



Sindh Abadgar's Sugar Mills Limited

**UNAUDITED
HALF YEARLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2017**



COMPANY PROFILE

DIRECTORS

Mr. Deoo Mal Essarani	Chairman
Dr. Tara Chand Essarani	Chief Executive
Mr. Dileep Kumar	Director
Mr. Pehlaj Rai	Director
Mr. Mohan Lal	Director
Dr. Besham Kumar	Director
Mr. Mahesh Kumar	Director
Mr. Shafaqat Ali Shah	Independent Director

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. Nisar H. Virani

BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
Bank Islami Limited
MCB Bank Limited
NIB Bank Limited
United Bank Limited

AUDIT COMMITTEE

Mr. Pehlaj Rai	Chairman
Mr. Shafaqat Ali Shah	Member (Independent Director)
Mr. Dileep Kumar	Member
Dr. Besham Kumar	Member

HR AND REMUNERATION COMMITTEE

Mr. Shafaqat Ali Shah	Chairman (Independent Director)
Mr. Mohan Lal	Member
Mr. Dileep Kumar	Member

AUDITORS

M/s. Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

REGISTERED OFFICE

209, 2nd Floor, Progressive Plaza, Beaumont Road,
Karachi-Pakistan.

MILLS

Deh: Deenpur,
Taluka. Bulri Shah Karim,
Distt. Tando Muhammad Khan,
Sindh-73024.

REGISTRAR

JWAFFS Registrar Services (Pvt) Ltd.
407- 408, Al Ameera Centre,
Shahrah e Iraq, Saddar,
Karachi.

EMAIL ADDRESS

sasm@unitedgroup.org.pk



DIRECTORS' REPORT

Dear Members,
Assalam-O-Alaiakum,

On behalf of the Board of Directors, it is my privilege to present to you the un-audited Condensed Interim Financial Information of the Company for the six months' period ended March 31, 2017. Most of the sugar mills started crushing season during the month of November, 2016 Comparative salient features of Company's operation for the season 2016-2017 are as under:

Operational Results		2016-2017 Complete Season	2015-2016 Complete Season
Crushing Commenced		15-11-2016	29-11-2015
Crushing ended		20-03-2017	26-02-2016
Days worked	- Days	126	90
Sugarcane Crushed	- Tons	593,037	490,605
Average Crushing per day	- Tons		
	(on gross- 126 days)	4,706	5,451
	(on net- 102 days)	5,814	5,772
Capacity utilization	- %	83	90
Sugar produced	- Tons	61,670	48,671
Sugar recovery	- %	10.41	9.92
Molasses produced	- Tons	28,781	24,195
Molasses % Cane	- %	4.8531	4.9398

As may be seen from above table, the sugar production during crushing season 2016-2017 stood at 61,670 M.Tons, against sugar production for the previous crushing season of 90 days at 48,671 M.Tons. Thus, the sugarcane crushing and sugar production remained higher by over 20% increase of crushing and 26% in respect of Sugar production over the corresponding period of last year.

The market conditions remained marginally positive initially but with the passage of time and with more availability of sugar, it kept on decreasing. However with gradual stability in the sugar prices subsequently, we anticipate better financial results in the second half of the current year. Although the Government allowed export of 425,000 M.Tons of sugar but the international market price was also not very encouraging and it could hardly meet the target of total exports allowed. The outcome of case filed by Sindh Sugar Mills and sugarcane growers in the Sindh High Court and Supreme Court is still awaited.



The litigation was preferred to arrive at a justified and reasonable return to Sugar Mills instead of illogical and uneconomical sugarcane price of Rs.182/- per 40Kg imposed by the Sindh Govt. The supply of sugarcane had been adequate throughout but the mills witnessed price competition and unnecessarily the price of sugarcane went as high as Rs.240/- per 40kg in certain cases/ areas. While for others it remained in the vicinity of around Rs.200/- which also affected the cost of Sugar produced by Sugar Mills having lower capacity like us. The season concluded by higher gross days but with lesser operational days. The quality of sugarcane was not up to the expectation in our area hence the sugar recovery increased slightly and closed at 10.41% as against 9.92% last year. As compared to recovery in upper Sindh and Northern areas where it remained at 11% and above in average. Constant positive and regular approach and review of Sugar policy by the Government is inevitable.

Financial Results:

	March 31, 2017	March 31, 2016
(Loss)/ Profit before taxation	(4,332,745)	(46,709,152)
Taxation - Current	<u>(14,172,364)</u>	<u>(11,230,695)</u>
(Loss)/ Profit after taxation	(18,505,109)	(57,939,847)
Surplus on revaluation net of deferred tax	40,399,306	25,936,966
Surplus realize on disposal of assets- net off deferred tax	<u>585,334</u>	<u>-</u>
	<u>22,479,530</u>	<u>(32,002,881)</u>
Accumulated(Loss)/ Profit brought forward	(129,979,060)	(107,686,537)
Accumulated(Loss)/ Profit carried forward	<u>(107,499,530)</u>	<u>(139,698,418)</u>

Your company has undertaken third phase of BMR to enhance the Sugarcane crushing capacity to over 7000 TCD.

The Board of Directors sincerely thanks the sugarcane growers and employees of the Company for their co-operation and hard work throughout the crushing season. The Board also acknowledges the cooperation extended by the bankers and the shareholders who have always reposed full confidence in efficient management of the Company.

On behalf of the Board of Directors

Karachi: 26th May, 2017

Dr. Tara Chand
Chief Executive



CONDENSED INTERIM BALANCE SHEET

As at March 31, 2017

EQUITY AND LIABILITIES	Note	Un-audited March 31, 2017 Rupees	Audited September 30, 2016 Rupees
Share capital and reserves			
Authorized Capital			
65,000,000 (September 30, 2016: 65,000,000)		650,000,000	650,000,000
Ordinary Shares		<u>650,000,000</u>	<u>650,000,000</u>
Issued, subscribed and paid up capital			
10,425,000 (Sep 30, 2016: 10,425,000)			
Ordinary shares of Rs.10/- each fully paid in cash		104,250,000	104,250,000
Accumulated loss		<u>(107,499,530)</u>	<u>(129,979,060)</u>
		(3,249,530)	(25,729,060)
Surplus on revaluation of property, plant and equipment		874,014,194	915,249,691
Subordinated loans		260,000,000	260,000,000
Non-current liabilities			
Long term finances	5	380,000,000	451,000,000
Deferred liabilities		<u>570,307,057</u>	<u>566,434,415</u>
		950,307,057	1,017,434,415
Current liabilities			
Trade and other payables	6	888,957,325	250,809,381
Accrued markup		37,648,851	12,558,529
Short term borrowings	7	2,287,432,309	-
Current portion of long term finances	5	<u>160,000,000</u>	<u>178,000,000</u>
		3,374,038,485	441,367,910
Contingencies and commitments	8		
Total equity and liabilities		<u>5,455,110,206</u>	<u>2,608,322,956</u>
ASSETS			
Non-current assets			
Property, plant and equipment	9	1,973,907,828	2,012,259,205
Long term loans		544,649	313,946
Long term deposits		<u>792,527</u>	<u>792,527</u>
		1,975,245,004	2,013,365,678
Current assets			
Stores, spares and loose tools		137,906,120	179,936,602
Stock-in-trade	10	2,413,382,131	32,963,273
Trade debtors - considered good	11	643,406,386	27,342,856
Short term loans and advances		101,552,066	95,647,433
Trade deposits and short term prepayments		2,756,731	135,493
Other receivables		135,252,588	135,252,588
Advance tax - net		37,793,334	40,484,215
Cash and bank balances		<u>7,815,846</u>	<u>83,194,818</u>
		3,479,865,202	594,957,278
Total assets		<u>5,455,110,206</u>	<u>2,608,322,956</u>

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)

	Note	SIX MONTHS PERIOD ENDED		QUARTER ENDED	
		March 31, 2017 Rupees	March 31, 2016 Rupees	March 31, 2017 Rupees	March 31, 2016 Rupees
Net sales	12	804,726,847	954,152,635	679,343,872	284,181,906
Cost of sales	13	(731,000,411)	(941,338,027)	(601,383,534)	(284,918,940)
Gross profit		73,726,436	12,814,608	77,960,338	(737,034)
Administrative expenses		(61,104,621)	(46,008,919)	(35,222,052)	(25,777,846)
Selling and distribution cost		(5,939,727)	(4,376,711)	(4,955,300)	(3,253,132)
		(67,044,348)	(50,385,630)	(40,177,352)	(29,030,978)
Operating profit / (loss)		6,682,088	(37,571,022)	37,782,986	(29,768,012)
Finance cost		(51,984,148)	(42,290,594)	(38,729,033)	(30,658,952)
Other income		40,969,314	33,152,464	27,550,393	26,429,475
		(11,014,834)	(9,138,130)	(11,178,640)	(4,229,477)
(Loss) / profit before taxation		(4,332,746)	(46,709,152)	26,604,346	(33,997,489)
Provision for taxation	14	(14,172,364)	(11,230,695)	(14,172,364)	(11,230,695)
(Loss) / profit after taxation		(18,505,110)	(57,939,847)	12,431,982	(45,228,184)
(Loss) / Gain per share - basic and diluted		(1.78)	(5.56)	1.19	(4.34)

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director



CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2017 (UN-AUDITED)

	SIX MONTHS PERIOD ENDED	
	March 31, 2017	March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES	Rupees	Rupees
(Loss) before taxation	(4,332,746)	(46,709,152)
Adjustments for non cash charges and other items:		
Depreciation expense for the period	96,469,350	66,759,126
Finance cost	51,984,148	42,290,594
Gain on sale of operating fixed assets	(11,556,873)	(1,264,345)
	136,896,625	107,785,375
Operating profit before working capital changes	132,563,879	61,076,223
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	42,030,482	(3,680,043)
Stock-in-trade	(2,380,418,858)	(1,523,958,988)
Trade debtors - considered good	(616,063,530)	(136,642,539)
Short term loans and advances	(5,904,633)	(30,143,545)
Other Receivables	-	19,425
Trade deposits and short term prepayments	(2,621,238)	(693,752)
	(2,962,977,777)	(1,695,099,442)
Increase / (decrease) in current assets		
Trade and other payables	638,147,944	(144,813,486)
	(2,324,829,833)	(1,839,912,928)
Net Cash used in operating activities	(2,192,265,954)	(1,778,836,705)
Taxes paid	(7,859,699)	(3,477,096)
Finance cost paid	(26,893,826)	(23,592,029)
Net cash flow used in operating activities	(2,227,019,479)	(1,805,905,830)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(60,093,802)	(19,151,129)
Proceeds from sale of operating fixed assets	13,532,702	1,365,000
Long term loans provided to employees	(230,703)	(24,748)
Long term deposits placed during the period	-	(34,000)
Net Cash used in investing activities	(46,791,803)	(17,844,877)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finance repaid	(89,000,000)	(79,000,000)
Long term finance obtained during the period	-	239,200,000
Net cash (used in) / generated from financing activities	(89,000,000)	160,200,000
Net decrease in cash and cash equivalents	(2,362,811,282)	(1,663,550,707)
Cash and cash equivalents at the beginning of the period	83,194,818	81,360,256
Cash and cash equivalents at the end of the period	(2,279,616,464)	(1,582,190,451)

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

DR. TARA CHAND
Chief Executive

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MAHESH KUMAR
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017 (UN-AUDITED)**

	SIX MONTHS PERIOD ENDED		QUARTER ENDED	
	March 31, 2017 Rupees	March 31, 2016 Rupees	March 31, 2017 Rupees	March 31, 2016 Rupees
(Loss) / profit for the period	(18,505,110)	(57,939,847)	12,431,982	(45,228,184)
Other comprehensive income for the period				
Reversal of deferred tax liability on revaluation surplus due to change in tax rates	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(18,505,110)</u>	<u>(57,939,847)</u>	<u>12,431,982</u>	<u>(45,228,184)</u>

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2017 (UN-AUDITED)**

	Share Capital Rupees	Accumulated Profit/ (Loss) Rupees	Total Rupees
Balance as at October 1, 2015	104,250,000	(152,278,517)	(48,028,517)
Total comprehensive Loss for the half year ended March 31, 2016	-	(57,939,847)	(57,939,847)
Balance as at March 31, 2016 (Un-audited)	<u>104,250,000</u>	<u>(210,218,364)</u>	<u>(105,968,364)</u>
Balance as at April 1, 2016	104,250,000	(210,218,364)	(105,968,364)
Profit after taxation for the half year ended September 31, 2016	-	32,902,942	32,902,942
Incremental Depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax (Restated)	-	47,336,362	47,336,362
Balance as at September 30, 2016 (Audited)	<u>104,250,000</u>	<u>(129,979,060)</u>	<u>(25,729,060)</u>
Balance as at October 1, 2016	104,250,000	(129,979,060)	(25,729,060)
Total comprehensive Income for the half year ended March 31, 2017	-	(18,505,110)	(18,505,110)
Incremental Depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	40,399,306	40,399,306
Surplus realized on disposal of asset - net off deferred tax		585,334	585,334
Balance as at March 31, 2017 (Un-audited)	<u>104,250,000</u>	<u>(107,499,530)</u>	<u>(3,249,530)</u>

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL
INFORMATION
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2017 (UN-AUDITED)**

1 STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan on January 28, 1984 as a Public Limited Company and its shares are quoted on Pakistan Stock Exchange Limited. The mill is located at Deh Deenpur, District Tando Muhammad Khan in the province of Sindh and registered office is situated at 209, Progressive Plaza, Beaumont Road, Karachi in the province of Sindh. The Company is principally engaged in the manufacture and sale of sugar.

1.1 SEASONALITY OF OPERATIONS

Due to the seasonal availability of sugarcane during the period beginning from November to March, the Company's production facilities operated at full capacity during the period covered under this interim financial information. Therefore, costs of production and stock levels are expected to decline in the upcoming half year compared to the period covered under this interim financial information.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. The condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2016. The figures for the six months period ended March 31, 2017 have been subject to limited scope review by the auditors as required by the Code of Corporate Governance.

This condensed interim financial information comprises of the condensed interim balance sheet as at March 31, 2017 and the condensed interim profit and loss account, condensed interim statement of comprehensive income, the condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended which have been subject to a review but not audited. This condensed interim financial information also includes the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2017 which is not subject to a review.



The comparative condensed balance sheet, presented in this condensed interim financial information, as at September 30, 2016 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2016 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 for the six months period ended March 31, 2016 have been extracted from the condensed interim financial information for the six months period ended March 31, 2016 which were subject to a review but not audited. The comparative condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2016 included in this condensed interim financial information was not subject to a review.

3 SIGNIFICANT ACCOUNTING POLICIES

These interim financial information have been prepared using the same accounting convention, basis of preparation and significant accounting policies as those applied in the preparation of the audited financial statements for the year ended September 30, 2016.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards which require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, 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 recognized prospectively commencing from the period of revision.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended September 30, 2016.

	March 31, 2017 Rupees	September 30, 2016 Rupees
5 LONG TERM FINANCES		
Opening balance	629,000,000	459,000,000
Obtained during the period	-	288,000,000
	<u>629,000,000</u>	<u>747,000,000</u>
Less: Payment made during the period	<u>(89,000,000)</u>	<u>(118,000,000)</u>
	540,000,000	629,000,000
Less: Current portion	<u>(160,000,000)</u>	<u>(178,000,000)</u>
	<u>380,000,000</u>	<u>451,000,000</u>



5.1 Long term finances are availed from various commercial banks under mark-up arrangements. During the year mark-up on such arrangements ranged from 7.06% to 8.12% (2016: 7.16% to 9.6%) per annum. These facilities are secured against charge over plant and machinery installed or to be installed, all present or future assets and personal guarantees of directors.

	March 31, 2017 Rupees	September 30, 2016 Rupees
6 TRADE AND OTHER PAYABLES		
Creditors:		
- For sugarcane	752,000,025	125,029,179
- For other supplies	95,092,435	66,278,445
- Advance from customers	1,211,813	24,408,930
- Other payables	40,653,052	35,092,827
	<u>888,957,325</u>	<u>250,809,381</u>

7 SHORT TERM BORROWING

Cash Finance

Bank Al-Falah Limited	487,621,238	-
Meezan Bank Limited	600,000,000	-
Askari Bank Limited	600,000,000	-
	<u>1,687,621,238</u>	<u>-</u>

Running Finance

Askari Bank Limited	199,949,092	-
Meezan Bank Limited	200,000,000	-
Bank Al-Falah Limited	199,861,979	-
	599,811,071	-
	<u>2,287,432,309</u>	<u>-</u>

7.1 The company has obtained cash and running finance facilities from various banks during the current year to meet capital expenditure and working capital requirements. Markup on these facilities range from 7.04% to 7.12% (2016: 7.38% to 8.6%). These facilities are secured by pledge of white crystalline sugar, 1st joint pari passu charge on current assets and personal guarantees of directors.

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no change in the status of the contingencies set out in the note 11 to the Company's annual financial statements for the year ended September 30, 2016.



8.2 Commitments

8.2.1 Advance received on or before March 31, 2017 in respect of the quantity of 11 Metric Tons (2016: 398 Metric Tons) representing un-lifted delivery orders (DOs) of sugar amounted to Rs. 644,250 (2016: Rs.24.267 million). The sales is to be recognized when the said delivery orders are lifted.

	Note	March 31, 2017 Rupees	September 30, 2016 Rupees
9 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	1,947,385,122	1,989,439,216
Capital work in progress		26,522,706	22,819,989
		<u>1,973,907,828</u>	<u>2,012,259,205</u>
9.1 Operating fixed assets			
Opening WDV		1,989,439,216	1,353,437,301
Additions made during the period			
- Factory building		-	126,000
- Non factory building		-	14,900
- Plant and machinery		51,586,626	9,979,141
- Office equipment and others		100,700	186,426
- Furniture and fixtures		96,175	56,852
- Computer and allied equipment		127,381	314,710
- Vehicles		4,280,160	10,690,080
- Tents and tarpaulins		102,620	104,765
- Tools and tackles		97,423	707,463
		56,391,085	22,180,337
Disposals / transfers during the period-WDV		(1,975,829)	(109,281)
Revaluation Surplus		-	763,705,366
Depreciation for the period / year		(96,469,350)	(149,774,507)
Closing WDV		<u>1,947,385,122</u>	<u>1,989,439,216</u>
10 STOCK-IN-TRADE			
Sugar in process		11,345,015	7,915,258
Finished goods - sugar		2,373,462,173	25,048,015
Molasses		28,574,943	-
		<u>2,413,382,131</u>	<u>32,963,273</u>
11 TRADE DEBTS			
Considered good		643,406,386	27,342,856
Considered Doubtful		568,846	568,846
		643,975,232	27,911,702
Less: Provision for Doubtful Debts		(568,846)	(568,846)
		<u>643,406,386</u>	<u>27,342,856</u>



	SIX MONTHS PERIOD ENDED		QUARTER ENDED	
	March 31, 2017 Rupees	March 31, 2016 Rupees	March 31, 2017 Rupees	March 31, 2016 Rupees
12 NET SALES				
Sales gross				
Local	207,930,775	1,051,552,340	70,743,400	313,217,250
Export	614,490,972	-	614,490,972	-
	822,421,747	1,051,552,340	685,234,372	313,217,250
Federal excise duty	(17,694,900)	(97,399,705)	(5,890,500)	(29,035,344)
	<u>804,726,847</u>	<u>954,152,635</u>	<u>679,343,872</u>	<u>284,181,906</u>

	SIX MONTHS PERIOD ENDED		QUARTER ENDED	
	March 31, 2017 Rupees	March 31, 2016 Rupees	March 31, 2017 Rupees	March 31, 2016 Rupees
13 COST OF SALES				
Sugarcane consumed	3,107,678,232	2,403,741,693	2,544,705,903	1,648,893,919
Manufacturing expenses - Note 13.1	227,560,794	200,678,150	133,164,099	112,483,878
	<u>3,335,239,026</u>	<u>2,604,419,843</u>	<u>2,677,870,002</u>	<u>1,761,377,797</u>
Sugar stock in process - opening	7,915,258	6,888,540	53,104,927	110,057,129
Sugar stock in process - closing	(11,345,015)	(7,893,388)	(11,345,015)	(7,893,388)
	<u>(3,429,757)</u>	<u>(1,004,848)</u>	<u>41,759,912</u>	<u>102,163,741</u>
	<u>3,331,809,269</u>	<u>2,603,414,995</u>	<u>2,719,629,913</u>	<u>1,863,541,538</u>
Molasses - opening stock	-	-	42,860,000	59,826,000
Molasses - closing stock	(28,577,412)	(49,598,172)	(28,577,412)	(49,598,172)
Sale of molasses (by product)	(223,817,288)	(139,122,828)	(223,817,288)	(139,122,828)
	<u>(252,394,700)</u>	<u>(188,721,000)</u>	<u>(209,534,700)</u>	<u>(128,895,000)</u>
Cost of goods manufactured	<u>3,079,414,569</u>	<u>2,414,693,995</u>	<u>2,510,095,213</u>	<u>1,734,646,538</u>
Sugar finished goods stock - opening	25,048,015	459,882,644	464,750,494	483,511,014
Sugar finished goods stock - closing	(2,373,462,173)	(1,933,238,612)	(2,373,462,173)	(1,933,238,612)
	<u>(2,348,414,158)</u>	<u>(1,473,355,968)</u>	<u>(1,908,711,679)</u>	<u>(1,449,727,598)</u>
	<u>731,000,411</u>	<u>941,338,027</u>	<u>601,383,534</u>	<u>284,918,940</u>



SIX MONTHS PERIOD ENDED

QUARTER ENDED

**March 31,
2017
Rupees**

**March 31,
2016
Rupees**

**March 31,
2017
Rupees**

**March 31,
2016
Rupees**

13.1 Manufacturing Expenses

Salaries, wages and other benefits	69,554,956	63,173,898	43,013,359	38,073,529
Production stores consumed	38,253,477	35,641,475	30,812,848	23,749,406
Fuel and power	2,105,594	2,305,280	875,406	585,339
Repairs and maintenance	22,115,569	29,250,966	10,217,916	13,120,110
Vehicle running and maintenance	898,233	1,028,556	442,374	521,150
Insurance	2,126,413	5,096,549	64,604	3,354,235
Depreciation	86,822,415	60,083,213	43,829,408	30,463,260
Others	5,684,137	4,098,213	3,908,184	2,616,849
	<u>227,560,794</u>	<u>200,678,150</u>	<u>133,164,099</u>	<u>112,483,878</u>

Note **March 31,
2017
Rupees** **September 30,
2016
Rupees**

14 TAXATION

Current	10,550,579	11,230,695
Deferred	3,621,785	-
	<u>14,172,364</u>	<u>11,230,695</u>

15 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party and exercise significant influence over other party in making financial and operating decisions. Related parties comprise of associated Companies, directors of the company, companies in which directors also hold directorship, related group companies, key management personnel and staff retirement benefit fund.



Transactions with related parties other than those disclosed elsewhere are as follows:

	March 31, 2017 Rupees	March 31, 2016 Rupees
Transactions during the period		
Contribution to staff provident fund	<u>1,978,066</u>	<u>1,664,965</u>
	March 31, 2017 Rupees	September 30, 2016 Rupees
Payables as on balance sheet date with:		
Loan from Directors	183,000,000	183,000,000
Loan from Related Parties	<u>77,000,000</u>	<u>77,000,000</u>
	<u>260,000,000</u>	<u>260,000,000</u>

16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Company as at and for the year ended September 30, 2016.

17 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and better presentation

18 AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 26 May, 2017.

19 GENERAL

Figure have been rounded off to the nearest rupee.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

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Sindh Abadgar's Sugar Mills Limited

209, 2nd Floor, Progressive Plaza, Beaumont Road, Karachi-Pakistan.
Tel : 35638212-13 Fax : (92-21) 35638219 E-mail : sasm@unitedgroup.org.pk

Mill : Deh Deenpur, Taluka Bulri Shah Karim, Distt. Tando Mohammad Khan Sindh, Pakistan.
Phones : 0315-2001617, E-mail : sasmtmk@unitedgroup.org.pk

CORPORATE