

Limitless Potential



HALF YEARLY ACCOUNTS
[Unaudited] March 31, 2024



Mirpurkhas
Sugar Mills
Limited

A Ghulam Faruque Group Company

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Company Information

Board of Directors

Mr. Arif Faruque	Chairman
Mr. Aslam Faruque	Chief Executive
Mr. Amer Faruque	Director
Ms. Farzana Faruque	Director
Mr. Wasif Khalid	Director
Mr. Hasan Reza Ur Rahim	Director
Mr. Abdul Shakoor Shaikh	Director

Audit Committee

Mr. Hasan Reza Ur Rahim	Chairman
Mr. Arif Faruque	Member
Mr. Amer Faruque	Member

Human Resource and Remuneration Committee

Mr. Abdul Shakoor Shaikh	Chairman
Mr. Aslam Faruque	Member
Ms. Farzana Faruque	Member

Chief Operating Officer & Chief Financial Officer

Mr. Wasif Khalid

Company Secretary

Mr. Muhammad Junaid

Head of Internal Audit

Mr. Aamir Saleem

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 - B, Block - B, S.M.C.H.S.
Main Shahrah-e-Faisal Karachi – 74400
Tel: 0800-23275 UAN: 111-111-500
Email: info@cdcsrsl.com

Bankers (Islamic)

Askari Bank Ltd.
Al Baraka Bank (Pakistan) Ltd.
Bank Alfalah Ltd.
Bank Islami Pakistan Ltd.
Dubai Islamic Bank Pakistan Ltd.
Faysal Bank Ltd.
Meezan Bank Ltd.
MCB Islamic Bank Ltd.

Credit Rating

Long-term rating: A-
Short-term rating: A2
by The Pakistan Credit Rating Agency Limited (PACRA)

Bankers (Conventional)

Allied Bank Ltd.
Bank Al Habib Ltd.
Bank Alfalah Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
MCB Bank Ltd.
National Bank of Pakistan
Samba Bank Ltd.
Soneri Bank Ltd.
United Bank Ltd.
The Bank of Punjab

Registered Office / Factory

Sub Post Office Sugar Mill
Jamrao, Umerkot Road
Mirpurkhas, Sindh

Head Office

Modern Motors House
Beaumont Road
Karachi-75530 Pakistan
UAN: +92 - 21-111- 354 -111
Fax: + 92 - 21- 35688036
Web: www.gfg.com.pk/msm/

External Auditors

Kreston Hyder Bhimji & Co.
Chartered Accountants

Cost Auditors

UHY Hassan Naeem & Co.
Chartered Accountants

Legal Advisor

K.M.S. Law Associates

Directors' Review

The Board of Directors presents the un-audited financial results of the Company, as reviewed by the auditors, for the half year ended March 31, 2024.

Sugar Division

The crushing season 2023/24 started on November 15, 2023, and the plant operated for 97 days compared to 87 days the previous year. This resulted in the factory being able to crush 616,103 metric tons of sugarcane to produce 66,100 metric tons of sugar as compared to 562,641 metric tons of sugarcane to produce 59,325 metric tons of sugar during the corresponding period last year. The plant operated efficiently throughout the crushing season. The crushing season started early as most of the area mills started their crushing anticipating a larger crop and better recoveries. The sucrose recovery improved to 10.73% compared to 10.55% the last season. The Company also produced 30,110 metric tons of molasses during the period under review, compared to 28,772 metric tons produced during the corresponding period last year. The Government of Sindh increased the minimum support price of sugarcane from Rs. 302 per maund to Rs. 425 per maund this year, an exorbitant increase of approx. 41% over the sugarcane price last year.

During the period under review, the Company sold 37,949 metric tons of sugar compared to 26,082 metric tons during the corresponding period last year. During the season, as it became clear that there is no shortage of sugar, prices reduced significantly. During the season 2023/24, total sugar produced in Sindh rose to 2.022 million metric tons compared to 1.740 million metric tons, an increase of 16.2% over the last year. National sugar production for the crushing season 2023/24 stood at 6.77 million tons (2022/23: 6.50 million tons).

Paper Division

The plant produced 14,431 tons of paper with sales of 13,879 tons for the half year ended March 31, 2024. It is operating efficiently and meeting all the operational parameters required and fulfilling the production requirements for all customers orders. The management continues maximum efforts to increase the revenue and customer base in a highly competitive market. A constant rise in local and international prices for one of the main inputs, old corrugated cartons, is negatively impacting costs. which are further compounded by higher interest rates and extension of credit to customers. Due to continuing high inflation and challenging economic conditions, consumer spending remains on a downward trend, directly impacting all FMCG businesses, and leading to a reduced demand of packaging and corrugated products.

Financial Performance

The Company has made a pre-tax loss of Rs. 555.663 million (Profit March 31, 2023 : Rs. 825.812 million). The financial results of the Company for the half year ended March 31, 2024 are summarized as follows:

Financial Results:

	March 2024	March 2023
	(Rupees in million)	
Net Sales	6,068.01	2,213.73
Cost of Sales	(5,473.29)	(2,008.62)
Gross Profit	594.72	205.11
Other Income	31.04	470.42
Share of profit in associate	0.47	768.72
Other expenses & taxes	(1,068.55)	(810.93)
Net (Loss) / Profit	(442.32)	633.32

During the quarter under review, other income of the Company decreased to Rs. 31.04 million, comprised of dividend income, compared to Rs. 470.42 million in the corresponding period which was mainly due to the gain on disposal of a non-current real estate asset held for sale. Furthermore, finance costs significantly increased by 144% to Rs. 889 million (2023: Rs. 365 million), primarily due to significantly higher discount rates and higher working capital requirements for sugar and paper due to increase in prices of sugarcane and old corrugated cartons, which are the main raw materials. The Company accounted for its one-third share of profit in Unicol Limited amounting to Rs. 0.47 million (2023: Rs. 768 million) and adjusted its investment in the associate by the same amount. The major decline in Unicol's profitability is due to dollar devaluation, reduction in ethanol prices, higher cost of raw material and higher borrowing cost.

Future Outlook

The Company's operating environment will likely remain challenging in light of the difficult economic conditions, including low forex reserves that continue to put pressure on the economy. Looking forward, the country's economic situation is expected to largely depend on the relationship with the IMF and the question of political stability. Continued adherence to the IMF program remains critical to ensure the continuity of the current stabilizing momentum. Consequently, the Company continues to focus on plans that reduce the negative impact of high interest rates, low economic growth and devaluation, and maximize shareholders value by spreading borrowings amongst different banks, reducing inventory and aggressively managing trade debts, amongst other measures. Also, the industry is urging the government to allow the export of surplus sugar to enable the country to earn foreign exchange and allow the sugar mills to be compensated for the high cost of production, mainly due to the high cost of sugarcane.

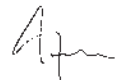
Acknowledgment

The management of the Company would like to thank all its stakeholders, especially its customers and shareholders, for their continued confidence in the Company, its staff for their hard work and loyalty and the financial institutions for their ongoing support.

On behalf of the Board of Directors



Arif Faruque
Chairman



Aslam Faruque
Chief Executive

Karachi, May 23, 2024

Auditor’s Report to The Members on Review of Condensed Interim Financial Statements

Introduction:

We have reviewed the accompanying condensed interim statement of financial position of **MIRPURKHAS SUGAR MILLS LIMITED** (“the Company”) as at March 31, 2024, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the financial statements for the half year ended (here-in-after referred to as the “condensed interim financial statements”). Management is responsible for the preparation and presentation of these condensed 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 condensed 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 quarters ended March 31, 2024 and March 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended March 31, 2024.

Scope of Review:

We conducted our review in accordance with the International Standard on Review engagements 2410, “Review of condensed Interim financial information Performed by the Independent Auditor of the Entity”. A review of condensed 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 condensed 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 of the review resulting in this independent auditor’s report is Muhammad Hanif Razzak.



KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Karachi: the May 23, 2024
UDIN: RR20241022zq1YCigyr

Condensed Interim Statement of Financial Position

As at March 31, 2024

	Note	March 31, 2024 (Unaudited)	September 30 2023 (Audited)
(Rupees '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	6,751,182	6,846,091
Long-term investments		2,486,240	2,362,945
Long-term loans and deposits		5,623	27,654
Deferred tax asset-net		209,515	-
		9,452,560	9,236,690
CURRENT ASSETS			
Stores, spare parts and loose tools		950,104	739,189
Stock-in-trade		5,505,129	2,407,741
Trade debts		893,307	667,539
Loans and advances		351,590	219,379
Trade deposits and short-term prepayments		65,736	50,383
Other receivables		262,426	282,317
Short-term investments		39,516	31,254
Tax refunds due from the Government		185,580	154,574
Cash and bank balances	7	239,228	34,879
		8,492,616	4,587,255
TOTAL ASSETS		<u>17,945,176</u>	<u>13,823,945</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	8	465,579	465,579
Reserves		2,670,436	2,964,938
Advance against issue of right shares		211,781	-
Surplus on revaluation of property, plant & equipment		661,496	661,496
		4,009,292	4,092,013
NON-CURRENT LIABILITIES			
Long-term financing		2,626,294	2,183,659
Long-term lease liabilities		10,514	11,845
Deferred liabilities		634,456	618,976
Government grant		211,257	246,622
		3,482,521	3,061,102
CURRENT LIABILITIES			
Trade and other payables		1,831,843	969,935
Accrued mark-up		543,462	381,562
Short-term borrowings		7,548,864	4,772,246
Current portion of long-term financing		445,048	458,964
Current portion of long-term lease liabilities		9,120	11,941
Current portion of government grant		67,309	68,429
Unclaimed dividend		7,717	7,753
		10,453,363	6,670,830
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		<u>17,945,176</u>	<u>13,823,945</u>

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


Aslam Faruque
 Chief Executive


Abdul Shakoor Shaikh
 Director


Wasif Khalid
 Director & Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Unaudited)

For The Half Year Ended March 31, 2024

Note	Half year ended		Quarter ended		
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
	(Rupees '000)				
Turnover - net	6,068,004	2,213,730	3,272,893	1,354,770	
Cost of sales	(5,473,289)	(2,008,622)	(3,093,731)	(1,213,844)	
Gross profit	594,715	205,108	179,162	140,926	
Distribution cost	(142,049)	(39,004)	(54,293)	(28,733)	
Administrative expenses	(148,403)	(131,464)	(65,122)	(72,374)	
Other operating expenses	(2,430)	(82,949)	(1,871)	(39,583)	
	(292,882)	(253,417)	(121,286)	(140,690)	
Other income	31,043	470,424	13,737	7,561	
Operating profit	332,876	422,115	71,613	7,797	
Finance cost	(889,010)	(365,026)	(526,986)	(240,652)	
	(556,134)	57,089	(455,373)	(232,855)	
Share of profit / (loss) in associates - net	471	768,723	(10,302)	418,646	
(Loss) / Profit before taxation	(555,663)	825,812	(465,675)	185,791	
Taxation	113,337	(192,489)	155,610	(176,377)	
(Loss) / Profit after taxation	(442,326)	633,323	(310,065)	9,414	
		(Re-stated)		(Re-stated)	
(Loss) / Earnings per share - basic & diluted (Rupees)	11	(9.50)	13.60	(6.66)	0.20

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


Aslam Faruque
 Chief Executive


Abdul Shakoore Shaikh
 Director


Wasif Khalid
 Director & Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Unaudited)

For The Half Year Ended March 31, 2024

	Half year ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rupees '000)			
(Loss) / Profit after taxation	(442,326)	633,323	(310,065)	9,414
Other Comprehensive income				
Items that will not be subsequently reclassified to statement of profit or loss:				
Unrealised gain / (loss) on remeasurement of equity investment at fair value through other comprehensive income	147,824	(37,656)	(2,269)	(7,456)
Total comprehensive (Loss) / Income	<u>(294,502)</u>	<u>595,667</u>	<u>(312,334)</u>	<u>1,958</u>

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



Aslam Faruque
Chief Executive



Abdul Shakoore Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer

Condensed Interim Statement of Cash Flows (Unaudited)

For The Half Year Ended March 31, 2024

	March 31, 2024	March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
	(Rupees '000)	
(Loss) / Profit before taxation	(555,663)	825,812
Adjustments for :		
Depreciation	186,933	65,914
Depreciation on right-of-use asset	4,027	4,027
Provision for market committee fee	6,203	5,639
Accrued profit term deposit	(1,667)	(391)
Dividend income from related parties	(19,676)	(11,408)
Share of profit in associates	(471)	(768,723)
(Loss) / Gain on disposal of property, plant and equipment		
equipment / non-current asset held for sale	132	(451,788)
Provision of deferred liabilities-net	9,276	-
Finance cost on lease liabilities	1,779	2,234
Finance cost	887,231	362,792
	<u>1,073,767</u>	<u>(791,704)</u>
	518,104	34,108
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(210,915)	(320,216)
Stock-in-trade	(3,097,388)	(3,323,933)
Biological assets	-	4,140
Trade debts	(225,768)	(344,603)
Loans and advances	(132,211)	(759,955)
Trade deposits and Short-term prepayments	(15,353)	(9,086)
Other receivables	19,891	1,821
	<u>(3,661,744)</u>	<u>(4,751,832)</u>
Increase in current liabilities:		
Trade and other payables	861,908	1,547,109
Cash used in operations	<u>(2,281,732)</u>	<u>(3,170,615)</u>
Long-term loans and deposits-net	22,031	2,400
Income tax paid	(127,184)	(87,839)
	<u>(105,153)</u>	<u>(85,439)</u>
Net cash used in operating activities	<u>(2,386,885)</u>	<u>(3,256,054)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(96,684)	(953,659)
Sale proceeds of property, plant and equipment	501	7,099
Investment in Term deposit receipt	(10,000)	(18,500)
Redemption on investment in term deposit receipt	-	1,500
Profit realised on term deposits	3,405	152
Dividend received from an associate	25,000	175,000
Dividend received from related parties	19,676	11,408
Net cash used in investing activities	<u>(58,102)</u>	<u>(777,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost paid	(725,331)	(334,219)
Short-term borrowings-net	2,776,618	4,197,702
Long-term financing-net	392,235	185,872
Payment of lease liability-net	(5,931)	(3,206)
Advance against right shares issue	211,781	-
Payment of dividend	(36)	(36)
Net cash generated from financing activities	<u>2,649,336</u>	<u>4,046,113</u>
Net increase in cash and cash equivalents	204,349	13,059
Cash and cash equivalents at the beginning of the period	34,879	19,570
Cash and cash equivalents at the end of the period	<u>239,228</u>	<u>32,629</u>

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


Aslam Faruque
Chief Executive


Abdul Shakoor Shaikh
Director

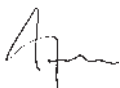

Wasif Khalid
Director & Chief Financial Officer

Condensed Interim Statement of Changes In Equity

For The Half Year Ended March 31, 2024

Description	Issued, subscribed and paid-up capital	Advance against Right shares Issue	Reserves				Total reserves	Surplus on Revaluation of property, plant and equipment	Total
			General reserves	Unappropriated profit	Actuarial gain / (loss) on defined benefit plan net-off tax	Unrealised/ realised gain / (loss) on investment at fair value through other comp. income			
(Rupees '000)									
Balance as at October 01, 2022 (Audited)	134,950	-	34,250	1,583,835	61,191	452,715	2,131,991	844,259	3,111,200
Profit after taxation	-	-	-	633,323	-	-	633,323	-	633,323
Surplus on revaluation of land realized on account of disposal	-	-	-	299,564	-	-	299,564	(299,564)	-
Other comprehensive loss	-	-	-	-	-	(37,656)	(37,656)	-	(37,656)
Total comprehensive income / (loss)	-	-	-	932,887	-	(37,656)	895,231	(299,564)	595,667
Transaction with owners									
Bonus shares issued -15 ordinary shares for each 100 shares held for the year ended September 30, 2022	20,243	-	-	(20,243)	-	-	(20,243)	-	-
Balance as at March 31, 2023 (Un-audited)	<u>155,193</u>	<u>-</u>	<u>34,250</u>	<u>2,496,479</u>	<u>61,191</u>	<u>415,059</u>	<u>3,006,979</u>	<u>544,695</u>	<u>3,706,867</u>
Balance as at October 01, 2023 (Audited)	465,579	-	34,250	2,392,086	58,320	480,282	2,964,938	661,496	4,092,013
Loss after taxation	-	-	-	(442,326)	-	-	(442,326)	-	(442,326)
Other comprehensive income	-	-	-	-	-	147,824	147,824	-	147,824
Total comprehensive (loss) / income	-	-	-	(442,326)	-	147,824	(294,502)	-	(294,502)
Transaction with owners									
Advance against Right issue	-	211,781	-	-	-	-	-	-	211,781
Balance as at March 31, 2024 (Un-audited)	<u>465,579</u>	<u>211,781</u>	<u>34,250</u>	<u>1,949,760</u>	<u>58,320</u>	<u>628,106</u>	<u>2,670,436</u>	<u>661,496</u>	<u>4,009,292</u>

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



Aslam Faruque
Chief Executive



Abdul Shakoore Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Unaudited)

For The Half Year Ended March 31, 2024

1. STATUS AND NATURE OF BUSINESS

- 1.1 The Company was incorporated in Pakistan on May 27, 1964 as a public limited company and its shares are quoted at Pakistan Stock Exchange. Principal activity of the Company is manufacturing and selling of sugar & paper.

The geographical location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
Head Office	Modern Motors House, Beaumont Road, Karachi.
Registered Office / Factory and Land Sugar and Paper Division (Immovable assets)	Sub Post Office Sugar Mill Jamrao, Umerkot Road, Mirpurkhas Sindh. (Land measuring 602.60 acres and covered area 723,139 sq.ft)
Land for drainage (Immovable assets)	Deh 245, Tapo Butto Kot. Taluqa Shujaabad, Mirpurkhas. (Land measuring 1.49 acres)

1.2 Significant Events & Transactions During the Period

The Board of Directors in their meeting held on January 26, 2024 decided to issue further 20,000,000 ordinary shares having a face value of PKR 10/- each, as right shares. The right shares are offered to the members in proportion of approximately 42.957 right shares for every 100 ordinary shares held, which corresponds to approximately 42.957% of the total paid-up capital of the Company at a price of PKR 25/- per right shares. This price includes a premium of PKR 15/- per right share. As at March 31, 2024, the Company has received an amount of Rs. 211,781,325 from directors & substantial shareholders.

2. STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Islamic Financial Accounting standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3. BASIS OF PRESENTATION

- 3.1** These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended September 30, 2023.
- 3.2** The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended March 31, 2024 and March 31, 2023 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half years ended March 31, 2024 and March 31, 2023.

4. ACCOUNTING POLICIES

- 4.1** The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended September 30, 2023, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 4.2 to these condensed interim financial statements.

4.2 Amendments and improvements to approved accounting standards adopted during the period

The Company has adopted the following amendments and improvements to International Financial Reporting Standards (IFRSs) which became effective for the current period:

Amendments

IAS 8	Definition of Accounting Estimates (Amendments)
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)
IAS 12	International Tax Reform—Pillar Two Model Rules (Amendments)

5. SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

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

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to annual financial statements as at and for the year ended September 30, 2023.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	March 31, 2023 (Unaudited)	September 30 2023 (Audited)
(Rupees '000)			
Opening book value		6,670,357	2,383,890
Additions / transfers during the period / year	6.1	135,667	4,411,775
		<u>6,806,024</u>	<u>6,795,665</u>
Surplus on revaluation of land		-	116,801
Disposals during the period / year at book value	6.1	(633)	(5,342)
Depreciation charged during the period / year		(186,933)	(236,767)
		<u>6,618,458</u>	<u>6,670,357</u>
Opening: Capital work in progress		156,679	3,370,475
Addition to capital work in progress / advance made during the period / year		59,313	1,020,964
Transferred to property plant & equipment during the period / year		(98,296)	(4,234,760)
Closing: Capital work in progress	6.2	117,696	156,679
Right-of-use asset - net	6.3	15,028	19,055
		<u>6,751,182</u>	<u>6,846,091</u>

6.1 Additions & disposals in property, plant and equipment

	Additions at cost		Disposals at book value	
	March 31, 2024 (Unaudited)	September 30 2023 (Audited)	March 31, 2024 (Unaudited)	September 30 2023 (Audited)
	(Rupees '000)			
Building on free hold land - factory	3,472	516,697	-	-
Building on free hold land - Non factory	-	82,142	-	-
Plant and machinery	122,717	3,694,885	-	-
Vehicles	5,760	75,487	633	5,342
Furniture & fittings	-	2,319	-	-
Office and other equipment	1,938	23,525	-	-
Computers & accessories	1,780	16,720	-	-
	<u>135,667</u>	<u>4,411,775</u>	<u>633</u>	<u>5,342</u>

6.2 Capital work in progress:

	March 31, 2024 (Unaudited)	September 30 2023 (Audited)
	(Rupees '000)	
Plant and machinery	92,195	129,431
Civil Works	25,027	23,516
Advance against vehicles	474	3,732
	<u>117,696</u>	<u>156,679</u>

6.3 Right-of-use asset

The Company has recognized a right-of-use asset in respect of head office and godown for OCC under rental agreement.

7. Cash & bank includes Rs.211.781 million received from directors & substantial shareholders against issuance of right shares, held in non-interest bearing bank accounts.

8. SHARE CAPITAL

8.1 Authorized capital

March 31, 2024 (Unaudited)	September 30 2023 (Audited)		March 31, 2024 (Unaudited)	September 30 2023 (Audited)
Number of shares			(Rupees '000)	
<u>150,000,000</u>	<u>150,000,000</u>	Ordinary shares of Rs.10/- each	<u>1,500,000</u>	<u>1,500,000</u>

8.2 Issued subscribed and paid-up capital

Fully paid ordinary shares of Rs. 10/- each				
1,770,000	1,770,000	Issued for cash	17,700	17,700
44,787,891	44,787,891	Issued as fully paid bonus shares	447,879	447,879
<u>46,557,891</u>	<u>46,557,891</u>		<u>465,579</u>	<u>465,579</u>

9. CONTINGENCIES AND COMMITMENTS

	March 31, 2024 (Unaudited)	September 30 2023 (Audited)
(Rupees '000)		
Commitments against LCs		
Other Commitments	253,983	533,957
Letter of guarantee issued by commercial bank for Excise & Taxation office	30,000	20,000
Commitments for lease rentals under ijarah contracts	10,555	12,666

9.1 The status of contingencies as at March 31, 2024 is the same as reported in the annual financial statements for the year ended September 30, 2023.

10. SEASONAL PRODUCTION - SUGAR

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

11. (LOSS) / EARNINGS PER SHARE- Basic & Diluted

	Period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(Loss) / Profit after taxation (Rs.'000)	(442,326)	633,323 (Re-stated)	(310,065)	9,414 (Re-stated)
Weighted average no. of ordinary shares in issue	46,557,891	46,557,891 (Re-stated)	46,557,891	46,557,891 (Re-stated)
(Loss) / Earnings per share-basic (Rupees.)	(9.50)	13.60	(6.66)	0.20

There is no dilutive effect on basic earnings per share of the Company

12. SEGMENT REPORTING

Segment information is presented in respect of Company's business. The primary format and business segment are based on the Company's management reporting structure.

Type of segment	Nature of Business
Sugar Division	Sugar manufacturing
Paper and Board Division	Paper manufacturing

12.1 Segment analysis and reconciliation:

	Sugar division		Paper division		Total	
	Period ended March 31,		Period ended March 31,		Period ended March 31,	
	2024	2023	2024	2023	2024	2023
	Rs in '000					
Turnover- net	4,223,425	2,213,730	1,844,579	-	6,068,004	2,213,730
Cost of sales	(3,647,536)	(1,950,334)	(1,645,246)	-	(5,292,782)	(1,950,334)
Distribution cost	(26,123)	(38,763)	(115,658)	-	(141,781)	(38,763)
Depreciation and amortisation	(62,127)	(69,942)	(128,833)	-	(190,960)	(69,942)
Profit/ (loss) before tax and unallocated expenses	487,639	154,691	(45,158)	-	442,481	154,691

Unallocated income and expenses:

Administrative expenses		(138,218)	(120,051)
Other operating expenses		(2,430)	(82,949)
Other income		31,043	470,424
Finance cost		(889,010)	(365,026)
Share of profit in associates - net		471	768,723
(Loss) / Profit before taxation		(555,663)	825,812
Taxation		113,337	(192,489)
(Loss) / Profit after taxation		(442,326)	633,323

	Sugar division		Paper division		Total	
	Quarter ended March 31,		Quarter ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023	2024	2023
	Rs in '000					
Turnover-net	2,547,201	1,354,770	725,692	-	3,272,893	1,354,770
Cost of sales	(2,250,096)	(1,183,654)	(752,898)	-	(3,002,994)	(1,183,654)
Distribution cost	(14,966)	(28,612)	(39,188)	-	(54,154)	(28,612)
Depreciation and amortisation	(31,467)	(36,246)	(64,500)	-	(95,967)	(36,246)
Profit/ (loss) before tax and unallocated expenses	250,672	106,258	(130,894)	-	119,778	106,258

Unallocated income and expenses:

Administrative expenses		(60,031)	(66,439)
Other operating expenses		(1,871)	(39,583)
Other income		13,737	7,561
Finance cost		(526,986)	(240,652)
Share of (loss) / profit in associates - net		(10,302)	418,646
(Loss)/Profit before taxation		(465,675)	185,791
Taxation		155,610	(176,377)
(Loss)/Profit after taxation		(310,065)	9,414

12.2 Segment asset and liabilities:

	Sugar division		Paper division		Total	
	March 31, 2024 (Un-audited)	September 30, 2023 (Audited)	March, 31 2024 (Un-audited)	September 30, 2023 (Audited)	March 31, 2024 (Un-audited)	September 30, 2023 (Audited)
	Rs in '000					
Segment assets- allocated	10,552,875	7,349,985	6,411,773	6,064,815	16,964,648	13,414,800
Segment assets- unallocated					980,528	409,145
Total assets					<u>17,945,176</u>	<u>13,823,945</u>
Segment liabilities- allocated	826,413	866,178	2,732,430	2,199,370	3,558,843	3,065,548
Segment liabilities- unallocated					10,377,041	6,666,384
Total liabilities					<u>13,935,884</u>	<u>9,731,932</u>

13. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2023. There have been no changes in any risk management policies since the year end.

The carrying values of all financial and non-financial assets and liabilities measured at other than amortized cost in these condensed interim financial statements approximate their fair values.

14. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary companies, related group companies, associated companies, key management personnel and staff retirement funds. The Company in the normal course of business carries out transactions with various related parties.

Relationship	Nature of Transaction	March 31,	March 31,
		2024	2023
		(Rupees '000)	
Group companies / (Common directorship)	Goods purchased	41,616	354,388
	Services received	14,481	9,414
	Dividend received	19,676	11,408
Associated Company	Sales made	1,067,407	867,281
	Dividend received	25,000	175,000
Other related parties	Charge for staff provident and gratuity funds	8,555	5,495
Key management personnel	Remuneration	72,555	60,633
Directors & substantial shareholders	Advance for right shares issue	211,781	-

In addition, certain actual administrative expenses are being shared amongst the group companies. Transactions with related parties are based on the policy that all transactions between the Company and the related parties are carried out at arm's length.

Following are the related parties with whom the Company has entered into transaction or have arrangement / agreement in place.

Name	Basis of association	Aggregate % of Shareholding
Faruque (Pvt) Ltd.	Common directorship	-
Cherat Cement Company Ltd.	Common directorship / Share holding	1.41
Greaves Pakistan (Pvt) Ltd.	Common directorship	-
Cherat Packaging Ltd.	Common directorship / Share holding	4.97
Greaves Engineering Services (Pvt) Ltd.	Common directorship	-
Greaves Airconditioning (Pvt) Ltd.	Common directorship	-
Unicol Ltd.	Associated Company	33.33
UniEnergy Ltd.	Associated Company	7.69
Zensoft (Pvt) Ltd.	Group Company	-
Mirpurkhas Sugar Mills Limited- Employee Provident Fund	Retirement Benefit fund	-
Mirpurkhas Sugar Mills Limited Paper & Board division- Staff Provident Fund	Retirement Benefit fund	-
Mirpurkhas Sugar Mills Limited- Employee Gratuity Fund	Retirement Benefit fund	-

Outstanding balances, as at the reporting date, are disclosed as follows:

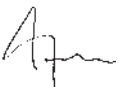
	March 31, 2024 (Unaudited)	September 30 2023 (Audited)
Associated Company		
Trade and other payables	-	8,257
Trade debts	24,960	-

15. DATE OF AUTHORIZATION

These condensed interim financial statements have been authorized for issue on 23rd May 2024 by the Board of Directors of the Company.

16. GENERAL

Figures presented in these condensed interim financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated. Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and better presentation.



Aslam Faruque
Chief Executive



Abdul Shakoore Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer



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GROUP

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