



SHAHMURAD SUGAR MILLS LIMITED

3rd Quarterly Results for the period
1st October 2023 to 30th June, 2024

Company Information

BOARD OF DIRECTORS

MR. NOOR MOHAMMAD ZAKARIA

MR. ZIA ZAKARIA

MR. ABDUL AZIZ AYOOB

MRS. SANOBAR HAMID ZAKARIA

MR. ASAD AHMED MOHIUDDIN

MR. RUMI MOIZ (Independent Director)

MR. SHEIKH ASIM RAFIQ (Independent Director)

BOARD AUDIT COMMITTEE

MR. RUMI MOIZ

MR. NOOR MOHAMMAD ZAKARIA

MRS. SANOBAR HAMID ZAKARIA

HUMAN RESOURCE AND

REMUNERATION COMMITTEE

MR. RUMI MOIZ

MR. NOOR MOHAMMAD ZAKARIA

MR. ZIA ZAKARIA

CHIEF FINANCIAL OFFICER

MR. ZAID ZAKARIA

COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL
FCMA

AUDITORS

M/s. KRESTON HYDER BHIMJI & CO.
Chartered Accountants

LEGAL ADVISOR

MR. IRFAN
Advocate

REGISTERED OFFICE

96-A, Sindhi Muslim Society, Karachi-74400 Tel: 34550161-63 Fax: 34556675

www.shahmuradsugar.co

REGISTRAR & SHARES REGISTRATION OFFICE
C & K Management Associates (Pvt) Ltd.
M-13, Progressive Plaza, Civil Lines Quarter
Near P.I.D.C., Beaumont Road, Karachi-75530

FACTORY
Jhok Sharif,
Taluka Mirpur Bathoro,
District Sujawal (Sindh)

DIRECTORS' REPORT

Assalam-o-Alaikum

With great pleasure, I present to you, on behalf of the Board, the unaudited financial statements of your company for the period ended June 30, 2024.

Salient features of production and financial statements are as under:

PRODUCTION DATA	June 30, 2024	June 30, 2023
Sugarcane crushed (M Tons)	654,604	567,913
Sugar produced (M Tons)	71,905	60,303
Sugar recovery percentage	10.98	10.60
Molasses produced (M Tons)	30,450	26,720
Ethanol Production (M Tons)	45,391	52,819

FINANCIAL DATA	(Rupees in thousands)	
Sales revenue	18,741,885	14,472,021
Cost of sales	(16,763,408)	(10,944,001)
Gross profit	1,978,477	3,528,020
Distribution cost	(81,508)	(132,679)
Administrative expenses	(335,048)	(269,350)
Other operating charges	(56,244)	(160,724)
Other income	433,498	424,692
Financial cost	(1,368,119)	(769,505)
Profit before taxation	571,056	2,620,454
Provision for taxation	(286,855)	(201,312)
Profit after taxation	284,201	2,419,142
Earnings per share	Rs. 13.46	Rs. 114.55

Segment wise performance is elaborated as under:

SUGAR DIVISION

The sugarcane crop was comparatively better than in the corresponding period last year. For the crushing season, the Government set the minimum support price of sugarcane at Rs. 425 per 40 kgs of cane, compared to Rs. 302 per 40 kgs last year. This reflects a 40.73% increase in the cost of raw materials, which has impacted the cost of sugar production.

The mill crushed 654,604 metric tons of cane compared to 567,913 metric tons last year. Sugar production increased to 71,905 metric tons from 60,303 metric tons last year, a rise of 11,602 metric tons or 19.24%. This increase was primarily due to the greater availability of raw materials in the mill's vicinity. The recovery rate improved from 10.60% to 10.98%.

Due to increased sugar production and carryover stock from the previous year, sugar prices remain under pressure. Recently, the government approved the export of 150,000 metric tons of sugar, which is insufficient to sustain the minimum support price of sugarcane paid to farmers this year and to protect the future of the industry as a whole.

ETHANOL DIVISION

During the period under review, the Ethanol Division produced 45,391 metric tons of ethanol, compared to 52,819 metric tons last year. The company exported 45,195 metric tons of ethanol, down from 45,990 metric tons in 2023. The ethanol sale price has continued to decline since the beginning of the year. The major causes are higher inventory levels in European markets, supply chain disruptions caused by Middle East conflicts, and increased sea freight costs.

The cost of molasses also rose by 17% per ton as compared to the previous year. Financial charges increase substantially due to higher interest rates. The above factors have contributed to a higher cost of production which has had an adverse effect on the profitability of the company.

FUTURE OUTLOOK

In the current crushing season, the Government of Sindh increased the raw material cost from Rs. 302 to Rs. 425 per 40 kgs. This has benefited growers with higher returns on their crops, which is expected to boost sugarcane cultivation in the next season.

It is very important for the Government of Pakistan to note that due to the favorable support price of sugarcane, Pakistan has evolved into a surplus sugar-producing country. Prudent and positive export policies are required to ensure the sustainability of the sugar industry and the farmers, as well as to gain valuable foreign exchange for the country.

However, there are significant internal and external uncertainties affecting the future outlook. Global recessionary trends, declining demand, supply chain disruptions due to the prolonged Russia-Ukraine conflict, and Middle East tensions are major concerns. Domestically, Pakistan faces financial challenges, higher financial costs, and increased taxation.

The Company's management is aware of these challenges and is taking necessary measures to mitigate negative impacts and enhance the contributions of the ethanol and sugar divisions to the company's overall performance.

BOARD OF DIRECTORS

There was no change in the composition of the Board of Directors during the period under review.

May Allah SWT grant His blessings and mercy for the continued success and growth of Shahmurad Sugar Mills Limited. Ameen.



ZIA ZAKARIA
Managing Director & CEO



ABDUL AZIZ AYOOB
Director

Karachi:
Dated: July 24, 2024

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2024**

		Un-Audited June 2024	Audited September 2023
	Note	(Rupees in thousand)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	10,769,509	10,859,038
Intangible asset	5	-	-
Long term investment in associate	6	973	973
Long term loans to employees		1,880	1,857
Long term deposits		3,149	3,149
		10,775,621	10,865,027
CURRENT ASSETS			
Stores, spare parts and loose tools		434,904	356,283
Stock-in-trade		10,882,696	4,562,106
Trade debts		1,505,640	870,395
Loans and advances		1,588,249	710,205
Trade deposits and short term prepayments		8,926	1,168
Other receivables		18,992	109,064
Short term investment		24,277	24,242
Cash and bank balances		2,546,920	5,099,535
		17,010,604	11,732,998
		27,786,225	22,598,025
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital 25,000,000 ordinary shares of Rs. 10 each		250,000	250,000
Issued, subscribed and paid-up capital		211,187	211,187
Revenue reserve		-	-
General reserve		80,000	80,000
Unappropriated profit		7,641,958	7,563,144
Share of associate's unrealized loss on re-measurement of its investment at fair value through other comprehensive income		(2,268)	(2,268)
Revaluation surplus on property, plant and equipment		5,749,469	5,966,455
		13,680,346	13,818,518
NON CURRENT LIABILITIES			
Long term financing		286,179	388,654
Deferred taxation		962,812	956,059
		1,248,991	1,344,713
CURRENT LIABILITIES			
Trade and other payables		2,121,621	2,437,950
Accrued finance cost		655,904	127,089
Short term borrowings		9,739,997	4,562,307
Loan from related parties		-	8,032
Unclaimed dividend		24,296	22,330
Current portion of long term financing		178,223	178,223
Income tax provision-net of payments		136,847	98,863
		12,856,888	7,434,794
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		27,786,225	22,598,025

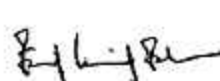
The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



ZIA ZAKARIA
Managing Director & CEO



AZIZ AYOOB
DIRECTOR



ZAID ZAKARIA
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2024**

	Note	For the nine months October to June		For the Quarter April to June	
		2024	2023	2024	2023
(Rupees in thousand)					
Sales		18,741,885	14,472,021	7,810,970	4,893,904
Cost of sales	8	(16,763,408)	(10,944,001)	(7,207,438)	(3,798,311)
Gross profit		1,978,477	3,528,020	603,532	1,095,593
Profit from trading activities		2,076	1,432	-	-
		1,980,553	3,529,452	603,532	1,095,593
Distribution cost		(81,508)	(132,679)	(22,373)	(51,509)
Administrative expenses		(335,048)	(269,350)	(101,949)	(84,850)
Other expenses		(56,244)	(160,724)	22,721	(37,900)
		(472,800)	(562,753)	(101,601)	(174,259)
Operating profit		1,507,753	2,966,699	501,931	921,334
Other income		431,422	423,260	60,653	12,131
		1,939,175	3,389,959	562,584	933,465
Finance cost		(1,368,119)	(769,505)	(600,225)	(362,313)
Profit /(loss) before taxation		571,056	2,620,454	(37,641)	571,152
Taxation					
- Current		(280,102)	(169,498)	(98,478)	(50,889)
- Deferred		(6,753)	(31,814)	(4,757)	2,352
		(286,855)	(201,312)	(103,235)	(48,537)
Profit /(loss) for the period		284,201	2,419,142	(140,876)	522,615
Earning / (loss) per share					
- Basic and diluted - Rupees		13.46	114.55	(6.67)	24.75

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


ZIA ZAKARIA
Managing Director & CEO


AZIZ AYOUB
DIRECTOR


ZAID ZAKARIA
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2024**

	For the nine months October to June		For the Quarter April to June	
	2024	2023	2024	2023
(Rupees in thousand)				
Profit / (loss) for the period	284,201	2,419,142	(140,876)	522,615
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>284,201</u>	<u>2,419,142</u>	<u>(140,876)</u>	<u>522,615</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


ZIA ZAKARIA
Managing Director & CEO


AZIZ AYOOB
DIRECTOR


ZAID ZAKARIA
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2024**

	June 2024	June 2023 (Re-stated)
	(Rupees in thousand)	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	571,056	2,620,454
Adjustment for :		
Depreciation	416,532	267,049
Gain on disposal of property, plant and equipment	(481)	(1,340)
Provision for obsolescence and slow moving items	-	5,150
Finance cost	1,368,119	769,505
	1,784,170	1,040,364
	2,355,226	3,660,818
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(78,621)	(136,921)
Stock in trade	(6,320,590)	(6,155,222)
Trade debts	(635,245)	303,646
Loans and advances	(876,044)	(137,129)
Trade deposits and short term prepayments	(7,758)	(821)
Other receivables	90,072	15,201
	(7,830,186)	(6,111,246)
(Decrease) / increase in current liabilities		
Trade and other payables	(316,329)	182,420
	(5,791,269)	(2,256,008)
(Increase) in long term loan to employees	(123)	(1,081)
(Increase) in long term deposits	-	(651)
Income tax paid	(242,118)	(190,500)
Finance cost paid	(839,304)	(515,087)
	(1,081,545)	(707,229)
Net cash (outflows) from operating activities	(6,872,834)	(2,965,237)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	(327,469)	(257,186)
Sale proceeds from disposal of property, plant and equipment	946	2,260
Net cash (outflows) from investing activities	(326,523)	(254,926)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(102,474)	(147,475)
Loan repaid to related parties	(8,032)	(33,103)
Short term borrowings	5,148,779	2,016,522
Dividend paid	(420,407)	(523,003)
Net cash inflows from financing activities	4,617,866	1,312,941
Net (decrease) in cash and cash equivalent (A+B+C)	(2,581,491)	(1,907,222)
Cash and cash equivalent at the beginning of the period	5,069,470	2,016,677
Cash and cash equivalent at the end of the period	2,487,979	109,455
Cash and cash equivalent comprise:		
- Cash and bank balances	2,546,920	201,028
- Short term investment	24,277	24,200
- Short term borrowings - running finance	(83,218)	(115,773)
	2,487,979	109,455

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


ZIA ZAKARIA
 Managing Director & CEO


AZIZ AYOUB
 DIRECTOR


ZAID ZAKARIA
 Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2024**

	Issued, Subscribed & paid up capital	General reserves	Share of Associate's unrealised (loss) on remeasurement of investment	Un- appropriated profit	Revaluation Surplus on Property Plant & Equipment	Total
----- (Rupees in thousand) -----						
Balance as at October 01, 2022 (Audited)	211,187	88,000	(2,195)	4,913,440	1,252,117	6,014,549
<u>During the nine months period ended June 30, 2023</u>						
Transactions with owners						
Final Dividend for 30-September-2022 @ Rs. 10.00 Per Share Interim dividend 2023 @ Rs. 11.00 per share	-	-	-	(211,187) (318,793)	-	(211,187) (318,793)
Total Comprehensive income for the nine months ended June 30, 2023	-	-	-	1,027,901	-	1,027,901
Profit for the period	-	-	-	2,419,142	-	2,419,142
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	-	91,412	(91,412)	-
Balance as at June 30, 2023	211,187	88,000	(2,195)	6,466,027	1,160,705	7,965,724
Balance as at October 01, 2023 (Audited)	211,187	88,000	(2,288)	7,583,144	5,966,455	13,819,518
<u>During the nine months period ended June 30, 2024</u>						
Transactions with owners						
Final Dividend for 30-September-2023 @ Rs. 20.00 Per Share	-	-	-	(422,373)	-	(422,373)
Total Comprehensive income for the nine months ended June 30, 2024	-	-	-	384,201	-	384,201
Profit for the period	-	-	-	384,201	-	384,201
Other comprehensive income	-	-	-	-	-	-
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	-	216,386	(216,386)	-
Balance as at June 30, 2024	211,187	88,000	(2,288)	7,641,859	5,749,469	13,690,340


ZIA ZAKARIA
Managing Director & CEO


AZIZ AYOOB
DIRECTOR


ZAID ZAKARIA
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2024

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public limited company on April 9, 1979. Its shares are quoted at the Pakistan Stock Exchange Limited. The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh. The Company owns and operates Sugar and Ethanol manufacturing units which are located at Jhoke Sharif, District Sujawal in the province of Sindh. The total area of industry land which includes the main factory is spread over 333.32 Acres.

2. BASIS OF PREPARATION

2.1 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 Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the 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 The condensed interim financial statements does 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. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and methods of computation followed for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended September 30, 2023 except as disclosed in Note 3.4

3.2 Due to the seasonal availability of sugarcane, the manufacture of sugar is carried out during the period of availability of sugarcane and costs incurred/accrued up to the reporting date have been accounted for. Accordingly, the costs incurred/accrued after the reporting date will be reported in the subsequent interim and annual financial statements.

3.3 Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after October 01, 2023 are either not relevant or do not have material impact on the condensed interim financial statements, and are therefore not disclosed.

3.4 The preparation of these condensed interim financial statements require management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to financial statements as at and for the year ended September 30, 2023 except that during the period, the management has reassessed the useful life and recoverable amount of plant and machinery of ethanol division and has reduced depreciation rate from 7.5% to 5% and charged depreciation on the said plant and machinery during the period accordingly at reduced rate of 5%. Had there been no change in depreciation rate the depreciation expense would have been higher by Rs 115.170 million and profit after tax and carrying value of property, plant & equipment would have been lower by the said amount.

		Un-Audited June 30, 2024	Audited September 30, 2023
	Note	(Rupees in thousand)	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	10,596,738	10,715,513
Capital work in progress	4.2	172,771	143,525
		<u>10,769,509</u>	<u>10,859,038</u>
4.1 OPERATING FIXED ASSETS			
Opening book value		10,715,513	5,179,482
Direct additions during the period / year			
Furniture, fixture and fittings		365	243
Office equipment		3,101	4,146
Vehicle		19,994	45,375
		23,460	49,764
Transfer from CWIP during the period / year			
Factory building		-	14,698
Plant and machinery		274,763	436,561
		274,763	451,259
Surplus arising of revaluation during the period			
Freehold land		-	186,669
Factory building		-	144,631
Non Factory building		-	274,315
Residential Quarter for labour		-	12,563
Plant and machinery		-	4,777,179
		-	5,395,357
Disposals - Operating assets (net book value)			
Vehicle		(466)	(935)
		(416,532)	(359,414)
Depreciation Charged for the period / year		(416,532)	(359,414)
Closing book value		<u>10,596,738</u>	<u>10,715,513</u>

	Un-Audited June 30, 2024	Audited September 30, 2023
	(Rupees in thousand)	
4.2 Capital work in progress		
Opening balance	143,525	371,665
Additions during the period / year		
Civil Works	21,750	14,698
Plant and Machinery	282,259	208,421
	304,009	223,119
Capitalization during the period/year		
Civil Works	-	(14,698)
Plant and Machinery	(274,763)	(436,561)
	(274,763)	(451,259)
Closing balance	172,771	143,525

5. INTANGIBLE ASSET

The cost of software of Rs. 5.917 million has already been fully amortised over a period of three years in accordance with the Company's accounting policy. However the software is still in use of the Company.

6. LONG TERM INVESTMENT IN ASSOCIATE

The company holds 14.285% (September 2023: 14.285%) interest in Al-Noor Modaraba Management (Pvt) Limited and this is carried under equity method. Since the financial statements of Al Noor Modaraba Management (Pvt) Limited are not prepared except on year ended June 30; and also are not material hence no effect of results of Al-Noor Modaraba Management (Pvt) Limited has been taken in these condensed interim financial statements.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There is no change in contingencies as reported in note 26(a) of the annual financial statements of the Company for the year ended September 30, 2023.

Un-Audited
June 30,
2024
Audited
September 30,
2023
(Rupees in thousand)

7.2 Commitments

- Commitments for capital expenditure	-	32,031
- Commitments for stores and spares	-	31,810
	-	63,841
Bank Guarantees		
- in favor of Excise and Taxation Department	500	500
- in favor of Nazir of High Court of Sindh in the pending matter of levy of Super Tax (secured against lien over term deposits)	23,763	23,763
	24,263	24,263

For the Nine Months October to June 2024		For the Quarter April to June 2024	
	2023		2023

(Rupees in thousand)

8. COST OF SALES

Opening stock of finished goods	3,015,849	1,823,918	8,288,716	5,321,708
Cost of goods manufactured	18,363,563	14,130,947	3,938,267	3,748,998
	21,379,412	15,954,865	12,226,983	9,070,706
Closing stock of finished goods (Note 8.1)	(5,419,724)	(5,427,082)	(5,419,724)	(5,427,082)
	15,959,688	10,527,783	6,807,259	3,643,624
Export and related expenses	803,720	416,218	400,179	154,687
	16,763,408	10,944,001	7,207,438	3,798,311

8.1 At period end stock pledged against short term borrowings amounted to Rs. 3,349 million (June 2023 :Rs. 1,559 million).

9. TAXATION

Provision for current taxation is made on the basis of minimum taxation.

10. WORKERS PROFIT PARTICIPATION FUND, WORKERS WELFARE FUND AND TAXATION

Allocation to the Worker's Profit Participation Fund, Worker's Welfare Fund and provision for taxation are provisional. Final Liability would be determined on the basis of annual results.

11. TRANSACTION WITH RELATED PARTIES

Related parties comprises of associated entities, staff retirement funds, directors and key management personnel. The transactions with and balances of related parties during the period/as at period end are given below:

		June 30, 2024	June 30, 2023
		(Rupees in thousand)	
<u>Transactions:</u>	<u>Relationship with the Company</u>	<u>Nature of Transactions</u>	
Associates			
	Al-Noor Sugar Mills Limited	-Purchase of Goods	1,502,500
		-Sales of Goods	10,925
	Al-Noor Sugar Mills Limited	-Dividend paid	65,996
	Reliance Insurance Company Limited	-Insurance premium	32,064
	Reliance Insurance Company Limited	-Insurance claim	-
	Related Parties - Directors and their family members	-Loan repayment	8,032
Other related parties			
	Directors' and key management personnel	-Directors remuneration	29,386
		-Executive remuneration	57,748
		-Non-executive directors' meeting fee	600
	Staff provident fund	-Company's Contribution during the period	9,528
			1,065,332
			-
			82,495
			30,482
			1,115
			33,103
			23,904
			53,234
			400
			7,227
		June 30, 2024	September 30, 2023
		(Rupees in thousand)	
Balances:			
<u>Relationship with the Company</u>			
Associates			
	Al-Noor Sugar Mills Limited	Loan and advances- advance against purchase	-
		Receivables	10,925
	Reliance Insurance Company Limited	Trade and other payables - Premium	8,062
	Reliance Insurance Company Limited	Receivables - Insurance claim	202
	Staff provident fund	Trade and other payables	-
		- Contribution payable	2,645
	Related Parties - Directors and their family members	Loan from related parties	-
			1,372
			8,032

12. RELATIONSHIP WITH THE ISLAMIC AND CONVENTIONAL FINANCIAL INSTITUTION

The Company in the normal course of business deals with Islamic financial institutions as well as the financial institutions who operate both the conventional side and Islamic window. The detailed segregation between Shariah complaints and conventional assets/liabilities and income/expenditure are given below:

	As at June 30, 2024 (Un Audited)			As at September 30, 2023 (Audited)		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and other finances	0	286,179	286,179	50,000	338,654	388,654
Current portion of long term finance	100,000	78,223	178,223	100,000	78,223	178,223
	100,000	364,402	464,402	150,000	416,877	566,877
Accrued finance cost	463,422	192,482	655,904	85,263	41,826	127,089
Short term borrowings	6,648,778	3,091,219	9,739,997	2,350,000	2,212,307	4,562,307
Short term investment	(24,277)	-	(24,277)	(24,242)	-	(24,242)
Cash at banks	(2,210,001)	(336,919)	(2,546,920)	(5,034,342)	(65,193)	(5,099,535)
	4,977,922	3,311,184	8,289,106	(2,473,321)	2,605,817	132,496

	Nine months ended June 30, 2024 (Un Audited)			Nine months ended June 30, 2023 (Un Audited)		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	871,664	496,455	1,368,119	388,411	381,094	769,505
Profit from PLS bank account and short term investment	(396,774)	(39)	(396,813)	(104,426)	(52)	(104,478)
	474,890	496,416	971,306	283,985	381,042	665,027

13. SEGMENT INFORMATION

The Company's operating businesses are organized and managed separately according to the nature of products produced with each segment representing a strategic business unit that offer different products and serves different markets. The sugar segment is engaged in manufacturing and sale of the sugar and its by products whereas ethanol segment is engaged in manufacturing and sale of ethanol. The following tables represents revenue and profit information regarding business segment for the nine months ended June 30, 2024 and June 30, 2023 and assets and liabilities information regarding business segments as at June 30, 2024 and September 30, 2023.

	Sugar		Ethanol		Total	
	Nine months period ended June 30,		Nine months period ended June 30,		Nine months period ended June 30,	
	2024	2023	2024	2023	2024	2023
(Rupees in thousand)						
REVENUE						
External Sales	6,487,796	2,551,115	12,254,099	11,920,906	18,741,895	14,472,021
Inter segment transfer	1,210,360	1,029,345	-	-	1,210,360	1,029,345
Total	7,698,146	3,580,460	12,254,099	11,920,906	19,952,245	15,501,366
RESULTS						
Profit from operation	499,419	139,339	1,062,502	2,966,852	1,561,921	3,125,991
Profit from trading activity	2,076	1,432	-	-	2,076	1,432
	501,495	140,771	1,062,502	2,966,852	1,563,997	3,127,423
Other expenses					(56,244)	(160,724)
Other income					431,422	423,260
Finance cost					(1,368,119)	(769,505)
Profit before tax					571,056	2,620,454
Taxation					(286,855)	(201,312)
Profit for the period					284,201	2,419,142

SEGMENT ASSETS AND LIABILITIES

	June 2024	September 2023	June 2024	September 2023	June 2024	September 2023
	(Rupees in thousand)					
Assets						
Segment assets	9,401,090	6,372,639	17,504,327	15,824,413	26,905,417	22,197,052
Un-allocated assets					879,835	400,000
Long term investment					973	973
Total assets					27,786,225	22,598,025
Liabilities						
Segment liabilities	5,873,397	2,880,571	8,157,300	5,831,223	14,030,697	8,691,794
Unallocated liabilities					75,182	87,713
					14,105,879	8,779,507

	Nine months ended June 30		Nine months ended June 30		Nine months ended June 30	
	2024	2023	2024	2023	2024	2023
(Rupees in thousand)						
OTHER INFORMATION						
Additions to property, plant and equipment	118,979	123,772	208,490	133,414	327,469	257,106
Depreciation	146,478	86,448	270,054	178,601	416,532	267,049

Revenue from major customers

During the period external sales to major customers amounted to Rs. 7,432 million. (2023: Rs. 4,998 million)

Geographical information

All non-current assets of the Company are located in Pakistan. Company's local external sales represent sales to various external customers in Pakistan as well as outside Pakistan as follows:

	for the period ended	
	June 30, 2024	June 30, 2023
	(Rupees in thousand)	
Pakistan	6,487,786	2,340,381
Tanzania	2,172,710	-
Ghana	1,750,106	1,166,994
Netherlands	1,570,146	3,450,212
Cameroon	954,931	-
Angola	952,117	120,160
Japan	807,212	442,989
South Korea	429,976	213,717
Taiwan	398,538	1,020,518
Philippines	390,442	155,511
Singapore	333,548	335,775
Congo	247,345	90,386
Ivory Coast	245,063	51,885
Kenya	242,947	-
Jordan	236,828	186,058
Saudi Arabia	223,221	-
United Arab Emirates	202,981	1,509,349
Lebanon	166,829	93,241
Italy	134,784	1,086,958
Australia	97,494	-
Egypt	95,750	-
Guinea	89,611	-
Thailand	88,554	796,189
Iraq	79,902	222,332
New Zealand	49,367	86,556
Turkey	7,511	16,204
Indonesia	-	447,768
Others	286,186	638,838
	18,741,885	14,472,021

14. FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses calculation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques:

- Level 1: Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: Inputs are unobservable inputs for the asset or liability. Inputs for the asset or liability that are not based on observation market data (that is, unobservable inputs).

Financial assets and liabilities of the Company are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

15. CORRESPONDING FIGURES

15.1 In the preceding period, the Company classified all its short term borrowing as a part of operating cashflows in the statement of cashflow . However , during the year ended September 30, 2023, the Company classified its running finance as part of cash and cash equivalent to meet the criteria of cash and cash equivalent as per the requirement of IAS-7 "Statement of Cash Flows" and other short term borrowing were presented as part of financing activities in the statement of cashflows. Accordingly adjustment in comparative figures in the statement of cashflows for the nine month period ended June 30, 2023 is also made and are detailed as follows:

Statement of cash flows	As Previously Reported	Restatement	As Restated
	Rs'000'		
Cash flows from financing activities	(703,581)	2,016,522	1,312,941
Net (decrease) in cash and cash equivalent	(815,178)	(1,092,044)	(1,907,222)
Cash and cash equivalent at the end of the period	201,028	(91,573)	109,455
Cash and cash equivalent at the beginning of the period	1,016,206	1,000,471	2,016,677

15.2 The above adjustments do not have any impact on the condensed interim statement of financial position, condensed interim statement of profit or loss, condensed interim other comprehensive income and condensed interim statement of changes in equity.

16 AUTHORIZATION

These condensed interim financial statements were authorized for issue on July 24, 2024 by the Board of Directors of the Company.

17 GENERAL

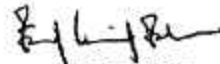
Figures have been rounded off nearest to thousand rupees.



ZIA ZAKARIA
Managing Director & CEO



AZIZ AYOOB
DIRECTOR



ZAID ZAKARIA
Chief Financial Officer

حکومت پاکستان کے لیے ریوٹ کرنا بہت ضروری ہے کہ گنے کی مناسب امدادی قیمت کی وجہ سے پاکستان ایک فاضل چینی پیدا کرنے والے ملک میں تبدیل ہو گیا ہے۔ چینی کی صنعت اور کسانوں کی پائیداری کو یقینی بنانے کے ساتھ ساتھ ملک کے لیے حقیقی زر مبادلہ حاصل کرنے کے لیے دانشمندانہ اور مثبت برآمدی پالیسیوں کی ضرورت ہے۔


تاہم، مستقبل کے نقطہ نظر کو متاثر کرنے والی اہم اندرونی اور بیرونی غیر یقینی صورتحال موجود ہیں۔ عالمی کساد بازاری کے رجحانات، مانگ میں کمی، روس اور یوکرین کے طویل تنازعے کی وجہ سے سپلائی چین میں خلل اور شرق وسطیٰ میں کشیدگی بڑے خدشات ہیں۔ کلی طور پر، پاکستان کو مالیاتی چیلنجز، بڑا زیادہ مالی اخراجات، اور ٹیکسوں میں اضافہ کا سامنا ہے۔

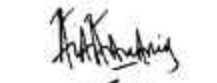
کھیتی کی انتظامیہ ان چیلنجز سے آگاہ ہے اور حتمی اثرات کو کم کرنے اور کھیتی کی مجموعی کارکردگی میں استحصال اور شوگر ڈویژن کے تعاون کو بڑھانے کے لیے ضروری اقدامات کر رہی ہے۔

یورڈ آف ڈائریکٹرز:

ذریعہ خدمت کے دوران یورڈ آف ڈائریکٹرز کی تشکیل میں کوئی تبدیلی نہیں کی گئی۔

اللہ تعالیٰ شاہراہ شوگر ملز لیڈز کی مسلسل کامیابی اور ترقی کے لیے اپنی رحمتیں اور برکتیں عطا فرمائے۔ (آمین)


عبدالعزیز ایوب
ڈائریکٹر


ضیاء زکریا
مینجنگ ڈائریکٹر اینڈ سی ای او

کراچی: 24 جولائی 2024

شوگر ڈویژن

گنے کی فصل گزشتہ سال کی اسی مدت کے مقابلے میں نسبتاً بہتر رہی۔ کرشنگ بیزن کے لیے حکومت نے گنے کی کم از کم امدادی قیمت = 425/- روپے فی 40 کلوگرام مقرر کی ہے۔ پچھلے سال = 302/- روپے فی 40 کلوگرام تھی۔ یہ خام مال کی قیمت میں 40.73 فیصد اضافے کی عکاسی کرتا ہے، جس نے چینی کی پیداوار کی لاگت کو کم کیا ہے۔

مل نے گزشتہ سال 567,913 میٹرک ٹن کے مقابلے میں 654,604 میٹرک ٹن گنے کی پیداوار کی۔ چینی کی پیداوار گزشتہ سال 60,303 میٹرک ٹن سے بڑھ کر 71,905 میٹرک ٹن ہو گئی، جو کہ 11,602 میٹرک ٹن یا 19.24 فیصد زیادہ ہے۔ یہ اضافہ بنیادی طور پر مل کے آس پاس کے علاقے میں خام مال کی زیادہ دستیابی کی وجہ سے ہوا۔ ریکوری کی شرح % 10.60 سے % 10.98 تک بہتر ہوئی۔

گزشتہ سال کی نسبت چینی کی پیداوار میں اضافہ اور کیری اور اسٹاک کی وجہ سے چینی کی قیمتیں وہاں سے رہی ہیں۔ حال ہی میں، حکومت نے 150,000 میٹرک ٹن چینی کی برآمد کی منظوری دی، جو اس سال کاشتکاروں کو ادا کی جانے والی گنے کی کم از کم امدادی قیمت کو برقرار رکھنے اور مجموعی طور پر صنعت کے مستقبل کے تحفظ کے لیے ناکافی ہے۔

احتمول ڈویژن

زیر جائزہ مدت کے دوران، احتمال ڈویژن نے 45,391 میٹرک ٹن احتمال کی پیداوار کی، جو کہ گزشتہ سال 52,819 میٹرک ٹن تھی۔ کھیتی نے 45,195 میٹرک ٹن احتمال برآمد کیا جو کہ 2023 میں 45,990 میٹرک ٹن سے کم ہے۔ سال کے آغاز سے احتمال کی فروخت کی قیمت میں مسلسل کمی واقع ہوئی ہے۔ اس کی بڑی وجوہات یورپی منڈیوں میں انٹینٹری کی بلند سطح، مشرق وسطیٰ کے تنازعات کی وجہ سے سپلائی چین میں رکاوٹیں، اور سمندری مال برداری کے بڑھتے ہوئے اخراجات ہیں۔

راب کی قیمت میں بھی پچھلے سال کے مقابلے میں 17 فیصد کمی اضافہ ہوا۔ زیادہ شرح سود کی وجہ سے مالیاتی چارجز کافی بڑھ جاتے ہیں۔ مندرجہ بالا عوامل نے پیداواری لاگت میں اضافہ کیا ہے جس کا کھیتی کے منافع پر منفی اثر پڑا ہے۔

مستقبل کا جائزہ

موجودہ کرشنگ بیزن میں حکومت سندھ نے خام مال کی قیمت = 302/- روپے سے بڑھا کر = 425/- روپے فی 40 کلوگرام کر دیا۔ اس سے کاشتکاروں کو ان کی فصلوں پر زیادہ منافع حاصل ہوا ہے، جس سے اگلے بیزن میں گنے کی کاشت کو فروغ دینے کی امید ہے۔

ڈائریکٹرز کی رپورٹ

محترم ممبران..... السلام علیکم!

بڑی خوشی کے ساتھ، میں ہر ڈی جانب سے 30 جون 2024 کو ختم ہونے والی مدت کے لیے آپ کی کٹھی کے غیر آڈٹ شدہ مالیاتی گوشواروں کو آپ کے سامنے پیش کرنے کا موقع حاصل کرتا ہوں۔

پیداوار اور مالیاتی گوشواروں کی نمایاں خصوصیات حسب ذیل ہیں:

30 جون 2023	30 جون 2024	معلومات بابت پیداوار
567,913	654,604	گئے کی پھائی (میٹرک ٹن)
60,303	71,905	پیداوار برائے چینی (میٹرک ٹن)
10.60	10.98	دیکھوری برائے چینی (پیسہ)
26,720	30,450	پیداوار برائے راب (میٹرک ٹن)
52,819	45,391	پیداوار برائے اٹھنول (میٹرک ٹن)
(روپے ہزاروں میں)	(روپے ہزاروں میں)	مالیاتی معلومات
14,472,021	18,741,885	فروختگی
(10,944,001)	(16,763,408)	لاگت برائے فروختگی
3,528,020	1,978,477	خانہ منافع
(132,679)	(81,508)	اخراجات برائے ترسیلات
(269,350)	(335,048)	انتظامی اخراجات
(160,724)	(56,244)	دیگر اخراجات
424,692	433,498	دیگر آمدن
(769,505)	(1,368,119)	مالیاتی اخراجات
2,620,454	571,056	منافع قبل از ٹیکس
(201,312)	(286,855)	ٹیکس کے لئے فراہمی
2,419,142	284,201	منافع بعد از ٹیکس
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