



**UNAUDITED
CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
JUNE 30, 2021**

**SAKRAND SUGAR MILLS
LIMITED**



COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Jamil Akberi Mr. Dinshaw H. Anklesaria Mr. Abdul Naeem Quraishi Mr. Neville Mehta Mrs. Fatma Gulamali Dr. Jamshed H. Anklesaria	Chairman/Director Chief Executive/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	Chairman Member
CHIEF FINANCIAL OFFICER	Mr. Shams Ghani	
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 Ameerah 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 nine months and quarter ended June 30, 2021.

OPERATIONAL RESULTS

The operational performance for the period under review as compared with that of last year's corresponding period is tabulated hereunder;

		Season	
		2021	2020
Operational Days	Days	115	116
Sugarcane crushed	M.Tons	205,968	312,129
Sugar	M.Tons	19,453	30,205
Molasses	M.Tons	10,093	20,241
Recovery			
Sugar	%	9.445	9.677
Molasses	%	4.900	6.484

FINANCIAL RESULTS

The Financial Results for the period under review as compared with that of last year's corresponding period is tabulated hereunder;

		Rupees in Million	
		2021	2020
Sales - net		1,556.271	1965.88
Operating profit/(loss)		(160.263)	(476.317)
Profit/(loss) before taxation		(246.935)	(607.769)
Profit/(loss) after taxation		(166.145)	(441.354)
Earning/(loss) per Share	(Rs.)	(3.72)	(9.89)

The period under review resulted into a Loss of Rs. 166.14 million which also include a provision of Rs. 80.95 million against Trade Debts, as compared to a Loss of Rs. 441.35 million incurred during the last year corresponding period. The primary reason attributable to negative bottom line is the shortage of Cane Crop, particularly in the lower Sindh region, resulting in the dual disadvantage. Firstly, below capacity utilization of mill, and, secondly, exorbitant high prices of cane which could not be transformed into the selling price of the finished product because of stringent government policies on this specific commodity.



The management of your company is reviewing this situation on a serious note and is closely working with the growers of the mill zone to enhance the acreage and yield of cane crop by creating an advisory cell as to facilitate and guide them on the sowing of most appropriate cane variety and correct usage and timing of desired fertilizer. This will help in increasing crop yield to a great extent.

Acknowledgement

The management of the company would like thank all its stakeholders including staff, financial institution and shareholders for their continued support and cooperation.

On behalf of the Board of Directors

Dinshaw H. Anklesaria
Chief Executive

Dated: August 27, 2021



ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی تیسری سہ ماہی اور نو ماہ کے غیر آڈٹ شدہ مالیاتی حسابات برائے 03 جون 2021 پیش خدمت ہیں۔ کمپنی کی مجموعی کارکردگی کا تقابلی جائزہ مندرجہ ذیل اعداد و شمار سے لگایا جاسکتا ہے۔

آپریٹنگ نتائج:

		Season	
		2021	2020
Operational Days	Days	115	116
Sugarcane crushed	M. Tons	205,968	312,129
Sugar	M. Tons	19,453	30,205
Molasses	M. Tons	10,093	20,241
Recovery			
Sugar	%	9.445	9.677
Molasses	%	4.900	6.484

مالیاتی نتائج:

		Rupees in Million	
		2021	2020
Sales - net		1,556.271	1965.88
Operating profit/(loss)		(160.263)	(476.317)
Profit/(loss) before taxation		(246.935)	(607.769)
Profit/(loss) after taxation		(166.145)	(441.354)
Earning/(loss) per Share	(Rs.)	(3.72)	(9.89)

کمپنی نے سابقہ دورانیے کے 441.35 ملین کے نقصان کے مقابلے میں زیرِ غور دورانیے میں 166.14 ملین کا نقصان اٹھایا ہے، جس میں 80.95 ملین کا عدم وصولی کا تخمینہ بھی شامل ہے۔ زیریں سندھ میں گنے کی کمی اس سال نقصان کی بنیادی وجہ بنی ہے جس کی وجہ سے کمپنی کو دوہرا نقصان اٹھانا پڑا۔ پہلا بنیادی مسئلہ گنے میں کمی کی وجہ سے ہم مل کی زیادہ سے زیادہ کرشنگ کی صلاحیت کو مکمل طور پر بروئے کار نہیں لاسکے۔ دوسرا جس حساب سے گنے کے ریٹ میں اضافہ ہوا اس تناسب سے گورنمنٹ کی کڑی پالیسی کی وجہ چینی کے ریٹ میں اضافہ نہیں ہوا۔

کمپنی نے سنجیدگی سے ان سب معاملات کا بغور جائزہ لیا ہے اور کاشتکاروں کے ساتھ مل کر ایک مشاورتی کمیٹی تشکیل دی ہے، جس کا مقصد کاشتکاروں سے تعاون اور انھیں معلومات فراہم کرنا ہے۔ اس کے ساتھ ساتھ اچھی کوالٹی کے گنے کے حصول کے لئے یہ کمیٹی کاشتکاروں کو بوٹی اور کھاد کے استعمال کے لئے بہتر وقت کے تعیین کرنے میں بھی مدد فراہم کرے گی، جس سے علاقے میں فی ایکڑ گنے کی پیداوار بڑھائی جاسکے گی۔

آخر میں، میں تمام کمپنی اسٹاف کا ان کی انتھک محنت کے لئے تہ دل سے شکر گزار ہوں اور اللہ رب العزت کے حضور دعا گو ہوں کہ وہ کمپنی کو بہتری اور کامیابی کی طرف گامزن فرمائے۔ آمین

برائے سکریٹری شوگر ملز لمیٹڈ،

D. H. M. D. S. -

ڈائریکٹر انکسٹریا

چیف ایگزیکٹو

بتاریخ: 127 اگست 2021



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021**

	Unaudited June 30, 2021	Audited September 30, 2020
Rupees in '000'	
ASSETS		
Non-Current Assets		
Property, plant and equipment	3,215,229	3,193,721
Intangible asset	1,660	2,206
Long-term loans	542	745
Long-term deposits	2,098	2,098
	<u>3,219,529</u>	<u>3,198,770</u>
Current Assets		
Stores, spares and loose tools	78,803	99,277
Stock-in-trade	105,219	79,304
Trade debts	269,395	356,733
Loans and advances	35,087	45,664
Prepayments and other receivables	44,727	45,018
Tax refund	8,017	8,017
Cash and bank balances	10,204	28,337
	<u>551,453</u>	<u>662,350</u>
Total Assets	<u><u>3,770,982</u></u>	<u><u>3,861,120</u></u>
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorized share capital		
60,000,000 ordinary shares of Rs. 10 each	<u>600,000</u>	<u>600,000</u>
Share capital		
Issued, subscribed and paid-up capital	446,160	446,160
Revenue reserves		
Accumulated loss	(1,119,677)	(958,473)
Capital reserves		
Surplus on revaluation of property, plant and equipment-net of deferred tax	1,683,033	1,687,975
Directors'/Sponsors' subordinated loan	<u>92,767</u>	<u>92,767</u>
	<u>1,102,283</u>	<u>1,268,428</u>
Non-Current Liabilities		
Deferred taxation	208,659	311,246
Long term financing - secured	403,320	538,352
Deferred liabilities	71,241	73,112
	<u>683,219</u>	<u>922,710</u>
Current Liabilities		
Trade and other payables	1,154,181	1,079,788
Unclaimed dividend	6,198	6,198
Unpaid dividend	68	72
Accrued mark-up	240,384	155,114
Current maturity of long-term financing	515,000	378,636
Taxation - net	69,650	50,174
	<u>1,985,480</u>	<u>1,669,982</u>
Total Equity and Liabilities	<u><u>3,770,982</u></u>	<u><u>3,861,120</u></u>

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

Dinshaw H. Anklesaria
Chief Executive

Shams
Chief Financial Officer

Jamil Akberi
Director



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE NINE MONTHS AND QUARTER ENDED JUNE 30, 2021
(UN-AUDITED)

	Nine Months ended		Quarter ended	
	June 30,	June 30,	June 30,	June 30,
	2021	2020	2021	2020
Rupees in '000'.....			
Sales - net	1,556,271	1,965,878	38,619	-
Cost of sales	(1,552,275)	(2,349,764)	(77,747)	(27,744)
Gross profit / (loss)	3,996	(383,886)	(39,129)	(27,744)
Operating expenses				
Administrative expenses	(159,582)	(86,475)	(22,725)	(20,093)
Selling and distribution cost	(4,677)	(5,955)	(55)	-
	(164,259)	(92,430)	(22,780)	(20,093)
Operating loss	(160,263)	(476,317)	(61,908)	(47,837)
Finance cost	(86,672)	(131,452)	(29,652)	(38,263)
(Loss) before taxation	(246,935)	(607,769)	(91,561)	(86,100)
Taxation-net	80,790	166,415	22,156	24,969
(Loss) after taxation	(166,145)	(441,354)	(69,405)	(61,130)
Loss per share - Basic and diluted (Rs.)	(3.72)	(9.89)	(1.56)	(1.37)

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

Dinshaw H. Anklesaria
Chief Executive

Shams
Chief Financial Officer

Jamil Akberi
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS AND QUARTER ENDED JUNE 30, 2021
(UN-AUDITED)**

	Nine Months ended		Quarter ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Rupees in '000'.....			
Loss after taxation	(166,145)	(441,354)	(69,405)	(61,130)
Other comprehensive income / (loss) for the period - net of tax	-	-	-	-
Total comprehensive loss for the period	(166,145)	(441,354)	(69,405)	(61,130)

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

Dinshaw H. Anklesaria
Chief Executive

Shams
Chief Financial Officer


Jamil Akberi
Director




CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED JUNE 30, 2021
(UN-AUDITED)

	June 30, 2021	June 30, 2020
Rupees in '000'.....	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(246,935)	(607,769)
Adjustments for non cash charges and other items :		
Depreciation	41,270	46,798
Amortisation	546	543
Provision for Bad debts	80,953	-
Finance cost	86,602	131,452
	209,372	178,794
Working capital changes		
Change in current assets		
Stores, spares and loose tools	20,474	(17,513)
Stock-in-trade	(25,915)	(34,182)
Trade debts	6,384	479,550
Loans and advances	10,576	1,450
Prepayments and other receivables	291	(2,389)
	11,810	426,916
Change in current liabilities		
Trade and other payables	72,521	114,246
Cash generated from operations	46,768	112,187
Taxes paid	(2,322)	(3,192)
Finance cost paid	-	(46,309)
Net cash generated from operating activities	44,446	62,686
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(62,778)	(10,285)
Net cash used in investing activities	(62,778)	(10,285)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - secured	-	(53,955)
Long term loans to employees	203	192
Dividend paid	(4)	(238)
Net cash used in financing activities	200	(54,000)
Net decrease in cash and cash equivalents	(18,133)	(1,599)
Cash and cash equivalents at the beginning of the period	28,337	4,478
Cash and cash equivalents at the end of the period	10,204	2,879

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


Dinshaw H. Anklesaria
Chief Executive


Shams
Chief Financial Officer


Jamil Akberi
Director




**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED JUNE 30, 2021
(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, 2019	446,160	1,768,672	(387,383)	92,767	1,920,216
Profit / (loss) after taxation	-	-	(441,354)	-	(441,354)
Other comprehensive income / (loss) for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	(441,354)	-	(441,354)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax	-	(9,742)	9,742	-	-
Balance as at June 30, 2020	446,160	1,758,929	(818,994)	92,767	1,478,862
Balance as at October 01, 2020	446,160	1,687,975	(958,473)	92,767	1,268,428
Profit / (loss) after taxation	-	-	(166,145)	-	(166,145)
Other comprehensive income / (loss) for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	(166,145)	-	(166,145)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax	-	(4,941)	4,941	-	-
Balance as at June 30, 2021	446,160	1,683,033	(1,119,677)	92,767	1,102,283

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

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2021**

1. These financial statements are unaudited and are being submitted to the shareholders as required by the Securities and Exchange Commission of Pakistan.
2. These financial statements have been prepared in compliance with the requirements of International Accounting Standards-34 "Interim financial reporting" as adopted by the Institute of Chartered Accountants of Pakistan which are applicable to the Company.
3. The accounting policies and method of computation allowed for the preparation of these accounts are same as those applied in the preparation of the preceding annual accounts of the Company for the year ended September 30, 2020.
4. These condensed interim financial information have been authorized for issue on August 27, 2021 by the Board of Directors of the Company.
5. Figures have been rounded off to the nearest thousand rupees.


Dinshaw H. Anklesaria
Chief Executive


Shams
Chief Financial Officer


Jamil Akberi
Director