



Shakarganj
Limited



CONDENSED INTERIM REPORT

For the First Quarter ended
31 December 2018

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VISION, MISSION & CORE VALUES

To gain and maintain leadership in our relevant sectors by producing the best quality products at the lowest possible cost

To give the best returns to our shareholders by optimal allocation of resources to the products and markets we compete in

To provide the best value products and services to our customers through investment in technology, human resources, operational systems, and processes

To provide the best working environment to our employees and provide them opportunities to enhance their skills

To work with our farmers, suppliers, and distributors as partners in developing their expertise and profitability

To pursue environment friendly policies, and effectively and efficiently use all energy resources aiming for zero waste and a clean healthy environment

To be a socially responsible corporate citizen supporting education, health, environment, and socio economic development of its community

COMPANY INFORMATION

Board of Directors

1. Chairman (Non-Executive)	Muhammad Anwar
2. Chief Executive Officer	Anjum Muhammad Saleem
In alphabetic order:	
3. Executive Director	Ali Altaf Saleem
4. Non-Executive Director	Hajerah Ahsan Saleem
5. Non-Executive Director	Khalid Bashir
6. Non-Executive Director (Independent)	Khawaja Jalaluddin
7. Non-Executive Director	Muhammad Arshad
8. Non-Executive Director (Independent)	Sheikh Asim Rafiq

Audit Committee

Chairman	Khalid Bashir
Member	Hajerah Ahsan Saleem
Member	Khawaja Jalaluddin (Independent)
Member	Sheikh Asim Rafiq (Independent)

Human Resource & Remuneration Committee

Chairman	Muhammad Anwar
Member	Anjum Muhammad Saleem
Member	Khalid Bashir

Chief Financial Officer

Muhammad Asif

Company Secretary

Asif Ali

Management Committees

Executive Committee

Chairman	Anjum Muhammad Saleem
	Ali Altaf Saleem
	Muhammad Pervez Akhtar

Business Strategy Committee

Chairman	Anjum Muhammad Saleem
	Ali Altaf Saleem
	Muhammad Pervez Akhtar
	Muhammad Asif
	Manzoor Hussain Malik

System & Technology Committee

Chairman	Muhammad Pervez Akhtar
	Muhammad Asif
	Ibrahim Ahmad Cheema

SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Limited is a listed company and its shares are traded on the Pakistan Stock Exchange. Daily quotes on the Company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Sugar & Allied Industries'

Public Information

Financial analysts, Stock brokers, interested investors and financial media desiring information about "Shakarganj" should contact Mr. Asif Ali at the Company's Office, Jhang. Tel: (047) 763 1001 - 05 Fax: (047) 763 1011 E-mail: info@shakarganj.com.pk

Shareholders' Information

Inquiries concerning lost stock certificates, dividend payment, change of address, verification of transfer deeds and share transfers should be directed to CorpTec Associates (Pvt) Limited, Share Registrar of the Company at Lahore. Tel: (042) 3517 0336 - 7 Fax: (042) 3517 0338 E-mail: info@corptec.com.pk

Products

- Sugar
- Bio Fuel
- Bio Power
- Building Materials
- Yarn
- Tiger Compost

Legal Advisor

Hassan & Hassan Advocates, Lahore

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

MCB Bank Limited
National Bank of Pakistan
Bank Islami Pakistan Limited

Works

Principal Facility

Management House
Toba Road, Jhang, Pakistan
Tel: (047) 763 1001 - 05
Fax: (047) 763 1011
E-mail: info@shakarganj.com.pk

Satellite Facility

Management House
63 km, Jhang Sargodha Road
Bhone, Pakistan
Tel: (048) 688 9211 - 13
Fax: (047) 763 1011

Website

www.shakarganj.com.pk
Note: This Report is available on Shakarganj website.

Registered and Principal Office

Executive Floor, IT Tower, 73 E 1
Hali Road, Gulberg III, Lahore, Pakistan
UAN: (042) 111 111 765
Tel: (042) 3578 3801-06
Fax: (042) 3578 3811

Karachi Office

12th Floor, Sidco Avenue Centre,
264 R.A. Lines, Karachi, Pakistan
Tel: (021) 3568 8149
Fax: (021) 3568 0476

Faisalabad Office

Nishatabad, New Lahore Road,
Faisalabad, Pakistan
Tel: (041) 875 2810
Fax: (041) 875 2811

Share Registrar

CorpTec Associates (Pvt) Limited
503-E, Johar Town
Lahore
Tel: (042) 3517 0336 - 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

COMPANY PROFILE AND GROUP STRUCTURE

Shakarganj Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on the Pakistan Stock Exchange. Shakarganj is a leading manufacturer of food products, biofuel, building materials, as well as textiles. We transform renewable crops such as sugarcane and cotton into value added products including refined sugar, textiles, biofuel, and building materials. Our registered office is in Lahore with regional offices in Faisalabad and Karachi.

Shakarganj Limited, through its strategic shareholding in Shakarganj Food Products Limited, is also active in production of dairy and fruit products.

Sugar Business:

We have two manufacturing facilities, which are both located in District Jhang. We produce different types of sugar comprising pharmaceutical, beverage and commercial grades sugar as well as soft brown sugar, castor and icing sugar, sugar cubes, sachets and retail packs. Our combined crushing capacity is of 20,000 Tons of Cane per Day (TCD) which is extendable to 32,000 TCD.

Biofuel Business:

We have six distillation plants of which three are located at our Jhang facility and the remaining three are located at our Bhone facility where various grades of biofuel are produced. Our products include Rectified Ethanol (REN) for industrial and food grades, Anhydrous Ethanol for fuel grade, and Extra Neutral Alcohol (ENA) for pharmaceutical and perfume grades. The combined capacity of our distilleries is 350,000 litres per day.

Bio Power Business:

We have a biogas based power generation facility located at Jhang. This facility consists of an Effluent Treatment Plant (ETP) and a Power Generation Facility. ETP operations involve biological treatment of distillery waste to produce methane, which then undergoes a biological de-sulphurisation process that removes sulphur from it. This gas can then either be utilised as fuel in our boilers, or more efficiently utilised to generate electricity in our biogas based generators which have a capacity 8 Megawatts.

Building Materials Business:

Our Building Materials Division is located at our Jhang facility, with a capability to produce 12 x 4 foot sheets of particle board with varying thickness. Our daily production capacity is 30 cubic metres.

Textile Business:

Located at our Jhang facility, this cotton spinning unit produces carded cotton and PC yarn ranging from 10/s to 33/s and doubled yarn ranging from 8 to 40 TPI. The installed capacity is 24,960 spindles for cotton/PC spinning and 2,304 spindles for doubling.

Farming & Allied Business:

This comprises different parcels of land mainly located in Jhang District near our manufacturing facilities. Total area under cultivation is 1,285 acres which is our owned land. The main crops include sugarcane, wheat, gram, maize, fodder and seasonal vegetables. A dairy farm located at Jhang has been developed, with a herd of 150 milking and fattening cattle. A small herd of rams and bucks for fattening purpose has also been developed. Shakarganj has also launched a new product in the area of non chemicals fertilizers under the brand name of "Shakarganj Tiger Compost". The product as organic fertilizer has been developed using aerobic decomposition process with addition of standardised microbial culture in filter cake. The compost is a rich source of organic matter, with macro and micro nutrients to help improve soil and it is very useful for better growth, yield and quality of all field crops in general and specifically for sugarcane. This is at its initial stage and would grow up in the farmer's community with the practical exposures.

Business Vision and Strategy:

Shakarganj's vision is to create the country's leading renewable ingredients business. We aim to achieve this by building a consistent portfolio of distinctive, profitable, high-value solutions in products and services for our customers. Shakarganj is committed to providing long-term value for our shareholders. Our strategy is to build a stronger value added business with a low-cost commodity base. We

focus on five key business objectives to deliver consistent growth.

- Serve our Customers:

Delivering excellent customer service is at the core of everything we do. Our aim is to be the partner of choice in our customers' processes and to help them develop more successful consumer products.

- Operate Efficiently and Safely:

We aim to be the lowest-cost and most efficient producer in all our markets. Through our expertise in high-volume process management, our focus is on technical and manufacturing excellence and the efficient use of services such as logistics and utilities. We are continually working to improve operational efficiency and strive to ensure safe and healthy conditions for everyone at our sites.

- Invest in Long Term Assets and Partnerships:

We continually evaluate investment opportunities that would add strategic value by enabling us to enter new markets or add products, technologies and knowledge more efficiently than we could originally. We also aim to grow our business by forming joint ventures and partnerships to enhance the capabilities of our existing product portfolio. Using alliances

and joint ventures can be an efficient way to lower our cost of investing in new areas and markets, and will help secure access to new and complementary technology and expertise.

- Invest in Technology and People:

We are investing in our research and development capabilities to help us in developing innovative solutions that meet our customers' product challenges. We are also complementing our own capabilities through business and technology partnerships, and university collaborations. To develop talent, improve leadership and help our employees succeed, we operate various Programmes designed to ensure the right skills at all levels to grow our business.

- Grow the Contribution from Value Added Products:

We are committed to grow the contribution from our value added products. Value added products utilise technology and intellectual property enabling us to obtain a price premium along with sustainable and/or higher margins.

DIRECTORS' REVIEW

I am pleased to present you the un-audited condensed interim financial information of the Company for the first quarter ended 31 December 2018.

Financial and Operational Performance:

Summary of operating performance:

In challenging economic environments, Shakarganj started its crushing campaign on 30 December 2018, so no sugar production in the period under review. At the season opening time, sugar mills were reluctant to start crushing season and in Punjab no sugar mill could start crushing even till the mid of December 2018. Unpredictable and impractical policies of the government pertaining to sugar exports have created problems both for millers and growers and resultantly sugar prices remained very depressed. However, subsequently improvements in sugar price and improved recovery were noticed which may reduce the expected losses.

Our biofuel business performed well and prices as well as the margins were reasonably good. The Company's export of biofuel improved to more than double. In spite of heavy losses in sugar business due to no production and prevailing price scenario, the Company still earned a gross profit of Rs. 126.62 million compared to a gross loss of Rs. 306.80 million during corresponding period. Consequently, Company incurred an overall after tax loss of Rs. 68.21 million as compared to after tax loss of Rs. 390.33 million in Q1FY2018. In view of improvements in biofuel prices in terms of Pak Currency, we hope that your Company would be able to do well in biofuel business.

Business Segments:

Sugar Division:

Due to high cost of sugarcane compared to sugar selling prices, the crushing campaign was started very late (30 December 2018) and the production of sugar was still in start-up phase on 31 December 2018. The Sugar Division crushed 4,179 MT (1QFY18: 62,064 MT) of sugarcane to produce Nil (1QFY18: 2,481 MT) of sugar.

Biofuel Division:

The production of this division increased to 6.70 million litres (1QFY18: 4.62 million litres). During the period under review, the performance of Biofuel Division was good and the trend was improving in terms of production and profitability. However, delay in crushing season has the impact on overall raw material scenario in the area. During the period, exports accounted for 91.3 percent of total biofuel sales.

Textile Division:


Yarn production decreased to 914,322 kg (1QFY18: 943,261 kg). The decrease in production was mainly attributable to increase in average count during the current period compared to corresponding period.

Outlook:

Initial survey for the sugarcane crop indicates that sugarcane output was expected to remain lower, however, sugar division performance is dependent on its selling price of sugar and availability of good quality sugarcane. However, the management is confident for better results in biofuel business in the remaining period of fiscal year 2019 in view of better production as well as improvements in foreign exchange rates. As the future outlook of our distilleries operation depends on continuous availability of good quality molasses, the management is striving to add bulk quantity of molasses at reasonable cost to create enough margins for healthy bottom line. Sugar Price outlook is dependent of government policies. However, we would try our level best to achieve better results in this segment. The Textile Division performance is expected to improve in view of the margin available. The Company remains committed to its best efforts to keep the operational profitability going on and to improve further its overall liquidity scenario as well.

We would like to thank all stakeholders for their patronage and looking forward for their support.

On behalf of the Board



Anjum Muhammad Saleem
Chief Executive Officer



Ali Altaf Saleem
Director

Date: 28 January 2019

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2018 (Un-audited)

	Note	31 December 2018 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
150,000,000 (30 September 2018: 150,000,000)			
ordinary shares of Rs. 10 each		1,500,000	1,500,000
50,000,000 (30 September 2018: 50,000,000)			
preference shares of Rs. 10 each		500,000	500,000
		<u>2,000,000</u>	<u>2,000,000</u>
Issued, subscribed and paid up capital			
125,000,000 (30 September 2018: 125,000,000)			
ordinary shares of Rs 10 each		1,250,000	1,250,000
Equity portion of director loan - net of tax			
Reserves		2,192,669	2,196,442
Accumulated losses		(1,573,849)	(1,588,974)
Surplus on revaluation of property, plant and equipment - net of tax		6,742,071	6,825,404
		<u>8,610,891</u>	<u>8,682,872</u>
Non-current liabilities			
Long term finances	7	391,912	442,703
Deferred taxation		1,108,173	1,129,461
		<u>1,500,085</u>	<u>1,572,164</u>
Current liabilities			
Current portion of long term liabilities		109,413	97,703
Short term borrowings	8	2,177,078	2,243,284
Trade and other payables		1,626,458	1,663,125
Unclaimed dividend		2,217	2,273
Accrued finance cost		59,373	45,711
		<u>3,974,539</u>	<u>4,052,096</u>
Contingencies and commitments			
	9	<u>14,085,515</u>	<u>14,307,132</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

	Note	31 December 2018 (Un-audited) (Rupees in thousand)	30 September 2018 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	10,707,888	10,825,661
Biological assets		11,738	11,558
Investments - related parties	11	1,959,128	1,938,565
Employees' retirement benefits		11,948	11,948
Long term loans, advances and deposits		33,986	33,986
		12,724,688	12,821,718
Current assets			
Biological assets	12	18,056	19,717
Stores, spare parts and loose tools		145,223	65,756
Stock-in-trade		618,065	1,028,311
Trade debts		283,106	39,431
Loans, advances, deposits, prepayments and other receivables		202,280	303,928
Cash and bank balances		94,097	28,271
		1,360,827	1,485,414
		14,085,515	14,307,132


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT

For the First Quarter Ended 31 December 2018 (Un-Audited)

	Note	December 2018 (Rupees in thousand)	December 2017
Sales - net	14.1	1,482,220	822,712
Cost of sales	14.2	(1,355,602)	(1,129,512)
Gross profit / (loss)		126,618	(306,800)
Administrative expenses		(71,101)	(62,692)
Distribution and selling costs		(66,354)	(27,802)
Other expenses		(23,933)	(22,782)
Other income		9,960	22,493
Loss from operations		(24,810)	(397,583)
Finance cost		(73,229)	(50,033)
Share of profit from equity accounted investment		59,880	81,399
Loss before taxation		(38,159)	(366,217)
Taxation			
- Company		5,495	5,235
- Equity accounted investment		(35,544)	(29,353)
		(30,049)	(24,118)
Loss for the period		(68,208)	(390,335)
Loss per share - basic and diluted	Rupees 17	(0.55)	(3.33)

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the First Quarter Ended 31 December 2018 (Un-Audited)

	December 2018 (Rupees in thousand)	December 2017
Loss for the period	(68,208)	(390,335)
Other comprehensive income for the period		
<u>Items that are or may be reclassified to profit or loss account:</u>		
Fair value loss on 'Available for sale' investments	(3,773)	(5,558)
Total comprehensive income for the period	<u>(71,981)</u>	<u>(395,893)</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT

For the First Quarter Ended 31 December 2018 (Un-Audited)

	Note	December 2018 (Rupees in thousand)	December 2017
Cash flows from operating activities			
Cash generated from operations	18	279,143	416,587
Finance cost paid		(59,567)	(112,810)
Taxes paid		(15,279)	(10,347)
Net cash generated from operating activities		204,297	293,430
Cash flows from investing activities			
Fixed capital expenditure		(40,064)	(20,474)
Proceeds from sale of property, plant and equipment		6,703	-
Dividends received		180	405
Income from bank deposits received		53	26
Net cash used in investing activities		(33,128)	(20,043)
Cash flows from financing activities			
Repayment of long term finances		(39,081)	(24,369)
Short term borrowings - net		(66,206)	(236,575)
Dividend paid		(56)	-
Net cash used in financing activities		(105,343)	(260,945)
Net Increase in cash and cash equivalents		65,826	12,442
Cash and cash equivalents at beginning of the period		28,271	5,255
Cash and cash equivalents at end of the period	13	94,097	17,697

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the First Quarter Ended 31 December 2018 (Un-Audited)

	CAPITAL RESERVE							REVENUE RESERVE			(Rupees in thousand)	
	Share Capital	Share Premium	Share in Capital Reserves of Equity	Fair Value Reserve	Difference of Scheme of Arrangement of Merger	Surplus on revaluation of property, plant and machinery	Equity portion of director loan - net of tax	General	Dividend Equalization	Equity Investment Market Value Equalization	Accumulated loss	Total
Balance as on 01 October 2017 - restated	1250000	1056373	(14688)	12,553	155,930	4719,906	47055	410606	22,700	83,000	(1606671)	6136764
Total comprehensive income for the period ended 31 December 2017												
Loss for the period												
Other comprehensive income for the period												
Fair value loss on Available for sale investments				(5,558)							(390,335)	(390,335)
Surplus transferred to accumulated losses on account of:				(5,558)							(390,335)	(395,893)
- incremental depreciation on property, plant and equipment												
- net of deferred tax						(53,426)					53,426	
Transactions with owners of the Company, recognized directly in equity				(5,558)		(53,426)					(336,909)	(395,893)
Equity portion of loan from director - net of tax							(2,557)				2,557	
Balance as on 31 December 2017	1250000	1056373	(14688)	6,995	155,930	4,666,480	44,498	410606	22,700	83,000	(194,1023)	5,740,871
Balance as on 01 October 2018	1250000	1056373	469,980	(2,147)	155,930	6,825,404		410606	22,700	83,000	(1,588,974)	8,682,872
Total comprehensive income for the period ended 31 December 2018												
Loss for the period												
Other comprehensive income for the period												
Fair value loss on Available for sale investments				(3,773)								
Surplus transferred to accumulated losses on account of				(3,773)								
- disposal of property, plant and equipment - net of tax												
- incremental depreciation on property, plant and equipment - net of deferred tax						(2,797)					2,797	
- net of deferred tax						(80,536)					80,536	
Total comprehensive income for the period						(83,333)					83,333	
Balance as on 31 December 2018	1250000	1056373	469,980	(5,920)	155,930	6,742,071		410606	22,700	83,000	(1,573,849)	8,610,891

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the First Quarter Ended 31 December 2018 (Un-Audited)

1. Reporting entity information

- 1.1 Shakarganj Limited ("the Company") was incorporated in Pakistan and is listed on Pakistan Stock Exchange. It is principally engaged in manufacture, purchase and sale of sugar, bio fuel, building materials, yarn (textile). The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Company is situated at E-floor, IT tower, 73-E/I, Hali Road, Gulberg-III, Lahore.

Business Unit	Location
- Jhang Unit	Toba tek singh road, Jhang -35200 Pakistan.
- Bhone Unit	57 km Jhang - Sargodha road, Bhone -35200 Pakistan.

1.2 Summary of significant events and transactions in the current reporting period

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

- The accounting policy for revaluation surplus on property plant and machinery changed during the last year. Consequently, the amount of revaluation surplus on property, plant and machinery reported outside the equity in the prior years has been reclassified to equity. Furthermore revaluation of property plant and machinery was carried out during the last year which resulted in surplus of Rs. 2,721.1 million.
- Due to the first time application of financial reporting requirements under the Companies Act, 2017, including disclosure and presentation requirements of the fourth schedule of the Companies Act, 2017, some of the amounts reported for the previous period have been reclassified.
- Devaluation of Pak Rupees against US dollars positively impacted the Company's export.
- Sugar crushing season was started very late due to depressed selling prices.
- For a detailed discussion about Company's performance please refer to the directors review accompanied in the condensed interim financial information of the Company for the period ended 31 December 2018.

2. Basis of preparation

2.1 Basis of accounting

- 2.1.1 This condensed interim financial information comprises the condensed interim statement of financial position of the Company as at 31 December 2018 and the related 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 together with the notes forming part thereof for the period from 01 October 2018 to 31 December 2018.

- 2.1.2 This condensed interim financial information has 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.3 This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended 30 September 2018.

2.1.4 Comparative statement of financial position numbers are extracted from the annual audited financial statements of the Company for the year ended 30 September 2018, whereas comparative figures of profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial information of the Company for the period ended 31 December 2017.

2.1.5 This condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

3. Statement of consistency in accounting policies

3.1 The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of the audited financial statements for the year ended 30 September 2018.

3.2 The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Standard or interpretation	Effective date (accounting periods beginning on or after)
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
IAS 28 - Investments in Associates and Joint Ventures	01 January 2019
IFRS 3 - Business Combinations	01 January 2019
IFRS - 11 Joint Ventures	01 January 2019
IAS - 12 Income Taxes	01 January 2019
IAS - 23 Borrowing Cost	01 January 2019

4. Estimates

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these 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 financial statements for the year ended 30 September 2018.

5. Seasonality of operations

Due to seasonal nature of sugar segment, operating results are expected to fluctuate in the remaining nine months of the year than the first three months.

The sugar cane crushing season normally starts from November and lasts till April in each year.

6. Taxation

The provision for taxation for the period ended 31 December 2018 has been made on an estimated basis.

7. Long term finances

Long term loans - secured

Interest bearing

- NBP Restructured
- NBP Medium Term
- First Credit Investment Bank

Less: transferred to current maturity
- Long term loans - secured

Note	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
7.1	156,325	195,406
7.2	250,000	250,000
7.3	95,000	95,000
	501,325	540,406
	(109,413)	(97,703)
	391,912	442,703

7.1 This represents a restructured loan from National Bank of Pakistan having an aggregate amount of Rs. 312.5 million. The term of the loan is 5 years (inclusive of 1 year grace period) and the principal repayment to take place in 16 equal-quarterly installments of Rs 19.54 million. Mark-up is payable quarterly at a rate of monthly KIBOR + 100 bps per annum. This loan is secured against first pari passu charge over entire present and future fixed assets of the Company, first exclusive charge over specific machinery and personal guarantees of the directors of the Company.

7.2 This represents a medium term loan from National Bank of Pakistan having an aggregate amount of Rs. 300 million out of which Rs. 250 million were disbursed till 31 December 2018. Term of the loan is three years including one year of grace period and the principal repayment to take place in equal quarterly installments of Rs. 31.25 million each starting from October 2019. Markup is payable quarterly at a rate of three month KIBOR + 3%. This loan is secured against 1st Joint Pari Passu charge of PKR 400 million over present and future fixed assets of the Company, personal guarantees by Mr. Anjum Muhammad Saleem (CEO) and Mr. Ali Altaf Saleem (Director of the Company). The security shall also be secured through pledge of such number of shares of Crescent Steel and Allied Products Limited with 40% margin which are equivalent to Loan amount.

- 7.3** This represents a medium term finance facility from First Credit Investment Bank Limited aggregating to Rs. 100 million out of which Rs. 95 million were disbursed till 31 December 2018. The term of the loan is three years including eighteen months of grace period and the principal repayments to take place in equal quarterly installments of Rs. 15.84 million each starting from March 2020. Markup is payable quarterly at a rate of three months KIBOR + 3.5%. The loan is secured against pledge of shares from KSE 100 index acceptable to FCIBL at market value with 35% margin, personal guarantees of Mr. Anjum Muhammad Saleem (CEO) and Mr. Ali Altaf Saleem (Director of the Company) and ranking hypothecation charge over present and future assets of the Company with 25% margin excluding land and building.

	Note	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
8. Short term borrowings			
<i>Secured:</i>			
- Cash / Running finance	8.2	352,000	394,200
- Export refinance	8.3	1,456,633	1,474,800
<i>Unsecured:</i>			
- Short term interest free financing	8.4	368,445	374,284
		<u>2,177,078</u>	<u>2,243,284</u>
8.1 Types of short term borrowings			
Interest / mark-up based financing		1,708,633	1,769,000
Islamic mode of financing		100,000	100,000
Interest free financing		368,445	374,284
		<u>2,177,078</u>	<u>2,243,284</u>

8.2 Cash / Running finances

The Company has arranged this short term finance facility from MCB Bank Limited to meet working capital requirements to the extent of Rs. 1,000 million. This finance was available at a mark-up ranging from 10.83% per annum to 12.25% per annum (30 September 2018: 8.11% to 9.86%) on the outstanding balance or part thereof. Expiry date of this facility is 31 December 2018.

It is secured against stock of sugar located at Bhone premises of the Company and first joint pari passu charge of Rs. 1,000 million over all fixed assets of the Company. However, exposure exceeding Rs. 525 million will be additionally secured by lien over LC's (sight) of minimum "B" rated banks, value equivalent to the utilized facility.

8.3 Export refinance

The Company has arranged facilities for short term finances to meet working capital requirements from various bank under mark-up arrangements to the extent of Rs. 1,975 million (30 September 2018: Rs. 1,775 million). These finances were available at a mark-up ranging from 3.00% to 12.25% (30 September 2018: 3.00% to 9.86%) on the outstanding balance or part thereof. Foreign currency borrowings were available at mark-up rates based on LIBOR ranging around 5.72% (30 September 2018: 4.86% to 5.72%). Expiry date of the finances obtained from Bank Islami Pakistan Limited is 28 February 2019 for MCB Bank Limited 31 December 2018, for National Bank of Pakistan Dollar loan is 31 December 2018 and that of National Bank FAPC is 30 May 2019.

The aggregate export finance is secured against lien on export contracts, pledge of stock-in-trade, registered hypothecation charge on property, plant and equipment and current and fixed assets of the Company, first Joint Pari Passu charge over fixed assets of the Company, personal guarantees of CEO and Director and pledge of 55 million shares of Shakarganj Food Products Limited at a price of Rs. 10/share.

8.4 Short term interest free financing

It represents unsecured short term interest free financing provided by a sugar agent for financing the operations of the Company.

9. Contingencies and commitments

9.1 Contingencies

- (i) Bank guarantee of Rs. 9.55 million (2018: Rs. 9.55 million) in favour of Sui Northern Gas Pipelines Limited against performance of contracts.
- (ii) The Company has issued post dated cheques in favour of the Collector of Customs against custom duty clearance in respect of import of plant and machinery amounting to Rs. 14.02 million (2018: Rs. 14.02 million).
- (iii) The Sindh High Court (the Court) in the case of 'Kasim Textile' in its order of 07 May 2013 has held that benefit of carry forward of minimum tax under section 113 of the Income Tax Ordinance, 2001 is only available if tax payable in a tax year is less than minimum tax paid. If in a tax year, a Company has assessed losses on which no tax is payable, the Company forgoes the right to carry forward minimum tax paid in that year. In the light of this order, the Company is not entitled to carry forward minimum tax paid in the tax year 2013 to 2018 of Rs. 291.77 million as a result of assessed tax losses in these years and adjust it against normal tax liability. Also, in the case of refunds claimed in any year, those would also be adjusted accordingly. However, the management is of the view that the verdict has been challenged in the Supreme Court. The management expects a favorable outcome in respect of this case and hence no provision has been incorporated in this condensed interim financial information.
- (iv) A case is pending against the Company is the Environmental Protection Agency, Punjab (EPA) as a result of wastes and emissions generated during operational conditions of the principle manufacturing facility in Jhang. The Company has filed an appeal before the EPA and is confident of a favourable outcome.

9.2 Commitments

The Company has the following commitments in respect of:

- (i) Contracts for acquisition of intangible (computer software) amounting to Rs. 20 million (2018: Rs. 20 million).
- (ii) Contracts for other than capital expenditures Rs. 2.16 million (2018: Rs. 1.20 million).

	Note	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
10. Property, plant and equipment			
Operating assets (owned)	10.1	10,578,899	10,706,426
Capital work-in-progress	10.2	128,989	119,235
		<u>10,707,888</u>	<u>10,825,661</u>
10.1 Operating assets (owned)			
Opening book value	10.1.1	10,706,426	8,386,457
Add: Addition		30,311	90,257
Adjustment of revaluation surplus		-	2,735,070
		<u>10,736,737</u>	<u>11,211,784</u>
Less Disposal during the period		(4,137)	(5,863)
Depreciation charged during the period		<u>(153,701)</u>	<u>(499,495)</u>
		<u>(157,838)</u>	<u>(505,358)</u>
Closing book value		<u>10,578,899</u>	<u>10,706,426</u>
10.1.1 Addition during the period/year			
Plant and machinery		26,702	49,126
Tools and equipment		-	19
Water electric and weighbridge equipment		2,534	2,098
Furniture and fixture		171	1,132
Office equipment		88	70
Vehicles		816	37,812
		<u>30,311</u>	<u>90,257</u>

10.1.2 The Company basis its valuation of operating assets subject to impairment upon valuation performed by an independent valuation expert.

	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
10.2 Capital work-in-progress		
Civil works	5,112	5,112
Plant and machinery	97,111	87,357
	<u>102,223</u>	<u>92,469</u>
Advances given for capital work in progress	26,766	26,766
	<u>128,989</u>	<u>119,235</u>

	Note	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
11. Investments - related parties			
In equity instruments of Shakarganj Food Products Limited ("SFPL")	11.1	1,949,127	1,924,791
Available for sale	11.2	10,001	13,774
		<u>1,959,128</u>	<u>1,938,565</u>
11.1 In equity instruments of SFPL			
Unquoted			
<i>Shakarganj Food Products Limited</i>			
87,785,643 (30 September 2018: 87,785,643) fully paid ordinary shares of Rs. 10 each			
Equity held: 52.39% (30 September 2018: 52.39%)	11.1.1	1,949,127	1,924,791
11.1.1 In equity instruments of SFPL			
Cost		590,784	393,818
Brought forward amounts of post acquisition reserves		1,334,007	662,184
Further acquisition due to right shares		-	196,966
		<u>1,924,791</u>	<u>1,252,968</u>
Share of movement in reserves during the period / year		-	484,668
Share of profit for the period / year			
- before taxation		59,880	265,754
- provision for taxation		(35,544)	(78,599)
		<u>24,336</u>	<u>187,155</u>
Balance as at period / year end	11.1	<u>1,949,127</u>	<u>1,924,791</u>

11.1.2 Shakarganj Food Products Limited ("SFPL") is a public unlisted Company incorporated in Pakistan and is principally engaged in the business of manufacturing, processing and sale of food products. The activities of SFPL are largely independent of the Company. The following table summarizes the financial information of SFPL as included in its own financial statements and the Company's share in the results. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in its associate.

	December 2018 (Un-audited)	September 2018 (Audited)
Percentage interest held	52.39%	52.39%
	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
Non-current assets	5,604,266	4,879,041
Current assets	3,184,606	3,475,686
Non-current liabilities	(1,979,951)	(1,694,572)
Current liabilities	(3,224,524)	(3,122,209)
Net assets (100%)	3,584,397	3,537,946
Company's share of net assets	1,877,866	1,853,530
Excess of purchase consideration over net assets	71,261	71,261
Carrying amount of interest in associate	1,949,127	1,924,791
Revenue	4,464,007	15,775,889
Profit from operations	46,452	356,024
Other comprehensive income	-	926,322
Total comprehensive income (100%)	46,452	1,282,346
Company's share of total comprehensive income	24,336	671,821

The financial year end of SFPL is also 30 September and above figures (adjusted with the top up effect of revaluation surplus) are based on unaudited interim financial statements as of 31 December 2018.

11.1.3 Investments with face value of Rs. 550.00 million (30 September 2018: Rs. 550.00 million) are pledged as security against short term borrowings as referred to in note 8.

11.1.4 Investment in SFPL is treated as joint venture in these financial statements instead of an investment in subsidiary due to joint control over SFPL as a result of the shareholders' agreement dated 12 April 2008.

	Note	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
11.2 Available for sale			
Associated / related companies			
<u>Quoted - related party</u>			
<i>Crescent Steel and Allied Products Limited:</i> 180,000 (30 September 2018: 180,000) fully paid ordinary shares of Rs. 10 each		15,921	15,921
Equity held: 0.23% (30 September 2018: 0.23%) Market value - Rs. 10.00 million (30 September 2018 : Rs. 13.77 million)			
<u>Unquoted - associated Company</u>			
<i>Crescent Standard Telecommunications Limited:</i> 300,000 (30 September 2018: 300,000) fully paid ordinary shares of Rs 10 each		3,000	3,000
Others			
<u>Unquoted</u>			
<i>Crescent Group Services (Private) Limited:</i> 220,000 (30 September 2018: 220,000) fully paid ordinary shares of Rs 10 each		2,200	2,200
<i>Innovative Investment Bank Limited:</i> 51,351 (30 September 2018: 51,351) fully paid ordinary shares of Rs 10 each		-	-
		21,121	21,121
Add: Cumulative fair value reserve	11.2.1	(5,920)	(2,147)
Less: Cumulative impairment losses recognized	11.2.2	(5,200)	(5,200)
Fair value loss		(11,120)	(7,347)
		10,001	13,774
11.2.1 Cumulative fair value reserve			
As at 01 October		(2,147)	12,553
Disposal of shares		-	-
Fair value adjustment during the period / year		(3,773)	(14,700)
Balance as at period / year end		(5,920)	(2,147)
11.2.2 Cumulative impairment losses recognized			
As at 01 October		5,200	5,200
Reversal during the year		-	-
Balance as at period / year end		5,200	5,200

- 11.3** The Company complied with the requirements of section 199 of the Companies Act, 2017 for investment made in SFPL during the last year. However, requirements of the repealed Companies Ordinance, 1984 were duly complied with for investments made before the promulgation of the Companies Act, 2017.

12. Stock-in-trade

	December 2018 (Un-audited) (Rupees in thousand)	September 2018 (Audited)
Raw materials	116,373	29,820
Work-in-process	33,911	7,958
Finished goods	467,781	990,533
	618,065	1,028,311

13. Cash and bank balances

At banks on:

- Saving accounts	13.1	5,481	610
- Current accounts	13.2	85,330	26,552
		90,811	27,162
In hand		3,286	1,109
		94,097	28,271

- 13.1** These carry mark-up at the rates ranging from 4.50% per annum to 8.75% per annum (30 September 2018: 4.50% per annum to 8.25% per annum).

These deposits include Rs. 0.243 million (30 September 2018: Rs. 0.58 million) under Shariah compliant arrangements, which carries profit rate ranging from 4.25% per annum to 7.25% per annum (30 September 2018: 1.90% to 5.00% per annum).

- 13.2** These include balances amounting Rs.18.49 million (30 September 2018: Rs. 5.46 million) which have been maintained under shariah based arrangements.

14. Business segments information

(Rupees in thousand)

	Sugar		Bio Fuel		Textile		Farms		Others		Total	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017	31 December 2018	31 December 2017	31 December 2018	31 December 2017	31 December 2018	31 December 2017	31 December 2018	31 December 2017
14.1 Sales												
- External	105,740	159,748	1,077,998	419,268	284,729	229,902	13,481	13,794	472	-	1,482,220	822,712
- Intersegment	82,742	53,723	23,143	14,771	-	-	1,290	-	-	-	-	-
	188,482	213,471	1,100,941	434,039	284,729	229,902	14,771	13,794	472	-	1,482,220	822,712
14.2 Segment expenses												
Cost of Sales												
- External	330,685	513,762	727,748	390,498	287,731	220,523	9,000	4,325	438	404	1,355,602	1,129,512
- Intersegment	23,151	14,776	82,734	53,718	-	-	1,290	-	-	-	-	-
	353,836	528,538	810,482	444,216	287,731	220,523	10,290	4,325	438	404	1,355,602	1,129,512
Gross profit / (loss)	(165,354)	(315,067)	290,459	(10,177)	(3,002)	9,379	4,481	9,469	34	(404)	126,618	(306,800)
- Administrative expenses	(9,163)	(18,137)	(53,530)	(36,877)	(8,080)	(7,358)	(3,015)	(3,201)	(23)	-	(71,101)	(62,692)
- Distribution and selling expenses	(1,672)	(1,222)	(64,222)	(26,245)	(460)	(335)	-	-	-	-	(66,354)	(27,802)
	(10,835)	(19,359)	(117,752)	(63,122)	(8,540)	(7,693)	(3,015)	(3,201)	(23)	-	(137,455)	(90,494)
Segment results												
Other operating expenses	(176,189)	(334,426)	172,707	(73,299)	(115,442)	1,686	4,176	9,149	11	(404)	(10,837)	(397,294)
Other operating income											(23,983)	(22,782)
Operating loss											9,960	22,493
Finance costs											(24,810)	(397,583)
Share of profit from equity accounted investment											(73,229)	(50,033)
Loss before taxation											59,880	81,399
Taxation											(38,159)	(366,217)
-Company												
-Associates											5,495	(29,353)
											(30,049)	(24,118)
Loss for the period											(68,208)	(390,335)

14.3 Inter - segment sales and purchases

Inter - segment sales and purchases have been eliminated from total figures.

	Segment assets		Segment liabilities	
	31 December 2018 (Un-audited)	30 September 2018 (Audited)	31 December 2018 (Un-audited)	30 September 2018 (Audited)
	(Rupees in thousand)			
14.4 Segment assets and liabilities				
Sugar	7,610,043	6,854,607	3,238,839	3,351,611
Bio Fuel	2,503,937	2,865,990	1,649,594	1,698,395
Textile	474,995	392,638	131,999	109,370
Farms	819,748	694,905	14,570	14,570
Others	29	395	600	600
Unallocated	2,676,765	3,498,596	439,023	449,714
	14,085,515	14,307,132	5,474,625	5,624,260

14.5 Geographical Information

14.5.1 Segment revenue from external customers by geographical areas is as follows:

	December 2018 (Rupees in thousand)	December 2017
Export sales - Europe	908,914	1,588
Export sales - Asia	117,560	384,153
Local sales	455,746	436,971
	1,482,220	822,712

14.5.2 All non current assets of the Company were located and operated in Pakistan.

15. Other income

Income from financial assets

Dividend income	180	405
Return on bank deposits	53	26
	233	431

Income from non-financial assets

Scrap sales	387	2,143
Agricultural income	1,080	1,632
Profit on sale of property, plant and equipment	2,565	-
Liabilities written back	-	13,186
Rental income	4,267	4,534
Others	1,428	567
	9,727	22,062
	9,960	22,493

Dividend income is received from the following:

Related party:

Crescent Steel and Allied Products Limited	180	405
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16. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value				
	Available for sale	Trade and other receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note	----- Rupees in thousands -----								
11	10,001	-	-	-	10,001	10,001	-	-	10,001
	-	29,794	-	-	29,794	-	11,738	18,056	29,794
	10,001	29,794	-	-	39,795	10,001	11,738	18,056	39,795
	-	33,986	-	-	33,986	-	-	-	-
	-	283,106	-	-	283,106	-	-	-	-
	-	24,460	-	-	24,460	-	-	-	-
	-	-	94,097	-	94,097	-	-	-	-
13	-	341,552	94,097	-	435,648	-	-	-	-
	-	-	-	-	-	-	-	-	-
7	-	-	-	501,325	501,325	-	501,325	-	501,325
8	-	-	-	2177,078	2177,078	-	2177,078	-	2177,078
	-	-	-	937,415	937,415	-	-	-	-
	-	-	-	59,373	59,373	-	-	-	-
	-	-	-	3,675,191	3,675,191	-	2,678,403	-	2,678,403

31 December 2018

Financial assets - measured at fair value

Available for sale
Biological assets

Financial assets - not measured at fair value

Long term deposits
Trade debts
Loans, Advances, deposits, prepayments and other receivables
Cash and Bank balances

Financial liabilities - measured at fair value

Financial liabilities - not measured at fair value

- Long term loans
- Short term borrowings
- Trade and other payables
- Accrued finance cost

		December 2018	December 2017
17. Loss per share - basic and diluted			
<i><u>i-Profit / (Loss) attributable to ordinary share holders:</u></i>			
Loss for the period	Rupees	(68,207,754)	(390,335,000)
<i><u>ii-Weighted-average number of ordinary shares:</u></i>			
Weighted average number of shares	Number	125,000,000	117,113,835
Loss per share	Rupees	(0.55)	(3.33)

- 17.1** No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

	December 2018 (Rupees in thousand)	December 2017
18. Cash generated from operating activities		
Loss before taxation	(38,159)	(366,217)
<i>Adjustment for depreciation/amortization of:</i>		
- property, plant and equipment	153,700	123,792
- intangible assets	-	-
Liabilities no longer payable written back	-	(13,186)
Gain on sale of property, plant and equipment	(2,565)	-
Interest from bank deposits	(54)	(26)
Dividend income	(180)	(405)
Net (income) / loss on biological assets	1,982	(2,060)
Share of profit from associates	(59,880)	(81,399)
Finance cost	73,229	50,033
	166,233	76,749
Profit / (loss) before working capital changes	128,075	(289,468)
<i>Effect on cash flow due to working capital changes:</i>		
Increase in stores spare parts and loose tools	(79,467)	(54,670)
Decrease in stock in trade	410,246	338,313
(Increase) / decrease in biological assets - net	(502)	3,493
(Increase) / decrease in trade debts	(243,675)	116,007
Decrease in loans, advances, prepayments and other receivables	101,133	29,975
(Decrease) / increase in trade and other payables	(36,666)	272,937
	151,068	706,055
Cash generated from operating activities	279,143	416,587

19. Related Party Disclosures

The related parties comprise subsidiaries, associated undertakings, other related group companies, directors of the Company, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

Name of Party	Relationship	Basis of Relationship	December 2018 (Rupees in thousand)	December 2017
Crescent Steel & Allied Products Limited	Related Party	Associate due to shareholding by CSAPL in SL of 21.93% (2017: 21.93%)		
Purchase of goods			1,170	582
Salary expense and other common			698	1,349
Dividend income			180	405
Shakarganj Energy (Private) Limited	Related Party	Associate due to CSAPL		
Common expenses			745	4,023
Shakarganj Engineering (Division of CSAPL)	Related Party	Associate due to CSAPL		
Purchase of goods			-	140
Crescent Hadeed (Private) Limited associated undertaking of CSAPL	Related Party	Associate due to CSAPL and Common Directorship		
Rendering of services			185	-
Premier Insurance Limited	Related Party	Common directorship		
Insurance expenses			2,198	2,275
Shakarganj Food Products Limited	Related Party	Common CEO - 52.39% (2017: 49.24%) of shareholding in associate.		
Sale of goods			66,234	13,211
Salary expense and other common			524	657
Post employment benefit plans	Related Party	Provident Fund, Pension Fund, Gratuity Fund		
Expense charged in respect of retirement benefit plans			5,878	5,127
Transactions with gratuity and pension fund account				
- Funds received			228,280	75,350
- Funds repaid			228,280	75,350
- Markup expense			10,569	2,864

20. Date of authorization of issue

This condensed interim financial information was authorized for issue on 28 January 2019 by the board of directors of the Company.

21. Events after the balance sheet date

There are no subsequent events occurring after balance sheet date.



Chief Executive



Director



Chief Financial Officer

ڈائریکٹرز کا جائزہ

میں 31 دسمبر 2018ء کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات بخوشی پیش کر رہا ہوں۔

مالی اور آپریشنل کارکردگی:

آپریٹنگ کارکردگی کا خلاصہ:

مشکل اقتصادی ماحول میں، شکر گنج نے اپنی کرشنگ مہم کا آغاز 30 دسمبر 2018ء کو کیا، اس لئے زیر جائزہ مدت میں چینی کی کوئی پیداوار نہیں ہوئی۔ سیزن کے آغاز میں، مل مالکان کرشنگ سیزن شروع کرنے سے ہچکچاتے تھے پنجاب میں کوئی شوگر مل دسمبر 2018ء کے وسط تک کرشنگ شروع نہیں کر سکی تھی۔ چینی کی برآمدات سے متعلق حکومت کی ناقابل اعتماد اور غیر متوقع پالیسیوں نے شوگر ملوں اور کسانوں کے لئے مشکلات پیدا کر دیں جس کے نتیجے میں چینی کی قیمتیں بہت کم رہی ہیں۔ تاہم، بعد میں چینی کی قیمتوں میں بہتری ہوئی اور ریکوری بھی بہتر ہوئی جو متوقع نقصانات کو کم کر سکتی ہیں۔

ہمارے بائیو فیول کاروبار کی کارکردگی اچھی رہی اور قیمتوں کے ساتھ ساتھ مارجنز بھی نمایاں طور پر اچھے تھے۔ کمپنی کے بائیو فیول کی برآمد گنا سے بھی زیادہ ہو گئی۔ کوئی پیداوار نہ ہونے اور موجودہ قیمت کے منظر نامہ کے باعث چینی کے کاروبار میں بھاری نقصانات کے باوجود، کمپنی نے اب بھی 126.62 ملین روپے مجموعی منافع کمایا جبکہ گزشتہ سال کی اسی مدت کے دوران 306.80 ملین روپے مجموعی نقصان ہوا۔ نتیجتاً، کمپنی نے مالی سال 2018 کی پہلی سہ ماہی میں 390.33 ملین روپے کا بعد از ٹیکس نقصان کے مقابلے میں 68.21 ملین روپے کا مجموعی بعد از ٹیکس نقصان برداشت کیا ہے۔ پاکستانی کرنسی کے لحاظ سے بائیو فیول قیمتوں میں بہتری کے مد نظر، ہم امید کرتے ہیں کہ آپ کی کمپنی بائیو فیول کاروبار میں اچھی کارکردگی دکھانے کے قابل ہو جائے گی۔

کاروباری شعبہ جات:

شوگر ڈویژن

چینی کی فروخت کی قیمتوں کے مقابلے میں گئے کی زیادہ قیمت کی وجہ سے، کرشنگ مہم بہت تاخیر (30 دسمبر 2018) سے شروع ہوئی اور چینی کی پیداوار ابھی 31 دسمبر 2018ء کو ابتدائی مرحلے میں تھی۔ شوگر ڈویژن نے 2,481:1 (QFY 18) Nil میٹرک ٹن) چینی بنانے کے لئے 4,179 میٹرک ٹن (62,064:1 (QFY 18) میٹرک ٹن) گنا کرش کیا۔

بائیو فیول ڈویژن:

اس ڈویژن کی پیداوار 6.70 ملین لیٹرز (4.62:1 (QFY 18) ملین لیٹرز) زیادہ ہوئی۔ زیر جائزہ مدت کے دوران، بائیو فیول ڈویژن کی کارکردگی اچھی تھی اور پیداوار اور منافع کے لحاظ سے یہ رجحان بہتر ہوا۔ تاہم، کرشنگ کے سیزن میں تاخیر نے اس شعبہ میں مجموعی طور پر خام مال پر اثرات ڈالے ہیں۔ اس مدت کے دوران، برآمدات کل بائیو فیول کی فروخت کا 91.3 فیصد شمار کیا گیا ہے۔

ٹیکسٹائل ڈویژن

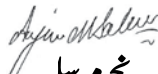
یارن کی پیداوار 914,322 کلوگرام (1QFY18: 943,261 کلوگرام) تک کم ہو گئی۔ پیداوار میں کمی بنیادی طور پر تقابلی مدت کے مقابلے موجودہ مدت کے دوران اوسط کاؤنٹ میں اضافہ سے منسوب ہے۔

مستقبل کا نقطہ نظر:

گنے کی فصل کے لئے ابتدائی سروے ظاہر کرتا ہے کہ گنے کی آؤٹ پٹ کم رہنے کی توقع تھی، تاہم، شوگر ڈویژن کی کارکردگی چینی کی قیمت فروخت اور اچھی کوالٹی کے گنے کی دستیابی پر انحصار کرتی ہے۔ تاہم، بہتر پیداوار اور غیر ملکی زرمبادلہ کی شرح میں بہتری کے مد نظر مالی سال 2019 کی باقی مدت میں انتظامیہ بائیو فیول کاروبار میں مزید بہتری پر یقین رکھتی ہے۔ اچھے معیاری مولا سس کی مسلسل دستیابی پر منحصر ہمارے کشید کاری کے آپریشن کے مستقبل کے نقطہ نظر کے مطابق، انتظامیہ صحت مند نخلی لائن کے لئے کافی منافع پیدا کرنے کے لئے موزوں لاگت پر مولا سس کی بلک مقدار بڑھانے کی کوشش کر رہی ہے۔ شوگر کاروبار کے مستقبل کا نقطہ نظر حکومت کی پالیسیوں پر منحصر ہے۔ تاہم، انتظامیہ اس شعبے میں بہتر نتائج حاصل کرنے کے لئے اپنی بہترین کوششیں کرے گی۔ ٹیکسٹائل ڈویژن کی کارکردگی دستیاب منافع کے پیش نظر بہتر ہونے کا امکان ہے۔ کمپنی آپریشنل منافع یابی کے ساتھ ساتھ اپنے مجموعی لیکویڈیٹی منظر نامہ کو مزید بہتر بنانے کے لئے اپنی بہترین کوششیں کر رہی ہے۔

ہم تمام اسٹیک ہولڈرز کا ان کی سرپرستی اور حمایت کے لئے شکریہ ادا کرتے ہیں۔

منجانب بورڈ


انجم محمد سلیم

چیف ایگزیکٹو آفیسر



علی الطاف سلیم

ڈائریکٹر

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