



# **Habib Rice Products Ltd.**



(Formerly **Habib-ADM Ltd.**)

**1st Quarter  
Unaudited Accounts  
September 30, 2020**

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

#### **Executive Directors**

Mr. Owais G. Habib Mr. Tufail Y. Habib	Managing Director
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#### **Non Executive Directors**

Mr. Gaffar A. Habib Dr. Howard J. Synenberg Ms. Fatemah G. Habib Dr. Salma Habib Mr. Daniyal Ghani Mr. Asad R. Premjee	Chairman Independent Director  Independent Director Independent Director
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### BOARD OF AUDIT COMMITTEE

Mr. Gaffar A. Habib  
Ms. Fatemah G. Habib  
Dr. Salma Habib  
Mr. Daniyal Ghani

### BOARD OF HR AND REMUNERATION COMMITTEE

Mr. Tufail Y. Habib  
Ms. Fatemah G. Habib  
Dr. Salma Habib  
Mr. Daniyal Ghani

### CHIEF EXECUTIVE OFFICER

Mr. Owais G. Habib

### CHIEF FINANCIAL OFFICER

Mr. Jamshed Ali Khan

### COMPANY SECRETARY

Mr. Ali Asghar Rajani

### AUDITORS

EY Ford Rhodes  
Chartered Accountants

### SHARE REGISTRAR

M/s. THK Associates (Pvt.) Limited  
1st Floor, 40 - C, Block - 6, P.E.C.H.S., Karachi-75400  
UAN: (021) 111-000-322 Fax: (021) 34168271

### REGISTERED OFFICE

2nd Floor, UBL Building  
I. I. Chundrigar Road,  
Karachi - 74000, Pakistan.  
Telephone : (021) 32411887  
Fax : (021) 32414581

### ADMINISTRATIVE OFFICES & FACTORY

Ahmad Habib Boulevard,  
Hub - 90250  
Pakistan.  
Telephone : (0853) 363963-5  
Fax : (0853) 363819



**CHAIRMAN'S REVIEW / DIRECTORS' REPORT**  
1ST QUARTER ENDED SEPTEMBER 30, 2020 (UNAUDITED)

Dear Shareholders,

We bow our heads in gratitude to Allah the Beneficent, the Merciful, the Provider, for the Blessing He continues to bestow on us which are partly reflected in the Company's performance for the Quarter ended September 30, 2020.

**Review:**

We continue to get relief from the onslaught of Indian Imports (at the rate 5% import duty and zero sales tax), as the lock down in India has brought about an almost complete stop to Indian Sorbitol entering our Markets.

In closing, please join me in my prayers to Allah the Beneficent, the Merciful, the Provider, to Bless our operation with the Bounties as Befits His Glory, Aameen.

On behalf of the Board

**Gaffar A. Habib**  
Chairman

Karachi: October 19, 2020



**Habib Rice Products Ltd.** (Formerly **Habib-ADM Ltd.**)



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2020 (UN-AUDITED)**

		September 30, 2020 (Un-audited)	June 30, 2020 (Audited)
<b>ASSETS</b>	Note	----- Rupees -----	
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	406,805,700	390,304,262
Right of use Assets		11,741,253	14,014,221
Long-term deposits		25,006,200	20,129,760
Deferred taxation - net		<u>31,701,204</u>	<u>28,937,342</u>
		475,254,357	453,385,585
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		58,265,252	56,343,377
Stock-in-trade	5	237,266,136	245,961,411
Trade debts		56,635	56,466
Loan and Advances		5,086,517	5,210,542
Trade deposits and pre payments		5,376,416	4,571,406
Short-term investments	6	458,356,344	360,238,738
Interest accrued		23,948,133	22,521,507
Taxation - net		43,051,633	92,283,352
Cash and bank balances	7	99,241,449	74,503,789
		<u>930,648,515</u>	<u>861,690,588</u>
		1,405,902,872	1,315,076,173
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 60,000,000 (June 30, 2020: 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		<u>768,508,314</u>	<u>714,680,794</u>
		968,508,314	914,680,794
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities		582,739	695,481
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	406,169,607	369,418,718
Current maturity of lease liabilities		9,955,227	9,594,195
Unclaimed dividend		20,686,985	20,686,985
		<u>436,811,819</u>	<u>399,699,898</u>
		1,405,902,872	1,315,076,173
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9	-	-

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**OWAIS G. HABIB**  
Chief Executive Officer

**JAMSHED ALI KHAN**  
Chief Financial Officer

**GAFFAR A. HABIB**  
Chairman

Karachi: October 19, 2020



**Habib Rice Products Ltd.** (Formerly **Habib-ADM Ltd.**)



**CONDENSED INTERIM STATEMENT OF  
PROFIT OR LOSS  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	September 30, 2020 (Un-audited)	September 30, 2019 (Audited)
	----- Rupees -----	
Turnover - net	428,777,502	390,094,562
Cost of Sales	(329,051,137)	(307,290,253)
<b>Gross Profit</b>	<u>99,726,365</u>	<u>82,804,309</u>
Distribution costs	(19,219,910)	(24,032,382)
Administrative Expenses	(22,151,481)	(22,668,595)
Other Expenses	(4,672,440)	(2,854,397)
Other Income	10,084,289	5,530,450
Finance costs	(722,753)	(265,717)
<b>Profit before Taxation</b>	<u>63,044,070</u>	<u>38,513,668</u>
Taxation		
- Current		
- Deferred	(11,980,412)	(5,471,554)
	<u>2,763,862</u>	<u>3,254,405</u>
Provision for Taxation	(9,216,550)	(2,217,149)
<b>Profit for the period</b>	<u><u>53,827,520</u></u>	<u><u>36,296,519</u></u>
<b>Earning per share - basic and diluted</b>	1.35	0.91

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**OWAIS G. HABIB**  
Chief Executive Officer

**JAMSHED ALI KHAN**  
Chief Financial Officer

**GAFFAR A. HABIB**  
Chairman

Karachi: October 19, 2020



**Habib** Rice Products Ltd. (Formerly **Habib-ADM** Ltd.)



**CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME**  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	September 30, 2020 (Un-audited)	September 30, 2019 (Audited)
	----- Rupees -----	
<b>Net Profit for the period</b>	53,827,520	36,296,519
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the period</b>	<u>53,827,520</u>	<u>36,296,519</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**OWAIS G. HABIB**  
Chief Executive Officer

Karachi: October 19, 2020

**JAMSHED ALI KHAN**  
Chief Financial Officer

**GAFFAR A. HABIB**  
Chairman

**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

		September 30, 2020 (Un-audited)	September 30, 2019 (Un-audited)
	Note	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before taxation</b>		63,044,070	38,513,668
Adjustment for non-cash items:			
Depreciation on operating fixed assets		9,070,644	9,422,480
Depreciation on right-of-use assets		2,272,968	-
Finance costs		722,753	265,717
Long term deposits		(4,876,440)	-
Operating profit before working capital changes		70,233,995	48,201,865
Working capital changes	10	41,664,799	54,526,332
Cash generated from operations		111,898,794	102,728,197
Taxation - net		37,251,307	(13,361,401)
Finance costs paid		(722,753)	(265,717)
		36,528,554	(13,627,118)
<b>Net cash generated from operating activities</b>		148,427,348	89,101,079
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure		(25,572,082)	(2,055,280)
Short term Investments		(98,117,606)	(150,000,000)
<b>Net cash generated (used in) / from investing activities</b>		(123,689,688)	(152,055,280)
Net (decrease) / increase in cash and cash equivalents		24,737,660	(62,954,201)
Cash and cash equivalents at the beginning of the period		74,503,789	150,159,737
<b>Cash and cash equivalents at the end of the period</b>	11	99,241,449	87,205,536

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



**OWAIS G. HABIB**  
Chief Executive Officer



**JAMSHED ALI KHAN**  
Chief Financial Officer



**GAFFAR A. HABIB**  
Chairman

Karachi: October 19, 2020





**Habib Rice Products Ltd.** (Formerly **Habib-ADM Ltd.**)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

Particulars	Issued, Subscribed And Paid-up Capital	Capital Reserve	Reserves			Total equity
			Share Premium	General Reserve	Revenue reserves Unappropriated Profit	
<b>Balance as at July 01, 2019</b>	200,000,000	10,000,000	50,000,000	580,162,005	640,162,005	840,162,005
Profit for the period	-	-	-	36,296,519	36,296,519	36,296,519
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	36,296,519	36,296,519	36,296,519
<b>Balance as at September 30, 2019</b>	<b>200,000,000</b>	<b>10,000,000</b>	<b>50,000,000</b>	<b>616,458,524</b>	<b>676,458,524</b>	<b>876,458,524</b>
<b>Balance as at July 01, 2020</b>	<b>200,000,000</b>	<b>10,000,000</b>	<b>50,000,000</b>	<b>654,680,794</b>	<b>714,680,794</b>	<b>914,680,794</b>
Profit for the period	-	-	-	53,827,520	53,827,520	53,827,520
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	53,827,520	53,827,520	53,827,520
<b>Balance as at September 30, 2020</b>	<b>200,000,000</b>	<b>10,000,000</b>	<b>50,000,000</b>	<b>708,508,314</b>	<b>768,508,314</b>	<b>968,508,314</b>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

**OWAIS G. HABIB**  
Chief Executive Officer

**JAMSHED ALI KHAN**  
Chief Financial Officer

**GAFFAR A. HABIB**  
Chairman

Karachi: October 19, 2020

**NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

**1. THE COMPANY AND ITS OPERATIONS**

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

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 Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017: and

Provision of and directive issued under the Companies Act, 2017.

Where the provisions of and directive issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provision 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, 2020.
- 2.3** The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended September 30, 2020 and September 30, 2019 and notes forming part thereof have not been reviewed by the statutory auditors of the Company.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2020.

**3.1 Accounting estimates and judgments**

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.

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, 2020. 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, 2020.

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

		September 30, 2020 (Un-audited)	June 30, 2020 (Audited)
	Note	----- Rupees -----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	385,403,035	390,304,262
Capital Work-In-Progress (CWIP)	4.2	<u>21,402,665</u>	-
		<u>406,805,700</u>	<u>390,304,262</u>
<b>4.1. The movement in operating fixed assets during the period / year are as follows:</b>			
Net Book value (NBV) at the beginning of the period/year		390,304,262	403,841,387
Additions during the period / year (cost)	4.1.1	4,169,417	25,423,450
Transfer from CWIP during the period / year	4.2	-	-
		<u>394,473,679</u>	<u>429,264,837</u>
Less:			
Disposal during the period / year - Vehicles (NBV)		-	289
Depreciation charged during the period / year		<u>9,070,644</u>	<u>38,960,286</u>
		<u>9,070,644</u>	<u>38,960,575</u>
NBV at the end of the period / year		<u>385,403,035</u>	<u>390,304,262</u>
<b>4.1.1. Additions during the period / year</b>			
Plant and machinery		3,212,700	20,900,670
Computer, office and electrical equipments		155,879	298,780
Furniture & Fixture		216,288	
Laboratory Equipment		427,050	-
Vehicles		<u>157,500</u>	<u>4,224,000</u>
		<u>4,169,417</u>	<u>25,423,450</u>
<b>4.2 Capital Work-in-Progress</b>			
At the beginning of the period / year		-	-
Addition during the period/year - plant & machinery		<u>21,402,665</u>	-
		21,402,665	-
Transfer to operating fixed assets during the period/year		-	-
At the end of the period/year		<u>21,402,665</u>	-



	<b>September 30, 2020 (Un-audited)</b>	<b>June 30, 2020 (Audited)</b>
<b>Note</b>	<b>----- Rupees -----</b>	
<b>5. STOCK-IN-TRADE</b>		
Raw and packing material - in hand	151,801,081	135,316,952
- in transit	3,055	23,789,763
Work-in-process	700,017	-
Finished goods	84,761,983	86,854,696
	<u>237,266,136</u>	<u>245,961,411</u>
<b>6. SHORT-TERM INVESTMENTS</b>		
<b>At amortised cost</b>		
Term Deposit receipts (TDR)	6.1 458,356,344	360,238,738
Interest Accrued	23,948,133	22,521,507
	<u>482,304,477</u>	<u>382,760,245</u>
<b>6.1.</b>	These represent investments made in TDR with a term of less than 12 months, carrying interest rates ranging from 5.50% to 13.50% (June 30, 2019: 9.50% to 12.65%) per annum.	
<b>7. CASH AND BANK BALANCES</b>		
Cash in hand	2,248,171	1,973,231
Cash with banks		
Current accounts	7,756,225	7,429,625
Deposit accounts	7.1 89,237,053	65,100,933
	<u>96,993,278</u>	<u>72,530,558</u>
	<u>99,241,449</u>	<u>74,503,789</u>
<b>7.1</b>	This carry interest rate of 5.50% (June 30, 2019:11.25%) per annum.	
<b>8. TRADE AND OTHER PAYABLES</b>		
Creditors	20,674,667	3,999,185
Accrued liabilities	33,357,092	31,606,570
Provision for Gas Infrastructure		
Development Cess and other charges	8.1 & 8.2 287,513,160	280,220,000
Advance from customers	45,739,510	38,850,017
Workers' Welfare Fund	9,206,010	7,919,396
Workers' Profit Participation Fund	3,385,826	618,462
Sales tax payable	5,476,824	6,205,088
Others	816,518	-
	<u>406,169,607</u>	<u>369,418,718</u>



- 8.1.** In the year 2011, Gas Infrastructure Development Cess (GIDC) was made applicable to the industrial consumers by means of GIDC Act, 2011. 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.

During the year, Gas Infrastructure Development Cess (Amendments) Ordinance 2019 was promulgated, however, the same was subsequently recalled by the government with respect to the Honorable Supreme Court of Pakistan (SCP) for settlement of the matter judicially. The decision to be made by the SCP would impact all pending appeals in various High Courts, therefore, it invited intervener applications to join the proceedings. The SCP has decided the case in favour of government on August 13, 2020. However, the Company along with other Companies in the industry filed a review petition with the SCP.

In addition, the Company filed a Suit in the Honorable High Court of Sindh (HCS) to refrain the defendants from collecting the installment of GIDC which is in violation of the judgment dated August 13, 2020 passed by the SCP and Section 8(2) of the GIDC Act, 2015. The HCS has passed an interim order dated September 18, 2020 suggesting stay and refrain the defendants from taking any coercive action against the plaintiffs from non-payment of installment of GIDC arrears till the next date of hearing. The case is still at the stage of hearing as of September 30, 2020.

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. 201.07 million as of September 30, 2020 (June 30, 2020: Rs. 198.53 million).

- 8.2.** In August 2015, Sui Southern Gas Company (SSGC) increased rates of natural gas vide notification No. SRO 876(1) 2015 dated August 31, 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 were increased from Rs. 573 to Rs. 600 per MMBTU and the Company was subject to charge within both categories. The Company challenged the OGRA notification and filed writ petition in the Honorable High Court of Sindh (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 OGRA 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 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 in these financial statements.

Moreover, OGRA in suppression of its notification No. SRO 1185 (I) 2016 dated December 30, 2016 issued notification dated October 04, 2018 stating that the sale prices and minimum charges in respect of natural Gas to industrial customer with effect from September 27, 2018 will be at flat rate of Rs. 780 per MMBTU. The Company challenged the impugned notification dated October 04, 2018 before HCS. However, the Company has under protest paid the bills from October 2018 to December 2019 on increased tariff rate. The HCS in September 2019 dismissed all the petitions challenging the Gas Tariff 2018. However, the Company, along with other Companies in the industry, challenged the HCS order and filed a petition in the Honorable Supreme Court of Pakistan which is at the stage of hearing.

Further, OGRA in suppression of its notification No. SRO 1234(I)2018 dated October 04, 2018, SRO 1284(i) dated October 18, 2018, SRO 1523(I) dated December 14, 2018 and SRO 234(I)2018 dated February 21, 2019 issued notification SRO 795(I) dated June 29, 2019 which was superseded by SRO (I)2019 dated August 09, 2019, stating that the sale prices and minimum charges in respect of natural Gas to industrial customer with effect from July 1, 2019 shall be at flat rate of Rs.1,021 per MMBTU. The Company challenged the said impugned notifications before HCS. HCS has passed interim order dated November 22, 2019 suggesting stay on the rates aforementioned, while ordering plaintiffs to deposit the differential amount of notified price and prescribed price of estimated revenue requirement (ERR) of OGRA (Rs.937.57 per MMBTU) amounting to Rs.86.43 per MMBTU as security till further orders. Due to the inherent uncertainties involved in the matter, the Company has provided Rs.4.74 million in these interim financial statements on prudent basis.

**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 June 30, 2020.

**Commitments**

	<b>September 30, 2020 (Un-audited)</b>	<b>June 30, 2020 (Audited)</b>
----- Rupees -----		
Guarantee issued in favour of:		
- Sui Southern Gas Company Limited	66,345,865	66,345,865
Cheques and P.Os issued in favor of Nazir of Honorable High Court of Sindh in relation to OGRA case	61,868,174	57,019,177

**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.

	<b>September 30, 2020 (Un-audited)</b>	<b>September 30, 2019 (Un-audited)</b>
----- Rupees -----		

**10. WORKING CAPITAL CHANGES**

Decrease/(Increase) in current assets		
Stores, spare parts & loose tools	(1,921,875)	(3,072,938)
Stock in trade	8,695,275	34,316,028
Trade debts	(169)	(52,187)
Loans and Advances	124,025	949,216
Trade deposit and pre-payment	(805,010)	3,053,851
Interest Accrued	(1,426,626)	(5,436,408)
	4,665,620	29,757,562
Increase in current liabilities		
Trade and other payables	36,999,179	24,768,770
	41,664,799	54,526,332



		<b>September 30, 2020 (Un-audited)</b>	<b>June 30, 2020 (Audited)</b>
		----- Rupees -----	
<b>11. CASH AND CASH EQUIVALENTS</b>			
Short-term investments	6	482,304,477	382,760,245
Cash and bank balances	7	99,241,449	74,503,789
		<u>581,545,926</u>	<u>457,264,034</u>

**12. TRANSACTIONS WITH RELATED PARTIES**

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

<b>Transactions during the period</b>		<b>September 30, 2020 (Un-audited)</b>	<b>September 30, 2019 (Un-audited)</b>
		----- Rupees -----	
<b>Associated Companies</b>			
Dividend paid			
- Haydari Boring & Piling Company (Private) Limited	45,000		22,500
- Abbas Builders (Private) Limited	3,433		1,716
- Indus Oil Expellers (Private) Limited	500		250
		<u>          </u>	<u>          </u>
<b>Key Management personnel</b>			
Salaries and allowances		10,964,620	10,415,084
		<u>          </u>	<u>          </u>
<b>Retirement benefit plans</b>			
Contribution to provident fund		5,233,872	4,970,750
		<u>          </u>	<u>          </u>

**12.1** The aggregate amount paid / payable to the directors as a fee for attending the Board of Director's meetings for the period ended September 30, 2020 amounted to Rs.25,000 (September 30, 2019: Rs.25,000).

**13. FINANCIAL RISK MANAGEMENT**

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2020. There have been no changes in any risk management policies since the year end.





The carrying value of all financial and non-financial assets and liabilities measured at other than amortised cost in these condensed interim financial statements approximate their fair values.

#### 14. OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

Sales of the Company relate to starch sugar and proteins.

Total sales of the Company relating to customers in Pakistan were 88.32% of total sales during the period ended September 30, 2020 (September 30, 2019: 71.59%).

All non-current assets of the Company as at September 30, 2020 and June 30, 2020 are located in Pakistan.

Sales to the major five customers of the Company are around 43.30% of total sales during the period ended September 30, 2020 (September 30, 2019: 45.78%)

#### 15. Proposed Dividend

The Board of Directors in their meeting held on September 16, 2020 have recommended for the approval of the Stockholders a Final Cash Dividend @ 60% i.e. Rs. 3.00 per Share of Rs. 5 each for financial year ended June 30, 2020. As this is to be approved by the Stockholders in the Annual General Meeting scheduled on October 28, 2020 no provision have been made in these accounts.

#### 16. General

16.1. These condensed interim financial information have been authorized for issue on October 19, 2020 by the Board of Directors of the Company.

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

**OWAIS G. HABIB**  
Chief Executive Officer

**JAMSHED ALI KHAN**  
Chief Financial Officer

**GAFFAR A. HABIB**  
Chairman

Karachi: October 19, 2020



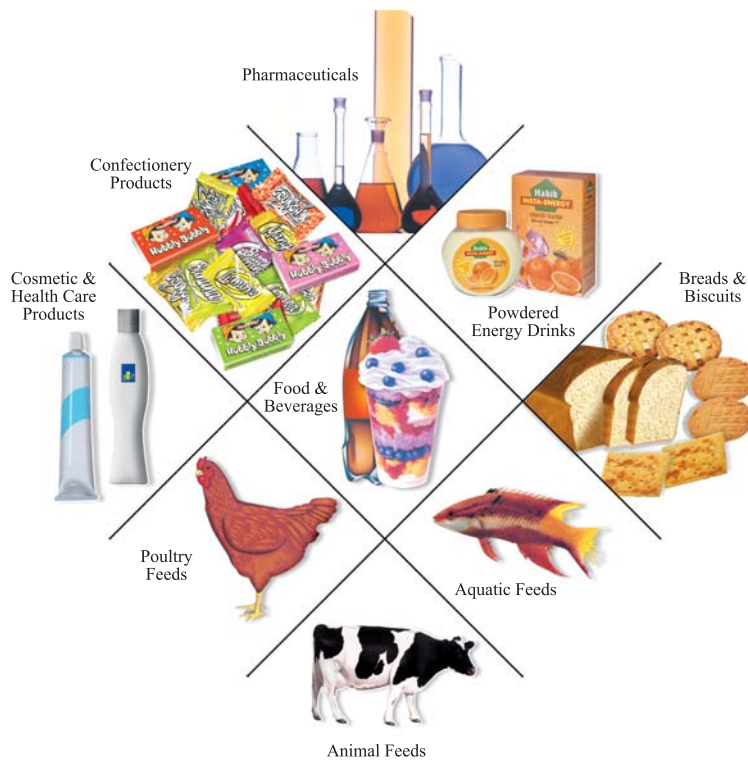
**Habib Rice Products Ltd.** (Formerly **Habib-ADM Ltd.**)



## Pioneer Producers of Rice Based Starch Sugars and Proteins

**Habib Rice Products Limited** (Formerly Habib-ADM Ltd.) pioneered the conversion of Rice into:-

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



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