

1ST QUARTER
DECEMBER 31, 2024



MACCA GROUP

Abdullah Shah Ghazi

Sugar Mills Limited

CONTENTS

Corporate Information	2
Mission and Vision Statement	3
Directors' Report	4
Statement of Financial Position	8
Statement Profit and Loss	9
Statement of Comprehensive Income	10
Statement Cash Flow	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13

CORPORATE INFORMATION

Board of Directors

Muhammad Dawood
(Director/Chief Executive)
Yasir Iqbal
Muhammad Rasheed Rana
Fiaz Qadeer Butt
Bilqees Begum
Muddssar Iqbal
Amjad Abbas

Audit Committee

Fiaz Qadeer Butt	(Chairman/Member)
Muddssar Iqbal	(Member)
Amjad Abbas	(Member)

Chief Financial Officer

Sohail Azam Khan

Company Secretary

Saleem Abbas

Internal Auditors'

Mamoon Ahmad Moon

Auditors'

Zahid Jamil & Co.
Chartered Accountants

Registrar

CDC Shares Registrar Services Limited,
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi, Pakistan

Registered Office

7/10, A-2 Arkay Square
Shahrah-e-Liaqat, New Challi, Karachi

Mills

Abdullah Shah Ghaziabad, Garho,
District Thatta, Sindh

Bankers

MCB Bank Limited
Meezan Bank Limited
Bank Islami Pakistan Limited
Sindh Bank Ltd.
JS Bank Ltd.
Silk Bank Limited Bank

Web Presence:

www.asgsm.com

Mission Statement

To be the premier sugar and allied product's manufacturer while providing our clients with flexibility, on-time delivery, and consistent quality and to achieve sustainable and equitable expansion and growth through efficient and effective resources and at the same time developing a corporate business environment most suited to all the employees and people Concerned.

Vision Statement

To transform the Company into a market leader for the Quality Sugar Manufacturing, while keeping our focus on the growing customer base, be characterized by a high degree of professionalism and is accountable for the successful fulfillment of the company's mission, and to play a meaningful role in the economy of Pakistan

DIRECTORS' REPORT

Dear Members,

Assalam-o-Alaikum,

We are pleased to present the Directors' Report for the quarter ending December 31, 2024. This quarter marks a significant milestone for the Company as we have successfully resumed operations in our principal line of business.

Business Resumption & Performance

During this period, the Company has reactivated its core business activities, aligning with our strategic vision and market demands. We have undertaken comprehensive measures to ensure a smooth transition back into operations, prioritizing efficiency, sustainability, and long-term profitability.

Financial Highlights

(Rupees in Thousands)

Loss before Taxation	(69,781,671)
Taxation	20,236,686
Loss after Taxation	(49,544,985)

The Company faced significant financial challenges during the quarter. However, proactive cost-management measures and strategic decisions have helped mitigate some of these losses, reflected in the taxation impact, which reduced the net loss after taxation. Despite these financial headwinds, we remain steadfast in our commitment to operational efficiency and cost optimization to improve our financial position.

Operational Developments

- Successful reintegration of business processes in alignment with industry standards.
- Strengthening of key partnerships to enhance market presence.
- Investments in infrastructure and technology to optimize productivity.
- Strengthened compliance measures to ensure regulatory adherence.

Future Outlook

The resumption of business operations marks a new phase of growth and stability. Moving forward, the Company is focused on enhancing revenue streams, reducing operational inefficiencies, and capitalizing on emerging opportunities in the market. We are actively exploring avenues to drive profitability through innovation, improved resource allocation, and strengthened stakeholder engagement.

While financial challenges persist, we are confident that our strategic initiatives will lead to a more stable and profitable future. The management remains committed to steering the Company toward long-term sustainability and value creation for shareholders.

We extend our gratitude to our employees, customers, partners, and shareholders for their continued support and trust. We look forward to delivering sustainable growth in the upcoming quarters.

Acknowledgement

The Board would like to place on record its appreciation of all the employees of the company for their dedication and hard work.



Chief Executive/Director



Director

Lahore
January 30, 2025

ڈائریکٹرز رپورٹ

محترم اراکین،
السلام علیکم،

ہمیں دسمبر 31، 2024 کو ختم ہونے والی سہ ماہی کے لیے ڈائریکٹرز رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔ یہ سہ ماہی کمپنی کے لیے ایک اہم سنگ میل ہے کیونکہ ہم نے اپنی بنیادی کاروباری سرگرمیوں کو کامیابی کے ساتھ دوبارہ شروع کر دیا ہے۔

کاروباری بحالی اور کارکردگی

اس عرصے کے دوران، کمپنی نے اپنی بنیادی کاروباری سرگرمیوں کو دوبارہ فعال کر دیا ہے، جو ہمارے اسٹریٹجک وژن اور مارکیٹ کی ضروریات کے مطابق ہیں۔ ہم نے آپریشنز کی ہموار بحالی کو یقینی بنانے کے لیے جامع اقدامات کیے ہیں، جس میں کارکردگی، پائیداری، اور طویل مدتی منافع کو ترجیح دی گئی ہے۔

مالیاتی جھلکیاں

(ہزاروں روپے میں)

نقصان قبل از ٹیکس: (69,781,671)

ٹیکس 20,236,686

نقصان بعد از ٹیکس: (49,544,985)

کمپنی کو اس سہ ماہی کے دوران نمایاں مالی چیلنجز کا سامنا کرنا پڑا۔ تاہم، فعال لاگت کے انتظام کے اقدامات اور اسٹریٹجک فیصلوں نے کچھ نقصانات کو کم کرنے میں مدد کی ہے، جس کا اظہار ٹیکس کے اثر میں ہوا، جس نے بعد از ٹیکس نقصان کو کم کیا۔ ان مالی مشکلات کے باوجود، ہم اپنی آپریشنل کارکردگی کو بہتر بنانے اور لاگت کی اصلاح کے عزم پر قائم ہیں تاکہ اپنی مالی حیثیت کو مضبوط کر سکیں۔

عملیاتی پیش رفت

- کاروباری عمل کو صنعت کے معیارات کے مطابق کامیابی سے دوبارہ مربوط کیا گیا۔
- مارکیٹ میں موجودگی کو بڑھانے کے لیے اہم شراکت داری کو مستحکم کیا گیا۔
- پیداواری صلاحیت کو بہتر بنانے کے لیے بنیادی ڈھانچے اور ٹیکنالوجی میں سرمایہ کاری کی گئی۔
- ریگولیٹری تعمیل کو یقینی بنانے کے لیے نگرانی کے اقدامات کو مزید مضبوط بنایا گیا۔

مستقبل کا لائحہ عمل

کاروباری سرگرمیوں کی بحالی ترقی اور استحکام کے ایک نئے مرحلے کا اشارہ دیتی ہے۔ آگے بڑھتے ہوئے، کمپنی کی توجہ آمدنی کے ذرائع کو بڑھانے، آپریشنل کارکردگی کو بہتر بنانے، اور مارکیٹ میں ابھرتے ہوئے مواقع سے فائدہ اٹھانے پر مرکوز ہے۔ ہم منافع کو بڑھانے کے لیے جدت، وسائل کے بہتر انتظام، اور اسٹیک ہولڈرز کے ساتھ مضبوط تعلقات استوار کرنے کے لیے سرگرمی سے کوششیں کر رہے ہیں۔

اگرچہ مالی چیلنجز برقرار ہیں، ہمیں یقین ہے کہ ہماری اسٹریٹجک حکمت عملی ایک مستحکم اور منافع بخش مستقبل کی راہ ہموار کرے گی۔ انتظامیہ کمپنی کو طویل مدتی پائیداری اور شیئرز ہولڈرز کے لیے قدر پیدا کرنے کی سمت میں لے جانے کے لیے پرعزم ہے۔

ہم اپنے ملازمین، صارفین، شراکت داروں، اور شیئرز ہولڈرز کی مسلسل حمایت اور اعتماد کے لیے تہہ دل سے مشکور ہیں۔ ہمیں آنے والی سہ ماہیوں میں پائیدار ترقی کی فراہمی کی امید ہے۔

اظہار تشکر

بورڈ کمپنی کے تمام ملازمین کی لگن اور محنت کی دل سے قدر کرتا ہے۔

Yasir

ڈائریکٹر

Zawad

چیف ایگزیکٹو/ڈائریکٹر

لاہور

30 جنوری، 2025

CONDENSED INTERIM BALANCE SHEET
As at December 31, 2024

		(Un-Audited) December 31, 2024	(Audited) September 30, 2024
	Notes	RUPEES	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipments	4	3,331,898,123	3,239,137,229
CURRENT ASSETS			
Stores and spares		54,122,528	54,291,647
Advances		16,553,696	23,290,605
Other Receivables		302,735	302,735
Tax refunds due from the government		37,514,531	13,241,394
Cash and bank balances		6,656,258	1,292,593
		115,149,747	92,418,974
		<u>3,447,047,869</u>	<u>3,331,556,203</u>
LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000,000 (2022:100,000,000) ordinary shares of Rs. 10/- each		<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid-up capital		792,616,660	792,616,660
Surplus on revaluation of property, plant and equipment		1,053,387,495	1,110,654,739
Accumulated loss		(2,541,092,112)	(2,548,814,371)
		(695,087,957)	(645,542,972)
NON-CURRENT LIABILITIES			
Long term loans - Unsecured	5	745,061,888	731,369,788
Long term loans - Secured		234,000,000	236,028,000
Deferred tax liability		202,884,488	223,121,174
		1,181,946,376	1,190,518,962
CURRENT LIABILITIES			
Trade and other payables		2,327,351,058	2,188,946,493
Finance cost payable		603,865,392	567,688,720
Short term borrowings - Secured		18,973,000	18,973,000
Current portion of long term loan from bank		10,000,000	10,972,000
		2,960,189,450	2,786,580,213
CONTINGENCIES	6	--	--
		<u>3,447,047,869</u>	<u>3,331,556,203</u>

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

		
CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
For the First Quarter Ended December 31, 2024

	December 31, 2024	December 31, 2023
	RUPEES	
Sales	-	-
Cost of Sales	46,687,643	72,132,052
Gross loss	(46,687,643)	(72,132,052)
OPERATING EXPENSES		
Administrative and general expenses	(1,828,165)	(5,197,752)
Finance cost	(36,179,688)	(43,020,370)
	(38,007,853)	(48,218,122)
Other Income	14,913,825	662,802
Profit/(Loss) before taxation	(69,781,671)	(119,687,372)
Taxation	20,236,686	34,783,028
Profit/(Loss) after taxation	(49,544,985)	(84,904,344)
Earning Per Share- Basic and diluted	(0.63)	(1.07)

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the First Quarter Ended December 31, 2024

	December 31, 2024	December 31, 2023
	RUPEES	
Profit/(Loss) for the period	(49,544,985)	(84,904,344)
Other Comprehensive income:		
Transfer from surplus on revaluation of property, plant and equipment	-	-
Related deferred tax	-	-
	-	-
Total comprehensive income for the 1st Quarter	(49,544,985)	(84,904,344)

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



CHIEF EXECUTIV OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
For the First Quarter Ended December 31, 2024

	December 31, 2024	December 31, 2023
RUPEES		
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/(Loss) before taxation	(69,781,671)	(119,687,372)
Adjustments for non cash and other items:		
Depreciation	41,451,584	38,229,771
Financial charges	36,179,688	43,020,370
Prior Year Adjustment	(14,913,825)	(662,802)
	62,717,447	80,587,339
Cash flow before working capital changes	(7,064,224)	(39,100,033)
Changes in working capital		
(Increase) / decrease in current assets:		
Stores and spares	169,119	(6,020,561)
Tax Refund due from the government	(24,226,336)	(597,928)
Advances, deposits and prepayments	6,736,909	(29,081,101)
	(17,320,308)	(35,699,590)
Increase / (decrease) in current liabilities:		
Trade and other payables	153,318,395	12,012,048
	135,998,087	(23,687,542)
Cash (used) in operations	128,933,863	(62,787,575)
Payments for:		
Taxes	(46,801)	(123,085)
Financial charges	(3,017)	(9,837)
Gratuity paid	(49,818)	(387,022)
Net cash used from operating activities	128,884,045	(63,174,597)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Fixed capital expenditure	(134,212,480)	--
Net cash used in investing activities	(134,212,480)	--
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Payment against long term financing	(3,000,000)	(3,500,000)
Long term loan from related party - unsecured	13,692,100	67,776,871
Net cash generated from financing activities	10,692,100	64,276,871
Net decrease in cash and cash equivalent	5,363,665	1,102,274
Cash and bank balances at the beginning of the period	1,292,593	3,344,710
Cash and bank balances at the end of the period	6,656,258	4,446,983

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



CHIEF EXECUTIV OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
For the First Quarter Ended December 31, 2024

	Share Capital	Surplus on Revaluation of PPE (Net)	Accumulated Loss	Total
RUPEES				
Balance as at October 01, 2023	792,616,660	1,171,239,257	(2,420,228,387)	(456,372,470)
Total comprehensive loss for the year	-	-	(84,904,344)	(84,904,344)
Transfer from revaluation surplus on property, plant and equipment	-	(60,571,199)	60,571,199	-
Balance as at December 31, 2023	792,616,660	1,110,668,058	(2,444,561,532)	(541,276,814)
Balance as at October 01, 2024	792,616,660	1,110,654,739	(2,548,814,371)	(645,542,973)
Total comprehensive income for the period	-	-	(49,544,985)	(49,544,985)
Transfer from revaluation surplus on property, plant and equipment	-	(57,267,245)	57,267,245	-
Balance as at December 31, 2024	792,616,660	1,053,387,494	(2,541,092,112)	(695,087,958)

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS
For the First Quarter Ended December 31, 2024

1) STATUES AND NATURE OF COMPANY

- 1.1) The Company was incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February 11, 1990. The Company is listed in Pakistan Stock Exchange. The principal business of the Company is manufacturing and selling of refined sugar and by products.

2) SIGNIFICANT ACCOUNTING POLICIES

The accounting conventions, policies and methods of computation adopted and followed in the preparation of quarterly financial statements are the same as those of the published annual financial statements for the year September 30, 2018.

3) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, the requirements of the Companies Act, 2017 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Act, 2017, or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Act 2017 or the said directives issued by the SECP prevail.

4) PROPERTY PLANT AND EQUIPMENTS

Fixed capital expenditure during the period is amounting to Rs.nil and no fixed assets disposed off during the period.

5) LONG TERM LOANS:

		Un - Audited December 31, 2024 Rupees	Audited September 30, 2024 Rupees
Subordinated loan from holding Company - Unsecured	5.1	745,061,888	731,369,788
		745,061,888	731,369,788

- 5.1 The loan has been advanced by M/s. Haq Bahu Sugar Mills (Pvt.) Ltd. which carries mark-up @ 3 months KIBOR plus 1% (2024: @ 3 months KIBOR plus 1%) payable half yearly. Since the loan will not be repayable within next twelve months therefore the same has been classified as long term liability. The loan is subordinated to certain short term finance facility obtained by the company and is subject to BOD resolution/approval.

6) CONTIGENCIES

There are no contingencies which need to be disclosed in the financial statements

7) **CORRESPONDING FIGURES**

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation however there has been no significant reclassification.

8) **DATE OF AUTHORIZATION FOR ISSUE**

The financial statements were approved by the board of directors and authorized for issue on Jan 30, 2025.

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

