



AL-ABBAS SUGAR Mills
Limited



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COMPANY INFORMATION

BOARD OF DIRECTORS

Muhammad Iqbal Usman
Shunaid Qureshi
Asim Ghani
Ali Jehangir Siddiqui
Asma Aves Cochinwala
Darakshan Ghani
Duraid Qureshi
Sayyed Rafay Akber Rashdi
Suleman Lalani

Chairman
Chief Executive Officer
Executive Director
Director
Director
Director
Director
Director
Director

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Zuhair Abbas

AUDIT COMMITTEE

Sayyed Rafay Akber Rashdi
Darakshan Ghani
Duraid Qureshi
Tariq Iqbal - ACA

Chairman
Member
Member
Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Duraid Qureshi
Asim Ghani
Darakshan Ghani
Sayyed Rafay Akber Rashdi

Chairman
Member
Member
Member

STATUTORY AUDITORS

Haroon Zakaria & Co.

Chartered Accountants

COST AUDITORS

Siddiqui & Company

Chartered Accountants

BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Burj Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Pak Oman Investment Company Limited
SilkBank Limited
Soneri Bank Limited
United Bank Limited

REGISTERED OFFICE

2nd Floor, Pardesi House, Survey No. 2/1,
R.Y. 16, Old Queens Road, Karachi – 74000
Tel: 92-21-111-111-224
Fax: 92-21-32470090
Website: www.aasml.com

SHARE REGISTRAR OFFICE

CDC House-99B, Block 'B', S.M.C.H.S
Main Shahra-e-faisal, Karachi-74400

FACTORIES LOCATIONS

- 1) Mirwah Gorchani, Distt. Mirpurkhas, Sindh
- 2) Main National Highway, Dhabeji, Sindh
- 3) Oil Installation Area, Kemari, Karachi, Sindh



DIRECTORS' REVIEW REPORT

The directors are pleased to present the condensed interim financial statements for the nine months ended June 30, 2015.

The financial results of the Company for the period under review compared with the corresponding period are summarized below:

	Nine months ended	
	June 30, 2015	June 30, 2014
	(Rupees in thousands)	
Operating profit	448,134	460,818
Other income	121,507	129,129
	<u>569,641</u>	<u>589,947</u>
Finance cost	(108,817)	(204,781)
Profit before taxation	460,824	385,166
Taxation	(55,079)	(76,201)
Profit after taxation	<u>405,745</u>	<u>308,965</u>
Basic earnings per share (Rupees)	<u>23.37</u>	<u>17.8</u>

SUBSEQUENT EVENT AND DIVIDEND

The Board of Directors of the Company in their meeting held on July 30, 2015 has proposed 125% interim dividend for the period ended June 30, 2015. These condensed interim financial statements do not include the effect of interim dividend.

During the period under review, your Company has earned a profit after tax of Rs. 405.745 million as compared to the profit of Rs. 308.965 million of the corresponding period of last year. The main reasons for variances are highlighted below in segment wise results.

OPERATING SEGMENT RESULTS

The division wise performance is presented below:

Sugar Division

The financial and operational performance of sugar division is given below:

Financial performance

	Nine months ended	
	June 30, 2015	June 30, 2014
	(Rupees in thousands)	
Sales	2,010,435	1,764,370
Cost of sales	(1,787,485)	(1,569,585)
Gross profit	222,950	194,785
Distribution cost	(9,299)	(31,772)
Administrative expenses	(46,393)	(50,651)
Segment operating result	<u>167,258</u>	<u>112,362</u>
Operational performance	2014-15	2013-14

Date of start of season	December 08, 2014	November 01, 2013
No. of days worked	106	124
Crushing (M.Tons)	564,555	621,679
Production from sugarcane (M.Tons)	60,534	63,650
Sales (M.Tons)	43,579	37,723
Recovery (%)	10.78	10.23



Commencement of the crushing season 2014-15 was marred by uncertainty. The Government of Sindh played a positive role in affably settling the situation. The timely disbursement of Rs. 12/- per maund subsidy by the Government of Sindh through sugar industry was extremely welcome and pro agriculture decision.

The plant operated for 106 days ending on March 23, 2015 as against 124 days of preceding season. The Sugarcane crushed during the current season was 564,555 M.Tons with average sucrose recovery of 10.72% and sugar production of 60,534 M.Tons as compared with crushing of 621,679 M.Tons with average sucrose recovery of 10.23% and sugar production of 63,650 M.Tons of same period last year.

Ethanol Division

The financial and operational performance of ethanol division is given below:

	Nine months ended June 30, 2015	Nine months ended June 30, 2014
	(Rupees in thousands)	
Sales	2,157,815	2,279,667
Cost of sales	(1,730,108)	(1,816,149)
Gross profit	427,707	463,518
Distribution cost	(74,019)	(68,766)
Administrative expenses	(30,908)	(33,743)
Segment operating result	322,780	361,009

The operational data is given below:

Operational data		
Operational performance	2014-15	2013-14
Production (M.Tons) - Unit I and II	26,731	26,045
Sales (M.Tons)	29,794	27,994

During the period under review, this division produced 26,731 M.Tons ethanol as compared to corresponding period of 26,045 M.Tons. The operating result of this segment is reduced by Rs 38.229 million due to decrease in selling price and application of Pak rupees against dollaras compared to corresponding year.

Power, Chemical and Alloys Division

The operations for the chemical and power division were remained suspended during the period under review and the division has incurred operating segment loss of Rs. 41.750 million as compared to loss of Rs. 30.173 million for the same period last year. The loss mainly represents the fixed expenses. The Management of the Company is trying to restore the power generation operations in order to utilize the closed plant.

Bulk Storage Terminal

During the period under review this division earned a profit of Rs. 62.516 million as against profit of Rs. 47.921 million of last year. The improved performance of this division is mainly due to full utilization of capacity.

FUTURE PROSPECTS

The future outlook of the sugar segment depends a lot on the selling price of the sugar which is soaring in the domestic market, while no similar trend is been observed in the international market. The subsidy paid by the



Government of Sindh is a positive move and it will go a long way by enhancing the revenue of the sugarcane farmers and encourage them to continue plantation of sugarcane.

The prices of ethanol are slightly rising and the expected shipment of ethanol in upcoming quarters will add some advantages to current situation.

As a whole, your Company is well aware of the challenges being faced and would do its best to take all necessary measures to increase the productivity in all its divisions and overall profitability of the Company.

ACKNOWLEDGEMENT

The Company strongly believes that its success is driven by the commitment and dedication of its employees. We acknowledge the contribution of each and every staff member of the Company for significant contribution in delivering such a strong performance. We would also like to express our thanks to the customers for their trust in our products and look forward for their continued patronage. We also thank our shareholders, banks and financial institution for their support, guidance and confidence reposed in our enterprise and stand committed to do our best to ensure full reward of their investment in the coming periods. May Allah bless us in our efforts. A'meen!

On behalf of Board of Directors

Shunaid Qureshi
Chief Executive Officer

Karachi: July 30, 2015


CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT JUNE 30, 2015

		June 30, 2015 Un-audited (Rupees in thousand)	September 30, 2014 Audited
Note			
ASSETS			
NON-CURRENT ASSETS			
	7	1,814,477	1,912,669
Property, plant and equipment			422
Investment property		390	
Long term investments		148,761	212,271
Long term loans		1,011	1,353
Long term deposits		11,403	11,393
Deferred taxation	8	-	-
		1,976,042	2,138,108
Current Assets			
	9	155,075	140,750
Stores and spares parts		2,240,110	1,435,926
Stock-in-trade		331,573	41,997
Trade debts		47,064	231,153
Loans and advances		16,181	12,593
Trade deposits and short term prepayments		577	1,300
Accrued income		54,601	69,505
Other receivables		224,112	232,479
Short term investments		42,103	76,016
Income tax refunds due from the Government		16,016	17,394
Cash and bank balances		3,127,412	2,259,113
		5,103,454	4,397,221
Total Assets			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
		400,000	400,000
Authorized capital			
Issued, subscribed and paid-up capital		173,623	173,623
Reserves		2,184,884	2,052,615
Shareholders' equity		2,358,507	2,226,238
Non - Current Liabilities			
Deferred liability		68,508	62,862
Current Liabilities			
		878,666	898,731
Trade and other payables		24,756	16,953
Accrued mark-up		1,751,080	1,143,227
Short term borrowings		9,091	36,364
Current maturity of non-current liabilities		12,846	12,846
Provision for taxation		2,676,439	2,108,121
	10		
Contingencies and Commitments		5,103,454	4,397,221
Total Equity and Liabilities			

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

Shunaid Qureshi
Chief Executive


Asim Ghani
Director



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED JUNE 30, 2015

		Nine months ended		Quarter ended	
	Note	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
		(Rupees in thousand)			
Sales	11	4,168,250	4,044,037	2,226,785	1,891,369
Cost of sales		(3,517,593)	(3,385,734)	(1,914,045)	(1,627,197)
Gross profit		650,657	658,303	312,740	264,172
Net profit from storage tank terminal		62,516	47,921	19,778	28,462
Net loss from chemical, alloys and power segment and fixed expenses due to suspension		(41,750)	(30,173)	(13,974)	(11,674)
		671,423	676,051	318,544	280,960
Distribution cost		(83,318)	(100,538)	(31,669)	(42,834)
Administrative expenses		(77,301)	(84,394)	(24,326)	(24,603)
Other operating expenses		(62,670)	(30,301)	(36,908)	(13,231)
		(223,289)	(215,233)	(92,903)	(80,668)
Operating profit		448,134	460,818	225,641	200,292
Other income	12	121,507	129,129	16,583	65,565
		569,641	589,947	242,224	265,857
Finance cost		(108,817)	(204,781)	(44,304)	(86,271)
Profit before taxation		460,824	385,166	197,920	179,586
Taxation		(55,079)	(76,201)	(23,682)	(19,517)
Profit after taxation		405,745	308,965	174,238	160,069
Earnings per share - Basic and diluted		23.37	17.80	10.04	9.22

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


Shunaid Qureshi
Chief Executive


Asim Ghani
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED JUNE 30, 2015**

	Nine months ended		Quarter ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	(Rupees in thousand)			
Profit after taxation	405,745	308,965	174,238	160,069
Other comprehensive income for the period				
(a) Items to be classified to profit and loss account in subsequent period				
Unrealized (loss) / gain on remeasurement of available for sale investments	(24,281)	21,850	(66,521)	14,603
(b) Reclassification adjustment				
Reclassification to profit and loss account for (gain) / loss on sale of available for sale investments	(32,166)	-	47,227	-
	(56,447)	21,850	(19,294)	14,603
Total comprehensive income for the period	<u>349,298</u>	<u>330,815</u>	<u>154,944</u>	<u>174,672</u>

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

Shunaid Qureshi
Chief Executive

Asim Ghani
Director



**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

		Nine months ended	
	Note	June 30, 2015 (Rupees in thousand)	June 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	13	(372,823)	(1,100,732)
Finance cost paid		(101,014)	(169,880)
Income tax paid		(21,166)	(50,298)
Long term loans recovered		342	763
Long term deposits paid		(10)	(19)
		(121,848)	(219,434)
Net cash used in operating activities		(494,671)	(1,320,166)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(2,336)	(27,625)
Proceeds from disposal of property, plant and equipment		550	3,295
Purchase of long term investments		(168,117)	-
Proceeds from disposal of long term investments		275,645	-
Proceeds from disposal of short term investments		14,519	-
Interest/markup received		2,634	4,249
Dividend received		4,933	9,579
Net cash generated from / (used in) investing activities		127,828	(10,502)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(27,273)	(101,972)
Dividend paid		(215,115)	(86,123)
Proceeds from Short term borrowings - net		607,853	1,355,419
Net cash generated from financing activities		365,465	1,167,324
Net decrease in cash and cash equivalents		(1,378)	(163,344)
Cash and cash equivalents at beginning of the period		17,394	178,979
Cash and cash equivalents at the end of the period		16,016	15,635

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

Shunaid Qureshi
Chief Executive

Asim Ghani
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	RESERVES							Total Shareholder's Equity
	Revenue reserves			Capital reserves				
	Issued, subscribed and paid-up capital	General reserve	Unappropriated profit	Sub total	Gain/(loss) on remeasurement of			
					Retirement benefit obligation	Available for sale investment	Sub total	
(Rupees in thousand)								
Balance as at October 1, 2013 - restated	173,623	1,458,000	329,573	1,787,573	20,431	821	21,252	1,808,825
Total comprehensive income for the year	-	-	308,965	308,965	-	-	-	308,965
Profit for the year	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Unrealized gain on remeasurement of available for sale investments	-	-	-	-	-	21,850	21,850	21,850
Redclassification to profit and loss account for gain realized on sale of available for sale investments	-	-	308,965	308,965	-	21,850	21,850	330,815
Transactions with owners								
Final Dividend 2013: Rs. 5 per share	-	-	(86,812)	(86,812)	-	-	-	(86,812)
Balance as at June 30, 2014 - restated	173,623	1,458,000	551,726	2,009,726	20,431	22,671	43,102	2,052,828
Balance as at October 1, 2014	173,623	1,458,000	540,914	1,998,914	23,621	30,080	53,701	2,052,615
Total comprehensive income for the year	-	-	405,745	405,745	-	-	-	405,745
Profit for the year	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Unrealized loss on remeasurement of available for sale investments	-	-	-	-	-	(24,281)	(24,281)	(24,281)
Redclassification to profit and loss account for gain realized on sale of available for sale investments	-	-	-	-	-	(32,166)	(32,166)	(32,166)
Transactions with owners								
Final Dividend: 2014: Rs.10.00 per share	-	-	(173,623)	(173,623)	-	-	-	(173,623)
Interim Dividend 2015: Rs. 02.50 per share	-	-	(43,406)	(43,406)	-	-	-	(43,406)
Balance as at June 30, 2015	173,623	1,458,000	729,630	2,187,630	23,621	(26,367)	(2,746)	2,184,884

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

Shumail Qureshi
Chief Executive

Asim Ghani
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

1 THE COMPANY AND ITS OPERATIONS

Al-Abbas Sugar Mills Limited - AASML ("the Company") was incorporated in Pakistan on May 2, 1991 as a public limited company under the Companies Ordinance, 1984. The Company is listed on the Karachi Stock Exchange. The registered office of the Company is situated at Pardesi House, Survey No. 2/1, R.Y.16. Old Queens Road, Karachi, Pakistan. The principal activities of the Company under following business segments / divisions comprises of :

S.NO	Division	Principal Activities	Location of undertaking	Commencement of commercial production
1	Sugar	Manufacturing and sale of sugar	Mirwah Gorchani, Mirpurkhas	December 15, 1993
2	Ethanol (note 1.1)	Processing and sale of industrial ethanol	Mirwah Gorchani, Mirpurkhas	Unit I: August 20, 2000 Unit II: January 23, 2004
3	*Chemical and alloys and **Power (note 1.2)	*Manufacturing and sales of calcium carbide and ferro alloys. **Generation and sales of electricity.	Dhabeji, Thatta.	*November 1, 2006 **April 06, 2010
4	Tank Terminal	Providing bulk storage facility	Oil Industrial Area, Kamari, Karachi.	October 15, 2012

1.1 The Company has also entered into agreement for supply of CO₂ gas at its ethanol division. The same is not a reportable segment as per criteria defined in IFRS-8.

1.2 The production facilities of chemical, alloys and power segment have been suspended in view of present business conditions. However, the management of the Company is in process of negotiation with K-Electric for resumption of power supply to them for which budgets have been approved by the Board of Directors. Tariff has been filed with NEPRA. Once tariff is approved by NEPRA, the management of the Company will place the Power Acquisition Contract and Tariff before the Board of Directors for their approval.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the nine months ended June 30, 2015 is unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed.

2.2 These condensed interim financial information have been prepared under 'historical cost convention' except for investments classified as available for sale and at fair value through profit and loss account and financial assets and liabilities which are carried out at their fair values.

2.3 These condensed interim financial information are presented in Pakistani Rupees which is also the Company's functional currency.

2.4 The comparative balance sheet presented has been extracted from annual financial statements for the year ended September 30, 2014, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity have been extracted from the unaudited condensed interim financial information for the nine months ended June 30, 2014.



3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended September 30, 2014 except as disclosed below.

The company has adopted the following amended standards and interpretations of IFRSs which became effective during the current period.

- IAS 19 - Amendment related to Employee Benefits: Employee contributions
- IAS 32 - Financial Instruments: Presentation - (Amendment)
 - Offsetting financial assets and financial liabilities
- IAS 36 - Impairment of Assets - (Amendment)
 - Recoverable Amount Disclosures for Non-financial assets
- IAS 39 - Financial Instruments: Recognition and Measurement - (Amendment)
 - Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 - Levies

The adoption of the above amendments and interpretation of the standards did not have any effect on these condensed interim financial information.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.
- 4.2 In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2014.
- 4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2014.

5 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND AND WORKERS' WELFARE FUND

Provision in respect of income tax, workers' profit participation fund and workers welfare fund are estimated only and final liabilities will be determined on the basis of annual results.

6 SEASONAL PRODUCTION

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



	(Un-audited) June 30, 2015	(Audited) September 30, 2014
	(Rupees in thousand)	
7	PROPERTY, PLANT AND EQUIPMENT	
Additions		
Plant and machinery	-	6,119
Vehicles	1,923	4,123
Office equipment	258	294
Computers	155	206
Transferred from CWIP to operating assets		
Plant and machinery	-	86,181
Additions to CWIP		
Plant and machinery	-	37,851
Disposal		
Vehicle - at cost	523	3,826
Office equipment - at cost	-	522
8	DEFERRED TAXATION	
Deferred tax liability arising in respect of :		
Accelerated tax depreciation for tax purposes	(314,353)	(288,010)
Less: Deferred tax asset arising in respect of:		
Available Tax losses	269,493	260,869
Minimum tax	115,169	92,861
Provisions	37,585	32,937
	422,247	386,667
	107,894	98,657
Less deferred tax asset not recognized	(107,894)	(98,657)
	-	-
8.1	Deferred tax asset as at June 30, 2015 of Rs. 107.894 million (September 30, 2014: Rs. 98.657) has not been recognized as the Company is uncertain about the timing and extent of future taxable profits against which such benefits can be utilized.	
	(Un-audited) June 30, 2015	(Audited) September 30, 2014
	(Rupees in thousand)	
9	STOCK-IN-TRADE	
Raw materials	704,404	327,600
Work-in-process	3,238	3,485
Finished goods	1,532,468	1,104,841
	2,240,110	1,435,926
9.1	Value of stock of sugar pledged as at June 30, 2015 amounting to Rs.776.345 million (September 30, 2014 Rs. 119.410 million).	
9.2	Finished goods include stock items valued at net realisable value (NRV) amounting to Rs. 21.702 (September 30, 2014 Rs. 4.565 million) as against their cost amounting to Rs. 35.707 (September 30, 2014 Rs. 16.062 million) respectively.	



10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 As per notification No. 4(142) S.O (Ext) 95-XXIII dated December 11, 2013, Government of Sindh has directed sugar factories in the province to pay quality premium to the cane growers in respect of crushing season 2013-14 @0.50 paise per 40 Kg for each 0.1%(including fraction thereof to be calculated prorated) of excess sucrose recovery of above 8.7% determined on overall sucrose recovery basis on each mill. However, as the matter is pending in Supreme Court of Pakistan and as per decisions of Federal Government ,Steering Committee meeting held on 16-07-2007, the quality premium shall remain suspended till decision of Supreme Court / Consensus on uniform formula is developed in Federal Government. In view of the given circumstances and as per the decision of the Punjab High Court in a similar case in which it was declared that the demand of quality premium is unlawful, the management of the company is confident that case will be decided in favor of sugar mills, therefore no provision has been made in this interim financial information for liability of quality premium in respect of crushing season 2014-15 amounting to Rs.142.720 million (2013-14: Rs. 82.225 million).

10.1.2 There were no major changes in the status of contingencies except 10.1.1 as reported in the annual financial statements for the year ended September 30, 2014.

10.2 Commitments

Commitments in respect of letter of credit amounts to Rs. 25.469 million (September 30, 2014: Rs. 3.655 million).

Bank guarantees of Rs. 0.6 (September 30, 2014: Rs. 61.412) million have been issued by the banking companies on behalf of the Company in favour of customers and suppliers.

	Nine Months Period Ended June 30		Quarter Ended June 30	
	2015	2014	2015	2014
	(Rupees in thousand)			
11 SALES				
Sales - gross	4,336,455	4,135,007	2,313,684	1,935,589
Federal excise duty/Sales tax	(168,205)	(90,970)	(86,899)	(44,220)
	<u>4,168,250</u>	<u>4,044,037</u>	<u>2,226,785</u>	<u>1,891,369</u>
			(Un-audited) June 30, 2015	(Audited) September 30, 2014
12 OTHER INCOME				
Income from financial assets				
Dividend income			4,933	7,704
Gain on long term / short term investments			113,428	100,850
			118,361	108,554
Income from other than financial assets			3,146	20,575
			<u>121,507</u>	<u>129,129</u>



	June 30, 2015	June 30, 2014
	(Rupees in thousand)	
13 CASH GENERATED FROM / (USED IN) OPERATIONS		
Profit before taxation	460,824	385,166
Adjustments for:		
Depreciation on property, plant and equipment	100,297	102,765
Depreciation on investment property	32	35
Provision for advances	28,517	-
Gain on disposal of property, plant and equipment - net	(319)	(1,348)
Unrealized gain on short term investment carried at fair value through profit or loss	(12,963)	(100,850)
Capital gain on sale of long term investments	(100,465)	-
Mark-up on loan to growers	(1,284)	(1,332)
Dividend income	(4,933)	(7,704)
Income on term deposit receipts	(627)	(545)
Finance cost	108,817	204,781
Increase in deferred liability - market fee	5,646	6,216
	122,718	202,018
Cash generated from operating activities before working capital changes	583,542	587,184
(Increase) / decrease in current assets		
Stores and spares	(14,325)	(7,472)
Stock-in-trade	(804,184)	(1,628,244)
Trade debts	(289,576)	(364,200)
Loans and advances	155,572	319,150
Trade deposits and short term prepayments	(3,588)	(16,839)
Other receivables	14,904	5,633
Short term investments	6,811	(6,812)
	(934,386)	(1,698,784)
Increase / (decrease) in current liabilities		
Increase / (decrease) in trade and other payables	(21,979)	10,868
Net cash used in operations	(372,823)	(1,100,732)

14 SEGMENT REPORTING



AL-ABBAS SUGAR Mills Limited

	(Rupees in thousand)					
	Nine months period ended June 30					
	2015	2014	2015	2014	2015	2014
	Sugar		Ethanol		Total	
Sales	2,010,435	1,764,370	2,157,815	2,279,667	4,168,250	4,044,037
Cost of sales	(1,787,485)	(1,569,585)	(1,730,108)	(1,816,149)	(3,517,593)	(3,385,734)
Gross profit	222,950	194,785	427,707	463,518	650,657	658,303
Net profit from storage tank terminal					62,516	47,921
Net loss from chemical, alloys and power segment and fixed expenses due to suspension					(41,750)	(30,173)
Distribution cost	(9,299)	(31,772)	(74,019)	(68,766)	671,423	676,051
Administrative expenses	(46,393)	(50,651)	(30,908)	(33,743)	(83,318)	(100,538)
Operating segment results	167,258	112,362	322,780	361,009	(77,301)	(84,394)
Other operating expenses					510,804	491,119
Other income					(62,670)	(30,301)
Finance cost					121,507	129,129
Taxation					(108,817)	(204,781)
Net profit for the period					(55,079)	(76,201)
					405,745	308,965



	(Rupees in thousand)				
	Quarter ended June 30				
	2015	2014	2015	2014	2014
	Sugar		Ethanol		Total
Sales	1,082,517	748,639	1,144,268	1,142,730	1,891,369
Cost of sales	(936,421)	(664,967)	(977,624)	(962,230)	(1,627,197)
Gross profit	146,096	83,672	166,644	180,500	264,172
Net profit from storage tank terminal					28,462
Net loss from chemical, alloys and power segment and fixed expenses due to suspension					
Distribution cost	(2,417)	(8,354)	(29,252)	(34,480)	(11,674)
Administrative expenses	(14,600)	(14,776)	(9,726)	(9,827)	(280,960)
Operating segment results	129,079	60,542	127,666	136,193	(42,834)
					(24,603)
					213,523
Other operating expenses					
Finance cost					(36,908)
Other operating (loss) / other income					(44,304)
Taxation					16,583
Net profit for the period					(23,682)
					174,238
					160,069

Segment assets - Allocated	2,324,221	1,980,349	1,532,676	1,441,832	518,461	539,766	206,532	220,429	4,581,890	4,182,376
Segment assets - Unallocated									521,564	214,845
									<u>5,103,454</u>	<u>4,397,221</u>
Segment liabilities - Allocated	1,279,547	1,175,206	1,346,554	837,586	-	67	38,558	19,123	2,664,659	2,031,982
Segment liabilities - Unallocated									80,288	139,001
									<u>2,744,947</u>	<u>2,170,983</u>
Capital expenditure - Allocated	-	-	-	13,292	-	6,119	-	24,559	-	43,970
Capital expenditure - Unallocated									2,336	4,623
									<u>2,336</u>	<u>48,593</u>

Depreciation	35,136	50,282	29,536	37,897	21,031	29,856	14,594	19,816	100,297	137,851
Non cash expenses other than depreciation	-	66,142	28,517	39,935	-	-	-	-	28,517	106,077



15 RELATED PARTY TRANSACTIONS

The related parties comprise 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. Amounts due to / from related parties are shown in under respective note to the financial statement. Transactions with related parties are as follows:

	June 30, 2015 (Rupees in thousand)	June 30, 2014
Associated Companies		
Dividend Income	1,150	5,279
Rental Income	-	662
Commission on sale and purchase of shares	1,266	-
Employees Gratuity Fund		
Installment received from employees on behalf of Fund	10,657	7,775
Paid to Fund the installments recovered from employees	8,000	9,054
Key management personnel		
Remuneration of chief executive, directors and executives.	51,310	51,180

During the period the company has paid dividends to director and associated company amounting to Rs. 137.437 million (June 30, 2014: Rs. 71.646 million).

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorised for issue on July 30, 2015 by Board of Directors' of the Company.

17 SUBSEQUENT EVENT

The Board of Directors of the Company in their meeting held on July 30, 2015 has proposed an interim dividend of Rs. 12.5 per share i.e. 125% for the period ended June 30, 2015. The effect will be accounted in the period of payment.

18 GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

Shunaid Qureshi
Chief Executive

Asim Ghani
Director