



CONDENSED INTERIM FINANCIAL
ACCOUNTS
(UN-AUDITED)

For the Period Ended
March 31, 2023

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

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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
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. Syed Amjad Ahmad - 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

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, 2nd 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 their Report together with the operational and unaudited financial results for the 3rd quarter/ 9 months ended March 31, 2023.

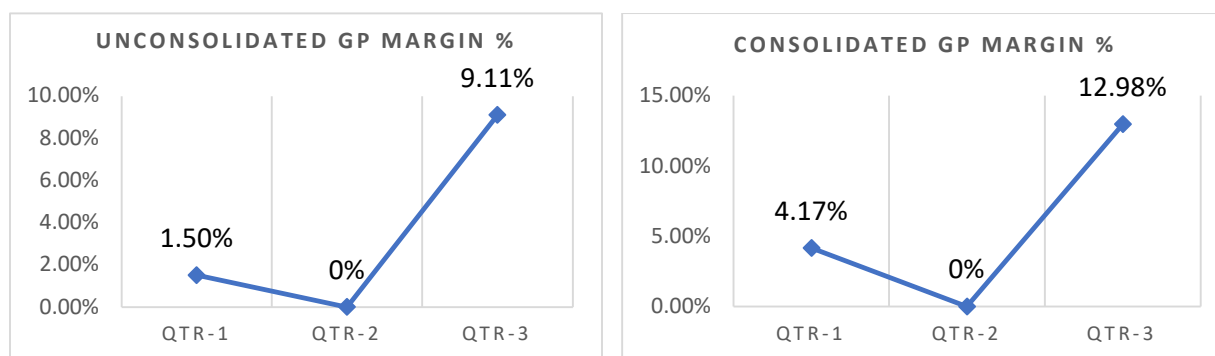
Pakistan's economy is currently going through a precarious phase due to unfavorable economic and political challenges provided impetus by global recessionary trends.

Due to rising in energy costs, exchange rate parity and flood shocks, inflation is reported at 35.37% for the current financial year in progress. The State Bank of Pakistan to contain the rising inflation, has raised the interest rates to 21%.

During the 9 month period under consideration:

- The consolidated profit/ (loss) after tax during the period under review is reported at Rs. (104.3) million;
- The unconsolidated profit/ (loss) after tax during the period under review is reported at Rs. (110) million.

Despite the challenges faced by the company, the company has posted a significant recovery in its gross profit margin levels during the current quarter on a consolidated and unconsolidated level:



This significant improvement in gross profit margin has been posted due to greater acceptability in the market of increase in selling price/ kg coupled with greater control over cost of sales: The comparison of selling price/kg per quarter indexed to Rs. 100/ kg is depicted below:

	Q1	Q2	Q3
Average selling price per kg	100.00	114.00	122.00

The above two directions of increase in prices despite stable sales in terms of quantities are a positive sign. Enhanced quantities due to enhancement in production capacity for the coming 3 months with price acceptability in the market will improve margins of the company prospectively.

In order to facilitate our shareholders, following comparisons of operating and financial data have been annexed with this report:

- Comparison with previous quarter - Annex-A
- Comparison with corresponding quarter of last year - Annex-B
- Comparison with corresponding six months period - Annex-C
- Comparison of Balance Sheet of last two quarters - Annex-D
- Comparison of P&L Account of the last two quarters - Annex-E

Complying with the requirement of SECP, unconsolidated as well as consolidated financial statement for the period are also attached.

Dividend/ Bonus Issue/ Right Issue

No dividend has been announced during the period. No bonus issue has been announced during the period. No right issue has been announced during the period.

Future Prospects

As announced at the close of half yearly financials, December 31, 2020, the company raised funds to the tune of Rs. 120.312 million from right issue for expansion of textile unit and establishment of Sana Distributors (Private) Limited as a wholly owned subsidiary, previous production capacity of textile unit was based on 31,488 spindles (equivalent).

The company embarked on an expansion project to the tune of Rs. 400 million which shall increase our production capacity by 25.7% to 39,588 spindles.

The project was initially undertaken on the following equity/debt structure of 25:75. The project has finally closed during the month of February 2023 and all machinery has arrived. However, due to significant devaluation of rupee during the course of retirement of LC's, the project closed on an equity/ debt structure of 27:73.

	Rs. in millions		
	Projected	Actual	Change
Iterf / DM	300	390	30%
Own Sources	100	140	40%
Total	400	530	33%

As reported during the conclusion of half yearly financials of December 31, 2022, out of the 26% capacity enhancement 14% had already been installed and was in production.

Alhumdulillah, the remaining 12% capacity has also been enhanced during the month of April 2023 and all machinery has been brought into commercial production, thereby concluding the expansion project.

Acknowledgment

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.



Muhammad Irfan Nawab
Chief Executive Officer

Karachi: April 29th, 2023



Muhammad Faizanullah
Director

ڈائریکٹرز رپورٹ

ڈائریکٹرز 31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی 9 ماہ کے آپریشنل اور غیر آڈٹ شدہ مالی نتائج کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کر رہے ہیں۔

پاکستان کی معیشت اس وقت غیر یقینی صورتحال سے گزر رہی ہے جس کی وجہ سے ناسازگار معاشی اور سیاسی چیلنجز ہیں جو عالمی کساد بازاری کے رجحانات کی وجہ سے تقویت فراہم کرتے ہیں۔

توانائی کی قیمتوں میں اضافے، شرح مبادلہ میں برابری اور سیلاب کی تباہ کاریوں کی وجہ سے رواں مالی سال میں افراط زر کی شرح 35.37 فیصد ریکارڈ کی گئی ہے۔ اسٹیٹ بینک آف پاکستان نے بڑھتی ہوئی مہنگائی پر قابو پانے کے لیے شرح سود میں اضافہ کر کے 21 فیصد کر دیا ہے۔

زیر جائزہ 9 ماہ کی مدت کے دوران؛

- زیر جائزہ مدت کے دوران بعد از ٹیکس مجموعی منافع / (خسارہ) (104.3) ملین روپے بتایا گیا ہے۔
- زیر جائزہ مدت کے دوران بعد از ٹیکس غیر مربوط منافع / (خسارہ) (110) ملین روپے بتایا گیا ہے۔

کمپنی کو درپیش چیلنجز کے باوجود، کمپنی نے رواں سہ ماہی کے دوران اپنے مجموعی منافع مارجن کی سطح میں ایک مربوط اور غیر مربوط سطح پر نمایاں بحالی درج کی ہے۔

مجموعی منافع کے مارجن میں یہ نمایاں بہتری مارکیٹ میں قیمت فروخت / کلوگرام میں اضافے اور لاگت فروخت پر زیادہ کنٹرول کی وجہ سے درج کی گئی ہے: قیمت فروخت / کلوگرام کا موازنہ 100 روپے فی کلوگرام تک انڈیکس کیا گیا ہے۔

Q3	Q2	Q1	
122.00	114.00	100.00	اوسط قیمت فروخت فی کلوگرام

مقدار کے لحاظ سے مستحکم فروخت کے باوجود قیمتوں میں اضافے کی مندرجہ بالا دو سہ ماہیوں میں ایک مثبت علامت ہے۔ مارکیٹ میں قیمتوں کی قبولیت کے ساتھ آئندہ 3 ماہ کے لئے پیداواری صلاحیت میں اضافے کے باعث بڑھتی ہوئی مقدار سے کمپنی کے مارجن میں ممکنہ طور پر بہتری آئے گی۔

ہمارے شیئرز ہولڈرز کی سہولت کے لئے، آپریٹنگ اور مالیاتی اعداد و شمار کے مندرجہ ذیل موازنہ کو اس رپورٹ کے ساتھ منسلک کیا گیا ہے:

- گزشتہ سہ ماہی کے ساتھ موازنہ - Annex-A
- گزشتہ سال کی اسی سہ ماہی کے ساتھ موازنہ - Annex-B
- متعلقہ چھ ماہ کی مدت کے ساتھ موازنہ - Annex-C
- گزشتہ دو سہ ماہیوں کی بیلنس شیٹ کا موازنہ - Annex-D
- گزشتہ دو سہ ماہیوں کے پی اینڈ ایل اکاؤنٹ کا موازنہ - Annex-E

ایس ای سی پی کی شرائط کی تعمیل کرتے ہوئے اس مدت کے لیے غیر مربوط اور مربوط مالیاتی گوشوارے بھی منسلک ہیں۔

ڈیویڈنڈ اہلکاروں کے اجراء رائٹ ایٹو

اس مدت کے دوران کسی ڈیویڈنڈ کا اعلان نہیں کیا گیا ہے۔ اس مدت کے دوران کسی بونس کے اجراء کا اعلان نہیں کیا گیا ہے۔ اس مدت کے دوران کسی رائٹ ایٹو کا اعلان نہیں کیا گیا ہے۔

مستقبل کے امکانات

جیسا کہ ششماہی مالیاتی سال 31 دسمبر 2020 کے اختتام پر اعلان کیا گیا تھا، کمپنی نے ٹیکسٹائل یونٹ کی توسیع اور ٹاڈسٹری بیوٹرز (پرائیویٹ) لمیٹڈ کو مکمل ملکیتی ماتحت ادارے کے طور پر قائم کرنے کے لئے رائٹ ایٹو سے 120.312 ملین روپے کے فنڈز جمع کیے، ٹیکسٹائل یونٹ کی سابقہ پیداواری صلاحیت 31,488 اسپنڈلز (مساوی) پر مبنی تھی۔

کمپنی نے 400 ملین روپے کے توسیعی منصوبے کا آغاز کیا ہے جس سے ہماری پیداواری صلاحیت 25.7 فیصد سے بڑھ کر 39,588 اسپنڈلز ہو جائے گی۔

یہ منصوبہ ابتدائی طور پر 25:75 کے مندرجہ ذیل ایکویٹی / قرض ساخت پر شروع کیا گیا تھا۔ یہ منصوبہ بالآخر فروری 2023 کے مہینے میں بند ہو گیا ہے اور تمام مشینری پہنچ چکی ہے۔ تاہم LC's کی ریٹائرمنٹ کے دوران روپے کی قدر میں نمایاں کمی کی وجہ سے یہ منصوبہ 27.73 کی ایکویٹی / قرض کی ساخت پر بند ہوا۔

مندرجات	روپے ملین میں	
	تحقیقی	تخمینی
Iterf / DM	390	300
ذاتی ذرائع	140	100
نوٹس	530	400

جیسا کہ 31 دسمبر، 2022 کی ششماہی مالیاتی سال کے دوران اختتام بتایا گیا تھا، 26 فیصد صلاحیت میں اضافے میں سے 14 فیصد پہلے ہی نصب کیا جا چکا تھا اور پیداوار میں تھا۔

الحمد للہ! اپریل 2023 کے دوران بقیہ 12 فیصد گنجائش میں بھی اضافہ کیا گیا ہے اور تمام مشینری کو کمرشل پیداوار میں لایا گیا ہے جس سے توسیعی منصوبہ مکمل ہو گیا ہے۔

اعتراف

ہم تمام اسٹیک ہولڈرز (اندرونی / بیرونی)، بینکوں، مالیاتی اداروں، متعلقہ وزارتوں اور ریگولیٹرز کا تہہ دل سے شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی ترقی کے لیے مسلسل تائید کی۔

محمد فیضان اللہ

ڈائریکٹر

محمد عرفان نواب

چیف ایگزیکٹو

کراچی: اپریل 29، 2023

Annexure to Directors' Report
 (Rupees in millions)

Consolidated comparison with previous quarter
Annexure A

Covering period FROM TO	01-Jan-2023 31-Mar-2023	01-Oct-2022 31-Dec-2022	VARIATION	
			Amount	Percentage
Turnover - net	1,084.55	977.19	107.36	10.99%
Cost of Sales	943.70	1,023.87	(80.17)	-7.83%
Gross (loss) / Profit	140.85	(46.68)	187.53	-401.73%
G.P.Rate to Sales	12.99%	-4.78%		17.77%
Administrative, Selling, Financial & Other expenses	171.53	87.93	83.60	95.07%
Other income	51.22	19.01	32.21	169.47%
Operating (loss) / Profit before tax	20.54	(115.60)	136.15	-117.77%
Operating (loss) / Profit to sales ratio	1.89%	-11.83%		
Earning per share (before tax)	(9.42)	(9.55)	0.13	-1.36%

Consolidated comparison with corresponding quarter of last year
Annexure B

Covering period FROM TO	01-Jan-2023 31-Mar-2023	01-Jan-2022 31-Mar-2022	VARIATION	
			Amount	Percentage
Turnover - net	1,084.55	1,011.37	73.17	7.24%
Cost of Sales	943.70	929.33	14.37	1.55%
Gross (loss) / Profit	140.85	82.05	58.80	71.67%
G.P.Rate to Sales	12.99%	8.11%		
Administrative, Selling, Financial & Other expenses	171.53	65.66	105.87	161.24%
Other income	51.22	11.83	39.40	333.13%
Operating (loss) / Profit before tax	20.54	28.21	(7.67)	-27.18%
Operating (loss) / Profit to sales ratio	1.89%	2.79%		
Earning per share (before tax)	(9.42)	2.33	(11.75)	-504.29%

Comparison with corresponding of last year
Annexure C

Covering period FROM TO	01-Jul-2022 31-Mar-2023	01-Jul-2021 31-Mar-2022	VARIATION	
			Amount	Percentage
Turnover - net	3,033.42	2,786.92	246.50	8.85%
Cost of Sales	2,898.73	2,452.67	446.05	18.19%
Gross (loss) / Profit	134.69	334.24	(199.55)	-59.70%
G.P.Rate to Sales	4.44%	11.99%		
Administrative, Selling, Financial & Other expenses	345.92	195.59	150.33	76.86%
Other income	51.22	18.20	33.02	-181.37%
Operating (loss) / Profit before tax	(160.00)	156.86	(316.86)	202.00%
Operating (loss) / Profit to sales ratio	-5.27%	5.63%		
Provision for Taxation	(55.65)	39.72	(95.36)	-240.11%
(Loss) / Profit after Taxation	(104.35)	117.14	(221.49)	-189.08%
- Shareholders of the Holding Company	(113.99)	107.49		
- Non - controlling interest	9.64	9.66		
	(104.35)	117.14		
Earning per share (before tax)	(13.22)	12.96	(26.18)	-202.01%
Earning per share (after tax)	(9.42)	8.88	(18.30)	-206.08%

COMPARISON OF BALANCE SHEET OF THREE QUARTERS (CONSOLIDATED)

	1ST QUARTER 30-Sep-2022 Rupees	2ND QUARTER 31-Dec-2022 Rupees	3RD QUARTER 31-Mar-2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, Plant and equipments	823,832,293	910,629,276	989,364,380
Right to use assers	29,963,626	33,278,459	27,795,781
Intangibles	803,307	1,658,747	1,601,717
Long-term deposits	2,756,051	2,756,051	2,756,051
Long-term advances	1,951,000	-	-
Deferred tax asset - net	38,629,856	125,352,327	132,243,174
	897,936,133	1,073,674,860	1,153,761,104
CURRENT ASSETS			
Stock-in-trade / Stores and spares	493,842,957	379,231,626	409,075,404
Short term investment	17,589,318	17,649,435	19,089,318
Trade debts- unsecured, considered good	737,956,297	772,971,730	757,667,098
Advances	13,772,758	52,679,061	31,621,657
Trade Deposits and pre-payments and other receivables	34,867,635	6,048,773	3,351,431
Other receivables	2,426,431	25,654,842	58,080,809
Taxation - net	165,766,194	139,760,561	204,673,752
Cash and bank balances	96,854,933	59,867,182	59,666,730
	1,563,076,522	1,453,863,210	1,543,226,199
TOTAL ASSETS	2,461,012,655	2,527,538,070	2,696,987,303
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share Capital	121,000,000	121,000,000	121,000,000
Reserves	444,664,476	375,768,289	357,587,343
Attributable to equity holders of the parent	565,664,476	496,768,289	478,587,343
Non-controlling interest	59,648,007	63,558,737	-
	625,312,483	560,327,026	478,587,343
NON CURRENT LIABILITIES			
Long term financing	198,020,745	230,524,919	295,629,611
Lease Liability	33,051,624	23,402,359	33,181,430
Deffered Liabilities	70,470,507	157,938,127	152,051,640
	301,542,876	411,865,405	480,862,681
CURRENT LIABILITIES			
Trade and other payables	558,898,584	472,325,527	521,426,786
Accrued profit on Murabaha/Mushareka arrangements	29,377,969	33,981,225	38,926,123
Loans from directors and associates	62,755,000	78,665,000	85,265,000
Current portion of long term financing	56,129,552	50,106,416	54,679,879
Current maturity of lease liability	15,270,970	27,672,326	15,970,799
Current maturity of deferred government grant	6,530,837	14,186,337	18,915,116
Unclaimed dividend	1,992,282	2,024,863	2,024,860
Short term arrangements	814,480,200	865,729,706	925,179,270
Provident Fund payable	1,842,769	10,654,239	11,937,061
Taxation - net	2,098,831	-	-
	1,549,376,994	1,555,345,639	1,674,324,893
CONTINGENCIES AND COMMITMENTS	-	-	-
TOTAL EQUITY AND LIABILITIES	2,476,232,353	2,527,538,070	2,633,774,917
Debt Equity Ratio	32.53%	42.36%	50.12%
Current Ratio	1.01	0.93	0.92


COMPARISON OF PROFIT & LOSS ACCOUNT OF THREE QUARTERS (CONSOLIDATED)


	1ST QUARTER 30-Sep-2022 Rupees	2ND QUARTER 31-Dec-2022 Rupees	3RD QUARTER 31-Mar-2023 Rupees	Y.T.D. 31-Mar-2023 Rupees
Turnover-net	971,685,097	977,187,450	1,084,548,114	3,033,420,661
Cost of sales	(931,159,399)	(1,023,868,428)	(943,699,159)	(2,898,726,986)
Gross profit / (loss)	40,525,698	(46,680,978)	140,848,955	134,693,675
G.P.Rate	4.17%	-4.78%	12.99%	4.44%
General and administration expenses	(34,850,034)	(24,921,423)	(104,125,887)	(163,897,343)
Selling and distribution expenses	(7,569,743)	(7,762,077)	(7,686,291)	(23,018,111)
Other operating expenses	-	(1,135,609)	1,135,609	-
Other income	23,280,790	19,008,374	8,932,825	51,221,989
Operating profit / (loss)	21,386,711	(61,491,713)	39,105,212	(999,790)
Finance cost	(44,041,679)	(54,109,216)	(60,849,397)	(159,000,292)
(Loss) for the period before taxation	(22,654,968)	(115,600,929)	(21,744,185)	(160,000,082)
Provision for taxation	(10,286,370)	62,715,472	3,216,888	55,645,990
(Loss) after taxation	(32,941,338)	(52,885,457)	(18,527,297)	(104,354,092)
Earning per share before taxation	(1.87)	(9.55)	(1.80)	(13.22)
Earning per share after taxation				(9.42)

SANA INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 31 MARCH 2023 (UN-AUDITED)

	NOTE	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
ASSETS			
NON CURRENT ASSETS			
Property , plant and equipment	5	822,982,977	569,444,924
Right-of-use assets		27,795,780	19,975,750
Investment property		35,888,764	43,799,684
Investments in subsidiary	6	94,999,990	94,999,990
Long term deposits and prepayments		2,756,051.00	2,756,051
Deffered tax assets		99,865,819	12,763,624
		-----	-----
		1,084,289,381	743,740,023
CURRENT ASSETS			
Stock-in-trade	7	337,825,494	396,127,934
Stores and spares		24,507,183	9,479,354
Short term investment		4,164,318	2,664,319
Trade debts- unsecured, considered good		499,065,898	446,660,346
Loans and advances		26,676,717	16,136,375
Trade deposits and short-term pre-payments		3,351,431	1,755,507
Other receivables		117,012,858	77,253,189
Tax refunds due from government	8	151,089,203	80,246,305
Cash and bank balances		40,742,446	28,224,761
		-----	-----
		1,204,435,548	1,058,548,089
TOTAL ASSETS		-----	-----
		2,288,724,929	1,802,288,113
		=====	=====
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital			
20,000,000 Ordinary shares of Rs. 10/- each		200,000,000	200,000,000
		-----	-----
Issued, subscribed and paid-up capital			
12,100,000 (June 30, 2022: 12,100,000) Ordinary shares of Rs. 10/- each		121,000,000	121,000,000
		-----	-----
Reserves			
		355,090,812	477,236,285
		-----	-----
Shareholder's equity		476,090,812	598,236,285
NON CURRENT LIABILITIES			
Long term loans from a banking company	9	289,615,577	108,248,443
Lease liability		33,181,430	22,908,555
Deferred Liabilities	10	152,051,640	117,724,115
		-----	-----
		474,848,646	248,881,113
CURRENT LIABILITIES			
Trade and other payables		360,753,293	277,447,727
Finance Cost payable		38,876,123	16,917,764
Loans from directors & sponcors		4,400,000	3,500,000
Current portion of long term loans from a banking company	9	50,031,982	57,515,573
Current portion of lease liability		12,228,532	6,279,360
Current maturity of deferred government grant		18,915,116	6,061,316
Unclaimed dividend		2,024,860	1,996,426
Short term borrowings	11	850,555,565	585,452,549
Taxation - net	8	-	-
		-----	-----
		1,337,785,471	955,170,715
CONTINGENCIES AND COMMITMENTS		12	-
		-----	-----
TOTAL EQUITY AND LIABILITIES		2,288,724,929	1,802,288,113
		=====	=====

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


Director


Chief Executive


Chief Financial Officer

SANA INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE QUARTERS ENDED MARCH 31, 2023 (UN-AUDITED)

	Three Quarters ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----		----- Rupees -----	
Turnover - Gross	2,310,065,380	2,268,611,018	814,035,322	796,505,074
Less: Sales tax	(341,963,004)	(341,765,858)	(122,701,621)	(121,199,027)
	1,968,102,377	1,926,845,160	691,333,702	675,306,047
Cost of sales	(1,929,973,439)	(1,665,483,762)	(628,313,122)	(620,150,674)
Gross profit	38,128,937	261,361,398	63,020,579	55,155,373
Selling and distribution expenses	(16,529,971)	(10,444,585)	(5,402,021)	(1,090,362)
Administrative expenses	(78,952,080)	(52,903,954)	(30,406,382)	(18,316,767)
Other operating expenses	-	(10,922,696)	1,135,609	(970,694)
Operating Loss / Profit	(57,353,114)	187,090,163	28,347,785	34,777,550
Finance costs	(147,731,609)	(67,169,327)	(56,048,140)	(27,106,898)
Other operating income	32,538,335	26,646,260	10,211,097	12,098,637
Loss / Profit before taxation	(172,546,388)	146,567,096	(17,489,258)	19,769,289
Provision for taxation	(24,601,280)	(40,007,078)	(5,440,072)	(5,437,749)
Deferred taxation	87,102,195	5,023,121	8,323,777	2,800,677
	62,500,915	(34,983,957)	2,883,705	(2,637,072)
Loss / Profit after taxation	(110,045,473)	111,583,139	(14,605,553)	17,132,217
Earning per share - Basic and Diluted	14	(9.09)	9.22	(1.21)
		=====	=====	=====

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


Director


Chief Executive


Chief Financial Officer

SANA INDUSTRIES LIMITED
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE THREE QUARTERS ENDED MARCH 31, 2023 (UN-AUDITED)

	Three Quarters ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----		----- Rupees -----	
Profit for the period	(110,045,473)	111,583,139	(110,045,473)	17,132,217
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>(110,045,473)</u>	<u>111,583,139</u>	<u>(110,045,473)</u>	<u>17,132,217</u>

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


 Director

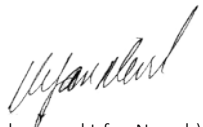

 Chief Executive

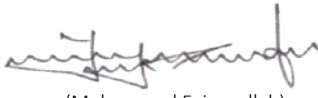

 Chief Financial Officer

SANA INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE QUARTERS ENDED MARCH 31, 2023

	Issued, subscribed and paid-up capital	REVENUE RESERVES			Sub Total	Total
		General reserve	Share Premium	Un- appropriated profit		
Balance as at July 01, 2021	110,000,000	132,500,000	96,250,000	174,132,974	402,882,974	512,882,974
Final dividend for the year ended June 30, 2021	-	-	-	(16,500,000)	(16,500,000)	(16,500,000)
Bonus shares @ 10% for the year ended June 30, 2021	11,000,000	-	-	(11,000,000)	(11,000,000)	-
Dividend paid for the Half Year ended December 30, 2021	-	-	-	(18,150,000)	(18,150,000)	(18,150,000)
Total comprehensive income for the three quarter ended March 31, 2022	-	-	-	111,583,139	111,583,139	111,583,139
Balance as at March 31, 2022	121,000,000	132,500,000	96,250,000	240,066,113	468,816,113	589,816,113
Balance as at July 01, 2022	121,000,000	132,500,000	96,250,000	248,486,285	477,236,285	598,236,285
Final dividend for the year ended June 30, 2022	-	-	-	(12,100,000)	(12,100,000)	(12,100,000)
Total comprehensive income for the three quarter ended March 31, 2023	-	-	-	(110,045,473)	(110,045,473)	(110,045,473)
Balance as at March 31, 2023	121,000,000	132,500,000	96,250,000	126,340,812	355,090,812	476,090,812

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


(Mohammed Irfan Nawab)
Chief Executive

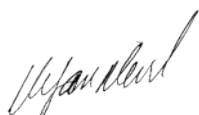

(Mohammad Faizanullah)
Director


(Saad Bin Hilal)
Chief Financial Officer

SANA INDUSTRIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE QUARTERS ENDED MARCH 31, 2023 (UN-AUDITED)

	March 31, 2023	March 31, 2022
----- Rupees -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation	(172,546,388)	146,567,096
Adjustments for:		
Depreciation	86,935,215	62,732,681
Gain on sale of fixed assets	(4,817,202)	(10,142,850)
Provision for gratuity	8,152,312	7,424,647
Provision for gas rate difference	8,310,510	16,079,623
Provision for workers welfare fund	-	2,992,306
Provision for workers profit participation fund	-	7,874,490
Profit on bank deposits	(1,076,540)	(1,472,142)
Amortization of deferred government grant	(8,669,837)	-
Finance costs	147,731,609	67,169,327
	-----	-----
Cash generated by operating activities before working capital changes	64,019,679	302,169,461
(Increase) / decrease in current assets	(132,239,983)	(122,724,206)
(Decrease) / Increase in current liabilities	82,636,266	59,598,386
	-----	-----
	14,415,962	239,043,642
Finance costs	(99,940,537)	(45,174,152)
Staff benefits paid	(4,861,090)	(4,912,397)
Payment of Workers' profit participation fund	(9,448,611)	(7,367,706)
Payment of Workers' Welfare Fund	-	(2,799,348)
Compensated absences paid	(11,737)	(689,509)
Income taxes paid	(25,905,356)	(24,915,074)
	-----	-----
Net cash inflow from operating activities	(125,751,369)	153,185,455
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(322,381,373)	(236,359,872)
Profit received from PLS saving accounts	1,076,540	1,472,142
Short term investments	-	21,266,077
Long term advances paid	-	(14,411,000)
Proceeds from sale of operating fixed assets	6,410,256	10,205,200
Net cash used in investing activities	(314,894,577)	(220,771,737)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts / (Repayments) under short term morabaha	265,103,016	11,416,732
Receipts / (Repayments) under long term musharaka	108,624,046	3,544,800
Repayment of loan against SBP Refinance facility for payment of wages and salaries	(15,499,424)	(23,852,637)
Loan received against Islamic Temporary Economic Refinance Facility	111,898,887	82,325,123
Loans from directors & sponsors-net	900,000	(2,199,484)
Lease liability repayments	(5,791,328)	(2,828,100)
Dividends paid	(12,071,566)	(34,527,541)
Net cash inflow from/(used in) financing activities	453,163,631	33,878,893
	-----	-----
Net (decrease) / increase in cash and cash equivalents	12,517,685	(33,707,390)
Cash and cash equivalents at beginning of the period	28,224,761	98,496,842
	-----	-----
Cash and cash equivalents at the end of the period	40,742,446	64,789,452
	=====	=====

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


Director


Chief Executive


Chief Financial Officer

SANA INDUSTRIES LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE QUARTERS ENDED MARCH 31, 2023 (UN-AUDITED)

1. NATURE OF BUSINESS

Sana Industries Limited (the Company) was incorporated in Pakistan under the Companies Ordinance, 1984 (the Ordinance) [now Companies Act, 2017] and is listed on the Pakistan Stock Exchange. The Company is primarily engaged in the manufacturing and sale of man-made blended yarn.

1.2 The geographical location and address of company's business units, including plant are as under:

- The registered office of the Company is situated at 33-D-2, Block 6, P.E.C.H.S., Karachi, Pakistan.
- The Company's manufacturing plant / mill is located at Hub trading estate, situated at Tehsil Hub, District Lasbela, Balochistan.

1.3 These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.

2. STATEMENT OF COMPLIANCE

This unconsolidated Condensed interim 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 Provisions of and directives issued under the Companies Act, 2017.

This unconsolidated condensed interim financial information does not include all the information required for preparation of full

The comparative balance sheet presented in this unconsolidated condensed interim financial information as at March 31, 2023 has been extracted from audited financial statements of the holding company for the year ended June 30, 2022, whereas the comparative profit and loss account, statements of changes in equity and cash flow statements for the third quarter ended extracted from March 31, 2023 financial statements.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim 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 three quarter financial information are the same as those applied to the preceding published annual financial statements of the company for the year ended June 30, 2022.

	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
5. PROPERTY, PLANT AND EQUIPMENT		
Net book value (NBV) at the beginning of the period	550,070,507	321,243,043
Add: Additions to tangible fixed assets	134,787,933	294,951,419
Less: Disposals during the period (NBV)	3,564,495	55,900
Depreciation charged during the period	69,844,649	66,068,055
	73,409,144	66,123,955
Net book value (NBV) at the closing of the period	611,449,296	550,070,507
Capital work-in-progress	211,533,681	-
	822,982,977	550,070,507
	=====	=====
6. INVESTMENTS		
Equity investments		
-Sana Logistics Private Limited	35,000,000	35,000,000
-Sana Distributors Private Limited	59,999,990	59,999,990
	94,999,990	94,999,990
	=====	=====

Represents equity investment in Sana Logistics Pvt Ltd. As of the balance sheet date, Sana Industries Ltd. owns 70 percent shares in Sana Logistics Pvt. Limited.(June 30, 2022, 70 percent shares) and 99 percent owns in Sana Distributors Private Limited.(June 30, 2022, 99 percent shares)

7. STOCK-IN-TRADE		
Raw and packing material		
- in hand	133,838,939	122,879,324
- in transit	-	66,481,191
	133,838,939	189,360,515
Packing materials	5,358,680	4,951,494
Work-in-process	29,473,714	27,994,064
Finished goods	165,092,490	173,477,436
Waste stock	4,061,670	344,425
	337,825,494	396,127,934
	=====	=====
8. TAX REFUNDS DUE FROM GOVERNMENT		
Income tax refundable	56,213,275	55,687,312
Advance income tax	25,905,356	41,273,091
Sales tax refundable	93,571,852	23,858,744
Provision for Tax	(24,601,280)	(40,572,842)
	151,089,203	80,246,305
	=====	=====
9. Long term Musharaka under shariah arrangement		
Diminishing Musharaka from commercial banks	182,173,636	56,483,551
Islamic Temporary Economic Refinance Facility (ITERF)	157,473,923	93,998,330
Less: Current maturity shown under current liabilities	(50,031,982)	(42,233,438)
	289,615,577	108,248,443
	=====	=====
10. DEFERRED LIABILITES		
Provision for compensated absences	111,501	123,238
Deferred government grant	40,798,332	16,013,517
Staff retirement benefits	55,407,280	52,116,056
Provision for Gas Infrastructure Development Cess	55,734,527	49,471,304
	152,051,640	117,724,115
	=====	=====
11. SHORT TERM BORROWINGS		
Istisna financing:		
Habib Metropolitan Bank Limited	170,346,724	275,756,088
Habib Bank Limited	199,799,355	-
	370,146,079	275,756,088
Murabaha financing:		
Habib Metropolitan Bank Limited	129,487,373	-
Bank Al Habib Limited	121,401,119	124,770,185
	250,888,492	124,770,185
Wakala		
Dubai Islamic Bank Limited	229,520,994	184,926,277
	850,555,565	585,452,550
	=====	=====
12. CONTINGENCIES AND COMMITMENTS		
12.1 Contingencies		
There were no major changes in the contingencies as reported in the financial statements for the year ended June 30, 2023.		
12.2 Commitments		
Custom duty and income tax on stock in transit	-	13,851,826
	134,105,867	483,268,080
Outstanding letter of credits	134,105,867	483,268,080
	33,420,771	31,610,615
Letters of guarantee issued by a commercial bank	33,420,771	31,610,615

	Three Quarters Ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----		----- Rupees -----	
13. COST OF SALES				
Opening stock finished goods and waste	173,821,861	71,734,559	180,118,719	134,182,391
Cost of goods manufactured	1,925,305,739	1,699,778,499	617,348,564	591,997,579
Closing stock finished goods and waste	(169,154,160)	(106,029,296)	(169,154,160)	(106,029,296)
	<u>1,929,973,439</u>	<u>1,665,483,762</u>	<u>628,313,122</u>	<u>620,150,674</u>
14. EARNING PER SHARE - BASIC AND DILUTED				
Profit after taxation	Rupees (110,045,473)	111,583,139	(14,605,553)	17,132,217
Issued ordinary shares	12,100,000	12,100,000	12,100,000	12,100,000
Basic and diluted earnings per share	Rupees (9.09)	9.22	(1.21)	1.42

15. TRANSACTIONS WITH RELATED PARTIES

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


Relationship	Nature of transaction	Three Quarters ended	
		March 31, 2023	March 31, 2022
		----- Rupees -----	
Staff retirement benefit plans	Contribution to gratuity fund	4,861,090	7,424,647
	Borrowings from Directors' family member	5,875,000	10,000,000
	Repayment of borrowings from Directors' family member	4,975,000	12,000,000
	Rent paid to director's family members	5,791,328	4,855,500
	Rental income from subsidiary company	14,615,663	27,173,700
Outstanding balances as of period end / year end :		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
	Borrowings from Directors' family member	<u>4,400,000</u>	<u>7,760,000</u>
	Receivable from subsidiary company	<u>85,962,598</u>	<u>29,732,985</u>

16. DATE OF AUTHORIZATION FOR ISSUE

16.1 These financial statements were authorised for issue on **29 April 2023** by the Board of Directors of the Company.

17. GENERAL

17.1 Amounts have been rounded off to the nearest Rupee.


Director

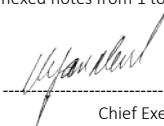

Chief Executive

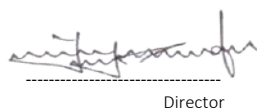

Chief Financial Officer

SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)
AS AT 31 MARCH 2023 (UN-AUDITED)

	NOTE	MARCH 31, 2023 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	989,364,380	748,034,155
Right-of-use assets		27,795,781	42,580,955
Intangibles		1,601,717	806,667
Long term advance		-	1,951,000
Long term deposits		2,756,051	2,756,051
Deferred tax asset - net		132,243,174	42,229,752
		1,153,761,104	838,358,580
CURRENT ASSETS			
Stock-in-trade	5	384,568,221	452,097,042
Stores and spares		24,507,183	9,479,354
Short term investments		19,089,318	2,664,319
Trade debts		757,667,098	612,794,092
Loans and advances		31,621,657	20,539,433
Trade deposits and short term prepayments		3,351,431	3,293,268
Other receivables		58,080,809	20,186,543
Tax refunds due from government		204,673,752	139,338,723
Cash and bank balances		59,666,730	70,244,958
		1,543,226,199	1,330,637,732
TOTAL ASSETS		2,696,987,303	2,168,996,312
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital		200,000,000	200,000,000
Issued, subscribed and paid-up capital		121,000,000	121,000,000
Reserves		357,587,343	483,686,150
Equity attributable to the shareholders of holding company		478,587,343	604,686,150
Non controlling Interest	6	63,212,386	53,567,671
Total equity		541,799,729	658,253,821
NON CURRENT LIABILITIES			
Long term financing from a banking company	7	295,629,611	111,585,135
Lease liability		33,181,430	40,287,420
Deferred liabilities	8	152,051,640	122,321,952
		480,862,681	274,194,507
CURRENT LIABILITIES			
Trade and other payables		521,426,786	371,298,302
Accrued profit		38,926,123	18,045,663
Loans from directors and associates		85,265,000	65,055,000
Current portion of long term loans from a banking company	7	54,679,879	73,958,568
Current maturity of lease liability		15,970,799	33,859,137
Current maturity of deferred government grant		18,915,116	6,326,048
Provident Fund payable		11,937,061	4,399,561
Unclaimed dividend		2,024,860	1,996,426
Short term Islamic finance	9	925,179,270	660,441,857
Taxation - net		-	1,167,422
		1,674,324,893	1,236,547,984
CONTINGENCIES AND COMMITMENTS	10	-	-
TOTAL EQUITY AND LIABILITIES		2,696,987,303	2,168,996,312

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


 Chief Executive

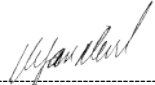

 Director


 Chief Financial Officer

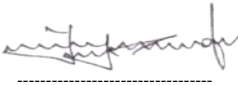
SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM CONDENSED PROFIT AND LOSS ACCOUNT
For the nine months and quarter ended March 31, 2023 (unaudited)

	NOTE	Three quarters ended		Quarter ended	
		March 31,	March 31,	March 31,	March 31,
		2023	2022	2023	2022
		----- Rupees -----		----- Rupees -----	
Gross Turnover		3,573,707,248	3,230,340,067	1,283,034,808	1,130,244,938
less					
Sales tax		(540,286,588)	(443,422,429)	(198,486,694)	(118,870,230)
		<u>3,033,420,661</u>	<u>2,786,917,638</u>	<u>1,084,548,114</u>	<u>1,011,374,708</u>
Cost of sales	11	(2,898,726,986)	(2,452,672,230)	(943,699,159)	(929,328,418)
Gross profit		<u>134,693,675</u>	<u>334,244,408</u>	<u>140,848,955</u>	<u>82,046,290</u>
Selling and distribution expenses		(23,018,111)	(19,234,091)	(7,686,291)	(3,570,207)
Administrative expenses		(163,897,343)	(83,459,824)	(104,125,887)	(29,829,476)
Other operating expenses		-	(10,922,696)	1,135,609	(970,694)
Operating Loss / Profit		<u>(52,221,779)</u>	<u>220,627,797</u>	<u>30,172,386</u>	<u>47,675,913</u>
Finance cost		(159,000,292)	(81,971,370)	(60,849,397)	(31,287,028)
Other Income		51,221,989	18,204,243	8,932,825	11,826,035
Loss / Profit for the period before taxation		<u>(160,000,082)</u>	<u>156,161,670</u>	<u>(21,744,185)</u>	<u>28,214,920</u>
Taxation		55,645,990	(39,716,101)	3,216,888	(3,198,179)
Loss / Profit after taxation		<u>(104,354,092)</u>	<u>117,144,569</u>	<u>(18,527,297)</u>	<u>25,016,740</u>
Earning per share	12	<u>(9.42)</u>	<u>8.88</u>	<u>(1.50)</u>	<u>1.70</u>

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



Chief Executive



Director



Chief Financial Officer


SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the nine months and quarter ended March 31, 2023 (unaudited)

	Three quarters ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- Rupees -----		----- Rupees -----	
Net profit for the period	(104,354,092)	117,144,569	(18,527,297)	25,016,740
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(104,354,092)	117,144,569	(18,527,297)	25,016,740
Attributable to				
Owners Equity	(113,998,807)	107,488,504	(18,180,946)	20,576,540
Non-controlling interest	9,644,715	9,656,065	(346,351)	4,440,201
	(104,354,092)	117,144,569	(18,527,297)	25,016,741


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



 Chief Executive



 Director



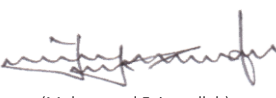
 Chief Financial Officer

SANA INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE QUARTERS ENDED MARCH 31, 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, 2021	110,000,000	132,500,000	96,250,000	185,452,450	414,202,450	524,202,450	45,372,567
Final dividend for the year ended June 30, 2021				(16,500,000)	(16,500,000)	(16,500,000)	
Bonus shares @ 10% for the year ended June 30, 2021	11,000,000			(11,000,000)	(11,000,000)	-	
Dividend paid for the Half Year ended December 30, 2021				(18,150,000)	(18,150,000)	(18,150,000)	
Total comprehensive income for the three quarter ended March 31, 2022				117,144,569	117,144,569	117,144,569	9,656,065
Balance as at March 31, 2022	121,000,000	132,500,000	96,250,000	256,947,019	485,697,019	606,697,019	55,028,632
Balance as at July 01, 2023	121,000,000	132,500,000	96,250,000	254,936,150	483,686,150	604,686,150	53,567,671
Final dividend for the year ended June 30, 2021				(12,100,000)	(12,100,000)	(12,100,000)	
Total comprehensive income for the three quarter ended March 31, 2022	-	-	-	(113,998,807)	(113,998,807)	(113,998,807)	9,644,715
Balance as at March 31, 2023	121,000,000	132,500,000	96,250,000	128,837,343	357,587,343	478,587,343	63,212,386

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


(Mohammed Irfan Nawab)
Chief Executive


(Mohammad Faizanullah)
Director


(Saad Bin Hilal)
Chief Financial Officer


SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM CONDENSED CASH FLOW STATEMENT
For the nine months and quarter ended March 31, 2023 (unaudited)

NOTE	March 31. 2023	March 31. 2022
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) before taxation	(160,000,082)	156,860,670
Add/(Less): Adjustments for:		
Depreciation	119,378,336	107,840,700
Loss/(Gain) on disposal of fixed assets	(4,794,740)	(10,142,850)
Profit on PLS account	(2,624,938)	(774,200)
Provision for WPPF		7,874,490
Provision for gratuity	8,152,312	7,424,647
Workers' welfare fund	-	2,992,306
Amortization of government grant	(8,669,837)	-
Provision for gas rate difference	8,310,510	16,079,623
Finance cost	159,000,292	81,974,653
	-----	-----
Cash provided by operating activities before working capital changes	118,751,852	371,678,439
(Increase)/decrease in current assets	(250,320,628)	(420,779,751)
Increase/(decrease) in current liabilities	157,665,984	349,760,687
	-----	-----
	26,097,208	300,659,375
Finance cost	(112,287,119)	(64,688,473)
Staff Compensation benefit paid	(4,872,827)	(5,601,906)
Payment of Workers' profit participation fund	(9,448,611)	(7,367,706)
Payment of Workers' Welfare Fund	-	(2,799,348)
Taxes paid	(40,951,241)	(37,894,240)
	-----	-----
Net cash inflow from operating activities	(141,462,590)	182,307,702
Capital expenditure incurred	(330,211,305)	(249,857,346)
Profits received on bank accounts	1,123,790	1,444,499
Short term investment	-	21,266,077
Proceeds from short term investments / interest received	1,501,148	673,612
long term advances paid	-	(14,411,000)
Proceeds from sale of fixed assets	6,456,256	10,205,200
Net cash used in investing activities	(321,130,110)	(233,567,956)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts / (Re-payment) of Short term Islamic finance	264,737,413	11,439,511
Receipts / (Re-payment) of Diminishing Mushareqa	106,797,255	(21,485,094)
Loan received against Islamic Temporary Economic Refinance Facility	111,898,887	82,325,123
Payments of long-term / Lease Liability liability	(11,842,323)	(4,050,369)
Payment of loan against SBP refinance facility	(27,715,193)	(36,573,769)
Dividends paid	(12,071,566)	(34,527,541)
Loan received / (repayment) from directors and sponsors	20,210,000	6,659,381
Net cash inflow from/(used in) financing activities	452,014,472	3,787,241
	-----	-----
Net (decrease)/increase in cash and cash equivalents	(10,578,228)	(47,473,013)
Cash and cash equivalents at beginning of the period	70,244,958	130,132,866
	-----	-----
Cash and cash equivalents at end of the period	59,666,730	82,659,853
	=====	=====

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 nine months and quarter ended March 31, 2023 (unaudited)

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 Subsidiary 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, 2022.

The comparative balance sheet presented in this condensed interim consolidated financial information as at March 31, 2023 has been extracted from audited financial statements of the company holding company for the year ended June 30, 2022, whereas the comparative profit and loss account, statements of changes in equity and cash flow statements for the three quaters ended March 31, 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, 2022.

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, 2022.

	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
4. TANGIBLE FIXED ASSETS		
Net book value (NBV) at the beginning of the period	725,935,064	504,719,654
Add: Additions to tangible fixed assets	141,514,864	313,452,405
Less: Disposals during the period (NBV)	3,564,495	162,569
Depreciation charged during the period	88,779,408	92,074,426
	92,343,903	92,236,995
Net book value (NBV) at the closing of the period	775,106,025	725,935,064
Capital work-in-progress	214,258,355	22,099,091
	989,364,380	748,034,155
	=====	=====
	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
5. STOCK-IN-TRADE		
Raw and packing material		
- in hand	133,838,939	122,879,324
- in transit	-	66,481,191
	133,838,939	189,360,515
Work-in-process	29,473,714	27,994,064
Finished goods	211,835,217	229,446,544
Waste stock	4,061,670	344,425
Packing Material	5,358,680	4,951,494
	384,568,220	452,097,042
	=====	=====
6. INVESTMENTS		
Non-Controlling Interest		
Share of NCI (opening)	53,567,671	45,372,567
Share in Profit / (Loss)	9,644,715	8,195,104
	63,212,386	53,567,671
	=====	=====
7. LONG TERM FINANCING		
Diminishing musharaka	191,308,310	15,026,165
Islamic Auto Finance	1,527,258	1,280,067
Financing under ITERF	157,473,923	95,278,903
Financing under SBP Refinance Scheme for Payment of Salaries and Wages	-	-
	-	27,170,940
	350,309,490	138,756,075
Less: Current portion	(54,679,879)	(73,958,568)
	295,629,611	64,797,507
	=====	=====
8 DEFERRED LIABILITIES		
Deferred government grant	40,798,332	20,611,354
Provision for compensated absences	111,501	123,238
Gas infrastructure development cess	55,734,527	49,471,304
Staff retirement benefits	55,407,280	52,116,056
	152,051,640	122,321,952
	=====	=====

9. **SHORT-TERM ISLAMIC FINANCE - secured**

From commercial banks	925,179,270	660,441,857
	=====	=====

10. **CONTINGENCIES AND COMMITMENTS**

10.1 **Contingencies**

There were no major changes in the contingencies as reported in the financial statements for the year ended June 30, 2022.

10.2 **Commitments**

Custom duty and income tax on stock in transit	-	13,851,826
	=====	=====
Letter of gurantee issued by a commercial bank	33,420,771	31,610,615
	=====	=====
Irrevocable letter of credits	134,105,867	483,268,080
	=====	=====

	<u>Three quarter ended</u>		<u>Quarter ended</u>	
	March 31. 2023	March 31. 2022	March 31. 2023	March 31. 2022
	----- Rupees -----			
11. COST OF SALES				
Opening stock finished goods and waste	173,821,861	71,734,559	180,118,719	134,182,391
Cost of goods manufactured	2,894,059,285	2,486,967,967	932,734,600	901,175,323
Closing stock finished goods and waste	(169,154,160)	(106,029,296)	(169,154,160)	(106,029,296)
	=====	=====	=====	=====
	2,898,726,986	2,452,673,230	943,699,159	929,328,418
	=====	=====	=====	=====
12. EARNING PER SHARE - BASIC AND DILUTED				
Profit after taxation attributable to shareholders of the holding company	Rupees (113,998,807)	107,488,504	(18,180,946)	20,576,540
Issued ordinary shares	12,100,000	12,100,000	12,100,000	12,100,000
Basic and diluted earnings per share	Rupees (9.42)	8.88	(1.50)	1.70
	=====	=====	=====	=====

14. **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		
Broowings from Directors and family member		133,395,000	61,455,000
Repayment of broowings from Directors and family member		113,185,000	22,081,135
Rent paid to director's family members		5,272,848	4,855,500
		=====	=====

15. **GENERAL**

15.1 These financial statements were authorised for issue by the Board of Directors on 29th April, 2023.

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



Chief Executive



Director



Chief Financial Officer