



HASEEB WAQAS SUGAR MILLS LIMITED



Company Information

Board of Directors

1. Mr. Raza Mustafa
2. Mian Haseeb Ilyas
3. Mian Waqas Riaz
4. Mrs. Yasmin Riaz
5. Ms. Zainab Waqas
6. Mrs. Shahzadi Ilyas
7. Ms. Zakia Ilyas
8. Miss. Aqsa Riaz

- Chairman
Director/Chief Executive
Director
Director
Director
Director
Director
Director

Audit Committee

1. Mr. Raza Mustafa (Chairman)
2. Ms. Zakia Ilyas (Member)
3. Mrs. Yasmin Riaz (Member)

Human Resource & Remuneration Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zainab Waqas (Member)
3. Ms. Zakia Ilyas (Member)

Company Secretary

Mr. Ansar Ahmed, FCA
Tel: 042-35917313
Email: cs@hwgc.com.pk

Chief Financial Officer

Syed Mubashar Hussain Bukhari
Tel: 042-35917313
Email: hwgc@hwgc.com.pk

Auditors

M/s Qadeer & Company
Chartered Accountants
32-A, Lawrence Road, Lahore

Registrar

Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore

Mills

Mouza Jagmal, Tehsil Jattoi
District. Muzaffargarh

Registered Office

06-F, Model Town, Lahore
Tel: 042-35917321-23
Fax: 042-35917317
Website: www.hwgc.com.pk

Bankers

National Bank of Pakistan
Sindh Bank Limited
The Bank of Punjab

Legal Advisor

Muhammad Ahsan Khan
(Advocate)



DIRECTORS' REVIEW FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

Dear Members

The Directors of your Company take pleasure in presenting the un-audited accounts for the period ended 31 December 2019.

FINANCIAL RESULTS

The financial results of the company for the period under review are summarized as follows:

	For the period ended 31 December	
	2019	2018
	(Rupees)	
Net Sales	-	-
Gross (Loss)	(42,388,561)	(49,659,007)
Net (Loss) before tax	(111,265,855)	(98,942,304)
Net (Loss) after tax	(85,467,789)	(76,069,774)
Basic Earning per share	(2.64)	(2.35)

The company could not operate mills hence incurred losses.

OPERATIONAL DATA

		2019	26 February 2018 To 01 April 2018
Crushing days	Days	-	38
Average recovery	%age	-	8.50
Cane crushed	M. Tones	-	76,819.660
Sugar produced	M. Tones	-	5,808

FUTURE OUTLOOK

The management of the Company moved an application to Ministry of Industries, under section 3 of the Punjab Industries (control and enlargement) Ordinance, 1963. The application has been turned down by Ministry of Industries. The management is in the process of moving petition against the same in Lahore High Court, Lahore.

ACKNOWLEDGEMENT:

The Board of Directors deeply express their appreciation and pay their gratitude to sugarcane growers, valuable customers, shareholders, banks and Government departments for their continued support, trust, persistent co-operation and patronage which gives strength to pursue our corporate objectives with renewed vigor. The Board also acknowledges the valuable teamwork, devotion and dedication by the executives, employees and workers of the Company.

On behalf of the Board

Lahore
29 January 2020

(Mian Haseeb Ilyas)
Chief Executive



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2019

	Note	Dec 31, 2019 Rupees	Sep 30, 2019 Rupees
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 35,000,000 (2016: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital		324,000,000	324,000,000
Loan from Directors		841,631,639	841,631,639
Capital Reserves			
Surplus on Revaluation of Property		1,438,260,553	1,455,221,265
Revenue Reserves			
Accumulated (loss) / Profit		(3,612,201,219)	(3,543,694,142)
		(1,008,309,027)	(922,841,238)
Non Current Liabilities			
Long term financing		496,102,697	408,000,000
Liability against assets subject to finance lease		-	-
Deferred liabilities		18,004,720	18,004,720
Deferred taxation		600,315,261	626,113,327
		1,114,422,678	1,052,118,047
Current Liabilities			
Trade and other payables		775,156,361	801,392,947
Markup on Loans and other Payables		709,472,097	613,252,631
Short term borrowings		657,795,578	657,541,547
Unclaimed dividend		1,443,972	1,443,972
Current portion of non current liabilities		1,156,084,945	1,244,187,642
		3,299,952,953	3,317,818,739
Contingencies and Commitments			
	4	-	-
		3,406,066,604	3,447,095,547
ASSETS			
Non Current Assets			
Property, plant and equipment	5	3,261,615,216	3,303,769,176
Long term deposits		490,000	490,000
		3,262,105,216	3,304,259,176
Current Assets			
Stores, spares and loose tools		55,892,796	55,892,796
Stock in Trade			
Advances, Deposits, Prepayments and other Receivables		86,692,841	85,198,837
Cash and bank balances		1,375,750	1,744,738
		143,961,387	142,836,371
		3,406,066,604	3,447,095,547

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

CHIEF EXECUTIVE.

DIRECTOR.

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Unaudited) FOR THE QUARTER ENDED DECEMBER 31, 2019

	Note	Un-audited	
		<u>Dec 31, 2019</u>	<u>Dec 31, 2018</u>
		<u>Rupees</u>	
Sales - Net	6	-	-
Cost of goods sold	7	<u>42,388,561</u>	<u>49,659,007</u>
Gross (loss)		(42,388,561)	(49,659,007)
Operating expenses:			
- Administrative and general expenses		<u>3,222,275</u>	<u>5,262,026</u>
		(45,610,836)	(54,921,033)
Other operating income		<u>-</u>	<u>-</u>
(Loss) from operation		(45,610,836)	(54,921,033)
Finance cost		<u>65,655,019</u>	<u>44,021,271</u>
(Loss) before taxation		(111,265,855)	(98,942,304)
Deferred Tax		<u>25,798,066</u>	<u>22,872,530</u>
(Loss)/ profit after taxation		<u>(85,467,789)</u>	<u>(76,069,774)</u>
Earning per share - basic		<u>(2.64)</u>	<u>(2.35)</u>

CHIEF EXECUTIVE.

DIRECTOR.

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Unaudited) FOR THE QUARTER ENDED DECEMBER 31, 2019

	Un-audited	
	Dec 31, 2019	Dec 31, 2018
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(111,265,855)	(98,942,304)
Adjustments for:		
- Depreciation	42,153,960	44,860,072
- Finance cost	65,655,019	44,021,271
	107,808,979	88,881,343
Operating (loss)/ profit before working capital changes	(3,456,876)	(10,060,961)
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	-	(207,929)
- Stock in trade	-	-
- Trade deposits and short term prepayments	(1,494,004)	6,425,866
Increase / (decrease) in current liabilities:		
- Trade and other payables	(26,236,586)	(36,085,868)
	(27,730,590)	(29,867,931)
Cash used in operations	(31,187,466)	(39,928,891)
Gratuity paid	-	-
Finance cost paid	30,564,447	30,562,817
Net cash generated/ used in operating activities	(623,019)	(9,366,074)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	-	-
Net cash used in investing activities	(623,019)	(9,366,074)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from long term loans - Net	-	-
Proceeds / (Repayment) from Lease Finance - Net	-	-
Proceeds / (Repayment) from directors' loan - Net	-	9,547,130
Proceeds / (Repayment) from short term borrowings - Net	254,031	(426,770)
Net cash generated from/ used in financing activities	254,031	9,120,360
Net increase in cash and cash equivalents	(368,988)	(245,715)
Cash and cash equivalents at the beginning of the period	1,744,738	2,103,307
Cash and cash equivalents at the end of the period	1,375,750	1,857,592

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

CHIEF EXECUTIVE.

DIRECTOR.

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited) FOR THE QUARTER ENDED DECEMBER 31, 2019

	Un-audited	
	<u>Dec 31, 2019</u>	<u>Dec 31, 2018</u>
	Rupees	
(Loss) after taxation	(85,467,789)	(76,069,774)
Other comprehensive income	-	-
Total comprehensive (loss) for the period	<u>(85,467,789)</u>	<u>(76,069,774)</u>

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

CHIEF EXECUTIVE.

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CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)

FOR THE QUARTER ENDED DECEMBER 31, 2019

	Issued Subscribed and Paid up Capital	Loan from Directors	Surplus on Revaluation of Property, Plant & Equipmenys	Accumulated Loss/ Profit	Total
	Rupees				
Balance as at September 30, 2018	324,000,000	829,647,072	1,527,024,369	(3,278,500,546)	(597,829,105)
Loss for the period	-	-	-	(76,069,774)	(76,069,774)
Other comprehensive income	-	-	-	-	-
Total comprehensive income/ (loss) for the period	-	-	-	(76,069,774)	(76,069,774)
Increase / (Cecrease in Directors Loan		9,547,130			9,547,130
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax			(20,124,110)	20,124,110	
Balance as at December 31, 2018	324,000,000	839,194,202	1,506,900,259	(3,334,446,210)	(664,351,749)
Loss for the period	-	-	-	(260,926,926)	(260,926,926)
Other comprehensive income	-	-	-	-	-
Total comprehensive income/ (loss) for the period	-	-	-	(260,926,926)	(260,926,926)
Increase in Directors Loan		2,437,437			2,437,437
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-		(51,678,994)	51,678,994	-
	-				-
Balance as at September 30, 2019	324,000,000	841,631,639	1,455,221,265	(3,543,694,142)	(922,841,238)
Loss for the period	-	-	-	(85,467,789)	(85,467,789)
Other comprehensive income	-	-	-	-	-
Total comprehensive income/ (loss) for the period	324,000,000	841,631,639	1,455,221,265	(3,629,161,931)	(1,008,309,027)
Increase / (Decrease) in Directors Loan		-			-
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-		(16,960,712)	16,960,712	-
Balance as at December 31, 2019	324,000,000	841,631,639	1,438,260,553	(3,612,201,219)	(1,008,309,027)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS. FOR THE QUARTER ENDED DECEMBER 31, 2019

1 REPORTING ENTITY.

Haseeb Waqas Sugar Mills Limited ("the Company") was incorporated on 13 January 1992 as a Public Limited Company under the repealed Companies Ordinance, 1984. The Company's registered office is situated at 6-F Model Town, Lahore. The mill is situated at Mouza Jagmal Tehsil Jattoi District Muzafargarh. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacture and sale of refined sugar and its by-products.

2 BASIS OF PREPARATION

These financial statements are unaudited and are being submitted to share holders as required u/s 245 of Companies Ordinance, 1984. These have been prepared in accordance with the International Accounting Standard No. 34 "Interim Financial Reporting" as applicable in Pakistan and notified by Securities and Exchanges Commission of Pakistan (SECP) and shall be read in conjunction with the published audited financial statements for the year ended September 30, 2019.

The crushing season 2018-19 of the Company could not be commenced due to orders of H ' Superem Courtr.

3 ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of these financial statements are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended September 30, 2019.

4 CONTINGENCIES AND COMMITMENTS

4.1 There is no material change in the status of the contingencies and commitments reported in the annual financial statements for the year ended September 30, 2019.

5 PROPERTY, PLANT AND EQUIPMENT

	Unaudited	Audited
	Dec 31, 2019	Sep 30, 2019
	Rupees	
Opening written down value	3,303,769,176	3,483,200,005
Additions / (Deletions) during the period		
- Land	-	-
- Building	-	-
- Plant and machinery	-	-
- Other Assets	-	-
	-	-
	3,303,769,176	3,483,200,005
Depreciation for the period / year	(42,153,960)	(179,430,829)
	<u>3,261,615,216</u>	<u>3,303,769,176</u>



HASEEB WAQAS SUGAR MILLS LIMITED

	Unaudited	
	Dec 31, 2019	Dec 31, 2017
6 SALES - NET	Rupees	
- Sugar	-	-
- Molasses	-	-
- Mud	-	-
	-	-
Less: Sales tax and federal excise duty	-	-
	-	-
7 COST OF GOODS SOLD	-	-
Raw materials consumed	-	-
Stores and spares consumed	676,732	544,676
Salaries, wages and other benefits	948,462	15,389,882
Repair and maintenance	49,287	8,868,353
Depreciation	40,640,516	46,026,744
Others	73,564	1,110,169
	42,388,561	71,939,824
Opening work in process	-	-
Closing work in process	-	-
	-	-
Cost of goods manufactured	42,388,561	71,939,824
Opening finished goods	-	-
Closing finished goods	-	-
	-	-
	42,388,561	71,939,824

8 RELATED PARTY TRANSACTIONS

Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, key management personnel including Chief executive, Directors and Executives and Post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances are as follows:

8.1 Balances with related parties	Unaudited	Audited
	Dec 31, 2019	Sep 30, 2018
	Rupees	
Due to:		
Abdullah Sugar Mills Limited	655,591,514	655,337,483
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
Long term loan from directors	841,631,639	841,631,639

Due to related parties represents balances resulting from related party transactions entered into in ordinary course of business.

9 AUTHORIZATION FOR ISSUE

These condensed interim financial statements are being authorized for issue by the Board of Directors of the Company on January 29, 2019.

10 GENERAL

- Comparative figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.
- Figures have been rounded off to the nearest of rupees.

CHIEF EXECUTIVE.

DIRECTOR.

CHIEF FINANCIAL OFFICER