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CHASHMA SUGAR MILLS LIMITED
KING'S ARCADE, 20-A, MARKAZ F-7,
ISLAMABAD - PAKISTAN
TEL: 051-2650805-7



CHASHMA SUGAR MILLS LIMITED

**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED
MARCH 31, 2023**

CHASHMA SUGAR MILLS LIMITED
COMPANY INFORMATION

Board of Directors

Begum Laila Sarfaraz	Chief Executive
Mr. Abbas Sarfaraz Khan	Chairman
Ms. Zarmine Sarfaraz	Director
Mr. Iskander M. Khan	Director
Mr. Abdul Qadar Khattak	Director
Ms. Mariam Ali Khan	Independent Director
Mr. Feisal Kemal Khan	Independent Director

Company Secretary

Mr. Mujahid Bashir

Chief Financial Officer

Mr. Rizwan Ullah Khan

Head of Internal Audit

Mr. Zaheer Mir

Auditors

M/s. A.F Ferguson & Co.
Chartered Accountants

Tax Consultants

M/s. ShineWing Hameed Chaudhri & Co.,
Chartered Accountants

Legal Advisor

Mr. Tariq Mehmood Khokhar
Barrister-at-Law, Advocate

Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Limited,
H.M. House, 7-Bank Square, Lahore.
Phone No. : 042-37235081 Fax No. : 042-37235083

Bankers

Bank Al-Habib Limited	Habib Bank Limited
The Bank of Khyber	National Bank of Pakistan
MCB Bank Limited	Soneri Bank Limited
The Bank of Punjab	Askari Bank Limited
Bank Al-Falah Limited	United Bank Limited
Dubai Islamic Bank Limited	Meezan Bank Limited
Al-Baraka Bank (Pakistan) Limited	Allied Bank Limited
Habib Metropolitan Bank Limited	Samba Bank Limited

CHASHMA SUGAR MILLS LIMITED
DIRECTORS' REVIEW REPORT

The Board of Directors are pleased to present the un-audited condensed interim financial information of the Company for the six months' period ended on March 31, 2023. This condensed financial information is presented to the shareholders of the Company in compliance with the International Accounting Standard No. 34 "Interim Financial Reporting", the Code of Corporate Governance, under Section 237 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019. The enclosed financial information is un-audited and have been reviewed by the external auditors as required by the Code of Corporate Governance.

OPERATIONAL PERFORMANCE

The sugarcane crushing season commenced on November 28, 2022 continued till March 14, 2023. The mills have crushed 1,963,169 tons (2022: 1,885,437 tons) of sugarcane to produce 211,871 tons (2022: 195,219.05 tons) of sugar having an average recovery of 10.8% (2022: 10.35%). The Provincial Government of Khyber Pakhtunkhwa (KPK) fixed sugarcane price @ Rs. 300/- per 40KG.

SUGAR PRICES

The Country produced 6.6 million tons of sugar, and we foresee stable sugar prices.

ETHANOL FUEL PLANT AT UNIT-II

The Ethanol Fuel Plant produced 17,499 MT of Ethanol during the half year ended on March 31, 2023.

FINANCIAL PERFORMANCE

The Company earned Rs. 585.897 million profit after taxation (2022: 209.925) during the half year ended March 31, 2023.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this quarterly condensed interim financial information are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the spirit of good work done by the Company's staff at all levels.

ON BEHALF OF THE BOARD



Mardan:
May 26, 2023

(BEGUM LAILA SARFARAZ)
Chief Executive



(ISKANDER M. KHAN)
Director

چشمہ شوگر ملز لمیٹڈ ڈائریکٹرز کی جائزہ رپورٹ

ڈائریکٹرز 31 مارچ 2023 کو ختم ہونے والی سش ماہی کی اختتامی مدت پر کمپنی کی غیر آڈٹ شدہ کنڈنڈ عبوری مالیاتی معلومات پیش کرنے پر مسرت محسوس کرتے ہیں۔ یہ کنڈنڈ مالیاتی معلومات حصہ داروں کو انٹرنیشنل اکاؤنٹنگ کے قواعد نمبر 34 نمبرم فائنٹشل رپورٹنگ، کمپنی ایکٹ 2017 (دی ایکٹ) کے سیکشن 237 اور لسٹڈ کمپنیز (کوڈ آف کارپورٹ گورننس) ریگولیشن، 2019 کے مطابق ہیں۔ مشرکہ مالیاتی معلومات غیر آڈٹ شدہ اور بیرونی آڈیٹرز کی جانب سے جائزہ لینے کے بعد کوڈ آف کارپورٹ گورننس کی ضرورت کے مطابق ہے۔

آپریٹس کارکردگی

گنے کا کرشنگ سیزن 28 نومبر 2022 کو شروع ہوا اور 14 مارچ 2023 تک جاری رہا۔ ملز نے 1,963,169 ٹن (2022: میں 1,885,437 ٹن) گنا کرش کیا اور 10.80 فیصد اوسط (2022 میں 10.35 فیصد) کے حساب سے چینی کی پیداوار (211,871 ٹن 2022 میں 195,219.05 ٹن) رہی۔ پنجاب اور خیبر پختونخوا کی صوبائی حکومتوں کے گنے کی قیمت 300 روپے فی چالینس کلو مقرر کی۔

چینی کی قیمت

ملک میں 6.6 ملین ٹن چینی پیدا ہوئی۔ اور چینی کی قیمتوں کو مستحکم دیکھ رہے ہیں۔

انتھنول فیول پلانٹ یونٹ-2

انتھنول فیول پلانٹ نے چھ ماہ کے اختتام تک 31 مارچ 2023 تک 17,499 میٹرک ٹن کی پیداوار ہوئی۔

مالیاتی کارکردگی

31 مارچ 2023 کو ختم ہونے والے چھ ماہ کے اختتام تک کمپنی کا ٹیکس کی ادائیگی کے بعد کا منافع 585.897 ملین روپے رہا (2022: میں 209.925 ملین روپے تھا)۔

اکاؤنٹنگ کی پالیسیاں

کمپنی کی سہ ماہی کنڈنڈ عبوری مالیاتی معلومات کی تیاری کے دوران اپنائی گئی اکاؤنٹنگ پالیسیاں وہی ہیں جو پچھلے سال سالانہ مالیاتی معاملات میں اپنائی گئی تھی۔

احتراف

ڈائریکٹرز نے کمپنی کے عملے کی طرف سے کئے گئے ہر سطح پر اچھے کاموں کو سراہتے ہیں۔

منجانب بورڈ

 

مردان

اسکندر محمد خان

بیگم لیلہ سرفراز

بتاریخ: 26 مئی 2023

ڈائریکٹر

چیف ایگزیکٹو



A.F. FERGUSON & Co.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF CHASHMA SUGAR MILLS LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Chashma Sugar Mills Limited (the Company) as at March 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended March 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended March 31, 2023.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Iqbal.

A.F. Ferguson & Co.
Chartered Accountants
Islamabad:
May 26, 2023

UDIN: RR202310053QAH9mPKek

CHASHMA SUGAR MILLS LIMITED

**CONDENSED INTERIM STATEMENT OF
FINANCIAL POSITION (UN-AUDITED) AS AT MARCH 31, 2023**

Note	Un-audited March 31, 2023	Audited September 30, 2022
(Rupees in thousand)		
NON CURRENT ASSETS		
5	18,229,454	18,016,724
6	312,749	283,515
7	668,964	423,964
8	272,340	261,304
	<u>19,483,507</u>	<u>18,985,507</u>
CURRENT ASSETS		
	771,230	509,428
9	13,632,547	3,379,869
10	1,745,636	44,157
11	1,935,078	1,474,655
12	235,404	255,651
	-	41,457
	397,259	212,853
	<u>18,717,154</u>	<u>5,918,070</u>
	<u>38,200,661</u>	<u>24,903,577</u>
TOTAL ASSETS		
SHARE CAPITAL AND RESERVES		
	<u>500,000</u>	<u>500,000</u>
13	286,920	286,920
	327,000	327,000
	4,415,248	3,567,555
	<u>6,672,682</u>	<u>6,934,478</u>
	11,701,850	11,115,953
NON-CURRENT LIABILITIES		
14	4,015,366	3,577,818
15	147,471	163,089
16	144,219	146,604
	3,006,405	3,102,225
	17,375	14,843
	90,093	417
	<u>3,113,873</u>	<u>3,117,485</u>
	<u>7,420,929</u>	<u>7,004,996</u>
CURRENT LIABILITIES		
17	4,290,012	1,225,998
	14,597	14,607
18	13,740,587	4,489,508
19	964,254	1,052,515
	68,432	-
	<u>19,077,882</u>	<u>6,782,628</u>
	<u>26,498,811</u>	<u>13,787,624</u>
20		
	<u>38,200,661</u>	<u>24,903,577</u>
TOTAL EQUITY AND LIABILITIES		

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Note	Three month period ended		Six month period ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(Rupees in thousand)					
Gross sales	21	8,747,651	4,974,205	12,561,591	7,960,107
Sales tax, other government levies and discounts	22	(832,515)	(679,171)	(1,217,601)	(904,052)
Sales - net		7,915,136	4,295,034	11,343,990	7,056,055
Cost of sales		(5,922,334)	(3,352,418)	(8,649,005)	(5,682,043)
Gross profit		1,992,802	942,616	2,694,985	1,374,012
Selling and distribution expenses		(340,128)	(98,950)	(474,788)	(226,254)
Administrative and general expenses		(254,984)	(191,562)	(486,476)	(366,807)
Net impairment losses on financial assets		(34,128)	-	(34,128)	-
Other income		69,762	8,902	76,249	24,528
Other expenses		(39,825)	(24,777)	(45,580)	(25,765)
Operating profit		1,393,499	636,229	1,730,262	779,714
Finance cost		(703,687)	(365,409)	(1,015,823)	(489,368)
Profit before taxation		689,812	270,820	714,439	290,346
Taxation (expense) / credit					
- Current		(140,708)	12,251	(182,424)	(18,769)
- Prior year		(41,938)	-	(41,938)	-
- Deferred		33,626	(112,754)	95,820	(61,652)
		(149,020)	(100,503)	(128,542)	(80,421)
Profit for the period		540,792	170,317	585,897	209,925
Earnings per share - basic and diluted (Rs)		18.85	5.94	20.42	7.32

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Three month period ended		Six month period ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(Rupees in thousand)				
Profit for the period	540,792	170,317	585,897	209,925
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	<u>540,792</u>	<u>170,317</u>	<u>585,897</u>	<u>209,925</u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Share capital	Capital reserve - General	Unappropriated profits	Surplus on revaluation of property, plant and equipment	Total
	(Rupees in thousand)				
Balance as at October 1, 2021	286,920	327,000	3,332,184	5,065,731	9,011,835
Total comprehensive income for the six month period ended March 31, 2022	-	-	209,925	-	209,925
Profit for the period	-	-	209,925	-	209,925
Other comprehensive income for the period	-	-	-	-	-
Transfer from surplus on revaluation of property, plant and (net of deferred taxation)	-	-	176,827	(176,827)	-
Cash dividend at the rate of Rs 5.00 per ordinary share for the year ended September 30, 2021	-	-	(143,460)	-	(143,460)
Balance as at March 31, 2022	286,920	327,000	3,575,476	4,888,904	9,078,300
Total comprehensive income for the six month period ended September 30, 2022	-	-	(166,377)	-	(166,377)
Loss for the period	-	-	(653)	2,204,683	2,204,030
Other comprehensive income for the period	-	-	(167,030)	2,204,683	2,037,653
Transfer from surplus on revaluation of property, plant and equipment (net of deferred taxation)	-	-	159,109	(159,109)	-
Balance as at September 30, 2022	286,920	327,000	3,567,555	6,934,478	11,115,953
Total comprehensive income for the six month period ended March 31, 2023	-	-	585,897	-	585,897
Profit for the period	-	-	585,897	-	585,897
Other comprehensive income for the period	-	-	-	-	-
Transfer from surplus on revaluation of property, plant and (net of deferred taxation)	-	-	-	(261,796)	-
Balance as at March 31, 2023	286,920	327,000	4,415,248	6,672,682	11,701,850

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Six month period ended	
	March 31, 2023	March 31, 2022
	(Rupees in thousand)	
Cash flow from operating activities		
Profit for the period - before taxation	714,439	290,346
Adjustments:		
Depreciation	666,097	506,646
Impairment losses on export subsidy	34,128	-
Gain on sale of operating fixed assets	(60)	(1,115)
Profit on deposit accounts	(6,643)	(3,840)
Finance cost	1,015,823	489,368
Provision for gratuity	2,786	1,944
	<u>2,426,570</u>	<u>1,283,349</u>
Changes in working capital		
Decrease / (Increase) in stores and spares stock-in-trade	(261,802)	(45,356)
trade debts	(10,252,678)	(8,926,036)
loans and advances	(1,682,253)	441,660
trade deposits and other receivables	(460,423)	(477,215)
Increase in trade and other payables	(13,881)	(9,639)
	<u>3,064,014</u>	<u>1,245,039</u>
	<u>(9,607,023)</u>	<u>(7,771,547)</u>
	<u>(7,180,453)</u>	<u>(6,488,198)</u>
Income tax paid	(114,473)	(54,057)
Gratuity paid	(254)	(742)
	<u>(7,295,180)</u>	<u>(6,542,997)</u>
Net cash used in operating activities		
Cash flow from investing activities		
Purchase of property, plant and equipment	(860,304)	(3,116,444)
Sale proceeds of operating fixed assets	227	40,477
Increase in long term investment	(245,000)	-
Profit on bank deposits received	6,643	3,840
	<u>(1,098,434)</u>	<u>(3,072,127)</u>
Net cash used in investing activities		
Cash flow from financing activities		
Long term finances - net	454,059	2,302,356
Short term loan received	2,050,000	200,000
Loan repaid to related party	(15,618)	-
Repayment of lease liabilities	(73,354)	(66,323)
Dividend paid	(10)	(141,168)
Finance cost paid	(775,431)	(177,191)
	<u>1,639,646</u>	<u>2,117,674</u>
Net cash generated in financing activities		
Net decrease in cash and cash equivalents	<u>(6,753,968)</u>	<u>(7,497,450)</u>
Cash and cash equivalents - at beginning of the period	<u>(2,389,042)</u>	<u>51,133</u>
Cash and cash equivalents - at end of the period	<u>(9,143,010)</u>	<u>(7,446,317)</u>
Cash and cash equivalents comprised of:		
Cash and bank balances	397,259	299,627
Short term running finance - secured	18 (9,540,269)	(7,745,944)
	<u>(9,143,010)</u>	<u>(7,446,317)</u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

1. Legal status and operations

Chashma Sugar Mills Limited (the Company) was incorporated in Pakistan on May 5, 1988 as a public limited company, under the repealed Companies Ordinance, 1984 (repealed upon enactment of the Companies Act, 2017 on May 30, 2017) and commenced its commercial production from October 01, 1992. The Company has its shares quoted on the Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing, production, processing, compounding, preparation and sale of sugar, other allied compounds, intermediates and allied products. The Company is a subsidiary of The Premier Sugar Mills and Distillery Company Limited. The head office of the Company is situated at King's Arcade, 20-A, Markaz-F-7, Islamabad and its manufacturing facilities are located at Dera Ismail Khan, Khyber Pakhtunkhwa.

2. Statement of compliance

These condensed interim financial statements for six month period ended March 31, 2023 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:

- i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- ii) 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 disclosures in this condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended September 30, 2022.

3. Significant accounting policies

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the audited financial statements for the year ended September 30, 2022.

4. Seasonality of operations

Due to seasonal nature of sugar segment of the Company, operating results of the Company are expected to fluctuate in the second half of the year in comparison with the first six months of the year.

		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
5. Property, plant and equipment			
Operating fixed assets	5.1	14,183,022	14,475,625
Capital work-in-progress	5.2	4,046,432	3,541,099
		<u>18,229,454</u>	<u>18,016,724</u>

		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
5.1 Operating fixed assets - at net book value			
Net book value at the beginning of the period / year		14,475,625	11,035,865
Revaluation adjustments during the period / year		-	3,496,704
Additions during the period / year	5.1.1	339,232	955,485
Transfers from right of use assets to owned		-	2,388
Disposals during the period / year		(167)	(46,205)
Depreciation charged for the period / year		(631,668)	(968,612)
		<u>(631,835)</u>	<u>(1,014,817)</u>
Net book value at the end of the period / year		<u>14,183,022</u>	<u>14,475,625</u>
5.1.1 Additions during the period / year			
Building and roads		24,142	251,054
Plant and machinery		271,726	541,592
Electric installations		23,989	139,039
Office equipment		11,030	6,306
Farm equipment		-	168
Furniture and fixtures		6,532	8,624
Vehicles		1,813	8,702
		<u>339,232</u>	<u>955,485</u>
5.2 Capital work-in-progress			
At the beginning of the period / year		3,541,099	797,360
Additions during the period / year	5.2.1	888,422	3,746,995
Capitalized during the period / year		(383,089)	(1,003,256)
Balance at the end of the period / year		<u>4,046,432</u>	<u>3,541,099</u>
5.2.1 Additions during the period / year			
Land and building		153,983	2,882,581
Plant and machinery		640,863	461,509
Electric installations		41,778	43,901
Vehicles - owned		1,105	8,559
Vehicles - leased		49,693	78,480
Advance payments against land - freehold and buildings		1,000	271,965
		<u>888,422</u>	<u>3,746,995</u>
6. Right of Use Assets			
Net book value at the beginning of the period / year		283,515	339,575
Additions during the period / year		63,663	63,362
Remeasurement during the period / year		-	(2,058)
Deletion during the period / year		-	(53,562)
Transfers from right of use assets to owned		-	(2,388)
Depreciation charged for the period / year		(34,429)	(61,414)
Net book value at the end of the period / year		<u>312,749</u>	<u>283,515</u>

		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
7. Long term investment			
Investment in shares of Whole Foods (Private) Limited (WFL) - at cost		100,000	100,000
Investment in shares of Ultimate Whole Foods (Private) Limited (UWFL) - at cost		204,000	204,000
Advance against share capital of UWFL		245,000	-
Difference in fair value and present value on initial recognition of interest free loan to WFL		119,964	119,964
Balance as at end of the period / year		<u>668,964</u>	<u>423,964</u>
8. Long term loans and deposits - considered good			
Long term security deposits		15,084	15,084
Loan to subsidiary company - WFL - at amortized cost	8.1	257,256	246,220
		<u>272,340</u>	<u>261,304</u>
8.1	The Company has subordinated an aggregate interest free loan of Rs 335 million to its subsidiary company, WFL. Pursuant to a tripartite subordination agreement dated June 29, 2020 and June 30, 2021 entered into between the Company, WFL and Soneri Bank Limited (the lender), the related amount has been subordinated to the principle, markup and all other amounts that may be payable to the lender under the financing agreements and no payment of the aforesaid amount can be made, except with the prior written consent of the lender. Owing to the substance of loan at non-market interest rate (nil in this case), the difference between present value and loan proceeds is recognized as an investment in the subsidiary.		
		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
At the beginning of the period / year		246,220	225,493
Unwinding of interest on loan to subsidiary company		11,036	20,727
Balance as at end of the period / year		<u>257,256</u>	<u>246,220</u>
9. Stock-in-trade			
Finished goods			
- Sugar		9,631,293	1,848,502
- Molasses	9.1	3,034,091	1,082,773
- Ethanol		515,999	436,448
- Bagasse	9.1	436,236	-
		13,617,619	3,367,723
Work-in-process		14,928	12,146
		<u>13,632,547</u>	<u>3,379,869</u>
9.1	Molasses and bagasse are used both for internal consumption as well as for sales to external parties.		
9.2	Certain short term and long term borrowings of the Company are secured by way of collateral charge on stock-in-trade.		

		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
10. Trade debts - unsecured			
Considered good		1,745,636	44,157
Considered doubtful		1,782	1,782
		<u>1,747,418</u>	<u>45,939</u>
Less: Loss allowance		(1,782)	(1,782)
		<u>1,745,636</u>	<u>44,157</u>
11. Loans and advances			
Advances to:			
Employees - secured		10,118	10,211
Suppliers and contractors - unsecured		1,514,427	1,038,141
		1,524,545	1,048,352
Due from related parties	11.1	426,188	267,024
Letters of credit - secured		14,088	189,022
		<u>1,964,821</u>	<u>1,504,398</u>
Less:			
- Provision for doubtful advances		(28,838)	(28,838)
- Loss allowance		(905)	(905)
		<u>1,935,078</u>	<u>1,474,655</u>
11.1	This represents amounts due from the following:		
Due from holding company:			
The Premier Sugar Mills and Distillery Company Limited		237,519	162,538
Due from subsidiary company / associated company			
Whole Foods (Private) Limited		132,094	100,045
Ultimate Whole Foods (Private) Limited		55,983	2,666
Relative of a director		592	1,775
		<u>426,188</u>	<u>267,024</u>
12. Trade deposits and other receivables			
Deposits		4,987	5,845
Prepayments		7,278	5,152
Export subsidy receivable		305,519	305,519
Others		42,117	29,504
		359,901	346,020
Less: Loss allowance		(124,497)	(90,369)
		<u>235,404</u>	<u>255,651</u>
13. Share Capital			
As at period end, the issued, subscribed and paid-up capital of the Company includes following share capital holdings by the related parties;			
Holding company			
The Premier Sugar Mills & Distillery Company Limited		13,751,000	13,751,000
Associated companies			
Azlak Enterprises (Private) Limited		1,477,359	1,477,359
Phipson & Co. Pakistan (Private) Limited		307,500	307,500
Syntronics Limited		3,590,475	3,590,475
		<u>19,126,334</u>	<u>19,126,334</u>

	Note	Un-audited March 31, 2023 (Rupees in thousand)	Audited September 30, 2022
14. Long term finances - secured			
Bank Al-Habib Limited		2,774,142	2,604,361
Soneri Bank Limited		442,852	553,565
Dubai Islamic Bank Pakistan Limited		350,000	547,493
MCB Bank Limited		167,883	134,528
Al-Baraka Bank Limited		446,715	446,715
United Bank Limited		450,000	-
Total	14.1	4,631,592	4,286,662
Accrued mark-up		184,118	211,925
		4,815,710	4,498,587
Less: amount payable within next 12 months			
Principal		(616,226)	(708,844)
Accrued mark-up		(184,118)	(211,925)
Amount due after 12 months		<u>4,015,366</u>	<u>3,577,818</u>
14.1			
These represent term and demand finance obtained by the Company from the aforesaid banks and are repayable in 3-5 years with varied grace periods. The rate of mark-up ranges from KIBOR + 1% per annum to KIBOR + 2.10% per annum and SBP rate + 1%. These are secured against first / joint pari passu hypothecation charge over all present and future movable fixed assets of the Company and first / joint pari passu charge by way of equitable mortgage on all present and future immovable fixed assets of the Company, pledge of sugar stock and lien on export contract / LC. There is no material change in the terms and conditions of the long term loans as disclosed in note 19 to the annual audited financial statements of the Company as at September 30, 2022, except that the Company obtained and repaid certain loans, with details as follows:			
- Existing long term financing facilities from Soneri Bank Limited with aggregate amount of Rs. 890 million was enhanced to Rs. 1,000 million.			
- New long term financing facility was obtained from United Bank Limited amounting to Rs. 450 million. The facility is repayable in 20 equal quarterly installments, which will start from November 2023. The facility carries markup at 3-month KIBOR plus 1.75% per annum. The loan is secured against first joint pari passu charge on all present and future fixed assets (land, building, plant and machinery) of the Company with 25% margin.			
- New long term financing facility was obtained from MCB Bank Limited amounting to Rs 62 million. The facility is repayable in 20 equal quarterly installments, which will start from October 2023. The facility carries markup at 3-month KIBOR plus 1.1% per annum. The loan is secured against land of the Company valuing Rs 83.5 million.			
15. Loans from related parties - secured	Note	(Rupees in thousand)	
Associated companies			
Premier Board Mills Limited	15.1	56,207	65,575
Arpak International Investments Limited	15.2	37,500	43,750
Azlak Enterprises (Private) Limited	15.3	85,000	85,000
Accrued mark-up		26,319	10,317
		205,026	204,642
Less: amount payable within next 12 months			
Principal		(31,236)	(31,236)
Accrued mark-up		(26,319)	(10,317)
Amount due after 12 months		<u>147,471</u>	<u>163,089</u>

15.1	The long term finance facility has been renewed on November 4, 2019. The principal is repayable in 7 semi annual installments commencing from November 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Company.		
15.2	The long term finance facility has been renewed on November 4, 2019. The principal is repayable in 7 semi annual installments commencing from November 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Company.		
15.3	The long term finance facility has been renewed on January 3, 2022. The principal is repayable in 8 semi annual installments commencing from December 2024. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Company.		
		Un-audited March 31, 2023	Audited September 30, 2022
16. Lease liabilities	Note	(Rupees in thousand)	
Balance at beginning of the period / year		236,797	328,290
Additions during the period / year		47,924	72,337
Unwinding of interest on lease liabilities		20,172	28,020
Payments made during the period / year		(73,354)	(124,883)
Remeasurement of lease liabilities		-	(2,001)
Early termination of lease liabilities		-	(64,966)
Balance at end of the period / year		231,539	236,797
Less: current portion of long term lease liabilities		(87,320)	(90,193)
		<u>144,219</u>	<u>146,604</u>
17. Trade and other payables			
Creditors		2,387,424	314,961
Due to related parties	17.1	318,517	156,526
Accrued expenses		190,744	114,494
Retention money		19,633	20,940
Security deposits		1,799	984
Advance payments from customers - contract liability		991,836	225,921
Income tax deducted at source		66,265	59,400
Sales tax payable		166,513	210,252
Payable for workers welfare obligations		61,774	53,965
Payable to employees		72,622	57,657
Payable to provident fund		4,606	3,700
Others		8,279	7,198
		<u>4,290,012</u>	<u>1,225,998</u>
17.1	This represents amounts due to the following related parties and are interest free and payable on demand:		
Associated Companies			
The Frontier Sugar Mills and Distillery Limited		733	733
Syntronics Limited		98,068	-
Syntron Limited		85,873	-
Azlak Enterprises (Private) Limited		15,163	39,604
Directors		118,680	116,189
		<u>318,517</u>	<u>156,526</u>

	Note	Un-audited March 31, 2023 (Rupees in thousand)	Audited September 30, 2022
18. Short term running finance - secured			
Cash / running finance	18.1	9,540,269	2,601,895
Export re finance		3,750,000	1,700,000
	18.2	13,290,269	4,301,895
Accrued mark-up		450,318	187,613
		<u>13,740,587</u>	<u>4,489,508</u>

18.1 These represent cash finance and export re-finance facilities and are repayable in six months to one year period. The rate of mark-up ranges from SBP Rate+1% per annum to KIBOR + 1.75% per annum and are secured against pledge of sugar stock with margin ranging from 10% to 25%, lien on export contracts / LCs and import documents.

18.2 There is no material change in the terms and conditions of the short term running finance facilities as disclosed in note 24 to the annual audited financial statements of the Company as at September 30, 2022, except that the Company obtained and repaid certain loans, with details as follows:

- Existing short term finance facility from MCB Bank Limited was enhanced from Rs. 200 million to Rs. 300 million. In relation to this increase, the amount of hypothecation charge of Rs 266.667 million was enhanced to Rs 400 million over current assets of the Company.

- Existing short term finance facility from MCB Bank Limited was enhanced from Rs. 500 million to Rs. 650 million.

- Existing short term finance facility from Soneri Bank Limited was enhanced from Rs. 500 million to Rs. 1,000 million.

- New short term finance facilities were obtained from Bank Al Habib Limited amounting to Rs 1,000 million and Rs. 280 million. The facilities carry markup at 3-month KIBOR plus 1% per annum. The loans are secured against registered pledge of Rs. 1,176.530 million over refined sugar stock with 15% margin.

- New short term finance facilities were obtained from Bank Islami Pakistan Limited amounting to Rs 400 million and Rs. 100 million. The facilities carry markup at 3-month KIBOR plus 1.2% and 3-month KIBOR plus 1% respectively. The loans are secured against registered pledge of refined sugar stock amounting to Rs. 470.588 million at 15% margin and joint pari passu charge of future and present current assets at a margin of 25% amounting to Rs. 133.33 million respectively.

- New short term finance facility was obtained from MCB Islamic Bank Limited amounting to Rs 500 million. The facility carries markup at 3-month KIBOR plus 1.1% per annum. The loan is secured against registered pledge / ownership of refined sugar bags at 15% margin.

- New short term finance facility was obtained from National Bank of Pakistan amounting to Rs 1,000 million. The facility carries markup at 9-month KIBOR plus 1% per annum. The loan is secured against registered pledge / ownership of refined sugar bags at 15% margin amounting to Rs. 1,176.471 million.

19. Current maturity of non-current liabilities

Long term finances	14	800,344	920,769
Loans from related parties	15	57,555	41,553
Lease liabilities	16	87,320	90,193
Deferred government grant		19,035	-
		<u>964,254</u>	<u>1,052,515</u>

20. Contingencies and commitments

20.1 Contingencies

21.1.1 There has been no significant change in the status of contingencies as disclosed in note 26 to the audited financial statements of the Company for the year ended September 30, 2022, except for the following:

- In respect of super tax demand under section 4C of Income Tax Ordinance, 2001 for the tax year 2022 @ 10% of taxable income, the Company had filed writ petition before Peshawar High Court, and an interim relief was granted, directing the Company to 50% of the tax demanded. However, during the year, The Federal Board of Revenue (FBR) sent a notice to the Company directing it to pay super tax @ 4%, based on Supreme Court's order in respect of other companies wherein the Supreme Court of Pakistan granted an interim relief against demand of super tax at the rate of 10% and directed FBR to recover the tax @ 4%. Management has recorded a current tax charge of Rs 41.9 million during the period in respect of super tax @ 4%. The Company and its legal counsel are confident that maximum exposure of the Company in respect of super tax for tax year 2022 is 4%. Accordingly, no further provision has been made in these financial statements.

20.2 Commitments

The Company has following commitments in respect of:

	Un-Audited March 31, 2023 (Rupees in thousand)	Audited September 30, 2022
- foreign letter of credit for purchase of plant and machinery	6,671	211,841
- local letter of credit for purchase of plant and machinery	191,532	207,519
- capital expenditure other than for letters of credit	27,678	104,683
	<u>225,881</u>	<u>524,043</u>

20.3 Corporate guarantees

During the period, the Company has issued further corporate guarantee amounting to Rs. 667 million in favour of UWFL in connection with financing arrangements with a financial institution. The financing facility is expected to be settled by December 31, 2027 and accordingly, the guarantee issued by the Company will be released by December 31, 2027.

21. Gross sales

	Three month period ended		Six month period ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousand)			
Local	5,445,521	4,560,246	8,082,019	6,083,246
Export	3,302,130	413,959	4,479,572	1,876,861
	<u>8,747,651</u>	<u>4,974,205</u>	<u>12,561,591</u>	<u>7,960,107</u>

22. Sales tax, other government levies and discounts

Indirect taxes	828,656	675,645	1,211,970	899,449
Discounts	3,859	3,526	5,631	4,603
	<u>832,515</u>	<u>679,171</u>	<u>1,217,601</u>	<u>904,052</u>

23. Segment operating results for the six month period ended March 31, 2023 (Un-audited)

	Sugar Division		Ethanol Division		Total	
	Three month period	Six month period ended	Three month period	Six month period ended	Three month period	Six month period ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sales						
-External Customers	4,428,570	8,690,933	5,776,080	2,508,648	545,635	3,870,658
-Inter segment	659,185	453,307	912,033	-	-	-
Less : sales tax & others	(808,273)	(658,549)	(1,166,541)	(24,242)	(20,822)	(51,060)
Sales - net	6,089,915	4,223,328	8,805,906	2,484,406	525,013	3,819,598
Segment expenses:						
Cost of Sales	(5,035,174)	(3,393,699)	(4,928,914)	(887,160)	41,281	(1,072,197)
Adjustments for inter segment cost	(5,035,174)	(3,393,699)	(4,928,914)	(887,160)	(453,307)	(1,281,514)
Gross profit	1,054,741	829,629	1,229,098	903,609	938,061	112,987
Selling and distribution expenses	(124,852)	(25,454)	(31,415)	(73,496)	(340,538)	(194,839)
Administrative and general expenses	(34,128)	(169,942)	(277,692)	(70,396)	(21,620)	(89,115)
Net impairment losses on financial assets	(343,568)	(195,396)	(513,973)	(309,107)	(285,672)	(95,116)
Profit from operations	711,173	634,233	715,125	594,502	652,389	17,871
Other income	68,174	7,845	22,243	1,588	1,057	2,651
Other expenses	(39,825)	(24,777)	(45,580)	-	-	-
Segment results	739,522	617,301	743,143	590,980	653,977	18,928
Finance cost	-	-	-	-	-	-
Profit before taxation	739,522	617,301	743,143	590,980	653,977	18,928
Taxation	-	-	-	-	-	-
Profit for the period	739,522	617,301	743,143	590,980	653,977	18,928

23.1 Segment assets and liabilities

	Un-audited		Audited	
	March 31, 2023	September 30, 2022	March 31, 2023	September 30, 2022
	(Rupees in thousand)		(Rupees in thousand)	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Sugar	28,890,916	22,023,005	18,267,845	11,379,821
Ethanol	9,309,745	4,169,519	6,635,732	2,083,503
Total for reportable segment	38,200,661	26,192,524	24,903,577	13,463,324
Others	-	306,287	-	324,300
Total assets / liabilities	<u>38,200,661</u>	<u>26,498,811</u>	<u>24,903,577</u>	<u>13,787,624</u>

24. Transactions with related parties

24.1 The Company has related party relationship, with its Holding Company, subsidiary companies and associated companies, its directors, key management personnel and employee benefit plan. The Company in the normal course of business carries out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with the related parties during the period were as follows:

	Three month period ended		Six month period ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousand)			
Holding Company				
Sale of store items	13,006	14,261	21,125	18,645
Advance paid against purchase of building	-	250,000	-	250,000
Sale of bagasse	2,428	-	2,428	4,965
Purchase of store items	2,546	31,164	2,546	31,164
Expenses paid by Holding Company	2,779	714	3,671	1,266
Expenses paid on behalf of Holding Company	44,805	28,591	81,687	40,990
Rent expense	-	5,445	-	10,890
Rent income	29	29	58	58
Dividend paid	-	68,755	-	68,755
Advances paid against purchase of molasses	116,000	-	116,900	-
Subsidiary Companies				
Freehold land	-	-	-	39,424
Investment in subsidiaries	150,000	204,000	245,000	204,000
Expenses paid by the company	81,647	20,532	85,444	22,872
Associated undertakings				
Services	9,170	7,644	18,333	15,283
Expenses paid by associated companies	-	1,350	404	1,350
Purchase of goods	131,231	121,646	256,941	167,195
Dividend paid	-	26,877	-	26,877
Mark-up charged	8,401	5,569	16,502	10,286
Post employment benefit				
Expense charged in respect of retirement benefit plan	8,065	5,470	15,586	10,218
Key management personnel / Directors				
Salaries and other benefits	43,031	39,103	90,514	76,476
Dividend paid	-	19,103	-	19,103
Advance against sale of floor area - Building	-	-	-	100,000

25. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to variety of financial risk namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies of the Company during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

Fair value estimation

All financial assets and financial liabilities are initially recognised at fair value of the consideration paid or received, net of transaction costs as appropriate. The carrying values of financial assets and financial liabilities of the Company not carried at fair value is a reasonable approximation of their fair values.

Fair value hierarchy

Certain property, plant and equipment of the Company was valued by independent valuer to determine the fair value of property, plant and equipment as at September 30, 2022. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of property, plant and equipment'. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Level 2 fair value of certain property, plant and equipment has been derived using the comparison approach. Sales prices of comparable property, plant and equipment in identical circumstances or close proximity are adjusted for differences in key attributes such as property size, structure, location, capacity etc. The most significant inputs into this valuation approach are price per marla, price per square feet, depreciated replacement cost etc.

26. General

Figures in these condensed interim financial statements have been rounded-off to the nearest thousand Rupees.

27. Date of authorisation for issue

These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on May 26, 2023.



CHASHMA SUGAR MILLS LIMITED

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED
MARCH 31, 2023**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2023

	Note	Un-audited March 31, 2023	Audited September 30, 2022
(Rupees in thousand)			
NON CURRENT ASSETS			
Property, plant and equipment	6	20,769,356	19,571,325
Right-of-use assets	7	339,865	283,515
Long term deposits		15,838	15,084
		<u>21,125,059</u>	<u>19,869,924</u>
CURRENT ASSETS			
Stores and spares		772,095	509,428
Stock-in-trade	8	13,632,547	3,379,869
Trade debts	9	1,745,636	44,157
Loans and advances	10	1,748,260	1,372,598
Trade deposits and other receivables	11	271,970	278,877
Short term investment	12	318	-
Income tax refundable		-	61,212
Cash and bank balances		419,147	256,140
		<u>18,589,973</u>	<u>5,902,281</u>
TOTAL ASSETS		<u>39,715,032</u>	<u>25,772,205</u>
SHARE CAPITAL AND RESERVES			
Authorised capital		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital	13	286,920	286,920
Capital reserve			
General reserve		327,000	327,000
Revenue reserve			
Unappropriated profits		4,112,529	3,320,146
Surplus on revaluation of property, plant and equipment		6,827,212	7,097,094
Equity attributable to owners of the parent		11,553,661	11,031,160
Non-controlling interest		182,036	190,605
		<u>11,735,697</u>	<u>11,221,765</u>
NON-CURRENT LIABILITIES			
Long term finances - secured	14	5,362,931	4,191,793
Loans from related parties - secured	15	163,096	181,839
Lease liabilities	16	168,629	146,604
Deferred Liabilities			
- Deferred taxation		3,090,255	3,193,056
- Provision for gratuity		17,375	14,843
- Deferred government grant		90,093	417
		<u>3,197,723</u>	<u>3,208,316</u>
		<u>8,892,379</u>	<u>7,728,552</u>
CURRENT LIABILITIES			
Trade and other payables	17	4,199,360	1,190,590
Unclaimed dividend		14,597	14,607
Short term running finance - secured	18	13,740,587	4,489,508
Current maturity of non-current liabilities	19	1,089,879	1,127,183
Provision for taxation - net		42,533	-
		<u>19,086,956</u>	<u>6,821,888</u>
TOTAL LIABILITIES		<u>27,979,335</u>	<u>14,550,440</u>
Contingencies and commitments	20		
TOTAL EQUITY AND LIABILITIES		<u>39,715,032</u>	<u>25,772,205</u>

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

Note	Three month period ended		Six month period ended		
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
(Rupees in thousand)					
Gross sales	21	8,747,651	4,974,205	12,561,591	7,960,107
Sales tax, other government levies and discounts	22	(832,515)	(679,171)	(1,217,601)	(904,052)
Sales - net		<u>7,915,136</u>	<u>4,295,034</u>	<u>11,343,990</u>	<u>7,056,055</u>
Cost of sales		<u>(5,922,334)</u>	<u>(3,352,418)</u>	<u>(8,649,005)</u>	<u>(5,682,043)</u>
Gross profit		<u>1,992,802</u>	<u>942,616</u>	<u>2,694,985</u>	<u>1,374,012</u>
Selling and distribution expenses		<u>(340,128)</u>	<u>(98,950)</u>	<u>(474,788)</u>	<u>(226,254)</u>
Administrative and general expenses		<u>(286,040)</u>	<u>(207,433)</u>	<u>(543,916)</u>	<u>(399,088)</u>
Net impairment losses on financial assets		<u>(34,128)</u>	<u>-</u>	<u>(34,128)</u>	<u>-</u>
Other income		<u>69,656</u>	<u>9,264</u>	<u>76,525</u>	<u>23,866</u>
Other expenses		<u>(39,825)</u>	<u>(24,777)</u>	<u>(45,580)</u>	<u>(25,765)</u>
Operating profit		<u>1,362,337</u>	<u>620,720</u>	<u>1,673,098</u>	<u>746,771</u>
Finance cost		<u>(714,072)</u>	<u>(372,921)</u>	<u>(1,036,195)</u>	<u>(507,077)</u>
Profit before taxation		<u>648,265</u>	<u>247,799</u>	<u>636,903</u>	<u>239,694</u>
Taxation (expense) / credit					
- Current		<u>(140,681)</u>	<u>12,251</u>	<u>(182,424)</u>	<u>(18,769)</u>
- Prior year		<u>(41,938)</u>	<u>-</u>	<u>(41,938)</u>	<u>-</u>
- Deferred		<u>31,915</u>	<u>(111,826)</u>	<u>101,391</u>	<u>(61,535)</u>
		<u>(150,704)</u>	<u>(99,575)</u>	<u>(122,971)</u>	<u>(80,304)</u>
Profit after taxation		<u>497,561</u>	<u>148,224</u>	<u>513,932</u>	<u>159,390</u>
Attributable to:					
Owners of the Parent Company		503,227	147,597	522,501	160,103
Non-controlling interest		(5,666)	627	(8,569)	(713)
		<u>497,561</u>	<u>148,224</u>	<u>513,932</u>	<u>159,390</u>
Earnings per share-basic and diluted (Rs)		<u>17.34</u>	<u>5.17</u>	<u>17.91</u>	<u>5.56</u>

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Three month period ended		Six month period ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousand)			
Profit after taxation	497,561	148,224	513,932	159,390
Other comprehensive income	-	-	-	-
Total comprehensive Income for the period	497,561	148,224	513,932	159,390
Attributable to:				
Owners of the Parent Company	503,227	147,597	522,501	160,103
Non-controlling interest	(5,666)	627	(8,569)	(713)
	497,561	148,224	513,932	159,390

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Share capital	General reserve	Unappropriated profits	Surplus on revaluation of property, plant and equipment	Total	Non-controlling interest	Total
	(Rupees in thousand)						
Balance as at October 1, 2021	286,920	327,000	3,190,740	5,157,980	8,962,640	194,780	9,157,420
Total comprehensive income for the six month period ended March 31, 2022	-	-	160,103	-	160,103	(713)	159,390
Income for the period	-	-	160,103	-	160,103	(713)	159,390
Other comprehensive income for the period	-	-	-	-	-	-	-
Transfer from surplus on revaluation of property, plant and equipment (net of deferred taxation)	-	-	181,555	(181,555)	-	-	-
Cash dividend at rate of Rs. 5.00 per ordinary share for the year ended September 30, 2021	-	-	(143,460)	-	(143,460)	-	(143,460)
Balance as at March 31, 2022	286,920	327,000	3,388,938	4,976,425	8,979,283	194,067	9,173,350
Total comprehensive income for the six month period ended September 30, 2022	-	-	(233,853)	-	(233,853)	(3,462)	(237,115)
Loss for the period	-	-	(653)	2,286,183	2,285,530	-	2,285,530
Other comprehensive income for the period	-	-	(234,306)	2,286,183	2,051,877	(3,462)	2,048,415
Transfer from surplus on revaluation of property, plant and equipment (net of deferred taxation)	-	-	165,514	(165,514)	-	-	-
Balance as at September 30, 2022	286,920	327,000	3,320,146	7,097,094	11,031,160	190,605	11,221,765
Total comprehensive income for the six month period ended March 31, 2023	-	-	522,501	-	522,501	(8,569)	513,932
Income for the period	-	-	522,501	-	522,501	(8,569)	513,932
Other comprehensive income for the period	-	-	-	-	-	-	-
Transfer from surplus on revaluation of property, plant and equipment (net of deferred taxation)	-	-	269,882	(269,882)	-	-	-
Balance as at March 31, 2023	286,920	327,000	4,112,529	6,827,212	11,553,661	182,036	11,735,697

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

	Note	Six month period ended March 31, 2023	March 31, 2022
		(Rupees in thousand)	
Cash flow from operating activities			
Profit before taxation		636,903	239,694
Adjustments for non-cash items:			
Depreciation		701,199	530,923
Impairment losses on export subsidy		34,128	-
Gain on sale of operating fixed assets		(60)	(91)
Profit on deposit accounts		(6,643)	(3,840)
Finance cost		1,036,195	507,077
Provision for gratuity		2,786	1,944
		<u>2,404,508</u>	<u>1,275,707</u>
Changes in working capital			
Decrease / (Increase) in			
stores and spares		(262,667)	(141,882)
stock-in-trade		(10,252,678)	(8,926,036)
trade debts		(1,701,479)	441,660
loans and advances		(375,662)	(482,023)
trade deposits and other receivables		(27,221)	(10,124)
Increase in trade and other payables		<u>3,008,770</u>	<u>1,455,311</u>
		<u>(9,610,937)</u>	<u>(7,663,094)</u>
		(7,206,429)	(6,387,387)
Income taxes paid		(120,617)	(74,272)
Gratuity paid		(254)	(742)
		<u>(7,327,300)</u>	<u>(6,462,401)</u>
Net cash used in operating activities			
Cash flow from investing activities			
Purchase of property, plant and equipment		(1,863,789)	(3,235,491)
Sale proceeds of operating fixed assets		227	1,053
Long term security deposits		(754)	-
Profit on bank deposits received		6,643	3,840
		<u>(1,857,673)</u>	<u>(3,230,598)</u>
Net cash used in investing activities			
Cash flow from financing activities			
Long term finances - net		1,207,763	2,369,355
Short term loan received		2,050,000	200,000
Loan repaid to related party		(15,618)	-
Lease obligation repaid		(74,476)	(66,323)
Dividends paid		(10)	(141,168)
Finance cost paid		(758,053)	(177,742)
		<u>2,409,606</u>	<u>2,184,122</u>
Net cash generated in financing activities			
Net decrease in cash and cash equivalents			
		<u>(6,775,367)</u>	<u>(7,508,877)</u>
Cash and cash equivalents - at beginning of the period		<u>(2,345,755)</u>	<u>211,423</u>
Cash and cash equivalents - at end of the period		<u>(9,121,122)</u>	<u>(7,297,454)</u>
Cash and cash equivalents comprised of:			
Bank balances		419,147	448,490
Short term running finance - secured	18	(9,540,269)	(7,745,944)
		<u>(9,121,122)</u>	<u>(7,297,454)</u>

The annexed notes 1 to 27 form an integral part of these condensed interim consolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

CHASHMA SUGAR MILLS LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2023

1. THE GROUP AND ITS OPERATIONS

1.1 Chashma Sugar Mills Limited (the Holding Company)

Chashma Sugar Mills Limited (the Company) was incorporated in Pakistan on May 5, 1988 as a public limited company, under the repealed Companies Ordinance, 1984 (repealed upon enactment of the Companies Act, 2017 on May 30, 2017) and commenced its commercial production from October 01, 1992. The Company has its shares quoted on the Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing, production, processing, compounding, preparation and sale of sugar, other allied compound, intermediates and allied products. The Company is a subsidiary of The Premier Sugar Mills and Distillery Company Limited. The head office of the Company is situated at King's Arcade, 20-A, Markaz F-7, Islamabad and its manufacturing facilities are located at Dera Ismail Khan, Khyber Pakhtunkhwa.

1.2 Subsidiary Companies

(a) Whole Foods (Private) Limited

Whole Foods (Private) Limited (WFPL) - 100% owned subsidiary of the Company was incorporated in Pakistan as a Private Limited Company under Companies Act, 2017 on October 26, 2017. The principal activity of WFPL is to setup, manage, supervise and control the storage facilities for agricultural produce.

(b) Ultimate Whole Foods (Private) Limited

Ultimate Whole Foods (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan as a Private Limited Company under Companies Act, 2017 on May 17, 2021. The objective of UWFPL is to set up mills for milling wheat, gram, other grains and other allied products and by-products from flours. The operations of the UWFPL have not yet started. The Holding Company holds 51% shares of the Subsidiary Company.

For the purpose of these condensed interim consolidated financial statements, Chashma Sugar Mills Limited and its subsidiaries are referred to as the Group.

2. Statement of compliance

These condensed interim consolidated financial statements for six month period ended March 31, 2023 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:

- i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- ii) 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 disclosures in this condensed interim consolidated financial statements does not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended September 30, 2022.

3. Significant Accounting Policies

The Accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the audited financial statements for the year ended September 30, 2022.

4. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended September 30, 2022.

5. Seasonality of operations

Due to seasonal nature of sugar segment of the Group, operating results of the Group are expected to fluctuate in the second half of the year in comparison with the first six months of the year.

		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
6. Property, plant and equipment			
Operating fixed assets	6.1	14,912,279	15,229,277
Capital work-in-progress	6.2	5,857,077	4,342,048
		<u>20,769,356</u>	<u>19,571,325</u>
6.1 Operating fixed assets - at net book value			
Net book value at the beginning of the period / year		15,229,277	11,701,695
Revaluation surplus during the period / year		-	3,609,507
Additions during the period / year	6.1.1	348,760	958,502
Transfers from right of use assets to owned		-	2,388
Disposals during the period / year		(167)	(7,805)
Depreciation charged for the period / year		(665,591)	(1,035,010)
		<u>(665,758)</u>	<u>(1,042,815)</u>
Net book value at the end of the period / year		<u>14,912,279</u>	<u>15,229,277</u>
6.1.1 Additions during the period / year			
Freehold land		-	2,074
Building and roads		24,142	251,475
Plant and machinery		271,726	541,592
Electric installations		23,989	139,039
Office equipment		12,050	6,692
Farm equipment		-	168
Furniture and fixtures		7,645	8,624
Vehicles		9,208	8,838
		<u>348,760</u>	<u>958,502</u>
6.2 Capital work-in-progress			
At the beginning of the period / year		4,342,048	799,218
Additions during the period / year	6.2.1	1,982,162	4,562,263
Capitalized / adjusted during the period / year		(467,133)	(1,005,330)
Other adjustments		-	(14,103)
Balance at the end of the period / year		<u>5,857,077</u>	<u>4,342,048</u>
6.2.1 Additions during the period / year			
Land and building		513,888	3,148,960
Plant and machinery		698,557	607,316
Electric installations		51,699	43,901
Office equipments		237	-
Vehicles - owned		1,105	15,948
Vehicles - leased		49,693	78,480
Capital stores		75,660	73,826
Advance payments to contractors		590,323	321,867
Advance payments against land - freehold and buildings		1,000	271,965
		<u>1,982,162</u>	<u>4,562,263</u>

		Un-audited March 31, 2023	Audited September 30, 2022
	Note	(Rupees in thousand)	
7. Right of Use Assets			
Net book value at the beginning of the period / year		283,515	339,575
Additions during the period / year		91,958	63,362
Remeasurement during the period / year		-	(2,058)
Deletion during the period / year		-	(53,562)
Transfers from right of use assets to owned		-	(2,388)
Depreciation charged for the period / year		(35,608)	(61,414)
Net book value at the end of the period / year		<u>339,865</u>	<u>283,515</u>
8. Stock-in-trade			
Finished goods			
- Sugar		9,631,293	1,848,502
- Molasses	8.1	3,034,091	1,082,773
- Ethanol		515,999	436,448
- Bagasse	8.1	436,236	-
		<u>13,617,619</u>	<u>3,367,723</u>
Work-in-process		14,928	12,146
		<u>13,632,547</u>	<u>3,379,869</u>
8.1 Molasses and bagasse are used both for internal consumption as well as for sales to external parties.			
8.2 Certain short term and long term borrowings of the Company are secured by way of collateral charge on stock-in-trade.			
9. Trade debts - unsecured			
Considered good		1,745,636	44,157
Considered doubtful		1,782	1,782
		<u>1,747,418</u>	<u>45,939</u>
Less: Loss allowance		(1,782)	(1,782)
		<u>1,745,636</u>	<u>44,157</u>
10. Loans and advances			
Advances to:			
Employees - secured		10,183	10,211
Suppliers and contractors - unsecured		1,515,549	1,038,723
		<u>1,525,732</u>	<u>1,048,934</u>
Due from related parties	10.1	238,183	164,385
Letters of credit		14,088	189,022
		<u>1,778,003</u>	<u>1,402,341</u>
Less:			
- Provision for doubtful advances		(28,838)	(28,838)
- Loss allowance		(905)	(905)
		<u>1,748,260</u>	<u>1,372,598</u>
10.1 This represents amounts due from the associated companies:			
Due from related parties:			
The Premier Sugar Mills and Distillery Company Limited		237,591	162,610
Relative of director		592	1,775
		<u>238,183</u>	<u>164,385</u>

		Un-audited March 31, 2023	Audited September 30, 2022
11. Trade deposits and other receivables	Note	(Rupees in thousand)	
Deposits		6,606	8,212
Prepayments		9,410	5,601
Export subsidy receivable		305,519	305,519
Sales tax		13,815	-
Guarantee issued		19,000	19,000
Others		42,117	30,914
		<u>396,467</u>	<u>369,246</u>
Less: loss allowance		(124,497)	(90,369)
		<u>271,970</u>	<u>278,877</u>
12. Short term investment - At fair value through profit or loss			
First Habib Cash Fund			
Investment made during the period - 3,183 Units		<u>318</u>	-
13. Share Capital			
As at period end, the issued, subscribed and paid-up capital of the Company includes following share capital holdings by the related parties;			
		(Number of shares)	
Holding Company			
The Premier Sugar Mills & Distillery Co. Ltd.		13,751,000	13,751,000
Associated Companies			
Aztrak Enterprises (Pvt.) Ltd.		1,477,359	1,477,359
Phipson & Co. Pakistan (Pvt.) Ltd.		307,500	307,500
Syntronics Ltd.		3,590,475	3,590,475
		<u>19,126,334</u>	<u>19,126,334</u>
14. Long term finances - secured		(Rupees in thousand)	
Bank Al Habib Limited		2,774,142	2,604,361
Soneri Bank Limited		1,063,727	693,753
Dubai Islamic Bank Pakistan Limited		350,000	547,493
MCB Bank Limited		577,429	264,528
Al-Baraka Bank (Pakistan) Limited		446,715	446,715
The Bank of Khyber		389,615	395,726
United Bank Limited		450,000	-
Total	14.1	<u>6,051,628</u>	<u>4,952,576</u>
Accrued mark-up		<u>220,592</u>	<u>227,386</u>
		<u>6,272,220</u>	<u>5,179,962</u>
Less: amount payable within next 12 months			
Principal		(688,697)	(760,783)
Accrued mark-up		(220,592)	(227,386)
Amount due after March 31, 2024		<u>5,362,931</u>	<u>4,191,793</u>

14.1 These represent term and demand finance obtained by the Group from the aforesaid banks and are repayable in 3-5 years with varied grace period. The rate of mark-up ranges from KIBOR + 1% per annum to KIBOR + 2.10% per annum and SBP rate + 1%. These are secured against first / joint pari passu hypothecation charge over all present and future movable fixed assets of the Company and first / joint pari passu charge by way of equitable mortgage on all present and future immovable fixed assets of the Company, pledge of sugar stock and lien on export contract / LC.

		Un-audited March 31, 2023	Audited September 30, 2022
15. Loans from related parties - secured	Note	(Rupees in thousand)	
Associated companies			
Premier Board Mills Limited	15.1	81,207	90,575
Arpak International Investments Limited	15.2	37,500	43,750
Aztrak Enterprises (Private) Limited	15.3	85,000	85,000
Accrued mark-up		29,592	11,335
		<u>233,299</u>	<u>230,660</u>
Less: amount payable within next 12 months			
Principal		(40,611)	(37,486)
Accrued mark-up		(29,592)	(11,335)
Amount due after March 31, 2024		<u>163,096</u>	<u>181,839</u>
15.1 This include long term finance facilities obtained by the Company and the Subsidiary.			
The long term finance facility obtained by the Company had been renewed on November 4, 2019. The principal is repayable in 7 semi annual installments commencing from November 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Company.			
Long term finance facility amounting to Rs 25 million was obtained during the year by the Subsidiary. The principal is repayable in 8 semi annual installments commencing from December 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Subsidiary.			
15.2 The long term finance facility has been renewed on November 04, 2019. The principal is repayable in 7 semi annual installments commencing from November 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Group.			
15.3 The long term finance facility has been renewed on January 3, 2022. The principal is repayable in 8 semi annual installments commencing from December 2024. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Company.			
16. Lease liabilities		(Rupees in thousand)	
Balance at beginning of the period / year		236,797	328,290
Additions during the period / year		76,527	72,337
Unwinding of interest on lease liabilities		21,133	28,020
Payments made during the period / year		(74,476)	(124,883)
Remeasurement of lease liabilities		-	(2,001)
Early termination of lease liabilities		-	(64,966)
Balance at end of the period / year		<u>259,981</u>	<u>236,797</u>
Less: current portion of long term lease liabilities		(91,352)	(90,193)
		<u>168,629</u>	<u>146,604</u>

		Un-Audited March 31, 2023	Audited September 30, 2022
17. Trade and other payables	Note	(Rupees in thousand)	
Creditors		2,436,599	328,782
Due to related parties	17.1	318,517	156,526
Accrued expenses		195,654	116,130
Retention money		30,489	24,496
Security deposits		1,799	984
Advance payments from customers		991,836	225,921
Income tax deducted at source		77,188	63,630
Sales tax payable		-	110,635
Payable for workers welfare obligations		61,774	53,965
Payable to employees		72,622	57,657
Payable to provident fund		4,606	3,700
Others		8,276	48,164
		<u>4,199,360</u>	<u>1,190,590</u>
17.1	This represents amounts due to the following related parties and are payable on demand:		
Syntronics Limited		98,068	-
Syntron Limited		85,873	-
The Frontier Sugar Mills and Distillery Limited		733	733
Aztlak Enterprises (Private) Limited		15,163	39,604
Directors		118,680	116,189
		<u>318,517</u>	<u>156,526</u>
18. Short term running finance - secured			
Cash / running finance		9,540,269	2,601,895
Export re finance		<u>3,750,000</u>	<u>1,700,000</u>
	18.1	13,290,269	4,301,895
Accrued mark-up		450,318	187,613
		<u>13,740,587</u>	<u>4,489,508</u>
18.1	These represent cash finance and export re-finance facilities and are repayable in six months to one year period. The rate of mark-up ranges from SBP Rate+1% per annum to KIBOR + 1.75% per annum and are secured against pledge of sugar stock with margin ranging from 10% to 25%, lien on export contracts / LCs and import documents.		
19. Current maturity of non-current liabilities		(Rupees in thousand)	
Long term finances	14	909,289	988,169
Loans from related parties	15	70,203	48,821
Lease liabilities	16	91,352	90,193
Deferred government grant		19,035	-
		<u>1,089,879</u>	<u>1,127,183</u>
20. Contingencies and commitments			
20.1 Contingencies			
20.1.1	There has been no significant change in the status of contingencies as disclosed in note 24 to the audited consolidated financial statements of the Company for the year ended September 30, 2022, except for the following:		

- The Company has provided a corporate guarantee of Rs. 500 million to Soneri Bank Limited in respect of financing facility availed by UWFL.

- In respect of super tax demand under section 4C of Income Tax Ordinance, 2001 for the tax year 2022 @ 10% of taxable income, the Company had filed writ petition before Peshawar High Court, and an interim relief was granted, directing the Company to 50% of the tax demanded. However, during the year, The Federal Board of Revenue (FBR) sent a notice to the Company directing it to pay super tax @ 4%, based on Supreme Court's order in respect of other companies wherein the Supreme Court of Pakistan granted an interim relief against demand of super tax at the rate of 10% and directed FBR to recover the tax @ 4%. Management has recorded a current tax charge of Rs 41.9 million during the period in respect of super tax @ 4%. The Company and its legal counsel are confident that maximum exposure of the Company in respect of super tax for tax year 2022 is 4%. Accordingly, no further provision has been made in these financial statements.

20.2 Commitments

The Group has following commitments in respect of:

- foreign letter of credit for purchase of plant and machinery	6,671	739,238
- local letter of credit for purchase of plant and machinery	191,532	207,519
- capital expenditure other than for letters of credit	212,945	104,683

21. Gross sales

	Three month period ended		Six month period ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousand)			
Local	5,445,521	4,560,246	8,082,019	6,083,246
Export	3,302,130	413,959	4,479,572	1,876,861
	<u>8,747,651</u>	<u>4,974,205</u>	<u>12,561,591</u>	<u>7,960,107</u>

20. Sales tax, other government levies and discounts

Indirect taxes	828,656	675,645	1,211,970	899,449
Discounts	3,859	3,526	5,631	4,603
	<u>832,515</u>	<u>679,171</u>	<u>1,217,601</u>	<u>904,052</u>

23. Segment operating results for the six month period ended March 31, 2023 (Un-audited)

	Sugar Division		Ethanol Division		Total	
	Three month period ended March 31, 2023	Six month period ended March 31, 2023	Three month period ended March 31, 2022	Six month period ended March 31, 2022	Three month period ended March 31, 2023	Six month period ended March 31, 2022
Sales						
-External Customers	6,239,003	4,428,570	8,690,933	5,776,080	8,747,651	4,974,205
-Intersegment	659,185	453,307	1,281,514	912,033	453,307	1,281,514
Less : sales tax and others	(808,273)	(658,549)	(1,166,541)	(855,590)	(632,515)	(679,171)
Sales - net	6,069,915	4,223,328	8,805,906	5,832,523	8,574,321	4,748,341
Segment expenses:						
Cost of Sales	(5,035,174)	(3,393,699)	(7,576,808)	(4,928,914)	(5,922,334)	(3,352,418)
less: Inersegment cost	(5,035,174)	(3,393,699)	(7,576,808)	(4,928,914)	(659,185)	(453,307)
Gross profit	1,054,741	829,629	1,229,098	903,609	(6,581,519)	(3,805,725)
Selling and distribution expenses	(124,852)	(25,454)	(134,250)	(31,415)	(340,128)	(98,950)
Administrative and general expenses	(164,586)	(169,942)	(345,595)	(277,692)	(234,964)	(191,562)
Net impairment losses on financial assets	(34,128)	-	(34,128)	-	(34,128)	-
Others	(343,568)	(195,396)	(513,973)	(309,107)	(31,056)	(15,871)
Profit from operations	711,173	634,233	715,125	594,502	(660,296)	(306,383)
Other income	68,174	7,845	73,598	21,219	1,332,506	636,233
Others	(39,825)	(24,777)	(45,580)	(25,765)	8,902	76,249
Other expenses	28,349	(16,932)	28,018	(4,546)	(106)	362
Segment results	739,522	617,301	743,143	589,956	(39,825)	(24,777)
Finance cost					29,831	(15,513)
Profit before tax					1,362,337	620,720
Taxation					(714,072)	(372,921)
Profit for the period					(150,704)	(99,575)
					497,561	148,224
						513,932
						159,390

23.1 Segment assets and liabilities

	Un-audited March 31, 2023 (Rupees in thousand)		Audited September 30, 2022 (Rupees in thousand)	
	Assets	Liabilities	Assets	Liabilities
Sugar	27,576,734	21,502,103	17,389,270	11,281,220
Ethanol	9,309,745	4,169,519	6,635,732	2,083,503
Total for reportable segment	36,886,479	25,671,622	24,025,002	13,364,723
Others	2,828,553	2,307,713	1,747,203	1,185,717
Total assets / liabilities	39,715,032	27,979,335	25,772,205	14,550,440

24. Transactions with related parties

24.1 The Group has related party relationship, with its Holding Company and associated companies, its directors, key management personnel and employee benefit plan. The Company in the normal course of business carries out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with the related parties during the period were as follows:

	Three month period ended		Six month period ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Rupees in thousand)			
Holding Company				
Sale of store items	13,006	14,333	21,125	18,717
Advance against purchase of building	-	250,000	-	250,000
Sale of bagasse	2,428	-	2,428	4,965
Purchase of store items	2,546	31,164	2,546	31,164
Expenses paid by Holding Company	2,779	714	3,671	1,266
Expenses paid on behalf of Holding Company	44,805	28,591	81,687	40,990
Rent expense	-	5,445	-	10,890
Rent income	29	29	58	58
Dividend paid	-	68,755	-	68,755
Advance paid against purchase of molasses	116,900	-	116,900	-
Associated undertakings				
Services	9,170	7,644	18,333	15,283
Expenses paid by associated companies	-	1,350	404	1,350
Purchase of goods	131,231	121,646	256,941	167,195
Dividend paid	-	26,877	-	26,877
Mark-up charged	9,577	6,936	18,758	12,798
Post employment benefit				
Expense charged in respect of retirement benefit plan	8,065	5,470	15,586	10,218
Key management personnel / Directors				
Salaries and other benefits	43,031	39,103	90,514	76,476
Dividend paid	-	19,103	-	19,103
Advance against sale of floor area - building	-	-	-	100,000

25. Fair value of financial assets and liabilities

The carrying value of financial assets and liabilities reflected in financial statements approximate their respective fair value.

Fair value hierarchy

Certain property, plant and equipment of the Group was valued by independent valuer to determine the fair value of property, plant and equipment as at September 30, 2022. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of property, plant and equipment'. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Level 2 fair value of certain property, plant and equipment has been derived using the comparison approach. Sales prices of comparable property, plant and equipment in identical circumstances or close proximity are adjusted for differences in key attributes such as property size, structure, location, capacity etc. The most significant inputs into this valuation approach are price per marla, price per square feet, depreciated replacement cost etc.

26. General

26.1 Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation and comparison; however, no material re-arrangements / re-classifications have been made in this condensed interim financial information.

26.2 Figures in these condensed interim consolidated financial statements have been rounded-off to the nearest thousand Rupees.

27. Date of authorisation for issue

These condensed interim consolidated financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on May 26, 2023.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR