



SHAHMURAD SUGAR MILLS LIMITED

3rd Quarterly Results for the period
1st October 2021 to 30th June, 2022

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
MR. SHEIKH ASIM RAFIQ

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

REGISTRAR & SHARES REGISTRATION OFFICE

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

FACTORY

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

DIRECTORS' REPORT

Dear Members Asslamu-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, 2022.

Salient features of production and financial statements are as under:

PRODUCTION DATA	June 30, 2022	June 30, 2021
Sugarcane crushed (M Tons)	601,695	441,293
Sugar produced (M Tons)	66,683	47,220
Sugar recovery percentage	11.08	10.70
Molasses produced (M Tons)	25,810	19,740
Ethanol Production (M Tons)	53,065	27,935

FINANCIAL DATA	(Rupees in thousands)	
Sales revenue	12,421,893	7,041,917
Cost of sales	(10,278,780)	(6,550,002)
Gross profit	2,143,113	491,915
Distribution cost	(97,980)	(25,976)
Administrative expenses	(217,004)	(182,127)
Other operating charges	(94,057)	(38,136)
Other income	87,348	235,240
Financial cost	(370,994)	(285,524)
Profit before taxation	1,450,426	195,392
Provision for taxation	(174,132)	(94,427)
Profit after taxation	1,276,294	100,965
Earnings per share	Rs. 60.43	Rs. 4.78

Segment wise performance is elaborated as under:

SUGAR DIVISION

During the period under review, the sugarcane crop was better than last year's corresponding period. For the crushing season, the Government of Sindh notified a minimum support price of sugar cane at Rs. 250/= per forty kgs of cane as against Rs. 202/= per 40 forty kgs notified last year.

Alhamdulillah during the current crushing season, the cane crop was good and the mill crushed 601,695 metric tons of cane and produced 66,683 metric tons of sugar. During the same period last year, the mill crushed 441,293 metric tons of cane and produced 47,220 metric tons of sugar. Production during the current period is higher than last year by 19,463 metric tons or 41.22 percent. The increase in production of sugar was mainly due to higher crushing volume and improvement in recovery rate to 11.08 percent as against 10.70 percent achieved last year. The condition of crops in the country was good due to natural rainfalls and higher rates paid to growers last season. As mentioned in the half-yearly report, the production of sugar of the country during the current year is approximately 8 million tons which is far greater than the requirement of the country and as a result, the price of sugar has a declining trend in the domestic market.

ETHANOL DIVISION

During the period under consideration, the Ethanol Division produced 53,065 metric tons of ethanol as against 27,935 metric tons produced in the same period of last year which is 89.96 percent higher than previous year. The higher production was achieved due to the availability of raw materials and improved demand from foreign buyers. The sales revenue of the ethanol division has also increased due to a higher volume of export during the period under review. The company exported 56,039 metric tons as against 28,451 metric tons exported last year. It is anticipated that the production during the remaining period of the year would increase resulting in greater export of ethanol INSHA ALLAH.

FUTURE OUTLOOK

The future outlook is still uncertain due to the prolong Russia-Ukraine war, super inflation in food and oil commodities. This has resulted in increase in interest rates globally which might lead to a global slowdown. This could have a negative impact on demand in future months.

It is expected that during the next crushing season, the cane crop in the country would improve due to the higher prices and timely payment paid to growers during the current season. A recent good spell of natural rainfall will also enhance the availability of raw material during the coming crushing season and the availability of water through irrigation system would also be improved during the remaining period of the season till the commencement of the crushing season. It is expected that the Government would take a timely decision to allow the export of sugar which would improve the liquidity crunch of sugar mills and would be beneficial for the timely start up of the next crushing season.

The Company's management is well aware of the internal and global situation and taking all necessary measures to steer the company through these precarious and uncertain times.

SUBSEQUENT EVENT AND DIVIDEND

The Board of Directors in their meeting held on July 25, 2022 has declared an interim cash dividend of Rs. 10 per shares i.e. 100% for the period ended June 30, 2022. 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 Shahmurad Sugar Mills Limited. (Ameen)



ZIA ZAKARIA
Managing Director & CEO



ABDUL AZIZ AYOB
Director

Karachi:
Dated: July 25, 2022

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2022**

		Un-Audited June 2022	Audited September 2021
	Note	(Rupees in thousand)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	5,353,435	5,260,906
Intangible asset	5	-	-
Long term investment in associate	6	958	958
Long term loans		1,445	1,395
Long term deposits		2,600	2,429
		5,358,438	5,265,688
CURRENT ASSETS			
Stores, spare parts and loose tools		310,379	297,350
Stock-in-trade		7,064,613	3,574,691
Trade debts		1,315,474	415,500
Loans and advances		94,481	155,596
Trade deposits and short term prepayments		7,420	1,442
Other receivables		117,398	117,555
Short term investment		373	376
Income tax refundable-Net		13,103	49,297
Cash and bank balances		403,264	53,761
		9,326,505	4,665,568
		14,684,943	9,931,256
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		(2,381)	(2,381)
Unappropriated profit		4,332,552	3,063,446
Capital reserve			
Revaluation surplus on property, plant and equipment		1,252,983	1,309,151
		5,874,341	4,661,403
NON CURRENT LIABILITIES			
Long term financing		747,625	895,100
Deferred taxation		64,374	70,279
		811,999	965,379
CURRENT LIABILITIES			
Trade and other payables		808,632	798,875
Accrued finance cost		138,658	30,270
Short term borrowings		6,755,507	3,176,979
Loan from related parties		45,135	48,135
Current portion of long term financing		238,223	238,223
Unclaimed dividend		12,448	11,992
		7,998,603	4,304,474
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		14,684,943	9,931,256

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 PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022**

	Note	For the nine months October to June		For the Quarter April to June	
		2022	2021	2022	2021
		(Rupees in thousand)			
Sales		12,421,893	7,041,917	5,508,571	3,483,197
Cost of sales	8	(10,278,780)	(6,550,002)	(4,318,748)	(3,283,452)
Gross profit		2,143,113	491,915	1,189,823	199,745
Profit from trading activities		1,241	442	11	13
		2,144,354	492,357	1,189,834	199,758
Distribution cost		(97,980)	(25,976)	(38,791)	(18,962)
Administrative expenses		(217,004)	(182,127)	(67,266)	(59,046)
Other operating charges		(94,057)	(38,136)	(47,450)	12,235
		(409,041)	(246,239)	(153,507)	(65,773)
Operating profit		1,735,313	246,118	1,036,327	133,985
Other income		86,107	234,798	49,904	17,696
		1,821,420	480,916	1,086,231	151,681
Finance cost		(370,994)	(285,524)	(177,101)	(131,071)
Profit before taxation		1,450,426	195,392	909,130	20,610
Taxation					
-Current		(180,037)	(84,063)	(107,565)	(43,554)
-Deferred		5,905	(10,364)	19,211	(6,884)
		(174,132)	(94,427)	(88,354)	(50,438)
Profit / (loss) after taxation		1,276,294	100,965	820,776	(29,828)
Earning/(loss) per share-Basic and diluted - Rupees		60.43	4.78	38.86	(1.41)


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
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022**

	For the nine months October to June		For the Quarter April to June	
	2022	2021	2022	2021
	(Rupees in thousand)			
Profit/(loss) after taxation	1,276,294	100,965	820,776	(29,828)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>1,276,294</u>	<u>100,965</u>	<u>820,776</u>	<u>(29,828)</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, 2022**

	June 2022	June 2021
	(Rupees in thousand)	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,450,426	195,392
Adjustment for :		
Depreciation	263,278	264,901
Gain on disposal of property, plant and equipment	(3,038)	(7,715)
Provision for obsolescence and slow moving items	4,100	3,500
Reversal of provision of prior year liability	-	(149,000)
Finance cost	370,994	285,524
	<u>635,334</u>	<u>397,210</u>
	2,085,760	592,602
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(17,129)	(41,215)
Stock in trade	(3,489,922)	(4,230,417)
Trade debts	(899,974)	(1,048,450)
Loans and advances	61,115	1,088,189
Short term prepayments	(5,978)	(6,148)
Short term investment	3	2,103,416
Other receivables	157	425
	<u>(4,351,728)</u>	<u>(2,134,200)</u>
(Decrease) / Increase in current liabilities		
Trade and other payables	9,757	(162,399)
Short term borrowings	3,578,528	2,545,367
	<u>3,588,285</u>	<u>2,382,968</u>
	1,322,317	841,370
(Increase) / Decrease in long term loan	(50)	(1,015)
(Increase) in long term deposits	(171)	-
Income tax paid	(143,843)	(53,801)
Finance cost paid	(262,606)	(201,384)
	<u>(406,670)</u>	<u>(256,200)</u>
Net cash inflow from operating activities	915,647	585,170
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	(362,828)	(115,628)
Sale proceeds from disposal of property, plant and equipment	10,059	10,165
Net cash (outflow) from investing activities	<u>(352,769)</u>	<u>(105,463)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term financing	(147,475)	(169,164)
Repayment of related parties	(3,000)	-
Dividend paid	(62,900)	(251,153)
Net cash (outflows) from financing activities	<u>(213,375)</u>	<u>(420,317)</u>
Net increase in cash and bank balances (A+B+C)	349,503	59,390
Cash and bank balance at the beginning of the period	53,761	36,389
Cash and bank balance at the end of the period	<u>403,264</u>	<u>95,779</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, 2022**

	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, 2020 (Audited)	211,187	80,000	(2,501)	3,100,705	1,389,650	4,779,041
During the nine months period ended June 30, 2021						
Transactions with owners						
Final Dividend for 30-September-2020 @ Rs. 12.00 Per Share	-	-	-	(253,424)	-	(253,424)
Total Comprehensive Income for the nine months ended June 30, 2021	-	-	-	100,965	-	100,965
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation -net of deferred tax	-	-	-	60,374	(60,374)	-
Balances at June 30, 2021	<u>211,187</u>	<u>80,000</u>	<u>(2,501)</u>	<u>3,008,620</u>	<u>1,329,276</u>	<u>4,626,582</u>
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 @ Re. 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>


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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2022

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.

The condensed interim financial statements does 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, 2021.

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, 2021.

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, 2021 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, 2021.

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, 2021.

		Un-Audited June 30, 2022	Audited September 30, 2021
		(Rupees in thousand)	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	5,264,826	5,140,258
Capital work in progress	4.2	88,609	120,648
		5,353,435	5,260,906
4.1 OPERATING FIXED ASSETS			
Opening book value		5,140,258	5,372,447
Direct additions during the period / year			
Office Equipment		3,805	1,942
Vehicle		24,496	15,985
		28,301	17,927
Transfer from CWIP during the period / year			
Owned			
Non Factory building		10,965	-
Plant and Machinery		355,601	108,524
		366,566	108,524
Disposals - Operating assets (net book value)		(7,021)	(2,994)
Depreciation Charged for the period / year		(263,278)	(355,646)
		5,264,826	5,140,258
4.2 CAPITAL WORK IN PROGRESS			
Opening balance		120,648	14,505
Additions during the period / year			
Civil Works		-	10,965
Plant and Machinery		334,527	203,702
		334,527	214,667
Capitalization during the period/year			
Civil Works		(10,965)	-
Plant and Machinery		(355,601)	(108,524)
		(366,566)	(108,524)
		88,609	120,648
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 2021: 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 disclosed in note 26(a) of the annual financials statements and half yearly report in note 7.1.

	Un-Audited June 30, 2022	Audited September 30, 2021
(Rupees in thousand)		
7.2 Commitments		
Commitments for capital expenditure	166,146	61,997
Commitments for stores and spares	-	4,729
	166,146	66,726
Bank Guarantees in favor of Excise and Taxation Department	500	500

	For the Nine Months October to June		For the Quarter April to June	
	2022	2021	2022	2021
(Rupees in thousand)				
8. COST OF SALES				
Opening stock of finished goods	1,604,549	1,116,774	4,699,626	4,058,655
Cost of goods manufactured	11,509,741	7,131,567	2,767,984	1,178,667
	13,114,290	8,248,341	7,467,610	5,237,322
Closing stock of finished goods (Note 8.1)	(3,254,987)	(2,112,779)	(3,254,987)	(2,112,779)
	9,859,303	6,135,562	4,212,623	3,124,543
Export and related expenses	419,477	414,440	106,125	158,909
	10,278,780	6,550,002	4,318,748	3,283,452

8.1 Finished goods costing Rs. nil (June 2021:Rs. 56.264 million) have been written down to their net realizable value of Rs. nil (June 2021: Rs. 43.330 million) . At period end stock pledged against short term borrowings amounted to Rs. 1,711 million (June 2021 :Rs. 1,830 million).

9. TRANSACTION WITH RELATED PARTIES.

Related parties comprises 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, 2022	June 30, 2021
Transactions:			
<u>Relationship with the Company</u>	<u>Nature of Transactions</u>	(Rupees in thousand)	
Associates			
Al-Noor Sugar Mills Limited	-Purchase of Goods	899,730	596,742
Al-Noor Sugar Mills Limited	-Dividend paid	9,899	39,597
Reliance Insurance Company Ltd	-Insurance premium	26,504	23,935
Reliance Insurance Company Ltd	-Insurance claim receivables	4,970	716
Other related parties			
Directors' and key management personnel	-Directors remuneration	17,323	16,046
	-Executive remuneration	37,879	31,039
	-Non-executive directors' meeting fee	220	230
Staff provident fund	-Company's Contribution during the period	6,980	6,817
Paid to related parties	-Loans from related parties	3,000	-
		June 30, 2022	September 30, 2021
Balances:			
<u>Relationship with the Company</u>	<u>Nature of Transactions</u>	(Rupees in thousand)	
Associates			
Staff provident fund	Trade & other payables	1,764	1,891

10. 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 details segregation between Shariah complaints and conventional assets/liabilities and income/expenditure are given below:

	As at June 30, 2022			As at September 30, 2021		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and other finances	305,000	442,625	747,625	400,000	495,100	895,100
Current portion of long term finance	160,000	78,223	238,223	160,000	78,223	238,223
	465,000	520,848	985,848	560,000	573,323	1,133,323
Accrued finance cost	82,330	56,328	138,658	9,932	20,338	30,270
Short term borrowings	2,500,000	4,255,507	6,755,507	1,050,000	2,126,979	3,176,979
Short term investment	(373)	-	(373)	(376)	-	(376)
Cash at banks	(94,361)	(308,903)	(403,264)	(12,864)	(40,897)	(53,761)
	<u>2,952,596</u>	<u>4,523,780</u>	<u>7,476,376</u>	<u>1,606,692</u>	<u>2,679,743</u>	<u>4,286,435</u>

	Nine months ended June 30, 2022			Nine months ended June 30, 2021		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	169,742	201,252	370,994	120,447	165,077	285,524
Income from PLS bank account and short term investment	(1,370)	(405)	(1,775)	(46,070)	(508)	(46,578)
	<u>168,372</u>	<u>200,847</u>	<u>369,219</u>	<u>74,377</u>	<u>164,569</u>	<u>238,946</u>

11. 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 represents revenue and profit information regarding business segment for the nine month ended June 30, 2022 and June 30, 2021 and assets and liabilities information regarding business segments as at June 30, 2022 and September 30, 2021.

	Sugar		Ethanol		Total	
	Nine months period ended June 30,		Nine months period ended June 30,		Nine months period ended June 30,	
	2022	2021	2022	2021	2022	2021
(Rupees in thousand)						
REVENUE						
External Sales	2,601,115	2,717,825	9,820,778	4,324,092	12,421,893	7,041,917
Inter segment transfer	623,166	495,108	-	-	623,166	495,108
Total	<u>3,224,281</u>	<u>3,212,933</u>	<u>9,820,778</u>	<u>4,324,092</u>	<u>13,045,059</u>	<u>7,537,025</u>
RESULTS						
Profit from operation	207,964	46,856	1,620,165	115,219	1,828,129	283,812
Profit from trading activity	1,241	429	-	-	1,241	442
	209,205	47,285	1,620,165	115,219	1,829,370	284,254
Other operating charges					(94,057)	(38,136)
Other income					86,107	234,798
Finance cost					(370,994)	(285,524)
Profit before tax					1,450,426	195,392
Taxation					(174,132)	(94,427)
Profit for the period					<u>1,276,294</u>	<u>100,965</u>

SEGMENT ASSETS AND LIABILITIES

	June	September	June	September	June	September
	2022	2021	2022	2021	2022	2021
(Rupees in thousand)						
Assets						
Segment assets	5,382,536	2,979,334	9,075,014	6,687,999	14,457,550	9,667,333
Un-allocated assets					226,435	262,965
Long term investment					958	958
Total assets					<u>14,684,943</u>	<u>9,931,256</u>
Liabilities						
Segment liabilities	3,587,470	1,469,955	5,125,059	3,772,089	8,712,529	5,242,044
Unallocated liabilities					98,070	27,809
					<u>8,810,599</u>	<u>5,269,853</u>

	Nine months ended June 30		Nine months ended June 30		Nine months ended June 30	
	2022	2021	2022	2021	2022	2021
(Rupees in thousand)						
OTHER INFORMATION						
Additions to property, plant and equipment	303,133	61,831	59,695	53,797	362,828	115,628
Depreciation	79,613	72,258	183,665	192,643	263,278	264,901

Revenue from major customers

During the period external sales to major customers amounted to Rs. 3,583 million. (2021: Rs. 1,558 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, 2022	June 30, 2021
Pakistan	2,601,115	2,717,825
Netherlands	4,148,875	269,860
Ghana	1,577,847	875,571
Indonesia	711,278	674,228
Italy	593,889	-
Unied Arab Emirates	457,040	34,827
Angola	262,023	-
Thailand	250,429	173,260
Taiwan	192,103	411,216
Jordan	176,576	90,975
Lebanon	140,575	173,619
Philippines	132,036	299,495
South Korea	112,840	26,100
Ivory Coast	105,947	26,762
Eritrea	96,492	-
Cameroon	92,939	65,999
Iraq	89,359	-
Tanzania	78,375	174,033
Nigeria	65,262	-
Singapore	63,353	27,857
Japan	63,348	-
South Africa	50,313	-
Kuwait	39,217	-
Australia	34,408	96,040
Turkey	22,688	65,030
China	-	283,466
Spain	-	280,478
Sri Lanka	-	53,009
Saudia Arabia	-	8,541
Others	263,566	213,726
	12,421,893	7,041,917

12. 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.

13. 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.

14. AUTHORIZATION

These condensed interim financial statements were authorized for issue on July 25, 2022 by the Board of Directors of the Company.

15. SUBSEQUENT EVENTS

The Board of Directors in their meeting held on July 25, 2022 has declared an interim cash dividend of Rs. 10 per shares i.e. 100% for the period ended June 30, 2022. These condensed interim financial statements do not include the effect of interim dividend.

16. GENERAL

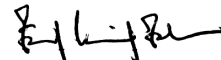
Figures have been rounded off nearest to thousand rupees.



ZIA ZAKARIA
Managing Director & CEO



AZIZ AYOOB
DIRECTOR



ZAID ZAKARIA
Chief Financial Officer

توقع ہے کہ اگلے کرشنگ سیزن کے دوران ملک میں گنے کی فصل میں بہتری آئے گی کیونکہ موجودہ سیزن کے دوران کاشتکاروں کو قیمتیں زیادہ اور بروقت ادائیگی کی جارہی ہے۔ قدرتی بارشوں کا حالیہ اچھا سلسلہ آنے والے کرشنگ سیزن کے دوران خام مال کی دستیابی میں بھی اضافہ کرے گا اور کرشنگ سیزن کے آغاز تک سیزن کے بقیہ عرصے کے دوران آپجاشی کے نظام کے ذریعے پانی کی دستیابی میں بھی بہتری آئے گی۔ توقع ہے کہ حکومت چینی کی درآمد کی اجازت دینے کے لیے بروقت فیصلہ کرے گی جس سے شوگر ملوں کی لیکویٹی میں کمی بہتری آئے گی اور نئے کرشنگ سیزن کے بروقت آغاز کے لیے فائدہ مند ثابت ہوگا۔

کمپنی کی انتظامیہ اندرونی اور عالمی صورت حال سے بخوبی آگاہ ہے اور کمپنی کو ان نازک اور غیر یقینی صورتحال میں چلانے کے لیے تمام ضروری اقدامات کر رہی ہے۔


بورڈ آف ڈائریکٹرز:


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

نقد عبوری منافع منقسمہ اور مابعد واقعات

بورڈ آف ڈائریکٹرز نے اپنے اجلاس منعقدہ 25 جولائی 2022 کے دوران 30 جون 2022 تک کے منافع میں سے 100 فیصد یعنی 10 روپے فی حصص عبوری نقد منافع منقسمہ دینے کی تجویز دی ہے مزید برآں اس مالیاتی بیانیہ برائے 30 جون 2022 میں مذکورہ بالا نقد منافع منقسمہ کا کوئی اثر شامل نہیں ہے۔

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
مینیجنگ ڈائریکٹر ایگزیکٹو ای او

کراچی: 25 جولائی 2022

شعبہ جات کی کارکردگی کو درج ذیل بیان کیا گیا ہے۔

شوگر ڈویژن:

زیرجائزہ مدت کے دوران کرشنگ میزن کے لیے گنے کی فصل گزشتہ سال کی اسی مدت کے مقابلے بہتر رہی۔ حکومت سندھ نے گنے کی کم از کم امدادی قیمت -250/- روپے فی چالیس کلوگرام کے حساب سے مقرر کی ہے جو کہ گزشتہ سال -202/- روپے فی چالیس کلوگرام تھی۔

الحمد للہ موجودہ کرشنگ میزن کے دوران گنے کی فصل اچھی رہی اور مل نے 601,695 میٹرک ٹن گنے کی کرشنگ کی اور 66,683 میٹرک ٹن چینی پیدا کی۔ گزشتہ سال اسی عرصے کے دوران مل نے 441,293 میٹرک ٹن گنے کی کرشنگ کی اور 47,220 میٹرک ٹن چینی پیدا کی۔ موجودہ مدت کے دوران پیداوار گزشتہ سال کے مقابلے میں 19,463 میٹرک ٹن یا 4.22 فیصد زیادہ ہے۔ چینی کی پیداوار میں اضافہ بنیادی طور پر کرشنگ کے زیادہ حجم اور ریکوری ریٹ میں 11.08 فیصد بہتری کی وجہ سے ہوا جو گزشتہ سال 10.70 فیصد تھا۔ گزشتہ میزن میں قدرتی بارشوں اور کاشتکاروں کو زیادہ قیمت ادا کرنے کی وجہ سے ملک میں فصلوں کی حالت اچھی تھی۔ جیسا کہ ششماہی رپورٹ میں بتایا گیا ہے کہ رواں سال کے دوران ملک کی چینی کی پیداوار تقریباً 80 لاکھ ٹن رہی جو کہ ملک کی ضرورت سے کہیں زیادہ ہے جس کے نتیجے میں مقامی مارکیٹ میں چینی کی قیمت میں کمی کا رجحان ہے۔

اتھنول ڈویژن:

زیرنور مدت کے دوران اتھنول ڈویژن نے 53,065 میٹرک ٹن اتھنول کی پیداوار کی جو کہ گزشتہ سال کی اسی مدت میں 27,935 میٹرک ٹن کی پیداوار تھی جو کہ پچھلے سال کے مقابلے میں 89.96 فیصد زیادہ ہے۔ خام مال کی دستیابی اور غیر ملکی خریداروں کی طرف سے بہتر مانگ کی وجہ سے زیادہ پیداوار حاصل ہوئی۔ زیرجائزہ مدت کے دوران برآمدات کے زیادہ حجم کی وجہ سے اتھنول ڈویژن کی سیلز ریونیو میں بھی اضافہ ہوا ہے۔ کمپنی نے 56,039 میٹرک ٹن برآمد کیا جبکہ گزشتہ سال 28,451 میٹرک ٹن برآمد کیا گیا تھا۔ توقع ہے کہ سال کے بقیہ عرصے کے دوران پیداوار میں اضافہ ہوگا جس کے نتیجے میں اتھنول کی برآمد میں اضافہ ہوگا انشاء اللہ۔

مستقبل کا جائزہ:

روس اور یوکرین کی طویل جنگ، خوراک اور تیل کی اشیاء میں انتہائی مہنگائی کی وجہ سے مستقبل کا نقطہ نظر ابھی تک غیر یقینی ہے۔ اس کے نتیجے میں عالمی سطح پر شرح سود میں اضافہ ہوا ہے جو کہ عالمی سطح پر سست روی کا باعث بن سکتا ہے۔ یہ مستقبل کے مہینوں میں طلب پر مبنی اثر ڈال سکتا ہے۔

ڈائریکٹرز کی رپورٹ

محترم ممبران..... السلام علیکم!

بورڈ کی جانب سے میں 30 جون 2022 کو ختم ہونے والی مدت کیلئے آپ کی کمپنی کے غیر آڈٹ شدہ مالیاتی حسابات آپ کے سامنے پیش کرنے میں خوشی محسوس ہو رہی ہے۔

پیداوار اور مالیاتی حسابات کی نمایاں خصوصیات درج ذیل ہیں:

30 جون 2021	30 جون 2022	معلومات بابت پیداوار
441,293	601,695	گنے کی پائی (میٹرک ٹن)
47,220	66,683	پیداوار برائے چینی (میٹرک ٹن)
10.70	11.08	ریکوری برائے چینی (فیصد)
19,740	25,810	پیداوار برائے راب (میٹرک ٹن)
27,935	53,065	پیداوار برائے اتھنول (میٹرک ٹن)
(روپے ہزاروں میں)	(روپے ہزاروں میں)	مالیاتی معلومات
7,041,917	12,421,893	فروختگی
(6,550,002)	(10,278,780)	لاگت برائے فروختگی
491,915	2,143,113	خام منافع
(25,976)	(97,980)	اخراجات برائے ترسیلات
(182,127)	(217,004)	انتظامی اخراجات
(38,136)	(94,057)	دیگر اخراجات
235,240	87,348	دیگر آمدن
(285,524)	(370,994)	مالیاتی اخراجات
195,392	1,450,426	منافع قبل از ٹیکس
(94,427)	(174,132)	ٹیکس کے لئے فراہمی
100,965	1,276,294	منافع بعد از ٹیکس
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