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STANDING STRONG



Quarterly Report June 2020

DIRECTORS' REPORT

On behalf of the Board, I am pleased to present financial results for the period ended June 30, 2020.

Operational Highlights	**2019-2020**	2018-2019
Crushing - M.Tons	**654,339**	702,259
Capacity Utilization	**49.85%**	59.77%
Sucrose Recovery	**11.13%**	11.44%
Sugar Production - M.Tons	**72,821**	80,332
Molasses production - M.Tons	**29,550**	32,230
Molasses Recovery	**4.52%**	4.59%

Financial Highlights	**June 2020**	June 2019
	(Rupees in Thousand except EPS)	
Turnover	**5,940,067**	4,464,890
Sales tax / federal excise duty	**776,209**	470,323
Gross Profit	**550,565**	802,981
Gross Profit margin	**10.66%**	20.10%
Profit before tax	**202,188**	481,874
Profit before tax margin	**3.92%**	12.06%
Net Profit after tax	**77,735**	369,375
Net Profit margin	**1.51%**	9.25%
Earnings per share	**1.67**	7.93

Crushing season 2019-2020 was the shortest crop in the last 5 years across the country. Farmers reduced planted acreage over other profitable crops, however improvement in yields partially compensated the availability of sugarcane. The shortage of sugar cane resulted in higher cane prices by approximately 20-30% over the support price announced by the government. This increase enabled the farmer to reap handsome returns on their produce and has again made sugarcane competitive with other crops. However, this compelled mills to make instant payment for purchasing cane and considering the seasonal nature of the business an extended volume of liquidity was arranged for procurement. With sugar cane prices touching record high and extended borrowings, markup costs along with high prices became a major element in the cost of sugar production which has been difficult to pass on to the consumer in terms of higher sugar price.

Following factors were primarily responsible for our operational and financial results:

- Out of total volume sold during the period, 18,980 tons were sold out of last years' closing stock, where the realised price of sugar was higher than the cost of production. Hence, gross margin from this sales was comparatively higher.

- Selling prices of both by-products (molasses & bagasse) improved substantially as compared to last year due to lower production and higher demand of the ethanol and biomass industry.

- Unicol contributed Rs.138.5 million during the period under review. However, it was partially negated by Unifoods share of loss amounting to Rs.93.06 Million.

- Sales volume remained almost identical to last corresponding period. However, the selling price increased by 25.6% compared to last corresponding period. But this increase was nullified due to increase in sugarcane cost by 26.6%

- Sucrose recovery was 11.13% as compared to 11.44% the previous year which is still one of the highest in the country. It was however lower as the mill had to procure cane from outer areas where the quality of sugar cane was not as good as the gate area.

- Our finance cost was Rs.261.8 million during the period as compared to Rs.289.9 million during last corresponding period. We expect this cost to further reduce during the last quarter of the year in view of substantial reduction in bench mark discount rate announced by State Bank of Pakistan recently. Our policy to make prompt cane payments and need of working capital has meant that financial expenses have escalated despite lower production. This has affected profitability drastically.

- Contribution from Dividend Income amounted to Rs.48.01 as compared to Rs.61.8 million during the last corresponding period. This shall remain lower for the next 2 quarters as certain companies have been barred from distributing dividend in the next 2 quarters.

SEASON 2019-2020

Season 2019-20 was expected to be a promising year in view of the anticipated supply and demand equilibrium. Mills were confident that with the high replacement cost of international sugar at Zero duty, the high price of cane paid could be passed on in terms of better realised value on sugar. However with the advent of covid-19 as well as severe pressure by different government agencies on certain sugar mills/sugar trade it led to a false undervalued price of sugar. Since most mills continue to sell sugar monthly this period thus led to poor financial results.

Due to lower cultivation and yields, the production of sugar was estimated at 4.7 million tons as compared to 5.5 million tons last season. Anticipating the short supply sugar mills bought sugarcane at market price to attain maximum capacity utilisation and absorption of costs. Thus, farmers were able to get better return on their harvest. This may bring improvement in future plantation of sugarcane as long as the water situation improves which augurs well for sugar mills.

Considering the balance between supply and demand of sugar, there is a possibility of import of refined/raw sugar to cover the shortfall during October-November 2020. The proposal is under consideration at relevant quarters and decision is expected during first fortnight of August 2020.

For the mutual benefit of industry and growers, it is important that interests of all stakeholders may be considered. Partial regulation/deregulation is not a viable long term option. Fair treatment may be meted to both growers and millers for sustainability of the sector. A fairly regulated policy which takes into account the cost of production of both the miller and the farmer needs to be taken into account.

Sugar sector was fortunate that crushing campaign was concluded before the advent of Covid 19. Hence, its impact on the sector was relatively low since off season activities were carried out conveniently by following standard operating procedure.

State Bank of Pakistan's timely action on reduction of bank rate and introduction of concessionary finance schemes for payment of salaries and wages would go a long way in reducing the impact of Covid 19 on the financials of many companies.

For your company lower interest rates even with a deleveraged balance sheet have a positive impact as it reduces our cost of financing seasonal cane payments and it also allows better returns from our investments.

UNICOL LIMITED

The Company continued its successful run from last year. Its financial and operational numbers remained strong and satisfactory during the period. Both plants, Ethanol and CO2, ran smoothly. Selling Prices for ethanol improved considerably from $ 850/ton to $ 1,300/ton in view of demand for covid related products such as sanitisers. The company was able to take advantage of its aggressive procurement policy whereby Molasses was bought at competitive prices during the season. Thus, entire year's sales commitments were adequately covered. However, reduced availability of molasses had jacked up its price which has gone up from Rs. 9,500 to Rs. 14,000 per metric ton showing an increase of 58 percent.

Profit before tax for Unicol was Rs. 415 Million as compared to Rs.916 Million in the same period last year. Overall profitability for the year is expected to improve considerably during last quarter of the financial year as better prices were realised than.

Following are the key data related to Unicol Ltd:

Financial Highlights	Units	**June 2020**	June 2019
Sales	Rs. in '000	**4,697,991**	4,192,308
Gross profit	Rs. in '000	**895,480**	1,366,218
Gross profit	%	**19.06%**	32.59%
Profit before tax	Rs. in '000	**463,280**	958,521
Profit after tax	Rs. in '000	**415,774**	916,220
Net profit %	%	**8.85%**	21.85%
Earnings per share	Rs.	**2.77**	6.11

UNI-FOOD INDUSTRIES LIMITED

This cakes plant was showing moderate improvement in volumes. However, with the arrival of Covid 19, the demand was affected. Change in distribution setup and introduction of new varieties is expected to increase market confidence. The sponsors have been standing behind the project with full commitment and evaluating all possible options for making this project a success. Pakistan's large population base particularly those below the age of 25 provides an ideal developing market for this segment and we expect the company to take advantage of this fact. Our equity investment in Unifoods stood at Rs.305 Million till this period.

FUTURE OUTLOOK

In view of extremely handsome returns to growers during the current season, plantation of sugarcane has already seen some improvement with some areas reporting growth of between 15-20 percentage and we expect the September 2020 sowing to also be progressive. This is a positive indicator for the industry as it may allow mills to attain better capacity utilisation in the next few years. However, it is important that policy framework regarding sugarcane and sugar pricing may be rationalised by taking all stakeholders into confidence to avoid continuous litigation and dispute. While 2019-2020 was a shorter crop we feel 2020 could see a slight

surplus and 2021 onwards we could again see larger crops in the country.

The initial crop survey shows that sugarcane output is expected to improve marginally in our area in terms of improved area under cultivation. We expect supply and demand equilibrium for the next year as well. This would provide level playing field for stakeholders. However, the industry is still uncertain about the Subsidy payment pending from federal/provincial government for almost three years. As of today our pending subsidy amount is Rs.298.90 Million which is continually incurring financial expenses.

Sugar processing remains a seasonal business, however, its sales is spread over the entire year. We pay our farmer promptly thus the cost of holding sugar and the related interest rates also impacts our cost structure. As we mentioned earlier the lower financial expenses shall have a positive impact on our company in 2021.

We remain cautiously optimistic for season 2021. Higher realised value for sugar, molasses and Bagasse should allow absorption for the higher cane price which would thus make the business viable for both farmer and the miller. The farmer viability improving is a long term positive.

For and on behalf of the Board of Directors



Karachi: July 29, 2020

Mohammed Ebrahim Hasham
Chief Executive Officer

فصل کے ابتدائی سروے سے پتہ چلتا ہے کہ گنے کی کاشت کے رقبہ میں بہتری کا رجحان ہے اور پانی کی فراہمی میں بہتری کے باعث فی ایکڑ پیداوار بھی بہتر ہونے کی توقع ہے۔آئندہ سیزن میں گنے کی طلب اور کھپت میں بھی مساوات کی امید ہے۔اس طرح شراکت داران ایک بہتر سیزن کی امید کر سکتے ہیں۔ شوگر ملز تین سال سے برآمدات کی مد میں زرِاعانت جو کہ صوبائی اور وفاقی حکومتوں کی جانب سے واجب الادا ہیں کے بارے میں غیر یقینی کا شکار ہیں ۔ اس سلسلے میں مہران شوگر ملز کے 298.90ملین روپے واجب الوصول ہیں جس کے باعث ہمارے مالیاتی اخراجات میں اضافہ ہوا ہے۔

چینی کی تیاری چونکہ ایک سیزنل کا روبار ہے ، جبکہ اس کی فروخت سال بھر جاری رہتی ہے ۔ ہمیں گنے کے حصول کے لئے کسان کو فوری ادائیگی کرنی پڑتی ہے جس کے لئے بھاری شرح سود پر قرض لینا پڑتا ہے جس سے ہماری پیداوری لاگت بڑھ جاتی ہے۔ شرح سود میں میں کمی کے اثرات ہماری کمپنی پر 2021 میں مثبت انداز میں مرتب ہونگے۔

ہم سیزن 2021 کے بارے میں محتاط طور سے پُر امید ہیں۔ چینی ، مولیسس اور بگاس کی اہمیت ، افادیت اور ان کی قیمتوں میں استحکام سے ہی ہم گنے کی بھاری قیمت ادا کرنے کے قابل ہوپاتے ہیں ، اس طرح کمپنی کے منافع بخش رہنے کی توقع ہے۔ ایسا طریقہ کار ہونا چاہیئے جو کہ کسان اور ملر دونوں کے کاروبار کے لئے فائدہ مند ہو۔ اور کاشتکار کی گنے میں دلچسپی طویل مدتی اور مثبت ہو۔

ازطرف

بورڈ آف ڈائریکٹرز



محمد ابراہیم ہاشم

چیف ایگزیکٹیو آفیسر

کراچی - 29 جولائی 2020

یونی کول سے متعلق اہم مالیاتی اعداد و شمار مندرجہ ذیل ہیں:

مالیاتی معلومات (فنانشل ہائی لائٹس)		جون 2020	جون 2019
مجموعی فروخت (ٹرن اوور)	روپے ہزاروں میں	4,697,991	4,192,308
خالص منافع	روپے ہزاروں میں	895,480	1,366,218
خالص منافع کی شرح	(%)	19.06%	32.59%
قبل از ٹیکس منافع	روپے ہزاروں میں	463,280	958,521
بعد از ٹیکس منافع	روپے ہزاروں میں	415,774	916,220
بعد از ٹیکس منافع کی شرح	(%)	8.85%	21.85%
فی حصص آمدنی	روپے	2.77	6.11

یونی فوڈ انڈسٹریز لمیٹڈ

پیکڈ کیک پلانٹ بہتری کی جانب گامزن ہے اور اس کی فروخت میں بدستور مناسب اضافہ ہورہا ہے ، تاہم کو ویڈ 19 کی آمد کی وجہ سے دیگر اشیاء کی طرح اس کی طلب میں کچھ کمی واقع ہوئی ۔ہمارا برانڈ مارکیٹ میں اپنی جگہ بنا رہا ہے اس کے علاوہ ترسیل کے نظام میں بہتری کی وجہ سے بھی مارکیٹ کے اعتماد میں اضافہ ہو رہا ہے۔ ہم منصوبےکو منافع بخش بنانے کے اعتبار سے پُر عزم ہیں، اس ضمن میں پاکستان کی آبادی کا خاصہ حصہ اور خصوصاً 25 سال سے کم عمر افراد ، ایک ترقی پذیر اور اُبھرتی ہوئی مارکیٹ مہیا کرتے ہیں اور ہم توقع کرتے ہیں کہ کمپنی ان حقائق سے فائدہ اُٹھائے گی ۔ متذکرہ عرصے تک یونی فوڈز میں ہماری ایکوئٹی سرمایہ کاری305ملین روپے ہے۔

مستقبل کا منظر نامہ

موجودہ سیزن کے دوران چونکہ کسانوں کو گنے کی فصل کی بہتر قیمت ملی ہے جس کی بناء پر کاشت میں بہتر ی نظر آرہی ہے اور کئی علاقوں میں 15 سے 20 فیصد اضافہ ریکارڈ کیا ہے مزید توقع ہے کہ ستمبر 2020 کی کاشت میں مزید بہتری آئے گی، یہ رجحان چینی کی صنعت کے لئے بہتر ہے کیونکہ اس طرح سے ملیں آئندہ چند سال تک اپنی مکمل پیداواری صلاحیت کو استعمال کرسکتی ہیں۔ تاہم یہ ضروری ہے کہ گنے اور چینی کی قیمتوں کے تعین کے بارے میں پالیسی فریم ورک دیا جائے جس میں مستقل شراکت داروں یعنی صنعت کے نمائندوں اور زمینداروں کو نمائندگی دی جائے اور ان کو اعتماد میں لئے بغیر کوئی یکطرفہ فیصلہ نہ کیا جائے۔ 2019 میں گنے کی فصل میں نمایاں کمی واقع ہوئی تھی تاہم 2020 میں ہمیں اس میں مناسب اضافہ دیکھنے کی امید ہے اور 2021 سے ہم ملک میں پھر سے گنے کی بڑی فصل دیکھ سکیں گے۔

تاہم چینی کی صنعت اس معاملے میں قدرے خوش نصیب ثابت ہوئی کہ اس نے Covid-19 کی تباہ کاریاں اور اس کے نتیجے میں ہونے والے لاک ڈاون سے قبل کرشنگ مکمل کرلی لہذا دیگر صنعتی شعبوں پر پڑنے والے بُرے اثرات اس صنعت پر نسبتاً کم ہوئے۔ تاہم آف سیزن میں ایس او پی پر انتہائی سختی کے ساتھ عمدرآمد کے ساتھ کاروباری سرگرمیاں جاری رکھی گئیں۔

اسٹیٹ بینک آف پاکستان کی جانب سے بروقت اقدامات معیشت کی بحالی میں مدد گار ثابت ہونگے جس میں شرح سود میں کمی اور تنخواہوں کی ادائیگی کے لئے سستے قرضے فراہم کرنا ایسے اقدامات ہیں جس سے صنعتی شعبے میں بہتری آئے گی اور Covid-19 کے نتیجے میں صنعتوں پر پڑنے والے مضر اثرات میں کمی آئے گی ۔

آپ کی کمپنی بھی شرح سود میں اس کمی سے مستفید ہو گی اور بہتر بیلنس شیٹ دے پائے گی کیونکہ اس سے نہ صرف گنے کی قیمت کی بروقت ادائیگی میں مدد ملے گی بلکہ ہماری پیداواری لاگت میں بھی کمی واقع ہوگی ۔ اور اس طرح سے سرمایہ کاری میں بہتر منافع کی توقع بڑھ جائے گی۔

یونی کول

کمپنی کے مالی اور آپریشنل نمبرز متذکرہ عرصے کے دوران بہت اچھے اور اطمینان بخش رہے۔ ایتھونول اور CO_2 کے پلانٹس نے اچھی کارکردگی کا مظاہرہ کیا اور ایتھونول کی قیمت میں اضافہ کا رجحان رہا ۔ یہ اضافہ 850 ڈالر فی ٹن سے 1300 ڈالر فی ٹن تک ہوا جس کی بُنیادی وجہ کوویڈ 19 سے حفاظت کے لئے سینیٹائزر میں اس کا استعمال تھا۔ کمپنی نے ترجیحی بُنیادوں پر دوران سیزن مولسس کی مسابقتی قیمتوں پر خریداری کی اور فائدہ اُٹھانے میں کامیاب رہی اور پورے سال کے لئے مولیسس کی خریداری کرلی۔ تاہم، گنے کی پیداوار میں کمی کے سبب مولیسس کی پیداوار بھی کم ہوگئی ہے جس کی وجہ سے اس کی قیمتیں 9,500 روپے فی میٹرک ٹن سے 14,000 روپے فی میٹرک ٹن تک ہو گئی جوکہ 58 فیصداضافہ بنتا ہے۔

متذکرہ عرصے میں قبل از ٹیکس منافع 415ملین رہا جو کہ پچھلے سال 916 ملین تھا پچھلے سال کی بنسبت مجموعی طور پر منافع میں بہتری کی توقع ہے ۔

ماہی کے دوران اس لاگت میں مزید کمی واقع ہوگی۔ گنے کی بروقت ادائیگی کی پالیسی اور مل کے اخراجات کے لئے گئے قرضہ جات کی وجہ سے مالیاتی اخراجات کی وجہ سے کم پیداوار کے باوجود ہمارے مالی اخراجات بڑھ گئے ہیں جس نے منافع کو بڑی حد تک متاثر کیا ہے۔

- متذکرہ عرصے میں ایکویٹی سرمایہ کاری سے حاصل شدہ منافع منقسمہ(Dividend) 48.01ملین روپے رہا۔ جبکہ گذشتہ اسی عرصے میں یہ 61.8 ملین روپے تھا۔ ممکنہ طورپر یہ اگلے دو کوارٹرز میں بھی کم ہی رہے گا کیونکہ مرکزی بینک نے بعض کمپنیوں کو اگلے دو سہ ماہی کے لئے منافع منقسمہ (Dividend) تقسیم کرنے سے روک دیا گیا ہے۔

سیزن 2019-20

متوقع طور پر رسد اور طلب میں توازن کے پیش نظر سیزن 2019-20 ایک امید افزا سال ثابت ہوگا۔ ملز کو یقین تھا کہ گنے کی اضافی قیمت کو، چینی کی بین الاقوامی زیرو ڈیوٹی پر متبادل بہتر قیمت کے ساتھ ہی ایڈجسٹ کیا جاسکتا ہے۔ تاہم Covid-19کی موجودگی کے ساتھ وفاقی سطح سے مختلف نوعیت کی انکوائری اور تفتیش کی ابتدا ہونے سے شوگر ملوں کی تجارت پر شدید دباؤ پڑا جس نے نتیجتاًچینی کی قیمت کو کم کیا۔ اس دوران چونکہ بیشتر ملوں نے چینی کی ماہانہ فروخت جاری رکھی، جس کی وجہ سے ناقص مالی نتائج برآمد ہوئے۔

گنے کی کاشت کے رقبے اور فی ایکڑ پیداوارمیں کمی کے باعث چینی کی پیداوار 4.7 ملین ٹن رہی جو کہ گذشتہ سال 5.5 ملین ٹن تھی۔ گنے کی مختصر فراہمی میں کمی کے سبب گنا مارکیٹ کی قیمت میں حاصل کرنا پڑا تاکہ اپنی پیداواری صلاحیت کا زیادہ سے زیادہ استعمال کرکے اخراجات کو قابو میں لایا جا سکے۔ اس طرح کسانوں کو ان کی فصل کی بہتر قیمت ملی۔ اس وجہ سے اُمید ہے کہ آئندہ سال گنے کی فصل میں بہتری آئے گی اور پانی کی صورتحال بہتر رہے گی جس کے مثبت اثرات گنے کی فصل پر نظر آئیں گے اوریہ شوگر ملز کے لئے بہتر ہوگا۔

چینی کی طلب اور رسد کے مابین کمی کو دیکھتے ہوئے توازن کو قائم رکھنے کے لئے ، اکتوبر ، نومبر 2020 کے دوران خام چینی کی درآمد کا امکان موجود ہے اورمتعلقہ حلقوں میں یہ تجویز زیر غور ہے جس پر ممکنہ طور پر اگست 2020 کے پہلے پندرہ دن کے دوران فیصلہ متوقع ہے۔

صنعت اور کسانوں کے باہمی فائدے کے لئے ضروری ہے کہ چینی کی قیمتوں میں استحکام رہے اور گنے کی قیمت اور چینی کی قیمت کے درمیان مطابقت رہے، یہ بھی ضروری ہے کہ تمام شراکت دار ان کے مفادات کو مدنظر رکھا جائے۔ جزوی ریگولیشن / ڈی ریگولیشن یقینی طورپر کوئی قابل عمل طویل مدتی آپشن نہیں، شعبے کے استحکام کے لئے کاشتکاروں اور ملرز دونوں کے ساتھ مساوی سلوک ضروری ہے نیز ریگولیٹڈ پالیسی میں گنے کی قیمت کو چینی کی پیداواری لاگت اور قیمت فروخت کو مدنظر رکھتے ہوئے طے کیا جانا اشد ضروری ہے۔

کرشنگ سیزن 20-2019 پورے ملک میں گذشتہ پانچ سالوں میں سب سے مختصر رہا ۔ زمینداروں نے گنے کی جگہ دوسری منافع بخش فصلیں لگا نے کو فوقیت دی ، تاہم فی ایکڑ بہتر پیداوار کے حصول نے مجموعی طور پر اس کمی کو کسی حد تک زائل کردیا۔ لیکن اس قلت کے نتیجے میں حکومت کی جانب سے اعلان کردہ گنے کی امدادی قیمت میں 20 تا 30 فیصد اضافہ ہوا۔ گنے کی اضافی قیمت ملنے سے چونکہ کسان کو اپنی فصل کا بہت اچھا منافع حاصل ہوا، اس لئے گنے کی فصل ، کسان کے لئے دوسری منافع بخش فصلوں کے مقابلے میں آگئی، تاہم ، گنے کی فصل میں نمایاں کمی ، مختصر وقت اور مقابلے کی فضا کو مد نظر رکھتے ہوئے مل کو گنے کی نقد ادائیگی کرنی ضروری ہوگئی جس کی وجہ سے مل کو بلند شرح سود پر قرضہ جات حاصل کرنا پڑے جس سے چینی کی پیداواری قیمت میں مزید اضافہ ہوگیا ، اور یہ اضافہ صارف تک منتقل نہ ہو سکا۔

بنیادی عوامل جو اِن نتائج کے حصول میں کارفرما رہے:

- متذکرہ عرصے کے دوران فروخت ہونے والی چینی کے کل حجم میں سے ، 18,980 ٹن گذشتہ سالوں کے اختتامی اسٹاک پر مشتمل تھی، جس کی قیمت فروخت ، پیداواری لاگت سے زیادہ تھی۔ لہذا ، اس فروخت سے حاصل ہونے والا مجموعی منافع نسبتاً بہتر تھا۔

- گذشتہ سال کے مقابلہ میں کم پیداوار اور زیادہ مانگ کی وجہ سے دونوں ضمنی مصنوعات (مولیسس اور بگاس) کی قیمت فروخت میں کافی حد تک بہتری آئی ۔

- مذکورہ مدت کے دوران یونیکول سے حاصل شدہ منافع 138.5 ملین روپے رہا ، تاہم یونی فوڈز کے نقصان نے اس نفع کو کم کردیا ۔

- متذکرہ مدت میں فروخت کا حجم لگ بھگ ، پچھلی اسی مدت کے مساوی تھا۔ تاہم قیمت فروخت میں 25.6 فیصد کا اضافہ ہوا لیکن گنے کی لاگت میں 26.6 فیصد کے اضافے نےقیمت فروخت کی بڑھوتری کا اثرختم کردیا۔

- پچھلے سال سکروز کی ریکوری 11.44% تھی جبکہ اس سال 11.13% رہی جوکہ اب بھی ملک میں سب سے زیادہ ہے۔ اس کمی کی وجہ مل کے قرب و جوار)گیٹ ایریا(میں گنے کی پیداوار میں کمی تھی جس کی وجہ سے گنے کی خریداری باہر کے علاقوں(آوٹر ایریا(سے کرنی پڑی ، اس گنے کا معیار مل کے گیٹ ایریا کی طرح اچھا نہیں تھا، جس کا نتیجہ ریکوری میں کمی کی صورت میں نکلا۔

- متذکرہ عرصے کے دوران ہماری مالیاتی لاگت(Finance Cost) 261.8 ملین روپے رہی جبکہ گذشتہ سال اسی مدت کے دوران یہ 289.9 ملین روپے تھی۔ہم توقع کرتے ہیں کہ اسٹیٹ بینک آف پاکستان کی جانب سےشرح سود میں اعلان کردہ خاطر خواہ کمی کے پیش نظر سال کی آخری سہ

ڈائریکٹرز رپورٹ

میں 30 جون 2020 کو ختم ہونے والی تیسری سہ ماہی کے مالی نتائج کو آپ کی خدمت میں پیش کرتے ہوئے مسرت محسوس کررہا ہوں۔

آپریشنل معلومات	2019-20	2018-19
کرشنگ (میٹرک ٹن)	654,339	702,259
پیداواری صلاحیت کا استعمال	49.85%	59.77%
سکروز کی ریکوری	11.13%	11.44%
چینی کی پیداوار (میٹرک ٹن)	72,821	80,332
مولیسس کی پیداوار (میٹرک ٹن)	29,550	32,230
مولیسس کی ریکوری	4.52%	4.59%

مالیاتی معلومات (فنانشل ہائی لائٹس)		جون 2020	جون 2019
مجموعی فروخت (ٹوٹل ٹرن اوور)	روپے ہزاروں میں	5,940,067	4,464,890
ایف ای ڈی / سیلز ٹیکس	روپے ہزاروں میں	776,209	470,323
خالص منافع	روپے ہزاروں میں	550,565	802,981
خالص منافع کی شرح	(%)	10.66%	20.10%
قبل از ٹیکس منافع	روپے ہزاروں میں	202,188	481,874
قبل از ٹیکس منافع کی شرح	(%)	3.92%	12.06%
بعد از ٹیکس منافع	روپے ہزاروں میں	77,735	369,375
بعد از ٹیکس منافع کی شرح	(%)	1.51%	9.25%
فی حصص آمدنی	روپے	1.67	7.93

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2020

	Note	June 30, 2020 (Un-audited)	September 30, 2019 (Audited)
		Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,209,123,414	2,190,683,368
Right-of-Use-Assets		79,449,121	-
Long term investment	8	1,324,170,645	1,362,374,662
Long term deposits		852,400	862,400
		3,613,595,580	3,553,920,430
CURRENT ASSETS			
Biological assets		5,747,784	15,245,232
Stores and spare parts		110,396,582	102,423,181
Stock-in-trade		1,277,642,454	1,060,595,943
Trade debts - unsecured		103,202,795	79,134,253
Loans and advances - unsecured		60,565,184	116,690,640
Trade deposits and short term prepayments		9,392,524	9,259,524
Other receivables		304,649,731	317,561,175
Short term investments		865,308,509	995,383,024
Taxation - net		27,940,155	40,252,287
Cash and bank balances		59,046,673	672,983,635
		2,823,892,391	3,409,528,894
TOTAL ASSETS		6,437,487,971	6,963,449,324
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		465,974,520	405,195,240
Reserves		2,042,972,975	2,009,701,611
		2,508,947,495	2,414,896,851
NON-CURRENT LIABILITIES			
Long-term financing - secured		988,807,143	735,830,843
Liabilities against assets subject to finance leases		18,512,207	20,591,783
Deferred liabilities		4,211,931	4,762,469
Deferred taxation		205,555,241	199,581,276
Provision for quality premium		119,290,919	119,290,919
Market committee fee payable		54,701,300	58,458,952
		1,391,078,741	1,138,516,242
CURRENT LIABILITIES			
Trade and other payables		500,653,351	641,879,967
Contract liabilities (advances from customers - unsecured)		167,670,452	415,587,300
Unclaimed Dividend		41,859,887	17,692,483
Accrued mark-up		51,409,702	125,500,017
Short term borrowings - secured		1,600,689,977	1,750,705,674
Current portion of long term financing		-	315,833,332
Current maturity of liabilities agaisnt assets subject to finance lease		14,630,786	9,773,410
Provision for market committee fee		43,967,017	37,423,627
Current Portion of Market Committee fee payable		3,757,652	3,757,652
Sales Tax / F.E.D / S.E.D. payable		112,822,911	91,882,769
		2,537,461,735	3,410,036,231
CONTINGENCIES AND COMMITMENTS	9	-	-
TOTAL EQUITY AND LIABILITIES		6,437,487,971	6,963,449,324

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

Chief Executive Officer | Chief Financial Officer | Managing Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended June 30, 2020 (Un-Audited)

	Nine months ended		Quarter ended	
	June 30, 2020	June 30, 2019	**June 30, 2020**	June 30, 2019
	----------Rupees----------		----------Rupees----------	
Turnover	**5,940,067,481**	4,464,889,832	**2,401,228,080**	2,472,845,455
Sales tax / F.E.D	**(776,208,769)**	(470,323,017)	**(349,467,902)**	(263,723,206)
Turnover - net	**5,163,858,712**	3,994,566,815	**2,051,760,178**	2,209,122,249
Cost of sales	**(4,613,294,202)**	(3,191,585,624)	**(2,101,679,088)**	(1,811,073,630)
Gross profit / (loss)	**550,564,510**	802,981,191	**(49,918,910)**	398,048,619
Distribution costs	**(37,186,550)**	(31,594,022)	**(11,334,224)**	(7,514,971)
Administrative expenses	**(170,063,574)**	(189,876,667)	**(58,022,240)**	(61,036,205)
Other operating expense	**(4,660,643)**	(50,501,205)	**14,337,484**	1,227,038
Other operating income	**79,899,169**	80,185,539	**41,990,785**	39,532,889
	(132,011,598)	(191,786,355)	**(13,028,195)**	(27,791,249)
Operating profit / (loss)	**418,552,912**	611,194,836	**(62,947,105)**	370,257,370
Finance costs	**(261,808,879)**	(289,957,154)	**(54,851,274)**	(133,495,855)
Share of profits from associates - net	**45,443,923**	160,636,219	**58,699,846**	28,954,545
Profit / (loss) before tax	**202,187,956**	481,873,901	**(59,098,533)**	265,716,060
Taxation	**(124,452,650)**	(112,498,547)	**26,336,826**	(71,741,154)
Profit / (loss) after tax	**77,735,306**	369,375,354	**(32,761,707)**	193,974,906
Other comprehensive income				
Items that may be re-classified to statement of profit or loss in subsequent periods				
(loss) / gain on remeasurement of equity investments at fair value through other comprehensive income - net of tax	**(43,980,518.60)**	(313,039,258)	**119,659,644.90**	(224,283,340)
Gain on disposal of equity investments at fair value through other comprehensive income	**159,062,877.00**	-	**(21,373,995.00)**	-
Reclassification to statement of profit or loss for gain / (loss) upon sale of investments	**-**	14,038,183	**-**	(12,502,548)
Total comprehensive income / (loss) for the period	**192,817,665**	70,374,279	**65,523,943**	(42,810,982)
		Restated		Restated
Earnings / loss per share- Basic and diluted	**1.67**	7.93	**(0.70)**	4.16

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

Chief Executive Officer | Chief Financial Officer | Managing Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the period ended June 30, 2020 (Un-Audited)

	Note	June 30, 2020	June 30, 2019
		----------Rupees----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**202,187,956**	481,873,901
Adjustments for non-cash charges and other items:			
Depreciation		**129,622,208**	126,916,528
Share of profit from an associate		**(45,443,923)**	(160,636,219)
Provision for market committee fee		**6,543,390**	7,022,588
(Gain) on disposal of fixed assets		**(20,753,752)**	(4,051,883)
Realised loss on disposal of short term investments		**-**	31,694,151
Finance costs		**261,808,879**	289,957,154
Working Capital Changes	10	**(538,890,428)**	(783,320,418)
		(207,113,626)	(492,418,099)
Staff gratuity paid		**(550,538)**	(319,909)
Taxes paid		**(93,557,515)**	(67,537,935)
Market Committee fee		**(3,757,652)**	(1,577,652)
Finance costs paid		**(335,899,194)**	(232,603,947)
Long term deposits		**10,000**	10,000
Net cash used in operating activities		**(438,680,569)**	(312,573,641)
CASH FLOWS FROM FINANCING ACTIVITIES			
Fixed capital expenditure		**(211,212,660)**	(118,536,622)
Investment made during the period		**(1,808,967,624)**	(780,733,888)
Proceeds from disposal of short term investments		**1,975,163,413**	571,950,369
Dividend Received from Associated Companies		**149,999,991**	174,999,990
Proceeds from disposal of operating fixed assets		**25,604,346**	9,135,906
Net cash generated/(used) in investing activities		**130,587,466**	(143,184,245)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment) / receipt of long-term financing (net)		**(62,857,032)**	181,875,001
(Repayment) / receipt of short term loans (net)		**(150,015,697)**	494,803,185
(Repayment) / Financing acquired against assets subject to finance lease (net)		**(18,371,511)**	(19,407,637)
Dividend paid		**(74,599,618)**	(130,288,172)
Net cash (used)/generated in financing activities		**(305,843,858)**	526,982,377
Net (decrease)/increase in cash and cash equivalents		**(613,936,961)**	71,224,491
Cash and cash equivalent at the beginning of the period		**672,983,635**	15,954,187
Cash and cash equivalents at the end of the period		**59,046,674**	87,178,678

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

Chief Executive Officer | Chief Financial Officer | Managing Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the period ended June 30, 2020 (Un-Audited)

	Issued, Subscribed and Paid-up Capital	Reserves						Total Equity
		Capital Share Premium	Revenue		FV reserve of financial assets at FVOCI	Actuarial gain on defined benefit plan	Sub-Total	
			General Reserve	Unappropriated Profit				
	Rupees							
Balance as at October 01, 2018	320,312,450	63,281,250	85,000,000	2,073,004,968	64,950,566	2,772,365	2,289,009,149	2,609,321,599
Final dividend @ Rs. 3 per share for the year September 30, 2018	-	-	-	(96,093,735)	-	-	(96,093,735)	(96,093,735)
Bonus shares issued for the ended ended September 30, 2018 in the ratio of 15 ordinary share for every 100 shares held	48,046,860	-	-	(48,046,860)	-	-	(48,046,860)	-
Interim dividend for the quarter ended March 31, 2019 @ Rs.1.25 per share	-	-	-	(46,045,033)	-	-	(46,045,033)	(46,045,033)
Interim Bonus shares issued for the quarer ended March 31, 2019 in the ratio of 100 ordinary share for every 10 shares held	36,835,931	-	-	(36,835,931)	-	-	(36,835,931)	-
Net profit for the period	-	-	-	369,375,354	-	-	369,375,354	369,375,354
Other comprehensive loss	-	-	-	-	(299,001,075)	-	(299,001,075)	(299,001,075)
Total comprehensive Income	-	-	-	369,375,354	(299,001,075)	-	70,374,279	70,374,279
Balance as at June 30, 2019 (Un-audited)	405,195,241	63,281,250	85,000,000	2,215,358,763	(234,050,509)	2,772,365	2,132,361,869	2,537,557,110
Balance as at October 01, 2019 (Audited)	405,195,240	63,281,250	85,000,000	2,099,148,776	(240,424,147)	2,695,731	2,009,701,610	2,414,896,850
Final dividend @ Rs. 1 per share for the year September 30, 2019	-	-	-	(40,519,524)	-	-	(40,519,524)	(40,519,524)
Bonus shares issued for the year ended September 30, 2019 in the ratio of 15 ordinary share for every 100 shares held	60,779,286	-	-	(60,779,286)	-	-	(60,779,286)	-
Interim dividend @ Re. 0.75 per share for the quarter ended December 31, 2019	-	-	-	(34,948,364)	-	-	(34,948,364)	(34,948,364)
Interim dividend @ Re. 0.50 per share for the quarter ended March 31, 2020	-	-	-	(23,299,132)	-	-	(23,299,132)	(23,299,132)
Net profit for the period	-	-	-	77,735,306	-	-	77,735,306	77,735,306
Other comprehensive loss	-	-	-	-	115,082,358	-	115,082,358	115,082,358
Total comprehensive Income	-	-	-	77,735,306	115,082,358	-	192,817,665	192,817,665
Transfer of realised loss on disposal of equity investments	-	-	-	(21,468,222)	21,468,222	-	-	-
Balance as at June 30, 2020	465,974,526	63,281,250	85,000,000	1,995,869,554	(103,873,567)	2,695,731	2,042,972,969	2,508,947,495

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

Chief Executive Officer | Chief Financial Officer | Managing Director

1. THE COMPANY AND ITS OPERATIONS

1.1 Mehran Sugar Mills Limited (the Company) was incorporated in Pakistan as a public limited company on December 22, 1965 under the Companies Act, 1913 and then under the Companies Ordinance, 1984, which is now superseded by the Companies Act, 2017 (the Act). The shares of the Company are quoted on Pakistan Stock Exchange. The Company is principally engaged in the manufacturing and sale of sugar and its by products. The registered office of the Company is situated at 14th floor, Dolmen City Executive Tower, Marine Drive, Block 4, Clifton, Karachi. The mill of the Company is located at District Tando Allahyar, Sindh.

1.2 These unconsolidated condensed interim financial statements (the condensed interim financial statements) are separate interim financial statements of the Company in which investments in subsidiary and associates are accounted for on the basis of cost less impairment losses, if any and equity method respectively.

1.3 The outbreak of the Novel Coronavirus (Covid-19) has disrupted commercial and economic activities all around the world and has impacted almost every organization and industry. The outbreak still continues to progress and evolve, therefore, it is challenging now to predict the full extent and duration of its business and economic impact. However, up to the date of authorisation of these condensed interim financial statements, the operations and results of the Company have not been materially impacted by the Covid-19 since the Company is involved in the manufacture and sale of sugar which is an essential good.

2. 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 which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Act and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirement of IAS 34, the provisions of and directives issued under the Act have been followed.

3. BASIS OF PREPARATION

These condensed interim financial statements are un-audited but subject to limited scope review by the statutory auditors as required under Section 237 of the Companies Act, 2017. These condensed 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 annual financial statements of the Company for the year ended September 30, 2019. The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarter ended March 31, 2020 and March 31, 2019 and notes forming part thereof have not been reviewed by the statutory auditors of the Company, as they are required to review only the cumulative figures for the half year ended March 31, 2020 and March 31, 2019.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended September 30, 2019, except for new standard, ammendments and improvements to International Financial Reporting Standards (IFRSs) issued during the period, the adoption of which did not have any material impact on Company's condensed interim financial statements other than IFRS 16 "Leases". The impact of adoption of IFRS 16 is described below:

IFRS 16 - Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on statement of financial position model.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of October 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Accordingly the information presented for prior years has not been restated. The Company elected to use the transition practical expedient allowing the standard to be applied only to lease contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases').

The new accounting policy in respect of leases is disclosed in note 4.1 to these financial statements. The impact of adoption of IFRS 16 as at October 01, 2019 is summarised below:

	Vehicles	Farms	Total
Assets		Rupees	
Operating fixed assets - leased	(73,528,534)	-	(73,528,534)
Right-of-use assets	73,528,534	18,624,311	92,152,845
Trade deposits and short-term prepayments	-	(5,230,916)	(5,230,916)
	-	**13,393,395**	**13,393,395**

	Vehicles	Farms	Total
Liabilities		Rupees	
Liabilities against assets subject to finance leases	(30,365,193)	-	(30,365,193)
Lease liabilities	30,365,193	13,393,395	43,758,588
	-	**13,393,395**	**13,393,395**

In respect of vehicles, as before the adoption of IFRS 16, the leases were classified as finance lease applyingIAS 17. The carrying amount of right-of-use assets and lease liabilities were recognised at an amount equal to the carrying amount of operating fixed assets - leased and liabilities against assets subject to finance lease respectively, immediately before October 01, 2019 measured applying IAS 17.

Therefore, upon first time application of IFRS 16, there is no material impact with respect to recognition and measurement of leased assets (now right-of-use assets) and liabilities against assets subject to finance leases (now lease liabilities).

In respect of farms, the right-of-use assets were recognised based on the amount equal to the lease liabilities adjusted for related prepayments. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The Company did not have any sub-lease as at October 01, 2019.

The lease liabilities as at October 01, 2019 can be reconciled to the operating lease commitments as at September 30, 2019 as follows:

	Rupees
Operating lease commitments as at September 30, 2019	15,687,000
Impact of discounting	(2,118,845)
Short-term leases	(174,760)
Total lease liability as at October 01, 2019	13,393,395
Average incremental borrowing rate as at October 01, 2019	14.00%

4.1 Summary of new accounting policies

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of rightof-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated using straight line method. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments represent fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees whereever applicable. Wherever applicable, the lease payments may also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the commencement date of the lease if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

5.1 The preparation of condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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 for significant judgement in determining the lease term of contracts with renewal options as stated in note 4 above.

5.2 The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended September 30, 2019.

6. SEASONALITY OF OPERATIONS

The Company's production process is seasonal in nature because of the cultivation and reaping of sugarcane due to which production is carried out in the first half of the financial year.

	Un-audited June 30, 2020	Audited Sep 30, 2019
7. PROPERTY, PLANT AND EQUIPMENT		
7.1 OPERATING FIXED ASSETS		
Opening written down value	**1,991,424,880**	2,064,524,860
Additions during the period	**255,937,351**	178,287,639
	2,247,362,231	2,242,812,499
Written down value of disposal during the period	**3,701,070**	6,985,466
	2,243,661,161	2,235,827,033
Depreciation charged during the period	**115,543,009**	170,873,619
	2,128,118,152	2,064,953,414
7.2 CAPITAL WORK-IN-PROGRESS		
Buildings - Civil Works	**21,470,856**	29,555,922
Plant & Machinery	**59,534,406**	96,174,032
	81,005,262	125,729,954

		Un-audited June 30, 2020	Audited Sep 30, 2019
8. LONG TERM INVESTMENT			
Subsidiary			
Mehran Energy Limited	8.1	**40,000,000**	40,000,000
Advance against right issue of shares		**2,398,289**	2,199,839
		42,398,289	42,199,839
Associates			
Unicol Limited	8.2	**1,165,578,263**	1,176,986,929
UniEnergy Limited	8.3	**19,772,636**	19,852,179
Unifood Industries Limited	8.4	**96,421,457**	123,335,715
		1,281,772,356	1,320,174,823
		1,324,170,645	1,362,374,662

8.1 The Company holds 4,000,000 (Sep 30, 2019: 4,000,000) shares representing 100 (Sep 30, 2019: 100) percent of the total equity of Mehran Energy Limited.

8.2 The Company holds 49,999,997 (Sep 30, 2019: 49,999,997) shares representing 33.33 (Sep 30, 2019: 33.33) percent of the total equity of Unicol Limited.

8.3 The Company holds 1,999,998 (Sep 30, 2019: 1,999,998) shares representing 20 (Sep 30, 2019: 20) percent of the total equity of UniEnergy Limited.

8.4 The Company holds 30,574,560 (Sep 30, 2019: 23,959,200) shares representing 24 (Sep 30, 2019: 24) percent of the total equity of Uni foods Limited.

9. CONTINGENCIES & COMMITMENTS

CONTINGENCIES

There is no significant change in the contingencies since the last audited annual financial statements for the year ended September 30, 2019.

COMMITMENTS

	Un-audited June 30, 2020	Audited Sep 30, 2019
Capital commitments	**14,954,264**	149,552,483
Commitments in respect of operating lease rentals for farms	**-**	15,687,000
Commitments in respect of lease liabilities	**33,142,993**	30,365,193

10. WORKING CAPITAL CHANGES

	Un-audited June 30, 2020	Un-audited June 30, 2019
(Increase) / decrease in current assets		
Biological Assets	**9,497,448**	909,517
Stores, Spares, packing material and lubricants	**(7,973,401)**	(816,193)
Stock-in-trade	**(217,046,511)**	(996,910,928)
Trade debts	**(24,068,542)**	(223,729,751)
Loans and advances	**56,125,456**	(9,511,964)
Trade deposits and short term prepayments	**(133,000)**	(3,583,279)
Other receivables	**12,911,444**	269,559,465
	(170,687,106)	(964,083,133)
(Increase) / decrease in current assets		
Trade and other payables	**(389,143,464)**	178,903,343
Sales tax payable	**20,940,142**	1,859,372
	(368,203,322)	180,762,715
	(538,890,428)	(783,320,418)

11. TRANSACTIONS WITH RELATED PARTIES

	Un-audited June 30, 2020	Un-audited June 30, 2019
Associates		
Investment made during the period	**66,153,600**	71,592,000
Sales	**542,864,996**	399,004,824
Expenses shared	**828,523**	835,937
Donation	**9,000,000**	24,470,000
Retirment benefits Plan		
Provident fund contribution	**6,842,492**	6,863,392

12. GENERAL

These financial statements were authorized for issue on July 29, 2020 by the Board of Directors of the Company.

Previous period figures have been rearranged / regrouped wherever necessary to facilitate comparison.

Figures have been rounded off to the nearest rupee.

Chief Executive Officer | Chief Financial Officer | Managing Director

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