

THIRD QUARTERLY ACCOUNTS

FOR THE PERIOD ENDED
JUNE 30, 2021



FARAN SUGAR MILLS LTD.

CORPORATE

INFORMATION

Date of Incorporation

November 3, 1981

Date of Commencement of Business

November 25, 1981

Board of Directors

Muhammad Omar Amin Bawany	Chairman
Ahmed Ali Bawany	Chief Executive
Hamza Omar Bawany	
Bilal Omar Bawany	
Mohammad Altamash Bawany	
Ahmed Ghulam Hussain	
Irfan Zakaria Bawany	
Sheikh Asim Rafiq	NIT

Audit Committee

Irfan Zakaria Bawany	Chairman
Muhammad Omar Amin Bawany	Member
Hamza Omar Bawany	Member

Human Resource & Remuneration Committee

Irfan Zakaria Bawany	Chairman
Ahmed Ali Bawany	Member
Hamza Omar Bawany	Member

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Chief Financial officer & Company Secretary

Muhammad Ayub

Legal Advisor

Ghulam Rasool Korai

Bankers (Islamic Banking Division)

Bank AL-Habib Ltd.
AL-Baraka Islamic Bank Ltd.
Bank AL-Falah Ltd.
Dubai Islamic Bank Ltd.
MCB Islamic Bank Ltd.
Habib Metropolitan Bank Ltd.
Meezan Bank Ltd.
United Bank Ltd.
Habib Bank Ltd.
Askari Bank Ltd.
Faysal Bank Ltd.
Bank Islami Ltd.

Share Registrar

C&K Management Associates (PVT.) Ltd. 404,
Trade Tower, Abdullah Haroon Road, Near
Metropole Hotel, Karachi.
Tel: (92-21) 35687639, 35685930

Registered Office

43-1-E (B), P.E.C.H.S. Block 6, off Razi Road,
Karachi Phone: (92-21) 34322851-54
UAN: 111-229-269
Fax: (92-21) 32 42 10 10

Mills

Shaikh Bhirkio,
Distt. Tando M. Khan.

E-mail & Website

info@faran.com.pk
www.faran.com.pk

Stock Exchange Symbol

FRSM

Registration Number

Company Registration Number - K-161/6698
National Tax Number – 0710379-4
Sales Tax Number – 01-01-2303-005-82

CHIEF EXECUTIVE REVIEW

FOR THE PERIOD ENDED MARCH 31, 2021

Dear Shareholders,

By the grace of Almighty ALLAH, on behalf of the Board of Directors, I present a brief review of the performance of your company for the Nine months ended June 30, 2021.

Financial results are summarized as follows:

	2021 Rs. '000	2020 Rs. '000
Gross sales	4,014,389	4,357,116
(Loss) before taxation	(306,033)	(203,895)
Share of profit in Associate-net	78,050	74,406
	(227,983)	(129,489)
Less: Taxation		
Current	(68,547)	(77,854)
Deferred	10,893	135,051
	(57,564)	57,197
(Loss) after Taxation	(285,547)	(72,292)
(Loss) per Share	(11.42)	(2.89)

The Government failed to make any mechanism to ensure adequate availability of cane at support price, even at reasonable price and all its efforts remained meaningless as planned before season start. We had to pay all time high average rate for sugarcane in this season-2020-21 due to supply and demand gap to run our mill at optimal capacity to avoid capacity losses. Overall production cost remained high mainly due to exorbitant rate of sugar-cane.

As stated in the previous report that demand and selling price of sugar subdued at the start of the season and had been showing downward trend due to The Government efforts to keep prices low and allowing import of sugar free of sales tax to traders and TCP. But, in the middle of season, surprisingly selling price of refined sugar took a sharp turn on the higher side in reaction to persistent high prices of cane due to supply and demand gap as well as firmed up of international sugar price. As the profitability of sugar sector is driven mainly by the margin between cane price and refined sugar selling price, we sustained loss due to our initial assessment of market and sale strategy adopted in the beginning of the season, considering facts narrated above.

The entire sugar supply chain is highly integrated and The Government failed to act its proactive role, resultantly, very costly cane to millers in this season and subsequent rising price of refined sugar in response to tremendous cane cost. Now The Government's interference to curb sugar price administratively will give only temporarily relief to the poor, but may cause to bankruptcy of mills and ultimately destroy whole sugar supply chain. The Competition Commission of Pakistan (CCP) has already issued a "Policy Note" cautioned to discourage the sugar prices controlled by The Government.

However, the selling price of sugar has jumped to a comfortable level and there is continuous improvement in domestic selling price of refined sugar which will cover high cost of production of our remaining stock as well as anticipation of improvement in Unicol profitability, we expect, Insha Allah, to cover our losses and better result at the year end.

The Company has executed all cost saving projects under Temporary Economic Refinance Facility (TERF), concessional financing scheme of SBP, and trying utmost to complete all before start of coming season 2021-22 to get financial benefits of these projects.

May Allah SWT bestow the strength upon us to see through these abnormal situations successfully, AMEEN!



Karachi:
July 28, 2021

Ahmed Ali Bawany
Chief Executive

ڈائریکٹرز کی رپورٹ

برائے اختتامی مدت 30 جون 2021

محترم حصص یافتگان،

اللہ تعالیٰ کے فضل و کرم سے، میں 30 جون 2021 کو ختم ہونے والی سہ ماہی کے لئے آپ کی کمپنی کی کارکردگی کا ایک مختصر جائزہ پیش کرتا ہوں۔ مالی نتائج کا خلاصہ یہ ہے:

30 جون 2020	30 جون 2021	
روپے '000	روپے '000	
4,357,116	4,014,389	مجموعی فروخت
(203,895)	(306,033)	قبل از ٹیکس نقصان
74,406	78,050	ایکویٹی الیوسٹی لٹ کے منافع میں حصہ - نیٹ
(129,489)	(227,983)	منفی: ٹیکسیشن
(77,854)	(68,547)	کرنٹ
135,051	10,893	ڈیفرڈ
57,197	(57,564)	ٹیکسیشن
(72,292)	(285,547)	بعد از ٹیکس نقصان
(2.89)	(11.42)	نقصان فی شیئر

امدادی قیمت پر گئے کی مناسب دستیابی کو یقینی بنانے کے لئے حکومت کوئی میکزیم بنانے میں ناکام رہی، یہاں تک کہ مناسب قیمت پر اور سیزن شروع ہونے سے پہلے کی منصوبہ بندی کے مطابق اس کی تمام کوششیں بے معنی رہی۔ ہمیں اس سیزن 2020-21 کے موسم میں رسد اور طلب کے فرق کی وجہ سے اور اپنی ملوں کے نقصانات سے بچنے کے لئے گئے کی بہت زیادہ قیمت ادا کرنی پڑی۔ مجموعی طور پر پیداواری لاگت زیادہ رہی جس کی بنیاد وجہ گئے کی بہت زیادہ قیمت ہے۔

جیسا کہ پچھلی رپورٹ میں کہا گیا ہے کہ سیزن کے آغاز میں چینی کی طلب اور فروخت کی قیمت کم ہو گئی تھی اور قیمتوں کو کم رکھنے کی حکومتی کوششوں اور تاجروں اور ٹی سی پی کو چینی کی درآمدی اجازت دینے کی وجہ سے مندی کا رجحان ظاہر کر رہی تھی۔ لیکن، سیزن کے وسط میں، غیر متوقع طور پر چینی کی قیمت فروخت میں تیزی آئی، سپلائی اور طلب کے فرق کی وجہ سے گئے کی مستقل اعلیٰ قیمتوں کے ساتھ ساتھ بین الاقوامی مارکیٹ میں چینی کی قیمتوں میں اضافے کا بھی رد عمل رہا۔ چونکہ چینی کے شعبے کا منافع بنیادی طور پر گئے کی قیمت اور چینی کی فروخت کی قیمت کے مابین کے فرق سے ہوتا ہے۔ مارکیٹ کے ہمارے ابتدائی جائزہ کی وجہ سے اور سیزن کے آغاز میں فروخت کی حکمت عملی اپنائی گئی ہم نے نقصان برداشت کیا

شوگر کی پوری فراہمی کا سلسلہ انتہائی مربوط ہے اور حکومت اپنا فعال کردار ادا کرنے میں ناکام رہی، اس سیزن میں ملوں کو بہت مہنگا بنا دیا اور اس کے بعد گئے کی زبردست قیمت کے جواب میں چینی کی قیمتوں میں اضافہ۔ چینی کی قیمتوں کو روکنے کے لئے حکومت مداخلت کر رہی ہے جو فلاحی تو عوام کی مدد کرے گی لیکن ملوں کے دیوالیہ پن کا سبب بن سکتا ہے اور آخر کار پوری شوگر چین کو ختم کر دے گا۔ مسابقتی کمیشن آف پاکستان (سی سی پی) نے پہلے ہی ایک "پالیسی نوٹ" جاری کیا ہے جس میں حکومت کی جانب سے قیمتوں پر قابو پانے کی حوصلہ شکنی کی گئی ہے۔

تاہم، چینی کی فروخت کی قیمت اچھی سطح پر آگئی ہے اور اس میں چینی کی گھریلو فروخت کی قیمت میں مسلسل بہتری آرہی ہے جو ہمارے باقی اسٹاک کی پیداواری لاگت کے ساتھ ساتھ یوٹیل منافع میں بہتری سے ہمیں امید ہے ہمارے نقصانات کا ازالہ ہو گا اور سال کے آخر میں بہتر نتائج آئیں گے۔

کمپنی لاگت کی بچت کے منصوبوں پر کام کر رہی ہے جس کے لئے اسٹیٹ بینک آف پاکستان (PBS) کی عارضی معاشی ری فائننس سہولت (TERF) سے فنڈنگ حاصل کی ہے ہم اپنی پوری کوشش کر رہے ہیں کہ اگلے سیزن کے آغاز سے قبل تمام منصوبے کو مکمل کر لیں تاکہ ان سے مالی فوائد حاصل ہوں۔

اللہ سبحانہ و تعالیٰ ہمیں ان غیر معمولی حالات کو کامیابی کے ساتھ گزارنے کی توفیق عطا فرمائے! آمین!



احمد علی بادانی

چیف ایگزیکٹو

کراچی: 28 جولائی، 2021

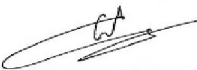
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT JUNE 30, 2021

ASSETS	Note	Un-Audited Jun 30, 2021	Audited Sep 30, 2020
		Rupees	
Non-current assets			
Property, plant and equipment	5	1,948,874,573	1,884,930,704
Long term investments	6	1,157,121,162	1,141,756,234
Long term deposits		12,300,394	10,103,594
		3,118,296,129	3,036,790,532
Current assets			
Stores and spares		115,472,921	83,974,351
Stock in trade		2,153,367,937	384,560,366
Trade debts		69,415,444	183,347,585
Short term investments		1,610,809	1,515,500
Loans, advances, deposits and other receivables		788,712,575	676,746,090
Taxation – net		90,161,744	35,958,571
Cash and bank balances		100,758,471	160,261,980
		3,319,499,901	1,526,364,443
Total Assets		6,437,796,030	4,563,154,975
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital		400,000,000	400,000,000
Issued, subscribed and paid up capital		250,069,550	250,069,550
Capital reserve			
Share premium		8,472,152	8,472,152
Surplus on re-measurement of investment		1,416,668	1,134,849
		9,888,820	9,607,001
Revenue reserves			
General reserve		49,952,868	49,952,868
Unappropriated profit		1,529,198,184	1,814,834,493
		1,579,151,052	1,864,787,361
		1,589,039,871	2,124,463,912
Non-current liabilities			
Long term finance		229,373,402	126,928,993
Deferred liabilities		386,431,126	395,522,111
		615,804,528	522,451,104
Current liabilities			
Trade and other payables		291,492,051	360,289,683
Accrued mark up		80,021,644	30,444,548
Current portion of long term finance		110,840,347	120,713,951
Unclaimed dividend		10,823,898	10,825,556
Short term finance - secured	7	3,489,704,141	1,393,966,221
		3,982,882,081	1,916,239,959
Contingency and commitment	8		
Total equity and liabilities		6,437,796,030	4,563,154,975

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


Ahmed Ali Bawany
Chief Executive Officer


Muhammad Omar Bawany
Chairman


Muhammad Ayub
Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED JUNE 30, 2021

	Nine-month period ended		Quarter ended	
	Jun-30, 2021	Jun-30, 2020	June-30, 2021	Jun-30, 2020
	Rupees			
Sales revenue - net	3,526,094,075	3,874,967,681	1,192,335,848	1,362,676,003
Cost of sales	(3,494,320,376)	(3,721,064,233)	(1,194,484,937)	(1,215,538,867)
Gross profit / (loss)	31,773,699	153,903,448	(2,149,089)	147,137,136
Administrative expenses	(117,613,302)	(114,259,872)	(33,421,029)	(31,692,959)
Selling and distribution costs	(54,043,246)	(14,356,183)	(23,999,284)	(273,779)
	(171,656,548)	(128,616,055)	(57,420,313)	(31,966,738)
Operating (loss) / profit	(139,882,849)	25,287,393	(59,569,402)	115,170,398
Other income	10,296,234	14,752,570	(16,936)	2,110,280
Other expenses	(310,251)	(6,308,248)	(69,870)	236,744
	9,985,983	8,444,322	(86,806)	2,347,024
	(129,896,866)	33,731,715	(59,656,208)	117,517,422
Finance costs	(176,136,318)	(237,626,864)	(74,307,965)	(103,887,231)
	(306,033,184)	(203,895,149)	(133,964,173)	13,630,191
Share of profit of associates - net	78,050,860	74,406,171	1,049,047	83,571,667
(Loss) / Profit before taxation	(227,982,324)	(129,488,978)	(132,915,126)	97,201,858
Taxation	(57,653,985)	57,196,807	(1,829,883)	(34,707,883)
(Loss) / Profit after taxation	(285,636,309)	(72,292,171)	(134,745,009)	62,493,975
(Loss) / Earning per share - basic and diluted	(11.42)	(2.89)	(5.39)	2.50

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


 Ahmed Ali Bawany
 Chief Executive Officer


 Muhammad Omar Bawany
 Chairman


 Muhammad Ayub
 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021

	Nine-month period ended		Quarter ended	
	Jun-30, 2021	Jun-30, 2020	Jun-30, 2021	Jun-30, 2020
	Rupees			
(Loss) / Profit after taxation	(285,636,309)	(72,292,171)	(134,745,009)	62,493,975
Other comprehensive Income / (loss)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain / (loss) on re-measurement of investment in certificates of B.F. Modaraba	281,818	(197,273)	469,696	84,545
Total comprehensive (Loss) / Profit for the period	(285,354,490)	(72,489,444)	(134,275,312)	62,578,520

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


 Ahmed Ali Bawany
 Chief Executive Officer


 Muhammad Omar Bawany
 Chairman


 Muhammad Ayub
 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY – (UN-AUDITED)

FOR THE PERIOD ENDED JUNE 30, 2021

	Issued, subscribed and paid up capital	Capital reserves		Revenue Reserve		Total
		Share premium	Surplus on re- measurement of investment	General reserve	Unappropriated profits	
	----- Rupees -----					
Balance as at October 01, 2019	250,069,550	8,472,152	477,273	49,952,868	2,011,158,584	2,320,130,427
Total comprehensive income for the Nine Month ended June 30, 2020						
- Loss after taxation	-	-	-	-	(72,292,171)	(72,292,171)
- Other comprehensive loss	-	-	(197,273)	-	-	(197,273)
	-	-	(197,273)	-	(72,292,171)	(72,489,444)
Transactions with owners						
Dividend paid @ Re. 1 per share					(25,006,955)	(25,006,955)
Balance as at June 30, 2020	250,069,550	8,472,152	280,000	49,952,868	1,913,859,458	2,222,634,028
Total comprehensive loss for the quarter ended September 30, 2020						
- Loss after taxation	-	-	-	-	(99,024,965)	(99,024,965)
- Other comprehensive income	-	-	854,849	-	-	854,849
			854,849		(99,024,965)	(98,170,116)
Balance as at September 30, 2020 (audited)	250,069,550	8,472,152	1,134,849	49,952,868	1,814,834,493	2,124,463,912
Balance as at October 01, 2020	250,069,550	8,472,152	1,134,849	49,952,868	1,814,834,493	2,124,463,912
Total comprehensive income for the Nine Month ended June 30, 2021						
- Loss after taxation	-	-	-	-	(285,636,309)	(285,636,309)
- Other comprehensive income	-	-	281,818	-	-	281,818
	-	-	281,818	-	(285,636,309)	(285,354,490)
Balance as at June 30, 2021	250,069,550	8,472,152	1,416,667	49,952,868	1,529,198,184	1,839,109,421

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


Ahmed Ali Bawany
Chief Executive Officer


Muhammad Omar Bawany
Chairman


Muhammad Ayub
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)

FOR THE PERIOD ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(227,982,324)	(129,488,977)
Adjustments for:		
Depreciation	77,854,088	77,440,997
Share in profit or loss of associates – net	(78,050,860)	(74,406,171)
Dividend income	(31,500)	(1,228,750)
Gain on disposal of property, plant and equipment	(216,037)	(403,909)
Finance costs	170,111,367	234,364,948
(Gain) / Loss on re-measurement of investments carried at fair value	(95,275)	602,132
	169,571,783	236,369,247
	(58,410,541)	106,880,269
Working capital changes		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	(31,498,570)	(8,939,020)
Stock in trade	(1,768,807,571)	(905,463,311)
Trade debts	113,932,141	100,054,491
Loans, advances, deposits and other receivables	(111,966,485)	104,841,486
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	(77,888,617)	(526,285,567)
	(1,876,229,102)	(1,235,791,921)
Cash used in operations	(1,934,639,644)	(1,128,911,652)
Taxes paid	(111,857,192)	(77,731,147)
Finance cost paid	(120,534,271)	(199,094,012)
Net cash used in operating activities	(2,167,031,107)	(1,405,736,811)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(141,962,919)	(107,812,379)
Investment made in quoted equity securities	-	(1,922,991)
Investment made in associate	(99,532,240)	(84,308,100)
Proceeds from sale of property, plant and equipment	381,000	2,722,574
Dividend received	162,531,490	151,228,742
Long term deposits - net	(2,196,800)	(759,900)
Net cash used in investing activities	(80,779,469)	(40,852,054)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(1,658)	(24,510,495)
Loan from Director	-	(46,057,702)
Long term loans - net	92,570,805	-
Short term finance - net	2,065,737,920	1,241,580,678
Net cash used in financing activities	2,158,307,067	1,171,012,481
Net (decrease) in cash and cash equivalents	(89,503,509)	(275,576,384)
Cash and cash equivalents at the beginning of the year	160,261,980	395,616,672
Cash and cash equivalents at the end of the year	70,758,471	120,040,288
Cash and cash equivalents comprise of the following:		
Cash and bank balances	100,758,471	120,040,288
Short term running Musharika finance	(30,000,000)	-
Cash and cash equivalents	70,758,471	120,040,288

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


Ahmed Ali Bawany
Chief Executive Officer


Muhammad Omar Bawany
Chairman


Muhammad Ayub
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

1 STATUS AND NATURE OF BUSINESS

1.1 Brief profile of the Company

Faran Sugar Mills Limited ('the Company') was incorporated in Pakistan on November 03, 1981 as a public limited company under the repealed Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984 on October 8, 1984 and subsequently by Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on the Pakistan Stock Exchange (PSX). The principal business of the Company is the production and sale of white crystalline sugar.

Head office: The registered office of the Company is situated at Bungalow No.43-1-E (B), P.E.C.H.S., Block 6, Off Razi Road, Shahrah e Faisal, Karachi.

Mill: The mill of the Company is located at Sheikh Bhirkio, District Tando Mohammad Khan, Sindh.

1.2 SEASONALITY OF OPERATIONS

Due to the seasonal availability of sugarcane, the production of sugar is carried out during the period of availability of sugar cane and cost incurred/ accrued up to the reporting date have been accounted for. Accordingly, the cost incurred/ accrued after the reporting date will be reported in the subsequent annual financial statements.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim financial information are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Pakistan Stock Exchange. The condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. The condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2020.

The comparative condensed balance sheet, presented in this condensed interim financial information, as at June 30, 2021 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2020 whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the quarter ended June 30, 2021 have been extracted from the condensed interim financial information for the quarter ended June 30, 2020.

2.2 Functional And Presentation Currency

This condensed interim financial statements is presented in Pakistani Rupee which is the Company's functional Currency

3 SIGNIFICANT ACCOUNTING POLICIES

These interim financial information have been prepared using the same accounting convention, basis of preparation and significant accounting policies as those applied in the preparation of the audited financial statements for the year ended September 30, 2020.

Amendments to certain accounting standards and new interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and do not have any impact on the accounting policies of the Company.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards which require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended September 30, 2020.

		Un-Audited Jun 30, 2021	Audited Sep 30, 2020
	Note	Rupees	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating Fixed Assets	5.1	1,741,903,521	1,815,891,679
Capital Work in Progress	5.2	206,971,052	69,039,025
		1,948,874,573	1,884,930,704
5.1 Operating Fixed Assets			
Opening net book value		1,815,891,679	1,823,419,911
Additions during the period/year		4,030,889	99,870,826
		1,819,922,568	1,923,290,737
Disposals during the period / year at NBV		(164,963)	(3,121,299)
Depreciation for the period / year		(77,854,084)	(104,277,759)
		(78,019,047)	(107,399,058)
		1,741,903,521	1,815,891,679
5.2 Capital Work In Progress			
Opening balance		69,039,025	51,173,591
Net Additions during the period		137,932,027	17,865,434
		206,971,052	69,039,025
6 LONG TERM INVESTMENTS			
Investment in subsidiary		99,970	99,970
Investment in associates	6.1	1,151,854,525	1,136,771,415
Investment in certificates of B.F. Modaraba		5,166,667	4,884,849
		1,157,121,162	1,141,756,234
6.1 Investments in Associates			
<i>Unquoted investments</i>			
M/s. Unicol Limited		1,062,108,484	1,076,576,140
M/s. Uni Energy Limited	6.1.1	20,147,997	20,147,998
M/s. Uni Food Industries Limited	6.1.1	69,598,044	40,047,277
		1,151,854,525	1,136,771,415
6.1.1	Carrying amounts of these equity accounted investees are adjusted on the basis of share of profit of their un-audited financial statements for the half year ended upto March 31, 2021		

7 SHORT TERM FINANCE - SECURED

This represents the availed amount of Islamic finance facilities provided by various banks. As at the reporting date, the aggregate limit of these available finances amounted to Rs. 5,200 million (Sep 2020: Rs. 4,700 million). These finances are secured against pledge of refined sugar and first pari passu charge on fixed assets of the Company including land, building and plant & machinery carrying profit at the rate of KIBOR + 0.50% to 1.0% per annum (2020: KIBOR + 0.5% to 1.0% per annum).

8 CONTINGENCIES AND COMMITMENTS**8.1 Contingencies**

There is no material change in the contingencies as disclosed in the published financial statement for the half year ended March 31, 2021

8.2 Commitments

There is no material change in the commitments as disclosed in the published financial statement for the half year ended March 31, 2021

9. RELATED PARTY TRANSACTIONS AND BALANCES

Significant transactions with related parties during the period ended are as follows:

	For the nine-month period ended	
	Jun 30, 2021	Jun 30, 2020
	Rupees	
Transactions with Associate		
Share of profit in associates - net of tax	78,050,860	74,406,171
Sale of goods	654,736,834	499,492,652
Investment	99,532,240	84,308,100
Transactions with other related parties		
Insurance premium	16,800,000	19,130,343
Sale of goods	14,280,000	-
Donation	-	3,596,750
Services received	-	374,288
Provident fund contribution	4,416,225	4,037,124

All transactions with related parties were carried out on arm's length

	As on	
	Un-Audited Jun 30, 2021	Audited Sep 30, 2020
	Rupees	
Balances at the end of the reporting period		
Due from / (to) Unicol Limited	-	153,891
Due from Associate Companies - trade receivable against sale of sugar	359,400	4,500,000

10. FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are consistent with that disclosed in the financial statements for the year ended September 30, 2020.

11. AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the company at their meeting held on July 28, 2021.

12. GENERAL

- Figure have been rounded off to the nearest rupee.
- Figures, including comparatives, have been re-arranged and reclassified wherever necessary


Ahmed Ali Bawany
Chief Executive Officer


Muhammad Omar Bawany
Chairman


Muhammad Ayub
Chief Financial Officer



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