

ADAM SUGAR MILLS LIMITED



QUARTERLY REPORT

**FOR THE FIRST QUARTER ENDED
31 December, 2023
(UN-AUDITED)**



ADAM SUGAR MILLS LIMITED

**IN THE NAME OF ALLAH
THE BENEFICENT, THE MERCIFUL**

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ADAM SUGAR MILLS LIMITED

VISION

To be the leader in sugar industry by building the company's image through quality improvement, competitive prices and meeting social obligations.

MISSION

- Endeavour to be the market leader by offering high quality sugar to our customers at competitive prices.
- To continue improving operating performance and profitability thereby ensuring growth for the company while serving best interest of shareholders.

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. JAWAID AHMED - CHAIRMAN
MR. GHULAM AHMED ADAM - CHIEF EXECUTIVE
MR. JUNAID G. ADAM
MR. OMAR G. ADAM
MRS. NABIAH OMAR ADAM
MRS. HUMERA DIWAN
MS. SARAH ADAM

AUDIT COMMITTEE

CHAIRPERSON MEMBER MEMBER

MRS. HUMERA DIWAN
MR. JUNAID G. ADAM
MS. SARAH ADAM

HUMAN RESOURCES AND REMUNERATION COMMITTEE

CHAIRPERSON MEMBER MEMBER

MRS. NABIAH OMAR ADAM
MR. JUNAID G. ADAM
MR. OMAR G. ADAM

CORPORATE SECRETARY

QAMAR RAFI KHAN

CHIEF FINANCIAL OFFICER

FAISAL HABIB

HEAD OF INTERNAL AUDIT

NOMAN IQBAL

REGISTERED OFFICE

HAJI ADAM CHAMBERS, ALTAH HUSSAIN ROAD,
NEW CHALLI, KARACHI-2
TEL NO. 32417812 & 32401139-43
WEBSITE: www.adam.com.pk/adamsugar.html

FACTORY

CHAK NO. 4, FORDWAH, CHISHTIAN DISTRICT
BAHAWALNAGAR

STATUTORY AUDITORS

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
CHARTERED ACCOUNTANTS

COST AUDITOR

A.D. AKHAWALA & CO.
CHARTERED ACCOUNTANTS

SHARE REGISTRARS

C & K MANAGEMENT ASSOCIATES (PVT) LTD
4TH FLOOR, 404 TRADE TOWER, ABDULLAH HAROON
ROAD, KARACHI
TEL NO. 35685930
FAX NO. 35687839



ADAM SUGAR MILLS LIMITED

IN THE NAME OF ALLAH THE BENEFICIENT, THE MERCIFUL

DIRECTORS' REVIEW

On behalf of the Board of Directors, I am pleased to present you the Un-Audited Financial Statements of the Company for the first quarter ending December 31, 2023.

<u>OPERATING RESULTS</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cane crushed - Metric Tons	212,881	175,099
Average Recovery	9.67%	9.36%
Sugar Produced - Metric Tons	19,920	15,324
Commenced Crushing on	25-11-2023	27-11-2022
No. of season days	37	35

The minimum support price of sugarcane has been increased by the Punjab Government from Rs. 300 to Rs. 400 per 40 kgs. The current average sugarcane cost will be much higher than the indicative support price of Rs. 400 per 40 kgs due to inflationary trends affecting other purchase incidentals.

Future Outlook

We are anticipating good results due to a better sugar recovery rate. According to reports, sugar sowing was lower than last year; however, lower acreage is supplemented by a better yield of sugarcane per acre.

As reported in our September 2023 annual report, there is overall uncertainty on the political front in the country due to general elections, affecting the business environment. This is further disturbed by international crisis situations like the war in Gaza/Ukraine. Additionally, rising overheads and increased funding costs have already elevated the cost of doing business. There is also an IMF demand to increase the State Bank of Pakistan's policy rate and imposition of excise duty on sugar production. If implemented, these measures will increase product prices and affect the already overburdened common man.

Your directors appreciate the spirit of cooperation shown by the officers, staff, and workers, and we hope that their dedication will continue in the future.

On behalf of the Board of Directors

(GHULAM AHMED ADAM)
(CHIEF EXECUTIVE)

(JUNAID G. ADAM)
(DIRECTOR)

Karachi: January 29, 2024



ADAM SUGAR MILLS LIMITED

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

		December 31, 2023	September 30, 2023
	Note	Rupees	
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,479,689,837	6,532,712,172
Long term advances		-	1,503,424
Long term deposits		<u>47,065,549</u>	<u>4,306,481</u>
		<u>6,526,755,386</u>	<u>6,538,522,077</u>
Current assets			
Stores and spares		220,637,180	199,341,127
Stock in trade	5	3,001,378,301	1,827,839,307
Short term investments		25,204,970	25,204,970
Trade debts - unsecured	6	255,265,573	98,357,818
Short term deposits, loans, advances and prepayments	7	74,395,059	75,388,674
Others receivables		11,456,837	11,456,837
Cash and bank balances	8	558,943,844	35,231,198
		<u>4,147,281,765</u>	<u>2,272,819,931</u>
Total assets		<u>10,674,037,151</u>	<u>8,811,342,008</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized Capital</i>		<u>250,000,000</u>	<u>250,000,000</u>
Issued, subscribed and paid-up capital		172,909,620	172,909,620
<i>Capital reserves:</i>			
Surplus on revaluation of property, plant and equipment- net		3,961,895,666	3,972,855,205
Share premium		172,909,620	172,909,620
Capital contribution from director		18,601,691	18,601,691
		<u>4,153,406,977</u>	<u>4,164,366,516</u>
<i>Revenue reserves:</i>			
General reserve		200,000,000	200,000,000
Unappropriated profits		1,131,518,031	946,325,477
		<u>1,331,518,031</u>	<u>1,146,325,477</u>
Total equity		<u>5,657,834,628</u>	<u>5,483,601,613</u>
Non-current liabilities			
Subordinated loan from Chief Executive	9	20,951,705	20,411,807
Long term financing	10	291,191,038	312,254,709
Deferred liabilities		955,157,550	958,788,704
Provident fund payable		4,389,482	4,267,808
		<u>1,271,689,775</u>	<u>1,295,723,028</u>
Current liabilities			
Short term borrowings	11	2,281,325,682	664,802,282
Trade and other payables		1,159,050,785	1,090,915,331
Accrued markup		21,875,714	78,451,764
Current maturity of long term financing		108,611,972	96,771,337
Current maturity of deferred income - Government grant		2,571,285	2,110,493
Dividend		66,769,494	6,251,126
Taxation-net		104,307,818	92,715,034
		<u>3,744,512,749</u>	<u>2,032,017,367</u>
Contingencies and commitments	12	-	-
Total equity and liabilities		<u>10,674,037,151</u>	<u>8,811,342,008</u>

The annexed notes from 1 to 16 forms an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


JUNAID G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

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

		December 31, 2023	December 31, 2022
	Note	Rupees	
Sales revenue - net	13	1,801,716,579	900,731,372
Cost of sales		<u>(1,304,189,891)</u>	<u>(847,392,724)</u>
Gross profit		497,526,688	53,338,648
Administrative expenses		<u>(50,087,135)</u>	<u>(54,240,529)</u>
Selling and distribution costs		<u>(1,799,988)</u>	<u>(1,267,095)</u>
		<u>(51,887,123)</u>	<u>(55,507,624)</u>
Operating profit		445,639,565	(2,168,976)
Finance costs		<u>(41,702,897)</u>	(25,401,343)
Other income		3,479,123	4,862,056
Other operating expenses		<u>(28,111,690)</u>	-
		<u>(66,335,464)</u>	<u>(20,539,287)</u>
(Loss) / Profit before taxation		379,304,101	(22,708,263)
Taxation - current		(144,552,719)	(11,259,142)
(Loss) / Profit after taxation		<u>234,751,382</u>	<u>(33,967,405)</u>
Earnings per share- basic and diluted		<u>13.58</u>	<u>(1.96)</u>

The annexed notes from 1 to 16 forms an integral part of these financial statements.

GHULAM AHMED ADAM
Chief Executive

JUNAID G. ADAM
Director

FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

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

	December 31, 2023	December 31, 2022
	Rupees	
(Loss) / Profit after taxation	234,751,382	(33,967,405)
Other comprehensive (loss) / income for the year		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain / (Loss) on remeasurement of defined benefit obligation	-	-
Deferred tax on above	-	-
Total comprehensive (loss) / income for the year	234,751,382	(33,967,405)

The annexed notes from 1 to 16 forms an integral part of these financial statements.

GHULAM AHMED ADAM
Chief Executive

JUNAID G. ADAM
Director

FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

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

		December 31, 2023	December 31, 2022
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Profit before taxation		379,304,101	(22,708,263)
<i>Adjustments for non cash and other items:</i>			
- Depreciation on property, plant and equipment	4.1	70,321,864	54,711,912
- Provision for gratuity		493,881	541,841
- Finance cost		41,702,897	25,401,343
- Provision for Workers' Profit Participation Fund		20,370,790	-
- Provision for Workers' Welfare Fund		7,740,900	-
- Provision for provident fund		60,837	108,519
		<u>140,691,168</u>	<u>80,763,615</u>
Cash generated from operating activities before working capital changes		519,995,269	58,055,352
Working capital changes:			
<i>Decrease / (increase) in current assets</i>			
- Stores and spares		(21,296,053)	(32,191,292)
- Stock in trade		(1,173,538,994)	(674,295,150)
- Trade debts		(156,907,755)	(295,977,381)
- Short term deposits, loans, advances and prepayments		993,615	17,109,595
- Other receivables - considered good		-	-
Increase / (decrease) in current liabilities			
- Trade and other payables		40,023,764	688,742,680
		<u>(1,310,725,423)</u>	<u>(296,611,548)</u>
Cash (used) / generated from operations		(790,730,154)	(238,556,196)
- Financial costs paid		(98,278,947)	(43,256,612)
- Payment to Provident fund		(481,692)	(97,714)
- Gratuity paid		(2,047,631)	-
- Taxes paid		(132,959,936)	(38,744,610)
		<u>(233,768,206)</u>	<u>(82,098,936)</u>
Net cash (used) / generated from operating activities		(1,024,498,360)	(320,655,132)
CASH FLOWS FROM INVESTING ACTIVITIES			
- Fixed Capital Expenditure		(17,299,529)	(76,245,629)
- Long term deposits/advances paid/transferred		(41,255,644)	38,093,963
- Short term investments		-	(100,000,000)
Net cash used in investing activities		(58,555,173)	(138,151,666)
CASH FLOWS FROM FINANCING ACTIVITIES			
- Dividend paid		-	(38,250)
- Long term loan obtained		-	295,624,000
- Long term loan repaid		(9,757,221)	(39,097,222)
Net cash generated from financing activities		(9,757,220)	256,488,528
Net (decrease) / increase in cash and cash equivalents		(1,092,810,753)	(202,318,270)
Cash and cash equivalents at the beginning of the period		(629,571,084)	(898,426,889)
Cash and cash equivalents at the end of the period		(1,722,381,837)	(1,100,745,159)

The annexed notes from 1 to 16 forms an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


JUNAID G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

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

	Capital reserves				Revenue reserves		Total
	Issued, subscribed and paid up capital	Surplus on revaluation of property, plant and equipment	Share premium	Capital contribution from Director	General reserve	Unappropriated profits / (losses)	
Balance as at September 30, 2021 (As restated)	172,909,620	2,738,425,918	172,909,620	18,601,691	200,000,000	565,134,776	3,867,981,625
<i>Total comprehensive income for the year ended September 30, 2021</i>	-	-	-	-	-	158,390,368	158,390,368
- Profit after tax	-	21,426,365	-	-	-	1,711,387	23,137,752
- Other comprehensive income	-	21,426,365	-	-	-	160,101,755	181,528,120
Transfer to unappropriated profits on account of incremental depreciation - net of deferred tax	-	(98,121,289)	-	-	-	98,121,289	-
<i>Transaction with owners</i>							
Final Cash dividend @ 20% for the year ended September 30, 2021	-	-	-	-	-	(34,581,924)	(34,581,924)
Balance as at September 30, 2022 (As restated)	172,909,620	2,661,730,994	172,909,620	18,601,691	200,000,000	788,775,896	4,014,927,821
<i>Total comprehensive income for the year ended September 30, 2023</i>	-	1,436,597,905	-	-	-	101,323,710	101,323,710
- Profit after tax	-	1,436,597,905	-	-	-	(83,975)	1,436,513,930
- Other comprehensive income	-	-	-	-	-	101,239,735	1,537,837,640
Transfer to unappropriated profits on account of incremental depreciation - net of deferred tax	-	(125,473,694)	-	-	-	125,473,694	-
<i>Transaction with owners</i>							
Final Cash dividend @ 25% for the year ended September 30, 2022	-	-	-	-	-	(43,227,405)	(43,227,405)
Interim Cash dividend @ 15% for the quarter ended June 30, 2023	-	-	-	-	-	(25,936,443)	(25,936,443)
	-	-	-	-	-	(69,163,848)	(69,163,848)
Balance as at September 30, 2023	172,909,620	3,972,855,205	172,909,620	18,601,691	200,000,000	946,325,477	5,483,601,613
<i>Total comprehensive income for the period ended December 31, 2023</i>	-	-	-	-	-	234,751,382	234,751,382
- Profit after tax	-	-	-	-	-	-	-
- Other comprehensive incomeloss	-	-	-	-	-	234,751,382	234,751,382
Transfer to unappropriated profits on account of incremental depreciation	-	(10,959,539)	-	-	-	10,959,539	-
<i>Transaction with owners</i>							
Final Cash dividend @ 35% for the year ended September 30, 2023	-	-	-	-	-	(60,518,367)	(60,518,367)
Balance as at December 31, 2023	172,909,620	3,961,895,666	172,909,620	18,601,691	200,000,000	1,131,518,031	5,657,834,628

The annexed notes from 1 to 16 forms an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


JUNAID G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2023

1. STATUS AND NATURE OF BUSINESS

Adam Sugar Mills Limited ('the Company') was incorporated in Pakistan on October 19, 1965 in the name of Bahawalnagar Sugar Mills Limited as a public limited company under the provisions of the Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984, and subsequently, the Companies Act, 2017, promulgated in May 2017). In 1985, the name of the Company was changed to Adam Sugar Mills Limited. The shares of the Company are quoted on Pakistan Stock Exchange ("the Exchange"). The Company is principally engaged in the manufacturing and sale of white sugar.

The geographical location and address of the Company's business units, including plant, are as under:

Head office: The Company's registered office is situated at first floor, Haji Adam Chambers, Altaf Hussain Road, New Challi, Karachi.

Mill: The Company's plant is located at Chak #4, Fordwah, Chishtian, District Bahawalnagar, Punjab.

2. BASIS OF PREPARATION

2.1 Statement of compliance with the applicable accounting and reporting standards

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of, and directives issued under, the Companies Act, 2017.

Where the provisions of, and directives issued under, the Companies Act, 2017 differ from the IFRS, the provision of, and directive issued under, the Companies Act, 2017 have been followed.

2.2 Basis of measurement of items in these financial statements

Items included in these financial statements have been measured at their historical cost except for freehold land, factory building, non-factory building and plant and machinery which are carried at revalued amounts less accumulated depreciation charged thereon.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.



ADAM SUGAR MILLS LIMITED

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Area of judgement	Brief description of the judgement applied
Property, plant and equipment	Whether the consumption of future economic benefits embodied in the Company's fixed assets is reduced over time and accordingly, whether it is appropriate to use 'diminishing method' as the depreciation method.
Timing of revenue recognition	<p>Local sales revenue Whether control of the promised goods is transferred to the customer when the goods are dispatched from the Company's premises</p> <p>Export sales revenue Whether control of the promised goods is transferred to the customer when the goods are loaded onto the shipping vessel and, as an acknowledgement thereof, a bill of lading is issued by the shipping company.</p>

(b) Assumptions and other major sources of estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Property, plant and equipment	<ul style="list-style-type: none"> - Estimation of useful lives and residual values of the operating fixed assets. - Estimation of revalued amounts of free hold land, factory building, non-factory building, plant and machinery.
Deferred taxation	Recognition of deferred tax asset on unused tax losses and unused tax credits - availability of future taxable profits against which deductible temporary differences and unused tax losses and unused tax credits can be utilised.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these interim condensed financial statements are those applied in the preparation of the financial statements for the year ended September 30, 2023.

		Dec 31, 2023	Sep 30, 2023
		Un-Audited	Audited
	Note	Rupees	Rupees
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	6,479,689,837	6,532,712,172
		<u>6,479,689,837</u>	<u>6,532,712,172</u>



ADAM SUGAR MILLS LIMITED

	Dec 31, 2023	Sep 30, 2023
	Un-Audited	Audited
	Rupees	
4.1 Operating fixed assets		
Opening written down value	6,532,712,172	4,825,029,489
Addition to fixed assets - tangible	4.2 17,299,529	333,999,084
Effect of Revaluation - Cost	-	50,947,009
Depreciation charged	(70,321,864)	(272,798,044)
Disposal of fixed assets	-	(152,736)
Effect of Revaluation - Depreciation	-	1,595,687,370
	<u>6,479,689,837</u>	<u>6,532,712,172</u>
4.2 Additions to fixed assets - tangible		
Factory buildings on freehold land	380,642	15,578,006
Plant and machinery	14,812,587	284,847,833
Vehicles	-	1,939,627
Computer and other equipments	1,063,000	1,788,658
Furniture and fixtures	-	2,558,434
Water connections and electrical installations	539,000	25,409,477
Tools and other equipments	504,300	1,877,049
	<u>17,299,529</u>	<u>333,999,084</u>
5 STOCK IN TRADE		
Work-in-process	67,947,441	4,427,369
Finished goods- Sugar	2,562,002,750	1,741,362,883
Finished goods- Molasses	371,428,110	82,049,055
	<u>2,933,430,860</u>	<u>1,823,411,938</u>
	<u>3,001,378,301</u>	<u>1,827,839,307</u>
6 TRADE DEBTS - unsecured, considered good		
Receivable against sales of sugar	<u>255,265,573</u>	<u>98,357,818</u>
7 SHORT TERM LOANS AND ADVANCES		
Loans to staff	2,843,079	2,761,121
Advances:		
- to growers	9,082,813	16,897,081
- to contractors	275,785	291,295
- to suppliers	47,795,661	45,404,255
- against expenses	201,525	23,549
- others	9,658,236	9,658,236
	<u>67,014,020</u>	<u>72,274,416</u>
Prepayments	4,537,960	353,137
	<u>74,395,059</u>	<u>75,388,674</u>
8 CASH AND BANK BALANCES		
Cash in hand	4,071,240	-
Cash at bank		
- Current accounts	542,828,675	34,699,552
- Deposit accounts	12,043,930	531,646
	<u>554,872,604</u>	<u>35,231,198</u>
	<u>558,943,844</u>	<u>35,231,198</u>



ADAM SUGAR MILLS LIMITED

9	SUBORDINATED LOAN FROM THE CHIEF EXECUTIVE- unsecured	Dec 31, 2023	Sep 30, 2023
		Un-Audited	Audited
		Rupees	
	Outstanding amount of the loan (on undiscounted basis)	24,959,713	24,959,713
	Outstanding amount of the loan (on discounted basis):		
	Balance as at the beginning of the year	20,411,807	18,458,845
	Add: Interest on unwinding of the loan during the period	539,898	1,952,962
		20,951,705	20,411,807

As of September 30, 2020, the outstanding carrying amount of the loan was fully amortized to its nominal value (i.e. Rs. 24.96 million). However, the terms of the loan were renegotiated with the Chief Executive of the Company whereby the contractual maturity of the loan was extended for a further period of five (05) years ending on September 30, 2025. Accordingly, in view thereof, the nominal value of the loan was, again, discounted to its present value, as of September 30, 2020, determined using the discount rate of 10.58% (computed as 1-year KIBOR + 3% credit spread).

10	LONG TERM FINANCE - secured	Dec 31, 2023	Sep 30, 2023
		Un-Audited	Audited
		Rupees	
	From conventional banking companies		
	Habib Bank Limited	370,624,000	378,124,000
	From Islamic banking companies		
	Dubai Islamic Bank Pakistan Limited - SBP Solar Financing	29,179,010	30,902,046
		399,803,010	409,026,046
	Current maturity shown under current liabilities	(108,611,972)	(96,771,337)
		291,191,038	312,254,709
	11 SHORT TERM BORROWINGS		
	Unsecured - interest free		
	- from Chief Executive	32,164,394	32,164,394
	- from Adam Lubricants Limited (a related concern)	880,000,000	165,000,000
		912,164,394	197,164,394
	Secured		
	- from Conventional banking companies		
	- JS Bank Limited	98,296,586	98,337,888
	- Habib Bank Limited	436,446,875	-
		534,743,461	98,337,888
	- from Islamic banking companies		
	- AlBaraka Bank Limited	-	269,300,000
	- Askari Bank Limited	395,608,850	100,000,000
	- Meezan Bank Limited	359,395,793	-
	- Dubai Islamic Bank Pakistan Limited	79,413,184	-
		834,417,827	369,300,000
		2,281,325,682	664,802,282

11.1 The short term credit facilities availed from banking companies comprise of Conventional Financing and Islamic Financing. These finances are secured against pledge of white refined sugar and personal guarantee of Chief Executive of the Company. Markup charging rate for Conventional Financing ranges from relevant KIBOR + 1.25% to relevant KIBOR + 3.0% and for Islamic Financing markup rate ranges from relevant KIBOR + 1.50% to relevant KIBOR + 2.25%.



ADAM SUGAR MILLS LIMITED

12 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments as reported in the audited financial statements for the year ended September 30, 2023.

13 SALES REVENUE - net	Dec 31, 2023	Dec 31, 2022
	Un-Audited	Un-Audited
	Rupees	
Local		
Sale of Sugar	1,783,387,049	900,731,372
Sale of Molasses	17,010,023	-
Sale of Others	1,319,507	-
	-	-
	1,801,716,579	900,731,372
Export		
Sale of Sugar	-	-
	1,801,716,579	900,731,372

14 TRANSACTION WITH RELATED PARTIES

The related parties comprise associated undertakings, related group companies, local associates, directors and key management personnel. Transaction with related parties are carried out on arm's length basis.

Transactions with associated undertakings and related parties and other key management personnel under the term of their employment are as follows: -

Adam Lubricants Limited	Dec 31, 2023	Sep 30, 2023
	Un-Audited	Audited
	Rupees	
Transactions during the period		
Purchases made during the period	3,724,841	18,923,044
Payments made during the period	-	18,566,914
Short term loan received during the period	715,000,000	360,000,000
Short term loan repaid during the period	-	697,500,000
Balances at the end of the period		
Payable against purchase	4,081,272	356,431
Short term loan payable	880,000,000	165,000,000
Chief Executive		
Balances at the end of the period		
Short term loan	32,164,394	32,164,394
Subordinated loan (On undiscounted basis)	24,959,713	24,959,713

15 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on January 29, 2024 by the Board of Directors of the Company.

16 GENERAL

Figures have been rounded off to the nearest rupees.

GHULAM AHMED ADAM
Chief Executive

JUNAID G. ADAM
Director

FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED