

1st Quarter
(December 31st, 2014)

Registered Office:

5 -Nasim, C.H.S, Major Nazir Bhatti Road,
Off Shaheed-e-Millat Road, Karachi

Designed by: A.Q Interactive 0321-4331235

1st Quarter
(December 31st, 2014)



MACCA GROUP

Abdullah Shah Ghazi
Sugar Mills Limited

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CORPORATE PROFILE**Board Directors**

Mr. Riaz Qadeer Butt (Chief Executive/ Director)

Muhammad Nawaz

Muhammad Rashid Rana

Atif Butt

Muhammad Talib

Yasir Iqbal

Shoukat Ali Butt

Audit Committee

Mr. Riaz Qadeer Butt (Director)

Muhammad Talib (Member)

Yasir Iqbal (Member)

Chief Financial Officer

Imran Mirza

Company Secretary

Malik Riaz Hussain

Internal Auditors

Riaz Ahmad , Saqib , Gohar and Company
Chartered Accountants

Auditors

Faruq Ali And Company
Chartered Accountants

Registrar

Central Depository Company of Pakistan,
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi, Pakistan.

Registered Office

5 -Nasim, C.H.S, Major Nazir Bhatti Road,
Off Shaheed-e-Millat Road, Karachi

Mill

Abdullah Shah, Ghaizabad Garho, District Thatta, Sindh.

Bankers

BankIslami Pakistan Limited

Summit Bank Limited

Bank Al-Falah Limited

Silk Bank Limited

MCB Bank Limited

Meezan Bank Limited

Habib Metropolitan Bank Limited

United Bank Limited

Allied Bank Limited

KASB Bank Limited

DIRECTOR REPORT

Dear Members,

On behalf of the Board, I am pleased to present un-audited Interim Financial Statements of the Company for the first quarter ended on December 31, 2014.

Highlights of the Company's performance for the first quarter with corresponding period of the last year is as under.

PARTICULAR	2014 - 2015	2013 - 2014
Season Started	12/15/2014	11/1/2013
Crushing Days	17	61
Cane Crushed (M.Tons)	37,585.476	45,761.228
Sales - Net (Rupees)	260,944,444	42,722,761
Cost of Sales (Rupees)	309,610,567	31,686,021
Net (Loss) (Rupees)	(76,885,635)	(14,906,514)

The sugar industry continued to be under pressure. The mismatch in price of raw material & sugar sale price resulting in the losses for the reporting period.

Acknowledgement

The Board would like to place on record its appreciation of all the employees of the company for their dedication and hard work.

Lahore:
February 28, 2015

CHIEF EXECUTIVE

CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2014

Notes	(UN-AUDITED) December 31, 2014	(AUDITED) September 30, 2014
LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 100,000,000 (2013:100,000,000) ordinary shares of Rs. 10/- each	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	792,616,660	792,616,660
Accumulated loss	(664,080,843)	(595,159,449)
	128,535,817	197,457,211
Surplus on revaluation of property, plant and equipment	566,757,428	574,721,669
NON-CURRENT LIABILITIES		
Long term loans - Unsecured	123,416,314	123,416,314
Retirement benefits obligation	5,241,170	5,319,134
Deferred liabilities	341,512,718	345,615,509
CURRENT LIABILITIES		
Accrued markup	82,099,942	76,362,100
Trade and other payables	1,779,446,753	1,534,046,976
Borrowing from banks - Secured	508,149,602	721,607,328
Provision for taxation - Net	7,634,696	6,484,468
	2,377,330,993	2,338,500,872
CONTINGENCIES		
	--	--
	3,542,794,440	3,585,030,709
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipments	1,949,139,463	1,900,957,525
Long term deposits	5,357,065	5,357,065
CURRENT ASSETS		
Stores and spares	279,485,006	279,070,919
Stock in trade	1,129,048,363	1,228,947,846
Advances, deposits and prepayments	171,152,389	159,309,032
Cash and bank balances	8,612,154	11,388,322
	1,588,297,912	1,678,716,119
	3,542,794,440	3,585,030,709

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

CHIEF EXECUTIVE

DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2014**

	31-Dec-14 RUPEES	31-Dec-13 RUPEES
Sales	260,944,444	42,722,761
Cost of Sales	309,610,567	31,686,021
Gross Profit	(48,666,123)	11,036,740
OPERATING EXPENSES		
Administrative and general expenses	7,431,628	4,994,176
Distribution expense	428,335	205,230
	7,859,963	5,199,406
Operating Profit	(56,526,086)	5,837,334
Finance cost	23,912,426	25,164,996
	23,912,426	25,164,996
Profit for the 1st quarter	(80,438,512)	(19,327,662)
Other Income	754,808	1,574
Profit before taxation	(79,683,704)	(19,326,088)
Provision for taxation		
Current	(1,304,722)	(213,614)
Deferred	4,102,791	4,633,188
	2,798,069	4,419,574
Profit after taxation	(76,885,635)	(14,906,514)
Earning Per Share- Basic and diluted	(0.97)	(0.19)

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

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2014**

	December 31, 2014 RUPEES	December 31, 2013 RUPEES
Profit for the period	(76,885,635)	(14,906,514)
Other Comprehensive income:		
Transfer from surplus on revaluation of property, plant and equipment	12,067,032	13,237,679
Related deferred tax	(4,102,791)	(4,633,188)
	7,964,241	8,604,491
Total comprehensive income for the 1st Quarter	(68,921,394)	(6,302,023)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF EXECUTIVE

DIRECTOR

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2014**

	31-Dec-14 RUPEES	31-Dec-13 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(79,683,704)	(19,326,088)
Adjustments for non cash and other items:		
Depreciation	21,115,293	22,249,585
Financial charges	23,912,426	25,164,996
	45,027,719	47,414,581
Cash flow before working capital changes	(34,655,985)	28,088,493
Movement in working capital (increase) / decrease in current assets		
Stores and spares	(414,087)	26,269,087
Stock in trade	99,899,483	(231,832,346)
Advances, deposits and prepayments	(11,843,357)	(8,412,376)
Increase / (decrease) in current liabilities		
Trade and other payables	245,399,781	349,574,959
	333,041,820	135,599,324
Cash (used) in operations		
Payments for:		
Taxes	(154,494)	(864,667)
Financial charges	(18,174,588)	(28,129,015)
Gratuity	(77,964)	(220,000)
	(18,407,046)	(29,213,682)
Net cash used from operating activities	279,978,789	134,474,135
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(69,297,231)	(37,555,927)
Net cash used in investing activities	(69,297,231)	(37,555,927)
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings - Net	(213,457,726)	(57,180,830)
Net cash generated from financing activities	(213,457,726)	(57,180,830)
Net decrease in cash and cash equivalent	(2,776,168)	39,737,378
Cash and bank balances at the beginning of the period	11,388,322	4,875,446
Cash and bank balances at the end of the period	8,612,154	44,612,824

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

CHIEF EXECUTIVE

DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2014**

	Share capital	Accumulated loss Rupees	Total
Balance as at October 01, 2013	792,616,660	(697,947,398)	94,669,262
Issue of shares	--	--	--
Total comprehensive income for the year	--	(6,302,022)	(6,302,022)
Balance as at December 31, 2013	792,616,660	(704,249,420)	88,367,240
Balance as at October 01, 2014	792,616,660	(595,159,449)	197,457,211
Total comprehensive income for the period	--	(68,921,394)	(68,921,394)
Balance as at December 31, 2014	792,616,660	(664,080,843)	128,535,817

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

CHIEF EXECUTIVE

DIRECTOR

**NOTES TO THE FINANCIAL STATEMENTS (Un-Audited)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2014**

1) STATUTES AND NATURE OF COMPANY

- 1.1) The Company was incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February 11, 1990. The Company is listed on Karachi and Lahore Stock Exchanges. The Principal Business of the Company is manufacturing and selling of refined sugar. The Mill is located at Garbo Sindh.

2) SIGNIFICANT ACCOUNTING POLICIES

The accounting conventions, policies and methods of computation adopted and followed in the preparation of quarterly

3) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the international accounting standard (IAS) 34 "Interim Financial Reporting" and in compliance with the requirement of Section 245 of the Companies Ordinance 1984.

4) PROPERTY PLANT AND EQUIPMENTS

Fixed capital expenditure during the period amounting to Rs. 37,555,927 and no. Fixed assets disposed off during the period

5) LONG TERM LOANS:

		December 31, 2014 Rupees	September 30, 2014 Rupees
Sponsor's Loan	5.1	123,416,314	123,416,314
		<u>123,416,314</u>	<u>123,416,314</u>

5.1 Sponsor's Loan

The loan has been advanced by M/s Haq Bahu Sugar Mills (Pvt) Ltd which carries markup @ six months KIBOR plus 1%. This also include outstanding markup amounting to Rs. 60.64 million. Since the loan alongwith markup will not be repayable within next twelve months therefore the same has been classified as long term liability. The loan is subordinated to the short term finance facility obtained by the company.

6) CONTINGENCIES

There are no contingencies which need to be disclosed in the financial statements.

7) CORRESPONDING FIGURES

In order to comply with the requirements of the International Accounting Standard 34 "Interim Financial Reporting", balance

8) DATE OF AUTHORIZATION FOR ISSUE

These financial statements are authorized for issue on February 28, 2015 in accordance with the resolution of the Board of

9) GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR