



Sindh Abadgar's Sugar Mills Limited

**UNAUDITED
CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022**



COMPANY PROFILE

DIRECTORS

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

CHIEF FINANCIAL OFFICER Syed Abid Hussain

COMPANY SECRETARY Mr. Aziz Ahmed

BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
MCB Bank Limited
Bank AL Habib Limited
United Bank Limited
Meezan Bank Limited
HBL Foreign Exch. Bank Limited

AUDIT COMMITTEE

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

HR AND REMUNERATION COMMITTEE

Ms. Maheshwari Osha	Chairman
Mr. Mohan Lal	Member
Mr. Dileep Kumar	Member

AUDITORS

M/s. Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

REGISTERED OFFICE

209, 2nd Floor, Progressive Plaza, Beaumont Road,
Karachi-Pakistan.

MILLS

Deh: Deenpur,
Taluka. Bulri Shah Karim,
Distt. Tando Muhammad Khan,
Sindh-73024.

REGISTRAR

JWAFFS Registrar Services (Pvt) Ltd.
407- 408, Al Aameera Centre,
Shahrah e Iraq, Saddar, Karachi.

EMAIL ADDRESS

sasm@unitedgroup.org.pk



DIRECTORS' REPORT

Dear Members

Assalam-o-Alaikum,

On behalf of the Board of Directors of the Company, we are pleased to lay before you the Un-Audited Financial Statements for the 3rd quarter ended 30th June, 2022.

Financial Results

The financial results of the company for the nine months period ended 30th June, 2022 with comparison to the corresponding period of the last year is presented hereunder.

	30-Jun-22 Rs. (000)	30-Jun-21 Rs. (000)
Profit/(Loss) before taxation	82,520	(128,534)
Taxation	(19,777)	4,768
Profit/(Loss) after taxation	62,744	(123,766)
Earnings / (Loss) per share	6.02	(11.87)

During the period under review, sales grew by 50% achieved at Rs.1.90 billion compared to Rs.1.27 billion in the corresponding period driven by increase in sales volume and selling price. The cost of sales also went down by 16% attributed to increase in sugar yield from 10.10% in the corresponding to 11.08% during the year and less cost incurred per 40 Kgs of sugar cane. Some of the manufacturing expenses, however, have increased due to spiraling inflation. The financial cost is no exception soared to Rs.192.34 million compared to Rs.113.46 million in the comparable period resulting from frequent hike in policy rate by SBP. The financial results could have been more better, if the interest rate had remained intact. All in all, it has been a good nine months of the financial year for the company wherein, it posted a profit after taxation at Rs.62.74 million compared to a loss after taxation Rs.123.77 million. Accordingly the earning per share stood at Rs.6.02 per share as against Loss per share Rs.11.87 in the same period of the last financial year.

Future Outlook

The sugar price will remain depressed locally in the last quarter of this financial year amid substantial surplus sugar stock is available with the sugar industry which will further increased in view of 10-15 percent sugar cane production is anticipated to increase in the next crushing season coupled with Government rigid attitude towards allowing export of surplus sugar. The delay in allowing export of sugar will push the whole sugar industry not only in cash flow crunch but also render it to suffer colossal losses. The export prices are favorable. If export allowed immediately, it will likely to add \$500 million to \$ 600 million in the depleting foreign exchange of the country since the international market is bullish amid expectation of lower supply of sugar due to high tendency towards manufacturing ethanol as it gives better financial return than sugar as energy prices have risen sharply in view of ongoing Russia and Ukraine war.



The unending hike in key interest rate by SBP to control inflation will dent the bottom line as the company is carrying significant stock to be liquidated gradually. The financial cost is likely to increase further as the key interest rate as of to date has soared to 15% from 7.25% in September 2021.

Acknowledgement

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

Tara Chand
Chief Executive

Mahesh Kumar
Director

Dated: 28th July, 2022

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

اسلام علیکم!

یورڈ آف ڈائریکٹرز کی جانب سے یہ میرا امتیاز ہے کہ میں کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے برائے تیسری سہ ماہی اختتام پذیر 30 جون 2022 پیش کر رہا ہوں۔

مالیاتی نتائج

کمپنی کے مالیاتی نتائج برائے 9 ماہ اختتام پذیر 30 جون 2022 اور گزشتہ مماثل دورانیہ کا موازنہ حسب ذیل ہے:

30 جون 2021	30 جون 2022	
(000 روپے میں)	(000 روپے میں)	
(128,534)	82,520	ٹیکس سے قبل منافع / (نقصان)
4,768	(19,777)	ٹیکس
(123,766)	62,774	ٹیکس کے بعد منافع / (نقصان)
(11.87)	6.02	فی شیئر کمائی / (خسارہ)

زیر جائزہ دورانیہ کے دوران، فروختگی حجم 50 فیصد اضافے کے ساتھ مبلغ 1.90 بلین روپے رہا جو کہ گزشتہ مماثل دورانیہ میں 1.27 بلین روپے تھا، جس کی بنیادی وجہ فروختگی حجم اور قیمتوں میں اضافہ تھا۔ فروختگی لاگت میں بھی 16 فیصد تک کمی واقع ہوئی جس کی وجہ گئے میں سے چھٹی کی وصولی میں 11.08 فیصد اضافہ ہوا جبکہ گزشتہ مماثل دورانیہ میں یہ اضافہ 10.10 فیصد تھا اور فی من گئے کی وصولی کے اخراجات میں کمی واقع ہوئی۔ البتہ بیشتر پیداواری اخراجات، مہنگائی کے سبب اضافہ ہوئے ہیں۔ مالیاتی اخراجات، تمام پہلو بروئے کار لانے کے بعد 192.34 بلین روپے رہے جو کہ گزشتہ مماثل دورانیہ میں 113.46 بلین روپے تھے، جس کی بنیادی وجہ اسٹیٹ بینک پاکستان کی جانب سے پالیسی ریٹ میں مسلسل اضافہ ہے۔ اگر شرح سود برقرار رکھی جاتی تو مالیاتی اعداد و شمار اس سے کہیں بہتر ہو سکتے تھے۔ کل ملا کر بات یہ ہے کہ کمپنی کے مالی سال کیلئے یہ 9 ماہ اچھے ثابت ہوئے جس میں کمپنی نے مبلغ 62.74 بلین روپے ٹیکس ادا کیے کے بعد بھی منافع حاصل کیا جو کہ گزشتہ مماثل دورانیہ میں ٹیکس کی ادائیگی کے بعد 123.77 بلین روپے خسارے میں تھا۔ لہذا فی شیئر کمائی مبلغ 6.02 روپے رہی جو کہ گزشتہ مماثل دورانیہ میں 11.87 روپے فی شیئر خسارے کی صورت میں تھی۔

مستقبل کے امکانات

اس مالی سال کی آخری سہ ماہی میں چینی کی قیمتیں مقامی طور پر دباؤ کا شکار رہیں گی جس کی وجہ چینی کی صنعتوں میں چینی کا اضافی اسٹاک موجود ہونا ہے اور حکومت کی جانب سے اضافی چینی برآمد کرنے کی اجازت نہ دینے کے حوالے سے حکومت کا جارحانہ رویہ کی وجہ سے اگلے پیمائشی کے سیزن میں بھی گنے کی پیداوار میں 10 سے 15 فیصد اضافہ توقع کیا جا رہا ہے۔ چینی کی برآمد کی اجازت دینے میں اگر تاخیر سے کام لیا گیا تو اس سے چینی کی صنعت کو نہ صرف نقدی کے مسائل کا سامنا کرنا پڑے گا بلکہ شدید نقصان سے بھی دوچار ہونا پڑ سکتا ہے۔ برآمدات کی قیمتیں اس وقت ہمارے حق میں ہیں۔ اگر فوری طور پر ایکسپورٹ کی اجازت دے دی جاتی ہے تو اس سے ملک کے زرمبادلہ کے ذخائر میں ممکنہ طور پر 500 سے 600 ملین ڈالر کا اضافہ کیا جاسکتا ہے کیونکہ بین الاقوامی مارکیٹ میں اس وقت گہما گہمی ہے جس کی وجہ اسٹھانول کی پیداوار کی جانب بڑھتے ہوئے رجحان کی وجہ سے چینی کی رسد میں کمی کا امکان ہے، اس وقت جاری روس اور یوکرین کی جنگ کے تناظر میں توانائی کی قیمتوں میں تیزی سے اضافہ کے پیش نظر، اس وقت صنعتوں کا رجحان زیادہ بہتر مالی فائدہ حاصل کرنے پر ہے۔

مہنگائی کو کنٹرول کرنے کیلئے اسٹیٹ بینک آف پاکستان کی جانب سے شرح سود میں ناختم ہونے والے اضافہ، صنعت کو آخری لیکر سے نیچے کر دے گا کیونکہ کمپنی کے پاس وقت قابل ذکر مقدار میں اسٹاک موجود ہے، جسے بتدریج کیش کرایا جانا ضروری ہے۔ مالیاتی اخراجات میں بھی مزید اضافے کا امکان ہے کیونکہ ستمبر 2021 میں 7.25 فیصد کے مقابلے میں آج کی تاریخ تک شرح سود میں 15% تک اضافہ کر دیا گیا ہے۔

تسلیمات

بورڈ، شیئر ہولڈرز، کسانوں، بینکوں اور صارفین کی جانب سے بھرپور تعاون کو تسلیم کرتا ہے اور اپنے اسٹاف اور ملازمین کی جانب سے کمپنی کی صلاحیت بہتر بنانے میں ان کی تہدیت اور محنت کو سراہتا ہے۔

مہیش کمار

ڈائریکٹر

تارا چند

چیف ایگزیکٹو

تاریخ: 28 جولائی 2022



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2022

EQUITY AND LIABILITIES	Note	Un-audited June 30, 2022 Rupees	Audited September 30, 2021 Rupees
Share capital and reserves			
Authorized capital 65,000,000 ordinary shares of Rs. 10/- each		650,000,000	650,000,000
Issued, subscribed and paid-up capital		104,250,000	104,250,000
Capital reserve			
Revaluation surplus on property, plant and machinery-net		1,775,460,727	1,841,172,213
Revenue reserve			
Accumulated losses		(88,618,516)	(217,073,575)
		1,791,092,211	1,728,348,638
Subordinated loans		480,000,000	480,000,000
		2,271,092,211	2,208,348,638
Non current liabilities			
Long term finance - secured	5	166,666,668	229,166,667
Deferred liabilities		882,752,432	889,917,432
		1,049,419,100	1,119,084,099
Current liabilities			
Trade and other payables		390,438,289	361,945,095
Short term borrowing		2,821,798,718	908,564,854
Unclaimed dividend		6,494,838	6,499,447
Accrued mark-up		136,134,889	24,873,080
Current maturity of long term finance		83,333,332	120,833,333
		3,438,200,066	1,422,715,809
Contingencies and commitments			
	6	6,758,711,377	4,750,148,546
ASSETS			
Non current assets			
Property, plant and equipment	7	3,114,892,836	3,245,126,564
Long term loans		552,386	452,229
Long term deposits		792,527	792,527
		3,116,237,749	3,246,371,320
Current assets			
Stores and spares		120,117,684	108,662,813
Stock in trade		2,709,659,909	1,017,211,456
Trade debts - unsecured		457,559,595	93,695,728
Short term loans and advances		135,936,156	111,364,100
Trade deposits and short term prepayments		-	1,630,862
Other receivables		76,090,787	76,431,187
Tax refunds due from government		72,833,666	68,844,154
Cash and bank balances		70,275,831	25,936,926
		3,642,473,628	1,503,777,226
		6,758,711,377	4,750,148,546

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2022

	Note	Nine months period ended		Quarter ended	
		June 30, 2022 Rupees	June 30, 2021 Rupees	June 30, 2022 Rupees	June 30, 2021 Rupees
Net sales	8	1,900,121,616	1,268,597,695	669,812,955	614,633,591
Cost of sales		(1,617,113,110)	(1,205,436,601)	(627,220,468)	(588,613,007)
Gross profit		283,008,506	63,161,094	42,592,487	26,020,584
Administrative expenses		(94,101,261)	(91,074,818)	(27,309,421)	(25,965,442)
Selling and distribution cost		(5,441,693)	(4,586,990)	(281,675)	(442,628)
		(99,542,954)	(95,661,808)	(27,591,096)	(26,408,070)
Operating income / (loss)		183,465,552	(32,500,714)	15,001,391	(387,486)
Finance cost		(192,344,998)	(113,465,416)	(107,093,493)	(53,274,867)
Other expenses		(6,147,630)	-	4,927,470	1,309,711
Other income		97,547,534	17,432,089	7,769,309	774,480
		(100,945,094)	(96,033,327)	(94,396,714)	(51,190,676)
Profit / (loss) before taxation		82,520,458	(128,534,041)	(79,395,323)	(51,578,162)
Taxation-net		(19,776,885)	4,768,002	14,593,004	(2,631,496)
Profit / (loss) after taxation		62,743,573	(123,766,039)	(64,802,319)	(54,209,658)
Earning / (loss) per share					
basic and diluted		6.02	(11.87)	(6.22)	(5.20)

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022

	Note	June 30, 2022 Rupees	June 30, 2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		82,520,458	(128,534,041)
Adjustments for:			
- Depreciation		131,534,721	134,385,217
- Finance costs		192,344,998	113,465,416
- Profit on saving accounts		(6,836,756)	(1,394,185)
- Provision for workers' welfare fund		1,714,226	
- Provision for workers' profit participation fund		4,433,404	
- Gain on disposal of property, plant and equipment		(6,865,372)	(565,079)
		<u>316,325,221</u>	<u>245,891,369</u>
Operating profit before working capital changes		398,845,679	117,357,328
Changes in working capital			
Decrease / (increase) in current assets			
- Stores and spares		(11,454,871)	(14,372,112)
- Stock in trade		(1,692,448,453)	(1,769,658,351)
- Trade debts - unsecured		(363,863,867)	(245,950,598)
- Short term loans and advances		(24,572,056)	(10,049,141)
- Trade deposits and short term prepayments		1,630,862	(5,168,916)
- Other receivables		340,400	(612,400)
		<u>(2,090,367,985)</u>	<u>(2,045,811,518)</u>
Increase/(decrease) in current liabilities			
- Trade and other payables		22,345,564	(112,143,358)
		<u>(1,669,176,742)</u>	<u>(2,040,597,548)</u>
Net cash used in operations			
Taxes paid		(30,931,397)	(37,411,498)
Gratuity paid		-	(74,906)
Finance costs paid		(81,083,189)	(61,958,429)
		<u>(112,014,586)</u>	<u>(99,444,833)</u>
Net cash used in operating activities		<u>(1,781,191,328)</u>	<u>(2,140,042,381)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(3,185,621)	(12,723,461)
Proceeds from property, plant and equipment		8,750,000	1,371,276
Profit on bank deposits received		6,836,756	1,394,185
Long term loans - net		(100,157)	263,064
Net cash used in investing activities		12,300,978	(9,694,936)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term finance		(100,000,000)	(50,000,000)
Pledge financing receipts		2,044,308,383	1,571,999,836
Subordinated loan received		-	220,000,000
Dividend paid		(4,609)	(20,625)
Net cash generated from financing activities		<u>1,944,303,774</u>	<u>1,741,979,211</u>
Net decrease in cash and cash equivalents		175,413,424	(407,758,106)
Cash and cash equivalents at the beginning of the period		(882,627,928)	(169,478,996)
Cash and cash equivalents at the end of the period 10		<u>(707,214,504)</u>	<u>(577,237,102)</u>

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED JUNE 30, 2022**

	Nine months period ended		Quarter ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees	Rupees	Rupees	Rupees
Profit / (loss) after taxation	62,743,573	(123,766,039)	(64,802,319)	(54,209,658)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Reversal of deferred tax liability on account of Revaluation Surplus due to change in tax rate	-	-	-	-
Total comprehensive income / (loss) for the period	<u>62,743,573</u>	<u>(123,766,039)</u>	<u>(64,802,319)</u>	<u>(54,209,658)</u>

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

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022**

	Capital reserves		Revenue reserves	Total
	Issued, subscribed and paid up capital	Revaluation surplus on property, plant and equipment	Accumulated losses	
	Rupees			
Balance as at October 01, 2020	104,250,000	1,250,971,892	(213,312,511)	1,141,909,381
<i>Total comprehensive loss for the nine month ended June 30, 2021</i>				
Loss after taxation	-	-	(123,766,039)	(123,766,039)
Other comprehensive income	-	-	(123,766,039)	(123,766,039)
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	(56,669,460)	56,669,460	-
Balance as at June 30, 2021	<u>104,250,000</u>	<u>1,194,302,432</u>	<u>(280,409,090)</u>	<u>1,018,143,342</u>
Balance as at October 01, 2021	104,250,000	1,841,172,213	(217,073,575)	1,728,348,638
<i>Total comprehensive income for the nine months ended June 30, 2022</i>				
Profit after taxation	-	-	62,743,573	62,743,573
Other comprehensive income	-	-	-	-
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	(65,711,486)	65,711,486	-
Balance as at June 30, 2022	<u>104,250,000</u>	<u>1,775,460,727</u>	<u>(88,618,516)</u>	<u>1,791,092,211</u>

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

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer



**NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022**

1. STATUS AND NATURE OF BUSINESS

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

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended September 30, 2021.



2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended September 30, 2021.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

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

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimating the uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended September 30, 2021.

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the audited annual financial statements as at and for the year ended September 30, 2021.



	Un-audited June 30, 2022 Rupees	Audited September 30, 2021 Rupees
5. LONG TERM FINANCES	(Un-audited)	(Audited)
Mark-up based financing from conventional banks		
Opening balance	350,000,000	400,000,000
Less: Payment made during the period	<u>(100,000,000)</u>	<u>(50,000,000)</u>
	250,000,000	350,000,000
Less: current maturity shown under current liabilities	<u>(83,333,332)</u>	<u>(120,833,333)</u>
	<u>166,666,668</u>	<u>229,166,667</u>

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in the status of the contingencies and commitments set out in the note 12 to the Company's annual financial statements for the year ended September 30, 2021, except for below;

In continuation of note 12.1 disclosed in financial statement for year ended September 30, 2021, During the period, The Sindh High Court has initiated proceedings against the Reference Application SPL.STRA No 55 and 56 of 2007 & vide its order dated 21st April, 2022 and has dismissed the reference application on account of non-prosecution by the Department.

Further to information disclosed in note 12.7 of Financial statement for year ended September 30,2021, The Income Tax Appellate Tribunal (Karachi) has initiated proceedings in the current period and has deleted the impugned orders of Commissioner Inland Revenue (CIR) issued under section 122 (1) of the Income Tax Ordinance, 2001 for Tax year 2016,2017,2018 & 2019.

Consequently, The CIR order to levy penalty for above tax years, as explained in note 12.8 of Financial Statement for year ended September 30, 2021, stands invalid in Company's best judgment. Accordingly, the Company has not recorded any provision in this interim Financial statements



	Note	Un-audited June 30, 2022 Rupees	Audited September 30, 2021 Rupees
7 PROPERTY, PLANT AND EQUIPMENT			
Operating assets	7.1	3,114,892,836	3,245,126,564
		<u>3,114,892,836</u>	<u>3,245,126,564</u>
7.1 Operating assets Cost / Revalued amount			
Opening balance		5,176,342,731	4,100,481,561
Additions		3,185,621	182,729,104
Disposal		(8,776,989)	(3,689,720)
Surplus on Revaluation		-	896,821,786
		<u>5,170,751,363</u>	<u>5,176,342,731</u>
Accumulated depreciation			
Opening Balance		1,931,216,167	1,768,931,731
Charge for the period		131,534,721	165,167,959
Disposal		(6,892,361)	(2,883,523)
		<u>2,055,858,527</u>	<u>1,931,216,167</u>
Written down value as at June 30, 2022 (Un-Audited)		<u>3,114,892,836</u>	
Written down value as at September 30, 2021 (Audited)			<u>3,245,126,564</u>
8 TURNOVER - NET			
Gross sales - local		2,182,490,100	1,484,259,150
Less : Sales tax-Sugar		(282,368,484)	(215,661,455)
		<u>1,900,121,616</u>	<u>1,268,597,695</u>



9 RELATED PARTY TRANSACTIONS

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

	Un-audited June 30, 2022 Rupees	Un-audited June 30, 2021 Rupees
Transactions during the period		
Remuneration to chief executive and directors	3,150,000	3,150,000
Receivables against supplies to SGM Sugar Mills Limited	18,518,561	5,454,199
Subordinated loan obtained from directors	-	220,000,000
Contribution to staff provident fund	3,885,403	3,678,098
	Un-audited June 30, 2022 Rupees	Audited September 30, 2021 Rupees
Balances at year end		
Advance against supplies	18,518,561	5,454,199
Subordinated loan		
- from Directors	403,000,000	403,000,000
- from Related parties	77,000,000	77,000,000
	480,000,000	480,000,000



10 CASH AND CASH EQUIVALENTS

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

	Un-audited June 30, 2022 Rupees	Un-audited June 30, 2021 Rupees
Cash and bank balances	70,275,831	25,588,467
Short term borrowings (Running finance)	<u>(777,490,335)</u>	<u>(602,825,569)</u>
	<u>(707,214,504)</u>	<u>(577,237,102)</u>

11 AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 28.07.2022.

12 GENERAL

Figures have been rounded off to the nearest Rupee.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SYED ABID HUSSAIN
Chief Financial Officer

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