

# HUSEIN SUGAR MILLS LIMITED



Un-audited Condensed Interim Financial Information  
For The First Quarter Ended  
**DECEMBER 31, 2014**



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**COMPANY INFORMATION**

<b>BOARD OF DIRECTORS</b>	Mst. Nusrat Shamim Mr. Ahmed Ali Tariq Mr. Mustafa Ali Tariq Mr. Shahzad Aslam Mr. Aamir Naseem Mr. Ejaz Ahmad Mr. Muhammad Shams Amin	Executive Director Non Executive Director Executive Director Non Executive Director Non Executive Director Independent Director Non Executive Director	CEO Chairman
<b>AUDIT COMMITTEE</b>	Mr. Ejaz Ahmad Mr. Ahmed Ali Tariq Mr. Aamir Naseem	Independent Director Non Executive Director Non Executive Director	Chairman Member Member
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE</b>	Mr. Ahmed Ali Tariq Mr. Ejaz Ahmad Mr. Mustafa Ali Tariq	Non Executive Director Independent Director Executive Director	Chairman Member Member
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Farooq Ahmed		
<b>COMPANY SECRETARY</b>	Syed Arif Hussain		
<b>LEGAL ADVISOR</b>	Manzoor Hussain Syed		
<b>BANKERS</b>	MCB Bank Limited Bank Alfalah Limited Habib Bank Limited National Bank of Pakistan Allied Bank Limited Faysal Bank Limited Meezan Bank Limited United Bank Limited The Bank of Punjab Albarkah Bank (Pakistan) Limited Bank Islami Pakistan Limited Summit Bank Limited NIB Bank Limited		
<b>SHARE REGISTRAR</b>	M/S Hameed Majeed Associates (Pvt) Limited 1st Floor, H. M. House, 7-Bank Square, Lahore. Ph:042- 37235081-2 Fax: 042- 37358817		
<b>AUDITORS</b>	Riaz Ahmad & Company Chartered Accountants		
<b>MILLS</b>	Lahore Raod, Jaranwala		
<b>REGISTERED HEAD OFFICE</b>	30-A E/1, Old FCC Gulberg III, Lahore Ph: 042-35762089 - 35762090 Fax: 042-35712680 E-mail: info@huseinsugarmills.com Website: www.huseinsugarmills.com		



## DIRECTORS' REPORT

On behalf of the Board, I am pleased to present un-audited interim condensed financial information of the Company for the first quarter ended on December 31, 2014.

Highlights of the Company's performance for the first quarter and its comparison with corresponding period of last year is as under:

		2014	2013
<b>OPERATIONAL</b>			
Sugarcane crushed till December 31	(M. Tons)	209,569	198,932
Sugar produced	(M. Tons)	18,455	17,670
Sugar recovery	(Percentage)	9.03	9.09

### Rupees

<b>FINANCIAL</b>			
Sales		611,639,634	1,191,477,326
Gross Profit / (Loss)		(2,376,197)	59,049,836
Operating and finance cost		(54,575,838)	(58,769,256)
(Loss) / Profit before taxation		(37,665,783)	4,001,280
(Loss) / Profit after taxation		(37,665,783)	13,339,812
(Loss) / Earnings per share		(2.22)	0.78


The Company started its crushing season 2014-15 on October 25, 2014 to take the advantages of improved through put against 18% to 22% forecast shortage of sugarcane availability. However, unjustified increase of Rs. 10 per mound in minimum support price of sugarcane by the government dented the profitability. Persistent low sugar prices because of over supplies remained the major threat of the sugar industry. Contribution of successful operations of new equipment is expected as the season progresses. The Company was able to pay its financial commitments of banks and financial institutions as per agreed schedule and nothing is overdue.

Imparity caused by fixation of different minimum support price for procurement of sugarcane in Provinces created market uncertainty. Due to overcapacities and de-zoning, price war among the mills for procurement of more sugarcane from our area is expected which will affect adversely. International sugar glut also affected the profit margins. The better sugar recovery with increased crushing is however, expected as which will improve the margin.

The management of the Company is focused to turn around the present position of the Company to sustainable one.

The Board acknowledges with thanks the continued support and cooperation extended by the shareholders, bankers, sugarcane farmers, and all other stakeholders. The Board also places on record its appreciation for employees of the Company for its devotion and hard work.

Lahore: January 27, 2015

  
**CHIEF EXECUTIVE**  
 (By the order of the Board)

**CONDENSED INTERIM BALANC SHEET**

	NOTE	Un-Audited 31 December 2014 Rupees	Audited 30 September 2014 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 50,000,000 (30 September 2013: 50,000,000) shares of Rupees 10 each		<b>500,000,000</b>	500,000,000
Issued, subscribed and paid-up share capital		<b>170,000,000</b>	170,000,000
Reserves		<b>(408,908,479)</b>	(390,734,171)
<b>Total equity</b>		<b>(238,908,479)</b>	(220,734,171)
<b>Share deposit money</b>		<b>107,000,000</b>	107,000,000
<b>Surplus on revaluation of operating fixed assets - net of deferred tax</b>		<b>1,526,910,689</b>	1,541,802,260
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term finance	5	-	-
Liabilities against assets subject to finance lease	6	-	7,576,147
Long term deposits		<b>6,901,175</b>	6,753,535
Deferred income tax liability		<b>288,370,115</b>	295,704,769
		<b>295,271,290</b>	310,034,451
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>1,400,436,295</b>	1,015,893,600
Accrued mark-up		<b>13,246,460</b>	12,037,547
Short term borrowings		<b>590,915,185</b>	316,430,454
Current portion of non-current liabilities		<b>53,931,817</b>	60,318,011
Provision for taxation		<b>6,850,985</b>	6,850,985
<b>Total liabilities</b>		<b>2,065,380,742</b>	1,411,530,597
<b>Total liabilities</b>		<b>2,360,652,032</b>	1,721,565,048
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>TOTAL EQUITY AND LIABILITIES</b>	7	<b>3,755,654,242</b>	3,149,633,137

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

MST. NUSRAT SHAMIM  
Chief Executive



AS AT 31 DECEMBER 2014

	NOTE	Un-Audited 31 December 2014 Rupees	Audited 30 September 2014 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets	8	2,538,549,354	2,558,087,353
Long term investments	9	13,209,500	15,944,250
Long term deposits		9,465,680	9,904,929
		<b>2,561,224,534</b>	<b>2,583,936,532</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		133,846,408	112,585,164
Stock-in-trade		561,869,396	106,541,620
Trade debts		80,326,700	15,529,595
Advances		160,064,847	32,580,568
Short term deposits and prepayments		17,102,082	20,716,782
Other receivables		185,656,412	151,077,178
Cash and bank balances		55,563,863	106,465,698
		<b>1,194,429,708</b>	<b>545,496,605</b>
Non-current asset held for sale		-	20,200,000
		<b>1,194,429,708</b>	<b>565,696,605</b>
<b>TOTAL ASSETS</b>		<b>3,755,654,242</b>	<b>3,149,633,137</b>

  
**AHMED ALI TARIQ**  
 Chairman / Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE FIRST QUARTER YEAR ENDED 31 DECEMBER 2014**

	NOTE	QUARTER ENDED	
		31 December 2014 Rupees	31 December 2013 Rupees
SALES		611,639,634	1,191,477,326
COST OF SALES	10	<u>(614,015,831)</u>	<u>(1,132,427,490)</u>
GROSS PROFIT		(2,376,197)	59,049,836
DISTRIBUTION COST		<u>(2,492,240)</u>	<u>(3,239,830)</u>
ADMINISTRATIVE EXPENSES		<u>(37,315,205)</u>	<u>(33,124,060)</u>
OTHER OPERATING EXPENSES		<u>-</u>	<u>(296,550)</u>
		<u>(39,807,445)</u>	<u>(36,660,440)</u>
		<u>(42,183,642)</u>	<u>22,389,397</u>
OTHER INCOME		<u>19,286,252</u>	<u>3,720,700</u>
(LOSS)/PROFIT FROM OPERATIONS		<u>(22,897,390)</u>	<u>26,110,096</u>
FINANCE COST		<u>(14,768,393)</u>	<u>(22,108,816)</u>
(LOSS)/ROFIT BEFORE TAXATION		<u>(37,665,783)</u>	<u>4,001,280</u>
TAXATION		<u>-</u>	<u>9,338,532</u>
(LOSS)/ROFIT AFTER TAXATION		<u>(37,665,783)</u>	<u>13,339,812</u>
(LOSS)/EARNING PER SHARE - BASIC AND DILUTED		<u>(2.22)</u>	<u>0.78</u>

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

  
MST. NUSRAT SHAMIM  
Chief Executive

  
AHMED ALI TARIQ  
Chairman / Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE FIRST QUARTER YEAR ENDED 31 DECEMBER 2014

	QUARTER ENDED	
	31 December 2014 Rupees	31 December 2013 Rupees
(LOSS)/ PROFIT AFTER TAXATION	(37,665,783)	13,339,812
<b>OTHER COMPREHENSIVE INCOME / (LOSS):</b>		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account:		
Surplus / (deficit) on remeasurement of available for sale investments	(2,734,750)	(2,995,705)
Other comprehensive income / (loss) for the period	(2,734,750)	(2,995,705)
<b>TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD</b>	<b>(40,400,533)</b>	<b>10,344,107</b>

The annexed notes form an integral part of these condensed interim financial information.

  
MST. NUSRAT SHAMIM  
Chief Executive

  
AHMED ALI TARIQ  
Chairman / Director



**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE FIRST QUARTER YEAR ENDED 31 DECEMBER 2014**

	<b>QUARTER ENDED</b>	
	<b>31 December 2014 Rupees</b>	<b>31 December 2013 Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>(Loss)/profit before taxation</b>	(37,665,783)	4,001,280
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	30,737,590	14,958,953
Finance cost	14,768,393	22,108,816
Profit on bank deposits	(34,570)	(62,612)
<b>CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>	<b>7,805,630</b>	<b>41,006,437</b>
<b>WORKING CAPITAL CHANGES</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spare parts and loose tools	(21,261,244)	(271,849)
Stock-in-trade	(455,327,776)	162,251,538
Trade debts	(64,797,105)	(24,214,207)
Advances	(127,484,280)	(37,412,054)
Short term deposits and prepayments	8,108,700	(13,047,446)
Other receivables	(29,482,942)	(10,808,011)
<b>(Decrease) / increase in current liabilities:</b>		
Trade and other payables	385,942,269	345,248,725
	<b>(304,302,378)</b>	<b>421,746,696</b>
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	<b>(296,496,744)</b>	<b>462,753,133</b>
Finance cost paid	(13,559,480)	(40,980,828)
Income tax paid	(6,478,430)	(5,662,078)
Dividend paid	-	-
Net increase / (decrease) in long term deposits	(4,054,751)	(2,324,700)
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>	<b>(320,589,409)</b>	<b>413,785,527</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of asset held for sale	20,200,000	-
Property, plant and equipment - acquired	(11,199,591)	(1,859,896)
Profit on bank deposits received	17,134	120,430
<b>NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES</b>	<b>9,017,543</b>	<b>(1,739,466)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of liabilities against assets subject to finance lease	(1,470,673)	(2,442,994)
Share deposit money received	-	22,500,000
Repayment of long term finance	(12,491,667)	(12,491,667)
Long term deposits - net	147,640	249,050
Short term borrowings-net	274,484,731	(310,206,470)
<b>NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES</b>	<b>260,670,031</b>	<b>(302,392,081)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(50,901,835)</b>	<b>109,653,980</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>106,465,698</b>	<b>13,390,467</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>55,563,863</b>	<b>123,044,447</b>

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

  
MST. NUSRAT SHAMIM  
Chief Executive

  
AHMED ALI TARIQ  
Chairman / Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE FIRST QUARTER YEAR ENDED 31 DECEMBER 2014**



*Ahmed Ali Tariq*

**AHMED ALI TARIQ**  
Chairman / Director

	Reserves						Total	Total equity	
	Capital		Revenue						
	Premium on issue of right shares	Fair value reserve	Sub total	General	Accumulated loss	Sub total			
<b>Balance as at 30 September 2013 (audited)</b>	170,000,000	21,093,550	16,927,805	38,021,355	169,450,000	(300,076,036)	(130,626,036)	(92,604,681)	77,395,319
Profit for the period	-	-	-	-	-	13,339,812	13,339,812	13,339,812	13,339,812
Other comprehensive loss for the period	-	(2,995,705)	(2,995,705)	(2,995,705)	-	-	-	(2,995,705)	(2,995,705)
Total comprehensive loss for the period	-	(2,995,705)	(2,995,705)	(2,995,705)	-	13,339,812	13,339,812	10,344,107	10,344,107
<b>Balance as at 31 December 2013 (un-audited)</b>	170,000,000	21,093,550	13,932,100	35,025,650	169,450,000	(286,736,224)	(117,286,224)	(82,260,574)	87,739,426
Loss for the period	-	-	-	-	-	(307,985,297)	(307,985,297)	(307,985,297)	(307,985,297)
Other comprehensive loss for the period	-	(488,300)	(488,300)	(488,300)	-	-	-	(488,300)	(488,300)
Total comprehensive loss for the period	-	(488,300)	(488,300)	(488,300)	-	(307,985,297)	(307,985,297)	(308,473,597)	(308,473,597)
<b>Balance as at 30 September 2014(audited)</b>	170,000,000	21,093,550	13,443,800	34,537,350	169,450,000	(594,721,521)	(425,271,521)	(390,734,171)	(220,734,171)
Loss for the period	-	-	-	-	-	(37,665,783)	(37,665,783)	(37,665,783)	(37,665,783)
Surplus realized during the period on account of incremental depreciation	-	-	-	-	-	22,226,225	22,226,225	22,226,225	22,226,225
Other comprehensive loss for the period	-	-	(2,734,750)	(2,734,750)	-	-	-	(2,734,750)	(2,734,750)
Total comprehensive loss for the period	-	-	(2,734,750)	(2,734,750)	-	(15,439,558)	(15,439,558)	(18,174,308)	(18,174,308)
<b>Balance as at 31 December 2014 (un-audited)</b>	170,000,000	21,093,550	10,709,050	31,802,600	169,450,000	(610,161,079)	(440,711,079)	(408,908,479)	(238,908,479)

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

*MST. NUSRAT SHAMIM*  
**MST. NUSRAT SHAMIM**  
Chief Executive

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2014****1. THE COMPANY AND ITS OPERATIONS**

Husein Sugar Mills Limited (the company) is a public company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984). The shares of the company are listed on Lahore and Karachi Stock Exchanges. Its registered office is situated at 30-A-E/1, Old F.C.C., Gulberg-III, Lahore. The company is principally engaged in the business of production and sale of sugar and by products.

**2. BASIS OF PREPARATION**

These condensed interim financial information of the company for the quarter ended 31 December 2014 are unaudited and are being submitted to shareholders as required by section 245 of the Companies Ordinance 1984. These condensed interim financial information have been prepared in accordance with the requirements of International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). These condensed interim financial information not include all of the information required for full annual financial statements, and should be read in conjunction with audited annual published financial statements of the company for the year ended 30 September 2014.

**3. ACCOUNTING POLICIES**

The accounting policies and method 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 30 September 2014.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the company for the year ended 30 September 2014.

	<b>Un-audited 31 December 2014 Rupees</b>	<b>Audited 30 September 2014 Rupees</b>
<b>5 LONG TERM FINANCE</b>		
<b>From Banking Company - Secured</b>		
Opening balance	<b>49,966,664</b>	99,933,332
Add: Obtained during the period / year	-	-
Less: Repaid during the period / year	<b>12,491,668</b>	49,966,668
	<b>37,474,996</b>	49,966,664
Less: current portion shown under current liabilities	<b>37,474,996</b>	49,966,664
Non-current portion	-	-



	Un-audited 31 December 2014 Rupees	Audited 30 September 2014 Rupees
<b>6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>		
Future minimum lease payments	17,102,499	18,764,688
Less: Un-amortized finance charge	<u>645,678</u>	<u>837,194</u>
Present value of future minimum lease payments	16,456,821	17,927,494
Less: Current portion shown under current liabilities	<u>16,456,821</u>	<u>10,351,347</u>
Non current portion	<u>-</u>	<u>7,576,147</u>

## 7. CONTINGENCIES AND COMMITMENTS

### 7.1 Contingencies

**7.1.1** The tax department raised demand of Rupees 44.039 million in show cause notice issued to the Company on 10 November 2014, alleging that the Company charged federal excise duty (FED) at the rate of 0.5% instead of 8% on local supplies made during the period from January 2014 to June 2014 against quantity of white crystalline sugar exported to Afghanistan which was not in accordance with clause (d) of SRO 77(1)/2013 dated 07 February 2013. Consequently, the Company filed a writ petition against this notice in the Honorable Lahore High Court, Lahore on the basis that the FED at the rate of 0.5% has been charged as allowed by the order dated 08 November 2013 passed in W.P No. 4927/2013, which declared that clause (d) of SRO No. 77/2013 is unlawful.

**7.1.2** Guarantees of Rupees 42.800 million (30 September 2014: Rupees 42.800 million), and Rupees 16.577 million (30 September 2014: Rupees 16.577 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connection, Trading Corporation of Pakistan against sale of sugar respectively.

### 7.2 Commitments

For capital expenditure	-	-
Letters of credit other than capital expenditure	-	7,061,123

	Un-audited 31 December 2014 Rupees	Audited 30 September 2014 Rupees
<b>8. FIXED ASSETS</b>		
<b>Property, plant and equipment:</b>		
Operating fixed assets		
Owned (Note 8.1)	2,420,896,544	2,440,054,016
Leased (Note 8.2)	27,345,964	28,785,225
Capital work-in-progress (8.3)	90,306,846	89,248,112
	<u>2,538,549,354</u>	<u>2,558,087,353</u>



	Un-audited 31 December 2014 Rupees	Audited 30 September 2014 Rupees
<b>8.1 Operating fixed assets-Owned</b>		
Opening net book value	2,440,054,016	964,239,884
Add: Cost of additions during the quarter / year (Note 8.1.1)	<u>10,140,857</u>	<u>33,581,719</u>
	2,450,194,873	997,821,603
Less: Book value of deletions during the period / year	<u>-</u>	<u>419,894</u>
	2,450,194,873	997,401,709
Less: Book value of assets transferred to non current asset held for sale	<u>-</u>	<u>20,200,000</u>
	2,450,194,873	977,201,709
Add: Revaluation surplus	<u>-</u>	<u>1,490,585,848</u>
	2,450,194,873	2,467,787,557
Less: Impairment loss	<u>-</u>	<u>740,212</u>
	2,450,194,873	2,467,047,345
Less: Depreciation charged during the period / year	<u>29,298,329</u>	<u>26,993,329</u>
	<u>2,420,896,544</u>	<u>2,440,054,016</u>
<b>8.1.1 Cost of additions</b>		
Land	-	285,892
Plant and machinery	7,652,436	24,143,564
Factory equipment	-	108,609
Gas and electric installations	2,275,421	2,958,208
Furniture and fixtures	-	35,400
Office equipment	-	1,469,369
Computer equipment	-	127,660
Vehicles	213,000	4,453,017
	<u>10,140,857</u>	<u>33,581,719</u>
<b>8.2 Operating fixed assets-Leased</b>		
Opening net book value	28,785,225	34,954,120
Add: Cost of additions during the period / year	<u>-</u>	<u>-</u>
	28,785,225	34,954,120
Less: Book value of assets transferred to owned assets	<u>-</u>	<u>-</u>
	28,785,225	34,954,120
Less: Book value of deletions during the period / year	<u>-</u>	<u>1,009,028</u>
	28,785,225	33,945,092
Less: Depreciation charged during the period / year	<u>1,439,261</u>	<u>5,159,867</u>
	<u>27,345,964</u>	<u>28,785,225</u>
<b>8.3 Capital work-in-progress</b>		
Advance for plant and machinery	88,226,346	87,167,612
Advance for vehicles	2,080,500	2,080,500
	<u>90,306,846</u>	<u>89,248,112</u>



9. LONG TERM INVESTMENTS	Un-audited 31 December 2014 Rupees	Audited 30 September 2014 Rupees
<b>AVAILABLE FOR SALE</b>		
<b>Associated Companies</b>		
<b>Quoted</b>		
<b>Shadab Textile Mills Limited</b>		
375,000 (30 September 2014: 375,000) fully paid ordinary shares of Rupees 10 each	2,500,000	2,500,000
<b>Sargodha Spinning Mills Limited</b>		
500 (30 September 2014: 500) fully paid ordinary shares of Rupees 10 each	5,000	5,000
	<u>2,505,000</u>	<u>2,505,000</u>
Add: Fair value adjustment	10,709,050	13,443,800
Less: Impairment loss	4,550	4,550
	<u><u>13,209,500</u></u>	<u><u>15,944,250</u></u>

UN-AUDITED	
31 December 2014	31 December 2013
.....Rupees.....	

**10. COST OF SALES**

**Raw material consumed:**

Sugarcane purchased	943,200,347	845,976,007
Sugarcane development cess	7,858,832	4,973,307
Market committee fee	807,897	994,661
	<u>951,867,076</u>	<u>851,943,975</u>

Salaries, wages and other benefits

Workers' welfare	37,559,962	27,537,469
Stores, spare parts and loose tools	525,105	1,293,492
Chemicals consumed	6,959,279	4,724,251
Packing material consumed	11,972,525	10,581,630
Fuel and power	9,388,151	8,456,604
Repair and maintenance	8,775,557	5,998,755
Insurance	9,290,934	41,742,539
Other factory overheads	927,867	1,336,452
Depreciation	3,768,778	4,117,803
	<u>28,308,368</u>	<u>12,442,982</u>
	<u>117,476,526</u>	<u>118,231,977</u>
	<u>1,069,343,602</u>	<u>970,175,952</u>

**Work-in-process:**

Opening stock	1,659,577	1,272,242
Closing stock	(19,374,911)	(21,660,754)
	<u>(17,715,334)</u>	<u>(20,388,512)</u>

**Cost of goods manufactured**

Finished goods:		
Opening stock	1,051,628,270	949,787,440
Closing stock	104,882,045	665,180,797
	(542,494,485)	(482,540,747)
	<u>(437,612,439)</u>	<u>182,640,050</u>
	<u>614,015,831</u>	<u>1,132,427,490</u>



#### 11. TRANSACTIONS WITH RELATED PARTIES

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

	Un-audited 31 December 2014 Rupees	Un-audited 31 December 2013 Rupees
Contributions to provident fund	1,114,377	1,158,577
Remuneration to key management personnel	10,936,506	11,561,345
Dividend received	375,000	562,500

#### 12. 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 2014.

#### 13. SEGMENT INFORMATION

These financial statements have been prepared on the basis of a single reportable segment. Sales of sugar represents 86.18% (30 September 2014: 92.52%) of the total sales of the Company. 100.00% (30 September 2014: 65.30%) of the sales of the Company relates to customers in Pakistan. All non-current assets of the Company as at 31 December 2014 were located in Pakistan. 13.73% (30 September 2014: 22.56%) of the total sales of the Company are made to a single customer in Pakistan.

#### 14. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors and authorized for issue on 27 January 2015.

#### 15. CORRESPONDING FIGURES

No significant reclassification / rearrangement of comparative figures has been made.

#### 16. GENERAL

Figures have been rounded off to the nearest of Rupee.

  
MST. NUSRAT SHAMIM  
Chief Executive

  
AHMED ALI TARIQ  
Chairman / Director