

# QUARTERLY REPORT

Condensed interim Financial  
Statements(Un-Audited)  
for the Quarter Ended  
December 31, 2020.



**AL-ABBAS SUGAR MILLS LIMITED**

*Always deliver more than expected*





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## COMPANY INFORMATION

### BOARD OF DIRECTORS

Zakaria Usman	Chairman
Asim Ghani	Chief Executive Officer
Asma Aves Cochinwala	Director
Darakshan Zohaib	Director
Haroon Askari	Director
Muhammad Salman Hussain Chawala	Director
Shahid Hussain Jatoi	Director
Siddiq Khokhar	Director
Suleman Lalani	Director

### COMPANY SECRETARY

Zuhair Abbas

### CHIEF FINANCIAL OFFICER

Samir Hajani

### AUDIT COMMITTEE

Haroon Askari	Chairman
Asma Aves Cochinwala	Member
Darakshan Zohaib	Member
Muhammad Salman Hussain Chawala	Member
Zakaria Usman	Member
Suhaib Afzal	Secretary

### HUMAN RESOURCE AND REMUNERATION COMMITTEE

Muhammad Salman Hussain Chawala	Chairman
Asim Ghani	Member
Shahid Hussain Jatoi	Member
Siddiq Khokhar	Member
Zakaria Usman	Member

### BANKERS

Al Baraka Bank Pakistan Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
MCB Islamic Bank  
National Bank of Pakistan  
The Bank of Punjab  
Meezan Bank Limited  
Samba Bank Limited  
Soneri Bank Limited  
United Bank Limited

### STATUTORY AUDITORS

Reanda Haroon Zakaria & Co.  
Chartered Accountants

### REGISTERED OFFICE

2nd Floor, Pardesi House,  
Survey No. 2/1,  
R.Y. 16, Old Queens Road,  
Karachi – 74000  
Tel: 92-21-111-111-224  
Fax: 92-21-32470090  
Website: www.aasml.com

### SHARE REGISTRAR OFFICE

M/s. CDC Share Services Ltd.,  
CDC House-99B, Block 'B',  
S.M.C.H.S, Main Shahra-e-faisal,  
Karachi-74400

### FACTORIES/STORAGE LOCATIONS

- 1) Mirwah Gorchani, Distt. Mirpurkhas, Sindh
- 2) Main National Highway, Dhabeji, Sindh
- 3) Oil Installation Area, Kemari, Karachi, Sindh

### RISK MANAGEMENT COMMITTEE

Haroon Askari	Chairman
Asim Ghani	Member
Darakshan Zohaib	Member
Zakaria Usman	Member



## DIRECTORS' REVIEW REPORT

Dear Members,  
Assalam-o-Alaikum

On behalf of the Board of Directors we take this opportunity to place before you condensed interim financial statements for the quarter ended December 31, 2020.

### Financial performance

The financial results of the Company for the three months ended December 31, 2020 and those pertaining to its corresponding period are summarized below for comparison purposes:

	Quarter ended December 31, 2020	Quarter ended December 31, 2019
	(Rupees in thousands)	
Operating profit	311,847	289,478
Finance cost	(12,539)	(13,504)
	<u>299,308</u>	<u>275,974</u>
Other income	39,743	50,141
<b>Profit before taxation</b>	<b>339,051</b>	<b>326,115</b>
Taxation	(24,620)	(25,909)
<b>Profit after taxation</b>	<b>314,431</b>	<b>300,206</b>
<b>Basic earnings per share (Rupees)</b>	<b>18.11</b>	<b>17.29</b>

During the period under review, your company has earned an after-tax profit of Rs. 314.431 million as compared to an after-tax profit of Rs. 300.206 million in the corresponding period of last year thus registering an increase of Rs. 14.225 million.

### OPERATING SEGMENT RESULTS

The division-wise performance is presented below:

#### SUGAR DIVISION

The financial and operational performance of our Sugar division during the quarter ended December 31, 2020 is presented below:

#### Financial performance

	Quarter ended December 31, 2020	Quarter ended December 31, 2019
	(Rupees in thousands)	
Sales	390,330	995,735
Cost of sales	(382,024)	(920,806)
Gross profit	8,306	74,929
Distribution cost	(1,570)	(2,440)
Administrative expenses	(20,732)	(17,768)
<b>Segment operating(Loss / profit)</b>	<b>(13,996)</b>	<b>54,721</b>

#### Operational performance

	2020-21	2019-20
Date of start of season	November 06, 2020	November 25, 2019
No. of days mill operated	44	26
Crushing (M. Tons)	158,947	85,880
Finished goods production (M.Tons)	14,883	7,750
Sales (M. Tons)	5,607	16,465
Recovery (%)	9.81%	9.82%

Quarterly Report December 2020

The crushing of sugarcane by our mill commenced timely and in accordance with the orders of the Government of Sindh(GoS) that had, till that time, not fixed the minimum sugarcane price to be paid to growers. However, due to shortage of sugarcane supply the crushing was temporarily suspended for 12 days. The operations were resumed on November 23, 2020 and on the same day the Sindh Government notified the minimum procurement rate of Rs. 202 per 40 kg to be paid by the millers to the growers. As the Sindh has missed sugarcane's sowing target by approximately 8%, growers are holding sugarcane supplies tightly which fuel price war among the sugar millers. Net sales of Sugar segment in the current period were Rs 390.330 million as compared to previous corresponding period of Rs 995.735 million registering a decrease of Rs 663.345 million.

#### ETHANOL DIVISION

The financial and operational performance of our Ethanol division is tabulated as under:

##### Financial Performance

	Quarter ended December 31, 2020 (Rupees in thousands)	Quarter ended December 31, 2019 (Rupees in thousands)
Sales	1,177,245	822,538
Cost of sales	(771,926)	(466,165)
Gross profit	405,319	356,373
Distribution cost	(28,956)	(89,501)
Administrative expenses	(12,815)	(11,844)
<b>Segment operating result</b>	<b>(363,548)</b>	<b>255,028</b>
	<b>2020-21</b>	<b>2019-20</b>
<b>Operational Data</b>		
Production (M. Tons) - Unit I and II	7,569	6,858
Sales (M. Tons)	7,854	6,983

During the period under review Ethanol sales remained geared primarily toward exports, which is a highly profitable business. During the period the Company's sales has increased by 354.707 million i.e. 43.12% as compared to previous quarter. The production of ethanol was also increase from 6,858 M.Tons to 7,569 M.Tons an increase of 711 M.Tons was registered.

#### POWER, CHEMICAL and ALLOYS DIVISION

The operations for the chemical and power division remained suspended during the period under review and the division has incurred an Operating Segment Loss of Rs.9.848 million as compared to a loss of Rs. 9,407 million for the same period last year. The loss mainly represents the division's fixed expenses.

#### BULK STORAGE TERMINAL

Storage Tank Terminal has incurred a loss of 2.883 million during the period as compared to a profit of Rs. 13.301 million of the same period last year. The decrease was due to the lesser demand and availability of tenants. The ethanol produced by your company has also been stored in the tank terminal to facilitate the timely shipment of export orders.

## FUTURE PROSPECTS

The Government of Sindh has notified the price of sugar cane at Rs. 202 per maund but due to less cultivation of sugarcane alongwith climatic changes have hampered the sugarcane availability particularly in lower Sindh. Sugarcane overall per acre yield and sucrose rate also witnessed a decline as compared to last year. Knowing this fact, the growers are demanding more than Rs. 350 per maund and in order to run the mill on an economical scale, the raw material has to be procured from great distance thus an extra cost needs to be paid for transportation which raises the cost of production.

The Government has announced to import 500,000 M.Tons of refined sugar through TCP and allowed sugar mills to import 350,000 M.Tons of raw sugar in order to meet the demand and supply gap.

The price of sugar in the local as well as in the international market has shown improvement. It was expected that 2020-21 would be a difficult year for sugar segment.

Ethanol segment of your company has proved to be the most profitable segment for many years. As recently announced by few pharmaceutical companies of the world that on anti dose of Covid-19 has been developed, the demand of ethanol was slightly reduced but the frenetic demand of hand sanitizer and related products will remain stable as the world is now facing the second wave of the deadly virus. We expect that ethanol will remain in demand till the availability of the vaccines to the masses.

The future outlook of the ethanol is based on the availability, the quality and the price of molasses, its major raw material. The demand for ethanol which has grown significantly since this pandemic entered Pakistan is now slightly moving towards stabilization. A lot will depend on how much time it will take to get rid of this pandemic and its aftershocks on the world economy.

The company is well aware of the challenges being faced by it and would do its best to take all necessary measures to increase the productivity in all its divisions and overall profitability of the Company.

## ACKNOWLEDGEMENT

The Company profoundly acknowledges the devotion of each and every staff member of the Company for their significant contribution in delivering such a resilient performance. We would also like to express our thanks to our customers for their trust in our products and look forward to their continued support.

We also thank our shareholders, banks and financial institutions for their support, guidance and confidence reposed in our enterprise and we stand committed to ensure efficiency in all Company aspects. With renewed enthusiasm, spirit we will together, Insha'Allah, overcome the difficult situation being faced by the Company.

On behalf of the Board of Directors



**Asim Ghani**  
Chief Executive Officer



**Darakshan Zohaib**  
Director

Karachi: January 27, 2021

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)  
AS AT DECEMBER 31, 2020**

		December 31, 2020 Un-audited Rupees in thousand	September 30, 2019 Audited
	Note		
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	7	1,573,624	1,601,789
Investment property		218	224
Long term investments		251,740	266,108
Long term loans		4,280	680
Long term deposits		11,848	11,848
Deferred taxation		-	-
		<u>1,841,710</u>	<u>1,880,649</u>
<b>Current Assets</b>			
Biological assets		778	1,912
Stores and spares		195,675	179,871
Stock-in-trade	9	2,623,715	1,069,294
Trade debts		21,166	286,795
Loans and advances		649,430	627,076
Trade deposits and short term prepayments		21,398	16,965
Short term investments	10	1,542,044	1,769,074
Other receivables		60,788	51,412
Interest accrued		4,420	13,954
Income tax refunds due from the government		51,422	56,548
Cash and bank balances		87,972	535,692
		<u>5,258,808</u>	<u>4,608,593</u>
<b>Total Assets</b>		<u><u>7,100,518</u></u>	<u><u>6,489,242</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized capital		<u>400,000</u>	<u>400,000</u>
Issued, subscribed and paid-up capital		173,623	173,623
Reserves		<u>3,521,092</u>	<u>3,221,027</u>
<b>Shareholders' equity</b>		<u>3,694,715</u>	<u>3,394,650</u>
<b>Non-Current Liabilities</b>			
Long term financing		67,636	82,158
Deferred liabilities		<u>97,600</u>	<u>96,011</u>
		<u>165,236</u>	<u>178,169</u>
<b>Current Liabilities</b>			
Trade and other payables		1,479,049	1,623,041
Accrued markup		10,813	3,664
Short term borrowings		1,645,950	1,200,000
Current maturity of long term financing		53,056	37,991
Unclaimed dividend		38,853	38,881
Provision for taxation		12,846	12,846
		<u>3,240,567</u>	<u>2,916,423</u>
<b>Contingencies and Commitments</b>	11		
<b>Total Equity and Liabilities</b>		<u><u>7,100,518</u></u>	<u><u>6,489,242</u></u>

The annexed notes from 1 to 17 form an integral part of these financial statements.



**Asim Ghani**  
Chief Executive Officer



**Darakshan Zohaib**  
Director



**Samir Hajani**  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF PROFIT  
AND LOSS (UN-AUDITED)  
FOR THE QUARTER ENDED DECEMBER 31, 2020**



Quarter ended  
December 31, 2020    December 31, 2019  
Rupees in thousand

Sales - net	1,567,575	1,818,273
Cost of sales	(1,153,950)	(1,386,971)
<b>Gross profit</b>	<b>413,625</b>	<b>431,302</b>
(Loss) / Profit from other reportable segments - net	(12,681)	3,894
	<b>400,944</b>	<b>435,196</b>
Distribution cost	(30,526)	(91,941)
Administrative expenses	(33,547)	(29,612)
Other operating expenses	(25,024)	(24,165)
	<b>(89,097)</b>	<b>(145,718)</b>
<b>Operating profit</b>	<b>311,847</b>	<b>289,478</b>
Finance cost	(12,539)	(13,504)
Other income	39,743	50,141
<b>Profit before taxation</b>	<b>339,051</b>	<b>326,115</b>
Taxation	(24,620)	(25,909)
<b>Profit after taxation</b>	<b>314,431</b>	<b>300,206</b>
<b>Earnings per share - Basic and diluted</b>	<b>18.11</b>	<b>17.29</b>

The annexed notes from 1 to 17 form an integral part of these financial statements.

Quarterly Report December 2020

**Asim Ghani**  
Chief Executive Officer

**Darakshan Zohaib**  
Director

**Samir Hajani**  
Chief Financial Officer

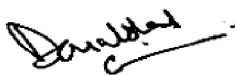
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE  
INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED DECEMBER 31, 2020**

	Quarter ended	
	December 31, 2020	December 31, 2019
	Rupees in thousand	
<b>Profit after taxation</b>	<b>314,431</b>	<b>300,206</b>
<b>Other comprehensive income for the period</b>		
<b>Items that will not be reclassified to statement of profit or loss account in subsequent periods</b>		
(Loss)/gain on remeasurement of investments at fair value through other comprehensive income	(14,366)	63,570
<b>Total comprehensive income for the period</b>	<b><u>300,065</u></b>	<b><u>363,776</u></b>

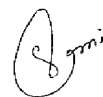
The annexed notes from 1 to 17 form an integral part of these financial statements.



**Asim Ghani**  
Chief Executive Officer



**Darakshan Zohaib**  
Director



**Samir Hajani**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED DECEMBER 31, 2020



	Issued, subscribed and paid-up capital	RESERVES				Total Shareholder's Equity
		General reserve	Unappropriated profit	Revenue reserves	Capital reserves Unrealized gain/ (loss) on investment at fair value through other comprehensive income	
				Sub total		Total Reserves
(Rupees in thousand)						
<b>Balance as at October 1, 2019</b>	173,623	1,458,000	1,685,851	3,143,851	(90,223)	3,053,628
<b>Total other comprehensive income for the period</b>						
<b>Profit after taxation</b>	-	-	300,206	300,206	-	300,206
<b>Other comprehensive income for the period</b>						
Gain on remeasurement of investments at fair value through other comprehensive income	-	-	-	-	63,570	63,570
<b>Total comprehensive income for the period</b>	-	-	300,206	300,206	63,570	363,776
<b>Balance as at December 31, 2019</b>	173,623	1,458,000	1,986,057	3,444,057	(26,653)	3,591,027
<b>Balance as at October 1, 2020</b>	173,623	1,458,000	1,763,850	3,221,850	(823)	3,394,650
<b>Total other comprehensive income for the period</b>						
<b>Profit after taxation</b>	-	-	314,431	314,431	-	314,431
<b>Other comprehensive income for the period</b>						
Loss on remeasurement of investments at fair value through other comprehensive income	-	-	-	-	(14,366)	(14,366)
<b>Total comprehensive income for the period</b>	-	-	314,431	314,431	(14,366)	300,065
<b>Balance as at December 31, 2020</b>	173,623	1,458,000	2,078,281	3,536,281	(15,189)	3,521,092

The annexed notes from 1 to 17 form an integral part of these financial statements.

**Asim Ghani**  
Chief Executive Officer

**Darakshan Zohail**  
Director

**Samir Hajani**  
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED DECEMBER 31, 2020**

		Quarter ended	
		December 31, 2020	December 31, 2019
	Note	Rupees in thousand	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash (used in) / generated from operations</b>	12	<b>(1,139,385)</b>	517,973
Finance cost paid		(4,848)	(8,403)
Workers' Welfare Fund Paid		-	(7,136)
Workers' Profit Participation Fund paid		(1,342)	(4,592)
Income tax paid		(19,494)	(25,817)
Long term loans recovered - net		(3,600)	6
		(29,284)	(45,942)
<b>Net cash (used in) / generated from operating activities</b>		<b>(1,168,669)</b>	472,031
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred on property, plant and equipment		(767)	(44,961)
Proceeds from disposal of property, plant and equipment		5,744	816
Investment in TDRs and T-Bills - net		227,030	(448,509)
Interest / markup received		43,020	38,934
<b>Net cash generated from / (used in) investing activities</b>		<b>275,027</b>	(453,720)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(28)	(82)
Short term borrowings obtained / (repaid) - net		445,950	31,873
<b>Net cash generated from financing activities</b>		<b>445,922</b>	31,791
<b>Net increase in cash and cash equivalents</b>		<b>(447,720)</b>	50,102
<b>Cash and cash equivalents at beginning of the year</b>		<b>535,692</b>	124,131
<b>Cash and cash equivalents at the end of the period</b>		<b>87,972</b>	174,233

The annexed notes from 1 to 17 form an integral part of these financial statements.



**Asim Ghani**  
Chief Executive Officer



**Darakshan Zohaib**  
Director



**Samir Hajani**  
Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL  
INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED DECEMBER 31, 2020**



**1 THE COMPANY AND ITS OPERATIONS**

Al-Abbas Sugar Mills Limited - AASML ("the Company") was incorporated in Pakistan on May 2, 1991 as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed with Pakistan Stock Exchange Limited - PSX. The registered office of the Company is situated at Pardesi House, Survey No. 2/1, R.Y.16, Old Queens Road, Karachi, Pakistan. The principal activities of the Company under following business segments / divisions comprises:

S. No.	Division	Principal Activities	Location of undertaking	Commencement of commercial production
1	Sugar	Manufacturing and sale of sugar	Mirwah Gorchani, Mirpurkhas	December 15, 1993
2	Ethanol	Processing and sale of industrial ethanol	Mirwah Gorchani, Mirpurkhas	Unit I: August 20, 2000 Unit II: January 23, 2004
3	*Chemical alloys and	*Manufacturing and sales of calcium carbide and ferro alloys.	Dhabeji, Thatta.	*November 01, 2006
	**Power (note 1.1)**	Generation and sales of electricity.		**April 06, 2010
4	Tank Terminal	Providing bulk storage facility	Oil Industrial Area, Kemari, Karachi.	October 15, 2012

- 1.1 The production facilities of chemical, alloys and power segment have been suspended in view of present business conditions and the matter of its recommencement will be reviewed when these conditions are improved.

**2 BASIS OF PREPARATION**

- 2.1 This condensed interim financial information of the Company for the three months ended December 31, 2020 is unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017 (the Act). In case where requirements differ, the provisions of or directives issued under the Act shall prevail.
- 2.2 These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's

annual audited financial statements for the year ended September 30, 2020.

- 2.3** This condensed interim financial information are presented in Pakistani Rupees which is also the Company's functional currency.
- 2.4** The comparative statement of financial position presented in these condensed interim financial statements as at September 30, 2020 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2020 whereas the comparative condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes thereto for the three months period ended December 31, 2019 have been extracted from the condensed interim financial statements of the Company for the three months period ended December 31, 2019.

### **3 SIGNIFICANT ACCOUNTING POLICIES**

- 3.1** The accounting policies, applied in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended September 30, 2020.

**3.2 Change in accounting standards, interpretations and amendments to published approved accounting standards**

**(a) Standards and amendments to published approved accounting standards which are effective during the three months period ended December 31, 2020**

There are certain new standards and amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on October 1, 2020. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial information.

**(b) Standards and amendments to published approved accounting standards that are not yet effective**

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 1, 2020. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial information.

#### **4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT**

- 4.1** The preparation of this condensed interim financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.
- 4.2** In preparing this condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2020.
- 4.3** The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2020.

#### **5 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND, WORKERS' WELFARE FUND AND POST RETIREMENT BENEFITS**

Provision in respect of income taxes, Workers' Profit Participation Fund, Workers' Welfare Fund and retirement benefits are estimates only and final liabilities will be determined on the basis of annual results.

#### **6 SEASONAL PRODUCTION**

Due to the seasonal availability of sugarcane, the manufacturing of sugar is carried out during the period of availability of sugarcane and cost 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 interim and annual financial statements.

	Note	(Un-audited) December 31, 2020 (Rupees in thousand)	(Audited) September 30, 2019
<b>7</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Additions</b>			
Vehicles		234	24,460
Office equipment		219	1,214
Computers		314	584
<b>Transferred from CWIP</b>			
Plant and machinery		-	235,146
<b>Additions to CWIP</b>			
Plant and machinery		-	55,549
<b>Disposal</b>			
Vehicle - at cost		9,743	8,616
<b>8</b>	<b>DEFERRED TAXATION</b>		
<b>Deferred Tax Assets arising in respect of Deductible temporary differences</b>			
Available tax losses		140,989	140,153
Minimum tax		45,833	45,833
Liabilities u/s 34(5)		79,267	79,267
Provisions		34,609	34,609
		<u>300,698</u>	<u>299,862</u>
<b>Taxable temporary differences</b>			
Accelerated tax depreciation		(253,540)	(229,050)
Investments - available for sale		(6,115)	(7,185)
		<u>41,043</u>	<u>63,627</u>
Unrecognized deferred tax asset 8.1		<u>(41,043)</u>	<u>(63,627)</u>
		<u>-</u>	<u>-</u>
<b>8.1</b>	The Company has not recognized its entire deferred tax asset relating to deductible differences up to the period ended December 31, 2020 as the management expects that major portion of taxes of the Company in foreseeable future will fall under minimum tax and final tax regime.		





		(Un-audited) December 31, 2019	(Audited) September 30, 2019
	Note	(Rupees in thousand)	
<b>9 STOCK-IN-TRADE</b>			
Raw materials		1,199,503	369,654
Work-in-process		45,562	6,321
Finished goods		<u>1,378,650</u>	<u>693,319</u>
		<u>2,623,715</u>	<u>1,069,294</u>
<b>10 SHORT TERM INVESTMENTS</b>			
<b>At amortized cost</b>			
Term Deposit Receipts	10.1	75,600	1,380,600
Government Securities	10.2	<u>1,466,444</u>	<u>388,474</u>
		<u>1,542,044</u>	<u>1,769,074</u>
<b>10.1</b>	These carry profit of 6.5% (September 30, 2020: 6.35% to 11.43%) per annum.		
<b>10.2</b>	These carry profit ranging from 7% to 7.6% (September 30, 2020: 6.8% to 7.6%) per annum.		
<b>11 CONTINGENCIES AND COMMITMENTS</b>			
<b>11.1 Contingencies</b>			
	There were no major changes in the status of other contingencies as reported in the annual financial statements for the year ended September 30, 2020.		
<b>11.2 Commitments</b>			
a)	Commitments in respect of letter of outstanding letter of credit amounts to Rs. Nil (September 30, 2020: Rs. 7.317) million.		

		December 31, 2020	December 31, 2019
	Note	(Rupees in thousand)	
<b>12 CASH GENERATED FROM OPERATIONS</b>			
<b>Profit before taxation</b>		<b>339,051</b>	<b>326,115</b>
<b>Adjustments for:</b>			
Depreciation on property, plant and equipment		<b>27,164</b>	26,398
Depreciation on investment property		<b>6</b>	6
Gain on disposal of property, plant and equipment - net		<b>(3,976)</b>	(757)
Mark-up on loan to growers		<b>(579)</b>	(574)
Income on term deposit receipts/savings account		<b>(32,907)</b>	(47,819)
Finance cost		<b>12,539</b>	13,504
Workers Welfare Fund		<b>6,891</b>	6,654
Workers Profit Participation Fund		<b>18,133</b>	17,511
Increase in deferred liability - market fee		<b>1,589</b>	859
		<b>28,860</b>	15,782
<b>Cash generated from operating activities before working capital changes</b>		<b>367,911</b>	<b>341,897</b>
<b>(Increase) / decrease in current assets</b>			
Biological assets		<b>1,134</b>	(74)
Stores and spares		<b>(15,804)</b>	(34,694)
Stock-in-trade		<b>(1,554,421)</b>	57,268
Trade debts		<b>265,629</b>	6,179
Loans and advances		<b>(22,354)</b>	51,561
Trade deposits and short term prepayments		<b>(4,433)</b>	(4,647)
Other receivables		<b>(9,376)</b>	(12,934)
		<b>(1,339,625)</b>	62,659
<b>(Decrease) / increase in current liabilities</b>			
Trade and other payables		<b>(167,671)</b>	113,417
<b>Net cash (used in) / generated from operations</b>		<b>(1,139,385)</b>	<b>517,973</b>

## 13 SEGMENT REPORTING

(Rupees in thousand)

	Quarter ended December 31,				
	2020	2019	2020	2019	2020
	Sugar		Ethanol		Total
<b>Segment profit and loss account</b>					
Sales	390,330	995,735	1,177,245	822,538	1,567,575
Cost of sales	(382,024)	(920,806)	(771,926)	(466,165)	(1,153,950)
<b>Gross profit</b>	<b>8,306</b>	<b>74,929</b>	<b>405,319</b>	<b>356,373</b>	<b>413,625</b>
(Loss) / Profit from other reportable segments - net					(12,681)
					<b>400,944</b>
					3,894
					435,196
Distribution cost	(1,570)	(2,440)	(28,956)	(89,501)	(91,941)
Administrative expenses	(20,732)	(17,768)	(12,815)	(11,844)	(29,612)
<b>Operating segment results</b>	<b>(13,996)</b>	<b>54,721</b>	<b>363,548</b>	<b>255,028</b>	<b>313,643</b>
Other operating expenses					(25,024)
Finance cost					(12,539)
Other income					39,743
<b>Profit before taxation</b>					<b>339,051</b>
Taxation					(24,620)
<b>Profit after taxation</b>					<b>314,431</b>



#### 14 RELATED PARTY TRANSACTIONS

The related parties include directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Transactions with related parties are as follows:

**December 31, December 31,  
2020 2019  
(Rupees in thousand)**

##### **Transactions with Post Employment Benefit Plan - Gratuity Fund**

Loan installments recovered from employees on behalf of Employees Gratuity Fund	<b>2,524</b>	2,220
---------------------------------------------------------------------------------	--------------	-------

Paid to Employees Gratuity Fund on account of installment recovered from employees	-	2,220
Contribution paid to Employees Gratuity Fund	-	5,400

##### **Transactions with key management personnel**

Remuneration of Chief Executive Officer, Directors and Executives	<b>21,354</b>	21,348
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##### **Transactions with Directors and their relatives**

Meeting fee	<b>400</b>	400
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#### 15 NON ADJUSTING SUBSEQUENT EVENT

The Board of Directors of the Company in their meeting held on December 24, 2020 has declared a final cash dividend of Rs. 10 (September 30, 2019: Rs. 30) per share i-e 100% (September 30, 2019: 300%) for the year ended September 30, 2020 amounting to Rs. 173.623 (September 30, 2019: Rs. 520.869) million. The effect will be accounted in the period of payment.

#### 16 GENERAL

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

**17 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial information was authorized for issue on January 27, 2021 by Board of Directors of the Company.



**Asim Ghani**  
Chief Executive Officer



**Darakshan Zohaib**  
Director



**Samir Hajani**  
Chief Financial Officer

### مستقبل کے امکانات:

اس سال اگر حکومت سندھ نے گنے کی قیمت خرید 2022 روپے فی من مقرر کی ہے جبکہ کسان 350 روپے فی من کا مطالبہ کر رہے ہیں کیونکہ اس سال سندھ میں بالخصوص زیریں سندھ میں گنے کی قلت ہے جس کی بنیادی وجہ موسمیاتی تبدیلیاں تھیں جو گنے کی کم کاشت کا باعث بنیں اور جس کی وجہ سے گنے کی فی ایکڑ پیداوار اور ریکوری کی شرح میں کافی کمی ہوئی۔ ان حالات میں مناسب قیمت پر اگر گنے کا کافی فاصلہ پر دستیاب ہو تو لازمی طور پر نقل و حمل کے اخراجات میں خصوصی طور پر اضافہ ہوتا ہے جس کا اثر مجموعی لاگت پر لازمی طور پر پڑتا ہے۔

حکومت نے چینی کی طلب و رسد کے فرق کو ختم کرنے کے لیے 500,000 میٹرک ٹن چینی TCP کے ذریعے درآمد کرنے کا فیصلہ کیا ہے ساتھ ہی نئی شے کو بھی 350,000 میٹرک ٹن چینی درآمد کرنے کی اجازت دی ہے۔ اگرچہ چینی کی مقامی اور بین الاقوامی قیمتوں میں کافی بہتری ہوئی ہے تاہم پھر بھی 21 - 2020 شوگر انڈسٹری کے لیے کافی مشکل سال ثابت ہوگا۔

آپ کی کمپنی کا آتھنول ڈویژن کئی سالوں سے سب سے منافع بخش کاروبار ثابت ہو رہا ہے۔ حال ہی میں دنیا کی کئی بڑی دواساز کمپنیاں COVID 19 کی اینٹی وائر بنا کر اعلان کیا ہے جس کے باعث آتھنول کی طلب میں قدرے کمی آئی ہے لیکن COVID 19 کی دوسری شدید لہر کے نتیجے میں بینڈ سٹینڈ انز اور دیگر صفائی و ستھرائی کی اشیاء کی طلب میں بدستور اضافہ کو روکنا ویکسین آنے تک امید ہے کہ برقرار رہے گا جس کی بدولت آتھنول کی طلب میں بھی اضافہ برقرار رہنے کی توقع ہے۔

آتھنول کی مستقبل کی فروخت میں اضافہ برقرار رہنے کا انحصار شہرہ کی مناسب قیمت اور اعلیٰ معیار پر ہے جو کہ آتھنول کا بنیادی خام مال ہے۔ وہا آنے کے بعد سے آتھنول کی طلب میں عالمگیر سطح پر کافی اضافہ ہوا ہے یہ طلب پاکستان میں بھی کافی حد تک بڑھ رہی ہے لیکن اس طلب میں خصوصی اضافہ برقرار رہنے کا انحصار اس بات پر ہے کہ وہا سے دنیا کو چھکارا حاصل کرنے میں کتنا وقت لگے گا اور عالمی معیشت کو مابعد از وبا کے کتنے جھکے برداشت کرنے پڑیں گے۔

کمپنی ان تمام درپیش چیلنجز سے بخوبی آگاہ ہے اور کمپنی کے تمام ڈویژنوں کے منافع اور پیداواری صلاحیتوں میں اضافہ کے لیے درکار ضروری اقدامات بروئے کار لارہی ہے۔

### اظہار تشکر:

کمپنی اپنے ہر اسٹاف ممبر کی محنت، کوششوں اور اعلیٰ کارکردگی پر ان کی نہایت مشکور ہے ہم اپنے معزز گاہکوں کے بھی ان کے بھروسے اور اعتبار پر ان کے بے حد مشکور ہیں اور مستقبل میں بھی ان کے اس اعتماد، حمایت اور تعاون کے منتظر ہیں۔ ہم اپنے حصص یافتگان، بینکرز اور دیگر مالیاتی اداروں کا بھی شکریہ ادا کرتے ہیں کہ ہمارے ادارے پر اعتماد کرتے ہماری رہنمائی اور حمایت کی۔ نیز ہم کمپنی کے ہر شعبے میں اعلیٰ کارکردگی پیش کرنے کے لیے انتہائی پر عزم ہیں۔ اپنے اسی جوش و جذبہ اور اسٹیک ہولڈرز کی حمایت و حوصلہ افزائی کی بدولت کمپنی کو درپیش مشکلات پر انشاء اللہ قابو پالیں گے۔

منجانب: بورڈ آف ڈائریکٹرز



درختال ذویب  
ڈائریکٹر



عاصم غنی  
چیف ایگزیکٹو آفیسر

کراچی: 27 جنوری 2021

## اتھنول ڈویژن:

اتھنول ڈویژن کی پیداواری اور مالی کارکردگی درج ذیل ہے۔

مالیاتی کارکردگی	دسمبر 31 2020	دسمبر 31 2019
فروخت	1,177,245	822,538
لاگت فروخت	(771,926)	(466,165)
خام منافع	405,319	356,373
تقسیمی لاگت	(28,956)	(89,501)
انتظامی اخراجات	(12,815)	(11,844)
پیداواری منافع - اتھنول یونٹ	363,548	255,028

پیداواری کارکردگی	2020 - 21	2019 - 20
پیداوار میٹرک ٹن - پوائنٹ I اور II	7,569	6,858
فروخت - میٹرک ٹن	7,854	6,983

زیر جائزہ عرصے میں اتھنول کی فروخت برآمدات کی بدولت بدستور زیادہ رہی اور انتہائی منافع بخش کاروبار ثابت ہوئی۔ اس عرصے میں کمپنی کی فروخت 354.707 روپے رہی یعنی اس فروخت میں گزشتہ عرصے کے مقابلے میں 43.12% کا اضافہ ہوا۔ اتھنول کی پیداوار بھی 6,858 میٹرک ٹن سے بڑھ کر 7,569 میٹرک ٹن ہو گئی یعنی اس فروخت میں 711 میٹرک ٹن کا اضافہ نوٹ کیا گیا۔

## پاور، کیمیکل اور بھرت ڈویژن:

زیر جائزہ عرصے میں کیمیکل اور پاور ڈویژن کی پیداوار بدستور معطل ہے جبکہ اس عرصے میں اس ڈویژن نے 9.848 ملین روپے کا خسارہ کیا جبکہ گزشتہ سال کے اسی عرصے میں یہ خسارہ 9,407 ملین روپے تھا جس کی بنیادی وجہ اس ڈویژن کے لازمی انتظامی اخراجات تھے۔

## بلک اسٹوریج ڈیمنل:

اسٹوریج ڈیمنل ڈیمنل نے 2.883 ملین روپے کا خسارہ کیا جبکہ گزشتہ سال کے اسی عرصے میں یہ نفع 13.301 ملین روپے تھا۔ نفع میں کمی کی بنیادی وجہ کرایہ داروں اور طلب میں نمایاں کمی تھی۔ نیز آپ کی کمپنی کا تیار کردہ اتھنول بھی اس ڈیمنل میں ذخیرہ کیا گیا تھا تاکہ موصول شدہ برآمدی آرڈرز کی تکمیل بروقت ممکن ہو سکے۔





### شکریہ:

شکریہ کی پیداواری اور مالیاتی کارکردگی برائے سہ ماہی 31 دسمبر 2020 درج ذیل ہے۔

مالیاتی کارکردگی	سہ ماہی دسمبر 31 2020	سہ ماہی دسمبر 31 2019
فروخت	390,330	995,735
لاگت فروخت	(382,024)	(920,806)
خام منافع	8,306	74,929
تقسیمی لاگت	(1,570)	(2,440)
انتظامی اخراجات	(20,732)	(17,768)
پیداواری (نقصان) / منافع - شکریہ	(13,996)	54,721

پیداواری کارکردگی	2020-21	2019-20
موسم کے آٹماز کی تاریخ	26 نومبر 2020	25 دسمبر 2019
پیداواری دن	44	26
کرشنگ - (میٹرک ٹن)	158,947	85,880
گنے سے پیداوار - (میٹرک ٹن)	14,883	7,750
فروخت - (میٹرک ٹن)	5,607	16,465
شکریہ وصولی کی شرح - فی صد	9.81%	9.82%

ہماری مل نے حکومت سندھ کے احکامات کی روشنی میں گنے کی کرشنگ بروقت شروع کی حالانکہ گنے کی کم از کم قیمت جو کسانوں کو ملنی چاہیے تھی وہ بھی مقرر نہیں ہوئی تھی چیتا گنے کی قلت ہوئی جس کے باعث کرشنگ بھی 12 دن کے لیے معطل رہی لیکن 23 نومبر 2020 کو پیداوار پھر شروع ہوئی اور اسی دن حکومت سندھ نے گنے کی قیمت -/202 روپے فی من مقرر کی جو مل نے کسانوں کو ادا کرنا ہوگی۔ نیز سندھ میں گنے کی بوائی کا ہدف تقریباً 8% کم ہوا ہے جس کے باعث کسانوں نے گنے کی فراہمی سختی سے روک کر رکھی ہے یعنی اس امر نے ملازور کسانوں کے درمیان گنے کی قیمت کی جنگ میں مدد اضافہ کیا ہے۔ چینی کی خالص فروخت زیر جائزہ عرصے میں -/390.330 ملین روپے تھی جبکہ گذشتہ عرصے میں یہ فروخت -/995.735 ملین روپے تھی اس طرح چینی کی فروخت میں -/663.345 ملین روپے کی کمی واقع ہوئی۔

## ڈائریکٹرز کی جائزہ رپورٹ

معزز اراکین

السلام علیکم

ہمیں بورڈ کی جانب سے 31 دسمبر 2020 کی سرمایہ کے عبوری مالیاتی بیانیہ پیش کرتے ہوئے بے حد مسرت ہو رہی ہے۔

### مالیاتی کارکردگی:

کمپنی کے مالیاتی نتائج برائے نو ماہی ختم شدہ 31 دسمبر 2020 کا گزشتہ سال کے اسی عرصے سے تقابلی جائزہ درج ذیل ہے۔

سرمایہ	سرمایہ	مالیاتی کارکردگی
دسمبر 31 2019	دسمبر 31 2020	
روپے ہزار میں	روپے ہزار میں	
289,478	311,847	پیداواری منافع
(13,504)	(12,539)	مالیاتی لاگت
275,974	299,308	
50,141	39,743	دیگر آمدن
326,115	339,051	منافع قبل از ٹیکس
(25,909)	(24,620)	ٹیکس
300,206	314,431	منافع بعد از ٹیکس
17.29	18.11	بنیادی آمدن فی شخص روپے

زیر جائزہ مدت کے دوران آپ کی کمپنی نے 314.431 ملین روپے بعد از ٹیکس منافع حاصل کیا جبکہ گزشتہ سال کی اسی سرمایہ میں یہ منافع 300.206 ملین روپے تھا۔ اس طرح اس منافع میں 14.225 ملین روپے کا اضافہ دیکھا گیا۔

### یونٹ کے پیداواری نتائج:

یونٹ کے اعتبار سے کارکردگی کے نتائج حسب ذیل ہیں:

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\*Mobile application not yet able to download for android and ios version



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