

KHAIRPUR SUGAR MILLS LIMITED

**MINUTES OF THE CORPORATE BRIEFING SESSION (CBS) FOR TWO FINANCIAL YEARS
ENDING SEPTEMBER 30, 2020 & SEPTEMBER 30, 2021 OF KHAIRPUR SUGAR MILLS
LIMITED HELD AT ITS REGISTERED OFFICE AT KHAIRPUR HOUSE, 51/II/IV,
KHAYABAN-E-JANBAZ (26TH STREET), PHASE-V EXT., D.H.A., KARACHI ON THURSDAY
24TH MARCH 2022 AT 02:30 PM**

Present:

The following were present with other members/Shareholders in the meeting:

- The Shareholder/Members present wrote their names and folio numbers in the attendance sheet and affixed their signatures.
- The Research Analyst (Mr. Muqees Naeem of Ismail Iqbal Securities) present wrote his name in the attendance sheet and affixed his signature.
- The Officers of the Company, namely – Mr. Mirza Muhammad Bilal Kamil - Chief Financial Officer, Mr. Shoaib ul Haque - Company Secretary, Mr. Asif Ali – Manager Finance Accounts & Mr. Shamim Ahmed Khan, Deputy Company Coordinator.

COMMENCEMENT OF BRIEFING:

The Company Secretary welcomed the participants (Share-holders / Analyst) in Corporate Briefing Session which started with recitation from the Holy Quran.

BRIEFING:

The Chief Financial Officer (CFO) of the Company briefed the participants on Company's two financial years ending 30th September 2020 & 30th September 2021 comparing to previous years about financial performance, operational overview, future outlooks and highlighted the status of running project, as under:

- Khairpur Sugar Mills Limited was incorporated on August 23, 1989 as a public limited company under Companies Ordinance 1984 (now Companies Act 2017) and the plant is located in Kotdiji area of Khairpur

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District – Sindh Pakistan. The Khairpur Sugar Mills Limited is a listed company followed by an IPO on Pakistan Stock Exchange (formerly Karachi Stock Exchange) in 1992. The Mill has been manufactured under license by Fives Cail Babcock (FCB) of France. Trial production began on August 17, 1994 and commercial operation started on March 01, 1995. The management of the Mill decided in 2008 to upgrade the plant to a proposed capacity of 7,000 MT (TCD) which completed in 2011. The Mill also facilitates the local area cane growers in the form of seeds and fertilizer subsidy.

- The Khairpur Sugar Mills Limited is owned by Jumani Group of Companies which is reputable name in the real estate & construction sector of Karachi. Mr. Muhammad Mubeen Jumani is the Chairman of Jumani Group of Companies completed his education in 1972 with Bachelor Degree, stepped in to construction business in 1974 by founding Jumani Group of Companies. Under his leadership and guidance more than 25 high rise projects have been completed so far and at the moment two residential societies and high-rise projects are also under development in Gulistan-e-Johar & Gulshan-e-Iqbal area of Karachi. Mr. Jumani is also head of charitable trust with the name of Hidayat Jumani Welfare Trust which is operating in the interior as well as major cities of Sindh Province. Mr. Jumani has also served as Member Board of

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Directors of Pakistan International Airlines (1993-1996) and Pakistan Industrial Development Corporation (2011-2013).

- The major milestones of Khairpur Sugar Mills during the years 1989 to 2018 briefed highlighting operational (viz figures of Sugar Production, exports etc) activities. Mr. Bilal, CFO explained the participants that there was comprehensive income of Rs.82.537 Million during the financial year ended September 30, 2021
- Environment: For improvement of environment hazard, Khairpur Sugar Mills Limited taken care to implement Sind's Environmental Policy Act 2013. On implementing this policy, use of water and drainage has been reduced. After approval from Sindh Environmental Protecting Agency (SEPA) and foreign consultants/experts for waste water, the imported Effluent Treatment Plant was installed having capacity of 3,000 cm/day which became useful for the use of agriculture section to end the water scarcity viz-z-viz to end the pollution. The said plant was installed/inaugurated on 05th December 2019.
- The CFO also explained the participants that after installation of Falling Film Evaporator (FFE) Plant, the Company have achieved economies in bagasse consumption. Consequently, the excess bagasse which was previously used for the production of electricity now become available for Sale which will

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have positive impacts on Company's profitability.

➤ Corporate and social responsibilities:

The Khairpur Sugar Mills Limited believes on pay back to the Society responding the needs of local communities, civil society organizations and government bodies including social welfare, education, health care, infrastructural development and livelihood generation are the priorities of the Company since its establishment.

- Education:

As per past practice, the Company has continued its services in the education sector by providing merit based scholarship to under privilege students and encourage them getting higher education for the betterment of the society and their family as well.

- Health Care:

The Company donate for the health care of the society by raising funds in Hidayat Jumani Welfare Trust run by the Jumani Family. The welfare provides free health care services to needy people in Khairpur district and surroundings. Also provides ambulance services to needy people.

- Others:

During the holy-month of Ramadan, the Mill management highlights true spirit of charity by providing ration to needy family. Furthermore, it also generously contributed towards various caused to support other festive.

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- The Historical data of Crushing, crushing capacity, utilization of capacity, Revenue, Manufacturing Cost, Gross Profit and operating Profits with financial cost and net profit of several years were presented before the participants through bar-graphs.
- Operating results of two financial years:
Mr. Bilal, CFO informed the participants about operating result of two years (2020 & 2021) as under:

	<u>Season 2020-21</u>	<u>Season 2019-20</u>
Season started on	05.11.2020	21.11.2019
Season closed on	06.03.2021	05.03.2020
Number of days worked	122	106
Sugarcane crushed(MT)	573,858.360	524.252.694
Recovery of Sugar	9.983 %	9.833 %
Recovery of Molasses	4.942%	4.559 %
Production-Sugar (MT)	57,294	51,552
Production-Molasses(MT)	28,361	23,900

- The participants raised various questions/queries on our said two years (2020 & 2021) financials. The CFO clarified briefly on all the points raised by the participants in the Corporate Briefing Session and satisfied the participants.

OTHER BUSINESS:

(Muhammad Bilal Kamil)
Chief Financial Officer

At the end, Mr. Muhammad Bilal Kamil, Chief Financial Officer of the Company thanks the participants.

 24/3/22
Company Secretary