

Jauharabad Sugar Mills Limited

**Condensed Interim Financial Statements
For Nine Months Ended
June 30, 2016**







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INFORMATION CORPORATE

BOARD OF DIRECTORS

MR. GHIAS UL HASSAN
MR. ATIF ZAHEER FAROOQI
MR. AMJAD BASHIR HUSSAIN
MR. SHAHRUKH TAIMOOR
MR. AAMIR BEG
MR. FARHAN ILYAS
MR. JAMAL AHMED

CHIEF EXECUTIVE

CPL NOMINEE
CPL NOMINEE
CPL NOMINEE
CPL NOMINEE

AUDIT COMMITTEE

MR. AMJAD BASHIR HUSSAIN
MR. FARHAN ILYAS
MR. AMJAD MAHMOOD

CHAIRMAN
MEMBER
MEMBER

COMPANY SECRETARY

MR. IMRAN ILYAS

AUDITORS

UHY HASSAN NAEEM & CO.
CHARTERED ACCOUNTANTS

HEAD INTERNAL AUDIT

SYED MUHAMMAD USMAN AFZAAL

BANKERS

FAYSAL BANK LIMITED
ALBARAKA BANK (PAKISTAN) LIMITED
MCB BANK LIMITED
ASKARI COMMERCIAL BANK LIMITED
SONERI BANK LIMITED
JS BANK LIMITED
MCB ISLAMIC BANK LIMITED

LEGAL ADVISOR


ALLIED LEGAL SERVICES

SHARE REGISTRAR

CORPLINK (PVT.) LIMITED

REGISTERED OFFICE

109-A, STREET # 3,
CAVALRY GROUND
LAHORE CANTT. PAKISTAN

 **MILLS**
JAUHARABAD
DISTRICT KHUSHAB.

FINANCIAL & OPERATING HIGHLIGHTS

Sales Revenue

2016

1.923

Rs. in Billion

2015

0.782

Rs. in Billion

Gross Profits

2016

11.80

Percentage

2015

10.59

Percentage

Interest Cover Ratio

2016

3.03

Ratio

2015

1.18

Ratio

Earning Per Share

2016

8.89

Rupees

2015

0.64

Rupees

Profit After Tax

2016

5.04

Percentage

2015

0.89

Percentage

Current Ratio

2016

1.21

Ratio

2015

1.14

Ratio

DIRECTORS' REVIEW

Dear Members, Assalam-O-Alaikum

On Behalf of the board of Directors and myself, I am pleased to present before you the un-audited financial statements of the company for the nine months ended June 30, 2016.

SECTOR OVERVIEW

Sugar industry, this year, has witnessed a relative stability of sugar prices all across the country and dispatches have also remained robust owing to in-season export permissions by the Government along with inordinate temperature especially during the summer season. The effect of changes in tax regime proceeding recent budget announcements has already been absorbed by the consumer market and is reflective in the current sale rates. Further, reported sugar stocks in the country are just adequate to cater for the demands till start of the next crushing season. Overall, outlook of the industry is expected to remain stable for the current season.

OPERATIONAL RESULTS

The current crushing season commenced on 30th November, 2015. Thereto, your mills have crushed 340,519 metric tons of sugarcane and produced 33,205 metric tons of sugar with an average sugar recovery of 9.75% during 95 days of its operations. As compared to last year's performance, the results reflect 34.59% increase in quantity crushed, a 35.57% increase in quantity of sugar produced with an average increase of 0.72% in sugar recovery and 2 days of additional operations. These figures may be attributable to the efforts put in by the management for the cultivation of approved varieties in the mills vicinity along with its endeavor to de-bottleneck the plant operationally.

FINANCIAL PERFORMANCE

In the current season, The Company has exported considerable amounts of its produced sugar that has resulted in 2.46 times growth in sales volume as compared to the last year's nine months performance. Corresponding expenses have been abridged by optimum utilization of available resources resulting in 11.80% of gross profits [June15: 10.59%], 8.09% operating profits [June15: 3.76%] and 5.04% profit after taxation [June15: 0.89%]. Total comprehensive income for the period is Rs. 122.319 million [June15: Rs. 27.87 million]. Financial performance has resulted in a profit of Rs. 8.89 per share as compared to EPS of Rs. 0.64 earned in the corresponding period of last year. This financial growth is mainly attributable to better sugar recovery, export of sugar under government policies, improvement in sugar prices and revenue contribution from by-products. The Company is current with its financial obligations and enjoys close cordial relationship with all the financial institutions it is dealing with.

The financial performance of your Company for nine months period ended June, 2016 compared to the same period last year is presented below:

| Particulars | Period ended 30th June | | % Change |
|-----------------------|------------------------|---------|-----------|
| | 2015-16 | 2014-15 | |
| Net Sales | 1,922.909 | 781.728 | 145.98% |
| Gross Profit | 226.976 | 82.789 | 174.16% |
| Operating Profit | 155.680 | 29.385 | 429.79% |
| Net Profit Before Tax | 108.662 | 14.761 | 636.14% |
| Net Profit After Tax | 96.944 | 6.944 | 1,296.08% |
| Earnings Per Share | 8.89 | 0.64 | 1,289.06% |

FUTURE PROSPECT

Going forward, The Company is optimistic about its volumetric growth in the current financial year. The Company's virtual debt-free financial position and free cash flows generated from its operations this year, shall ensure investments in future projects that shall in turn bring in further operational efficiencies and enhance the shareholders' value.

The Company is primarily focusing on value addition of its byproducts, making its processes more efficient, saving more bagasse from the system and reduction in the operational losses. The Company has already initiated to bring in new equipment as already summarized in the half yearly accounts.

10000

8000

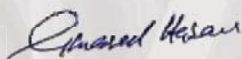
6000

4000

DIRECTORS' REVIEW

ACKNOWLEDGMENT

The board expresses compliments to all its valuable members, its shareholders and the bankers for their trust and support to The Company. The board also likes to place on record its appreciation to all the employees for their untiring efforts, dedication, diligence and support that has resulted in excellent growth of The Company.



GHAIS UL HASSAN
Chief Executive



CONDENSED INTERIM FINANCIAL STATEMENTS


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN AUDITED)

As at June 30, 2016

| | | Un-audited Note June 30, 2016 | Audited Sep. 30, 2015 |
|---|----|----------------------------------|--------------------------|
| (Rupees in thousands) | | | |
| NON-CURRENT ASSETS | | | |
| Fixed assets | 5 | 2,507,312 | 2,197,804 |
| Long term deposits | | 396 | 454 |
| | | 2,507,708 | 2,198,258 |
| CURRENT ASSETS | | | |
| Stores, spare parts and loose tools | | 58,028 | 78,047 |
| Stock-in-trade | | 192,453 | 59,088 |
| Loans and advances | | 36,105 | 44,268 |
| Trade Debts - <i>Unsecured Considered good</i> | | 28,962 | 116,518 |
| Trade deposits and short term prepayments | | 9,037 | 7,264 |
| Other receivables | 6 | 229,727 | 22,872 |
| Tax refunds due from the Government | | 67,218 | 51,021 |
| Short term investments | | - | 15,000 |
| Cash and bank balances | | 74,825 | 34,263 |
| Non current asset held for sale | | 123,636 | 123,636 |
| | | 819,991 | 551,977 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 203,507 | 261,871 |
| Accrued mark-up | | 15,443 | 12,917 |
| Short term borrowings | | 453,137 | 197,408 |
| Current portion of long term finances | 7 | 7,449 | 13,087 |
| | | 679,536 | 485,283 |
| WORKING CAPITAL EMPLOYED | | | |
| | | 140,455 | 66,694 |
| | | 2,648,163 | 2,264,952 |
| NON-CURRENT LIABILITIES | | | |
| Long term finances | 7 | - | 13,087 |
| Loan from associates | 8 | 309,006 | 325,106 |
| Long term advances | | 115,000 | 115,000 |
| Long term provision | | 1,309 | 1,309 |
| Deferred taxation | | 212,954 | 157,077 |
| | | 638,269 | 611,579 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 9 | - | - |
| NET CAPITAL EMPLOYED | | | |
| | | 2,009,894 | 1,653,373 |
| REPRESENTED BY: | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital (70,000,000 Ordinary shares of Rs. 10 each) | | 700,000 | 700,000 |
| Share capital | | 109,098 | 109,098 |
| Capital reserve - premium on right shares | | 26,879 | 26,879 |
| Share deposit money | | 577,710 | 577,710 |
| Revenue reserves: | | | |
| - General reserve | | 62,000 | 62,000 |
| - Accumulated losses | | (49,731) | (172,050) |
| | | 12,269 | (110,050) |
| | | 725,956 | 603,637 |
| SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX | | | |
| | 10 | 1,283,938 | 1,049,736 |
| | | 2,009,894 | 1,653,373 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial information

Date: July 28, 2016
Lahore


GHIAS UL HASSAN
Chief Executive


AMJAD BASHIR HUSSAIN
Director


CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the Nine months ended June 30, 2016

| | Note | Nine Months ended 30 June | | Quarter ended 30 June | |
|---|------|------------------------------|---------------|--------------------------|---------------|
| | | 2016 | 2015 | 2016 | 2015 |
| (Rupees in thousands) | | | | | |
| Sales | 11 | 1,922,909 | 781,728 | 704,765 | 240,534 |
| Cost of sales | 12 | 1,695,933 | 698,939 | 668,916 | 200,910 |
| Gross Profits | | 226,976 | 82,789 | 35,849 | 39,624 |
| OPERATING EXPENSES: | | | | | |
| Administrative expenses | | 66,290 | 50,455 | 20,877 | 13,045 |
| Distribution cost | | 5,006 | 2,949 | 2,036 | 1,309 |
| | | 71,296 | 53,404 | 22,913 | 14,354 |
| OPERATING PROFITS | | | | | |
| Finance cost | | (47,669) | (39,365) | (13,527) | (21,837) |
| Other income | | 651 | 24,741 | 1,141 | - |
| | | 108,662 | 14,761 | 550 | 3,433 |
| Taxation | 13 | (11,718) | (7,817) | (98) | (2,405) |
| PROFIT AFTER TAXATION | | 96,944 | 6,944 | 452 | 1,028 |
| Earnings per share - basic and dilutive (Rupees): | | 8.89 | 0.64 | 0.04 | 0.09 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial information

Date: July 28, 2016
Lahore


Ghias Ul Hassan
Chief Executive


Amjad Bashir Hussain
Director


CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For the Nine Months ended June 30, 2016

| | Nine Months ended 30 June | | Quarter ended 30 June | |
|--|------------------------------|---------------|--------------------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| | (Rupees in thousands) | | | |
| Profit after taxation | 96,944 | 6,944 | 452 | 1,028 |
| Other comprehensive income for the period | | | | |
| Incremental depreciation for the period | 25,375 | 20,934 | 14,142 | 10,780 |
| Total comprehensive profit for the period | 122,319 | 27,878 | 14,594 | 11,808 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial information

Date: July 28, 2016
Lahore


GHIAS UL HASSAN
Chief Executive


AMJAD BASHIR HUSSAIN
Director


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the nine months ended June 30, 2016

| | Nine Months period ended 30 June | |
|---|-------------------------------------|------------------|
| | 2016 | 2015 |
| (Rupees in thousands) | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 108,662 | 14,761 |
| Adjustments for: | | |
| Depreciation | 62,812 | 47,922 |
| Advances adjusted against sale of sugar | - | (43,500) |
| Finance cost | 47,669 | 39,365 |
| Markup written off | - | (24,741) |
| Profit before working capital changes | 219,143 | 33,807 |
| Working capital changes | | |
| Stores, spare parts and loose tools | 20,019 | 5,343 |
| Stock in trade | (133,365) | (649,400) |
| Loans and advances | 8,163 | (2,207) |
| Trade debts - <i>Unsecured Considered good</i> | 87,556 | - |
| Trade deposits and short term prepayments | (1,773) | 1,327 |
| Other receivables | (206,855) | - |
| Short term investments | 15,000 | - |
| Trade and other payables | (70,082) | 208,392 |
| | (281,337) | (436,545) |
| Cash used in operations | (62,194) | (402,738) |
| Financial cost | (45,143) | (11,278) |
| Taxes paid | (16,197) | (8,621) |
| Net cash used in operating activities | (123,534) | (422,637) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Addition to fixed assets | (56,866) | (19,160) |
| Long term deposits | 58 | - |
| Net cash used in investing activities | (56,808) | (19,160) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Long term finances | (18,725) | (10,179) |
| Short term borrowings | 255,729 | 623,246 |
| Loan from associates | (16,100) | 47,796 |
| Net cash generated from financing activities | 220,904 | 660,863 |
| Net increase in cash and cash equivalents | 40,562 | 219,066 |
| Cash and cash equivalents at beginning of the period | 34,263 | 7,346 |
| Cash and cash equivalents at the end of the period | 74,825 | 226,412 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial information

Date: July 28, 2016
Lahore


Ghias Ul Hassan
Chief Executive


Amjad Bashir Hussain
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the Nine Months ended June 30, 2016

| | Share capital | Share premium | Share deposit money | General reserve | Accumulated losses | Surplus on Revaluation | Total |
|---|---------------------|---------------|---------------------|-----------------|--------------------|------------------------|------------------|
| | Rupees in thousands | | | | | | |
| Balance as on October 01, 2014 | 109,098 | 26,879 | - | 62,000 | (194,861) | 1,067,426 | 1,070,542 |
| Total comprehensive gain for the period | - | - | - | - | 27,878 | - | 27,878 |
| Incremental depreciation for the period | - | - | - | - | - | (20,934) | (20,934) |
| Balance as on June 30, 2015 | 109,098 | 26,879 | - | 62,000 | (166,983) | 1,046,492 | 1,077,486 |
| Balance as on October 01, 2015 | 109,098 | 26,879 | 577,710 | 62,000 | (172,050) | 1,049,736 | 1,653,373 |
| Total comprehensive gain for the period | - | - | - | - | 122,319 | - | 122,319 |
| Incremental depreciation for the period | - | - | - | - | - | (25,375) | (25,375) |
| Revaluation Surplus | - | - | - | - | - | 259,577 | 259,577 |
| Balance as on June 30, 2016 | 109,098 | 26,879 | 577,710 | 62,000 | (49,731) | 1,283,938 | 2,009,894 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial information

Date: July 28, 2016

Lahore


Ghias Ul Hassan
Chief Executive


Amjad Bashir Hussain
Director

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For the nine months ended June 30, 2016

1. REPORTING ENTITY

Jauharabad Sugar Mills Limited ("the Company") was incorporated in Pakistan in 1968 under repealed Companies Act 1913 (now Companies Ordinance, 1984). The shares of the Company are listed on Pakistan Stock Exchange. The registered office of the Company is situated at 109-A, Street # 3, Cavalry Ground, Lahore Cantt, and the mill is located at Jauharabad, District Khushab, Pakistan. The principal activity of the Company is manufacturing and sale of sugar and its by-products.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The interim financial information of the Company for the nine months ended June 30, 2016 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. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures made in this interim financial information of the Company have, however, been limited based on the requirement of the International Accounting Standard 34 - Interim Financial Reporting thus these do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended September 30, 2015. These interim financial information are un-audited and are being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and Listing Regulations of Stock Exchange of Pakistan.

The comparative financial position presented in this interim financial information have been extracted from the audited financial statements of the Company for the year ended September 30, 2015, whereas the comparative condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the nine months ended June 30, 2015

2.2 Functional and presentation currency

The condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Company.

2.3 Critical accounting estimates and judgments

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those applied to the proceeding annual published financial statements of the Company for the year ended September 30, 2015.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies adopted for the preparation of this financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended September 30, 2015.

4. SEASONALITY OF OPERATIONS

The Company is inter-alia, engaged in manufacturing of sugar for which the season begins in November / December and ends in February / March. Therefore, majority of the expenses are incurred and production activities are undertaken in first half of the Company's financial year thus increasing volume of inventories and current liabilities at the end of the first half.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For the nine months ended June 30, 2016

| 5. FIXED ASSETS | Note | Un-audited June 30, 2016 | Audited Sep. 30, 2015 |
|---|-------|-----------------------------|--------------------------|
| (Rupees in thousands) | | | |
| Property, plant and equipment | 5.1 | 2,502,900 | 2,053,261 |
| Capital work-in-progress | | 4,412 | 144,543 |
| | | 2,507,312 | 2,197,804 |
| 5.1 Property, plant and equipment | | | |
| Opening written down value | | 2,053,261 | 1,922,075 |
| Additions during the period | 5.1.1 | 56,866 | 316,891 |
| Transfer from CWIP | | 140,131 | - |
| Transfer to non current assets held for sale | | - | (123,636) |
| Revaluation surplus | | 315,454 | - |
| | | 2,565,712 | 2,115,330 |
| | | (62,812) | (62,069) |
| | | 2,502,900 | 2,053,261 |
| Depreciation charged during the period / year | | | |

5.1.1 This includes addition made in buildings, plant and vehicles amounting Rs. 6.67 million, Rs. 44.61 million and Rs. 2.06 respectively.

6. OTHER RECEIVABLES

Other receivables includes receivable from government in respect of cash support on sugar exports during the period amounting to Rs. 206.76 million.

7. LONG TERM FINANCING - SECURED

| | | Un-audited June 30, 2016 | Audited Sep. 30, 2015 |
|---------------------------------|-----|-----------------------------|--------------------------|
| (Rupees in thousands) | | | |
| Opening balance | | 26,174 | 39,261 |
| Payments made during the period | | (18,725) | (13,087) |
| Balance | 7.1 | 7,449 | 26,174 |
| Current portion | | (7,449) | (13,087) |
| | | - | 13,087 |

7.1 This represents long term loan obtained from Faysal Bank Limited. This carries mark-up at the rate of 3 months KIBOR plus 150 basis points payable on quarterly basis. The said loan is secured against;

- i) First pari passu charge on fixed assets to the extent of Rs. 75 million and subordination of loan from associates.
- ii) First charge to the tune of Rs. 70 million on all present and future current assets of the Company.
- iii) Personal guarantee of sponsors.

The loan was to be repaid in 14 equal quarterly principal installments of which 3 quarterly installments are payable.

8. LOAN FROM ASSOCIATES

This represents interest free long term loan from sponsors / associates.

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For the nine months ended June 30, 2016

9. CONTINGENCIES AND COMMITMENTS

9.1 CONTINGENCIES

The followings are known contingencies as on June 30, 2016.

- 9.1.1 Since Federal Excise Duty (FED) is leviable on goods produced or manufactured, therefore FED is not leviable on sale of sugar produced prior to the Finance Bill 2011. Hence FED amounting to Rs. 58.881 million has not been accounted for in these financial statements. The Company has filed a writ petition in the Honourable Lahore High Court against FBR show cause notice dated 19-09-2012 against the demand of Rs. 58.881 million.
- 9.1.2 The Income Tax Department raised a demand of Rs. 197.075 million on account of non deduction of tax while making payment to sugar cane suppliers. The demand was abolished by the Commissioner of income tax like in some other similar cases. However, the department has filed an appeal against the Commissioner's order. The Company is hopeful that the tribunal decision would be in its favor.
- 9.1.3 The Company has filed a writ petition against the amendments of finance act 2014 on "Alternate Corporate taxes", implication on tax year 2013 of the Company against which a demand of Rs. 50.262 million has been established, the said amendments would not be implemented as the income realized was before the said amendments, amendments become applicable after July 01, 2014.
- 9.1.4 The Company has filed an appeal before ATIR against the rectification order passed by Deputy Commissioner Inland Revenue creating the demand of Rs. 6.59 million by raising the rate of minimum tax from 0.5% to 1% for the tax / assessment year 2011. Stay has been granted by ATIR against recovery of such demand.
- 9.1.5 The Company has filed an appeal before ATIR against the assessment order passed by Deputy Commissioner Inland Revenue creating FED / Sales Tax liability for Rs. 11.72 million for the tax periods July 2012 to June 2013. Stay has been granted by ATIR against recovery of such demand.

9.2 COMMITMENTS

Commitments in respect of capital expenditure at the period end is Rs. 46.77 million (September 30 2015; Rs. 14.36 million).

| 10. REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT - NET OF TAX | Un-audited June 30, 2016 | Audited Sep. 30, 2015 |
|---|-----------------------------|--------------------------|
| | (Rupees in thousands) | |
| Land | 816,219 | 675,381 |
| Buildings | 100,593 | 78,355 |
| Plant and machinery | 736,879 | 584,501 |
| | 1,653,691 | 1,338,237 |
| Less : Accumulated incremental depreciation | (130,049) | (94,863) |
| | 1,523,642 | 1,243,374 |
| Less: Deferred tax liability | | |
| Opening balance | 193,638 | 201,963 |
| Addition during the year | 55,877 | - |
| Incremental depreciation for the period /year | (9,811) | (8,325) |
| | 239,704 | 193,638 |
| | 1,283,938 | 1,049,736 |

- 10.1 The Company's land, buildings and plant and machinery were revalued by M/s Arch e Decon, on March 31, 2016, an independent valuator not connected with the Company and approved by Pakistan Banks' Association (PBA). The basis of revaluation is the "Average Market Price".

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For the nine months ended June 30, 2016

| 11. SALES | Note | Nine Months ended 30 June | | Quarter ended 30 June | |
|-----------------------|------|------------------------------|----------------|--------------------------|----------------|
| | | 2016 | 2015 | 2016 | 2015 |
| (Rupees in thousands) | | | | | |
| Local sales | | 967,777 | 781,728 | 704,765 | 240,534 |
| Export sales | 11.1 | 955,132 | - | - | - |
| | | 1,922,909 | 781,728 | 704,765 | 240,534 |

11.1 Export sales include the cash support from Government related to sugar exports at the rate of Rs. 13/Kg , total cash support receivable during the period amount to Rs. 206.76 million

| 12. COST OF SALES | Nine Months ended 30 June | | Quarter ended 30 June | |
|---|------------------------------|------------------|--------------------------|----------------|
| | 2016 | 2015 | 2016 | 2015 |
| (Rupees in thousands) | | | | |
| Raw material cane purchased and consumed | 1,602,734 | 1,164,758 | - | - |
| Salaries, wages and other benefits | 61,372 | 55,695 | 9,200 | 8,496 |
| Chemicals, fuel, lubes and packing material | 35,126 | 29,743 | - | - |
| Manufacturing expenses | 68,501 | 51,668 | 29,242 | 4,697 |
| Depreciation | 61,555 | 46,484 | 22,058 | 12,127 |
| | 1,829,288 | 1,348,348 | 60,500 | 25,320 |
| Work-in-process - (net) | 224 | 210 | 9 | (56) |
| Cost of goods manufactured | 1,829,512 | 1,348,558 | 60,509 | 25,264 |
| Opening stock of finished goods | 56,523 | 37,950 | 798,509 | 863,215 |
| Available for sale | 1,886,035 | 1,386,508 | 859,018 | 888,479 |
| Closing stock of finished goods | (190,102) | (687,569) | (190,102) | (687,569) |
| Cost of sales | 1,695,933 | 698,939 | 668,916 | 200,910 |

13. TAXATION

Provision for taxation for the period has been calculated as per the requirements of Section 113C of Income Tax Ordinance, 2001.

14. TRANSACTIONS WITH RELATED PARTIES

| | Un-audited | | Audited | |
|------------------------------------|------------------------------|------------------------------|---------------|--------|
| | June 30, 2016 | | Sep. 30, 2015 | |
| (Rupees in thousands) | | | | |
| Name | Relationship | Nature of transaction | | |
| Jauharabad Provident Fund | Post Employment benefit plan | Provident fund contribution | 980 | 631 |
| M/s Cane Processing (Pvt.) Limited | Holding Company | Receipts / repayment of loan | (16,100) | 47,896 |

NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For the nine months ended June 30, 2016

15. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with those disclosed in annual financial statements of the Company for the year ended September 31, 2015.

16. DATE OF AUTHORIZATION

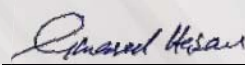
This condensed interim financial information was authorized for issue on July 28, 2016 by the Board of Directors of the Company.

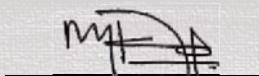
17. GENERAL

17.1 Figures of previous year have been re-arranged and reclassified wherever necessary for the purposes of comparison.

17.2 Figures have been rounded off to the nearest thousand rupees.

Date: July 28, 2016
Lahore


Ghias Ul Hassan
Chief Executive


Amjad Bashir Hussain
Director

Jauharabad Sugar Mills Limited

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