



**UNAUDITED
CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
MARCH 31, 2024**

SAKRAND SUGAR MILLS LIMITED



COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Saleem Zamindar Mr. Dinshaw H. Anklesaria Mr. Shams Ghani Miss. Sadia Moin Mr. Muhammad Saleem Mangrio Mr. Abdul Qayyum Khan Abbasi Mr. Muhammad Omar Arshid	Chairman / Director Director Director Director Director Director Director
AUDIT COMMITTEE	Miss. Sadia Moin Mr. Saleem Zamindar Mr. Muhammad Saleem Mangrio	Chairperson Member Member
HR COMMITTEE	Mr. Abdul Qayyum Khan Abbasi Mr. Muhammad Omar Arshid Mr. Shams Ghani	Chairman Member Member
CHIEF EXECUTIVE OFFICER	Mr. Mansoor Afzal Subzwari	
CHIEF FINANCIAL OFFICER	Mr. Shams Ghani	
COMPANY SECRETARY	Mr. Muhammad Imran Akber	
BANKERS	Allied Bank Limited Bank Al Habib Limited Bank Alfalah Limited Habib Bank Limited Meezan Bank Limited MCB Bank Limited National Bank Of Pakistan Soneri Bank Limited Sindh Bank Limited Summit Bank Limited United Bank Limited	
AUDITORS	Parker Russell-A.J.S. Chartered Accountants	
LEGAL ADVISOR	Mr. Muhammad Jameel Choudhry	
REGISTRAR	M/s JWAFS Registrar Services (Pvt.) Ltd. 407-408, Al-Ameera Centre Shahrah-e-Iraq, Saddar Karachi-74400	
REGISTERED OFFICE	41-K, Block-6, P.E.C.H.S., Karachi Phone. 0092-21-35303291-2 www.sakrandsugar.com	
FACTORY ADDRESS	Deh Tharo Unar, Taluka Sakrand District Shaheed Benazir Abad, Sindh.	



Directors' Report to Members

On behalf of the Board, we are pleased to present the un-audited Condensed Interim Financial statements of the Company for the six months ended March 31, 2024 together with the auditors' review report thereon.

Operational Result

The operational performance for the period under review as compared with that of last year is tabulated hereunder.

		Season	
		2023-24	2022-23
Start of Season		Nov 06, 2023	Nov 26, 2022
Season duration		123	80
Operational Days		98	74
Sugarcane crushed	M. Tons	257,489	252,153
Production			
Sugar	M. Tons	26,269	25,763
Molasses	M. Tons	13,590	12,343
Recovery			
Sugar	%	10.202	10.217
Molasses	%	5.278	4.895

The crushing season 2023-2024 operated for 98 days compared to 74 days in the previous year. Despite of lengthy crushing period the crushing quantum remained almost the same as the management focus was to procure the quality and improved variety of CANE only to avert production losses. The Sindh Government raised minimum support price of cane from PKR 302 per maund to PKR 425 per maund, an increase of 41%. This was a tremendous increase as the main component in the production of Sugar. The other input costs were also on rise due to higher inflationary pressure, thus raising the cost of production which could not transform into selling price of the commodity as usual due to indifferent policies on this particular commodity.

Financial Result

The Financial Result for the period under review is tabulated hereunder.

Description	Rupees in millions	
	Oct – March 2024	Oct – March 2023
Sales - net	2,592.37	2,032.14
Gross profit	42.31	25.57
Profit/(loss) before taxation	(49.72)	(73.27)
Profit/(loss) after taxation	(82.13)	(98.67)
Loss per Share	Rs. (1.84)	(2.21)



During the period under review Cane Cost per kg of sugar produced stood at 113/- as against PKR 76/- in the previous year an increase of PKR 37/- per KG. Whereas the selling price (exclusive of Sales Tax) of Sugar in the current year stood at PKR 105/- per KG as against a selling price of PKR 72/- per KG a year earlier an increase of PKR 33/- per KG. This denotes the reasons for adverse results as the cost keeps on increasing more than the revenue.

Sugar Production in the Country during the current year i.e. 2023-2024 was 6.8 million metric tons. Adding carryover stock from last year of 0.7 million metric tons, the total available quantity stands at 7.5 million metric tons, as against our annual consumption requirement of 6.0 million metric tons, thus having a surplus of 1.5 million metric tons valuing at 1.0 Billion US Dollars. PASMA (Pakistan Sugar Mills Association) is on rigorous follow up with the Government for Export permission but of no avail as yet.

The Government policies aims at following administrative and coercive measures against sugar mills and do not allow market to operate based on free trade mechanism. They make the sugar mills purchase sugarcane at higher prices and sell the finished product at the low prices.

Acknowledgement

The Directors place on record their appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the company's affairs and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah.

On behalf of the Board of Directors

Chairman/Director
Karachi
May 30, 2024

Chief Executive Officer



ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے ششماہی غیر آڈٹ شدہ مالیاتی حسابات بمعہ آڈیٹرز رپورٹ برائے 31 مارچ 2024 پیش خدمت ہیں۔

آپریٹنگ نتائج

گزشتہ سال کے مقابلے میں زیر جائزہ مدت کے لیے آپریٹنگ کارکردگی درج ذیل رہی ہے۔

		Season	
		2023-24	2022-23
Start of Season		Nov 06, 2023	Nov 26, 2022
Season duration		123	80
Operational Days		98	74
Sugarcane crushed	M. Tons	257,489	252,153
Production			
Sugar	M. Tons	26,269	25,763
Molasses	M. Tons	13,590	12,343
Recovery			
Sugar	%	10.202	10.217
Molasses	%	5.278	4.895

کرشنگ سیزن 2023-2024 کا دورانیہ 98 دن رہا جب کہ گزشتہ سال یہ دورانیہ 74 دن تھا۔ کرشنگ کی مدت طویل ہونے کے باوجود کرشنگ کی مقدار تقریباً ویسی ہی رہی کیونکہ انتظامیہ کی توجہ صرف پیداواری نقصانات سے بچاؤ کے لیے گنے کی بہتر قسم اور کوالٹی کی خریداری پر تھی۔ حکومت سندھ نے گزشتہ سال کی نسبت اس سال گنے کی امدادی قیمت میں 41 فیصد اضافہ کیا۔ اس سال گنے کی قیمت 425 روپے فی من مقرر کی جب کہ پچھلے سال گنے کی قیمت 302 روپے فی من تھی۔ جو کہ چینی کی پیداواری لاگت میں ایک غیر معمولی اضافہ ہے۔ مہنگائی کے زیادہ دباؤ کی وجہ سے چینی کی پیداواری لاگت میں اضافہ ہوا جو کہ ناموافق پالیسیوں کی وجہ سے چینی کی قیمت فروخت سے مطابقت نہیں کر سکا۔

مالیاتی نتائج

زیر جائزہ مدت کے مالیاتی نتائج درج ذیل ہے۔

Description	Rupees in millions	
	Oct – March 2024	Oct – March 2023
Sales - net	2,592.37	2,032.14
Gross profit	42.31	25.57
Profit/(loss) before taxation	(49.72)	(73.27)
Profit/(loss) after taxation	(82.13)	(98.67)
Loss per Share	Rs. (1.84)	(2.21)



زیر جائزہ مدت میں چینی کی پیداواری لاگت میں صرف گنے کی قیمت -/113 روپے فی کلو ری، جبکہ گزشتہ سال یہ -/76 روپے فی کلو تھی، جو کہ -/37 روپے فی کلو گرام کا اضافہ ہے۔ جبکہ موجودہ سال میں چینی کی قیمت فروخت (سیلز ٹیکس کے علاوہ) -/105 روپے فی کلو گرام ری، جبکہ گزشتہ سال یہ -/72 روپے فی کلو گرام تھی، جس میں -/33 روپے فی کلو گرام اضافہ ہوا۔ یہ آمدنی سے زائد مسلسل بڑھتی ہوئی لاگت کی وجہ سے منفی نتائج کی وجوہات کی نشاندہی کرتا ہے۔

ملک میں رواں سال یعنی 2023-2024 میں چینی کی پیداوار 6.8 ملین میٹرک ٹن ری گزشتہ سال کے 0.7 ملین میٹرک ٹن ملا کر کل دستیاب مقدار 7.5 ملین میٹرک ٹن ری۔ اس کے مقابلے ملک کی سالانہ کھپت 6.0 ملین میٹرک ٹن ہے، لہذا 1.5 ملین میٹرک ٹن کا سرپلس حاصل ہوا جس کی قیمت 1.0 بلین امریکی ڈالر ہے۔ پاکستان شوگر ملز ایسوسی ایشن حکومت سے برآمدات کی اجازت کیلئے فالو اپ کر رہی ہے تاہم ابھی تک کوئی پیش رفت نہیں ہوئی۔

ناموافق اور جبری اقتصادی پالیسی کی وجہ سے شوگر ملز آزاد تجارتی طریقہ کار کی بنیاد پر کام نہیں کر پارہی۔ جس کے سبب شوگر ملز زیادہ قیمت پر گنے کی خریداری اور کم قیمت میں پر چینی کو فروخت کرنے پر مجبور ہے۔

اظہار تشکر

ڈائریکٹرز نے کمپنی کے تمام معاملات کو احسن طریقے سے چلانے کیلئے ایگزیکٹو، افسران، اسٹاف ممبران اور ورکرز کی فرض شناسی، وفاداری اور سخت محنت کو سراہا اور امید ظاہر کی کہ اللہ تعالیٰ کے فضل و کرم کے ساتھ وہ پیداواری صلاحیت میں اضافے کو جاری رکھیں گے۔

منجانب بورڈ ڈائریکٹرز

Paleem Zamindar

چیرمین

کراچی

30 مئی 2024ء

چیف ایگزیکٹو آفیسر

Independent Auditors' Review Report to the Members of Sakrand Sugar Mills Limited

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Sakrand Sugar Mills Limited** (the "Company") as at March 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and the condensed interim statement of other comprehensive income for the quarter ended March 31, 2024, and March 31, 2023, have not been reviewed, as we are required to review only the cumulative figures for the half year ended March 31, 2024.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Opinion

The Company entered into a restructuring agreement in the year 2023, which resulted in the substantial modification of liability. The Company has not accounted for substantial modification in liability, in accordance with the requirement of the applicable financial reporting standard. Had the Company accounted for the substantial modification in liability in accordance with the applicable financial reporting standards, the liability would have been reduced by Rs. 791.833 million while accumulated losses as at March 31, 2024, would have been reduced by Rs. 560.240 million.

As disclosed in note 1.1 to the condensed interim financial statements as of March 31, 2024, the Company has incurred a loss after taxation of Rs. 82.125 million, has accumulated losses as at March 31, 2024 amounts to Rs. 1,737 million, its current liabilities exceed its current assets by Rs. 2,187 million and loans amounting to Rs 181.818 million are still overdue. Further, the old outstanding of Sales Tax and Worker Welfare Fund balance has been stagnant, and no provision has been made for the surcharge applicable on the old outstanding balances, which results in the non-compliance with the respective requirements of laws.

The above financial condition cast doubt on Company' ability to continue as a going concern which led us to believe that the going concern assumption used in preparation of these condensed interim financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realizable and settlement amounts respectively.





Parker Russell-A. J. S.

CHARTERED ACCOUNTANTS

Adverse Conclusion

Our review indicates that, because of the significance of the matter described in the Basis for Adverse Conclusion section of our report, the accompanying condensed interim financial statements for the half year ended March 31, 2024 is not prepared, in all material respects, in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' report is Mr. Muhammad Shabbir Kasbati.

(Chartered Accountants)

Karachi

Date: May 30, 2024

UDIN: RR2024101924EH9QV3mB



**Condensed Interim Statement of Financial Position
As at March 31, 2024**

	(Un-Audited) March 31, 2024	(Audited) September 30, 2023
Rupees in '000'	
Assets		
Non-current assets		
Property, plant and equipment	5 3,830,133	3,847,298
Intangible asset	1,263	1,513
Long-term loans	1,016	191
Long-term deposits	2,860	2,860
	<u>3,835,272</u>	<u>3,851,862</u>
Current assets		
Store, spares and loose tools	116,206	108,823
Stock-in-trade	6 739,425	32,855
Trade debts	1,811	1,188
Loans and advances	71,150	46,458
Deposits, prepayments and other receivables	91,150	94,861
Short term investment	-	10,000
Cash and bank balances	7 14,216	5,611
	<u>1,033,958</u>	<u>299,796</u>
Total assets	<u><u>4,869,230</u></u>	<u><u>4,151,658</u></u>
Equity and liabilities		
Share capital and reserves		
Authorized share capital	<u>600,000</u>	<u>600,000</u>
Issued, subscribed and paid-up share capital	446,160	446,160
Accumulated loss	(1,736,956)	(1,672,931)
Surplus on revaluation of property, plant and equipment-net of deferred tax	2,113,105	2,131,204
Directors' / sponsors' subordinated loan	92,767	92,767
	<u>915,076</u>	<u>997,200</u>
Non-current liabilities		
Long term financing - secured	8 664,873	686,673
Deferred liabilities	68,137	67,342
Deferred Taxation	13 -	-
	<u>733,010</u>	<u>754,015</u>
Current liabilities		
Trade and other payables	2,434,884	1,675,780
Unclaimed dividend	6,198	6,198
Unpaid dividend	30	30
Accrued mark-up	483,110	461,091
Current maturity of long-term financing	234,018	223,218
Tax payable - net	62,904	34,126
	<u>3,221,144</u>	<u>2,400,443</u>
Contingencies and commitments	9 -	-
Total equity and liabilities	<u><u>4,869,230</u></u>	<u><u>4,151,658</u></u>

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

Chief Executive Officer

Chief Financial Officer

Director



Condensed Interim Statement of Profit or Loss
For the half year ended March 31, 2024 (Un-audited)

	Note	Half year ended		Quarter ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees in '000'.....			
Sales - net	10	2,592,365	2,032,140	1,512,652	1,335,285
Cost of sales	11	<u>(2,550,052)</u>	<u>(2,006,567)</u>	<u>(1,407,539)</u>	<u>(1,234,000)</u>
Gross profit		42,313	25,573	105,113	101,286
Operating expenses					
Administrative expenses		<u>(92,085)</u>	<u>(76,654)</u>	<u>(44,800)</u>	<u>(41,142)</u>
Selling and distribution cost		<u>(6,918)</u>	<u>(3,441)</u>	<u>(4,955)</u>	<u>(2,135)</u>
		<u>(99,003)</u>	<u>(80,095)</u>	<u>(49,755)</u>	<u>(43,277)</u>
Operating (loss) / profit		<u>(56,690)</u>	<u>(54,522)</u>	55,358	58,009
Finance cost		<u>(27,175)</u>	<u>(21,157)</u>	<u>(13,715)</u>	<u>(10,828)</u>
Other income	12	<u>34,145</u>	<u>2,411</u>	<u>34,145</u>	<u>2,411</u>
		<u>6,970</u>	<u>(18,747)</u>	<u>20,430</u>	<u>(8,417)</u>
Loss / (profit) before taxation		<u>(49,720)</u>	<u>(73,269)</u>	75,788	49,592
Taxation-net	13	<u>(32,405)</u>	<u>(25,402)</u>	<u>(18,909)</u>	<u>(22,810)</u>
Loss / (profit) after taxation		<u><u>(82,125)</u></u>	<u><u>(98,671)</u></u>	<u><u>56,879</u></u>	<u><u>26,782</u></u>
Loss / (earning) per share basic and diluted (Rs.)		<u><u>(1.84)</u></u>	<u><u>(2.21)</u></u>	<u><u>1.27</u></u>	<u><u>0.60</u></u>

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

Chief Executive Officer

Chief Financial Officer

Director



**Condensed Interim Statement of Other Comprehensive Income
For the half year ended March 31, 2024 (Un-audited)**

	<u>Half year ended</u>		<u>Quarter ended</u>	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Rupees in '000'.....			
Loss / (profit) after taxation	(82,125)	(98,671)	56,879	26,782
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss / (income) for the period	<u>(82,125)</u>	<u>(98,671)</u>	<u>56,879</u>	<u>26,782</u>

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

Chief Executive Officer

Chief Financial Officer

Director



Condensed Interim Statement of Cash Flows
For the half year ended March 31, 2024 (Un-audited)

	March 31, 2024	March 31, 2023
NoteRupees in '000'.....	
Cash flows from operating activities		
Profit / (loss) before taxation	(49,720)	(73,269)
Adjustments for non-cash items :		
Depreciation	40,022	39,968
Amortisation	250	372
Reversal of provision for doubtful debt	(33,986)	-
Gratuity Provision	779	-
Finance cost	22,020	20,609
Gain on sale of fixed assets	(159)	(2,411)
Long term loans to employees	-	85
Operating profit before working capital changes	28,925	58,624
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(7,383)	43,545
Stock-in-trade	(706,570)	(200,850)
Trade debts	33,363	52,256
Loans and advances	(24,692)	63,808
Prepayments and other receivables	2,886	887
	(702,396)	(40,354)
Increase in current liabilities		
Trade and other payables	759,120	235,886
Cash generated from operations	35,929	180,887
Taxes paid	(3,626)	(4,550)
Net cash generated from operating activities	32,303	176,337
Cash flows from investing activities		
Purchase of property, plant and equipment	(23,213)	(137,293)
Sales proceeds from disposal of property, plant and equipment	515	3,869
Proceeds from short term investment	10,000	-
Net cash used in investing activities	(12,698)	(133,424)
Cash flows from financing activities		
Long term financing - repaid	(11,000)	(6,000)
Net cash used in financing activities	(11,000)	(6,000)
Net increase in cash and cash equivalents	8,605	36,913
Cash and cash equivalents at the beginning of the period	5,611	33,882
Cash and cash equivalents at the end of the period	14,216	70,795

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

Chief Executive Officer

Chief Financial Officer

Director



**Condensed Interim Statement of Changes in Equity
For the half year ended March 31, 2024 (Un-audited)**

	Issued, subscribed & paid-up share capital	Un-appropriated profit / accumulated loss	Surplus on revaluation of property, plant and equipment	Directors' / sponsors' subordinated loan	Total
 Rupees in '000'.....				
Balance as at October 01, 2022	446,160	(1,552,393)	2,168,001	92,767	1,154,535
Loss after taxation	-	(98,671)	-	-	(98,671)
Other comprehensive income / (loss) for the period	-	-	-	-	-
Total comprehensive (loss) for the period	-	(98,671)	-	-	(98,671)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax	-	10,103	(10,103)	-	(10,103)
Balance as at March 31, 2023	446,160	(1,640,962)	2,157,897	92,767	1,055,862
Balance as at October 01, 2023	446,160	(1,672,931)	2,131,205	92,767	997,201
Loss after taxation	-	(82,125)	-	-	(82,125)
Other comprehensive income / (loss) for the period	-	-	-	-	-
Total comprehensive (loss) for the period	-	(82,125)	-	-	(82,125)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	18,100	(18,100)	-	-
Balance as at March 31, 2024	446,160	(1,736,956)	2,113,105	92,767	915,076

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

Chief Executive Officer

Chief Financial Officer

Director



**Notes to the Condensed Interim Financial Statements
For the half year ended March 31, 2024 (Un-audited)**

1 STATUS AND NATURE OF BUSINESS

Sakrand Sugar Mills Limited was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 [Repealed with the enactment of Companies Act, 2017], on March 02, 1989 and its shares are quoted on Pakistan Stock Exchange. The principal business of the Company is to manufacture and sell white sugar. The registered office of the Company is situated in 41-K, Block-6, P.E.C.H.S, Karachi while the Company's mill is situated at Deh Tharo Unar, Taluka Sakrand, District Shaheed Benazirabad, Sindh, Pakistan, having an area of 102.18 acres.

- 1.1** The condensed interim financial statements of the Company for the period ended 31st March 2024, reflect net loss after taxation amounting to Rs. 82.125 million (March 2023: net loss of Rs.98.671 million) and its current liabilities exceeds its current assets by Rs.2,187 million (September 30, 2023: Rs. 2,101 million).

However, the condensed interim financial statements are prepared by the management on going assumption on the basis of the following factors:

- a) The Company has successfully completed crushing season for 2023-24 till the date of issuance of condensed financial statements for the period ended March 31, 2024 and the major cash flow requirements for operations are already met.
- b) The Company has been complying with the requirements of restructured terms with Sindh Bank Limited and negotiating with other lenders for restructuring of the loan.
- c) The management is working on further processing of composite fertilizer (by product) and believe that the sale of processed fertilizer will result in increase in profits.
- d) The management is working on improvement of production cycles that will results in reduction in cost of production in future.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of :

- International Accounting Standards 34; 'Interim Financial Reporting', (IAS 34) issued by international Accounting and Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Provisions of and directives issued under the Companies Act, 2017.

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

- 2.2** These condensed interim financial statements are unaudited and subject to limited scope review by the auditors. These are being submitted to the members in accordance with Section 237 of the Companies Act, 2017 (the Act).
- 2.3** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2023.



3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computations followed for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual published financial statements of the Company for the year ended September 30, 2023.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended September 30, 2023, except as disclosed otherwise.

	(Un-Audited) March 31, 2024	(Audited) September 30, 2023
	----- Rupees in '000' -----	
5 PROPERTY, PLANT AND EQUIPMENT		
Opening book value	3,847,298	3,731,900
Additions during the period		
Plant and machinery	17,749	183,006
Non-factory building	882	7,751
Office equipment and others	1,219	802
Furniture and fixture	312	691
Vehicles	3,050	4,285
	23,213	196,534
Disposal during the period - carrying amount		
Non-factory building	-	(183)
Office equipment and others	-	(34)
Vehicles	(356)	(868)
	(40,022)	(80,051)
Depreciation for the period	(40,022)	(80,051)
Closing book value	<u>3,830,133</u>	<u>3,847,298</u>
6 STOCK-IN-TRADE		
Finished goods - Sugar	572,179	-
Sugar in process	12,479	3,545
Molasses	128,756	-
Compost fertilizer in process (including Mud)	10,471	9,176
Bagasse	15,540	20,134
	<u>739,425</u>	<u>32,855</u>



	(Un-Audited) March 31, 2024	(Audited) September 30, 2023
	----- Rupees in '000' -----	
7 CASH AND BANK BALANCES		
Cash in hand	114	93
Cash at bank - Current account	14,102	5,518
	<u>14,216</u>	<u>5,611</u>

8 LONG TERM FINANCE - SECURED		
Classified as current liability	713,073	727,273
Repayment during current period	(11,000)	(14,200)
Current portion	(37,200)	(26,400)
	<u>664,873</u>	<u>686,673</u>

8.1 This represent the loan from Sindh Bank Limited. The terms of the loan were restructured in December 2022 which resulted in requirement to recognise gain on remeasurement of liability and derecognise the old liability. However, being prudent, the management did not account for the gain in its financial statement as more fully explained in note 20.3 of the financial statement for the year ended September 30,2023. However,management has been complying with the requirements of restructuring terms of the agreement.

9 CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments is same as that disclosed in annual audited financial statements for the year ended September 30, 2023.

	Half year ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees in '000' -----			
10 SALES - NET				
Gross sales				
- Sugar	2,645,243	1,976,164	1,604,623	1,257,977
- Molasses	349,000	346,366	151,168	261,366
- Compost fertilize	-	-	-	-
-Filter Mud	2,103	-	2,103	-
Sales tax	(403,981)	(290,390)	(245,242)	(184,058)
	<u>2,592,365</u>	<u>2,032,140</u>	<u>1,512,652</u>	<u>1,335,285</u>



	Half year ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Note	----- Rupees in '000' -----			
11 COST OF SALES				
Sugarcane consumed	2,971,673	1,970,813	1,491,181	1,024,500
Manufacturing expenses	284,949	236,605	130,209	111,693
	<u>3,256,622</u>	<u>2,207,418</u>	<u>1,621,390</u>	<u>1,136,193</u>
Sugar in process				
Opening	3,545	3,288	144,277	101,772
Closing	(12,479)	(3,545)	(12,479)	(3,545)
	(8,934)	(257)	131,798	98,227
Sugar				
Opening	-	185,896	324,940	327,583
Closing	(572,179)	(354,062)	(572,179)	(354,062)
	(572,179)	(168,166)	(247,239)	(26,479)
Molasses				
Opening	-	-	26,469	57,374
Closing	(128,756)	(12,852)	(128,756)	(12,852)
	(128,756)	(12,852)	(102,287)	44,522
Bagasse				
Opening	20,134	-	19,482	-
Closing	(15,540)	(19,965)	(15,540)	(19,965)
	4,594	(19,965)	3,942	(19,965)
Compost fertilizer including mud				
Opening	9,176	14,585	10,406	15,697
Closing	(10,471)	(14,196)	(10,471)	(14,196)
	(1,295)	389	(65)	1,501
	<u>2,550,052</u>	<u>2,006,567</u>	<u>1,407,539</u>	<u>1,234,000</u>
11.1 Manufacturing expenses				
Salaries, wages including bonus and other benefits	63,041	57,649	33,192	28,654
Stores and spares consumed	66,943	55,196	26,385	32,479
Fuel and power	46,883	26,522	19,989	9,122
Repairs and maintenance	61,831	56,677	23,795	21,209
Vehicle maintenance	4,434	1,895	2,214	587
Insurance	2,601	2,643	1,300	1,320
Depreciation	33,391	33,218	19,202	16,699
Bagasse, mud, ash handling and others	5,825	2,806	4,132	1,623
	<u>284,949</u>	<u>236,605</u>	<u>130,209</u>	<u>111,693</u>
12 OTHER INCOME				
Reversal of provision for doubtful debt	33,986	-	33,986	-
Gain on sale of fixed asset	159	1,427	159	1,427
Others	-	984	-	984
	<u>34,145</u>	<u>2,411</u>	<u>34,145</u>	<u>2,411</u>



Half year ended		Quarter ended	
March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023

----- Rupees in '000' -----

13 TAXATION - NET

Current	32,405	(25,402)	(18,909)	(22,810)
Deferred	-	-	-	-
	<u>32,405</u>	<u>(25,402)</u>	<u>(18,909)</u>	<u>(22,810)</u>

The management of the Company is not confident about sufficient taxable profits that will be available in future against which deferred tax asset will be utilized. Accordingly, the company has not recognized deferred tax asset amounting to Rs. 21.830 million as at reporting date.

14 RELATED PARTY TRANSACTIONS

Related parties comprise of subsidiary, associated entities, entities with common directorship, directors, key management personnel and employees retirement benefits funds. Material transactions with related parties during the period and balances at the end of the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

Relationship	Nature of transaction	March 31,	March 31,
		2024	2023
Directors and key management personnel	Remuneration paid	14,628	13,419

----- Rupees in '000' -----

15 GENERAL

Figures have been rounded off to the nearest thousand, unless otherwise stated.

16 AUTHORIZATION FOR ISSUE

These condensed interim financial information have been authorized for issue on May 30, 2024 by the board of directors of the Company.

Chief Executive Officer

Chief Financial Officer

Director