



BABA FARID
SUGAR MILLS LIMITED

<https://bfsml.com>



CONDENSED INTERIM
FINANCIAL INFORMATION
For the Half Year Ended
31 March 2023 (Un-audited)

HALF YEARLY
REPORT
2023

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Qaiser Shamim Khan.....	Chairperson
Mr. Adnan Ahmed Khan.....	Chief Executive
Mr. Muhammad Shamim Khan.....	Executive Director
Mr. Nauman Ahmed Khan.....	Non-Executive
Mrs. Sarah Hajra Khan.....	Non-Executive
Mr. Farid ud Din Ahmed.....	Independent Director
Mr. Malik Manzoor Hussain Humayoon.....	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Wasif Mahmood

COMPANY SECRETARY

Mr. Muhammad Imran

AUDITORS

BDO Ebrahim & Co.
Chartered Accountants
Office No.4, 6th Floor
Askari Corporate Tower,
75/76 D-1 Main Boulevard III, Lahore
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Email: info@bdo.com.pk

MILLS

5 K.M. Faisalabad Road, Okara
Tel: 044-2714418-21
Fax: 044-2522978

BANKERS

Habib Bank Limited
Bank Al-Habib Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
Bank Alfalah Limited
Soneri Bank Limited
Allied Bank Limited
Askari Bank Limited
National Bank of Pakistan - Aitemad

HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Farid-ud-Din Ahmad	Chairman
Mr. Adnan Ahmed Khan	Member
Mr. Malik Manzoor Hussain Humayoon	Member

AUDIT COMMITTEE

Mr. Farid-ud-Din Ahmad	Chairman
Mrs. Sarah Hajra Khan	Member
Mr. Malik Manzoor Hussain Humayoon	Member

NOMINATION COMMITTEE

Mr. Malik Manzoor Hussain Humayoon	Chairman
Mr. Farid-ud-Din Ahmad	Member

RISK MANAGEMENT COMMITTEE

Mr. Malik Manzoor Hussain Humayoon	Chairman
Mr. Farid-ud-Din Ahmad	Member

SHARE REGISTRAR

M/s Corplink (Pvt) Limited
Share Registrar, Wings Arcade,
1-K Commercial Model Town, Lahore.
Tel: 042-35916714,
Fax: 042-35869037
Email: corplink786@gmail.com

REGISTERED OFFICE

2-D-1, Gulberg III, Lahore
Tel: 042-35771066-71
Fax: 042-35756687
Email: info@bfsml.com
Website: www.bfsml.com

LEGAL ADVISOR

M/S Ahmed & Pansota
Advocate and Legal Consultants
20 - Sir Gangaram Mansions
The Mall Lahore.
Tel: 042-37313549, 37313520
Tel: 042-36672102

DIRECTORS' REVIEW

The Directors of your Company are pleased to present the Un-Audited Accounts of the Company for the Half Year Ended 31 March 2023 in compliance with the section 237 of the Companies Act, 2017.

INDUSTRY OVERVIEW

During the period under review, crop volume was lesser than last year partially due to flood and partially due to comparatively low yield per acre. However better sugar recoveries & increase in the area under cultivation mitigated to some extent the negative impacts of low yield per acre.

For current crushing season 2022-23, notified support price of sugarcane was Rs. 300/- per 40 kg in Punjab & KPK and Rs. 302/- per 40 kg in the province of Sindh as compared to Rs 225 & 250 corresponding period in Punjab & Sind respectively. Crushing started on 25th November 2022. The 33% increase in support price of sugarcane ultimately resulted in increase in the production cost of the sugar.

PERFORMANCE OF THE COMPANY

The Company was able to crush 455,913.605 M. Tons sugarcane and produced 45,338.900 M. Tons of white refined sugar at an average recovery of 9.956% during the Period ended 31 March 2023 as compared to 31 March 2022, sugarcane crushing of 604,762.396 M. Tons and the production of 54,026.500 M. Tons white refined sugar at an average recovery of 8.936%.

Net sales were recorded at Rs. 1,205.687 million during the period under review as compared to Rs. 1,100.741 million during the corresponding period of last year.

The Company incurred pretax loss of Rs. 49.235 million during the period under review as compared to pretax loss of Rs. 73.353 million in the corresponding period of last year. The decrease in loss is mainly because of better sugar rates and export of sugar.

RESEARCH AND DEVELOPMENT

Agricultural R&D is an integral part of the Company's policy which entails identification and multiplication of promising new sugarcane varieties and their subsequent commercial sowing through progressive growers with best agricultural practices. This not only increases per acre yield of sugar cane but also enhances growers earning and creates more enthusiasm for sowing sugarcane compared to competing crops. It also increases the sugarcane supply to the Company and boosts overall sugar recovery, directly improving the bottom line of the Company.

RELATIONSHIP WITH GROWERS

As usual growers' payment has remained our top priority being one of the main keys of our success and we are trying our level best to make growers' payment on priority basis. We regularly provide financial and technical support to our growers. Due to these policies and preferential treatment to growers, the Company enjoys excellent relationship with them.

FUTURE OUTLOOK

Year 2023 is expected to be much more challenging for business being the election year and as it has inherited a prolonged political uncertainty, depressed sugar prices, economic chaos, high inflation, under pressure local currency, sky high interest rates, difficulty in imports, global economic recession, Russia-Ukraine conflict among others.

Cane crushing in current season is already completed. Sugar production in the country was around 6.70 million tons as compared to last year 7.10 million tons. Due to carryover sugar stocks of about 1.00 million tons and compulsion of cane payment to growers within 15 days kept sugar prices under tremendous pressure throughout the first half of the year. Increased production cost partially due to 33% higher cane cost, massive devaluation of Pak Rupee and substantial increase in KIBOR rate ultimately will result in higher conversion cost.

Nevertheless, option of sugar export is not only important for sugar industry but also for country for earning foreign exchange, the Federal Government, allowed only 250,000 tons of sugar export. However, sugar prices in international market dropped from US\$ 700 to US\$ 500-530 per ton by the time export was allowed.

According to recent surveys the sugarcane crop size of next crushing season is expected to be slightly lower in Punjab than what was in last year due to opportunity of better prices in alternative crops whereas in Sind around 20% lesser crop is expected due to lesser sowing owing to flood. Overall sugar production of next year is expected to be slightly lower as compared to last year.

State Bank of Pakistan (SBP) has increased policy rate by 6.40% since September 2022 which has jacked up the mark up rates and has resultantly increased borrowing cost substantially and there are indications that Govt might further increase this policy rate that will adversely affect the profitability. Inflationary pressure and restriction on import of machinery spares may further increase cost of business.

Govt strategy on controlling sugar prices, without considering inflationary pressure on prices of fertilizers, pesticides, sowing/harvesting cost etc. is discouraging sugar cane growers. The growers are switching from sugarcane crop to other crops and resultantly there may be shortage in sugar production in the country in coming years and the sugar industry, that is presently capable of export will be converted into import category industry like previously it was.

Going forward the Company is expected to perform better. Though the impact of higher sugarcane prices, higher interest rates and inflationary pressure may subdue the profitability while sugar prices to determine the extent of profitability. It is expected that Company will improve further in its operations and this is essentially due to better management and commitment by professional management and its team. These ingredients will hopefully revive the Company on overall basis.

CORPORATE GOVERNANCE

Best Corporate Practices

Directors are committed to good corporate governance and comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2017 and the Rule Book of Pakistan Stock Exchange. The composition of the Board of Directors (the Board") is as follows:

1. The total number of directors are seven as per the following:
 - Male: Five
 - Female: Two
2. The composition of the Board of Directors (the Board") is as follows:

Category	Names
Independent Director	Mr. Muhammad Ashraf Khan Durani Mr. Farid Ud Din Ahmad
Executive Directors	Mr. Muhammad Shamim Khan (CEO) Mr. Nauman Ahmed Khan
Non-Executive Director	Mrs. Qaiser Shamim Khan Mr. Adnan Ahmed Khan Mr. Muhammad Khan

ADEQUACY OF INTERNAL CONTROLS

The Directors are aware of their responsibility with respect to internal financial controls. Through discussions with management and Auditors (both internal and external), they confirm that adequate controls have been implemented by the Company.

ACKNOWLEDGEMENT

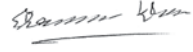
The Directors wish to acknowledge the devotion of the employees and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers, and bankers for their continued confidence and support.

For and on behalf of the Board

Baba Farid Sugar Mills Limited



ADNAN AHMED KHAN
CHIEF EXECUTIVE OFFICER



MUHAMMAD SHAHIM KHAN
DIRECTOR

LAHORE: 29 MAY, 2023

ڈائریکٹرز کی جائزہ رپورٹ

کمپنی کے ڈائریکٹرز کمپنیز ایکٹ 2017ء کی دفعہ 237 کی تعمیل میں 31 مارچ 2023 کو ختم ہونے والی پہلی ششماہی کے لئے کمپنی کے غیر نظر ثانی شدہ حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

صنعت کا مجموعی جائزہ

زیر جائزہ مدت کے دوران، فصل کا حجم گزشتہ سال کے مقابلے میں جزوی طور پر سیلاب اور فی ایکڑ نسبتاً کم پیداوار کی وجہ سے کم تھا۔ تاہم چینی کی بہتر ریکوری اور زیر کاشت رقبہ میں اضافہ نے فی ایکڑ کم پیداوار کے منفی اثرات کو کسی حد تک کم کیا ہے۔

موجودہ کرشنگ سیزن 2022-23 کیلئے پنجاب اور کے پی کے میں گنے کی امدادی قیمت -/300 روپے فی 40 کلوگرام اور صوبہ سندھ میں -/302 روپے 40 کلوگرام کا اعلان کیا گیا ہے جبکہ گزشتہ سال اسی مدت میں پنجاب اور سندھ میں بالترتیب 225 اور 250 روپے اعلان کیا گیا تھا۔ موجودہ سیزن میں کرشنگ 25 نومبر 2022 کو شروع ہوئی۔ گنے کی امدادی قیمت میں %33 اضافہ بالآخر چینی کی پیداواری لاگت میں اضافہ پر منٹج ہوگا۔

کمپنی کی کارکردگی

کمپنی نے 31 مارچ 2023 کو ختم ہونے والی پہلی ششماہی کے دوران 455,913.605 میٹرک ٹن گنے کی کرشنگ کی اور 9.956 فیصد اوسط ریکوری کے ساتھ 45,338.900 میٹرک ٹن سفید ریفا سٹنڈ چینی بنائی جبکہ اس کے مقابلے 31 مارچ 2022 میں 604,762.396 میٹرک ٹن گنے کی کرشنگ کی اور 8.936 فیصد اوسط ریکوری کے ساتھ 54,026.500 میٹرک ٹن سفید ریفا سٹنڈ چینی بنائی۔

گزشتہ سال کی اسی مدت میں 1,100.741 ملین روپے خالص فروخت کے مقابلے زیر جائزہ مدت کے دوران 1,205.687 ملین روپے درج کی گئی۔

کمپنی کو زیر جائزہ سہ ماہی کے دوران ٹیکس سے قبل 49.235 ملین روپے کا نقصان ہوا جبکہ گزشتہ سال کی اسی مدت میں ٹیکس سے قبل 73.353 ملین روپے کا نقصان ہوا تھا۔ کمپنی کے نقصان میں کمی چینی کی بہتر قیمتوں اور چینی کی برآمد کی وجہ سے ہوا ہے۔

تحقیق اور ترقی

زرعی تحقیق و ترقی کمپنی کی پالیسی کا ایک لازمی حصہ ہے جس میں بہترین زرعی طریقوں کے ساتھ ترقی پسند کاشتکاروں کے ذریعے گنے کی مختلف اور نئی اقسام کی شناخت اور اس کے بعد تجارتی پیمانے پر ان کی کاشت شامل ہے۔ یہ نہ صرف گنے کی فی ایکڑ پیداوار بڑھاتی ہے بلکہ کاشتکاروں کی آمدنی میں اضافہ اور مسابقتی فصلوں کے

مقابلے میں گنے کی بوائی کے لئے زیادہ شوق پیدا کرتی ہے۔ یہ کمپنی کو گنے کی سپلائی، مجموعی طور پر شوگر کی ریکوری کو بڑھاتی ہے اور براہ راست کمپنی کے منافع کو بہتر بناتی ہے۔

کاشتکاروں کے ساتھ تعلقات

ہمیشہ کی طرح کاشتکاروں کی ادائیگی ہماری اولین ترجیح رہی ہے جو ہماری کامیابی کی کلیدوں میں سے ایک ہے اور ہم ترجیحی بنیادوں پر کاشتکاروں کی ادائیگی کے لیے پوری کوشش کر رہے ہیں۔ ہم اپنے کاشتکاروں کو باقاعدگی سے مالی اور تکنیکی مدد فراہم کرتے ہیں۔ ان پالیسیوں اور کاشتکاروں کے ساتھ ترجیحی سلوک کی وجہ سے، کمپنی کے ان کے ساتھ بہترین تعلقات ہیں۔

مستقبل کا نقطہ نظر

سال 2023 انتخابات کا سال ہونے کی وجہ سے کاروبار کے لیے بہت زیادہ چیلنجنگ ہونے کی توقع ہے اور کیونکہ دیگر مشکلات کے درمیان ایک طویل سیاسی غیر یقینی صورتحال، چینی کی گرتی ہوئی قیمتیں، معاشی انفراتفری، بلند مہنگائی، دباؤ میں مقامی کرنسی، بلند شرح سود، درآمدات میں مشکلات، عالمی اقتصادی کساد بازاری، روس یوکرین تنازعہ وراثت میں پائے ہیں۔

موجودہ سیزن میں گنے کی کرشنگ مکمل ہو چکی ہے۔ ملک میں چینی کی پیداوار گزشتہ سال 7.10 ملین ٹن کے مقابلے تقریباً 6.70 ملین ٹن رہی۔ تقریباً 1.00 ملین ٹن چینی کے ذخیرہ اور کاشتکاروں کو 15 دنوں کے اندر گنے کی ادائیگی کی مجبوری کی وجہ سے سال کی پہلی ششماہی میں چینی کی قیمتیں زبردست دباؤ میں رہیں۔ گنے کی 33 فیصد زیادہ لاگت، پاکستانی روپیہ کی قدر میں بڑے پیمانے پر کمی اور KIBOR کی شرح میں خاطر خواہ اضافہ کی وجہ سے جزوی طور پر پیداواری لاگت میں اضافے کا باعث بنے گا۔

اس کے باوجود چینی کی برآمد کا آپشن نہ صرف شوگر انڈسٹری بلکہ ملک کے لیے زرمبادلہ کمانے کے لیے بھی اہم ہے، وفاقی حکومت نے صرف 250,000 ٹن چینی کی برآمد کی اجازت دی۔ تاہم، جب تک برآمد کی اجازت دی گئی، بین الاقوامی مارکیٹ میں چینی کی قیمت 700 امریکی ڈالر سے کم ہو کر 500-530 ڈالر فی ٹن ہو گئی تھی۔

حالیہ سروے کے مطابق پنجاب میں اگلے کرشنگ سیزن میں گنے کی فصل کا حجم پچھلے سال کے مقابلے میں تھوڑا کم رہنے کی توقع ہے کیونکہ متبادل فصلوں میں بہتر قیمتوں کے مواقع ہیں جبکہ سندھ میں سیلاب کے باعث کم بوائی کی وجہ سے تقریباً 20 فیصد کم فصل متوقع ہے۔ اگلے سال چینی کی مجموعی پیداوار گزشتہ سال کے مقابلے قدرے کم رہنے کی توقع ہے۔

اسٹیٹ بینک آف پاکستان (SBP) نے ستمبر 2022 سے پالیسی ریٹ میں 6.40 فیصد اضافہ کر دیا ہے جس سے مارک اپ کی شرحوں میں اضافہ ہوا ہے اور اس کے نتیجے میں قرض لینے کی لاگت میں خاطر خواہ اضافہ ہوا ہے اور ایسے اشارے ہیں کہ حکومت اس پالیسی ریٹ میں مزید اضافہ کر سکتی ہے جو منافع پر منفی اثر ڈال سکتی ہے۔ مہنگائی کا دباؤ اور مشینری اسپیرز کی درآمد پر پابندی کا روباہر کی لاگت میں مزید اضافہ کر سکتی ہے۔

کھادوں، کیڑے مار ادویات، بوئی/کٹائی کی لاگت وغیرہ کی قیمتوں پر افراط زر کے دباؤ پر غور کیے بغیر چینی کی قیمتوں کو کنٹرول کرنے کی حکومتی حکمت عملی گنے کے کاشتکاروں کی حوصلہ شکنی کر رہی ہے۔ کاشتکار

گنے کی فصل سے دوسری فصلوں کی طرف رُخ کر رہے ہیں اور اس کے نتیجے میں آئندہ سالوں میں ملک میں چینی کی پیداوار میں کمی ہو سکتی ہے، جو اس وقت برآمد کے قابل ہے، پہلے کی طرح درآمدی کیٹیگری کی صنعت میں تبدیل ہو جائے گی۔

آگے بڑھتے ہوئے کمپنی سے بہتر کارکردگی کی توقع ہے۔ اگرچہ گنے کی زیادہ قیمتوں کے اثرات، زیادہ شرح سود اور افراط زر کا دباؤ منافع کو کم کر سکتا ہے جبکہ چینی کی قیمتیں منافع کی حد کا تعین کرتی ہیں۔ امید ہے کہ کمپنی اپنے کاموں میں مزید بہتری لائے گی اور یہ بنیادی طور پر پیشہ ورانہ انتظامیہ اور اس کی ٹیم کے بہتر انتظامات اور عزم کی وجہ سے ہے۔ امید ہے کہ یہ اجزاء کمپنی کو مجموعی طور پر بحال کریں گے۔

کارپوریٹ گورننس

بہترین کارپوریٹ عوام

ڈائریکٹرز بہتر کارپوریٹ گورننس پر عملدرآمد اور فہرستی کمپنیز (کارپوریٹ گورننس کا ضابطہ) ریگولیشنز، 2017 اور پاکستان اسٹاک ایکسچینج کی رول بک کی ضروریات کو پورا کرتے ہیں۔ بورڈ آف ڈائریکٹرز (بورڈ) کی تشکیل مندرجہ ذیل ہے:

ڈائریکٹرز کی کل تعداد مندرجہ ذیل کے مطابق سات ہے:

مرد 5:

خواتین 2:

نام	کننگری
جناب فرید الدین احمد جناب ملک منظور حسین ہمایوں	آزاد ڈائریکٹرز
جناب عدنان احمد خان (سی ای او) جناب محمد شمیم خان	ایگزیکٹو ڈائریکٹرز
محترمہ قیصر شمیم خان جناب نعمان احمد خان محترمہ سارہ ہاجرہ خان	ٹان ایگزیکٹو ڈائریکٹرز

مناسب داخلی مالیاتی کنٹرول

ڈائریکٹرز داخلی مالیاتی کنٹرول کی بابت اپنی ذمہ داری سے بخوبی آگاہ ہیں۔ انتظامیہ اور آڈیٹرز (داخلی اور بیرونی دونوں) کے ساتھ مشاورت کے ذریعے، وہ توثیق کرتے ہیں کہ کمپنی کی طرف سے مناسب کنٹرول نافذ کئے گئے ہیں۔

اظہار تشکر

ڈائریکٹرز کارکنوں، عملے اور انتظامی ٹیم کے ارکان کی لگن اور محنت کا اعتراف کرتے ہیں۔ کاشت کار ہماری صنعت کا کلیدی عنصر ہیں اور ہم ان کے مسلسل تعاون پر ان کا شکریہ ادا کرتے ہیں۔ کمپنی کے ڈائریکٹرز بینکوں اور مالیاتی اداروں کی مالی مدد اور تعاون پر بھی ان کے شکرگزار ہیں۔

منجانب بورڈ

بابا فرید شوگر ملز لمیٹڈ



محمد شمیم خان

ڈائریکٹر



عدنان احمد خان

سی ای او

لاہور: 29 مئی 2023ء

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF BABA FARID SUGAR MILLS LIMITED

REVIEW REPORT OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of BABA FARID SUGAR MILLS LIMITED (the "Company") as at March 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 condensed interim financial statements based on our review.

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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the quarters ended March 31, 2023 and March 31, 2022 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended March 31, 2023.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Imran.



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UDIN: RR202310131eHToAsbPx
Lahore.
Dated: May 30, 2023

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-Audited)

As at March 31, 2023

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	3,534,756,527	3,565,497,284
Operating fixed assets	9	-	4,318,237
Capital work in progress			
		3,534,756,527	3,569,815,521
Long term deposits	10	786,250	1,862,450
		3,535,542,777	3,571,677,971
CURRENT ASSETS			
Stores, spares and loose tools	11	149,182,659	142,233,291
Stock in trade	12	3,376,076,488	535,560,190
Trade debts	13	-	8,258,625
Loans and advances	14	216,461,106	186,693,990
Short term deposits and prepayments		1,606,984	1,698,307
Other receivables	15	3,254,786	9,373,703
Tax refund due from the Government		9,232,115	9,232,115
Taxation -net		48,653,541	32,487,650
Cash and bank balances	16	102,960,771	225,531,346
		3,907,428,450	1,151,069,217
TOTAL ASSETS		7,442,971,227	4,722,747,188
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	17.1	700,000,000	700,000,000
Issued, subscribed and paid up share capital	17.2	94,500,000	94,500,000
Reserves			
Revenue reserves - accumulated losses		(2,722,179,398)	(2,696,855,317)
Directors' loans	18	3,002,700,000	3,002,700,000
Surplus on revaluation of fixed assets		2,351,397,251	2,371,408,110
		2,726,417,853	2,771,752,793
NON CURRENT LIABILITIES			
Loan from associated company	19	-	-
Lease liabilities	20	4,196,818	6,355,958
Long term loan	21	224,967,000	321,629,268
Long term diminishing musharaka	22	300,000,000	-
Deferred liabilities		404,620,466	420,652,037
		933,784,284	748,637,263
CURRENT LIABILITIES			
Trade and other payables	23	540,158,660	263,323,136
Unclaimed dividend		255,930	255,930
Due to Pattoki Sugar Mills Limited	24	16,364,241	16,656,242
Short term borrowing	25	2,643,951,717	440,005,920
Mark-up accrued		384,097,416	298,446,922
Current portion of long term liabilities	20&21	197,941,126	183,668,982
		3,782,769,090	1,202,357,132
TOTAL EQUITY AND LIABILITIES		7,442,971,227	4,722,747,188

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 41 form an integral part of these condensed interim financial statements.


CHEIF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-Audited)

For the Half Year Ended March 31, 2023

	Note	Half Year Ended		Quarter Ended	
		March 31,		March 31,	
		2023	2022	2023	2022
	 (Rupees) (Rupees)	
Sales - net	27	1,205,686,914	1,100,741,013	517,388,373	555,107,734
Cost of sales	28	(1,095,977,602)	(1,048,249,521)	(341,445,467)	(516,876,696)
Gross profit		109,709,312	52,491,492	175,942,906	38,231,038
Selling and distribution expenses		(28,959,698)	(11,820,476)	(22,889,246)	(8,873,922)
General and administrative expenses		(68,154,594)	(51,193,670)	(37,382,456)	(24,740,953)
Other operating expenses		(948,710)	(391,255)	(948,710)	(391,255)
Other operating income	29	95,901,175	19,685,169	38,438,752	14,754,173
		(2,161,827)	(43,720,232)	(22,781,660)	(19,251,957)
Operating profit		107,547,485	8,771,260	153,161,246	18,979,081
Financial charges		(156,782,738)	(82,124,289)	(125,746,651)	(67,906,529)
(Loss) / profit before taxation		(49,235,253)	(73,353,029)	27,414,595	(48,927,448)
Taxation	30	3,900,313	(54,172,976)	(2,390,790)	(44,255,428)
(Loss) / profit after taxation		(45,334,940)	(127,526,005)	25,023,805	(93,182,876)
(Loss)/earning per share - basic and diluted (Rupees)	31	(4.80)	(13.49)	2.65	(9.86)

The annexed notes from 1 to 41 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)


For the Half Year Ended March 31, 2023

	Half Year Ended		Quarter Ended	
	March 31,		March 31,	
	2023	2022	2023	2022
 (Rupees) (Rupees)	
(Loss) / profit for the period	(45,334,940)	(127,526,005)	25,023,805	(93,182,876)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	(45,334,940)	(127,526,005)	25,023,805	(93,182,876)

The annexed notes from 1 to 41 form an integral part of these condensed interim financial statements.



CHEIF EXECUTIVE OFFICER



DIRECTOR



CHEIF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-Audited)

For the Half Year Ended March 31, 2023

	Note	Half year ended March 31, 2023	2022
	 (Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(49,235,253)	(73,353,029)
Adjustments for items not involving movement of funds:			
Depreciation	8	55,925,287	49,804,695
Profit on investment		-	6,861,430
Provision for gratuity		2,989,112	2,957,053
Liabilities written back		(3,607,770)	-
Gain on sale of property, plant and equipment		(8,344,531)	-
Financial charges		156,782,738	82,124,289
Net cash flow before working capital changes		154,509,583	68,394,438
(Increase) / decrease in current assets			
Stores and spares		(6,949,368)	(1,705,204)
Stock in trade		(2,840,516,298)	(3,199,135,175)
Trade debts		8,258,625	1,551,788
Loans and advances		(29,767,116)	11,011,174
Short term prepayments		91,323	1,165,062
Other receivable		6,118,917	13,623,922
		(2,862,763,917)	(3,173,488,433)
Increase / (decrease) in current liabilities			
Trade and other payables		280,443,294	299,109,081
Cash used in operations		(2,427,811,040)	(2,805,984,914)
Income taxes paid		(30,208,779)	(17,458,331)
Employees retirement benefits paid		(1,115,072)	(517,596)
Financial charges paid		(71,132,244)	(6,511,439)
Net cash used in operating activities		(2,530,267,135)	(2,830,472,280)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to operating fixed assets		(22,722,421)	(19,573,223)
Additions to capital work in progress		(3,853,418)	(160,280,395)
Redemption of short term investment		-	100,000,000
Sale proceed of disposal of property, plant and equipment		14,091,667	-
Additions in long term deposits		901,700	(327,800)
Net cash used in investing activities		(11,582,472)	(80,181,418)
CASH FLOWS FROM FINANCING ACTIVITIES			
Due to Pattoki Sugar Mills Limited - net		(292,001)	(560,000)
Payment of loan from associated company - net		-	(450,000,000)
Long term loan obtained		(81,664,466)	299,956,000
Loan obtained under diminishing musharaka		300,000,000	-
Directors' loan obtained		-	500,000,000
Lease liability paid		(2,710,298)	(2,130,350)
Short term borrowings-net		2,203,945,797	2,858,119,062
Net cash generated from financing activities		2,419,279,032	3,205,384,712
Net (decrease) / increase in cash and cash equivalents		(122,570,575)	294,731,014
Cash and cash equivalents at the beginning of the period		225,531,346	26,945,258
Cash and cash equivalents at the end of the period		102,960,771	321,676,272

The annexed notes from 1 to 41 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)

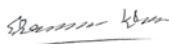
For the Half Year Ended March 31, 2023

	Issued, subscribed and paid-up share capital	Surplus on revaluation of fixed assets	Directors' loan	Accumulated loss (Revenue Reserves)	Total
----- (Rupees) -----					
Balance as at October 01, 2021	94,500,000	1,890,862,444	2,302,700,000	(2,494,620,374)	1,793,442,070
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	(19,722,770)	-	19,722,770	-
Directors contributions/loan	-	-	500,000,000	-	500,000,000
Total comprehensive loss for the period	-	-	-	(127,526,005)	(127,526,005)
Balance as at March 31, 2022	94,500,000	1,871,139,674	2,802,700,000	(2,602,423,609)	2,165,916,065
Balance as at October 01, 2022	94,500,000	2,371,408,110	3,002,700,000	(2,696,855,317)	2,771,752,793
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	(20,010,859)	-	20,010,859	-
Directors contributions/loan	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(45,334,940)	(45,334,940)
Balance as at March 31, 2023	94,500,000	2,351,397,251	3,002,700,000	(2,722,179,398)	2,726,417,853

The annexed notes from 1 to 41 form an integral part of these condensed interim financial statements.



CHEIF EXECUTIVE OFFICER



DIRECTOR



CHEIF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)

For the Half Year Ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Baba Farid Sugar Mills Limited ("the Company") was incorporated in 1978 under the Companies Act 1913 (now Companies Act, 2017) as a Public Limited Company and its shares are quoted at Pakistan Stock Exchange. It is principally engaged in the manufacturing and sale of sugar including its by-products i.e. molasses and V.Filter cake.

1.2 Going concern assumption

Though, the Company incurred a net loss of Rs. 45,335 million during the period ended March 31, 2023, and accumulated losses as of that date amounted to Rs. 2,722,179 million. However, the Company has positive equity and current ratio. During the period under review, the Government allowed the export of sugar which may add a substantial amount to the Company's turnover, and secondly, the sales rates are also better as compared to the same period of the last year. On the basis of the above factors, the Company is expecting better financial results in the future. The Company's current ratio has been improved as compared to the previous year i.e 1.03 (September 30, 2022: 0.96). The Company has also profitable future projections and the sponsor's commitment to provide financial support to the Company as and when required. Based on these factors, these financial statements have been prepared on a going-concern basis.

It is expected to yield better returns to the shareholders and additional benefits for other stakeholders. It is expected that the Company shall become more financially viable in comparison to its current status. Consequently, the management will be able to pass on parts of the expected benefits to the other stakeholders such as the Government, employees, general body of consumers and the society at large. The Sponsors have appointed an experienced Board of Directors and professional management team to revive sugar mills operations and explore new markets. They are confident that it will be able to expand the Company's business and operate more efficiently and profitably.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 2-D/1, Gulberg III, Lahore. The manufacturing facility of the Company is located at 5 KM Faisalabad Road, district Okara, Punjab.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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;

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where 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.

3.1.1 These condensed interim financial statements are unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

3.1.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended September 30, 2022 which have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3.1.3 The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended September 30, 2022, whereas the comparative 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 are extracted from the unaudited condensed interim financial statements for the half year ended March 31, 2022.

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value and certain operating fixed assets at revalued amounts.

These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow statement.

3.3 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupee, which is the functional and presentation currency for the Company.

4. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THERE IN

4.1 The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended September 30, 2022.

4.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements.

4.2.1 Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to accounting standards are effective for accounting periods beginning on October 1, 2022 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

4.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after October 1, 2023 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5. SEASONALITY OF OPERATIONS

Due to seasonal nature of sugar business, operating results of the Company are expected to fluctuate in the second half of the year. The sugarcane crushing season normally starts from November and lasts till March each year.

6. TAXATION

The provisions for taxation for the half year and quarter ended March 31, 2023, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate for the Tax Year 2024 is 29%. Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

7. ESTIMATES

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended September 30, 2022.

8. OPERATING FIXED ASSETS

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
Fixed assets	8.1	3,522,129,596	3,550,648,365
Right of use assets	8.2	12,626,931	14,848,919
		<u>3,534,756,527</u>	<u>3,565,497,284</u>

8.1.6 Fair value measurement (revalued building on freehold land)

Construction specifications were noted for each building and structure and new construction rates are applied according to construction specifications for current replacement values. After determining current replacement values, depreciation was calculated to determine the current assessed market value. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

8.1.7 Fair value measurement (revalued plant and machinery)

Suppliers and different sugar plant consultants in Pakistan and abroad were contacted to collect information regarding current prices of comparable sugar plant to determine current replacement value. Fair depreciation factor for each item is applied according to their physical condition, usage and maintenance. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
8.2 Right of use assets			
Vehicles			
Opening net book value (NBV)		14,848,919	10,137,747
Additions during the period / year at cost	8.3	37,590	7,106,810
Transfer to operating fixed asset during the period / year at NBV		(871,606)	-
Depreciation charge for the period / year		(1,387,972)	(2,395,638)
	8.4	<u>12,626,931</u>	<u>14,848,919</u>

8.3 Current addition represents registration fee of vehicle obtained on finance lease from the Bank Al Habib Limited. It has been delivered to the Company during the period, however, it has been financed/leased to the Company during the year ended September 30, 2022.

8.4 This represents vehicles obtained on finance lease from the Bank Al Habib Limited.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
9. CAPITAL WORK IN PROGRESS			
Building	9.1.1	-	4,318,237
Plant and machinery	9.1.3	-	-
		<u>-</u>	<u>4,318,237</u>

9.1 Movement of carrying amount is as follows:

9.1.1 Building

Opening balance	4,318,237	12,775,893
Additions (at cost)	3,853,418	19,364,785
Transferred to operating fixed assets	(8,171,655)	(27,822,441)
Closing balance	<u>-</u>	<u>4,318,237</u>

9.1.2 Building consists of construction of two residential houses in the officers colony which have been completed during the period and accordingly these have been transferred to operating fixed assets.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
9.1.3 Plant and machinery			
Opening balance		-	94,329,915
Additions (at cost)		-	133,133,849
Transferred during the period / year		-	(227,463,764)
Closing balance		-	-
10. LONG TERM DEPOSITS			
Leased deposit		786,250	1,862,450
11. STORES, SPARES AND LOOSE TOOLS			
Stores	11.1	112,531,749	91,631,893
Spares		51,451,812	65,100,052
Less: Provision for obsolete stores and spares	11.2	163,983,561 (16,041,549)	156,731,945 (16,041,549)
Loose tools		1,240,647	1,542,895
		149,182,659	142,233,291

11.1 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
11.2 Movement of provision for obsolete stores and spares			
Opening balance		16,041,549	15,041,549
Provision during the period / year		-	1,000,000
		16,041,549	16,041,549

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
12. STOCK IN TRADE			
Work-in process:			
Sugar		8,752,223	4,903,115
Molasses		2,703,925	510,588
		11,456,148	5,413,703
Finished goods:			
Sugar		3,101,685,815	530,146,487
Molasses		262,934,525	-
		3,364,620,340	530,146,487
		3,376,076,488	535,560,190

12.1 Stock-in-trade up to a maximum amount of Rs. 2,643,952 million (2022: 487.865 million) are under hypothecation/pledge of commercial banks as security for short term borrowings. The molasses are valued on net realizable value as a by product.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
13. TRADE DEBTS			
Unsecured			
Considered good		-	8,258,625
Considered doubtful		-	-
		-	8,258,625
Less: Provision for doubtful debts		-	-
		-	8,258,625

13.1.1 Movement of HBL Islamic Money Market Fund is as follow;

Balance as at October 01,		-	382,652,520
Adjustment on account of:			
Doubtful debts written off		-	(382,652,520)
Recovery of doubtful debts		-	-
Provision made for doubtful debts		-	-
Net adjustment		-	(382,652,520)
Closing balance		-	-

13.2 The management has decided to write off the provision made against doubtful debts as amount is not recoverable from debtors.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
14. LOANS AND ADVANCES			
Advances - (Unsecured - considered good)			
To employees	14.1	1,604,013	42,632
Advance against supplies and services (Unsecured)			
Considered good			
Advances to cane growers	14.2	187,570,776	164,054,529
Advances for store purchases	14.3	27,286,317	22,596,829
		214,857,093	186,651,358
		216,461,106	186,693,990

14.1 This represents advance given to employees against salary and expenses. These advances are provided for general purposes in accordance with the terms of their employment, which is not past due. These advances are unsecured, interest free and receivable on demand.

14.2 This include advances to various sugar cane growers in the form of fertilizers, seeds and pesticides. These advances are unsecured, interest free and will be adjusted in sugar cane payment.

14.3 This includes advances to vendors and service providers and are settled as and when the items are received and services are rendered.

14.4 Financial asset under this caption is advance to employees which are trivial for the decision making of users of the financial statements hence no impact on measurement has been considered.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
15. OTHER RECEIVABLES			
Unsecured - Considered good			
Sales tax	15.1	3,254,786	9,373,703
Subsidy receivable on exports	15.3	105,742,500	105,742,500
Less: Provision for impairment allowance		(105,742,500)	(105,742,500)
		-	-
		3,254,786	9,373,703

15.1 This includes sales tax against unclaimed invoices which have been claimed subsequent to the reporting date.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
15.2	Movement of provision for impairment allowance is as follows:		
	Balance as at October 01,	(105,742,500)	-
	Adjustment on account of:		
	Doubtful debts written off	-	-
	Provision made during the year	-	(105,742,500)
	Net adjustment	-	(105,742,500)
	Closing balance	(105,742,500)	(105,742,500)

15.3 This represents subsidy receivables from Government of Pakistan against export of sugar during the financial year 2015. This is claimable under finance division's notification No. 1(4) CF-C/2014-114 dated February 18, 2015 in terms of which Government of Pakistan has approved total cash subsidy at the rate of Rs. 10/- per kg to sugar mills on export of sugar, as per the terms and conditions mentioned therein. The Company considered that this amount may not be recoverable, accordingly provision was made during the last financial year on prudence basis.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
16.	CASH AND BANK BALANCES		
	Cash in hand	384,838	648,363
	Cash at banks		
	Deposit accounts	16.1 62,441,820	199,887,997
	Current accounts	16.1 40,134,113	24,994,986
		102,960,771	225,531,346

16.1 Cash with bank in current accounts do not carry any interest or mark-up except for Bank Al Habib Limited which has T-Call facility arrangement and carries a mark up ranging from 14.00% to 15.75% (2022: 8.25% to 13.75%) per annum.

16.2 In some bank accounts, the Company has not conducted any transactions since long and the bank had marked these accounts as dormant. Based on prudence basis the Company has made an impairment amounting to Rs. 80,335.

	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
17. SHARE CAPITAL		
17.1 Authorized share capital		
70,000,000 (September 30, 2021: 70,000,000) ordinary shares of Rs. 10/- each	700,000,000	700,000,000
17.2 Issued, subscribed and paid up share capital		
6,400,000 (September 30, 2021: 6,400,000) ordinary shares of Rs. 10/- each (fully paid in cash)	64,000,000	64,000,000
3,050,000 (September 30, 2021: 3,050,000) fully paid bonus shares of Rs. 10/- each	30,500,000	30,500,000
	<u>94,500,000</u>	<u>94,500,000</u>

17.3 There is no shareholder agreement for voting rights, board selection, rights of first refusal and block voting.

	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
18. DIRECTORS' LOANS		
Unsecured		
Directors		
Others (other than banking companies)		
Directors	2,635,700,000	2,635,700,000
Chief Executive	367,000,000	367,000,000
	<u>3,002,700,000</u>	<u>3,002,700,000</u>
18.1 Movement of loan is as follows:		
Opening balance	3,002,700,000	2,302,700,000
Obtained during the period/year		
Mr. Muhammad Shamim Khan	-	290,000,000
Mrs. Qaiser Shamim Khan	-	210,000,000
Mr. Nauman Ahmed Khan	-	25,000,000
Mr. Adnan Ahmed Khan	-	175,000,000
	-	700,000,000
Repaid during the period / year	-	-
Closing balance	<u>3,002,700,000</u>	<u>3,002,700,000</u>

18.2 This represents unsecured interest free long term loans from directors of the Company to meet the working capital and long term requirements. These are payable on discretion of the Company and will be paid as and when convenient to the Company. This has been disclosed/classified in accordance with TR -32 "Directors' Loan" clause 3.3 "Contractual Directors' loan" that is interest free and repayable at the discretion of the Company, issued by the Institute of Chartered Accountants of Pakistan. The Director's loan is subordinated to financial institutions against banking facilities to the extent mentioned in respective financing agreements.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
19. LOAN FROM ASSOCIATED COMPANY			
Unsecured:			
Naubahar Bottling Company (Private) Limited	19.1	-	-
From associated company			
Balance as at October 01		-	600,000,000
Obtained during the period / year		-	-
Repayments/adjustment made during the period / year		-	(600,000,000)
Current portion shown under current liabilities		-	-

19.1 The Company had obtained unsecured loan from M/s Naubahar Bottling Company (Private) Limited - the associated company that carries mark-up at the rate of 3 month's KIBOR plus 0.5% per annum. The effective mark-up rate charged by Naubahar Bottling Company (Private) Limited during the prior year which range from 8.28% to 12.39% per annum. During the year ended September 30, 2022, the Company has repaid full amount of loan.

		(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
20. LEASE LIABILITIES			
Secured			
Against right of use assets			
Lease liabilities		8,813,410	11,698,208
Less: Current portion shown under current liabilities		(4,616,592)	(5,342,250)
		4,196,818	6,355,958
20.1 Maturity analysis-contractual undiscounted cash flow			
Less than one year		4,616,592	5,342,250
One to five year		4,196,818	6,355,958
More than five year		-	-
Total undiscounted lease liability		8,813,410	11,698,208

20.2 When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate which 17.02% to 21.10% per annum (2022: 9.03% to 17.02% per annum).

20.3 The lease facility has been obtained from Bank Al Habib Limited. The assets is owned by the Bank. The above liabilities were obligations under leases with bank for lease of vehicles.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
21. LONG TERM LOAN			
Secured:			
From Banking company			
	21.1	284,958,200	299,956,000
	21.2	133,333,334	200,000,000
		<hr/>	<hr/>
		418,291,534	499,956,000
Current portion shown under current liabilities			
		(193,324,534)	(178,326,732)
		<hr/>	<hr/>
		224,967,000	321,629,268
		<hr/>	<hr/>

21.1 This is a term loan obtained from Bank Al Habib Limited with approved limit of Rs. 300 million (2022: Rs. 300 million) and carries mark-up at the rate of 3 months average KIBOR plus 1% per annum. This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (Associated Company), subordination of directors loans and pari passu charge over present and future fixed asset of the Company (land, building, plant & machinery) with 25% margin amounting to Rs. 667 million.

21.2 This is revolving agri facility with approved limit of Rs. 200 million (2022: Rs. 200 million) and carries the markup at the rate of three month average KIBOR plus 1% per annum. This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (Associated Company), subordination of directors loans and pari passu charge over present and future fixed asset of the Company (land, building, plant & machinery) with 25% margin amounting to Rs. 267 million.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
22. LONG TERM DIMINISHING MUSHARAKA			
Secured			
Banking Companies			
	22.1	300,000,000	-
Current portion shown under current liabilities			
		-	-
		<hr/>	<hr/>
		300,000,000	-
		<hr/>	<hr/>

22.1 This is a term loan obtained from National Bank of Pakistan- Aitemaad with approved limit of Rs. 300 million (2022: Nil) and carries mark-up at the rate of 6 months KIBOR plus 1.50% per annum. This facility is secured against the personal guarantees of directors and first pari passu charge of Rs. 400 million on present and future fixed asset of the Company with 25% margin to be registered with SECP including constructive equitable mortgage of land and hypothecation of plant and machinery of Company.

		(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
23 TRADE AND OTHER PAYABLES			
Trade creditors	23.1	164,774,124	112,474,695
Accrued liabilities		17,798,078	19,914,296
Advances from customers /contract liabilities (unsecured)	23.2 & 3	344,234,848	73,494,312
Workers' Profit Participation Fund	23.4	3,055,009	2,723,310
Workers' Welfare Fund	23.6	3,578,937	3,578,937
Taxes and duties payable		2,466,961	954,225
Sales tax payable		4,220,167	50,152,825
Other liabilities		30,536	30,536
		540,158,660	263,323,136

23.1 As at reporting date, there is no payable balance to related parties. The maximum amount due to Thal Industries Corporation Limited and Al Moiz Industries Limited at the end of any month during the period was Rs. 1.726 million (2022: Rs. 5.330 million) and Rs. 34.129 million (2022: Rs. 7.09 million) respectively.

23.2 The advance from customers' also includes Rs. 200.00 million (2022: Nil) received from M/s Naubahar Bottling Company (Private) Limited against supply of sugar. This represents advance received in respect of sale of sugar on which sales have not been recognized, since such transactions do not meet the recognition criteria.

23.3 The advance from customers' balances includes an amount of Rs. 0.0142 million (2022: Rs. 0.0142 million), trade creditors includes an amount of Rs. 25.197 million and accrued liabilities includes an amount of Rs. 9.136 million respectively, which are long outstanding at the reporting date are adjustable against the payment to be made to the Sponsor Sellers as per agreement. However, due to un-availability of third party confirmation, on produce basis these balance have not been adjusted and the Company will complete the due legal process before adjusting these balances. During the last year an amount of Rs. 236.634 million has been written back based on confirmations received from the relevant parties mentioning that no balance is owed from the Company. During the period, the performance obligations underlying the opening contract liability of Rs. 73.494 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the period. In addition, information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 344.235 (2022: Rs. 73.494) million is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

		(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
23.4 Workers' Profit Participation Fund			
Balance at October 01,		2,723,310	11,306,963
Interest at prescribed rate	23.5	331,699	918,713
Less: Amount paid to fund		-	(9,502,366)
		3,055,009	2,723,310
Current period/ year's allocation at 5%		-	-
		3,055,009	2,723,310

23.5 Interest on Workers' profit (participation) fund has been provided at the rate of 24.36% (2022: 15.40%).

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
23.6 Workers' Welfare Fund			
Balance at October 01,		3,578,937	3,578,937
Interest at prescribed rate		-	-
Less: Amount paid to fund		-	-
		3,578,937	3,578,937
Current period/ year's allocation at 2%		-	-
		<u>3,578,937</u>	<u>3,578,937</u>

24. DUE TO PATTOKI SUGAR MILLS LIMITED

Unsecured:			
Pattoki Sugar Mills Limited (PSML)	24.1	16,364,241	16,656,242

24.1 Movement of amount due to Pattoki Sugar Mills Limited (PSML) is as follow:

Opening balance		16,656,242	14,426,698
Add: adjustment during the period / year		-	2,836,544
Less: Expenses paid on behalf of PSML (for legal cases)		(292,001)	(607,000)
Less: Sales tax paid to Government and adjusted against PSML		-	-
Less: Loan repaid on behalf of PSML		-	-
Less: Repaid during the year		-	-
Closing balance		<u>16,364,241</u>	<u>16,656,242</u>

24.2 This represents balance payable to M/s Pattoki Sugar Mills Limited (PSML) - the ex holding company as settlement balance. During the period the Company has paid expenses in respect of old cases and wrongly claimed input as agreed with PSML.

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
25. SHORT TERM BORROWING			
Secured:			
Banking companies:			
Cash finance (Conventional financing)			
MCB Bank Limited	25.1	357,635,683	-
Bank Alfalah Limited	25.2	115,157,502	-
Bank Al Habib Limited	25.3	1,021,635,901	379,999,462
Islamic mode of financing			
Askari Bank Limited	25.4	499,845,845	-
Meezan Bank Limited	25.5	641,259,595	-
Short term financing			
Bank Al Habib Limited	25.6	-	50,000,000
Running finance			
Bank Al Habib Limited	25.7	8,417,191	10,006,458
		<u>2,643,951,717</u>	<u>440,005,920</u>

- 25.1 This represents cash finance facility from MCB Bank Limited aggregated to Rs. 600 million (September 30, 2022: Rs. 300) This facility is secured by first exclusive charge of Rs. 316 million on pledge of sugar bags (50 kg each) stored in mills premises. Collateral value: Rs. 315.789 million with security margin 5%. It carries markup rate 1 month KIBOR plus 0.75% per annum.
- 25.2 This represents cash finance facility from Bank Alfalah Limited aggregated to Rs. 300 million (September 30, 2022: Nil) and carries mark-up at the rate one month KIBOR plus 1% per annum on utilized limits. This facility is secured against white refined sugar bags at 10% margin, stored separately in shared godowns within the factory premises.
- 25.3 This represents cash finance facility under the conventional financing arrangement from Bank Al Habib Limited aggregated to Rs. 1,100 million (2022: Rs. 500 million) and carries mark-up at the rate one month KIBOR plus 0.75% per annum (2022: one month KIBOR plus 0.75% per annum) on utilized limits. This facility is secured against white refined sugar bags at 22% margin, personal guarantees of the directors and subordination of loan from directors.
- 25.4 This represents cash finance facility under Islamic financing arrangement from Askari Bank Limited aggregated to Rs. 500 million (September 30, 2022: Rs. 500 million) and carries mark-up at the rate six month KIBOR plus 1% per annum on utilized limits. This facility is secured against white refined sugar bags at 25% margin, personal guarantees of the directors.
- 25.5 This represents cash finance facility under Islamic financing arrangement from Meezan Bank Limited aggregated to Rs. 700 million (September 30, 2022: Rs. 300 million) and carries mark-up at matching tenor KIBOR plus 0.75% per annum on utilized limits. This facility is secured against white refined sugar bags at 27% margin, personal guarantees of three directors and subordination of loan from directors.
- 25.6 This represents the financing facility for procurement and supply of agricultural inputs to growers of the Company aggregated to Rs. 200 million (2022: Rs. 200 million). This facility carries the markup at the rate of relevant KIBOR plus 1% p.a. This facility is secured against white refined sugar bags at 22% margin, personal guarantees of directors and first registered hypothecation charge over all present and future current assets of the company for Rs. 67 million.
- 25.7 This represents running finance facility under the conventional financing arrangement from Bank Al Habib Limited aggregated to Rs. 50 million (2022: Rs.50 million) and carries mark-up at the rate one month KIBOR plus 0.75% per annum (2022: one month KIBOR plus 0.75% per annum) on utilized limits. This facility is secured against white refined sugar bags at 22% margin, personal guarantees of the directors and subordination of loan from directors.

26 CONTINGENCIES AND COMMITMENTS

26.1 Contingent liabilities

There is no significant change in contingencies from the preceding annual financial statements of the Company for the year ended September 30, 2022 except as follows:

- a) The Company has obtained a stay against the notice received from EOBI, in which the EOBI is demanding to pay the EOBI contribution on the basis of Rs. 25,000/- instead of Rs. 13,000/-. The Company is confident to defend the case and considering no adverse effect on the Company financial statements.
- b) The DCIR issued an assessment order against the Company under the Sales Tax Act, 1990 by mentioning that the Company had claimed Input tax in violation of Section 8 of the Act, and raised a demand of Rs. 32.582 million. Being aggrieved from the decision of the assessing officer, the Company had filed an appeal before the CIR (A). The CIR(A) upheld the disallowance of input tax paid with respect to procurement of items such as alloy, steel bars etc. However, the issue of self-disallowed input tax of Rs. 0.908 million was remanded back. Being aggrieved with the above treatment, the Company filed an appeal before ATIR on May 04, 2023 against the aforesaid order of CIR(A). The department has also filed appeal against the order of CIR(A) before ATIR to the extent of issue remanded back. The Company is confident to defend the case on the basis of legal grounds available in the law.

26.2 Commitments

- a) The Company is committed as at the balance sheet date in respect of capital expenditure of Rs. 150 million (September 30, 2022: Rs. 2,681 million).
- b) The amount of future lease rentals on vehicle contract and the period in which payments will become due are as follows:

	Note	(Un-Audited) March 31, 2023 (Rupees)	(Audited) September 30, 2022
Less than one year	20.1	4,616,592	5,342,250
Between one and five years	20.1	4,196,818	6,355,958
More than five years		-	-
		<u>8,813,410</u>	<u>11,698,208</u>

Half year Ended		Quarter Ended	
March 31,		March 31,	
2023	2022	2023	2022
..... (Rupees) (Rupees)	

27. SALES

Sales				
Manufacturing - local				
Sugar	700,037,031	789,207,961	68,108,742	305,965,460
Export sales (Note 27.1)	232,740,000	-	232,740,000	-
	<u>932,777,031</u>	<u>789,207,961</u>	<u>300,848,742</u>	<u>305,965,460</u>
By products sales				
Molasses (Note 27.2)	342,913,565	395,336,416	213,091,625	268,492,206
Baggasse	35,928,375	31,043,630	17,964,842	27,261,881
V.F. Cakes	14,699,735	5,965,758	10,861,305	2,241,804
	<u>1,326,318,706</u>	<u>1,221,553,765</u>	<u>542,766,514</u>	<u>603,961,351</u>
Less: Sales tax	(120,631,792)	(120,812,752)	(25,378,141)	(48,853,617)
	<u>1,205,686,914</u>	<u>1,100,741,013</u>	<u>517,388,373</u>	<u>555,107,734</u>

- 27.1 This represents export sales under the quota for export of sugar as per order of Cane Commissioner Punjab dated January 30, 2023 as approved by Economic Coordination Committee (ECC) of the Cabinet, in case No. ECC-12/02/2023 dated January 11, 2023. The Company has made sale to Golden Agri International Pte Limited, a Singapore based company. The total export of 1,724 MT has been made as per allocated quota to the Company.

27.2 Molasses:

Sale under				
Normal taxable supplies	72,913,565	4,565,810	72,913,565	65,859
DTRE (Duty & Tax Remission for Exporters)	270,000,000	390,770,606	140,178,060	268,426,347
	<u>342,913,565</u>	<u>395,336,416</u>	<u>213,091,625</u>	<u>268,492,206</u>

- 27.3 Due to sale under Duty & Tax remission for exporters the Company has not charged sales tax on molasses for those customers which fall under DTRE.

Half year Ended		Quarter Ended	
March 31,		March 31,	
2023	2022	2023	2022

..... (Rupees)

..... (Rupees)

28. COST OF SALES

Raw materials and expenses thereon	3,568,110,493	3,888,444,741	2,151,501,996	2,648,973,635
Other overheads:				
Stores, spares and consumables	23,280,893	15,860,560	12,941,618	8,493,283
Packing material consumed	38,774,502	35,746,801	24,935,440	25,193,344
Chemical consumed	33,764,319	43,178,261	25,881,889	29,859,327
Salaries, wages and other benefits	106,772,247	100,941,904	61,664,365	57,561,239
Fuel and power	13,745,512	10,968,121	8,742,638	8,314,137
Repair and maintenance	82,970,757	96,732,361	30,655,453	37,329,150
Depreciation	53,987,429	48,327,053	27,102,313	25,887,195
Vehicle running expenses	6,557,300	3,548,387	3,859,865	1,915,982
Fee and subscription	30,000	30,000	-	-
Insurance	988,046	1,023,794	-	-
Other factory overheads	7,512,402	2,582,713	1,794,683	820,871
	368,383,407	358,939,955	197,578,264	195,374,528
Opening work in process	5,413,703	4,301,029	76,213,107	69,594,400
Closing work in process	(11,456,148)	(5,154,302)	(11,456,148)	(5,154,302)
	(6,042,445)	(853,273)	64,756,959	64,440,098
Cost of goods manufactured	3,930,451,455	4,246,531,423	2,413,837,219	2,908,788,261
Opening stock of finished goods	530,146,487	35,397	1,292,228,588	806,405,734
Closing stock of finished goods	(3,364,620,340)	(3,198,317,299)	(3,364,620,340)	(3,198,317,299)
	(2,834,473,853)	(3,198,281,902)	(2,072,391,752)	(2,391,911,565)
	1,095,977,602	1,048,249,521	341,445,467	516,876,696

29. OTHER INCOME

Income from financial assets				
Profit on bank deposit	17,053,997	7,122,887	4,847,699	6,829,631
Exchange gain	19,106,189	-	19,106,189	-
Income from non-financial assets				
Gain on sale of fixed assets	8,344,531	-	8,344,531	-
Sale of scrap	47,788,688	12,562,282	6,140,333	7,924,542
Liabilities no longer payable written back	3,607,770	-	-	-
	95,901,175	19,685,169	38,438,752	14,754,173

30. TAXATION

Current	14,005,298	14,005,327	4,880,962	7,184,911
Deferred	(17,905,611)	40,167,649	(2,490,171)	37,070,517
	(3,900,313)	54,172,976	2,390,791	44,255,428

30.1 As at March 31, 2023, deferred tax asset amounting Rs. 557.292 million (September 30, 2022: Rs. 558.141 million) on unused tax losses, impairment loss and gratuity have not been recognised in the financial statements as a matter of prudence as in the opinion of the management there is no certainty regarding realisability of the amount. The management intends to re-assess the recognition of deferred tax asset as at September 30, 2023. The loss can be carried forward upto 5 years.

31. LOSS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	Half year Ended		Quarter Ended	
	March 31,		March 31,	
	2023	2022	2023	2022
 (Rupees) (Rupees)	
(Loss)/earning after taxation	(45,334,940)	(127,526,005)	25,023,805	(93,182,876)
Weighted average number of ordinary shares	9,450,000	9,450,000	9,450,000	9,450,000
(Loss) / earning per share - basic and diluted - (Rs.)	(4.80)	(13.49)	2.65	(9.86)

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1:** Quoted prices in active markets for identical assets or liabilities.
- Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3:** Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no financial instruments held by the Company which are measured at fair value as of March 31, 2023 and September 30, 2022 except short term investment which is stated under level 1 as disclosed under note 37 of these financial statements.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

The Company has valued its some of fixed assets at fair value and classified under Property, Plant and Equipment. The carrying value and level of fair value of these non - financial assets have been disclosed in the relevant note to the financial statements.

33. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended September 30, 2022.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended September 30, 2022.

34. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

During the period the company obtained new borrowings from various banks.

All other significant transactions and events that have affected the Company's financial position and performance during the period have been adequately disclosed in the notes to these financial statements.

35. CORRESPONDING FIGURES

35.1 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period except other operating expenses amounting to Rs. 0.391 million have been classified from general and administrative expenses for in line with presentation of annual audited financial statements.

35.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended September 30, 2022 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended March 31, 2022.

36. CAPACITY AND PRODUCTION

	(Un-Audited) March 31, 2023 Number	(Audited) September 30, 2022 Number
Crushing Capacity on the basis of operating days (Metric tons)	560,000.000	560,000.000
Actual crushing (Metric tons)	455,913.605	604,762.396
Sugar production from cane (Metric tons)	45,338.900	54,026.500
Recovery of sugar cane (percentage)	9.956%	8.936%

36.1 Actual production per day has been increased as compared to designed capacity due to replacement of old machines with modern machines.

36.2 Designed crushing capacity has been stated as per record submitted to District Officer of Industries, Prices, Weights and Measures department.

36.3 An amendment in section 11 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance, 1963 (the Ordinance) was made by the government and as per notification "The Government may exempt an industrial undertaking or class of industrial undertaking dully established under this Ordinance from all or any of the provisions of this Ordinance or the rules and may regularize contravention of any of the provision of this Ordinance committed till the commencement of the Punjab Industries (Control on Establishment and Enlargement) (Amendment) Act, 2022 (the Act), subject to payment of such requitals as the Government may determine. In pursuance of the amendment in section 11 of the Ordinance, the Company has submitted an application dated December 08, 2022, for regularization of its enhanced crushing capacity upto 12,000 TCD. However, the till date, the Company has not received any communication/decision/order and/or response with respect to an aforesaid application. The Company is pursuing the matter and expected favourable a outcome.

37. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of associated companies and directors of the Company. Significant transactions and balances with related parties, other than those disclosed elsewhere in these financial statements are as follows:

Name of parties	Nature of relationship	Nature of transactions	Note	March 31, 2023		March 31, 2022	
				Transactions during the period	Closing balance	Transactions during the year	Closing balance
----- Rupees -----							
Naubahar Bottling Company (Private) Limited	Associated Company	Long term loans		-	-	-	150,000,000
		Long term loan paid		-	-	450,000,000	-
		Mark-up payable		-	264,084,254	-	263,575,076
		Mark-up charged on long term loans		-	-	16,094,685	-
		Contract liability - sale of sugar		-	200,000,000	-	-
The Thal Industries Corporation Limited	Associated Company	Payable - Net		-	-	-	15,393,575
		Sale of operating fixed assets		7,371,000	-	517,140	-
		Purchases - store items		1,425,000	-	11,097,261	-
		Purchases - Plant and machinery		300,900	-	4,813,454	-
Al-Moiz Industries Limited	Associated Company	Payable - Net		-	-	-	5,348,105
		Sale of scrap		21,262,036	-	2,646,985	-
		Purchase of chemicals/ store items		34,129,377	-	7,995,000	-
Directors/shareholders							
Mr. Muhammad Shamim Khan		Directors' contribution/loan		-	1,356,300,000	180,000,000	1,246,300,000
Ms. Qaiser Shamim Khan		Directors' contribution/loan		-	1,199,600,000	170,000,000	1,159,600,000
Mr. Nauman Ahmed Khan		Directors' contribution/loan		-	79,800,000	-	54,800,000
Mr. Adnan Ahmed Khan		Directors' contribution/loan		-	367,000,000	150,000,000	342,000,000
Executives	Key management * personnel						
Remuneration paid				19,701,708	-	15,381,634	-

37.1 Basis of relationship with the company

In respect of directors of the company and associated companies incorporated inside Pakistan with whom the company had entered into transaction during the financial year along with basis of relationship is as follows:

Name of related party	Country of Incorporation/ origin	Relationship	Basis of Association	Shareholdings
Naubahar Bottling Company (Private) Limited	Pakistan	Associated	Common management	Nil
Al-Moiz Industries Limited	Pakistan	Associated	Common management	Nil
Moiz Textile Limited	Pakistan	Associated	Common management	Nil
The Thal Industries Corporation Limited	Pakistan	Associated	Common management	Nil
Mr. Muhammad Shamim Khan	Pakistan	Director	Shareholding	29.1623%
Mrs. Qaiser Shamim Khan	Pakistan	Director	Shareholding	28.0002%
Mr. Adnan Ahmed Khan	Pakistan	Chief Executive	Shareholding	20.0002%
Mr. Nauman Khan	Pakistan	Director	Shareholding	20.0002%
Malik Manzoor Hussain Humayun	Pakistan	Director	Shareholding	0.0169%
Mr. Farid ul din Ahmed	Pakistan	Director	Shareholding	0.0021%
Mrs Sarah Hajra Khan	Pakistan	Director	Shareholding	0.0032%

38. FINANCIAL INSTRUMENTS BY CATEGORY

Note	Original carrying			Fair value			
	Financial assets at amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
----- Rupees -----							
On-Balance sheet financial instruments							
As at March 31, 2023							
Financial assets							
At cost or amortised cost							
Long term deposits	10	786,250	-	786,250	-	-	-
Short term deposits	14	901,700	-	901,700	-	-	-
Cash and bank balances	16	102,960,771	-	102,960,771	-	-	-
		104,648,721	-	104,648,721	-	-	-
Financial liabilities at amortised cost							
Long term loan	21	-	418,291,534	418,291,534	-	-	-
Long term diminishing musharaka	22	-	300,000,000	300,000,000	-	-	-
Lease liabilities	20	-	8,813,410	8,813,410	-	-	-
Trade and other payables	23	-	182,602,738	182,602,738	-	-	-
Unclaimed dividend	-	-	255,930	255,930	-	-	-
Due to Pattoki Sugar Mills Limited	24	-	16,364,241	16,364,241	-	-	-
Short term borrowing	25	-	2,643,951,717	2,643,951,717	-	-	-
Mark-up accrued	-	-	384,097,416	384,097,416	-	-	-
		-	3,954,376,986	3,954,376,986	-	-	-
On-Balance sheet financial instruments							
As at September 30, 2022							
Financial assets							
At cost or amortised cost							
Long term deposits	10	1,862,450	-	1,862,450	-	-	-
Trade debtors	13	8,258,625	-	8,258,625	-	-	-
Loans and advances	14	42,632	-	42,632	-	-	-
Cash and bank balances	16	225,531,346	-	225,531,346	-	-	-
		235,695,053	-	235,695,053	-	-	-
Financial liabilities at amortised cost							
Long term loan	21	-	499,956,000	499,956,000	-	-	-
Lease liabilities	20	-	11,698,208	11,698,208	-	-	-
Trade and other payables	23	-	132,419,527	132,419,527	-	-	-
Unclaimed dividend	-	-	255,930	255,930	-	-	-
Due to Pattoki Sugar Mills Limited	24	-	16,656,242	16,656,242	-	-	-
Short term borrowing	25	-	440,005,920	440,005,920	-	-	-
Mark-up accrued	-	-	298,446,922	298,446,922	-	-	-
		-	1,399,438,749	1,399,438,749	-	-	-

38.1 The Company has valued certain fixed assets at fair value and classified under property, plant and equipment. The carrying value and level of fair value of these non - financial assets have been disclosed in the relevant note to the financial statements.

38.2 Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

39. NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no reportable events after the balance sheet date.

40. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements were authorized for issue on May 29, 2023 by the Board of Directors of the Company.

41. GENERAL

41.1 Amounts have been rounded off to the nearest rupees unless otherwise stated.

41.2 The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended March 31, 2023 and 2022 were not subject to limited scope review by the auditors as scope of review covered only cumulative figures.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

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