



Quarterly  
Accounts  
(UN-AUDITED)

As at 30<sup>th</sup> September, 2022  
(1<sup>st</sup> Quarter)

**SANA Industries Limited**

33-D-2, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400

Phone: 021-34322556-9 Email: [info@sana-industries.com](mailto:info@sana-industries.com)

## **C O N T E N T S**

Company Information	2
Directors' Report alongwith annexures	3
Interim condensed unconsolidated Balance Sheet	6
Interim condensed unconsolidated Profit and Loss account	7
Interim condensed unconsolidated Statement of Comprehensive Income	8
Interim condensed unconsolidated Statement of Changes in Equity	9
Interim condensed unconsolidated Cash flow statement	10
Unconsolidated notes to the Accounts	11
Interim condensed consolidated Balance Sheet	15
Interim condensed consolidated Profit and Loss account	16
Interim condensed consolidated Statement of Comprehensive Income	17
Interim condensed consolidated Statement of Changes in Equity	18
Interim condensed consolidated Cash flow statement	19
Consolidated notes to the Accounts	20

## COMPANY INFORMATION

### Board of Directors

Mr. Mohammed Younus Nawab	- Director
Hafiz Mohammed Irfan Nawab	- Chief Executive
Mr. Ibrahim Younus	- Chairman
Mr. Muhammad Faizanullah	- Director
Mr. Ismail Younus	- Director
Ms. Areej Rafique	- Director
Mr. Muhammad Ashfaq	- Director

### H.R. & Remuneration Committee

Ms.Areej Rafique	- Chairman
Mr.Syed Amjad Ahmad	- Secretary
Mr.Muhammad Faizanullah	- Member
Mr.Ismail Younus	- Member

### Audit Committee

Mr.Muhammad Ashfaq	- Chairman
Mr.Syed Amjad Ahmad	- Secretary
<b>Mr. Mohammed Younus Nawab</b>	- Member
Mr.Ismail Younus	- Member

### C.F.O./Company Secretary

Mr.Saad Bin Hilal	-Chief Financial Officer
Mr.Abdul Hussain Antaria	-Company Secretary

### Registered Office

33-D-2, Block 6, P.E.C.H.S  
P.O.Box No.10651,  
Karachi - 75700  
Phone : 021-34322556 - 9  
Fax : 021-32570833  
E-mail : [snai@sana-industries.com](mailto:snai@sana-industries.com)

### Mills

B-186, Hub Industrial Trading Estate,  
Hub Chowki, District Lasbela,  
Balochistan.  
Phone: 0853-363443 - 44

### Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants  
Plot No. 180,  
Block-A S.M.C.H.S.  
Karachi.  
Phone: - 021-34549345-9  
Fax : 021-34548210

### Legal Advisors

Aftab Ahmed.,  
Advocate.  
B-10,2<sup>nd</sup> Floor Shelozon Center,  
Gulshan-e-Iqbal,  
Karachi.  
Phone: 0300-8355319

### Bankers

Habib Metropolitan Bank Limited.  
Bank Al Habib Limited.  
Dubai Islamic Bank Limited.  
Habib Bank Limited.

### Share Registrars

CDC Share Registrar Services Limited  
CDC House, 99-B, Block B, S.M.C.H.S.,  
Karachi.  
Phone: 021-111-111-500  
Fax : 021-34326027

Website for financial data - <http://www.sana-industries.com/>

## DIRECTORS' REPORT

The Directors take pleasure in submitting the un-audited accounts, for the First Quarter ended 30th September, 2022.

The current quarter under consideration is an outlier as prevailing economic condition adversely affected the performance of majority of the industries.

The consolidated results depict a Loss after Tax of 32.9 million for the quarter ended September 2022 as compared to profit after tax of 31.77 million in the same period last year. The prime determinant for the result under consideration is surge in exchange rates, interest rates, inflation and flood situation which adversely affected the supply chain.

In order to facilitate our Shareholders, following comparisons of operating and financial data are annexed:

- |   |         |
|---|---------|
| (a) Comparison with previous quarter (consolidated)                   | Annex-A |
| (b) Comparison with corresponding quarter of last year (consolidated) | Annex-B |

## FUTURE PROSPECTS

The company is putting in all its efforts to overcome the prevailing economic challenges and is striving hard to steer the company towards prosperity.

## DIVIDEND

The directors have decided to skip payment of any interim dividend for consolidation with the final dividend.

No bonus issue has been announced during the period.

## PERSONNEL

We would like to place on record our deepest gratitude to all stakeholders (internal/ external), banks, financial institutions, relevant ministries, and regulators for their continuous support towards the growth of the company. We acknowledge the hard work, devotion and loyalty of the staff and workers without whom continued success could not have been achieved. We look forward to the same devotion and cooperation in the years to come.

On behalf of the Board



(Mohammed Irfan Nawab)  
Chief Executive.

Karachi: 28<sup>th</sup> October, 2022.

## ڈائریکٹر رپورٹ

ڈائریکٹر 30 ستمبر، 2022 کو ختم ہونے والی پہلی سہ ماہی کے لئے، جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایت ہے، سرکلر نمبر 2(52)SE/2001 مورخہ 05-11-2001 کے مطابق غیر آڈٹ شدہ اکاؤنٹس جمع کرانے میں خوشی محسوس کرتے ہیں۔

زیر جائزہ موجودہ سہ ماہی اس لحاظ سے غیر معمولی ہے کیونکہ موجودہ معاشی صورتحال نے زیادہ تر صنعتوں کی کارکردگی کو بری طرح متاثر کیا ہے۔

مجموعی نتائج میں ستمبر 2022 کو ختم ہونے والی سہ ماہی کے دوران 32.9 ملین کے بعد از ٹیکس نقصان کی عکاسی کی گئی ہے جبکہ گزشتہ سال کی اسی مدت میں 31.77 ملین کا بعد از ٹیکس منافع ہوا تھا۔ زیر جائزہ نتائج کی بنیاد فیصلہ کن شرح تبادلہ، شرح سود اور افراط زر میں اضافہ ہے۔

ہمارے حصص یافتگان کو سہولت فراہم کرنے کے لئے، آپریٹنگ اور مالیاتی اعداد و شمار کا مندرجہ ذیل موازنہ منسلک ہے:

(a)	پچھلی سہ ماہی کے ساتھ موازنہ (مستحکم)	Annex-A
(b)	گزشتہ سال کی اسی سہ ماہی کے ساتھ موازنہ (مستحکم)	Annex-B

### مستقبل کے امکانات

کمپنی موجودہ معاشی چیلنجز پر قابو پانے کے لئے اپنی بھرپور کوششیں کر رہی ہے اور کمپنی کو خوشحالی کی طرف لے جانے کے لئے سخت جدوجہد کر رہی ہے۔

### ڈیوڈنڈ

ڈائریکٹرز نے حتمی منافع کے ساتھ استحکام کے لئے کسی بھی عبوری منافع کی ادائیگی کو چھوڑنے کا فیصلہ کیا ہے۔

اس مدت کے دوران کسی بونس کے اجرا کا اعلان نہیں کیا گیا ہے۔

### کارکنان

ہم تمام اسٹیک ہولڈرز (اندرونی / بیرونی)، بینکوں، مالیاتی اداروں، متعلقہ وزارتوں، اور ریگولیٹرز کو کمپنی کی ترقی کے لئے ان کی مسلسل حمایت ریکارڈ پر لاتے ہوئے ان کے تہہ دل سے شکر گزار ہیں۔ ہم اپنے عملے اور کارکنان کی لگن، عزم اور خلوص کا اعتراف کرتے ہیں جن کے بغیر کامیابی کا حصول ممکن نہیں تھا۔ ہم آنے والے سالوں میں اسی خلوص اور تعاون کی توقع کرتے ہیں۔

### حسب الحکم بورڈ

(محمد عرفان نواب)

چیف ایگزیکٹو

کراچی؛ 28 اکتوبر، 2022

**Annexure to Directors' Report**  
(Rupees in millions)

**Consolidated comparison with previous quarter**
**Annexure A**

Covering period FROM TO	01-July-2022 30-Sep-2022	01-Apr-2022 30-Jun-2022	VARIATION	
			Amount	Percentage
Turnover - net	971.69	1,037.46	(65.78)	-6.34%
Cost of Sales	931.16	1,007.39	(76.23)	-7.57%
Gross Profit	40.53	30.07	10.45	34.75%
G.P.Rate to Sales	4.17%	2.90%		43.87%
Administrative, Selling, Financial & Other expenses	86.46	31.04	55.42	178.57%
Other income	23.28	56.91	(33.63)	-59.09%
Operating (Loss) / Profit before tax	(22.65)	55.95	(78.60)	-140.49%
Operating (Loss) / Profit to sales ratio	-2.33%	5.39%		
Earning per share (before tax)	(1.87)	1.52	(3.39)	-223.18%

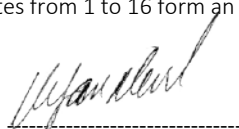
**Consolidated comparison with corresponding quarter of last year**
**Annexure B**

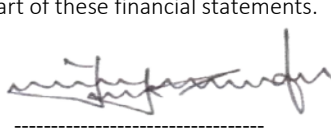
Covering period FROM TO	01-July-2022 30-Sep-2022	01-July-2021 30-Sep-2021	VARIATION	
			Amount	Percentage
Turnover - net	971.69	846.49	125.20	14.79%
Cost of Sales	931.16	748.62	182.54	24.38%
Gross Profit	40.53	97.87	(57.34)	-58.59%
G.P.Rate to Sales	4.17%	11.56%		
Administrative, Selling, Financial & Other expenses	86.46	60.80	25.66	42.21%
Other income	23.28	1.28	22.00	1718.81%
Operating (Loss) / Profit before tax	(22.65)	38.36	(61.01)	-159.06%
Operating (Loss) / Profit to sales ratio	-2.33%	4.53%		
Earning per share (before tax)	(1.87)	3.49	(5.36)	-153.65%

**SANA INDUSTRIES LIMITED**  
**UNCONSOLIDATED INTERIM CONDENSED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2022 (UN-AUDITED)**

	NOTE	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	651,977,279	569,444,924
Right-of-use asset		29,963,625	19,975,750
Investment property		40,308,028	43,799,684
Investment in subsidiary	5	94,999,990	94,999,990
Long term deposits		2,756,051	2,756,051
Deferred tax assets		21,830,272	12,763,624
		841,835,246	743,740,023
<b>CURRENT ASSETS</b>			
Stock-in-trade	6	388,790,663	396,127,934
Stores and spares		12,350,397	9,479,354
Trade debts- unsecured, considered good		550,112,849	446,660,346
Loans and advances		13,772,758	16,136,375
Deposits and pre-payments		6,627,014	1,755,507
Short term investments		2,664,319	2,664,319
Other receivables		79,058,253	77,253,189
Tax refunds due from government	7	77,632,247	80,246,305
Cash and bank balances		63,806,012	28,224,761
		1,194,814,509	1,058,548,090
<b>TOTAL ASSETS</b>			
		2,036,649,756	1,802,288,113
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized share capital			
20,000,000 (2022: 20,000,000) ordinary shares of Rs 10 each		200,000,000	200,000,000
Issued, subscribed and paid-up capital		121,000,000	121,000,000
Reserves		422,384,497	477,236,285
Shareholder's equity		543,384,497	598,236,285
<b>NON CURRENT LIABILITIES</b>			
Lease liability		31,496,184	22,908,555
Long term financing	8	191,019,331	103,487,765
Deferred liabilities	9	122,068,332	122,321,954
		344,583,847	248,718,274
<b>CURRENT LIABILITIES</b>			
Trade and other payables		318,043,200	277,447,727
Accrued profit		27,735,787	16,917,764
Loans from directors and associates		3,500,000	3,500,000
Current maturity of lease liability		5,913,620	6,279,360
Current portion of long term loans from a banking company	8	45,518,923	57,678,412
Current maturity of deferred government grant		6,475,990	6,061,316
Unclaimed dividend		1,992,282	1,996,426
Short Term islamic finance	10	739,501,610	585,452,549
Taxation - net	7	-	-
		1,148,681,411	955,333,554
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>			
		2,036,649,756	1,802,288,113

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
 Chief Executive

  
 Director

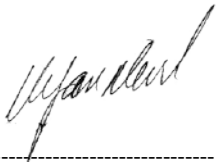
  
 Chief Financial Officer

/

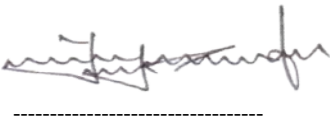
**SANA INDUSTRIES LIMITED**  
**UNCONSOLIDATED INTERIM CONDENSED PROFIT AND LOSS ACCOUNT**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

	NOTE	September 30, 2022	September 30, 2021
		----- Rupees -----	
Gross Turnover		770,512,078	741,909,130
less			
Sales tax		(112,228,819)	(111,618,113)
Commisions and discounts		(146,206)	-
		-----	-----
Net Turnover		658,137,052	630,291,017
Cost of sales	12	(648,292,780)	(543,201,349)
		-----	-----
Gross profit		9,844,272	87,089,668
Selling and distribution expenses		(4,506,769)	(4,710,441)
Administrative expenses		(21,191,987)	(16,668,648)
Other operating expenses		-	(4,027,866)
Other operating income		6,699,135	7,085,080
		-----	-----
Operating profit		(9,155,349)	68,767,793
Finance cost		(39,784,585)	(18,239,087)
		-----	-----
Profit/(Loss) for the period before taxation		(48,939,934)	50,528,706
Provision for taxation	- current	(14,978,502)	(9,629,692)
	- deferred (current)	9,066,648	1,590,385
		(5,911,854)	(8,039,307)
		-----	-----
Profit after taxation		(54,851,788)	42,489,399
		=====	=====
Earning per share	13	(4.53)	3.51
		=====	=====
			(Restated)

The annexed notes from 1 to 16 form an integral part of these financial statements.



Chief Executive



Director




Chief Financial Officer

SANA INDUSTRIES LIMITED  
UNCONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)

	September 30, 2022	September 30, 2021
	----- Rupees -----	
Net profit for the period	(54,851,788)	42,489,399
Other comprehensive income	-	-
	-----	-----
	(54,851,788)	42,489,399
	=====	=====

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
-----  
Chief Executive

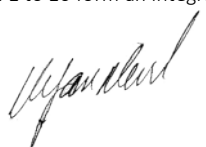
  
-----  
Director


  
-----  
Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	Issued, subscribed and paid-up capital	REVENUE RESERVES				Total
		General reserve	Share Premium	Un- appropriated profit	Sub Total	
Balance as at July 01, 2021	110,000,000	132,500,000	96,250,000	174,132,974	402,882,974	512,882,974
Profit after taxation for the first quarter ended September 30, 2021	-	-	-	42,489,400	42,489,400	42,489,400
Balance as at September 30, 2021	110,000,000	132,500,000	96,250,000	216,622,374	445,372,374	555,372,374
Balance as at July 01, 2022	121,000,000	132,500,000	96,250,000	248,486,285	477,236,285	598,236,285
Profit after taxation for the first quarter ended September 30, 2022	-	-	-	(54,851,788)	(54,851,788)	(54,851,788)
Balance as at September 30, 2022	121,000,000	132,500,000	96,250,000	193,634,497	422,384,497	543,384,497

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
(Mohammed Irfan Nawab)  
Chief Executive

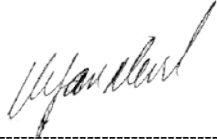
  
(Muhammad Faizanullah)  
Director


  
(Saad Bin Hilal)  
Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**UNCONSOLIDATED INTERIM CONDENSED CASH FLOW STATEMENT**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

	NOTE	September 30, 2022	September 30, 2021
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit/(loss) before taxation		(48,939,934)	50,528,707
Add/(Less): Adjustments for:			
Depreciation		29,423,225	20,784,417
Loss/(Gain) on disposal of fixed assets		-	-
Profit on PLS account		(268,162)	(196,346)
Provision for WPPF		-	2,727,829
Provision for gratuity		2,717,437	2,408,175
Workers' welfare fund		-	1,300,037
Remeasurement gain on lease liability		(5,207,541)	-
Finance cost		39,784,585	18,239,087
Cash provided by operating activities before working capital changes		17,509,609	95,791,906
(Increase)/decrease in current assets	14	(26,439,977)	(78,912,509)
Increase/(decrease) in current liabilities	14	(36,320,127)	27,916,982
		(45,250,496)	44,796,379
Finance cost		(19,744,130)	(17,809,616)
Staff benefits		-	(670,671)
Gratuity Paid		(2,661,090)	(253,726)
Taxes paid		(12,364,444)	(8,043,085)
Net cash inflow from operating activities		(80,020,159)	18,019,281
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(106,466,348)	(3,051,668)
Profits received on bank accounts		268,162	196,346
Short term investment		-	(14,000,000)
Proceeds from sale of fixed assets		-	-
Net cash used in investing activities		(106,198,186)	(16,855,322)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts / (Re-payment) of Short term Islamic finance		154,049,061	(6,150,584)
Receipts / (Re-payment) of Diminishing Mushareqa		75,372,077	(14,193,662)
Repayment of lease liability (principal repayment)		-	(1,414,050)
Repayment of loan against SBP Refinance facility for payment of wages and salaries		(7,617,399)	(8,008,355)
Loan re-payment to related parties		-	-
Dividends paid		(4,143)	-
Net cash inflow from/(used in) financing activities		221,799,596	(29,766,651)
Net (decrease)/increase in cash and cash equivalents		35,581,251	(28,602,692)
Cash and cash equivalents at beginning of the period		28,224,761	98,496,842
Cash and cash equivalents at end of the period		63,806,012	69,894,150

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
 -----  
 Chief Executive

  
 -----  
 Director

  
 -----  
 Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

**1. NATURE OF BUSINESS**

The Company was incorporated in Pakistan as a public limited Company under the Companies Ordinance, 1984. The shares of the Company are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The Company is principally engaged in the manufacturing and sale of man-made blended yarn at Hub Industrial Trading Estate, Hub Chowki, and a "compartmentalized cold store" located at Karachi. The registered office of the Company is located at 32-D-2, block -6, P.E.C.H.S Karachi, Pakistan.

**2. BASIS FOR PREPARATION OF THE ACCOUNTS**

These financial statements are unaudited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2022.

Expenses are shared amongst the segments on the basis of allocation methods as deemed appropriate by the management.

	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>4. TANGIBLE FIXED ASSETS</b>		
Net book value (NBV) at the beginning of the period	550,070,506	321,243,043
Add: Additions to tangible fixed assets	2,920,586	294,951,419
Less: Disposals during the period (NBV)	-	55,900
Depreciation charged during the period	23,910,603	66,068,055
	23,910,603	66,123,955
Net book value (NBV) at the closing of the period	529,080,489	550,070,507
Capital work-in-progress	122,896,790	19,374,417
	651,977,279	569,444,924
	=====	=====

**5. INVESTMENTS**

**5.1 Investment in Sana Logistics (Private) Limited**

As at September 30, 2022, the Company held 3,500,000 (June 2022: 3,500,000) ordinary shares of M/s. Sana Logistics (Private) Limited (SLPL) which gives the Company 70% (2022: 70%) voting power in SLPL. The principal business activity of SLPL is to warehousing services to its customers, who may have specialized requirements with respect to storage temperatures, environment, handling of goods while adhering to all the best practices and compliant to modern day warehousing management technique. The registered office of SLPL is situated at 33-D-2, Block 6, P.E.C.H.S, Karachi.

**5.2 Investment in Sana Distributors (Private) Limited**

As at September 30, 2022, the Company held 5,999,999 (June 2022: 5,999,999) ordinary shares of M/s. Sana Distributors (Private) Limited (SDPL) which gives the Company 99.99% (2022: 99.99%) voting power in SDPL. The principal business activity of SDPL is the distribution of lubricants and allied items and to act as general traders. The registered office of SDPL is situated at 33-D-2, Block 6, P.E.C.H.S, Karachi.

	September 30, 2022 (Un-audited) ----- (Rupees) -----	June 30, 2022 (Audited)
<b>6. STOCK-IN-TRADE</b>		
Raw and packing material		
- in hand	157,441,262	127,830,818
- in transit	25,184,252	66,481,191
	-----	-----
	182,625,514	194,312,009
	-----	-----
Work-in-process	27,321,803	27,994,064
Finished goods	178,378,722	173,477,436
Waste stock	464,625	344,425
	-----	-----
	388,790,663	396,127,934
	=====	=====
<b>7. TAXATION - NET</b>		
Advance income tax	49,569,380	41,149,929
Provision for Taxation	(55,551,344)	(40,572,842)
Tax refunds due from government	83,614,211	68,138,301
	-----	-----
	77,632,247	68,715,388
	=====	=====
<b>8. NON CURRENT LIABILITY - secured</b>		
Diminishing Mushreka from a commercial bank	28,996,051	8,208,862
Financing under SBP Refinance Scheme for 'Payment of Salaries and Wages	7,861,240	-
Islamic Temporary Economic Refinance Facility (ITERF)	199,680,963	95,278,903
	-----	-----
	236,538,254	103,487,765
	(45,518,923)	(28,996,569)
	-----	-----
Less: Current portion	191,019,331	74,491,196
	=====	=====
<b>9. DEFERRED LIABILITIES</b>		
Provision for compensated absences	111,501	123,238
Deferred government grant	18,379,143	52,116,056
Staff retirement benefits	52,172,405	20,611,356
Provision for Gas Infrastructure Development Cess	51,405,282	49,471,304
	-----	-----
	122,068,332	122,321,954
	=====	=====

<b>10. SHORT-TERM ARRANGEMENT - secured</b>		
From commercial banks	<b>739,501,610</b>	585,452,549
	=====	=====
<b>11 CONTINGENCIES AND COMMITMENTS</b>		
<b>11.1 Contingencies</b>		
There were no major changes in the contingencies as reported in the financial statements for the year ended June 30, 2022.		
<b>11.2 Commitments</b>		
Custom duty and income tax on stock in transit	<b>2,383,238</b>	13,851,826
	=====	=====
Letter of guarantee issued by a commercial bank	<b>31,610,615</b>	31,611,015
	=====	=====
Irrevocable letter of credits	<b>68,800,375</b>	369,405,586
	=====	=====
	<b>September 30,</b>	<b>September 30,</b>
	<b>2022</b>	<b>2021</b>
	----- Rupees -----	
<b>12 COST OF SALES</b>		
Opening stock finished goods and waste	<b>173,821,861</b>	71,734,559
Cost of goods manufactured	<b>653,314,265</b>	546,165,216
Closing stock finished goods and waste	<b>(178,843,347)</b>	(74,698,426)
	-----	-----
	<b>648,292,780</b>	543,201,349
	=====	=====
<b>13 EARNING PER SHARE - BASIC AND DILUTED</b>		
Profit after taxation	Rupees <b>(54,851,788)</b>	42,489,399
Issued ordinary shares	<b>12,100,000</b>	12,100,000
Basic and diluted earnings per share	Rupees <b>(4.53)</b>	3.51
	=====	=====
<b>14 WORKING CAPITAL CHANGES</b>		
<b>Decrease/(Increase) in current assets</b>		
Stock-in-trade	<b>7,337,271</b>	(2,120,368)
Stores and spares	<b>(2,871,043)</b>	(2,660,543)
Trade debts	<b>(26,593,251)</b>	(75,236,366)
Advances	<b>2,363,617</b>	16,568,807
Deposits and pre-payments	<b>(4,871,507)</b>	(4,763,572)
Other receivables	<b>(1,805,064)</b>	(10,700,466)
	-----	-----
	<b>(26,439,977)</b>	(78,912,508)
	=====	=====
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	<b>(36,263,780)</b>	27,916,982
	=====	=====

# 15 TRANSACTIONS WITH RELATED PARTIES

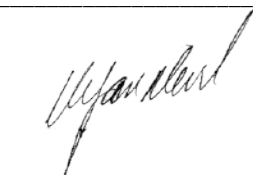
The related parties comprise associated companies, staff benefit funds, directors and key management personnel. The transactions with related parties are as follows:

Relationship	Nature of transaction	September 30, 2022 ----- Rupees -----	September 30, 2021 ----- Rupees -----
Broowings from Directors and family member		-	-
Repayment of broowings from Directors and family member		-	-
Rent paid to director's family members		3,110,880 =====	1,414,050 =====
		September 30, 2022 (Un-audited) ----- (Rupees) -----	June 30, 2022 (Audited) ----- (Rupees) -----
Receivable from Subsidiaries		78,125,898 =====	73,840,824 =====

## 16. GENERAL

16.1 These financial statements were authorised for issue by the Board of Directors on 28th October, 2022.

16.2 Certain corresponding figures have been re-arranged wherever necessary for the purpose of comparison.



Chief Executive



Director

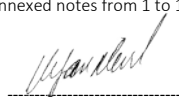


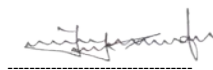
Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)**  
**AS AT 30 SEPTEMBER 2022 (UN-AUDITED)**

	NOTE	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
		(Rupees)	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	827,347,340	748,034,155
Right-of-use assets		29,963,626	42,580,955
Intangibles		803,307	806,667
Long term advance		1,951,000	1,951,000
Long term deposits		2,756,051	2,756,051
Deferred tax asset - net		38,629,856	42,229,752
		<b>901,451,180</b>	<b>838,358,580</b>
<b>CURRENT ASSETS</b>			
Stock-in-trade	5	481,492,561	452,097,042
Stores and spares		12,350,397	9,479,354
Short term investments		17,589,318	2,664,319
Trade debts		737,956,297	612,794,092
Loans and advances		40,430,390	20,539,433
Trade deposits and short term prepayments		8,210,002	3,293,268
Other receivables		8,278,756	20,186,543
Tax refunds due from government		165,766,194	139,338,723
Cash and bank balances		96,854,933	70,244,958
		<b>1,568,928,847</b>	<b>1,330,637,732</b>
<b>TOTAL ASSETS</b>		<b>2,470,380,027</b>	<b>2,168,996,312</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized share capital		200,000,000	200,000,000
Issued, subscribed and paid-up capital		121,000,000	121,000,000
Reserves		444,664,476	483,686,150
Equity attributable to the shareholders of holding company		565,664,476	604,686,150
Non controlling Interest	6	59,648,007	53,567,671
<b>Total equity</b>		<b>625,312,483</b>	<b>658,253,821</b>
<b>NON CURRENT LIABILITIES</b>			
Long term financing	7	198,020,745	111,585,135
Lease liability		31,496,184	40,287,420
Deferred liabilities	8	122,642,912	122,321,952
		<b>352,159,841</b>	<b>274,194,507</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		500,873,853	371,298,302
Accrued profit		29,377,969	18,045,663
Loans from directors and associates		62,755,000	65,055,000
Current portion of long term loans from a banking company	7	56,129,552	73,958,568
Current maturity of lease liability		16,826,410	33,859,137
Current maturity of deferred government grant		6,530,837	6,326,048
Provident Fund payable		1,842,769	4,399,561
Unclaimed dividend		1,992,282	1,996,426
Short term Islamic finance	9	814,480,200	660,441,857
Taxation - net		2,098,831	1,167,422
		<b>1,492,907,703</b>	<b>1,236,547,984</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,470,380,027</b>	<b>2,168,996,312</b>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
Chief Executive

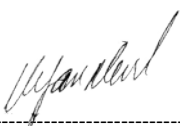
  
Director

  
Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED INTERIM CONDENSED PROFIT AND LOSS ACCOUNT**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

	NOTE	September 30, 2022	September 30, 2021
		----- Rupees -----	
Gross Turnover		1,203,791,776	1,046,834,076
less			
Sales tax		(170,834,062)	(154,351,291)
Commisions / returns and discounts		(61,272,618)	(45,991,678)
		971,685,097	846,491,107
Cost of sales	11	(931,159,399)	(748,619,285)
Gross profit		40,525,698	97,871,822
Selling and distribution expenses		(7,569,743)	(7,737,823)
Administrative expenses		(34,850,034)	(26,218,915)
Other operating expenses		-	(4,027,866)
Other operating income		23,280,790	1,284,323
Operating profit		21,386,711	61,171,541
Finance cost		(44,041,679)	(22,813,620)
Profit/( Loss) for the period before taxation		(22,654,968)	38,357,922
Provision for taxation			
- current		(19,435,786)	(12,497,115)
- deferred (current)		9,149,416	5,917,953
		(10,286,370)	(6,579,162)
Profit after taxation		(32,941,338)	31,778,760
Attributable to:			
- Shareholders of the Holding Company		(39,021,674)	28,410,748
- Non - controlling interest		6,080,336	3,368,012
		(32,941,338)	31,778,760
Earning per share	12	(3.22)	2.35
			(Restated)

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
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 Chief Executive

  
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 Director

  
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 Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

	September 30, 2022	September 30, 2021
	----- Rupees -----	
Net profit for the period	(32,941,338)	31,778,760
Other comprehensive income	-	-
Total comprehensive income for the period	(32,941,338)	31,778,760
Attributable to		
Owners Equity	(39,021,674)	28,410,748
Non-controlling interest	6,080,336	3,368,012
	(32,941,338)	31,778,760

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
 -----  
 Chief Executive

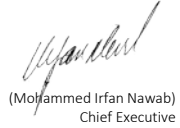
  
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 Director

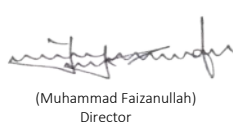
  
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 Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	Issued, subscribed and paid-up capital	REVENUE RESERVES				Total equity attributable to the shareholders of Holding Company	Non-controlling interest
		General reserve	Share Premium	Un- appropriated profit	Sub Total		
Balance as at July 01, 2021	110,000,000	132,500,000	96,250,000	185,452,950	414,202,950	524,202,950	45,372,567
Profit after taxation for the first quarter ended September 30, 2021	-	-		28,410,748	28,410,748	28,410,748	-
Non-controlling interest arising on a business combination	-	-				-	3,368,012
Balance as at September 30, 2021	110,000,000	132,500,000	96,250,000	213,863,698	442,613,698	552,613,698	48,740,579
<b>Balance as at July 01, 2022</b>	<b>110,000,000</b>	<b>132,500,000</b>	<b>96,250,000</b>	<b>254,936,150</b>	<b>483,686,150</b>	<b>604,686,150</b>	<b>53,567,671</b>
<b>Profit after taxation for the first quarter ended September 30, 2022</b>	<b>-</b>	<b>-</b>		<b>(39,021,674)</b>	<b>(39,021,674)</b>	<b>(39,021,674)</b>	<b>-</b>
<b>Non-controlling interest arising on a business combination</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,080,336</b>
<b>Balance as at September 30, 2022</b>	<b>110,000,000</b>	<b>132,500,000</b>	<b>96,250,000</b>	<b>215,914,476</b>	<b>444,664,476</b>	<b>565,664,476</b>	<b>59,648,007</b>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
(Mohammed Irfan Nawab)  
Chief Executive

  
(Muhammad Faizanullah)  
Director


  
(Saad Bin Hilal)  
Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED INTERIM CONDENSED CASH FLOW STATEMENT**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

	NOTE	September 30, 2022	September 30, 2021
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit/(loss) before taxation		(22,654,968)	38,357,922
<b>Add/(Less): Adjustments for:</b>			
Depreciation		28,714,971	29,815,811
Loss/(Gain) on disposal of fixed assets		-	-
Profit on PLS account		(360,520)	(377,859)
Remeasurement gain on lease liability		(20,351,229)	2,727,829
Provision for gratuity		2,717,437	2,408,175
Provision for doubtful receivables		-	1,300,037
Finance cost		44,041,679	22,813,620
		-----	-----
Cash provided by operating activities before working capital changes		32,107,371	97,045,535
		-----	-----
(Increase)/decrease in current assets	13	(185,253,670)	(80,714,174)
Increase/(decrease) in current liabilities	13	129,575,551	36,622,718
		-----	-----
		(23,570,747)	52,954,079
		-----	-----
Finance cost Paid		(32,709,373)	(23,217,583)
Staff benefits		(5,274,229)	(670,671)
Long term Deposit		-	-
Profit received on PLS		360,520	-
Payment of Workers' profit participation fund		-	-
Gratuity Paid		-	(253,726)
Taxes paid		(32,182,536)	(11,100,651)
		-----	-----
Net cash inflow from operating activities		(93,376,366)	17,711,448
		-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(95,407,468)	(3,379,407)
Proceeds from sale of operating fixed assets		-	381,172
Short term investment		-	(14,000,000)
Proceeds from sale of fixed assets		-	-
Net cash used in investing activities		(95,407,468)	(16,998,235)
		-----	-----
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts / (Re-payment) of Short term Islamic finance		154,038,343	(8,415,493)
Receipts / (Re-payment) of Diminishing Mushareqa		82,492,929	(20,170,907)
Repayment of loan against SBP Refinance facility for payment of wages and salaries		(13,360,586)	(13,879,771)
Payments of long-term liability		-	(2,794,489)
Repayment of lease liability (principal repayment)		(5,472,733)	(4,704,706)
Dividends paid		(4,144)	-
Loan re-payment to related parties		(2,300,000)	11,408,865
Net cash inflow from/(used in) financing activities		215,393,808	(38,556,501)
		-----	-----
Net (decrease)/increase in cash and cash equivalents		26,609,975	(37,843,288)
Cash and cash equivalents at beginning of the period		70,244,958	130,132,866
		-----	-----
Cash and cash equivalents at end of the period		96,854,933	92,289,578
		=====	=====

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
 -----  
 Chief Executive

  
 -----  
 Director

  
 -----  
 Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022 (UN-AUDITED)**

**1. THE GROUP AND ITS OPERATIONS**

The group consist of Sana Industries Ltd. ("The Holding Company") and its subsidry companies Sana Logistics Pvt Ltd and Sana Distributors PvtLtd. Brief profile of Holding company and Subsidiary Company are as follows;

**Sana Industries Limited (The Holding Company)**

Sana Industries Limited (the Company) was incorporated in Pakistan as a public limited Company under the Companies Ordinance,

**1.2 The geographical location and address of company's business units, including plant are as under:**

- The registered office of the Parent Company is situated at 33-D-2, Block 6, P.E.C.H.S., Karachi, Pakistan.
- 'The Parent Company's manufacturing plant / mill is located at Hub trading estate, situated at Tehsil Hub, District Lasbela, Balochistan.

**1.3 These condensed interim consolidated financial statements comprise of the Parent Company and its subsidiary company**

<i>Name of subsidiary company</i>	<i>Effective % shareholding</i>
- Sana Logistics (Private) Limited	<u>70.00%</u>
- Sana Distributors (Private) Limited	<u>99.99%</u>

**1.4 Sana Logistics Private Limited (The Subsidiary Company)**

Sana Logistics Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to provide services in respect of Dry Storage through "compartmentalized store project.

**1.5 Sana Distributors Private Limited (The Subsidiary Company)**

Sana Distributors Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to solely distribute lubricant products all over Karachi.

**2. STATEMENT OF COMPLIANCE**

This Condensed interim consolidated financial information has been prepared in accordance with the requirements of International Accounting Standard 34 (Interim Financial Reporting) as notified under the Companies Act, 2017; and has been reviewed by the external auditors as required by the Code of Corporate Governance.

This condensed interim consolidated financial information does not include all the information required for preparation of full financial information and should be read in conjunction with the preceding published annual financial statements for the year ended June 30, 2022.

The comparative balance sheet presented in this condensed interim consolidated financial information as at September 30, 2022 has been extracted from audited financial statements of the company holding company for the year ended June 30, 2022, whereas the comparative profit and loss account, statements of changes in equity and cash flow statements for the first quater ended September 30, 2022 have been subjected to review but not audit.

**3. ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the preceding published annual financial statements of the company for the year ended June 30, 2022.


**ESTIMATES AND JUDGMENTS**

The significant judgment, estimates and assumptions used by the management in preparation of this condensed interim consolidated financial information are the same as those applied to the preceding published annual financial statements of the company for the year ended June 30, 2022.

	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>4. TANGIBLE FIXED ASSETS</b>		
Net book value (NBV) at the beginning of the period	725,935,064	504,719,654
Add: Additions to tangible fixed assets	4,652,834	313,452,405
Less: Disposals during the period (NBV)	-	162,569
Depreciation charged during the period	28,862,022	92,074,426
	28,862,022	92,236,995
Net book value (NBV) at the closing of the period	701,725,876	725,935,064
Capital work-in-progress	125,621,464	22,099,091
	827,347,340	748,034,155
	=====	=====
	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>5. STOCK-IN-TRADE</b>		
Raw and packing material		
- in hand	147,472,701	122,879,324
- in transit	25,184,252	66,481,191
	172,656,952	189,360,515
Work-in-process	27,321,803	27,994,064
Finished goods	271,080,619	229,446,544
Waste stock	464,625	344,425
Packing Material	9,968,562	4,951,494
	481,492,561	452,097,042
	=====	=====
<b>6. INVESTMENTS</b>		
<b>Non-Controlling Interest</b>		
Share of NCI (opening)	53,567,671	45,372,567
Share in Profit / (Loss)	6,080,336	8,195,104
	59,648,007	53,567,671
	=====	=====
<b>7. LONG TERM FINANCING</b>		
Diminishing musharaka	44,568,764	15,026,165
Islamic Auto Finance	-	1,280,067
Financing under ITERF	199,680,963	95,278,903
Financing under SBP Refinance Scheme for Payment of Salaries and Wages	9,900,570	27,170,940
	254,150,297	138,756,075
Less: Current portion	(56,129,552)	(73,958,568)
	198,020,745	64,797,507
	=====	=====
<b>8. DEFERRED LIABILITIES</b>		
Deferred government grant	18,379,143	20,611,354
Provision for compensated absences	111,501	123,238
Deferred tax	574,580	49,471,304
Provision for Gas Infrastructure Development Cess	51,405,282	52,116,056
	70,470,507	122,321,952
	=====	=====

<b>9. SHORT-TERM ISLAMIC FINANCE - secured</b>		
From commercial banks	<b>814,480,200</b>	660,441,857
	=====	=====
<b>10. CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1 Contingencies</b>		
There were no major changes in the contingencies as reported in the financial statements for the year ended June 30, 2022.		
<b>10.2 Commitments</b>		
Custom duty and income tax on stock in transit	<b>2,383,238</b>	13,851,826
	=====	=====
Letter of guarantee issued by a commercial bank	<b>31,610,615</b>	31,610,615
	=====	=====
Irrevocable letter of credits	<b>68,800,375</b>	483,268,080
	=====	=====
	<b>September 30,</b>	<b>September 30,</b>
	<b>2022</b>	<b>2021</b>
	----- Rupees -----	
<b>11. COST OF SALES</b>		
Opening stock finished goods and waste	<b>173,821,861</b>	46,103,813
Cost of goods manufactured	<b>936,180,884</b>	851,854,074
Closing stock finished goods and waste	<b>(178,843,347)</b>	(55,969,108)
	=====	=====
	<b>931,159,399</b>	841,988,779
	=====	=====
<b>12. EARNING PER SHARE - BASIC AND DILUTED</b>		
Profit after taxation attributable to shareholders of the holding company	Rupees <b>(39,021,674)</b>	28,410,748
Issued ordinary shares	<b>12,100,000</b>	12,100,000
Basic and diluted earnings per share	Rupees <b>(3.22)</b>	2.35
	=====	=====
<b>13. WORKING CAPITAL CHANGES</b>		
<b>Decrease/(Increase) in current assets</b>		
Stock-in-trade	<b>(29,395,519)</b>	(6,183,319)
Stores and spares	<b>(2,871,043)</b>	(2,660,543)
Trade debts	<b>(125,162,205)</b>	(54,837,247)
Advances	<b>(19,890,957)</b>	16,923,088
Deposits and pre-payments	<b>(4,916,734)</b>	(5,545,850)
Other receivables	<b>11,907,787</b>	(12,956,528)
	=====	=====
	<b>(170,328,671)</b>	(80,714,173)
	=====	=====
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	<b>129,575,551</b>	36,622,718
	=====	=====
<b>14. TRANSACTIONS WITH RELATED PARTIES</b>		
The related parties comprise associated companies, staff benefit funds, directors and key management personnel. The transactions with related parties are as follows:		
<b>Relationship</b>	<b>Nature of transaction</b>	
Broowings from Directors and family member	<b>20,650,000</b>	16,520,000
Repayment of broowings from Directors and family member	<b>22,950,000</b>	5,111,135
Rent paid to director's family members	<b>9,472,950</b>	1,977,572
	=====	=====
<b>15. GENERAL</b>		
<b>15.1</b>	These financial statements were authorised for issue by the Board of Directors on 28th October, 2022.	
<b>15.2</b>	Certain corresponding figures have been re-arranged wherever necessary for the purpose of comparison.	

  
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Chief Executive

  
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Director

  
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Chief Financial Officer