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COMPANY INFORMATION

BOARD OF DIRECTORS

Muhammad Iqbal Usman	Chairman
Shunaid Qureshi	Chief Executive Officer
Asim Ghani	Executive Director
Asma Aves Cochinwala	Director
Darakshan Ghani	Director
Duraid Qureshi	Director
Irfan Nasir Cheema	Director
Sayyed Rafay Akber Rashdi	Director
Suleman Lalani	Director

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Zuhair Abbas

AUDIT COMMITTEE

Sayyed Rafay Akber Rashdi	Chairman
Asma Aves Cochinwala	Member
Darakshan Ghani	Member
Duraid Qureshi	Member
Tariq Iqbal	Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Muhammad Iqbal Usman	Chairman
Asim Ghani	Member
Asma Aves Cochinwala	Member
Darakshan Ghani	Member

STATUTORY AUDITORS

Haroon Zakaria & Co.	Chartered Accountants
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COST AUDITORS

Siddiqi & Company	Chartered Accountants
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BANKERS

Al Baraka Bank Pakistan Limited (Burj Bank Limited)
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
The Bank of Punjab
Meezan Bank Limited
Pak Oman Investment Company 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



CHAIRMAN'S REVIEW

Dear Shareholders

On the end of 3rd quarter of financial year 2016-17, I welcome you. As stakeholders in Al-Abbass Sugar Mills Limited, you invest your capital in this company and facilitating us to create even greater value and we express our sincerest thanks for your trust in us.

During the period your company has gone through many ups and downs in terms of record sugar production and now lowest sugar selling price. However, the board and the management of your company are well aware of the challenges ahead.

Your Board is responsible for setting the right tone from the top and ensuring that a strong governance structure is in place to enable the business to succeed and deliver long term sustainable growth. Your board follows strict measure to ensure it evaluates your directors and the value they add to your board.

To enforce the importance of good governance and setting the right standard throughout the company, we have emphasized on code of conduct setting out the values and standards we expect in the conduct of business, this covers issues such as health and safety, conducts of employees, diversity, financial controls and business integrity.

I firmly believe that our business is well placed for the competitive future. I take this opportunity to thank our shareholders, employees, financial institutions and all other stakeholders for their continued support and contribution in making Al-Abbass Sugar Mills Limited a success story.

Muhammad Iqbal Usman
Chairman

Karachi: July 28, 2017



DIRECTORS' REVIEW REPORT

The directors are pleased to present the condensed interim financial statements for the Nine Months ended June 30, 2017.

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

	Nine Months Ended June 30, 2017	Nine Months Ended June 30, 2016
	(Rupees in thousands)	
Operating profit	331,950	483,848
Finance cost	(81,983)	(82,940)
	249,967	400,908
Other income	13,589	25,998
Profit before taxation	263,556	426,906
Taxation	(47,793)	(68,017)
Profit after taxation	215,763	358,889
Basic earnings per share (Rupees)	12.43	20.67

During the period under review, your company has earned a profit after tax of Rs. 215.763 million as compared to the profit of Rs. 358.889 million of the corresponding period of last year.

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, 2017	Nine Months Ended June 30, 2016
	(Rupees in thousands)	
Sales	2,105,990	2,755,048
Cost of sales	(2,033,244)	(2,458,908)
Gross profit	72,746	296,140
Distribution cost	(18,280)	(10,195)
Administrative expenses	(51,359)	(52,437)
Segment operating result	3,107	233,508

Operational performance

	2016-17	2015-16
Date of start of season	November 14, 2016	November 23, 2015
Duration of season (Days)	118	93
Crushing (M. Tons)	659,154	560,786
Production from sugarcane (M.Tons)	70,484	58,730
Sales (M. Tons)	40,015	54,952
Recovery (%)	10.70	10.47



During the period the prices of sugar was plummeted to the lowest level which result sharp decline in segment operating results. Government has fixed the value of indigenous white crystalline sugar at Rs. 60 per kg vide SRO dated 02-09-2016. Influx of new production and surplus stock has affected the selling price which considerably below the threshold of Rs. 60 per kg as result anomalously situation has emerged. FBR now needs to consider downward revision in sales tax of Rs. 6 per kg fixed on the Government selling price. This measure will help sugar mills from financial hardship.

Ethanol Division

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

	Nine months ended June 30, 2017	Nine months ended June 30, 2016
	(Rupees in thousands)	
Sales	1,920,648	1,834,005
Cost of sales	(1,499,644)	(1,467,887)
Gross profit	421,004	366,118
Distribution cost	(78,418)	(75,918)
Administrative expenses	(33,888)	(34,604)
Segment operating result	308,698	255,596

The operational data is given below:

Operational data

Operational performance	2016-17	2015-16
Production (M. Tons) - Unit I and II	27,234	27,056
Sales (M. Tons)	26,401	26,007

During the period under review, this division produced 27,234 M.Tons ethanol as compared to corresponding period of 27,056 M.Tons. The segment result shows positive increase of Rs. 53.102 millions.

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. 34.561 million as compared to loss of Rs. 36.594 million for the same period last year. The loss mainly represents the fixed expenses.

Bulk Storage Terminal

During the period under review this division earned a profit of Rs. 68.364 million as compared to profit of Rs. 67.286 million of last year. The improved performance of this division is mainly due to increase in rental and service income.



FUTURE PROSPECTS

The future outlook of sugar segment depends a lot on the selling prices of sugar which is weak at a moment. The ECC had allowed to exports 0.225 million metric tons of sugar in December 2016. Later, the ECC allowed an additional export of 0.2 million metric tons of sugar up to May 31, 2017.

Out of the total quantity of 0.425 million metric tons allowed for export by the ECC during the current crop year, a total of 0.391 million metric tons sugar quota has, so far, been allocated by State Bank of Pakistan.

In view of abundant surplus sugar stocks available in the country, the Ministry of Commerce was recommended to the ECC further export of 0.6 million metric tons of sugar, in addition to the 0.425 million metric tons already allowed for export, subject to the condition that the price stability in the domestic market is maintained. However, ECC as approved export of 0.3 million metric tons of sugar against the request of 0.6 million metric tons.

The price of ethanol is expected to be on the same level, Your Company is targeting growth industries to capture high prices.

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 to achieve more records this year. A'meen!

On behalf of Board of Directors

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director

Karachi: July 28, 2017



**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT JUNE 30, 2017**

		June 30, 2017 Un-audited (Rupees in thousand)	September 30, 2016 Audited
	Note		
ASSETS			
Non-Current Assets			
Property, plant and equipment	7	1,616,000	1,683,380
Investment property		316	342
Long term investments	8	842,874	200,420
Long term loans		588	1,249
Long term deposits		11,406	11,406
Deferred taxation	9	-	-
		2,471,184	1,896,797
Current Assets			
Stores and spares		149,202	151,437
Stock-in-trade	10	2,962,164	707,135
Trade debts		273,847	40,769
Loans and advances		67,983	77,910
Trade deposits and short term prepayments		27,044	7,931
Interest accrued		1,454	2,542
Other receivables		92,727	97,022
Short term investments	8.2	600	235,500
Income tax refunds due from the Government		83,851	37,523
Cash and bank balances	11	41,126	58,365
		3,699,998	1,416,134
Total Assets		6,171,182	3,312,931
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital		400,000	400,000
Issued, subscribed and paid-up capital		173,623	173,623
Reserves		2,554,921	2,161,485
Shareholders' equity		2,728,544	2,335,108
Non - Current Liabilities			
Deferred liability		80,707	74,116
Current Liabilities			
Trade and other payables		690,064	874,194
Accrued mark-up		35,736	1,030
Short term borrowings	12	2,623,285	15,637
Provision for taxation		12,846	12,846
		3,361,931	903,707
Contingencies and Commitments	13	-	-
Total Equity and Liabilities		6,171,182	3,312,931

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director

Zuhair Abbas
Chief Financial Officer



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT(UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2017**

		Nine Months Ended		Quarter Ended	
		June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
		(Rupees in thousand)			
Sales	14	4,026,638	4,589,053	1,420,783	2,829,181
Cost of sales		(3,532,888)	(3,926,795)	(1,346,626)	(2,447,001)
Gross profit		493,750	662,258	74,157	382,180
Profit from other reportable segments - net		33,803	30,692	12,037	10,297
		527,553	692,950	86,194	392,477
Distribution cost		(96,698)	(86,113)	(45,249)	(36,263)
Administrative expenses		(85,247)	(87,041)	(25,801)	(28,887)
Other operating expenses		(13,658)	(35,948)	1,133	(25,201)
		(195,603)	(209,102)	(69,917)	(90,351)
Operating profit		331,950	483,848	16,277	302,126
Finance cost		(81,983)	(82,940)	(44,344)	(31,156)
Other income		13,589	25,998	7,009	(13,124)
Profit before taxation		263,556	426,906	(21,058)	257,846
Taxation		(47,793)	(68,017)	(8,153)	(49,009)
Profit after taxation		215,763	358,889	(29,211)	208,837
Earnings per share - Basic and diluted		12.43	20.67	(1.68)	12.03

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director

Zuhair Abbas
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2017**

	Nine Months Ended		Quarter Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	(Rupees in thousand)			
Profit after taxation	215,763	358,889	(29,211)	208,837
Other comprehensive income for the period				
Items to be classified to profit and loss account in subsequent period				
Unrealized gain / (loss) on remeasurement of available for sale investments	333,934	(5,085)	(47,373)	18,231
Total comprehensive income / (loss) for the period	549,697	353,804	(76,584)	227,068

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director


Zuhair Abbas
Chief Financial Officer




**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2017**

		Nine Months Ended	
	Note	June 30, 2017	June 30, 2016
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated			
from operations	15	(2,241,840)	233,571
Finance cost paid		(47,277)	(70,240)
Income tax paid		(94,121)	(53,513)
Long term loans recovered - net		661	(435)
Long term deposits paid		-	(3)
		(140,737)	(124,191)
Net cash (used in) / generated from operating activities		(2,382,571)	109,380
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred			
on fixed assets		(20,501)	(13,049)
Proceeds from disposal of			
property, plant and equipment		1,172	1,480
Long term investments made		(73,620)	-
Interest / markup received		3,030	2,545
Dividend received		2,326	8,753
Net cash used in investing activities		(87,593)	(271)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(154,723)	(269,215)
Proceeds from short term borrowings - net		2,607,648	149,646
Net cash generated from / (used in) financing activities		2,452,925	(119,569)
Net decrease in cash and cash equivalents		(17,239)	(10,460)
Cash and cash equivalents at beginning of the period		58,365	41,740
Cash and cash equivalents at the end of the period		41,126	31,280

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.


Shunaid Qureshi
Chief Executive Officer


Asim Ghani
Director


Zuhair Abbas
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED JUNE 30, 2017

	RESERVES							Total Shareholder's Equity	
	Revenue reserves			Capital reserves			Total Reserves		
	Issued, subscribe and paid-up capital	General reserve	Unappropriated profit	Sub total	Gain/(loss) on remeasurement of				
					Retirement benefit obligation	Available Sale investment			
Balance as at October 1, 2015	173,623	1,458,000	601,791	2,059,791	35,774	(41,140)	(5,366)	2,054,425	2,228,048
Total comprehensive income for the period	-	-	358,889	358,889	-	-	-	358,889	358,889
Profit for the period	-	-	358,889	358,889	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	(5,085)	(5,085)	(5,085)	(5,085)
Unrealized loss on remeasurement of available for sale investments	-	-	-	358,889	-	-	(5,085)	353,804	353,804
Transactions with owners	-	-	-	-	-	-	-	-	-
Interim Dividend 2015: Rs.6.50 per share	-	-	(112,855)	(112,855)	-	-	-	(112,855)	(112,855)
Final Dividend 2015: Rs. 3.50 per share	-	-	(60,768)	(60,768)	-	-	-	(60,768)	(60,768)
Interim Dividend 2016: Rs.5.00 per share	-	-	(86,812)	(86,812)	-	-	-	(86,812)	(86,812)
Balance as at June 30, 2016	173,623	1,458,000	873,868	2,331,868	35,774	(46,225)	(10,451)	2,604,335	2,620,435
Balance as at October 1, 2016	173,623	1,458,000	625,616	2,083,616	52,576	25,293	77,869	2,161,485	2,335,108
Total comprehensive income for the period	-	-	215,763	215,763	-	-	-	215,763	215,763
Profit for the period	-	-	215,763	215,763	-	-	-	215,763	215,763
Other comprehensive income for the period	-	-	-	-	-	333,934	333,934	333,934	333,934
Unrealized gain on remeasurement of available for sale investments	-	-	-	-	-	333,934	333,934	549,697	549,697
Transactions with owners	-	-	215,763	215,763	-	-	-	-	-
Final Dividend 2016: Rs. 4 per share	-	-	(69,449)	(69,449)	-	-	-	(69,449)	(69,449)
Interim Dividend 2017: Rs. 5 per share	-	-	(86,812)	(86,812)	-	-	-	(86,812)	(86,812)
Balance as at June 30, 2017	173,623	1,458,000	685,118	2,143,118	52,576	359,227	411,803	2,554,921	2,728,544

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director

Zuhair Abbas
Chief Financial Officer



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2017**

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 Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). 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, 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 and the matter of its recommencement will be reviewed when these conditions are improved.

1.3 Farm operations is a distinguishable business segment as per the criteria specified in International Financial Reporting Standard - 8 "Operating Segment", but it is substantially below the threshold mentioned for reportable segment under IFRS- 8, therefore, farm operations is not classified as reportable segment.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the nine months ended June 30, 2017 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 This condensed interim financial information has 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 This 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, 2016, 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, 2017.



3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, applied in the preparation of this 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, 2016.

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, 2016.

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, 2016.

5 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND AND POST RETIREMENT BENEFITS

Provision in respect of income taxes, Workers' Profit Participation Fund and post retirement benefits are estimates 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, 2017	Audited September 30, 2016
(Rupees in thousand)	

7 PROPERTY, PLANT AND EQUIPMENT

Additions

Plant and machinery	18,648	-
Vehicles	1,176	13,703
Office equipment	677	2,717
Computers	-	330

Disposal

Vehicle - at cost	2,487	9,662
Free hold land - at cost	-	23

8 LONG TERM INVESTMENTS

Available for sale investments - in Quoted shares at fair value

- Related party - Hum Network Limited	53	54
- Others	842,821	200,366
	<u>842,874</u>	<u>200,420</u>



8.1 During the year, the Company has exercise right issue of Aisha Steel Mills Limited at the rate Rs. 16 per share and Power Cement Limited at the rate of Rs. 12.5 per share. The Company has received 3,398,800 shares of Aisha Steel Mills Limited and 1,539,061 shares of Power Cement Limited.

8.2 On October 01, 2016, short term investments amounting to Rs. 234.9 million have been reclassified from fair value through profit or loss account to available for sale investments classified under long term investments due to the fact that the management intends to hold these investments for a long term period which is also evident from the fact that there has been no disposal from these investment since last two years. The reclassification has been accounted for prospectively in accordance with the requirements of IFRS.

8.2.1 Out of total unrealized gain amounting to Rs. 333.934 million on remeasurement of available for sale investments recognized in other comprehensive income, Rs. 91.729 million would have been recognized in profit or loss account had there been no reclassification as discussed above.

Un-audited June 30, 2017	Audited September 30, 2016
(Rupees in thousand)	

9 DEFERRED TAXATION

Deferred tax liability arising in respect of :

Accelerated tax depreciation for tax purposes	(249,849)	(252,739)
Less: Deferred tax asset arising in respect of:		
Available tax losses	156,197	163,849
Minimum tax	147,991	133,471
Provisions	37,653	37,698
	<u>341,841</u>	<u>335,018</u>
	91,992	82,279
Less: Deferred tax asset not recognized 9.1	<u>(91,992)</u>	<u>(82,279)</u>
	<u>-</u>	<u>-</u>

9.1 Deferred tax asset as at June 30, 2017 amounting to Rs. 91.992 (September 30, 2016: Rs. 82.279) million has not been recognized as the Company does not expect sufficient taxable profits in foreseeable future against which such benefits can be utilized.

Un-audited June 30, 2017	Audited September 30, 2016
(Rupees in thousand)	

10 STOCK-IN-TRADE

Raw materials	1,019,101	219,108
Work-in-process	4,897	2,972
Finished goods	<u>1,938,602</u>	<u>485,635</u>
	<u>2,962,600</u>	<u>707,715</u>
Provision for finished goods	(436)	(580)
	<u>2,962,164</u>	<u>707,135</u>

10.1 Value of stock of raw material and finished goods pledged as at June 30, 2017 amounting to Rs. 1.944 (September 30, 2016 Rs. 0.1) billion.

Finished goods include stock items valued at net realizable value (NRV) amounting to Rs. 1,637.650 (September 30, 2016 Rs. 16.033) million as against their cost amounting to Rs. 1,746.431 (September 30, 2016 Rs. 18.179) million respectively.



		Un-audited June 30, 2017 (Rupees in thousand)	Audited September 30, 2016 (Rupees in thousand)
11	CASH AND BANK BALANCES		
	Cash in hand	1,250	1,173
	Cash at banks		
	Current accounts	32,210	20,983
	Saving accounts	7,666	36,209
		<u>39,876</u>	<u>57,192</u>
		<u>41,126</u>	<u>58,365</u>
11.1	This includes an amount of Rs. 0.261 (September 30, 2016: 29.727) million under an arrangement permissible under shariah.		
		Un-audited June 30, 2017 (Rupees in thousand)	Audited September 30, 2016 (Rupees in thousand)
12	SHORT TERM BORROWINGS		
	From banking companies - secured		
	Under Mark up arrangements		
	Cash / running finances	12.1 1,813,286	15,637
	Export refinance	810,000	-
		<u>2,623,286</u>	<u>15,637</u>
12.1	It includes borrowing under Shariah mode of financing amounting to Rs. 632.280 (September 30, 2016: Rs. nil) million.		
12.2	The available aggregate finance facilities (short term funded) amounted to Rs. 4.110 (September 30, 2016: Rs. 3.81) billion which have been arranged from various commercial banks out of which Rs. 3.110 (September 30, 2016: Rs. 2.885) billion are with export refinance and foreign exchange 25, out of total export refinance limit, Rs. 2.825 (September 30, 2016: Rs. 2.6) billion are interchangeable. The short term financing facilities are secured against hypothecation of current assets, pledge of stock and hypothecation over present and future property, plant and equipment of the Company. Cash / running finance carry mark-up ranging from 1 to 6 months KIBOR plus 0.75% to 1.75% (September 30, 2016: 1 to 3 months KIBOR plus 1% to 1.5%) per annum payable quarterly in arrears or upon maturity and Export refinance carry mark up of SBP specified rate plus 1 % (September 30, 2016 : SBP specified rate plus 1%).		
13	CONTINGENCIES AND COMMITMENTS		
13.1	Contingencies		
13.1.1	The matter of quality premium payable to sugarcane growers continues to be pending with the Honorable Supreme Court of Pakistan since the year 2004 after it granted leave to defend on the question of issue of quality premium. The Apex court also ordered that no coercive action for recovery of quality premium shall be taken against the mills till the case is decided. It also holds the view that uniform formula being developed by MINFAL for mills and cane growers would be applicable prospectively. In view of the above, the Company has not recorded any aggregate liability of Rs. 158.716 (September 30, 2016: Rs. 153.115) million.		
13.1.2	There were no major changes in the status of other contingencies as reported in the annual financial statements for the year ended September 30, 2016.		



13.2 Commitments

- a) Commitments in respect of letter of credit amount to Rs. 2.434 (September 30, 2016: Rs. 12.138) million.
- b) Bank guarantees of Rs. 54.6 (September 30, 2016: Rs. 54.6) million have been issued by the banking companies on behalf of the Company in favour of customers and suppliers.

14 SALES

	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Note	----- (Rupees in thousand) -----			
Sales - gross	14.1 4,244,018	4,821,196	1,473,954	2,971,862
Federal excise duty / Sales tax	(217,380)	(232,143)	(53,171)	(142,681)
	<u>4,026,638</u>	<u>4,589,053</u>	<u>1,420,783</u>	<u>2,829,181</u>

- 14.1 It includes exchange gain on proceeds against export of ethanol amounting to Rs. 3.074 (June 30, 2016: Rs. 4.542) million.

June 30, 2017 June 30, 2016
(Rupees in thousand)

15 CASH USED IN OPERATIONS

Profit before taxation	263,556	426,906
Adjustments for:		
Depreciation on property, plant and equipment	87,418	93,599
Depreciation on investment property	26	29
Gain on disposal of property, plant and equipment - net	(709)	(765)
Unrealized gain on short term investment carried at fair value through profit or loss	-	4,665
Mark-up on loan to growers	(1,942)	(929)
Dividend income	(1,949)	(8,753)
Income on term deposit receipts	(377)	(743)
Finance cost	81,983	82,940
Workers Welfare Fund	-	8,614
Workers Profit Participation Fund	13,658	22,669
Increase in deferred liability - market fee	6,591	5,609
	<u>184,699</u>	<u>206,935</u>
Cash generated from operating activities before working capital changes	<u>448,255</u>	<u>633,841</u>
(Increase) / decrease in current assets		
Stores and spares	2,235	(17,202)
Stock-in-trade	(2,255,029)	(814,264)
Trade debts	(233,078)	(127,264)
Loans and advances	9,927	(33,201)
Trade deposits and short term prepayments	(19,113)	(7,988)
Other receivables	4,295	7,837
	<u>(2,490,763)</u>	<u>(992,082)</u>
(Decrease) Increase / in current liabilities		
(Decrease) Increase / in trade and other payables	(199,326)	591,812
Net cash(used in)/ generated from operations	<u>(2,241,834)</u>	<u>233,571</u>



16 SEGMENT REPORTING

(Rupees in thousand)

	Nine Months Ended June 30,				
	2017	2016	2017	2016	2016
	Sugar		Ethanol		Total
Segment profit and loss account					
Sales	2,105,990	2,755,048	1,920,648	1,834,005	4,026,638
Cost of sales	(2,033,244)	(2,458,908)	(1,499,644)	(1,467,887)	(3,532,888)
Gross profit	72,746	296,140	421,004	366,118	662,258
Profit from other reportable segments - net					30,692
					692,950
Distribution cost	(18,280)	(10,195)	(78,418)	(75,918)	(86,113)
Administrative expenses	(51,359)	(52,437)	(33,888)	(34,604)	(87,041)
Operating segment results	3,107	233,508	308,698	255,596	519,796
Other operating expenses					(13,658)
Finance cost					(81,983)
Other income					13,589
Profit before taxation					263,556
Taxation					(47,793)
Profit after taxation					215,763
					358,889



	(Rupees in thousand)					
	Quarter Ended June 30,					
	2017	2016	2017	2016	2017	2016
	Sugar		Ethanol		Total	
Sales	453,543	1,810,110	967,240	1,019,071	1,420,783	2,829,181
Cost of sales	(601,838)	(1,590,470)	(744,788)	(856,531)	(1,346,626)	(2,447,001)
Gross profit	(148,295)	219,640	222,452	162,540	74,157	382,180
Profit from other reportable segments - net					12,037	10,297
					86,194	392,477
Distribution cost	(9,649)	(3,016)	(35,600)	(33,247)	(45,249)	(36,263)
Administrative expenses	(15,685)	(17,537)	(10,116)	(11,350)	(25,801)	(28,887)
Operating segment results	(173,629)	199,087	176,736	117,943	15,144	327,327
Other operating expenses					1,133	(25,201)
Finance cost					(44,344)	(31,156)
Other income					7,009	(13,124)
Taxation					(8,153)	(49,009)
Net profit for the period					(29,211)	208,837

[illegible]

**17 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 notes to the financial statement. Transactions with related parties are as follows:

	June 30, 2017	June 30, 2016
(Rupees in thousand)		
- associated companies		
Dividend income	-	1
Vehicle tracker system	315	-
Sale of ethanol and others	18,032	34,872
- other related parties		
Loan installments recovered from employees on behalf of Employees Gratuity Fund	5,528	4,104
Key management personnel		
Remuneration of Chief Executive Officer, Directors and Executives	46,347	58,042

The aggregate amount of perquisites incurred on Chairman's vehicle amounted to Rs. 0.298 (June 30, 2016: Rs. 0.216) million. The boarding and lodging expenses of Non-Executive Director amounting to Rs. 0.192 (2016: Rs. 0.120) million was incurred during the period.

During the period, the Company has paid dividend amounting to Rs. 101.790 (June 30, 2016: Rs. 150.469) million to Directors and Associates.

18 GENERAL

- Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.
- Corresponding figures have been re-arranged / reclassified, whenever considered necessary, for the purpose of comparison and better presentation.

19 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on July 28, 2017 by Board of Directors of the Company.

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director

Zuhair Abbas
Chief Financial Officer



کامیابیوں کے حصول کی کوششوں میں ہمارا معاون و مددگار ہو۔ (آمین)
منجانب بورڈ آف ڈائریکٹرز

شنید قریشی
چیف ایگزیکٹو آفیسر

عاصم غنی
ڈائریکٹر

کراچی: 28 جولائی 2017ء



بینک آف پاکستان کی طرف سے مختص کیے گئے شکر کے کوٹہ کی کل مقدار 0.391 ملین میٹرک ٹن ہے۔

ملک میں دستیاب مقدار میں اضافی اسٹاک شکر کے سلسلے میں، وزارت تجارت نے ECC سے مزید 0.6 ملین میٹرک ٹن شکر برآمدات کی سفارش کی تھی، مزید برآں 0.425 ملین میٹرک ٹن شکر علاقائی مارکیٹ میں قیمت کے استحکام کی شرط پر برآمد کرنے کی پہلے ہی اجازت دی جا چکی ہے۔ ECC نے 0.6 ملین میٹرک ٹن شکر کی برآمد کی سفارش کے بدلے میں 0.3 ملین میٹرک ٹن شکر برآمد کرنے کی اجازت دے دی ہے۔

ایٹھنا نول کی قیمتیں ایک ہی سطح پر برقرار رہنے کی توقع ہے، تاہم آپ کی کمپنی نے صنعت کی ترقی اور بلند قیمت حاصل کرنے کو ہدف بنایا ہوا ہے۔

بحیثیت مجموعی آپ کی کمپنی درپیش چیلنج سے بخوبی آگاہ ہے اور اپنی تمام تر صلاحیتوں کو استعمال کر کے اور لازمی اقدامات اٹھاتے ہوئے کمپنی کے تمام ڈویژن کی پیداوار اور کمپنی کا منافع بڑھانے کے لیے کوشاں ہے۔
اظہار تشکر

کمپنی اس بات پر پختہ یقین رکھتی ہے کہ اس کی کامیابی اس کے ملازمین کے عزم اور محنت کا نتیجہ ہے۔ ہم کمپنی کے ہر عملے و رکن کا مضبوط کارکردگی کی فراہمی پر ان کے کردار اور محنت کا اعتراف کرتے ہیں۔ ہم اپنے صارفین اور خریداروں کا بھی ہماری مصنوعات پر اعتماد اور مسلسل حمایت کا شکریہ ادا کرتے ہیں۔

ہم اپنے حصص یافتگان، بینکس اور مالیاتی اداروں کا بھی ان کی معاونت، رہنمائی اور ہمارے ادارے پر بھرپور اعتماد پر ان کا شکریہ ادا کرتے ہیں اور آنے والے ادوار میں ان کی سرمایہ کاری کے بہترین صلہ کو یقینی بنانے کے لئے اپنی بھرپور کوشش کے ساتھ پُر عزم ہیں۔ اللہ تعالیٰ اس سال بھی مزید



2015-16	2016-17	آپریشنل کارکردگی
27,056	27,234	پیداوار M ٹریٹ اور II
26,007	26,401	فروخت میٹرک ٹن

زیر جائزہ دور میں اس ڈویژن نے 27,234 میٹرک ٹن جبکہ گزشتہ دور میں 27,056 میٹرک ٹن پیداوار حاصل کی۔ اس حصہ کے نتائج 53.102 ملین روپے کا مثبت اضافہ ظاہر کرتے ہیں۔

پاور، کیمیکل اور بھرت ڈویژن

زیر جائزہ دور میں کیمیکل اور پاور ڈویژن بدستور معطل رہا اور اس حصہ کا خسارہ 34.561 ملین روپے جبکہ گزشتہ اسی دور 36.594 ملین روپے کے مقابلہ میں نقصان برداشت کرنا پڑا۔ نقصان کی بڑی وجہ مقررہ اخراجات تھے۔

بلک اسٹوریج ٹرمینل

زیر جائزہ دور میں اس ڈویژن نے 68.364 ملین روپے گزشتہ دور 67.286 ملین روپے کے مقابلہ میں منافع کمایا۔ اس ڈویژن کی بہتر کارکردگی کی وجہ بنیادی طور پر کرایہ اور سروس آمدنی میں اضافہ ہے۔

مستقبل کے امکانات

کمپنی کے مستقبل کا نقطہ نگاہ بیشتر طور پر شکر کی قیمت فروخت پر منحصر ہے جو اس وقت نا تو اں ہے۔ کیمینٹ کی اکنامک کوارڈینیشن کمیٹی (ECC) نے 0.225 ملین میٹرک ٹن شکر کی برآمدات کا کوٹہ دسمبر 2016 میں مقرر کیا تھا۔ بعد ازاں ECC نے 31 مئی 2017 کو 0.2 ملین میٹرک ٹن شکر کی مزید برآمد کی اجازت دی تھی۔ موجودہ فصل کے دوران ECC نے کل مقدار میں سے 0.425 ملین میٹرک ٹن شکر کی برآمدات کی اجازت دی تھی جبکہ اب تک اسٹیٹ



اس مدت کے دوران چینی کی قیمت انتہائی کم سطح پر آگئی تھی جس کے نتیجے میں آپریٹنگ نتائج میں تیزی سے کمی واقع ہوئی ہے۔ حکومت نے خوردنی دانے درشکر کی قیمت ۶۰ روپے فی کلو ایس آر او بتاریخ ۲ ستمبر ۲۰۱۶ کے تحت مقرر کی ہے۔ نئی پیداوار اور اضافی اشاک نے قیمت فروخت کو متاثر کیا ہے جو ۶۰ روپے فی کلو کی حد سے بہت نیچے ہے۔ جس کے نتیجے میں غیر متوازن صورت حال پیدا ہوگئی ہے۔ اب فیڈرل بورڈ آف ریونیو کو اس بات کی ضرورت ہے کہ حکومت کے مقرر کردہ ۶ روپے فی کلو سیل ٹیکس میں کمی پر غور فرمائے۔ یہ اقدام شوگر ملوں کو مالیاتی مشکلات سے نبرد آزما ہونے میں مدد کریگا۔

استھانول یونٹ

استھانول یونٹ کی مالیاتی و آپریشنل کارکردگی درج ذیل ہے:

نوماہی مختتم	نوماہی مختتم	مالیاتی کارکردگی
30 جون 2016	30 جون 2017	
روپے ہزار میں	روپے ہزار میں	
1,834,005	1,920,648	فروخت
(1,467,887)	(1,499,644)	لاگت فروخت
366,118	421,004	خام منافع
(75,918)	(78,418)	منقسم لاگت
(34,604)	(33,888)	انتظامی اخراجات
255,596	308,698	رواں حصہ منافع

آپریشنل کوائف درج ذیل ہیں:



آپریشنل کارکردگی نتائج:
یونٹ کے اعتبار سے کارکردگی کے نتائج حسب ذیل ہیں:
شکر یونٹ
شکر یونٹ کی آپریشنل اور مالیاتی کارکردگی درج ذیل ہے:

نوماہی ختم 30 جون 2016	نوماہی ختم 30 جون 2017	مالیاتی کارکردگی
روپے ہزار میں	روپے ہزار میں	
2,755,048	2,105,990	فروخت
(2,458,908)	(2,033,244)	لاگت فروخت
296,140	72,746	خام منافع
(10,195)	(18,280)	منقسم لاگت
(52,437)	(51,359)	انتظامی اخراجات
233,508	3,107	رواں حصہ منافع

2015-16	2016-17	آپریشنل کارکردگی
23 نومبر 2015	14 نومبر 2016	موسم کے آغاز کی تاریخ
93	118	موسم کی مدت (دن)
560,786	659,154	کرشنگ (MT)
58,730	70,484	گنے سے پیداوار MT
54,952	40,015	فروخت (MT)
10.47	10.70	بحالی (%)



ڈائریکٹرز جائزہ رپورٹ

آپ کی کمپنی کے ڈائریکٹرز مکلف عبوری مالیاتی گوشوارے برائے 30 جون 2017 میں ختم شدہ نو ماہی کے لئے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

زیر جائزہ دور کا تقابل گذشتہ اسی دور کے تحت کمپنی کے مالی نتائج کا خلاصہ درج ذیل ہے:

نو ماہی ختم 30 جون 2016	نو ماہی ختم 30 جون 2017	
روپے ہزار میں	روپے ہزار میں	
483,848	331,950	جاری منافع
(82,940)	(81,983)	مالیاتی لاگت
400,908	249,967	
25,998	13,589	دیگر آمدن
426,906	263,556	منافع قبل از ٹیکس
(68,017)	(47,793)	ٹیکس
358,889	215,763	منافع بعد از ٹیکس
20.67	12.43	فی حصص آمدن روپے

زیر جائزہ دور میں آپ کی کمپنی نے 215.763 ملین روپے بعد از ٹیکس منافع کمایا جبکہ گذشتہ سال کے اسی دور میں یہ منافع 358.889 ملین روپے تھا۔



چیئر مین کی جائزہ رپورٹ

ڈیرٹھص یافتگان

مالیاتی سال 2016-17 کی تیسری سہ ماہی کے اختتام پر میں آپ کو خوش آمدید کہتا ہوں۔ العباس شوگر ملز لمیٹڈ میں اسٹیک ہولڈرز کے طور پر آپ نے اس کمپنی میں اپنی سرمایہ کاری کرتے ہیں اور ہمیں بھی بلند قدر کی تخلیق میں سہولت فراہم کرتے اور آپ ہم پر اعتماد کرتے ہیں جس پر ہم آپ کے تہہ دل سے شکر گزار ہیں۔

موجودہ عرصے کے دوران آپ کی کمپنی کو ریکارڈ شوگر کی پیداوار کے حصول کے لیے بہت سے اتار چڑھاؤ کا سامنا رہا ہے فی الوقت قیمت فروخت سال کی سب سے کم سطح پر چلی گئی ہے۔ تاہم بورڈ اور آپ کی کمپنی کی انتظامیہ اس سلسلہ میں درپیش چیلنجوں سے بخوبی آگاہ ہیں۔

آپ کا بورڈ اس بات کا ذمہ دار ہے کہ ادارے میں باہمی سطح سے درست روابط قائم کرے تاکہ کامیاب کاروبار اور طویل مدت پائیدار ترقی کی راہ فراہم کرنے کے لیے کاروباری ڈھانچے کی تشکیل کو یقینی بنایا جاسکے۔ آپ کا بورڈ ان اصولوں پر کاربند ہے جو آپ کے ڈائریکٹرز نے بورڈ کی قدر و قیمت کے تعین اور اسے یقینی بنانے کیلئے مقرر کیے ہیں۔

کمپنی کے تمام شعبہ جات میں درست معیار کے قیام اور اس کی اہمیت کے تحت ہم نے ضابطہ اخلاق، اقدار اور معیار جو کاروباری معاملات میں ہم توقع کرتے ہیں، کی نگہبانی کے لیے بہتر اسلوب انتظام کو نافذ کیا ہے جس کا مقصد صحت و تحفظ، ملازمین کے رویہ، اختلاف، مالیاتی کنٹرول اور کاروباری دیانت کے معیار کو قائم کرنا ہے۔

میں یقین رکھتا ہوں کہ مستقبل کے لئے ہم بہتر کاروباری مقام پر ہیں۔ میں اس موقع پر اپنے ڈیرٹھص یافتگان، ملازمین، مالیاتی ادارے اور دیگر اسٹاک ہولڈرز کا العباس شوگر ملز لمیٹڈ کو کامیابی کے مقام تک لے جانے کے لیے ان کی مسلسل معاونت اور شرکت پر ان کا بھرپور شکریہ ادا کرتا ہوں۔

محمد اقبال عثمان
چیئر مین

کراچی: 28 جولائی 2017