



# Abdullah Shah Ghazi Sugar Mills Limited

Registered Office: 7/10, A-2 Arkay Square Shahrah-e-Liaqat,  
New Challi, Karachi  
Branch Office: 65-Infantry Road Lahore.  
Tel # +92-42-36834016-21 Fax. # +92-42-36811253  
Email: info@maccagroup.com

**Ref:** AGSML/ACC/0394/HB-0813

**Date:** September 7, 2023

**The General Manager**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**Subject:** **CORPORATE BRIEFING SESSION**

Dear Sir,

This is to inform you that the Corporate Briefing Session of Abdullah Shah Ghazi Sugar Mills Limited is scheduled to be held on Thursday, September 14, 2023, at 11:00 am., at Pakistan Stock Exchange Auditorium, Lahore, as well as through Zoom, to brief the investors/analysts about Company's current financial performance and outlook.

Zoom details are given below:

Meeting ID: 926 0442 5808

Passcode: yb1E4r

<https://zoom.us/j/92604425808?pwd=ZWhwSWhHSDQrYW1MZIREcDhhNitsUT09>

For any queries please contact:

Saleem Abbas [saleem.abbas@maccagroup.com](mailto:saleem.abbas@maccagroup.com)

+92-042-36834016-21 Ext: 126

We would appreciate your assistance in communicating this information to members of the Exchange.

Thanking you,

Regards

**For Abdullah Shah Ghazi Sugar Mills Limited**

**Saleem Abbas**  
Company Secretary

**MILL: Abdullah Shah Ghazi Abad, P.O. Garho, Distt. Thatta**  
**Tel: 0298-775242-44, 0300-8200395 Fax : 0298-775245**



**Abdullah Shah Ghazi Sugar  
Mills Limited  
Corporate Briefing Session  
14 September 2023**





**Presented by Mr. Muhammad Nasir**

**FCA - FELLOW MEMBR OF INSTITUTE OF CHARTERED ACCOUNTANT OF PAKISTAN- ICAP**

**ACA-ASSOCIATED MEMBER OF INSTITUTE OF CHARTERED ACCOUNTANTS OF ENGLAND AND WALES - ICAEW**



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# Company Overview



# Introduction

- The Company was incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February 11, 1990. The Company is listed on Pakistan Stock Exchange. The principal business of the Company is manufacturing and selling of refined sugar and by products.
- its Register Office address 7/10, A-2 Arkay Square Shahrah-e-Liaqa, New Challil, karachi. And;
- Mills Address Abdullah Shah Ghaziababd, Garho, District Thatta, Sindh.
- The Company per day Crushing Capacity 5,500MT;
- The Company Temporary closed its operations from Seasons 2019 to 2021 due to Financial indiscipline faced by the Company that is cost of raw materials were increased contrary to the sales prices which were drastically low in those periods So Company was unable to pay its debts and restructuring with all major Banks were done. Alhamdulillah now company resumed its operations from last crushing season that is 2022-23 and meanwhile company upgraded its boiler and hope for a good crushing upcoming season 2023-24 subject to availability of sugar cane





# General Information

The Sugar industry in Pakistan is the second largest agro based industry after Textiles. Pakistan is an important cane producing country and is ranked fifth in world cane acreage and 9<sup>th</sup> in sugar production. The share of sugar industry in value added of agriculture and GDP are 3.2 percent and 0.7 percent, respectively. The sugar sector constitutes 4.2 percent of manufacturing. It employs over 1.5 million people, including management experts, technologists, engineers, financial experts, skilled, semiskilled and unskilled workers.

Pakistan is known as the owner of the almost 90 sugar mills for which 89 mmt (million metric ton) sugar cane is being produced by the farmers while the production of sugar is recorded as almost 7 mmt, however, the consumption of sugar is found as 6 mmt.

The sugar industry plays a pivotal role in Pakistan's agricultural and economic landscape. Recent developments, including the increase in the minimum support price for sugar and adjustments in retail pricing mechanisms, have sparked discussions and debates within the industry and among stakeholders. This report aims to provide a comprehensive analysis and justification for the sugar price increase.





# General Information

## Background:

**Minimum Support Price Increase:** In the year, the government increased the minimum support price for sugar cane from Rs. 225 to Rs. 300 per Maund, constituting a 33% rise. This adjustment was made to better reflect the costs incurred by sugar cane farmers.

**Cost of Production:** Approximately 80% of the total cost of sugar production is attributed to sugar cane costs, making it a substantial component in the industry's economics.

**Market Dynamics:** In November 2022, the open market sugar price stood at Rs. 90 per KG. However, the Pakistan Sugar Mills Association (PSMA) requested the government to permit sugar exports of at least 1 million Metric Tons (MT), while the government allowed only 0.250 million MT. Moreover, sugar retail pricing was dependent on demand and supply forces.

## Price Mechanism Changes:

Several notable changes were introduced in the pricing mechanisms :







# General Information

**Sugar Retail Price Regulation:** The government has granted the Cane Commissioner the authority to regulate and fix sugar retail prices. This step is essential in ensuring fair pricing for consumers while protecting the interests of sugar producers.

**Cane Support Price Increase:** To support sugar cane farmers and incentivize cultivation, the government has raised the minimum cane support price from Rs. 300 to Rs. 425 per Maund. This adjustment aims to align the returns from sugar cane farming with alternative crops like wheat and rice, which have attractive support prices.

**Cultivation Trends:** There has been a 20% reduction in sugar cane cultivation due to farmers diversifying into alternative crops with competitive support prices, such as wheat (Rs. 4200 Maunds) and corn (Rs. 2500 Maunds).





# General Information

## Conclusion:

The adjustments in sugar pricing mechanisms, including minimum support price increases and retail price regulation, are essential steps taken by the government to ensure fair returns for farmers, stabilize the market, and curb smuggling. These measures are in line with the evolving dynamics of the sugar industry and the broader agricultural landscape in Pakistan.





# Operational Data

# Operational Data

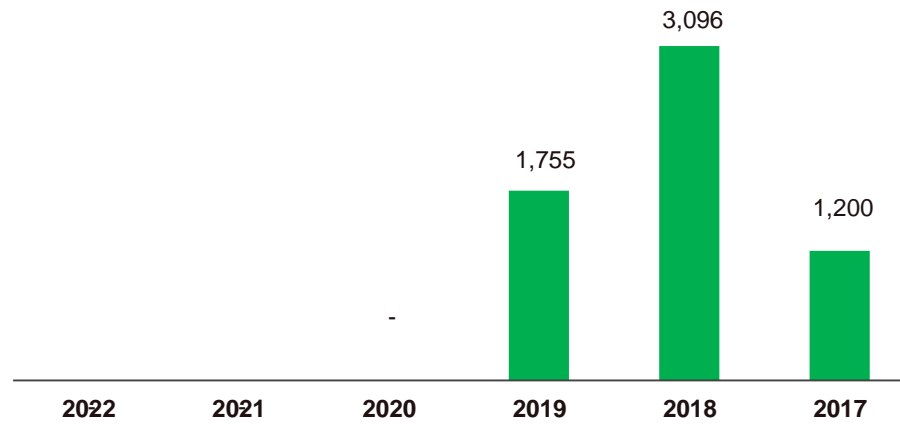


<b>PRODUCTION DATA</b>		<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Crushing	M.Tons	43,255	-	-	-	24,778	39,362	16,941
	Maunds	1,081,379	-	-	-	495,556	787,236	338,816
Sugar production	M.Tons	3,902	-	-	-	1,755	3,096	1,200
	Bag	78,040	-	-	-	35,100	61,920	24,000
Sugar recovery	% age	9.23	-	-	-	7.33	8.00	8.08
Molasses production	M.Tons	2,700	-	-	-	1,600	2,325	1,440
Molasses recovery	% age	5.04	-	-	-	6.59	5.92	4.80

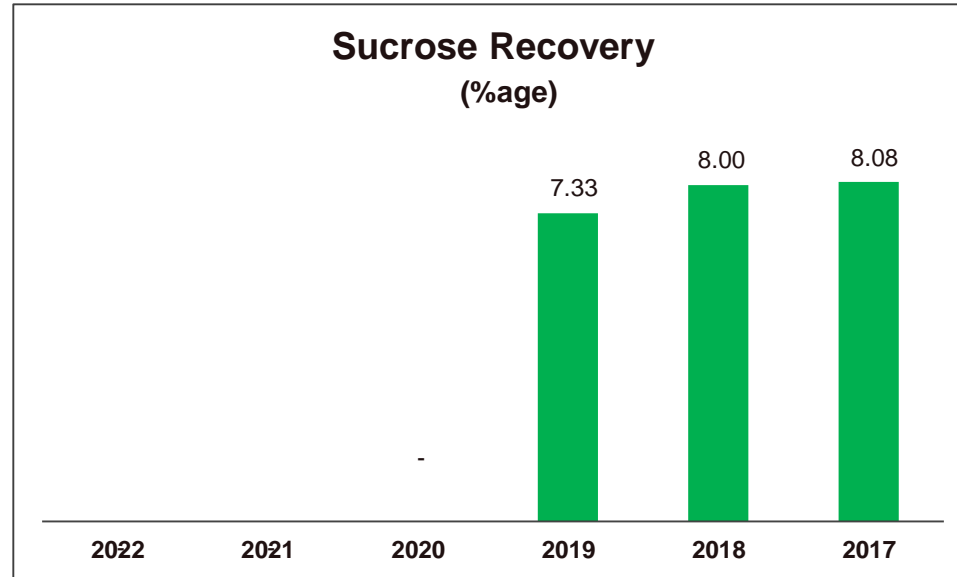
# Operation Data



**Sugar Production  
(M.Tons)**



# Operation Data





# Operation Data 2022-23

Total Cane Crushed	MT	43,255.153
Total Cane Crushed	Maunds	1,081,379
Total Sugar Bagged	MT	3,901.500
Total Sugar (50 Kgs)	Bags	78,030.000
Recovery	%	9.231





# Outlook 2023-24

The Company total cane crush for the upcoming season is estimated to reach 120,000 Metric Tons (MT). This estimation is set against the backdrop of the company's monthly capacity of 165,000 MT. While there is still a considerable gap between the potential capacity and actual crush, efforts are ongoing to optimize production.







# Financial Highlights



# Financial Highlights



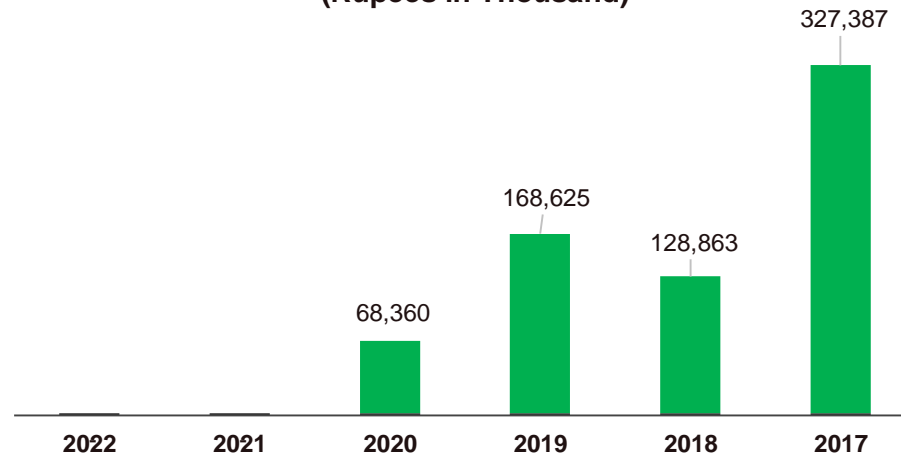
<b>OPERATING HIGHLIGHTS</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Sale			58.43	153.11	118.72
Operating Profit/(Loss)	(221.32)	(232.00)	(216.87)	(195.83)	(264.62)
Profit/(Loss) per Share	(4.03)	(2.80)	(2.64)	(0.68)	(4.07)
Long Term Loans	0.97	1.97	1.97	4.00	5.00
Current Liabilities	3,118.42	3,032.48	3,320.05	3,179.69	3,013.83
Property, Plant & Equipment	3,191.35	3,362.06	3,542.65	3,733.17	2,479.86
Long Term Investment	-	-	-	-	-
Current Assets	296.90	290.77	281.58	346.93	321.76



# Financial Highlights



**Gross Sales**  
(Rupees in Thousand)

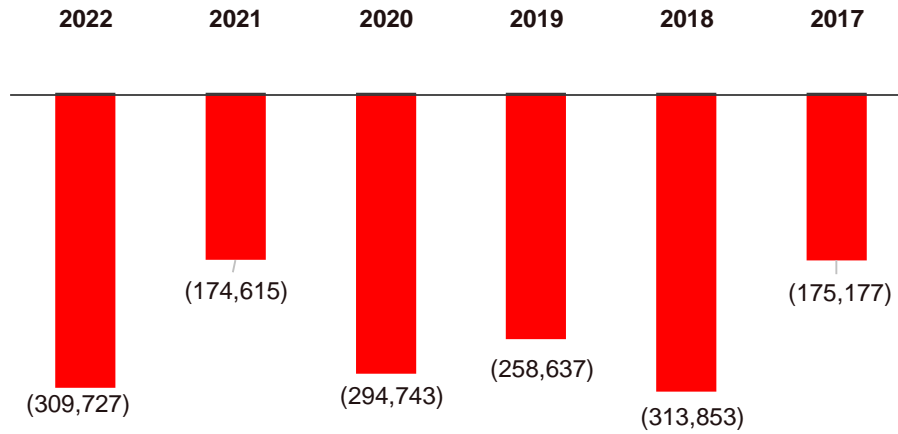




# Financial Highlights



## Loss Before Tax (Rupees in Thousand)





# Questions & Answers



**Thank You**