

HUSEIN SUGAR MILLS LIMITED



Un-Audited Condensed Interim

Financial Information

For the Third Quarter Ended June 30,2015



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**COMPANY INFORMATION****BOARD OF DIRECTORS**

Mst. Nusrat Shamim	Chief Executive
Mr. Ahmad Ali Tariq	Chairman
Mr. Mustafa Ali Tariq	
Mian Shahzad Aslam	
Mian Aamir Naseem	
Mr. Ejaz Ahmad (Resigned)	
Mr. Muhammad Shams Amin	

AUDIT COMMITTEE

Mr. Ejaz Ahmad (Resigned)	Chairman
Mr. Ahmad Ali Tariq	Member
Mian Aamir Naseem	Member

**HUMAN RESOURCE &
REMUNERATION COMMITTEE**

Mr. Ahmad Ali Tariq	Chairman
Mr. Ejaz Ahmad (Resigned)	Member
Mr. Mustafa Ali Tariq	Member

CHIEF FINANCIAL OFFICER

Masood Ahmad

COMPANY SECRETARY

Syed Arif Hussain

LEGAL ADVISOR

Masud & Mirza Associates

BANKERS

MCB Bank Limited
Bank Alfalah Limited
Habib Bank Limited
National Bank of Pakistan
Allied Bank Limited
United Bank Limited
The Bank of Punjab
Meezan Bank Limited
Faysal Bank Limited
Bank Islami Pakistan Limited
Al Baraka Bank (Pakistan) Limited
Summit Bank Limited
NIB Bank Limited

AUDITORS

Riaz Ahmad & Company
Chartered Accountants

REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.
1st Floor, H.M. House, 7-Bank Square Lahore.
Ph: (042) 37235081-2
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MILLS

Lahore Road, Jaranwala.

REGISTERED / HEAD OFFICE

30-A E/I, Old FCC, Gulberg III, Lahore
Ph: (042) 35762089 - 35762090
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**DIRECTORS' REPORT**

On behalf of the Board, I am pleased to present the Third Quarterly Interim Condensed Financial Information of the Company for the third quarter ended on June 30, 2015.

Brief highlights of the Company's performance during period under consideration along with comparison for corresponding period of last year are as follows:

	2015	2014
OPERATIONAL		
Crushing days	139	114
Sugarcane crushed (M. Tons)	447,091	429,611
Sugar produced (M. Tons)	41,103	40,415
Sugar recovery percentage	9.20	9.41
	Rupees	
FINANCIAL		
Sales	1,968,755,399	2,609,372,810
Gross (loss)/profit	(105,730,297)	154,197,859
Operating cost	121,038,930	112,836,398
Finance cost	40,965,463	73,990,808
Loss before taxation	248,925,036	25,452,116
Loss after taxation	268,925,036	48,142,781
Loss per share	15.82	2.83

The Company was not able to fully avail the benefits of early start of crushing season and the expected improvements in operational and financial position did not occur as planned. The stringent liquidity position was one of the basic handicaps faced by the Company in missing the crushing targets. It is a widely acknowledged fact that the country's sugar industry in general and mills in central Punjab in particular, are experiencing an acute liquidity crunch. Because of financial difficulties the mills are forced to sell sugar stocks at very low prices which are creating a glut in the local market. This situation has further aggravated due to high cane prices which form the largest component of cost of production. The difficulties are also owing to the fact that sugar prices remain low due to surplus availability in local and international market. The export subsidy allowed by the government was largely mitigated by disparity of sugar cane prices among the Provinces.

In response to the auditor's observation regarding Company's ability to continue as going concern, the directors' comments are as follows:

Owing to factors which are affecting the entire country's sugar industry combined with lean operational and commercial activity for preceding years, the company has current and accumulated losses mainly due to low sugar prices because of surplus availability of the commodity. However, the management is able to fulfill all financial commitments despite the low sugar prices and administrative pressure for payment to growers. Further the sponsors as well have assured about fresh injection of resources into the company to improve the liquidity. The assurance by the financial institutions for continued financial support will also greatly help to procure quality sugar cane during the next crushing season which will improve the profitability and financial strength of the company.

The Board acknowledges with thanks the continued support and cooperation extended by all stakeholders, bankers, financial institutions and growers. The Board also places on record its appreciation for employees of the Company for their devotion and hard work.


Chief Executive

Lahore: July 30, 2015

(By the order of the Board)

**CONDENSED INTERIM BALANCE SHEET**

	Un-Audited 30 June 2015 Rupees	Audited 30 September 2014 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 50,000,000 (30 September 2014: 50,000,000) shares of Rupees 10 each	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up share capital	170,000,000	170,000,000
Reserves	<u>(615,763,074)</u>	<u>(390,734,171)</u>
Total equity	(445,763,074)	(220,734,171)
 Share deposit money/sponsors loan	 300,000,000	 107,000,000
Surplus on revaluation of operating fixed assets - net of deferred income tax	1,496,976,377	1,541,802,260
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finance	6 650,000,000	-
Liabilities against assets subject to finance lease	7 -	7,576,147
Long term deposits	6,659,400	6,753,535
Deferred income tax liability	8 295,704,769	295,704,769
	952,364,169	310,034,451
CURRENT LIABILITIES		
Trade and other payables	1,083,274,131	1,015,893,600
Accrued mark-up	8,494,633	12,037,547
Short term borrowings	608,715,346	316,430,454
Current portion of non-current liabilities	24,557,724	60,318,011
Provision for taxation	26,850,985	6,850,985
	1,751,892,819	1,411,530,597
Total liabilities	2,704,256,988	1,721,565,048
CONTINGENCIES AND COMMITMENTS		
9		
TOTAL EQUITY AND LIABILITIES	<u>4,055,470,291</u>	<u>3,149,633,137</u>


CHIEF EXECUTIVE



AS AT 30 JUNE 2015 (UN-AUDITED)

	NOTE	Un-Audited 30 June 2015 Rupees	Audited 30 September 2014 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	10	2,528,966,224	2,558,087,353
Long term investments		15,014,500	15,944,250
Long term deposits		5,321,329	9,904,929
		<u>2,549,302,053</u>	<u>2,583,936,532</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		126,651,617	112,585,164
Stock-in-trade		391,544,806	106,541,620
Trade debts		1,139,870	15,529,595
Advances		157,381,322	32,580,568
Short term deposits and prepayments		14,523,301	20,716,782
Other receivables		123,835,773	151,077,178
Cash and bank balances		691,091,549	106,465,698
		<u>1,506,168,238</u>	<u>545,496,605</u>
Non-current asset held for sale		-	20,200,000
		<u>1,506,168,238</u>	<u>565,696,605</u>
TOTAL ASSETS		<u><u>4,055,470,291</u></u>	<u><u>3,149,633,137</u></u>


CHAIRMAN / DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THIRD QUARTER ENDED 30 JUNE 2015**

Note	NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
-----Rupees-----				
SALES	1,968,755,399	2,609,372,810	88,288,102	319,392,804
COST OF SALES	(2,074,485,696)	(2,455,174,951)	(83,032,679)	(324,045,062)
GROSS PROFIT/(LOSS)	(105,730,297)	154,197,859	5,255,423	(4,652,258)
DISTRIBUTION COST	(10,784,137)	(7,319,936)	(1,090,996)	(1,279,651)
ADMINISTRATIVE EXPENSES	(108,993,446)	(105,172,579)	(33,580,004)	(32,601,335)
OTHER EXPENSES	(1,261,347)	(343,883)	(92,454)	5,610,583
	(121,038,930)	(112,836,398)	(34,763,454)	(28,270,403)
	(226,769,227)	41,361,461	(29,508,031)	(32,922,661)
OTHER INCOME	18,809,655	7,177,231	227,714	398,413
PROFIT / (LOSS) FORM OPERATIONS	(207,959,572)	48,538,692	(29,280,317)	(32,524,248)
FINANCE COST	(40,965,463)	(73,990,808)	(8,401,709)	(23,106,722)
LOSS BEFORE TAXATION	(248,925,036)	(25,452,116)	(37,682,027)	(55,630,970)
TAXATION	(20,000,000)	(22,690,665)	(20,000,000)	5,906,825
LOSS AFTER TAXATION	(268,925,036)	(48,142,781)	(57,682,026)	(49,724,145)
LOSS PER SHARE - BASIC AND DILUTED	(15.82)	(2.83)	(3.39)	(2.92)

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


CHIEF EXECUTIVE


CHAIRMAN / DIRECTOR



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THIRD QUARTER ENDED 30 JUNE 2015**

NINE MONTHS ENDED		QUARTER ENDED	
30 June 2015	30 June 2014	30 June 2015	30 June 2014

-----Rupees-----

LOSS AFTER TAXATION (268,925,036) (48,142,781) (57,682,026) (49,724,145)

OTHER COMPREHENSIVE INCOME / (LOSS):

Items that will not be reclassified to profit and loss account

-	-	-	-
(929,750)	(1,287,255)	796,575	(14,225,005)

Items that may be reclassified subsequently to profit and loss account :

Surplus / (deficit) on remeasurement of available for sale investments

Other comprehensive income / (loss) for the period (929,750) (1,287,255) 796,575 (14,225,005)

TOTAL COMPREHENSIVE LOSS FOR THE PERIOD (269,854,786) (49,430,036) (56,885,451) (63,949,150)

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


CHIEF EXECUTIVE


CHAIRMAN / DIRECTOR

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THIRD QUARTER ENDED 30 JUNE 2015**

	NINE MONTHS ENDED	
	30 June 2015	30 June 2014
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(248,925,036)	(25,452,116)
Adjustments for non-cash charges and other items:		
Depreciation	91,630,229	49,749,153
Profit on bank deposits	-	(164,132)
Dividend income	(375,000)	-
Loss/(gain) on disposal of operating fixed asset	189,587	(1,508,600)
Finance cost	40,965,463	73,990,808
Cash flows from operating activities before working capital changes	(116,514,756)	96,615,113
WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(14,066,453)	10,326,860
Stock-in-trade	(285,003,186)	306,553,026
Trade debts	14,389,725	(33,519,556)
Advances	(69,798,181)	(28,578,648)
Short term deposits and prepayments	9,055,481	(7,431,808)
Other receivables	(8,984,785)	(17,108,006)
Increase in current liabilities:		
Trade and other payables	65,787,007	115,102,873
	(288,620,393)	345,344,741
Cash generated from / (used in) operations	(405,135,150)	441,959,854
Finance cost paid	(44,508,377)	(82,340,394)
Income tax paid	(16,633,450)	(45,774,903)
Net decrease in long term deposits	1,721,600	(9,154,951)
Net cash generated from / (used in) operating activities	(464,555,377)	304,689,606
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of operating fixed assets	20,437,640	1,910,000
Property, plant and equipment - acquired	(63,586,390)	(31,606,679)
Dividend received	375,000	-
Profit on bank deposits received	137,159	173,708
Net cash used in investing activities	(42,636,592)	(29,522,971)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of liabilities against assets subject to finance lease	(5,897,933)	7,479,054
Repayments of long term finance	(37,475,005)	(37,475,000)
Long term finance obtained	650,000,000	-
Short term borrowings - net	292,284,892	(336,589,543)
Share deposit money/sponsors loan received	193,000,000	104,500,000
Long term deposits - net	(94,135)	51,557,451
Net cash flows from /(used in) financing activities	1,091,817,819	(210,528,038)
Net increase in cash and cash equivalents	584,625,851	64,638,597
Cash and cash equivalents at the beginning of the period	106,465,698	13,390,467
Cash and cash equivalents at the end of the period	691,091,549	78,029,064

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


CHIEF EXECUTIVE


CHAIRMAN / DIRECTOR

Grant Hill
CHIEF EXECUTIVE

CHAIRMAN / DIRECTOR

	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	RESERVES						TOTAL EQUITY
		Capital		Revenue			TOTAL	
		Premium on issue of right shares	Fair value reserve	Sub total	General	Accumulated loss		
.....Rupees.....								
Balance as at 30 September 2013 (audited)	170,000,000	21,093,550	16,927,805	38,021,355	169,450,000	(300,076,036)	(92,604,681)	77,395,319
Loss for the period ended 30 June 2014	-	-	-	-	-	(48,142,781)	(48,142,781)	(48,142,781)
Other comprehensive income for the period ended 30 June 2014	-	-	(1,287,255)	(1,287,255)	-	-	(1,287,255)	(1,287,255)
Total comprehensive income for the period ended 30 June 2014	-	-	(1,287,255)	(1,287,255)	-	(48,142,781)	(48,142,781)	(49,430,036)
Balance as at 30 June 2014 (un-audited)	170,000,000	21,093,550	15,640,550	36,734,100	169,450,000	(348,218,817)	(178,768,817)	27,965,283
Loss for the period ended 30 September 2014	-	-	-	-	-	(246,502,704)	(246,502,704)	(246,502,704)
Other comprehensive income for the period ended 30 September 2014	-	-	(2,196,750)	(2,196,750)	-	-	(2,196,750)	(2,196,750)
Total comprehensive income for the period ended 30 September 2014	-	-	(2,196,750)	(2,196,750)	-	(246,502,704)	(248,699,454)	(248,699,454)
Balance as at 30 September 2014 (audited)	170,000,000	21,093,550	13,443,800	34,537,350	169,450,000	(594,721,521)	(425,271,521)	(220,734,171)
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of tax								
Loss for the period ended 30 June 2015	-	-	-	-	-	(268,925,036)	(268,925,036)	(268,925,036)
Other comprehensive income for the period ended 30 June 2015	-	-	(929,750)	(929,750)	-	-	(929,750)	(929,750)
Total comprehensive income for the period ended 30 June 2015	-	-	(929,750)	(929,750)	-	(268,925,036)	(269,854,786)	(269,854,786)
Balance as at 30 June 2015 (un-audited)	170,000,000	21,093,550	12,514,050	33,607,600	169,450,000	(818,820,674)	(649,370,674)	(445,763,074)

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

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THIRD QUARTER ENDED 30 JUNE 2015****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

This condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the company for the period ended 30 June 2014 has been prepared in accordance with the requirements of International Accounting Standard - 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with 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.

5. SEASONALITY OF OPERATIONS

The company is inter-alia, engaged in manufacturing of sugar for which the season begins in October / November and ends in March / April. Therefore, majority of expenses are incurred and production activities are undertaken in first half of the company's financial year thus increasing volume of inventories and financing at the end of this first half.



	Un-audited 30 June 2015 Rupees	Audited 30 September 2014 Rupees
6. LONG TERM FINANCE		
From banking companies – secured		
Opening balance	49,966,664	99,933,332
Add: Obtained during the period / year	650,000,000	-
Less: Repayment during the period / year	37,475,001	49,966,668
Closing balance	662,491,663	49,966,664
Less: Current portion shown under current liabilities	12,491,663	49,966,664
	<u>650,000,000</u>	<u>-</u>
7. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Future minimum lease payments	12,421,165	18,764,688
Less: Un-amortized finance charge	355,104	837,194
Present value of future minimum lease payments	12,066,061	17,927,494
Less: Current portion shown under current liabilities	12,066,061	10,351,347
	<u>-</u>	<u>7,576,147</u>
8. DEFERRED INCOME TAX LIABILITY		
The (liability) / asset for deferred taxation comprises temporary differences arising due to:		
Taxable temporary differences		
Accelerated tax depreciation	(101,240,149)	(88,057,173)
Finance lease	(3,176,801)	(3,583,051)
Surplus on revaluation of operating fixed assets	(419,389,197)	(441,467,617)
	<u>(523,806,147)</u>	<u>(533,107,841)</u>
Deductible temporary differences		
Available tax losses	343,865,184	251,233,839
Turnover tax available for carry forward	-	31,784,666
	<u>343,865,184</u>	<u>283,018,505</u>
Net deferred income tax liability	(179,940,963)	(250,089,336)
Less: Deferred income tax asset not recognized	115,763,806	45,615,433
Net deferred income tax liability recognized	<u>(295,704,769)</u>	<u>(295,704,769)</u>



9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

9.1.1 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. The proceeding of case is in process. Based on the advice of the legal counsel, the management expects a favourable outcome of the matter. Hence, no provision has been made in these financial information.

9.1.2 Guarantee of Rupees 42.800 million (30 September 2014: Rupees 42.800 million), is given by the bank of the Company to Sui Northern Gas Pipelines Limited against gas connection.

	Un-audited 30 June 2015 Rupees	Audited 30 September 2014 Rupees
9.2 Commitments		
For capital expenditure	Nil	Nil
Letters of credit other than capital expenditure	Nil	7,061,123

10 FIXED ASSETS

Property, plant and equipment

Operating fixed assets

Owned (Note 9.1)

Leased (Note 10.2)

Capital work-in-progress (Note 10.3)

Intangible asset (Note 10.4)

2,509,178,726	2,440,054,016
19,393,021	28,785,225
2,528,571,748	2,468,839,241
394,476	89,248,112
-	-
2,528,966,224	2,558,087,353

10.1 OPERATING FIXED ASSETS – OWNED

Opening book value

Add: Cost of additions during the period / year (Note 10.1.1)

Add: Surplus on revaluation of operating fixed assets

Add: Book value of assets transferred from assets subject to
finance lease during the period / year (Note 10.2)

Less: Book value of fixed assets disposed of during the period / year (Note 10.1.2)

Less: Book value of asset transferred to non-current asset held for sale

Less: Impairment loss charged during the period / year

Less: Depreciation charged during the period / year

Closing book value

2,440,054,016	964,239,884
152,440,026	33,581,719
-	1,490,585,848
7,373,118	-
2,599,867,160	2,488,407,451
1,113,790	419,894
2,598,753,370	2,487,987,557
-	20,200,000
2,598,753,370	2,467,787,557
-	740,212
89,574,644	26,993,329
2,509,178,726	2,440,054,016



	Un-audited 30 June 2015 Rupees	Audited 30 September 2014 Rupees
10.1.1 COST OF ADDITIONS DURING THE PERIOD / YEAR		
Freehold land	-	285,892
Plant and machinery	144,450,499	24,143,564
Factory equipment	270,008	108,609
Gas and electric installations	3,809,411	2,958,208
Furniture and fixtures	-	35,400
Office equipment	50,500	1,469,369
Computer equipment	932,300	127,660
Vehicles	2,927,309	4,453,017
	<u>152,440,026</u>	<u>33,581,719</u>
10.1.2 BOOK VALUE OF DELETIONS DURING THE PERIOD / YEAR		
Cost		
Standby equipment	-	492,475
Office equipment	-	39,000
Vehicles	2,034,435	416,000
	<u>2,034,435</u>	<u>947,475</u>
Less: Accumulated depreciation	920,645	527,581
	<u>1,113,790</u>	<u>419,894</u>
10.2 OPERATING FIXED ASSETS – LEASED		
Opening book value	28,785,225	34,954,120
Add: Cost of addition during the period / year	36,500	-
	<u>28,821,725</u>	<u>34,954,120</u>
Less: Book value of assets transferred to operating fixed assets during the period / year (Not 10.1)	7,373,118	-
	<u>21,448,607</u>	<u>34,954,120</u>
Less: Book value of deletions during the period / year	-	1,009,028
	<u>21,448,607</u>	<u>33,945,092</u>
Less: Depreciation charged during the period / year	2,055,586	5,159,867
Closing book value	<u>19,393,021</u>	<u>28,785,225</u>
10.3 CAPITAL WORK-IN-PROGRESS		
Plant and machinery	394,476	87,167,612
Advance for purchase of vehicle	-	2,080,500
	<u>394,476</u>	<u>89,248,112</u>
10.4 INTANGIBLE ASSET		
This represent fully amortised computer software having cost of Rupees 1,000,000.		
This is still in the use of Company.		



(Un-audited)

NINE MONTHS ENDED		QUARTER ENDED	
30 June 2015	30 June 2014	30 June 2015	30 June 2014

Rupees

11 COST OF SALES

Raw materials consumed:

Sugarcane purchased	2,033,277,757	1,887,436,789	-	-
Sugarcane development cess	16,771,801	10,738,704	-	-
Market committee fee	2,236,240	2,147,741	-	-
	2,052,285,798	1,900,323,234	-	-

Salaries, wages and other benefits	107,799,526	93,744,889	29,597,300	26,088,470
Workers' welfare	1,339,313	3,732,338	278,848	1,654,691
Stores, spare parts and loose tools	10,862,947	8,657,821	434,874	262,637
Chemicals consumed	26,202,933	28,977,427	-	51,387
Packing material consumed	22,246,280	21,069,540	52,606	22,485
Fuel and power	20,489,703	15,424,750	7,054,370	6,066,297
Repair and maintenance	27,208,120	22,668,860	3,062,684	(19,653,787)
Insurance	2,761,781	3,738,268	1,003,772	1,178,705
Other factory overheads	5,314,793	8,410,382	354,347	529,053
Depreciation	82,977,688	41,874,416	29,671,165	16,431,827
	307,203,084	248,298,691	71,509,966	32,631,765
	2,359,488,882	2,148,621,925	71,509,966	32,631,765

Work-in-process:

Opening stock	1,659,576	1,272,242	2,299,865	1,723,251
Closing stock	(2,293,507)	(1,739,770)	(2,293,507)	(1,739,770)
	(633,931)	(467,528)	6,358	(16,519)

Cost of goods manufactured	2,358,854,951	2,148,154,397	71,516,324	32,615,246
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Finished goods:

Opening stock	104,882,044	665,180,797	400,767,654	649,590,059
Closing stock	(389,251,299)	(358,160,243)	(389,251,299)	(358,160,243)
	(284,369,255)	307,020,554	11,516,355	291,429,816
	2,074,485,696	2,455,174,951	83,032,679	324,045,062

12. TRANSACTIONS WITH RELATED PARTIES

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

	Un-audited 30 June 2015 Rupees	Un-audited 30 June 2014 Rupees
Contributions to provident fund	3,578,520	3,500,464
Remuneration to key management personnel	29,524,675	28,026,342
Dividend received from associated company	375,000	562,500

13. 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.

14. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors and authorized for issue on **30 July 2015**.

15. GENERAL

Figures have been rounded off to the nearest of Rupee.


CHIEF EXECUTIVE


CHAIRMAN / DIRECTOR