



## Table of Contents

o Company Information.....	3
o Directors' Review (English Version) .....	4-5
o Directors' Review (Urdu Version).....	6-7
o Condensed Interim Statement of Financial Position.....	8
o Condensed Interim Statement of Profit or Loss.....	9
o Condensed Interim Statement of Comprehensive Income.....	10
o Condensed Interim Statement of Changes in Equity .....	11
o Condensed Interim Statement of Cash Flows.....	12-13
o Notes to the Condensed Interim Financial Statements.....	14-22
o Implementation of Section 72 of the Companies Act, 2017 Conversion of Physical Shares Into Book-entry Form (English & Urdu) .....	23-26
o Dividend Payments through Electronic Mode (English & Urdu).....	27-28
o Consent to receive Notices and Audited Financial Statements through email (English & Urdu) .....	29-30
o Consent to receive Hard Copies of Notices and Audited Financial Statements (English & Urdu) .....	31-32

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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)

Fax: 021 35371444

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

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 nine months period ended June 30, 2022 to the members of the Company.

### Operating Results

	2021-22	2020-21
	Nov 15, 2021	Nov 05, 2020
Start of Season		
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 nine months period ended June 30, 2022 along with the comparatives for the corresponding period are summarized as under:

	Oct. – Jun. 2022	Oct. – Jun. 2021
	(Rupees '000)	
Profit / (Loss) before taxation	164,529	(126,919)
Taxation	(91,969)	17,126
Profit / (Loss) after taxation	72,560	(109,793)
Earnings / (Loss) per share basic and diluted (Rupees)	6.07	(9.19)

### Review of Financial Results

During the period under review, your Company has earned an after-tax profit of Rs. 72,560 thousand as compared to an after-tax loss of Rs. 109,793 thousand in the corresponding period. Due to better selling price of sugar which remain stable in the first quarter of the current period, which increased the turnover of sugar up-to 48.27% as compared to corresponding period and the sale of by-products i.e molasses and baggasse have also increased up-to 36.40% and 368.89% respectively which contributed in the profitability of the Company. Your Company's financial results shows improvement because of an increase in sucrose recovery and increase in turnover of by-products due to better management of operational efficiency of plant & machinery of the Company, as earlier informed to you.

**Contingencies**

Refer to note 10.1 (c) of notes to the Condensed Interim Financial Statements, which fully explained the material contingency in respect of the Orders passed by the Deputy Commissioner Inland Revenue (DCIR), in this regards, the Appellate Tribunal Inland Revenue of Pakistan has passed the Orders of tax years from 2015 to 2019 and allegations / issues have been deleted / set aside the Orders passed by the DCIR under Section 122(1)/ (5) of the Income Tax Ordinance, 2001 and the Commissioner Appeals has also deleted / set aside the Orders passed by the DCIR under Section 161 of the Income Tax Ordinance, 2001.

**Future Prospects**

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. Currently the selling prices of sugar are not in line with the cost of production, which will affect the profitability of the Company and the sugar industry as a whole. We expect that the selling price of sugar will remain in-line with the average cost of Production and urge the Government to allow the export of surplus sugar to save the industry from losses.

Further, the Federal Government should notify that the sales tax should be payable on actual market price, as this is currently lower than the amount fixed by FBR for sales tax collection from the sugar mills, which is effecting the profitability of the Company.

We would also again 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

**Director**

**Chief Executive**

Karachi: July 28, 2022

## ہنگامی صورت حال

مرکنز عبوری مالیاتی دستاویزات کے نوٹس میں مرکورٹ نمبر (c) 10.1، جس کے تحت ڈپٹی کمشنر ان لینڈ ریونیو (DCIR) کی جانب سے پاس کردہ آرڈر بابت اہم امکانی صورت کو تفصیلاً بیان کیا جا چکا ہے، اس کے حوالے سے عرض ہے کہ ایپلٹ ٹریبونل ان لینڈ ریونیو آف پاکستان کی جانب سے ٹیکس کے سال 2015 تا 2019 کے سلسلے میں آرڈر پاس کئے جا چکے ہیں، ان آرڈرز کی رو سے DCIR کی جانب سے زیر تفتیشیشن (5/11/22) بابت انکم ٹیکس آرڈیننس 2001 پاس کئے جانے والے آرڈرز کے تحت لگائے جانے والے الزامات / مسائل کو کالعدم قرار دیا جا چکا ہے، اور کمشنر ایپل کی جانب سے DCIR کے پاس کردہ آرڈرز زیر تفتیشیشن 161 بابت انکم ٹیکس آرڈیننس 2001 کو بھی کالعدم قرار دیا جا چکا ہے۔

## مستقبل پر نظر

کمپنی کی جانب سے کاشتکاروں کو حکومت سندھ کی جانب سے طے شدہ کم از کم قیمت سے زائد قیمت ادا کی گئی جس کی وجہ سے مجموعی طور پر پیداواری لاگت میں اضافہ ہوا ہے۔ فی الحال چینی کی قیمت فروخت پیداواری لاگت سے متناسب نہیں ہے جس کے باعث آپ کی کمپنی کے منافع پر منفی اثرات مرتب ہونگے اور مجموعی طور پر پوری انڈسٹری کے منافع پر بھی اس کے منفی اثرات مرتب ہونا فرین قیاس ہے۔ ہم اس بات کی امید کرتے ہیں کہ چینی کی قیمت فروخت اور اوسط پیداواری لاگت کو متناسب رکھا جائے گا اور حکومت سے مطالبہ کرتے ہیں کہ انڈسٹری کو نقصانات سے محفوظ رکھنے کیلئے فاضل چینی کو برآمد کرنے کی اجازت بھی دی جائے۔

مزید برآں، وفاقی حکومت کی جانب سے یہ نوٹس بھی جاری کیا جانا چاہیے کہ سیلز ٹیکس کی ادائیگی مارکیٹ میں رائج قیمت پر کی جائے جیسا کہ فی الحال ٹیکس کی یہ شرح ایف بی آر کی جانب سے شوگر ملوں سے جمع کی جانے والی سیلز ٹیکس رقوم سے کم ہے، اس کے منفی اثرات بھی کمپنی کے منافع کو متاثر کر رہے ہیں۔ ہم حکومت سے یہ درخواست بھی کرتے ہیں کہ زیر التوا اسپسڈی کے معاملات کو بھی نمٹایا جائے اور ان کی ادائیگیاں بھی شروع کی جائیں کیونکہ ایسا کرنے سے کمپنی کی لیکویڈیٹی میں بہتری آئے گی۔

## اظہار تشکر

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

علاوہ ازیں، ڈائریکٹر ز 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 ڈائریکٹر

چیف ایگزیکٹو

ڈائریکٹر

بمقام کراچی: 28 جولائی 2022

## ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2022 کو ختم ہونے والی نو ماہی سے متعلق کمپنی کی غیر آڈٹ شدہ مرکز و عبوری مالیاتی معلومات آپ کی خدمت میں پیش کی جا رہی ہیں۔

### کاروباری نتائج

2020-21	2021-22	بیزنس کا آغاز
2020 نومبر 05	15 نومبر 2021	گنے کی پسائی (میٹرک ٹن)
451,275.963	581,109.556	چینی کی پیداوار (میٹرک ٹن)
45,239.50	61,785	ریکوری کی شرح
10.012	10.635	بیزنس کا دورانیہ (دنوں میں)
108	125	

رواں بیزنس کے دوران آپ کی کمپنی اوسطاً 4,648.88 میٹرک ٹن گنا یومیہ پینے میں کامیاب رہی اور اس طرح مجموعی طور پر 581,109.556 میٹرک ٹن گنے کی پسائی کی گئی جس میں سے 61,785 میٹرک ٹن چینی پیدا کی گئی جس کی ریکوری کی شرح 10.635% رہی۔ جبکہ گزشتہ سال اسی عرصے کے دوران اوسطاً یومیہ 4,178.49 میٹرک ٹن گنا پیسا گیا تھا یعنی مجموعی طور پر 451,275.963 میٹرک ٹن گنا پیسا گیا جس سے 10.012% ریکوری کی شرح کے ساتھ چینی کی پیداوار 45,239.50 میٹرک ٹن تھی۔ زیر نظر عرصے کے دوران گنے کی پسائی اور پیداوار میں اضافہ درج کیا گیا ہے جس کی وجہ گزشتہ بیزنس کے مقابلے میں بہتر فصل اور ریکوری کی بلند شرح ہے، ریکوری کی بہتر شرح کی وجہ گنے کی مسلسل ترسیل تھی اور اس کے ساتھ ساتھ بیزنس کے آغاز سے ہی بہتر معیار کا گنا دستیاب رہا۔

### مالیاتی نتائج

کمپنی کے مالیاتی نتائج بابت نو ماہی اختتامیہ 30 جون 2022 کے اہم ترین اعداد و شمار اور گزشتہ سال کی نو ماہی کے اعداد و شمار کا تقابلی جائزہ ذیل میں پیش کیا جا رہا ہے:

اکتوبر تا جون 2021	اکتوبر تا جون 2022	
..... (روپے ہزاروں میں) .....	.....	
(126,919)	164,529	منافع / (نقصان) قبل از ٹیکس
17,126	(91,969)	ٹیکس
(109,793)	72,560	منافع / (نقصان) بعد از ٹیکس
(9.19)	6.07	منافع / (نقصان) فی حصص - بنیادی و تجلیلی (روپے میں)

### مالیاتی نتائج کا جائزہ

زیر نظر عرصے کے دوران آپ کی کمپنی کی جانب سے بعد از ٹیکس 72,560 ہزار روپے کا منافع کیا گیا ہے جبکہ گزشتہ مالی سال کے اسی عرصے کے دوران کمپنی کو 109,793 ہزار روپے کا بعد از ٹیکس نقصان ہوا تھا۔ رواں مالی سال کی پہلی سہ ماہی میں توازن کے ساتھ چینی کی بہتر قیمت فروخت کی وجہ سے چینی کا کاروباری حجم گزشتہ مالی سال کے اسی عرصے کے مقابلے میں 48.27% زائد رہا اور اس کے ساتھ ساتھ ذیلی مصنوعات یعنی مولا س اور بگاس کی فروخت بھی گزشتہ مالی سال کے اسی عرصے کے مقابلے میں بالترتیب 36.40% اور 368.89% زائد رہی جس کے مثبت اثرات کمپنی کے منافع پر مرتب ہوئے۔ آپ کی کمپنی کی مالی کارکردگی میں بہتری آئی ہے جس کی وجہ سکروڈ کی ریکوری کی بلند شرح اور ذیلی مصنوعات کے کاروباری حجم میں اضافہ ہے جو کہ کمپنی کے پلانٹ و شینری پر بہتر آپریشنل میٹمنٹ کی وجہ سے ممکن ہوا، جیسا کہ پہلے بھی اس بات کا ذکر کیا جا چکا ہے۔



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2022**

	Notes	Un-Audited June 30 2022 (Rupees in '000)	Audited September 30 2021 (Rupees in '000)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	2,520,144	2,615,681
Long term deposits		16,436	20,581
		<b>2,536,580</b>	<b>2,636,262</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		52,617	54,659
Stock-in-trade		1,740,436	778,811
Trade Debts		27,924	144,240
Loans and advances		143,744	122,931
Trade deposits & short term prepayments		4,957	6,948
Other receivables		—	47,080
Income tax refundable - net of provision		22,999	10,710
Cash and bank balances		100,880	54,818
		<b>2,093,557</b>	<b>1,220,197</b>
<b>TOTAL ASSETS</b>		<b>4,630,137</b>	<b>3,856,459</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital		200,000	200,000
20,000,000 shares of Rs.10 each			
Issued, subscribed and paid up capital		119,460	119,460
Unappropriated profit		131,314	24,683
Surplus on revaluation of property, plant & equipment		902,631	936,702
		<b>1,153,405</b>	<b>1,080,845</b>
<b>NON CURRENT LIABILITIES</b>			
Long term financing	8	17,334	80,476
Lease Liabilities		7,062	33,625
Deferred liabilities	9	542,374	483,704
Deferred Government grant		—	44
		<b>566,770</b>	<b>597,849</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,909,426	1,205,791
Accrued finance cost		25,925	34,299
Short term borrowings		852,455	770,819
Unclaimed dividend		4,696	4,696
Current portion of long term financing		90,568	125,528
Current portion of lease liabilities		26,675	35,202
Current portion of deferred Government grant		217	1,430
		<b>2,909,962</b>	<b>2,177,765</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10	—	—
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,630,137</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: July 28, 2022

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022 - UNAUDITED**

		<u>Nine Months Period Ended</u>		<u>Quarter ended</u>	
		<u>June 30</u>	<u>June 30</u>	<u>June 30</u>	<u>June 30</u>
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Notes		..... (Rupees in '000) .....			
Sales	11	3,321,470	2,240,176	941,482	1,169,895
Cost of sales	12	2,917,570	2,210,378	923,203	1,151,764
<b>Gross Profit</b>		<b>403,900</b>	<b>29,798</b>	<b>18,279</b>	<b>18,131</b>
Distribution cost		415	495	260	337
Administrative expenses		102,023	81,086	25,418	24,632
Other operating expenses		63,579	3,442	(5,203)	2,508
		166,017	85,023	20,475	27,477
<b>Operating Profit / (Loss)</b>		<b>237,883</b>	<b>(55,225)</b>	<b>(2,196)</b>	<b>(9,346)</b>
Other income		2,127	3,326	319	557
		240,010	(51,899)	(1,877)	(8,789)
Finance cost		75,481	75,020	30,559	29,213
<b>Profit / (Loss) before taxation</b>		<b>164,529</b>	<b>(126,919)</b>	<b>(32,436)</b>	<b>(38,002)</b>
Taxation - Current, Prior Period and Deferred		91,969	(17,126)	(24,186)	(33,046)
<b>Profit / (Loss) after taxation</b>		<b>72,560</b>	<b>(109,793)</b>	<b>(8,250)</b>	<b>(4,956)</b>
<b>Earnings / (Loss) per share - Basic and diluted (Rupees)</b>		<b>6.07</b>	<b>(9.19)</b>	<b>(0.69)</b>	<b>(0.41)</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: July 28, 2022

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022 - UNAUDITED**

	<u>Nine Months Period Ended</u>		<u>Quarter ended</u>	
	<u>June 30</u>	<u>June 30</u>	<u>June 30</u>	<u>June 30</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	..... (Rupees in '000) .....			
Profit / (Loss) after taxation	72,560	(109,793)	(8,250)	(4,956)
Other Comprehensive Income	—	—	—	—
<b>Total Comprehensive Income / (Loss)</b>				
<b>for the period</b>	<u>72,560</u>	<u>(109,793)</u>	<u>(8,250)</u>	<u>(4,956)</u>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: July 28, 2022

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022 - UNAUDITED**

	Issued, Subscribed & Paid-up Capital	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 June 30, 2021	—	(109,793)	—	(109,793)
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	36,225	(36,225)	—
<b>Balance as at June 30, 2021 - Un-Audited</b>	119,460	(70,171)	949,026	998,315
<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 Income for the period ended June 30, 2022	—	<b>72,560</b>	—	<b>72,560</b>
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	<b>34,071</b>	<b>(34,071)</b>	—
<b>Balance as at June 30, 2022 - Un-Audited</b>	<b>119,460</b>	<b>131,314</b>	<b>902,631</b>	<b>1,153,405</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: July 28, 2022

**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022 - UNAUDITED**

	June 30 2022	June 30 2021
	(Rupees in '000)	
<b>Profit / (Loss) before taxation</b>	<b>164,529</b>	(126,919)
<b>Adjustment for non cash charges and other items:</b>		
Depreciation	96,669	101,428
Depreciation on right-of use assets	6,968	8,241
Employees retirement benefits expense	14,606	14,954
Provision for market committee fee	5,811	4,513
Gain on sale of property, plant & equipment	(835)	—
Finance cost	75,481	75,020
	<b>198,700</b>	204,156
Cash flow from operating activities before adjustment of working capital changes	<b>363,229</b>	77,237
<b><u>Changes in Working capital</u></b>		
(Increase) / Decrease in current assets		
Stores, spare parts and loose tools	2,042	1,220
Stock - in - trade	(961,625)	(1,049,179)
Trade debts	116,316	(138,277)
Loans and advances	(20,813)	18,541
Trade deposits & Short term prepayments	1,991	(8,579)
	<b>(815,009)</b>	(1,176,274)
<b>Increase in current liabilities</b>		
Trade and other payables	703,635	513,092
	<b>251,855</b>	(585,945)
Employees retirement benefits paid during the period	(5,114)	(4,612)
Finance cost paid during the period	(83,855)	(77,554)
Decrease in long term deposits	4,145	—
Income taxes paid during the period	(60,890)	(21,550)
	<b>(145,714)</b>	(103,716)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>106,141</b>	(689,661)

	Note	June 30 2022 (Rupees in '000)	June 30 2021
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant & equipment		5,740	—
Additions to property, plant and equipment		(13,005)	(20,109)
<b>Net cash outflow from investing activities</b>		<b>(7,265)</b>	<b>(20,109)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing		(99,359)	(22,004)
Payments / Obtained of lease liabilities - net		(35,090)	(18,828)
Dividend paid during the period		—	(17)
<b>Net cash outflow from financing activities</b>		<b>(134,449)</b>	<b>(40,849)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(35,574)</b>	<b>(750,619)</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>(751,575)</b>	<b>(1,070,214)</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Karachi: July 28, 2022

## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 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 nine months period ended June 30, 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 June 30, 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 nine months period then ended.
- 2.3** This condensed interim financial statements for the nine months period ended June 30, 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 nine months period ended June 30, 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 nine months period ended June 30, 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 nine months results and final liabilities will be determined on the basis of annual results.

		Un-Audited June 30 2022	Audited September 30 2021
		(Rupees in '000)	
7	PROPERTY, PLANT & EQUIPMENT		
	Operating Fixed Assets	Note 7.1	
		2,408,932	2,437,298
	Capital Work in Progress	Note 7.2	
		16,527	3,807
	Right of use assets	Note 7.3	
		94,685	174,576
		<u>2,520,144</u>	<u>2,615,681</u>
		Un-Audited June 30 2022	Un-Audited June 30 2021
		(Rupees in '000)	
7.1	Operating Fixed Assets		
	Transferred from Right of Use Assets		
	Plant & Machinery	68,018	—
	Additions during the period		
	Vehicles	285	—
	Depreciation		
	Depreciation charged during the period	96,669	101,428
7.2	Capital Work in Progress		
	Additions during the period		
	Plant & Machinery under erection	12,720	3,188



	Un-Audited June 30 2022 (Rupees in '000)	Un-Audited June 30 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	—	16,921
<i>Disposals</i>		
Disposals at Net Book Value - Vehicle	4,905	—
<i>Depreciation</i>		
Depreciation charged during the period	6,968	8,241

	Un-Audited June 30 2022 (Rupees in '000)	Audited September 30 2021
<b>8 LONG TERM FINANCING</b>		
<b>Secured - From Banking Company under mark-up arrangements</b>		
Demand Finance - II Note 8.1	—	20,547
Diminishing Musharakah - I Note 8.2	6,132	10,306
Diminishing Musharakah - II Note 8.3	86,667	138,667
Refinance - Salaries & Wages under State Bank of Pakistan Scheme Note 8.4	15,103	36,484
	107,902	206,004
Current portion shown under current liabilities	(90,568)	(125,528)
	17,334	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 June 30 2022	Audited September 30 2021
-------------------------------	---------------------------------

(Rupees in '000)

## 9 DEFERRED LIABILITIES

Deferred taxation	346,337	302,969
Market committee fee	86,040	80,229
Employees retirement benefits		
– Defined benefits plan	105,309	96,705
– Leave Encashment plan	4,688	3,801
	<u>542,374</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;

- 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.
- 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.
- During the preceeding year, the Deputy Commissioner Inland Revenue (DCIR) has passed the Orders under Section 122 (1) / (5) of the Income Tax Ordinance, 2001 in respect of tax years from 2015 to 2019 creating a tax demand of Rs. 24,818,724 thousand and also passed the Orders under Section 161 of the Income Tax Ordinance, 2001 for the tax years from 2017 to 2019 amounted to Rs. 88,174 thousand and during the period passed an Order for the Tax year 2020 again creating an exorbitant tax demand of Rs. 31,434 thousand.

The Company is contesting the same at designated forums of Inland Revenue Services and during the period the Appellate Tribunal Inland Revenue of Pakistan has passed the Orders dated June 20, 2022 for tax years from 2015 to 2019 against the Orders passed by the DCIR under Section 122 (1) / (5) of the Income Tax Ordinance, 2001 and allegations / issues have been deleted / set aside. Further, during the period the Commissioner Appeal has passed the Orders for the tax years from 2017 to 2020 against the Orders passed by the DCIR under Section 161 of the Income Tax Ordinance, 2001 and deleted / set aside the Orders.

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 DCIR 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 continuously contesting the same at designated forums of Inland Revenue Services. 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.

- d) During the preceding year, the Competition Commission of Pakistan (CCP) in August 2021 passed an orders and imposed penalty on PSMA and member sugar mills alleging them to be guilty of collusive activities and cartelization. The penalty imposed on the Company aggregated to Rs. 188,522 thousand. The PSMA and our Company along with other sugar mills filed the Suit against the order of the Competition Commission of Pakistan at Honourable Sindh High Court. The Honorable Court passed the interim order on 07.10.2021 that the operation of impugned orders dated 06.08.2021 and 13.08.2021 shall remain suspended till the hearing is underway.

During the period, the Honourable High Court of Sindh passed the Order dated 13.06.2022 and decided the application (the injunction application) where in it has been interalia held that "This is only an Injunction Order and hence is of tentative findings. Excluding the casting vote decision of chairperson, it is a split decision by 2x2 thus inclined to grant injunction to the extent of the casting vote decision of chairperson only subject to securing 50% of the respective penalties recommended by the Commission with the Nazir of the Court through Bank Guarantee in two weeks time, with this condition the injunction applications in the above terms are allowed. Chairperson's decision shall remain suspended till final disposal of the suite subject to furnishing Bank Guarantee whereas applications under order stand dismissed".

Further, the CCP has issued letters dated 24.06.2022 without prejudice to the right of CCP to challenge the Order dated 13.06.2022 and hereby informed us that in case the Company fails to comply with the said order by submitting 50% of the penalty imposed by the CCP with the Nazir of the Honourable High Court of Sindh before 27.06.2022, the interim injunction will be deemed to have been vacated and recovery proceedings shall be initiated. The CCP has issued notices to the Company along with other sugar mills on 29.06.2022 to pay within 15 days. The letters and notices issued prematurely because 15 days period started from 29.06.2022 (the date on which certified copy of the order available) and not the date of Order i.e 13.06.2022. The Company along with other sugar mills applied for extension and the Honourable High Court of Sindh has passed Order dated 15.07.2022 whereby a further period of seven days has been granted and upon further application the Honourable High Court of Sindh again extended the date till July 25, 2022.

The Company is in the process of obtaining the Bank Guarantee, as and when approved and issued by the respective Bank, which will be submitted to the Nazir of the Honourable High Court of Sindh.

**10.2 Guarantee:**

Rs. Nil (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 June 30 2022 (Rupees in '000)	Un-Audited June 30 2021
<b>11 SALES</b>		
Local	3,905,263	2,621,362
Less: Sales Tax	(583,793)	(381,186)
	<u>3,321,470</u>	<u>2,240,176</u>
<b>12 COST OF SALES</b>		
Opening stock of finished goods	774,478	247,853
Cost of goods manufactured during the period - Net	3,867,422	3,257,601
	4,641,900	3,505,454
Closing stock of finished goods Note - 12.1	(1,724,330)	(1,295,076)
	<u>2,917,570</u>	<u>2,210,378</u>

- 12.1** The closing stock of sugar having carrying value of Rs. 681,433 thousand (2021: Rs. 1,233,113 thousand) has been pledged against financing obtained from Banking Companies.

	Un-Audited June 30 2022 (Rupees in '000)	Un-Audited June 30 2021
<b>13 CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents comprise of the following items;		
Cash and bank balances	100,880	101,349
Short term borrowings	(852,455)	(1,171,563)
	<u>(751,575)</u>	<u>(1,070,214)</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:

	June 30, 2022 (Un-audited)			September 30, 2021 (Audited)		
	(Rupees in '000)					
	Islamic Mode	Conventional Mode	Total	Islamic Mode	Conventional Mode	Total
Long Term Financing	92,799	15,103	107,902	148,973	57,031	206,004
Lease Liabilities	—	33,737	33,737	—	68,827	68,827
Short Term Borrowings	—	852,455	852,455	180,000	590,819	770,819
Accrued Finance Cost	—	25,925	25,925	17,933	16,366	34,299
Long Term Deposits	(792)	(15,644)	(16,436)	(792)	(19,789)	(20,581)
Bank Balances	(12,811)	(89,927)	(102,738)	(16,001)	(40,384)	(56,385)
	79,196	821,649	900,845	330,113	672,870	1,002,983

	June 30, 2022 (Un-audited)			June 30, 2021 (Un-audited)		
	(Rupees in '000)					
	Islamic Mode	Conventional Mode	Total	Islamic Mode	Conventional Mode	Total
Finance Cost	14,357	61,124	75,481	24,561	50,459	75,020
	14,357	61,124	75,481	24,561	50,459	75,020

**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	Un-Audited
				June 30 2022	June 30 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	Number of Directors & Executives	Relationship with Company	Nature of Transaction		
	One	Chief Executive	Salaries & Benefits	10,513	9,371
	One	Executive Director	Salaries & Benefits	9,570	10,232
	Three	Company Secretary, Chief Financial Officer & General Manager	Salaries & Benefits	12,143	11,162
	Four	Non-Executive Directors	Meetings Fee	710	420

**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 July 28, 2022.

**18 GENERAL**

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

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

Karachi: July 28, 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 مذکورہ 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 مذکورہ 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 بھر 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 ڈیکلریشن 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 بریڈ 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 بریڈ الیکٹرانک ذرائع کے ذریعے 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 دسخطہ اور قومی شناختی کارڈ / این ٹی این ٹی نقل اپنی درخواست حصص رجسٹرار یا کمپنی کے پاس جمع کروائیں اور بصورت سی 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)

# سنگھڑ 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  
سنگھڑ 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 بذریعہ 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 کاکاؤنٹ 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 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 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

#### 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 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 بصورتی ڈی سی ایس اپنے متعلقہ شراکت دار/ای ڈی سی سرمایہ کار کاؤنٹ سروسز کے پاس جمع کروائیں۔

### شعبہ حصص داران

حصص رجسٹرار  
حمید حمید المہسوی 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، کلفٹن سینٹر  
بلاک 5 کلفٹن، 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/ای 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 چپاں 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