



Sindh Abadgar's Sugar Mills Limited

**UNAUDITED
CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2020**



COMPANY PROFILE

| | | |
|--------------------------------------|--|---|
| DIRECTORS | Mr. Deoo Mal Essarani Dr. Tara Chand Essarani Mr. Mahesh Kumar Mr. Dileep Kumar Mr. Pehlaj Rai Mr. Mohan Lal Dr. Besham Kumar Dr. Shafaqat Ali Shah | Chairman Chief Executive Director Director Director Director Director Independent Director |
| CHIEF FINANCIAL OFFICER | Syed Abid Hussain | |
| COMPANY SECRETARY | Mr. Aziz Ahmed | |
| BANKERS | Allied Bank Limited Askari Bank Limited Bank Al-Falah Limited MCB Bank Limited Bank AL Habib Limited United Bank Limited Meezan Bank Limited HBL Foreign Exch. Bank Limited | |
| 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, Advocate | |
| 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-alaikum,

On behalf of the Board of Directors of your Company. We are pleased to present the financial statements for the 3rd quarter ended 30th June, 2020.

Financial Results

The financial results of the company for the nine months ended 30th June, 2020 compared to the same period of last years is presented below.

| | 30th June 2020 Rs. (000) | 30th June 2019 Rs. (000) |
|----------------------|-----------------------------|-----------------------------|
| Loss before taxation | (170.448) | (15,020) |
| Taxation | 31,332 | (6,793) |
| Loss after taxation | 139.116 | 21,813 |
| Loss per share | (13.34) | (2.09) |

During the nine month of the current year. The company's net sales increased by 42.55% compared to the corresponding period of last year. In spite of closure of markets across the country for the most part in the 3rd quarter amid evolving Covid-19 pandemic, the off-take of sugar remained steady during the 3rd quarter of the current financial year, the cost of sales on the other hand have increased by 11.62% on net sales compared to the same period of last year. The increase was mainly attributable to unprecedented increase in sugarcane cost and under-utilization of production capacity resulting higher fixed cost.

In view of exceptional increase in cost per ton of sugar. Gross profit margin steeply declined to 1.62% of net sales as against 13.24% recorded in the corresponding period of last year, Consequently, your company suffered a loss of Rs. 139.12 million compared to Rs. 21.81 million in the same period of last year. Accordingly, loss per share stood at Rs. 13.34 compared Rs. 2.09 in the same period of last year.

Future Outlook

Going forward. The contagious infection from Covid-19 is declining across the country with the business are gradually opening. However, the demand for sugar will remain same in the last quarter of the year. It is expected that sugar prices will increase due to lesser quantity of sugar stock as compared to last year. However, the ongoing sugar enquiry has put tremendous pressure on millers to sell below cost which may land them to liquidity problems and considerably slow down the growth in future. To mitigate the impact of higher sugar cane cost. The company is continuously improving its production efficiently and reducing cost. The recent reduction in interest rate will also help to improve the financial results in the last quarter of the financial year.



Acknowledgement

The Directors of your company acknowledge the cooperation and guidance from the shareholders, bankers, etc, and wishes to place on record their appreciation for the dedication and hard work of employees and workers.

Tara Chand
Chief Executive

Mahesh Kumar
Director

Dated: 28th July, 2020

ڈائریکٹرز رپورٹ

محترم ممبران
اسلام علیکم!

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت کے ساتھ تیسری سہ ماہی اختتام پذیر 30 جون 2020 کے مالیاتی گوشوارے پیش کر رہے ہیں۔

مالیاتی نتائج:

نومہ اختتام پذیر 30 جون 2020 کے لیے کمپنی کے مالیاتی نتائج گزشتہ سال اسی دورانیہ کے تقابل کے ساتھ درج ذیل پیش کیے جاتے ہیں:

| 30 جون 2019 | 30 جون 2020 | |
|---------------|----------------|--------------------------|
| (Rs. 000) | (Rs. 000) | |
| (15,020) | (170,448) | ٹیکس سے پہلے خسارہ |
| (6,793) | 31,332 | ٹیکس |
| 21,813 | 139,116 | ٹیکس کے بعد خسارہ |
| (2.09) | (13.34) | فی شیئر خسارہ |

حالیہ سال کے نومہ کے دوران، کمپنی کی کل فروختگی میں گزشتہ سال مماثل دورانیہ کے مقابلہ میں 42.55 فیصد تک اضافہ ہوا۔ تیسری سہ ماہی کے زیادہ تر دورانیہ میں، عالمی وبائی صورتحال کو وڈ-19 کی وجہ سے مارکیٹ بند ہونے کے باوجود حالیہ مالی سال کی تیسری سہ ماہی میں چینی کی کھپت مستحکم رہی، جبکہ دوسری جانب فروخت کی لاگت میں گزشتہ سال مماثل دورانیہ کے مقابلہ میں 11.62 فیصد کا اضافہ ہوا۔ اس اضافی کی وجہ سے کی قیمتوں میں غیر متوقع اضافہ اور پیداواری صلاحیت کو مکمل طور پر استعمال نہ کرنا ہے جس کی وجہ مقررہ بھاری لاگت ہے۔

ٹی ٹن چین کی لاگت میں اضافے کے سبب کل فروختگی پر منجملہ منافع میں کمی کے بعدہ 1.62% فیصد تک رہا جبکہ اس کے مقابلے میں گذشتہ سال مماثل دورانیہ میں 13.24 فیصد ریکارڈ کیا گیا تھا۔ نتیجتاً آپ کی کمپنی نے مبلغ 139.12 ملین روپے کا نقصان برداشت کیا جبکہ گذشتہ سال اسی دوران میں مبلغ 21.81 ملین روپے تھا۔ لہذا فی شیئر نقصان مبلغ 13.34 روپے رہا جو کہ گذشتہ سال اسی دورانیہ میں 2.09 روپے تھا۔

مستقبل کے امکانات:

آگے چلتے ہوئے۔ ملک بھر میں کووڈ-19 کی وبائی صورتحال میں درجہ بہ درجہ کمی آرہی ہے اور کاروباری بھی بتدریج کھلنا شروع ہو گئے ہیں۔ تاہم، سال کی آخری سہ ماہی میں چین کی طلب اسی طرح رہے گی۔ یہ توقع ہے کہ چین کی قیمتوں میں اضافہ ہوگا جس کی وجہ گذشتہ سال کے مقابلے میں چین کے اسٹاک کی مقدار میں کمی واقع ہونا ہے۔ تاہم، چین کی انکوائری کی وجہ سے ملز مالکان پر بہت زیادہ دباؤ ڈالا جا رہا ہے کہ وہ کم قیمت میں چین فروخت کریں جسے انہیں کلوئیڈٹی کے مسائل کا سامنا ہو سکتا ہے اور مستقبل میں ترقی قابل ذکر حد تک سست روی کا شکار ہو سکتی ہے۔ گنے کی قیمتوں کے اثرات کو کم سے کم کرنے کیلئے کمپنی لاگت میں کمی لارہی ہے اور پیداواری صلاحیت میں اضافہ کر رہی ہے۔ شرح سود میں ہونے والی کمی بھی مالی سال کی آخری سہ ماہی کے مالیاتی نتائج پر مثبت اثر ڈالیں گے۔

تسلیمات:

آپ کی کمپنی کے ڈائریکٹرز، شیئرز، ہولڈرز، بینکرز وغیرہ کی جانب سے متعاون اور رہنمائی کو تسلیم کرتے ہیں اور ملازمین اور ورکرز کی جانب سے تہدیرت اور محنت کو سراہتے ہیں۔

مہیش کمار

ڈائریکٹر

تارا چند

چیف ایگزیکٹو

تاریخ: 28 جولائی 2020



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2020

| EQUITY AND LIABILITIES | Note | Un-audited June 30, 2020 Rupees | Audited September 30, 2019 Rupees |
|---|-------------|--|--|
| Share capital and reserves | | | |
| Authorized capital 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 |
| Capital reserve | | | |
| Revaluation surplus on property, plant and machinery-net | | 1,277,314,875 | 1,357,507,095 |
| Revenue reserve | | | |
| Accumulated losses | | (213,375,338) | (144,026,214) |
| | | 1,168,189,537 | 1,317,730,881 |
| Subordinated Loan | | 260,000,000 | 260,000,000 |
| | | 1,428,189,537 | 1,577,730,881 |
| Non current liabilities | | | |
| Long term finance - secured | 5 | 400,000,000 | 350,000,000 |
| Deferred liabilities | | 709,272,384 | 766,348,446 |
| | | 1,109,272,384 | 1,116,348,446 |
| Current liabilities | | | |
| Trade and other payables | | 927,928,116 | 334,273,176 |
| Short term borrowing | | 975,463,431 | 338,348,587 |
| Unclaimed dividend | | 6,533,287 | 5,312,636 |
| Accrued mark-up | | 57,880,217 | 25,515,416 |
| Current maturity of long term finance | | - | 100,000,000 |
| | | 1,967,805,051 | 803,449,815 |
| Contingencies and commitments | | | |
| | 6 | 4,505,266,972 | 3,497,529,142 |
| ASSETS | | | |
| Non current assets | | | |
| Property, plant and equipment | 7 | 2,440,111,474 | 2,604,746,154 |
| Intangible asset | | 350,000 | - |
| Long term loans | | 993,081 | 612,319 |
| Long term deposits | | 792,527 | 792,527 |
| | | 2,442,247,082 | 2,606,151,000 |
| Current assets | | | |
| Stores and spares | | 156,005,324 | 166,064,297 |
| Stock in trade | | 1,445,198,837 | 460,551,452 |
| Trade debts - unsecured | | 179,862,022 | - |
| Short term loans and advances | | 128,996,232 | 106,682,919 |
| Trade deposits and short term prepayments | | 141,754 | 141,754 |
| Other receivables | | 76,190,086 | 76,028,636 |
| Tax refunds due from government | | 51,550,472 | 58,782,733 |
| Cash and bank balances | | 25,075,163 | 23,126,351 |
| | | 2,063,019,890 | 891,378,142 |
| | | 4,505,266,972 | 3,497,529,142 |

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2020

| | Note | Nine months period ended | | Quarter ended | |
|---------------------------------------|------|----------------------------|----------------------------|----------------------------|----------------------------|
| | | June 30, 2020 Rupees | June 30, 2019 Rupees | June 30, 2020 Rupees | June 30, 2019 Rupees |
| Net sales | 8 | 1,490,666,312 | 1,045,736,730 | 894,142,507 | 989,256,480 |
| Cost of sales | | (1,466,586,574) | (907,287,405) | (906,877,484) | (868,767,964) |
| Gross profit / (loss) | | 24,079,738 | 138,449,325 | (12,734,977) | 120,488,516 |
| Administrative expenses | | (83,542,814) | (78,522,620) | (23,516,849) | (23,035,818) |
| Selling and distribution cost | | (16,395,094) | (4,605,964) | (262,215) | (242,187) |
| | | (99,937,908) | (83,128,584) | (23,779,064) | (23,278,005) |
| Operating (loss) / profit | | (75,858,170) | 55,320,741 | (36,514,041) | 97,210,511 |
| Finance cost | | (141,039,850) | (144,105,378) | (58,800,227) | (72,611,229) |
| Workers' Welfare Fund | | - | (2,514,047) | 521,053 | (2,166,548) |
| Other income | | 46,449,931 | 76,278,601 | 1,326,241 | 43,524,021 |
| | | (94,589,919) | (70,340,824) | (56,952,933) | (31,253,756) |
| (Loss) / profit before taxation | | (170,448,089) | (15,020,083) | (93,466,974) | 65,956,755 |
| Taxation-net | | 31,331,745 | (6,793,164) | 14,517,371 | (30,964,670) |
| (Loss) / profit after taxation | | (139,116,344) | (21,813,247) | (78,949,603) | 34,992,085 |
| (Loss) / earning per share | | | | | |
| basic and diluted | | (13.34) | (2.09) | (7.57) | 3.36 |

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2020

| | Note | June 30, 2020 Rupees | June 30, 2019 Rupees |
|--|------|----------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Loss before taxation | | (170,448,089) | (15,020,083) |
| Adjustments for: | | | |
| - Depreciation | | 171,095,448 | 190,549,779 |
| - Finance costs | | 141,039,850 | 144,105,378 |
| | | <u>312,135,298</u> | <u>334,655,157</u> |
| Operating profit before working capital changes | | 141,687,209 | 319,635,074 |
| Changes in working capital | | | |
| Decrease / (increase) in current assets | | | |
| - Stores and spares | | 10,058,973 | (24,141,164) |
| - Stock in trade | | (984,647,385) | (1,340,203,570) |
| - Trade debts - unsecured | | (179,862,022) | (257,316,601) |
| - Short term loans and advances | | (22,313,313) | (24,501,133) |
| - Trade deposits and short term prepayments | | - | 3,001,500 |
| - Other receivables | | (161,450) | - |
| | | <u>(1,176,925,197)</u> | <u>(1,643,160,968)</u> |
| Increase / (decrease) in current liabilities | | | |
| - Trade and other payables | | 593,654,940 | (8,967,168) |
| Net cash used in operations | | <u>(441,583,048)</u> | <u>(1,332,493,062)</u> |
| Taxes paid | | (18,512,056) | (20,570,742) |
| Gratuity paid | | - | (78,150) |
| Finance costs paid | | (108,675,049) | (70,920,522) |
| | | <u>(127,187,105)</u> | <u>(91,569,414)</u> |
| Net cash used in operating activities | | <u>(568,770,153)</u> | <u>(1,424,062,476)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of property, plant and equipment | | (6,460,768) | (8,376,621) |
| Intangible asset | | (350,000) | - |
| Long term loans - net | | (380,762) | 564,638 |
| Net cash used in investing activities | | <u>(7,191,530)</u> | <u>(7,811,983)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of long term finance | | (50,000,000) | (162,500,000) |
| Dividend paid | | (9,204,349) | (14,681,559) |
| Net cash used in financing activities | | <u>(59,204,349)</u> | <u>(177,181,559)</u> |
| Net decrease in cash and cash equivalents | | <u>(635,166,032)</u> | <u>(1,609,056,018)</u> |
| Cash and cash equivalents at the beginning of the period | | (315,222,236) | 25,761,888 |
| Cash and cash equivalents at the end of the period 10 | | <u>(950,388,268)</u> | <u>(1,583,294,130)</u> |

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

TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2020**

| | Nine months period ended | | Quarter ended | |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| | June 30, 2020 Rupees | June 30, 2019 Rupees | June 30, 2020 Rupees | June 30, 2019 Rupees |
| (Loss) / profit after taxation | (139,116,344) | (21,813,247) | (78,949,603) | 34,992,085 |
| Other comprehensive income | - | - | - | - |
| Items that will not be reclassified subsequently to profit or loss | - | - | - | - |
| Reversal of deferred tax liability on account of Revaluation Surplus due to change in tax rate | - | - | - | (16,731,995) |
| Total comprehensive (loss) / income for the period | <u>(139,116,344)</u> | <u>(21,813,247)</u> | <u>(78,949,603)</u> | <u>18,260,090</u> |

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

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2020**

| | Issued, subscribed and paid up capital | Capital reserves | Revenue reserves | Total |
|--|--|--|----------------------|----------------------|
| | | Revaluation surplus on property, plant and equipment | Accumulated losses | |
| Rupees | | | | |
| Balance as at October 01, 2018 | 104,250,000 | 1,476,249,189 | (295,741,993) | 1,284,757,196 |
| Total comprehensive loss for the nine month ended June 30, 2019 | - | - | - | - |
| Loss after taxation | - | - | (21,813,247) | (21,813,247) |
| Other comprehensive income | - | - | (21,813,247) | (21,813,247) |
| Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax | - | (93,519,412) | 93,519,412 | - |
| Transaction with owner | - | - | - | - |
| Final dividend paid at the rate of Rs. 1.60 per share each for the year ended September 30, 2018 | - | - | (16,680,000) | (16,680,000) |
| Balance as at June 30, 2019 | <u>104,250,000</u> | <u>1,382,729,777</u> | <u>(240,715,828)</u> | <u>1,246,263,949</u> |
| Balance as at October 01, 2019 | 104,250,000 | 1,357,507,095 | (144,026,214) | 1,317,730,881 |
| Total comprehensive loss for the nine months ended June 30, 2020 | - | - | - | - |
| Loss after taxation | - | - | (139,116,344) | (139,116,344) |
| Other comprehensive income | - | - | (139,116,344) | (139,116,344) |
| Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax | - | (80,192,220) | 80,192,220 | - |
| Transaction with owner | - | - | - | - |
| Final dividend paid at the rate of Rs. 1.00 per share each for the year ended September 30, 2019 | - | - | (10,425,000) | (10,425,000) |
| Balance as at June 30, 2020 | <u>104,250,000</u> | <u>1,277,314,875</u> | <u>(213,375,338)</u> | <u>1,168,189,537</u> |

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

TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



**NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2020**

1. STATUS AND NATURE OF BUSINESS

Sindh Abadgar's Sugar Mills Limited ("the Company") is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced by Companies Act, 2017 ('the Act'). The shares of the Company are quoted on Pakistan Stock Exchange Limited ("the Exchange"). The principal business of the Company is the production and sale of white sugar.

The geographical location and address of Company's business units, including plant are as under:

Head office: The Company's registered office is situated at 209, Progressive Plaza, Beaumont Road, Karachi, Pakistan.

Mill: The Company's plant is located at Deh Deenpur, District Tando Muhammad Khan, Sindh, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended September 30, 2019.



2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for land, buildings and plant & machinery which are carried under the revaluation model of accounting for property, plant and equipment.

2.3 Functional and presentation currency

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended September 30, 2019.

3.2 With effect from October 01, 2019, the Company has adopted the International Financial Reporting Standard (IFRS) 16 Leases which replaced the previous guidance on accounting for leases contained in IAS 17 Leases, IFRIC Interpretation 4 Determining whether an Arrangement contains a Lease, SIC Interpretation 15 Operating Leases—Incentives and SIC Interpretation 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. However, since the Company has not entered into any lease arrangements, the adoption of the new standard did not result in a change in accounting policy for leases and, consequently, did not affect the financial position and performance of the Company for the reporting period (or comparative period), or any disclosures made in these condensed interim financial statements.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim financial information requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimating the uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended September 30, 2019.

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the audited annual financial statements as at and for the year ended September 30, 2019.



| | Un-audited June 30, 2020 Rupees | Audited September 30, 2019 Rupees |
|--|--|--|
| 5. LONG TERM FINANCES | | |
| Mark-up based financing from conventional banks | | |
| Opening balance | 450,000,000 | 779,166,667 |
| Obtained during the year | - | - |
| Less: Payment made during the period | <u>(50,000,000)</u> | <u>(329,166,667)</u> |
| | 400,000,000 | 450,000,000 |
| Less: current maturity shown under current liabilities | - | <u>(100,000,000)</u> |
| | <u>400,000,000</u> | <u>350,000,000</u> |

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in the status of the contingencies set out in the note 13 to the Company's annual financial statements for the year ended September 30, 2019.

| | Note | Un-audited June 30, 2020 Rupees | Audited September 30, 2019 Rupees |
|--|-------------|--|--|
| 7 PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating assets | 7.1 | 2,375,331,419 | 2,536,202,738 |
| Capital work in progress | | <u>64,780,055</u> | <u>68,543,416</u> |
| | | <u>2,440,111,474</u> | <u>2,604,746,154</u> |
| 7.1 Operating assets Cost / Revalued amount | | | |
| Opening Balance | | 4,077,645,493 | 4,074,014,530 |
| Additions | | 21,058,362 | 3,717,462 |
| Disposal | | <u>(10,834,231)</u> | <u>(86,500)</u> |
| | | 4,087,869,624 | 4,077,645,492 |
| Accumulated depreciation | | | |
| Opening Balance | | 1,541,442,757 | 1,288,159,360 |
| Charge for the period | | 284,528,856 | 253,299,772 |
| Disposal | | <u>(113,433,408)</u> | <u>(16,378)</u> |
| | | 1,712,538,205 | 1,541,442,754 |
| Written down value as at June 30, 2020 (Un-Audited) | | <u>2,375,331,419</u> | |
| Written down value as at September 30, 2019 (Audited) | | | <u>2,536,202,738</u> |



| | Un-audited June 30, 2020 Rupees | Un-audited June 30 2019 Rupees |
|-------------------------|--|---|
| 8 TURNOVER - NET | | |
| Sales - gross | | |
| Local | 1,662,139,120 | 1,171,636,200 |
| Export | 75,901,000 | - |
| | <u>1,738,040,120</u> | <u>1,171,636,200</u> |
| Sales tax-Sugar | (247,373,808) | (125,899,470) |
| | <u>1,490,666,312</u> | <u>1,045,736,730</u> |

9 RELATED PARTY TRANSACTIONS

Related parties comprise associated undertakings, staff provident fund, major shareholders, directors, key management personnel of the Company and their close family members. Transaction with related parties are on arm's length basis. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment. Transaction with related parties during the year, other than those disclosed elsewhere in these financial statements are as follows:

| | Un-audited June 30, 2020 Rupees | Un-audited June 30, 2019 Rupees |
|---|--|--|
| Transactions during the period | | |
| Remuneration to chief executive and directors | <u>3,211,874</u> | <u>3,330,145</u> |
| Advance to SGM Sugar Mills Limited | <u>-</u> | <u>7,063,174</u> |
| Contribution to staff provident fund | <u>3,447,605</u> | <u>3,679,089</u> |
| Balances at year end | | |
| Advance against supplies | <u>-</u> | <u>7,063,174</u> |
| Advance against future issue of shares | | |
| - From Directors | <u>183,000,000</u> | <u>183,000,000</u> |
| - from Related Parties | <u>77,000,000</u> | <u>77,000,000</u> |
| | <u>260,000,000</u> | <u>260,000,000</u> |



10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the cash flow statement are reconciled to the related items in the statement of financial position as follows:

| | Un-audited June 30, 2020 Rupees | Audited September 30, 2019 Rupees |
|------------------------|--|--|
| Cash and bank balances | 25,075,163 | 23,126,351 |
| Short term borrowings | <u>(975,463,431)</u> | <u>(338,348,587)</u> |
| | <u>(950,388,268)</u> | <u>(315,222,236)</u> |

11 AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 28 July, 2020.

12 GENERAL

Figures have been rounded off to the nearest Rupee.

TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer

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