

*Bringing Back
Sweetness*



QUARTERLY REPORT

**Condensed Interim Financial
Statements (Un-Audited) For the
Quarter Ended December 31,
2022**



AL-ABBAS SUGAR MILLS LIMITED

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COMPANY INFORMATION

BOARD OF DIRECTORS

Zakaria Usman	Chairman
Asim Ghani	Chief Executive Officer
Asma Aves Cochinwala	Director
Darakshan Zohaib	Director
Haroon Askari	Director
Muhammad Salman Hussain Chawala	Director
Shahid Hussain Jatoi	Director
Muhammad Siddiq Khokhar	Director
Suleman Lalani	Director

COMPANY SECRETARY

Zuhair Abbas

CHIEF FINANCIAL OFFICER

Samir Hajani

HEAD OF INTERNAL AUDIT

Suhaib Afzal Khan

AUDIT COMMITTEE

Haroon Askari	Chairman
Asma Aves Cochinwala	Member
Darakshan Zohaib	Member
Muhammad Salman Hussain Chawala	Member
Zakaria Usman	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Haroon Askari	Chairman
Asim Ghani	Member
Shahid Hussain Jatoi	Member
Muhammad Siddiq Khokhar	Member
Suleman Lalani	Member
Zakaria Usman	Member

BANKERS

Al Baraka Bank Pakistan Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank
National Bank of Pakistan
The Bank of Punjab
Meezan Bank Limited
Samba Bank Limited
Soneri Bank Limited
United Bank Limited

STATUTORY AUDITORS

BDO Ebrahim & Co.
Chartered Accountants

COST AUDITORS

UHY Hassan Naeem & Co.
Chartered Accountants

REGISTERED OFFICE

2nd Floor, Pardesi House, Survey No. 2/1,
R.Y. 16, Old Queens Road, Karachi – 74000
Tel: 92-21-111-111-224
Fax: 92-21-32470090
Website: www.aasml.com

SHARE REGISTRAR OFFICE

M/s. CDC Share Services Limited
CDC House-99B, Block 'B', S.M.C.H.S
Main Shahra-e-faisal, Karachi-74400

FACTORIES/STORAGE LOCATIONS

- 1) Mirwah Gorchani, Distt. Mirpurkhas, Sindh
- 2) Main National Highway, Dhabeji, Sindh
- 3) Oil Installation Area, Kemari, Karachi, Sindh

RISK MANAGEMENT COMMITTEE

Muhammad Salman Hussain Chawala	Chairman
Asim Ghani	Member
Darakshan Zohaib	Member
Muhammad Siddiq Khokhar	Member

DIRECTORS' REVIEW REPORT

Dear Members,

Assalam-o-Alaikum!

On behalf of the Board of Directors we take this opportunity to place before you condensed interim financial statements for the quarter ended December 31, 2022.

FINANCIAL PERFORMANCE

The financial results of the Company for the three months ended December 31, 2022 and those pertaining to its corresponding period are summarized below for comparison purposes:

	Quarter Ended December 31, 2022	Quarter Ended December 31, 2021
	----- (Rupees in thousand) -----	
Operating Profit	486,232	248,094
Finance Cost	(57,962)	(15,848)
	<u>428,270</u>	<u>232,246</u>
Other Income	67,340	27,147
Profit before taxation	<u>495,610</u>	<u>259,393</u>
Taxation	(27,789)	(27,273)
Profit after taxation	<u>467,821</u>	<u>232,120</u>
Basic earning per share (Rupees)	<u>26.94</u>	<u>13.37</u>

During the period under review, your company has earned after-tax profit of Rs. 467.821 million as compared to after-tax profit of Rs. 232.120 million in the corresponding period of last year thus registering an increase of Rs. 235.701 million mainly due to increase in sales price of ethanol as well as depreciation of Pak Rupee against US\$ as compare to same period of last year.

SUBSEQUENT EVENT AND DIVIDEND

The Board of Directors in their meeting held on December 27, 2022 has declared a final cash dividend of Rs. 30 per shares i.e. 300% for the year ended September 30, 2022. These condensed interim financial statements do not include the effect of final cash dividend.

OPERATING SEGMENT RESULTS

The division - wise performance is presented below:

SUGAR DIVISION

The financial and operational performance of our Sugar division during the three months ended December 31, 2022 is presented below:

Financial Performance

	Quarter Ended December 31, 2022	Quarter Ended December 31, 2021
(Rupees in thousand).....	
Sales	799,450	908,068
Cost of sales	<u>(856,232)</u>	<u>(834,341)</u>
Gross (loss) / profit	(56,782)	73,727
Distribution cost	(3,249)	(2,373)
Administrative expenses	<u>(24,528)</u>	<u>(22,327)</u>
Operating segment results	(84,559)	49,027
Other operating expenses	(1,334)	(4,519)
Finance cost	(1,627)	(1,786)
Other income	<u>3,752</u>	<u>2,570</u>
(Loss) / Profit before taxation	(83,768)	45,292
Taxation	<u>(10,177)</u>	<u>(11,967)</u>
(Loss) / Profit after taxation	<u>(93,945)</u>	<u>33,325</u>

Operational performance

	2022-23	2021-22
Date of start of season	November 29, 2022	November 19, 2021
Total days of actual crushing bases on actual hours	30.31	34.69
Crushing (M. Tons)	179,622	150,242
Production from sugarcane (M.Tons) Sales during the period (M. Tons)	17,328	13,795
	11,925	10,757

Net sales of Sugar segment in the current period were Rs 799.450 million as compared to corresponding period of Rs. 908.068 million registering a decrease of Rs.108.618 million mainly due to decrease in sales price of sugar as compare to similar period of last year.

ETHANOLDIVISION

The financial and operational performance of our Ethanol division is tabulated as under:

Financial Performance

	Quarter Ended December 31, 2022	Quarter Ended December 31, 2021
(Rupees in thousand).....	
Sales	1,659,965	1,464,063
Cost of sales	(985,984)	(1,199,500)
Gross profit	673,981	264,563
Distribution cost	(35,435)	(17,463)
Administrative expenses	(16,576)	(14,536)
Operating segment results	621,970	232,564
Other operating expenses	(26,085)	(15,800)
Finance cost	(55,687)	(14,047)
Other income	63,503	24,577
Profit before taxation	603,701	227,294
Taxation	(17,480)	(15,218)
Profit after taxation	586,221	212,076

Operational Performance

Operational Data	2022-23	2021-22
Production (M. Tons) – Unit I and II	11,076	4,138
Sales (M. Tons)	7,910	9,796

During the period under review Ethanol sales remained geared primarily toward exports, which bring precious foreign currency in the country. During the period the Company's sales has increased in terms of rupees by Rs. 195.902 million i.e. 13.38% as compared to same period last year. The production of ethanol was increased from 4,138 M.Tons to 11,076 M.Tons, thus an increase of 6,938 M.Tons was registered because last year an unfortunate fire incident took place in ethanol plant as a result the plant was shut down for more than two months.

OTHER REPORTABLE SEGMENT

The operations for the chemical and power division remained suspended due to high cost of fuel and electricity during the period under review. The operations would resume once the situation get better.

The tank terminal division is licensed to act as custom bonded warehouse to handle bulk cargo. The terminal also has permission to store dangerous liquid like ethanol and petroleum products. Tank terminal is also engaged for storage of ethanol produced by your company for timely shipment of export orders.

During the period under review, other reportable segment incurred net loss of Rs. 24.455 million as compared net loss of Rs. 13.281 million in corresponding period last year. The increase in loss was mainly due to on-going repair and maintenance work on storage tanks at terminal and sharing of loss by tariq trading corporation for the revival of small furnace in same period of last year.

FUTURE PROSPECTS

The Government of Sindh has fixed the minimum cane price at Rs. 302 per maund to be paid by the millers to the growers. The minimum price for the last season was Rs. 250 per maund. The millers are forced to pay higher minimum price of sugar cane set by the Provincial Government. As a result profitability of sugar segment is reduced.

Sugar mills have surplus sugar stock due to improved production during season 2021-22 and hence PSMA had requested the government for exporting of excess sugar to bring direly needed foreign exchange to the country. The Economic Coordination Committee, on the recommendation of Sugar Advisor Board has initially allowed exporting of 100,000 M. tons of sugar and subsequently increased the quantity to 250,000 M. tons. Currently mills are waiting for quota allocation to begin the process of export.

Ethanol segment proved to be the profitable segment in past few years. The management had already procured enough quantity of molasses in advance to fulfil some of the current year requirement to take advantage over its competitors. We still need to work on exploring more efficient production to enhance the profitability. Higher energy and raw material cost would make it more challenging for enhancing the profitability.

The company is well aware of the challenges being faced by it and would do its best to take all necessary measures to increase the productivity in all its divisions and overall profitability of the Company.

ACKNOWLEDGEMENT

The Company profoundly acknowledges the devotion of each and every staff member of the Company for their significant contribution in delivering such a resilient performance. We would also like to express our thanks to our customers for their trust in our products and look forward to their continued support.

We also thank our shareholders, banks and financial institutions for their support, guidance and confidence reposed in our enterprise and we stand committed to ensure efficiency in all Company aspects. With renewed enthusiasm, spirit we will together, Insha'Allah, overcome the difficult situation being faced by the Company.

On behalf of the Board of Directors



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director

Karachi: January 26, 2023

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2022

		December 31, 2022	September 30, 2022
	Note	Un-audited (Rupees in thousand)	Audited
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	1,439,702	1,462,350
Investment property		177	182
Right-of-use assets		5,576	7,434
Long term investments		128,041	138,299
Long term loans		1,232	1,520
Long term deposits		19,821	19,741
Deferred taxation	9	-	-
		<u>1,594,549</u>	<u>1,629,526</u>
Current Assets			
Biological assets		2,453	2,001
Stores and spares		224,668	183,938
Stock-in-trade	10	3,957,778	3,101,107
Trade debts		53,255	456,857
Loans and advances		2,185,250	2,217,753
Trade deposits and short term prepayments		32,191	14,582
Short term investments		1,306,504	1,649,310
Other receivables		3,924	12,549
Interest accrued		6,550	6,305
Income tax refunds due from the government		39,836	33,532
Cash and bank balances	11	182,142	63,552
		<u>7,994,551</u>	<u>7,741,486</u>
Total Assets		<u>9,589,100</u>	<u>9,371,012</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
40,000,000 (2022: 40,000,000) shares of Rs. 10 each		<u>400,000</u>	<u>400,000</u>
Issued, subscribed and paid-up capital			
17,362,300 (2022: 17,362,300) ordinary shares of Rs. 10 each		173,623	173,623
Accumulated reserves		<u>4,889,589</u>	<u>4,432,030</u>
		<u>5,063,212</u>	<u>4,605,653</u>
Non-Current Liabilities			
Market committee fee payable		20,565	20,039
Current Liabilities			
Trade and other payables		2,089,046	1,676,022
Accrued markup		61,156	23,795
Short term borrowings		2,285,109	2,951,236
Current portion of non-current liabilities		9,177	33,201
Unclaimed dividend		47,989	48,220
Provision for taxation		12,846	12,846
		<u>4,505,323</u>	<u>4,745,320</u>
Total Equity and Liabilities		<u>9,589,100</u>	<u>9,371,012</u>
Contingencies and Commitments	12		

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Asim Ghani
Chief Executive Officer

Darakshan Zohaib
Director

Samir Hajani
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2022**

	Quarter Ended	
	December 31, 2022	December 31, 2021
	(Rupees in thousand)	
Turnover - net	2,473,886	2,383,081
Cost of sales	(1,880,447)	(2,057,321)
Gross profit	593,439	325,760
Distribution cost	(38,684)	(19,836)
Administrative expenses	(41,104)	(36,863)
Other operating expenses	(27,419)	(20,319)
	(107,207)	(77,018)
Operating profit	486,232	248,742
Finance cost	(57,962)	(16,496)
Other income	67,340	27,147
Profit before taxation	495,610	259,393
Taxation	(27,789)	(27,273)
Profit after taxation	467,821	232,120
Earnings per share - Basic and diluted	26.94	13.37

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2022**

	Quarter Ended	
	December 31, 2022	December 31, 2021
	(Rupees in thousand)	
Profit after taxation	467,821	232,120
Other comprehensive income for the period		
Items that will not be reclassified to statement of profit or loss account in subsequent periods		
Loss on remeasurement of investments at fair value through other comprehensive income	(10,262)	(12,360)
Total comprehensive income for the period	457,559	219,760

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED DECEMBER 31, 2022

	Reserves					Total Shareholder's Equity
	Revenue reserves			Capital reserves		
	Issued, subscribed and paid up capital	General reserve	Unappropriated profit	Subtotal	Unrealized loss on investment at fair value through other comprehensive income	
----- (Rupees in thousand) -----						
Balance as at October 1, 2021	173,623	1,458,000	1,803,227	3,261,227	(64,322)	3,370,528
Total other comprehensive income for the period						
Profit after taxation	-	-	232,120	232,120	-	232,120
Other comprehensive income for the period						
Loss on remeasurement of investments at fair value through other comprehensive income	-	-	-	-	(12,360)	(12,360)
Total comprehensive income for the period	-	-	232,120	232,120	(12,360)	219,760
Balance as at December 31, 2021	173,623	1,458,000	2,035,347	3,493,347	(76,682)	3,590,288
Balance as at October 1, 2022	173,623	1,458,000	3,102,720	4,560,720	(128,690)	4,605,653
Total other comprehensive income for the period						
Profit after taxation	-	-	467,821	467,821	-	467,821
Other comprehensive income for the period						
Loss on remeasurement of investments at fair value through other comprehensive income	-	-	-	-	(10,262)	(10,262)
Total comprehensive income for the period	-	-	467,821	467,821	(10,262)	457,559
Balance as at December 31, 2022	173,623	1,458,000	3,570,541	5,028,541	(138,952)	5,063,212

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED DECEMBER 31, 2022

		Quarter Ended	
		December 31, 2022	December 31, 2021
	Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	457,805	263,636
Finance cost paid		(19,953)	(10,805)
Workers' Profit Participation Fund paid		-	(3,808)
Market committee fees paid		-	(10,000)
Income tax paid		(34,093)	(26,284)
Long term deposits paid		(80)	(200)
Long term loans recovered / (paid) - net		288	(98)
		(53,838)	(51,195)
Net cash generated from operating activities		403,967	212,441
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment		(1,144)	(1,141)
		342,806	(147,257)
Interest / markup received		64,040	26,020
Net cash generated from / (used in) investing activities		405,702	(122,378)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(22,514)	(14,873)
Lease rental paid		(2,207)	(631)
Dividend paid		(231)	-
Short term borrowings obtained - net		(666,127)	(9,794)
Net cash used in financing activities		(691,079)	(25,298)
Net increase in cash and cash equivalents		118,590	64,765
Cash and cash equivalents at beginning of the year		63,552	60,773
		182,142	125,538

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

Al-Abbas Sugar Mills Limited - AASML ("the Company") was incorporated in Pakistan on May 2, 1991 as a public limited Company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed with Pakistan Stock Exchange Limited - PSX. The principal activities of the Company are manufacturing and sale of sugar, processing and sale of industrial ethanol, manufacturing and sales of chemical, alloys and power and providing bulk storage facility.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at Pardesi House, Survey No. 2/1, R.Y.16, Old Queens Road, Karachi, Pakistan. The Company's manufacturing facilities for the following business units are located at the following respective addresses:

S. No.	Business units	Principal Activities	Address	Commencement of commercial production
1	Sugar	Manufacturing and sale of sugar	Deh 145, Tapo Kangaroo, Taluka Digri, District Mirpurkhas	December 15, 1993
2	Ethanol	Processing and sale of industrial ethanol	Deh 145, Tapo Kangaroo, Taluka Digri, District Mirpurkhas	Unit I: August 20, 2000 Unit II: January 23, 2004
3	Other reportable segment			
	a) Chemical, alloys and	Manufacturing and sales of calcium carbide and ferro alloys.	Dhabeji Tapo Gharo, National Highway Road, Taluka Mirpur Sakro, District Thatta	November 01, 2006
	Power (note 2.1)	Generation and sales of electricity.		April 06, 2010
	b) Tank Terminal	Providing bulk storage facility	Plot 63, Oil Industrial Area, Kemari, Karachi	October 15, 2012

2.1 The production facilities of chemical, alloys and power segment have already been suspended temporarily in view of the business conditions.

BASIS OF PREPARATION

3.1 Statement of compliance

This condensed interim financial information of the Company for the quarter ended December 31, 2022 is unaudited and 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 34, 'Interim Financial Reporting' issued by the International Accounting Standard 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 from the requirements of IAS-34, the provisions of and directives issued under the Companies Act, 2017 shall prevail.

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

The comparative statement of financial position presented in this condensed interim financial information as at September 30, 2022 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2022 whereas the comparative condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes thereto for the quarter ended December 31, 2021 have been extracted from the condensed interim financial information of the Company for the quarter ended December 31, 2021, which has neither been reviewed nor audited.

3.2 Basis of measurement

This condensed financial information have been prepared under the historical cost convention, except as otherwise disclosed in these financial statements.

3.3 Functional and presentation currency

This condensed interim financial information has been presented in Pakistani Rupees which is also the Company's functional currency.

4 SIGNIFICANT ACCOUNTING POLICIES

- 4.1 The accounting policies, applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended September 30, 2022.

4.2 Change in accounting standards, interpretations and amendments to published approved accounting standards

- (a) Standards and amendments to published approved accounting standards which are effective during the period ended December 31, 2022.
- (b) Standards and amendments to published approved accounting standards that are not yet effective.

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 1, 2022. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial information.

5 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

5.1 The preparation of this condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

5.2 In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2022.

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

6 INCOME TAX, WORKERS' PROFIT PARTICIPATION FUND, WORKERS' WELFARE FUND AND POST RETIREMENT BENEFITS

Provision in respect of income taxes, Workers' Profit Participation Fund, Workers' Welfare Fund and retirement benefits are estimates only and final liabilities will be determined on the basis of annual results.

7 SEASONAL PRODUCTION

Due to the seasonal availability of sugarcane, the manufacturing of sugar is carried out during the period of availability of sugarcane and cost incurred / accrued up to the reporting date have been accounted for. Accordingly, the cost incurred / accrued after the reporting date will be reported in the subsequent interim and annual financial statements.

	Note	(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) September 30, 2022
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	1,426,200	1,448,848
Capital work in progress (CWIP)	8.2	13,502	13,502
		1,439,702	1,462,350
8.1 Operating fixed assets			
Opening net book value (NBV)		1,448,848	1,493,214
Additions during the period - at cost	8.1.1	1,144	60,722
		1,449,992	1,553,936
Disposals / written off during the period - at NBV	8.1.2	-	(2,385)
Depreciation charged during the period		(23,792)	(102,703)
		(23,792)	(105,088)
Closing net book value (NBV)		1,426,200	1,448,848
8.1.1 Detail of additions at cost are as follows:			
Free-hold land		-	11,895
Main factory building - on free hold land		-	2,056
Plant and machinery		-	45,183
Furniture and fittings		314	-
Vehicles		539	1,096
Office equipment		-	74
Computers		291	418
		1,144	60,722
8.1.2 Details of disposals / written off at NBV are as follows:			
Main factory building - on free hold land		-	96
Plant and machinery		-	2,266
Office equipment		-	5
Computers		-	18
		-	2,385
8.2 Capital work in progress (CWIP)			
Opening balance		13,502	-
Additions in free hold land - at cost		-	60,741
Transfer to operating fixed assets		-	(47,239)
		13,502	13,502

9 DEFERRED TAXATION

		(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) September 30, 2022
Deferred Tax Assets arising in respect of			
Deductible temporary differences			
Available tax losses		91,591	72,847
Minimum tax		41,073	86,906
Liabilities u/s 34(5)		83,309	94,800
Provisions		34,777	39,383
		<u>250,750</u>	<u>293,936</u>
Taxable temporary differences			
Accelerated tax depreciation		(214,831)	(246,381)
Investments - available for sale		-	-
		<u>35,919</u>	<u>47,555</u>
Unrecognized deferred tax asset	9.1	<u>(35,919)</u>	<u>(47,555)</u>
		<u>-</u>	<u>-</u>

- 9.1 The Company has not recognized its entire deferred tax asset relating to deductible differences up to the period ended December 31, 2022 as the management expects that major portion of taxes of the Company in foreseeable future will fall under minimum tax and final tax regime.

10 STOCK-IN-TRADE

	(Un-audited) December 31, 2022 (Rupees in thousand)	(Audited) September 30, 2022
Raw materials	1,102,604	1,191,442
Work-in-process	49,590	5,681
Finished goods	<u>2,755,981</u>	<u>1,900,931</u>
	<u>3,908,175</u>	<u>3,098,054</u>
Stock of bagasse in hand	49,603	3,053
	<u>3,957,778</u>	<u>3,101,107</u>

11 CASH AND BANK BALANCES

Cash in hand		1,194	1,125
Cash at banks			
Current accounts		171,286	32,734
Savings accounts	11.1	9,662	29,693
		<u>180,948</u>	<u>62,427</u>
		<u>182,142</u>	<u>63,552</u>

- 11.1 This includes an amount of Rs. 2.970 (September 30, 2022: 18.256) Million under an arrangement permissible under Shariah.

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

- a) There were no major changes in the status of other contingencies as reported in the annual financial statements for the year ended September 30, 2022.
- b) Bank guarantees of Rs. 59.60 million (September 30, 2022: Rs. 54.6 million) have been issued by the banking companies on behalf of the Company in favour of customers and suppliers.

12.2 Commitments

- a) Commitments in respect of outstanding letter of credit amounts to Rs. 8.956 (September 30, 2022: Rs. 47.713) million.
- b) Capital commitments in respect of plant and machinery amounting to Rs. 386.498 million (September 30, 2022: Rs. 386.498 million).

December 31, December 31,
2022 2021
(Un-audited) (Un-audited)
(Rupees in thousand)

13 CASH GENERATED FROM OPERATIONS

Profit before taxation	495,610	259,393
Adjustments for:		
Depreciation		
-Operating fixed assets	23,792	24,838
-Right-of-use-assets	1,858	1,768
-Investment property	5	5
Mark-up on loan to growers	(391)	(497)
Dividend income	(5)	-
Income on term deposit receipts/savings account	(63,894)	(25,434)
Net amortization of grant income	(1,222)	-
Finance cost	57,962	16,496
Provision for bad debts	580	-
Workers Welfare Fund	-	5,314
Workers Profit Participation Fund	26,085	13,984
Market committee fees	1,796	1,502
	46,566	37,976
Cash generated from operating activities before working capital changes	542,176	297,369
(Increase) / decrease in current assets		
Biological assets	(452)	457
Stores and spares	(40,730)	(38,417)
Stock-in-trade	(856,671)	(826,426)
Trade debts	403,022	763
Loans and advances	32,503	784,472
Trade deposits and short term prepayments	(17,609)	(7,812)
Other receivables	8,625	4,800
	(471,312)	(82,163)
Increase in current liabilities		
Trade and other payables	386,941	48,430
Net cash generated from operations	457,805	263,636

14 SEGMENT REPORTING

Segment profit and loss account	Quarter Ended December 31						(Rupees in thousand)
	2022	2021	2022	2021	2022	2021	2021
	Sugar		Ethanol		Other Segments		Total
Turnover - net	799,450	908,068	1,659,965	1,464,063	14,471	10,950	2,383,081
Cost of sales	(856,232)	(834,341)	(985,984)	(1,199,500)	(38,231)	(23,480)	(2,057,321)
Gross profit / (loss)	(56,782)	73,727	673,981	264,563	(23,760)	(12,530)	325,760
Distribution cost	(3,249)	(2,373)	(35,435)	(17,463)	-	-	(19,836)
Administrative expenses	(24,528)	(22,327)	(16,576)	(14,536)	-	-	(36,863)
Operating segment results	(84,559)	49,027	621,970	232,564	(23,760)	(12,530)	269,061
Other operating expenses	(1,334)	(4,519)	(26,085)	(15,800)	-	-	(20,319)
Finance cost	(1,627)	(1,786)	(55,687)	(14,047)	(648)	(663)	(16,496)
Other income	3,752	2,570	63,503	24,577	85	-	27,147
Profit / (loss) before taxation	(83,768)	45,292	603,701	227,294	(24,323)	(13,193)	259,393
Taxation	(10,177)	(11,967)	(17,480)	(15,218)	(132)	(88)	(27,273)
Profit / (loss) after taxation	(93,945)	33,325	586,221	212,076	(24,455)	(13,281)	232,120

<i>(Rupees in thousand)</i>						
	December 31, 2022	September 30, 2022	December 31,2022	September 30, 2022	December 31,2022	September 30, 2022
	Sugar			Other Segments		
	Ethanol			Total		
Segment assets and liabilities						
Segment assets - Allocated	2,759,782	2,147,035	5,786,946	6,303,207	551,700	560,668
Segment assets - Unallocated					9,098,428	9,010,910
					490,672	360,102
					<u>9,589,100</u>	<u>9,371,012</u>
Segment liabilities - Allocated	1,637,071	1,456,497	2,570,407	2,987,899	48,208	48,243
Segment liabilities - Unallocated					4,255,686	4,492,639
					270,202	272,720
					<u>4,525,888</u>	<u>4,765,359</u>
Capital expenditure - Allocated	-	-	-	47,239	-	13,502
Capital expenditure - Unallocated					1,144	60,741
					<u>1,144</u>	<u>13,483</u>
					<u>1,144</u>	<u>74,224</u>
Depreciation						
Operating fixed assets	9,961	42,886	7,609	32,800	23,792	102,703
Right-of-use-assets	1,115	4,460	743	2,973	1,858	7,433
Investment property	3	12	2	8	5	20
					<u>25,655</u>	<u>111,756</u>

15 RELATED PARTY TRANSACTIONS

The related parties comprise of associated undertakings, Directors of the Company, Key Management Personnel and post employment benefit plan. The Company in the normal course of business carries out transactions with various related parties. Amounts due to / from related parties, if any, are shown in respective notes to the financial statements. Transactions and balances with related parties are as follows:

	December 31, 2022	December 31, 2021
	(Rupees in thousand)	
Transactions with Post Employment Benefit Plan - Gratuity Fund		
Loan installments recovered from employees on behalf of Employees Gratuity Fund	1,627	1,624
Paid to Employees Gratuity Fund on account of installment recovered from employees	10,000	-
Balance (payable to) / receivable from employee gratuity fund at the end of the period	(16,573)	1,001
Transactions with key management personnel		
Remuneration of Chief Executive Officer, Directors and Executives	31,781	25,118
Installment recovered from Company Secretary	300	300
Balance receivable from Company Secretary at amortized value at the end of the period	1,925	3,000
Transactions with Directors and their relatives		
Meeting fee	500	800

16 CORRESPONDING FIGURES

Corresponding figures have been re-arranged / reclassified, wherever necessary, for the purpose of compliance, comparison and better presentation. Major changes made during the period are as follows:

Reclassification from the caption component	Reclassification to the caption component	Rupees in thousand
Loss from other reportable segments - net	Sales -net	10,950
Loss from other reportable segments - net	Cost of sales	23,480
Loss from other reportable segments - net	Finance cost	648

17 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended September 30, 2022.

18 NON ADJUSTING SUBSEQUENT EVENT

The Board of Directors of the Company in its meeting held on December 27, 2022 have proposed a final cash dividend of Rs. 30 (December 31, 2021: Rs. 10) per share amounting to Rs. 520.869 million (December 31, 2021: Rs. 173.623 million) for approval of the members in the annual general meeting to be held on January 26, 2023. The effect will be accounted in the period of payment.

19 GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

20 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information was authorized for issue on January 26, 2023 by Board of Directors of the Company.



Asim Ghani
Chief Executive Officer



Darakshan Zohaib
Director



Samir Hajani
Chief Financial Officer

مستقبل کے امکانات:

حکومت سندھ نے گنے کی کم از کم قیمت 302 روپے فی من مقرر کی ہے جو ملرز کا شتکاروں کو ادا کریں گے۔ گذشتہ سیزن میں یہ قیمت 250 روپے فی من تھی۔ حکومت نے یہ قیمت ملک بھر میں بڑھتی ہوئی مہنگائی کے پیش نظر کی ہے۔ ملرز صوبائی حکومت کی جانب سے مقرر کردہ گنے کی زیادہ سے زیادہ قیمت ادا کرنے پر مجبور ہیں جس کے نتیجے میں شکر کے

شعبے کا منافع کافی حد تک کم ہو جاتا ہے۔

شوگر ملوں کے پاس سیزن 2021-22 کے دوران بہتر پیداوار کی وجہ سے شکر کا اضافی ذخیرہ موجود ہے اور اسی وجہ سے پاکستان شوگر ملز ایسوسی ایشن (PSMA) نے حکومت سے اضافی شکر برآمد کرنے کی درخواست کی تھی تاکہ ملک کو اشد درکار ضروری زر مبادلہ لایا جاسکے۔ اقتصادی رابطہ کمیٹی نے شوگر ایڈوائزری بورڈ کی سفارش پر ابتدائی طور پر 100,000 میٹرک ٹن شکر برآمد کرنے کی اجازت دی ہے اور بعد ازاں اس کی مقدار بڑھا کر 250,000 میٹرک ٹن کر دی ہے فی الحال تمام شوگر ملیں شکر برآمد کا عمل شروع کرنے کے لیے کوٹہ مختص ہونے کا انتظار کر رہی ہیں۔

اتھنول کا شعبہ گذشتہ چند سالوں سے منافع بخش ثابت ہوا ہے۔ مسابقتی حریفوں کے مقابلے میں کمپنی کی انتظامیہ نے کافی پہلے ہی بڑی مقدار میں مولا سسر کا ذخیرہ جمع کر لیا ہے تاہم ہمیں اب بھی منافع کو بڑھانے کے لیے زیادہ بہتر پیداوار پر کام کرنے کی ضرورت ہے لیکن اعلیٰ توانائی اور خام مال کی بڑھتی ہوئی لاگت منافع کو بڑھانے کی راہ میں بڑی رکاوٹ ہے۔


آپ کی کمپنی درپیش چیلنجوں سے بخوبی آگاہ ہے اور وہ اپنے تمام شعبوں میں پیداواری صلاحیت اور کمپنی کے مجموعی منافع کو بڑھانے کے لیے تمام ضروری اقدامات بروئے کار لانے کی پوری کوشش کرے گی۔


اظہار تشکر:

کمپنی اس طرح کی شاندار کارکردگی پیش کرنے کے لیے اپنی اہم شراکت اپنے عملے کے ہر فرد کا تہہ دل سے اعتراف کرتی ہے۔ ہم اپنی مصنوعات پر اعتماد کے لیے اپنے صارفین کا شکریہ ادا کرتے ہیں اور ان کے مسلسل تعاون کے منتظر ہیں۔

ہم اپنے حصص یافتگان، بینکرز اور دیگر مالیاتی اداروں کا شکریہ ادا کرتے ہیں کہ ان کی مدد، رہنمائی اور اعتماد جو وہ ہماری کمپنی پر کرتے ہیں۔ نیز ہم کمپنی کے تمام شعبوں میں اعلیٰ کارکردگی کو یقینی بنانے کے لیے پرعزم ہیں۔ انشا اللہ نئے جوش و جذبہ کی بدولت ہم سب مل کر کمپنی کو درپیش مشکل صورتحال پر قابو پالیں گے۔

منجانب: بورڈ ڈائریکٹرز


درخشاں زوہیب
ڈائریکٹر


عاصم غنی
چیف ایگزیکٹو آفیسر

کراچی: 26 جنوری 2023

انتھنول ڈویژن:

انتھنول ڈویژن کی پیداواری اور مالی کارکردگی درج ذیل ہے۔

مالیاتی کارکردگی	31 دسمبر 2022	31 دسمبر 2021
	سہ ماہی	سہ ماہی
	----- (روپے ہزار میں) -----	
فروخت	1,659,965	1,464,063
لاگت فروخت	(985,984)	(1,199,500)
خام منافع	673,981	264,563
تقسیمی لاگت	(35,435)	(17,463)
انتظامی اخراجات	(16,576)	(14,536)
پیداواری منافع - انتھنول پونٹ	621,970	232,564
دیگر پیداواری اخراجات	(26,085)	(15,800)
مالیاتی لاگت	(55,687)	(14,047)
دیگر آمدن	63,530	24,577
منافع قبل از ٹیکس	603,701	227,294
ٹیکس	(17,480)	(15,218)
منافع بعد از ٹیکس	586,221	212,076

پیداواری کارکردگی	2022-23	2021-22
پیداوار میٹرک ٹن - پونٹ I اور II	11,076	4,138
فروخت - میٹرک ٹن	7,910	9,796

زیر جائزہ مدت کے دوران انتھنول کی برآمدی فروخت کا کمپنی کی مجموعی فروخت میں بڑا حصہ رہی نیز برآمدی فروخت سے ملک میں قیمتی زر مبادلہ آتا ہے۔ مزید برآں اس مدت کے دوران کمپنی کی فروخت روپے کے لحاظ سے 13.38 فیصد بڑھ گئی۔ نیز انتھنول کی پیداوار 4,138 ٹن سے بڑھ کر 11,076 ٹن ہوئی اس طرح 6,938 ٹن کا اضافہ ہوا جس کی بنیادی وجہ گزشتہ سال انتھنول کے پلانٹ میں آگ لگنے کا واقعہ پیش آیا تھا جس کے باعث یہ پلانٹ تقریباً دو مہینے بند رہا۔

دیگر شعبہ جات:

زیر جائزہ مدت کے دوران ایندھن اور بجلی کی قیمتوں میں بے پناہ اضافے کے باعث کیمیکل اور پاور ڈویژن کی پیداوار معطل رہی جو کہ حالات بہتر ہونے پر دوبارہ شروع کی جائے گی۔

بلک کارگو کے معاملات نمٹانے کے لیے ٹینک ٹرنمل کو بحیثیت کسٹم ہاؤڈ گودام کے طور پر کام کرنے کا لائسنس دیا گیا ہے۔ ٹرنمل میں انتھنول اور پیٹرولیم مصنوعات جیسے خطرناک آتش گیر مائع کو بھی ذخیرہ کرنے کی اجازت ہے۔ ٹینک ٹرنمل آپ کی کمپنی کا تیار کردہ انتھنول بھی ذخیرہ کرتا ہے تاکہ برآمدی آرڈرز کی بروقت تکمیل ممکن ہو سکے۔

زیر جائزہ مدت کے دوران دیگر قابل ذکر شعبوں میں کمپنی کو 24.255 ملین روپے کا نقصان ہوا ہے جو کہ گزشتہ سال کی اسی مدت کے دوران 13.281 ملین روپے تھا جس کی بنیادی وجہ ٹرنمل پر اسٹوریج ٹینکوں کی مرمت اور دیکھ بھال کا کام اور چھوٹی بھٹی کی بھاری مرمت کے لیے میسرز طارق ٹریڈنگ کمپنی سے اشراک کرنے کی وجہ سے ہوا۔

شکر پونٹ کے پیداواری نتائج:

شکر پونٹ کی مالیاتی اور پیداواری کارکردگی کے نتائج حسب ذیل ہیں۔

سہ ماہی	سہ ماہی	مالیاتی کارکردگی
31 دسمبر 2021	31 دسمبر 2022	
----- (روپے ہزار میں) -----		
908,068	799,450	فروخت
(834,341)	(856,232)	لاگت فروخت
73,727	(56,782)	خام منافع
(2,373)	(3,249)	تقسیمی لاگت
(22,327)	(24,528)	انتظامی اخراجات
49,027	(84,559)	پیداواری نتائج
(4,519)	(1,334)	دیگر پیداواری اخراجات
(1,786)	(1,627)	مالیاتی لاگت
2,570	3,752	دیگر آمدن
45,292	(83,768)	(نقصان)/منافع قبل از ٹیکس
(11,967)	(10,177)	ٹیکس
33,325	(93,945)	منافع بعد از ٹیکس

2021-22	2022-23	پیداواری کارکردگی
19 نومبر 2020	29 نومبر 2021	موسم کے آغاز کی تاریخ
34.69	30.31	کرشنگ کے حقیقی پیداواری دن
150,242	179,622	کرشنگ - (میٹرک ٹن)
13,795	17,328	گنے سے پیداوار - (میٹرک ٹن)
10,757	11,925	فروخت - (میٹرک ٹن)

زیر جائزہ مدت میں شکر کی خالص فروخت 799.450 ملین روپے رہی مذکور آگ گذشتہ سال کے اسی عرصے میں یہ فروخت 908.068 روپے تھی یعنی 108.618 ملین روپے کی کمی نوٹ کی گئی جس کی بنیادی وجہ اس سال شکر کی فروخت میں نمایاں کمی تھی۔

ڈائریکٹرز کی جائزہ رپورٹ

معزز اراکین

السلام و علیکم

ہمیں بورڈ کی جانب سے 31 دسمبر 2022 کی سہ ماہی کے عبوری مالیاتی بیانیہ پیش کرتے ہوئے بے حد مسرت ہو رہی ہے۔

مالیاتی کارکردگی:

کمپنی کے مالیاتی نتائج برائے سہ ماہی ختم شدہ 31 دسمبر 2022 کا گزشتہ سال کے اسی عرصے سے تقابلی جائزہ درج ذیل ہے۔

سہ ماہی	سہ ماہی	مالیاتی کارکردگی
31 دسمبر 2021	31 دسمبر 2022	
-----	-----	(روپے ہزار میں)
248,094	486,232	پیداواری منافع
(15,548)	(57,962)	مالیاتی لاگت
232,246	428,270	
27,147	67,340	دیگر آمدن
259,393	495,610	منافع قبل از ٹیکس
(27,273)	(27,789)	ٹیکس
232,120	467,821	منافع بعد از ٹیکس
13.37	26.94	بنیادی آمدن - فی حصص روپے

زیر جائزہ مدت کے دوران آپ کی کمپنی نے 467.821 ملین روپے بعد از ٹیکس منافع حاصل کیا جبکہ گزشتہ سال کی اسی سہ ماہی میں یہ منافع 232.120 ملین روپے تھا۔ اس طرح اس منافع میں 235.701 ملین روپے کا اضافہ دیکھا گیا جس کی بنیادی وجہ تھنول کی قیمت فروخت میں اضافہ اور پاکستانی روپے میں نمایاں کمی تھی۔ منافع منقسمہ اور بعد کے واقعات:

بورڈ آف ڈائریکٹرز نے اپنے اجلاس منعقدہ 27 دسمبر 2022 میں حتمی نقد منافع منقسمہ، برائے سال 30 ستمبر 2022، 30 روپے یعنی 300 فیصد کی شرح سے دینے کا اعلان کیا ہے۔ نیز اس منافع منقسمہ کا اثر اس عبوری مالیاتی رپورٹ میں شامل نہیں ہے۔

یونٹ کے پیداواری نتائج:

یونٹ کے اعتبار سے کارکردگی کے نتائج حسب ذیل ہیں؛



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