



**UNAUDITED
CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
DECEMBER 31, 2023**

SAKRAND SUGAR MILLS LIMITED



COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Saleem Zamindar Mr. Dinshaw H. Anklesaria Mr. Shams Ghani Miss. Sadia Moin Mr. Muhammad Saleem Mangrio Mr. Abdul Qayyum Khan Abbasi Mr. Muhammad Omar Arshid	Chairman / Director Director Director Director Director Director Director
AUDIT COMMITTEE	Miss. Sadia Moin Mr. Saleem Zamindar Mr. Muhammad Saleem Mangrio	Chairperson Member Member
HR COMMITTEE	Mr. Abdul Qayyum Khan Abbasi Mr. Muhammad Omar Arshid Mr. Shams Ghani	Chairman Member Member
CHIEF EXECUTIVE OFFICER	Mr. Mansoor Afzal Subzwari	
CHIEF FINANCIAL OFFICER	Mr. Shams Ghani	
COMPANY SECRETARY	Mr. Muhammad Imran Akber	
BANKERS	Allied Bank Limited Bank Al Habib Limited Bank Alfalah Limited Habib Bank Limited Meezan Bank Limited MCB Bank Limited National Bank Of Pakistan Soneri Bank Limited Sindh Bank Limited Summit Bank Limited United Bank Limited	
AUDITORS	Parker Russell-A.J.S. Chartered Accountants	
LEGAL ADVISOR	Mr. Muhammad Jameel Choudhry	
REGISTRAR	M/s JWAFS Registrar Services (Pvt.) Ltd. 407-408, Al-Ameera Centre Shahrah-e-Iraq, Saddar Karachi-74400	
REGISTERED OFFICE	41-K, Block-6, P.E.C.H.S., Karachi Phone. 0092-21-35303291-2 www.sakrandsugar.com	
FACTORY ADDRESS	Deh Tharo Unar, Taluka Sakrand District Shaheed Benazir Abad, Sindh.	



Directors' Report to Members

The Directors are pleased to present the un-audited condensed interim financial statements for the three months period ended December 31, 2023, to the members of the Company.

Operational Result

The operational performance for the period under review as compared with that of last year is tabulated hereunder.

		Season	
		2023-24	2022-23
Start of Season		Nov 06, 2023	Nov 26, 2022
Operational Days		56	36
Sugarcane crushed	M. Tons	136,654	123,624
Production			
Sugar	M. Tons	12,936	12,039
Molasses	M. Tons	6,885	5,540
Recovery			
Sugar	%	9.645	9.738
Molasses	%	5.039	4.481

The crushing for the period under review started on 6th November 2023 and operated for 56 days compared to 36 days operated during the same period last year. During the period under review, the mill crushed 136,654 M. tons of sugarcane and produced 12,936 M. tons of Sugar as compared to last year's crushing of 123,624 M. tons and sugar produced was 12,039 M. tons. The management decided to start operation earlier to maximize capacity utilization but resulted in a low recovery of sucrose as crop was not mature enough due to late sowing in previous year because of stagnant water due to heavy rains and flood.

Financial Result

The Financial Result for the period under review is tabulated hereunder.

Description	Rupees in millions	
	Oct – Dec 2023	Oct – Dec 2022
Sales - net	1,079.71	696.85
Gross profit / (loss)	(62.80)	(75.71)
Profit/(loss) before taxation	(125.51)	(122.86)
Profit/(loss) after taxation	(139.00)	(125.45)
Loss per Share	Rs. (3.12)	(2.81)
Average Selling price of Sugar per Kg (net of Sales tax)	Rs. 102.42	69.51
Average procurement cost of Cane per maund	Rs. 428.62	306.18



Sindh Government increased the Cane Support Price by Rs. 123 per maund i.e. from Rs 302 per maund to Rs. 425 per maund, an increase of 40% over last year. This along with an increase in all other input costs increased the cost of production whereas the price of the finished product did not rise in the same proportion resulted in a negative bottom line.

Future Outlook

PASMA is striving hard to convince the Government for permission to export surplus sugar stock and is very much hopeful for positive results.

Management has also activated the installed Fertilizer Plant which was inactive for a couple of years. Production is expected in the third quarter of the current financial year and will definitely be helpful in improving the bottom line significantly.

Acknowledgement

The Directors place on record their appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the company's affairs and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah.

On behalf of the Board of Directors

Chairman/Director
Karachi
January 30, 2024

Chief Executive Officer

ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے تیسری سہ ماہی کے غیر آڈٹ شدہ مالیاتی حسابات برائے 31 دسمبر 2023 پیش خدمت ہیں۔

آپریٹنگ نتائج

گذشتہ سال کے مقابلے میں زیر جائزہ مدت کے لیے آپریشنل کارکردگی درج ذیل رہی ہے۔

		Season	
		2023-24	2022-23
Start of Season		Nov 06, 2023	Nov 26, 2022
Operational Days		56	36
Sugarcane crushed	M. Tons	136,654	123,624
Production			
Sugar	M. Tons	12,936	12,039
Molasses	M. Tons	6,885	5,540
Recovery			
Sugar	%	9.645	9.738
Molasses	%	5.039	4.481

زیر جائزہ مدت میں کرشنگ کا آغاز 6 نومبر 2023 کو ہوا اور میژن کا دورانیہ 56 دن جبکہ پچھلے سال اسی مدت میں دورانیہ 36 دن رہا تھا۔ زیر جائزہ مدت کے دوران 136,654 میٹرک ٹن گنے کی کرشنگ کی اور 12,936 میٹرک ٹن چینی پیدا کی جبکہ گذشتہ سال کی کرشنگ 123,624 میٹرک ٹن چینی کی پیداوار 12,039 میٹرک ٹن تھی۔ انتظامیہ نے کرشنگ کی صلاحیت کو مد نظر رکھتے ہوئے پہلے آپریشن شروع کرنے کا فیصلہ کیا کیونکہ گذشتہ سال شدید بارشوں اور سیلاب کا پانی کھڑا ہونے کی وجہ سے کاشت دیر سے ہوئی جس کے نتیجے میں چینی کی ریکوری کم رہی تھی۔

مالیاتی نتائج

زیر جائزہ مدت کے مالیاتی نتائج درج ذیل ہیں۔

Description	Rupees in millions	
	Oct – Dec 2023	Oct – Dec 2022
Sales - net	1,079.71	696.85
Gross profit / (loss)	(62.80)	(75.71)
Profit/(loss) before taxation	(125.51)	(122.86)
Profit/(loss) after taxation	(139.00)	(125.45)
Loss per Share	Rs. (3.12)	(2.81)
Average Selling price of Sugar per Kg (net of Sales tax)	Rs. 102.42	69.51
Average procurement cost of Cane per maund	Rs. 428.62	306.18

سندھ حکومت نے گنے کی امدادی قیمت میں 123 روپے فی من کا اضافہ کیا جو کہ 302 روپے فی من سے 425 روپے فی من ہو گئی، جو کہ گذشتہ سال کے مقابلے میں 40 فیصد اضافی تھی، اس کے ساتھ ساتھ دیگر تمام آنے والی لاگت میں اضافے نے پیداوار کی لاگت میں اضافہ کیا جبکہ چینی کی قیمت میں اسی تناسب سے اضافہ نہیں ہوا جس کے نتیجے میں منافع میں کمی واقع ہوئی۔

PSMA اضافی چینی کے ذخیرے کو برآمد کرنے کی اجازت کے لیے حکومت کو قائل کرنے کی بھرپور کوشش کر رہی ہے اور مثبت نتائج کے لیے بہت پر امید ہے۔

انتظامیہ نے نصب فریٹ لائزر پلانٹ کو بھی فعال کر دیا ہے جو کہ چند سالوں سے غیر فعال تھا۔ موجودہ مالی سال کی تیسری سہ ماہی میں اس کی پیداوار متوقع ہے اور یقینی طور پر منافع کو نمایاں طور پر بہتر کرنے میں مددگار ثابت ہوگی۔

اعلیٰ رتبتدار

ڈائریکٹرز نے کمپنی کے معاملات کو احسن طریقے چلانے کے لیے ایگزیکٹوز، افسران، اسٹاف ممبرز اور ورکرز کی فرض شناسی، وفاداری اور محنت کو سراہا اور امید ظاہر کی کہ اللہ تعالیٰ کے فضل و کرم کیساتھ وہ پیداواری صلاحیت میں جاری رکھیں گے۔

منجانب بورڈ ڈائریکٹرز



چیف ایگزیکٹو آفیسر

Paleem Zamindar

چیئرمین

کراچی

30 جنوری 2024



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023**

	Un-audited December 31, 2023	Audited September 30, 2023
Rupees in '000'.....	
ASSETS		
Non-Current Assets		
Property, plant and equipment	3,841,882	3,847,298
Intangible asset	1,388	1,513
Long-term loans	1,271	191
Long-term deposits	2,860	2,860
	3,847,401	3,851,861
Current Assets		
Stores, spares and loose tools	129,888	108,823
Stock-in-trade	525,575	32,855
Trade debts	17,497	1,188
Loans and advances	57,860	46,458
Deposit, prepayments and other receivables	96,996	94,862
Short term investment	-	10,000
Cash and bank balances	239,438	5,611
	1,067,253	299,796
Total Assets	4,914,654	4,151,658
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorized share capital		
60,000,000 ordinary shares of Rs. 10 each	600,000	600,000
Share capital		
Issued, subscribed and paid-up capital	446,160	446,160
Revenue reserves		
Accumulated loss	(1,803,677)	(1,672,931)
Capital reserves		
Surplus on revaluation of property, plant and equipment-net of deferred tax	2,122,946	2,131,204
Directors'/Sponsors' subordinated loan	92,767	92,767
	858,196	997,200
Non-Current Liabilities		
Long term financing - secured	676,873	686,673
Deferred liabilities	67,343	67,342
	744,216	754,015
Current Liabilities		
Trade and other payables	2,556,021	1,675,780
Unclaimed dividend	6,198	6,198
Unpaid dividend	30	30
Accrued mark-up	474,499	461,091
Current maturity of long-term financing	228,618	223,218
Taxation - net	46,877	34,126
	3,312,243	2,400,443
Total Equity and Liabilities	4,914,654	4,151,658

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

Chief Executive Officer

Chief Financial Officer

Director



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2023
(UN-AUDITED)

	December 31, 2023	December 31, 2022
Rupees in '000'.....	
Sales - net	1,079,713	696,855
Cost of sales	<u>(1,142,512)</u>	<u>(772,567)</u>
Gross profit / (loss)	(62,800)	(75,712)
Operating expenses		
Administrative expenses	<u>(47,285)</u>	<u>(35,512)</u>
Selling and distribution cost	<u>(1,963)</u>	<u>(1,305)</u>
	(49,248)	(36,818)
Operating profit / (loss)	(112,048)	(112,530)
Finance cost	(13,460)	(10,330)
Profit / (Loss) before taxation	<u>(125,508)</u>	<u>(122,860)</u>
Taxation-net	(13,496)	(2,592)
Profit / (Loss) after taxation	<u>(139,004)</u>	<u>(125,452)</u>
Earning / (Loss) per share - Basic and diluted	<u>(3.12)</u>	<u>(2.81)</u>

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

Chief Executive Officer

Chief Financial Officer

Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2023
(UN-AUDITED)**

	December 31, 2023	December 31, 2022
Rupees in '000'.....	
Profit / (Loss) after taxation	(139,004)	(125,452)
Other comprehensive income for the period - net of tax	-	-
Total comprehensive income / (loss) for the period	<u>(139,004)</u>	<u>(125,452)</u>

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

Chief Executive Officer

Chief Financial Officer

Director



**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2023
(UN-AUDITED)**

	December 31, 2023	December 31, 2022
Rupees in '000'.....	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(125,508)	(122,860)
Adjustments for non cash charges and other items :		
Depreciation	17,460	19,959
Amortisation	125	186
Finance cost	13,409	10,306
	30,994	30,450
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(21,064)	17,798
Stock-in-trade	(492,719)	(298,658)
Trade debts	(16,309)	22,263
Loans and advances	(11,402)	(1,694)
Prepayments and other receivables	(2,134)	(1,818)
	(543,628)	(262,109)
Increase / (decrease) in current liabilities		
Trade and other payables	880,241	445,018
	242,098	90,499
Cash generated from operations	242,098	90,499
Taxes paid	(745)	(558)
Net cash generated from operating activities	241,353	89,941
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(12,045)	(92,905)
Short term investment	10,000	-
Net cash used in investing activities	(2,045)	(92,905)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - secured	(4,400)	(3,000)
Long term loans to employees	(1,080)	45
Net cash used in financing activities	(5,480)	(2,955)
Net increase / (decrease) in cash and cash equivalents	233,828	(5,919)
Cash and cash equivalents at the beginning of the period	5,611	33,881
Cash and cash equivalents at the end of the period	239,438	27,962

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

Chief Executive Officer

Chief Financial Officer

Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED DECEMBER 31, 2023
(UN-AUDITED)**

	Share Capital	Capital Reserves	Revenue Reserves	Directors' / sponsors' subordinated loan	Total
	Issued, subscribed & paid-up capital	Surplus on revaluation of property, plant and equipment	Un-appropriated profit / Accumulated loss		
.....Rupees in '000'.....					
Balance as at October 01, 2022	446,160	2,168,001	(1,552,393)	92,767	1,154,534
Profit / (Loss) after taxation	-	-	(125,452)	-	(125,452)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	(125,452)	-	(125,452)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax	-	(5,183)	5,183	-	-
Balance as at December 31, 2022	446,160	2,162,818	(1,672,662)	92,767	1,029,082
Balance as at October 01, 2023	446,160	2,131,205	(1,672,931)	92,767	997,200
Profit / (Loss) after taxation	-	-	(139,004)	-	(139,004)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	(139,004)	-	(139,004)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation- net of tax	-	(8,258)	8,258	-	-
Balance as at December 31, 2023	446,160	2,122,946	(1,803,677)	92,767	858,196

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

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2023**

1. These financial statements are unaudited and are being submitted to the shareholders as required by the Securities and Exchange Commission of Pakistan.
2. These financial statements have been prepared in compliance with the requirements of International Accounting Standards-34 "Interim financial reporting" as adopted by the Institute of Chartered Accountants of Pakistan which are applicable to the Company.
3. The accounting policies and method of computation allowed for the preparation of these accounts are same as those applied in the preparation of the preceding annual accounts of the Company for the year ended September 30, 2023.
4. These condensed interim financial information have been authorized for issue on January 30, 2024 by the Board of Directors of the Company.
5. Figures have been rounded off to the nearest thousand rupees.

Chief Executive Officer

Chief Financial Officer

Director