

AL-ABBAS SUGAR Mills
Limited



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COMPANY INFORMATION

BOARD OF DIRECTORS

Muhammad Iqbal Usman	Chairman
Shunaid Qureshi	Chief Executive Officer
Asim Ghani	Executive Director
Ali Jehangir Siddiqui	Director
Asma Aves Cochinwala	Director
Darakshan Ghani	Director
Duraid Qureshi	Director
Sayyed Rafay Akber Rashdi	Director
Suleman Lalani	Director

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Zuhair Abbas

AUDIT COMMITTEE

Sayyed Rafay Akber Rashdi	Chairman
Darakshan Ghani	Member
Duraid Qureshi	Member
Tariq Iqbal - ACA	Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Duraid Qureshi	Chairman
Asim Ghani	Member
Darakshan Ghani	Member
Sayyed Rafay Akber Rashdi	Member

STATUTORY AUDITORS

Haroon Zakaria & Co.	Chartered Accountants
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COST AUDITORS

Siddiqi & Company	Chartered Accountants
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BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Burj Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Pak Oman Investment Company Limited
SilkBank 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



DIRECTORS' REVIEW REPORT

The directors are pleased to present the condensed interim financial statements for the Quarter ended December 31, 2014.

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

	Quarter ended December 31, 2014	Quarter ended December 31, 2013
	(Rupees in thousands)	
Operating profit	59,597	34,388
Other income	<u>153,420</u>	<u>38,454</u>
	213,017	72,842
Finance costs	<u>(18,446)</u>	<u>(38,614)</u>
Profit before taxation	194,571	34,228
Taxation	<u>(14,823)</u>	<u>(11,871)</u>
Profit after taxation	<u>179,748</u>	<u>22,357</u>
Basic earnings per share (Rupees)	<u>10.35</u>	<u>1.29</u>

SUBSEQUENT EVENT AND DIVIDEND

The Board of Directors in their meeting held on January 03, 2015 and on January 29, 2015 has proposed 100% final cash dividend and 25% interim dividend for the year ended September 30, 2014 and for the period ended December 31, 2014. These condensed interim financial statements do not include the effect of final and interim dividends.

During the period under review, your Company has earned a profit after tax of Rs. 179.748 million as compared to the profit of Rs. 22.357 million of the corresponding period of last year. The main reason for increase in profit is on account of disposal of long term investment. The operating segment wise result are as follows:

Sugar Division

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

Financial performance	Quarter ended December 31, 2014	Quarter ended December 31, 2013
	(Rupees in thousands)	
Sales	864,693	682,942
Cost of sales	<u>(856,798)</u>	<u>(641,641)</u>
Gross profit	7,895	41,301
Distribution cost	(2,090)	(14,158)
Administrative expenses	<u>(15,642)</u>	<u>(17,397)</u>
Segment operating result	<u>(9,837)</u>	<u>9,746</u>



Operational performance

	2014-15	2013-14
Date of start of season	December 08, 2014	November 01, 2013
No. of days worked	24	61
Crushing (M. Tons)	150,382	271,130
Production from sugarcane (M.Tons)	14,747	24,740
Sales (M. Tons)	18,692	14,099
Recovery (%)	9.81	9.12

During the ensuing season, crushing started with little bit delay. Because there is a dispute over fixation of sugarcane price which are acceptable to both miller and grower. Keeping in view the current selling prices of both local and international market there is a high disparity between input cost of sugar as compare to its selling price. The Pakistan Sugar Mills Association Sindh (PSMA - Sindh) had filed a petition in the Honorable High Court of Sindh for determination of sugar price based on notified sugarcane price. The petition was dismissed by the Honorable High Court of Sindh. The Company through PSMA Sindh preferred to file an appeal in Honorable Supreme Court of Pakistan against the decision of Honorable High Court of Sindh. The hearings are in progress.

A lot has been determined on the result of this case as sugar selling prices are depressed both in local as well as in international market. The Government has allowed 650,000 M.T of export of sugar with cash subsidy of Rs. 8 per kg and freight subsidy of Rs. 2 per kg. However, so far not a single penny has been released against subsidy previously announced by ECC and huge amount against freight subsidy of sugar millers are stuck with the Government.

The plant operated for 24 days as against 61 days of preceding season. The sugarcane crushed during the current season was 150,382 M.Tons with average sucrose recovery of 9.81% and sugar production of 14,747 M.Tons as compared with crushing of 271,130 M.Tons with average sucrose recovery of 9.12% and sugar production of 24,740 M.Tons of same period last year.

Ethanol Division

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

	Quarter ended December 31, 2014 (Rupees in thousands)	Quarter ended December 31, 2013
Sales - net	576,466	379,724
Cost of sales	<u>(470,223)</u>	<u>(325,554)</u>
Gross profit	106,243	54,170
Distribution cost	(19,037)	(13,839)
Administrative expenses	<u>(10,404)</u>	<u>(11,315)</u>
Segment operating result	<u><u>76,802</u></u>	<u><u>29,016</u></u>

The operational data is given below:

Operational data

Operational performance	2014-15	2013-14
Production (M. Tons) - Unit I and II	3,730	3,357
Sales (M. Tons)	6,811	4,581



During the period under review, this division produced 3,730M.Tonsethanol as compared to corresponding period of 3,357M.Tons.The sales has been increased by 2230 M.T thus increased the turnover by Rs. 196.742 million and segment profit Rs. 47.786 million.

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. 14.028 million as compared to loss of Rs. 7.919 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. 21.079 million as compared to profit of Rs. 6.083 million of last year. The improved performance of this division is mainly due to full utilization of capacity.

FUTURE PROSPECTS

The sugar industry in Pakistan at present is in a difficult situation because of non-disposal of surplus and high prices of sugarcane.

The prices of ethanol are also plummeted because of decrease in international oil prices, however, the expected shipment of ethanol in upcoming quarters will add some advantages to current situation.

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.A'meen!

On behalf of Board of Directors

Shunaid Qureshi
Chief Executive Officer

Karachi: January 29, 2015

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2014**

	December 31, 2014 Un-audited Note	September 30, 2014 Audited
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	7 1,880,374	1,912,669
Investment property	411	422
Long term investments	155,138	212,271
Long term loans	1,167	1,353
Long term deposits	11,403	11,393
	<u>2,048,493</u>	<u>2,138,108</u>
CURRENT ASSETS		
Stores and spares parts	171,851	140,750
Stock-in-trade	1,082,687	1,435,926
Trade debts	62,489	41,997
Loans and advances	279,288	231,153
Trade deposits and short term prepayments	19,920	12,593
Accrued income	336	1,300
Other receivables	68,674	69,505
Short term investments	272,835	232,479
Income tax refunds due from the Government	59,354	76,016
Cash and bank balances	5,691	17,394
	<u>2,023,125</u>	<u>2,259,113</u>
Total Assets	<u>4,071,618</u>	<u>4,397,221</u>
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorized capital	<u>400,000</u>	<u>400,000</u>
Issued, subscribed and paid-up capital	173,623	173,623
Reserves	2,195,210	2,052,615
Shareholders' equity	<u>2,368,833</u>	<u>2,226,238</u>
NON - CURRENT LIABILITIES		
Deferred liability	64,366	62,862
	<u>64,366</u>	<u>62,862</u>
CURRENT LIABILITIES		
Trade and other payables	739,638	898,731
Accrued mark-up	11,472	16,953
Short term borrowings	847,190	1,143,227
Current maturity of non-current liabilities	27,273	36,364
Provision for taxation	12,846	12,846
	<u>1,638,419</u>	<u>2,108,121</u>
CONTINGENCIES AND COMMITMENTS		
Total Equity and Liabilities	<u>4,071,618</u>	<u>4,397,221</u>

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

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director



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

	Quarter Ended	
	December 31, 2014	December 31, 2013
	(Rupees in thousand)	
Sales	1,441,159	1,062,666
Cost of sales	(1,327,021)	(967,195)
Gross profit	<u>114,138</u>	<u>95,471</u>
Net profit from storage tank terminal	21,079	6,083
Net loss from chemical, alloys and power segment and fixed expenses due to suspension	<u>(14,028)</u>	<u>(7,919)</u>
	<u>121,189</u>	<u>93,635</u>
Distribution cost	(21,127)	(27,997)
Administrative expenses	(26,046)	(28,712)
Other operating expenses	(14,419)	(2,538)
	<u>(61,592)</u>	<u>(59,247)</u>
Operating profit	59,597	34,388
Other income	153,420	38,454
	<u>213,017</u>	<u>72,842</u>
Finance cost	(18,446)	(38,614)
Profit before taxation	194,571	34,228
Taxation	(14,823)	(11,871)
Profit after taxation	<u>179,748</u>	<u>22,357</u>
Earnings per share - Basic and diluted	<u>10.35</u>	<u>1.29</u>

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

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2014

	Quarter Ended	
	December 31, 2014	December 31, 2013
Profit after taxation	179,748	22,357
Other comprehensive income for the year		
Items to be classified to profit and loss account in subsequent period		
Unrealized gain on remeasurement of available for sale investments	42,240	7,247
Total comprehensive income for the period	<u>221,988</u>	<u>29,604</u>

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

Shunaid Qureshi
Chief Executive Officer


Asim Ghani
Director



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

Note	Quarter Ended	
	December 31, 2014	December 31, 2013
(Rupees in thousand)		
Cash flows from operating activities		
Cash generated from / (used in) operations	10 181,361	(605,757)
Finance cost paid	(23,927)	(40,372)
Income tax refund	1,839	(12,467)
Long term loans recovered	186	101
Long term deposits paid	(10)	(19)
	(21,912)	(52,757)
Net cash generated from / (used in) operating activities	159,449	(658,514)
Cash flows from investing activities		
Capital expenditure on property, plant and equipment	(211)	(12,448)
Proceeds from disposal of property, plant and equipment	550	-
Proceeds from disposal of long term investments	130,875	-
Interest/markup received	1,613	1,410
Dividend received	1,149	5,156
Net cash generated from / (used in) investing activities	133,976	(5,882)
Cash flows from financing activities		
Repayment of long term financing	(9,091)	(83,790)
Short term borrowings - net	(296,037)	584,916
Net cash (used in) / generated from financing activities	(305,128)	501,126
Net decrease in cash and cash equivalents	(11,703)	(163,270)
Cash and cash equivalents at beginning of the year	17,394	178,979
Cash and cash equivalents at the end of the period	5,691	15,709

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


Shunaid Qureshi
Chief Executive Officer


Asim Ghani
Director

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

	RESERVES							Total Shareholder's Equity
	Revenue reserves			Capital reserves				
	General reserve	Unappropriated profit	Sub total	Gain/(loss) on re-measurement of retirement benefit obligation	Unrealized gain/(loss) on re-measurement of AFS investment	Sub total	Total Reserves	
Balance as at October 1, 2013	1,458,000	329,573	1,787,573	20,431	821	21,252	1,808,825	1,982,448
Total comprehensive income for the period	-	22,357	22,357	-	7,247	7,247	29,604	29,604
Balance as at December 31, 2013	1,458,000	351,930	1,809,930	20,431	8,068	28,499	1,838,429	2,012,052
Balance as at October 1, 2014	1,458,000	540,914	1,998,914	23,621	30,080	53,701	2,052,615	2,226,238
Total comprehensive income for the period	-	179,748	179,748	-	42,240	42,240	221,988	221,988
Unrealised gain due to sale of available for sale investment transferred to profit and loss account	-	-	-	-	(79,393)	(79,393)	(79,393)	(79,393)
Balance as at December 31, 2014	1,458,000	720,662	2,178,662	23,621	(7,073)	16,548	2,195,210	2,368,833

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


Shunaid Qureshi
Chief Executive Officer


Asim Ghani
Director





**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2014**

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 Karachi Stock Exchange. 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 1.3)	*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. However, the management of the Company is in process of negotiation with K-Electric for resumption of power supply to them for which budgets have been approved by the Board of Directors. Tariff has been filed with NEPRA. Once tariff is approved by NEPRA, the management of the Company will place the Power Acquisition Contract and Tariff before the Board of Directors for their approval.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the quarter ended December 31, 2014 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 These condensed interim financial information have 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 These 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, 2014, 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 quarter ended December 31, 2013.

**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, 2014.

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, 2014.

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, 2014.

5 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND AND WORKERS' WELFARE FUND

Provision in respect of income tax, workers' profit participation fund and workers welfare fund are estimated 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 Audited
December September
31, 2014 30, 2014
(Rupees in thousand)

7 PROPERTY, PLANT AND EQUIPMENT

Additions		
Plant and machinery	-	6,119
Vehicles	60	4,123
Office equipment	151	294
Computers	-	206
Transferred from CWIP to operating assets		
Plant and machinery	-	86,181
Additions to CWIP		
Plant and machinery	-	37,851
Disposal		
Vehicle - at cost	523	3,826
Office equipment - at cost	-	522



	Un-audited December 31, 2014	Audited September 30, 2014
	(Rupees in thousand)	
8 LONG TERM INVESTMENTS		
Available for sale investments		
Investment in Related Party:		
HUM Network Limited		
4,500 (2014: 765,450) ordinary shares of Rs. 1 (Septembet 30, 2014: Rs. 10) each	66	99,432
Investment in other than Related Party:		
Power Cement Limited		
21,996,000 (2013: 21,996,000) ordinary shares of Rs. 10 each	<u>155,072</u>	<u>112,839</u>
	<u>155,138</u>	<u>212,271</u>
8.1	During the year, the Company has sold 765,000 shares of HUM Network Limited and received 4,050 shares due to subdivision of HUM Network Limited's capital by decreasing the face value share from Rs. 10/- to Rs. 1/- per share resulting in increase in number of share from 450 to 4500.	
9 CONTINGENCIES AND COMMITMENTS		
9.1 Contingencies	There were no major changes in the status of contingencies as reported in the annual financial statements for the year ended September 30, 2014.	
9.2 Commitments	Commitments in respect of letter of credit amounts to Rs. 2.674 million (September 30, 2014: Rs. 3.655 million).	
	There were no changes in Bank guarantees as reported in the annual financial statements for the year ended September 30, 2014.	
	December 31, 2014	December 31, 2013
	(Rupees in thousand)	
10 CASH GENERATED FROM / (USED IN) OPERATIONS		
Profit before taxation	194,571	34,228
Adjustments for:		
Depreciation on property, plant and equipment	32,275	34,002
Depreciation on investment property	11	12
Gain on disposal of property, plant and equipment - net	(319)	-
Unrealized gain onshort term investment carried at fair value through profit or loss	(40,356)	(27,117)
Capital gain on sale of long term investments	(110,895)	-
Mark-up on loan to growers	(642)	(1,748)
Dividend income	(1,149)	(3,281)
Income on term deposit receipts	(7)	(214)
Finance cost	18,446	38,614
Increase in deferred liability - market fee	1,504	2,711
	(101,132)	42,979
Cash generated from operating activities before working capital changes	<u>93,439</u>	<u>77,207</u>
(Increase) / decrease in current assets		
Stores and spares	(31,101)	(26,998)
Stock-in-trade	353,239	(587,791)
Trade debts	(20,492)	(67,260)
Loans and advances	(48,135)	(271,211)
Trade deposits and short term prepayments	(7,327)	(24,944)
Other receivables	831	(2,988)
Short term investments	-	(6,811)
	247,015	(988,003)
Increase / (decrease) in current liabilities		
Increase / (decrease) in trade and other payables	<u>(159,093)</u>	<u>305,039</u>
Net cash generated from / (used in) operations	<u>181,361</u>	<u>(605,757)</u>



11 SEGMENT REPORTING

	(Rupees in thousand)					
	Quarter ended December 31					
	2014	2013	2014	2013	2014	2013
	Sugar		Ethanol		Total	
Sales	864,693	682,942	576,466	379,724	1,441,159	1,062,666
Cost of sales	(856,798)	(641,641)	(470,223)	(325,554)	(1,327,021)	(967,195)
Gross profit	7,895	41,301	106,243	54,170	114,138	95,471
Net profit from storage tank terminal					21,079	6,083
Net loss from chemical, alloys and power segment and fixed expenses due to suspension					(14,028)	(7,919)
Distribution cost					121,189	93,635
Administrative expenses	(2,090)	(14,158)	(19,037)	(13,839)	(21,127)	(27,997)
Operating segment results	(15,642)	(17,397)	(10,404)	(11,315)	(26,046)	(28,712)
Other operating expenses	(9,837)	9,746	76,802	29,016	74,016	36,926
Other income					(14,419)	(2,538)
Finance cost					153,420	38,454
Taxation					(18,446)	(38,614)
Net profit for the period					(14,823)	(11,871)
					179,748	22,357



(Rupees in thousand)									
	December 31, 2014	September 30, 2013	December 31, 2014	September 30, 2012	December 31, 2014	September 30, 2012	December 31, 2014	September 31, 2012	September 30, 2013
	Sugar		Ethanol		Chemical, alloys and power		Storage tank terminal		Total
Segment assets	1,819,493	1,980,349	1,287,540	1,441,832	532,650	539,766	215,122	220,429	3,854,805
Unallocated segment assets									4,182,376
									214,845
									<u>4,397,221</u>
Segment liabilities	1,134,697	1,175,206	416,566	837,586	67	67	16,809	19,123	1,568,139
Unallocated segment liabilities									134,646
									<u>1,702,785</u>
Capital expenditure	-	-	-	13,292	-	6,119	-	24,559	43,970
Unallocated capital expenditure									4,623
									<u>211</u>
									<u>48,593</u>
(Rupees in thousand)									
	December 31, 2014	September 30, 2013	December 31, 2014	September 30, 2012	December 31, 2014	September 30, 2012	December 31, 2014	September 31, 2012	September 30, 2013
	Sugar		Ethanol		Chemical, alloys and power		Storage tank terminal		Total
Depreciation	11,752	50,282	8,908	37,897	6,985	29,856	4,630	19,816	137,851
Non cash expenses other than depreciation	24,214	66,142	16,142	39,935	-	-	-	-	106,077



12 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 note to the financial statement. Transactions with related parties are as follows:

	December 31, 2014	December 31, 2013
	(Rupees in thousand)	
Dividend received	1,149	3,281
Installment recovered from employees on behalf of Employees Gratuity Fund	3,357	2,906
Paid to Employees Gratuity Fund on account on installment recovered from employees	8,000	7,000
Rental Income charged	-	315
Commission on sale of shares	61	-
Key management personnel Remuneration of chief executive, directors and executives.	17,332	16,532

13 CORRESPONDING FIGURES

Corresponding figures have been reclassified to reflect more appropriate presentation of events and transactions for the purpose of comparison.

From	To	Amount in '000
Cost of sales-Water, fuel and power	Cost of sales-Transfer price of bagasse	57,187

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on January 29, 2015 by Board of Directors' of the Company.

15 SUBSEQUENT EVENTS

15.1 The Board of Directors of the Company in their meeting held on January 03, 2015 has proposed a final cash dividend of Rs. 10 per share i.e. 100% for the year ended September 30, 2014. The effect will be accounted for in next financial statement, once approved by the share holders in Annual General Meeting.

15.2 The Board of Directors of the Company in their meeting held on January 29, 2015 has proposed a interim cash dividend of Rs. 2.50 per share i.e. 25% for the period ended December 31, 2014. The effect will be accounted in the period of payment.

16 GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

Shunaid Qureshi
Chief Executive Officer

Asim Ghani
Director

AL-ABBAS SUGAR Mills Limited

