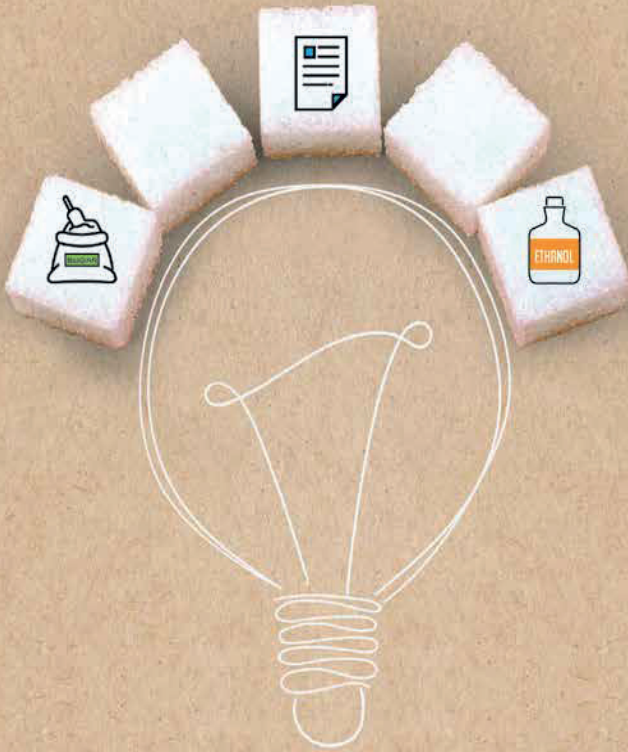




Mirpurkhas Sugar Mills Limited



Energising DIVERSITY

Half Yearly
Accounts
(Unaudited)
March 31,

2 0 2 5

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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. Asim H. Akhund

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 auditor-reviewed unaudited financial results for the half year ended March 31, 2025.

Sugar Division

The 2024/25 crushing season commenced on November 21, 2024, with the plant operating for 97 days, consistent with the previous year. The season began under challenging operational conditions, marked by lower sugarcane yields and sucrose content across Pakistan, as well as depressed sugar prices. Adding to these difficulties, the Sindh Government did not notify a minimum support price for sugarcane, complying with the International Monetary Fund (IMF) requirements for deregulation of sugarcane and other agricultural commodities, the IMF's objective being to reduce government spending and limit provincial control over subsidies.

During the crushing season, 508,214 metric tons of sugarcane were crushed, resulting in 52,977 metric tons of sugar production. This represents a significant decrease compared to the prior year's 616,103 metric tons of sugarcane crushed and 66,100 metric tons of sugar produced. The plant operated efficiently throughout the crushing season. The sucrose recovery declined to 10.42% compared to 10.73% the last season. The Company also produced 26,086 metric tons of molasses during the period under review, compared to 30,110 metric tons produced during the corresponding period last year. The decline in sugar and molasses production was due to lesser yields and reduced sucrose in sugarcane, which was caused by the delayed onset of summer and water shortages, particularly in Sindh.

During the period under review, the Company sold 24,442 metric tons (including 5,003 metric tons of exports) of sugar compared to 37,949 metric tons during the corresponding period last year. During the season 2024/25, total sugar produced in Sindh declined to 1.618 million metric tons compared to 2.022 million metric tons, a decrease of nearly 20% over the last year. National sugar production from sugarcane for the crushing season 2024/25 stood at 5.74 million tons (2023/24: 6.77 million tons). The company voluntarily operated retail outlets of subsidized rate sugar on request from the government to facilitate the general public during the month of Ramzan. The sugar price has improved during the last few months due to the overall reduction in production across Pakistan. However, the government continues to influence the retail price of sugar as an essential food item, impacting market forces in setting the price. In addition, FBR through its SRO has notified a mechanism for fixing the value of sugar for calculation of sales tax. This will enable FBR to collect sales tax based on market based sales price of sugar which will improve overall collection from the sugar industry.

Paper Division

The Paper Division recorded a significant 51% increase in production, manufacturing 21,828 metric tons of paper compared to 14,431 metric tons in the corresponding period last year. Sales volumes also saw substantial growth, reaching 22,563 metric tons against 13,879 metric tons for the half year ended March 31, 2024. The plant operated efficiently, meeting all applicable operational parameters and fulfilling customer demands. Management remains focused on maximizing sales revenue and expanding the customer base. However, sales prices continue to be affected by subdued demand and intense competition within the paper industry. Furthermore, rising local and international prices for old corrugated cartons (OCC), a key input, are negatively impacting costs, a situation compounded by increased input costs and the extension of credit to customers. The installation of the agro pulping plant is progressing, and is expected to be completed within the next 12 months. The agro pulp project will reduce company's reliance on imported OCC and exposure to dollar based pricing and PKR devaluation.

Financial Performance

The Company reported a pre-tax loss of Rs. 172.531 million for the half year ended March 31, 2025, a significant improvement compared to the pre-tax loss of Rs. 555.663 million reported in the corresponding period of 2024. The financial results of the Company for the half year ended March 31, 2025 are summarized as follows:

Financial Results:

	March 2025	March 2024
	(Rupees in million)	
Net Sales	5,630.39	6,068.01
Cost of Sales	(4,857.03)	(5,473.29)
Gross Profit	773.36	594.72
Other Income	35.26	31.04
Share of profit in associate	15.61	0.47
Other expenses & taxes	(1,078.60)	(1,068.55)
Net Loss	(254.37)	(442.32)

During the half year under review, the freight subsidy of Rs. 199.05 million outstanding since 2017 has been released by SBP. Other income of the Company increased to Rs. 35.26 million, comprised mainly of dividend income, compared to Rs. 31.04 million in the corresponding period. Despite the reduction of discount rates, finance costs continue to remain high due to working capital requirements for both divisions. The Company accounted for its one-third share of profit in Unicol Limited amounting to Rs. 15.61 million (2024: Rs. 0.47 million) and adjusted its investment in the associate by the same amount. The major decline in Unicol's profitability as compared to previous years is due to reduction in global ethanol prices, higher cost of raw materials and higher borrowing cost.


Future Outlook

The operating environment is likely to remain challenging in light of the difficult economic conditions, higher raw material prices and continued government influence on the selling price of sugar. The International Monetary Fund (IMF) recently revised downward the GDP growth rate projection for Pakistan by 0.4 percent to 2.6 percent for the fiscal year 2025 against an earlier projection of 3 percent in January 2025, while stating that the country's outlook depends largely on the success of the ongoing economic reforms. Given the difficult operating environment, the Company remains focused on minimizing the negative impacts while maximizing shareholder value by spreading its borrowings amongst different banks, reducing inventory and managing trade debts, amongst other measures.

Acknowledgment

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

On behalf of the Board of Directors


Arif Faruque
Chairman


Aslam Faruque
Chief Executive

Karachi, May 22, 2025

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, 2025, 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, 2025 and March 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended March 31, 2025.

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 is 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

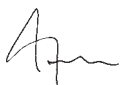
Karachi: the May 22, 2025
UDIN: RR202510222pHq80I9Dy

Condensed Interim Statement of Financial Position

As at March 31, 2025

	Note	March 31, 2025 (Unaudited)	September 30, 2024 (Audited)
(Rupees '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	6,759,438	6,633,113
Long-term investments		1,386,922	1,436,726
Long-term loans and deposits		5,523	6,168
Deferred tax asset-net		209,515	209,515
		8,361,398	8,285,522
CURRENT ASSETS			
Stores, spare parts and loose tools		803,900	794,827
Stock-in-trade		5,159,706	2,180,809
Trade debts		1,508,277	1,421,583
Loans and advances		155,965	171,452
Trade deposits and short-term prepayments		38,097	22,155
Other receivables		24,476	223,532
Short-term investments		747,432	468,152
Tax refunds due from the Government		160,868	159,795
Cash and bank balances		86,794	55,069
		8,685,515	5,497,374
TOTAL ASSETS		17,046,913	13,782,896
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	665,579	665,579
Reserves		1,119,304	1,170,158
Surplus on revaluation of property, plant & equipment		661,496	661,496
		2,446,379	2,497,233
NON-CURRENT LIABILITIES			
Long-term financing		2,308,746	2,458,619
Long-term lease liabilities		17,588	11,111
Deferred liabilities		660,714	646,878
Government grant		155,329	184,823
		3,142,377	3,301,431
CURRENT LIABILITIES			
Trade and other payables		1,579,648	1,373,974
Accrued mark-up		256,598	334,316
Short-term borrowings		9,163,111	5,777,970
Current portion of long-term financing		381,589	424,446
Current portion of long-term lease liabilities		11,286	4,014
Current portion of government grant		58,212	61,799
Unclaimed dividend		7,713	7,713
		11,458,157	7,984,232
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		17,046,913	13,782,896

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, 2025

Note	Half year ended		Quarter ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees in '000)			
Turnover - net	5,630,389	6,068,004	2,436,969	3,272,893
Cost of sales	(4,857,032)	(5,473,289)	(2,109,991)	(3,093,731)
Gross profit	773,357	594,715	326,978	179,162
Distribution cost	(224,580)	(142,049)	(113,020)	(54,293)
Administrative expenses	(161,128)	(148,403)	(75,646)	(65,122)
Other operating expenses	(1,749)	(2,430)	(1,392)	(1,871)
	(387,457)	(292,882)	(190,058)	(121,286)
Other income	35,261	31,043	13,248	13,737
Operating profit	421,161	332,876	150,168	71,613
Finance cost	(609,297)	(889,010)	(319,017)	(526,986)
	(188,136)	(556,134)	(168,849)	(455,373)
Share of profit / (loss) in associates - net	15,605	471	12,119	(10,302)
Loss before levies and taxation	(172,531)	(555,663)	(156,730)	(465,675)
Levies	(81,844)	(92,428)	(37,921)	(50,155)
Loss before taxation	(254,375)	(648,091)	(194,651)	(515,830)
Taxation	-	205,765	-	205,765
Loss after taxation	(254,375)	(442,326)	(194,651)	(310,065)
		(Re-stated)		(Re-stated)
Loss per share - basic & diluted (Rupees)	10 (3.82)	(8.66)	(2.92)	(6.07)

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 Comprehensive Income (Unaudited)

For The Half Year Ended March 31, 2025

	Half year ended		Quarter ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
(Rupees in '000)				
Loss after taxation	(254,375)	(442,326)	(194,651)	(310,065)
Other Comprehensive income / (loss)				
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	203,521	147,824	(142,989)	(2,269)
Total comprehensive Loss	<u>(50,854)</u>	<u>(294,502)</u>	<u>(337,640)</u>	<u>(312,334)</u>

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



Aslam Faruque
Chief Executive



Abdul Shakoor Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer

Condensed Interim Statement of Cash Flows (Unaudited)

For The Half Year Ended March 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Loss before levies and taxation

(172,531)

(555,663)

Adjustments for :

Depreciation	181,480	186,933
Depreciation on right-of-use asset	6,206	4,027
Provision for market committee fee	5,082	6,203
Accrued profit term deposit	(2,806)	(1,667)
Dividend income from related parties	(26,079)	(19,676)
Share of profit in associates	(15,605)	(471)
(Gain) / loss on disposal of property, plant and equipment	(1,562)	132
Provision of deferred liabilities-net	8,754	9,276
Finance cost on lease liabilities	2,775	1,779
Finance cost	606,522	887,231

764,767

1,073,767

592,236

518,104

Working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and loose tools	(9,073)	(210,915)
Stock-in-trade	(2,978,897)	(3,097,388)
Trade debts	(86,694)	(225,768)
Loans and advances	15,487	(132,211)
Trade deposits and Short-term prepayments	(15,942)	(15,353)
Other receivables	199,056	19,891

(2,876,063)

(3,661,744)

Increase in current liabilities:

Trade and other payables	205,674	861,908
--------------------------	---------	---------

205,674

861,908

Cash used in operations

(2,078,153)

(2,281,732)

Long-term loans and deposits-net	645	22,031
Income tax paid	(82,917)	(127,184)

(82,272)

(105,153)

Net cash used in operating activities

(2,160,425)

(2,386,885)

CASH FLOWS FROM INVESTING ACTIVITIES

Additions to property, plant and equipment	(294,947)	(96,684)
Sale proceeds of property, plant and equipment	2,328	501
Investment in Term deposit receipt	(10,000)	(10,000)
Profit realised on term deposits	2,456	3,405
Dividend received from an associate	-	25,000
Dividend received from related parties	26,079	19,676

(274,084)

(58,102)

Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Finance cost paid	(684,240)	(725,331)
Short-term borrowings-net	3,385,141	2,776,618
Long-term financing-net	(225,811)	392,235
Payment of lease liability-net	(8,856)	(5,931)
Advance against right shares issue	-	211,781
Payment of dividend	-	(36)

2,466,234

2,649,336

Net cash generated from financing activities

Net increase in cash and cash equivalents

31,725

204,349

Cash and cash equivalents at the beginning of the period

55,069

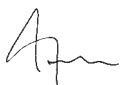
34,879

Cash and cash equivalents at the end of the period

86,794

239,228

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, 2025

Description	Issued, subscribed and paid-up capital	Advance against Right shares Issue	Reserves						Surplus on Revaluation of property, plant and equipment	Total
			General reserves	Unappropriated profit	Share premium	Actuarial gain / (loss) on defined benefit plan net-off tax	Unrealised/ realised gain / (loss) on investment at fair value through other comp. income	Total reserves		
(Rupees '000)										
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)	465,579	211,781	34,250	1,949,760	-	58,320	628,106	2,670,436	661,496	4,009,292
Balance as at October 01, 2024 (Audited)	665,579	-	34,250	170,638	289,523	26,328	649,419	1,170,158	661,496	2,497,233
Loss after taxation	-	-	-	(254,375)	-	-	-	(254,375)	-	(254,375)
Other comprehensive income	-	-	-	-	-	-	203,521	203,521	-	203,521
Total comprehensive (loss) / income	-	-	-	(254,375)	-	-	203,521	(50,854)	-	(50,854)
Balance as at March 31, 2025 (Un-audited)	665,579	-	34,250	(83,737)	289,523	26,328	852,940	1,119,304	661,496	2,446,379

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

Notes to the Condensed Interim Financial Statements (Unaudited)

For The Half Year Ended March 31, 2025

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 and 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 Sugar and Paper Division (Immovable assets)	Sub Post Office Sugar Mill Jamrao, Umerkot Road, Mirpurkhas Sindh. (Land measuring 625.875 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)

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

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, 2024.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended March 31, 2025 and March 31, 2024 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, 2025 and March 31, 2024.

4. ACCOUNTING POLICIES

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, 2024.

The Company reclassified the final taxes under the levy within the scope of IFRIC 21/IAS 37 in the statement of profit or loss account as per the IAS-12 application guidance issued by Institute of Chartered Accountants of Pakistan (ICAP) dated May 15, 2024. Consequently, there is no change in profit after tax due to this reclassification, the three column impact, in the context of restatement in the Company's financial statements, is not material.

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, 2024.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	March 31, 2025 (Unaudited)	September 30, 2024 (Audited)
(Rupees '000)			
Opening book value		6,526,839	6,670,357
Additions / transfers during the period / year	6.1	245,967	234,016
		6,772,806	6,904,373
Disposals during the period / year at book value	6.1	(766)	(867)
Depreciation charged during the period / year		(181,480)	(376,667)
		6,590,560	6,526,839
Opening: Capital work in progress		95,274	156,679
Addition to capital work in progress / advance made during the period / year		120,387	118,598
Transferred to property plant & equipment during the period / year		(71,407)	(180,003)
Closing: Capital work in progress	6.2	144,254	95,274
Right-of-use asset - net	6.3	24,624	11,000
		6,759,438	6,633,113

6.1 Additions & disposals in property, plant and equipment

	Additions at cost		Disposals at book value	
	March 31, 2025 (Unaudited)	September 30, 2024 (Audited)	March 31, 2025 (Unaudited)	September 30, 2024 (Audited)
(Rupees '000)				
Free hold land	51,705	8,740	-	-
Building on free hold land - factory	-	15,712	-	-
Building on free hold land – Non factory	-	1,933	-	-
Plant and machinery	186,122	195,840	-	-
Vehicles	7,274	6,233	766	827
Office and other equipment	636	3,457	-	-
Computers & accessories	230	2,101	-	40
	245,967	234,016	766	867

6.2 Capital work in progress:

	March 31, 2025 (Unaudited)	September 30, 2024 (Audited)
(Rupees '000)		
Plant and machinery	94,795	76,795
Civil Works	49,459	18,479
	144,254	95,274

6.2.1 As of period ended March 31, 2025, plant and machinery includes mark-up on financing utilized amounting to Rs 0.11 million (September 30, 2024: Rs Nil).

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. SHARE CAPITAL

7.1 Authorized capital

March 31, 2025 (Unaudited)	September 30, 2024 (Audited)		March 31, 2025 (Unaudited)	September 30, 2024 (Audited)
Number of shares			(Rupees '000)	
150,000,000	150,000,000	Ordinary shares of Rs.10/- each	1,500,000	1,500,000

7.2 Issued subscribed and paid-up capital

March 31, 2025 (Unaudited)	September 30, 2024 (Audited)			
Number of shares				
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
20,000,000	20,000,000	Issued as right shares	200,000	200,000
66,557,891	66,557,891		665,579	665,579

8. CONTINGENCIES AND COMMITMENTS

Commitments against LCs

Capital Commitments	50,087	-
Other Commitments	157,625	133,061
Letter of guarantee issued by commercial bank for Excise & Taxation office	50,000	40,000
Commitments for lease rentals under ijarah contracts	23,074	28,520

- 8.1** The Company has received a notice u/s 11-E of Sales Tax Act, 1990, in which the Deputy Commissioner Inland Revenue claimed that the company has adjusted Rs.84 million as input tax from Dec-21 to Sep-23 which is violation of section 8 of the Sales Tax Act, 1990. FBR is investigating the suppliers involved and has noticed the company for depositing the claimed amount. The company has deposited the same under protest along with complete documentary evidence & records in its part, till date no adverse order has been passed against the Company.
- 8.2** As referred to in note 25.1.9 of the annual financial statements for the year ended September 30, 2024 regarding cash freight subsidy (CP no.5409/2021) that has been outstanding since 2017, the Company received the outstanding amount of Rs. 199 million from the Government of Sindh in January 2025.

- 8.3** As referred to in note 25.1.2 of annual financial statements for the year ended September 30, 2024 regarding the CP No. 3475 of 2020 before the Honorable SHC at Karachi, the Honorable Court dismissed the CP on January 17, 2025. However, based on the advice of its legal counsel, the Company has filed an appeal before the Supreme Court of Pakistan against the dismissal order.

The status of other contingencies as at March 31, 2025 is the same as reported in the annual financial statements for the year ended September 30, 2024.

9. 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.

10. EARNINGS PER SHARE- Basic & Diluted

	Half year ended		Quarter ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees in '000)			
Loss after taxation (Rupees in '000)	(254,375)	(442,326)	(194,651)	(310,065)
Weighted average no. of ordinary shares in issue during the year (Number of Shares)	66,557,891	(Re-stated) 51,099,480	66,557,891	(Re-stated) 51,099,480
Loss per share - basic (Rupees)	(3.82)	(Re-stated) (8.66)	(2.92)	(Re-stated) (6.07)

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

11. SEGMENT REPORTING

Segment information is presented in respect of Company's busniess. 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

11.1 Segment analysis and reconciliation:

	Sugar division		Paper division		Total	
	Half year ended		Half year ended		Half year ended	
	March 31,		March 31,		March 31,	
	2025	2024	2025	2024	2025	2024
	Rs in '000					
Turnover- net	3,167,198	4,223,425	2,463,191	1,844,579	5,630,389	6,068,004
Cost of sales	(2,517,986)	(3,647,536)	(2,162,457)	(1,645,246)	(4,680,443)	(5,292,782)
Distribution cost	(81,258)	(26,123)	(142,911)	(115,658)	(224,169)	(141,781)
Depreciation	(62,517)	(62,127)	(125,169)	(128,833)	(187,686)	(190,960)
Profit / (loss) before tax and unallocated expenses	505,437	487,639	32,654	(45,158)	538,091	442,481

Unallocated income and expenses:

Administrative expenses	(150,442)	(138,218)
Other operating expenses	(1,749)	(2,430)
Other income	35,261	31,043
Finance cost	(609,297)	(889,010)
Share of profit in associates - net	15,605	471
Loss before taxation and levy	(172,531)	(555,663)
Levy	(81,844)	(92,428)
Loss before taxation	(254,375)	(648,091)
Taxation	-	205,765
Loss after taxation	(254,375)	(442,326)

	Sugar division		Paper division		Total	
	Quarter ended		Quarter ended		Quarter ended	
	March 31,		March 31,		March 31,	
	2025	2024	2025	2024	2025	2024
	Rs in '000					
Turnover- net	1,308,161	2,547,201	1,128,808	725,692	2,436,969	3,272,893
Cost of sales	(1,028,654)	(2,250,096)	(992,668)	(752,898)	(2,021,322)	(3,002,994)
Distribution cost	(68,299)	(14,966)	(44,458)	(39,188)	(112,757)	(54,154)
Depreciation	(31,673)	(31,467)	(62,589)	(64,500)	(94,262)	(95,967)
Profit / (loss) before tax and unallocated expenses	179,535	250,672	29,093	(130,894)	208,628	119,778

Unallocated income and expenses:

Administrative expenses	(70,316)	(60,031)
Other operating expenses	(1,392)	(1,871)
Other income	13,248	13,737
Finance cost	(319,017)	(526,986)
Share of profit / (loss) in associates - net	12,119	(10,302)
Loss before taxation and levy	(156,730)	(465,675)
Levy	(37,921)	(50,155)
Loss before taxation	(194,651)	(515,830)
Taxation	-	205,765
Loss after taxation	(194,651)	(310,065)

11.2 Segment asset and liabilities:

	Sugar division		Paper division		Total	
	March 31, 2025	September 30, 2024	March, 31 2025	September 30, 2024	March 31, 2025	September 30, 2024
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	Rs in '000					
Segment assets- allocated	9,928,492	6,971,725	6,535,981	6,264,254	16,464,473	13,235,979
Segment assets- unallocated					582,440	546,917
Total assets					<u>17,046,913</u>	<u>13,782,896</u>
Segment liabilities- allocated	1,275,084	1,188,930	2,422,724	2,493,866	3,697,808	3,682,796
Segment liabilities- unallocated					10,902,726	7,602,867
Total liabilities					<u>14,600,534</u>	<u>11,285,663</u>

12. 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, 2024. 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.

13. 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, 2025	March 31, 2024
		(Rupees in' 000)	
Group companies / (Common directorship)	Goods purchased	48,556	41,616
	Services received	19,156	14,481
	Dividend received	26,079	19,676
	Sales made	878	-
Associated Company	Sales made	735,500	1,067,407
	Dividend received	-	25,000
Other related parties	Charge for staff provident and gratuity funds	10,005	8,555
Key management personnel	Remuneration	79,864	72,555
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, 2025 (Unaudited)	September 30, 2024 (Audited)
	(Rupees '000)	
Associated Company		
Trade and other payables	-	12,757
Loans advances	-	48
Trade debts	16,552	-
Group Companies		
Trade debts	878	-

14. DATE OF AUTHORIZATION

These condensed interim financial statements have been authorized for issue on 22nd May, 2025 by the Board of Directors of the Company.

15. 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 Shakoor Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer



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GROUP**



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