









COMPANY PROFILE

BOARD OF DIRECTORS

- I. Mr. Raza Mustafa
- 2. Brig (R) Muhammad Akram
- 3. Mian Haseeb Ilyas
- 4. Mian Waqas Riaz
- 5. Mrs. Zainab Wagas
- 6. Mrs. Shahzadi Ilyas
- 7. Hafiz M. Irfan Hussain Butt
- 8. Miss. Zakia Ilyas

AUDIT COMMITTEE

- I. Hafiz M. Irfan Hussain Butt (Chairman)
- 2. Ms. Zakia Ilyas (Member)
- 3. Mr. Raza Mustafa (Member)

COMPANY SECRETARY

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

AUDITORS

M/s Qadeer & Company, Chartered Accountants 89-F Jail Road, Lahore

MILLS

Mehrajabad, Tehsil & District Nankana Sahib. Tel: 056-2724010-4 Fax: 056-2874367

BANKERS

National Bank of Pakistan Sindh Bank Limited The Bank of Punjab Chairman Chief Executive Director Director Director Director Director

HUMAN RESOURCE & REMUNERATION COMMITTEE

I. Mian Waqas Riaz (Member) 2. Mrs. Zainab Waqas (Member) 3. Ms. Zakia Ilyas (Member)

CHIEF FINANCIAL OFFICER

Syed Mubashar Hussain Bukhari Tel: 042-35917321-3 Email:mubashir_qadari@hwgc.com.pk

REGISTRAR

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

REGISTERED OFFICE

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

LEGAL ADVISOR

Mian Aslam Shahzad (Advocate)



DIRECTOR'S REVIEW FOR THE 1st QUARTER ENDED DECEMBER 31, 2014

Dear Members

The directors of your Company take pleasure in presenting the un-audited accounts for the period ended December 31, 2014.

FINANCIAL RESULTS

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

	For the period ended December 31,		
	2014 2013		
	(Rupees in thousands)		
Net Sales	902,434	561,894	
Gross (Loss)	(243,146)	(192,953)	
Net (Loss) before tax	(286,438)	(240,556)	
Net (Loss) after tax	(304,656)	(234,899)	
Basic Earning per share	(9.40)	(7.25)	

The depressed picture of sugar sector continues due to high cane cost and low sale price of sugar as a result of which losses are being incurred. However, persistent operational losses are expected to start reversing from next year as area under cane development in the country is expected to decrease next year. Operational measures taken for energy savings will also come into effect by that time to compensate for negative generation.

OPERATIONAL DATA

The crushing season started on November 21, 2014. Operating results for the period under review are as under:

		November 21, 2014 To January 26, 2015	November 18, 2013 To January 28, 2014
Crushing days	Days	71	72
Average recovery	%age	8.39	8.92
Cane crushed	M. Tones	154,541	282,006
Sugar produced	M. Tones	12,120	25,155

The mills were operated for 71 days with total crushing of 154,541 M. Tones as against 72 days with total crushing of 282,006 M. Tones. Average recovery has decreased from 8.92% to 8.39%. Cane crushed & sugar produced is 154,541 M. T & 12,155 M. T as compared with 282,006 M. T & 25,155 M. T respectively of same period of last year.

FUTURE OUTLOOK

In the current year, we are expecting that prices of sugar will stabilize in the coming month.

ACKNOWLEDGEMENT:

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

On behalf of the Board

Lahore January 30, 2015. (Brig. (R) Muhammad Akram Khan) Chief Executive



CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2014

Note Rupees CAPITAL AND LIABILITIES Share Capital and Reserves Authorized capital 35,000,000 (214: 35,000,000) ordinary shares of Rs. 10 each lssued, subscribed and paid up capital Accumulated loss 350,000,000 324			Dec 31, 2014	Sep 30, 2014
Share Capital and Reserves Authorized capital 35,000,000 (2014: 35,000,000) ordinary shares of Rs. 10 each 350,000,000 324,000,000 (1,083,736,505) Issued, subscribed and paid up capital Accumulated loss 324,000,000 (1,298,043,059) 324,000,000 (1,083,736,505) Surplus on Revaluation of Property, Plant and Equipment 1,768,804,207 1,859,153,693 Non Current Liabilities 665,625,000 233,712,341 - Loan from directors - secured 5 665,625,000 233,712,341 - Deferred gain - 207,371,944 12,499,999 Liabilities against assets subject to finance lease - 23,580,285 876,451,750 Deferred liabilities 1,830,087,017 1,119,115,933 - 2,792,246 B94,669,392 315,553,438 681,685,228 72,077,785 1,304,978,004 1,615,78,931 Current Liabilities - - - - - Provision for taxation - - - - - Current portion of non current liabilities - - - - - Property, plant and equipment - - -		Note	Rup	ees
Authorized capital 35,000,000 (2014: 35,000,000) ordinary shares of Rs. 10 each 350,000,000 324,000,000 324,000,000 Issued, subscribed and paid up capital 324,000,000 (1,083,736,505) (1,083,736,505) (759,736,505) Surplus on Revaluation of Property, Plant and Equipment 1,768,804,207 1,859,153,693 (1,083,736,505) Non Current Liabilities 665,625,000 - - (1,083,736,505) Long term financing - secured 5 665,625,000 - - Loan from directors - secured 5 233,712,341 207,371,944 12,499,999 12,499,999 - - - - - 22,792,246 876,451,750 - 23,580,285 876,451,750 - - 2,93,276 876,451,750 - - 2,07,371,944 1,19,115,939 - - - - - 2,2,792,246 876,451,750 - - 2,2,792,246 876,451,750 -				
35,000,000 (2014: 35,000,000) ordinary shares of Rs. 10 each 350,000,000 350,000,000 Issued, subscribed and paid up capital 324,000,000 (1,083,736,505) Accumulated loss (1,083,736,505) (1,083,736,505) Surplus on Revaluation of Property, Plant and Equipment 1,768,804,207 1,859,153,693 Non Current Liabilities (1,083,712,341) 207,371,944 Liabilities against assets subject to finance lease 665,625,000 - Deferred gain - 23,580,285 22,792,246 Beferred liabilities 1,830,087,017 1,119,115,939 - Current Liabilities 1,830,087,017 1,119,115,939 - Trade and other payables 315,553,438 681,685,228 72,077,785 1,610,578,931 135,988,011 -				
shares of Rs. 10 each 350,000,000 350,000,000 Issued, subscribed and paid up capital 324,000,000 324,000,000 324,000,000 Accumulated loss (1,288,043,059) (759,736,505) (797,736,505) Surplus on Revaluation of Property, Plant and Equipment 1,768,804,207 1,859,153,693 Non Current Liabilities 207,371,944 207,371,944 Liabilities against assets subject to finance lease 665,625,000 - Deferred gain 21,499,999 12,499,999 - Deferred taxation 1830,087,017 1,119,115,939 Current Liabilities 1830,6869,392 876,451,750 Trade and other payables 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Markup/ interest payables 150,363,011 135,988,011 Provision for taxation 1,833,092,830 2,500,329,955 Contingencies and Commitments 6 4,457,940,994 4,718,863,082 Non Current Assets 3,560,4488,171 3,570,545,215 Long term deposits 14,247,120 14,247,120 <td>•</td> <td></td> <td></td> <td></td>	•			
Accumulated loss (1.298,043,059) (1.083,736,505) Surplus on Revaluation of Property, (974,043,059) (759,736,505) Plant and Equipment 1,768,804,207 1,859,153,693 Non Current Liabilities 665,625,000 233,712,341 207,371,944 Liabilities against assets subject to finance lease 665,625,000 233,712,341 207,371,944 Deferred gain 23,580,285 82,792,246 894,669,392 22,792,246 Deferred liabilities 1,830,087,017 1,119,115,939 1,119,115,939 Current Liabilities 1,833,092,830 2,500,329,955 1,610,578,931 Short term borrowings 1,833,092,830 2,500,329,955 1,610,578,931 Current portion of non current liabilities 1,833,092,830 2,500,329,955 1,610,578,931 Contingencies and Commitments 6 4,457,940,994 4,718,863,082 Non Current Assets 3,550,241,051 3,570,545,215 1,42,247,120 Stores, spares and loose tools 35,5772,372 59,862,296 574,075,966 5,914,758 Stores, spares and loose tools 35,514,1666 5,914,758 68,611,666,211 1,606,211			350,000,000	350,000,000
Surplus on Revaluation of Property, Plant and Equipment (974,043,059) (759,736,505) Surplus on Revaluation of Property, Plant and Equipment (1,768,804,207) 1,859,153,693 Non Current Liabilities (207,371,944) (207,371,944) Liabilities against assets subject to finance lease (665,625,000) - Deferred gain - (23,580,285) (22,792,246) Deferred taxation 1,830,087,017 1,119,115,939 Current Liabilities 1,830,087,017 1,119,115,939 Trade and other payables (315,553,438) (22,198,376) Short term borrowings (1,833,092,800) (2,500,329,955) Current portion of non current liabilities - - Provision for taxation - - - ASSETS 1,833,092,800 2,500,329,955 - Non Current Assets - - - - Non Current Assets - - - - Non Current Assets - - - - - Non Current Assets - - -	Issued, subscribed and paid up capital		324,000,000	324,000,000
Surplus on Revaluation of Property, Plant and Equipment 1,768,804,207 1,859,153,693 Non Current Liabilities 665,625,000 233,712,341 207,371,944 Liabilities against assets subject to finance lease 665,625,000 233,712,341 207,371,944 Deferred gain 23,580,285 22,792,246 2894,669,392 22,792,246 Deferred liabilities 1,830,087,017 1,119,115,939 1,119,115,939 Current Liabilities 315,553,438 681,685,228 894,669,392 1,610,578,931 Trade and other payables 315,553,438 681,685,228 1,610,578,931 1,59,8011 1.50,363,011 1,510,363,011 1,510,578,931 Current portion of non current liabilities 1,833,092,830 2,500,329,955 1,610,578,931 1,559,3448 1,510,578,931 1,59,80,011 1,510,578,931 1,510,578,931 1,559,3436 2,500,329,955 1,610,578,931 1,559,302 1,550,3241,051 3,570,545,215 1,4247,120 4,4157,940,994 4,718,863,082 Stores Stores, spares and loose tools 35,772,372 59,862,296 574,075,966 574,075,966 5,914,758 </td <td>Accumulated loss</td> <td></td> <td>(1,298,043,059)</td> <td>(1,083,736,505)</td>	Accumulated loss		(1,298,043,059)	(1,083,736,505)
Plant and Equipment 1,768,804,207 1,859,153,693 Non Current Liabilities Long term financing - secured 5 665,625,000 233,712,341 207,371,944 Liabilities against assets subject to finance lease 5 23,712,341 207,371,944 12,499,999 Deferred gain 22,792,246 894,669,392 826,451,750 22,792,246 Deferred taxation 1,830,087,017 1,119,115,939 1,119,115,939 Current Liabilities 315,553,438 681,685,228 72,077,785 Short term borrowings 1,304,978,004 1,510,578,931 1,3598,011 Current portion of non current liabilities 1,833,092,830 2,500,329,955 1,610,578,931 Contingencies and Commitments 6 4,457,940,994 4,718,863,082 Non Current Assets 14,247,120 3,560,241,051 3,570,545,215 Long term deposits 14,247,120 3,564,488,171 3,584,792,335 Current Assets 35,772,372 59,862,296 574,075,966 5,914,758 Stores, spares and loose tools 35,772,372 59,862,296 574,075,966 5,914,758 Stores, spares and loose tools 35,772,3			(974,043,059)	(759,736,505)
Non Current LiabilitiesLong term financing - securedLaa from directors - securedLiabilities against assets subject tofinance leaseDeferred gainDeferred liabilitiesDeferred taxationCurrent LiabilitiesTrade and other payablesShort term borrowingsCurrent portion of non current liabilitiesCurrent portion of non current liabilitiesProvision for taxationCurrent portion of non current liabilitiesProvision for taxationCurrent AssetsStores, spares and loose toolsStores, spares and bank balancesStores, spares and bank balancesStores, spares and bank balances<	Surplus on Revaluation of Property,			
Long term financing - secured - Loan from directors - secured 5 Liabilities against assets subject to 12,499,999 finance lease 22,792,246 Deferred gain 23,580,285 Deferred taxation 23,580,285 Current Liabilities 315,553,438 Current Liabilities 681,685,228 Trade and other payables 315,553,438 Markup/ interest payables 315,553,438 Short term borrowings 681,685,228 Current portion of non current liabilities 1,304,978,004 Provision for taxation 1 Short term borrowings 1,610,578,931 Current Assets 1,833,092,830 2,500,329,955 Contingencies and Commitments 6 - ASSETS - - Non Current Assets 3,570,545,215 Long term deposits 3,577,2372 59,862,296 Stores, spares and loose tools 35,772,372 59,862,296 Stores, spares and loose tools 35,774,075,966 5,914,758 Stores, spares and loose tools 35,64,488,171 3,584,792,335 Current Assets	Plant and Equipment		1,768,804,207	1,859,153,693
Loan from directors - secured 5 233,712,341 207,371,944 Liabilities against assets subject to finance lease 12,499,999 12,499,999 - Deferred gain - 23,580,285 894,669,392 - - Deferred taxation 135,553,438 681,685,228 876,451,750 - - - - - - - 22,792,246 876,451,750 - - - - - 22,792,246 876,451,750 - 1,813,0087,017 1,119,115,939 - - - - 22,792,246 876,451,750 - 1,833,0087,017 1,119,115,939 - - - - 22,792,246 876,451,750 1,833,0087,017 1,119,115,939 -	Non Current Liabilities			
Liabilities against assets subject to finance lease 12,499,999 12,499,999 Deferred gain 23,580,285 22,792,246 Deferred taxation 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Short term borrowings 1,300,978,004 1,610,77,85 Current Liabilities 1,300,978,004 1,610,578,931 Current portion of non current liabilities 1,833,092,830 2,500,329,955 Contingencies and Commitments 6 - - ASSETS Non Current Assets 14,247,120 14,247,120 Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 5,914,758 5,914,758 5,914,758 Trade deposits and short term prepayments 64,96,332 1,134,070,747	Long term financing - secured		665,625,000	-
finance lease 12,499,999 12,499,999 Deferred gain - 23,580,285 22,792,246 Deferred taxation 894,669,392 876,451,750 Current Liabilities 1,830,087,017 1,119,115,939 Current Liabilities 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 150,363,011 135,988,011 Provision for taxation - - Contingencies and Commitments 6 - ASSETS - - Non Current Assets - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits - - - Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 5,914,758 5,914,758 Loans and advance - - - Trade deposits and short term prepayments 6 6,496,332 5,914,758 Cash and bank balances - -<	Loan from directors - secured	5	233,712,341	207,371,944
Deferred gain - Deferred liabilities - Deferred taxation - Current Liabilities 1,830,087,017 Trade and other payables 315,553,438 Markup/ interest payables 681,685,228 Short term borrowings 1,304,978,004 Current portion of non current liabilities 1,304,978,004 Provision for taxation - Contingencies and Commitments 6 ASSETS - Non Current Assets - Property, plant and equipment 7 Long term deposits 35,772,372 Stores, spares and loose tools 35,772,372 Stores, spares and loose tools 35,772,372 Stores, spares and loose tools 35,914,758 Trade deposits and short term prepayments 6 Cash and bank balances 35,914,758 76,017,695 1,134,070,747	Liabilities against assets subject to			
Deferred liabilities 23,580,285 22,792,246 Deferred taxation 894,669,392 876,451,750 Current Liabilities 1,830,087,017 1,119,115,939 Current payables 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 1 1,633,092,830 2,500,329,955 Contingencies and Commitments 6 - - - ASSETS 4,457,940,994 4,718,863,082 - - Non Current Assets 14,247,120 3,570,545,215 - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 14,247,120 14,247,120 Long term deposits 14,247,120 3,584,792,335 59,862,296 574,075,966 574,075,966 574,075,966 574,075,966 59,14,758 59,14,758 483,611,516 10,606,211 134,070,747			12,499,999	12,499,999
Deferred taxation B94,669,392 B76,451,750 Current Liabilities 1,830,087,017 1,119,115,939 Trade and other payables 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 1 135,988,011 Provision for taxation - - Maskets 6 - ASSETS 1,833,092,830 2,500,329,955 Non Current Assets - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 574,075,966 Stores, spares and loose tools 35,772,372 59,862,296 574,075,966 5,914,758 Trade deposits and short term prepayments 760,107,695 6,496,332 1,134,070,747 Bask and bank balances 893,452,824 1,134,070,747			-	-
Current Liabilities 1,830,087,017 1,119,115,939 Trade and other payables 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 1,833,092,830 2,500,329,955 Provision for taxation - - ASSETS 4,457,940,994 4,718,863,082 Non Current Assets - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 574,075,966 Stores, spares and loose tools 35,772,372 59,862,296 574,075,966 Stock in trade 5,914,758 760,107,695 5,914,758 483,611,516 Loans and advance 5,914,758 760,107,695 6,496,332 1,134,070,747 Trade deposits and short term prepayments 6,496,332 1,134,070,747 1,134,070,747			<i>' '</i>	, ,
Current Liabilities 315,553,438 681,685,228 Markup/ interest payables 315,553,438 62,198,376 72,077,785 Short term borrowings 1,304,978,004 135,988,011 - Current portion of non current liabilities 150,363,011 - - Provision for taxation - - - - ASSETS - - - - - Non Current Assets -	Deferred taxation			
Trade and other payables 315,553,438 681,685,228 Markup/ interest payables 315,553,438 681,685,228 Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 150,363,011 1 Provision for taxation - - ASSETS 1,833,092,830 2,500,329,955 Non Current Assets - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 574,075,966 5,914,758 Loans and advance 5,914,758 760,107,695 5,914,758 Trade deposits and short term prepayments 66,496,332 10,606,211 By3,452,824 1,134,070,747			1,830,087,017	1,119,115,939
Markup/ interest payables 62,198,376 72,077,785 Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 150,363,011 135,988,011 Provision for taxation - - ASSETS 6 - - Non Current Assets - - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 574,075,966 5,914,758 Loans and advance 760,107,695 59,914,758 Trade deposits and short term prepayments 66,496,332 10,606,211 893,452,824 1,134,070,747				· · · · · · · · · · · · · · · · · · ·
Short term borrowings 1,304,978,004 1,610,578,931 Current portion of non current liabilities 150,363,011 1,610,578,931 Provision for taxation 1 135,988,011 - Contingencies and Commitments 1 - - ASSETS 1,833,092,830 2,500,329,955 - Non Current Assets 4,457,940,994 4,718,863,082 Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 574,075,966 5,914,758 Loans and advance 5,914,758 760,107,695 5,914,758 Trade deposits and short term prepayments 6,496,332 10,606,211 Rest, and bank balances 893,452,824 1,134,070,747				
Current portion of non current liabilities 150,363,011 135,988,011 Provision for taxation - - Contingencies and Commitments 6 - - ASSETS - - - Non Current Assets - - - Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 574,075,966 5,914,758 Loans and advance 56,496,332 574,075,966 Trade deposits and short term prepayments 6,496,332 59,41,516 Cash and bank balances 893,452,824 1,134,070,747			, ,	
Provision for taxation				
Contingencies and Commitments 1,833,092,830 2,500,329,955 ASSETS - - - Non Current Assets 4,457,940,994 4,718,863,082 Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Current Assets 3,564,488,171 3,584,792,335 Current Assets 35,772,372 59,862,296 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 574,075,966 5,914,758 Loans and advance 5,914,758 760,107,695 Trade deposits and short term prepayments 6,496,332 10,606,211 Cash and bank balances 893,452,824 1,134,070,747			150,303,011	135,966,011
Contingencies and Commitments 6 ASSETS 4,457,940,994 4,718,863,082 ASSETS 4,457,940,994 4,718,863,082 Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 85,161,666 574,075,966 Loans and advance 59,914,758 760,107,695 Trade deposits and short term prepayments 60,107,695 6,496,332 Cash and bank balances 1,134,070,747			<u> </u>	
ASSETS 4,457,940,994 4,718,863,082 Non Current Assets 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Current Assets 3,564,488,171 3,584,792,335 Current Assets 35,772,372 59,862,296 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 85,161,666 574,075,966 Loans and advance 5,914,758 760,107,695 483,611,516 Trade deposits and short term prepayments 6,496,332 10,606,211 10,606,211 Rest, 489,452,824 1,134,070,747 11,134,070,747 11,134,070,747	Contingencies and Commitments	e	1,833,092,830	2,500,329,955
ASSETS Non Current Assets Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 85,161,666 574,075,966 Loans and advance 5,914,758 760,107,695 Trade deposits and short term prepayments 6,496,332 10,606,211 893,452,824 1,134,070,747	contingencies and communents	0		4 719 962 092
Non Current Assets Property, plant and equipment 7 3,550,241,051 3,570,545,215 Long term deposits 14,247,120 14,247,120 3,564,488,171 3,584,792,335 Current Assets 35,772,372 59,862,296 Stores, spares and loose tools 35,161,666 574,075,966 Storek in trade 59,14,758 59,14,758 Trade deposits and short term prepayments 760,107,695 483,611,516 Cash and bank balances 10,606,211 10,606,211	ASSETS		4,457,940,994	4,710,003,002
Long term deposits 14,247,120 14,247,120 3,564,488,171 3,584,792,335 Current Assets 35,772,372 Stores, spares and loose tools 35,772,372 Stock in trade 85,161,666 Loans and advance 5,914,758 Trade deposits and short term prepayments 760,107,695 Cash and bank balances 6,496,332 10,606,211 893,452,824				
3,564,488,171 3,584,792,335 Current Assets 35,772,372 Stores, spares and loose tools 35,772,372 Stock in trade 85,161,666 Loans and advance 5,914,758 Trade deposits and short term prepayments 760,107,695 Cash and bank balances 893,452,824	Property, plant and equipment	7	3,550,241,051	3,570,545,215
3,564,488,171 3,584,792,335 Current Assets 35,772,372 Stores, spares and loose tools 35,772,372 Stock in trade 85,161,666 Loans and advance 5,914,758 Trade deposits and short term prepayments 760,107,695 Cash and bank balances 893,452,824	Long term deposits		14,247,120	14,247,120
Current Assets 35,772,372 59,862,296 Stores, spares and loose tools 35,772,372 59,862,296 Stock in trade 85,161,666 574,075,966 Loans and advance 5,914,758 59,14,758 Trade deposits and short term prepayments 760,107,695 483,611,516 Cash and bank balances 893,452,824 1,134,070,747				
Stores, spares and loose tools 35,772,372 Stock in trade 85,161,666 Loans and advance 5,914,758 Trade deposits and short term prepayments 760,107,695 Cash and bank balances 893,452,824	Current Assets		-,,,,	-,,.02,000
Stock in trade 85,161,666 574,075,966 Loans and advance 5,914,758 5,914,758 Trade deposits and short term prepayments 760,107,695 483,611,516 Cash and bank balances 6,496,332 10,606,211 893,452,824 1,134,070,747			35 772 372	59 862 296
Loans and advance 5,914,758 5,914,758 Trade deposits and short term prepayments 760,107,695 483,611,516 Cash and bank balances 6,496,332 10,606,211 893,452,824 1,134,070,747				
Trade deposits and short term prepayments 760,107,695 483,611,516 Cash and bank balances 6,496,332 10,606,211 893,452,824 1,134,070,747				
893,452,824 1,134,070,747	Trade deposits and short term prepayments			
	Cash and bank balances		6,496,332	10,606,211
4,457,940,994 4,718,863,082			893,452,824	1,134,070,747
			4,457,940,994	4,718,863,082

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

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE 1st QUARTER ENDED DECEMBER 31, 2014

		Un-audited	
		Dec 31, 2014	Dec 31, 2013
	Note	Rupe	ees
Sales - Net	8	902,434,021	561,894,452
Cost of goods sold	9	1,145,580,110	754,848,236
Gross (loss)		(243,146,089)	(192,953,784)
Operating expenses: - Administrative and general expenses		8,411,306	7,068,264
		(251,557,396)	(200,022,048)
Other operating income			316,833
(Loss) from operation		(251,557,396)	(199,705,215)
Finance cost		34,881,003	40,850,988
(Loss) before taxation		(286,438,398)	(240,556,203)
Taxation			
Current			-
Deferred		(18,217,642)	5,656,351
		(18,217,642)	5,656,351
(Loss)/ profit after taxation		(304,656,040)	(234,899,852)
Earning per share - basic		(9.40)	(7.25)

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

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE 1st QUARTER ENDED DECEMBER 31, 2014

	Un-audited		
	Dec 31, 2014	Dec 31, 2013	
	Rup	ees	
(Loss) after taxation	(304,656,040)	(234,899,852)	
Other comprehensive income	<u> </u>		
Total comprehensive (loss) for the period	(304,656,040)	(234,899,852)	

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

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE 1st QUARTER ENDED DECEMBER 31, 2014

	Un-audited Dec 31, 2014 Dec 31, 2013	
	Rupe	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(286,438,398)	(240,556,203)
Adjustments for:		
- Depreciation	45,028,739	32,183,588
 Provision for employees retirement benefits Amortization of deferred income 	816,667	580,344 (316,781)
- Finance cost	34,881,003	40,850,988
	80,726,409	73,298,139
Operating (loss)/ profit before working capital changes	(205,711,990)	(167,258,064)
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	24,089,925	3,856,510
- Stock in trade	488,914,300	45,967,310
- Trade deposits and short term prepayments	(273,455,348)	(73,504,329)
Increase / (decrease) in current liabilities: - Trade and other payables	(366,131,790)	163,794,440
	(126,582,913)	140,113,931
Cash used in operations	(332,294,903)	(27,144,133)
Income tax paid / deducted	(3,040,832)	(2,924,482)
Gratuity paid	(28,628)	(21,450)
Finance cost paid	(44,760,411)	(78,608,260)
Net cash generated/ used in operating activities	(380,124,774)	(108,698,325)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(24,724,575)	-
Net cash used in investing activities	(24,724,575)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from long term loans - Net	680,000,000	(31,575,570)
Proceeds / (Repayment) from Lease Finance - Net	-	(8,577,618)
Proceeds / (Repayment) from directors' loan - Net Proceeds / (Repayment) from short term borrowings - Net	26,340,397 (305,600,927)	- 170,401,635
Net cash generated from/ used in financing activities	400,739,470	130,248,447
Net increase in cash and cash equivalents	(4,109,879)	21,550,122
·		19,320,307
Cash and cash equivalents at the beginning of the period		
	10,606,211	19,320,307

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

CHIEF EXECUTIVE

DIRECTOR



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE 1st QUARTER ENDED DECEMBER 31, 2014

	Share Capital	Accumulated loss / Unappropriated profit	Total
		Rupees	
Balance as at September 30, 2013	324,000,000	(517,158,014)	(193,158,014)
Loss for the period Other comprehensive income	-	(234,899,852)	(234,899,852)
Total comprehensive income/ (loss) for the period	-	(234,899,852)	(234,899,852)
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-	15,058,330	15,058,330
Balance as at December 31, 2013	324,000,000	(736,999,536)	(412,999,536)
Loss for the period Other comprehensive income	:	(391,857,097)	(391,857,097)
Total comprehensive income/ (loss) for the period	-	(391,857,097)	(391,857,097)
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-	45,120,128	45,120,128
Balance as at September 30, 2014	324,000,000	(1,083,736,505)	(759,736,505)
Loss for the period	-	(304,656,040)	(304,656,040)
Other comprehensive income Total comprehensive income/ (loss) for the period	-	(304,656,040)	- (304,656,040)
Transfer from surplus on revaluation of fixed assets in respect of incremental depreciation - net of deferred tax	-	90,349,486	90,349,486
Balance as at December 31, 2014	324,000,000	(1,298,043,059)	(974,043,059)

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

CHIEF EXECUTIVE

DIRECTOR



SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION. FOR THE 1st QUARTER ENDED DECEMBER 31, 2014

1 REPORTING ENTITY.

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

2 BASIS OF PREPARATION

These financial statements are unaudited and are being submitted to share holders as required u/s 245 of Companies Ordinance, 1984. These have been prepared in accordance with the International Accounting Standard No. 34 "Interim Financial Reporting" as applicable in Pakistan and notified by Securities and Exchanges Commission of Pakistan (SECP) and shall be read in conjunction with the published audited financial statements for the year ended September 30, 2014

The crushing season 2014-2015 of the Company commenced on November 21, 2014

3 ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of these financial statements are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended September 30, 2014.

4 GOING CONCERN ASSUMPTION

The financial statements of the Company indicate that the Company incurred gross loss amounting to Rs. 243,146,089 (Dec 2013 : 192,953,784) and net loss from operations amounting to Rs. 251,557,396 (Dec 2013: 199,705,215) and accumulated losses Rs 1,298,043,059 (Sep 2014: 1,083,736,505) which leads to negative equity of Rs. 974,043,059 (Sep 2014: 759,736,505). Moreover the current liabilities exceed current assets by Rs. 939,640,007 (Sep 2014: 1,366,259,208).

In view of the historic fall in sugar prices and upward revision of cane prices by the government, the industry suffered devastatingly. As the sugar prices are at lowest ever level for the last three years in national and international markets resulting in heavy losses. Resultantly, mills have moved to courts asking for intervention to settle the issue, and force the government to pay heed to their demands in order to remove the threat of business closure.

Operational measures

5

In view of above issues Company has taken following steps:

- Restructuring of current liabilities out of which liabilities of amounting to Rs 750 Million have already been restructured and remaining 500 Million will hopefully be completed before March 2015.
- BMR for energy saving for Rs 174,993,606 done for compensation of losses in sugar production each year.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane in the following seasons and better sugar prices to arrange and meet its working capital finance for the next season through advances against sugar and other sources according to the requirements of production.

The projected financial statement prepared by the management to support its going concern assessment is based on following assumptions.

		Proj	ected	
	2015	2016	2017	2018
Sugar cane crushing M.T	609,000	630,000	651,000	672,000
Sugar cane rate	182	200	215	230
Sugar price per Kg	52	56	60	63
		Unau Dec 31		Audited Sep 30, 2014
LOAN FROM DIRECTORS - secured		233,	Ru 712,341	pees 207,371,944

This loan has been obtained from directors of the Company, and is interest free. There is no fixed tenor or schedule for repayment of this loan. According to the loan agreement, the lenders shall not demand repayment and the same is entirely at the Company's option.

These are subordinated to National Bank of Pakistan, The Bank of Punjab and Sindh Bank Limited. This includes Ioan of Rs. 70,779,274/- from Mr. Muhammad Ilyas Mehraj, a shareholder and former director of the company.



6 CONTINGENCIES AND COMMITMENTS

6.1 There is no material change in the status of the contingencies and commitments reported in the annual financial statements for the year ended September 30, 2014

		Dec 31, 2014	Audited Sep 30, 2014
7	PROPERTY, PLANT AND EQUIPMENT	Rup	ees
	Opening written down value Addition during the period/year	3,570,545,215	2,509,729,821
	- Plant and machinery	24,724,575	174,993,606
	Revaluation surplus arised during the year	-	1,017,550,204
		3,595,269,790	3,702,273,631
	Book value of assets disposed off during period	-	(27,006)
		3,595,269,790	3,702,246,625
	Depreciation for the period / year	(45,028,739)	(131,701,411)
		3,550,241,051	3,570,545,215

		Unaudited		
		Dec 31, 2014	Dec 31, 2013	
8	SALES - NET	Rup	ees	
	- Sugar	973,863,591	606,186,078	
	- Mud	836,000	1,135,000	
		974,699,591	607,321,078	
	Less: Sales tax and federal excise duty	(72,265,570)	(45,426,626)	
		902,434,021	561,894,452	

		Unaudited	
		Dec 31, 2014	Dec 31, 2013
9	COST OF GOODS SOLD	Rupe	ees
	Raw materials consumed	548,982,220	598,575,956
	Stores and spares consumed	19,047,451	25,798,340
	Salaries, wages and other benefits	24,993,569	21,484,870
	Insurance	941,166	1,447,295
	Repair and maintenance	18,266,672	29,636,445
	Depreciation	43,947,845	31,267,894
	Others	486,887	670,126
		656,665,810	708,880,926
	Opening work in process	3,772,420	2,312,037
	Closing work in process	(38,786,333)	(31,010,591)
		(35,013,913)	(28,698,554)
	Cost of goods manufactured	621,651,897	680,182,372
	Opening finished goods	570,303,546	879,017,464
	Closing finished goods	(46,375,333)	(804,351,600)
		523,928,213	74,665,864
		1,145,580,110	754,848,236

10 RELATED PARTY TRANSACTIONS

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



10.1 Balances with related parties	Unaudited Dec 31, 2014	Audited Sep 30, 2014
·	Rup	ees
Due to:		
Abdullah Sugar Mills Limited	633,186,000	707,550,367
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
Oriental Fruits (Private) Limited	893,500	893,500
Long term loan from directors	233,712,341	207,371,944
Due by:		
Haseeb Waqas Dairy (Private) Limited	5,914,758	5,914,758

Due to related parties represents balances resulting from related party transactions entered into in ordinary course of business.

11 AUTHORIZATION FOR ISSUE

These condensed interim financial statements have authorized for issue by the Board of Directors of the Company on January 30, 2015.

12 GENERAL

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

CHIEF EXECUTIVE

DIRECTOR



HASEEB WAQAS SUGAR MILLS LTD. 06-F Model Town, Lahore-Pakistan. Tel: (92-42)35917321-3 Fax: (92-42)35917317 Web: www.hwgc.com.pk

