



Quarterly
FINANCIAL
STATEMENTS
For the Period Ended
June 30,
2022

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Company Profile

DATE OF INCORPORATION

August 23, 1989

DATE OF COMMENCEMENT OF BUSINESS

September 13, 1989

BOARD OF DIRECTORS

Mr. Faraz Mubeen Jumani
(Chief Executive Officer)
Mr. Muhammad Mubeen Jumani
Mr. Fahad Mubeen Jumani
Mrs. Qamar Mubeen Jumani
(Chairperson)
Miss. Arisha Mubeen Jumani
Lt. Gen (Retd). Tahir Mahmud Qazi
Mr. Asif Khan Brohi

CHIEF FINANCIAL OFFICER

Mr. Mirza Muhammad Bilal Kamil

COMPANY SECRETARY

Mr. Shoaibul Haque

BANKERS

National Bank of Pakistan
Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited
MCB Bank Limited
United Bank Limited
Allied Bank Limited
Bank Al Falah Limited
Habib Bank Limited
JS Bank Limited
Bank AL Habib Limited

STATUTORY AUDITORS

M/S. Reanda Haroon Zakaria & Company
Chartered Accountants
M-1-M4, Mezzanine Floor, Progressive Plaza,
Plot No. 5 CL - 10, Civil Lines Quarter,
Beaumont Road, Near Dawood Centre,
Karachi - 75530 PAKISTAN.

AUDIT COMMITTEE

Mr. Asif Khan Brohi
(Chairman)
Lt. Gen (Retd). Tahir Mahmud Qazi
(Member)
Mrs. Qamar Mubeen Jumani
(Member)

HR AND REMUNERATION COMMITTEE

Mr. Asif Khan Brohi
(Chairman)
Lt. Gen (Retd). Tahir Mahmud Qazi
(Member)
Mr. Muhammad Mubeen Jumani
(Member)

LEGAL ADVISOR

Asad Ali Riar (Advocate)
Suite No 17-18, Farid Chambers, 2nd Floor,
Abdullah Haroon Road, Karachi.

COST AUDITOR

M/S A. D. Akhawala & Co.
Chartered Accountant
321-Uni Centre, I.I. Chundrigar Road, Karachi.

SHARES REGISTERAR

M/S. C & K Management Associates (Pvt.) Limited
404, Trade Tower, Abdullah Haroon Road,
Near Metropole Hotel, Karachi.

REGISTERED OFFICE

51/II/IV, Khayaban-e-Janbaz, 26th Street,
Phase V Ext., D.H.A., Karachi.
Ph: 021-35250131-35
Fax: 021-35250136

MILLS

Naroo Dhoro, Taluka Kot Diji, Khairpur.

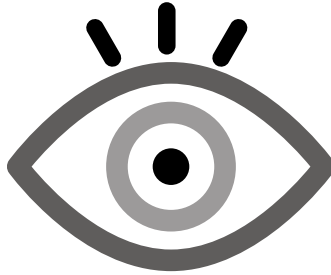
E-MAIL & WEBSITE

headoffice@jumanigroup.com
<http://khaipur-sugar.com.pk>

STOCK EXCHANGE SYMBOL

KPUS

Vision



We aim to be a leading manufacturer of quality sugar, and other allied products and its supplier in local and international markets. We aspire to be known for the quality of our products and intend to play a pivotal role in the economic and social development of Pakistan.

Mission



As a prominent producer of sugar, and other allied products, we shall continue to strive to achieve excellence in performance and aim to exceed the expectations of all stakeholders. We target to achieve technological advancements to inculcate the most efficient, ethical and time tested business practices in our management.

Directors' Report

Dear Members,

On behalf of the Board of Directors, it is my privilege to present before you, the Nine Month condensed un-audited accounts for the period ended 30th June, 2022.

FINANCIAL RESULTS

	30-06-2022	30-06-2021
	Rupees in '000	
Profit before Taxation	367,468	151,580
Taxation	(48,653)	(35,243)
Profit after Taxation	318,815	116,337
	<hr/> <hr/>	<hr/> <hr/>
Earnings per Share	19.93	7.27

PERFORMANCE REVIEW

The operating results for the crushing season is mentioned here under:

	SEASON 2020-2021	SEASON 2020-2022
Season Started	13-11-2021	05-11-2020
Season Ended	28-03-2022	06-03-2021
Number of days worked	136	122
Sugarcane Crushing (MT)	791,716.140	573,858.360
Recovery (%) Sugar	10.467	9.983
Recovery (%) Molasses	5.116	4.942
Production – Sugar (MT)	82,865.00	57,294.00
Production – Molasses (MT)	40,504.00	28,361.00

The crushing season 2021-22 started on 13th November 2021 and ends on March 28, 2022. During the season 2021-22 your company has crushed 791,716.140 M.T Sugar-cane by producing 82,865.00 M.T Sugar with average recovery of 10.467% in 136 days, as compared to crushing of 573,858.360 M.T Sugar-cane and produced 57,294 M.T Sugar with average recovery of 9.983% in 122 days in corresponding period of last year/season 2020-21.

Government of Sindh (Agriculture Supply & Prices Department) has issued a notification fixing the minimum sugarcane support price at Rs.250/= (Rupees Two hundred and two) per 40 kg (Mds) for crushing season 2021-22. Due to which growers are getting more than the previous year and fair return of their efforts. Sugar prices dropped significantly at the start of the crushing season. Similarly, the prices of molasses are also decreasing as compared to the last year. Further combining the same with the increase in Kibor rates over the period of time by the SBP 15.75% on June 30, as a result the company is anticipating increase in the overall financing cost. All such factors will play significant role on company's cost. However, due to significant increase in sugar cane harvesting the company was able to maintain the overall cane cost coupled with the increase in recovery rates in the last month of the season and the stability in sugar prices achieved after the season. All these factors have the positive bearing on the operation of the company due to which your company is anticipating to close the next financial year with decent profitability.

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:

- | | | |
|----|---------|---|
| a. | Male: | 5 |
| b. | Female: | 2 |

2. The composition of board is as follows:

- | | | |
|----|------------------------------|---|
| a) | Independent Directors | Lt. Gen (Rtd). Tahir Mahmud Qazi
Mr. Asif Khan Brohi |
| b) | Other Non-executive Director | Mr. Fahad Mubeen Jumani
Mrs. Qamar Mubeen Jumani
Miss. Arisha Mubeen Jumani |
| c) | Executive Directors | Mr. Muhammad Mubeen Jumani
Mr. Faraz Mubeen Jumani |
| d) | Female Directors | Mrs. Qamar Mubeen Jumani
Miss. Arisha Mubeen Jumani |

3. The board has formed committees comprising of members given below:

- | | | |
|----|----------------------------------|----------|
| a) | Audit Committee | |
| | Mr. Asif Khan Brohi | Chairman |
| | Lt. Gen Tahir Mahmud Qazi | Member |
| | Mrs. Qamar Mubeen Jumani | Member |
| b) | HR and Remuneration Committee | |
| | Mr. Asif Khan Brohi | Chairman |
| | Lt. Gen (Retd) Tahir Mahmud Qazi | Member |
| | Mr. Muhammad Mubeen Jumani | Member |

In the end, I would like to place on record the sincere efforts and hard work put up by workers, staff and officers of the company.

For and on behalf of the Board



Faraz Mubeen Jumani
Chief Executive



Muhammad Mubeen Jumani
Director

Condensed Interim Statement of Financial Position (Un-audited)

As at June 30, 2022

		June 30 2022 (Unaudited)	September 30 2021 (Audited)
<u>ASSETS</u>	Note	-----Rupees in 000's-----	
<u>Non-Current Assets</u>			
Property, Plant and Equipment	5	3,247,304	3,255,511
Intangible Assets		5,992	5,992
Long Term deposits		2,769	3,232
		3,256,065	3,264,735
<u>CURRENT ASSETS</u>			
Stores & spare and loose tools		158,646	144,468
Stock in Trade		2,137,613	940,159
Loans and Advances		703,879	532,909
Deposits, prepayments and other receivables		230,243	231,244
Cash and bank balances		86,058	92,724
		3,316,439	1,941,504
TOTAL ASSETS		6,572,504	5,206,239
<u>EQUITY AND LIABILITIES</u>			
Authorised share capital 20,000,000 ordinary shares of Rs. 10/- each		200,000	200,000
Issued, subscribed and paidup capital		160,175	160,175
Surplus on revaluation of fixed assets-net		1,225,063	1,249,129
Accumulated Profit		496,657	153,776
SHAREHOLDER'S EQUITY		1,881,895	1,563,080
<u>NON-CURRENT LIABILITIES</u>			
Long Term Financing		991,908	949,127
Deferred Grant		4,542	9,707
Liabilities against asset subject to finance lease		6,187	1,420
Deferred Liability		262,181	274,525
		1,264,818	1,234,779
<u>CURRENT LIABILITIES</u>			
Short term borrowing		1,892,567	1,729,323
Current portion of liabilities against assets subject to finance lease		-	6,558
Current portion of Long Term Loan		53,782	69,532
Trade & other payables		1,368,336	551,634
Provision for taxation		65,283	14,464
Accrued Markup		45,823	36,869
		3,425,791	2,408,380
CONTINGENCIES	7		
Total Equity and Liabilities		6,572,504	5,206,239

The annexed notes from 1 to 10 form an integral part of these interim financial statements.



Faraz Mubeen Jumani
Chief Executive



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

**Condensed Interim Statement of Profit or Loss
 Account and other Comprehensive Income (Un-audited)
 For the Nine Month ended June 30, 2022**

	<i>Nine Month</i>		<i>Third Quarter</i>	
	<i>June 30 2022</i>	<i>June 30 2021</i>	<i>June 30 2022</i>	<i>June 30 2021</i>
	-----Rupees in 000's-----			
Sales - net	5,405,606	3,840,854	1,313,195	1,466,561
Cost of Sales	(4,571,333)	(3,292,134)	(1,109,645)	(1,264,824)
Gross Profit	834,273	548,720	203,550	201,737
Administrative Expenses	(249,618)	(160,079)	(106,230)	(62,865)
Other Operating Expenses	(829)	-	-	-
Distribution Expense	(18,590)	(13,455)	(58)	(389)
	(269,037)	(173,534)	(106,288)	(63,254)
Operating Profit	565,237	375,186	97,262	138,483
Other Income	4,817	4,006	2,909	24
	570,053	379,192	100,171	138,507
Financial charges	(202,585)	(227,612)	(72,612)	(87,836)
Profit before Taxation	367,468	151,580	27,559	50,671
Taxation				
Current	(65,018)	(35,243)	(15,522)	18,190
Deferred	16,364	-	11,807	-
Profit after Taxation	318,815	116,337	23,844	68,861
Other comprehensive income	-	-	-	-
Total comprehensive profit for the period	318,815	116,337	23,844	68,861
Earnings per share-basic and diluted	19.93	7.27	1.49	4.30

The annexed notes from 1 to 10 form an integral part of these interim financial statements.



Faraz Mubeen Jumani
 Chief Executive



Mirza Muhammad Bilal Kamil
 Chief Financial Officer



Muhammad Mubeen Jumani
 Director

Condensed Interim Statement of Changes in Equity (Unaudited)

For the Nine Month ended June 30, 2022

	<i>Issued, subscribed & paid-up capital</i>	<i>Capital Reserve Surplus on revaluation of fixed assts</i>	<i>Revenue Reserve - Accumulated Profit</i>	<i>Total</i>
	-----Rupees in 000's-----			
Balance as at September 30, 2020	160,175	656,590	140,698	957,463
Total comprehensive income for the period ended June 30, 2021				
- Profit for the period	-	-	116,337	116,337
- Other comprehensive income for the period	-	-	-	-
	-	-	116,337	116,337
Transfer on account of incremental depreciation-net of deferred tax	-	(18,378)	18,378	-
Balance as at June 30, 2021	160,175	638,212	275,413	1,073,800
Balance as at September 30, 2021	160,175	1,249,129	153,776	1,563,080
Revaluation during the period - net off deferred tax		-		
Total comprehensive income for the period ended June 30 2022				
- Profit for the period	-	-	318,815	318,815
- Other comprehensive income for the period	-	-	-	-
	-	-	318,815	318,815
Transfer on account of incremental depreciation-net of deferred tax	-	(24,066)	24,066	-
Balance as at June 30, 2022	160,175	1,225,063	496,657	1,881,895

The annexed notes from 1 to 10 form an integral part of these interim financial statements.



Faraz Mubeen Jumani
Chief Executive



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

Condensed Interim Statement of Cash Flow Statement (Unaudited)

For the Nine Month ended June 30, 2022

	June 30 2022 (Unaudited)	June 30 2021 (Unaudited)
----- Rupees in '000 -----		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before taxation	367,468	151,580
Adjustments for:		
- Financial cost	133,336	159,407
- Depreciation	112,882	80,327
- Amortization of interest free loan	69,249	63,097
	315,467	302,831
Working capital changes:		
Stock in trade	(14,178)	28,144
Loans and advances - Considered good	(1,197,454)	(1,051,697)
Deposits, prepayments and other receivables	(170,970)	(81,923)
Trade and other payables	1,001	(1,829)
	816,702	331,976
	(564,899)	(775,329)
	118,036	(320,918)
Taxes paid - net	(9,347)	(48,823)
Financial charges paid	(123,587)	(140,479)
	(132,934)	(189,302)
Net cash (used in) operating activities	(14,898)	(510,220)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(99,910)	(66,359)
Long term deposits	463	747
Capital work-in-progress	(6,525)	(23,005)
Net cash (used in) investing activities	(105,972)	(88,617)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowing	163,244	951,957
Proceeds from Long term borrowing	(47,250)	(3,281)
Repayment of Staff Gratuity	-	(949)
Repayment of lease rentals	(1,791)	3,553
Net cash generated from financing activities	114,203	951,280
Net decrease in cash and cash equivalents	(6,666)	352,443
Cash and cash equivalent at beginning of the period	92,724	50,373
Cash and cash equivalent at end of the period	86,058	402,816

The annexed notes from 1 to 10 form an integral part of these interim financial statements.



Notes to the Condensed Interim Financial Statements (Unaudited)

For the Nine Month ended June 30, 2022

1. NATURE AND STATUS OF BUSINESS

The Company was incorporated in Pakistan on August 23, 1989 as a public limited company under the Companies Ordinance, 1984 (The Ordinance). The company is listed on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange). The registered office of the Company is situated at 51/II/IV, Khayaban-e-Janbaz, 26th Street, Phase V Ext., D.H.A., Karachi.

The principal activity of the Company is the manufacture and sale of sugar and by products.

2. BASIS OF PREPARATION

This condensed interim financial statements is unaudited and has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting which comprise of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of, and directives issued under the Companies Act 2017; in case, where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Companies Act 2017 (the act). In cases where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the act shall prevail.

This condensed interim financial statements does not include all the information required for full annual statements and should be read in conjunction with the audited financial statements of the company as at and for the year ended September 30, 2021.

These condensed interim financial statements are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

The comparative balance sheet presented in these interim financial statements has been extracted from the audited financial statements of the Company for the year ended September 30, 2021, whereas the comparative profit and loss account, statement of changes in equity, statement of comprehensive income and cash flow statement are extracted from the unaudited interim financial statements for the Third quarter ended June 30, 2022.

2.1 Functional and Presentation Currency

These condensed interim financial statements are prepared in Pakistani Rupees which is also the Company's functional currency and all the numbers presented have been rounded off to the nearest

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the company as at and for the year ended September 30, 2021. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the company's operations and did not have any impact on the accounting policies of the company.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts. Actual results may differ from these estimates, assumptions and judgments. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2021.

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, 2021.

Notes to the Condensed Interim Financial Statements (Unaudited)

For the Nine Month ended June 30, 2022

		<i>Un-audited</i> June 30, 2022	<i>Audited</i> September 30, 2021
		<i>Note ----- Rupees in '000 -----</i>	
5.	PROPERTY, PLANT & EQUIPMENT		
	Written down value at 1 October	3,207,084	2,278,461
	Additions	5.1 99,910	223,811
	Disposals	(1,761)	-
	Revaluation	-	820,061
	Depreciation	<u>(112,882)</u>	<u>(115,249)</u>
		3,192,351	3,207,084
	Capital work in progress	<u>54,952</u>	<u>48,427</u>
		<u>3,247,303</u>	<u>3,255,511</u>
		<i>Un-audited</i> June 30, 2022	<i>Audited</i> September 30, 2021
		<i>Note ----- Rupees in '000 -----</i>	
5.1	Additions		
	Building on freehold land	-	5,175
	Plant and machinery	66,359	201,014
	Office equipment	1,956	12,117
	Factory equipment	729	2,045
	Furniture & fixture	11,508	3,145
	Right of use assets	9,875	-
	Vehicle	<u>9,483</u>	<u>315</u>
		<u>99,910</u>	<u>223,811</u>
6.	SHORT TERM BORROWINGS		
	<i>From Related parties - Unsecured</i>		
	- From directors & associates	102,567	285,023
	<i>From banking company - Secured</i>		
	- Cash finance	6.1 1,790,000	1,444,300
		<u>1,892,567</u>	<u>1,729,323</u>



Notes to the Condensed Interim Financial Statements (Unaudited)

For the Nine Month ended June 30, 2022

7 CONTINGENCIES AND COMMITMENTS

As at June 30, 2022, there is no material change in the status of matters reported as contingencies and commitments in the notes to financial statements of the company for the year ending 30 September 2021.

8 SEASONALITY OF OPERATIONS

The Sugar Industry are operating on seasonal basis normally from November to March. Therefore all major production cost other than fixed cost, for example cost of goods manufactured, stock and short term finances being reflected to be high in this period.

9 DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on **July 28, 2022** by the Board of Directors of the Company.

10 GENERAL

Figures have been rounded off to the nearest thousand rupees.



Faraz Mubeen Jumani
Chief Executive



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director



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