, the division produced 18,759 M. Tons of ethanol as against production of 22,116 M. Tons as compared with the corresponding period of the previous year. The division earned operating profit of Rs.575.89 million as compared with Rs.673.77 million during the corresponding period of previous year. The reason for decrease in profit was higher molasses cost during the period.

During the period under review, the liquidified carbon dioxide (CO₂) unit produced 4,845 M. Tons as compared with 5,870 M. Tons during the corresponding period of the previous year.

Textile Division

The textile division earned operating profit of Rs.30.35 million during the period under review, as against operating profit of Rs.26.98 million during the corresponding period of previous year.

Trading Division

The trading division earned operating profit of Rs.73.67 million on account trading of sugar and bagasse as against operating profit of Rs. 4.05 million during the corresponding period of the previous year.

Bagasse Based Co-Generation Project

The Bagasse Based project of the Company was on hold for a long time, due to non-clarity on the policy of the Government for bagasse based energy projects. The Board members reviewed the present situation of these projects and after considering the uncertainty regarding the tariff and dispute over the power purchasing terms with CPPA, have decided to discontinue the project and wind up HSM Energy Limited.

General

The Directors are pleased to place on record their appreciation of the devoted and dedicated services of the officers, staff and workers of the Company.

On behalf of the Board of Directors

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director

Karachi: July 29, 2020



Unconsolidated Condensed Interim Statement of Financial Position as at June 30, 2020 (Unaudited)

	Note	Unaudited June 30, 2020 (Rupees in thousands)	Audited Sept. 30, 2019
Assets			
Non-Current Assets			
Fixed assets			
Property, plant and equipment	5	2,481,952	2,478,920
Long-term investments	6	2,169,934	2,299,658
Long-term loans		6,114	6,789
Long-term deposits		3,928	3,928
		<u>4,661,928</u>	<u>4,789,295</u>
Current Assets			
Stores and spare parts		192,560	171,935
Stock-in-trade	7	2,159,468	1,840,405
Trade debts		505,008	387,297
Loans and advances	8	411,061	890,852
Trade deposits and short-term prepayments		6,609	9,879
Profit accrued on bank deposits		16,138	4,767
Other receivables	9	15,986	115,649
Taxation - net		24,979	74,342
Short-term investments	10	1,010,291	—
Cash and bank balances	11	3,750,728	2,464,584
		<u>8,092,828</u>	<u>5,959,710</u>
Total Assets		<u>12,754,756</u>	<u>10,749,005</u>
Equity and Liabilities			
Share Capital and Reserves			
Share Capital			
Authorised			
150,000,000 (September 30, 2019: 150,000,000)			
Ordinary shares of Rs. 5 each		<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid-up capital			
150,000,000 (September 30, 2019: 150,000,000)			
Ordinary shares of Rs. 5 each		<u>750,000</u>	<u>750,000</u>
Reserves		<u>7,532,561</u>	<u>7,325,693</u>
		<u>8,282,561</u>	<u>8,075,693</u>
Non-Current Liabilities			
Deferred taxation	12	<u>72,000</u>	<u>69,000</u>
Lease liability		<u>11,025</u>	<u>—</u>
		<u>83,025</u>	<u>69,000</u>
Current Liabilities			
Trade and other payables	13	<u>1,878,061</u>	<u>2,004,077</u>
Advance from customers		<u>925,440</u>	<u>518,405</u>
Short-term borrowings	14	<u>1,480,000</u>	<u>—</u>
Unclaimed dividends		<u>86,972</u>	<u>81,830</u>
Accrued mark-up on short-term borrowing		<u>11,040</u>	<u>—</u>
Current portion of lease liability		<u>7,657</u>	<u>—</u>
		<u>4,389,170</u>	<u>2,604,312</u>
Contingencies and Commitments	15		
Total Equity and Liabilities		<u>12,754,756</u>	<u>10,749,005</u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director



**Unconsolidated Condensed Interim Statement of Profit or Loss
for the quarter and cumulative for three quarters ended June 30, 2020 (Unaudited)**

	Note	Three quarter ended		Quarter ended	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
		(Rupees in thousands)			
Segment operating results	16				
Net sales and services		7,943,231	6,485,170	3,586,177	3,366,741
Cost of sales		(6,903,552)	(5,331,741)	(2,960,294)	(2,853,400)
Gross profit		1,039,679	1,153,429	625,883	513,341
Selling and distribution expenses		(182,297)	(232,492)	(77,222)	(108,615)
Administrative expenses		(145,349)	(132,687)	(46,593)	(42,231)
Other operating expenses	17	(61,819)	(58,982)	(32,307)	(25,063)
Impairment on long-term investments - available for sale		-	(76,698)	-	(46,119)
Other income	18	132,682	293,720	1,014	135,915
		(256,783)	(207,139)	(155,108)	(86,113)
Operating profit		782,896	946,290	470,775	427,228
Finance income / (cost) - net	19	194,728	54,375	55,514	8,984
Profit before taxation		977,624	1,000,665	526,289	436,212
Taxation	20	(130,000)	(105,000)	(65,000)	(55,000)
Profit after taxation		847,624	895,665	461,289	381,212
Earnings per share - Basic and diluted	Rs.	5.65	5.97	3.08	2.54

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director



**Unconsolidated Condensed Interim Statement of Comprehensive Income
for the quarter and cumulative for three quarters ended June 30, 2020 (Unaudited)**

	Three quarter ended		Quarter ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
	(Rupees in thousands)			
Profit after taxation	847,624	895,665	461,289	381,212
Other comprehensive income :				
Items that will not be reclassified to the statement of profit or loss:				
Loss on re-measurement of equity investments classified as fair value through other comprehensive income (FVOCI)	(228,256)	—	57,231	—
	619,368	895,665	518,520	381,212
Unrealised gain on revaluation of investments for the period	—	(223,091)	—	(264,587)
Total Comprehensive income / (loss) for the period	619,368	672,574	518,520	116,625

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director



Unconsolidated Condensed Interim Statement of Changes in Equity for the three quarters ended June 30, 2020 (Unaudited)

	Issued Subscribed and Paid-up Capital	Capital Reserve	Revenue Reserves		Unrealised gain / (loss) on investments available for sale	Total Reserves	Total Equity
General Reserve			Unappro- priated Profit				
(Rupees in thousands)							
Balance as on September 30, 2018	750,000	34,000	4,173,500	903,281	2,243,189	7,353,970	8,103,970
Effect of change in accounting policy	-	-	-	-	(41,472)	(41,472)	(41,472)
Balance as on October 01, 2018 - restated	750,000	34,000	4,173,500	903,281	2,201,717	7,312,498	8,062,498
Total comprehensive income for the period ended June 30, 2019	-	-	-	895,665	(223,091)	672,574	672,574
Transfer to general reserve	-	-	485,000	(485,000)	-	-	-
Cash dividend for 2018 @ 55%	-	-	-	(412,500)	-	(412,500)	(412,500)
Balance as on June 30, 2019 - restated	750,000	34,000	4,658,500	901,446	1,978,626	7,572,572	8,322,572
Balance as on October 1, 2019	750,000	34,000	4,658,500	1,208,297	1,424,896	7,325,693	8,075,693
Total comprehensive income for the period ended June 30, 2020	-	-	-	847,624	(228,256)	619,368	619,368
Realised gain on sale of investments	-	-	-	6,930	(6,930)	-	-
Transfer to general reserve	-	-	790,000	(790,000)	-	-	-
Cash dividend for 2019 @ 55%	-	-	-	(412,500)	-	(412,500)	(412,500)
Balance as on June 30, 2020	750,000	34,000	5,448,500	860,351	1,189,710	7,532,561	8,282,561

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director



Unconsolidated Condensed Interim Statement of Cash Flows for the three quarters ended June 30, 2020 (Unaudited)

	Note	June 30, 2020	June 30, 2019
(Rupees in thousands)			
Cash flows from operating activities			
Cash generated / (used) in operations	21	1,259,827	624,646
Finance income received - net		196,069	55,955
Income tax paid		(77,637)	(79,609)
Long-term loans		675	(1,250)
Net cash generated / (used) in operating activities		1,378,934	599,742
Cash flows from investing activities			
Fixed capital expenditure		(163,519)	(29,086)
Sale proceeds / redemption of investments		1,630,163	—
Dividend received		109,207	90,981
Purchase of investments		(2,738,986)	(136,455)
Sale proceeds of fixed assets		4,010	9,355
Net cash used in investing activities		(1,159,125)	(65,205)
Cash flows from financing activities			
Lease rental paid		(6,307)	—
Dividend paid		(407,358)	(398,278)
Net cash used in financing activities		(413,665)	(398,278)
Net decrease / (increase) in cash and cash equivalents		(193,856)	136,259
Cash and cash equivalents at the beginning of the period		2,464,584	766,875
Cash and cash equivalents at the end of the period	22	2,270,728	903,134

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


Amir Bashir Ahmed
 Chief Financial Officer


Raeesul Hasan
 Chief Executive


Murtaza H. Habib
 Director



Notes to the Unconsolidated Condensed Interim Financial Statements for the three quarters ended June 30, 2020 (Unaudited)

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Habib Sugar Mills Limited is a public limited Company incorporated in Pakistan, with its shares quoted on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacturing and marketing of refined sugar, molasses, ethanol, liquidified carbon dioxide (CO₂), household textiles, providing bulk storage facilities and trading of commodities. The registered office of the Company is situated at Imperial Court, 3rd Floor, Dr. Ziauddin Ahmed Road, Karachi.
- 1.2 These unconsolidated condensed interim financial statements are separate condensed interim financial statements of the Company in which investments in subsidiaries are accounted for on the basis of direct equity interest and are not consolidated or accounted for using equity method.

2. BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
 - Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act and IFAS differ with the requirements of IAS 34, the provisions of and directives issued under the Act and IFAS have been followed.

- 2.2 These unconsolidated condensed interim financial statements are unaudited and are being submitted to the members in accordance with Section 237 of the Companies Act, 2017 (the Act) and have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34, 'Interim Financial Reporting', as applicable in Pakistan and provisions of and directives issued under the Act. In case where requirements differ, the provisions of or directives issued under the Act have been followed.
- 2.3 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2019.

3. Significant accounting policies and disclosures

The accounting policies and methods of computations followed for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Company for the year ended September 30, 2019 except for adoption of IFRS 16.



3.1 IFRS 16 – Leases

IFRS 16 supersedes IAS 17 'Leases', 'IFRIC 4' Determining whether an Arrangement contains a Lease, 'SIC-15' Operating Leases Incentives and 'SIC-27' Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. Under IFRS 16, distinction between operating and finance leases has been removed and all lease contracts, with limited exceptions will be recognized in statement of financial position by way of right-of-use assets along with their corresponding lease liabilities.

Lease obligations of the Company comprises of lease arrangements giving it the right-of-use over properties utilized as office premises only.

The Company adopted IFRS 16 with effect from October 1, 2019 using the modified retrospective method. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application with no restatement of comparative information. The Company elected to use the transition practical expedient allowing the Company to use a single discount rate to a portfolio of leases with the similar characteristics.

IFRS 16 allows two options for transition under the modified retrospective method as follows:

- recognize the lease liability at the date of initial application for operating leases at the present value of remaining lease payments and a right of use asset equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to those leases, or;
- recognize the lease liability at the date of initial application for operating leases at the present value of remaining lease payments and a right of use asset at its carrying value as if the new standard had always been applied.

In applying the standard, the Company has recognised lease liability at the date of initial application as present value of remaining lease payments and a right-of-use asset equal to the lease liability, adjusted by the amount of prepaid or accrued lease payments previously recognised. The present value has been determined using a single discount rate for portfolio of leases exhibiting similar characteristics based on practical expedient provided in the standard.

Lease term is the non-cancelable period for which the Company has right to use the underlying asset in line with the lease contract together with the periods covered by an option to extend which the Company is reasonably certain to exercise and option to terminate which the Company is not reasonably certain to exercise.

The lease liabilities as at October 01, 2019 can be reconciled to the operating lease commitments as of September 30, 2019 as follows:



(Rupees
in thousands)

Operating lease commitments as at September 30, 2019	28,208
Impact of discounting	(4,892)
Lease liabilities at October 01, 2019	23,316
Incremental borrowing rate as at October 1, 2019	11.06%
The impact of adoption of IFRS 16 as at October 01, 2019 [(increase/ (decrease))] is as follows:	
Assets	
Property, plant and equipment- right of use asset	23,316
Liabilities	
Lease liabilities	23,316
Unconsolidated condensed interim statement of profit or loss	
Depreciation charge on right-of-use asset	4,372
Financial charges on lease liability	1,672

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2017. Such improvements are generally effective for annual reporting period beginning on or after January 01, 2019. The Company expects that such improvements to the standards will not have any material impact on the Company's unconsolidated condensed interim financial statements in the period of initial application.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended September 30, 2019, except as disclosed otherwise.

	(Unaudited) June 30, 2020	(Audited) Sept. 30, 2019
	(Rupees in thousands)	
5. Fixed assets		
5.1 Property, plant and equipment		
Operating fixed assets	2,382,219	2,432,032
Capital work-in-progress	80,789	45,756
Major stores and spare parts	—	1,132
Right of Use asset	18,944	—
	<u>2,481,952</u>	<u>2,478,920</u>



5.2 Cost of additions to and written down value of deletions from fixed assets during the three quarters ended June 30, 2020 were as follows:

	(Unaudited) June 30, 2020		(Audited) September 30, 2019	
	Additions	Deletions	Additions	Deletions
	(Rupees in thousands)		(Rupees in thousands)	
Plant and machinery				
Sugar	116,844	–	55,086	20,790
Distillery	39,312	–	2,575	–
Textile	53	–	150	–
Factory and Building - Distillery	–	–	–	–
Furniture, fittings and office equipment	6,329	35	8,844	56
Accounting Software	541	–	–	–
Vehicles	440	23	15,171	925
	<u>163,519</u>	<u>58</u>	<u>81,826</u>	<u>21,771</u>
			(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019 (Rupees in thousands)

6. Long-term investments

Investments in subsidiary company– at cost

HSM Energy Limited - Unquoted	50,000	50,000
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Fair Value through Other Comprehensive Income

Investments in related parties – Quoted - at fair value	1,317,045	1,657,274
Investments in related parties – Un-Quoted - at fair value	114,884	93,172
Investments in other companies – Quoted - at fair value	688,005	499,212
	<u>2,169,934</u>	<u>2,299,658</u>

6.1 Investments in subsidiary company, associated companies or undertakings have been made in accordance with the requirements of the Act.

6.2 The aggregate cost of these investments, net of impairment is Rs.980.22 (September 30, 2019: Rs.874.76) million.

	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019 (Rupees in thousands)
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7. Stock-in-trade

Raw materials	749,448	225,311
Work-in-process	31,764	43,828
Finished goods	1,327,634	1,553,567
Bagasse	47,886	15,068
Fertilizers	2,736	2,631
	<u>2,159,468</u>	<u>1,840,405</u>

8. Loans and advances

Loans - secured

Current maturity of long-term loans

Executives	–	29
Other Employees	6,204	6,304
	<u>6,204</u>	<u>6,333</u>

Advances - unsecured

Suppliers	404,857	884,519
	<u>411,061</u>	<u>890,852</u>



	Note	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
9. Other receivables - Considered good			
Duty drawback and research & development support claim		5,664	17,903
Dividend receivable		109	3,114
Sales-Tax refundable / adjustable		-	85,137
Others	9.1	10,213	9,495
		<u>15,986</u>	<u>115,649</u>
9.1 Includes Rs.9.88 (September 2019: Rs.9.37) million receivable from HSM Energy Limited - wholly owned subsidiary. Maximum aggregate amount due from the subsidiary company at the end of any month during the period was Rs.9.88 (September 2019: 9.37) million.			
	Note	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
10. Short-term investments			
Investments in Government Securities (Treasury Bills) - At amortised Cost	10.1	<u>1,010,291</u>	<u>-</u>
10.1 These government securities are carried at interest rate of 8.2% having a maturity on July 2020.			
11. Cash and bank balances			
Cash in hand		858	229
Balances with banks in:			
Current accounts		75,970	9,298
Treasury call accounts	11.1	3,250,000	165,057
Term Deposit Receipts	11.2	423,900	2,290,000
	11.3	<u>3,749,870</u>	<u>2,464,355</u>
		<u>3,750,728</u>	<u>2,464,584</u>
11.1 Profit rates on Treasury call accounts ranged between 7.5% to 11.75% (September 2019: 6.52% to 11.75%) per annum.			
11.2 Profit rates on Term Deposit Receipts is 7.75% to 12.25% (September 2019: 6.80% to 12.25%) per annum. Maturity of these Term Deposit Receipts are one month.			
11.3 Includes Rs.3,597.28 (September 2019: Rs.2,453.11) million kept with Bank AL Habib Limited - a related party.			
	Note	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
12. Deferred taxation			
Deferred Tax liability on accelerated tax depreciation allowance on operating fixed assets taxable temporary differences:		205,000	210,000
Deferred tax asset on deductible temporary differences:			
Provision for obsolescence and slow moving stores & spare parts		(9,000)	(9,000)
Deferred Tax Assets on minimum tax Under section 113		(33,000)	-
Unabsorbed tax depreciation allowance		(91,000)	(132,000)
		<u>(133,000)</u>	<u>(141,000)</u>
		<u>72,000</u>	<u>69,000</u>



	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
13. Trade and other payables		
Creditors	1,465,069	1,702,057
Accrued liabilities	233,683	213,717
Sales tax	103,859	–
Workers' Profit Participation Fund (WPPF)	52,319	71,041
Workers' Welfare Fund	22,915	17,124
Income-tax deducted at source	216	138
	<u>1,878,061</u>	<u>2,004,077</u>

14. Short-term borrowings - secured	<u>1,480,000</u>	<u>–</u>
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The aggregate financing facility available from commercial banks amounted to Rs.8,212 (September 2019: Rs.8,212) million. These financing facilities are secured by way of registered charge against hypothecation of stock-in-trade, stores and spares, assignment of trade debts and other receivables. The rate of mark-up charged during the period was 3% to 15.05% (September 2019: 2.20% to 11.39%) per annum.

15. Contingencies and commitments

15.1 Contingencies

There were no major changes in the status of contingencies as reported in the annual financial statements for the year ended September 30, 2019.

15.2 Commitments

The Company has provided counter guarantees to Bank AL Habib Limited, a related party, amounting to Rs.400.00 (September 30, 2019: Rs. 350.00) million against agriculture finance facilities to the growers supplying sugarcane to the mills and counter guarantees to other banks amounting to Rs.767.00 (September 30, 2019: 1,710.82) million against guarantees issued by banks in favour of third parties on behalf of the Company. These guarantees are secured by way of registered charge against hypothecation of stores and spares, stock-in-trade, assignment of trade debts and other receivables.

15.3 Commitments for capital expenditure amounting to Rs.59.39 (September 2019: 31.61) million.

	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
15.4 Rentals payable over next four years under operating lease agreements with First Habib Modaraba in respect of vehicles	<u>37,457</u>	<u>50,276</u>



16. Segment operating results for the three quarters ended June 30, 2020 (Unaudited)

		Sugar Division		Distillery Division		Textile Division		Trading Division		(Rupees in thousands) Total	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Net sales and services											
Sales	Local	4,407,938	3,520,600	277,568	310,245	3,041	4,015	673,659	35,663	5,362,206	3,870,523
	Export	–	–	2,226,889	2,179,658	348,040	433,131	–	–	2,574,929	2,612,789
		4,407,938	3,520,600	2,504,457	2,489,903	351,081	437,146	673,659	35,663	7,937,135	6,483,312
Services - Storage income - net		–	–	6,096	1,858	–	–	–	–	6,096	1,858
		4,407,938	3,520,600	2,510,553	2,491,761	351,081	437,146	673,659	35,663	7,943,231	6,485,170
Less: Cost of sales		(4,177,114)	(3,210,086)	(1,833,055)	(1,707,415)	(294,413)	(382,816)	(598,970)	(31,424)	(6,903,552)	(5,331,741)
Gross Profit		230,824	310,514	677,498	784,346	56,668	54,330	74,689	4,239	1,039,679	1,153,429
Less: Selling and distribution expenses		(67,549)	(106,999)	(91,797)	(102,178)	(22,311)	(23,315)	(640)	–	(182,297)	(232,492)
	Administrative expenses	(131,149)	(120,064)	(9,815)	(8,397)	(4,004)	(4,037)	(381)	(189)	(145,349)	(132,687)
		(198,698)	(227,063)	(101,612)	(110,575)	(26,315)	(27,352)	(1,021)	(189)	(327,646)	(365,179)
Profit before other operating expenses and other income		32,126	83,451	575,886	673,771	30,353	26,978	73,668	4,050	712,033	788,250
Other operating expenses -note 17										(61,819)	(58,982)
Impairment on long-term investments - available for sale										–	(76,698)
Other income - note 18										132,682	293,720
Operating Profit										782,896	946,290

16.1 The Company's Sugar division production process is seasonal in nature because of the cultivation and reaping of sugarcane due to which production is carried out in the three quarter of the financial year.



16a. Segment operating results for the quarter ended June 30, 2020 (Unaudited)

		Sugar Division		Distillery Division		Textile Division		Trading Division		(Rupees in thousands) Total	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Net sales and services											
Sales	Local	1,822,740	2,219,512	110,863	123,906	987	103	566,405	25,111	2,500,995	2,368,632
	Export	–	–	989,350	861,623	91,963	135,851	–	–	1,081,313	997,474
		1,822,740	2,219,512	1,100,213	985,529	92,950	135,954	566,405	25,111	3,582,308	3,366,106
Services - Storage income - net		–	–	3,869	635	–	–	–	–	3,869	635
		1,822,740	2,219,512	1,104,082	986,164	92,950	135,954	566,405	25,111	3,586,177	3,366,741
Less: Cost of sales		(1,726,290)	(2,052,019)	(662,556)	(664,875)	(65,712)	(115,925)	(505,736)	(20,581)	(2,960,294)	(2,853,400)
Gross Profit		96,450	167,493	441,526	321,289	27,238	20,029	60,669	4,530	625,883	513,341
Less: Selling and distribution expenses		(36,297)	(61,037)	(34,248)	(40,006)	(6,507)	(7,572)	(170)	–	(77,222)	(108,615)
	Administrative expenses	(44,042)	(40,151)	(1,218)	(673)	(1,197)	(1,341)	(136)	(66)	(46,593)	(42,231)
		(80,339)	(101,188)	(35,466)	(40,679)	(7,704)	(8,913)	(306)	(66)	(123,815)	(150,846)
Profit before other operating expenses and other income		16,111	66,305	406,060	280,610	19,534	11,116	60,363	4,464	502,068	362,495
Other operating expenses -note 17										(32,307)	(25,063)
Impairment on long-term investments - available for sale										–	(46,119)
Other income - note 18										1,014	135,915
Operating Profit										470,775	427,228



	Three quarters ended		Quarter ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
	(Unaudited)		(Unaudited)	
	(Rupees in thousands)			
17. Other operating expenses				
Workers' Profit Participation Fund	52,319	52,982	27,807	23,063
Workers' Welfare Fund	9,500	6,000	4,500	2,000
	<u>61,819</u>	<u>58,982</u>	<u>32,307</u>	<u>25,063</u>
18. Other income				
Cash Freight Subsidy	–	100,741	–	89,613
Dividend income	106,202	87,868	4,722	7,037
Scrap sales	4,464	11,103	597	1,589
Gain on disposal of fixed assets	3,952	5,082	–	1,433
Agriculture income	3,036	1,254	(283)	783
Exchange gain / (loss) - net	8,246	64,881	(4,022)	35,460
Sale of Electricity	6,782	22,791	–	–
	<u>132,682</u>	<u>293,720</u>	<u>1,014</u>	<u>135,915</u>
19. Finance income / (cost) - net				
Profit on treasury call accounts	25,098	11,811	10,895	6,417
Profit on term deposit receipts	156,388	99,083	44,330	18,266
Government Securities	64,247	–	16,846	–
Interest on loan to employees	155	167	51	56
	245,888	111,061	72,122	24,739
Less:				
Mark-up / interest on:				
Short-term borrowings	(36,373)	(40,803)	(11,040)	(13,193)
Workers' Profit Participation Fund	(1,592)	(884)	–	–
Lease liability	(1,672)	–	(557)	–
Bank charges	(11,523)	(14,999)	(5,011)	(2,562)
	(51,160)	(56,686)	(16,608)	(15,755)
	<u>194,728</u>	<u>54,375</u>	<u>55,514</u>	<u>8,984</u>
20. Taxation				
Income tax - current	127,000	105,000	67,000	53,000
Deferred tax	3,000	–	(2,000)	2,000
	<u>130,000</u>	<u>105,000</u>	<u>65,000</u>	<u>55,000</u>



	(Unaudited)	
	June 30, 2020	June 30, 2019
	(Rupees in thousands)	
21. Cash used in operations		
Profit before taxation	977,624	1,000,665
Adjustment for non-cash charges and other items		
Depreciation	183,746	187,062
Gain on disposal of fixed assets	(3,952)	(5,082)
Finance income / (cost) - net	(194,728)	(54,375)
Impairment on long term investment - available for sale	-	76,698
Dividend income	(106,202)	(87,868)
Working capital changes - note 21.1	403,339	(492,454)
	<u>1,259,827</u>	<u>624,646</u>
21.1 Working capital changes		
(Increase) / decrease in current assets		
Stores and spare parts	(20,625)	(8,550)
Stock-in-trade	(319,063)	(991,511)
Trade debts	(117,711)	(171,555)
Loans and advances	479,791	(139,266)
Trade deposits and Short-term prepayments	3,270	2,584
Other receivables	96,658	100,312
	<u>122,320</u>	<u>(1,207,986)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	(126,016)	197,287
Advance from customers	407,035	518,245
Net changes in working capital	<u>403,339</u>	<u>(492,454)</u>
22. Cash and cash equivalents at the end of the period		
These comprise of the following		
Cash and bank balances	3,750,728	2,213,134
Short-term borrowings	(1,480,000)	(1,310,000)
	<u>2,270,728</u>	<u>903,134</u>
23. Financial Risk Management, Objectives and Policies		

The Company's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company as at September 30, 2019. There has been no change in any risk management policies since the year end.



24. Transactions with related parties

Related parties comprise of subsidiary, associated entities, entities with common directorship, directors and key management personnel. Material transactions with related parties during the period and balances at the end of the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Nature of Relationship	Nature of transactions	Three quarters ended		Quarter ended	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(Rupees in thousands)			
Subsidiary	Payment on behalf of the subsidiary	518	4,306	10	1,366
Other related party	Investment in shares / units of mutual fund	52,068	52,800	28,570	14,400
	Insurance premium paid	20,953	21,529	3,690	11,500
	Insurance claim received	9,120	1,355	—	—
	Profit on treasury call account / term deposits	177,775	109,855	55,057	24,461
	Dividend income	87,160	64,365	2,682	4,023
	Dividend paid	40,964	40,964	—	—
	Bank charges	179	294	100	21
Key management personnel	Managerial remuneration	44,691	41,850	15,281	13,950
Retirement benefit funds	Contribution to retirement funds	12,175	11,131	3,777	3,698

24.1 All transactions with related parties are entered into at agreed term duly approved by the Board of Directors of the Company.

25. Date of authorisation for issue

These unconsolidated condensed interim financial statements were authorised for issue on July 29, 2020 by the Board of Directors of the Company.

26. General

26.1 Figures for the quarters ended June 30, 2020 and June 30, 2019 have not been subjected to limited scope review by the external auditors.

26.2 Figures presented in these unconsolidated condensed interim financial statements have been rounded of to the nearest thousand rupees.


Amir Bashir Ahmed
 Chief Financial Officer


Raeesul Hasan
 Chief Executive


Murtaza H. Habib
 Director



Consolidated Condensed Interim Statement of Financial Position as at June 30, 2020 (Unaudited)

	Note	Unaudited June 30, 2020 (Rupees in thousands)	Audited Sept. 30, 2019
Assets			
Non-Current Assets			
Fixed assets			
Property, plant and equipment	5	2,528,297	2,525,316
Long-term investments	6	2,119,934	2,249,658
Long-term loans		6,114	6,789
Long-term deposits		3,928	3,928
		<u>4,658,273</u>	<u>4,785,691</u>
Current Assets			
Stores and spare parts		192,560	171,935
Stock-in-trade	7	2,159,468	1,840,405
Trade debts		505,008	387,297
Loans and advances	8	411,061	890,852
Trade deposits and short-term prepayments		6,609	9,879
Profit accrued on bank deposits		16,138	4,767
Other receivables	9	6,099	106,279
Taxation - net		24,968	74,339
Short-term investments	10	1,010,291	—
Cash and bank balances	11	3,751,164	2,464,979
		<u>8,083,366</u>	<u>5,950,732</u>
Total Assets		<u>12,741,639</u>	<u>10,736,423</u>
Equity and Liabilities			
Share Capital and Reserves			
Share Capital			
Authorised			
150,000,000 (September 30, 2019: 150,000,000)			
Ordinary shares of Rs. 5 each		<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid-up capital			
150,000,000 (September 30, 2019: 150,000,000)			
Ordinary shares of Rs. 5 each		<u>750,000</u>	<u>750,000</u>
Reserves		<u>7,519,339</u>	<u>7,313,051</u>
		<u>8,269,339</u>	<u>8,063,051</u>
Non-Current Liabilities			
Deferred taxation	12	<u>72,000</u>	<u>69,000</u>
Lease liability		<u>11,025</u>	<u>—</u>
		<u>83,025</u>	<u>69,000</u>
Current Liabilities			
Trade and other payables	13	<u>1,878,166</u>	<u>2,004,137</u>
Advance from customers		<u>925,440</u>	<u>518,405</u>
Short-term borrowings	14	<u>1,480,000</u>	<u>—</u>
Unclaimed dividends		<u>86,972</u>	<u>81,830</u>
Accrued mark-up on short-term borrowing		<u>11,040</u>	<u>—</u>
Current portion of lease liability		<u>7,657</u>	<u>—</u>
		<u>4,389,275</u>	<u>2,604,372</u>
Contingencies and Commitments	15		
Total Equity and Liabilities		<u>12,741,639</u>	<u>10,736,423</u>

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Amir Bashir Ahmed
 Chief Financial Officer


Raeesul Hasan
 Chief Executive


Murtaza H. Habib
 Director



**Consolidated Condensed Interim Statement of Profit or Loss
for the quarter and cumulative for three quarters ended June 30, 2020 (Unaudited)**

	Note	Three quarter ended		Quarter ended	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
		(Rupees in thousands)			
Segment operating results	16				
Net sales and services		7,943,231	6,485,170	3,586,177	3,366,741
Cost of sales		(6,903,552)	(5,331,741)	(2,960,294)	(2,853,400)
Gross profit		1,039,679	1,153,429	625,883	513,341
Selling and distribution expenses		(182,297)	(232,492)	(77,222)	(108,615)
Administrative expenses		(145,927)	(137,008)	(46,636)	(43,635)
Other operating expenses	17	(61,819)	(58,982)	(32,307)	(25,063)
Impairment on long-term investments - available for sale		-	(76,698)	-	(46,119)
Other income	18	132,682	293,719	1,014	135,914
		(257,361)	(211,461)	(155,151)	(87,518)
Operating profit		782,318	941,968	470,732	425,823
Finance income - net	19	194,739	54,370	55,534	8,984
Profit before taxation		977,057	996,338	526,266	434,807
Taxation	20	(130,013)	(105,000)	(65,005)	(55,000)
Profit after taxation		847,044	891,338	461,261	379,807
Earnings per share - Basic and diluted	Rs.	5.65	5.94	3.08	2.53

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director



**Consolidated Condensed Interim Statement of Comprehensive Income
for the quarter and cumulative for three quarters ended June 30, 2020 (Unaudited)**

	Three quarter ended		Quarter ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
	(Rupees in thousands)			
Profit after taxation	847,044	891,338	461,261	379,807
Other comprehensive income :				
Items that will not be reclassified to the statement of profit or loss:				
Loss on re-measurement of equity investments classified as fair value through other comprehensive income (FVOCI)	(228,256)	—	57,231	—
	618,788	891,338	518,492	379,807
Unrealised gain on revaluation of investments for the period	—	(223,091)	—	(264,587)
Total Comprehensive income for the period	618,788	668,247	518,492	115,220

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Raeesul Hasan
Chief Executive

Murtaza H. Habib
Director



Consolidated Condensed Interim Statement of Changes in Equity for the three quarters ended June 30, 2020 (Unaudited)

	Issued Subscribed and Paid-up Capital	Capital Reserve	General Reserve	Revenue Reserves	Unrealised gain / (loss) on investments available for sale	Total Reserves	Total Equity
				Unappro- priated Profit			
	(Rupees in thousands)						
Balance as on September 30, 2018	750,000	34,000	4,173,500	896,988	2,243,189	7,347,677	8,097,677
Effect of change in accounting policy	-	-	-	-	(41,472)	(41,472)	(41,472)
Balance as on October 01, 2018 - restated	750,000	34,000	4,173,500	896,988	2,201,717	7,306,205	8,056,205
Total comprehensive income for the period ended June 30, 2019	-	-	-	891,338	(223,091)	668,247	668,247
Transfer to general reserve	-	-	485,000	(485,000)	-	-	-
Cash dividend for 2018 @ 55%	-	-	-	(412,500)	-	(412,500)	(412,500)
Balance as on June 30, 2019 - restated	<u>750,000</u>	<u>34,000</u>	<u>4,658,500</u>	<u>890,826</u>	<u>1,978,626</u>	<u>7,561,952</u>	<u>8,311,952</u>
Balance as on October 1, 2019	750,000	34,000	4,658,500	1,195,655	1,424,896	7,313,051	8,063,051
Total comprehensive income for the period ended June 30, 2020	-	-	-	847,044	(228,256)	618,788	618,788
Realised gain on sale of investments	-	-	-	6,930	(6,930)	-	-
Transfer to general reserve	-	-	790,000	(790,000)	-	-	-
Cash dividend for 2019 @ 55%	-	-	-	(412,500)	-	(412,500)	(412,500)
Balance as on June 30, 2020	<u>750,000</u>	<u>34,000</u>	<u>5,448,500</u>	<u>847,129</u>	<u>1,189,710</u>	<u>7,519,339</u>	<u>8,269,339</u>

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Amir Bashir Ahmed
 Chief Financial Officer


Raeesul Hasan
 Chief Executive


Murtaza H. Habib
 Director



Consolidated Condensed Interim Statement of Cash Flows for the three quarter ended June 30, 2020 (Unaudited)

	Note	June 30, 2020	June 30, 2019
(Rupees in thousands)			
Cash flows from operating activities			
Cash generated / (used) in operations	21	1,259,862	624,630
Finance income received - net		196,080	55,950
Income tax paid		(77,642)	(79,612)
Long-term loans		675	(1,250)
Net cash generated / (used in) operating activities		1,378,975	599,718
Cash flows from investing activities			
Fixed capital expenditure		(163,519)	(29,098)
Sale proceeds / redemption of investments		1,630,163	—
Dividend received		109,207	90,981
Purchase of investments		(2,738,986)	(136,455)
Sale proceeds of fixed assets		4,010	9,355
Net cash used in investing activities		(1,159,125)	(65,217)
Cash flows from financing activities			
Lease rental paid		(6,307)	—
Dividend paid		(407,358)	(398,278)
Net cash used in financing activities		(413,665)	(398,278)
Net (Increase) / decrease in cash and cash equivalents		(193,815)	136,223
Cash and cash equivalents at the beginning of the period		2,464,979	767,781
Cash and cash equivalents at the end of the period	22	2,271,164	904,004

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Amir Bashir Ahmed
 Chief Financial Officer


Raeesul Hasan
 Chief Executive


Murtaza H. Habib
 Director



Notes to the Consolidated Condensed Interim Financial Statements for the three quarters ended June 30, 2020 (Unaudited)

1. The Company and its operations

The Group consists of Habib Sugar Mills Limited (the Holding company) and HSM Energy Limited - a wholly owned Subsidiary Company (the Subsidiary Company). Brief profiles of Holding company and its subsidiary company are as follows :

1.1. Holding Company

The Holding Company is a public limited company incorporated in Pakistan, with its shares quoted on the Pakistan Stock Exchange Limited. The Holding Company is engaged in the manufacturing and marketing of refined sugar, molasses, ethanol, liquidified carbon dioxide (CO₂), household textiles, providing bulk storage facilities and trading of commodities. The registered office of the Holding Company is situated at Imperial Court, 3rd Floor, Dr. Ziauddin Ahmed Road, Karachi.

1.2. Subsidiary Company

HSM Energy Limited (the Company), a wholly owned subsidiary of Habib Sugar Mills Limited (the Parent Company) was incorporated in Pakistan as a public unlisted company on May 16, 2017. The Registered office of the Company is situated at 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.

The Company has been granted Generation license and upfront Tariff for the period of 30 years by the National Electric Power Regulatory Authority (NEPRA). The project is on hold for a long time, due to non-clarity on the police of the Government for bagasse based energy project.

2. BASIS OF PREPARATION

2.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act and IFAS differ with the requirements of IAS 34, the provisions of and directives issued under the Act and IFAS have been followed.

2.2 These consolidated condensed interim financial statements are unaudited and are being submitted to the members in accordance with Section 237 of the Companies Act, 2017 (the Act) and have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34, 'Interim Financial Reporting', as applicable in Pakistan and provisions of and directives issued under the Act. In case where requirements differ, the provisions of or directives issued under the Act have been followed.

2.3 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2019.



3. Significant accounting policies and disclosures

The accounting policies and methods of computations followed for the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Company for the year ended September 30, 2019 except for adoption of IFRS 16.

3.1 IFRS 16 – Leases

IFRS 16 supersedes IAS 17 'Leases', 'IFRIC 4' Determining whether an Arrangement contains a Lease, 'SIC-15' Operating Leases Incentives and 'SIC-27' Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. Under IFRS 16, distinction between operating and finance leases has been removed and all lease contracts, with limited exceptions will be recognized in statement of financial position by way of right-of-use assets along with their corresponding lease liabilities.

Lease obligations of the Company comprises of lease arrangements giving it the right-of-use over properties utilized as office premises only.

The Company adopted IFRS 16 with effect from October 1, 2019 using the modified retrospective method. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application with no restatement of comparative information. The Company elected to use the transition practical expedient allowing the Company to use a single discount rate to a portfolio of leases with the similar characteristics.

IFRS 16 allows two options for transition under the modified retrospective method as follows:

- recognize the lease liability at the date of initial application for operating leases at the present value of remaining lease payments and a right of use asset equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to those leases, or;
- recognize the lease liability at the date of initial application for operating leases at the present value of remaining lease payments and a right of use asset at its carrying value as if the new standard had always been applied.

In applying the standard, the Company has recognised lease liability at the date of initial application as present value of remaining lease payments and a right-of-use asset equal to the lease liability, adjusted by the amount of prepaid or accrued lease payments previously recognised. The present value has been determined using a single discount rate for portfolio of leases exhibiting similar characteristics based on practical expedient provided in the standard.

Lease term is the non-cancelable period for which the Company has right to use the underlying asset in line with the lease contract together with the periods covered by an option to extend which the Company is reasonably certain to exercise and option to terminate which the Company is not reasonably certain to exercise.

The lease liabilities as at October 01, 2019 can be reconciled to the operating lease commitments as of September 30, 2019 as follows:



	(Rupees in thousands)
Operating lease commitments as at September 30, 2019	28,208
Impact of discounting	(4,892)
Lease liabilities at October 01, 2019	<u>23,316</u>
Incremental borrowing rate as at October 1, 2019	<u>11.06%</u>
The impact of adoption of IFRS 16 as at October 01, 2019 [(increase/ (decrease))] is as follows:	
Assets	
Property, plant and equipment- right of use asset	<u>23,316</u>
Liabilities	
Lease liabilities	<u>23,316</u>
Consolidated condensed interim statement of profit or loss	
Depreciation charge on right-of-use asset	<u>4,372</u>
Financial charges on lease liability	<u>1,672</u>

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2017. Such improvements are generally effective for annual reporting period beginning on or after January 01, 2019. The Company expects that such improvements to the standards will not have any material impact on the Company's consolidated condensed interim financial statements in the period of initial application.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are same as those applied in the Company's annual consolidated financial statements for the year ended September 30, 2019, except as disclosed otherwise.

	(Unaudited) June 30, 2020	(Audited) Sept. 30, 2019
	(Rupees in thousands)	
5. Fixed assets		
5.1 Property, plant and equipment		
Operating fixed assets	2,382,443	2,432,307
Capital work-in-progress	126,910	91,877
Major stores and spare parts	—	1,132
Right of Use asset	18,944	—
	<u>2,528,297</u>	<u>2,525,316</u>



5.2 Cost of additions to and written down value of deletions from fixed assets during the three quarter ended June 30, 2020 were as follows:

	(Unaudited) June 30, 2020		(Audited) September 30, 2019	
	Additions	Deletions	Additions	Deletions
	(Rupees in thousands)		(Rupees in thousands)	
Plant and machinery				
Sugar	116,844	—	55,086	20,790
Distillery	39,312	—	2,575	—
Textile	53	—	150	—
Factory and Building - Distillery	—	—	—	—
Furniture, fittings and office equipment	6,329	35	8,844	56
Accounting Software	541	—	—	—
Vehicles	440	23	15,171	925
	<u>163,519</u>	<u>58</u>	<u>81,826</u>	<u>21,771</u>
		Note	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019 (Rupees in thousands)

6. Long-term investments

Investments in related parties	– Quoted - at fair value	1,317,045	1,657,274
“	– Un-Quoted - at fair value	114,884	93,172
Investments in other companies	– Quoted - at fair value	688,005	499,212
		<u>2,119,934</u>	<u>2,249,658</u>

6.1 Investments in subsidiary company, associated companies or undertakings have been made in accordance with the requirements under the Act.

6.2 The aggregate cost of these investments, net of impairment is Rs.975.22 (September 30, 2019: Rs.874.76) million.

	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019 (Rupees in thousands)
7. Stock-in-trade		
Raw materials	749,448	225,311
Work-in-process	31,764	43,828
Finished goods	1,327,634	1,553,567
Bagasse	47,886	15,068
Fertilizers	2,736	2,631
	<u>2,159,468</u>	<u>1,840,405</u>

8. Loans and advances

Loans - secured		
Current maturity of long-term loans		
Executives	—	29
Other Employees	6,204	6,304
	<u>6,204</u>	<u>6,333</u>
Advances - unsecured		
Suppliers	404,857	884,519
	<u>411,061</u>	<u>890,852</u>



		(Unaudited) June 30 , 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
9. Other receivables - Considered good			
Duty drawback and research & development support claim		5,664	17,903
Dividend receivable		109	3,114
Sales-Tax refundable / adjustable		–	85,137
Others		326	125
		<u>6,099</u>	<u>106,279</u>
	Note	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
10. Short-term investments			
Investments in Government Securities (Treasury Bills) - At amortised Cost	10.1	<u>1,010,291</u>	<u>–</u>
10.1 These government securities are carried at interest rate of 8.20% having a maturity on July 2020.			
11. Cash and bank balances			
Cash in hand		858	229
Balances with banks in:			
Current accounts		75,970	9,298
Treasury call accounts	11.1	424,336	165,452
Term Deposit Receipts	11.2	3,250,000	2,290,000
	11.3	3,750,306	2,464,750
		<u>3,751,164</u>	<u>2,464,979</u>
11.1 Profit rates on Treasury call accounts ranged between 7.50% to 11.75% (September 2019: 6.52% to 11.75%) per annum.			
11.2 Profit rates on Term Deposit Receipts is 7.75% to 12.25% (September 2019: 6.80% to 12.25%) per annum. Maturity of these Term Deposit Receipts are one month.			
11.3 Includes Rs.3,597.28 (September 2019: Rs.2,453.11) million kept with Bank AL Habib Limited - a related party.			
		(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
12. Deferred taxation			
Deferred Tax liability on accelerated tax depreciation allowance on operating fixed assets taxable temporary differences:		205,000	210,000
Deferred tax asset on deductible temporary differences:			
Provision for obsolescence and slow moving stores & spare parts		(9,000)	(9,000)
Deferred Tax Assets on minimum tax Under section 113		(33,000)	–
Unabsorbed tax depreciation allowance		(91,000)	(132,000)
		<u>(133,000)</u>	<u>(141,000)</u>
		<u>72,000</u>	<u>69,000</u>



	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
13. Trade and other payables		
Creditors	1,465,069	1,702,057
Accrued liabilities	233,788	213,777
Sales tax	103,859	—
Workers' Profit Participation Fund (WPPF)	52,319	71,041
Workers' Welfare Fund	22,915	17,124
Income-tax deducted at source	216	138
	<u>1,878,166</u>	<u>2,004,137</u>
14. Short-term borrowings - secured	<u>1,480,000</u>	<u>—</u>
The aggregate financing facility available from commercial banks amounted to Rs.8,212 (September 2019: Rs.8,212) million. These financing facilities are secured by way of registered charge against hypothecation of stock-in-trade, stores and spares, assignment of trade debts and other receivables. The rate of mark-up charged during the period was 3% to 15.05% (September 2019: 2.20% to 11.39%) per annum.		
15. Contingencies and commitments		
15.1 Contingencies		
There were no major changes in the status of contingencies as reported in the annual financial statements for the year ended September 30, 2019.		
15.2 Commitments		
The Holding Company has provided counter guarantees to Bank AL Habib Limited, a related party, amounting to Rs.400.00 (September 30, 2019: Rs. 350.00) million against agriculture finance facilities to the growers supplying sugarcane to the mills and counter guarantees to other banks amounting to Rs.767.00 (September 30, 2019: 1,710.82) million against guarantees issued by banks in favour of third parties on behalf of the Holding Company. These guarantees are secured by way of registered charge against hypothecation of stores and spares, stock-in-trade, assignment of trade debts and other receivables.		
15.3 Commitments for capital expenditure amounting to Rs.59.39 (September 2019: 31.61) million.		
	(Unaudited) June 30, 2020 (Rupees in thousands)	(Audited) Sept. 30, 2019
15.4 Rentals payable over next four years under operating lease agreements with First Habib Modaraba in respect of vehicles	<u>37,457</u>	<u>50,276</u>



16. Segment operating results for the three quarters ended June 30, 2020 (Unaudited)

		Sugar Division		Distillery Division		Textile Division		Trading Division		Subsidiary Company		(Rupees in thousands) Total	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Net sales and service													
Sales	Local	4,407,938	3,520,600	277,568	310,245	3,041	4,015	673,659	35,663	-	-	5,362,206	3,870,523
	Export	-	-	2,226,889	2,179,658	348,040	433,131	-	-	-	-	2,574,929	2,612,789
		4,407,938	3,520,600	2,504,457	2,489,903	351,081	437,146	673,659	35,663	-	-	7,937,135	6,483,312
Service - Storage income - net		-	-	6,096	1,858	-	-	-	-	-	-	6,096	1,858
		4,407,938	3,520,600	2,510,553	2,491,761	351,081	437,146	673,659	35,663	-	-	7,943,231	6,485,170
Less: Cost of sales		(4,177,114)	(3,210,086)	(1,833,055)	(1,707,415)	(294,413)	(382,816)	(598,970)	(31,424)	-	-	(6,903,552)	(5,331,741)
Gross Profit		230,824	310,514	677,498	784,346	56,668	54,330	74,689	4,239	-	-	1,039,679	1,153,429
Less: Selling and distribution expenses		(67,549)	(106,999)	(91,797)	(102,178)	(22,311)	(23,315)	(640)	-	-	-	(182,297)	(232,492)
Administrative expenses		(131,149)	(120,064)	(9,815)	(8,397)	(4,004)	(4,037)	(381)	(189)	(578)	(4,321)	(145,927)	(137,008)
		(198,698)	(227,063)	(101,612)	(110,575)	(26,315)	(27,352)	(1,021)	(189)	(578)	(4,321)	(328,224)	(369,500)
Profit / (loss) before other operating expenses and other income		32,126	83,451	575,886	673,771	30,353	26,978	73,668	4,050	(578)	(4,321)	711,455	783,929
Other operating expenses - Note 17												(61,819)	(58,982)
Impairment on long-term investments - available for sale												-	(76,698)
Other income - Note 18												132,682	293,719
Operating Profit												782,318	941,968

16.1 The Company's Sugar division production process is seasonal in nature because of the cultivation and reaping of sugarcane due to which production is carried out in the three quarter of the financial year.



16a. Segment operating results for the quarter ended June 30, 2020 (Unaudited)

(Rupees in thousands)											
		Sugar Division		Distillery Division		Textile Division		Trading Division		Subsidiary Company	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
		Total									
Net sales and service											
Sales	Local	1,822,740	2,219,512	110,863	123,906	987	103	566,405	25,111	-	-
	Export	-	-	989,350	861,623	91,963	135,851	-	-	-	-
		1,822,740	2,219,512	1,100,213	985,529	92,950	135,954	566,405	25,111	-	-
Service - Storage income - net		-	-	3,869	635	-	-	-	-	-	-
		1,822,740	2,219,512	1,104,082	986,164	92,950	135,954	566,405	25,111	-	-
Less: Cost of sales		(1,726,290)	(2,052,019)	(662,556)	(664,875)	(65,712)	(115,925)	(505,736)	(20,581)	-	-
Gross Profit		96,450	167,493	441,526	321,289	27,238	20,029	60,669	4,530	-	-
Less: Selling and distribution expenses		(36,297)	(61,037)	(34,248)	(40,006)	(6,507)	(7,572)	(170)	-	-	-
Administrative expenses		(44,042)	(40,151)	(1,218)	(673)	(1,197)	(1,341)	(136)	(66)	(43)	(1,404)
		(80,339)	(101,188)	(35,466)	(40,679)	(7,704)	(8,913)	(306)	(66)	(43)	(1,404)
Profit / (loss) before other operating expenses and other income		16,111	66,305	406,060	280,610	19,534	11,116	60,363	4,464	(43)	(1,404)
Other operating expenses - Note 17											
Impairment on long-term investments - available for sale											
Other income - Note 18											
Operating Profit											



	Three quarters ended		Quarter ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
	(Unaudited)		(Unaudited)	
	(Rupees in thousands)			
17. Other operating expenses				
Workers' Profit Participation Fund	52,319	52,982	27,807	23,063
Workers' Welfare Fund	9,500	6,000	4,500	2,000
	<u>61,819</u>	<u>58,982</u>	<u>32,307</u>	<u>25,063</u>
18. Other income				
Cash Freight Subsidy	–	100,741	–	89,613
Dividend income	106,202	87,868	4,722	7,037
Scrap sales	4,464	11,103	597	1,589
Gain on disposal of fixed assets	3,952	5,082	–	1,433
Agriculture income	3,036	1,253	(283)	782
Exchange gain - net	8,246	64,881	(4,022)	35,460
Sale of Electricity	6,782	22,791	–	–
	<u>132,682</u>	<u>293,719</u>	<u>1,014</u>	<u>135,914</u>
19. Finance income / (cost) - net				
Profit on treasury call accounts	25,144	11,811	10,915	6,391
Profit on term deposit receipts	156,388	99,083	44,330	18,266
Government Securities	64,247	–	16,846	–
Interest on loan to employees	155	167	51	56
	<u>245,934</u>	<u>111,061</u>	<u>72,142</u>	<u>24,713</u>
Less:				
Mark-up / interest on:				
Short-term borrowings	(36,373)	(40,803)	(11,040)	(13,193)
Workers' Profit Participation Fund	(1,592)	(884)	–	–
Lease liability	(1,672)	–	(557)	–
Bank charges	(11,558)	(15,004)	(5,011)	(2,536)
	<u>(51,195)</u>	<u>(56,691)</u>	<u>(16,608)</u>	<u>(15,729)</u>
	<u>194,739</u>	<u>54,370</u>	<u>55,534</u>	<u>8,984</u>
20. Taxation				
Income tax - current	127,013	105,000	67,005	53,000
Deferred tax	3,000	–	(2,000)	2,000
	<u>130,013</u>	<u>105,000</u>	<u>65,005</u>	<u>55,000</u>



	(Unaudited)	
	June 30, 2020	June 30, 2019
	(Rupees in thousands)	
21. Cash used in operations		
Profit before taxation	977,057	996,338
Adjustment for non-cash charges and other items		
Depreciation	183,797	187,131
Gain on disposal of fixed assets	(3,952)	(5,082)
Finance income - net	(194,739)	(54,370)
Impairment on long term investment - available for sale	–	76,698
Dividend income	(106,202)	(87,868)
Working capital changes - note 21.1	403,901	(488,217)
	<u>1,259,862</u>	<u>624,630</u>
21.1 Working capital changes		
(Increase) / decrease in current assets		
Stores and spare parts	(20,625)	(8,550)
Stock-in-trade	(319,063)	(991,511)
Trade debts	(117,711)	(171,555)
Loans and advances	479,791	(139,266)
Trade deposits and short-term prepayments	3,270	2,584
Other receivables	97,175	104,653
	<u>122,837</u>	<u>(1,203,645)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	(125,971)	197,183
Advance from customers	407,035	518,245
Net changes in working capital	<u>403,901</u>	<u>(488,217)</u>
22. Cash and cash equivalents at the end of the period		
These comprise of the following		
Cash and bank balances	3,751,164	2,214,004
Short-term borrowings	(1,480,000)	(1,310,000)
	<u>2,271,164</u>	<u>904,004</u>
23. Financial Risk Management, Objectives and Policies		

The Company's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company as at September 30, 2019. There has been no change in any risk management policies since the year end.



24. Transactions with related parties

Related parties comprise of subsidiary, associated entities, entities with common directorship, directors and key management personnel. Material transactions with related parties during the period and balances at the end of the period, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

		Three quarters ended		Quarter ended	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
		(Unaudited)		(Unaudited)	
		(Rupees in thousands)			
Transactions during the period					
Related party	Investment in shares / units of mutual fund	52,068	52,800	28,570	14,400
Associates	Insurance premium paid	20,953	21,529	3,690	11,500
	Insurance claim received	9,120	1,355	–	–
	Profit on treasury call account / term deposits	177,775	109,855	55,057	24,461
	Dividend income	87,160	64,365	2,682	4,023
	Dividend paid	40,964	40,964	–	–
	Bank charges	179	294	100	21
Key management personnel	Managerial remuneration	44,691	41,450	15,281	17,550
Retirement benefit funds	Charge / Contribution for the period	12,175	11,131	3,777	3,698

Transactions with related parties are carried out under normal commercial terms and conditions.

24.1 All transactions with related parties are entered into at agreed term duly approved by the Board of Directors of the Company.

25. Date of authorisation for issue

These consolidated condensed interim financial statements were authorised for issue on July 29, 2020 by the Board of Directors of the Company.

26. General

26.1 Figures for the quarters ended June 30, 2020 and June 30, 2019 have not been subjected to limited scope review by the external auditors.

26.2 Figures presented in these consolidated condensed interim financial statements have been rounded off to the nearest thousand rupees.


Amir Bashir Ahmed
 Chief Financial Officer


Raeesul Hasan
 Chief Executive


Murtaza H. Habib
 Director



حکومت سندھ نے 9 دسمبر 2019 کو گئے کی کم از کم سپورٹ پرائس برائے سیزن 2019-2020 کے نوٹیفیکیشن کا اجراء کیا جس میں گئے کی قیمت-192 روپے فی 40 کلوگرام مقرر کی گئی اس کے مقابلے میں کرشنک سیزن 2018-2019 میں -182 روپے فی 40 کلوگرام تھی۔ علاوہ ازیں ملز کو الٹی پریٹیم شکر کی اوسط ریکوری کے بیچ مارک 8.70 فیصد سے زائد ہر 0.10 فیصد پر 0.50 روپے فی 40 کلوگرام ادا کرے گی۔

شکر ڈویژن نے آپریٹنگ منافع 32.13 ملین روپے کیا اس کے مقابلے میں پچھلے سال اسی مدت کے دوران 83.45 ملین روپے کا منافع کیا تھا۔ منافع میں کمی کی وجہ اس مدت میں پیداواری لاگت میں اضافے کی وجہ سے ہوئی۔

ڈسٹری ڈویژن:

زیر جائزہ مدت کے دوران اس ڈویژن نے 18,759 میٹرک ٹن میتھانول تیار ہوا گزشتہ سال اسی مدت کے دوران 22,116 میٹرک ٹن پیداوار ہوئی تھی۔ ڈویژن نے 575.89 ملین روپے کا آپریٹنگ منافع حاصل کیا مقابلتا گزشتہ سال اسی مدت کے دوران 673.77 ملین روپے منافع حاصل کیا تھا۔ منافع میں کمی اس مدت میں شیرے کی قیمت میں اضافے کی وجہ سے ہوا۔

زیر جائزہ مدت کے دوران لیکوئیڈ کاربن ڈائی آکسائیڈ یونٹ کی 4,845 میٹرک ٹن پیداوار ہوئی مقابلتا گزشتہ سال اسی مدت کے دوران 5,870 میٹرک ٹن تھی۔

ٹیکسٹائل ڈویژن:

ڈویژن نے زیر نظر مدت کے دوران 30.35 ملین روپے آپریٹنگ منافع حاصل کیا جس کے برعکس گزشتہ سال اسی مدت کے دوران 26.98 روپے کا منافع تھا۔

ٹریڈنگ ڈویژن:


ٹریڈنگ ڈویژن نے 73.67 ملین روپے منافع چینی اور بگاس کی تجارت پر حاصل کیا۔ گزشتہ سال اسی مدت کے دوران 4.05 ملین روپے کا منافع ہوا تھا۔

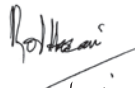
بگاس پٹنی کو۔ جزییشن منصوبہ:

کمپنی کا بگاس پٹنی منصوبہ گورنمنٹ کی جانب سے بگاس پٹنی توانائی کے منصوبوں پر غیر واضح صورت حال کی وجہ سے طویل عرصے سے رکا ہوا ہے۔ بورڈ نے حالیہ صورت حال کا جائزہ لیتے ہوئے اور بجلی کے خریدنے کے بیروں اور اس کے خریدنے کے طریقہ کار کی غیر یقینی صورت حال کی وجہ سے یہ فیصلہ کیا کہ اس منصوبے کو بند کر دیا جائے اور ایچ۔ ایس۔ ایم انرجی لمیٹڈ کو ختم کر دیا جائے۔

عام امور:

ڈائریکٹر ز اس امر پر اپنی خوشی کا اظہار کرتے ہوئے کمپنی کے افسران، اسٹاف اور ورکرز کی بہترین کارکردگی پر خراج تحسین پیش کرتے ہیں۔


مرتبضی انجمن حبیب
ڈائریکٹر


رئیس اکس
چیف ایگزیکٹو

کراچی مورخہ 29 جولائی 2020



ڈائریکٹرز کی رپورٹ

محترم ممبران۔ السلام علیکم

بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 جون 2020 کو ختم ہونے والی تیسری سہ ماہی مدت کے کمپنی کی غیر آڈٹ شدہ مجموعی اور غیر مجموعی عبوری مالیاتی حسابات پیش کر رہے ہیں۔

11 مارچ 2020ء کو عالمی ادارہ صحت (ڈبلیو۔ ایچ۔ او) نے Covid-19 کو عالمی وباء قرار دے دیا اور انتباہ کیا کہ یہ وباء ایک بڑی آبادی پر اثر انداز ہوگی اور کئی ہلاکتوں کا باعث ہوگی۔ دنیا کے سائنسدانوں نے Covid-19 کے تریاق کیلئے ویکسین بنانے پر تحقیقات کر رہے ہیں جب تک کہ اس وائرس کے پھیلاؤ کو روکنے کیلئے سخت سماجی فاصلے اور عالمی ادارہ صحت کے بتائے ہوئے احتیاطی تدابیر کے اصولوں کے مطابق عمل کرنا ہے۔

اس بحران کی معاشی خرابیاں پاکستان میں بھی نمایاں ہیں۔ حکومت پاکستان نے ان حالات کو دیکھتے ہوئے احتیاطی طور پر پہلے مرحلے میں لاک ڈاؤن نافذ کر دیا ہے اس پھیلاؤ کو روکنے کے اقدامات کے نتیجے میں معاشی ست روی اور بیش تر کاروبار کے حالات میں رکاوٹ پیدا ہو گئی ہے۔ اس عوامی مشکلات کو مد نظر رکھتے ہوئے حکومت نے لاک ڈاؤن کی پالیسی میں نرمی کر دی ہے۔

کمپنی کی انتظامیہ نے بھی مثبت رد عمل ظاہر کیا اور ضروری اقدامات کئے اور اپنی معاشرتی ذمہ داری نبھانے کو جاری رکھا اور ان بحرانی حالات میں آپریشن کو ہموار چلانے کو یقینی بنایا۔

مالیاتی نتائج:

اللہ کے فضل و کرم سے زیر جائزہ مدت کے دوران آپ کی کمپنی کا قبل از ٹیکس منافع کی رقم مبلغ 977.62 ملین روپے رہی۔ اس تیسری سہ ماہی مدت کے مالیاتی نتائج درج ذیل ہیں۔

(روپے ہزاروں میں)

977,624	منافع قبل از ٹیکس
130,000	ٹیکسیشن
847,624	منافع بعد از ٹیکسیشن
5,797	غیر منقسمہ منافع برائے فارورڈ
853,421	غیر منقسمہ منافع کیری فارورڈ
5.65	منافع فی شیئر۔ بنیادی اور معتدل۔ روپیہ

کارکردگی کا جائزہ:

شکر ڈویژن:

گنے کی کرشنگ کا سیزن 2019-2020 26 نومبر 2019 کو شروع ہوا اور پلانٹ کو 5 مارچ 2020 تک 101 دن چلایا گیا، اس کے مقابلے میں گزشتہ سیزن میں 98 دن چلایا گیا تھا۔ اس سیزن میں گنے کی کرشنگ 620,425 میٹرک ٹن رہی جبکہ شکر کی اوسط ریکوری کا تناسب 9.91 فیصد رہا اور شکر کی پیداوار 61,488 میٹرک ٹن ہوئی۔ مقابلہ گزشتہ سیزن میں گنے کی کرشنگ 771,864 میٹرک ٹن رہی تھی جبکہ شکر کی اوسط ریکوری 10.87 فیصد تھی اور شکر کی پیداوار 83,910 میٹرک ٹن تھی۔