



Habib-ADM Ltd.

**Half Yearly
Unaudited Accounts
December 31, 2018**

Contents

	Page No
Company Information	2
Chairman's Review / Directors' Report	3
Auditors' Report To The Members	4
Condensed Interim Statement Of Financial Position (Un-audited)	5
Condensed Interim Statement Of Profit Or Loss (Un-audited)	6
Condensed Interim Statement Of Comprehensive Income (Un-audited)	7
Condensed Interim Statement Of Cash Flows (Un-audited)	8
Condensed Interim Statement Of Changes In Equity (Un-audited)	9
Condensed Notes To The Financial Information (Un-audited)	10-16



CHAIRMAN'S REVIEW / DIRECTORS' REPORT

HALF YEAR ENDED DECEMBER 31, 2018

Dear Shareholders,

We bow our heads in gratitude to Allah the Beneficent, the Merciful, the Provider, for the Blessings He continues to bestow on us which are partly reflected in the Company's performance for the Half Year ended 31 December 2018.

The Company's operations were under intense pressure due mainly to cost and availability of gas and water.

We work towards countering the adverse conditions and hope to overcome the challenges we face.

In closing, please join in my prayers to Allah the Beneficent, the Merciful, the Provider to guide us and Bless us with Bounties as Befit His Glory, Aameen.

On behalf of the Board

Gaffar A. Habib
Chairman

Karachi: 26 February 2019



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INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Habib ADM Limited (the Company)

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position Habib ADM Limited (the Company) as at 31 December 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of changes in equity and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months ended 31 December 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 31 December 2018.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditors' report is Tariq Feroz Khan.

EY Ford Rhodes

Chartered Accountants
Place: Karachi
Date: 26 February 2019

A member firm of Ernst & Young Global Limited

Habib-ADM Ltd.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018 (UN-AUDITED)

		December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
ASSETS	Note	----- Rupees -----	
NON-CURRENT ASSETS			
Property, plant and equipment	4	370,786,895	367,679,727
Long-term deposits		5,093,181	4,593,181
Deferred tax asset		19,100,096	22,813,718
		<u>394,980,172</u>	<u>395,086,626</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		66,841,132	57,372,129
Stock-in-trade	5	133,081,295	226,705,852
Trade debts		16,351,416	7,542,932
Loans and advances		6,328,377	3,398,303
Trade deposits and short-term prepayments		5,012,192	9,374,911
Short-term investments	6	323,224,689	150,254,450
Interest accrued		3,280,760	683,064
Taxation - net		100,624,939	87,526,276
Cash and bank balances	7	67,973,900	125,325,687
		<u>722,718,700</u>	<u>668,183,604</u>
		<u>1,117,698,872</u>	<u>1,063,270,230</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 60,000,000 (June 30, 2018: 60,000,000) ordinary shares of Rs.5/- each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid-up capital		200,000,000	200,000,000
Reserves		563,114,252	566,912,965
		<u>763,114,252</u>	<u>766,912,965</u>
CURRENT LIABILITIES			
Trade and other payables	8	329,331,428	282,037,932
Unclaimed dividend		14,206,380	14,319,333
Unpaid dividend		11,046,812	-
		<u>354,584,620</u>	<u>296,357,265</u>
		<u>1,117,698,872</u>	<u>1,063,270,230</u>
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.

OWAIS G. HABIB
Chief Executive Officer

MUHAMMAD YASEEN
Chief Financial Officer

GAFFAR A. HABIB
Chairman

Karachi: 26 February, 2019

Habib-ADM Ltd.

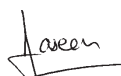
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
----- Rupees -----				
Turnover - net	758,891,279	664,635,283	401,043,852	378,463,372
Cost of sales	(607,931,639)	(582,239,867)	(325,871,822)	(320,991,842)
Gross profit	150,959,640	82,395,416	75,172,030	57,471,530
Distribution cost	(56,059,367)	(30,063,417)	(31,294,557)	(14,544,347)
Administrative expenses	(45,094,884)	(44,682,813)	(21,613,871)	(20,629,333)
Other expenses	(4,362,061)	(1,003,083)	(2,183,652)	(1,003,083)
Other income	14,588,345	7,041,902	10,374,677	3,878,484
Finance costs	(1,175,456)	(153,650)	(991,147)	(79,172)
Profit before taxation	58,856,217	13,534,355	29,463,480	25,094,079
Taxation				
- Current	(8,941,308)	(8,140,150)	(4,708,513)	(4,661,832)
- Deferred	(3,713,622)	9,972,527	(1,294,929)	5,628,307
	(12,654,930)	1,832,377	(6,003,442)	966,475
Profit after taxation	46,201,287	15,366,732	23,460,038	26,060,554
Earnings per share - basic and diluted	1.16	0.38	0.59	0.65

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.



OWAIS G. HABIB
Chief Executive Officer



MUHAMMAD YASEEN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

Karachi: 26 February, 2019

Habib-ADM Ltd.

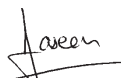
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	----- Rupees -----			
Profit after taxation for the period	46,201,287	15,366,732	23,460,038	26,060,554
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	46,201,287	15,366,732	23,460,038	26,060,554

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.



OWAIS G. HABIB
Chief Executive Officer



MUHAMMAD YASEEN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

Karachi: 26 February, 2019

Habib-ADM Ltd.

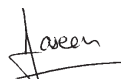
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2018

		December 31, 2018 (Un-audited)	December 31, 2017 (Un-audited)
	Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		58,856,217	13,534,355
Adjustments for non-cash items:			
Depreciation	4.1	14,781,598	13,365,110
Finance costs		1,175,456	153,650
Long-term deposits		(500,000)	(500)
Operating profit before working capital changes		74,313,271	27,052,615
Working capital changes	10	121,475,515	53,940,575
Cash generated from operations		195,788,786	80,993,190
Taxes paid		(22,039,971)	(22,499,633)
Finance costs paid		(1,175,456)	(153,650)
		(23,215,427)	(22,653,283)
Net cash generated from operating activities		172,573,359	58,339,907
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure	4.1 & 4.2	(17,888,766)	(7,573,195)
Short-term Investments (made) / matured		(172,970,239)	49,310,021
Net cash generated (used in) / from investing activities		(190,859,005)	41,736,826
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(39,066,141)	(36,068,421)
Net cash used in financing activities		(39,066,141)	(36,068,421)
Net (decrease) / increase in cash and cash equivalents		(57,351,787)	64,008,312
Cash and cash equivalents at the beginning of the period		125,325,687	34,396,418
Cash and cash equivalents at the end of the period		67,973,900	98,404,730

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.



OWAIS G. HABIB
Chief Executive Officer



MUHAMMAD YASEEN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

Karachi: 26 February, 2019

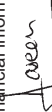
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

Particulars	Issued, Subscribed And Paid-up Capital	Reserves			Total Reserves	Total equity
		Capital Reserve Share Premium	General Reserve	Revenue reserves Unappropriated Profit		
				Rupees		
Balance as at July 01, 2017	200,000,000	10,000,000	50,000,000	488,030,985	548,030,985	748,030,985
Profit after taxation for the period	-	-	-	15,366,732	15,366,732	15,366,732
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	15,366,732	15,366,732	15,366,732
Final dividend @ 25% for the year ended June 30, 2017	-	-	-	(50,000,000)	(50,000,000)	(50,000,000)
Balance as at December 31, 2017	200,000,000	10,000,000	50,000,000	453,397,717	513,397,717	713,397,717
Balance as at July 01, 2018	200,000,000	10,000,000	50,000,000	506,912,965	566,912,965	766,912,965
Profit after taxation for the period	-	-	-	46,201,287	46,201,287	46,201,287
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	46,201,287	46,201,287	46,201,287
Final dividend @ 25% for the year ended June 30, 2018	-	-	-	(50,000,000)	(50,000,000)	(50,000,000)
Balance as at December 31, 2018	200,000,000	10,000,000	50,000,000	503,114,252	563,114,252	763,114,252

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information.



OWAIS G. HABIB
Chief Executive Officer



MUHAMMAD YASEEN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

Karachi: 26 February, 2019

Habib-ADM Ltd.

CONDENSED NOTES TO THE FINANCIAL INFORMATION FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Habib-ADM Limited (the Company) is a public listed company limited by shares incorporated in Pakistan on July 10, 1980 and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 2nd Floor, UBL Building I.I Chundrigar Road, Karachi. The Company is engaged in the production of rice based Starch Sugar and Proteins.

The Company's primary production facilities are located at its industrial complex in Hub Industrial Area, District Lasbela, Baluchistan.

2. BASIS OF PREPARATION

2.1. These 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 Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2. These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2018. These condensed interim financial statements are unaudited, however, have been subject to limited scope review by the auditors and are being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

2.3. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half years ended December 31, 2018 and December 31, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2018, except for the adoption of IFRS 15 "Revenue from contracts with customers" and IFRS 9 "Financial Instruments". The revised accounting policy adopted by the management is as follows:

Habib-ADM Ltd.

IFRS 15 Revenue from Contracts with Customers

According to IFRS 15, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when, or as, the customer obtains control of the goods or services. IFRS 15 also includes guidance on the presentation of contract balances, that is, assets and liabilities arising from contracts with customers, depending on the relationship between the entity's performance and the customer's payment. IFRS 15 supersedes IAS 11, Construction Contracts and IAS 18, Revenue as well as related interpretations.

The Company has assessed that significant performance obligation in contracts with customers are closely related and therefore are discharged over the period of the relationship with relevant customers. Hence, the Company has concluded that it is in compliance with the requirements of the new accounting standard."

IFRS 9 Financial Instruments

IFRS 9 'Financial Instruments' has replaced IAS 39 'Financial Instruments: Recognition and Measurement' for annual periods beginning on or after 1 July 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Company has applied IFRS 9 retrospectively, with the initial application date of 1 July 2018 as notified by the Securities and Exchange Commission of Pakistan (SECP).

The Company's financial assets mainly include trade debts, loans, Short term investment, other ancillary deposits/receivables and bank balances held with commercial banks.

The adoption of IFRS 9 has changed the accounting for impairment losses for financial assets by replacing the incurred losses model approach with a forward looking Expected Credit Loss (ECL) approach. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

Considering the nature of the financial assets, the Company has applied the standard's simplified approach and has calculated ECL based on life time ECL. For this purpose, the management has conducted an exercise to assess the impairment of its financial assets using historical data and forward looking information. Based on such exercise, the Company has concluded that it is in compliance with the requirements of the new accounting standard and that the impact of impairment on its financial assets is immaterial to these condensed interim financial statements.

3.1. Accounting estimates and judgements

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

Habib-ADM Ltd.

Estimates and judgments made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the annual audited financial information of the Company for the year ended June 30, 2018. The Company's financial risk management objectives and policies are consistent with those disclosed in the financial information as at and for the year ended June 30, 2018.

Income tax expense is recognized based on the best estimate of the weighted average annual effective income tax rate for the full financial year.

		December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
Note	-----	Rupees	-----
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - owned	4.1	366,887,082	269,386,761
Capital work-in-progress (CWIP)	4.2	<u>3,899,813</u>	<u>98,292,966</u>
		<u>370,786,895</u>	<u>367,679,727</u>
4.1. The movement in operating fixed assets during the period / year are as follows:			
Book value at the beginning of the period / year		269,386,761	289,802,490
Additions during the period / year	4.1.1	986,063	6,519,496
Transfer from CWIP during the period / year	4.2	<u>111,295,856</u>	<u>-</u>
		<u>381,668,680</u>	<u>296,321,986</u>
Less:			
Depreciation charged during the period / year		<u>(14,781,598)</u>	<u>(26,935,225)</u>
		<u>366,887,082</u>	<u>269,386,761</u>
4.1.1. Additions during the period / year			
Plant and machinery		640,673	5,951,786
Computer, office and electrical equipments		111,390	529,900
Laboratory equipments		<u>234,000</u>	<u>37,810</u>
		<u>986,063</u>	<u>6,519,496</u>
4.2. Capital work-in-progress			
At the beginning of the period / year		98,292,966	6,893,763
Additions during the period / year - plant and machinery		<u>16,902,703</u>	<u>91,399,203</u>
		<u>115,195,669</u>	<u>98,292,966</u>
Transfer to operating assets during the period / year		<u>(111,295,856)</u>	<u>-</u>
		<u>3,899,813</u>	<u>98,292,966</u>

Habib-ADM Ltd.

	December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
Note	----- Rupees -----	----- Rupees -----
5. STOCK-IN-TRADE		
Raw and packing material - in hand	63,822,096	160,609,913
- in transit	<u>762,374</u>	<u>3,778,850</u>
	64,584,470	164,388,763
Work-in-process	1,714,142	-
Finished goods	<u>66,782,683</u>	<u>62,317,089</u>
	<u>133,081,295</u>	<u>226,705,852</u>

6. SHORT-TERM INVESTMENTS

Term deposit receipts (TDR) - at amortised cost	6.1	<u>323,224,689</u>	<u>150,254,450</u>
6.1. These represent investments made in TDR having a term of less than 12 months, carrying interest rates ranging from 6.06% to 10.35% (June 30, 2018: 5.50% to 6.25%) per annum.			

	December 31, 2018 (Un-audited)	June 30, 2018 (Audited)
Note	----- Rupees -----	----- Rupees -----
7. CASH AND BANK BALANCES		
Cash in hand	2,950,522	3,447,766
Cash with banks		
Current accounts	<u>7,907,506</u>	<u>17,081,703</u>
Deposit accounts	7.1 <u>57,115,872</u>	<u>104,796,218</u>
	65,023,378	121,877,921
	<u>67,973,900</u>	<u>125,325,687</u>

7.1. This carry interest rate of 6.5% (June 30, 2018: 4.5%) per annum.

8. TRADE AND OTHER PAYABLES

Creditors		11,275,872	9,125,390
Accrued liabilities		57,815,803	24,928,980
Gas Infrastructure Development Cess and other charges	8.1 & 8.2	210,725,129	181,801,978
Advances from customers		40,720,924	60,978,785
Workers' welfare fund		1,817,308	616,161
Workers' profit participation fund		2,160,914	2,718,462
Sales tax payable		3,963,534	1,868,176
Others		851,944	-
		<u>329,331,428</u>	<u>282,037,932</u>

Habib-ADM Ltd.

- 8.1. In the year 2011, Gas Infrastructure Development Cess (GIDC) was made applicable to the industrial consumers by means of GIDC Act, 2011 and the Company has been making provision on account of GIDC. In September 2014, the Federal Government (the Government) promulgated Gas Infrastructure Development Cess (GIDC) Ordinance No.VI of 2014 to circumvent earlier decision of the Honorable Supreme Court on the subject, where it upheld that the earlier introduction of GIDC Act of 2011 was unconstitutional and ultravires on the grounds that GIDC was a 'Fee' and not a 'Tax'. In May 2015, the Government passed the GIDC Act., 2015.

The Company, along with other companies in the industry, challenged the GIDC Act, 2015 and filed writ petition in the Honorable High Court of Sindh (HCS) including retrospective treatment of the provision of the GIDC Act. The Honorable Court vide its order dated October 26, 2016 has held the GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act, 2015 as ultravires and unconstitutional on the grounds mentioned above. The Government and Sui Southern Gas Company Ltd (SSGC), however, has filed an appeal in the Double Bench of HCS in a similar case against certain petitioners, which is at the stage of hearing as of 31 December 2018. Due to the inherent uncertainties involved in the matter, the eventual outcome of the case cannot be determined at this stage. Therefore, the Company, on a prudent basis, has made an aggregate provision of Rs. 143.75 million as of December 31, 2018 which includes Rs. 22.26 million for the period in these condensed interim financial statements.

- 8.2. In August 2015, Sui Southern Gas Company (SSGC) increased rates of natural gas vide notification No. SRO 876(1)2015 dated 31 August 2015 issued by Oil and Gas Regulatory Authority (OGRA) whereby prices for natural gas for industrial sector were increased from Rs. 488 to Rs. 600 per MMBTU. Whereas those for the captive power sector have been increased from Rs. 573 to Rs. 600 per MMBTU and the Company is subject to charge within both categories. The Company challenged the OGRA notification and filed writ petition in the HCS. Thereafter, HCS vide its order dated May 18 2016, decided the case in Company's favor and concluded that the OGRA notification lacks the sanctity of law and it cannot be validated in terms of Section 7 and 8 of the Oil & Gas Regulatory Authority Ordinance 2002. SSGC filed an appeal in the HCS which was dismissed on August 15, 2017. Subsequently, SSGC has taken the matter to the Honorable Supreme Court of Pakistan and filed the petition to appeal against the order dated August 15, 2017.

Further, OGRA in suppression of its Notification No. SRO 876(1)2015 dated August 31, 2015, issued notification No. SRO 1185 dated December 30, 2016 notified the sale price and minimum charges, in respect of natural gas to industrial customer with effect from December 15, 2016 being flat rate of Rs. 600 per MMBTU. The Company challenged the impugned notification dated December 30, 2016 before the HCS. HCS has passed ad-interim orders dated January 20, 2017 suggesting stay on the rates aforementioned, while ordering plaintiffs to deposit the differential amount in terms of impugned notification as security till further orders. Due to the inherent uncertainties involved in the matter, the Company, on a prudent basis, has provided Rs. 66.97 million which include Rs 6.66 million for the period in these condensed interim financial statements.

Moreover, OGRA in suppression of its notification No. SRO 1185(I)2016 dated December 30, 2016 issued notification dated October 4, 2018 stating that the sale prices and minimum charges in respect of natural Gas to industrial customer with effect from September 27, 2018 being flat rate of Rs. 780 per MMBTU. The Company challenged the impugned notification dated October 04, 2018 before HCS. The case is at the stage of hearings as of December 31, 2018. However, the Company has under protest paid the bills from October 2018 to December 2018 on increased tariff rate.

Habib-ADM Ltd.

9. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in the status of contingencies as disclosed in the annual audited financial statements for the year ended 30 June, 2018.

Commitments

	December 31, 2018 (Un-audited)	June 30, 2018 (Audited)	
Note	Rupees		
Outstanding letters of credit	<u>2,663,168</u>	<u>5,446,800</u>	
Guarantee issued in favour of:			
- Sui Southern Gas Company Limited	9.1 <u>46,370,000</u>	<u>46,370,000</u>	
Cheques issued in favour of Nazir High Court	<u>43,917,158</u>	<u>36,215,885</u>	

9.1 Guarantees have been issued by a commercial bank on behalf of the Company to Sui Southern Gas Company Limited in the normal course of business.

	December 31, 2018 (Un-audited)	December 31, 2017 (Un-audited)	
	Rupees		
10. WORKING CAPITAL CHANGES			
Decrease / (Increase) in current assets			
Stores, spare parts and loose tools	(9,469,003)	(5,129,759)	
Stock-in-trade	93,624,557	(1,055,208)	
Trade debts	(8,808,484)	24,672,977	
Loans and advances	(2,930,074)	418,876	
Trade deposits, prepayments and other receivables	4,362,719	(9,941,396)	
Interest accrued	<u>(2,597,696)</u>	<u>(344,956)</u>	
	<u>74,182,019</u>	<u>8,620,534</u>	
Increase in current liabilities			
Trade and other payables	47,293,496	45,320,041	
	<u>121,475,515</u>	<u>53,940,575</u>	

11. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, directors, executives and retirement funds. Transactions with related parties other than those disclosed elsewhere in the financial information as mentioned below are entered under normal commercial terms:

Habib-ADM Ltd.

	December 31, 2018 (Un-audited)	December 31, 2017 (Un-audited)
Note	-----	-----
	Rupees	
Transactions during the period		
Associated Companies		
Dividend paid		
- Haydari Boring & Piling Company (Private) Limited	19,125	22,500
- Abbas Builders (Private) Limited	1,459	1,716
- Indus Oil Expellers (Private) Limited	212	250
Key management personnel		
Salaries and allowances	<u>20,146,063</u>	<u>16,169,629</u>
Retirement benefit plans		
Contribution to provident fund	<u>9,513,544</u>	<u>8,234,000</u>

12. GENERAL

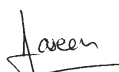
12.1. These condensed interim financial information have been authorized for issue on 26 February, 2019 by the Board of Directors of the Company.

12.2 Key management personnel remuneration corresponding figure in related party transactions note has been revised in line with the new definition of executives in the Companies Act, 2017.

12.3 Figures have been rounded off to the nearest rupee, unless otherwise stated.



OWAIS G. HABIB
Chief Executive Officer



MUHAMMAD YASEEN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

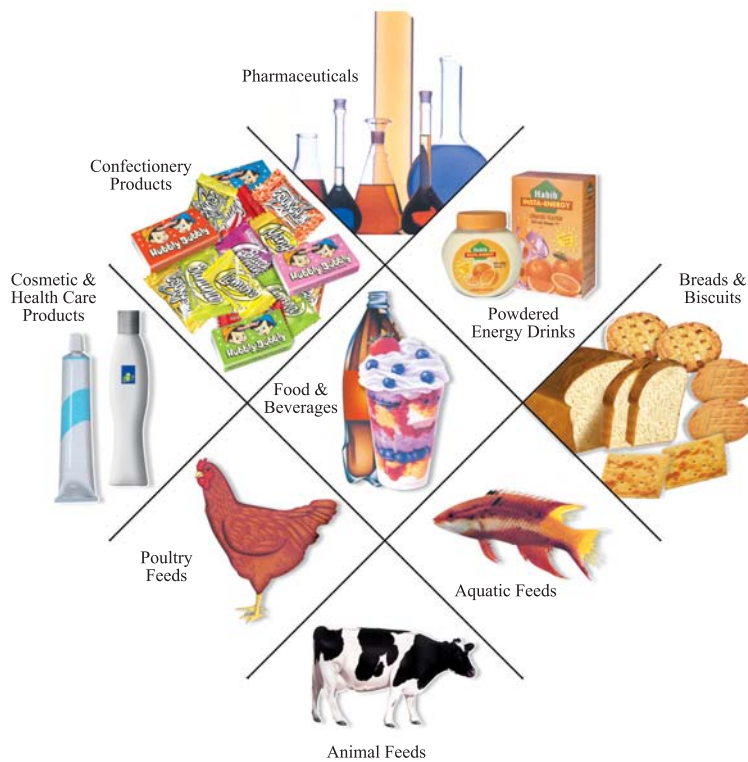
Karachi: 26 February, 2019



Pioneer Producers of Rice Based Starch Sugars and Proteins

Habib-ADM Ltd pioneered the conversion of Rice into :-

- **Glucose**
- **Maltodextrin**
- **Sorbitol**
- **High Fructose**
- **Dextrose**
- **Rice Protein**



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