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DEWAN SUGAR MILLS LIMITED

COMPANY INFORMATION

EXECUTIVE DIRECTORS

Zeeshan Ashraf - Chief Executive Officer
Ghazanfar Baber Siddiqui

NON-EXECUTIVE DIRECTORS

Abdul Basit - Chairman Board of Director
Syed Maqbool Ali
Nida Jamil
Muhammad Ashraf

INDEPENDENT DIRECTOR

Aziz-ul-Haque

COMPANY SECRETARY

Muhammad Hanif German

CHIEF FINANCIAL OFFICER

Muhammad Ilyas Abdul Sattar

AUDITORS

Feroze Sharif Tariq & Co. - Chartered Accountants

COST AUDITORS

UHY Hassan Naeem & Co.

TAX ADVISOR

Sharif & Company - Advocates

LEGAL ADVISOR

A.K. Brohi & Company Advocates

AUDIT COMMITTEE

Aziz-ul-Haque	Chairman
Abdul Basit	Member
Syed Maqbool Ali	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE MEMBERS

Aziz-ul-Haque	Chairman
Abdul Basit	Member
Ghazanfar Baber Siddiqui	Member

BANKERS

National Bank of Pakistan	MCB Bank Limited
Summit Bank Limited	Meezan Bank Limited
Habib Bank Limited	Bank of Punjab Limited
Standard Chartered Bank Limited	Dubai Islamic Bank
Bank of Khyber Limited	Bank Islami Pakistan Limited

REGISTERED OFFICE:

Dewan Centre, 3-A Lalazar, Beach Hotel
Road, Karachi-74000, Pakistan.

CORPORATE OFFICE

Block-A, 2nd Floor
Finance & Trade Centre
Shahrah-e-Faisal, Karachi, Pakistan.

SHARE REGISTRAR / TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited
Annum Estate Building, Room No. 310 & 311,
3rd Floor, 49, Darul Aman Society.
Main Shahrah-e-Faisal, Adjacent Baloch Colony,
Karachi, Pakistan.

FACTORY

Jillaniabad, Budho Talpur,
Taluka: Mirpur Bathoro
District: Sujawal Sindh, Pakistan.

WEBSITE

www.yousufdewan.com



DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL
IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

Your directors take pleasure in presenting you the unaudited condensed interim financial information of the Company for the period ended June 30, 2022.

Financial Results.

During the period under consideration, the financial results brief summary is as under: -

	June 30, 2022 (Rs. In Million)	June 30, 2021 (Rs. In Million)
Net Sales	7,349.987	4,460.995
Gross (Loss)	193.174	496.651
(Net Loss) after tax	597.090	664.163

Performance Review

Sugar Segment

The plant started its crushing on 2nd December, 2021 and operated (99 days) till 30th March 2022 as compared to last year plant operated for 84 days. During the current season plant crushed 489,240 Metric tons of sugar cane producing 50,789.6 Metric Tons White refined sugar with average sucrose recovery of 10.41% as compared to last period plant managed to crush 340,759 tons of sugar cane with average sucrose recovery of 9.97% and refined sugar production of 33,936 tons. This approximately 50% increase in production from previous year apparently show improvement in crushing as well as enhancement in sucrose recovery. Despite this effort Company could not take the benefit because of higher raw material cost. Further better result could be achieved with the help of working capital and pledge facilities from financial institution.

During the period sugar segment suffered operating loss of Rs.531.80 million as compared to Rs.565.83 million in the corresponding period. The reason of this loss was higher raw material cost and less crushing capacity utilization because of non availability of bank financial limits.

Distillery Segment

Distillery unit produced 23,498 tons of Alcohol during the period under review as compared to 18,219 tons of Alcohol produced during the corresponding period. This period operating profit of distillery unit was Rs. 184.33 million as against operating loss of Rs. 43.82 million in previous period.

DEWAN SUGAR MILLS LIMITED

Chip Board Polypropylene Segment

Chip Board plant has produced 81,160 sheets during the period under review as against last period 155,520 sheets produced. Management is focused on producing value added products and “A” quality sheets, which are well accepted in market. We are confident that from coming year we bring out this segment from losses to reasonable profit.

Polypropylene unit is already out of production because of working capital constraints.

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Ar-Rahim, in the name of our beloved Prophet Muhammad (peace be upon him) for the continued showering of his blessings, guidance, strength, health, and prosperity to us, our company, country and nation; and also pray to Almighty Allah to bestow peace, harmony, brotherhood, and unity in true Islamic spirit to whole of the Muslim Ummah; Ameen; Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

By and under Authority of the Board of Directors



Zeeshan Ashraf
Chief Executive Officer



Abdul Basit
Chairman Board of Directors

Place : Karachi
Date : July 28, 2022



A YOUSUF DEWAN COMPANY

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
FOR THE NINE MONTH ENDED JUNE 30, 2022**

		(Un-Audited) Jun-2022	(Audited) Sep-2021
	Notes	(Rupees in '000')	
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	6,440,687	6,866,133
CURRENT ASSETS			
Stores, Spares and Loose Tools		172,513	154,982
Stock-in-Trade		1,911,791	1,336,763
Trade Debts - Unsecured, Considered Good		72,725	14,219
Loans and Advances and Other Receivable - Unsecured, Considered Good		266,668	219,810
Trade Deposits, Short-Term Prepayments and Current Balances with Statutory Authorities		6,713	10,317
Income Tax Refunds and Advances		86,968	121,222
Short Term Investment - Related Party	7	-	-
Cash and Bank Balances		5,687	60,225
		<u>2,523,065</u>	<u>1,917,538</u>
		<u>8,963,752</u>	<u>8,783,671</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital			
1,300,000,000 (Sept 2021: 1,300,000,000) Ordinary shares of Rs.10/- each		1,300,000	1,300,000
Issued, Subscribed and Paid-up Capital		915,120	915,120
Reserves and Surplus		(4,514,769)	(4,161,662)
Surplus on Revaluation of Property, Plant & Equipment(Net)		3,588,849	3,832,831
		<u>(10,800)</u>	<u>586,289</u>
NON-CURRENT LIABILITIES			
Sponsors Loan - Unsecured	8	447,926	416,226
Long Term Finance (Secured)	9	-	-
Long Term Interest Payable	10	-	-
Deferred Liabilities	11	1,028,160	1,127,825
CURRENT LIABILITIES			
Trade and Other Payables - Unsecured		4,404,548	3,586,929
Interest, Profit, Mark-up Accrued on Loans and Other Payables		12,010	12,010
Short Term Finances - Secured	12	270,282	235,893
Unclaimed Dividends		770	770
Current Portion of Non-Current Liabilities	9 & 10	2,632,929	2,632,929
Provision for Taxation		177,927	184,800
		<u>7,498,466</u>	<u>6,653,331</u>
CONTINGENCIES & COMMITMENTS	13	-	-
		<u>8,963,752</u>	<u>8,783,671</u>

The annexed notes form an integral part of this condensed interim financial information

Zeeshan Ashraf
Chief Executive OfficerMuhammad Ilyas Abdul Sattar
Chief Financial OfficerAbdul Basit
Chairman Board of Directors

DEWAN SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE NINE MONTH ENDED JUNE 30, 2022

	Nine Month Ended		Quarter Ended	
	Jun-22	Jun-21	Jun-22	Jun-21
	(Rupees in '000')			
Sales	7,349,987	4,460,995	1,673,359	473,642
Cost of Sales	(7,543,161)	(4,957,646)	(1,571,323)	(575,761)
Gross (Loss) / Profit	(193,174)	(496,651)	102,036	(102,119)
Administrative and General Expenses	(57,629)	(60,119)	(22,104)	(17,081)
Distribution and Selling Costs	(115,380)	(76,472)	(41,941)	(23,732)
Other Operating Income/(charges)	462	637	166	184
Exchange gain/(Loss)	(209,634)	-	(209,634)	-
(Loss) from Operations	(575,355)	(632,605)	(171,477)	(142,748)
Finance Cost	(32,036)	(29,070)	(10,664)	(9,663)
(Loss) before Income Tax	(607,391)	(661,675)	(182,141)	(152,411)
Taxation	10,301	(2,488)	16,687	12,483
(Loss) for the period (after Income Tax)	(597,090)	(664,163)	(165,455)	(139,928)
(Loss) per Share - Basic	(6.52)	(7.26)	(1.81)	(1.53)

he annexed notes form an integral part of this condensed interim financial information



Zeeshan Ashraf
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTH ENDED JUNE 30, 2022**

	Nine Month Ended		Quarter Ended	
	Jun-22	Jun-21	Jun-22	Jun-21
	(Rupees in '000')			
(Loss) for the Period	(597,090)	(664,163)	(165,455)	(139,928)
Total Comprehensive Income for The Period	<u>(597,090)</u>	<u>(664,163)</u>	<u>(165,455)</u>	<u>(139,928)</u>

The annexed notes form an integral part of this condensed interim financial information

Zeeshan Ashraf
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer

Abdul Basit
Chairman Board of Directors

DEWAN SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTH ENDED JUNE 30, 2022

	Jun-22	Jun-21
	(Rupees in '000')	
Cash Flow from Operating Activities		
(Loss) Before Taxation	(607,391)	(661,675)
Adjustment for Non-Cash and Other Items:		
Depreciation	432,785	265,786
Financial Charges	32,036	29,070
	464,821	294,856
	(142,570)	(366,819)
Changes in Operating Assets and Liabilities		
<i>(Increase) / Decrease in Current Assets</i>		
Stores and Spares	(17,531)	7,624
Stock in Trade	(575,028)	(1,460,701)
Trade Debts	(58,506)	1,683
Loans and Advances	(46,858)	339,440
Trade Deposits, Prepayments & Other Balances	3,603	2,490
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	817,619	1,465,475
Short Term Finances	34,389	50,688
	157,688	406,699
Taxes Paid	(61,971)	(35,860)
Financial Charges Paid	(335)	(200)
Gratuity Paid	(10)	(2)
	(62,316)	(36,062)
Net Cash Flows from Operating Activities	(47,198)	3,818
Cash Flow from Investing Activities		
Fixed Capital Expenditure	(7,340)	(1,729)
Net Cash Out Flows from Investing Activities	(7,340)	(1,729)
Cash Flow from Financing Activities		
Murabaha Payment	--	(1,278)
Lease Finance	--	(1,328)
Net Cash Out Flows from Financing Activities	--	(2,606)
Net (Decrease)/ Increase in Cash and Bank Balances	(54,538)	(517)
Cash and Bank Balances at Beginning of the Period	60,225	33,330
Cash and Bank Balances at the End of the Period	5,687	32,813

The annexed notes form an integral part of this condensed interim financial information



Zeeshan Ashraf
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTH ENDED JUNE 30, 2022**

	Issued, Subscribed & Paid-up Capital	General Reserve	Accumulated Profit/(Loss)	Revaluation Surplus on Property Plant & Equipment	Total
(Rupees in '000')					
Balance as on October 01, 2020	915,120	190,000	(3,738,267)	2,281,085	(352,062)
Loss for the period	--	--	(664,163)	--	(664,163)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment -Net of tax	--	--	135,910	(135,910)	--
Balance as on Jun-30, 2021	<u>915,120</u>	<u>190,000</u>	<u>(4,266,520)</u>	<u>2,145,175</u>	<u>(1,016,225)</u>
Balance as on October 01, 2021	915,120	190,000	(4,351,662)	3,832,831	586,289
Loss for the period	--	--	(597,090)	--	(597,090)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	243,982	(243,982)	--
Balance as on Jun-30, 2022	<u>915,120</u>	<u>190,000</u>	<u>(4,704,769)</u>	<u>3,588,849</u>	<u>(10,800)</u>

The annexed notes form an integral part of this condensed interim financial information

Zeeshan Ashraf
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer

Abdul Basit
Chairman Board of Directors

CONDENSED INTERIM SEGMENTWISE OPERATING RESULTS FOR THE NINE MONTH ENDED JUNE 30, 2022

DEWAN SUGAR MILLS LIMITED

	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	Jun-22	Jun-21	Jun-22	Jun-21	Jun-22	Jun-21	Jun-22	Jun-21	Jun-22	Jun-21
Gross Sales										
Local	4,052,841	2,749,807	-	-	80,700	168,681	231,400	146,046	4,364,940	3,064,534
Exports	-	-	-	-	-	-	3,673,079	1,797,489	3,673,079	1,797,489
	4,052,841	2,749,807	-	-	80,700	168,681	3,904,479	1,943,535	8,038,019	4,862,022
Sales Commission	-	-	-	-	-	-	19,508	9,620	19,508	9,620
Sales Tax	623,564	346,138	-	-	13,450	28,006	31,510	17,264	668,524	391,408
	623,564	346,138	-	-	13,450	28,006	51,018	26,884	688,032	401,028
Net Sales	3,429,277	2,403,669	-	-	67,250	140,675	3,853,461	1,916,651	7,349,987	4,460,995
COST OF SALES	3,930,200	2,929,207	5,279	3,283	80,526	160,352	3,527,155	1,864,805	7,543,161	4,957,646
Gross Profit / Loss	(500,923)	(525,538)	(5,279)	(3,283)	(13,276)	(19,677)	326,306	51,846	(193,174)	(496,651)
Administrative Expenses	28,528	38,866	65	73	95	561	28,941	20,619	57,629	60,119
Selling and Distribution Costs	2,349	1,428	-	-	-	-	113,031	75,044	115,380	76,472
	30,877	40,294	65	73	95	561	141,972	95,663	173,009	136,591
Segment Results	(531,800)	(565,832)	(5,344)	(3,356)	(13,371)	(20,238)	184,333	(43,817)	(366,183)	(633,243)

(Rupees in '000')



Zeeshan Ashraf
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



NOTES TO THE CONDENSED INTERIM ACCOUNTS (UN-AUDITED) FOR THE NINE MONTH ENDED JUNE 30, 2022

1 CORPORATE INFORMATION

Dewan Sugar Mills Limited (the Company) was incorporated in Pakistan, as a public limited company on June 27, 1982, under the Companies Act, 1913 (Now the Companies Act 2017 and its shares are listed in Pakistan Stock Exchange Guarantee Limited. The Principal activity of the Company is production and sale of white crystalline refined sugar, processing and trading of by-products, and other related activities and allied products. Further, The Company's Poly propylene unit is still non operative since 2016.

The geographical Location and address of the company's business units, including mill/plant are as under:

The Company consist of Four units namely

1. sugar Unit, 2. Distillery unit, 3. Board and Penal unit and 4. Poly propylene unit (operation closed since 2016)

The registered office of the company is situated at Dewan Centre, 3-A, Lalazar, Beach Hotel Road, Karachi-74000, Pakistan; while its all four units manufacturing facilities are located at Jillaniabad, Budho Talpur, Taluka: Mirpur Bathoro, District: Thatta, Sindh, Pakistan.

1.1 GOING CONCERN ASSUMPTION

The condensed financial interim information of the company for the quarter ended June 30, 2022 incurred a net loss after taxation of Rs.597 million (June 30, 2021 664 million) and as of that date company's negative reserves of Rs.4,515 million (September 30, 2021 Rs. 4,162) million and its current liabilities exceeded its current assets by Rs.4,975 million (September 30, 2021: Rs. 4,736) million. Further the company's short term borrowing facilities amounting Rs.192.196 million have been expired and not been renewed by the lenders. The company defaulted in repayment of its restructured long term loan due to liquidity crunch, hence as per clause 10.2 of the compromise agreement entire restructured liabilities along with markup eligible for waiver have become immediately repayable. These conditions along with other matters indicate the existence of material uncertainty which may cast significant doubt about company's ability to continue as going concern, therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The going concern assumption used in preparation of these financial statements is largely depended on the acceptance of restructuring proposal by the lenders which is hopefully on final stage as per company.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This financial information includes the following: -

Balance Sheet as at June 30, 2022 with comparative Balance Sheet as at September 30, 2021.

DEWAN SUGAR MILLS LIMITED

Profit and Loss Account and Comprehensive Income for the Quarter & Nine Months ended June 30, 2022 with comparable Profit and Loss account and Comprehensive Income for the comparable interim period i.e., Quarter & nine Months ended June 30, 2021.

Cash flow statements and the statement of changes in equity cumulatively for the nine-month ended June 30, 2022 with a comparable nine months ended June 30, 2021.

3 BASIS OF PRESENTATION

3.1 These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended September 30, 2021.

3.2 Basis of Measurement

The financial statements have primarily been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the fixed assets which are on revalued amount in note 6 to the financial statements, financial assets and liabilities which are carried at their fair values. Further, accrual basis of accounting is followed except for cash flow information.

4 ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies which were applied in the preparation of the annual financial statements of the Company for the year ended September 30, 2021.

4.1 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 period ended March 31, 2022.

(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, 2021. 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.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

5.1 The preparation of this condensed interim financial information 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.

5.2 In preparing this condensed interim financial information, 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, 2021.

5.3 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 31, 2021.



		June 30, 2022	September 30, 2021
	Note	(Rupees in '000')	
6 PROPERTY, PLANT AND EQUIPMENTS			
Operating Property , Plant & Equipment	6.1	6,440,687	6,866,133
Capital work-in-progress	6.2	-	-
		6,440,687	6,866,133
6.1 Written Down Value Opening		6,866,133	4,612,687
Addition during the period		7,340	191,209
Surplus on revaluation		-	2,421,244
Depreciation for the period		(432,785)	(359,007)
		6,440,687	6,866,133
6.2 Capital work-in-progress		-	172,715
Addition during the period		-	16,764
Transfer to Fixed assets		-	(189,479)
		-	-

Fixed capital expenditure during the period amounted to Rs.7.340 Million (September 30, 2021:Rs.18.493million).

7 SHORT TERM INVESTMENT - Related Party

The Company held 13,650,000 including 650,000 bonus shares of Dewan Farooque Motors Ltd., Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship and its ownership interest of 9.84% in investee company. Previously these investment recorded as per prevailing market rate as on balance date and increased decrease in value of shares charged to comprehensive income. Company had changed its accounting policy as per (IAS) requirement and restated its accounts accordingly. Had the policy not been changed the Company's accumulated loss would have been lower by Rs.59.65 million (September 2021 Rs.102.511) million and subsequently equity would have been higher for the same amount.

8 SPONSORS LOAN - UNSECURED

Sponsors Loan	8.1	294,525	271,740
Sponsors Loan obtained for payment of Term Loan	8.2	153,401	144,486
		447,926	416,226
8.1 Sponsors Loan			
Opening Balance Original Loan amount		513,232	513,232
Less Present value adjustment		(241,492)	(268,818)
Add Amortization Discount Charged to P & L		22,785	27,326
		(218,707)	(241,492)
Closing Balance		294,525	271,740

The Sponsors loan had been measured at amortized cost in accordance with International Accounting standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 11.18% per annum. These interest free loans are payable in Lum sum on September 30, 2027.

DEWAN SUGAR MILLS LIMITED

	June 30, 2022	September 30, 2021
Note	(Rupees in '000')	
8.2 Sponsors Loan		
Sponsors Loan obtained for payment of Term Loan	159,648	159,648
Less Present value adjustment	(15,162)	(26,249)
Add Amortization Discount Charged to P & L	8,915	11,087
	(6,247)	(15,162)
Closing Balance	153,401	144,486

This represents unsecured interest free loan payable to sponsor director. This liability has arisen on account of settlement of liabilities of the bank, which were settled by sponsor director. The terms of repayment of loan finalized after restructuring settlement made with the steering committee and payable in lumpsum on September 30, 2027. The amount of loan has been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 8.1% per annum.

9 LONG TERM FINANCE - SECURED

Syndicate Term Finance	9.1	--	--
First National Bank Modarbaha	9.2	--	--
		--	--
9.1 Syndicate Term Finance: Principal opening		2,348,128	2,348,128
Current Maturity			
Less : Overdue installments		2,348,128	2,348,128
		--	--

9.1 This amount represent outstanding balance of rescheduled settled amount as per compromising decree dated February 18, 2011 granted by Honourable High Court of Sindh at Karachi. As per terms 32 quarterly instalments of principal loan ranging from Rs. 57.09 million to Rs. 143.858 million will be payable in ten years with one year grace period with no mark-up through out the repayment period. The repayments of loan had been started from March 30, 2012 and last payment will be made on December 30, 2020

	June 30, 2022	September 30, 2021
	(Rupees in '000')	
9.2 First National Bank Modarba		
Principal amount outstanding	--	--
Less : Repayment	--	--
	--	--

9.2 This amount represents principal outstanding rescheduled amounting Rs.37.525 approved by the management of First National Bank Modaraba on June 15, 2011. Alhamdollilah total amount have been paid off till to date.



		June 30, 2022	September 30, 2021
	Note	(Rupees in '000')	
10 LONG TERM MARK UP PAYABLE			
Mark-up payable on Reschedule Term Finance	10.1	--	--
Mark-up payable (First National Bank Modaraba)	10.2	--	--
		--	--
10.1 Mark-up payable on Reschedule Term Finance : Opening		284,801	284,801
Add Provision during the year		--	--
		284,801	284,801
Current Maturity			
Less : Overdue installments		284,801	284,801
		--	--

This amount represents token mark up of Rs. 425.051 payable to Syndicated (Summit Bank & Other) in 4 equal quarterly installments (33 to 36) million. Company had provided Rs.284.80 million till September, 2018 and stopped providing further markup and approaching to lender for waiver due to current worst situation of industries of the Country specially Sind province. We are hopeful our this request will be oblige.

10.2 Mark-up payable (First National Bank Modaraba): Opening	--	1,133
Add Provision during the year	--	--
	--	1,133
Less :Payment during the year	--	1,133
	--	--

This amount represents token mark up of Rs. 2.525 million payable to First National Bank Moradabad in 4 equal quarterly installments (33 to 36) of Rs.0.631 million. Alhamdollilah total settled mark up have been paid till to date.

11 DEFERRED LIABILITIES			
Deferred Tax Liability for Staff Gratuity (Provision)	11.1	5,549	5,559
Deferred Income Tax Liability		1,022,612	1,122,266
		1,028,160	1,127,825

11.1 The Company discontinued its policy for staff retirement benefits plan for gratuity on March 31, 2007 and provision for all its outstanding liabilities had been made until March 31, 2007. This payable amount was to transfer to provident fund scheme, however the Board of Trustee has amended the said clause and now the Company opted to pay this liability to each employees at the time of their separation from the Company.

DEWAN SUGAR MILLS LIMITED

		June 30, 2022	September 30, 2021
		(Rupees in '000')	
12 SHORT TERM RUNNING FINANCES - SECURED			
Short term running finances - Secured	12.1	192,196	192,196
Book over draft		78,086	43,697
		<u>270,282</u>	<u>235,893</u>

12.1 This amount represent RF facility of Rs.192.196 million sanctioned by the lenders as per Court order / compromising decree. The facility is secured by the way of first charge over current assets of the Company with 20% margin. The mark-up of this facility is 3 month KIBOR plus 0.75% per annum payable quarterly basis. The facility had expired and not renewed by the banks. During the period Company has not provided mark the mark up on the same.

13 CONTINGENCIES & COMMITMENTS

There is no significant changes in the status of contingencies and commitments during the period as those reported in last published financial statements.

14 SEASONAL PRODUCTION

Due to the seasonal availability of sugarcane, the production of sugar is carried out during the period of availability of sugarcane and costs incurred / accrued up to the reporting date have been accounted for. Accordingly, the costs incurred / accrued after the reporting date will be reported in the subsequent unconsolidated condensed interim financial statements.

15 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2020. There have been no changes in any risk management policies since the year end. The carrying values of all financial and non-financial assets and liabilities measured at other than amortized cost in these condensed interim financial approximate their fair values.

16 TRANSACTION WITH RELATED PARTIES

Sale Commission	19,508	16,980
Purchases	8,832	19,931
Sales	5,649	3,869
Provident fund contribution	3,385	4,233
Dewan Mushtaq Trade Ltd Relationship by Common Directorship		

17 DATE OF AUTHORIZATION FOR ISSUE

These Financial Statements were authorized for issue on July 28 , 2022 by the board of directors of the Company.

18 GENERAL

Figures have been rounded off to the nearest thousand rupees. Comparative rearranged, reclassified and restated wherever necessary as per requirement.



Zeeshan Ashraf
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors

DEWAN SUGAR MILLS LIMITED

ڈسٹری کا شعبہ:

زیر جائزہ مدت کے دوران ڈسٹری کے شعبے نے 23,498 ٹن الکحل تیار کیا جس کا موازنہ گزشتہ مدت کے دوران تیار کئے گئے 18,219 ٹن الکحل سے کیا جاسکتا ہے۔ زیر جائزہ مدت میں ڈسٹری پونٹ کا آپریٹنگ منافع 184.33 ملین روپے رہا جس کا موازنہ گزشتہ مدت کے آپریٹنگ خسارہ 43.82 ملین روپے سے کیا جاسکتا ہے۔

چپ بورڈ پولی پروپیلین کا شعبہ:

دوران جائزہ مدت چپ بورڈ پلانٹ نے 81,160 ٹن تیار کیں جس کا موازنہ گزشتہ مدت کی 155,520 ٹن سے کیا جاسکتا ہے۔ انتظامیہ نے اپنی توجہ و پیلو ایڈڈ مصنوعات کی تیاری پر مرکوز کر رکھی ہے اور درجہ A کی ٹن تیار کر کے مسابقت میں سہقت بجانے کے لئے کوشاں ہے۔ ہم پر امید ہیں کہ کمپنی کے اس آپریشن میں مثبت نتائج سامنے آئیں گے۔

پولی پروپیلین پونٹ ورکنگ کمپنیل کی رکاوٹوں کے سبب پہلے پروڈکشن سے باہر ہے۔

اختتام پر اللہ پاک رحمن و رحیم کے حضور سجدہ ریز ہو کر دعا مانگتے ہیں ہمارے نبی سرکارِ دو عالم ﷺ کے وسیلے سے کہ اے اللہ ہماری رہنمائی کرے اور کمپنی قوم اور وطن عزیز کو اپنے حفظ و امان میں رکھے اور بھرپور ترقی کرنے کی توفیق عطا کرے۔ ساتھ ہی اللہ پاک سے دعا مانگتا ہوں کہ امت مسلمہ میں امن، چین اور بھائی چارہ پیدا کرے آمین۔

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے

عبدالباسط

چیرمین بورڈ آف ڈائریکٹرز

ذیشان اشرف

چیف ایگزیکٹو آفیسر

کراچی؛

مورخہ: 28 جولائی 2022ء



ڈائریکٹرز رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

محترم حصص یافتگان،

السلام علیکم،

دیوان شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2022ء کو ختم ہونے والی مدت کے غیر حاسبی مالیاتی گوشوارے پیش کرتے ہوئے نہایت مسرت محسوس کر رہے ہیں۔

مالیاتی نتائج:

زیر جائزہ مدت کے دوران مالیاتی نتائج کا مختصر خلاصہ درج ذیل ہے:

	30 جون 2022ء (ملین)	30 جون 2021ء (ملین)
خالص فروخت	7,349.987	4,460.995
مجموعی (خسارہ)	496.651	591.950
(خالص خسارہ) بعد از ٹیکس	664.163	768.333

کارکردگی کا جائزہ:

شکر کا شعبہ:

پلانٹ نے اپنی کرشنگ کا آغاز مورخہ 2 دسمبر 2021 کو کیا اور (99 دن) یعنی 30 مارچ 2022 تک چلتا رہا جو کہ گزشتہ سال کی اسی مدت کے دوران 84 دن تک چلتا رہا تھا۔ حالیہ مدت کے دوران پلانٹ نے 489,240 میٹرک ٹن گنے کی کرشنگ کی جس سے 50,789.6 میٹرک ٹن سفید ریفائنڈ شکر حاصل ہوئی جس میں سکروڈ کی اوسط ریکوری 10.41 فیصد ہے جبکہ گزشتہ مدت میں پلانٹ نے 340,759 ٹن گنے کی کرشنگ کی جس میں سکروڈ کی اوسط ریکوری 9.97 فیصد تھی اور ریفائنڈ شکر کی پیداوار 33,936 ٹن تھی۔ گزشتہ سال کے مقابلے میں پیداوار میں 50 فیصد کا یہ اضافہ بظاہر کرشنگ میں بہتری اور سکروڈ ریکوری میں اضافہ کو ظاہر کرتا ہے لیکن گنے کی قیمت میں اضافہ کے سبب فائدہ نہیں اٹھایا جاسکا۔ ورکنگ کپیکل اور مالیاتی اداروں کی جانب سے فراہم کی جانے والی سہولیات کی مدد سے مزید بہتر نتائج حاصل کئے جاسکتے تھے۔

دوران مدت شکر کے شعبہ کو مبلغ 531.80 ملین روپے کا آپریٹنگ خسارہ ہوا جو کہ گزشتہ سال کی اسی مدت میں مبلغ 565.83 ملین روپے تھا۔ خسارہ کی وجہ خام مال کی زیادہ لاگت اور کپیکل کی عدم دستیابی اور کرشنگ کی صلاحیت کا کم استعمال تھا۔