

1st Quarter

Condensed Interim Financial Statements

For the quarter ended 31 December 2018 (Un-audited)

Abdullah Shah Ghazi Sugar Mills Limited

1st Quarter



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CORPORATE INFORMATION

Board of Directors

Mr. Muhammad Irshad Butt
(Director/Chief Executive)
Mr. Muhammad Nawaz
Mr. Muhammad Rashid Rana
Mr. Atif Butt
Mr. Muhammad Talib
Mr. Yasir Iqbal
Mr. Muhammad Dawood

Audit Committee

Mr. Muhammad Irshad Butt	(Director)
Mr. Muhammad Talib	(Member)
Mr. Yasir Iqbal	(Member)

Chief Financial Officer

Mr. Sohail Azam Khan

Company Secretary

Mr. Saleem Abbas

Internal Auditors

Riaz Ahmad. Saqib, Gohar and Company
Chartered Accountants

Auditors

Kaleem & Company
Chartered Accountants

Registrar

Central Depository Company of Pakistan,
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi, Pakistan

Registered Office

7/10, A-2 Arkay Square
Shahrah-e-Liaqa, New Challil, Karachi

Mills

Abdullah Shah Ghaziabad, Garho,
District Thatta, Sindh

Bankers

Bank Islami Pakistan Limited
Summit Bank Limited
Bank Al-Falah Limited
Silk Bank Limited
MCB Bank Limited
Meezan Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
Allied Bank Limited

Web Presence:

www.asgsm.com

DIRECTOR'S REPORT

Dear Members,

Assalam-o-Alaikum,

On behalf of the Board, I am pleased to present un-audited Interim Financial Statements of the Company for the first quarter ended on December 31, 2018.

Financial Results

During the period under review the operation of your company resulted in pre-tax loss of Rs. 166.711 million. The financial results are as under:

	(Rupees in Thousands)
Loss before Taxation	(166,711)
Taxation	(1,059)
Loss after Taxation	(165,651)

The sugar industry continued to be under pressure. The mismatch in price of raw material & sugar sale price resulting in the losses for the reporting period.

Acknowledgement

The Board would like to place on record its appreciation of all the employees of the company for their dedication and hard work.

Lahore:
January 30, 2019

CHIEF EXECUTIVE

ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
As at December 31, 2018

		(Un-Audited) December 31, 2018	(Audited) September 30, 2018
	Notes	RUPEES	
<u>LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (2011:100,000,000) ordinary shares of Rs. 10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital		792,616,660	792,616,660
Accumulated loss		(1,798,637,994)	(1,639,771,429)
		(1,006,021,334)	(847,154,769)
Surplus on revaluation of property, plant and equipment		493,500,747	502,399,755
NON-CURRENT LIABILITIES			
Long term loans - Unsecured	5	123,416,314	123,416,314
Long term loans - Secured		3,900,000	5,000,000
Retirement benefit obligations		5,953,240	5,953,240
CURRENT LIABILITIES			
Trade and other payables		2,312,227,331	2,363,146,120
Finance cost payable		235,868,052	226,679,952
Short term borrowings - Secured		74,720,546	74,720,546
Current portion of long term loan from bank		348,398,518	347,798,518
Provision for taxation - net		1,054,500	1,484,038
		2,972,268,947	3,013,829,174
CONTINGENCIES	6	--	--
		2,593,017,914	2,803,443,714
<u>ASSETS</u>			
NON CURRENT ASSETS			
Property, plant and equipments		2,448,322,457	2,479,855,189
Long term deposits		1,826,165	1,826,165
CURRENT ASSETS			
Stores and spares		49,215,143	38,320,772
Stock in trade		--	183,613,276
Trade debts - Unsecured - Considered good		--	--
Advances, deposits and prepayments		85,454,682	88,191,562
Advance income tax - net		5,430,100	6,867,218
Cash and bank balances		2,769,367	4,769,532
		142,869,292	321,762,360
		2,593,017,914	2,803,443,714

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

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LTD
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
For the First Quarter Ended December 31, 2018

	December 31, 2018	December 31, 2017
RUPEES		
Sales	84,360,000	-
Cost of Sales	233,029,431	169,252,686
Gross loss	(148,669,431)	(169,252,686)
OPERATING EXPENSES		
Administrative and general expenses	6,734,931	7,656,144
Distribution expense	198,000	-
	6,932,931	7,656,144
Operating loss	(155,602,362)	(176,908,830)
Finance cost	11,108,711	8,077,674
Loss for the 1st quarter	(166,711,073)	(184,986,504)
Other Income	-	-
Loss before taxation	(166,711,073)	(184,986,504)
Provision for taxation		
Current	1,054,500	-
Deferred	(8,982,088)	398,093
Prior	6,868,239	6,870,862
	(1,059,349)	7,268,955
Loss after taxation	(165,651,724)	(192,255,459)
Earning Per Share- Basic and diluted	(2.09)	(2.43)

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

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LTD
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For The First Quarter Ended December 31, 2018

	December 31, 2018	December 31, 2017
	RUPEES	
Loss for the period	(165,651,724)	(192,255,459)
Other Comprehensive income:		
Transfer from surplus on revaluation of property, plant and equipment	-	-
Related deferred tax	-	-
	-	-
Total comprehensive income for the 1st Quarter	(165,651,724)	(192,255,459)

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

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
For The First Quarter Ended December 31, 2018

	December 31, 2018	December 31, 2017
RUPEES		
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Loss before taxation	(166,711,073)	(184,986,504)
Adjustments for non cash and other items:		
Depreciation	31,532,732	33,368,637
Financial charges	11,108,711	8,077,674
Workers' welfare fund	--	1,631,351
Prior Year Adjustment	1,919,248	--
	44,560,690	43,077,663
Cash flow before working capital changes	(122,150,382)	(141,908,842)
Changes in working capital		
(Increase) / decrease in current assets:		
Stores and spares	(10,894,371)	1,180,169
Stock in trade	183,613,276	114,914,525
Advances, deposits and prepayments	2,736,880	(4,449,487)
	175,455,785	111,645,207
Increase / (decrease) in current liabilities:		
Trade and other payables	(52,838,037)	33,623,229
	122,617,748	145,268,436
Cash (used) in operations	467,366	3,359,594
Payments for:		
Taxes	(46,920)	(62,996)
Financial charges	(1,920,611)	(1,637,264)
	(1,967,531)	(1,700,260)
Net cash used from operating activities	(1,500,165)	1,659,334
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Fixed capital expenditure	--	--
Net cash used in investing activities	--	--
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Long Term Loan From Bank	(1,100,000)	(800,000)
Short term borrowings - Net	600,000	--
Net cash generated from financing activities	(500,000)	(800,000)
	--	--
Net decrease in cash and cash equivalent	(2,000,165)	859,334
Cash and bank balances at the beginning of the period	4,769,532	9,997,598
Cash and bank balances at the end of the period	2,769,367	10,856,932

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

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
For The First Quarter Ended December 31, 2018

	Share capital	Accumulated Loss	Total
	RUPEES		
Balance as at October 01, 2017	792,616,660	(1,345,597,152)	(552,980,492)
Total comprehensive income for the year	--	(185,142,752)	(185,142,752)
Balance as at December 31, 2017	792,616,660	(1,530,739,904)	(738,123,244)
Balance as at October 01, 2018	792,616,660	(1,639,771,429)	(847,154,769)
Total comprehensive income for the period	--	(158,866,565)	(158,866,565)
Balance as at December 31, 2018	792,616,660	(1,798,637,994)	(1,006,021,334)

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

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LTD
NOTES TO THE FINANCIAL STATEMENTS
For The First Quarter Ended December 31, 2018

1) STATUES AND NATURE OF COMPANY

1.1) The Company was incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February 11, 1990. The Company is listed in Pakistan Stock Exchange. The principal business of the Company is manufacturing and selling of refined sugar and by products.

2) SIGNIFICANT ACCOUNTING POLICIES

The accounting conventions, policies and methods of computation adopted and followed in the preparation of quarterly financial statements are the same as those of the published annual financial statements for the year September 30, 2018.

3) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, the requirements of the Companies Act, 2017 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Act, 2017, or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Act 2017 or the said directives issued by the SECP prevail.

4) PROPERTY PLANT AND EQUIPMENTS

Fixed capital expenditure during the period is amounting to Rs.0 and no fixed assets disposed off during the period.

		Un - Audited December 31, 2018 Rupees	Audited September 30, 2018 Rupees
5) LONG TERM LOANS:			
Subordinated loan from holding Company - Unsecured	5.1	123,416,314	123,416,314
		<u>123,416,314</u>	<u>123,416,314</u>

5.1 The loan has been advanced by M/s. Haq Bahu Sugar Mills (Pvt.) Ltd which carries markup @ 6 months KIBOR plus 1% payable half yearly. Since the loan will not be repayable within next twelve months therefore the same has been classified as long term liability. The loan is subordinated to certain short term finance facility obtained by the company.

6) CONTIGENCIES

There are no contingencies which need to be disclosed in the financial statements

ABDULLAH SHAH GHAZI SUGAR MILLS LTD
NOTES TO THE FINANCIAL STATEMENTS
For The First Quarter Ended December 31, 2018

7) CORRESPONDENDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation however there has been no significant reclassification.

8) DATE OF AUTHORIZATION FOR ISSUE

The financial statements were approved by the board of directors and authorized for issue on Jan 30, 2019.

9) GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR