



Shakarganj Limited

Management House, Toba Tek Singh Road, Jhang - 35200, Pakistan
Tel: (047) 111 111 765 Fax: (047) 763 1011 URL: <http://www.shakarganj.pk>

SML/PSX/Sep 2024
06 January 2025

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

SUBJECT: FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 06 January 2025 at 11:30 Hours at Lahore, through video-link, recommended the following:

(i) CASH DIVIDEND

A final Cash Dividend for the year ended **30 September 2024** at Rs. __NIL__ per share i.e. __NIL__%. This is in addition to Interim Dividend(s) already paid at Rs. __NIL__ per share i.e. __NIL__%.

AND/OR

(ii) BONUS SHARES

It has been recommended by the Board of Directors to issue Bonus Shares in the proportion of __NIL__ share(s) for every __NIL__ share(s) held i.e. __NIL__%. This is in addition to the Interim Bonus Shares already issued @ __NIL__%.

AND/OR

(iii) RIGHT SHARES

The Board has recommended to issue __NIL__% Right Shares at par/at a discount/premium of Rs. __NIL__ per share in proportion of __NIL__ share(s) for every __NIL__ share(s). The entitlement of right shares being declared simultaneously will be / will not be applicable on Bonus Shares as declared above.

Principal Office:
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Lahore - 54600, Pakistan
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Faisalabad Office:
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Faisalabad - 38000, Pakistan
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AND/OR

(iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION

NIL

AND/OR

(v) ANY OTHER PRICE-SENSITIVE INFORMATION

The auditors' report contains the following observation:

"In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in *Basis for Adverse Opinion* Paragraph, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at September 30, 2024 and of the loss, the other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The Company has again sustained loss after income tax for the year ended September 30, 2024 amounting to Rs. 3,057.444 million, which took the accumulated loss to Rs. 5,299.232 million at the reporting date along with adverse current ratio at that date. Further, the textile segment of the Company remained closed during the whole period as well as the previous year. The Company has also overdue statutory obligations. The disposal of certain assets are held up due to court cases, while the company needs funds for the upgradation of plant & machinery of textile and sugar divisions at Jhang. There is no written commitment from the directors / shareholders of the company to finance its above said obligations / working capital requirements.

All these situations indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern, which has not been appropriately resolved, assessed and disclosed in these financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion."

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However, the Company has prepared its financial statements as a going concern, based on the Turn Around Plan of the Company. The Company plans to sell its Bhone establishment and is hopeful that it will be able to pay off its liabilities during the subsequent periods.

The unconsolidated and consolidated financial results of the Company are attached.

The Annual General Meeting of the Company will be held on Tuesday, 28 January 2025 at 11:00 Hours, at registered office, Lahore and through video-link.

The Share Transfer Books of the Company will be closed from 21 January 2025 to 28 January 2025 (both days inclusive). Physical transfers received at the office of Share Registrar of the Company i.e. CorpTec Associates (Pvt.) Limited, 503-E, Johar Town, Lahore, at the close of business on 20 January 2025, will be treated in time for the entitlement to attend the Annual General Meeting of the Company.

The Annual Report of the Company will be transmitted through **PUCARS** atleast 21 days before holding of Annual General Meeting.

Yours Sincerely,

Asif Ali
Company Secretary

Copy to: -
Executive Director/HOD, Supervision Division, SECP, Islamabad.

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SHAKARGANJ LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED SEPTEMBER 30, 2024

	2024	<u>Restated</u> 2023
Note	<u>Rupees in 000s</u>	
REVENUE FROM CONTRACT WITH CUSTOMERS - GROSS	10,266,165	10,843,638
Sales tax and other Government levies	(1,434,386)	(1,281,814)
REVENUE FROM CONTRACT WITH CUSTOMERS - NET	8,831,779	9,561,824
COST OF REVENUE	(10,854,773)	(9,884,539)
GROSS LOSS	(2,022,994)	(322,715)
OPERATING EXPENSES		
Administrative and general expenses	29 (436,858)	(400,333)
Selling and distribution cost	30 (68,003)	(105,743)
Other operating expenses	31 (149,812)	(106,802)
	(654,673)	(612,878)
LOSS FROM OPERATIONS	(2,677,667)	(935,593)
OTHER INCOME	32 117,379	347,825
FINANCE COST	33 (376,557)	(362,770)
SHARE OF PROFIT/(LOSS) FROM EQUITY ACCOUNTED INVESTEE	7 (137,330)	87,325
LOSS BEFORE INCOME TAX AND LEVY	(3,074,175)	(863,213)
LEVY	34 (109,639)	(116,218)
LOSS BEFORE INCOME TAX	(3,183,814)	(979,431)
INCOME TAX	35 126,370	433,212
LOSS AFTER INCOME TAX FOR THE YEAR	(3,057,444)	(546,219)
LOSS PER SHARE - BASIC AND DILUTIVE	36 (24.46)	(4.37)

15.7320

The annexed notes form an integral part of these financial statements.



LAHORE CHIEF EXECUTIVE OFFICER

DIRECTOR



CHIEF FINANCIAL OFFICER

SHAKARGANJ LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

		2024 (RUPEES IN THOUSAND)	2023
REVENUE FROM CONTRACT WITH CUSTOMERS - GROSS		23,824,639	26,250,787
Sales tax and other Government levies		(2,019,981)	(1,651,911)
REVENUE FROM CONTRACT WITH CUSTOMERS - NET	31	21,804,658	24,598,876
COST OF REVENUE	32	(22,234,431)	(22,355,957)
GROSS (LOSS)/ PROFIT		(429,773)	2,242,919
 OPERATING EXPENSES			
Selling and distribution cost	33	(1,113,027)	(1,407,284)
Administrative and general expenses	34	(600,611)	(553,920)
Other operating expenses	35	(184,664)	(170,842)
(LOSS)/ PROFIT FROM OPERATIONS		(2,328,075)	110,873
OTHER INCOME	36	236,013	441,830
FINANCE COST	37	(765,951)	(769,908)
LOSS BEFORE INCOME TAX AND LEVY		(2,858,013)	(217,205)
Levy	38	(263,978)	(118,613)
LOSS BEFORE INCOME TAX		(3,121,991)	(335,818)
INCOME TAX	39	(76,837)	(106,103)
LOSS AFTER INCOME TAX FOR THE YEAR		(3,198,828)	(441,921)
 SHARE OF LOSS ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		(3,074,027)	(521,278)
NON-CONTROLLING INTEREST		(124,801)	79,357
		(3,198,828)	(441,921)
 LOSS PER SHARE - BASIC AND DILUTED (RUPEES)			
	40	(24.59)	(4.17)

The annexed notes form an integral part of these consolidated financial statements.

15/10/24



LAHORE CHIEF EXECUTIVE OFFICER

DIRECTOR



CHIEF FINANCIAL OFFICER