



*Sindh Abadgar's Sugar Mills Limited*

**UNAUDITED  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2021**



## COMPANY PROFILE

### DIRECTORS

Mr. Deoo Mal Essarani	Chairman
Dr. Tara Chand Essarani	Chief Executive
Mr. Mahesh Kumar	Director
Mr. Dileep Kumar	Director
Mr. Pehlaj Rai	Director
Mr. Mohan Lal	Director
Dr. Besham Kumar	Director
Mr. Muhammad Siddiq Khokhar	Independent Director
Mr. Zafar Ahmed Ghori	Independent Director
Ms. Maheshwari Osha	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

Mr. Zafar Ahmed Ghori	Chairman
Mr. Pehlaj Rai	Member
Mr. Dileep Kumar	Member
Dr. Besham Kumar	Member

### HR AND REMUNERATION COMMITTEE

Ms. Maheshwari Osha	Chairman
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 Ameer 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 the Company. We are pleased to present the Financial Statements for the 3rd quarter ended 30th June, 2021.

### Financial Results

The financial results of the company for the nine months ended 30th June, 2021 compared to the same period of last year is presented below.

	30th June 2021 Rs. (000)	30th June 2020 Rs. (000)
Loss before taxation	(128,534)	(170,448)
Taxation	4,768	31,332
Loss after taxation	(123,766)	(139,116)
Loss per share	(11.87)	(13.34)

During the nine months period ended, the net sales revenue is recorded at Rs. 1,269 million compared to Rs. 1,491 million in the corresponding period of last year dropped by 15%. The cost of sales has decreased by 3.3% during the period mainly because the manufacturing expenses are well controlled by the management and change in depreciation estimates in the 3rd quarter. Accordingly the gross profit has increased with the same percentage from corresponding period. The administrative expenses incurred at Rs. 91.07 million as compared to Rs. 83.54 million witnessed an increase of 9% amid inflation and increase legal & professional charges over the corresponding period. While financial charges witnessed a drop to Rs. 113.47 million against Rs. 141.04 million of comparable period owing to reduced borrowing cost and better working capital management. Resultantly, the company posted a loss before taxation at Rs. 128.53 million against Rs. 170.49 million in the comparable last period with loss per share remained at Rs. 11.87 against Rs. 13.34 million for the comparable period.

### Future Outlook

The Government has inserted the sugar in the third schedule of the Sales Tax Act by which sales tax is liable to be charged on the basis of the printed retail price of sugar on bags which would increase the retail price of sugar by Rs. 8 to 10 per kg. Ultimately, the government efforts providing relief to the common people is seemingly difficult. The sugar prices in international market are steady. Pondering to import sugar in the country is not viable in order to squeeze the local sugar prices. Further due to higher sugarcane prices paid to growers and reduction of sugar stock in the country, we anticipate the prices of sugar will move further upward in the 4th quarter. Resultantly, losses sustained upto 3rd quarter ended 30th June, 2021 will be wiped off.



### **Acknowledgement**

The Board acknowledges the cooperation extended by the Shareholders, growers, banks and customers and appreciates the staff and workers who worked with devotion to strengthen the company.

**Tara Chand**  
Chief Executive

**Mahesh Kumar**  
Director

Dated: 27th July, 2021

## ڈائریکٹرز رپورٹ

محترم ممبران

السلام علیکم!

بورڈ آف ڈائریکٹرز کی جانب سے ہم تیسری سہ ماہی تختہ 30 جون 2021 کے مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### مالیاتی نتائج

کمپنی کے گزشتہ سال کے مقابلے میں نو ماہی مدت تختہ 30 جون 2021 کے نتائج درج ذیل رہے:

30 جون 2020	30 جون 2021	
روپے (ہزاروں میں)	روپے (ہزاروں میں)	
(170,448)	(128,534)	خسارہ قبل از ٹیکس
31,332	4,768	ٹیکس
(139,116)	(123,766)	خسارہ بعد از ٹیکس
(13.34)	(11.87)	خسارہ فی حصص

گزشتہ سال کی خالص فروخت 1,491 ملین روپے کے مقابلے نو ماہی مدت تختہ کے دوران خالص فروخت 1,269 ملین روپے رہی یعنی اس میں 15 فیصد کمی ہوئی۔ مدت کے دوران لاگت فروخت میں 3.3 فیصد کمی ہوئی جس کی بنیادی وجہ انتظامیہ کی جانب سے پیداواری اخراجات کو بہتر طریقے سے قابو کرنا تھا اور Depreciation Estimate میں کمی کی وجہ ہے جو کہ سہ ماہی میں تبدیل کیے گئے۔ اسی طرح خام منافع میں بھی گزشتہ سال کے مقابلے میں اسی شرح فیصد کے حساب سے اضافہ ہوا۔ انتظامی اخراجات 91.07 ملین روپے رہے جو کہ گزشتہ 83.54 ملین روپے تھے جن میں 9 فیصد اضافہ کا مشاہدہ کیا گیا جس کی بنیادی وجہ افراط زر اور قانونی اور پیشہ ورانہ اخراجات میں اضافہ تھا۔ جبکہ مالیاتی اخراجات کم ہو کر 113.47 ملین روپے رہے۔ جو کہ گزشتہ سال اسی مدت میں 141.04 ملین روپے تھے جس کی وجہ قرضہ جاتی لاگت میں کمی اور رواں سرمائے کا بہتر انتظام تھا۔ کمپنی کا خالص خسارہ 128.53 ملین روپے رہا جو کہ گزشتہ سال اسی مدت میں 170.49 ملین تھا جبکہ خسارہ فی حصص 11.87 روپے رہا جو کہ گزشتہ سال اسی مدت میں 13.34 روپے تھا۔

### مستقبل کی پیش بینی

حکومت نے چینی کویلر ٹیکس ایکٹ کے تھرڈ شیڈول میں شامل کر دیا ہے جس کے تحت چینی کو تھیلے پر پرنٹ شدہ قیمت پر بیچنا لازمی ہوگا جس سے چینی کی خوردہ قیمت 8 سے 10 روپے کلو گرام بڑھ جائے گی۔ جس کے نتیجے میں حکومت کو عام عوام کو ریلیف فراہم کرنے کی کوششیں مشکل معلوم ہوتی ہیں۔ عالمی مارکیٹ میں چینی کی قیمتیں مستحکم ہیں۔ مقامی چینی کی قیمتوں کو کم رکھنے کے لئے بیرون ملک سے چینی درآمد کرنا ناقابل جواز ہے۔ مزید برآں گنے کی بلند قیمتیں جو کاشتکاروں کو ادا کی گئی ہیں اور ملک میں چینی کے ذخیرے میں کمی سے اندازہ ہے کہ چوتھی سہ ماہی میں چینی کی قیمتیں مزید مزید بڑھیں گی، جس سے تیسری سہ ماہی تک خسارے 30 جون 2021 تک ختم ہو جائیں گے۔

### اعتراف

بورڈ حصص یافتگان، کاشتکاروں، بینکوں اور گاہکوں کے تعاون کا اعتراف کرتا ہے اور عملہ اور ملازمین جنہوں نے کمپنی کے استحکام کے لئے بے لوث کام کیا ان کو ستائش پیش کرتا ہے۔

مہیش کمار  
ڈائریکٹر

تارا چند  
چیف ایگزیکٹو

تاریخ: 27 جولائی 2021



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
AS AT JUNE 30, 2021

	Note	Un-audited June 30, 2021 Rupees	Audited September 30, 2020 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
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		1,194,302,432	1,250,971,892
Revenue reserve			
Accumulated losses		(280,409,090)	(213,312,511)
		1,018,143,342	1,141,909,381
Subordinated loans		480,000,000	260,000,000
		1,498,143,342	1,401,909,381
<b>Non current liabilities</b>			
Long term finance - secured	5	250,000,000	350,000,000
Deferred liabilities		695,719,810	717,513,213
		945,719,810	1,067,513,213
<b>Current liabilities</b>			
Trade and other payables		453,451,315	565,594,673
Short term borrowing		2,174,825,405	209,355,274
Unclaimed dividend		6,508,557	6,529,182
Accrued mark-up		67,295,966	15,788,979
Current maturity of long term finance		100,000,000	50,000,000
		2,802,081,243	847,268,108
<b>Contingencies and commitments</b>			
	6		
		5,245,944,395	3,316,690,702
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	7	2,273,385,270	2,395,853,223
Long term loans		518,865	781,929
Long term deposits		792,527	792,527
		2,274,696,662	2,397,427,679
<b>Current assets</b>			
Stores and spares		178,464,575	164,092,463
Stock in trade		1,829,467,162	59,808,811
Trade debts - unsecured		681,204,995	435,254,397
Short term loans and advances		100,578,506	90,529,365
Trade deposits and short term prepayments		9,775,826	4,606,910
Other receivables		76,641,036	76,028,636
Tax refunds due from government		69,527,166	49,066,163
Cash and bank balances		25,588,467	39,876,278
		2,971,247,733	919,263,023
		5,245,944,395	3,316,690,702

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, 2021**

		Nine months period ended		Quarter ended	
	Note	June 30, 2021 Rupees	June 30, 2020 Rupees	June 30, 2021 Rupees	June 30, 2020 Rupees
Net sales	8	1,268,597,695	1,490,666,312	614,633,591	894,142,507
Cost of sales		(1,205,436,601)	(1,466,586,574)	(588,613,007)	(906,877,484)
Gross profit/(loss)		63,161,094	24,079,738	26,020,584	(12,734,977)
Administrative expenses		(91,074,818)	(83,542,814)	(25,965,442)	(23,516,849)
Selling and distribution cost		(4,586,990)	(16,395,094)	(442,628)	(262,215)
		(95,661,808)	(99,937,908)	(26,408,070)	(23,779,064)
Operating loss		(32,500,714)	(75,858,170)	(387,486)	(36,514,041)
Finance cost		(113,465,416)	(141,039,850)	(53,274,867)	(58,800,227)
Workers' Welfare Fund		-	-	1,309,711	521,053
Other income		17,432,089	46,449,931	774,480	1,326,241
		(96,033,327)	(94,589,919)	(51,190,676)	(56,952,933)
Loss before taxation		(128,534,041)	(170,448,089)	(51,578,162)	(93,466,974)
Taxation-net		4,768,002	31,331,745	(2,631,496)	14,517,371
<b>Loss after taxation</b>		<b>(123,766,039)</b>	<b>(139,116,344)</b>	<b>(54,209,658)</b>	<b>(78,949,603)</b>
<b>Loss per share</b>					
<b>basic and diluted</b>		<b>(11.87)</b>	<b>(13.34)</b>	<b>(5.20)</b>	<b>(7.57)</b>

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, 2021**

	Note	June 30, 2021 Rupees	June 30, 2020 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(128,534,041)	(170,448,089)
<b>Adjustments for:</b>			
- Depreciation		134,385,217	171,095,448
- Finance costs		113,465,416	141,039,850
- Gain on disposal of vehicle		(565,079)	
		<u>247,285,554</u>	<u>312,135,298</u>
<b>Operating profit before working capital changes</b>		<u>118,751,513</u>	<u>141,687,209</u>
<b>Changes in working capital</b>			
<b>Decrease / (increase) in current assets</b>			
- Stores and spares		(14,372,112)	10,058,973
- Stock in trade		(1,769,658,351)	(984,647,385)
- Trade debts - unsecured		(245,950,598)	(179,862,022)
- Short term loans and advances		(10,049,141)	(22,313,313)
- Trade deposits and short term prepayments		(5,168,916)	-
- Other receivables		(612,400)	(161,450)
		<u>(2,045,811,518)</u>	<u>(1,176,925,197)</u>
<b>Increase/(decrease) in current liabilities</b>			
- Trade and other payables		(112,143,358)	593,654,940
<b>Net cash used in operations</b>		<u>(2,039,203,363)</u>	<u>(441,583,048)</u>
Taxes paid		(37,411,498)	(18,512,056)
Gratuity paid		(74,906)	-
Finance costs paid		(61,958,429)	(108,675,049)
		<u>(99,444,833)</u>	<u>(127,187,105)</u>
<b>Net cash used in operating activities</b>		<u>(2,138,648,196)</u>	<u>(568,770,153)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment		(12,723,461)	(6,460,768)
Intangible asset		-	(350,000)
Proceeds from sale vehicle		1,371,276	
Long term loans - net		263,064	(380,762)
<b>Net cash used in investing activities</b>		<u>(11,089,121)</u>	<u>(7,191,530)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term finance		(50,000,000)	(50,000,000)
Subordinated loan received		220,000,000	-
Dividend paid		(20,625)	(9,204,349)
<b>Net cash generated / (used) in financing activities</b>		<u>169,979,375</u>	<u>(59,204,349)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(1,979,757,942)</u>	<u>(635,166,032)</u>
Cash and cash equivalents at the beginning of the period		(169,478,996)	(315,222,236)
<b>Cash and cash equivalents at the end of the period</b>	10	<u>(2,149,236,938)</u>	<u>(950,388,268)</u>

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 COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2021**

	<b>Nine months period ended</b>		<b>Quarter ended</b>	
	<b>June 30, 2021</b>	<b>June 30, 2020</b>	<b>June 30, 2021</b>	<b>June 30, 2020</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
(Loss) / profit after taxation	(123,766,039)	(139,116,344)	(54,209,658)	(78,949,603)
Other comprehensive income <i>Items that will not be reclassified subsequently to profit or loss</i>				
Reversal of deferred tax liability on account of Revaluation Surplus due to change in tax rate	-	-	-	-
Total comprehensive loss for the period	<u>(123,766,039)</u>	<u>(139,116,344)</u>	<u>(54,209,658)</u>	<u>(78,949,603)</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, 2021**

	<b>Capital reserves</b>		<b>Revenue reserves</b>	<b>Total</b>
	<b>Issued, subscribed and paid up capital</b>	<b>Revaluation surplus on property, plant and equipment</b>	<b>Accumulated losses</b>	
	<b>Rupees</b>			
<b>Balance as at October 01, 2019</b>	104,250,000	1,357,507,095	(144,026,214)	1,317,730,881
<i>Total comprehensive loss for the nine month ended June 30, 2020</i>				
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)
<b>Balance as at June 30, 2020</b>	<u>104,250,000</u>	<u>1,277,314,875</u>	<u>(213,375,338)</u>	<u>1,168,189,537</u>
<b>Balance as at October 01, 2020</b>	104,250,000	1,250,971,892	(213,312,511)	1,141,909,381
<i>Total comprehensive loss for the nine months ended June 30, 2021</i>				
Loss after taxation	-	-	(123,766,039)	(123,766,039)
Other comprehensive income	-	-	(123,766,039)	(123,766,039)
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	(56,669,460)	56,669,460	-
<b>Balance as at June 30, 2021</b>	<u>104,250,000</u>	<u>1,194,302,432</u>	<u>(280,409,090)</u>	<u>1,018,143,342</u>

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



**NOTES TO THE CONDENSED INTERIM  
FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2021**

**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, 2020.

**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.



### **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, 2020.

## **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, 2020, except for as described in Note 2.4 of Audited Financial Statements for year ended on September 30, 2020, the management continually evaluate the estimated useful lives of property, plant and equipment at each reporting date. During the financial year at beginning of third quarter, management has reduced depreciation rate of Plant & Machinery to 5% from 10% per annum, due to increase in economic benefit associated with the Plant & Machinery.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to decrease depreciation expense in the current financial year and for the next 3 years, by the following amounts.

Financial year	Rs "000"
2021	43,658
2022	77,017
2023	65,246
2024	55,006

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, 2020.



	Un-audited June 30, 2021 Rupees	Audited September 30, 2020 Rupees
<b>5. LONG TERM FINANCES</b>		
<b>Mark-up based financing from conventional banks</b>		
Opening balance	400,000,000	450,000,000
Less: Payment made during the period	(50,000,000)	(50,000,000)
	350,000,000	400,000,000
Less: current maturity shown under current liabilities	(100,000,000)	(50,000,000)
	<u>250,000,000</u>	<u>350,000,000</u>

## 6. CONTINGENCIES AND COMMITMENTS

### 6.1 Contingencies

There is no change in the status of the contingencies and commitments set out in the note 13 to the Company's annual financial statements for the year ended September 30, 2020, except for note 13.6 which has been presented below :

During the current period, the A/DCIR(Audit-I) Inland Revenue also passed order U/s. 122(1) against notices issued U/s. 177(1) of the Income Tax Ordinance, 2001 resulting in income tax demand of Rs. 3.6 billion for the tax year 2016 and Rs. 4.9 billion for the tax year 2017 and the CIR (Appeals-I) upheld the said impugned orders as well.

The Company therefor, filed appeals against the orders of CIR (A) with the Income Tax Appellate Tribunal challenging impugned orders the the four tax years from 2016 to 2019. The Appellate Tribunal stayed the demand vide its order dated 27-05-2021, copy of which is expected to be issued in the next few days. The Company has, therefore, not made any provision against the subject tax demands since in the opinion of its tax and legal advisor, all the above assessments have been framed on frivolous and flimsy grounds without applying judicial mind and without following due process of law (refer note 13.6 to the financial statements for the year ended September 30, 2020).



	Note	Un-audited June 30, 2021 Rupees	Audited September 30, 2020 Rupees
<b>7 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	7.1	2,273,385,270	2,331,549,830
Capital work in progress		-	64,303,393
		<u>2,273,385,270</u>	<u>2,395,853,223</u>
<b>7.1 Operating assets</b>			
<b>Cost / Revalued amount</b>			
<b>Opening balance</b>		4,100,481,561	4,077,645,492
Additions		77,026,854	22,862,887
Disposal		(3,689,720)	(86,000)
		<u>4,173,818,695</u>	<u>4,100,422,379</u>
<b>Accumulated depreciation</b>			
Opening Balance		1,768,931,731	1,541,442,754
Charge for the period		134,385,217	227,488,977
Disposal		(2,883,523)	(59,182)
		<u>1,900,433,425</u>	<u>1,768,872,549</u>
<b>Written down value as at</b>			
<b>June 30, 2021 (Un-Audited)</b>		<u>2,273,385,270</u>	
Written down value as at			
September 30, 2020 (Audited)			<u>2,331,549,830</u>
		<b>Un-audited</b>	<b>Un-audited</b>
		<b>June 30,</b>	<b>June 30</b>
		<b>2021</b>	<b>2020</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>8 TURNOVER - NET</b>			
Sales - gross			
Local		1,484,259,150	1,662,139,120
Export		-	75,901,000
		<u>1,484,259,150</u>	<u>1,738,040,120</u>
			-
Sales tax-Sugar		(215,661,455)	(247,373,808)
		<u>1,268,597,695</u>	<u>1,490,666,312</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, 2021 Rupees	Un-audited June 30, 2020 Rupees
<b>Transactions during the period</b>		
Remuneration to chief executive and directors	3,150,000	3,211,874
Advance to SGM Sugar Mills Limited	5,454,199	-
Subordinated loan obtained from directors	220,000,000	-
Contribution to staff provident fund	3,678,098	3,447,605
<b>Balances at year end</b>		
Advance against supplies	5,454,199	-
Subordinated loan		
-from Directors	403,000,000	183,000,000
-from Related parties	77,000,000	77,000,000
	480,000,000	260,000,000



## 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:

	<b>Un-audited June 30, 2021 Rupees</b>	<b>Un-audited June 30, 2020 Rupees</b>
Cash and bank balances	25,588,467	25,075,163
Short term borrowings	(2,174,825,405)	(975,463,431)
	<u>(2,149,236,938)</u>	<u>(950,388,268)</u>

## 11 AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 27 July, 2021.

## 12 GENERAL

Figures have been rounded off to the nearest Rupee.

**DR. TARA CHAND**  
Chief Executive

**MAHESH KUMAR**  
Director

**SYED ABID HUSSAIN**  
Chief Financial Officer



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