



SHAHMURAD SUGAR MILLS LIMITED

3rd Quarterly Results for the period
1st October 2022 to 30th June, 2023

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

website: www.shahmuradsugar.co

REGISTRAR & SHARES REGISTRATION OFFICE

C & K Management Associates (Pvt) Ltd.
404-Trade Tower,
Abdullah Haroon Road,
Near Metropole Hotel, Karachi - 75530

FACTORY

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

DIRECTORS' REPORT

Assalam-o-Alaikum

With great pleasure, I take this opportunity to present before you on behalf of the Board the un-audited financial statements of your company for the period ended June 30, 2023.

Salient features of production and financial statements are as under:

PRODUCTION DATA	June 30, 2023	June 30, 2022
Sugarcane crushed (M Tons)	567,913	601,695
Sugar produced (M Tons)	60,303	66,683
Sugar recovery percentage	10.60	11.08
Molasses produced (M Tons)	26,720	25,810
Ethanol Production (M Tons)	52,819	53,065

FINANCIAL DATA	(Rupees in thousands)	
Sales revenue	14,472,021	12,421,893
Cost of sales	(10,944,001)	(10,278,780)
Gross profit	3,528,020	2,143,113
Distribution cost	(132,679)	(97,980)
Administrative expense	(269,350)	(217,004)
Other operating expenses	(160,724)	(94,057)
Other income	424,692	87,348
Financial cost	(769,505)	(370,994)
Profit before taxation	2,620,454	1,450,426
Provision for taxation	(201,312)	(174,132)
Profit after taxation	2,419,142	1,276,294
Earnings per share	Rs.114.55	Rs. 60.43

Segment wise performance is elaborated as under:

SUGAR DIVISION

During the period under review, the sugarcane crop was not good as it was in the corresponding period of last year. For the crushing season, the Government of Sindh notified a minimum support price of sugar cane at Rs. 302/= per forty kgs as against Rs. 250/= per forty kgs notified last year.

During the current crushing season, the mill crushed 567,913 metric tons of cane against 601,695 metric tons crushed and produced 60,303 metric tons of sugar as against 66,683 metric tons produced last year. The production during the current period is lower than last year by 6,380 metric tons or 9.57 percent. The decrease in the production of sugar was mainly due to the non-availability of raw materials as the cane crop was not good during the current season. The recovery rate also declined from 11.08 percent to 10.60 percent. As mentioned in the half-yearly report, the production of sugar during the current year is lower than last year but expected to meet the requirement of the country.

ETHANOL DIVISION

During the period under consideration, the Ethanol Division produced 52,819 metric tons of ethanol as against 53,065 metric tons produced in the same period of last year which is slightly lower than previous year production. It is expected that the production would be slightly lower than the last year. The sales revenue of the ethanol division has increased due to higher prices in terms of foreign currency and deterioration in the value of local currency which increased the sales revenue in terms of Pak Rupees. The company exported 45,990 metric tons against 56,039 metric tons last year. It is anticipated that the sales would increase during the remaining period of the year INSHA ALLAH.

FUTURE OUTLOOK

The future outlook is still challenging due to global as well as internal uncertainties. Globally major economies going toward recessionary trends, lower demands, and higher interest rates. Internally our country has to meet post-IMF agreement obligations and the peaceful political transition from caretaker setup to an elected government. These would all make an impact on our internal economic situation in the coming months.

The Company's management is taking all necessary measures to steer the company through these precarious and uncertain time periods.

SUBSEQUENT EVENT AND DIVIDEND

The Board of Directors in their meeting held on July 24, 2023 has declared an interim cash dividend of Rs. 15.00 per shares i.e. 150% for the period ended June 30, 2023. These condensed interim financial statements do not include the effect of interim dividend.

BOARD OF DIRECTORS

During the period under consideration, there was no change in the composition of the Board of Directors.

May Allah SWT grant His Blessing and Rehmat for the continued success and growth of Shalmurad Sugar Mills Limited. (Ameen)



ZIA ZAKARIA
Managing Director & CEO



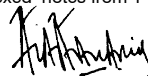
ABDUL AZIZ AYOOB
Director

Karachi:
Dated: July 24, 2023

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2023**

		Un-Audited June 2023	Audited September 2022
	Note	(Rupees in thousand)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	5,540,363	5,551,147
Intangible asset	5	-	-
Long term investment in associate	6	1,094	1,094
Long term loans		2,221	1,140
Long term deposits		3,150	2,599
		5,546,828	5,555,980
CURRENT ASSETS			
Stores, spare parts and loose tools		373,504	241,733
Stock-in-trade		9,692,917	3,537,695
Trade debts		755,502	1,059,148
Loans and advances		705,349	568,220
Trade deposits and short term prepayments		6,742	5,921
Other receivables		162	15,363
Short term investment		24,200	1,050,410
Income tax refundable-Net		10,917	-
Cash and bank balances		201,028	1,016,206
		11,770,321	7,494,696
		17,317,149	13,050,676
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
Share of associate's unrealized loss on re-measurement of its investment at fair value through other comprehensive income		(2,195)	(2,195)
Unappropriated profit		6,456,027	4,513,440
Capital reserve			
Revaluation surplus on property, plant and equipment		1,160,705	1,212,117
		7,905,724	6,014,549
NON CURRENT LIABILITIES			
Long term financing		509,402	656,877
Deferred taxation		193,924	162,110
		703,326	818,987
CURRENT LIABILITIES			
Trade and other payables		1,512,336	1,319,916
Accrued finance cost		315,619	61,211
Short term borrowings		6,614,495	4,532,139
Loan from related parties		8,032	41,135
Current portion of long term financing		238,223	238,223
Unclaimed dividend		19,394	14,431
Income tax provision-net of payments		-	10,085
		8,708,099	6,217,140
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		17,317,149	13,050,676

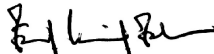
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



ZIA ZAKARIA
Managing Director & CEO



AZIZ AYOOB
DIRECTOR

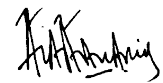


ZAID ZAKARIA
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2023**

	Note	For the nine months October to June		For the Quarter April to June	
		2023	2022	2023	2022
(Rupees in thousand)					
Sales		14,472,021	12,421,893	4,893,904	5,508,571
Cost of sales	8	(10,944,001)	(10,278,780)	(3,798,311)	(4,318,748)
Gross profit		3,528,020	2,143,113	1,095,593	1,189,823
Profit from trading activities		1,432	1,241	-	11
		3,529,452	2,144,354	1,095,593	1,189,834
Distribution cost		(132,679)	(97,980)	(51,509)	(38,791)
Administrative expenses		(269,350)	(217,004)	(84,850)	(67,266)
Other operating expenses		(160,724)	(94,057)	(37,900)	(47,450)
		(562,753)	(409,041)	(174,259)	(153,507)
Operating profit		2,966,699	1,735,313	921,334	1,036,327
Other income		423,260	86,107	12,131	49,904
		3,389,959	1,821,420	933,465	1,086,231
Finance cost		(769,505)	(370,994)	(362,313)	(177,101)
Profit before taxation		2,620,454	1,450,426	571,152	909,130
Taxation					
-Current		(169,498)	(180,037)	(50,889)	(107,565)
-Deferred		(31,814)	5,905	2,352	19,211
		(201,312)	(174,132)	(48,537)	(88,354)
Profit after taxation		2,419,142	1,276,294	522,615	820,776
Earning per share					
- Basic and diluted - Rupees		114.55	60.43	24.75	38.86

The annexed notes from 1 to 16 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, 2023**

	For the nine months October to June		For the Quarter April to June	
	2023	2022	2023	2022
(Rupees in thousand)				
Profit after taxation	2,419,142	1,276,294	522,615	820,776
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>2,419,142</u>	<u>1,276,294</u>	<u>522,615</u>	<u>820,776</u>

The annexed notes from 1 to 16 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, 2023**

	June 2023	June 2022
	(Rupees in thousand)	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,620,454	1,450,426
Adjustment for :		
Depreciation	267,049	263,278
Gain on disposal of property, plant and equipment	(1,340)	(3,038)
Provision for obsolescence and slow moving items	5,150	4,100
Finance cost	769,505	370,994
	<u>1,040,364</u>	<u>635,334</u>
	3,660,818	2,085,760
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(136,921)	(17,129)
Stock in trade	(6,155,222)	(3,489,922)
Trade debts	303,646	(899,974)
Loans and advances	(137,129)	61,115
Trade deposits and short term prepayments	(821)	(5,978)
Short term investment	1,026,210	3
Other receivables	15,201	157
	<u>(5,085,036)</u>	<u>(4,351,728)</u>
(Decrease) / Increase in current liabilities		
Trade and other payables	192,420	9,757
Short term borrowings	2,082,356	3,578,528
	<u>2,274,776</u>	<u>3,588,285</u>
	850,558	1,322,317
(Increase) in long term loan	(1,081)	(50)
(Increase) in long term deposits	(551)	(171)
Income tax paid	(190,500)	(143,843)
Finance cost paid	(515,097)	(262,606)
	<u>(707,229)</u>	<u>(406,670)</u>
Net cash (outflows) / inflows from operating activities	143,329	915,647
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	(257,186)	(362,828)
Sale proceeds from disposal of property, plant and equipment	2,260	10,059
Net cash outflow from investing activities	(254,926)	(352,769)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term financing	(147,475)	(147,475)
Loan from related parties repaid during the period	(33,103)	(3,000)
Dividend paid	(523,003)	(62,900)
Net cash (outflows) from financing activities	(703,581)	(213,375)
Net (decrease) / increase in cash and bank balances (A+B+C)	(815,178)	349,503
Cash and bank balance at the beginning of the period	1,016,206	53,761
Cash and bank balance at the end of the period	<u>201,028</u>	<u>403,264</u>

The annexed notes from 1 to 16 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 CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2023

	Issued, Subscribed & paid up capital	General reserves	Share of Associate's unrealised (loss)/gain on remeasurement of investment	Un- appropriated profit	Capital Reserve Surplus on revaluation of Property Plant & Equipment	Total
----- (Rupees in thousand) -----						
Balances as at October 01, 2021 (Audited)	211,187	80,000	(2,381)	3,063,446	1,309,151	4,661,403
During the nine months period ended June 30, 2022						
Transactions with owners						
Final Dividend for 30-September-2021 @ Rs. 3.00 Per Share	-	-	-	(63,356)	-	(63,356)
Total Comprehensive Income for the nine months ended June 30, 2022	-	-	-	1,276,294	-	1,276,294
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	-	56,168	(56,168)	-
Balances at June 30, 2022	<u>211,187</u>	<u>80,000</u>	<u>(2,381)</u>	<u>4,332,552</u>	<u>1,252,983</u>	<u>5,874,341</u>
Balances as at October 01, 2022 (Audited)	211,187	80,000	(2,195)	4,513,440	1,212,117	6,014,549
During the nine months period ended June 30, 2023						
Transactions with owners						
Final Dividend for 30-September-2022 @ Rs. 10.00 Per Share	-	-	-	(211,187)	-	(211,187)
Interim dividend 2023 @ Rs. 15.0 per Share	-	-	-	(527,967)	-	(527,967)
Total Comprehensive Income for the nine months ended June 30, 2023	-	-	-	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	-	-	-	51,412	(51,412)	-
Balances at June 30, 2023	<u>211,187</u>	<u>80,000</u>	<u>(2,195)</u>	<u>6,456,027</u>	<u>1,160,705</u>	<u>7,905,724</u>

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


ZIA ZAKARIA
Managing Director & CEO


AZIZ AYOUB
DIRECTOR


ZAID ZAKARIA
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2023

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 do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the company's annual financial statements for the year ended September 30, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

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, 2022.

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, 2022 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, 2022.

3.5 The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended September 30, 2022.

	Note	Un-Audited June 30, 2023 (Rupees in thousand)	Audited September 30, 2022
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	5,403,504	5,179,482
Capital work in progress	4.2	136,859	371,665
		5,540,363	5,551,147
4.1 Operating Fixed Assets			
Opening book value		5,179,482	5,140,258
Direct additions during the period / year			
Furniture, fixture and fittings		243	304
Office equipment		3,617	3,953
Vehicle		36,871	29,008
		40,731	33,265
Transfer from CWIP during the period / year			
Factory building		14,699	10,965
Plant and machinery		436,561	355,602
		451,260	366,567
Disposals - Operating assets (net book value)		(920)	(7,365)
Depreciation Charged for the period / year		(267,049)	(353,243)
Closing book value		5,403,504	5,179,482
4.2 Capital work in progress			
Opening balance		371,665	120,648
Additions during the period / year			
Civil Works		14,699	-
Plant and Machinery		201,755	617,584
		216,454	617,584
Capitalization during the period/year			
Civil Works		(14,699)	(10,965)
Plant and Machinery		(436,561)	(355,602)
		(451,260)	(366,567)
Closing balance		136,859	371,665

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 2022: 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, 2022 except as follows:

- (i) As disclosed in note 26.14 of the annual financial statements for the year ended September 30, 2022, Federal Board of Revenue (FBR) passed detrimental orders in the matter of tax audits for tax years 2015 to 2019 whereby frivolous tax demand of Rs 23,455 million was created as well as penalty of Rs 8,797 million was imposed and the Company had preferred appeals to the Commissioner Inland Revenue Appeals (CIRA) against the said orders. Subsequent to period end these appeals have been decided in favor of the Company and the said tax demand as well as penalty has been deleted by CIRA.
- (ii) As disclosed in note 26.15 of the annual financial statements for the year ended September 30, 2022, Assistant/Deputy Commissioner Inland Revenue (DCIR) passed orders in the matter of show cause notices issued under section 161(1A) for tax years 2016, 2017, 2019 and 2020 whereby aggregate demand of Rs 80.577 million was created and the Company had preferred appeals to the Commissioner Inland Revenue Appeals (CIRA) against the said orders. Subsequent to period end CIRA has annulled the impugned order.

	Un-Audited June 30, 2023	Audited September 30, 2022
(Rupees in thousand)		
7.2 Commitments		
- Commitments for capital expenditure	-	94,934
- Commitments for stores and spares	-	8,895
	-	<u>103,829</u>
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	-
	24,263	<u>500</u>

For the Nine Months		For the Quarter	
October to June		April to June	
2023	2022	2023	2022

(Rupees in thousand)

8. COST OF SALES

Opening stock of finished goods	1,823,918	1,604,549	5,321,708	4,699,626
Cost of goods manufactured	14,130,947	11,509,741	3,748,998	2,767,984
	15,954,865	13,114,290	9,070,706	7,467,610
Closing stock of finished goods (Note 8.1)	(5,427,082)	(3,254,987)	(5,427,082)	(3,254,987)
	10,527,783	9,859,303	3,643,624	4,212,623
Export and related expenses	416,218	419,477	154,687	106,125
	10,944,001	10,278,780	3,798,311	4,318,748

- 8.1** At period end stock pledged against short term borrowings amounted to Rs. 1,559 million (June 2022 :Rs. 1,711 million).

9. TAXATION

Provision for current taxation is made on the basis of minimum and final taxation. Deferred tax assets of Rs. 146 million have not been recorded in view of uncertainties related to availability of future taxable profit against which unabsorbed losses may be adjusted.

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 comprise 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, 2023	June 30, 2022
Transactions:			
<u>Relationship with the Company</u>	<u>Nature of Transactions</u>	(Rupees in thousand)	
Associates			
Al-Noor Sugar Mills Limited	-Purchase of Goods	1,065,332	899,730
Al-Noor Sugar Mills Limited	-Dividend paid	82,495	9,899
Reliance Insurance Company Limited	-Insurance premium	30,482	26,504
Reliance Insurance Company Limited	-Insurance claim	1,115	4,970
Others - Directors and shareholder	-Loan repayment	33,103	3,000
Other related parties			
Directors' and key management personnel	-Directors remuneration	23,904	17,323
	-Executive remuneration	53,234	37,879
	-Non-executive directors' meeting fee	400	220
Staff provident fund excluding Directors	-Company's Contribution during the period	7,227	6,980
		June 30, 2023	September 30, 2022
Balances:			
<u>Relationship with the Company</u>	<u>Nature of Transactions</u>	(Rupees in thousand)	
Associates			
Al-Noor Sugar Mills Limited	Loan and advances	-	237,501
Reliance Insurance Company Limited	Trade and other payables - Premium	14,609	-
Reliance Insurance Company Limited	Receivables - Insurance claim	-	-
Staff provident fund	Trade and other payables		
	- Contribution payable	1,368	2,093
Others - Directors and shareholder	Loan from related parties	8,032	41,135

12. RELATIONSHIP WITH THE ISLAMIC AND CONVENTIONAL FINANCIAL INSTITUTION

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

	As at June 30, 2023 (Un Audited)			As at September 30, 2022 (Audited)		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and other finances	145,000	364,402	509,402	240,000	416,877	656,877
Current portion of long term finance	160,000	78,223	238,223	160,000	78,223	238,223
	305,000	442,625	747,625	400,000	495,100	895,100
Accrued finance cost	216,539	99,080	315,619	30,299	30,912	61,211
Short term borrowings	4,250,000	2,364,495	6,614,495	1,750,000	2,782,139	4,532,139
Short term investment	(24,199)	-	(24,199)	(1,050,410)	-	(1,050,410)
Cash at banks	(61,158)	(139,870)	(201,028)	(928,560)	(87,646)	(1,016,206)
	4,686,182	2,766,330	7,452,512	201,329	3,220,505	3,421,834

	Nine months ended June 30, 2023			Nine months ended June 30, 2022		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	388,411	381,094	769,505	169,742	201,252	370,994
Income from PLS bank account and short term investment	(104,426)	(52)	(104,478)	(1,370)	(405)	(1,775)
	283,985	381,042	665,027	168,372	200,847	369,219

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 represent revenue and profit information regarding business segment for the nine month ended June 30, 2023 and June 30, 2022 and assets and liabilities information regarding business segments as at June 30, 2023 and September 30, 2022.

	Sugar		Ethanol		Total	
	Nine months period ended June 30, 2023		Nine months period ended June 30, 2022		Nine months period ended June 30, 2023	
	2023	2022	2023	2022	2023	2022
(Rupees in thousand)						
REVENUE						
External Sales	2,551,115	2,601,115	11,920,906	9,820,778	14,472,021	12,421,893
Inter segment transfer	1,029,345	623,166	-	-	1,029,345	623,166
Total	<u>3,580,460</u>	<u>3,224,281</u>	<u>11,920,906</u>	<u>9,820,778</u>	<u>15,501,366</u>	<u>13,045,059</u>
RESULTS						
Profit from operation	139,339	207,964	2,986,652	1,620,165	3,125,991	1,828,129
Profit from trading activity	1,432	1,241	-	-	1,432	1,241
	<u>140,771</u>	<u>209,205</u>	<u>2,986,652</u>	<u>1,620,165</u>	<u>3,127,423</u>	<u>1,829,370</u>
Other operating charges					(160,724)	(94,057)
Other income					423,260	86,107
Finance cost					(769,505)	(370,994)
Profit before tax					2,620,454	1,450,426
Taxation					(201,312)	(174,132)
Profit for the period					<u>2,419,142</u>	<u>1,276,294</u>

SEGMENT ASSETS AND LIABILITIES

	June 2023	September 2022	June 2023	September 2022	June 2023	September 2022
	(Rupees in thousand)					
Assets						
Segment assets	6,090,478	3,791,507	11,001,329	9,044,744	17,091,807	12,836,251
Un-allocated assets					224,248	213,331
Long term investment					1,094	1,094
Total assets					<u>17,317,149</u>	<u>13,050,676</u>
Liabilities						
Segment liabilities	2,755,334	1,086,270	6,485,428	5,822,330	9,240,762	6,908,600
Unallocated liabilities					170,663	127,527
					<u>9,411,425</u>	<u>7,036,127</u>

	Nine months ended June 30, 2023		Nine months ended June 30, 2022		Nine months ended June 30, 2023	
	2023	2022	2023	2022	2023	2022
(Rupees in thousand)						
OTHER INFORMATION						
Additions to property, plant and equipment	123,772	303,133	133,414	59,695	257,186	362,828
Depreciation	88,448	79,613	178,601	183,665	267,049	263,278

Revenue from major customers

During the period external sales to major customers amounted to Rs. 4,998 million. (2022: Rs. 3,583 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, 2023	June 30, 2022
Pakistan	2,340,381	2,601,115
Netherlands	3,450,212	4,148,875
Unied Arab Emirates	1,509,349	457,040
Ghana	1,166,994	1,577,847
Italy	1,086,958	593,889
Taiwan	1,020,518	192,103
Thailand	796,189	250,429
Indonesia	447,768	711,278
Japan	442,989	63,348
Singapore	335,775	63,353
Spain	306,373	-
Iraq	222,332	89,359
South Korea	213,717	112,840
Jordan	186,058	176,576
Philippines	155,511	132,036
Togo	146,381	-
Angola	120,160	262,023
Lebanon	93,241	140,575
Congo	90,386	-
New Zealand	86,556	-
Ivory Coast	51,885	105,947
Bangladesh	56,174	-
Kuwait	32,934	39,217
Turkey	16,204	22,688
Eritrea	-	96,492
Cameroon	-	92,939
South Africa	-	50,313
Tanzania	-	78,375
Others	96,976	363,236
	14,472,021	12,421,893

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. AUTHORIZATION


These condensed interim financial statements were authorized for issue on 24th July, 2023 by the Board of Directors of the Company.

16. GENERAL

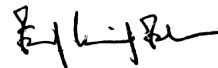
Figures have been rounded off nearest to thousand rupees.



ZIA ZAKARIA
Managing Director & CEO



AZIZ AYOOB
DIRECTOR

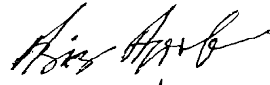



ZAID ZAKARIA
Chief Financial Officer

بورڈ آف ڈائریکٹرز:

زیر غور مدت کے دوران بورڈ آف ڈائریکٹرز کی تشکیل میں کوئی تبدیلی نہیں کی گئی۔

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


عبدالعزیز ایوب
ڈائریکٹر


ضیاء زکریا
منیجنگ ڈائریکٹر اینڈ سی ای او

کراچی: 24 جولائی 2023

شوگر ڈویژن:

زیر جائزہ مدت کے دوران گنے کی فصل اچھی نہیں رہی جیسا کہ گزشتہ سال کی اسی مدت میں تھی۔ کرشنک سیزن کے لیے حکومت سندھ نے گنے کی کم از کم امدادی قیمت = 302/ روپے مقرر کی ہے۔ جبکہ گزشتہ سال = 250/ روپے فی چالیس کلوگرام مقرر کی تھی۔

موجودہ کرشنک سیزن کے دوران مل نے 601,695 میٹرک ٹن کے مقابلے میں 567,913 گنے کی پھائی کی اور 60,303 میٹرک ٹن چینی پیدا کی جو کہ گزشتہ سال کی پیداوار 66,683 میٹرک ٹن تھی۔ موجودہ مدت کے دوران پیداوار گزشتہ سال کے مقابلے میں 6,380 میٹرک ٹن یا 9.57 فیصد کم ہے۔ چینی کی پیداوار میں کمی کی بنیادی وجہ خام مال کی عدم دستیابی تھی کیونکہ موجودہ سیزن میں گنے کی فصل اچھی نہیں تھی۔ ریکوری کی شرح بھی 11.08 فیصد سے کم ہو کر 10.60 فیصد رہ گئی۔ جیسا کہ ششماہی رپورٹ میں بتایا گیا ہے کہ رواں سال کے دوران چینی کی پیداوار گزشتہ سال کے مقابلے کم ہے لیکن توقع ہے کہ اس سے ملک کی ضروریات پوری ہوں گی۔

استھمول ڈویژن:

زیر خورد مدت کے دوران استھمول ڈویژن نے 52,819 میٹرک ٹن استھمول کی پیداوار کی جو کہ گزشتہ سال کی اسی مدت میں 53,065 میٹرک ٹن کی پیداوار تھی جو کہ پچھلے سال کی پیداوار سے قدرے کم ہے۔ توقع ہے کہ پیداوار گزشتہ سال کے مقابلے میں قدرے کم ہوگی۔ استھمول ڈویژن کے سٹیز ریونیو میں غیر ملکی کرنسی کی قیمتوں میں اضافے اور مقامی کرنسی کی قدر میں کمی کی وجہ سے اضافہ ہوا ہے جس سے پاک روپے کے لحاظ سے سٹیز ریونیو میں اضافہ ہوا ہے۔ کپنی نے گزشتہ سال 56,039 میٹرک ٹن کے مقابلے میں 45,990 میٹرک ٹن برآمد کیا۔ توقع ہے کہ سال کے باقی ماندہ عرصے کے دوران فروخت میں اضافہ ہو جائے گا انشاء اللہ۔

مستقبل کا جائزہ:

عالمی اور اندرونی غیر یقینی صورتحال کی وجہ سے مستقبل کا نقطہ نظر اب بھی چیلنجنگ ہے۔ عالمی سطح پر بڑی معیشتیں کساد بازاری کے رجحانات، کم مطالبات اور بلند شرح سود کی طرف جا رہی ہیں۔ اندرونی طور پر ہمارے ملک کو آئی ایم ایف معاہدے کے بعد کی ذمہ داریوں اور گراما سیٹ اپ سے منتخب حکومت کی طرف پراسن سیاسی منتقلی کو پورا کرنا ہے۔ یہ سب آنے والے مہینوں میں ہماری داخلی اقتصادی صورتحال کو متاثر کریں گے۔

کپنی کی انتظامیہ ان غیر یقینی اور غیر یقینی وقت کے دوران کپنی کو چلانے کے لیے تمام ضروری اقدامات کر رہی ہے۔

نقد عبوری منافع منقسمہ اور ما بعد واقعات:

بورڈ آف ڈائریکٹرز نے اپنے اجلاس منعقدہ 24 جولائی 2023 کے دوران 30 جون 2023 کے منافع میں سے 150 فیصد یعنی 15 روپے فی حصص عبوری نقد منافع منقسمہ دینے کی تجویز دی ہے مزید برآں اس مالیاتی حساب میں مذکورہ بالا نقد منافع منقسمہ کا کوئی اثر شامل نہیں ہے۔

ڈائریکٹرز کی رپورٹ

محترم ممبران!.....السلام علیکم!

بڑی خوشی کے ساتھ، میں بورڈ کی جانب سے 30 جون 2023 کو ختم ہونے والی مدت کے لیے آپ کی کمپنی 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:

<u>30 جون 2022</u>	<u>30 جون 2023</u>	<u>معلومات بابت پیداوار</u>
601,695	567,913	گنے کی پائی (میٹرک ٹن)
66,683	60,303	پیداوار برائے چینی (میٹرک ٹن)
11.08	10.60	ریکوری برائے چینی (فیصد)
25,810	26,720	پیداوار برائے راب (میٹرک ٹن)
53,065	52,819	پیداوار برائے اسمتھول (میٹرک ٹن)
<u>(روپے ہزاروں میں)</u>	<u>(روپے ہزاروں میں)</u>	<u>مالیاتی معلومات</u>
12,421,893	14,472,021	فروختگی
(10,278,780)	(10,944,001)	لاگت برائے فروختگی
2,143,113	3,528,020	خام منافع
(97,980)	(132,679)	اخراجات برائے ترسیلات
(217,004)	(269,350)	انتظامی اخراجات
(94,057)	(160,724)	دیگر اخراجات
87,348	424,692	دیگر آمدن
(370,994)	(769,505)	مالیاتی اخراجات
1,450,426	2,620,454	منافع قبل از ٹیکس
(174,132)	(201,312)	ٹیکس کے لئے فراہمی
1,276,294	2,419,142	منافع بعد از ٹیکس
Rs. 60.43	Rs.114.55	آمدن فی حصص (بنیادی)

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