

HASEEB WAQAS SUGAR MILLS LIMITED

BALANCE SHEET AS AT JUNE 30, 2004

	Un-audited June, 30 2004	Audited September 30, 2003
	(Rupees in thousand)	
TANGIBLE FIXED ASSETS		
Operating fixed assets - Net	1,045,127	974,698
Operating assets subject to finance lease - Net	1,082	116,967
	<u>1,046,209</u>	<u>1,091,665</u>
LONG TERM DEPOSITS	159	2,249
CURRENT ASSETS		
Stores, spares and loose tools	75,235	68,172
Stock in trade	761,618	460,758
Advances, deposits & prepayments	131,755	154,252
Cash and bank balances	109,524	11,052
	<u>1,078,132</u>	<u>694,234</u>
CURRENT LIABILITIES		
Current portion of long term liabilities	55,521	124,698
Short term loans	742,355	541,210
Creditors, accrued and other liabilities	277,830	100,700
Provision for taxation	19,759	34,503
Unclaimed Dividend	716	734
	<u>1,096,181</u>	<u>801,845</u>
WORKING CAPITAL	<u>(18,049)</u>	<u>(107,611)</u>
TOTAL CAPITAL EMPLOYED	<u>1,028,319</u>	<u>986,303</u>
Surplus on revaluation of fixed assets	264,198	291,900
Long term loans	163,567	132,664
Liabilities against assets subject to finance lease	725	26,048
Deferred liabilities	197,975	197,223
Other long term liabilities	85,470	85,470
	<u>711,935</u>	<u>733,305</u>
NET CAPITAL EMPLOYED	<u>316,384</u>	<u>252,999</u>
REPRESENTED BY:		
Share capital and reserves		
Authorized capital	<u>350,000</u>	<u>350,000</u>
Issued, subscribed and paid-up capital	324,000	324,000
Accumulated loss	(7,616)	(71,002)
	<u>316,384</u>	<u>252,998</u>
CONTINGENCIES AND COMMITMENTS	-	-
	<u>316,384</u>	<u>252,998</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

HASEEB WAQAS SUGAR MILLS LIMITED
NOTES TO THE ACCOUNTS
FOR THE THIRD QUARTER ENDED JUNE 30, 2004

1. STATUS AND ACTIVITIES

Haseeb Waqas Sugar Mills Limited was incorporated in Pakistan on January 13, 1992 as public limited company and quoted on Lahore and Karachi Stock Exchanges. The principal activity of the Company is production and sale of refined sugar and its by-products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- These accounts are un-audited and are submitted to the shareholders, as required under Notification No. SRO 764 (1) / 2001 dated November 05, 2001 of the Securities & Exchange Commission of Pakistan.
- These accounts have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting'.
- The present accounting policies and methods of computation followed for the preparation of these accounts are the same as those applied in the preparation of preceding annual accounts for the year ended September 30, 2003.

3. CONTINGENCIES AND COMMITMENTS

There has been no change in the contingencies and commitments since September 30, 2003.

4. ADDITIONS / (DELETIONS) IN OPERATING FIXED ASSETS

	Un-audited June 30, 2004	Audited September 30, 2003
	(Rupees in thousand)	
Plant & machinery	148,162	848
Equipments	-	216
Vehicles	618	(1,437)
Total	148,780	(373)

5. COST OF SALES

	Quarter Ended		Nine month Ended	
	June	June	June	June
	30, 2004	30, 2003	30, 2004	30, 2003
	(Rupees In thousand)			
Raw materials	84,539	155,229	1,098,970	1,110,596
Salaries and wages	6,835	6,755	28,037	25,546
Fuel consumed	737	737	2,564	2,514
Chemicals consumed	101	3,210	3,473	7,115
Oil and lubricants	595	392	1,880	1,931
Repair & maintenance	2,042	264	14,776	28,067
Packing material	-	982	13,028	12,483
Stationery	59	70	375	368
Insurance	683	(78)	7,505	5,513
Entertainment	261	169	591	420
Freight & octroi	34	16	208	190
Depreciation	14,482	15,052	45,493	45,156
	110,368	182,798	1,216,900	1,239,899
Finished Goods:				
Opening	1,008,300	881,521	460,758	398,101
Closing	(761,618)	(808,551)	(761,618)	(808,551)
	246,682	72,970	(300,860)	(410,450)
	357,050	255,768	916,040	829,449

6. BALANCES AND TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS.

There are no associated undertakings of the company.

7. OTHERS

There are no other significant activities since september 30, 2003 affecting the financial statements other than disclosed in the financial statements.

8. DATE OF AUTHORISATION FOR ISSUE

These interim financial statements were authorized for issue on July 24,2004 by the Board of Directors of the company.

9. Figures have been rounded off to nearest thousand.

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison.

CHIEF EXECUTIVE

DIRECTOR

HASEEB WAQAS SUGAR MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR NINE MONTHS PERIOD ENDED JUNE 30, 2004

	Share Capital	Accumulated Profit / (Loss)	Total	Surplus on Revaluation
	Rupees in thousand			
Balance as at Sep. 30, 2002-Restated	324,000	(127,844)	196,156	501,571
Net profit for the period	-	1,778	1,778	-
Dividend	-	(32,400)	(32,400)	-
Balance as at June 30, 2003	324,000	(158,466)	165,534	501,571
Profit for the period	-	25,339	25,339	
Fixed assets revaluation during the period	-	-	-	43,083
Depreciation on incremental Value arising on revaluation of Fixed Assets				
-Prior Year	-	45,874	45,874	(45,874)
-Current Year	-	16,252	16,252	(16,252)
Deferred tax on revaluation surplus				(190,629)
Balance as at September 30, 2003	324,000	(71,002)	252,998	291,900
Profit for the period	-	35,684	35,684	-
Balance as at June 30, 2004	324,000	(35,318)	288,682	291,900
Depreciation on incremental Value arising on revaluation of fixed assets	-	27,702	-	(27,702)
Balance as at June 30, 2004	324,000	(7,616)	288,682	264,198

Chief Executive

Director

HASEEB WAQAS SUGAR MILLS LIMITED
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2004

	June 30, 2004 (Rupees in thousand)	June 30, 2003
CASH FORM OPERATING ACTIVITIES		
Net profit before taxation	42,283	6,524
Add:		
Items not involving movement of funds		
Depreciation	47,611	47,337
Financial Charges	50,029	94,187
Gain on sale of fixed assets	-	(68)
	97,640	141,456
OPERATING PROFIT BEFORE	139,923	147,980
WORKING CAPITAL CHANGES		
CHANGES IN WORKING CAPITAL		
(Increase) / Decrease in Current Assets		
Stores and spares	(7,063)	3,954
Stocks in trade	(300,860)	(410,450)
Advances, deposits & prepayments	22,497	(68,176)
	(285,426)	(474,672)
Increase / (Decrease) in Current Liabilities		
Short terms borrowings	201,145	272,199
Creditors and accrued Liabilities	185,917	241,933
	387,062	514,132
Increase in Working Capital	101,636	39,460
CASH FROM OPERATING ACTIVITIES	241,559	187,440
Financial Charges Paid	58,815	100,452
Income Tax Paid	19,927	-
	78,742	100,452
NET CASH FROM OPERATING ACTIVITIES	162,817	86,988
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(618)	(5,536)
Sale of Fixed Assets	-	87
Long Term Deposits	2,090	3,096
NET CASH GENERATED FROM/ (USED IN) IN INVESTING ACTIVITIES	1,472	(2,353)
CASH FROM FINANCING ACTIVITIES		
Long term loans repayments	(29,875)	(34,100)
Payment to leasing companies	(36,587)	(28,539)
Dividend paid	(18)	(31,760)
Deferred Liabilities	663	(11,056)
	(65,817)	(105,455)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	98,472	(20,820)
OPENING CASH AND BANK BALANCES	11,052	23,536
CLOSING CASH AND BANK BALANCES	109,524	2,716

CHIEF EXECUTIVE

DIRECTOR

HASEEB WAQAS SUGAR MILLS LIMITED
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED JUNE 30, 2004

	Quarter Ended		Nine Months Ended	
	June	June	June	June
	30, 2004	30, 2003	30, 2004	30, 2003
	(Rupees In thousand)			
SALES - NET	445,515	262,945	1,036,663	949,160
COST OF SALES	357,050	255,768	916,040	829,449
GROSS PROFIT	88,465	7,177	120,623	119,711
OPERATING EXPENSES:				
ADMINISTRATIVE	5,671	5,054	16,621	13,640
SELLING	5,326	2,668	9,948	6,113
	10,997	7,722	26,569	19,753
OPERATING PROFIT / (LOSS)	77,468	(545)	94,054	99,958
OTHER INCOME	138	541	483	1,096
	77,606	(4)	94,537	101,054
FINANCIAL CHARGES	16,797	31,195	50,029	94,187
WORKERS' PROFIT PARTICIPATION FUND	2,225	(1,560)	2,225	343
	19,022	29,635	52,254	94,530
NET PROFIT/(LOSS) BEFORE TAXATION	58,584	(29,639)	42,283	6,524
PROVISION FOR TAXATION - CURRENT	2,228	1,315	5,183	4,746
PROVISION FOR TAXATION - DEFERRED	(1,295)	-	1,416	-
	933	1,315	6,599	4,746
NET PROFIT/(LOSS) AFTER TAXATION	57,651	(30,954)	35,684	1,778
ACCUMULATED LOSS BROUGHT FORWARD	(78,593)	(75,319)	(71,002)	(75,651)
	(20,942)	(106,273)	(35,318)	(73,873)
INTERIM DIVIDEND @ 10%	-	-	-	32,400
TRANSFERRED FROM SURPLUS ON REVALUATION OF FIXED ASSETS	13,326	-	27,702	-
ACCUMULATED LOSS CARRIED FORWARD	(7,616)	(106,273)	(7,616)	(106,273)
BASIC EARNING / (LOSS) PER SHARE	1.78	(0.96)	1.10	0.05

The annexed notes form an integral part of the financial statements.

CHIEF EXECUTIVE

DIRECTOR