

# **Corporate Briefing Session: Ansari Sugar Mills Limited**

Financial Year 2024



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# About Ansari Sugar Mills



## Incorporated in 1989

Ansari Sugar Mills Limited is one of the leading sugar producer (capacity wise) in the region, with a rich history of quality and innovation.

## Dedicated to Excellence

We're committed to producing high-quality sugar using modern technology and sustainable practices.

## Community-Focused

We believe in contributing to the well-being of our employees, communities, and the environment.



# Our Mission and Vision



## 1 Mission

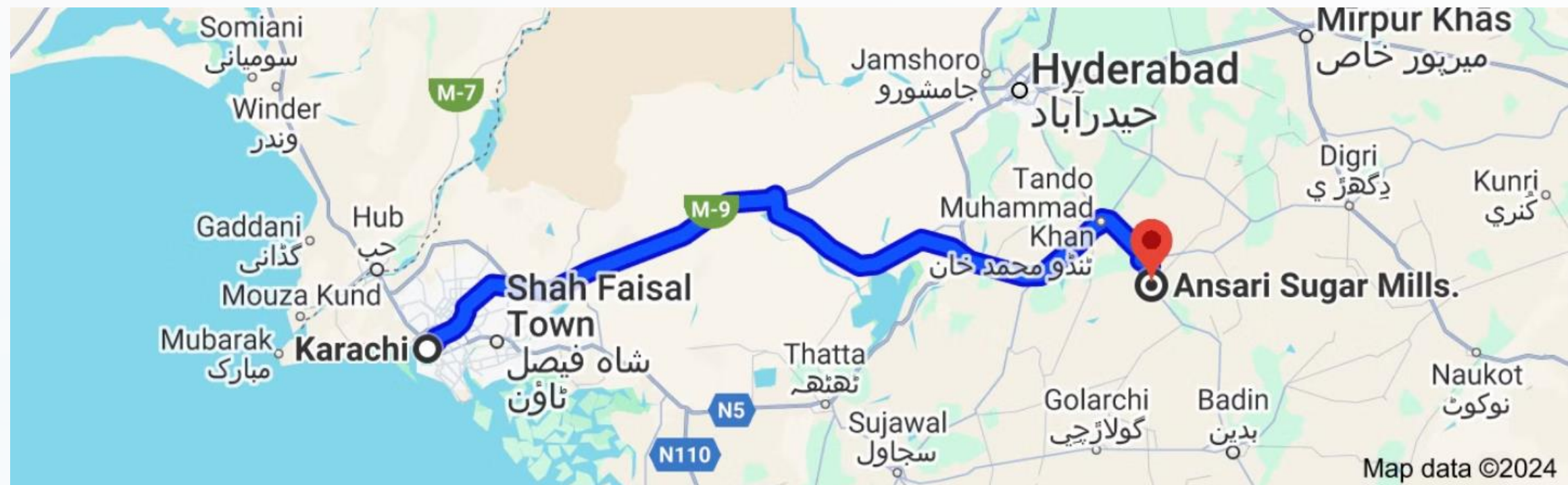
To be a leading and responsible sugar producer, committed to consistently delivering high-quality sugar and allied products through efficient and sustainable operations.

## 2 Vision

Produce cost-effective products to sustain national economic contribution.



# Location



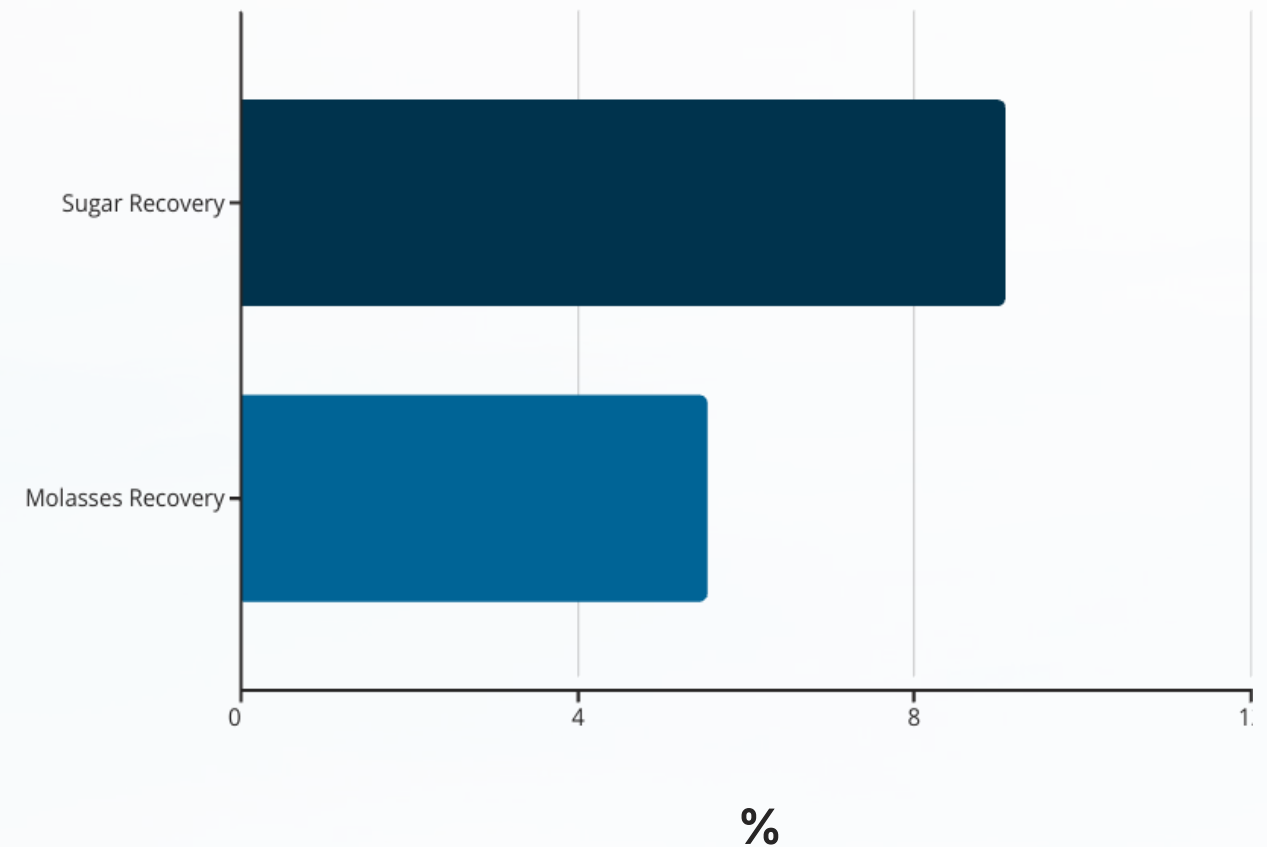
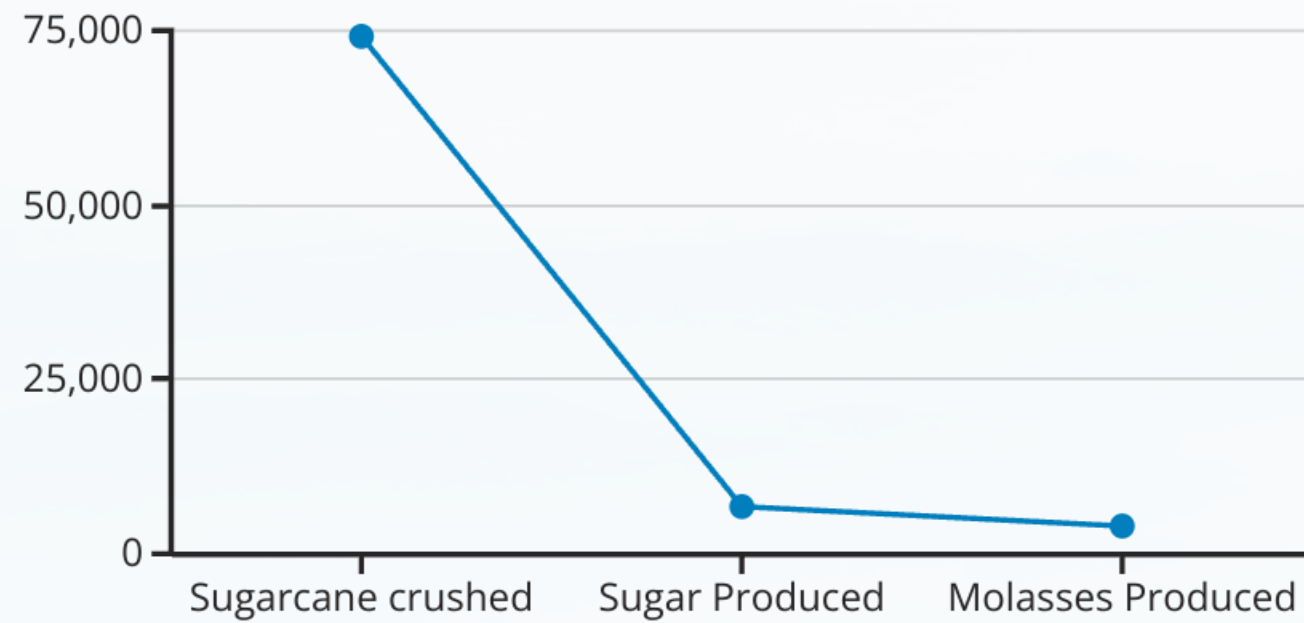
# Financial Performance Overview



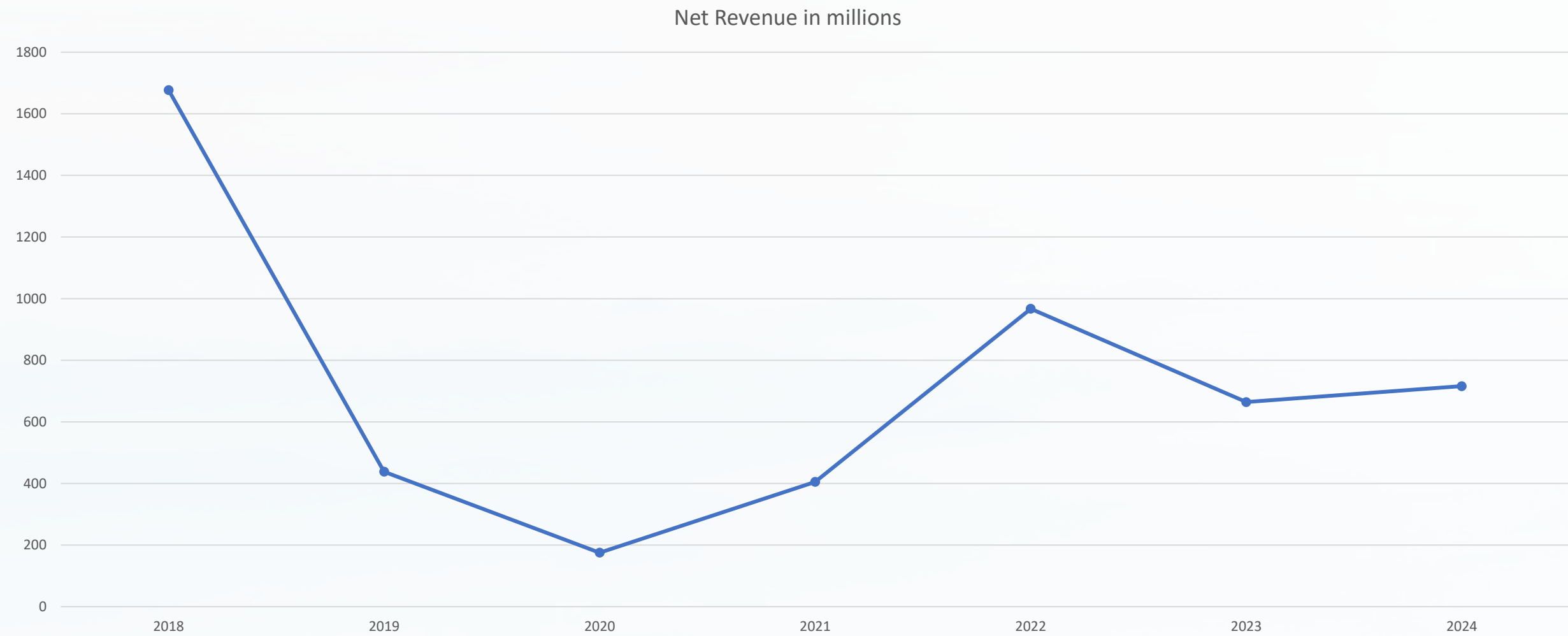
Year	Sales	Gross Profit	Operating Profits	(Loss) Before Taxation
		(Rs in Millions)		
2024	716,921	213,245	130,410	(929,171)
2023	664,347	193,552	134,008	(819,575)
2022	967,206	249,733	191,837	(400,008)
2021	405,166	129,930	72,689	(348,511)
2020	175,564	56,998	7,693	(599,788)
2019	438,114	63,085	10,442	(597,101)

# Key Performance Indicators (2024)

(M.Tons)



# Financial Performance Overview







1

## Automation

Implementing automated systems to enhance production efficiency and reduce manual labor.

2

## Process Optimization

Continuously refining processes to minimize waste and maximize productivity.

3

## Technology Integration

Leveraging technology to monitor and analyze performance in real-time.

## **Delay in issuance / submission of Audited Accounts for FY2024**

An enquiry against the Company's sponsors / directors and its shareholders along with other group companies had been initiated by the Federal Investigation Agency (FIA). Further, the matter was transferred to National Accountability Bureau (NAB) and we understand the Financial Institutions had blocked all Company bank accounts on a notice of NAB under section 23 of National Accountability Ordinance 1999 (NAO) on allegation of illicit transactions. However, it is pertinent to mention here that the action of blocking of account was not endorsed by Court of competent jurisdiction. As a consequence, Company's access to available funds / legitimate sales proceeds and banking facilities were denied on the unjustified and arbitrary instructions of NAB, without realizing the consequences.

Further, the company's inability to declare dividends stems from the current difficult financial climate and its responsibilities concerning outstanding bank loans, grower's opting to grow other crops due to liquidity & banks reluctance to extend credit lines have made increasingly difficult for the company to manage day to day operations. Despite all these issues, we are in the process of restructuring agreement with our banks and we anticipate that post restructuring the company will soon be in a position to generate consistent income and distribute dividends.

It is pertinent to mention here that besides all the pressures of liquidity crises, risk and uncertain business environment, the Company took the initiative to carry on its business activities in extreme difficult situation with all possible efforts, making the necessary financial arrangements on personal basis by the sponsoring directors to ensure the going concern of the Company and by the collective efforts of the entire team of Ansari Sugar Mills Limited

## FUTURE OUTLOOK AND OPPORTUNITY



- Internally, the economic and political scenario has remained uncertain, anticipating these difficult times ahead, the management has reviewed and fine-tuned the company's procurement and treasury policies to address the anticipated risks & by attaining a better energy efficiency mix and planning Balancing, Modernization and Replacement (BMR) accordingly, which will improve the revenue streams through sale of by-products of the company i.e. bagasse and molasses.
- IMF's demands to raise taxes and energy prices to curb inflation have added challenges, thus for future profitability it is imperative that sugar prices need to increase compensating higher sugarcane prices and cost of production.
- Ansari Sugar Mills anticipates a strong sugarcane crushing season, with increased production over the last few years. As the government regulates sugar exports, we expect domestic supply to meet demand, potentially creating an export surplus on sugar. In case the Government permits to export sugar, it would not only help us to clear surplus inventory at better prices but will also stabilize the local market & ultimately be beneficial for the country in terms of foreign exchange.

# **Questions & Answers**

**Thank You**