



THE PREMIER SUGAR MILLS
& DISTILLERY CO. LTD.,
MARDAN

**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED
DECEMBER 31, 2017**

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

COMPANY INFORMATION

Board of Directors

Mr. Aziz Sarfaraz Khan	Chairman
Mr. Abbas Sarfaraz Khan	Chief Executive
Begum Laila Sarfaraz	
Ms. Zarmine Sarfaraz	
Ms. Najda Sarfaraz	
Ms. Samyra Rashid	
Mr. Iskander M. Khan	
Mr. Abdul Qadar Khattak	

Audit Committee

Mr. Samyra Rashid	Chairman
Mr. Aziz Sarfaraz Khan	Member
Ms. Najda Sarfaraz	Member
Ms. Zarmine Sarfaraz	Member
Mr. Mujahid Bashir	Secretary

Company Secretary

Mr. Mujahid Bashir

Chief Financial Officer

Mr. Rizwan Ullah Khan

Auditors/Tax Consultants

M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants

Cost Auditors

M/s. Zahid Jamil & Co Chartered Accountants

Legal Advisor

Mr. Isaac Ali Qazi Advocate

Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Ltd.
H.M. House, 7-Bank Square, Lahore.
Phone No.: 042-37235081 Fax No.: 042-37235083

Bankers

Bank Al-Habib Limited	United Bank Limited
The Bank of Khyber	National Bank of Pakistan
MCB Bank Limited	Habib Bank Limited
The Bank of Punjab	Faysal Bank Limited
Allied Bank Limited	Bank Al-Falah Limited

Registered Office

Nowshera Road, Mardan, KPK
Phone: 0937-862051-52 Fax: 0937-862989

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

BRIEF REVIEW

The Directors of The Premier Sugar Mills & Distillery Company Limited are pleased to present the un-audited condensed interim financial information of the Company for the three months ended December 31, 2017 to the shareholders of the Company in compliance with Section 237 of the newly promulgated Companies Act, 2017 (the Act) and the listing regulations of the Pakistan Stock Exchange.

OPERATIONAL OPERATIONS

The sugarcane crushing season 2017-18 commenced on November 30, 2017 and the mills have crushed 76,729 tons of sugarcane, produced 7,295 tons of sugar having an average recovery of 9.96 % up to January 23, 2018. The Provincial Government of Punjab and Khyber Pakhtunkhwa (KPK) fixed sugarcane price @ Rs. 180/- per maund.

SUGAR PRICES

The Federal Government allowed export of 1.50 million tons of sugar for the crushing season 2017-18 with subsidy of Rs. 10,770/- per tons of sugar to be equally shared with the provinces. The Khyber Pakhtunkhwa Government though has notified the same price of sugarcane but has refused to pay their share of subsidy on export of sugar for onward payments to Growers. Presently, prices of sugar do not cover the cost of production.

FINANCIAL PERFORMANCE

The Company suffered loss after taxation of Rs. 99.429 million (2016: 6.726 million) due to the depressed sugar prices.

CONSOLIDATED FINANCIAL RESULTS

Consolidated financial statements are annexed with this condensed interim financial information as required under section 228 of the Companies Act, 2017.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this quarterly condensed interim financial information are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the spirit of good work done by the Company's staff at all levels.

ON BEHALF OF THE BOARD



(ABBAS SARFARAZ KHAN)
CHIEF EXECUTIVE

Mardan:
January 29, 2018

مختصر جائزہ

دی پرنسپل شولر گریڈ اینڈ ڈسٹری بیوٹرز کمپنی لمیٹڈ کے 31 دسمبر 2017 کو ختم ہونے والی پہلی سہ ماہی کی اختتامی مدت پر کمپنی کے ڈائریکٹرز غیر آڈٹ شدہ کنڈنڈ عبوری مالیاتی معلومات حصص داروں کو نئے کمپنی ایکٹ 2017 (دی ایکٹ) کے سیکشن 237 اور پاکستان سٹاک ایکسچینج کے قواعد کے مطابق پیش کرنے پر مسرت محسوس کرتے ہیں۔

آپریشن کا جائزہ

گئے کارکننگ سیزن کا آغاز 30 نومبر 2017 کو شروع ہوا۔ 23 جنوری 2018 تک ملز نے 76,729 ٹن گنے کو کرش کیا اور 9.96 فیصد اوسط کے حساب سے 7,295 ٹن چینی پیدا کی۔ پنجاب اور خیبر پختونخواہ کی صوبائی حکومتوں نے گنے کی قیمت 180 روپے فی من مقرر کی ہے۔

چینی کی قیمت

وفاقی حکومت نے کارکننگ سیزن 2017-18 کے لیے 10,700 روپے فی ٹن کی سبسڈی کے ساتھ 1.5 ملین ٹن چینی کی برآمد کی اجازت دی ہے جو کہ تمام صوبوں میں مساوی تقسیم کی جائے گی۔ خیبر پختونخواہ حکومت نے گنے کی مطلع کی گئی قیمت کو برقرار رکھا لیکن کاشتکاروں کو ادائیگی کیلئے برآمد کرنے پر رعایت (سبسڈی) کا اپنا حصہ ادا کرنے سے انکار کر دیا۔ اس وقت چینی کی قیمتیں پیداوار کی لاگت سے کم ہیں۔

مالیاتی کارکردگی

کمپنی کو ٹیکس کے بعد 99.429 ملین روپے نقصان برداشت کرنا پڑا (2016:6.726 ملین روپے) جس کی وجہ چینی کی قیمت میں کمی تھی۔

مجموعی مالیاتی نتائج

کمپنی ایکٹ 2017 کے سیکشن 228 کے تحت مجموعی مالیاتی نتائج انفرادی مالیاتی نتائج کے ساتھ منسلک ہیں۔

اکاؤنٹنگ کی پالیسیاں

کمپنی کی سہ ماہی مالیاتی معلومات کی تیاری کے دوران اپنائی گئی اکاؤنٹنگ پالیسیاں وہی ہیں جو پچھلے سال سالانہ مالیاتی معاملات میں اپنائی گئی تھی۔

اعتراف

ڈائریکٹرز نے کمپنی کے عملے کی طرف سے کیے گئے ہر سطح پر اچھے کاموں کو سراہتے ہیں۔

منجانب بورڈ



جناب عباس سرفراز خان

مردان

بتاریخ: 29 جنوری 2018

چیف ایگزیکٹو آفیسر

**THE PREMIER SUGAR MILLS &
CONDENSED INTERIM BALANCE SHEET AS AT**

Unaudited Audited
Dec 31, **Sep 30,**
2017 **2017**

Note Rupees in thousand

**EQUITY AND LIABILITIES
CAPITAL AND RESERVES**

Authorised capital		
5,750,000 ordinary shares of Rs. 10 each	57,500	57,500
Issued, subscribed and paid-up capital	37,500	37,500
Reserves	900,001	900,001
Accumulated loss	(472,756)	(364,263)
	464,745	573,238

**SURPLUS ON REVALUATION OF PROPERTY,
PLANT AND EQUIPMENT**

595,812 607,776

NON-CURRENT LIABILITIES

Long term finances	66,666	66,666
Liabilities against assets subject to finance lease	3,125	4,368
Staff retirement benefits - gratuity	12,541	12,126
	82,332	83,160

CURRENT LIABILITIES

Trade and other payables	282,507	244,751
Accrued mark-up	12,000	19,914
Short term borrowings	513,993	826,306
Current portion of:		
- long term finances	66,667	66,667
- liabilities against assets subject to finance lease	2,382	2,771
Taxation	26,600	20,623
	904,149	1,181,032

CONTINGENCIES AND COMMITMENTS

10
2,047,038 **2,445,206**

**DISTILLERY COMPANY LIMITED
DECEMBER 31, 2017**

Unaudited Audited
Dec 31, **Sep 30,**
2017 **2017**

Note Rupees in thousand

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	5	990,808	1,014,332
Investment Property	6	28,391	28,654
Investments		170,006	170,006
Long term loan to subsidiary	7	279,500	279,500
Security deposits		1,258	1,258
		1,469,963	1,493,750

CURRENT ASSETS

Stores and spares		115,417	105,011
Stock-in-trade		326,280	644,205
Trade debts		8,742	2,061
Loans and advances		41,629	55,044
Trade deposits and short term prepayments		3,001	1,861
Accrued profit on bank deposits and loan to subsidiary company		5,375	25
Other receivables		10,953	11,856
Advance sales tax		0	57,000
Sales tax refundable		1,093	618
Income tax refundable, advance income tax and tax deducted at source		20,541	20,173
Bank balances	8	44,044	53,602
		577,075	951,456

2,047,038 **2,445,206**

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

	Dec 31, 2017	Dec 31, 2016
	Rupees in thousand	
Turnover	506,676	319,999
Less: Sales tax	61,064	28,698
Sales - net	445,612	291,301
Cost of sales	539,078	276,042
Gross (loss) / profit	(93,466)	15,259
Administrative expenses	12,570	14,281
Distribution cost	1,557	2,432
	14,127	16,713
Operating loss	(107,593)	(1,454)
Other operating income	7,417	9,904
	(100,176)	8,450
Other operating expenses	0	17
Finance cost	14,304	11,318
	14,304	11,335
Loss before taxation	(114,480)	(2,885)
Taxation	5,977	3,841
Loss after taxation	(120,457)	(6,726)
Other comprehensive income	0	0
Total comprehensive loss	(120,457)	(6,726)

Rupees

Loss per share **(32.12)** **(1.79)**

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

	Dec 31, 2017	Dec 31, 2016
	Rupees in thousand	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period - before taxation	(114,480)	(2,885)
Adjustments for:		
Depreciation on property, plant and equipment	23,655	21,443
Depreciation on investment property	263	286
Mark-up on loan to Subsidiary company and profit / mark-up on bank deposits	(5,418)	(5,373)
Staff retirement benefits-gratuity (Net)	415	426
Gain on sale of vehicle	0	(447)
Unclaimed payable balances written-back	0	(443)
Doubtful advance written-off	0	17
Dividend income	0	(574)
Finance cost	14,304	11,318
(Loss) / Profit before working capital changes	(81,261)	23,768

EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES

Decrease / (Increase) in current assets:	(10,406)	(616)
Stores and spares	(10,406)	(616)
Stock-in-trade	317,925	(215,662)
Trade debtors	(6,681)	2,962
Loans and advances	13,415	(19,095)
Trade Deposits and short term prepayments	(1,140)	(2,547)
Other receivables	903	(37)
Advance sales tax - net	56,525	21,129
Increase in trade and other payables	37,756	86,128
	408,297	(127,738)
Cash generated from / (used in) operations	327,036	(103,970)
Income Tax paid	(368)	(252)
Net cash generated from / (used in) operating activities	326,668	(104,222)

CASH FLOW FROM INVESTING ACTIVITIES

Additions to property, plant and equipment	(131)	(208)
Sale proceeds of vehicle	0	1,395
Dividend received	0	574
Mark-up / profit received on loan to Subsidiary company and bank deposits	68	5,313
Net cash (used in) / generated from investing activities	(63)	7,074

CASH FLOW FROM FINANCING ACTIVITIES

Short term borrowings-net	(312,313)	120,474
Finance cost paid	(22,218)	(12,431)
Lease finances - net	(1,632)	(715)
Net cash (used in) / generated from financing activities	(336,163)	107,328
Net (decrease) / increase in cash and cash equivalents	(9,558)	10,180
Cash and cash equivalents - at beginning of the period	53,602	55,387
Cash and cash equivalents - at end of the period	44,044	65,567

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

	Share capital	Reserves		Sub-total	Accumulated Loss	TOTAL
		Capital Share redemption	Revenue General			
Balance as at September 30, 2016 - audited	37,500	1	900,000	900,001	(259,728)	677,773
Total comprehensive loss for the quarter ended December 31, 2016	0	0	0	0	(6,726)	(6,726)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period -net of deferred taxation	0	0	0	0	10,726	10,726
Balance as at December 31, 2016 - unaudited	37,500	1	900,000	900,001	(255,728)	681,773
Balance as at September 30, 2017 - audited	37,500	1	900,000	900,001	(364,263)	573,238
Total comprehensive loss for the quarter ended December 31, 2017	0	0	0	0	(120,457)	(120,457)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for current period -net of deferred taxation	0	0	0	0	11,964	11,964
Balance as at December 31, 2017 unaudited	37,500	1	900,000	900,001	(472,756)	464,745

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

1. Legal status and operations

The Premier Sugar Mills & Distillery Company Limited (the Company) was incorporated on July 24, 1944 as a Public Company and its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in manufacture and sale of white sugar and spirit. The Company's Mills and Registered Office are located at Mardan (Khyber Pakhtunkhwa) whereas the Head Office is situated at King's Arcade, 20-A, Markaz F-7, Islamabad.

2. Basis of preparation

This condensed interim financial information is unaudited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange. It has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. As per the requirements of Circular # 23 of 2017 dated October 4, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) and related clarification issued by the Institute of Chartered Accountants of Pakistan through its Circular # 17 of 2017 dated October 6, 2017, companies whose financial year, including quarterly and other interim period, closes on or before December 31, 2017, shall prepare their financial statements, including interim financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information do not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended September 30, 2017.

3. Significant Accounting Policies

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended September 30, 2017.

4. Accounting Estimates, Judgments and Financial Risk Management

The preparation of condensed interim financial information in conformity with approved accounting standards 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. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended September 30, 2017.

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, 2017.

	Unaudited Period ended Dec 31, 2017 (Rupees in thousand)	Audited Year ended Sep 30, 2017
5. Property, Plant and Equipment		
Operating fixed assets	990,473	1,014,128
Advance against vehicle	335	204
	<u>990,808</u>	<u>1,014,332</u>
5.1 Operating fixed assets - tangible		
Book value at the beginning of the period / year	1,014,128	927,819
Additions during the period / year :		
- plant and machinery	0	0
- furniture, fittings & office equipment	0	1,728
- vehicles	0	5,530
	0	7,258
Revaluations Adjustments	0	166,651
Book value of assets disposed-off during the period /year	0	(1,563)
Depreciation charge for the period / year	(23,655)	(86,037)
Book value at the end of the period / year	<u>990,473</u>	<u>1,014,128</u>
6. Investment property		
Opening book value	28,654	29,795
Depreciation charge for the period / year	263	1,141
Closing book value	<u>28,391</u>	<u>28,654</u>
7. Long term loan to Subsidiary Company - Secured		
Balance at period / year-end	279,500	279,500
Less: current portion grouped under current assets	0	0
	<u>279,500</u>	<u>279,500</u>

7.1 The Company and Chasmha Sugar Mills Ltd., during the period on February 09, 2017, have entered into a loan agreement whereby the Company has revised the repayment schedule. As per the revised terms, the loan tenure is 3.5 years with grace period of 3 years; the principal balance of loan is repayable in 7 equal installments commencing February, 2020. The loan carries mark-up at the rate of 1-month KIBOR+1.25% but not less than the borrowing cost rate of the Company. The loan is secured against a promissory note of Rs. 374 million.

8. Bank balances

8.1 Period-end bank balances include deposits aggregating Rs.39 million lying with Innovative Investment Bank Ltd. (IIBL), Islamabad carrying profit at the rate of 5% per annum. The maturity dates of these deposits fell between July 29, 2009 to July 29, 2012.

8.2 The realisability of these deposits aggregating Rs.39 million is doubtful of recovery as these could not be encashed on their respective maturity dates; further, period-end balance confirmation certificate from IIBL was also not received. The Securities and Exchange Commission of Pakistan (SECP), in exercise of its powers conferred under sections 282 E & F of the Companies Ordinance, 1984, had superseded the entire Board of Directors of IIBL and appointed an Administrator with effect from January 28, 2010. SECP had also instituted winding-up proceedings against IIBL in the Lahore High Court, Lahore (LHC). SECP had sought liquidation on a number of counts including violation of the Scheme of Amalgamation approved by SECP under which IIBL took over all the rights / liabilities of Crescent Standard Investment Bank Ltd.

The Company has sizeable investment in IIBL by virtue of which it is entitled to be heard. The Company, therefore, has filed a petition before the LHC under Civil Procedure Code 1908 to be made party in the winding-up proceedings.

The Company has not accrued profit on these deposits during the current period as well as preceding financial years.

8.3 There has been no change in the status of matter as reported in note 15.5 to the audited financial statements of the Company for the year ended September 30, 2017.

9. Taxation

Provision for the current period represents tax due under sections 5 (Tax on dividends), 15 (Income from property) and 113 (Minimum tax on income of certain persons) of the Income Tax Ordinance, 2001.

10. Contingencies and commitments

10.1 There has been no significant change in the status of contingencies as reported in the audited financial statements of the Company for the year ended September 30, 2017.

10.2 Guarantees given to Sui Northern Gas Pipelines Ltd. by a commercial bank on behalf of the Company outstanding as at December 31, 2017 were for Rs.20 million (September 30, 2017: Rs.10 million). These guarantees are valid upto May 26, 2018.

11. Date of Authorisation for Issue

This condensed interim financial information was approved and authorised for issue by the Board of Directors of the Company on January 29, 2018.

12. Corresponding Figures

12.1 In order to comply with the requirements of IAS 34 'Interim financial reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made to this condensed interim financial information.

12.2 Figures in this condensed interim financial information has been rounded-off to the nearest thousand Rupees.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER



**THE PREMIER SUGAR MILLS
& DISTILLERY CO. LTD.,
MARDAN**

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED
DECEMBER 31, 2017**

**THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
DIRECTORS' REVIEW REPORT ON
CONSOLIDATED INTERIM FINANCIAL RESULTS**

The Board of Directors are pleased to present the condensed interim consolidated financial information for the three months ended December 31, 2017 to the shareholders of the Company.

GENERAL REVIEW

The Premier Sugar Mills & Distillery Company Limited's subsidiary company, Chashma Sugar Mills Limited has suffered loss after tax of Rs. 228.380 Million and The Frontier Sugar Mills & Distillery Limited suffered loss after tax of Rs. 2.455 million during the three months ended December 31, 2017.

REVIEW OF OPERATIONS

The Director's Review Reports on the respective financial information of the Holding Company and the Subsidiary Companies fully cover all the important events that took place during the period under review.

CURRENT SEASON 2017-18

The sugarcane crushing season started on November 30, 2017 and the mills have crushed 815,167 tons of sugarcane, produced 69,645 tons of sugar having an average recovery of 9.28% upto January 23, 2018. The Federal Government allowed export of 1.50 million tons of sugar for the crushing season 2017-18 with subsidy of Rs. 10,770/- per tons of sugar to be equally shared with the provinces. The Khyber Pakhtunkhwa Government though has notified the same price of sugarcane but has refused to pay their share of subsidy on export of sugar for onward payments to Growers. Presently, prices of sugar do not cover the cost of production.

CUSTOMER'S SUPPORT AND STAFF RELATIONS

We thank our valued customers for their continued feedback and recognize the role they play in the success of the Group. We would also like to extend our appreciations to all the employees of the Group for their commitment and hard work.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this quarterly condensed interim financial information are the same as applied in the preparation of the preceding annual financial statements of the Company.

ON BEHALF OF THE BOARD

(ABBAS SARFARAZ KHAN)
CHIEF EXECUTIVE

Mardan:
January 29, 2018

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 2017

	Unaudited December 31, 2017	Audited September 30, 2017
Assets		
Non-current Assets		
Property, plant and equipment	8,768,883	8,896,270
Investment property	28,391	28,654
Long term investments	122,261	125,935
Security deposits	15,268	15,268
	<u>8,934,803</u>	<u>9,066,127</u>
Current Assets		
Stores and spares	592,434	479,272
Stock-in-trade	2,005,594	1,997,739
Trade debts	242,376	187,433
Loans and advances	455,106	276,586
Trade deposits, short term prepayments and other receivables	269,053	296,479
Accrued profit / mark-up on bank deposits	80	25
Tax refunds due from the Government	581,444	323,707
Advance sales tax	-	57,000
Short term investments	8,261	8,154
Sales tax refundable	1,093	-
Other receivables	11,401	-
Bank balances	130,240	179,283
	<u>4,297,082</u>	<u>3,805,678</u>
TOTAL ASSETS	<u>13,231,885</u>	<u>12,871,805</u>
Equity and Liabilities		
Share Capital and Reserves		
Authorised capital	57,500	57,500
Issued, subscribed and paid-up capital	37,500	37,500
Reserves	1,025,462	1,028,467
Accumulated loss	50,603	253,304
Equity Attributable to Equity Holders of the Holding Company	<u>1,113,565</u>	<u>1,319,271</u>
Non-Controlling Interest	<u>656,587</u>	<u>750,757</u>
Surplus on Revaluation of Property, Plant and Equipment	<u>3,247,021</u>	<u>3,301,473</u>
Non-current Liabilities		
Long term finances	1,454,442	1,707,304
Loans from Associated Companies	109,325	109,325
Liabilities against assets subject to finance lease	43,230	44,473
Deferred taxation	705,029	723,106
Staff retirement benefits - gratuity	14,639	14,348
	<u>2,326,665</u>	<u>2,598,556</u>
Current Liabilities		
Trade and other payables	2,096,226	667,163
Accrued mark-up	90,854	136,769
Short term borrowings	2,781,958	3,278,713
Current portion of non-current liabilities	800,014	713,040
Dividends payable to non-controlling interest	-	7,734
Taxation	118,995	98,329
	<u>5,888,047</u>	<u>4,901,748</u>
Total liabilities	<u>8,214,712</u>	<u>7,500,304</u>
TOTAL EQUITY AND LIABILITIES	<u>13,231,885</u>	<u>12,871,805</u>
Contingencies and Commitments		

The annexed notes form an integral part of this condensed interim consolidated financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS
ACCOUNT (UNAUDITED)

FOR THE QUARTER ENDED DECEMBER 31, 2017

	Quarter ended	
	December 31, 2017	December 31, 2016
	-----Rupees in thousand-----	
Sales - Net	1,863,767	2,151,405
Cost of Sales	1,932,161	1,925,722
Gross (Loss) / Profit	(68,394)	225,683
Distribution Cost	47,925	58,266
Administrative Expenses	101,379	92,251
Other Expenses	774	10,044
	<u>150,078</u>	<u>160,561</u>
	(218,472)	65,122
Other Income	3,517	11,276
(Loss) / Profit from Operations	(214,955)	76,398
Finance Cost	108,628	99,009
	<u>(323,583)</u>	<u>(22,611)</u>
Share of Loss from Associated Companies	(214)	(365)
Loss before Taxation	<u>(323,797)</u>	<u>(22,976)</u>
Taxation		
Group	5,977	3,848
- Current	21,732	(2,283)
- Deferred	27,709	1,565
	<u>18</u>	<u>16</u>
Associated Companies	27,727	1,581
	<u>(351,524)</u>	<u>(24,557)</u>
Loss after Taxation	<u>(351,524)</u>	<u>(24,557)</u>
Other Comprehensive Income / (Loss)		
Fair value gain / (loss) on available-for-sale investments	(3,005)	1,724
Share of other comprehensive (loss) / income from Associated Companies	14	3
Total Comprehensive Loss Attributable to:	<u>(354,515)</u>	<u>(22,830)</u>
- Equity holders of the Parent Company	<u>(239,188)</u>	<u>(14,279)</u>
- Non-controlling interest	<u>(115,327)</u>	<u>(8,551)</u>
	<u>(354,515)</u>	<u>(22,830)</u>
	----- Rupees -----	
Combined loss per share - basic and diluted	<u>(62.99)</u>	<u>(4.27)</u>

The annexed notes form an integral part of this condensed interim consolidated financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED CASH FLOW
STATEMENT (UNAUDITED)

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

	Quarter ended	
	December 31, 2017	December 31, 2016
	-----Rupees in thousand-----	
Cash flow from operating activities		
Loss for the period - before taxation	(323,797)	(22,976)
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	190,667	201,985
Depreciation on investment property	263	286
Loss from Associated Companies - net	214	365
Interest / profit on bank deposits and saving accounts	(5,448)	(130)
Staff retirement benefits - gratuity (net)	291	477
Loss / (gain) on disposal of operating fixed assets	19	(4,646)
Gain on re-measurement of short term investments to fair value	(107)	(129)
Unclaimed payable balances written-back	-	(443)
Doubtful advance written-off	-	17
Dividend income	-	(574)
Finance cost	108,628	99,009
(Loss) / Profit before working capital changes	(29,270)	273,241
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Stores and spares	(113,162)	(20,745)
Stock-in-trade	(7,855)	(1,382,029)
Trade debts	(54,943)	98,440
Loans and advances	(178,520)	(136,044)
Trade deposits, short term prepayments and other receivables	27,426	(3,013)
Sales tax refundable	(1,093)	21,129
Advance sales tax	57,000	-
Other receivables	(11,401)	-
Increase in current liabilities		
Trade and other payables	1,429,063	224,476
	1,146,515	(1,197,786)
Cash generated from / (used in) operations	1,117,245	(924,545)
Income tax paid	(282,857)	(63,937)
Security deposits	0	(9,287)
Net cash generated from / (used in) operating activities	834,388	(997,769)
Cash flow from investing activities		
Additions to property, plant and equipment	(62,694)	(51,952)
Sale proceeds of operating fixed assets	33	9,680
Interest / profit on bank deposits and saving accounts	5,393	96
Short term investments - net	0	1,000
Dividend received	0	574
Net cash used in investing activities	(57,268)	(40,602)
Cash flow from financing activities		
Long term finances - net	(252,862)	(154,517)
Loans from Associated Companies	-	124,857
Lease finances - net	85,731	(142,557)
Short term borrowings - net	(496,755)	1,336,106
Finance cost paid	(154,543)	(128,308)
Dividend paid	(7,734)	-
Net cash (used in) / generated from financing activities	(826,163)	1,035,581
Net decrease in cash and cash equivalents	(49,043)	(2,790)
Cash and cash equivalents - at beginning of the period	179,283	134,376
Cash and cash equivalents - at end of the period	130,240	131,586

The annexed notes form an integral part of this condensed interim consolidated financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES
IN EQUITY (UNAUDITED)

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

	----- Attributable to equity holders of the Parent -----							Non-controlling interest	Total equity
	Share capital	Reserves			Sub-total	Accumulated loss	Total		
		Share redemption	General	Fair value reserve on available-for-sale investments					
----- Rupees in thousand -----									
Balance as at September 30, 2016 - audited	37,500	1	1,010,537	15,831	1,026,369	270,635	1,334,504	677,486	2,011,990
Total comprehensive income / (loss) for the period ended December 31, 2016									
Profit after taxation	0	0	0	0	0	(15,704)	(15,704)	(8,853)	(24,557)
Other comprehensive income / (loss)	0	0	0	1,422	1,422	3	1,425	302	1,727
	0	0	0	1,422	1,422	(15,701)	(14,279)	(8,551)	(22,830)
Effect of items directly credited in equity by Associated Companies	0	0	0	0	0	(40)	(40)	0	(40)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period -net of deferred taxation	0	0	0	0	0	34,422	34,422	23,507	57,929
Balance as at December 31, 2016 - unaudited	37,500	1	1,010,537	17,253	1,027,791	289,316	1,354,607	692,442	2,047,049
Balance as at September 30, 2017 - audited	37,500	1	1,010,537	17,929	1,028,467	253,304	1,319,271	750,757	2,070,028
Total comprehensive income / (loss) for the period ended December 31, 2017									
Loss after taxation	0	0	0	0	0	(236,197)	(236,197)	(114,689)	(350,886)
Other comprehensive income / (loss)	0	0	0	(3,005)	(3,005)	14	(2,991)	(638)	(3,629)
	0	0	0	(3,005)	(3,005)	(236,183)	(239,188)	(115,327)	(364,515)
Effect of items directly credited in equity by Associated Companies	0	0	0	0	0	187	187	0	187
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period -net of deferred taxation	0	0	0	0	0	33,295	33,295	21,157	54,452
Balance as at December 31, 2017	37,500	1	1,010,537	14,924	1,025,462	50,603	1,113,565	656,587	1,770,152

The annexed notes form an integral part of this condensed interim consolidated financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2017

1. THE GROUP AND ITS OPERATIONS

1.1 The Premier Sugar Mills & Distillery Company Ltd. (the Holding Company)

The Holding Company was incorporated on July 24, 1944 as a Public Company and its shares are quoted on Pakistan Stock Exchange. The Holding Company is principally engaged in manufacture and sale of white sugar and spirit. The Holding Company's Mills and Registered Office are located at Mardan (Khyber Pakhtunkhwa) whereas the Head Office is situated at King's Arcade, 20-A, Markaz F-7, Islamabad.

1.2 Subsidiary Companies

(a) Chashma Sugar Mills Ltd. (CSM)

(i) CSM was incorporated on 05 May, 1988 as a Public Company and it commenced commercial production from 01 October, 1992. CSM is principally engaged in manufacture and sale of white sugar. Its shares are quoted on Pakistan Stock Exchange. The Head Office of CSM is situated at King's Arcade, 20-A, Markaz F-7, Islamabad and the Mills are located at Dera Ismail Khan.

(ii) The Holding Company directly and indirectly controls / beneficially owns more than fifty percent of the CSM's paid-up capital and also has the power to elect and appoint more than fifty percent of its directors; accordingly, CSM has been treated a Subsidiary with effect from the financial year ended September 30, 2010.

(b) The Frontier Sugar Mills and Distillery Ltd. (FSM)

(i) FSM was incorporated on March 31, 1938 as a Public Company and its shares were quoted on all the Stock Exchanges of Pakistan; FSM was delisted from the Stock Exchanges as detailed in note (iii). The principal activity of FSM is manufacturing and sale of white sugar and its Mills and Registered Office are located at Takht-i-Bhai, Mardan (Khyber Pakhtunkhwa).

(ii) FSM has been suffering losses over the years and during the current and prior periods had not carried-out manufacturing operations due to non-availability of raw materials.

(iii) De-listing of FSM

The Holding Company, the majority shareholder of FSM, had decided to purchase all the ordinary and preference shares of FSM held by Others. The shareholders of FSM had passed a special resolution for de-listing from the Stock Exchanges at the annual general meeting held on January 30, 2010. The shareholders had also passed a special resolution for purchase of 263,134 ordinary shares at a price of Rs.190.20 per share and 26,970 preference shares at a price of Rs.18.60 per share by the Holding Company in the extra ordinary general meeting held on June 10, 2010.

The purchase agent of the Holding Company (Invest Capital Investment Bank Ltd.) had completed the buying of 36,209 ordinary shares and 150 preference shares within the initial period of 60 days and after the submission of an undertaking to the Stock Exchanges to purchase the remaining shares upto August 26, 2011, FSM was de-listed from all the Stock Exchanges with effect from October 25, 2010. The purchase agent, during the financial year ended September 30, 2011, had further purchased 19,884 ordinary shares and 20,014 preference shares.

2. BASIS OF PREPERATION

This condensed interim consolidated financial information is unaudited and is being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange. It has 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. As per the requirements of Circular # 23 of 2017 dated October 4, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) and related clarification issued by the Institute of Chartered Accountants of Pakistan through its Circular # 17 of 2017 dated October 6, 2017, companies whose financial year, including quarterly and other interim period, closes on or before December 31, 2017, shall prepare their financial statements, including interim financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim consolidated financial information do not include all the information required for annual consolidated financial statements and, therefore, should be read in conjunction with the annual consolidated financial statements of the Company for the year ended September 30, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim consolidated financial information are same, as those applied in the preparation of annual consolidated financial statements of the Company for the year ended September 30, 2017.

4. CHANGES IN ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on October 01, 2015 but are considered not to be relevant or to have significant effect on the Group's operations and are, therefore, not disclosed in this condensed interim consolidated financial information.

5. TAXATION

The Holding Company

Provision for the current period represents tax due under sections 5 (Tax on dividends), 15 (Income from property) and 113 (Minimum tax on the income of certain persons) of the Income Tax Ordinance, 2001.

CSM

There has been no significant change in the status of taxation matters as reported in note 32 to the preceding published financial statements of the Company for the year ended September 30, 2017.

The Company, for the current period, is mainly liable to pay tax due under sections 113 (minimum tax on the income of certain persons) and 154 (tax on export proceeds) of the Tax Ordinance.

FSM

There has been no significant change in the status of taxation matters as reported in note 29.14 to the consolidated financial statements of the Group for the year ended September 30, 2017.

6. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of matters as reported in the preceding consolidated financial statements for the year ended September 30, 2017.

7. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue on January 29, 2018 in accordance with the resolution of the Board of Directors of the Holding Company.

8. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 'Interim financial reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of the Group for the year ended September 30, 2017, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made to this condensed consolidated interim financial information.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER