

1st Quarter

Condensed Interim Financial Statements

For the quarter ended 31 December 2019 (Un-audited)

Abdullah Shah Ghazi Sugar Mills Limited

1st Quarter



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CORPORATE INFORMATION

Board of Directors

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

Audit Committee

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

Chief Financial Officer

Sohail Azam Khan

Company Secretary

Saleem Abbas

Internal Auditors

Syed Waqar Ali Bukhari

Auditors

Sarwars
Chartered Accountants

Registrar

CDC Shares Registrar Services Limited,
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.asgsml.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, 2019.

Financial Results

During the period under review the operation of your company resulted in pre-tax loss of Rs. 226.259 million. The financial results are as under:

(Rupees in Thousands)

Loss before Taxation	(226,259)
Taxation	(27,537)
Loss after Taxation	(198,722)

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:

February 29, 2020



CHIEF EXECUTIVE

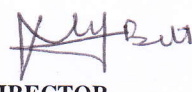
ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
As at December 31, 2019

	(Un-Audited) December 31, 2019	(Audited) September 30, 2019
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	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid-up capital	<u>792,616,660</u>	<u>792,616,660</u>
Surplus on revaluation of property, plant and equipment	<u>1,432,121,180</u>	<u>1,451,143,570</u>
Accumulated loss	<u>(1,846,608,654)</u>	<u>(1,666,909,043)</u>
	<u>378,129,186</u>	<u>576,851,187</u>
NON-CURRENT LIABILITIES		
Long term loans - Unsecured	5 <u>123,416,314</u>	<u>123,416,314</u>
Long term loans - Secured	<u>3,500,000</u>	<u>4,000,000</u>
Retirement benefit obligations	<u>6,983,042</u>	<u>6,983,042</u>
Deferred tax liability	<u>163,447,437</u>	<u>190,985,345</u>
CURRENT LIABILITIES		
Trade and other payables	<u>2,442,327,498</u>	<u>2,449,285,915</u>
Finance cost payable	<u>307,533,774</u>	<u>288,795,535</u>
Short term borrowings - Secured	<u>74,720,546</u>	<u>74,720,546</u>
Current portion of long term loan from bank	<u>347,798,518</u>	<u>347,798,518</u>
Provision for taxation - net	<u>--</u>	<u>1,913,875</u>
	<u>3,172,380,336</u>	<u>3,162,514,389</u>
CONTINGENCIES		
	6 <u>--</u>	<u>--</u>
	<u>3,847,856,315</u>	<u>4,064,750,277</u>
<u>ASSETS</u>		
NON CURRENT ASSETS		
Property, plant and equipments	<u>3,685,440,956</u>	<u>3,733,170,351</u>
Long term deposits	<u>1,826,165</u>	<u>1,826,165</u>
CURRENT ASSETS		
Stores and spares	<u>34,168,776</u>	<u>34,168,776</u>
Stock in trade	<u>54,468,420</u>	<u>202,181,486</u>
Trade debts - Unsecured - Considered good	<u>--</u>	<u>--</u>
Advances, deposits and prepayments	<u>60,139,270</u>	<u>82,434,832</u>
Advance income tax - net	<u>4,029,686</u>	<u>5,895,003</u>
Cash and bank balances	<u>7,783,042</u>	<u>5,073,665</u>
	<u>160,589,194</u>	<u>329,753,761</u>
	<u>3,847,856,315</u>	<u>4,064,750,277</u>

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


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CHIEF FINANCIAL OFFICER


DIRECTOR

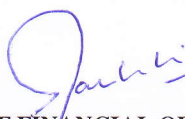
ABDULLAH SHAH GHAZI SUGAR MILLS LTD
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
For the First Quarter Ended December 31, 2019

	December 31, 2019	December 31, 2018
	RUPEES	
Sales	-	84,360,000
Cost of Sales	<u>202,970,652</u>	<u>233,029,431</u>
Gross loss	<u>(202,970,652)</u>	<u>(148,669,431)</u>
OPERATING EXPENSES		
Administrative and general expenses	<u>4,547,992</u>	<u>6,734,931</u>
Distribution expense	<u>-</u>	<u>198,000</u>
	<u>4,547,992</u>	<u>6,932,931</u>
Operating loss	<u>(207,518,644)</u>	<u>(155,602,362)</u>
Finance cost	<u>18,741,266</u>	<u>11,108,711</u>
Loss before taxation	<u>(226,259,910)</u>	<u>(166,711,073)</u>
Taxation	<u>27,537,909</u>	<u>1,059,849</u>
Loss after taxation	<u>(198,722,001)</u>	<u>(165,651,224)</u>
Earning Per Share- Basic and diluted	<u>(2.51)</u>	<u>(2.09)</u>


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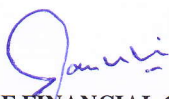
ABDULLAH SHAH GHAZI SUGAR MILLS LTD
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For The First Quarter Ended December 31, 2019

	December 31, 2019	December 31, 2018
	<u>RUPEES</u>	
Loss for the period	(198,722,001)	(165,651,224)
Other Comprehensive income:		
Transfer from surplus on revaluation of property, plant and equipment	-	-
Related deferred tax	-	-
	-	-
 Total comprehensive income for the 1st Quarter	<u>(198,722,001)</u>	<u>(165,651,224)</u>

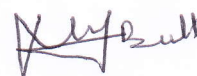
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CHIEF FINANCIAL OFFICER



DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
For The First Quarter Ended December 31, 2019

	December 31, 2019	December 31, 2018
	RUPEES	
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Loss before taxation	(226,259,910)	(184,986,504)
Adjustments for non cash and other items:		
Depreciation	47,729,398	33,368,637
Financial charges	18,741,266	8,077,674
Workers' welfare fund	--	1,631,351
	<u>66,470,664</u>	<u>43,077,663</u>
Cash flow before working capital changes	(159,789,246)	(141,908,842)
Changes in working capital		
(Increase) / decrease in current assets:		
Stores and spares	--	1,180,169
Stock in trade	147,713,066	114,914,525
Advances, deposits and prepayments	22,295,562	(4,449,487)
	<u>170,008,628</u>	<u>111,645,207</u>
Increase / (decrease) in current liabilities:		
Trade and other payables	(6,958,417)	33,623,229
	<u>163,050,208</u>	<u>145,268,436</u>
Cash (used) in operations	3,260,962	3,359,594
Payments for:		
Taxes	(48,558)	(62,996)
Financial charges	(3,027)	(1,637,264)
	<u>(51,585)</u>	<u>(1,700,260)</u>
Net cash used from operating activities	3,209,377	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	(500,000)	(800,000)
Net cash generated from financing activities	(500,000)	(800,000)
	<u>--</u>	<u>--</u>
Net decrease in cash and cash equivalent	2,709,377	859,334
Cash and bank balances at the beginning of the period	5,073,665	9,997,598
Cash and bank balances at the end of the period	<u>7,783,042</u>	<u>10,856,932</u>

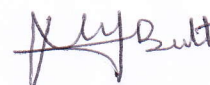
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DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
For The First Quarter Ended December 31, 2019

	Share capital	Accumulated Loss	Total
	RUPEES		
Balance as at October 01, 2018	792,616,660	(1,639,771,429)	(847,154,769)
Total comprehensive income for the year	--	(158,866,565)	(158,866,565)
Balance as at December 31, 2018	792,616,660	(1,798,637,994)	(1,006,021,334)
Balance as at October 01, 2019	792,616,660	(1,666,909,043)	(874,292,383)
Total comprehensive income for the period	--	(179,699,611)	(179,699,611)
Balance as at December 31, 2019	792,616,660	(1,846,608,654)	(1,053,991,994)

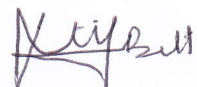
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DIRECTOR

ABDULLAH SHAH GHAZI SUGAR MILLS LTD
NOTES TO THE FINANCIAL STATEMENTS
For The First Quarter Ended December 31, 2019

1) STATUTES 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, 2019 Rupees	Audited September 30, 2018 Rupees
5) LONG TERM LOANS:			
Subordinated loan from holding Company - Unsecured	5.1	123,416,314	123,416,314
		123,416,314	123,416,314

- 5.1 The loan has been advanced by M/s. Haq Bahu Sugar Mills (Pvt.) Ltd which carries markup @ 3 months KIBOR plus 1% (2019: @ 3 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) CONTINGENCIES

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 Feb 29, 2020.

9) GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR