



# Condensed Interim Financial Statements

For the Six Months Period ended

**March 31, 2022**

*(Un-Audited)*



سانگھڑ شوگر ملز لمیٹیڈ  
**Sanghar Sugar Mills Limited**

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## Company Information

### BOARD OF DIRECTORS

Mr. Ghulam Dastagir Rajar	(Chairman)
Mr. Ghulam Hyder	(Chief Executive)
Haji Khuda Bux Rajar	
Mr. Shahid Aziz	
Mr. Rahim Bux	
Mr. Muhammad Qasim	
Mr. M. Abdul Jabbar	
Ms. Nazia Azam	

### BOARD COMMITTEES

#### AUDIT COMMITTEE

Mr. Rahim Bux	(Chairman)
Mr. Shahid Aziz	
Mr. M. Abdul Jabbar	

#### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rahim Bux	(Chairman)
Mr. Ghulam Hyder	
Mr. M. Abdul Jabbar	

#### INFORMATION TECHNOLOGY & STEERING COMMITTEE

Mr. Ghulam Hyder	(Chairman)
Syed Rehan Ahmad Hashmi	
Mr. Sheraz Khan	

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ghulam Dastagir Rajar	(Chairman)
Mr. Muhammad Qasim	
Ms. Nazia Azam	
Syed Rehan Ahmad Hashmi	

#### RISK MANAGEMENT COMMITTEE

Mr. Shahid Aziz	(Chairman)
Haji Khuda Bix Rajar	
Mr. Ghulam Dastagir Rajar	

#### COMPANY SECRETARY

Mr. Muhammad Mubeen Alam

#### CHIEF FINANCIAL OFFICER

Syed Rehan Ahmad Hashmi

### STATUTORY AUDITOR

Kreston Hyder Bhimji & Co.  
Chartered Accountants

### COST AUDITOR

A. D. Akhawala & Co.  
Chartered Accountants

### SHARE REGISTRAR

Hameed Majeed Associates (Pvt) Limited  
Karachi Chambers, Hasrat Mohani Road  
Karachi.

Phone: 021 32424826

Fax: 021 32424835

### LEGAL ADVISOR

Rafiq Kalwar & Dars Law Associates,  
Advocates & Corporate Counselors,  
Office # 412, 4th Floor, Clifton Centre,  
DC-1, Block 5, Clifton, Karachi

### BANKERS

#### Islamic

Al-Baraka Bank (Pakistan) Limited  
Bank Islami Pakistan Limited  
Meezan Bank Limited

#### Conventional

Bank Al-Habib Limited  
MCB Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
United Bank Limited

### REGISTERED / HEAD OFFICE

Office No. 204, 2nd Floor, Clifton Centre,  
Block - 5, Clifton, Karachi

Phone: 021 35371441 to 43 (3 lines)

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E-mail: [info@sangharsugarmills.com](mailto:info@sangharsugarmills.com)

### MANUFACTURING FACILITIES

13 K.M., Sanghar - Sindhari Road  
Deh Kehore, District Sanghar, Sindh  
Phone: (0345) 3737001 - 8222911

## DIRECTORS' REVIEW

The Board of Directors of your Company is presenting the un-audited Condensed Interim Financial Statements of the Company for the six months period ended March 31, 2022 to the members of the Company.

### Operating Results

	2021-22	2020-21
Start of Season	Nov 15, 2021	Nov 05, 2020
Cane Crushed (M. Tons)	581,109.556	451,275.963
Sugar Produced (M. Tons)	61,785	45,239.50
Recovery %	10.635	10.012
Duration of Season (days)	125	108

Your Company is able to crush average 4,648.88 M. tons of sugarcane per day having total of 581,109.556 M. tons of sugarcane for the current season compared with average crushing of 4,178.49 M. Tons of sugarcane per day having total of 451,275.963 M. Tons of sugarcane in the previous crushing season producing 61,785 M. Tons of sugar at the recovery rate of 10.635% as compared with 45,239.50 M. Tons of sugar produced at the recovery rate of 10.012% in the previous crushing season.

Crushing & Production is high due to better crop in the area when compared with the last season along-with recovery is high due to the continuous supply of cane and the effect of better quality of crop since start of season.

### Financial Results

The key financial figures of the financial results of the Company for the six months period ended March 31, 2022 along with the comparatives for the corresponding period are summarized as under:

	Oct. – Mar. 2022	Oct. – Mar. 2021
	(Rupees '000)	
Profit / (Loss) before taxation	196,965	(88,917)
Taxation	(116,155)	(15,920)
Profit / (Loss) after taxation	80,810	(104,837)
Earnings / (Loss) per share basic and diluted (Rupees)	6.76	(8.78)

### Review of Financial Results

Selling price of sugar continued to remain stable since last quarter of previous year and first quarter of the current period which increased the turnover of sugar up-to 122.37% as compared to corresponding period and the sale of by-products i.e molasses and baggasse have also increased up-to 36.40% and 394.89% respectively which contributed in the profitability of the Company. Your Company's financial results shows improvement because of the following:

- Increase in sucrose recovery %
- Increase in average selling price of sugar
- Decrease in Cane Procurement Cost
- Increase in turnover of by-products due to better operational efficiency of plant & machinery

**Contingencies**

The management of the Company has not accounted for the provisions in respect of the Orders issued by the Federal Board of Revenue (FBR) Under Section 122 (1) / (5) of the Income Tax Ordinance, 2001 in respect of tax years from 2015 to 2019 creating a demand of Rs. 24,818,724 thousand and also passed an Orders Under Section 161 of the Income Tax Ordinance, 2001 for the consecutive three Tax Years 2017 to 2019 and during the period passed an another Order Under Section 161 of the Income Tax Ordinance, 2001 for the Tax Year 2020 and again creating an exorbitant demand of Tax in aggregate amounting to Rs. 88,174 thousand and Rs. 31,434 thousand respectively. Your management believe that all the matters will be decided in Company's favour as the demands raised through the stereo type orders by the FBR are created on the basis of using stock phrases, imagination based workings and predetermined mindset and are illegal, ultra-vires and without any justification or basis and the Company is contesting the same at designated forums of Inland Revenue Services

**Emphasis of Matter**

The Statutory Auditors of the Company emphasizing the matter in their report regarding the uncertainty and a non provision of Rs. 22 per maund for the season 2017-18 amounted to Rs. 391,668 thousand. Your management believe that the matter of cane price will be decided in the Honourable Supreme Court of Pakistan in line with the consent order issued by the Honourable Sindh High Court.

**Future Prospects**

Due to excess production of sugar as compared to the Country's demand, your management see a decrease in selling price of sugar, as currently the prices are at low side, which will affect the profitability of the Company and the sugar industry as a whole. The Company has paid prices of sugarcane to cane growers above the minimum prices while compared with minimum price announced by the Government of Sindh, which resultant an increase in the overall cost of production. We expect that all the stakeholders and Government will keep the selling price of sugar in-line with the average cost of sugarcane paid to growers and urge the Government to take the necessary steps to ensure the price of sugar adequately reflects the cost of production and other related expenses.

We would also request the Government to resolve the issue of pending subsidies and disburse them as this will be the instrumental to the Company's liquidity.

**Acknowledgement**

Your Directors place on record their appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affairs and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah.

The Directors would like to thank all the government functionaries, banking and non-banking financial institutions, suppliers and shareholders for their continued support and cooperation for the betterment and prosperity of the Company.

For and behalf of the Board of Directors

**Chairman**

**Chief Executive**

Karachi: May 27, 2022

## ہنگامی صورتحال

فیڈرل بورڈ آف ریونیو (FBR) کی جانب سے جو کہ زیرِ تَحْت سیکشن (5)/(1) 122 آئٹمز آرڈیننس 2001 کے تحت پاس کردہ آرڈر بابت پانچ مسلسل ٹیکس کے سال 2015 تا 2019 جس میں ٹیکس کی مد میں 24,818,724 ہزار روپے اور سیکشن 161 آئٹمز آرڈیننس 2001 کے تحت پاس کردہ آرڈر بابت تین مسلسل ٹیکس سال 2017 تا 2019 اور اس ششماہی عرصے کے دوران ایک اور آرڈر جو کہ سیکشن 161 آئٹمز آرڈیننس 2001 کے تحت پاس کردہ آرڈر بابت ٹیکس سال 2020 میں بالترتیب ٹیکس کی مد میں 88,174 ہزار روپے اور 31,434 ہزار روپے کے دہرائے جانے والے بڑے مطالبات کے اثرات کو آپ کی کمپنی کی انتظامیہ نے اس ششماہی غیر آڈٹ شدہ منکر و عبوری مالیاتی معلومات میں شامل نہیں کیا گیا۔ آپ کی کمپنی کو اس بات کا مکمل یقین ہے کہ ان معاملات کا فیصلہ آپ کی کمپنی کے حق میں ہی آئے گا چونکہ ایف بی آر کی جانب سے کئے جانے والے یہ مطالبات عمومی نوعیت کے ہیں جن میں اسٹاک سے متعلق عمومی باتوں اور اوسط اندازوں کو بنیاد بنایا گیا ہے جو کہ سراسر غیر قانونی اور فی نفسہ باطل ہے جس کا کوئی جواز ہی نہیں ہے، کمپنی کی جانب سے ان معاملات کو ان لینڈ ریونیو سروسز کے ہر فورم پر اٹھایا گیا ہے۔

## اہم معاملات

کمپنی کے قانونی آڈیٹرز کی جانب سے اپنی رپورٹ میں ان معاملات کو تاکید بیان کیا گیا ہے کہ کمپنی کی انتظامیہ نے 18-2017 کے سیزن کے دوران 22 روپے فی من کیلئے کوئی پروویژن قائم نہیں کیا ہے جس کی قدر 391,688 ہزار روپے بنتی ہے۔ آپ کی کمپنی کی انتظامیہ اس بات پر یقین رکھتی ہے کہ گننے کی قیمت کا معاملہ معزز سپریم کورٹ آف پاکستان کی جانب سے طے کیا جائے گا اور اس فیصلے میں معزز عدالت عالیہ سندھ کی جانب سے جاری کئے جانے والے آرڈر کو ہی بنیاد بنایا جائے گا۔

## مستقبل پر نظر

ملک کے اندر پائی جانے والی چینی کی طلب کے مقابلے میں چینی کی پیداوار میں اضافہ دیکھا گیا ہے جس کے باعث آپ کی کمپنی کی انتظامیہ کی نظر میں چینی کی قیمت فروخت میں کمی آسکتی ہے اور اس وقت بھی چینی کی قیمت فروخت چلی سطر پر ہے، ایسی صورتحال میں آپ کی کمپنی اور مجموعی طور پر شوگر انڈسٹری کے منافع پر منفی اثرات مرتب ہو سکتے ہیں۔ کمپنی کی جانب سے گنے کے کاشتکاروں کو حکومت سندھ کی جانب سے اعلان کردہ کم از کم قیمت سے زائد ادائیگی کی جا چکی ہے جس کی وجہ سے مجموعی طور پر پیداواری لاگت میں اضافہ ہوگا۔ ہم امید کرتے ہیں کہ تمام شرکاء تدارک اور حکومت کی جانب سے چینی کی قیمت فروخت مقرر کرتے وقت اس بات کا خیال رکھا جائے گا کہ کاشتکاروں کو اوسط کس تناسب سے ادائیگی کی گئی ہے اور حکومت سے پروڈر اپیل کی جاتی ہے کہ چینی کی قیمت فروخت مقرر کرتے وقت پیداواری لاگت اور دیگر مشملہ اخراجات کو لازمہ نظر رکھا جائے۔ ہم حکومت سے یہ درخواست بھی کرتے ہیں کہ زیر التواء سبسڈیوں کے معاملات کو بھی جلد از جلد نمٹایا جائے کیونکہ ان ادائیگیوں کی وجہ سے کمپنیوں کی لیکویڈیٹی پر مثبت اثرات مرتب ہو سکتے۔

## اظہار تشکر

آپ کی کمپنی کے ڈائریکٹرز تمام منتظمین، افسران، اسٹاف ممبران اور دیگر ملازمین کی جانب سے کمپنی کے معاملات کو انتہائی مستعد انداز سے چلانے کیلئے لگے اخلاص، ایمانداری اور محنت کیلئے تہ دل سے مشکور ہیں۔ ڈائریکٹرز امید کرتے ہیں کہ مستقبل میں بھی کمپنی کی پیداواریت میں اضافے کیلئے اسی جوش و جذبہ کا مظاہرہ کیا جائے گا اور اللہ رب العزت کی رحمت ہمارے شامل حال رہے گی۔

علاوہ ازیں، ڈائریکٹرز کمپنی کی بہبود و ترقی کیلئے تمام سرکاری اعمال، بینکوں، غیر بینکاری مالیاتی اداروں، سپلائروں اور حصص داران کی جانب سے ان کے تعاون اور حمایت کیلئے بھی ان کے بے حد مشکور ہیں۔

برائے و منجانب بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو

چیرمین

بمقام کراچی: 27 مئی 2022

## ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2022 کو ختم ہونے والی شش ماہی سے متعلق کمپنی کی غیر آڈٹ شدہ مرکب و عبوری مالیاتی معلومات آپ کی خدمت میں پیش کی جارہی ہیں۔

### کاروباری نتائج

2020-21	2021-22	
5 نومبر 2020	15 نومبر 2021	سیزن کا آغاز
451,275.963	581,109.556	گنے کی پسائی (میٹرک ٹن میں)
45,239.50	61,785	چینی کی پیداوار (میٹرک ٹن میں)
10.012	10.635	ریکوری (%)
108	125	سیزن کا دورانیہ (دنوں میں)

آپ کی کمپنی کی جانب سے اس سیزن میں یومیہ 4,648.88 میٹرک ٹن گنے کی پسائی کی گئی اور مجموعی طور پر 581,109.556 میٹرک ٹن گنے کی پسائی کی گئی، جبکہ گزشتہ سیزن میں 4,178.49 میٹرک ٹن گنا یومیہ پیسا گیا تھا اور مجموعی طور پر 451,275.963 میٹرک ٹن گنا پیسا گیا، زیر نظر سیزن کے دوران 61,785 میٹرک ٹن چینی کی پیداوار ہوئی، جس کی ریکوری کی شرح 10.635% رہی جبکہ گزشتہ سیزن کے دوران 45,239.50 میٹرک ٹن چینی کی پیداوار ہوئی تھی، جس کی ریکوری کی شرح 10.012% تھی۔

گنے کی پسائی اور پیداوار بڑے پیمانے پر کی گئی ہے، جس کی وجہ یہ ہے کہ گزشتہ سیزن کے مقابلے میں زیر نظر سیزن کے دوران فصل بہت بہتر ہوئی ہے نیز مستقل پسائی اور فصل کے بہتر معیار کی وجہ سے اس سیزن میں ریکوری کی شرح بھی بہتر رہی۔

### مالیاتی نتائج

کمپنی کے مالیاتی نتائج بابت شش ماہی اختتامیہ 31 مارچ 2022 کے اہم ترین اعداد و شمار اور گزشتہ سال کی شش ماہی کے اعداد و شمار کا تقابلی جائزہ ذیل میں پیش کیا جا رہا ہے:

اکتوبر تا مارچ 2021	اکتوبر تا مارچ 2022
..... (روپے ہزاروں میں) .....	.....
(88,917)	196,965
(15,920)	(116,155)
(104,837)	80,810
(8.78)	6.76

منافع / (نقصان) قبل از ٹیکس

ٹیکس

منافع / (نقصان) بعد از ٹیکس

منافع / (نقصان) فی حصص - بنیادی و تھیلی (روپے میں)

### مالیاتی نتائج کا جائزہ

گزشتہ مالی سال کی آخری سہ ماہی اور زیر نظر مالی سال کی پہلی سہ ماہی کے دوران چینی کی قیمت فروخت میں توازن رہا جس کے باعث گزشتہ مالی سال کے مقابلے میں چینی کا کاروباری حجم 122.37% زائد رہا اور اس طرح ذیلی مصنوعات جیسا کہ راب اور پھوک کی فروخت بھی گزشتہ مالی سال کے اس عرصے کے مقابلے میں بالترتیب 36.40% اور 394.89% زائد رہی جس کے باعث کمپنی کے منافع میں بھی اضافہ ہوا۔ درج ذیل عوامل کی وجہ سے آپ کی کمپنی کے مالی نتائج میں کافی بہتری آئی ہے:

- سکروز کی ریکوری کی شرح فیصد میں اضافہ
- چینی کی قیمت فروخت میں اوسطاً اضافہ
- گنے کو حاصل کرنے کے اخراجات میں کمی
- ذیلی مصنوعات کے حجم میں اضافہ جس کی وجہ پلانٹ و مشینری کی بہتر و موثر کارکردگی تھی

## AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

### Introduction:

We have reviewed the accompanying condensed interim statement of financial position of SANGHAR SUGAR MILLS LIMITED ("the Company") as at March 31, 2022, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the condensed interim financial statements for the six month period ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended March 31, 2022 and March 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended March 31, 2022.

### Scope of Review:

We conducted our review in accordance with the International Standard on Review engagements 2410, "Review of condensed Interim financial information Performed by the Independent Auditor of the Entity". A review of condensed Interim financial statements consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Emphasis of Matter:

We draw your attention to Note 10.1 (b) to the condensed interim financial statements which describe the uncertainty related to the outcome of legal matters in respect of minimum price of sugarcane.

The engagement partner of the review resulting in this independent auditor's report is Mohammad Hanif Razzak.



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2022**

		Un-Audited March 31 2022	Audited September 30 2021
	Notes	(Rupees in '000)	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	2,550,958	2,615,681
Long term deposits		16,436	20,581
		2,567,394	2,636,262
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		54,327	54,659
Stock-in-trade		2,605,203	778,811
Trade Debts		28,134	144,240
Loans and advances		108,869	122,931
Trade deposits & short term prepayments		12,306	6,948
Other receivables		—	47,080
Income tax refundable - net of provision		—	10,710
Cash and bank balances		93,785	54,818
		2,902,624	1,220,197
<b>TOTAL ASSETS</b>		<b>5,470,018</b>	<b>3,856,459</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
20,000,000 shares of Rs.10 each		200,000	200,000
Issued, subscribed and paid up capital		119,460	119,460
Unappropriated profit		128,207	24,683
Surplus on revaluation of property, plant & equipment		913,988	936,702
		1,161,655	1,080,845
<b>NON CURRENT LIABILITIES</b>			
Long term financing	8	28,778	80,476
Lease Liabilities		21,836	33,625
Deferred liabilities	9	551,311	483,704
Deferred Government grant		—	44
		601,925	597,849
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,701,027	1,205,791
Accrued finance cost		23,704	34,299
Short term borrowings		852,455	770,819
Unclaimed dividend		4,696	4,696
Current portion of long term financing		105,134	125,528
Current portion of lease liabilities		18,908	35,202
Current portion of deferred Government grant		514	1,430
		3,706,438	2,177,765
<b>CONTINGENCIES AND COMMITMENTS</b>	10	—	—
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,470,018</b>	<b>3,856,459</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: May 27, 2022

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED**

		<u>Six months period ended</u>		<u>Quarter ended</u>	
		<u>March 31</u>	<u>March 31</u>	<u>March 31</u>	<u>March 31</u>
	<b>Notes</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
..... (Rupees in '000) .....					
Sales	11	<b>2,379,988</b>	1,070,281	<b>761,380</b>	428,717
Cost of sales	12	<b>1,994,367</b>	1,058,614	<b>549,218</b>	434,366
<b>Gross Profit / (Loss)</b>		<b>385,621</b>	11,667	<b>212,162</b>	(5,649)
Distribution cost		<b>155</b>	158	<b>—</b>	81
Administrative expenses		<b>76,605</b>	56,454	<b>48,169</b>	30,062
Other operating expenses		<b>68,782</b>	934	<b>59,316</b>	544
		<b>145,542</b>	57,546	<b>107,485</b>	30,687
<b>Operating Profit / (Loss)</b>		<b>240,079</b>	(45,879)	<b>104,677</b>	(36,336)
Other income		<b>1,808</b>	2,769	<b>1,258</b>	1,136
		<b>241,887</b>	(43,110)	<b>105,935</b>	(35,200)
Finance cost		<b>44,922</b>	45,807	<b>25,112</b>	27,767
<b>Profit / (Loss) before taxation</b>		<b>196,965</b>	(88,917)	<b>80,823</b>	(62,967)
Taxation - Current, Prior Period and Deferred		<b>116,155</b>	15,920	<b>82,017</b>	9,271
<b>Profit / (Loss) after taxation</b>		<b>80,810</b>	(104,837)	<b>(1,194)</b>	72,238
<b>Earnings / (Loss) per share</b>					
- Basic and diluted (Rupees)		<b>6.76</b>	(8.78)	<b>(0.10)</b>	(6.05)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: May 27, 2022

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED**

	<u>Six months period ended</u>		<u>Quarter ended</u>	
	<u>March 31</u> <u>2022</u>	<u>March 31</u> <u>2021</u>	<u>March 31</u> <u>2022</u>	<u>March 31</u> <u>2021</u>
	..... (Rupees in '000) .....			
Profit / (Loss) after taxation	80,810	(104,837)	(1,194)	(72,238)
Other Comprehensive Income	—	—	—	—
<b>Total Comprehensive Income / (Loss) for the period</b>	<b>80,810</b>	<b>(104,837)</b>	<b>(1,194)</b>	<b>(72,238)</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: May 27, 2022

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED**

	Issued, Subscribed & Paid-up Capital	(Accumulated loss) / Unappropriated profit	Capital Reserve - Surplus on revaluation of property, plant & equipment	Total
	(Rupees in '000)			
<b>Balance as at October 01, 2020 - Audited</b>	119,460	3,397	985,251	1,108,108
Total Comprehensive loss for the period ended March 31, 2021	—	(104,837)	—	(104,837)
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	24,150	(24,150)	—
<b>Balance as at March 31, 2021 - Un-Audited</b>	119,460	(77,290)	961,101	1,003,271
<b>Balance as at October 01, 2021 - Audited</b>	<b>119,460</b>	<b>24,683</b>	<b>936,702</b>	<b>1,080,845</b>
Total Comprehensive profit for the period ended March 31, 2022	—	80,810	—	80,810
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	22,714	(22,714)	—
<b>Balance as at March 31, 2022 - Un-Audited</b>	<b>119,460</b>	<b>128,207</b>	<b>913,988</b>	<b>1,161,655</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: May 27, 2022

**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED**

	March 31 2022	March 31 2021
	(Rupees in '000)	
Profit / (Loss) before taxation	196,965	(88,917)
<b>Adjustment for non cash charges and other items:</b>		
Depreciation	64,446	67,619
Depreciation on right-of use assets	5,092	5,186
Employees retirement benefits expense	9,738	9,970
Provision for market committee fee	5,811	4,513
Gain on sale of property, plant & equipment	(835)	—
Finance cost	44,922	45,807
	129,174	133,095
Cash flow from operating activities before adjustment of working capital changes	326,139	44,178
<b>Changes in Working capital</b>		
<b>(Increase) / Decrease in current assets</b>		
Stores, spare parts and loose tools	332	3,978
Stock - in - trade	(1,826,392)	(2,124,392)
Trade debts	116,106	(115,000)
Loans and advances	14,062	23,102
Trade deposits & Short term prepayments	(5,358)	(11,491)
	(1,654,170)	(2,223,803)
<b>Increase in current liabilities</b>		
Trade and other payables	1,495,236	1,487,302
	167,205	(692,323)
Employees retirement benefits paid during the period	(516)	(2,609)
Finance cost paid during the period	(55,517)	(58,273)
Decrease in long term deposits	4,145	—
Income taxes paid during the period	(52,871)	(12,528)
	(104,759)	(73,410)
<b>Net cash inflow / (outflow) from operating activities</b>	62,446	(765,733)

	Note	March 31 2022 (Rupees in '000)	March 31 2021
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant & equipment		5,740	—
Additions to property, plant and equipment		(9,720)	(9,299)
<b>Net cash outflow from investing activities</b>		<b>(3,980)</b>	<b>(9,299)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing - net		(73,052)	(5,224)
Payments / Obtained of lease liabilities - net		(28,083)	(12,912)
Dividend paid during the period		—	(17)
<b>Net cash outflow from financing activities</b>		<b>(101,135)</b>	<b>(18,153)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(42,669)</b>	<b>(793,185)</b>
Cash and cash equivalents at beginning of the period		(716,001)	(319,595)
<b>Cash and cash equivalents at end of the period</b>	13	<b>(758,670)</b>	<b>(1,112,780)</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: May 27, 2022

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2022 - UNAUDITED

### 1 THE COMPANY AND ITS OPERATIONS

- 1.1** The Company is a public limited Company incorporated in 1986 in Pakistan and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No. 204, 2nd Floor, Clifton Centre, Block 5, Clifton, Karachi. The manufacturing facilities are located at Sanghar Sindhri Road, Deh Kehore, District Sanghar in the province of Sindh.
- 1.2** The Company is principally engaged in the manufacture and sale of sugar and sale of its by-products i.e. molasses and bagasse. The Company has also installed bagasse based power generation and transmission equipment to sell surplus electric power. The total area of industry land / manufacturing facilities which includes the main factory is spread over 320.625 Acres.

### 2 BASIS OF PREPARATION

- 2.1** This condensed interim financial statements of the Company for the six months period ended March 31, 2022 has 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 for interim financial reporting comprise of the following:

- International Accounting Standard (IAS) 34 'Interim Financial Reporting issued by the International Accounting Standard 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.

- 2.2** These condensed interim financial statements comprise of the condensed interim statement of financial position as at March 31, 2022 and condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the six months period then ended.
- 2.3** This condensed interim financial statements for the six months period ended March 31, 2022 is being submitted to shareholders as required under Section 237 of Companies Act, 2017. The condensed interim financial statements do not include all the information and disclosure as required in the annual financial statements and should be read in conjunction with Company's annual financial statements for the year ended September 30, 2021.

### 3 ACCOUNTING POLICIES

The accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim financial statements are the same as those applied in preparation of the annual financial statements of the Company for the year ended September 30, 2021.

### 4 SEASONAL PRODUCTION

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

**5 RECENT ACCOUNTING DEVELOPMENTS****5.1 New Standards, amendments to approved accounting standards and new interpretations which became effective during the six months period ended March 31, 2022:**

There are certain amendments to the new accounting standards that are effective and mandatory to the Company's accounting period beginning on October 01, 2021, but are considered not to be relevant or have any significant effect on the Company's operations and are therefore, not disclosed in these condensed interim financial statements.

**5.2 New Standards, amendments to approved accounting standards and new interpretations that are not yet effective during the six months period ended March 31, 2022:**

There are certain amendments to the new accounting standards that are mandatory and not yet effective to the Company's accounting period beginning on October 01, 2021, but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

**6 PROVISIONS**

Provisions in respect of current taxation, deferred taxation, workers' profit participation fund and workers' welfare fund, if any, are based on six months results and final liabilities will be determined on the basis of annual results.

		Un-Audited March 31 2022	Audited September 30 2021
		(Rupees in '000)	
<b>7 PROPERTY, PLANT &amp; EQUIPMENT</b>			
Operating Fixed Assets	Note 7.1	2,440,870	2,437,298
Capital Work in Progress	Note 7.2	13,527	3,807
Right of use assets	Note 7.3	96,561	174,576
		<u>2,550,958</u>	<u>2,615,681</u>

		Un-Audited March 31 2022	Un-Audited March 31 2021
		(Rupees in '000)	
<b>7.1 Operating Fixed Assets</b>			
<i>Transferred from Right of Use Assets</i>			
Plant & Machinery		<u>68,018</u>	<u>—</u>
<i>Depreciation</i>			
Depreciation charged during the period		<u>64,446</u>	<u>67,619</u>
<b>7.2 Capital Work in Progress</b>			
<i>Additions during the period</i>			
Plant & Machinery under erection		<u>9,720</u>	<u>3,188</u>



	Un-Audited March 31 2022 (Rupees in '000)	Un-Audited March 31 2021
<b>7.3 Right of use assets</b>		
<i>Transferred to operating fixed assets</i>		
Plant & Machinery	68,018	—
<i>Additions</i>		
Direct additions during the period - Vehicle	—	6,112
<i>Disposals</i>		
Disposals at Net Book Value - Vehicle	4,905	—
<i>Depreciation</i>		
Depreciation charged during the period	5,092	5,186

	Un-Audited March 31 2022 (Rupees in '000)	Audited September 30 2021
<b>8 LONG TERM FINANCING</b>		
Secured - From Banking Company under mark-up arrangements		
Demand Finance - II Note 8.1	—	20,547
Diminishing Musharakah - I Note 8.2	7,560	10,306
Diminishing Musharakah - II Note 8.3	104,000	138,667
Refinance - Salaries & Wages under State Bank of Pakistan Scheme Note 8.4	22,352	36,484
	133,912	206,004
Current portion shown under current liabilities	(105,134)	(125,528)
	28,778	80,476

- 8.1** This represents Demand Finance II obtained from MCB Bank Limited under mark-up arrangements and is repayable in 16 quarterly installments starting from November 2017 with a mark-up payments @ 3 months KIBOR + 2.5% chargeable on quarterly basis and has been repaid. The loans was secured by 1st Exclusive Charge over specific plant & Machinery. 1st Registered Exclusive charge over all Land & Building of the Company and the Personal Guarantees of Sponsoring Directors.
- 8.2** This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in five years in quarterly installments with a profit payments @ 6 months KIBOR + 3%. This loan is secured against the title over specific machinery.
- 8.3** This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in two years and nine months in biannual installment during first year and quarterly installments for the remaining period with a profit payments @ 6 months KIBOR + 3%. This loan is secured against the title over specific machinery.
- 8.4** This represents facility from MCB Bank Limited under the "Refinance Scheme for payment of Salaries and Wages to employees and workers, launched by the State Bank of Pakistan". The Company has availed Rs. 28,680 thousand and Rs. 31,370 thousand against the sanctioned limits under mark-up arrangements and repayable in quarterly installments in a period of two years and six months with a grace period of six months with markup payments @ 3%. This loan is secured against the security & charge already held by the Bank.

	Un-Audited March 31 2022	Audited September 30 2021
	(Rupees in '000)	
<b>9 DEFERRED LIABILITIES</b>		
Deferred taxation	355,544	302,969
Market committee fee	86,040	80,229
Employees retirement benefits		
– Defined benefits plan	105,324	96,705
– Leave Encashment plan	4,403	3,801
	<u>551,311</u>	<u>483,704</u>

**10 CONTINGENCIES AND COMMITMENTS****10.1 Contingencies:**

There is no material change in the status of contingencies as disclosed in note no. 23.1 and other respective notes of the annual financial statements for the year ended September 30, 2021 except that;

- a) The amount of the aggregate provision of the market committee fee as stated in note 9 of the condensed interim financial statements, has increased to Rs. 86,040 thousand due to provision in respect of the current crushing season amounting to Rs. 5,811 thousands.
- b) During the preceeding year, the Government of Sindh issued a notification no. 8 (142)/S.O(EXT)2017, according to which, the minimum price of sugarcane has been fixed at the rate of Rs. 182 per 40 Kg for the crushing season 2017-18. The Company along with other sugar mills has filed a petition in the Honorable High Court of Sindh dated 19 December 2017 against the said notification. Thereafter, the Honourable High Court after deliberation with all stakeholders announced the judgment fixing the purchase price at the Rs. 160 to be paid to growers and the balance of Rs. 22 per 40 kg to be decided by the Honourable Supreme Court of Pakistan which is pending. The differential amount aggregating to Rs. 391,668 thousand has not been accounted for since the purchase price has been agreed with the parties and outcome of the Honourable Supreme Court is not likely to be against the Company. Furthermore, the Company along with other sugar mills have also filed petition in the Honourable Supreme Court challenging the minimum price fixation mechanism, which is also pending before the Honorable Court.
- c) During the preceeding year, the Deputy Commissioner Inland Revenue has passed Orders Under Section 122(1)/(5) of the Income Tax Ordinance, 2001 for the consecutive five Tax Years from 2015 to 2019 creating an exorbitant demand of Tax in aggregate amounting to Rs. 24,818,724 thousand and also passed Orders Under Section 161 for the consecutive three Tax Years 2017 to 2019 in previous year and during the period passed Order Under Section 161 for the Tax Year 2020 and again creating an exorbitant demand of Tax in aggregate amounting to Rs. 88,174 thousand and Rs. 31,434 thousand for the Tax Year 2020 respectively. Company is in the process of contesting legal course including appeal to the Commissioner Appeal and Appellate Tribunal against these stereo type orders which were framed by using stock phrases, imagination based workings and predetermined mindset and are illegal, ultra-vires and without any justification or basis. The Company has also filed application for stay against these Orders in the Honourable Sindh High Court which have been granted by the said Honourable Court, along-side appeal before the Appellate Tribunal Inland Revenue along with application for the stay against demand.

**10.2 Guarantee:**

Rs. 20,000 thousand (September 2021: 18,000 thousands) guarantee was issued by the Bank for six months period in favour of Engro Fertilizers Limited on behalf of the Company for the procurement of Fertilizers for onward supply to sugarcane growers. The guarantee was secured against the 25% cash margin and rest against the existing charge over current and fixed assets of the Company held as collateral.

**10.3 Commitments:**

- a) Capital commitments in respect of machinery amounting to Rs. 2,600 thousands (2021: Rs. 16,138 thousands).
- b) As disclosed in note 23.3.2 of annual financial statements of the Company for the year ended September 30, 2021, the Company committed to donate 05 acre of its land to Workers Welfare Fund, Government of Pakistan for establishing 50 bed hospital in the vicinity of Sanghar, the formalities of transfer of Land and other documentation is in process till date.

	Un-Audited March 31 2022 (Rupees in '000)	Un-Audited March 31 2021
<b>11 SALES</b>		
Local	2,793,018	1,252,572
Less: Sales Tax	(413,030)	(182,291)
	<u>2,379,988</u>	<u>1,070,281</u>
<b>12 COST OF SALES</b>		
Opening stock of finished goods	774,478	247,853
Cost of goods manufactured during the period - Net	3,789,713	3,177,406
	4,564,191	3,425,259
Closing stock of finished goods	Note - 12.1 (2,569,824)	(2,366,645)
	<u>1,994,367</u>	<u>1,058,614</u>
<b>12.1</b>	The closing stock of sugar having carrying value of Rs. 670,025 thousand (2021: Rs. 1,270,499 thousand) has been pledged against financing obtained from Banking Companies.	

	Un-Audited March 31 2022 (Rupees in '000)	Un-Audited March 31 2021
<b>13 CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents comprise of the following items;		
Cash and bank balances	93,785	97,039
Short term borrowings	(852,455)	(1,209,819)
	<u>(758,670)</u>	<u>(1,112,780)</u>

**14 RELATIONSHIP WITH THE ISLAMIC AND CONVENTIONAL FINANCIAL INSTITUTION**

The Company in the normal course of business deals with pure Islamic financial institution as well as the financial institution who have both the conventional and Islamic window operations. The detail of the segregation relevant assets / liabilities and expenditures between Islamic Mode and Conventional Mode is as under:

	March 31, 2022 (Un-audited)			September 30, 2021 (Audited)		
	(Rupees in '000)					
	Islamic Mode	Conventional Mode	Total	Islamic Mode	Conventional Mode	Total
Long Term Financing	111,560	22,352	133,912	148,973	57,031	206,004
Lease Liabilities	—	40,744	40,744	—	68,827	68,827
Short Term Borrowings	—	852,455	852,455	180,000	590,819	770,819
Accrued Finance Cost	—	23,704	23,704	17,933	16,366	34,299
Long Term Deposits	(792)	(15,644)	(16,436)	(792)	(19,789)	(20,581)
Bank Balances	(6,066)	(87,155)	(93,221)	(16,001)	(40,384)	(56,385)
	104,702	836,456	941,158	330,113	672,870	1,002,983

	March 31, 2022 (Un-audited)			March 31, 2021 (Un-audited)		
	(Rupees in '000)					
	Islamic Mode	Conventional Mode	Total	Islamic Mode	Conventional Mode	Total
Finance Cost	10,232	34,690	44,922	15,119	30,688	45,807
	10,232	34,690	44,922	15,119	30,688	45,807

**15 RELATED PARTY TRANSACTIONS**

The details of the transactions with related parties carried out during the period is as detailed below:

a	Name of Related Party	Relationship with Company	Nature of Transaction	Un-Audited March 31 2022 (Rupees in '000)	Un-Audited March 31 2021
				(Rupees in '000)	
	Mr. Ghulam Dastagir Rajar	Chairman	Cane purchased	11,839	58,944
	..... Do .....	..... Do .....	Advance against cane purchase (Paid / Adjusted)	5,309	39,179
	Mr. Gul Mohammad Rajar	Brother of Chief Executive	Cane purchased	798	856
	..... Do .....	..... Do .....	Advance against cane purchase (Paid / Adjusted)	230	226
	Mr. Muhammad Hashim	General Manager	Cane purchased	3,983	8,311
	..... Do .....	..... Do .....	Advance against cane purchase (Paid / Adjusted)	1,333	369
	Mr. Faisal Rehman Rajar	Brother of Chief Executive	Cane purchased	22,230	26,701
	..... Do .....	..... Do .....	Advance against cane purchase (Paid / Adjusted)	2,804	7,833
	Mr. Muhammad Mubeen Alam	Company Secretary	Advance Repaid / Adjusted	800	—
b	<b>Number of Directors &amp; Executives</b>	<b>Relationship with Company</b>	<b>Nature of Transaction</b>		
	One	Chief Executive	Salaries & Benefits	8,291	6,944
	One	Executive Director	Salaries & Benefits	7,601	6,729
	Three	Company Secretary, Chief Financial Officer & General Manager	Salaries & Benefits	9,102	8,287
	Four	Non-Executive Directors	Meetings Fee	460	295

**15.1** Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

**16 FINANCIAL RISK MANAGEMENT / FAIR VALUES / MEASUREMENT**

These condensed interim financial statements do not include all financial risk management information and disclosures which are 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, 2021. There have been no changes in any risk management policies since the year end.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

A number of the Company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities of the Company are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

**17 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial statements was authorized for issue by the Board of Directors of the Company in their meeting held on May 27, 2022.

**18 GENERAL**

**18.1** Figures have been rounded off to nearest thousand of rupees.

**CHIEF EXECUTIVE****DIRECTOR****CHIEF FINANCIAL OFFICER**

Karachi: May 27, 2022



# Sanghar Sugar Mills Limited

## ----- IMPORTANT NOTICE -----

### IMPLEMENTATION OF SECTION 72 OF THE COMPANIES ACT, 2017

#### CONVERSION OF PHYSICAL SHARES INTO BOOK-ENTRY FORM

Section 72 of the Companies Act, 2017 (the “Act”) requires every company having share capital to have its shares in book-entry form only, from the date notified by the Securities & Exchange Commission of Pakistan (the Commission). Further, every existing company is required to replace its physical shares with book-entry form. A period of four years is specified in the Act for implementation of this provision and the deadline will end on May 30, 2021. Section 72 is reproduced below for ready reference:

***“72. Issuance of shares in book-entry form.(1) After the commencement of this Act from a date notified by the Commission, a company having share capital, shall have shares in book-entry form only.***

***(2) Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act:***

***Provided that the Commission may notify different dates for different classes of companies:***

***Provided further that the Commission may, if it deems appropriate, extend the period for another two years besides the period stated herein.***

***(3) Nothing contained in this section shall apply to the shares of such companies or class of companies as may be notified by the Commission.”***

Furthermore, Regulation 17 of the Companies (General Provisions and Forms) Regulations, 2018 states as under:-

***“17. Issuance of shares in book-entry form. Subsequent to the notification under section 72 of the Act, all companies required to replace its physical shares with book-entry form shall apply to a Central Depository in terms of the relevant Regulations for declaration of company's shares as eligible securities and comply with the requirements of the Central Depository for issuance of shares in book entry form.”***



## Sanghar Sugar Mills Limited

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In view of the above-mentioned requirements of the Act and as a step further towards digitization, the Securities and Exchange Commission of Pakistan (SECP) is considering to make it obligatory for all public listed, public unlisted, public interest and private limited companies to have their shares in book-entry form in compliance with Section 72 of the Companies Act, 2017. Shares held in book-entry form shall have the same rights and privileges as shares held in physical certificate form. However, rights and privileges of shares held in physical form may be restricted at a future date due to non-compliance with the provision of section 72 of the Companies Act, 2017. Once notified, all companies required to replace their physical shares with book-entry form shall apply to a central depository licensed by the SECP for conversion of existing physical shares and further issuance of shares in the book entry form. The central depository shall prescribe procedures for such conversion and issuance of shares including documentation required, process to be followed and applicable fee and charges .

Further, the conversion of shares into book-entry form will make the process of share handling more efficient, risk free and would help to minimize shareholding disputes. Handling of shares in case of corporate actions i.e. issue of bonus/right shares and transfer or selling of shares would be much easier, if shares are converted into book-entry form. Book entry securities can be pledged to a bank to obtain financing against them. Furthermore, it would help to reduce the risks and costs associated with storing of physical share certificates, which are susceptible to be lost, stolen and /or damaged and conversion of shares would help to avoid such problems.

**Therefore, it is requested to all the Shareholders (who have shares in physical form) of Sanghar Sugar Mills Limited to convert their physical shares in to book-entry form, on immediate basis. Otherwise, the Shareholders (who have shares in physical form) and the Company would be unable to comply with the requirement of the Commission as mentioned above.**

ایکٹ میں مندرجہ مزکورہ بالا شرائط کے پیش نظر اور اس سے بھی آگے بڑھ کر معاملات کو ڈسکیپلنائز کرنے کی غرض سے، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اس بات کو زیر غور لا رہی ہے کہ تمام پبلک لسٹڈ، غیر پبلک لسٹڈ، مفاد عامہ سے متعلق اور پرائیویٹ لمیٹڈ کمپنیوں کو اس بات کا پابند بنایا جائے کہ سیکشن 72 بابت کمپنیز ایکٹ 2017 کے تحت اپنے شیئرز کو بک انٹری کی صورت میں محفوظ رکھیں۔ بک انٹری کی صورت میں محفوظ شیئرز کی بھی وہی حیثیت ہوگی جو کہ فزیکل صورت میں جاری کردہ شیئرز سرٹیفکیٹس کی ہے۔ تاہم فزیکل صورت میں موجود شیئرز کی حیثیت کو مستقبل میں سیکشن 72 بابت کمپنیز ایکٹ 2017 سے عدم پاسداری کی بناء پر محدود کر دیا جائے گا۔ نوٹس کے اجراء کے بعد تمام کمپنیوں پر لازم ہے کہ اپنے فزیکل شیئرز کو بک انٹری کی صورت میں تبدیل کر لیں اور ایس ای سی پی سے سند یافتہ سینٹرل ڈیپازٹری کے پاس اپنے تمام موجودہ شیئرز کی تبدیلی اور نئے شیئرز کے اجراء کیلئے رابطہ کریں۔ سینٹرل ڈیپازٹری شیئرز کی تبدیلی اور نئے شیئرز کے اجراء کے سلسلے میں طریقہ کار تجویز کرے گا کہ کوئی دستاویزات درکار ہیں، کیا طریقہ اپنایا جائے گا اور اس سلسلے میں فیس و دیگر چارجز کیا ہوں گے۔

مزید برآں، فزیکل صورت سے بک انٹری کی صورت میں شیئرز کو منتقل کئے جانے کے بعد شیئرز کے معاملات زیادہ مؤثر انداز سے نمٹائے جاسکتے ہیں، رسک کے خدشات میں کمی آئے گی اور اس سلسلے میں پیدا ہونے والے تنازعات کو بھی کم از کم کیا جاسکے گا۔ شیئرز کو بک انٹری کی صورت میں منتقل کئے جانے کے بعد کارپوریٹ ایکشن کی صورت میں شیئرز کے معاملات کو دیکھنا آسان ہو جائے گا جیسا کہ نوٹس رائٹ شیئرز کا اجراء اور شیئرز کی منتقلی یا فروخت کے معاملات بھی سہل ہو جائیں گے۔ اسی طرح بک انٹری کی صورت میں ان سیکورٹیز کو بینکوں کے ساتھ برائے تمویل بطور رہن بھی استعمال کیا جاسکتا ہے۔ علاوہ ازیں، فزیکل شیئرز سرٹیفکیٹس کے اجراء سے منسلک لاگت اور رسک کو بھی بک انٹری کے ذریعے قابو کیا جاسکتا ہے، ان میں کھو جانے / چرائے جانے یا ضائع ہو جانے کا خدشہ بھی موجود رہتا ہے، بک انٹری میں منتقل کئے جانے کے بعد ایسے تمام خطرات زائل ہو جائیں گے۔

لہذا، سائیکھڑ شوگر ملز لمیٹڈ تمام حصص داران (جن کے پاس فزیکل صورت میں شیئرز ہوں) سے درخواست کی جاتی ہے کہ فوری طور پر اپنے فزیکل شیئرز کو بک انٹری میں منتقل کروالیں بصورت دیگر حصص داران (جن کے پاس فزیکل صورت میں شیئرز ہوں) اور کمپنی کمیشن کی جانب سے جاری کردہ مزکورہ بالا شرائط کی پاسداری کرنے سے قاصر رہیں گے۔



## سیکشن 72 بابت کمپنیز ایکٹ 2017 کا نفاذ

### فزیکل حصص کا بک انٹری کی صورت میں تبادلہ

سیکشن 72 بابت کمپنیز ایکٹ 2017 (ایکٹ) کی رو سے ایسی تمام کمپنیاں جو کہ شیر کیپٹل کی حامل ہیں پر لازم ہے کہ اپنے شیر زکوہ صرف بک انٹری کی صورت میں ہی محفوظ رکھیں، سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان (کمیشن) کی جانب سے نوٹس دیئے جانے کی تاریخ سے ایسا کیا جانا لازم ہے۔ مزید برآں، تمام کمپنیوں پر لازم ہے کہ فزیکل صورت میں موجود اپنے شیر زکوہ بک انٹری کی صورت میں تبدیل کر لیں۔ اس پروویژن پر عمل درآمد کیلئے ایکٹ میں نفاذ کیلئے چار سال کا عرصہ مقرر کیا گیا ہے جس کی حتمی تاریخ 30 مئی 2021 ہے۔ سر دست ملاحظہ کرنے کیلئے سیکشن 72 کو ایک مرتبہ بھری ذیل میں پیش کیا جا رہا ہے:

"72- شیر زکا بک انٹری کی صورت میں اجراء - (1) ایکٹ ہذا کے آغاز کے بعد کمیشن کی جانب سے نوٹس دیئے جانے کی تاریخ سے ہر ایسی کمپنی جو کہ شیر زکیپٹل کی حامل ہو پر لازم ہوگا کہ اپنے شیر زکوہ صرف بک انٹری کی صورت میں ہی محفوظ رکھے۔

(2) تمام موجودہ کمپنیوں پر لازم ہوگا کہ اپنے فزیکل شیر زکوہ بک انٹری کی صورت میں تبدیل کرے جیسا کہ بیان کیا جا چکا اور ایسا کرنا کمیشن کی جانب سے نوٹس دیئے جانے کی تاریخ سے کیا جائے گا جس کا عرصہ ایکٹ ہذا کے اجراء کی تاریخ سے چار سال سے زائد نہ ہونا چاہیئے:

بشرطیکہ بذات خود کمیشن کی جانب سے مختلف اقسام کی کمپنیوں کیلئے مختلف تاریخوں کا نوٹس جاری کیا جائے:

بشرطیکہ کمیشن، اگر مناسب سمجھے، کی جانب سے پہلے سے اعلان شدہ وقت میں مزید دو سال تک کی توسیع کر دی جائے۔

(3) ایکٹ ہذا میں مذکور کسی شق کا اطلاق متعلقہ کمپنیوں شیر زکوہ پر بندہ بندی ہوگا جیسا کہ کمیشن کی جانب سے نوٹس دیا جائے۔"

مزید برآں، ریگولیشن 17 بابت کمپنیز (جزل پروویژن اینڈ فورمز) ریگولیشنز 2018 کے رو سے ذیل میں بیان کیا جاتا ہے کہ:

"17- شیر زکا بک انٹری کی صورت میں اجراء - نوٹس برائے سیکشن 72 بابت ایکٹ ہذا کے ذیل میں، تمام کمپنیاں جن پر لازم ہے کہ اپنے فزیکل شیر زکوہ بک انٹری کی صورت میں تبدیل کریں سینٹرل ڈیپازٹری میں متعلقہ ریگولیشنز کے تحت کمپنی کے ڈیپازیشن کیلئے درخواست دیں گی کہ کمپنی کے شیر زکیپو ریٹیز کے معیار پر پورے اترتے ہیں اور سینٹرل ڈیپازٹری کی جانب سے بک انٹری کی صورت میں جاری کئے جانے کے تمام تقاضے پورے کرتے ہیں۔"



# Sanghar Sugar Mills Limited

## Dividend Payments through Electronic Mode

In accordance with the provisions and under section 242 of the Companies Act, 2017, shareholders are entitled to receive their dividends by way of direct credit to their bank account instead of receiving them through dividend warrants.

Therefore, to receive your future dividends directly in your bank account, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case Shares held in CDC then please inform concerned Participant / CDC investor Account Services.

### SHARE HOLDER'S SECTION

The Company Secretary,  
Sanghar Sugar Mills Limited,  
Office No. 204, 2nd Floor, Clifton Centre,  
Block 5, Clifton, Karachi.  
Phone: 021 35371441 to 43 (3 lines)  
Fax: 021 35371444

The Share Registrar,  
Hameed Majeed Associates (Pvt) Limited  
Karachi Chambers, Hasrat Mohani Road,  
Karachi  
Phone: 021 32424826  
Fax: 021 32424835

I hereby wish to communicate my desire to receive my future dividends directly in my bank account as detailed below:

Name of shareholder : \_\_\_\_\_  
Folio number : \_\_\_\_\_  
Contact number of shareholder : \_\_\_\_\_  
Name of Bank : \_\_\_\_\_  
Bank Branch & mailing address : \_\_\_\_\_  
Bank Account No. (Full) : \_\_\_\_\_  
Title of Account : \_\_\_\_\_  
CNIC No. : \_\_\_\_\_  
NTN (in case of corporate entity) : \_\_\_\_\_

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

\_\_\_\_\_  
Shareholder's Signature

CNIC / NTN No. \_\_\_\_\_  
(Copy attached)



## ادائیگی ڈیویڈنڈ بذریعہ الیکٹرانک ذرائع

کمپنیز ایکٹ 2017 کی دفعہ 242 کے تحت حصص داران کو یہ حق حاصل ہے کہ وہ اپنے ڈیویڈنڈ براہ راست اپنے بینک اکاؤنٹ میں کریڈٹ کروالیں بجائے اس کے کہ انھیں یہ ڈیویڈنڈ بذریعہ ڈیویڈنڈ وارنٹ ادا کئے جائیں۔

لہذا اگر آپ اپنے ڈیویڈنڈ براہ راست اپنے اکاؤنٹ میں وصول کرنا چاہتے ہیں تو آپ سے گزارش ہمیں اپنی مکمل معلومات فراہم کریں اور ہمیں تحریری طور اس بات سے آگاہ کیجئے۔ بعد دسخط اور قومی شناختی کارڈ / این ٹی این ٹی نقل اپنی درخواست حصص رجسٹرار یا کمپنی کے پاس جمع کروائیں اور بصورتی ڈی سی حصص اپنے متعلقہ شراکت دار / سی ڈی سی سرمایہ کار اکاؤنٹ سروسز کو درخواست دیں۔

### شعبہ حصص داران

حصص رجسٹرار  
حمید مجید ایسوی ایٹس (پرائیویٹ) لمیٹڈ  
کراچی جیمیز، حسرت موہانی روڈ، کراچی۔  
فون نمبر: 021 32424826  
فیکس نمبر: 021 32424835

کمپنی سیکریٹری  
سا نگھڑ شوگر ملز لمیٹڈ  
آفس نمبر 204، سیکنڈ فلور، کلفٹن سینٹر  
بلاک 5 کلفٹن، کراچی۔  
فون نمبر: 021 35371441 to 43 (تین لائنیں)  
فیکس نمبر: 021 32424835

میں بذریعہ ہدایہ خواہش ظاہر کرتا ہوں کہ مستقبل میں میرے ڈیویڈنڈ براہ راست میرے بینک اکاؤنٹ میں منتقل کر دیئے جائیں جس کی تفصیلات درج ذیل ہیں:

_____	:	حاصل حصص کا نام
_____	:	فولیو نمبر
_____	:	حاصل حصص کا رابطہ نمبر
_____	:	بینک کا نام
_____	:	بینک کی برانچ و پتہ
_____	:	بینک اکاؤنٹ نمبر (مکمل)
_____	:	عنوان برائے اکاؤنٹ
_____	:	قومی شناختی کارڈ نمبر
_____	:	این ٹی این ٹی نمبر (بصورت کارپوریٹ)

میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور اگر مستقبل میں ان میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

دستخط حاصل حصص

قومی شناختی کارڈ / این ٹی این نمبر  
(نقل منسلک ہے)



# Sanghar Sugar Mills Limited

## Consent to receive Notices and Audited Financial Statements through email

In accordance with the notification 787(I)/2014 dated September 08, 2014 issued by the Securities & Exchange Commission of Pakistan; shareholders are entitled to receive the Notices and Audited Financial Statements through email. Therefore, to receive current and future notices and audited financial statements directly through email, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case shares held in CDC then please inform concerned Participant / CDC investor Account Services.

### SHARE HOLDER'S SECTION

The Company Secretary,  
Sanghar Sugar Mills Limited,  
Office No. 204, 2nd Floor, Clifton Centre,  
Block 5, Clifton, Karachi.  
Phone: 021 35371441 to 43 (3 lines)  
Fax: 021 35371444

The Share Registrar,  
Hameed Majeed Associates (Pvt) Limited  
Karachi Chambers, Hasrat Mohani Road,  
Karachi  
Phone: 021 32424826  
Fax: 021 32424835

I hereby wish to communicate my desire to receive notices and audited financial statements through email as detailed below:

Name of shareholder : \_\_\_\_\_  
Folio number/CDC Account No. : \_\_\_\_\_  
Contact number of shareholder : \_\_\_\_\_  
Contact Address of shareholder : \_\_\_\_\_  
Email ID : \_\_\_\_\_  
CNIC No. : \_\_\_\_\_  
NTN (in case of corporate entity) : \_\_\_\_\_

Note: Email Id should be belongs to the Shareholder and for joint account holder, email Id should be the principal shareholder and or the name appearing first in the list of shareholders.

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

\_\_\_\_\_  
Shareholder's Signature & date  
(Affix stamp for corporate entity)

CNIC / NTN No. \_\_\_\_\_  
(Copy attached)



سائیکھڑ شوگر ملز لمیٹڈ

## اظہار رضامندی برائے وصولی نوٹس و آڈٹ شدہ مالیاتی دستاویزات بذریعہ ای میل

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ نوٹیفکیشن 2014 (ا) 787 مجریہ 8 ستمبر 2014 کے مطابق حصص داران کو یہ حق حاصل ہے کہ تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات انھیں بذریعہ ای میل ارسال کی جائیں۔ لہذا موجودہ اور مستقبل کے نوٹس اور آڈٹ شدہ مالیاتی دستاویزات بذریعہ ای میل موصول کرنے کیلئے آپ ہمیں اپنی مکمل معلومات فراہم کیجئے، اپنے دستخط اور قومی شناختی کارڈ/این ٹی این نمبر کے ساتھ اپنی درخواست حصص رجسٹرار یا کمپنی اور بصورتی ڈی سی ایس متعلقہ شرکت دار/سی ڈی سی سرمایہ کار کاؤنٹ سرورسز کے پاس جمع کروائیں۔

### شعبہ حصص داران

حصص رجسٹرار  
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ  
کراچی جیمہ رز، حسرت موہانی روڈ، کراچی۔  
فون نمبر: 021 32424826  
فیکس نمبر: 021 32424835

کمپنی سیکریٹری  
سائیکھڑ شوگر ملز لمیٹڈ  
آفس نمبر 204 سیکینڈ فلور بکفیشن سینٹر  
بلاک 5 بکفیشن، کراچی۔  
فون نمبر: 021 35371441 to 43 (تین لائنیں)  
فیکس نمبر: 021 32424835

میں بذریعہ بذلیہ خواہش ظاہر کرتا ہوں کہ مستقبل میں مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات بذریعہ ای میل ارسال کی جائیں جس کی تفصیلات

حاصل حصص کا نام :  
فولیو نمبر/سی ڈی سی نمبر :  
حاصل حصص کا رابطہ نمبر :  
حاصل حصص کا رابطہ کا پتہ :  
ای میل آئی ڈی :  
قومی شناختی کارڈ نمبر :  
این ٹی این نمبر (بصورت کارپوریٹ) :

نوٹ: ای میل حاصل حصص کی ہونی چاہیے اور مشترکہ اکاؤنٹ کی صورت میں اس حامل حصص کی ای میل فراہم کی جائے جس کا تناسب حصص سب سے زیادہ ہوا اور جس کا نام حصص داران کی فہرست میں سر فہرست ہو۔  
میرے علم کے مطابق میری جانب سے فراہم کی جانے والی معلومات بالاعلاہ صحیح اور درست ہیں اور اگر مستقبل میں ان میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے پہلے کوآگاہ کر دیا جائے گا۔

دستخط حامل حصص

(بصورت کارپوریٹ ادارہ یہاں ہر چسپاں کریں)

قومی شناختی کارڈ/این ٹی این نمبر

(نقل منسلک ہے)



# Sanghar Sugar Mills Limited

## Consent to receive Hard Copies of Notices and Audited Financial Statements

In accordance with the notification 470(I) dated May 31, 2016 and in continuation of notification no. 787(I)/2014 dated September 08, 2014 issued by the Securities & Exchange Commission of Pakistan; shareholders are entitled to receive the Hard Copies of Notices and Audited Financial Statements rather through email. Therefore, to receive Hard Copies of current and future notices and audited financial statements, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case shares held in CDC then please inform concerned Participant / CDC investor Account Services.

### SHARE HOLDER'S SECTION

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The Company Secretary,  
Sanghar Sugar Mills Limited,  
Office No. 204, 2nd Floor, Clifton Centre,  
Block 5, Clifton, Karachi.  
Phone: 021 35371441 to 43 (3 lines)  
Fax: 021 35371444

The Share Registrar,  
Hameed Majeed Associates (Pvt) Limited  
Karachi Chambers, Hasrat Mohani Road,  
Karachi  
Phone: 021 32424826  
Fax: 021 32424835

I hereby wish to communicate my desire to receive notices and audited financial statements through mail as detailed below:

Name of shareholder : \_\_\_\_\_

Folio number/CDC Account No. : \_\_\_\_\_

Contact number of shareholder : \_\_\_\_\_

Contact Address of shareholder : \_\_\_\_\_

CNIC No. : \_\_\_\_\_

NTN (in case of corporate entity) : \_\_\_\_\_

It is stated that the above particulars given by me are correct to the best of my knowledge and I would like to opt the option of receiving the hard copies of notices and audited financial statements of the Company and I shall keep the Company informed in case of any changes in the said particulars in future.

\_\_\_\_\_  
Shareholder's Signature & date  
(Affix stamp for corporate entity)

CNIC / NTN No. \_\_\_\_\_  
(Copy attached)





## اظہار رضامندی برائے وصولی نوٹس و آڈٹ شدہ مالیاتی دستاویزات بذریعہ کاغذی دستاویزات

سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ نوٹیفکیشن (I) 470 مجریہ 31 مئی 2016 اور نوٹیفکیشن نمبر 787(I) 2014 مجریہ 8 ستمبر 2014 کے مطابق حصص داران کو یہ حق حاصل ہے کہ تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات انھیں بجائے ای میل کے کاغذی صورت ارسال کی جائیں۔ لہذا موجودہ اور مستقبل کے نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں موصول کرنے کیلئے آپ ہمیں اپنی مکمل معلومات فراہم کیجئے، اپنے دستخط اور قومی شناختی کارڈ/این ٹی این نمبر کے ساتھ اپنی درخواست حصص رجسٹرار یا کمپنی اور بصورت سی ڈی سی اپنے متعلقہ شراکت دار/سی ڈی سی سرمایہ کار کاؤنٹ سروسز کے پاس جمع کروائیں۔

### شعبہ حصص داران

حصص رجسٹرار  
حمید حمید المصوسی ایٹس (پرائیویٹ) لمیٹڈ  
کراچی چیمبرز، حسرت موہانی روڈ، کراچی۔  
فون نمبر: 021 32424826  
فیکس نمبر: 021 32424835

کمپنی سیکریٹری  
سا نگھڑ شوگر ملز لمیٹڈ  
آفس نمبر 204، سینڈ فلور، کلکشن سینٹر  
بلاک 5، کلکشن، کراچی۔  
فون نمبر: 021 35371441 to 43 (تین لائنیں)  
فیکس نمبر: 021 32424835

میں بذریعہ مذکور خواہش ظاہر کرتا ہوں کہ مستقبل میں مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں ارسال کی جائیں جس کی تفصیلات درج ذیل ہیں:

\_\_\_\_\_ : حامل حصص کا نام  
\_\_\_\_\_ : فولیو نمبر/سی ڈی سی نمبر  
\_\_\_\_\_ : حامل حصص کا رابطہ نمبر  
\_\_\_\_\_ : حامل حصص کا رابطہ کا پتہ  
\_\_\_\_\_ : قومی شناختی کارڈ نمبر  
\_\_\_\_\_ : این ٹی این نمبر (بصورت کارپوریٹ)

میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور یہ کہ میں چاہتا ہوں کہ مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں ارسال کی جائیں۔ اگر مستقبل میں مذکورہ بالا معلومات میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

دستخط حامل حصص

(بصورت کارپوریٹ ادارہ یہاں مہر چسپاں کریں)

\_\_\_\_\_ قومی شناختی کارڈ/این ٹی این نمبر  
(نقل منسلک ہے)

**REGISTERED / HEAD OFFICE:**

Office # 204, 2nd Floor, Clifton Centre,  
Block 5, Clifton, Karachi Pakistan.

Phone: 021 35371441 to 43 (3 lines)

Fax: 021 35371444

E-mail: [info@sangharsugarmills.com](mailto:info@sangharsugarmills.com)

Website: [www.sangharsugarmills.com](http://www.sangharsugarmills.com)

**MANUFACTURING FACILITIES:**

13th Km, Sanghar – Sindhri Road, Deh Kehore,  
District Sanghar, Sindh

Phone : (0345) 3737001 – 8222911