

**FIRST QUARTERLY  
ACCOUNTS  
(UN-AUDITED)**

FOR THE PERIOD ENDED  
DECEMBER 31, 2021



**FARAN SUGAR MILLS LTD.**

# **CORPORATE** **INFORMATION**

**Date of Incorporation**

November 3, 1981

**Date of Commencement of Business**

November 25, 1981

**Board of Directors**

Muhammad Omar Amin Bawany	Chairman
Ahmed Ali Bawany	Chief Executive
Hamza Omar Bawany	
Bilal Omar Bawany	
Mohammad Altamash Bawany	
Ahmed Ghulam Hussain	
Irfan Zakaria Bawany	
Sheikh Asim Rafiq	NIT

**Audit Committee**

Irfan Zakaria Bawany	Chairman
Muhammad Omar Amin Bawany	Member
Hamza Omar Bawany	Member

**Human Resource & Remuneration Committee**

Irfan Zakaria Bawany	Chairman
Ahmed Ali Bawany	Member
Hamza Omar Bawany	Member

**Auditors**

Rahman Serfaraz Rahim Iqbal Rafiq  
Chartered Accountants

**Chief Financial officer & Company Secretary**

Muhammad Ayub

**Legal Advisor**

Ghulam Rasool Korai

**Bankers (Islamic Banking Division)**

Bank AL-Habib Ltd.  
AL-Baraka Islamic Bank Ltd.  
Bank AL-Falah Ltd.  
Dubai Islamic Bank Ltd.  
MCB Islamic Bank Ltd.  
Habib Metropolitan Bank Ltd.  
Meezan Bank Ltd.  
United Bank Ltd.  
Habib Bank Ltd.  
Askari Bank Ltd.  
Faysal Bank Ltd.  
Bank Islami Ltd.

**Share Registrar**

C&K Management Associates (PVT.) Ltd. 404,  
Trade Tower, Abdullah Haroon Road, Near  
Metropole Hotel, Karachi.  
Tel: (92-21) 35687639, 35685930

**Registered Office**

43-1-E (B), P.E.C.H.S. Block 6, off Razi Road,  
Karachi Phone: (92-21) 34322851-54  
UAN: 111-229-269  
Fax: (92-21) 32 42 10 10

**Mills**

Shaikh Bhirkio,  
Distt. Tando M. Khan.

**E-mail & Website**

info@faran.com.pk  
www.faran.com.pk

**Stock Exchange Symbol**

FRSM

**Registration Number**

Company Registration Number - K-161/6698  
National Tax Number – 0710379-4  
Sales Tax Number – 01-01-2303-005-82

# CHIEF EXECUTIVE REVIEW

## FOR THE PERIOD ENDED DECEMBER 31, 2021

Dear Shareholders,

By the grace of Almighty Allah, I present a brief review of the performance of your Company for the first quarter ended December 31, 2021

Financial results for the first quarter ended December 2021 are summarized as follows:

	Dec-2021 Rs. '000	Dec-2020 Rs. '000
Local Sale-Gross	2,566,427	1,176,948
Profit / (Loss) before taxation	181,478	(27,826)
Share of (loss) / profit from Associate-net	(13,583)	94,678
Profit before taxation	167,895	66,852
Less: Taxation	(27,765)	(15,452)
Profit after Taxation	140,129	51,399
Earnings per Share	5.60	2.06

Gross sales grew by 118% mainly due to higher volume, which is almost double, as well as increase in selling price as compared to the same corresponding period of last year. Consequently, gross profit swelled largely mainly due to sale of carry-over stock of previous season with healthy margins as explained in the previous review report. Finance cost increased by 56% to Rs. 42.4 million from Rs. 27.910 million due to increase in financing rate as well requirement of working capital. Operating expenses slightly decreased. Unicol Limited reported meagre profitability in the first quarter but profitability is expected to improve due to larger offtakes from 2<sup>nd</sup> quarter onwards. UniFood reported a loss causing decrease in bottom line by Rs. 36.99 as share of loss incorporated under equity method.

For ongoing season 2021-22, the support prices were fixed at Rs. 225 for per 40 kg for Punjab and Khyber Pakhtunkhwa and Rs. 250 for per 40 kg for Sindh; a huge difference of Rs.25 against historical difference of Rs. 2. However, sugar mills of Sindh challenged the notification of support price dated 7<sup>th</sup> December 2021 before the Honorable Sindh High Court which temporarily suspended the operation of impugned notification till next hearing.

In Pakistan, sugarcane production rises and falls in a 3-to-5-year cycle, depending on how the level of government support influences, farmers' planting decisions and on crop yields. From preceding season, the cycle continued with increased production of refined sugar and production for ongoing 2021-22 is estimated around 6.8 million metric tons against its domestic consumption of 6.2 million metric tons.

We started our mills on 19<sup>th</sup> November 2021 and, by the grace of Allah, our mills performance is quite satisfactory and we have produced 22,740 metric tons refined sugar by crushing 238,570 metric tons cane at the average rate of recovery above 10.3%.

We expect that our all cost saving projects will be operational in ongoing season and we will get maxim benefits from these projects, Insha Allah.

May Allah bestow the strength on us to continue our success, AMEEN!



Ahmed Ali Bawany  
Chief Executive

Karachi:  
January 28, 2021

چیف ایگزیکٹو کا جائزہ

31 دسمبر 2021 کو ختم ہونے والی مدت کے لیے

معزز شیئر ہولڈرز،

اللہ تعالیٰ کے فضل و کرم سے، میں آپ کی سہجی کی 31 دسمبر 2021 کو ختم ہونے والی پہلی سہ ماہی کی کارکردگی کا ایک مختصر جائزہ پیش کر رہا ہوں۔  
دسمبر 2021 کو ختم ہونے والی پہلی سہ ماہی کے مالی نتائج کا خلاصہ درج ذیل ہے:

Dec-2020 Rs. '000	Dec-2021 Rs. '000	
1,176,948	2,566,427	مجموعی فروخت - مجموعی
(27,826)	181,478	قبل از ٹیکس منافع (نقصان)
94,678	(13,583)	الٹو سی ایٹ سے (نقصان) / منافع کا حصہ - نیٹ
66,852	167,895	قبل از ٹیکس منافع
(15,452)	(27,765)	منفی: ٹیکس
51,399	140,129	بعد از ٹیکس منافع
2.06	5.60	نی شیئر آمدنی

مجموعی فروخت میں 118% اضافہ ہوا جس کی بنیادی وجہ زیادہ حجم ہے، جو تقریباً دو گنا ہے، اور ساتھ ہی گزشتہ سال کی اسی مدت کے مقابلے میں فروخت کی قیمت میں اضافہ ہے۔ نتیجتاً، مجموعی منافع میں اضافہ بنیادی طور پر پچھلے سیزن کے کیری اوور اسٹاک کی صحت مند راجن کے ساتھ فروخت کی وجہ سے ہوا ہے، جو اسی سال کے پچھلے جائزہ رپورٹ میں وضاحت کی گئی تھی۔ مالیاتی لاگت فی انسٹنگ کی شرح میں اضافے کے ساتھ ساتھ ورکنگ کیمپنل کی ضرورت کی وجہ سے 56 فیصد اضافے سے 27.910 ملین روپے سے بڑھ کر 42.4 ملین روپے ہو گئی۔ آپریٹنگ اخراجات قدرے کم ہوئے۔ یونیکول لمیٹڈ نے پہلی سہ ماہی میں معمولی منافع کا اعلان کیا۔ لیکن دوسری سہ ماہی سے زیادہ سیلز کی وجہ سے منافع میں بہتری کی توقع ہے۔ یونی فوڈ نے نقصان ظاہر کیا جس کی وجہ سے منافع میں 36.99 ملین روپے کی کمی واقع ہوئی۔

جاری سیزن 2021-2022 کے لیے پنجاب اور خیبر پختونخوا کے لیے 40 کلو 250 فی 40 کلو گرام اور سندھ کے لیے 225 روپے کم از کم سپورٹ مقرر کی گئی۔ 25 روپے کے تاریخی فرق کی وجہ سے سندھ کی شوگر ملوں نے 7 دسمبر 2021 کو سپورٹ پر اس کے نوٹیفیکیشن کو معزز سندھ ہائی کورٹ میں چیلنج کیا جس نے آئندہ سماعت تک غیر جانوبہ نوٹیفیکیشن کی کارروائی کو عارضی طور پر معطل کر دیا۔

پاکستان میں، گنے کی پیداوار 3 سے 5 سال کے ٹیکر میں بڑھتی اور گرتی ہے، یہ اس بات پر منحصر ہے کہ حکومتی امداد کی سطح کس طرح اثر انداز ہوتی ہے، کسانوں کے پودے لگانے کے فیصلوں اور فصل کی پیداوار پر۔ پچھلے سیزن سے، یہ سلسلہ ریٹائنڈ چینی کی بڑھتی ہوئی پیداوار کے ساتھ جاری رہا اور 2021-2022 کے لیے پیداوار کا تخمینہ لگ بھگ 6.8 ملین میٹرک ٹن ہے جبکہ اس کی گھریلو کھپت 6.2 ملین میٹرک ٹن ہے۔

ہم نے اپنی 19 ملٹن 2021 کو شروع کی اور اللہ کے فضل سے ہماری ملز کی کارکردگی کافی تسلی بخش ہے اور ہم نے 238,570 میٹرک ٹن گنے کی کریشنگ کر کے 22,740 میٹرک ٹن ریٹائنڈ چینی پیدا کی ہے جس کی اوسط شرح 10.3 فیصد سے زیادہ ہے۔

ہم امید کرتے ہیں کہ لاگت کی بچت کے ہمارے تمام منصوبے جاری سیزن میں کام کریں گے اور ہمیں ان منصوبوں سے زیادہ سے زیادہ فوائد حاصل ہوں گے، انشاء اللہ۔

اللہ ہمیں اپنی کامیابیوں کو جاری رکھنے کی توفیق عطا فرمائے، آمین۔



احمد علی بادانی

چیف ایگزیکٹو

کراچی: 28 جنوری 2022

**CONDENSE INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2021**

ASSETS	Note	Un-Audited Dec-2021	Audited Sep-21
----- Rupees -----			
<b>Non-current assets</b>			
Property, plant and equipment	5	2,193,542,988	2,184,228,749
Long term investments	6	1,082,960,051	1,086,731,311
Long term deposits		12,733,942	12,300,394
		<b>3,289,236,981</b>	3,283,260,454
<b>Current assets</b>			
Stores and spares		195,395,314	89,044,811
Stock in trade		1,067,735,501	1,046,274,285
Trade debts		298,794,121	143,904,042
Short term investments		1,345,009	1,370,259
Loans, advances, deposits, prepayments and other receivables		950,441,579	889,303,499
Taxation - net		92,344,349	107,298,074
Cash and bank balances		176,921,636	138,827,049
		<b>2,782,977,509</b>	2,416,022,019
<b>Total Assets</b>		<b>6,072,214,490</b>	5,699,282,473
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized capital		400,000,000	400,000,000
Issued, subscribed and paid up capital		250,069,550	250,069,550
<b>Capital reserve</b>			
Share premium		8,472,152	8,472,152
Surplus on re-measurement of investment		2,543,940	2,731,819
		<b>11,016,092</b>	11,203,971
<b>Revenue reserves</b>			
General reserve		49,952,868	49,952,868
Unappropriated profit		1,584,304,566	1,444,175,319
		<b>1,634,257,434</b>	1,494,128,187
		<b>1,895,343,076</b>	1,755,401,708
<b>Non-current liabilities</b>			
Long term finance		915,651,033	807,663,292
Deferred liabilities		366,166,660	369,734,702
		<b>1,281,817,693</b>	1,177,397,993
<b>Current liabilities</b>			
Trade and other payables		879,506,475	248,636,367
Accrued mark up		42,982,662	41,019,729
Current portion of long term finance		129,973,136	136,002,779
Unclaimed dividend		10,823,897	10,823,897
Short term finance - secured	7	1,831,767,550	2,330,000,000
		<b>2,895,053,720</b>	2,766,482,772
<b>Contingency and commitment</b>	8		
<b>Total equity and liabilities</b>		<b>6,072,214,490</b>	5,699,282,473

The annexed notes from 1 to 12 forms an integral part of these financial statements.

  
Ahmed Ali Bawany  
Chief Executive Officer

  
Muhammad Omar Bawany  
Chairman

  
Muhammad Ayub  
Chief Financial Officer

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2021**

	Quarter Ended Dec 31, 2021	Quarter Ended Dec 31, 2020
	----- Rupees -----	
Turnover - net	2,214,431,141	1,027,797,670
Cost of sales	(1,931,842,147)	(988,034,458)
<b>Gross profit</b>	<b>282,588,994</b>	<b>39,763,212</b>
Administrative expenses	(37,313,720)	(39,764,644)
Selling and distribution costs	(10,373,633)	(3,840,617)
	(47,687,353)	(43,605,261)
<b>Operating profit / (loss)</b>	<b>234,901,641</b>	<b>(3,842,049)</b>
Other income	2,601,399	3,331,978
Other expenses	(13,605,479)	(155,289)
	(11,004,080)	3,176,689
	223,897,560	(665,360)
Finance costs	(42,419,291)	(27,161,440)
	181,478,269	(27,826,800)
Share of (loss) / profit from equity accounted investments	(13,583,380)	94,678,655
<b>Profit before taxation</b>	<b>167,894,889</b>	<b>66,851,855</b>
Taxation	(27,765,642)	(15,452,845)
<b>Profit after taxation</b>	<b>140,129,247</b>	<b>51,399,010</b>
<b>Earnings per share - basic and diluted</b>	<b>5.60</b>	<b>2.06</b>

The annexed notes from 1 to 12 forms an integral part of these financial statements.

  
 Ahmed Ali Bawany  
 Chief Executive Officer

  
 Muhammad Omar Bawany  
 Chairman

  
 Muhammad Ayub  
 Chief Financial Officer

**STATEMENT OF COMPREHENSIVE INCOME - (UN-AUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2021**

	Quarter Ended Dec 31, 2021	Quarter Ended Dec 31, 2020
	----- Rupees -----	
<b>Profit after taxation</b>	<b>140,129,247</b>	<b>51,399,010</b>
Other comprehensive loss		
Items that will not be reclassified subsequently to profit or loss:		
Unrealized (loss) / gain on re-measurement of investment in certificates of B.F. Modaraba	<b>(187,879)</b>	<b>1,033,333</b>
<b>Total comprehensive income for the year</b>	<b><u>139,941,368</u></b>	<b><u>52,432,343</u></b>

The annexed notes from 1 to 12 forms an integral part of these financial statements.

  
 Ahmed Ali Bawany  
 Chief Executive Officer

  
 Muhammad Omar Bawany  
 Chairman

  
 Muhammad Ayub  
 Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY – (UN-AUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2021**

	Issued, subscribed and paid up capital	Capital reserves		Revenue Reserve		Total
		Share premium	Surplus on re- measurement of investment	General reserve	Unappropriated profits	
				Rupees		
<b>Balance as at October 1, 2020</b>	<b>250,069,550</b>	<b>8,472,152</b>	<b>1,134,849</b>	<b>49,952,868</b>	<b>1,814,834,493</b>	<b>2,124,463,912</b>
<b>Total comprehensive income for the quarter ended December 31, 2020</b>						
- Profit after taxation					51,399,010	51,399,010
- Other comprehensive income			1,033,333			1,033,333
			1,033,333		51,399,010	52,432,343
<b>Balance as at December 31, 2020</b>	<b>250,069,550</b>	<b>8,472,152</b>	<b>2,168,182</b>	<b>49,952,868</b>	<b>1,866,233,503</b>	<b>2,176,896,255</b>
<b>Total comprehensive income for the period ended September 30, 2021</b>						
- Loss after taxation					(422,058,184)	(422,058,184)
- Other comprehensive income			563,637			563,637
			563,637		(422,058,184)	(421,494,547)
<b>Balance as at September 30, 2021</b>	<b>250,069,550</b>	<b>8,472,152</b>	<b>2,731,819</b>	<b>49,952,868</b>	<b>1,444,175,319</b>	<b>1,755,401,708</b>
<b>Balance as at October 1, 2021</b>	<b>250,069,550</b>	<b>8,472,152</b>	<b>2,731,819</b>	<b>49,952,868</b>	<b>1,444,175,319</b>	<b>1,755,401,708</b>
<b>Total comprehensive income for the period ended December 31, 2021</b>						
- Profit after taxation					140,129,247	140,129,247
- Other comprehensive income			(187,879)			(187,879)
			(187,879)		140,129,247	139,941,368
<b>Balance as at December 31, 2021</b>	<b>250,069,550</b>	<b>8,472,152</b>	<b>2,543,940</b>	<b>49,952,868</b>	<b>1,584,304,566</b>	<b>1,895,343,076</b>

The annexed notes from 1 to 12 forms an integral part of these financial statements.

  
 Ahmed Ali Bawany  
 Chief Executive Officer

  
 Muhammad Omar Bawany  
 Chairman


  
 Muhammad Ayub  
 Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2021**

	Note	Quarter Ended Dec 31, 2021	Quarter Ended Dec 31, 2020
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>CASH GENERATED FROM OPERATIONS</b>			
<b>Profit before taxation</b>		167,894,889	66,851,855
Adjustments for:			
Depreciation		26,345,210	26,407,671
Share in loss / (profit) from equity accounted investments		13,583,380	(94,678,654)
Dividend income		(473,445)	(12,500)
Finance costs		42,419,291	24,630,798
Loss / (gain) on re-measurement of investments carried at fair value		25,250	(83,350)
		81,899,686	(43,736,035)
		249,794,575	23,115,819
<b>Working capital changes</b>			
Increase in stores and spares		(106,350,503)	(25,809,627)
Increase in stock in trade		(21,461,217)	(695,587,409)
(Increase) / Decrease in trade debts		(154,890,079)	66,571,254
Increase in loans, advances, deposits, prepayments and other receivables		(61,138,080)	(54,744,651)
Increase in trade and other payables		627,302,067	929,288,258
		283,462,188	219,717,825
Cash generated from operating activities		533,256,763	242,833,644
Taxes paid		(12,811,916)	(28,382,087)
Finance cost paid		(40,456,358)	(40,979,939)
Net cash generated from operating activities		479,988,489	173,471,618
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure		(35,659,447)	(67,632,140)
Investment in equity accounted investee		(10,000,000)	(27,732,925)
Dividend received		473,445	12,500
Long term deposits - net		(433,548)	(2,150,000)
Net cash used in investing activities		(45,619,550)	(97,502,565)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		-	(1,658)
Long term loans - net		101,958,098	(5,429,737)
Short term finance - net		(498,232,450)	(93,966,221)
Net cash used in financing activities		(396,274,352)	(99,397,616)
<b>Net decrease in cash and cash equivalents</b>		38,094,587	(23,428,563)
<b>Cash and cash equivalents at the beginning of the year</b>		138,827,049	160,261,980
<b>Cash and cash equivalents at the end of the year</b>		176,921,636	136,833,417
Cash and cash equivalents comprise of the following:			
Cash and bank balances	7	176,921,636	206,833,417
Short term running Musharika finance		-	(70,000,000)
		176,921,636	136,833,417

  
 Ahmed Ali Bawany  
 Chief Executive Officer

  
 Muhammad Omar Bawany  
 Chairman

  
 Muhammad Ayub  
 Chief Financial Officer

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2021

### 1 STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan on November 03, 1981 as a Public Limited Company and listed on Pakistan stock exchange. The principal business of the company is to manufacture and sale of white sugar. The mill is located at Sheikh Bhirkio, Distt. Tando Mohammad Khan Sindh. Registered office of the company is situated at 43-1-E(B), P.E.C.H.S. Block 6, Karachi.

#### 1.1 SEASONALITY OF OPERATIONS

Due to the seasonal availability of sugarcane, the production of sugar is carried out during the period of availability of sugar cane 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 annual financial statements.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

The condensed interim financial information are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Pakistan Stock Exchange. The condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. The condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2021.

The comparative condensed balance sheet, presented in this condensed interim financial information, as at September 30, 2021 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2021 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 for the quarter ended December 31, 2020 have been extracted from the condensed interim financial information for the quarter ended December 31, 2020.

#### 2.2 FUNCTIONAL AND PRESENTATION CURRENCY

This condensed interim financial statements is presented in Pakistani Rupee which is the Company's functional Currency

### SIGNIFICANT ACCOUNTING POLICIES

#### 3

These interim financial information have been prepared using the same accounting convention, basis of preparation and significant accounting policies as those applied in the preparation of the audited financial statements for the year ended September 30, 2021.

Amendments to certain accounting standards and new interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and do not have any impact on the accounting policies of the Company.

### 4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards which require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, 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. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing the 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 preceding published annual financial statements of the Company as at and for the year ended September 30, 2021.

	Note	Un-Audited Dec 31, 2021	Audited Sep 30, 2021
		Rupees	
<b>5</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating Fixed Assets	1,812,931,141	1,836,238,350
	Capital Work in Progress	380,611,847	347,990,399
		<b>2,193,542,988</b>	<b>2,184,228,749</b>
<b>5.1</b>	<b>Operating Fixed Assets</b>		
	Opening WDV	1,836,238,350	1,815,891,679
	Additions to fixed asset during the period		
	Plant and machinery	-	117,637,819
	Furniture and fixtures	73,000	-
	Office and mill equipment	-	3,999,619
	Vehicles	2,965,000	4,262,002
		<b>3,038,000</b>	125,899,440
	Disposals	-	(1,157,203)
	Depreciation for the period	(26,345,209)	(104,395,566)
		<b>1,812,931,141</b>	<b>1,836,238,350</b>
<b>5.2</b>	<b>Capital Work In Progress</b>		
	Opening balance	347,990,399	69,039,025
	Net Additions during the period	32,621,448	278,951,374
		<b>380,611,847</b>	<b>347,990,399</b>
<b>6</b>	<b>LONG TERM INVESTMENTS</b>		
	Equity accounted investment in Associates	1,076,566,141	1,080,149,522
	Available for sale investments	6,293,940	6,481,819
	Investment in subsidiary company	99,970	99,970
		<b>1,082,960,051</b>	<b>1,086,731,311</b>
<b>6.1</b>	<b>Equity accounted investments</b>		
	Unicol Limited	1,054,928,488	1,031,591,820
	Uni Energy Limited	20,308,524	20,228,698
	Uni Food Industries Limited	1,329,129	28,329,004
		<b>1,076,566,141</b>	<b>1,080,149,522</b>
<b>6.1.1</b>	Carrying amounts of these equity accounted investees are adjusted on the basis of share of profit of their un-audited financial statements for the quarter ended upto December 31, 2021		
<b>7</b>	<b>SHORT TERM FINANCE - SECURED</b>		
	This represents the availed amount of Islamic finance facilities provided by various banks. As at the reporting date, the aggregate limit of these available finances amounted to Rs. 4,700 million (Sep 2021: Rs. 5,200 million). These finances are secured against pledge of refined sugar and first pari passu charge on fixed assets of the Company including land, building and plant & machinery carrying profit at the rate of KIBOR + 0.50% to 1.0% per annum (Sep 2021: KIBOR + 0.50% to 1.0% per annum).		
<b>8</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
	<b>Contingencies</b>		
	There is no material change in the contingencies as disclosed in the published annual financial statement for the year ended September 30, 2021.		

**Commitments**

There is no material change in the commitments as disclosed in the published annual financial statement for the year ended September 30, 2021 except for capital expenditure contracted for but not yet incurred amounted to Rs. 275 million approximately (Sep 2021: Rs. 323 million).

**9 RELATED PARTY TRANSACTIONS**

Significant transactions with related parties during the period ended are as follows:

	Quarter ended	
	Dec 31, 2021	Dec 31, 2020
	Rupees	
<b>Transactions with Associate</b>		
Share of profit in associates - net of tax	23,336,667	92,678,654
Sale of goods	172,636,756	158,459,640
Investment	10,000,000	27,732,925
<b>Transactions with other related parties</b>		
Insurance premium	7,200,000	4,800,000
Provident fund contribution	1,458,285	1,296,306

All transactions with related parties were carried out on arm's length

	As at	
	Dec 31, 2021	Sep 30, 2021
	Rupees	
<b>Balances with related parties at the end of the period are as follows:</b>		
Due from / (to) Unicol Limited	(42,500,279)	694,965

**10 FINANCIAL RISK MANAGEMENT**

The company's financial risk management objectives and policies are consistent with that disclosed in the financial statements for the year ended September 30, 2021.

**11 AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue by the Board of Directors of the company at their meeting held on January 28, 2022.

**12 GENERAL**

- Figure have been rounded off to the nearest rupee.
- Figures, including comparatives, have been re-arranged and reclassified wherever necessary

  
Ahmed Ali Bawany  
Chief Executive Officer

  
Muhammad Omar Bawany  
Chairman

  
Muhammad Ayub  
Chief Financial Officer



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