



**UNAUDITED
CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
MARCH 31, 2020**

SAKRAND SUGAR MILLS LIMITED



COMPANY PROFILE

| | | |
|--------------------------------|--|--|
| BOARD OF DIRECTORS | Mr. Jamil Akberi Mr. Dinshaw H. Anklesaria | Chairman/Director Chief Executive/Director |
| | Mr. Amad Uddin Mr. Abdul Naeem Quraishi Mr. Neville Mehta Mrs. Fatma Gulamali Dr. Jamshed H. Anklesaria | Director Director Director Director Director |
| AUDIT COMMITTEE | Mr. Abdul Naeem Quraishi Mr. Jamil Akberi Mr. Neville Mehta | Chairman Member Member |
| HR COMMITTEE | Mr. Neville Mehta Mr. Jamil Akberi Mr. Amad Uddin | Chairman Member Member |
| CHIEF FINANCIAL OFFICER | Mr. Amad Uddin | |
| COMPANY SECRETARY | Mr. Ali Mahmood Khan | |
| BANKERS | Allied Bank Limited Bank Al Habib Limited Bank Alfalah Limited Habib Bank Limited Meezan Bank Limited MCB Bank Limited National Bank Of Pakistan Soneri Bank Limited Sindh Bank Limited Summit Bank Limited United Bank Limited Al-Baraka Bank Pakistan Limited | |
| AUDITORS | UHY Hassan Naeem & Co. Chartered Accountants | |
| LEGAL ADVISOR | Mr. Abdul Naeem Quraishi | |
| REGISTRAR | M/s JWAFS Registrar Services (Pvt.) Ltd. 407-408, Al Ameera Centre Shahrah-e-Iraq, Saddar Karachi-74400 | |
| REGISTERED OFFICE | 41-K, Block-6, P.E.C.H.S., Karachi Phone. 0092-21-35303291-2 www.sakrandsugar.com | |
| FACTORY ADDRESS | Deh Tharo Unar, Taluka Sakrand District Shaheed Benazir Abad, Sindh. | |



DIRECTORS' REPORT

On behalf of the Board of Directors, it is our privilege to present to you the unaudited condensed interim financial statements of the Company for the half year ended March 31, 2020.

The Company's overall performance can be seen from the following comparative statistics:

| OPERATING RESULTS | | 2019-20 | 2018-19 |
|--------------------------|----|----------------|----------------|
| Season started | | 15-Nov-19 | 03-Dec-18 |
| Season closed | | 09-Mar-20 | 25-Mar-19 |
| Duration of season | | 116 | 113 |
| Sugarcane crushed | MT | 312,129 | 335,136 |
| Sugar | MT | 30,123 | 36,865 |
| Sugar recovery | % | 9.677 | 11.00 |
| Molasses | MT | 22,040 | 19,435 |
| Molasses recovery | % | 6.484 | 5.078 |

| FINANCIAL SUMMARY | | 2019-20 | 2018-19 |
|-------------------------------|--|-------------------|-------------------|
| | | (Rupees) | (Rupees) |
| Sales - net | | 1,965.878 million | 2,135.707 million |
| Operating (loss)/profit | | (428.479) million | 409.254 million |
| (Loss)/Profit before taxation | | (521.669) million | 340.046 million |
| (Loss)/Profit after taxation | | (380.223) million | 260.506 million |
| (Loss)/Earning per Share | | (8.52) | 5.84 |

During the period under review the mill crushed 312,129 MT of sugarcane producing 30,123 MT of sugar, as compared to corresponding period's crushing of 335,136 MT of sugarcane and 36,865 MT of sugar. Further, the recovery of sugar also fell to 9.677% as compared to 11.00% in the corresponding periods of last year.

The overall crop condition in the mills area remained poor, both in terms of yield as well as quality of sugarcane. Lesser water supply, unusual stormy rains contributed to inferior quality of sugarcane.

Further, the shortage of sugarcane in lower Sindh triggered a panic buying in central Sindh to upper Sindh by mills of lower Sindh, resulting in exorbitant purchase rates of sugarcane. The government fixed the sugarcane price at rupees 192 per Mounds plus quality premium. However, all mills ended up paying exorbitantly higher rates thus shooting the cost of per kg sugar above the selling price.

The high cost, lower recovery and various technical faults resulted in loss to the Company for the period under review. The management is taking stringent measures both in terms of financial management, technical improvements and supply chain so as to ensure much better profitable results in the coming season and pray to Almighty Allah for success in our future operations.

For and on behalf of the Board of Directors

Amad Uddin

Executive Director

Dated: August 04, 2020



ڈائریکٹرز کی رپورٹ

یورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے ششماہی غیر آڈٹ شدہ مالیاتی حسابات برائے 31 مارچ 2020 پیش خدمت ہیں۔
کمپنی کی مجموعی کارکردگی کا تقابلی جائزہ مندرجہ ذیل اعداد و شمار سے لگایا جاسکتا ہے۔

اہم ٹینک نتائج:

| | | 2019-20 | 2018-19 |
|--------------------|----|-----------|-----------|
| Season started | | 15-Nov-19 | 03-Dec-18 |
| Season closed | | 09-Mar-20 | 25-Mar-19 |
| Duration of season | | 116 | 113 |
| Sugarcane crushed | MT | 312,129 | 335,136 |
| Sugar | MT | 30,123 | 36,865 |
| Sugar recovery | % | 9.677 | 11.00 |
| Molasses | MT | 22,040 | 19,435 |
| Molasses recovery | % | 6.484 | 5.078 |

مالیاتی نتائج:

| | 2019-20 (Rupees) | 2018-19 (Rupees) |
|-------------------------------|---------------------|---------------------|
| Sales - net | 1,965.878 million | 2,135.707 million |
| Operating (loss)/profit | (428.479) million | 409.254 million |
| (Loss)/Profit before taxation | (521.669) million | 340.046 million |
| (Loss)/Profit after taxation | (380.223) million | 260.506 million |
| (Loss)/Earning per Share | (8.52) | 5.84 |

زیر غور دورانیہ کے درمیان کمپنی نے 312129 میٹرک ٹن گنا کرش کر کے 30123 میٹرک ٹن چینی کی پیداوار کی جبکہ سابقہ مارچ کی ششماہی میں کمپنی نے 335136 میٹرک ٹن گنا کرش کر کے 36865 میٹرک ٹن چینی کی پیداوار کی تھی۔ مزید یہ کہ اس ششماہی میں چینی کی اوسط ریکوری بھی سابقہ مارچ کی ششماہی سے نسبتاً کم رہی۔ اس ششماہی میں چینی کی اوسط ریکوری 9.667 فیصد رہی جبکہ سابقہ مارچ کی ششماہی میں چینی کی اوسط ریکوری 11.00 فیصد تھی۔

فیٹری کے گرد و نواح میں گنے کی فصل کی حالت، کوالٹی اور ریکوری دونوں ہی لحاظ سے خراب رہی۔ پانی کی قلت اور غیر متوقع طوفانی بارشیں بھی خراب کوالٹی کی وجہ بنی۔

مزید یہ کہ لور سندھ میں گنے کی قلت نے لور سندھ کی شوگر ملز کو مجبور کیا کہ وہ اضافی قیمت میں سینٹرل سندھ اور اپر سندھ سے گنا خریدیں جس کی وجہ سے گنے کی اوسط قیمت خرید میں بھی بڑھ چکا تھا۔ گورنمنٹ نے گنے کی کم از کم قیمت خرید -/192 روپے فی 40 کلوگرام (علاوہ کوالٹی پریمیم) مقرر کی تھی، جبکہ تمام شوگر ملز نے اوپر بیان کردہ وجوہات کے پیش نظر اضافی قیمت دے کر گنا خریدنا جس کی وجہ سے گنے کی اوسط قیمت خرید گورنمنٹ کی مقرر کردہ قیمت خرید سے بہت زیادہ رہی۔

گنے کی اضافی قیمت خرید، کم اوسط ریکوری اور مختلف ٹیکنیکل فالٹ کی وجہ سے کمپنی کو زیر غور ششماہی میں نقصان کا سامنا کرنا پڑا۔ مگر کمپنی مینجمنٹ کے حوصلے بھی بلند ہیں اور کمپنی مینجمنٹ مالیاتی ٹیکنیکل، سپلائی چین اور دیگر شعبہ جات میں اہم فیصلے اور اقدامات کر رہی ہے تاکہ آنے والے وقتوں میں کمپنی کے زیادہ سے زیادہ مالیاتی مفاد اور ترقی کو یقینی بنایا جاسکے۔

آخر میں ہم اللہ رب العزت سے کمپنی کے لیے ایک کامیاب اور شاندار مستقبل کی دعا کرتے ہیں، آمین۔

برائے سکریٹری شوگر ملز لمیٹڈ،

عماد الدین

ایگزیکٹو ڈائریکٹر

تاریخ: 14 اگست 2020



AUDIOTORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Sakrand Sugar Mills Limited (The "Company") as of March 31, 2020, the related condensed interim statements of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flows and notes to the financial statements for the six-month period then ended, (here-in-after referred to as the "Condensed interim financial statements"). Management is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of condensed interim statements of profit and loss and condensed statement of comprehensive income and the notes forming part thereof for the three months period ended 31st March 2020 and 2019 have not been reviewed only the cumulative figures for the half year ended 31st March 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of 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 interim financial statements is not prepared, in all material respects in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is **Imran Iqbal**.

Uky Hasan Naem

Karachi

Date: August 04, 2020

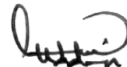



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020**

| | | (Unaudited) March 31, 2020 | (Audited) September 30, 2019 |
|---|------|----------------------------------|------------------------------------|
| | Note | ----- Rupees in '000' ----- | |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 5 | 3,227,474 | 3,250,459 |
| Intangible asset | | 2,750 | 3,293 |
| Long-term loans | | 603 | 745 |
| Long-term deposits | | 2,098 | 2,098 |
| | | <u>3,232,925</u> | <u>3,256,595</u> |
| Current Assets | | | |
| Stores, spares and loose tools | | 78,876 | 61,579 |
| Stock-in-trade | 6 | 83,374 | 49,192 |
| Trade debts | | 375,031 | 845,561 |
| Loans and advances | | 26,173 | 27,498 |
| Prepayments and other receivables | | 49,929 | 46,410 |
| Tax refundable | | 8,017 | 8,017 |
| Cash and bank balances | 7 | 3,220 | 4,478 |
| | | <u>624,619</u> | <u>1,042,735</u> |
| Total Assets | | <u><u>3,857,544</u></u> | <u><u>4,299,330</u></u> |
| EQUITY AND LIABILITIES | | | |
| Share Capital and Reserves | | | |
| Authorized share capital | | | |
| 60,000,000 ordinary shares of Rs. 10 each | | <u>600,000,000</u> | <u>600,000,000</u> |
| Share capital | | | |
| Issued, subscribed and paid-up capital | | 446,160 | 446,160 |
| Revenue reserve | | | |
| Accumulated loss | | (760,906) | (387,383) |
| Capital reserves | | | |
| Surplus on revaluation of property, plant and equipment-net of deferred tax | | 1,761,971 | 1,768,672 |
| Directors'/Sponsors' subordinated loan | | <u>92,767</u> | <u>92,767</u> |
| | | <u>1,539,992</u> | <u>1,920,216</u> |
| Non-Current Liabilities | | | |
| Deferred taxation | | 250,595 | 417,538 |
| Long term financing - secured | 8 | 673,827 | 763,849 |
| Deferred liabilities | | 78,668 | 79,001 |
| | | <u>1,003,090</u> | <u>1,260,388</u> |
| Current Liabilities | | | |
| Trade and other payables | | 927,894 | 837,179 |
| Unclaimed dividend | | 6,348 | 6,427 |
| Unpaid dividend | | 46 | 204 |
| Accrued mark-up | | 87,149 | 41,155 |
| Current maturity of long-term financing | | 242,273 | 205,319 |
| Taxation - net | | 50,753 | 28,442 |
| | | <u>1,314,462</u> | <u>1,118,726</u> |
| Contingencies & commitments | 9 | | |
| Total Equity and Liabilities | | <u><u>3,857,544</u></u> | <u><u>4,299,330</u></u> |

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


Jamil Akberi
Director


Amad Uddin
Chief Financial Officer


Abdul Naem Qureshi
Director

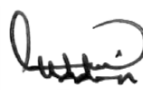



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2020
(UN-AUDITED)**

| | Note | Half year ended | | Quarter ended | |
|---|------|-------------------|-------------------|-------------------|-------------------|
| | | March 31, 2020 | March 31, 2019 | March 31, 2020 | March 31, 2019 |
| ----- Rupees in '000' ----- | | | | | |
| Sales - net | 10 | 1,965,878 | 2,135,707 | 1,350,947 | 1,843,710 |
| Cost of sales | 11 | (2,322,020) | (1,664,358) | (1,865,929) | (1,504,763) |
| Gross (loss)/profit | | (356,142) | 471,349 | (514,981) | 338,947 |
| Operating expenses | | | | | |
| Administrative expenses | | (66,382) | (57,009) | (45,589) | (39,444) |
| Selling and distribution cost | | (5,955) | (5,086) | (4,711) | (4,403) |
| | | (72,337) | (62,095) | (50,300) | (43,847) |
| Operating (loss)/profit | | (428,479) | 409,254 | (565,281) | 295,100 |
| Finance cost | | (93,190) | (69,602) | (51,853) | (36,576) |
| Penalty | | - | (35) | - | (35) |
| Other income | | - | 429 | - | 30 |
| | | (93,190) | (69,208) | (51,853) | (36,581) |
| (Loss)/profit before taxation | | (521,669) | 340,046 | (617,135) | 258,519 |
| Taxation (net) | 12 | 141,445 | (79,540) | 141,518 | (78,586) |
| (Loss)/profit after taxation | | (380,224) | 260,506 | (475,616) | 179,933 |
| (Loss)/Earning per share - Basic and diluted | | (8.52) | 5.84 | (10.66) | 4.03 |

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


Jamil Akberi
Director


Amad Uddin
Chief Financial Officer


Abdul Naem Qureshi
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2020
(UN-AUDITED)**

| | Half year ended | | Quarter ended | |
|---|-----------------------------|-----------------------|-------------------------|-----------------------|
| | March 31, 2020 | March 31, 2019 | March 31, 2020 | March 31, 2019 |
| | ----- Rupees in '000' ----- | | | |
| (Loss)/profit after taxation | (380,224) | 260,506 | (475,616) | 179,933 |
| Other comprehensive income for the period - net of tax | - | - | - | - |
| Total Comprehensive (loss)/income for the period | <u>(380,224)</u> | <u>260,506</u> | <u>(475,616)</u> | <u>179,933</u> |

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

Jamil Akberi
Director

Amad Uddin
Chief Financial Officer

Abdul Naeem Qureshi
Director



CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED MARCH 31, 2020
(UN-AUDITED)

| | March 31, 2020 | March 31, 2019 |
|---|-----------------------------|-------------------|
| | ----- Rupees in '000' ----- | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before taxation | (521,669) | 340,046 |
| Adjustments for non cash charges and other items : | | |
| Depreciation | 31,327 | 34,734 |
| Amortisation | 543 | 811 |
| Finance cost | 93,190 | 69,602 |
| | 125,060 | 105,147 |
| Working capital changes | | |
| Change in current assets | | |
| Stores, spares and loose tools | (17,297) | (36,340) |
| Stock-in-trade | (34,181) | (586,314) |
| Trade debts | 470,529 | - |
| Loans and advances | 3,269 | (6,355) |
| Prepayments and other receivables | (3,518) | 75,389 |
| | 418,802 | (553,620) |
| Change in current liabilities | | |
| Trade and other payables | 90,379 | 299,336 |
| | 112,572 | 190,909 |
| Cash generated from operations | (3,187) | (1,122) |
| Taxes paid | (46,307) | (59,589) |
| Finance cost paid | 63,078 | 130,198 |
| Net cash generated from operating activities | | |
| | 63,078 | 130,198 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (10,285) | (185,641) |
| Capital work-in-progress | - | 14,444 |
| Short term investment | - | 25,000 |
| Long term loans | 142 | (647) |
| Net cash used in investing activities | (10,143) | (146,844) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long term financing - secured | (53,955) | (8,500) |
| Dividend paid | (238) | (2,566) |
| Net cash used in financing activities | (54,193) | (11,066) |
| Net decrease in cash and cash equivalents | (1,258) | (27,712) |
| Cash and cash equivalents at the beginning of the period | 4,478 | 46,439 |
| Cash and cash equivalents at the end of the period | 3,220 | 18,727 |

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

Jamil Akberi
Director

Amad Uddin
Chief Financial Officer

Abdul Naeem Qureshi
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED MARCH 31, 2020
(UN-AUDITED)**

| | Share Capital | Capital Reserves | Revenue Reserves | Directors' / sponsors' subordinated loan | Total |
|---|--|--|---|---|------------------|
| | Issued, subscribed & paid-up capital | Surplus on revaluation of property, plant and equipment | Un-appropriated profit / Accumulated loss | | |
|Rupees in '000'..... | | | | | |
| Balance as at October 01, 2018 | 446,160 | 1,789,432 | (566,148) | 92,767 | 1,762,211 |
| Profit after taxation | - | - | 260,506 | - | 260,506 |
| Other comprehensive income for the period | - | - | - | - | - |
| Total comprehensive income for the period | - | - | 260,506 | - | 260,506 |
| Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax | - | (11,036) | 11,036 | - | - |
| Balance as at March 31, 2019 | 446,160 | 1,778,396 | (294,606) | 92,767 | 2,022,717 |
| Balance as at October 01, 2019 | 446,160 | 1,768,672 | (387,383) | 92,767 | 1,920,216 |
| Loss after taxation | - | - | (380,224) | - | (380,224) |
| Other comprehensive income for the period | - | - | - | - | - |
| Total comprehensive loss for the period | - | - | (380,224) | - | (380,224) |
| Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax | - | (6,700) | 6,700 | - | - |
| Balance as at March 31, 2020 | 446,160 | 1,761,971 | (760,906) | 92,767 | 1,539,992 |

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

Jamil Akberi
Director

Amad Uddin
Chief Financial Officer

Abdul Naeem Qureshi
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED MARCH 31, 2020
(UN-AUDITED)**

1 STATUS AND NATURE OF BUSINESS

Sakrand Sugar Mills Limited was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 [Repealed with the enactment of Companies Act, 2017], on March 02, 1989 and its shares are quoted on Pakistan Stock Exchange. The principal business of the Company is to manufacture and sell white sugar. The registered office of the Company is situated in 41-K, Block-6, P.E.C.H.S, Karachi.

The geographical location and addresses of Company's mills is Deh Tharo Unar, Taluka Sakrand, District Shaheed Benazirabad, Sindh.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated 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 for interim financial reporting comprise of :

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements are unaudited and subject to limited scope review by the auditors. These are being submitted to the members in accordance with Section 237 of the Companies Act, 2017 (the Act) and have been prepared in accordance with the requirements of International Accounting Standard (IAS)-34 'Interim Financial Reporting' as applicable in Pakistan and provisions of and directives issued under the Act. In case where requirements differ, the provisions of or directives issued under the Act have been followed.

2.3 These interim financial statements do not include all the information and disclosures 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, 2019.

3 SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies and method of computations followed for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual published financial statements of the company for the year ended September 30, 2019.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.



Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended September 30, 2019, except as disclosed otherwise.

| | (Unaudited) March 31, 2020 ----- Rupees in '000' ----- | (Audited) September 30, 2019 |
|--|---|------------------------------------|
| 5 PROPERTY, PLANT AND EQUIPMENT | | |
| Opening book value | 3,178,175 | 3,015,832 |
| Additions during the period | | |
| Factory building | - | 4,058 |
| Plant and machinery | 79,810 | 220,031 |
| Office equipment and others | 512 | 5,698 |
| Furniture and fixture | 6 | 229 |
| Vehicles | 297 | 2,071 |
| | 80,625 | 232,087 |
| Depreciation for the period | (31,327) | (69,744) |
| Capital work-in-progress | - | 72,284 |
| Closing book value | 3,227,474 | 3,250,459 |
| 6 STOCK-IN-TRADE | | |
| Finished goods | - | 21 |
| Sugar in process | 5,890 | 3,887 |
| Molasses | 13 | - |
| Compost fertilizer in process | 77,471 | 44,239 |
| Bagasse | - | 1,045 |
| | 83,374 | 49,192 |
| 7 CASH AND BANK BALANCES | | |
| Cash in hand | 326 | 359 |
| Cash at bank | | |
| - Current account | 2,884 | 4,109 |
| - Deposit account | 10 | 10 |
| | 3,220 | 4,478 |
| 8 LONG TERM FINANCE - SECURED | | |

There is no change in the terms and conditions of long-term financing as disclosed in the Company's annual audited financial statements for the year ended September 30, 2019.

9 CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments is same as that disclosed in annual audited financial statements for the year ended September 30, 2019.



| | Note | Half year ended | | Quarter ended | |
|--|------|-------------------|-------------------|-------------------|-------------------|
| | | March 31, 2020 | March 31, 2019 | March 31, 2020 | March 31, 2019 |
| ----- Rupees in '000' ----- | | | | | |
| 10 SALES - NET | | | | | |
| Gross sales | | | | | |
| - Sugar | | 2,052,476 | 2,135,456 | 1,404,760 | 1,811,576 |
| - Molasses | | 217,160 | 124,123 | 153,410 | 120,379 |
| - Compost fertilizer | | - | 115,864 | - | 115,864 |
| - Bagasse | | 4,100 | - | 4,100 | - |
| Sales tax | | (307,857) | (239,736) | (211,323) | (204,109) |
| | | 1,965,878 | 2,135,707 | 1,350,947 | 1,843,710 |
| 11 COST OF SALES | | | | | |
| Sugarcane consumed | | 2,165,623 | 2,076,547 | 1,593,291 | 1,953,435 |
| Manufacturing expenses | 11.1 | 190,577 | 174,125 | 130,006 | 109,375 |
| | | 2,356,201 | 2,250,672 | 1,723,297 | 2,062,810 |
| Sugar in process | | | | | |
| Opening | | 3,887 | 2,729 | 4,006 | 23,114 |
| Closing | | (5,890) | (3,884) | (5,890) | (3,884) |
| | | (2,002) | (1,155) | (1,883) | 19,230 |
| Sugar | | | | | |
| Opening | | 21 | 117,758 | 23,195 | 57,012 |
| Closing | | - | (190,793) | - | (190,793) |
| | | 21 | (73,035) | 23,195 | (133,781) |
| Molasses | | | | | |
| Opening | | - | 418 | 475 | 11,538 |
| Closing | | (13) | (4,945) | (13) | (4,945) |
| | | (13) | (4,527) | 463 | 6,593 |
| Bagasse | | | | | |
| Opening | | 1,045 | 6,108 | 5,567 | 1,067 |
| Closing | | - | (522) | - | (522) |
| | | 1,045 | 5,586 | 5,567 | 545 |
| Compost Fertilizer in process | | | | | |
| Opening | | 44,239 | 391,642 | 192,762 | 454,191 |
| Closing | | (77,471) | (904,825) | (77,471) | (904,825) |
| | | (33,232) | (513,183) | 115,291 | (450,634) |
| | | 2,322,020 | 1,664,358 | 1,865,929 | 1,504,763 |
| 11.1 Manufacturing expenses | | | | | |
| Stores and spares consumed | | 46,573 | 41,488 | 39,515 | 32,815 |
| Fuel and power | | 20,965 | 19,667 | 14,106 | 8,609 |
| Salaries, wages including bonus and staff amenities | | 60,896 | 63,172 | 38,973 | 37,684 |
| Repairs and maintenance | | 28,350 | 14,114 | 19,075 | 9,118 |
| Vehicle maintenance | | 1,229 | 1,687 | 927 | 931 |
| Insurance | | 2,400 | 2,666 | 1,815 | 2,666 |
| Depreciation | | 24,057 | 27,009 | 11,485 | 14,004 |
| Others | | 6,106 | 4,322 | 4,108 | 3,548 |
| | | 190,577 | 174,125 | 130,006 | 109,375 |



12 TAXATION - NET

| | Half year ended | | Quarter ended | |
|----------|-----------------------------|-------------------|-------------------|-------------------|
| | March 31, 2020 | March 31, 2019 | March 31, 2020 | March 31, 2019 |
| | ----- Rupees in '000' ----- | | | |
| Current | (25,498) | (40,039) | (25,425) | (40,039) |
| Deferred | 166,943 | (39,501) | 166,943 | (38,547) |
| | <u>141,445</u> | <u>(79,540)</u> | <u>141,518</u> | <u>(78,586)</u> |

13 RELATED PARTY TRANSACTIONS

The related parties comprise of directors, key management personnel and retirement benefits plan established for the benefits of the employees.

| Relationship | Nature of Transaction | March 31, | March 31, |
|--------------------------|-----------------------|-----------------------------|-----------|
| | | 2020 | 2019 |
| | | ----- Rupees in '000' ----- | |
| Key management personnel | Remuneration paid | 4,893 | 3,631 |

14 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND DIRECTORS

| | March 31, | March 31, |
|--|-----------------------------|--------------|
| | 2020 | 2019 |
| | ----- Rupees in '000' ----- | |
| Remuneration | 4,547 | 3,366 |
| Conveyance | 172 | 140 |
| Company's contribution to Provident Fund | 174 | 125 |
| | <u>4,893</u> | <u>3,631</u> |
| Number of directors | 1 | 1 |

No remuneration has been paid by the Company to its Chief Executive Officer during the current period.

15 AUTHORIZATION FOR ISSUE

These condensed interim financial information have been authorized for issue on **August 04, 2020** by the board of directors of the Company.

16 GENERAL

Figures have been rounded off to the nearest thousand, unless otherwise stated.

Jamil Akberi
Director

Amad Uddin
Chief Financial Officer

Abdul Naeem Qureshi
Director