



Quarterly  
Accounts  
(UN-AUDITED)

As at 30<sup>th</sup> September, 2023  
(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)

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## COMPANY INFORMATION

### Board of Directors

Mr. Mohammed Younus Nawab	- Director
Mr. Hafiz Mohammed Irfan Nawab	- Chief Executive
Mr. Ibrahim Younus	- Chairman
Mr. Muhammad Faizanullah	- Director
Mr. Ismail Younus	- Director
Mr. Shaikh Abdus Sami	- Director
Ms. Zainab Hanif Dhedhi	- Director

### H.R. & Remuneration Committee

Ms. Zainab Hanif Dhedhi	- Chairperson
Mr. Syed Amjad Ahmad	- Secretary
Mr. Muhammad Faizanullah	- Member
Mr. Ismail Younus	- Member

### Audit Committee

Ms. Zainab Hanif Dhedhi	- Chairperson
Mr. Abdul Hussain Antaria	- Secretary
Mr. Mohammed Younus Nawab	- 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 September 30th, 2023.

The current quarter under consideration is an outlier as prevailing economic condition adversely affected the performance of the majority of industries owing to high finance cost, inflation and considerable surge in fuel and power expenses.

The consolidated results depict a Loss after Tax of 16.29 million for the quarter ended September 2023 as compared to loss after tax of 32.9 million in the same period last year.

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.

Karachi: 27<sup>th</sup> October, 2023.

On behalf of the Board



(Mohammed Irfan Nawab)  
Chief Executive.

## ڈائریکٹرز رپورٹ

30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کے لئے ڈائریکٹرز غیر آڈٹ شدہ اکائٹس جمع کرانے میں خوشی محسوس کرتے ہیں۔

موجودہ سہ ماہی ایک غیر معمولی سہ ماہی ہے کیونکہ موجودہ معاشی صورتحال نے زیادہ مالیاتی لاگت، افراط زر اور ایندھن اور بجلی کے اخراجات میں نمایاں اضافے کی وجہ سے زیادہ تر صنعتوں کی کارکردگی کو بری طرح متاثر کیا ہے۔

مجموعی نتائج سے ظاہر ہوتا ہے کہ ستمبر 2023 کو ختم ہونے والی سہ ماہی کے دوران 16.29 ملین کا بعد از ٹیکس خسارہ ہوا جبکہ گزشتہ سال کے اسی عرصے میں 32.9 ملین کا بعد از ٹیکس خسارہ ہوا تھا۔

ہمارے شیئر ہولڈرز کی سہولت کے لئے، آپریٹنگ اور مالی اعداد و شمار کے مندرجہ ذیل موازنہ منسلک ہیں:

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

### مستقبل کے امکانات

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

### ڈیویڈنڈ

ڈائریکٹرز نے حتمی ڈیویڈنڈ کے ساتھ استحکام کے لئے کسی بھی عبوری ڈیویڈنڈ 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 کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی ترقی کے لئے مسلسل حمایت کی۔ ہم عملے اور کارکنان کی محنت، لگن اور خلوص کا اعتراف کرتے ہیں جن کے بغیر مسلسل کامیابی کا حصول ممکن نہیں تھا۔ ہم آنے والے سالوں میں اسی لگن اور تعاون کے منتظر ہیں۔

### مخائب بورڈ

(محمد عرفان نواب)

چیف ایگزیکٹو

کراچی؛ 27 اکتوبر، 2023

**Annexure to Directors' Report  
Consolidated Financial Performance**  
(Rupees in millions)

**Comparison with last year**

**Annexure A**

Covering period FROM TO	01-Jul-2023 30-Sep-2023	01-Jul-2022 30-Sep-2022	VARIATION	
			Amount	Percentage
Turnover - net	1,496.03	971.69	524.34	53.96%
Cost of Sales	1,415.71	931.16	484.55	52.04%
G.P.Rate to Sales	80.32	40.53	39.79	98.18%
G.P.Rate to Sales	5.37%	4.17%		
Administrative, Selling, Financial & Other expenses	115.49	86.46	29.03	33.58%
Other income	5.03	23.28	(18.25)	78.39%
Operating (loss) / Profit before tax	(30.14)	(22.65)	(7.49)	-33.07%
Operating (loss) / Profit to sales ratio	-2.01%	-2.33%		
Earning per share (before tax)	(1.51)	(1.13)	(0.37)	33.04%

**Comparison with previous quarter**

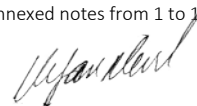
**Annexure B**

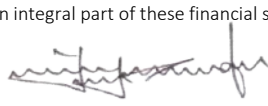
Covering period FROM TO	01-Jul-2023 30-Sep-2023	01-Apr-2023 30-Jun-2023	VARIATION	
			Amount	Percentage
Turnover - net	1,496.03	1,272.92	223.11	17.53%
Cost of Sales	1,415.71	1,208.37	207.33	17.16%
Gross Profit	80.32	64.54	15.78	24.45%
G.P.Rate to Sales	5.37%	5.07%		0.30%
Administrative, Selling, Financial & Other expenses	115.49	121.16	(5.67)	-4.68%
Other income	5.03	6.44	(1.41)	-21.86%
Operating (loss) / Profit before tax	(30.14)	(63.06)	32.92	-52.20%
Operating (loss) / Profit to sales ratio	-2.01%	-4.95%		
Earning per share (before tax)	(1.51)	(2.84)	1.33	-46.84%

**SANA INDUSTRIES LIMITED**  
**UNCONSOLIDATED INTERIM CONDENSED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2023 (UN-AUDITED)**

	NOTE	September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees) -----	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	799,238,052	823,193,060
Right-of-use asset		30,481,285	32,054,127
Investment property		30,811,463	33,353,146
Investment in subsidiary		94,999,990	94,999,990
Long term deposits	5	2,756,051	2,756,051
Deferred tax assets		168,496,035	134,440,683
		1,126,782,875	1,120,797,057
<b>CURRENT ASSETS</b>			
Stock-in-trade	6	257,251,503	290,356,504
Stores and spares		15,545,817	19,003,955
Trade debts- unsecured, considered good		583,286,324	557,863,756
Loans and advances		10,514,816	15,136,036
Deposits and pre-payments		8,345,493	2,674,689
Short term investments		4,383,681	4,383,682
Other receivables		135,865,192	131,822,164
Tax refunds due from government	7	71,372,100	83,810,293
Cash and bank balances		19,699,150	57,742,190
		1,106,264,077	1,162,793,269
<b>TOTAL ASSETS</b>		2,233,046,952	2,283,590,326
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized share capital		200,000,000	200,000,000
20,000,000 (2023: 20,000,000) ordinary shares of Rs 10 each		200,000,000	200,000,000
Issued, subscribed and paid-up capital		199,650,000	295,900,000
Reserves		226,329,769	149,444,061
		425,979,769	445,344,061
<b>NON CURRENT LIABILITIES</b>			
Lease liability		36,508,130	30,554,993
Long term financing	8	248,518,188	260,117,121
Deferred liabilities	9	181,495,790	177,424,113
		466,522,108	468,096,227
<b>CURRENT LIABILITIES</b>			
Trade and other payables		387,630,287	350,986,253
Accrued profit		36,352,207	55,907,933
Loans from directors and associates		9,100,000	5,100,000
Current maturity of lease liability		8,403,763	12,656,659
Current portion of long term loans from a banking company	8	69,865,530	72,965,831
Current maturity of deferred government grant		16,569,418	16,887,604
Unclaimed dividend		2,005,661	2,005,663
Short Term islamic finance	10	810,618,209	853,640,095
Taxation - net	7	-	-
		1,340,545,075	1,370,150,038
<b>CONTINGENCIES AND COMMITMENTS</b>	11	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		2,233,046,952	2,283,590,326

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

  
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Chief Executive

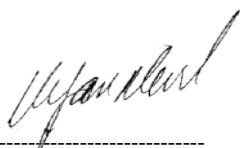
  
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Director

  
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Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**UNCONSOLIDATED INTERIM CONDENSED PROFIT AND LOSS ACCOUNT**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)**

	NOTE	September 30, 2023	September 30, 2022
		----- Rupees -----	
Gross Turnover		1,138,356,635	770,512,078
<b>less</b>			
Sales tax		(175,813,166)	(112,228,819)
Commissions and discounts		-	(146,206.00)
Net Turnover		962,543,469	658,137,052
Cost of sales	12	(918,783,763)	(648,292,780)
Gross profit		43,759,706	9,844,272
Selling and distribution expenses		(8,810,465)	(4,506,769)
Administrative expenses		(24,182,644)	(21,191,987)
Other operating income		3,801,280	6,699,135
Operating profit		14,567,876	(9,155,349)
Finance cost		(55,902,487)	(39,784,585)
Profit/(Loss) for the period before taxation		(41,334,610)	(48,939,934)
Provision for taxation - current		(12,085,034)	(14,978,502)
- deferred (current)		34,055,351	9,066,648
		21,970,317	(5,911,854)
Profit after taxation		(19,364,293)	(54,851,788)
Earning per share	13	(0.97)	(2.75)

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, 2023 (UN-AUDITED)**

	September 30, 2023	September 30, 2022
	----- Rupees -----	
Net profit for the period	<b>(19,364,293)</b>	(54,851,788)
Other comprehensive income	-	-
	<b>-----</b>	-----
	<b>=====</b>	=====

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

  
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Chief Executive

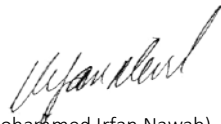
  
-----  
Director


  
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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			Sub Total	Total
		General reserve	Share Premium	Un- appropriated profit		
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, 2021	-	-	-	(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
Balance as at July 01, 2023	199,650,000	132,500,000	96,250,000	16,944,062	245,694,062	445,344,062
Profit after taxation for the first quarter ended September 30, 2023	-	-	-	(19,364,293)	(19,364,293)	(19,364,293)
Balance as at September 30, 2023	199,650,000	132,500,000	96,250,000	(2,420,231)	226,329,769	425,979,769

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, 2023 (UN-AUDITED)**

	NOTE	September 30, 2023	September 30, 2022
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit/(loss) before taxation		<b>(41,334,610)</b>	(48,939,934)
Add/(Less): Adjustments for:			
Depreciation		<b>35,968,984</b>	29,423,225
Profit on PLS account		<b>(359,228)</b>	(268,162)
Provision for GIDC		<b>2,350,818</b>	-
Provision for gratuity		<b>5,563,012</b>	2,717,437
Remeasurement gain on lease liability		<b>-</b>	(5,207,541)
Finance cost		<b>55,902,487</b>	39,784,585
		-----	-----
Cash provided by operating activities before working capital changes		<b>58,091,463</b>	17,509,609
(Increase)/decrease in current assets	14	<b>6,047,959</b>	(26,439,977)
Increase/(decrease) in current liabilities	14	<b>31,886,398</b>	15,852,278
		-----	-----
		<b>96,025,820</b>	6,921,910
Finance cost		<b>(73,107,394)</b>	(28,966,562)
Sales tax refund received during the period		<b>12,307,788</b>	-
Gratuity Paid		<b>-</b>	(2,661,090)
Taxes paid		<b>(9,087,358)</b>	(12,364,444)
		-----	-----
Net cash inflow from operating activities		<b>26,138,855</b>	(37,070,186)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		<b>(7,903,086)</b>	(106,466,348)
Profits received on bank accounts		<b>359,228</b>	268,162
Net cash used in investing activities		<b>(7,543,858)</b>	(106,198,186)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts / (Re-payment) of Short term Islamic finance		<b>(43,021,886)</b>	154,049,061
Receipts / (Re-payment) of Diminishing Mushareqa		<b>(7,054,903)</b>	75,372,077
Repayment of lease liability (principal repayment)		<b>-</b>	8,221,889
Repayment of loan against SBP Refinance facility for payment of wages and salaries		<b>-</b>	(52,011,354)
Repayment of loan against Islamic temporary economic refinance		<b>(10,561,248)</b>	-
Loan re-payment to related parties		<b>4,000,000</b>	-
Dividends paid		<b>-</b>	(4,143)
Net cash inflow from/(used in) financing activities		<b>(56,638,037)</b>	185,627,530
		-----	-----
Net (decrease)/increase in cash and cash equivalents		<b>(38,043,040)</b>	35,581,251
Cash and cash equivalents at beginning of the period		<b>57,742,190</b>	28,224,761
		-----	-----
Cash and cash equivalents at end of the period		<b>19,699,150</b>	63,806,012
		=====	=====

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, 2023 (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, 2023.

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

	<b>September 30, 2023 (Un-audited)</b>	<b>June 30, 2023 (Audited)</b>
	----- (Rupees) -----	
<b>4. TANGIBLE FIXED ASSETS</b>		
Net book value (NBV) at the beginning of the period	<b>823,183,797</b>	550,070,507
Add: Additions to tangible fixed assets	<b>7,903,086</b>	379,740,284
Less: Disposals during the period (NBV)	<b>-</b>	3,564,295
Depreciation charged during the period	<b>31,848,831</b>	103,053,436
	<b>31,848,831</b>	106,617,731
Net book value (NBV) at the closing of the period	<b>799,238,052</b>	823,193,060
Capital work-in-progress	<b>-</b>	-
	<b>799,238,052</b>	823,193,060
	=====	=====

**5 INVESTMENTS**

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

As at September 30, 2023, the Company held 3,500,000 (June 2023: 3,500,000) ordinary shares of M/s. Sana Logistics (Private) Limited (SLPL) which gives the Company 70% (2023: 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, 2023, the Company held 5,999,999 ( June 2023: 5,999,999) ordinary shares of M/s. Sana Distributors (Private) Limited (SDPL) which gives the Company 99.99% (2023: 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, 2023 (Un-audited)	June 30, 2023 (Audited)
	----- (Rupees) -----	
<b>6. STOCK-IN-TRADE</b>		
Raw and packing material		
- in hand	92,198,392	79,770,761
- in transit	-	30,811,348
	-----	-----
	<b>92,198,392</b>	110,582,109
Work-in-process	30,245,818	35,348,344
Finished goods	133,838,593	143,434,226
Waste stock	968,700	991,825
	-----	-----
	<b>257,251,503</b>	290,356,504
	=====	=====
<b>7. TAXATION - NET</b>		
Income tax refundable	61,389,164	59,683,691
Sales tax refundable	9,982,936	24,126,602
	-----	-----
	<b>71,372,100</b>	83,810,293
	=====	=====
<b>8. NON CURRENT LIABILITY - secured</b>		
Diminishing Mushreka from a commercial bank	141,500,028	148,554,931
Islamic Temporary Economic Refinance Facility (ITERF)	176,883,690	184,528,021
	-----	-----
	<b>318,383,718</b>	333,082,952
Less: Current portion	<b>(69,865,530)</b>	(72,965,831)
	-----	-----
	<b>248,518,188</b>	260,117,121
	=====	=====
<b>9. DEFERRED LIABILITIES</b>		
Deferred government grant	40,507,793	44,349,949
Staff retirement benefits	80,643,415	75,080,401
Provision for Gas Infrastructure Development Cess	60,344,581	57,993,763
	-----	-----
	<b>181,495,789</b>	177,424,113
	=====	=====
<b>10. SHORT-TERM ARRANGEMENT - secured</b>		
From commercial banks	810,618,209	853,640,095
	=====	=====
<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, 2023.		
<b>11.2 Commitments</b>		
Custom duty and income tax on stock in transit	-	7,526,612
	=====	=====
Letter of gurantee issued by a commercial bank	48,018,000	33,420,771
	=====	=====
Irrevocable letter of credits	101,851,512	114,659,718
	=====	=====

	September 30, 2023	September 30, 2022
	----- Rupees -----	
<b>12 COST OF SALES</b>		
Opening stock finished goods and waste	144,426,051	71,734,559
Cost of goods manufactured	909,165,005	546,165,216
Closing stock finished goods and waste	(134,807,293)	(74,698,426)
	918,783,763	543,201,349
	918,783,763	543,201,349
<b>13 EARNING PER SHARE - BASIC AND DILUTED</b>		
Profit after taxation	Rupees (19,364,293)	(54,851,788)
Issued ordinary shares	19,965,000	19,965,000
Basic and diluted earnings per share	Rupees (0.97)	(2.75)
	(0.97)	(2.75)
	(0.97)	(2.75)
<b>14 WORKING CAPITAL CHANGES</b>		
<b>Decrease/(Increase) in current assets</b>		
Stock-in-trade	33,105,001	7,337,271
Stores and spares	3,458,138	(2,871,043)
Trade debts	(25,422,568)	(26,593,251)
Advances	4,621,220	2,363,617
Deposits and pre-payments	(5,670,804)	(4,871,507)
Other receivables	(4,043,028)	(1,805,064)
	6,047,959	(26,439,977)
	6,047,959	(26,439,977)
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	31,886,398	15,908,625
	31,886,398	15,908,625
	31,886,398	15,908,625

**15 TRANSACTIONS WITH RELATED PARTIES**

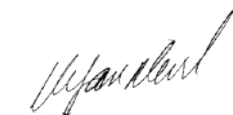
The related parties comprise associated companies, staff benefit funds, directors and key management personnel. The transactions with related parties are as follows:


Relationship	Nature of transaction	September 30, 2023	September 30, 2022
		----- Rupees -----	
	Broowings from Directors and family member	11,000,000	-
	Repayment of broowings from Directors and family member	7,000,000	-
	Rent paid to director's family members	-	310,880
		-	310,880
		-	310,880
		September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees) -----	
	Receivable from Subsidiaries	88,377,414	84,314,740
		88,377,414	84,314,740
		88,377,414	84,314,740

**16. GENERAL**

16.1 These financial statements were authorised for issue by the Board of Directors on 27th October, 2023.

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

  
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Chief Executive

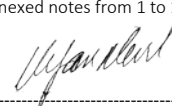
  
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Director

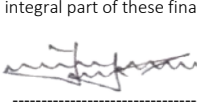
  
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Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)**  
**AS AT 30 SEPTEMBER 2023 (UN-AUDITED)**

	NOTE	September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees) -----	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	947,809,384	975,045,698
Right-of-use assets		53,521,876	61,099,145
Intangibles		591,072	727,454
Long term advance		1,000,000	1,000,000
Long term deposits		2,756,051	2,756,051
Deferred tax asset - net		171,014,834	138,989,832
		1,176,693,217	1,179,618,180
<b>CURRENT ASSETS</b>			
Stock-in-trade	5	293,936,444	333,776,000
Stores and spares		15,545,817	19,003,955
Short term investments		19,308,681	19,308,682
Trade debts		874,445,057	781,346,479
Loans and advances		18,655,776	20,262,483
Trade deposits and short term prepayments		9,422,813	4,369,590
Other receivables		86,333,225	76,392,815
Tax refunds due from government		121,013,204	140,770,016
Cash and bank balances		34,420,635	76,196,579
		1,473,081,651	1,471,426,599
<b>TOTAL ASSETS</b>		<b>2,649,774,868</b>	<b>2,651,044,779</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		199,650,000	199,650,000
Reserves		195,581,266	213,702,539
Equity attributable to the shareholders of holding company		395,231,266	413,352,539
Non controlling Interest	6	60,092,922	58,269,249
<b>Total equity</b>		<b>455,324,188</b>	<b>471,621,788</b>
<b>NON CURRENT LIABILITIES</b>			
Long term financing	7	250,810,218	263,050,026
Lease liability		59,694,565	56,802,630
Deferred liabilities	8	181,495,789	177,424,113
		492,000,571	497,276,769
<b>CURRENT LIABILITIES</b>			
Trade and other payables		547,541,083	492,611,533
Accrued profit		38,412,132	57,837,225
Subordinated loan from directors		20,000,000	20,000,000
Loans from directors and associates		92,804,960	60,865,000
Current portion of long term loans from a banking company	7	75,080,124	78,946,771
Current maturity of lease liability		24,594,426	24,366,149
Current maturity of deferred government grant		16,569,418	16,887,604
Unclaimed dividend		2,005,661	2,005,663
Short term Islamic finance	9	885,442,305	928,626,277
Taxation - net		-	-
		1,702,450,109	1,682,146,222
<b>CONTINGENCIES AND COMMITMENTS</b>	10	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,649,774,868</b>	<b>2,651,044,779</b>

The annexed notes from 1 to 17 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 CONDENSED PROFIT AND LOSS ACCOUNT**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)**

	NOTE	September 30, 2023	September 30, 2022
		----- Rupees -----	
Gross Turnover		1,779,418,626	1,203,791,776
<b>less</b>			
Sales tax		(283,389,470)	(170,834,062)
Commisions / returns and discounts		-	(61,272,618)
		-----	-----
		1,496,029,156	971,685,097
Cost of sales	11	(1,415,705,477)	(931,159,399)
		-----	-----
Gross profit		80,323,679	40,525,698
Selling and distribution expenses		(27,454,085)	(7,569,743)
Administrative expenses		(26,098,211)	(34,850,034)
Other operating expenses		-	-
Other operating income		5,029,952	23,280,790
		-----	-----
Operating profit		31,801,335	21,386,711
Finance cost		(61,940,644)	(44,041,679)
		-----	-----
Profit/( Loss) for the period before taxation		(30,139,309)	(22,654,968)
Provision for taxation			
- current		(23,705,940)	(19,435,786)
- deferred (current)		37,547,649	9,149,416
		13,841,709	(10,286,370)
		-----	-----
Profit after taxation		(16,297,600)	(32,941,338)
		=====	=====
Attributable to:			
- Shareholders of the Holding Company		(18,121,273)	(39,021,674)
- Non - controlling interest		1,823,673	6,080,336
		-----	-----
		(16,297,600)	(32,941,338)
		=====	=====
			(Restated)
Earning per share	12	(0.91)	(1.95)
		=====	=====

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, 2023 (UN-AUDITED)**

	September 30, 2023	September 30, 2022
	----- Rupees -----	
Net profit for the period	(16,297,600)	(32,941,338)
Other comprehensive income	-	-
Total comprehensive income for the period	<u>(16,297,600)</u>	<u>(32,941,338)</u>
	=====	=====
Attributable to		
Owners Equity	(18,121,273)	(39,021,674)
Non-controlling interest	1,823,673	6,080,336
	<u>(16,297,600)</u>	<u>(32,941,338)</u>
	=====	=====

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

  
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Chief Executive

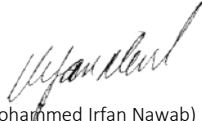
  
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Director


  
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Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023**

	Issued, subscribed and paid-up capital	REVENUE RESERVES			Sub Total	Total equity attributable to the shareholders of Holding Company	Non-controlling interest
		General reserve	Share Premium	Un- appropriated profit			
Balance as at July 01, 2022	110,000,000	132,500,000	96,250,000	254,936,150	483,686,150	604,686,150	53,567,671
Profit after taxation for the first quarter ended September 30, 2021	-	-	-	(39,021,674)	(39,021,674)	(39,021,674)	-
Non-controlling interest arising on a business combination	-	-	-	-	-	-	6,080,336
Balance as at September 30, 2022	110,000,000	132,500,000	96,250,000	215,914,476	444,664,476	565,664,476	59,648,007
<b>Balance as at July 01, 2023</b>	<b>199,650,000</b>	<b>132,500,000</b>	<b>96,250,000</b>	<b>(15,047,461)</b>	<b>213,702,539</b>	<b>413,352,539</b>	<b>58,269,249</b>
<b>Profit after taxation for the first quarter ended September 30, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,121,273)</b>	<b>(18,121,273)</b>	<b>(18,121,273)</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>1,823,673</b>
<b>Balance as at September 30, 2023</b>	<b>199,650,000</b>	<b>132,500,000</b>	<b>96,250,000</b>	<b>(33,168,734)</b>	<b>195,581,266</b>	<b>395,231,266</b>	<b>60,092,922</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, 2023 (UN-AUDITED)**

	NOTE	September 30, 2023	September 30, 2022
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit/(loss) before taxation		(30,139,309)	(22,654,968)
<b>Add/(Less): Adjustments for:</b>			
Depreciation		47,285,566	28,714,971
Provision for GIDC		2,350,818	-
Profit on PLS account		(869,610)	(360,520)
Remeasurement gain on lease liability		-	(20,351,229)
Provision for gratuity		5,563,012	2,717,437
Provision for doubtful receivables		-	-
Finance cost		61,940,645	44,041,679
		-----	-----
Cash provided by operating activities before working capital changes		86,131,121	32,107,371
(Increase)/decrease in current assets	13	(60,131,031)	(18,525,670)
Increase/(decrease) in current liabilities	13	54,929,550	129,575,551
		-----	-----
		80,929,640	143,157,252
Finance cost		(81,365,738)	(32,709,373)
Staff benefits		-	(5,274,229)
Profit received from PLS		869,610	360,520
Sales refunds received during the period		12,307,788	-
Taxes paid		(15,981,708)	(32,182,536)
		-----	-----
Net cash inflow from operating activities		(3,240,407)	73,351,634
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(8,425,604)	(95,407,468)
Net cash used in investing activities		(8,425,604)	(95,407,468)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts / (Re-payment) of Short term Islamic finance		(43,183,972)	154,038,343
Receipts / (Re-payment) of Diminishing Mushareqa		(7,054,903)	82,492,929
Repayment of loan against SBP Refinance facility for payment of wages and salaries		-	(13,360,586)
Repayment of loan against ITERF		(10,561,248)	-
Repayment of lease liability (principal repayment)		(1,249,770)	(5,472,733)
Dividends paid		-	(4,143)
Loan received / re-payment to related parties		31,939,960	(2,300,000)
Net cash inflow from/(used in) financing activities		(30,109,933)	215,393,810
		-----	-----
Net (decrease)/increase in cash and cash equivalents		(41,775,944)	4,040,790
Cash and cash equivalents at beginning of the period		76,196,579	70,244,958
		-----	-----
Cash and cash equivalents at end of the period		34,420,635	74,285,748
		=====	=====

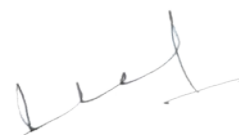
The annexed notes from 1 to 15 form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

**SANA INDUSTRIES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023 (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 Subsidiry 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, 2023.

The comparative balance sheet presented in this condensed interim consolidated financial information as at September 30, 2021 has been extracted from audited financial statements of the company holding company for the year ended June 30, 2021, whereas the comparative profit and loss account, statements of changes in equity and cash flow statements for the first quater ended September 30, 2023 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, 2023.

**4. 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, 2023.

	September 30, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>4.1 TANGIBLE FIXED ASSETS</b>		
Net book value (NBV) at the beginning of the period	972,321,025	725,935,064
Add: Additions to tangible fixed assets	8,425,604	388,802,559
Less: Disposals during the period (NBV)	-	3,740,957
Depreciation charged during the period	37,160,986	138,675,641
	37,160,986	142,416,598
	-----	-----
Net book value (NBV) at the closing of the period	943,585,643	972,321,025
Capital work-in-progress	4,223,741	2,724,674
	-----	-----
	947,809,384	975,045,699
	=====	=====

	September 30, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>5. STOCK-IN-TRADE</b>		
Raw and packing material		
- in hand	86,584,230	71,643,528
- in transit	-	30,811,348
	-----	-----
	86,584,230	102,454,876
Work-in-process	30,245,818	35,348,344
Finished goods	170,523,533	186,853,722
Waste stock	968,700	991,825
Packing Material	5,614,162	8,127,233
	-----	-----
	293,936,444	333,776,000
	=====	=====


	September 30, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>6. INVESTMENTS</b>		
<b>Non-Controlling Interest</b>		
Share of NCI (opening)	58,269,249	53,567,671
Share in Profit / (Loss)	1,823,673	4,701,578
	-----	-----
	60,092,922	58,269,249
	=====	=====

	September 30, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>7. LONG TERM FINANCING</b>		
Diminishing musharaka	149,006,651	153,653,741
Islamic Auto Finance	-	3,815,035
Financing under ITERF	176,883,690	184,528,021
	-----	-----
	325,890,342	341,996,797
Less: Current portion	(75,080,124)	(78,946,771)
	-----	-----
	250,810,218	263,050,026
	=====	=====

	September 30, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
<b>8 DEFERRED LIABILITIES</b>		
Deferred government grant	40,507,793	44,349,949
Gas infrastructure development cess	60,344,581	57,993,763
Staff retirement benefits	80,643,415	75,080,401
	-----	-----
	181,495,789	177,424,113
	=====	=====

<b>9. SHORT-TERM ISLAMIC FINANCE - secured</b>		
From commercial banks	<b>885,442,305</b>	928,626,277
	=====	=====
<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, 2023.		
<b>10.2 Commitments</b>		
Custom duty and income tax on stock in transit	-	7,526,612
	=====	=====
Letter of gurantee issued by a commercial bank	<b>48,018,000</b>	33,420,771
	=====	=====
Irrevocable letter of credits	<b>101,851,512</b>	114,659,718
	=====	=====
	<b>September 30,</b>	<b>September 30,</b>
	<b>2023</b>	<b>2022</b>
	----- Rupees -----	
<b>11. COST OF SALES</b>		
Opening stock finished goods and waste	<b>187,845,447</b>	173,821,861
Cost of goods manufactured	<b>1,399,352,263</b>	936,180,884
Closing stock finished goods and waste	<b>(171,492,233)</b>	(178,843,347)
	=====	=====
	<b>1,415,705,477</b>	931,159,398
	=====	=====
<b>12. EARNING PER SHARE - BASIC AND DILUTED</b>		
Profit after taxation attributable to shareholders of the holding company	Rupees <b>(18,121,273)</b>	(39,021,674)
Issued ordinary shares	<b>19,965,000</b>	19,965,000
Basic and diluted earnings per share	Rupees <b>(0.91)</b>	(1.95)
	=====	=====
<b>13. WORKING CAPITAL CHANGES</b>		
<b>Decrease/(Increase) in current assets</b>		
Stock-in-trade	<b>39,839,556</b>	(29,395,519)
Stores and spares	<b>3,458,138</b>	(2,871,043)
Trade debts	<b>(93,098,578)</b>	(125,162,205)
Advances	<b>1,606,707</b>	(19,890,957)
Deposits and pre-payments	<b>(5,053,223)</b>	(4,916,734)
Other receivables	<b>(9,940,410)</b>	11,907,787
Sales tax refundable	<b>3,056,778</b>	-
	=====	=====
	<b>(60,131,031)</b>	(170,328,671)
	=====	=====
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	<b>54,929,550</b>	129,575,551
	=====	=====
<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>29,300,000</b>	20,650,000
Repayment of broowings from Directors and family member	<b>15,950,000</b>	22,950,000
Rent paid to director's family members	-	9,472,950
	=====	=====
<b>15. GENERAL</b>		
15.1	These financial statements were authorized for issue by the Board of Directors on 27th October, 2023.	
15.2	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