



Sindh Abadgar's Sugar Mills Limited

**UNAUDITED
QUARTERLY FINANCIAL STATEMENTS
1ST QUARTER ENDED DECEMBER 31, 2018**



COMPANY PROFILE

DIRECTORS	Mr. Deoo Mal Essarani Dr. Tara Chand Essarani Mr. Dileep Kumar Mr. Pehlaj Rai Mr. Mohan Lal Dr. Besham Kumar Mr. Mahesh Kumar Dr. Shafaqat Ali Shah	Chairman Chief Executive Director Director Director Director Director Independent Director
CHIEF FINANCIAL OFFICER	Mr. Syed Abid Hussain	
COMPANY SECRETARY	Mr. Aziz Ahmed	
BANKERS	Allied Bank Limited Askari Bank Limited Bank Al-Falah Limited MCB Bank Limited United Bank Limited Meezan Bank Limited HBL Foreign Exch. Bank Ltd	
AUDIT COMMITTEE	Dr. Shafaqat Ali Shah Mr. Pehlaj Rai Mr. Dileep Kumar Dr. Besham Kumar	Chairman Member Member Member
HR AND REMUNERATION COMMITTEE	Dr. Shafaqat Ali Shah Mr. Mohan Lal Mr. Dileep Kumar	Chairman Member Member
AUDITORS	M/s. Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
LEGAL ADVISOR	Yasin Ali, Advocates	
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 Ameer Centre, Shahrah e Iraq, Saddar, Karachi.	
EMAIL ADDRESS	sasm@unitedgroup.org.pk	



DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is my privilege to present the un-audited condensed interim financial statements of the Company for the first quarter ended December 31, 2018. The crushing season 2018-19 commenced from 13th December, 2018.

Operational Results :

		December 31, 2018	December 31, 2017
Season commenced on		13.12.2018	28.11.2017
Period reporting upto		31.12.2018	31.12.2017
Days worked (Gross)	- Days	19	34
Cane crushed	- Tons	77,711	67,555
Average Crushing per day	- Tons	4,090	1,987
Capacity utilization	- %	51	25
Sugar recovery	- %	9.963	9.885
Sugar produced	- Tons	6,865	5,824
Molasses % Cane	- %	4.9371	4.763
Molasses produced	- Tons	3,280	2,760

The net turnover recorded at nil compared to Rs.902.885 million of corresponding period of last year amid no off take of sugar from Mills during the period under review. The company suffered after tax loss Rs.103.787 Million mainly due to unabsorbed, depreciation, administrative and financial expenses compared to Rs.236.925 million of the 1st quarter of last year with loss per share of Rs.(9.96) compared to Rs.(22.73) of corresponding quarter. The minimum notified support price of sugarcane for current season has been fixed at Rs.182 per 40 kg.

First quarter ended on 31st December, 2018 does not properly reflect the true view of the profit/loss of the company due to un-recognition of sales revenue, lesser operational days, since the season commenced just 19 days after close of quarter. Anticipated financial position of the company will be adjudged in the next quarter which may be comparable with the correspondent period, when crushing has been completed and sales of sugar is recognized during the period.



Future Outlook

The future prospects of the crushing season 2018-2019 has remained uncertain and a lot of challenges are ahead to control the rising prices of sugarcane alongwith unviable sugar prices to save totally uneconomical industry. Definite measures are needed to control the sugarcane prices to enable the sugar mills to sell their sugar at a reasonable price to the consumers. The Sugar Mills are approaching at various levels viz. at Govt., Sindh High Court and Supreme Court level to avail incentives in sugar price to get reasonable rate of return.

Further, the future prospects of the Company are greatly dependent on the trend of sugar prices in the next three quarters. We anticipate the sugarcane crushing during the current season will substantially less compared to last season due to less cultivation of land owing to and non-availability of water. Therefore the company is devising a strategy based on realistic and logical statistics of actual sugar production, its consumption and deficit or surplus etc., as the case may be. With the hope of stability in sugar prices during the next three quarters, we anticipate reasonably better financial results for the remaining three quarters.

The Board of Directors wishes to keep on record and convey assurance to the respectable shareholders of our dedicated efforts and honest working which would strengthen our determination to achieve success with better planning to overcome the difficult situation and conditions. The Directors also place on record their appreciation of the devoted services and hard work put in by the officers and workers of the Company. Please pray to God to guide us and help us to achieve desired results and prosperous future.

On behalf of the Board of Directors

Dr. Tara Chand
Chief Executive

Karachi: January 25, 2019

ڈائریکٹرز رپورٹ

معزز حصص داران

بورڈ آف ڈائریکٹرز کی جانب سے، یہ میرا امتیاز ہے کہ میں آپ کے سامنے کمپنی کی غیر آڈٹ شدہ مجموعی عبوری مالیاتی گوشوارہ برائے پہلی سہ ماہی اختتام پذیر 31 دسمبر 2018 پیش کر رہا ہوں۔ پیسائی کا عمل برائے سال 2018-19 مورخہ 13 دسمبر، 2018 سے شروع ہوا۔

عملیاتی نتائج:

31 دسمبر 2017	31 دسمبر 2018	
28-11-2017	13-12-2018	پسائی کا آغاز
31-12-2017	31-12-2018	رپورٹنگ کا دورانیہ
34	19	کام کے ایام (مجموعی)
67,555	77,711	پیسے گئے گنوں کی تعداد
1,987	4,090	فی یوم پیسائی کا تناسب
25	51	استعمال کی استعداد
9.885	9.963	شکر کی وصولیابی
5,824	6,865	شکر کی پیداوار
4.763	4.9371	گئے میں شیرہ کا تناسب
2,760	3,280	شیرہ کی وصولیابی

پچھلے سال مماثل دورانیہ میں مبلغ 902.885 ملین روپے کے مقابلے میں اس سال کوئی مجموعہ ٹرن آور ریکارڈ نہیں کیا گیا جس کی وجہ زبردور دورانیہ کے درمیان ملز سے شوکر کا آگے نہ نکلنا ہے۔

کمپنی نے مابعد نیکس مبلغ 103.787 ملین روپے کا خسارہ برداشت کیا جو کہ پچھلے سال پہلے سہ ماہی میں مبلغ 236.925 ملین روپے تھا جس کی اصل وجہ unabsorbed depreciation انتظامی اور مالی اخراجات ہیں اور اس طرح پچھلے سال مماثل سہ ماہی میں مبلغ (22.73) روپے فی خسارے کے مقابلے میں اس سال مبلغ (9.96) روپے کا خسارہ سامنے آیا۔ حالیہ سیزن میں گئے کے کم از کم نرخ مبلغ 182 روپے فی 40 کلومیٹر کیے گئے ہیں۔

پہلی سہ ماہی اختتام پذیر مورخہ 31 دسمبر 2018 کمپنی کو ہونے والے نفع / خسارے کی حقیقی عکاسی نہیں کرتی جس کی وجہ فروخت کی محصولات کی عدم وصولی، کام میں ایام میں تخفیف ہے جیسا کہ سیزن کا آغاز فقط 19 یوم قبل ہوا ہے۔ کمپنی کی متوقع مالی حالت اگلی سہ ماہی میں تصفیہ کی جائے گی جسے مماثل دورانیہ میں تقابل کیا جاسکتا ہے، جیسا کہ جب پیمائی کا اختتام ہو جائے گا اور اس دورانیہ میں شوگر کی فروخت کی محصولات حاصل ہونا شروع ہو جائیں گی۔

مستقبل کے امکانات:

پیمائی کے سیزن برائے سال 2018-19 میں متوقع امکانات غیر یقینی ہیں اور گئے کی بڑھتی ہوئی قیمتوں کے ساتھ ساتھ ناقابل عمل چینی کے نرخوں کو قابو کرنے اور مکمل غیر منفعت بخش صنعت کو بچانے کیلئے بہت سے چیلنجز کا سامنا ہے۔ گئے کے نرخوں کو قابو کرنے کیلئے ٹھوس اقدامات ناگزیر ہیں تاکہ شوگر ملز کو اس قابل بنایا جاسکے کہ وہ اپنی چینی صارفین کو معقول داموں بیچ سکیں۔ شوگر ملز مختلف سطح کے حکومتی اداروں، عدالت عالیہ سندھ اور عدالت عظمیٰ کے ہاں رسائی حاصل کر رہی ہیں تاکہ چینی کی قیمتوں کو بہتر کیا جائے اور معقول منافع حاصل ہو۔

مزید، کمپنی کی مستقبل کی کامل امیدیں اگلی تین سہ ماہیوں میں چینی کے نرخوں کے سلسلے میں پیدا ہونے والے رجحان پر منحصر ہیں۔ ہم حالیہ پیمائی کے سیزن میں پچھلے مماثل دورانیہ کے مقابلے میں قابل ذکر کمی کو تسلیم کرتے ہیں جس کی وجہ پانی کی عدم دستیابی کے سبب کاشت کاری میں کمی ہے۔ لہذا کمپنی چینی کی حقیقی پیداوار جیسا کہ اس کی کھپت اور کیا بی یا اضافے وغیرہ (جیسی بھی صورت ہو) کے سلسلے میں حقیقی حکمت عملی اور منطقی شماریات کی تدبیر کر رہی ہے۔ اگلی تین سہ ماہیوں میں چینی کے نرخوں میں استحکام کی امید کے ساتھ ہم بقیہ تین سہ ماہیوں میں معقول بہتر مالیاتی نتائج کی توقع کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی خواہش ہے کہ وہ ریکارڈ پر موجود رہیں اور اپنے معزز حصص داران کو ان کی جانب سے کی جانے والے جہد و سعی اور پر خلوص محنت کا یقین دلانے میں اس طرح ہماری منصوبہ بندی کی صلاحیت کو تقویت ملے گی اور مشکل حالات سے نمٹنے میں منزل کا تعین ہو سکے گا۔ مزید یہ کہ ڈائریکٹرز کمپنی کے افسران اور ملازمین کی جانب سے اس کی تہدیت اور سخت محنت کو سراہتے ہیں۔ براہ کرم خداوند کریم کے حضور دعا گور ہیں کہ وہ ہماری رہنمائی فرمائے اور ہمیں حسبِ منشاء نتائج اور خوش اقبال مستقبل کے حصول میں ہماری مدد فرمائے۔

بورڈ آف ڈائریکٹرز کی جانب سے

ڈاکٹر تارا چند
چیف ایگزیکٹو

کراچی: 25 جنوری 2019



CONDENSED INTERIM BALANCE SHEET (UNAUDITED)
AS AT DECEMBER 31, 2018

		Un-audited December 31, 2018 Rupees	Audited September 30, 2018 Rupees
EQUITY AND LIABILITIES			
Share Capital & Reserves			
Authorized capital 65,000,000 (2018: 65,000,000)			
ordinary shares of Rs. 10/- each		650,000,000	650,000,000
Issued, subscribed and paid-up capital		104,250,000	104,250,000
Revaluation surplus on property, plant and equipment-net		1,446,549,897	1,476,249,189
Accumulated losses		(369,830,062)	(295,741,993)
		1,180,969,835	1,284,757,196
Subordinated loans		260,000,000	260,000,000
		1,440,969,835	1,544,757,196
NON-CURRENT LIABILITIES			
Long term finance - secured	6	525,000,000	595,833,333
Deferred liabilities		804,404,452	817,545,784
		1,329,404,452	1,413,379,117
CURRENT LIABILITIES			
Trade and other payables		475,421,681	288,633,855
Short term borrowing		313,599,393	-
Unclaimed dividend		3,316,162	3,316,162
Accrued mark-up		16,624,378	17,364,051
Current maturity of long term finance		183,333,334	183,333,334
		992,294,948	492,647,402
CONTINGENCIES AND COMMITMENTS	7	-	-
		3,762,669,235	3,450,783,715
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	2,745,417,703	2,801,755,471
Long term loans		1,834,969	2,008,278
Long term deposits		792,527	792,527
		2,748,045,199	2,804,556,276
CURRENT ASSETS			
Stores and spares		182,514,419	149,300,766
Stock-in-trade		396,651,085	9,292,544
Trade debts - unsecured		37,755,005	252,395,262
Short term loans and advances		86,971,371	57,615,068
Trade deposits and short term prepayments		388,117	3,389,617
Other receivables		90,221,884	76,028,636
Advance tax - net		74,676,691	72,443,657
Cash and bank balances	11	145,445,464	25,761,889
		1,014,624,036	646,227,439
		3,762,669,235	3,450,783,715

The annexed notes from 1 to 14 form an integral part of the condensed interim financial information.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
CFO



**CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2018**

	Note	December 2018 Rupees	December 2017 Rupees
Net Sales	9	-	902,884,787
Cost of sales	10	(75,610,610)	(1,053,533,877)
Gross loss		(75,610,610)	(150,649,090)
Operating expenses			
Administrative expenses		(24,669,200)	(27,798,764)
Selling and distribution cost		(784,782)	(25,499,004)
		(25,453,982)	(53,297,768)
Operating loss		(101,064,592)	(203,946,858)
Finance cost		(17,132,772)	(27,203,361)
		(118,197,364)	(231,150,219)
Other income		1,268,671	2,338,904
Loss before taxation		(116,928,693)	(228,811,315)
Taxation - Current		13,141,332	(8,114,108)
Loss after taxation		(103,787,361)	(236,925,423)
Loss per share - basic & diluted		(9.96)	(22.73)

The annexed notes from 1 to 14 form an integral part of the condensed interim financial information.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
CFO



**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UNAUDITED)
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2018**

	December 2018 Rupees	December 2017 Rupees
Loss for the quarter	(103,787,361)	(236,925,423)
Other comprehensive income		
Total comprehensive loss for the quarter transferred to equity.	<u>(103,787,361)</u>	<u>(236,925,423)</u>

The annexed notes from 1 to 14 form an integral part of the condensed interim financial information.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
CFO



CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2018

	December 2018 Rupees	December 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(116,928,693)	(228,811,315)
Adjustment for:		
Depreciation	63,307,660	45,856,864
Financial cost	17,132,772	27,203,361
Gain on disposal of Property, Plant & Equipment	55,122	(449,267)
	<u>80,495,554</u>	<u>72,610,958</u>
Operating loss before working capital changes	(36,433,139)	(156,200,357)
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(33,213,653)	(43,215,206)
Stock in trade	(387,358,541)	656,807,745
Trade debts - Unsecured	214,640,257	77,105,063
Short term loans and advances	(29,356,303)	41,131,910
Trade deposits, prepayment and other receivables	3,001,500	73,833
Other receivables	(14,193,248)	(127,437,000)
	<u>(246,479,988)</u>	<u>604,466,345</u>
Increase in current liabilities		
Trade and other payables	186,787,826	(4,458,186)
	<u>(59,692,162)</u>	<u>600,008,159</u>
Cash (used in)/generated from operating activities	(96,125,301)	443,807,802
Finance cost paid	(17,872,445)	(46,426,246)
Taxes paid	(2,233,034)	(10,279,206)
Net cash (used in)/generated from operating activities	<u>(116,230,780)</u>	<u>387,102,350</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(2,352,766)	(3,831,064)
Capital work in progress	(4,687,248)	(14,868,147)
Sales Proceeds of assets	15,000	750,299
Long term loans	173,309	(52,507)
Long term deposits	-	-
Net cash (used in) investing activities	<u>(6,851,705)</u>	<u>(18,001,419)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loan	(70,833,333)	(71,000,000)
Long term finance obtained	-	117,041,163
Net cash (used in)/generated from financing activities	<u>(70,833,333)</u>	<u>46,041,163</u>
Net increase/(decrease) in cash and cash equivalents	(193,915,818)	415,142,094
Cash and cash equivalents at the beginning of the period	25,761,889	(858,657,860)
Cash and cash equivalents at the end of the period	<u>(168,153,929)</u>	<u>(443,515,766)</u>

The annexed notes from 1 to 14 form an integral part of the condensed interim financial information.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
CFO



**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UNAUDITED)
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2018**

	Issued, Subscribed and Paidup Capital Rupees	Revaluation surplus on property, plant and equipment Rupees	Accumulated Profit / (Loss) Rupees	Total Rupees
Balance as at October 1, 2017 (Audited)	- 104,250,000	- 812,179,558	- (427,498,936)	- 488,930,622
Loss for the period (Oct - Dec 2017)			(236,925,423)	(236,925,423)
Incremental depreciation transferred from surplus on revaluation of fixed assets-net of deferred tax		(23,250,474)	23,250,474	-
	-	(23,250,474)	(213,674,949)	(236,925,423)
Balance as at December 31, 2017 (Unaudited)	104,250,000	788,929,084	(641,173,885)	252,005,199
Profit for the period (Jan - Sept. 2018)			305,136,013	305,136,013
Other comprehensive income		727,615,984		727,615,984
Incremental depreciation transferred from surplus on revaluation of fixed assets-net of deferred tax		(40,295,879)	40,295,879	-
	-	687,320,105	345,431,892	1,032,751,997
Balance as at September 30, 2018 (audited)	104,250,000	1,476,249,189	(295,741,993)	1,284,757,196
Loss for the period (Oct - Dec 2018)	-	-	(103,787,361)	(103,787,361)
Other comprehensive income	-	-	-	-
	-	-	(103,787,361)	(103,787,361)
Incremental depreciation transferred from surplus on revaluation of fixed assets-net of deferred tax	-	(29,699,292)	29,699,292	-
Balance as at December 31, 2018	104,250,000	1,446,549,897	(369,830,062)	1,180,969,835

The annexed notes from 1 to 14 form an integral part of the condensed interim financial information.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
CFO



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE 1ST QUARTER ENDED DECEMBER 31, 2018

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 Mohammed Khan in the province of Sindh and its registered office is situated at 209, Progressive Plaza, Beaumont Road, Karachi in the province of Sindh. The company is principally engaged in the manufacturing and sale of sugar.

2 BASIS OF PREPARATION

The condensed interim financial information are un-audited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulation of the Pakistan Stock Exchange Limited. 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, 2018.

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, 2018.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards 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 information of the Company as at and for the year ended September 30, 2018.

5 SEASONALITY OF OPERATIONS

Due to the seasonal availability of sugarcane, the manufacturing of sugar is carried out during the period of availability of sugarcane and costs incurred / accrued upto the reporting date have been accounted for. Accordingly, the costs incurred / accrued after the reporting date will be reported in the annual financial statements.



	Unaudited December 2018 Rupees	Audited September 2018 Rupees
6 LONG TERM FINANCES - SECURED		
Opening balance	779,166,667	848,958,837
Obtained during the period	-	117,041,163
	779,166,667	966,000,000
Less: Repaid during the period	(70,833,333)	(186,833,333)
Current portion	(183,333,334)	(183,333,334)
	(254,166,667)	(370,166,667)
Closing balance	525,000,000	595,833,333

7 CONTINGENCIES & COMMITMENTS

7.1 Contingencies

There is no change in the status of contingencies as disclosed in the published annual financial statements for the year ended September 30, 2018.

	Unaudited December 2018 Rupees	Audited September 2018 Rupees
8 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	2,740,730,455	2,801,755,471
Capital work in progress	4,687,248	-
	2,745,417,703	2,801,755,471

	Acquisitions/ (Deletions)	Acquisitions/ (Deletions)
8.1 Operating fixed assets		
Factory building on free hold land	675,000	6,110,562
Non factory building on free hold land	-	9,567,789
Plant & machinery	539,291	186,691,980
Office equipment	675,075	816,150
	(86,500)	-
Furniture & fixture	-	124,926
Computers	-	812,461
Vehicles	341,897	5,449,409
	-	(4,745,963)
Tents and tarpouline	-	19,632
Tools & tackles	121,503	335,366
	2,266,266	205,182,312



	Unaudited December 2018 Rupees	Unaudited December 2017 Rupees
9 SALES		
Local	-	95,624,100
Export	-	691,880,687
Inland Freight subsidy	-	127,437,000
Less: Sales Tax	-	(12,057,000)
	<u>-</u>	<u>902,884,787</u>

10 COST OF GOODS SOLD

Sugarcane consumed	353,594,198	310,119,305
Manufacturing expenses	109,374,953	86,606,827
	<u>462,969,151</u>	<u>396,726,132</u>
Stock in process - opening	9,292,544	11,351,217
Stock in process - closing	(40,090,085)	(39,670,572)
	<u>(30,797,541)</u>	<u>(28,319,355)</u>
	432,171,610	368,406,777
Stock of by-product - opening	-	-
Sale of by-product	-	-
Stock of by-product - closing	(31,160,000)	(16,560,000)
	<u>(31,160,000)</u>	<u>(16,560,000)</u>
Cost of goods manufactured	401,011,610	351,846,777
Stock of finished goods - opening	-	1,001,644,800
Stock of finished goods - closing	(325,401,000)	(299,957,700)
	<u>(325,401,000)</u>	<u>701,687,100</u>
	<u>75,610,610</u>	<u>1,053,533,877</u>

10.1 Manufacturing Expenses

Salaries, wages and other benefits	27,262,832	22,680,285
Production stores consumed	6,968,928	3,774,005
Fuel and power	1,495,132	1,497,347
Repairs and maintenance	13,546,942	14,667,819
Vehicle running and maintenance	547,288	446,669
Insurance	1,378,981	1,330,101
Depreciation	56,976,894	41,272,978
Others	1,197,956	937,623
	<u>109,374,953</u>	<u>86,606,827</u>



11 CASH AND CASH EQUIVALENTS

For the purpose of cash flow statement, cash and cash equivalents include cash in hand and in banks and investments having maturity of less than 3 months and insignificant risk of changes in value till maturity, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the condensed interim cash flow statement are reconciled to the related items as follows:

	Unaudited December 2018 Rupees	Audited September 2018 Rupees
Cash and bank balances	145,445,464	25,761,889
Short term running finance	(313,599,393)	-
	<u>(168,153,929)</u>	<u>25,761,889</u>

12 RELATED PARTY TRANSACTIONS

Related parties constitute transactions with Directors, key management personnel and retirement benefit plan. Material transactions with related parties are given below:

	Unaudited December 2018 Rupees	Unaudited December 2017 Rupees
Directors	1,484,432	2,215,997
Key Management personnel	3,422,824	3,430,475
Provident fund contribution	999,632	923,402

	Unaudited December 2018 Rupees	Audited September 2018 Rupees
Loans from Directors	183,000,000	183,000,000
Loans from Related Parties	77,000,000	77,000,000
	<u>260,000,000</u>	<u>260,000,000</u>

13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the company at their meeting held on January 25, 2018.

14 GENERAL

Figure have been rounded off to the nearest Rupee.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
CFO

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CORPORATE