

HASEEB WAQAS SUGAR MILLS LIMITED



Company Information

Board of Directors

1. Mr. Raza Mustafa
2. Mian Haseeb Ilyas
3. Mian Waqas Riaz
4. Mrs. Yasmin Riaz
5. Mrs. Zainab Waqas
6. Mrs. Shahzadi Ilyas
7. Mrs. Zakia Ilyas
8. Miss. Aqsa Riaz

Audit Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zakia Ilyas (Member)
3. Mrs. Yasmin Riaz (Member)

Company Secretary

Mr. Ansar Ahmed, FCA
Tel: 042-35917313
Email: cs@hwgc.com.pk

Auditors

M/s Qadeer & Company
Chartered Accountants
32-A, Lawrence Road, Lahore

Mills

Mouza Jagmal, Tehsil Jattoi
District. Muzaffargarh

Bankers

National Bank of Pakistan
Sindh Bank Limited
The Bank of Punjab

Chairman

Director/Chief Executive

Director

Director

Director

Director

Director

Director

Human Resource & Remuneration Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zainab Waqas (Member)
3. Mrs. Zakia Ilyas (Member)

Chief Financial Officer

Syed Mubashar Hussain Bukhari
Tel: 042-35917313
Email: hwgc@hwgc.com.pk

Registrar

Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore

Registered Office

06-F, Model Town, Lahore
Tel: 042-35917321-23
Fax: 042-35917317
Website: www.hwgc.com.pk

Legal Advisor

Muhammad Ahsan Khan
(Advocate)



DIRECTORS' REVIEW FOR THE FIRST QUARTER ENDED 31 DECEMBER 2021

Dear Members

The Directors of your Company take pleasure in presenting the un-audited accounts for the period ended 31 December 2021.

FINANCIAL RESULTS

The financial results of the company for the period under review are summarized as follows:

	For the period ended 31 December	
	2021	2020
	(Rupees)	
Net Sales	-	-
Gross (Loss)	(37,667,639)	(39,420,050)
Net (Loss) before tax	(82,429,842)	(88,430,477)
Net (Loss) after tax	(75,112,815)	(65,229,982)
Basic Earning per share	(2.32)	(2.01)

As per order of Supreme Court of Pakistan, we could not operate mills at current location hence incurred losses.

FUTURE OUTLOOK


The management of the Company moved an application to Ministry of Industries, under section 3 of the Punjab Industries (control and enlargement) Ordinance, 1963. The application has been turned down by Ministry of Industries. The management is also moving an petition against the same in Lahore High Court, Lahore.

ACKNOWLEDGEMENT

The Board of Directors deeply express their appreciation and pay their gratitude to sugarcane growers, valuable customers, shareholders, banks and Government departments for their continued support, trust, persistent co-operation and patronage which gives strength to pursue our corporate objectives with renewed vigor. The Board also acknowledges the valuable teamwork, devotion and dedication by the executives, employees and workers of the Company.

Lahore
29 January 2022

On behalf of the Board


(Mian Haseeb Ilyas)
Chief Executive



HASEEB WAQAS SUGAR MILLS LIMITED CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2021

CAPITAL AND LIABILITIES	Note	Dec 31, 2021	Sep 30, 2021
		Rupees	Rupees
Share Capital and Reserves			
Authorized capital			
35,000,000 (2016: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital		324,000,000	324,000,000
Loan from Directors		841,942,639	841,942,639
Capital Reserves			
Surplus on Revaluation of Property		1,303,136,595	1,323,260,805
Revenue Reserves			
Accumulated (loss) / Profit		(4,137,662,701)	(4,082,674,095)
		(1,668,583,466)	(1,593,470,651)
Non Current Liabilities			
Long term financing		496,102,697	-
Liability against assets subject to finance lease		-	-
Deferred liabilities		17,782,639	17,782,639
Deferred taxation		539,380,549	546,697,573
		1,053,265,885	564,480,212
Current Liabilities			
Trade and other payables		772,749,454	791,525,787
Markup on Loans and other Payables		1,083,827,219	1,011,317,540
Short term borrowings		656,516,437	656,462,763
Unclaimed dividend		1,443,972	1,443,972
Current portion of non current liabilities		1,156,084,945	1,652,187,642
		3,670,622,027	4,112,937,704
Contingencies and Commitments			
	4	-	-
		3,055,304,446	3,083,947,265
ASSETS			
Non Current Assets			
Property, plant and equipment	5	2,939,347,524	2,976,625,434
Long term deposits		490,000	490,000
		2,939,837,524	2,977,115,434
Current Assets			
Stores, spares and loose tools		55,892,796	55,892,796
Stock in Trade			
Advances, Deposits, Prepayments and other Receivables		57,684,067	49,209,513
Cash and bank balances		1,890,059	1,729,522
		115,466,922	106,831,831
		3,055,304,446	3,083,947,265

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

Mian Haseeb Ilyas
CHIEF EXECUTIVE.

Raza Mustafa
DIRECTOR.

Syed Mubashir Hussain Bukhari 3
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Unaudited)
FOR THE QUARTER ENDED DECEMBER 31, 2021

	Note	Un-audited	
		Dec 31, 2021	Dec 31, 2020
		Rupees	
Sales - Net	6	-	-
Cost of goods sold	7	37,677,639	39,420,050
Gross (loss)		(37,677,639)	(39,420,050)
Operating expenses:			
- Administrative and general expenses		2,806,671	2,632,008
		(40,484,310)	(42,052,058)
Other operating income		-	-
(Loss) from operation		(40,484,310)	(42,052,058)
Finance cost		41,945,532	46,378,419
(Loss) before taxation		(82,429,842)	(88,430,477)
Deferred Tax		7,317,027	23,200,496
(Loss)/ profit after taxation		(75,112,815)	(65,229,981)
Earning per share - basic		(2.32)	(2.01)

Mian Haseeb Ilyas
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Raza Mustafa
DIRECTOR.

Syed Mubashir Hussain Bukhari
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Unaudited)
FOR THE QUARTER ENDED DECEMBER 31, 2021

	Un-audited	
	Dec 31, 2021	Dec 31, 2020
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(82,429,842)	(88,430,477)
Adjustments for:		
- Depreciation	37,277,910	39,631,975
- Finance cost	41,945,532	46,378,419
	<u>79,223,442</u>	<u>86,010,394</u>
Operating (loss)/ profit before working capital changes	(3,206,400)	(2,420,083)
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	-	-
- Stock in trade	-	-
- Trade deposits and short term prepayments	(8,474,554)	4,059,921
Increase / (decrease) in current liabilities:		
- Trade and other payables	(18,776,333)	(31,155,711)
	<u>(27,250,887)</u>	<u>(27,095,790)</u>
Cash used in operations	(30,457,287)	(29,515,873)
Gratuity paid	-	-
Finance cost paid	30,564,147	30,564,276
	<u>106,860</u>	<u>1,048,403</u>
Net cash generated/ used in operating activities	106,860	1,048,403
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	-	-
	<u>106,860</u>	<u>1,048,403</u>
Net cash used in investing activities	106,860	1,048,403
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from long term loans - Net	-	-
Proceeds / (Repayment) from Lease Finance - Net	-	-
Proceeds / (Repayment) from directors' loan - Net	-	-
Proceeds / (Repayment) from short term borrowings - Net	53,674	-
	<u>53,674</u>	<u>-</u>
Net cash generated from/ used in financing activities	53,674	-
Net increase in cash and cash equivalents	160,534	1,048,403
Cash and cash equivalents at the beginning of the period	1,729,522	1,694,499
	<u>1,890,056</u>	<u>2,742,902</u>

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HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

FOR THE QUARTER ENDED DECEMBER 31, 2021

	Un-audited	
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
	Rupees	
(Loss) after taxation	(75,112,815)	(65,229,981)
Other comprehensive income	-	-
Total comprehensive (loss) for the period	<u>(75,112,815)</u>	<u>(65,229,981)</u>

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

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HASEEB WAQAS SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)
FOR THE QUARTER ENDED DECEMBER 31, 2021

	Issued	Loan	Surplus on	Accumulated	
	Subscribed and Paid up Capital	from Directors	Revaluation of Property, Plant & Equipments Rupees	Loss / Profit	Total
Balance as at September 30, 2020	324,000,000	841,731,639	1,387,378,418	(3,837,974,792)	(1,284,864,735)
Loss for the period	-			(65,229,282)	(65,229,282)
Increase / (Decrease in Directors Loan					-
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax			(20,124,210)	20,124,210	-
Balance as at December 31, 2020	324,000,000	841,731,639	1,367,254,208	(3,883,079,864)	(1,350,094,017)
Loss for the period	-			(243,587,634)	(243,587,634)
Increase in Directors Loan		211,000			211,000
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-		(43,993,403)	43,993,403	-
Balance as at September 30, 2021	324,000,000	841,942,639	1,323,260,805	(4,082,674,095)	(1,593,470,651)
Loss for the period	-			(75,112,815)	(75,112,815)
Increase / (Decrease) in Directors Loan					-
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-		(20,124,210)	20,124,210	-
Balance as at December 31, 2020	324,000,000	841,942,639	1,303,136,595	(4,137,662,700)	(1,668,583,466)

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

Mian Haseeb Ilyas
CHIEF EXECUTIVE

Raza Mustafa
DIRECTOR

Syed Mubashir Hussain Bukhari
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS.

FOR THE QUARTER ENDED DECEMBER 31, 2021

1 REPORTING ENTITY.

Haseeb Waqas Sugar Mills Limited ("the Company") was incorporated on 13 January 1992 as a Public Limited Company under the repealed Companies Ordinance, 1984. The Company's registered office is situated at 6-F Model Town, Lahore. The mill is situated at Mouza Jagmal Tehsil Jattoi District Muzafargarh. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacture and sale of refined sugar and its by-products.

2 BASIS OF PREPARATION

These financial statements are unaudited and are being submitted to share holders as required u/s 245 of Companies Ordinance, 1984. These have been prepared in accordance with the International Accounting Standard No. 34 "Interim Financial Reporting" as applicable in Pakistan and notified by Securities and Exchanges Commission of Pakistan (SECP) and shall be read in conjunction with the published audited financial statements for the year ended September 30, 2020.

3 ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of these financial statements are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended September 30, 2020.

4 CONTINGENCIES AND COMMITMENTS

4.1 There is no material change in the status of the contingencies and commitments reported in the annual financial statements for the year ended September 30, 2020.

5 PROPERTY, PLANT AND EQUIPMENT

	Unaudited	Audited
	Dec 31, 2021	Sep 30, 2021
	Rupees	
Opening written down value	2,976,625,434	3,135,153,667
Additions / (Deletions) during the period		
- Land	-	-
- Building	-	-
- Plant and machinery	-	-
- Other Assets	-	-
	-	-
	2,976,625,434	3,135,153,667
Depreciation for the period / year	(37,277,910)	(158,528,233)
	<u>2,939,347,524</u>	<u>2,976,625,434</u>



HASEEB WAQAS SUGAR MILLS LIMITED

	Unaudited	
	Dec 31, 2021	Dec 31, 2020
6 SALES - NET		
- Sugar	-	-
- Molasses	-	-
- Mud	-	-
Less: Sales tax and federal excise duty	-	-
	-	-
7 COST OF GOODS SOLD		
Raw materials consumed	-	-
Stores and spares consumed	255,874	307,929
Salaries, wages and other benefits	1,393,088	890,481
Repair and maintenance	78,494	6,600
Depreciation	35,950,183	38,215,040
Others	-	-
	<u>37,677,639</u>	<u>39,420,050</u>
Opening work in process	-	-
Closing work in process	-	-
	-	-
Cost of goods manufactured	<u>37,677,639</u>	<u>39,420,050</u>
Opening finished goods	-	-
Closing finished goods	-	-
	<u>37,677,639</u>	<u>39,420,050</u>

8 RELATED PARTY TRANSACTIONS

Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, key management personnel including Chief executive, Directors and Executives and Post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances are as follows:

8.1 Balances with related parties	Unaudited	Audited
	Dec 31, 2021	Sep 30, 2021
	Rupees	
Due to:		
Abdullah Sugar Mills Limited	654,312,373	654,258,699
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
Long term loan from directors	841,942,639	841,942,639
Due to related parties represents balances resulting from related party transactions entered into in ordinary course of business.		

9 AUTHORIZATION FOR ISSUE

These condensed interim financial statements are being authorized for issue by the Board of Directors of the Company on January 29, 2022.

10 GENERAL

- Comparative figures have been rearranged / reclassified wherever necessary to facilitate comparison.
- Figures have been rounded off to the nearest of rupees.

Mian Haseeb Ilyas
CHIEF EXECUTIVE.

Raza Mustafa
DIRECTOR.

Syed Mubashir Hussain Bukhari
CHIEF FINANCIAL OFFICER