



**KHAIRPUR**  
SUGAR MILLS LIMITED



**35th**  
**ANNUAL REPORT**  
**2024**



# More than Sugarcane

Sugarcane is the world's largest crop by production in quantity. It is literally showing its strength through its transformation quality. Cultivated on about 26.0 million hectares, in more than 90 countries, with a worldwide harvest of 1.83 billion tons.

Pakistan is the fifth major producer of sugarcane in the world. There are many other things sugarcane gives, besides sugar. Let us share some of them, as part of our theme this year. Lets look at more that what meets the eye, more than just sugarcane.

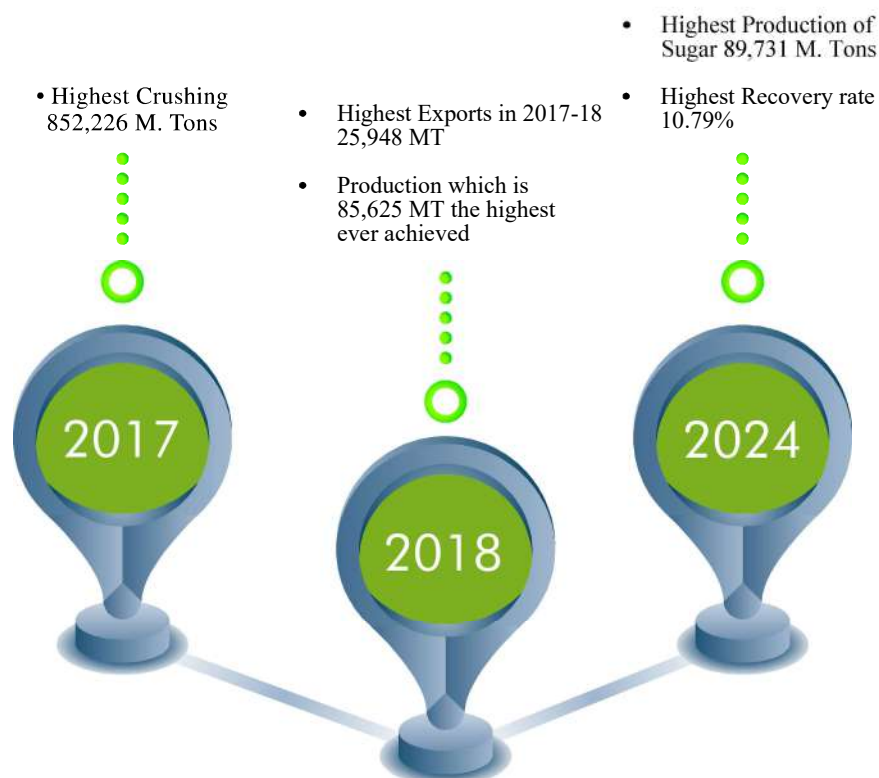
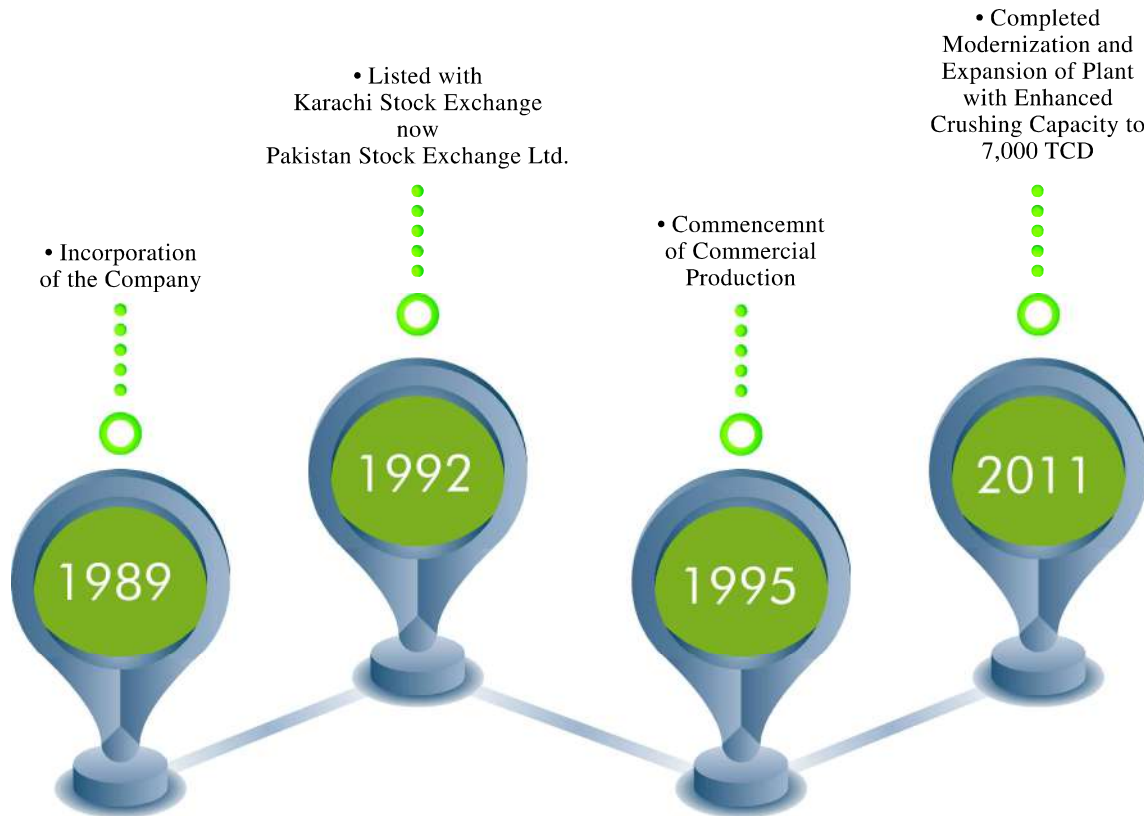


## Contents

Major Milestones	02
Our Existence	03
KSML History	04
Company Information	05
Vision and Mission	06
Our Values	07
Chief Executive Officer's Profile	08
Director's Profile	09
Notice of Annual General Meeting	12
Notice of Annual General Meeting (Urdu)	19
Six Years' Review at a Glance	20
Key Operating Highlights	21
DuPont Analysis	23
Horizontal Analysis	24
Vertical Analysis	25
Summary of Cash Flow-Last Six Years	26
Directors' Report to Members	27
Directors' Report to Members (Urdu)	34
Chairman's Review Report	35
Chairman's Review Report (Urdu)	38
Statement of Compliance with Listed Companies (Code Of Corporate Governance) Regulations, 2019	39
Independent Auditor's Review Report to the Members of Khairpur Sugar Mills Limited	43
Independent Auditor's Report to the Members of Khairpur Sugar Mills Limited on the Audit of the Financial Statements	44
Code of Conduct	48
Financial Statements	49
Pattern of Shareholding	84
Form of Proxy	



## Major Milestones





## Our Existence



# Company Overview

## Our History

Khairpur Sugar Mills Ltd was incorporated in August 23, 1989 as a public limited company under companies' ordinance. It is located about 450 km from the port city of Karachi, in Naro Dhoro, District Khairpur and is listed on the Pakistan Stock Exchange.

Khairpur Sugar Mills Limited has been manufactured under license by Fives Call Babcock (FCB) of France. The Company has capacity of 7,000 M.Tons per day. Khairpur Sugar Mills Limited also facilitates the local area Cane Grower in the form of advances.

## Our Certifications



## Company Information

### DATE OF INCORPORATION

August 23, 1989

### DATE OF COMMENCEMENT OF BUSINESS

September 13, 1989

### BOARD OF DIRECTORS

Mr. Faraz Mubeen Jumani (Chief Executive Officer)  
Mr. Muhammad Mubeen Jumani  
Mr. Fahad Mubeen Jumani  
Mrs. Qamar Mubeen Jumani (Chairperson)  
Miss. Arisha Mubeen Jumani  
Mr. Asif Khan Brohi  
Mr. Ghulam Nabi Memon Morai

### CHIEF OPERATION OFFICER

Mr. Suleman Kanjiani

### CHIEF FINANCIAL OFFICER

Mr. Mirza Muhammad Bilal Kamil

### COMPANY SECRETARY

Mr. Mirza Muhammad Bilal Kamil – Officiating

### BANKERS

Allied Bank Limited  
Bank Al Falah Limited  
Bank AL Habib Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pair Investment Company Limited  
Parwaz Financial Services Limited  
Sindh Bank Limited  
United Bank Limited

### STATUTORY AUDITORS

M/S. Reanda Haroon Zakaria Aamir Salman Rizwan  
& Co. (Chartered Accountants)  
M-1-M4, Mezzanine Floor, Progressive Plaza,  
Plot No. 5 CL - 10, Civil Lines Quarter,  
Beaumont Road, Near Dawood Centre,  
Karachi - 75530.

### STOCK EXCHANGE SYMBOL

KPUS

### COST AUDITORS

M/s A. D. Akhawala & Co.  
(Chartered Accountant)  
321-UNI Centre, I. I. Chundrigar Road, Karachi.

### AUDIT COMMITTEE

Mr. Asif Khan Brohi (Chairman)  
Mr. Ghulam Nabi Memon Morai (Member)  
Mrs. Qamar Mubeen Jumani (Member)

### HR AND REMUNERATION COMMITTEE

Mr. Asif Khan Brohi (Chairman)  
Mr. Ghulam Nabi Memon Morai (Member)  
Mr. Fahad Mubeen Jumani (Member)

### NOMINATION COMMITTEE

Mr. Asif Khan Brohi (Chairman)  
Mrs. Qamar Mubeen Jumani (Member)  
Mr. Fahad Mubeen Jumani (Member)

### RISK MANAGEMENT COMMITTEE

Mr. Asif Khan Brohi (Chairman)  
Mr. Muhammad Mubeen Jumani (Member)  
Miss. Arisha Mubeen Jumani (Member)

### LEGAL ADVISOR

Asad Ali Riar (Advocate)  
Suite No 17-18, Farid Chambers, 2<sup>nd</sup> Floor,  
Abdullah Haroon Road, Karachi.

### SHARES REGISTERAR

C & K Management Associates (Private) Limited  
M-13, Mezzanine Floor, Progressive Plaza,  
Plot No. 5 CL - 10, Civil Lines Quarter,  
Beaumont Road, Near P.I.D.C., Karachi.

### REGISTERED OFFICE

51/II/IV, Khayaban-e-Janbaz,  
Phase-V (Ext.), D.H.A., Karachi.  
Ph: 021-35250131-35 | Fax: 021-35250136

### MILLS

Naroo Dhoru, Taluka Kot Diji, Khairpur.

### E-MAIL & WEBSITE

headoffice@jumanigroup.com  
<http://khaipur sugar.com.pk>



## Vision



We aim to be a leading manufacturer of quality sugar, and other allied products and its supplier in local and international markets. We aspire to be known for the quality of our products and intend to play a pivotal role in the economic and social development of Pakistan.

## Mission



As a prominent producer of sugar, and other allied products, we shall continue to strive to achieve excellence in performance and aim to exceed the expectations of all stakeholders. We target to achieve technological advancements to inculcate the most efficient, ethical and time-tested business practices in our management.

# Our Values



Innovation is our passion

Superiority is our legacy



Respect is our way of life

Fairness is our way of work



## Chief Executive Officer's Profile



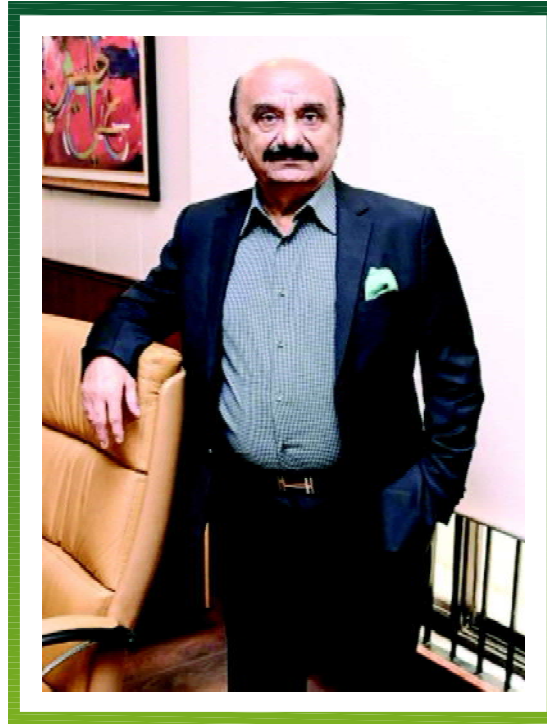
**Faraz Mubeen Jumani**

*Mr. Faraz Mubeen Jumani* completed his early education from BVS Parsi High School in Karachi. Moving to the United States of America for higher studies, completed his Bachelors in Business Administration from AIU South Florida and his Master in Business Administration from NOVA Southeastern University in 2011.

In 2012, he officially joined KSML in full time capacity as Deputy Managing Director and in 2014 was promoted as Managing Director of the company by the board of Directors. Re-Appointment as Chief Executive Officer on May 8, 2024.



## Director's Profile

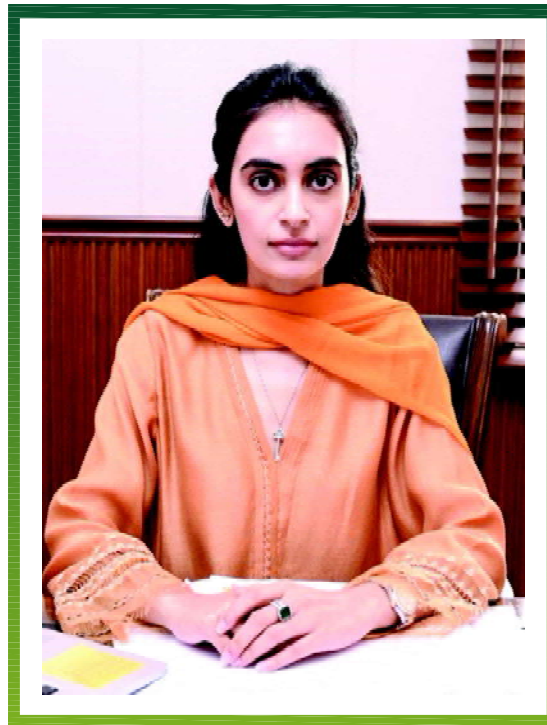


**Muhammad Mubeen Jumani**

*Mr. Muhammad Mubeen Jumani* is the Chairman of Jumani Group of Companies completing his education from University of Karachi in 1972 with a Bachelor in Commerce degree, stepped into the construction industry in 1974 by founding Jumani Group of Companies. Under his leadership and guidance more than 25 high rise projects have been completed so far and at the moment two residential societies are also under development in the Gulshan-e-Iqbal area of Karachi Pakistan.

Khairpur Sugar Mills Limited was set up in the year 1989 in the Khairpur District region of Sindh with a crushing capacity of 4,000 TCD under the Jumani Group of Companies umbrella. Today, the plant's crushing capacity is 7,000 TCD and all long-term loans on the project have been paid.

## Director's Profile



**Arisha Mubeen Jumani**

*Miss. Arisha Mubeen Jumani* serves as a Director on the Board of Khairpur Sugar Mills Limited, Jumani Group of Companies, Jumani Holdings (USA), Jumani Hospitality (USA), and a Chairperson of The Hidayat Jumani Welfare Trust.

She holds a B.Sc. in Business Management from University of Central Florida, USA and a MBA in Finance and International Business from Rollins College, Florida, USA.

## Director's Profile



**Fahad Mubeen Jumani**

*Mr. Fahad Mubeen Jumani* did his graduation in Business Administration from University of Newcastle. He also did Licensing Course from Cooke Real Estate School, Florida, USA. He is the Chief Executive Officer of Jumani Hospitality USA and runs Residential Hotels in UAE and USA.

Mr. Fahad has a vast experience in management of hotels and has the capability to run hospitality businesses in different cultures/traditions, having unique rules and regulation to operate such kind of a business which makes him a universal operator in the hospitality business.



## Notice of Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting of the members of KHAIRPUR SUGAR MILLS LIMITED (the "Company") will be held at Khairpur House 51/2/4, Khayaban-e-Janbaz, 26th Street, D.H.A., Phase-V, (Ext.), Karachi on Tuesday January 28th, 2025 at 03:00 p.m. to transact the following business;

**Members are encouraged to attend the AGM through a video conference facility managed by the Company (please see the notes section for details).**

### A) Ordinary business

- (1) To confirm the minutes of Extra Ordinary General Meeting of the Company held on April 23rd, 2024.
- (2) To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended September 30th, 2024, together with the Directors' and Auditor's Reports thereon and Chairperson's Review Report.  
As required under section 223(6) of the Companies Act, 2017 (the "Act"), Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link:  
  
<https://khaipur sugar.com.pk/investors-information-relations/investor/>
- (3) To appoint Auditors for the year 2025 and fix their remuneration. The Members are hereby notified that the Board Audit Committee and the Board of Directors have recommended the name of retiring Auditors M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company, for re-appointment as Auditors of the Company.
- (4) To transact any other business with the permission to the chair.

### B) Special business

- (5) To approve the circulation of the Annual Report (including the audited financial statements, auditor's report, directors' report, chairman's review report, notice of the shareholders' meeting) to the Members of the Company through web link, in accordance with Section 223(6) of the Act, read with S.R.O. 389(I)/2023 dated March 21, 2023.

**"RESOLVED THAT** Khairpur Sugar Mills Limited (the "Company") be and is hereby authorized to circulate its annual report including annual audited financial statements, auditor's report, directors' report, chairman's review report, notice of the shareholders' meeting and other reports contained therein to the Members of the Company through web link."

- (6) To approve the increased remuneration of Chief Executive Officer.

**"RESOLVED THAT** the Board of Directors has approved an increase in the remuneration of the Chief Executive Officer based on his performance, industry benchmarks, and inflationary trends. The Members' approval is now sought to formalize this increase. The Board recommends the resolution for Members' approval."

By order of the Board

Dated: December 27, 2024  
Karachi

**MIRZA MUHAMMAD BILAL KAMIL**  
Company Secretary

## Notes

### (1) Prohibition on grant of gifts to Shareholders

The Securities and Exchange Commission of Pakistan (the "SECP"), through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway packages) in any form or manner, to Shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties.

### (2) Participation in the AGM proceeding via video conferencing facility

In pursuance of Circular No. 4 of 2021, dated February 15, 2021, issued by the SECP, members are encouraged to attend the AGM proceedings via video-conferencing facility, which shall be made available by the Company.

All Shareholders/Members interested in attending the AGM, either physically or through video-conferencing facility are requested to register their Name, Folio Number, Cell Number, CNIC/Passport number at <https://forms.office.com/r/7GFUQ8QNh6>. Confirmation email for physical meeting or video link and login credentials will be shared with only those Shareholders whose registration are received at least 48 hours before the time of AGM.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address [agmkpus@jumanigroup.com](mailto:agmkpus@jumanigroup.com).

### (3) Electronic transmission of Annual Report 2024

In compliance with section 223(6) of the Act, the Company has electronically transmitted the Annual Report 2024 through email to Shareholders whose email addresses are available with the Company's Share Registrar, M/s. C&K Management Associates (Private) Limited.

In those cases, where email addresses are not available with the Company's Share Registrar, printed notices of AGM along with the web link to download the said Annual Report have been dispatched. However, the Company will provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request.

Further, Shareholders are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the Company's Share Registrar, M/s. C&K Management Associates (Private) Limited if the Member hold shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

### (4) The Share Transfer Book of the Company will be closed from Tuesday January 21st, 2025 to Tuesday January 28th, 2025 (both days inclusive). Transfers received in order at the office of our Registrar, M/s. C&K Management Associates (Private) Limited, M-13, Mezzanine Floor, Progressive Plaza, Plot No. 5 CL - 10, Civil Lines Quarter, Beaumont Road, Near P.I.D.C., Karachi. Phone 021-35810771-75 and email: [zakir@cnk.com.pk](mailto:zakir@cnk.com.pk) by the close of business (03:00 p.m.) on Monday, January 20th, 2025 will be treated in time for purpose of determining entitlement to attend and vote at the meeting.

### (5) A Member entitled to attend and vote at the AGM shall be entitled to appoint another person, as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have all such rights in respect of attending, speaking and voting at the AGM as are available to a Member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy holder must be a member of the Company.

### (6) Requirements for appointing Proxies

- a) In case of individuals, the account holder or sub-account holder whose registration details are uploaded as per the Central Depository Company of Pakistan Limited Regulations, shall submit the proxy form as per the above requirement.

- b) The proxy form shall be witnessed by two male persons whose names, addresses and CNIC numbers shall be mentioned on the form.
  - c) Attested copies of the valid CNICs or the passports of the beneficial owner(s) and the proxy shall be furnished with the proxy form.
  - d) The proxy shall produce his/her valid original CNIC or original passport at the time of the AGM.
  - e) In case of a corporate entity, the Board of Directors' resolution/power of attorney, with specimen signature of the nominee, shall be submitted to the Company along with the proxy form unless the same has been provided earlier.
- (7) Pursuant to Companies (Postal Ballot) Regulations, 2018 and read with Sections 143 and 144 of the Act, Members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

**(8) Submission of valid CNIC (Mandatory)**

As per SECP directives, the dividend of Shareholders, whose valid CNICs are not available with the Share Registrar, may be withheld. All Shareholders having physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Share Registrar, M/s. C&K Management Associates (Private) Limited without any further delay.

**(9) Conversion of Physical Shares into CDC Account**

The SECP, through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021, has advised all listed companies to adhere to the provisions of Section 72 of the Act, which requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act.

Accordingly, all Shareholders of the Company having physical folios/share certificates are requested to convert their shares from physical form into book-entry form at the earliest. Shareholders may contact a PSX Member, CDC Participant, or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. Maintaining shares in book-entry form has many advantages - safe custody of shares with the CDC, avoidance of formalities required for the issuance of duplicate shares etc. The Shareholders of the Company may contact the Share Registrar and Transfer Agent of the Company, namely C&K Management Associates (Private) Limited for the conversion of physical shares into book-entry form.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017.**

This Statement sets out the material facts pertaining to the Special Business as described in the Notice of AGM of the Company.

**Agenda Item 5**

Considering the optimum use of advancements in technology and in order to fulfil the Company's corporate social responsibility to the environment and sustainability, Member's approval is sought for the circulation of the Annual Report (including annual audited financial statements and other notices and reports contained therein) to the Members of the Company through weblink in accordance with S.R.O. 389(I)/2023 dated March 21, 2023 issued by the SECP.

**Agenda Item 6**

The Board of Directors has approved an increase in the remuneration of the Chief Executive Officer based on his performance, industry benchmarks, and inflationary trends. The Members' approval is now sought to formalize this increase. The Board recommends the resolution for Members' approval.

## Postal Ballot Paper

for voting through post for poll to be held at the Annual General Meeting of  
KHAIRPUR SUGAR MILLS LIMITED  
being held on Tuesday, January 28, 2025 at 3:00 p.m. at 51/2/4, Khayaban-e-Janbaz, 26th Street, D.H.A.,  
Phase-V, (Ext.), Karachi.  
Contact: +9221-35250131-35 Website: <https://khairpursugar.com.pk/>

### Contact Details of Chairman, where ballot paper may be sent:

Business Address: The Chairman, Khairpur Sugar Mills Limited, 51/2/4, Khayaban-e-Janbaz, 26th Street, D.H.A., Phase-V, (Ext.), Karachi. Attention: Company Secretary Designated email address: [agmkpus@jumanigroup.com](mailto:agmkpus@jumanigroup.com)

Folio number / CDS Account Number	
Name of shareholder / joint shareholders / Proxy holder	
Registered address of shareholder(s)	
Number of shares held	
CNIC / Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory	
CNIC / Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

I/we hereby exercise my/our vote in respect of the following Special Resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (v) mark in the appropriate box below:

Sr. No.	Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	<b>Resolution for Agenda Item No. 05</b>		
2.	<b>Resolution for Agenda Item No. 06</b>		

\_\_\_\_\_  
Signature of shareholder (s)

Place:  
Date:

#### NOTES:

- 01- Duly filled postal ballot should be sent to Chairman at above-mentioned postal or email address.
- 02- Copy of CNIC should be enclosed with the postal ballot form.
- 03- Postal ballot forms should reach Chairman of the meeting on or before Tuesday, January 28, 2025. Any postal ballot received after this date will not be considered for voting.
- 04- Signature on postal ballot should match with signature on CNIC.
- 05- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

## خیرپور شوگر ملز لمیٹڈ

رجسٹرڈ دفتر کا پتہ: 51/2/4، خیابان جانابا، 26 ویں اسٹریٹ، ڈی ایچ اے، فیڑ-7، (ایکسٹینشن)، کراچی

رابطہ نمبر: +9221-35250131-35

ویب سائٹ: <https://khaipur.sugar.com.pk/>

بیلٹ پیپر برائے ڈاک کے ذریعے ووٹنگ

پول کے لیے جو خیرپور شوگر ملز لمیٹڈ کی سالانہ جنرل میٹنگ میں منگل، 28 جنوری 2025 کو سہ پہر 3:00 بجے 51/2/4، خیابان جانابا، 26 ویں اسٹریٹ، ڈی ایچ اے، فیڑ-7، (ایکسٹینشن)، کراچی میں منعقد ہوگی۔

چیئر مین سے رابطے کی تفصیلات، جہاں بیلٹ پیپر بھیجا جاسکتا ہے:

کاروباری پتہ: چیئر مین، خیرپور شوگر ملز لمیٹڈ، 51/2/4، خیابان جانابا، 26 ویں اسٹریٹ، ڈی ایچ اے، فیڑ-7، (ایکسٹینشن)، کراچی۔ توجہ: کمپنی سیکریٹری

مخصوص ای میل ایڈریس: [agmkpus@jumanigroup.com](mailto:agmkpus@jumanigroup.com)

فولی نمبر / سی ڈی ایس اکاؤنٹ نمبر	
شیئر ہولڈر / جوائنٹ شیئر ہولڈر / پراکسی ہولڈر کا نام	
شیئر ہولڈر کا رجسٹرڈ پتہ	
شیئر زکی تعداد	
شناختی کارڈ / پاسپورٹ نمبر (غیر ملکی کے لیے) / کاپی منسلک کی جائے	
اضافی معلومات اور دستاویزات (کارپوریشن ادارے، کارپوریشن، یا وفاقی حکومت کے نمائندے کی صورت میں)	
مجاز دستخط کنندہ کا نام	
مجاز دستخط کنندہ کا شناختی کارڈ / پاسپورٹ نمبر (غیر ملکی کے لیے) / کاپی منسلک کی جائے	

میں / ہم، درج ذیل خصوصی قرارداد کے حوالے سے اپنے ووٹ کا حق ڈاک کے ذریعے استعمال کرتے ہیں اور اپنی رضامندی یا اختلاف کا اظہار نیچے دیے گئے خانے میں لکھنے کے نشان کے ذریعے کرتے ہیں:

نمبر	قرارداد	میں / ہم قرارداد کے حق میں ہیں (FOR)	میں / ہم قرارداد کے خلاف ہیں (AGAINST)
1	ایجنڈا آئٹم نمبر 05 کے لیے قرارداد		
2	ایجنڈا آئٹم نمبر 06 کے لیے قرارداد		

نوٹس:

1 مکمل شدہ بیلٹ پیپر مذکورہ بالا پتے یا ای میل ایڈریس پر چیئر مین کو بھیجا جائے۔

2 بیلٹ پیپر کے ساتھ شناختی کارڈ کی کاپی منسلک کرنا ضروری ہے۔

3 بیلٹ پیپر چیئر مین کو منگل، 28 جنوری 2025 سے پہلے موصول ہو جانا چاہیے۔ اس تاریخ کے بعد موصول ہونے والے بیلٹ پیپر ز شیئر ہولڈر کے دستخط: ووٹنگ کے لیے قبول نہیں کیے جائیں گے۔

4 بیلٹ پیپر پر دستخط شناختی کارڈ پر موجود دستخط سے مماثل ہونے چاہئیں۔ جگہ:

5 ناکمل، بغیر دستخط، غلط، خراب، پھٹا ہوا، مٹایا ہوا یا اور رائٹنگ کیا گیا بیلٹ پیپر مسترد کر دیا جائے گا۔ تاریخ:



**(6) پراسی مقرر کرنے کے تقاضے**

- ا۔ اگر پراسی مقرر کرنے والا فرد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر ہو، تو جن کی رجسٹریشن تفصیلات سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کے ضوابط کے مطابق اپلوڈ کی گئی ہوں، پراسی فارم مذکورہ بالا تقاضوں کے مطابق جمع کروائے گا۔
- ب۔ پراسی فارم کی گواہی دومر دو گواہان کریں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج کیے جائیں گے۔
- ت۔ پراسی فارم کے ساتھ پراسی دہندہ اور پراسی کے درست شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں فراہم کرنا ضروری ہے۔
- ث۔ AGM کے وقت، پراسی دہندہ اپنے درست اور پینل شناختی کارڈ یا پاسپورٹ پیش کرے گا۔
- ج۔ اگر پراسی مقرر کرنے والا کوئی کارپوریٹ ادارہ ہو، تو بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ، جس میں نامزد فرد کے دستخط کا نمونہ شامل ہو، پراسی فارم کے ساتھ کمپنی کو جمع کروایا جائے گا۔

- (7) کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 اور ایکٹ کے سیکشنز 143 اور 144 کے تحت، ممبران کو اپنا ووٹ دینے کا حق پوسٹل بیلٹ کے ذریعے استعمال کرنے کی اجازت ہوگی، یعنی ڈاک کے ذریعے یا کسی بھی ایکٹریٹک طریقے سے۔ یہ عمل مذکورہ ریگولیشنز میں درج تقاضوں اور طریقہ کار کے مطابق ہوگا۔

**(8) درست شناختی کارڈ جمع کروانے کی ضرورت (لازمی)**

SECP کی ہدایات کے مطابق، ان حصص یافتگان (شیر ہولڈرز) کا منافع روکا جاسکتا ہے جن کے درست شناختی کارڈ کمپنی کے شیرز رجسٹرار کے پاس موجود نہیں ہیں۔ ان تمام حصص یافتگان (شیر ہولڈرز) جن کے پاس فزیکل شیرز ہیں، کو مشورہ دیا جاتا ہے کہ اگر انہوں نے پہلے سے اپنا درست شناختی کارڈ فراہم نہیں کیا ہے، تو فوراً اس کی فوٹو کاپی شیرز رجسٹرار M/s. C&K Management Associates (Private) Limited کو بغیر کسی تاخیر کے جمع کروائیں۔

**(9) فزیکل شیرز کو CDC اکاؤنٹ میں تبدیل کرنے کا عمل**

SECP نے اپنے خط نمبر CSD/ED/Misc/2016-639-640 مورخہ 26 مارچ 2021 کے ذریعے تمام لسٹڈ کمپنیوں کو ہدایت دی ہے کہ وہ ایکٹ کے سیکشن 72 کی دفعات پر عمل کریں، جس کے تحت تمام کمپنیوں کو فزیکل شیرز کو بک انٹری فارم میں تبدیل کرنے کی ضرورت ہے، اور یہ عمل ایکٹ کے نفاذ کے چار سال کے اندر مکمل ہونا چاہیے۔ اس کے مطابق، کمپنی کے تمام حصص یافتگان (شیر ہولڈرز) جن کے پاس فزیکل شیرز سرٹیفیکیشن ہیں، سے درخواست ہے کہ وہ اپنے شیرز کو جلد از جلد فزیکل فارم سے بک انٹری فارم میں تبدیل کروائیں۔ حصص یافتگان (شیر ہولڈرز) اس عمل میں مدد کے لیے PSX ممبر، CDC پارٹنیشنس، یا CDC انویسٹرز اکاؤنٹ سروس پرووائیڈر سے رابطہ کر سکتے ہیں تاکہ CDS اکاؤنٹ کھولا جاسکے اور فزیکل شیرز کو بک انٹری فارم میں تبدیل کیا جاسکے۔ بک انٹری فارم میں شیرز رکھنے کے کئی فوائد ہیں، جیسے کہ شیرز کی CDC کے ساتھ محفوظ تحویل اور ڈیپلیٹ شیرز کے اجراء کے لیے درکار رسمی کاروائیوں سے بچاؤ۔ کمپنی کے حصص یافتگان (شیر ہولڈرز) اپنی فزیکل شیرز کو بک انٹری فارم میں تبدیل کروانے کے لیے کمپنی کے شیرز رجسٹرار اور ٹرانسفر ایجنٹ M/s. C&K Management Associates (Private) Limited سے رابطہ کر سکتے ہیں۔

**کمپنیز ایکٹ 2017 کے سیکشن 134(3) کے تحت مادی حقائق کا بیان**

یہ بیان AGM کے نوٹس میں بیان کردہ خصوصی کاروبار سے متعلق مادی حقائق پیش کرتا ہے۔

**ایجنڈا آئٹم 4**

ٹیکنالوجی میں ہونے والی ترقی کے بہترین استعمال کو مد نظر رکھتے ہوئے اور کمپنی کی ماحولیاتی اور پائیداری سے متعلق کارپوریٹ سماجی ذمہ داری کو پورا کرنے کے لیے، ممبران سے منظوری طلب کی جا رہی ہے کہ کمپنی کی سالانہ رپورٹ (جس میں سالانہ آڈٹ شدہ مالیاتی گوشوارے اور دیگر نوٹس اور پورٹس شامل ہیں) کو SECP کے 21 مارچ 2023 کو جاری کردہ S.R.O. 389(D)/2023 کے مطابق ویب لنک کے ذریعے کمپنی کے ممبران کو فراہم کیا جائے۔

**ایجنڈا آئٹم 5**

بورڈ آف ڈائریکٹرز نے چیف ایگزیکٹو آفیسر کی تنخواہ میں اضافے کی منظوری دی ہے جو ان کی کارکردگی، صنعت کے بیچ مارکس، اور مہنگائی کے رجحانات کو مد نظر رکھتے ہوئے کیا گیا ہے۔ اب اس اضافے کو باقاعدہ بنانے کے لیے اراکین کی منظوری درکار ہے۔ بورڈ اراکین سے اس قرارداد کی منظوری کی سفارش کرتا ہے۔



## نوٹس

### (1) حصص یافتگان (شیئرز ہولڈرز) کو تحائف دینے پر پابندی

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے سرکلر نمبر 2/2018، مورخہ 9 فروری 2018 کے ذریعے کمپنیوں کو سختی سے منع کیا ہے کہ وہ حصص یافتگان (شیئرز ہولڈرز) کو عمومی اجلاسوں کے دوران یا ان کے سلسلے میں کسی بھی صورت میں تحائف یا مراعات (جیسے ٹوکن، کوپن، لٹچ، ٹیک اوے، ٹیکیز وغیرہ) فراہم نہ کریں۔ سیکشن 185 کے تحت، اس ہدایت کی خلاف ورزی کو جرم سمجھا جاتا ہے، اور اس پر عمل نہ کرنے والی کمپنیاں جرمانے کا سامنا کر سکتی ہیں۔

(2) ویڈیو کانفرنسنگ سہولت کے ذریعے سالانہ اجلاس عام کی کارروائی میں شرکت SECP کے سرکلر نمبر 4/2021 مورخہ 15 فروری 2021 کے مطابق، ممبران کو سالانہ اجلاس عام کی کارروائی میں ویڈیو کانفرنسنگ سہولت کے ذریعے شرکت کی ترغیب دی جاتی ہے، جو کمپنی کی جانب سے فراہم کی جائے گی۔

تمام حصص یافتگان (شیئرز ہولڈرز) / ممبران جو سالانہ اجلاس عام میں جسمانی طور پر یا ویڈیو کانفرنسنگ سہولت کے ذریعے شرکت کے خواہشمند ہوں، ان سے گزارش ہے کہ وہ اپنا نام، فوٹیو نمبر، موبائل نمبر، شناختی کارڈ نمبر / پاسپورٹ نمبر درج ذیل لنک پر رجسٹر کریں: <https://forms.office.com/r/7GFUQ8QNh6> جسمانی ملاقات یا ویڈیو لنک اور لاگ ان کی تفصیلات کی تصدیقی ای میل صرف ان حصص یافتگان (شیئرز ہولڈرز) کو فراہم کی جائے گی جن کی رجسٹریشن سالانہ اجلاس عام کے وقت سے کم از کم 48 گھنٹے پہلے موصول ہوگی۔

حصص یافتگان (شیئرز ہولڈرز) سالانہ اجلاس عام کے ایجنڈا آئٹمز پر اپنے تبصرے اور سوالات درج ذیل ای میل ایڈریس پر بھیج سکتے ہیں: [agmkpus@jumanigroup.com](mailto:agmkpus@jumanigroup.com)

### (3) سالانہ رپورٹ 2024 کی الیکٹرونک ترسیل

سیکشن (6) 223 ایکٹ کی تعمیل میں، کمپنی نے سالانہ رپورٹ 2024 کو ان حصص یافتگان (شیئرز ہولڈرز) کو ای میل کے ذریعے الیکٹرونک طور پر ارسال کیا ہے جن کے ای میل ایڈریس کمپنی کے شیئرز رجسٹرار، C&K Management Associates (Private) Limited کے پاس موجود ہیں۔

جن حصص یافتگان (شیئرز ہولڈرز) کے ای میل ایڈریس دستیاب نہیں ہیں، ان کو سالانہ اجلاس عام کے نوٹس کے ساتھ سالانہ رپورٹ ڈاؤن لوڈ کرنے کے لیے ویب لنک کے پرنٹ شدہ نوٹس بھیجے گئے ہیں۔ تاہم، کمپنی کسی بھی ممبر کو ان کی درخواست پر سالانہ رپورٹ کی ہارڈ کاپی ان کے رجسٹرڈ ایڈریس پر مفت ایک ہفتے کے اندر فراہم کرے گی۔

مزید برآں، اگر ممبر کے شیئرز فزیکل فارم میں ہیں، تو حصص یافتگان (شیئرز ہولڈرز) سے درخواست ہے کہ وہ اپنا درست ای میل ایڈریس (ساتھ میں شناختی کارڈ کی کاپی) کمپنی کے شیئرز رجسٹرار M/s. C&K Management Associates (Private) Limited کو فراہم کریں۔ اور اگر شیئرز بک انٹری فارم میں ہیں تو متعلقہ Participant/Investor Account Services کو ای میل ایڈریس فراہم کریں۔

(4) کمپنی کی شیئرز ٹرانسفر بک منگل، 21 جنوری 2025 سے منگل، 28 جنوری 2025 تک (دونوں دن شامل ہیں) بند رہے گی۔ تمام ٹرانسفرز جو ہمارے رجسٹرار M/s. C&K Management Associates (Private) Limited کے دفتر M-13، میز مین فلور، پروگریسو پلازہ، پلاٹ نمبر CL-105، سول لائنز کوارٹرز، بی ماؤنٹ روڈ، نزد PIDC، کراچی فون: 75-021-35810771-75 ای میل: [cnk-management@hotmail.com](mailto:cnk-management@hotmail.com) پر بیڑ، 20 جنوری 2025 کو کاروباری اوقات (شام 3:00 بجے تک) موصول ہوں گی، انہیں بروقت شمار کیا جائے گا تاکہ حصص یافتگان (شیئرز ہولڈرز) کو اجلاس میں شرکت اور ووٹ دینے کے حق کا تعین کیا جاسکے۔

### (5) پراکسی کے ذریعے سالانہ اجلاس عام میں شرکت کا حق

کوئی بھی ممبر جو سالانہ اجلاس عام میں شرکت اور ووٹ دینے کا حق رکھتا ہو، وہ کسی دوسرے شخص کو اپنا پراکسی مقرر کر سکتا ہے تاکہ وہ اس کی جگہ اجلاس میں شرکت کرے، گفتگو کرے اور ووٹ دے۔ مقرر کردہ پراکسی کو سالانہ اجلاس عام میں شرکت، بات کرنے اور ووٹ دینے کے وہ تمام حقوق حاصل ہوں گے جو کسی ممبر کو حاصل ہوتے ہیں۔ پراکسی فارم کو مؤثر ہونے کے لیے اجلاس سے کم از کم 48 گھنٹے پہلے کمپنی کو موصول ہونا ضروری ہے۔ منتخب پراکسی کو کمپنی کا ممبر ہونا چاہیے۔

## سالانہ اجلاس عام کانوٹس

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ خیر پور شوگر ملز لمیٹڈ (کمپنی) کا 35 واں سالانہ اجلاس عام خیر پور ہاؤس 4/2/51، خیابان جانباز، (26 اسٹریٹ)، D.H.A.، فیز-7، ایکسٹینشن، کراچی میں بروز منگل 28 جنوری 2025ء کو دوپہر 03:00 بجے منعقد ہوگا۔ جس میں درج ذیل کاروباری امور طے کئے جائیں گے۔

ممبران کو کمپنی کے زیر اہتمام ویڈیو کانفرنس کی سہولت کے ذریعے سالانہ اجلاس عام میں شرکت کی ترغیب دی جاتی ہے۔  
(براہ کرم تفصیلات کے لیے نوٹس کا سیکشن دیکھیں۔)

### عام کاروبار

- (1) کمپنی کی غیر معمولی اجلاس عام منعقدہ 23 اپریل 2024ء کی کاروائی کی توثیق۔
- (2) 30 ستمبر 2024ء کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ ڈائریکٹرز اور آڈیٹر اور چیئر پرسن کی جائزہ رپورٹ کو وصول کرنے، اور اس پر غور کرنے کے لیے۔
- کمپنیز ایکٹ 2017 کے سیکشن (6) 223 کے تحت، کمپنی کے مالیاتی گوشواروں کو کمپنی کی ویب سائٹ پر اپ لوڈ کر دیا گیا ہے جسے درج ذیل لنک سے ڈاؤن لوڈ کیا جاسکتا ہے۔  
<https://khaipur.sugar.com.pk/investors-information-relations/investor/>
- (3) اگلے مالیاتی سال اختتام 30 ستمبر 2025ء کے لیے آڈیٹر کا تقرر اور ان کے معاوضے کا تعین کرنا۔ ممبران کو مطلع کیا جاتا ہے کہ بورڈ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹر، ریٹائر ہونے والے ریٹائرمنٹ ایئر انڈیکس کا نام دوبارہ آڈیٹر کے طور پر تفریق کے لیے تجویز کیا ہے۔
- (4) چیئر مین کی اجازت سے کسی بھی دیگر کاروبار کو انجام دینا۔

### خصوصی کاروبار

- (5) SECP کے سیکشن (6) 223 کے تحت اور نوٹیفیکیشن S.R.O. 389(I)/2023 مورخہ 21 مارچ 2023ء کے مطابق، کمپنی کے اراکین کو ویب لنک کے ذریعے فراہم کرنے کی منظوری دینا (جس میں آڈٹ شدہ مالیاتی گوشوارے، آڈیٹر کی رپورٹ، ڈائریکٹرز کی رپورٹ، چیئر مین کا جائزہ رپورٹ، اور حصص یافتگان (شیئر ہولڈرز) کے اجلاس کانوٹس شامل ہے)۔  
یہ قرارداد منظور کی گئی کہ خیر پور شوگر ملز لمیٹڈ (کمپنی) کو اختیار دیا جاتا ہے کہ وہ ویب لنک کے ذریعے کمپنی کے اراکین کو اپنی سالانہ رپورٹ، جس میں سالانہ آڈٹ شدہ مالیاتی گوشوارے، آڈیٹر کی رپورٹ، ڈائریکٹرز کی رپورٹ، چیئر مین کا جائزہ رپورٹ، حصص یافتگان (شیئر ہولڈرز) کے اجلاس کانوٹس، اور دیگر رپورٹس شامل ہیں، فراہم کرے۔
- (6) چیف ایگزیکٹو آفیسر کی تنخواہ میں اضافے کی منظوری دینا۔

"یہ قرارداد منظور کی گئی کہ بورڈ آف ڈائریکٹرز نے چیف ایگزیکٹو آفیسر کی تنخواہ میں اضافے کی منظوری دی ہے جو ان کی کارکردگی، صنعت کے بیچ مارکس، اور مہنگائی کے رجحانات کو مد نظر رکھتے ہوئے کیا گیا ہے۔ اب اس اضافے کو باقاعدہ بنانے کے لیے اراکین کی منظوری درکار ہے۔ بورڈ اراکین سے اس قرارداد کی منظوری کی سفارش کرتا ہے۔"

بورڈ کے حکم سے

بتاریخ: 27 دسمبر 2024

سرزا محمد بلال کاسل

کراچی

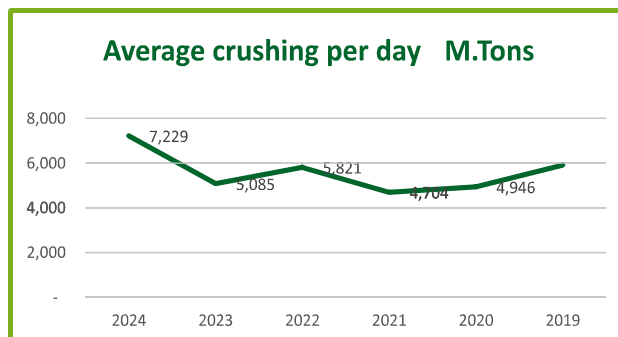
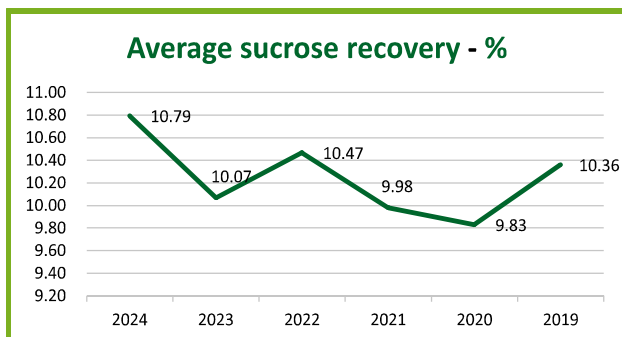
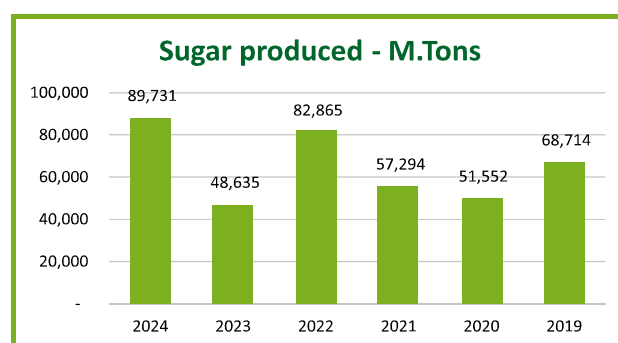
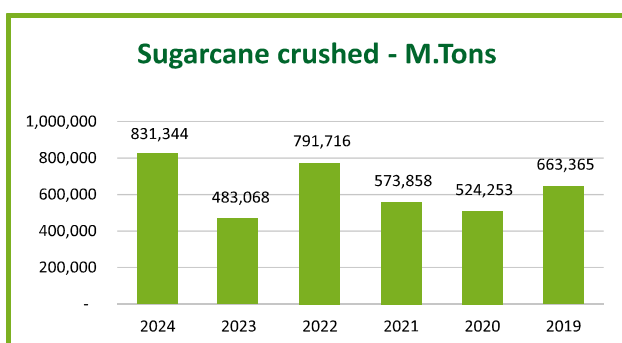
کمپنی سیکرٹری

## Six Years' Review Report at a Glance

	2024	2023	2022	2021	2020	2019
<b>OPERATIONAL TRENDS</b>						
Sugarcane crushed - M.Tons	831,344	483,068	791,716	573,858	524,253	663,365
Sugar produced - M.Tons	89,731	48,635	82,865	57,294	51,552	68,714
Average sucrose recovery - %	10.79	10.07	10.47	9.98	9.83	10.36
Crushing days	115	95	136	122.00	106.00	112.00
Average crushing per day - M.Tons	7,229	5,085	5,821	4,704	4,946	5,923
<b>BALANCE SHEET</b>						
	<b>FIGURES IN MILLION</b>					
Share capital	160.18	160.18	160.18	160.18	160.18	160.18
Shareholders' equity	4,064.93	4,005.10	2,673.16	1,563.08	957.46	990.88
Non current liabilities	1,186.53	1,317.62	327.02	1,234.78	901.97	810.52
Current liabilities	3,537.87	3,425.45	3,148.04	2,436.43	1,804.63	2,171.88
Total Equity & Liabilities	8,789.34	8,748.17	6,148.22	5,234.29	3,664.06	3,973.28
Fixed Assets	4,919.76	5,046.60	3,338.54	3,255.52	2,332.10	2,317.19
Other non current assets	31.15	20.70	21.79	9.22	10.29	10.28
Current assets	3,838.42	3,680.87	2,787.91	1,969.55	1,321.67	1,645.81
Total assets	8,789.34	8,748.17	6,148.22	5,234.29	3,664.06	3,973.28
<b>FINANCIAL TRENDS</b>						
	<b>FIGURES IN MILLION</b>					
Turnover	11,363.64	4,487.20	6,180.85	4,589.43	4,290.85	4,252.27
Gross profit	1,172.11	796.90	856.09	698.58	509.12	395.43
Operating profit	826.67	528.17	545.40	471.84	341.75	194.66
Pre-tax (loss)/profit	258.20	113.46	219.33	178.74	5.35	(85.12)
After-tax (loss)/profit	59.83	17.36	116.92	82.54	(33.97)	(64.00)
<b>CASH FLOWS</b>						
	<b>FIGURES IN MILLION</b>					
Operating activities	208.90	(373.18)	47.67	(179.35)	92.78	(142.68)
Investing activities	(152.84)	(164.73)	(202.16)	(218.60)	(111.74)	(247.92)
Financing activities	(2.11)	389.64	238.33	440.30	(11.16)	447.19
Cash and cash equivalents at the end of the year	82.25	28.30	176.57	92.72	50.37	80.50
<b>PROFITABILITY INDICATIONS</b>						
Gross profit margin (%)	10.31	17.76	13.85	15.22	11.87	9.30
Net profit/(loss) margin (%)	0.53	0.39	1.89	1.80	(0.79)	(1.51)
<b>LIQUIDITY RATIOS</b>						
Current Ration (Times)	1.08	1.07	0.89	0.81	0.73	0.76
Quick/Acid test ratio (Times)	0.45	0.42	0.39	0.42	0.50	0.36

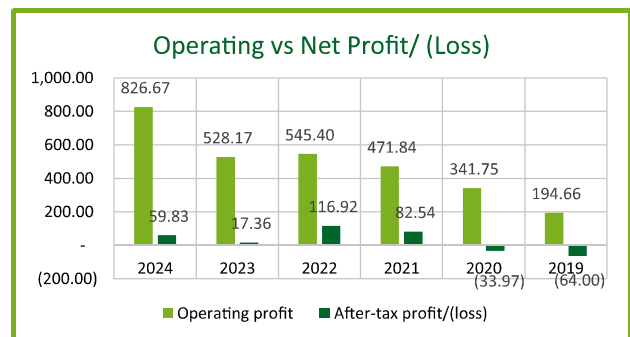
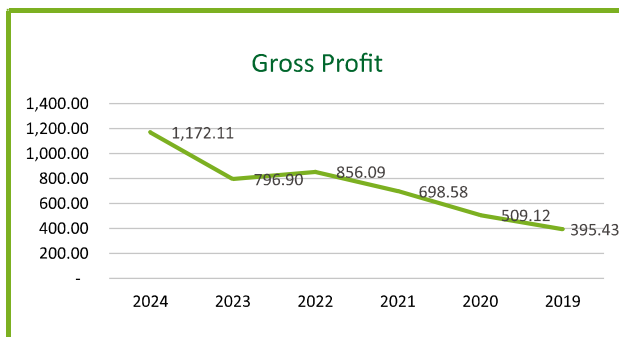
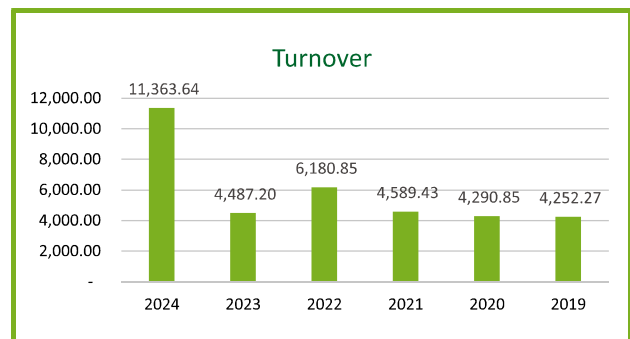
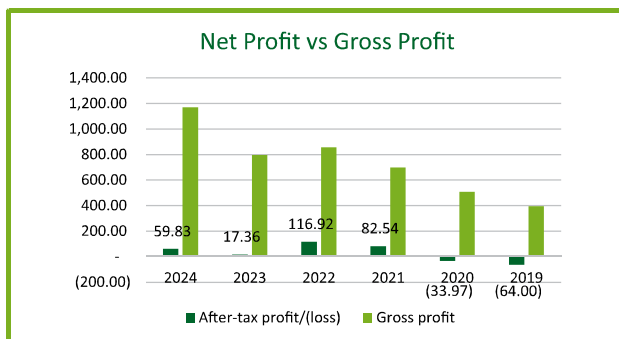
# Key Operating Highlights

## Production Highlights



## Key Operating Highlights

### Financial Highlights



## DuPont Analysis

	2024	2023	2022	2021	2020	2019
Operating Margin (%)	7.27	11.77	8.82	10.28	7.96	4.58
Asset Turnover (Times)	1.30	0.60	1.09	1.03	1.12	1.10
Intrest burdon/ efficiency (%)	23.17	15.30	53.31	46.18	(634.95)	75.19
Tax burden /efficiency (%)	31.23	21.48	40.21	37.88	1.57	(43.73)
Leverage (Equity Multiplier)	2.16	2.18	2.30	3.35	3.83	4.01
Return on Equity (%)	1.47	0.43	4.37	5.28	(3.55)	(6.46)



## Horizontal Analysis - Last Six Years

	2024		2023		2022		2021		2020		2019	
	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%
<b>Statement of Financial Position</b>												
<b>Assets</b>												
Non-Crrunt Assets	4,950.91	(2)	5,067.30	51	3,360.33	3	3,264.74	39	2,342.39	1	2,327.47	44
Current Assets	3,838.42	4	3,680.87	32	2,787.91	42	1,969.55	49	1,321.67	(20)	1,645.81	(22)
<b>Total Assets</b>	<b>8,789.33</b>	<b>0.47</b>	<b>8,748.17</b>	<b>42</b>	<b>6,148.23</b>	<b>17</b>	<b>5,234.29</b>	<b>43</b>	<b>3,664.06</b>	<b>(8)</b>	<b>3,973.28</b>	<b>7</b>
<b>Equity &amp; Liabilities</b>												
Shareholders' Equity	4,064.93	1	4,005.10	50	2,673.16	71	1,563.08	63	957.46	(3)	990.88	378
Non-Current Liabilities	1,186.53	(10)	1,317.62	303	327.02	(74)	1,234.78	37	901.97	11	810.52	(28)
Current Liabilities	3,537.87	3	3,425.45	9	3,148.04	29	2,436.43	35	1,804.63	(17)	2,171.88	(10)
<b>Equity &amp; Liabilities</b>	<b>8,789.33</b>	<b>0.47</b>	<b>8,748.17</b>	<b>42</b>	<b>6,148.22</b>	<b>17</b>	<b>5,234.29</b>	<b>43</b>	<b>3,664.06</b>	<b>(8)</b>	<b>3,973.28</b>	<b>7</b>
<b>Turnover &amp; Profit</b>												
Turnover-Net	11,363.64	153	4,487.20	(27)	6,180.85	35	4,589.43	7	4,290.85	1	4,252.27	0.35
Gross Profit/(Loss)	1,172.11	47	796.90	(7)	856.09	23	698.58	37	509.12	29	395.43	845
Operating Profit/(Loss)	826.67	57	528.17	(3)	545.40	16	471.84	38	341.75	76	194.66	(28)
Pre-tax (loss)/profit	258.20	128	113.46	(48)	219.33	23	178.74	3,241	5.35	(106)	(85.12)	(193)
After-tax (loss)/profit	59.83	245	17.36	(85)	116.92	42	82.54	343	(33.97)	(47)	(64.00)	(1,844)

## Vertical Analysis - Last Six Years

	2024		2023		2022		2021		2020		2019	
	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%	(Rupees in Million)	%
<b>Statement of Financial Position</b>												
<b>Assets</b>												
Non-Crrunt Assets	4,950.91	56	5,067.30	58	3,360.33	55	3,264.74	62	2,342.39	64	2,327.47	59
Current Assets	3,838.42	44	3,680.87	42	2,787.91	45	1,969.55	38	1,321.67	36	1,645.81	41
<b>Total Assets</b>	<b>8,789.33</b>	<b>100</b>	<b>8,748.17</b>	<b>100</b>	<b>6,148.23</b>	<b>100</b>	<b>5,234.29</b>	<b>100</b>	<b>3,664.06</b>	<b>100.00</b>	<b>3,973.28</b>	<b>100</b>
<b>Equity &amp; Liabilities</b>												
Shareholders' Equity	4,064.93	46	4,005.10	46	2,673.16	43	1,563.08	30	957.46	26	990.88	25
Non-Current Liabilities	1,186.53	13	1,317.62	15	327.02	5	1,234.78	24	901.97	25	810.52	20
Current Liabilities	3,537.87	40	3,425.45	39	3,148.04	51	2,436.43	47	1,804.63	49	2,171.88	55
<b>Equity &amp; Liabilities</b>	<b>8,789.33</b>	<b>100</b>	<b>8,748.17</b>	<b>100</b>	<b>6,148.22</b>	<b>100</b>	<b>5,234.29</b>	<b>100</b>	<b>3,664.06</b>	<b>100</b>	<b>3,973.28</b>	<b>100</b>
<b>Turnover &amp; Profit</b>												
Turnover-Net	11,363.64		4,487.20		6,180.85		4,589.43		4,290.85		4,252.27	
Gross Profit	1,172.11		796.90		856.09		698.58		509.12		395.43	
Operating Profit	826.67		528.17		545.40		471.84		341.75		194.66	
Pre-tax (loss)/profit	258.20		113.46		219.33		178.74		5.35		(85.12)	
After-tax profit/(loss)	59.83		17.36		116.92		82.54		(33.97)		(64.00)	

## Summary of Cash Flow-Last Six Years

	2024	2023	2022	2021	2020	2019
	----- (Rupees in Thousand) -----					
Net Cash (used in)/generated from operating activities	208,904	(373,181)	47,671	(179,354)	92,780	(142,680)
Net Cash (used in)/generated from investing activities	(152,844)	(164,725)	(202,157)	(218,597)	(111,742)	(247,922)
Net Cash (used in)/generated from financing activities	(2,114)	389,641	238,327	440,302	(11,168)	447,197
Changes in cash and cash equivalents	53,946	(148,265)	83,841	42,351	(30,130)	56,595
Cash and cash equivalents -beginning of the year	28,300	176,565	92,724	50,373	80,503	23,908
Cash and cash equivalents -Year end	<b>82,246</b>	<b>28,300</b>	<b>176,565</b>	<b>92,724</b>	<b>50,373</b>	<b>80,503</b>

## Directors' Report to Members

Respected Members

Assalam-o-Alaikoom

On behalf of the Board of Directors, it is our privilege to present before you the 35th Annual Report of your Company with the audited financial statements for the year ended September 30, 2024:

	2024	2023
	<i>Rupees in '000'</i>	
<b>Financial Results</b>		
Profit before Taxation	258,198	113,458
Taxation	(198,365)	(96,100)
Profit after taxation	59,832	17,358
Profit per share - Basic & diluted	3.74	1.08

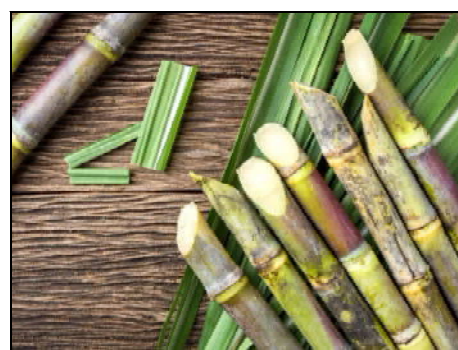
### PERFORMANCE REVIEW

The operating results for the crushing season comparative to previous season is mentioned here under:

	2023-24	2022-2023
	<b>SEASON</b>	
Season started	16-11-2023	29-11-2022
Season closed on	09-03-2024	03-03-2023
Number of days worked	115	95
Sugarcane crushing (MT)	831,344.075	483,067.94
Recovery (%) sugar	10.794	10.06
Recovery (%) molasses	4.172	5.59
Production - sugar (MT)	89,731.00	48,635.00
Production - molasses (MT)	34,685.00	27,046.27

The crushing season 2023-24 started on November 16th, 2023 ended on March 9th, 2024 after crushing 831,344.075 MT sugarcane thereby produced 89,731.00 MT of Sugar with average recovery of 10.794% in 115 days, as compared to crushing of 483,067.945 MT sugarcane and producing 48,635.00 MT of sugar with average recovery of 10.067% in 95 days in corresponding of last year/season (2022-23).

During crushing season 2023-24, the Government of Sindh had notified the sugarcane price and fixed the price/ Maund @ 425/Maund which was already 123/Maund in excess of previous crushing season 2022-23. However, the competition for cane procurement obtaining the cane during the season led the company to pay extra per Maund over the minimum support price. Keeping all the above in perspective, your Mill earned operating profit of Rs. 826.676 million as compared to operating profit of Rs. 528,173 million during the corresponding period of the previous year which is above par in the conditions and limitations as mentioned earlier.



### DIVIDEND

As the accumulated profits are on a very lower side plus the profit for the year is also not so substantial that's why the directors have decided not to distribute any dividend.

## EARNINGS PER SHARE

The Earning per share for the year comparative to previous year is given hereunder:

	2023-24	2022-23
Basic and diluted	3.74	1.08

## ENVIRONMENT

For improvement of environment hazard, Khairpur sugar mills limited have taken care on priority. As per Sindh's Environmental policy Act 2013, proven care has been taken care. On implementing this policy, use of water and drainage has been reduced. After approval from Sindh Environmental Protecting Agency (SEPA) and foreign expert's consultant's services for waste water, the treatment has been installed having capacity of 3000 cm/day. Which will become again useful for the use of agriculture sector to end the water scarcity and to end the pollution.



## CORPORATE SOCIAL RESPONSIBILITY

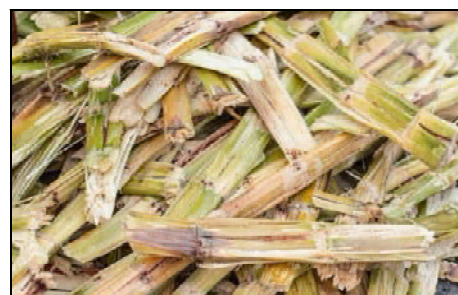
Responding to needs of local communities, civil society organizations and Governments bodies includes social welfare, education, health care, infrastructural development and livelihood generation are the priorities of your company since its establishment.

## CONTRIBUTION TO THE NATIONAL EXCHEQUER

The Company contributed a total amount of Rs. 2,081.52 (658.901 - 2023) million to the Government Treasury in shape of taxes, levies, excise duty and sales tax.

## CORPORATE GOVERNANCE

The Directors are pleased to state that your Company has complied with the provisions of the Code of Corporate Governance as required by SECP which formed part of rule book of Pakistan Stock Exchange.



## STATEMENT OF CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- The Financial statements, prepared by the Management of your Company, present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International accounting standards (IFRS) as applicable in Pakistan have been followed in preparation of these financial statements and any departure therefrom has been effectively implemented and monitored.
- Summary of key operations and financial data for the last 6 (six) years is annexed.
- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Information about taxes and levies is given in the notes forming part of the financial statements.
- There is no doubt upon the Company's ability to continue as a going concern.

## FUTURE OUTLOOK

- (1) The sugarcane crushing season 2023-24 started on 21-11-2024, and by the date of this report, your mill has produced 17,072 MT of sugar (compared to 29,975 MT in 2022-23) with an average recovery of 8.88% (compared to 9.922% in 2022-23).
- (2) Sugar prices started to show the stability with decrease in KIBOR and finance cost would help to maintain the profitability for upcoming year.



## INDUSTRIAL RELATION

Harmonious working environment and cordial industrial relations atmosphere prevailed within the Company.

## BOARD MEETING

Sr. No	Name of Director	Number of meeting attended
01.	Mr. Muhammad Mubeen Jumani	07
02.	Mr. Faraz Mubeen Jumani	07
03.	Mr. Fahad Mubeen Jumani	07
04.	Mrs. Qamar Mubeen Jumani	07
05.	Miss. Arisha Mubeen Jumani	07
06.	Mr. Asif Khan Brohi	07
07.	Mr. Ghulam Nabi Memon Morai*	03
08.	Lt. Gen.(R) Tahir Mahmud Qazi**	02

\* Mr. Ghulam Nabi Memon Morai was elected as an independent director on April 26, 2024 in place of Lt. Gen.(R) Tahir Mahmud Qazi.

\*\* Lt. Gen.(R) Tahir Mahmud Qazi retired from the Board on April 26, 2024.

## AUDIT COMMITTEE

The Company has established Independent Audit Committee as required in Code of Corporate Governance. The Audit Committee comprises of three members (two of whom are Independent non-executive Directors and one is non-executive Director). The Audit Committee met 4 (four) meetings during the year; attendance of the meeting is as follows:



Sr. No	Name of Director	Number of meeting attended
01.	Mr. Ghulam Nabi Memon Morai*	02
02.	Mr. Asif Khan Brohi	04
03.	Mrs. Qamar Mubeen Jumani	04
04.	Lt. Gen. (Rtd.) Tahir Mahmud Qazi**	02

\* Mr. Ghulam Nabi Memon Morai was elected as an independent director on April 26, 2024 in place of Lt. Gen.(R) Tahir Mahmud Qazi.

\*\* Lt. Gen.(R) Tahir Mahmud Qazi retired from the Board on April 26, 2024.



## MEETING OF HR & REMUNERATION COMMITTEE

The Company has established HR & Remuneration Committee as required in the Code of Corporate Governance. The HR and Remuneration Committee comprises three members (two of whom are Independent non-executive Directors). The Executive Director is also member of the Committee. The Chairman of the Committee is Independent non-executive Director. The HR and Remuneration Committee met once during the year. Attendance of the meeting is as follows:

Sr. No.	Name of Director	Number of meeting attended
01.	Mr. Ghulam Nabi Memon Morai*	01
02.	Mr. Asif Khan Brohi	01
03.	Mr. Muhammad Mubeen Jumani	01
04.	Lt. Gen. (Rtd.) Tahir Mahmud Qazi**	01

\* Mr. Ghulam Nabi Memon Morai was elected as an independent director on April 26, 2024 in place of Lt. Gen.(R) Tahir Mahmud Qazi.

\*\* Lt. Gen.(R) Tahir Mahmud Qazi retired from the Board on April 26

## AUDITORS

The Auditors - M/s Reanda Haroon Zakaria Aamir Salman Rizwan & Company, Chartered Accountants, retired and offer themselves for re-appointment.

The Audit Committee has recommended to consider the re-appointment of M/s Reanda Haroon Zakaria Aamir Salman Rizwan & Company, Chartered Accountants as Auditors of the Company for next year ending September 30, 2025.



## PATTERN OF SHARE-HOLDING

The pattern of shareholding as on September 30, 2024 in accordance with the requirements of Code of Corporate Governance and a statement reflecting distribution of shareholding is separately annexed to this report.

## ACKNOWLEDGEMENT

We take pleasure by thanking members of the management, other employees and staff for their continued commitment to the success of the Company. We also value the support and cooperation of our customers, suppliers, bankers and all stakeholders and wish to record our thanks and gratitude. May almighty Allah bless us in our efforts Aameen!  
For and on behalf of Board of Directors of Khairpur Sugar Mills Limited.

**(Faraz Mubeen Jumani)**  
Chief Executive Officer

**(Muhammad Mubeen Jumani)**  
Director

**Dated:** December 27, 2024  
**Place:** Karachi

### ہیومن ریسورس (HR) اور معاوضہ کمیٹی کی اجلاس

کمیٹی نے کوڈ آف کارپوریٹ گورننس میں مطلوبہ ہیومن ریسورس (HR) اور معاوضے کی کمیٹی قائم کی ہے۔ ہیومن ریسورس (HR) اور معاوضہ کمیٹی تین اراکین پر مشتمل ہے (جن میں سے دو آزاد غیر ایگزیکٹو ڈائریکٹر ہیں)۔ ایگزیکٹو ڈائریکٹر بھی کمیٹی کے رکن ہیں۔ کمیٹی کے چیز میں آزاد غیر ایگزیکٹو ڈائریکٹر ہیں۔ ہیومن ریسورس (HR) اور معاوضے کی کمیٹی سال میں ایک بار اجلاس منعقد کرتے ہیں۔ اجلاس کی حاضری اور ڈائریکٹر کے نام کے ساتھ حسب ذیل ہے۔



سیریل نمبر	ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد
1.	لیفٹیننٹ جنرل (ر) طاہر محمود قاضی	01
2.	جناب آصف خان بروہی	01
3.	جناب محمد مبین جمانی	01
4.	جناب غلام نبی مبین مورائی	01

\* جناب غلام نبی مبین مورائی کو 26 اپریل 2024 کو لیفٹیننٹ جنرل (ریٹائرڈ) طاہر محمود قاضی کی جگہ بطور آزاد ڈائریکٹر منتخب کیا گیا۔

\*\* لیفٹیننٹ جنرل (ریٹائرڈ) طاہر محمود قاضی 26 اپریل 2024 کو بورڈ سے ریٹائر ہو گئے۔

### آڈیٹرز

موجودہ آڈیٹرز - میسرز ریاند اہارون زکریا عامر سلمان رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ہیں جنہوں نے اگلے سال کیلئے بحیثیت آڈیٹرز کیلئے خود کو تفری کے لیے پیش کیا ہے اور رضامندی ظاہر کی ہے۔ آڈٹ کمیٹی نے 30 ستمبر 2025 کو ختم ہونے والے اگلے سال کے لیے میسرز ریاند اہارون زکریا عامر سلمان رضوان اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمیٹی کے آڈیٹرز کے طور پر دوبارہ تعینات کرنے پر غور کرنے کی سفارش کی ہے۔

### شیر ہولڈنگ کا پیٹرن

کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق 30 ستمبر 2024 تک شیر ہولڈنگ کا پیٹرن اور شیر ہولڈنگ کی تقسیم کی عکاسی کرنے والا بیان الگ سے اس رپورٹ کے ساتھ منسلک ہے۔

### اعتراف

ہم اپنی انتظامیہ کے اراکین، کمیٹی کے عملے و دیگر ملازمین اور منسلک افراد جنہوں نے اس مقصد کے حصول کی خاطر ان کی کوششوں کا اعتراف کرتے ہوئے شکر یہ ادا کرتے ہوئے خوشی محسوس کرتے ہیں۔ ہم اپنے صارفین، قابل قدر حصص داران، سپلائرز، حکومتی اداروں کے نمائندوں، ایسوسی ایشن، بینکرز و مالیاتی اداروں کے نمائندوں اور تمام اسٹیک ہولڈرز کے تعاون کو بھی قدر کی نگاہ سے دیکھتے ہیں اور شکر یہ ادا کرنا چاہتے ہیں۔ اللہ تعالیٰ ہماری کوششوں میں خیر و برکت عطا فرمائے آمین!

بورڈ آف ڈائریکٹرز کی جانب سے

خیر پور شوگر ملز لمیٹڈ

(محمد مبین جمانی)

ڈائریکٹر

(فراز مبین جمانی)

چیف ایگزیکٹو آفیسر

تاریخ: 27 دسمبر 2024

مقام: کراچی

### مستقبل کی توقعات

- (1) گئے کارکننگ سیزن 2023-24 کا آغاز 21 نومبر 2024 کو ہوا، اور اس رپورٹ کی تاریخ تک آپ کی مل نے 17,072 ٹن چینی پیدا کی (جبکہ 2022-23 میں یہ مقدار 29,975 میٹرک ٹن تھی) جس کی اوسط ریکوری 8.88% رہی (2022-23 میں یہ شرح 9.922% تھی)۔
- (2) چینی کی قیمتوں میں استحکام آنا شروع ہو گیا ہے، جبکہ کیبور (KIBOR) اور مالیاتی اخراجات میں کمی سے آنے والے سال میں منافع برقرار رکھنے میں مدد ملے گی۔



### صنعتی تعلق

کمپنی کے اندر کام میں ماحولیاتی ہم آہنگی اور صنعتی دوستانہ کے تعلقات کا ماحول قائم ہے۔

### بورڈ کا اجلاس

بورڈ کے اجلاس میں شرکت کی تعداد	ڈائریکٹر کا نام	سیریل نمبر
07	جناب محمد مبین جمالی	.1
07	فراز مبین جمالی صاحب	.2
07	جناب فہد مبین جمالی	.3
07	محترمہ قمر مبین جمالی	.4
07	مس اریشہ مبین جمالی	.5
07	جناب آصف خان بروہی	.6
03	جناب غلام نبی میمن مورائی *	.7
02	لیفٹیننٹ جنرل (ر) طاہر محمود قاضی **	.8

- \* جناب غلام نبی میمن مورائی کو 26 اپریل 2024 کو لیفٹیننٹ جنرل (ریٹائرڈ) طاہر محمود قاضی کی جگہ بطور آزاد ڈائریکٹر منتخب کیا گیا۔
- \*\* لیفٹیننٹ جنرل (ریٹائرڈ) طاہر محمود قاضی 26 اپریل 2024 کو بورڈ سے ریٹائر ہو گئے۔

### آڈٹ کمیٹی

کمپنی نے کوڈ آف کارپوریشن گورننس میں ضرورت کے مطابق آزاد آڈٹ کمیٹی قائم کی ہے۔ آڈٹ کمیٹی تین ارکان ان پر مشتمل ہے (جن میں سے دو آزادانہ ایگزیکٹو ڈائریکٹر ہیں اور ایک نان ایگزیکٹو ڈائریکٹر ہے)۔ آڈٹ کمیٹی نے سال کے دوران 4 (چار) اجلاس منعقد کئے۔ اجلاس کی حاضری اور ڈائریکٹرز کے نام کے ساتھ حسب ذیل ہے۔

اجلاس میں شرکت کی تعداد	ڈائریکٹر کا نام	سیریل نمبر
02	لیفٹیننٹ جنرل (ر) طاہر محمود قاضی **	.1
04	جناب آصف خان بروہی	.2
04	محترمہ قمر مبین جمالی	.3
02	جناب غلام نبی میمن مورائی *	.4

- \* جناب غلام نبی میمن مورائی کو 26 اپریل 2024 کو لیفٹیننٹ جنرل (ریٹائرڈ) طاہر محمود قاضی کی جگہ بطور آزاد ڈائریکٹر منتخب کیا گیا۔
- \*\* لیفٹیننٹ جنرل (ریٹائرڈ) طاہر محمود قاضی 26 اپریل 2024 کو بورڈ سے ریٹائر ہو گئے۔



24 کے سیزن میں 826.676 ملین روپے کا آپریٹنگ منافع کمایا، جو پچھلے سال کی اسی مدت کے دوران 528.173 ملین روپے کے آپریٹنگ منافع کے مقابلے میں نمایاں زیادہ ہے۔ یہ کارکردگی غیر معمولی سمجھی جاتی ہے۔

#### ڈیویڈنڈ

چونکہ جمع شدہ منافع بہت کم ہے اور سال کا منافع بھی اتنا زیادہ نہیں ہے اسی لیے ڈائریکٹرز نے کوئی بھی ڈیویڈنڈ تقسیم نہ کرنے کا فیصلہ کیا ہے۔



#### کمائی / (نقصان) فی شیئر

پچھلے سال کے مقابلے میں فی حصص کمائی / (نقصان) ذیل میں دی گئی ہے:

2022-23	2023-24
1.08	3.74

بنیادی اور ریٹن فی حصہ

#### ماحولیات

ماحولیاتی خطرات کی بہتری کے لیے خیر پور شوگر ملز لمیٹڈ نے ترجیحی بنیادوں پر دیکھ بھال کی ہے۔ سندھ کے ماحولیاتی تحفظ ایجنسی کی مگر یہ (SEPA) ایکٹ 2013 کے مطابق جامع حکمت عملی مرتب کی گئی ہے۔ اس پالیسی کے نفاذ پر پانی اور نکاسی آب کا استعمال کم کر دیا گیا ہے۔ سندھ انوائزمنٹل پروٹیکشن ایجنسی (SEPA) اور غیر ملکی ماہرین کنسلٹنٹ (ویسٹ واٹر) کی خدمات سے منظوری کے بعد، 3000 کیوبک میٹر روزانہ کی صلاحیت والا تعلق پانی کانسٹریٹ پلانٹ نصب کیا گیا ہے۔ جو کہ پانی کی قلت کو ختم کرنے اور آلودگی کے خاتمے کے لیے زرعی شعبے کے استعمال کے لیے دوبارہ کارآمد ثابت ہو گا۔

#### کارپوریٹ سماجی ذمہ داری

ہم اس کام کو اپنی ذمہ داری سمجھتے ہیں کہ مندرجہ بالا ضروریات کیلئے آباد سول سوسائٹی کے ادارے، سرکاری محکمے بشمول سماجی بہبود تعلیم، صحت عامہ، بنیادی ڈھانچے کے لئے بھرپور تعاون کریں جو کہ دور اول سے ہماری ترجیحات میں شامل ہے۔ ہماری مل ایسی سماجی ذمہ داری کے علاوہ ماحولیاتی ذمہ داریوں کو سمجھتے ہوئے بہتری کیلئے کوشاں ہیں۔

#### قومی خزانے میں اعانت

کمپنی نے مجموعی طور پر 2,081.52 (2023-658.901) ملین روپے سرکاری خزانے میں ٹیکسز، لیویز، ایکسائز ڈیوٹی اور سیلز ٹیکس کی شکل میں جمع کرائے۔

#### کارپوریٹ حکمرانی

ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ آپ کی کمپنی نے SECP اور PSX کے قانونی اور انتظامی ضابطوں کی تعمیل کی ہے۔

#### کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کا بیان

- کمپنی کی انتظامیہ کی جانب سے فنانشل گوشوارہ میں موجودہ امور کی حالت، آپریٹنگ کے نتائج، کیش فلو اور ایکویٹی تہدیلیوں کو شفاف طریقے سے پیش کیا ہے۔
- اکاؤنٹس کو مناسب کتابوں میں کمپنی نے موزوں طریقے سے برقرار رکھا ہے۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو بروئے کار لایا گیا ہے اور اکاؤنٹ اسٹیٹمنٹ موزوں اور زیرک فیصلے کی بنیاد پر کئے گئے ہیں۔
- ان مالیاتی بیانات کی تیاری میں پاکستان میں لاگو ہونے والے بین الاقوامی اکاؤنٹنگ معیارات (IFRS) کی پیروی کی گئی ہے۔
- گزشتہ 6 (چھ) سالوں کے اہم آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ منسلک کیا گیا ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ لسٹنگ ریگولیشن کے ضوابط میں سے بتایا گیا ہے۔
- ٹیکس اور لیویز کے بارے میں معلومات مالی بیانات کا حصہ بننے والے نوٹس میں موجود ہے۔
- اس میں کوئی ٹنک نہیں ہے کہ کمپنی کی صلاحیت ہے کہ مسلسل چلتی رہے۔

## ڈائریکٹر ز رپورٹ برائے ممبران

معزز اراکین

السلام علیکم

آپ کے ڈائریکٹر کی جانب سے، 30 ستمبر 2024 کے اختتامی سال کے لیے کمپنی کی 35 ویں سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے آپ کے سامنے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔



2023	2024
(روپے ہزار میں)	
113,458	258,198
(96,100)	(198,365)
17,358	59,832
1.08	3.74

مالیاتی نتائج کے اعداد و شمار

قبل از ٹیکس منافع

ٹیکس

بعد از ٹیکس منافع

فی حصص (شیریز) منافع / (نقصان) - بنیادی ورقتیق

کارکردگی کا جائزہ

پچھلے سیزن کے مقابلے کرشنگ سیزن کے آپریٹنگ نتائج کا یہاں ذیل میں ذکر کیا گیا ہے:



2022-23	2023-24
---------	---------

سیزن

29-11-2022	16-11-2023	سیزن کا آغاز
03-03-2023	09-03-2024	سیزن کا اختتام
95	115	کام کا دورانیہ
483,067.94	831,344.075	گنا کرش کیا گیا (میٹرک ٹن)
10.06	10.794	پیداوار شوگر کی ریکوری (فیصد)
5.59	4.172	مولاسیس کی ریکوری (فیصد)
48,635.00	89,731.00	چینی کی پیداوار (میٹرک ٹن)
27,046.27	34,685.00	مولاسیس کی پیداوار (میٹرک ٹن)

کرشنگ سیزن 2023-24 کا آغاز 16 نومبر 2023 کو ہوا اور 9 مارچ 2024 کو ختم ہوا۔ اس دوران 831,344.075 میٹرک ٹن گنے کی کرشنگ کی گئی، جس سے 89,731.00 میٹرک ٹن چینی پیدا ہوئی، اور اوسط ریکوری 10.067% رہی۔ یہ سیزن 115 دنوں پر مشتمل تھا، جبکہ گزشتہ سال / سیزن (2022-23) کے مقابلے میں 483,067.945 میٹرک ٹن گنے کی کرشنگ کی گئی تھی، جس سے 48,635.00 میٹرک ٹن چینی پیدا ہوئی تھی اور اوسط ریکوری 10.467% رہی تھی۔ اس سیزن کا دورانیہ 95 دن تھا۔

کرشنگ سیزن 2023-24 کے دوران حکومت سندھ نے گنے کی قیمت کا اعلان کیا اور فی من قیمت 425 روپے مقرر کی، جو پچھلے کرشنگ سیزن 2022-23 کے مقابلے میں 123 روپے فی من زیادہ تھی۔ تاہم، سیزن کے دوران گنے کے حصول کے لیے مسابقت کی وجہ سے کمپنی نے مقررہ کم از کم قیمت سے زیادہ ادائیگی کی۔ ان تمام عوامل کو مد نظر رکھتے ہوئے، آپ کی مل نے 2023-

## Chairman's Review Report

Dear Shareholders,

Assalam-o-Alaikum,

It is with great pride and responsibility that I present the Chairperson's Review for Khairpur Sugar Mills Limited for the financial year ended September 30, 2024 in terms of section 192 of the Company Act 2017. Despite the challenges faced during the year, our commitment to excellence and sustainability has allowed us to achieve commendable progress in our operations and financial performance.

### Financial Highlights

During the year under review, Khairpur Sugar Mills achieved a profit before taxation of Rs. 258.198 million, marking a significant improvement from Rs. 113.457 million in the previous year. Profit after taxation stood at Rs. 59.832 million, translating to an earnings per share of Rs. 3.74, up from Rs. 1.08 in the prior year.

### Operational Achievements

The crushing season 2023-24 began on November 16, 2023, and concluded on March 09, 2024, lasting 115 days. We crushed 831,344.075 MT of sugarcane, producing 89,731 MT of sugar with an average recovery rate of 10.794%. This performance is a marked improvement over the previous season, where we crushed 483,067.94 MT and produced 48,635 MT of sugar with a recovery rate of 10.067%.

Despite increased competition for sugarcane procurement and a rise in government-mandated sugarcane prices, our operational efficiency and strategic decision-making enabled us to maintain profitability. However, the cost of sugarcane procurement increased significantly due to the substantial rise in per Maund base price, which impacted overall profitability. Additionally, the ever highest policy rates (which declined marginally before year end) led the finance cost increased substantially.

Moreover, till balance sheet date the company managed to export 1,250 MT of sugar at above-average rates, further contributing to profitability. The economies achieved due to the installation of a falling film evaporator allowed the company to save a substantial amount by selling excess quantities of bagasse.

### Sustainability and Environmental Commitment

Khairpur Sugar Mills is dedicated to minimizing its environmental footprint. In alignment with the Sindh Environmental Policy Act 2013, we have installed a wastewater treatment facility with a capacity of 3,000 cm/day, enabling treated water reuse for agriculture. This initiative not only addresses water scarcity but also reduces pollution.

### Corporate Social Responsibility (CSR)

Supporting the local community remains a cornerstone of our operations. We have undertaken several initiatives in education, healthcare, and infrastructure development, reflecting our unwavering commitment to social welfare.

### Governance and Board Performance

The composition of the Board of Directors reflects a mix of varied backgrounds with rich experience in the field of business to provide strategic guidance and inputs regularly to the company's management. The Board is assisted by its committees:



**Audit Committee:** It reviews financial statements, ensuring that they fairly represent the company's true financial position. The committee also ensures the effectiveness of internal controls.

**HR Committee:** It oversees the HR policy framework, recommends selection and compensation of senior management, and keeps a continuous watch on succession planning.

The Board's focus remains on increasing shareholder value through efficiency enhancement, diversification initiatives, and enduring contributions toward the development of the farming community.

### **Challenges and Market Context**

The year presented several challenges, including prevailing political instability, inconsistent economic policies of the Federal Government, and an economic downturn. These factors significantly impacted profitability. However, the upward trend in domestic sugar prices partially offset these challenges, enabling the company to end the financial year 2024 with profitability - a promising sign for future growth.

### **Acknowledgments**

I extend my heartfelt gratitude to our shareholders, Board of Directors, management, and employees for their unwavering support and dedication. I would also like to thank our valued customers, suppliers, and government authorities for their trust and cooperation.

As we move forward, we remain focused on innovation, operational excellence, and sustainable growth. Together, we aim to enhance our value proposition for all stakeholders while contributing to the economic and social progress of Pakistan.

Warm regards,



**Mrs. Qamar Mubeen Jumani**  
Chairperson

**Dated:** December 27, 2024  
**Place:** Karachi

## گورننس اور بورڈ کی کارکردگی

بورڈ آف ڈائریکٹرز کی تشکیل مختلف پس منظر سے تعلق رکھنے والے افراد پر مشتمل ہے، جو کمپنی کی انتظامیہ کو اسٹریٹجک رہنمائی فراہم کرتے ہیں۔ بورڈ کو اس کے کمیٹیاں معاونت فراہم کرتی ہیں: آڈٹ کمیٹی: یہ مالی بیانات کا جائزہ لیتی ہے اور یہ یقینی بناتی ہے کہ وہ کمپنی کی اصل مالی حالت کو درست طور پر ظاہر کریں۔ کمیٹی داخلی کنٹرول کی موثر کارکردگی کو بھی یقینی بناتی ہے۔ ایچ آر کمیٹی: یہ ایچ آر پالیسی کے ڈھانچے کی نگرانی کرتی ہے، سینئر مینجمنٹ کے انتخاب اور معاوضے کی سفارش کرتی ہے، اور تسلسل کے منصوبے پر مسلسل نظر رکھتی ہے۔ بورڈ کام کو عمل شیز ہولڈرز کی ویلیو میں اضافے کے لئے کارکردگی میں بہتری، تنوع کے اقدامات اور زراعت کے شعبے کے فروغ کی جانب ہے۔

## چیلنجز اور مارکیٹ کا پس منظر

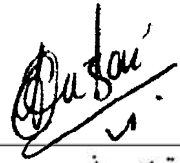
اس سال میں متعدد چیلنجز درپیش تھے، جن میں سیاسی عدم استحکام، وفاقی حکومت کی غیر مستقل اقتصادی پالیسی اور اقتصادی مندی شامل ہیں۔ ان عوامل نے منافع پر نمایاں اثر ڈالا۔ تاہم، ملکی چینی کی قیمتوں میں اضافہ ان چیلنجز کا کچھ حد تک مقابلہ کرنے میں کامیاب رہا، جس کے نتیجے میں کمپنی مالی سال 2024 کو منافع کے ساتھ مکمل کرنے میں کامیاب رہی، جو مستقبل کی ترقی کے لئے ایک حوصلہ افزا علامت ہے۔

## شکریہ

میں اپنے دل کی گہرائیوں سے اپنے شیئرز ہولڈرز، بورڈ آف ڈائریکٹرز، انتظامیہ اور ملازمین کا شکریہ ادا کرتی ہوں، جنہوں نے ہمارے ساتھ مسلسل تعاون اور محنت کی۔ میں اپنے قیمتی گاہکوں، سپلائرز اور حکومتی اداروں کا بھی شکریہ ادا کرتی ہوں، جنہوں نے ہمیں اعتماد اور تعاون دیا۔

جیسا کہ ہم آگے بڑھ رہے ہیں، ہمارا عزم جدیدیت، آپریشنل عمدگی اور پائیدار ترقی پر مرکوز ہے۔ ہم سب مل کر تمام اسٹیک ہولڈرز کے لئے اپنی قیمت کو بڑھانے کے لئے کام کریں گے اور پاکستان کی اقتصادی اور سماجی ترقی میں اپنا حصہ ڈالیں گے۔

خلوص کے ساتھ،



محترمہ قمر تبین جانی

چیئر پرسن

مورخہ: 27 دسمبر 2024

جگہ: کراچی

## چیئر مین کی جائزہ رپورٹ

مسکرمی شیئر ہولڈرز،

السلام علیکم،

یہ میرے لئے فخر اور ذمہ داری کا موقع ہے کہ میں کمپنی ایکٹ 2017 کے تحت 30 ستمبر 2024 کو ختم ہونے والے مالی سال کے لئے خیر پور شوگر ملز لمیٹڈ کی چیئر پرسن کا جائزہ پیش کر رہی ہوں۔ اس سال کے دوران پیش آنے والی مشکلات کے باوجود، ہماری عمدگی اور پائیداری کے عزم نے ہمیں اپنے آپریٹنگز اور مالی کارکردگی میں شاندار پیشرفت حاصل کرنے میں مدد فراہم کی۔

### مالیاتی جھلکیاں

اس سال کے دوران خیر پور شوگر ملز نے ٹیکس سے پہلے منافع 258.198 ملین روپے حاصل کیا، جو گزشتہ سال کے 113.457 ملین روپے سے نمایاں بہتری ہے۔ ٹیکس کے بعد منافع 59.832 ملین روپے رہا، جو فی حصص کمائی 3.74 روپے بنتی ہے، جو پچھلے سال 1.08 روپے تھی۔

### آپریٹنگل کامیابیاں

کرٹنگ سیزن 2023-24 کا آغاز مورخہ 16 نومبر 2023 کو شروع ہو کر 10 مارچ 2024 کو اختتام پذیر ہوا، جو 115 دنوں تک جاری رہا۔ ہم نے 831,344.075 میٹرک ٹن گنے کو کرش کیا، جس سے 89,731 میٹرک ٹن چینی پیدا ہوئی، اور اوسطاً ریکوری کی شرح 10.794% رہی۔ یہ کارکردگی پچھلے سیزن کے مقابلے میں نمایاں بہتری ہے، جہاں ہم نے 483,067.94 میٹرک ٹن گنا کرش کیا اور 48,635 میٹرک ٹن چینی پیدا کی، جس کی ریکوری شرح 10.067% تھی۔

گنے کی خریداری کے لئے بڑھتی ہوئی مسابقت اور حکومت کی جانب سے گنے کی قیمتوں میں اضافے کے باوجود، ہماری آپریٹنگل کارکردگی اور حکمت عملی کی بدولت ہم منافع حاصل کرنے میں کامیاب رہے۔ تاہم، گنے کی خریداری کی لاگت میں اضافہ ہوا، کیونکہ گنے کی قیمت میں اضافہ ہوا، جس نے مجموعی منافع پر اثر ڈالا۔ اس کے علاوہ، تاریخ کی بلند ترین پالیسی ریٹس (جو سال کے آخر سے پہلے معمولی طور پر کم ہوئیں) کی وجہ سے مالی اخراجات میں نمایاں اضافہ ہوا۔

اس کے علاوہ، کمپنی نے 1,250 میٹرک ٹن چینی برآمد کی، جس سے اضافی منافع حاصل ہوا۔ فائنگ فلم ایو اپور ریٹر کی تنصیب کی بدولت حاصل ہونے والی معیشتوں نے کمپنی کو بیگاس کی اضافی مقدار فروخت کر کے خاطر خواہ بچت کی۔

### پائیداری اور ماحولیاتی عزم

خیر پور شوگر ملز اپنے ماحولیاتی اثرات کو کم کرنے کے لئے پرعزم ہے۔ سندھ ماحولیاتی پالیسی ایکٹ 2013 کے تحت ہم نے ایک وائٹ ٹیٹ فیلٹری نصب کی ہے جس کی گنجائش 3,000 سینٹی میٹر فی دن ہے، جس سے زرعی مقاصد کے لئے پانی دوبارہ استعمال کیا جا رہا ہے۔ یہ اقدام نہ صرف پانی کی کمی کو حل کرتا ہے بلکہ آلودگی کو بھی کم کرتا ہے۔

### کارپوریٹ سوشل ریسپانسیبلٹی (CSR)

مقامی کمیونٹی کی حمایت ہماری آپریٹنگز کا ایک اہم جزو ہے۔ ہم نے تعلیم، صحت کے شعبے اور انفراسٹرکچر کی ترقی کے لئے کئی اقدامات کئے ہیں، جو ہمارے سماجی بہبود کے لئے غیر متزلزل عزم کو ظاہر کرتے ہیں۔

## Statement of Compliance with Listed Companies

(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Khairpur Sugar Mills Limited (the Company) has complied with the requirements of listed Companies (Code of Corporate Governance) Regulations 2019, in the following manner:

Name of Company : **KHAIRPUR SUGAR MILLS LIMITED**

For the Year ended : **SEPTEMBER 30, 2024**

1. The total number of Directors are seven as per the following:

Sr. No.	Category	Number
a)	Male:	Five (5)
b)	Female:	Two (2)

2. The composition of the Board is as follows:

Sr. No.	Category	Number
(i)	Independent Directors	Mr. Asif Khan Brohi Mr. Ghulam Nabi Memon Morai* Lt. Gen (Rtd.) Tahir Mahmud Qazi**
(ii)	Non-Executive Directors	Mr. Fahad Mubeen Jumani Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani
(iii)	Executive Directors	Mr. Muhammad Mubeen Jumani Mr. Faraz Mubeen Jumani
(iv)	Female Directors	Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani

\* Mr. Ghulam Nabi Memon Morai was elected as an independent director on April 26, 2024 in place of Lt. Gen.(R) Tahir Mahmud Qazi.

\*\* Lt. Gen.(R) Tahir Mahmud Qazi retired from the Board on April 26, 2024.

Fraction (0.33) related to the requirement for number of independent Director is less than 0.5 and therefore, has not been rounded up as one.

- The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this, Company.
- The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to Disseminate it throughout the Company along with its supporting policies and procedures.
- The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that a complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of The Companies Act 2017 (the Act) and the Regulations.

7. The meetings of the Board were presided over by the Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations.
9. All directors are exempted from the Director Training Program (DTP) as they meet the exemption requirements. Additionally, the two (2) independent directors, have been registered with the Pakistan Institute of Corporate Governance (PICG) as per the regulations.
10. There were no new appointments of the Chief Financial Officer and the head of internal audit. The Board, with deep sorrow, acknowledged the passing of Mr. Shoaib-ul-Haq, Company Secretary, on September 15, 2024. Subsequently, the Board officially approved the appointment of Mr. Mirza Muhammad Bilal Kamil as the new Company Secretary, effective from November 1, 2024. However, all appointments, including their remuneration and terms and conditions of employment, are in compliance with the relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board had formed committees comprising of members given below:

Sr. No.	Name of Committee	Composition	
		Name	Designation
(i)	Audit Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Ghulam Nabi Memon Morai*	Member
		Lt. Gen. (Rtd.) Tahir Mahmud Qazi**	
		Mrs. Qamar Mubeen Jumani	
(ii)	Human Resource and Remuneration Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Ghulam Nabi Memon Morai*	Member
		Lt. Gen. (Rtd.) Tahir Mahmud Qazi**	
		Mrs. Qamar Mubeen Jumani	
(iii)	Nomination Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Fahad Mubeen Jumani	Member
		Mrs. Qamar Mubeen Jumani	
(iv)	Risk Management Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Muhammad Mubeen Jumani	Member
		Miss. Arisha Mubeen Jumani	

- \* Mr. Ghulam Nabi Memon Morai was elected as an independent director on April 26, 2024 in place of Lt. Gen.(R) Tahir Mahmud Qazi.  
 \*\* Lt. Gen.(R) Tahir Mahmud Qazi retired from the Board on April 26, 2024.

13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committees for compliance.
14. The frequency of meetings (quarterly/half yearly/yearly) were during the financial year as per following:

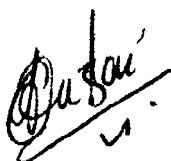
Sr. No.	Name of Committee	Number of meetings held during the Financial Year ended September 30, 2024
01.	Audit Committee:	Four (04)
02.	Human Resource and Remuneration Committee	One (01)
03.	Nomination Committee	One (01)
04.	Risk Management Committee	One (01)



15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouse, parents, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, head of Internal Audit, Company Secretary or Director of the company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied.
19. Explanation for non-compliance with requirements, other than Regulations 3, 6, 7, 8, 27, 32, 33 and 36 are given below:

Sr. No.	Requirement	Regulation Number	Explanation of Non - Compliance
01.	<p><b>Certain prescribed policies on website.</b></p> <p>The company may post on its website key elements of its significant policies including but not limited to the following:</p> <p>(i) Communication and disclosure policy.</p> <p>(ii) Risk management policy.</p>	35(1)	At present, all required policies have been uploaded to the company's website, except for the Communication and Disclosure Policy and Risk Management Policy, which are currently under development. While some policies, such as the Code of Conduct, Internal Control Policy, CSR / Sustainability / ESG Policy, and DE&I and Harassment Protection Policy, are partially compliant, others like the Whistle Blowing Policy are fully compliant. These policies are in their final stages and will be made available on the website shortly.
02.	<p><b>Environmental, Social and Governance (ESG) matters</b></p> <p>The board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The board may establish a dedicated sustainability committee having at least one female director.</p>	10(A)(5)	In response to the recent SECP notification dated June 12, 2024, the company has already initiated steps to comply with the new requirements. This includes considering the establishment of a dedicated sustainability committee, which will include at least one female director, as per the new regulations. The company is fully committed to ensuring that these requirements will be met in due course, and we are taking all necessary actions to align with the best practices and regulatory standards, ensuring full compliance without delay.

Sr. No.	Requirement	Regulation Number	Explanation of Non - Compliance
03.	<p><b>Significant Policies</b></p> <p>The significant policies may include but not limited to the ant-harassment policy to Safeguard the rights and well-being of employees, incorporating the mechanism as prescribed under the Protection Against Harassment of Women at the Workplace Act 2010 and the respective provincial Jaws on the protection against harassment of women at workplace for the time being in force.</p>	10(4)(xvi)	The company's Code of Conduct already addresses workplace harassment. However, in line with the SECP's notification dated June 12, 2024, the company is in the process of introducing a standalone anti-harassment policy. We are committed to finalizing and implementing this policy promptly to ensure full compliance with the new requirements.
04.	<p><b>Simultaneously holding office by the same person</b></p> <p>Holding of Office of chief financial officer and the company secretary by same person.</p>	24	Considering the volume and nature of transactions and corporate structure of the Company, positions of CFO and Company Secretary are not segregated. However, we may segregate duties of two offices if situation needed.



**Mrs. Qamar Mubeen Jumani**  
Chairperson

**Dated:** December 27, 2024  
**Place:** Karachi

## Independent Auditor's Review Report

To the members of Khairpur Sugar Mills Limited

### Review Report on the Statement of Compliance contained in listed companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Khairpur Sugar Mills Limited** ("the Company") for the year ended September 30, 2024 in accordance with the requirement of regulation 36 of the Regulation.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulation require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the Related party transaction by the board of directors upon recommendations of the Audit committee.

Based on our review, nothing has come to our attention which causes us to believe that the 'Statement of Compliance' does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2024.

The company has explained in the statement of compliance, the non-compliance of the Regulation 10(A)(5), 10(4)(xvi), 24 and 35(1).

*Reanda Haroon Zakaria Aamir Salman Rizwan & Co*

**Reanda Haroon Zakaria Aamir Salman Rizwan & Company**  
Chartered Accountants

**Place:** Karachi

**Dated:** December 27, 2024

**UDIN:** CR202410127wkNuTgyCE

## Independent Auditor's Report

To the members of Khairpur Sugar Mills Limited  
on the Audit of the Financial Statements

### *Opinion*

We have audited the annexed financial statements of **Khairpur Sugar Mills Limited** which comprise the statement of financial position as at September 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key Audit Matter*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

*Following is the key audit matter:*

<b>Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p><b>1. Revenue recognition</b></p> <p>The company principally generates revenue from sale of sugar and allied products. Revenue has been recognized as per the accounting policy stated in note 3.12 to the financial statements.</p> <p>We have identified revenue recognition as a key audit matter as it is one of the key performance indicator of the Company and gives rise to an inherent risk of material misstatement to meet expectations or targets.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process relating to recording of revenue and testing the design, implementation and operating effectiveness of relevant key controls over recording of revenue.</li> <li>• Assessed the appropriateness of the Company's accounting policy for recording of revenue and its compliance with International Financial Reporting Standard - Revenue from contracts with customers (IFRS 15).</li> <li>• Reviewed a sample of sales transactions entered into by the Company with its customers and checking the performance obligations involved, transaction price and recognition of revenue based on satisfaction of performance obligation.</li> <li>• Compared a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery notes and other relevant underlying documents.</li> <li>• Compared a sample of sale transactions recorded before and after the year end with relevant underlying documentation to assess whether revenue has been recorded in the correct accounting period.</li> <li>• Assessed the adequacy of disclosures in the financial statements to be in accordance with the applicable accounting and reporting standard.</li> </ul>



### ***Information Other than the Financial Statements and Auditor's Report Thereon***

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended September 30, 2024 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of Management and Board of Directors for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### ***Report on Other Legal and Regulatory Requirements***

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Farooq**.

  
**Reanda Haroon Zakaria Aamir Salman Rizwan & Company**  
Chartered Accountants

**Place:** Karachi  
**Date:** December 27, 2024  
**UDIN:** AR202410127kuAYgatZo

## Code of Conduct

### **Gender Equality**

The Company shall strictly preserve and promote gender equality without regard to race, Religion, ancestry, familial situation, age, handicap, and so on Equal chances for professional progress shall be provided to all workers, regardless of gender or racial / religious prejudices.

### **Unethical Conduct**

Employees are urged to report any unethical behavior, violation of laws, rules, regulations, Company policies and procedures, or breach of the code of conduct to the appropriate committee.

The informant is guaranteed no reprisal for reporting in good faith.

### **Health, Safety and Environmental Protection**

We are concerned with all elements of workplace health and safety, as well as environmental preservation. In our operations and across the whole value chain of our goods and services, we identify and manage health, safety, and environmental risks. We conserve natural resources and reduce the environmental effect of our operations and products throughout their life cycles.

### **Compliance with the Law**

The Company will not take, recommend, or initiate any action, contract, agreement, investment, spending, or transaction that is known or suspected to be in violation of any law, regulation, or corporate / Company policy.

### **Exercise of Authority**

The Company will not use its respective positions/authority to force, entice, coerce, harass, intimidate, or otherwise influence any individual, including subordinates, to offer any favor, gift, or benefit, financial or otherwise, to ourselves or others.

### **Reputation**

We will uphold the Company's reputation as a precious asset, and our words and actions will reflect this awareness.

### **Confidentiality**

It is our policy that no employee delegated with confidential information about the Company, its suppliers, customers, or other business partners may disclose such information to any third party or use such information for his or her personal benefit while employed with the Company or thereafter, unless prior written approval is obtained from a duly authorized person, or the disclosure of confidential information is required by law, any governmental agency, court, or tribunal.

### **Conflict of Interest**

Employees are not permitted to engage in any activities, on or off the job, that are in contradiction with the Company's commercial interests, nor are they permitted to utilize their position with the Company for personal gain or the inappropriate advantage of others. Conflicts of interest, or the perception of such a conflict, must be avoided as a policy.

## Statement of Financial Position

As at September 30, 2024

	Note	2024	2023
		Rupees in '000'	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	4,919,764	5,046,600
Intangible assets	5	7,478	7,872
Long term deposits	6	23,671	12,832
		<b>4,950,913</b>	<b>5,067,304</b>
<b>Current Assets</b>			
Trade debts		-	12,210
Stores, spares and loose tools	7	275,158	269,993
Stock in trade	8	2,204,746	2,249,478
Short term investment		61,948	22,300
Advances	9	924,183	804,562
Deposits, prepayments and other receivables	10	290,147	294,027
Cash and bank balances	11	82,246	28,300
		<b>3,838,428</b>	<b>3,680,870</b>
Total Assets		<b>8,789,341</b>	<b>8,748,174</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
20,000,000 Ordinary shares of Rs. 10 each		<b>200,000</b>	200,000
<b>Share capital and reserves</b>			
Issued, subscribed and paid up capital	12	160,175	160,175
Revenue reserves - accumulated profit		395,911	234,411
Surplus on revaluation of property, plant and equipment - net	13	2,368,193	2,469,860
Subordinated loan	14	1,140,657	1,140,657
		<b>4,064,936</b>	<b>4,005,103</b>
<b>Non-Current Liabilities</b>			
Long term financing	15	294,362	482,539
Deferred liabilities	16	843,203	802,237
Lease liabilities	17	48,966	32,846
		<b>1,186,531</b>	<b>1,317,622</b>
<b>Current Liabilities</b>			
Trade and other payables	18	1,050,004	1,169,004
Current portion of lease liabilities	17	13,194	6,741
Short term borrowings	19	2,146,747	1,981,248
Accrued markup		293,364	203,003
Provision for taxation	20	34,565	65,453
		<b>3,537,874</b>	<b>3,425,449</b>
<b>Contingencies and Commitment</b>	21		
<b>Total Equity and Liabilities</b>		<b>8,789,341</b>	<b>8,748,174</b>

The annexed notes 1 to 41 form an integral part of these financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: December 27, 2024

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended September 30, 2024

	Note	2024 Rupees in '000'	2023
Sales - net	22	11,363,646	4,487,204
Cost of sales	23	(10,191,532)	(3,690,304)
<b>Gross profit</b>		<b>1,172,114</b>	<b>796,900</b>
Administrative expenses	24	(300,544)	(254,001)
Distribution cost	25	(32,713)	(61,977)
Other income	26	14,355	54,947
Other operating expenses	27	(26,535)	(7,695)
		<b>(345,437)</b>	<b>(268,726)</b>
<b>Operating profit</b>		<b>826,677</b>	<b>528,174</b>
Finance cost	28	(568,479)	(414,716)
<b>Profit before income tax and final taxes</b>		<b>258,198</b>	<b>113,458</b>
Final taxes		(14,959)	(10,867)
Profit before income tax		243,239	102,591
Income tax	29	(183,406)	(85,233)
<b>Profit after income tax</b>		<b>59,833</b>	<b>17,358</b>
Other comprehensive income for the year			
(a) Items that will be reclassified subsequently to the statement of profit or loss.		-	-
(b) Items that will not be reclassified subsequently to the statement of profit or loss.		-	-
		-	-
<b>Total comprehensive income for the year</b>		<b>59,833</b>	<b>17,358</b>
<b>Earning per share - basic and diluted (Rupees)</b>	30	<b>3.74</b>	<b>1.08</b>

The annexed notes 1 to 41 form an integral part of these financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: December 27, 2024



## Statement of Changes in Equity

For the year ended September 30, 2024

	<i>Issued, subscribed &amp; paid-up capital</i>	<i>Revenue reserves - Accumulated profit</i>	<i>Revaluation surplus on property, plant and equipment</i>	<i>Subordinated Loan</i>	<i>Total</i>
<i>Note</i>	----- Rupees in '000' -----				
<b>Balance as at September 30, 2022</b>	160,175	171,329	1,200,998	1,140,657	2,673,159
Profit for the year	-	17,358	-	-	17,358
<b>Total comprehensive income</b>					
Revaluation surplus arises during the year - net of tax	-	-	1,314,586	-	1,314,586
Transfer of incremental depreciation from revaluation surplus on property, plant and equipment - net of tax	-	45,724	(45,724)	-	-
	-	45,724	1,268,862	-	1,314,586
<b>Balance as at September 30, 2023</b>	<b>160,175</b>	<b>234,411</b>	<b>2,469,860</b>	<b>1,140,657</b>	<b>4,005,103</b>
Profit for the year	-	59,833	-	-	59,833
<b>Total comprehensive income</b>					
Transfer of incremental depreciation from revaluation surplus on property, plant and equipment - net of tax	-	101,667	(101,667)	-	-
<b>Balance as at September 30, 2024</b>	<b>160,175</b>	<b>395,911</b>	<b>2,368,193</b>	<b>1,140,657</b>	<b>4,064,936</b>

The annexed notes 1 to 41 form an integral part of these financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: December 27, 2024

## Statement of Cash Flows

For the year ended September 30, 2024

	2024	2023
Note	Rupees in '000'	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	258,198	113,458
Adjustment for non-cash charges and other items:		
Depreciation	249,672	224,628
Amortization	394	414
Unwinding of deferred grant	-	(3,235)
Provision for Workers' Welfare Fund	4,072	-
Provision for Workers' Profit Participation fund	13,804	5,083
Finance cost	568,479	414,715
Gain on disposal	(9,640)	-
Working capital changes	31.1 (158,490)	(742,634)
<b>Cash generated from operations</b>	<b>926,489</b>	<b>12,429</b>
Finance cost paid	(478,118)	(310,338)
Workers' Profit Participation paid	(35,662)	-
Workers' Welfare Fund	(6,689)	-
Income tax paid	(186,277)	(75,922)
Long term deposits - net	(10,839)	650
<b>Net cash generated from / (used in) operating activities</b>	<b>208,904</b>	<b>(373,181)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(121,586)	(129,322)
Capital work-in-progress - net	(3,010)	(13,103)
Short term investment	(39,648)	(22,300)
Proceeds from disposal of property, plant & equipment	11,400	-
<b>Net cash used in investing activities</b>	<b>(152,844)</b>	<b>(164,725)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Market Committee fee paid	(2,009)	(4,020)
Long term loans paid	(188,177)	(18,375)
Lease rental - net	22,573	(7,252)
Short term finance - net	165,499	419,288
<b>Net cash (used in) / generated from financing activities</b>	<b>(2,114)</b>	<b>389,641</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>53,946</b>	<b>(148,265)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>28,300</b>	<b>176,565</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>82,246</b>	<b>28,300</b>

The annexed notes 1 to 41 form an integral part of these financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: December 27, 2024

## Notes to the Financial Statements

For the year ended September 30, 2024

### 1 **LEGAL STATUS AND NATURE OF BUSINESS**

Khairpur Sugar Mills Limited (the Company) was incorporated in Pakistan on August 23, 1989 as a public limited company under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). The Company is listed on Pakistan Stock Exchange Limited. The company is principally engaged in the manufacture and sale of sugar and by-products.

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

- The head office of the Company is situated at 51/2/4, 26th Street, khayaban-e-Janbaz, DHA, Karachi.
- The manufacturing facilities of the company are situated at Naroo Dhoro, Tando Masti road, Taluka Kot Diji, Khairpur in the province of Sindh.

### 2 **BASIS OF PREPARATION**

#### 2.1 **Statement of Compliance**

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

- International Financial reporting standards (IFRS standards) issued by international Accounting standards Board (IASB) as notified under 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 from IFRS standards, the provisions of and directives issued under the companies Act, 2017 have been followed

#### 2.2 **Basis of Measurement**

These financial statements have been prepared under the historical cost convention, except as otherwise disclosed hereafter.

#### 2.3 **Functional and presentation currency**

These financial statements are presented in Pakistani rupees which is the functional currency of the company. Figures are rounded off to the nearest thousand rupee, unless otherwise stated.

#### 2.4 **Significant accounting estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

- a) Determining the residual values and useful lives of property, plant and equipments (Note 3.1),
- b) Impairment / adjustments of inventories and stores to their net realizable value (Note 3.4 & 3.5),
- c) Recognition of taxation, levy and deferred tax ( Note 3.10), and;
- d) Impairment of assets (Note 3.15.5 & 3.17).

## Notes to the Financial Statements

For the year ended September 30, 2024

### 2.5 Standards, interpretations and amendments to approved accounting standards

#### 2.5.1 Amendments to published accounting and reporting standards which are effective for the year ended September 30, 2024

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

#### 2.5.2 Standards, interpretations and amendments to the existing standards that are not yet effective and have not been early adopted by the company

		<i>Effective date (annual reporting periods beginning on or after)</i>
- IAS 1	Presentation of Financial Statements (Amendments regarding the classification of liabilities and debts with covenants)	January 1, 2024
- IAS 07	Statement of Cash Flows (Amendments regarding supplier finance arrangements)	January 1, 2024
- IFRS 16	Leases (Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions)	January 1, 2024
- IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	January 1, 2025
- IFRS 07	Financial Instruments (Amendments regarding disclosures)	January 1, 2026
- IFRS 17	Insurance Contracts	
- IFRS 9	Financial Instruments (Amendments regarding the classification and measurement of financial instruments)	January 1, 2026

### 3 SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Property, plant and equipment

##### *Fixed assets - Owned*

These are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land, building, plant and machinery. Land is stated at revalued amount less impairment losses, if any. Building and plant & machinery are stated at revalued amount less accumulated depreciation and impairment losses, if any. Depreciation on fixed assets is charged to statement of profit or loss by applying reducing balance method at the rates specified in the relevant note.

Monthly depreciation is charged on the assets acquired during the month, whereas, no depreciation is charged from the month of disposal.

Normal repairs and maintenance are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized.

The carrying values of tangible fixed assets are reviewed for impairment when event or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

Gain/ loss on disposal of fixed assets are recognized in the statement of profit or loss.

## Notes to the Financial Statements

For the year ended September 30, 2024

### *Right of use asset*

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated at the rates and basis applied to the company's owned assets over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

### *Lease Liabilities*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

### **3.2** *Capital work in progress*

Capital work-in-progress is stated at cost accumulated up to the reporting date less impairment if any. Transfer are made to relevant property, plant and equipment category as and when assets are available for their intended use.

### **3.3** *Intangible Assets*

An intangible asset is recognized as an assets if it is probable that economic benefits attributable to the assets will flow to the company and cost of the assets can be measured reliably.

Intangible assets having finite useful lives are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged by applying reducing balance method, at the rate specified in relevant note, from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which asset is expected to generate net cash inflows for the Company.

An intangible asset with an indefinite useful life is not amortized. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss account when the asset is derecognized.

### **3.4** *Stores and Spares*

These are valued at lower of the moving average cost or net realizable value. Net realizable value comprise of estimated selling price in the ordinary course of the business less estimated cost necessary to make the sale. Provision is made for items considered obsolete and slow moving. Items in transit are valued at cost comprising invoice price and other charges paid thereon.



## Notes to the Financial Statements

For the year ended September 30, 2024

Major stores and spare parts qualify for recognition as property, plant and equipment when the Company expects to use these for more than one year. Transfer are made to relevant operating fixed assets category as and when such items are issued for use.

Major stores and spare parts are valued at cost less accumulated impairment, if any.

### 3.5 *Stock in trade*

These are valued at lower of weighted average cost and net realizable value. Cost is determined as follows:-

- Work in process Prime cost plus proportionate allocation of manufacturing overheads based on stage of completion.
- Finished goods Prime cost plus an appropriate allocation of manufacturing overheads.
- By product Net realizable value.

Net realizable value comprises of estimated selling price in the ordinary course of the business less estimated cost necessary to make the sale.

### 3.6 *Trade debts*

These are classified at amortized cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss (ECL).

### 3.7 *Loans, advances, deposits and prepayments*

These are stated at their fair values net of allowance for uncollectable amounts (if any).

### 3.8 *Trade and other payables*

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

### 3.9 *Employee benefits*

#### *Defined contribution plan*

The Company operates a recognised provident fund for all its eligible employees. Equal contributions are made, both by the Company and the employees, to the fund at the rate of 8.33% of the basic salary. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

### 3.10 *Taxation*

#### *Current*

Provision for current taxation is determined in accordance with provision of Income Tax Ordinance, 2001.

#### *Levy*

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

## Notes to the Financial Statements

For the year ended September 30, 2024

### *Deferred*

Deferred tax is recognized using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date.

### **3.11 Provisions**

A provision is recognized when the Company has an obligation (legal or constructive), as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### **3.12 Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, and is reduced for the allowances such as taxes, duties, commissions, sales returns and trade discounts. The following recognition criteria must be met before revenue is recognized:

- Revenue from sale of goods is recognized when or as control of goods has been transferred to buyer and performance obligation is met.
- Return on bank deposits is recognized on accrual basis..
- Miscellaneous income is recognized when performance obligation is met.

### **3.13 Cash and cash equivalents**

For the purpose of cash flow statement, these include cash in hand and balances at bank.

### **3.14 Borrowing Cost**

These are incurred on short term borrowings and are charged to statement of profit or loss in the year in which it is incurred except to the extent of borrowing costs that are directly attributable to the acquisition, contribution and commissioning of a qualify asset which are capitalized.

### **3.15 Financial Instruments**

#### **3.15.1 Initial Recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost as the case may be.

## Notes to the Financial Statements

For the year ended September 30, 2024

### 3.15.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at amortized cost.
- at fair value through other comprehensive income (“FVOCI”), or
- at fair value through profit and loss (“FVTPL”),

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics.

#### **Financial assets at amortized cost**

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through OCI**

Financial assets that meet the following conditions are subsequently measured at FVOCI:

- a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

#### **Financial assets at fair value through P&L**

A financial asset is measured at fair value through P&L unless it is measured at amortized or at fair value through OCI.

### 3.15.3 Financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit and loss (“FVTPL”), or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

### 3.15.4 Subsequent measurement

#### **Financial assets at FVOCI**

Elected investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in OCI.

## Notes to the Financial Statements

For the year ended September 30, 2024

Investments in un-quoted equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value. However, in limited circumstances, where there is insufficient recent information is available or where there is wide range of possible fair value measurements, the cost may be an appropriate estimate of fair value.

### ***Financial assets and liabilities at amortized cost***

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

### ***Financial assets and liabilities at FVTPL***

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

### **3.15.5 Impairment of financial assets at amortized cost**

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized cost. Loss allowances are measured on the basis of life time (ECLs) that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such Company's internal factors and economic environment of the country of customers) on ECLs. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Provision against financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

### **3.15.6 Derecognition**

#### ***Financial assets***

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to revenue reserve.

#### ***Financial liabilities***

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss and other comprehensive income.

## Notes to the Financial Statements

For the year ended September 30, 2024

### **3.15.7 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

### **3.16 Foreign currencies**

Transaction in foreign currencies are recorded into rupees at the rates approximating those prevailing on the date of each transaction. Monetary assets and liabilities in foreign currencies are reported in rupees using the exchange rates approximating those prevailing on the reporting date. Exchange differences are included in income currently.

### **3.17 Impairment**

#### ***Non-financial assets***

The Company assesses at each statement of financial position date whether there is any indication that assets, may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit or loss account. The recoverable amount is the higher of an asset's 'fair value less costs to sell' and 'value in use'.

When impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income.

### **3.18 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary share holders of the Company by the weighted average number of ordinary shares. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary share holders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

### **3.19 Revaluation surplus**

Surplus on revaluation of land, building and plant & machinery is credited to the surplus on revaluation account. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the estimated fair value.

### **3.20 Related party transactions**

All transactions with related parties are carried out by the Company at arms' length basis.

## Notes to the Financial Statements

For the year ended September 30, 2024

### 3.21 Change in Policy

During the year, the Institute of Chartered Accountant of Pakistan (ICAP) has withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and has issued a Guidance – "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said Guidance requires taxes paid under minimum tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position and statement of cash flows as a result of this change

Had there been no change in accounting policy, taxation and profit before taxation for the previous year June 30, 2023 would have been lower by Rs.10.867 million. There is no impact on the earning per share for the prior year due to the change.

2024                      2023  
Note                      Rupees in '000'

### 4 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - tangible	4.1	4,860,874	4,990,720
Capital work in progress	4.2	58,890	55,880
		<b>4,919,764</b>	<b>5,046,600</b>

	Owned						Right to use		Total
	Building on freehold land	Plant and machinery	Furniture and fittings	Office equipment	Factory equipment	Vehicles	Plant and machinery	Vehicles	
	----- Rupees in '000' -----								
Net book values	300,000	414,269	2,438,030	14,220	27,261	3,847	56,649	41,488	3,295,764
<b>For the year ended September 30, 2023</b>									
Additions during the year	-	-	104,198	1,215	1,928	6,549	15,432	-	129,322
Transfer from ROUA	-	-	-	-	-	-	4,953	(4,953)	-
Cost	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	(4,953)	4,953	-
	-	-	-	-	-	-	-	-	-
Revaluation during the year	150,000	246,580	1,393,682	-	-	-	-	-	1,790,262
Depreciation for the year	-	(28,702)	(169,097)	(1,513)	(2,814)	(1,029)	(13,175)	(8,298)	(224,628)
Net book values	450,000	632,147	3,766,813	13,922	26,375	9,367	58,906	33,190	4,990,720
<b>For the year ended September 30, 2024</b>									
Additions during the year	-	-	82,552	-	1,228	-	6,838	30,968	121,586
<b>Disposal</b>									
Cost	-	-	-	-	-	-	(8,630)	-	(8,630)
Accumulated Depreciation	-	-	-	-	-	-	6,870	-	6,870
	-	-	-	-	-	-	(1,760)	-	(1,760)
Depreciation for the year	-	(31,607)	(189,972)	(1,392)	(2,708)	(936)	(12,290)	(10,767)	(249,672)
Net book values	450,000	600,540	3,659,393	12,530	24,895	8,431	51,694	53,391	4,860,874
<b>As at September 30, 2023</b>									
Cost or revaluation	450,000	749,779	4,499,422	20,387	44,314	17,304	116,422	48,690	5,950,416
Accumulated depreciation	-	(117,632)	(732,609)	(6,465)	(17,939)	(7,937)	(57,516)	(15,500)	(959,696)
Net book values	450,000	632,147	3,766,813	13,922	26,375	9,367	58,906	33,190	4,990,720
<b>As at September 30, 2024</b>									
Cost or revaluation	450,000	749,779	4,581,974	20,387	45,542	17,304	114,630	79,658	6,063,372
Accumulated depreciation	-	(149,239)	(922,581)	(7,857)	(20,647)	(8,873)	(62,936)	(26,267)	(1,202,498)
Net book values	450,000	600,540	3,659,393	12,530	24,895	8,431	51,694	53,391	4,860,874
Rate of depreciation	0%	5%	5%	10%	10%	10%	20%	20%	



## Notes to the Financial Statements

For the year ended September 30, 2024

	Note	2024	2023
		Rupees in '000'	
<b>4.1.1 Depreciation charge for the year has been allocated as follows:</b>			
Cost of sales	23	222,516	198,829
Administration expense	24	27,156	25,800
		<u>249,672</u>	<u>224,629</u>
<b>4.1.2</b> Had the Free hold land, Factory building on free hold land, and plant and machinery not been revalued, the total carrying values as at September 30, would have been as follows;			
		2024	2023
		Rupees in '000'	
Free hold land		11,831	11,831
Factory building on free hold land		162,218	170,755
Plant and machinery		1,367,783	1,354,591
		<u>1,541,832</u>	<u>1,537,177</u>
<b>4.1.3</b> The forced sale value of Free Hold Land, Factory Building, and Plant and Machinery had assessed at Rs.405.000 (2023: Rs. 405.000) million, Rs.555.853 (2023: Rs. 555.853) million and Rs.3,062.784 (2023: Rs. 3,062.784) million respectively.			
		2024	2023
		Rupees in '000'	
<b>4.2 Capital work in progress</b>			
Plant and machinery		58,890	55,880
<b>4.2.1 Movement in capital work in progress</b>			
Opening balance		55,880	42,777
Add: Additions during the year		3,199	13,103
Less: Transferred to property, plant and equipment		(189)	-
		<u>58,890</u>	<u>55,880</u>
<b>5 INTANGIBLE ASSETS</b>			
Software	5.1	7,478	7,872
<b>5.1 Software</b>			
Opening		7,872	8,286
Amortization		(394)	(414)
		<u>7,478</u>	<u>7,872</u>
<b>Rate of amortization</b>		<u>5%</u>	<u>5%</u>

## Notes to the Financial Statements

For the year ended September 30, 2024

		2024	2023
		<i>Rupees in '000'</i>	
<b>6</b>	<b>LONG TERM DEPOSITS</b>		
	Deposits against right of use asset	19,816	8,977
	Other deposits	3,855	3,855
		<u>23,671</u>	<u>12,832</u>
<b>7</b>	<b>STORES, SPARES AND LOOSE TOOLS</b>		
	Stores, spares and loose tools	285,937	280,772
	Provision for slow moving and obsolete items	(10,779)	(10,779)
		<u>275,158</u>	<u>269,993</u>
<b>7.1</b>	Most items of the stores and spares are interchangeable in nature and can be used as machine spares or consumed as stores.		
		2024	2023
		<i>Rupees in '000'</i>	
<b>8</b>	<b>STOCK IN TRADE</b>		
	<i>Finished goods</i>		
	- Sugar	2,137,137	2,043,988
	- Bagasse	65,576	202,254
	- Molasses	354	2,053
		8.1 <u>2,203,067</u>	<u>2,248,295</u>
	Work in process	1,679	1,183
		<u>2,204,746</u>	<u>2,249,478</u>
<b>8.1</b>	Inventory having carrying value of Rs. 667.863 million (2023 : Rs. 752.441 million) has been pledged against bank financing.		
		2024	2023
		<i>Rupees in '000'</i>	
<b>9</b>	<b>ADVANCES</b>		
	<i>Advances - Unsecured</i>		
	- to growers	9.1 <u>97,462</u>	153,170
	- to suppliers	9.2 <u>515,309</u>	398,870
	- for expenses	<u>293,050</u>	239,807
	- to staff	9.3 <u>18,362</u>	12,715
		<u>924,183</u>	<u>804,562</u>
<b>9.1</b>	<b>Advances to growers</b>		
	Considered good	97,462	153,170
	Considered bad	1,428	1,428
		<u>98,890</u>	<u>154,598</u>
	Provision for doubtful advances	(1,428)	(1,428)
		<u>97,462</u>	<u>153,170</u>

## Notes to the Financial Statements

For the year ended September 30, 2024

	Note	2024	2023
		Rupees in '000'	
<b>9.2 Advances to suppliers</b>			
Considered good		515,309	398,870
Considered bad		6,294	6,294
		<b>521,603</b>	<b>405,164</b>
Provision for doubtful advances		(6,294)	(6,294)
		<b>515,309</b>	<b>398,870</b>
<b>9.3 Advances to staff</b>			
Considered good		18,362	12,715
Considered bad		367	367
		<b>18,729</b>	<b>13,082</b>
Provision for doubtful advances		(367)	(367)
		<b>18,362</b>	<b>12,715</b>
<b>10 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Deposits	10.1 & 10.2	55,320	55,320
Prepayments		5,025	10,791
Other receivables	10.3	27,606	25,720
Freight subsidy	10.4	202,196	202,196
		<b>290,147</b>	<b>294,027</b>

**10.1** In the year ended September 30, 2008, the company has paid Rs.5.220 million as performance money in relation to its agreement with Trading Corporation of Pakistan (TCP) for the purchase of 5,000 M. Tons sugar the season 2007-2008 at a price of Rs. 20,880 per metric ton. Due to non-performance of obligation by Trading Corporation of Pakistan, the company has withdrawn from the agreement but performance money is not refunded by TCP. The case has been decided in favour of TCP and company has filed review appeal in the Honorable Sindh High Court.

**10.2** During the year, the Cane Commissioner Sindh allocated a sugar export quota of 1,000 MT to each mill, contested in Sindh High Court(SHC) by some mills. The SHC permitted sugar export and directed mills to deposit Rs. 96.10 per kg of disputed quantity of 493 MT, refundable along with accrued profit upon a favorable case conclusion. The company complied, depositing Rs. 47.377 million, expressing confidence in a positive outcome and recovery of the deposit and accrued profit post-case resolution.

**10.3** In the year ended September 30, 2022, an amount of Rs. 16.341 million which was directly withdrawn from company's bank account by Competition Commission of Pakistan (CCP). Ref Note 21.1.4

**10.4** This is receivable against the cash freight subsidy related to sugar exports made during the financial year 2018 from Federal Government and the Government of Sindh.

The company with other sugar mills of Sindh have filed the petition before Honorable Sindh High Court regarding the outstanding portion of freight support subsidy payable by the Government of Sindh (GOS). The company have exported 25,948 MT of sugar during the crushing season 2017-18, and amount of Rs. 188.271 million are receivable from GOS as freight support subsidy till date. The company's lawyer is optimistic about the outcome of suit in favor of company. Ref Note 21.1.9

## Notes to the Financial Statements

For the year ended September 30, 2024

	Note	2024	2023
		Rupees in '000'	
<b>11 CASH AND BANK BALANCES</b>			
Cash in hand		1,787	146
Cash at banks			
- Current accounts		18,546	28,154
- Savings account	11.1	61,913	-
		<u>82,246</u>	<u>28,300</u>

11.1 Savings account carries a markup of 5.2% per annum.

### 12 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2024	2023		Note	2024	2023
Number of Shares				Rupees in '000'	
16,017,500	16,017,500	Ordinary shares of Rs.10 each fully paid in cash	12.1	160,175	160,175

12.1 This include **12.058 million** (2023 : 12.058 million) ordinary shares of Rs. 10 each held by the directors and related parties.

	Note	2024	2023
		Rupees in '000'	
<b>13 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET</b>			
<b>Revaluation surplus</b>			
Balance as at October 01		3,302,048	1,576,187
Add: Surplus arises during the year		-	1,790,262
Less : Transferred to unappropriated profit in respect of incremental depreciation charged during the year		(143,194)	(64,401)
		<u>3,158,854</u>	<u>3,302,048</u>
<b>Related deferred tax liability</b>			
Balance as at October 01		(832,188)	(375,189)
Increase in revaluation surplus during the year		-	(475,676)
Deferred tax on incremental depreciation charged during the year		41,526	18,677
		<u>(790,662)</u>	<u>(832,188)</u>
		<u>2,368,193</u>	<u>2,469,860</u>

## Notes to the Financial Statements

For the year ended September 30, 2024

**13.1** The company carried out revaluation of its freehold land, building and plant and machinery, the details of such revaluation are as under:

<i>Date of Revaluation</i>	<i>Revaluer Name</i>	<i>Revaluation surplus/(deficit) in million</i>
January 31, 2023	M/s. Oceanic Surveyors (Pvt.) Limited	1,790.262
September 30, 2021	M/s. Oceanic Surveyors (Pvt.) Limited	820.061
January 16, 2019	M/s. Oceanic Surveyors (Pvt.) Limited	569.968
January 25, 2016	M/s. Amir Evaluations & Consultants	(44.962)
March 29, 2013	M/s. Consultancy Support & Services (Management Consultants)	125.753
December 13, 2007	M/s. Consultancy Support & Services (Management Consultants)	201.386

	<i>Note</i>	<i>2024</i>	<i>2023</i>
		<i>Rupees in '000'</i>	

### 14 SUBORDINATED LOAN

Loan from related parties		1,140,657	1,140,657
---------------------------	--	-----------	-----------

**14.1** These are unsecured interest free loan and payable at the discretion of the company.

### 15 LONG TERM FINANCING

#### *Loan from related parties*

Loan from associates	15.1	294,362	482,539
----------------------	------	---------	---------

**15.1** This represents loan from associates which is unsecured and carries markup at 1 Year KIBOR.

	<i>Note</i>	<i>2024</i>	<i>2023</i>
		<i>Rupees in '000'</i>	

### 16 DEFERRED LIABILITIES

Deferred tax liability	16.1	843,203	800,228
Market Committee fee	16.2	2,009	6,029
Less: Current portion		(2,009)	(4,020)
		-	2,009
		843,203	802,237

#### **16.1** *Deferred tax liability*

##### *Deductible temporary differences:*

Tax losses	192,006	192,876
Minimum tax credit	65,477	131,981
Provision for stores, loans and advances	4,752	4,048
	262,235	328,905

##### *Taxable temporary differences:*

Accelerated depreciation	(314,776)	(296,945)
Surplus on revaluation	(790,662)	(832,188)
	(1,105,438)	(1,129,133)

<i>Deferred tax liability</i>	(843,203)	(800,228)
-------------------------------	-----------	-----------

## Notes to the Financial Statements

For the year ended September 30, 2024

### 16.2 Market committee fee payable

In the year ended 30 September 2015, the Company has settled the petition filed before the Honorable High Court of Sindh against Market Committee, Kotdigi for payment of Market Committee fee for pending years from 2003-2004 to 2014-2015. As per agreed terms, the Company is liable to pay Rs. 40.199 million in 20 installments.

### 17 LEASE LIABILITIES

The Company had entered into lease agreement with leasing company to acquire vehicles. The purchase option is available to the Company after payment of the last installment and on surrender of deposit at the end of the lease period. Taxes, repairs and maintenance, insurance and other costs relating to the leased assets are to be borne by the Company. The implicit rate of return on lease finance ranges from 15.2% to 22.6% per annum (2023 : 17.22% to 25.66% per annum).

Set out below the carrying amount of lease liabilities and the movements during the year:

	2024	2023
Note	Rupees in '000'	
<b>As at October 01</b>	<b>39,587</b>	46,839
Additions	<b>30,968</b>	-
Interest expense	<b>9,270</b>	6,722
Payments	<b>(17,665)</b>	(13,974)
<b>As at September 30</b>	<b>62,160</b>	39,587
Current	<b>13,194</b>	6,741
Non-current	<b>48,966</b>	32,846
	<b>62,160</b>	39,587

#### 17.1 Lease liabilities are payable as follows:

<b>Minimum lease payment</b>		
Upto one year	<b>20,656</b>	13,184
More than one year but less than five years	<b>58,144</b>	40,674
	<b>78,800</b>	53,858
<b>Financial charges</b>		
Upto one year	<b>7,462</b>	6,443
More than one year but less than five years	<b>9,178</b>	7,828
	<b>16,640</b>	14,271
<b>Present value of minimum lease payments</b>		
Upto one year	<b>13,194</b>	6,741
More than one year but less than five years	<b>48,966</b>	32,846
	<b>62,160</b>	39,587
Current maturity shown under current liabilities	<b>(13,194)</b>	(6,741)
	<b>48,966</b>	32,846



## Notes to the Financial Statements

For the year ended September 30, 2024

	Note	2024	2023
		<i>Rupees in '000'</i>	
<b>18 TRADE AND OTHER PAYABLES</b>			
Creditors		269,262	215,109
Accrued liabilities		30,010	18,536
Market committee fee payable		10,567	8,850
Advance from customers	18.1	527,207	802,663
Unclaimed gratuity		14,341	14,341
Sales tax payables		114,835	51,756
Workers' Profit Participation Fund	18.2	13,804	35,662
Workers' Welfare Fund	18.3	13,484	16,100
Payable to provident fund	18.4	44,898	3,464
Withholding tax payable		11,596	2,523
		<b>1,050,004</b>	<b>1,169,004</b>

### 18.1 Advance from customers

Revenue recognised during the year from amounts included in advance from customers at beginning of the year amounting to Rs.802.663 million (2023: Rs. 613.542 million)

	Note	2024	2023
		<i>Rupees in '000'</i>	
<b>18.2 Workers' Profit Participation Fund</b>			
Balance at 01 October		35,662	24,436
Paid during the year		(35,662)	-
Interest on funds utilized in the Company's business		-	6,143
Charge for the year		13,804	5,083
		<b>13,804</b>	<b>35,662</b>

The Company retains the allocation to this fund for its business operations till the amounts are paid together with interest at prescribed rate under the Act.

	Note	2024	2023
		<i>Rupees in '000'</i>	
<b>18.3 Workers' Welfare Fund</b>			
Balance at 01 October		16,100	16,100
Paid during the year		(6,689)	-
Charge for the year		4,073	-
		<b>13,484</b>	<b>16,100</b>

**18.4** This represents loan from provident fund which is unsecured and it also carries markup at 22.74%.

## Notes to the Financial Statements

For the year ended September 30, 2024

	Note	2024	2023
		Rupees in '000'	
<b>19 SHORT TERM BORROWINGS</b>			
<b>- From Banking Companies</b>			
<b>Secured</b>			
Cash finance	19.1	1,652,028	1,602,500
Temporary overdraft		831	108
		<b>1,652,859</b>	1,602,608
<b>- From Related parties</b>			
<b>Unsecured</b>			
from directors	19.2	493,888	378,640
		<b>2,146,747</b>	1,981,248

**19.1** This represents roll over secured cash financing facilities from banking companies. These facilities carries mark-up at **3 Month KIBOR + 2.5% to 4%** (2023 : 3 Month KIBOR + 2.5% to 4%) per annum respectively. The facilities are secured against pledge of sugar stock of the Company, first equitable mortgage over land and property of associated company and personal guarantees of all directors of the Company and subordination.

Nature of Facility	Available Limits		Unavailed Limits	
	2024	2023	2024	2023
	----- Rupees in '000' -----			
Cash Finance	2,100,628	1,900,000	448,600	297,500

**19.2** This represents loan from directors which is unsecured and interest free and payable on demand.

	2024	2023
	Rupees in '000'	
<b>20 PROVISION FOR TAXATION</b>		
Opening balance	65,453	88,093
Provision for the year	140,301	53,172
Prior year	15,089	110
	220,843	141,375
Income tax paid / deducted during the year	(186,278)	(75,922)
Tax payable	<b>34,565</b>	65,453

## Notes to the Financial Statements

For the year ended September 30, 2024

### 21 CONTINGENCIES AND COMMITMENT

#### 21.1 Contingencies

**21.1.1** The Company has filed three petitions against the impugned contribution amount of totaling Rs.8.37 million against Social Security, Sukkur Directorate and Sindh Employees Social Security Institution, Karachi. If these cases are allowed against the company, then the company has to pay a sum of Rs.8.37 million.

The Company expects favourable outcome of these cases, hence no provision has been made in these financial statements.

**21.1.3** The case in respect of shareholding of 2,669,600 shares of the Company is pending in High Court of Sindh in respect of rescheduled loan of Bankers Equity Limited. The Bankers Equity Limited has a claim on these shares. Matter is pending in the court and the next hearing is fixed on January 15, 2025.

**21.1.4** The Competition Commission of Pakistan (CCP) has passed a consolidated order on August 6, 2021 and August 13, 2021 whereby penalties have been levied on 84 sugar mills. The penalty of Rs.212 million has been levied on the Company.

The Company along with other sugar mills has filed a suit against the above-referred order through its legal counsel before the Sindh High Court who has suspended the operation of above impugned order.

However, the CCP in contravention of the above restraining order of the High Court has issued a show-cause notice under section 30 of the Competition Act, 2010 on October 08, 2021, wherein identical issues are involved. The Company along with other sugar mills has filed a suit against the above show-cause notice and the Sindh High Court has suspended the operation of the above show-cause notice. The next date of hearing in the matter is fixed on January 22, 2025.

In the year ended September 30, 2022, Competition Commission of Pakistan has withdrawn an amount from company's account as disclosed in Note 10.3.

The legal counsel of the Company is of the view that penalty has been imposed on the Company along with other sugar mills is irrational and unlawful and is expected to be annulled and withheld amount will be returned back. On the basis of the advice of the legal counsel, the Company expects a favourable outcome and has not made any provision in these financial statements in respect of the penalty levied by CCP.

**21.1.5** A show cause notice has been served by the Collectorate of Customs, Sales Tax and Central Excise regarding non-payment / charging of further tax to unregistered persons on sales made in the month of December 2000, January 2001 and May 2001 amounting to Rs.2.318 million and order against the company has been obtained by the Collectorate. The company has challenged that Order dated December 25, 2008 in the High Court of Sindh. In previous years, The Hon'ble High Court of Sindh has decided the case in favour of company, the department has filed the appeal in the Hon'ble Supreme Court of Pakistan.

**21.1.6** During the year 2009-10, the Company along with other sugar mills filed a Constitutional petition before the Honorable High Court of Sindh against Pakistan Standards and Quality Controls Authority - PSQCA challenging the notification issued in respect of registration of the standard mark for refined sugar manufactured and sold by the Company and levy of marking fee at the rate of 0.1 % of ex-factory price of sugar sold with effect from January 01, 2009.

## Notes to the Financial Statements

For the year ended September 30, 2024

The Honorable High Court of Sindh decided the case in favour of Company. Against the said order, PSQCA filed an appeal before the Honorable Supreme Court of Pakistan. The Honorable Supreme Court of Pakistan passed the interim order against PSQCA restraining from demanding any marks or licensing fee from the sugar mills till further order.

The Company is of the view that the demand raised is without any lawful authority and is in violation of the Constitution, hence, no provision is made in this regard.

**21.1.7** In financial year 2019, various growers have filed constitutional petition in Sindh High Court (SHC) against sugar mills in the province of Sindh for non-compliance of the judgment of the Supreme Court relating to quality premium to sugarcane growers. Subsequent to the year end, the SHC has directed the provincial cane commissioner to determine the sucrose recovery rate for the crushing seasons of the last 20 years to determine quality premium payable by sugar mills in the province. Since the matter is subject to determination of sucrose recovery rate by the cane commissioner, the expected liability in respect of quality premium (if any) can not be determined at this stage as the rate is not yet determined by the cane commissioner till the date of the authorization of these financial statements. Therefore, no provision has been made in the financial statements.

**21.1.8** In financial year 2019, the company has filed an appeal with CIR (appeals) Sukkur against order passed u/s 161 of Income Tax Ordinance, 2001 raising a disputed demand of Rs. 3.414 million. During the year hearing in this case have been taken place and the case is reserved for order. The management & legal advisor are expecting a favorable outcome. Hence, no provision is made in this regard.

**21.1.9** During the year ended September 30, 2018, the company had exported 25,948 MT of sugar, against which freight subsidy of Rs.188.271 million is receivable from Federal Government and the Government of Sindh. The company with other sugar mills of Sindh have filed the petition before Honorable Sindh High Court regarding the outstanding portion of freight support subsidy payable by the Government of Sindh (GOS). During the year dated September 24, 2024 Government of Sindh has directed finance division to release funds of the freight subsidy to the state bank of Pakistan and sindh bank for further disbursements to the concerned sugar mills after reconciliation and proper verification of the claims.

	<i>Note</i>	<b>2024</b>	<b>2023</b>
		<b>Rupees in '000'</b>	
<b>21.2 Commitments</b>			
Commitment in respect of CWIP		<b>163,000</b>	17,000
<b>22 SALES - NET</b>			
Sugar - local		<b>11,709,376</b>	3,890,963
Sugar - export		<b>183,703</b>	408,284
Sale of by-products		<b>1,312,182</b>	758,926
		<b>13,205,261</b>	5,058,172
Sales tax		<b>(1,841,615)</b>	(570,968)
		<b>11,363,646</b>	4,487,204

## Notes to the Financial Statements

For the year ended September 30, 2024

	Note	2024	2023
		Rupees in '000'	
<b>23 COST OF SALES</b>			
Raw material consumed		9,276,314	3,729,707
Stores and spares consumed		69,223	60,805
Packing material consumed		88,329	39,119
Salaries, wages & other benefits	23.1	261,085	176,787
Power and fuel		79,753	60,243
Freight and handling		4,552	12,125
Wastage removing and cane feeding		13,328	9,570
Repair and maintenance		72,317	49,453
Printing and stationery		5,129	5,686
Vehicle running expenses		22,240	19,085
Insurance expenses		23,761	13,797
Other manufacturing expenses		8,253	10,565
Depreciation	4.1.1	222,516	198,829
<b>Manufacturing expenses</b>		<b>10,146,800</b>	<b>4,385,771</b>
Opening stock of work in process		1,183	1,015
Closing stock of work in process		(1,679)	(1,183)
		(496)	(168)
<b>Cost of goods manufactured</b>		<b>10,146,304</b>	<b>4,385,603</b>
Opening stock of finished goods		2,248,295	1,552,996
Closing stock of finished goods		(2,203,067)	(2,248,295)
		45,228	(695,299)
		<b>10,191,532</b>	<b>3,690,304</b>

23.1 These include an amount of Rs.9.328 million (2023 : Rs. 6.997) million in respect of staff retirement benefits.

	Note	2024	2023
		Rupees in '000'	
<b>24 ADMINISTRATIVE EXPENSES</b>			
Directors' remuneration			
Salaries allowances and other benefits	24.1	172,289	156,179
Communication expenses		3,775	5,558
Repair & maintenance		11,633	11,063
Traveling and conveyance		34,074	15,506
Utilities		23,873	13,888
Legal and professional charges		6,365	9,335
Fees and subscription		5,017	4,636
Rent, rates and taxes		1,998	1,324
Printing & stationery		473	380
Entertainment expenses		5,240	3,923
Insurance		5,107	2,769
Auditors' remuneration	24.2	1,580	1,533
Security expenses		1,009	771
General expenses		561	922
Amortization		394	414
Depreciation	4.1.1	27,156	25,800
		<b>300,544</b>	<b>254,001</b>

## Notes to the Financial Statements

For the year ended September 30, 2024

**24.1** These include an amount of Rs.2.332 million (2023 : Rs. 1.749) million in respect of staff retirement benefits.

	Note	2024	2023
		<i>Rupees in '000'</i>	
<b>24.2 Auditors' remuneration</b>			
Statutory audit		1,156	1,051
Half yearly review		214	195
Review report on code of corporate governance		117	106
Other certifications		58	139
Out of pocket expenses		35	42
		<b>1,580</b>	<b>1,533</b>
<b>25. DISTRIBUTION COST</b>			
Loading and unloading		25,378	54,172
Advertisement and publicity		90	102
Miscellaneous		7,245	7,703
		<b>32,713</b>	<b>61,977</b>
<b>26. OTHER INCOME</b>			
<i>Income from financial assets</i>			
Return on term deposit receipt		3,915	1,511
Profit on bank deposit		317	-
<i>Income from other than financial assets</i>			
Insurance claim		-	20,214
Gain on disposal of asset		9,640	-
Scrap sales		482	29,986
		<b>10,122</b>	<b>50,201</b>
<i>Others</i>			
Unwinding of deferred grant		-	3,235
		<b>14,355</b>	<b>54,947</b>
<b>27. OTHER OPERATING EXPENSES</b>			
Workers' Profit Participation Fund		13,804	5,083
Workers' Welfare Fund		4,072	-
Charity and donation	27.1	8,659	2,477
Other operating expenses		-	135
		<b>26,535</b>	<b>7,695</b>

**27.1** No donation was paid to any person or institution in which director or his spouse is interested.



## Notes to the Financial Statements

For the year ended September 30, 2024

	2024	2023
	<i>Rupees in '000'</i>	
<b>28 FINANCE COST</b>		
Mark-up on cash finance	462,827	310,007
Lease finance charges	9,269	6,623
Mark-up on payroll finance	-	3,253
Markup on long term finance - RP	89,940	82,219
Markup on Provident fund	4,935	-
Finance cost on lease liability	-	2,218
Interest on Workers' Profit Participation Fund	-	6,143
Bank charges	1,508	4,253
	<b>568,479</b>	<b>414,716</b>
<b>29 INCOME TAX</b>		
Current tax	125,342	42,305
Prior year tax	15,089	110
	<b>140,431</b>	<b>42,415</b>
Deferred tax	42,975	42,818
	<b>183,406</b>	<b>85,233</b>
<b>29.1</b>	Provision for current tax is based on section 113 of the Income Tax Ordinance, 2001. Accordingly tax expense reconciliation with the accounting profit is not reported.	
<b>29.2</b>	<b>14,959</b>	<b>10,867</b>

Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	2023
	<i>Rupees in '000'</i>	
- Current tax liability for the year as per applicable tax laws	140,301	53,172
- Portion of current tax liability as per tax laws, representing income tax under IAS 12"	(125,342)	(42,305)
- Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37 "	(14,959)	(10,867)
Difference	-	-

The current tax amounting to Rs. 140.301 million represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

- 29.3** The income tax assessments of the Company have been finalised up to and including the tax year 2024. Tax returns which are submitted with Federal Board of Revenue are deemed to be assessed under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select the deemed assessment order for audit.

## Notes to the Financial Statements

For the year ended September 30, 2024

**29.4** The provision for current year tax represents tax on annual turnover at the rate of 1.25% (2023 : 1.25%). The computed current tax expense based on the generally accepted interpretation of tax laws to ensure that the sufficient provision for the purpose of taxation is available. According to management, the tax provision made in the financial statement is sufficient. A comparison of last three years of income tax provision with tax assessed is presented below:

	<i>Tax Year</i>		
	2025	2024	2023
	----- Rupees in '000' -----		
Income tax provision for the year	<b>140,301</b>	53,172	75,260
Income tax as per tax assessment	29.4.1 -	68,261	75,150

**29.4.1** Income tax assessment for the tax year 2025 has not yet finalized.

	2024	2023
	Rupees in '000'	
<b>30 PROFIT PER SHARE</b>		
<i>- Basic and diluted</i>		
Profit after tax - Rupees in '000	<b>59,833</b>	17,358
Weighted average number of ordinary shares	<b>16,017,500</b>	16,017,500
Earning per share - basic and diluted - Rupees	<b>3.74</b>	1.08
<b>31 CASH GENERATED FROM OPERATIONS</b>		
<b>31.1 Working capital changes</b>		
<i>(Increase) / decrease in current assets</i>		
- Trade debts	<b>12,210</b>	44,603
- Stores and spares	<b>(5,165)</b>	(113,180)
- Stock-in-trade	<b>44,732</b>	(695,467)
- Advances	<b>(119,621)</b>	(199,182)
- Trade deposits and short term prepayments	<b>3,880</b>	(55,703)
	<b>(63,964)</b>	(1,018,929)
<i>Increase / (decrease) in current liabilities</i>		
- Trade and other payables	<b>(94,526)</b>	276,295
	<b>(158,490)</b>	(742,634)

## Notes to the Financial Statements

For the year ended September 30, 2024

### 32 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTOR AND OTHER EXECUTIVES

The aggregate amount charged in the accounts for remuneration, including certain benefits to Chief Executive Officer, Director and Other Executives of the company as follows:

	2024			
	Chief Executive Officer	Director	Other Executives	Total
	----- Rupees in '000' -----			
Managerial remuneration	9,000	16,200	28,010	53,210
Utilities	1,800	3,240	14,006	19,046
Perquisites and other benefits	7,200	12,960	14,005	34,165
	<u>18,000</u>	<u>32,400</u>	<u>56,021</u>	<u>106,421</u>
Number of persons	<u>1</u>	<u>1</u>	<u>12</u>	<u>14</u>
	2023			
	Chief Executive Officer	Director	Other Executives	Total
	----- Rupees in '000' -----			
Managerial remuneration	9,000	16,200	25,464	50,664
Utilities	1,800	3,240	12,732	17,772
Perquisites and other benefits	7,200	12,960	12,732	32,892
	<u>18,000</u>	<u>32,400</u>	<u>50,928</u>	<u>101,328</u>
Number of persons	<u>1</u>	<u>1</u>	<u>12</u>	<u>14</u>

**32.1** The Chief Executive Officer and executive directors are also entitled for company maintained vehicles in accordance with Company's policy.

**32.2** During the year, there was no payment (2023: Nil) made to non-executive director for attending meetings.

### 33 PROVIDENT FUND

The following information is based on audited financial statements of the Fund as at June 30, 2024 and June 30, 2023:

	2024	2023
	Rupees in '000'	
Size of the fund - Total assets	101,207	73,394
Fair value of investments / Bank balances	58,788	34,402
Percentage of investment made	58%	47%

## Notes to the Financial Statements

For the year ended September 30, 2024

33.1 The break-up of fair value of investment is as follows :

	2024 (Percentage)	2023	2024 Rupees in '000'	2023
National Bank Islamic Asset Allocation Fund	100%	6%	58,603	2,108
UBL Fund	0%	94%	185	32,295
	<u>100%</u>	<u>100%</u>	<u>58,788</u>	<u>34,402</u>
Investment	<u>58%</u>	<u>47%</u>	<u>58,788</u>	<u>34,402</u>

33.2 The investment out of provident fund have been made in accordance with the provision of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

	2024		2023	
	Head Office	Factory	Head Office	Factory
<b>34 NUMBER OF EMPLOYEES</b>				
Number of employees including contractual employees at the end of year	<u>63</u>	<u>508</u>	<u>78</u>	<u>560</u>
Average number of employees including contractual employees during the year	<u>66</u>	<u>598</u>	<u>76</u>	<u>738</u>

### 35 TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party and exercise significant influence over other party in making financial and operating decisions.

The related parties comprise of major shareholders, directors of the company and key management personnel and staff / workers funds. Remuneration and benefits to executives of the company are in accordance with the terms of the employment while contribution to the provident fund is made in accordance with staff service rules. Details of transactions with related parties other than disclosed elsewhere in financial statements are as follows:

Name of Related party	Relationship	Percentage of Shareholding	Transaction during the year	2024 -- Rupees in '000' --	2023
Muhammad Mubeen Jumani	Director	1.00%	Receipts of loan	17,689	30,206
			Repayment of loan	5,345	32,448
Faraz Mubeen Jumani	Director	9.99%	Receipts of loan	113,174	335,515
			Repayment of loan	10,271	67,700
Centex (Pvt.) Ltd	Common Directorship	0.00%	Receipts of loan	52,900	-
			Repayment of loan	215,633	71,430
Jumani Group of Companies	Common Directorship	0.00%	Receipts of loan	133,900	30,000
			Repayment of loan	158,202	110,542
Khairpur Foods (Private) Limited	Common Directorship	0.00%	Receipts of loan		103,079
KSML Employees Provident Fund	Provident fund		Contribution to provident fund	11,661	8,746

## Notes to the Financial Statements

For the year ended September 30, 2024

	2024 <i>M. Tons</i>	2023 <i>M. Tons</i>
<b>36 PRODUCTION CAPACITY</b>		
Crushing capacity (per day)	7,000	7,000
Crushing capacity based on actual days	805,000	665,000
Actual cane crushed	831,344	483,068
Production - sugar	89,731	48,635
Sucrose recovery	10.79%	10.07%
	<b>2024</b>	<b>2023</b>
	<b>Days</b>	<b>Days</b>
Duration of season	115	95
<b>36.1</b> Cane crushed is less than installed capacity due to the seasonal availability of sugarcane.		
	<b>2024</b>	<b>2023</b>
	<b>Rupees in '000'</b>	
<b>37 FINANCIAL INSTRUMENTS</b>		
<b>37.1 Financial assets and liabilities</b>		
<b>Financial assets</b>		
Trade debts	-	12,210
Short term investment	61,948	22,300
Advances	18,362	12,715
Deposits and other receivables	308,792	296,068
Cash and bank balances	82,246	28,300
	471,348	371,593
	<b>2024</b>	<b>2023</b>
	<b>Rupees in '000'</b>	
<b>Financial liabilities</b>		
Long term financing	294,362	482,539
Lease liabilities	62,160	39,587
Market committee fee payable	-	2,009
Short term borrowings	2,146,747	1,981,248
Trade and other payables	451,962	346,013
Accrued markup	293,364	203,003
	3,248,595	3,054,399

## Notes to the Financial Statements

For the year ended September 30, 2024

### 37.2 Financial risk management objectives and policies

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

#### 37.2.1 Credit risk

Credit risk is the risk which assess with a possibility that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

#### *Exposure to credit risk*

Credit risk arises when changes in economic or industry factors similarly affects Company's of counter parties whose aggregate credit exposure is significant in relation the Company's total credit exposure. Out of the total financial assets of Rs. 471.348 million (2023 : Rs. 371.593 million), the financial assets which are subject to credit risk amounted to Rs. 469.561 million (2023: Rs. 371.447 million).

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to the credit risk at the reporting date is:

	2024	2023
	<i>Rupees in '000'</i>	
Trade debts	-	12,210
Short term investment	<b>61,948</b>	22,300
Advances	<b>18,362</b>	12,715
Deposits and other receivables	<b>308,792</b>	296,068
Bank balances	<b>80,459</b>	28,154
	<b>469,561</b>	<b>371,447</b>



## Notes to the Financial Statements

For the year ended September 30, 2024

### Quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external long term credit ratings or the historical information about counter party default rates as shown below:

	2024	2023
	<i>Rupees in '000'</i>	
<b>Trade debts</b>		
Customers with no default in past one year	-	12,210
<b>Bank Balances</b>		
AAA	77,130	25,625
AA+	2,529	1,699
A+ and below	800	722

### 37.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash on demand to meet expected working capital requirements. The company's exposure to liquidity risk along with expected maturities is as follows:

	2024			
	<i>Carrying amount</i>	<i>Contractual cash flows</i>	<i>Up to one year</i>	<i>More than one year</i>
	----- <i>Rupees in '000'</i> -----			
<b>Non-derivative financial liabilities</b>				
Lease liability	62,160	(62,160)	(13,194)	(48,966)
Trade and other payables	1,050,004	(1,050,004)	(1,050,004)	-
Short term borrowings	2,146,747	(2,146,747)	(2,146,747)	-
Accrued markup	293,364	(293,364)	(293,364)	-
Long term financing	294,362	(294,362)	-	(294,362)
	<u>3,846,637</u>	<u>(3,846,637)</u>	<u>(3,503,309)</u>	<u>(343,328)</u>
	-----			
	2023			
	<i>Carrying amount</i>	<i>Contractual cash flows</i>	<i>Up to one year</i>	<i>More than one year</i>
	----- <i>Rupees in '000'</i> -----			
<b>Non-derivative financial liabilities</b>				
Lease liability	39,587	(39,587)	(6,741)	(32,846)
Trade and other payables	1,169,004	(1,169,004)	(1,169,004)	-
Short term borrowings	1,981,248	(1,981,248)	(1,981,248)	-
Accrued markup	203,003	(203,003)	(203,003)	-
Long term financing	482,539	(482,539)	-	(482,539)
	<u>3,875,381</u>	<u>(3,875,381)</u>	<u>(3,359,996)</u>	<u>(515,385)</u>

## Notes to the Financial Statements

For the year ended September 30, 2024

### 37.2.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. At year end, the Company is not exposed to foreign exchange currency risk.

#### b) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	<i>Carrying Amount</i>	
	<i>2024</i>	<i>2023</i>
	<i>Rupees in '000'</i>	
<b><i>Financial liabilities</i></b>		
- Long term financing	294,362	482,539
- Lease liabilities	62,160	39,587
- Short term borrowings	1,652,028	1,602,500
	<b>2,008,550</b>	<b>2,124,626</b>
	<i>2024</i>	<i>2023</i>
	<i>Effective Interest Rate</i>	
	<i>(In Percent)</i>	
<b><i>Variable Rate Instruments</i></b>		
<b><i>Financial liabilities</i></b>		
- Short term borrowings	19.01%	25.52%

#### Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) loss/profit and equity for the year by the amounts shown below. The analysis assumes that all other variables remain constant.

	<i>2024</i>	<i>2023</i>
	<i>Rupees in '000'</i>	
<b><i>Cash flow Sensitivity - Variable Rate Instruments</i></b>		
- Increase	20,086	21,246
- Decrease	(20,086)	(21,246)

The sensitivity analysis prepared is not necessarily indicative of the effects on loss / profit for the year and assets of the Company.

## Notes to the Financial Statements

For the year ended September 30, 2024

### c) Price risk

Price risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments. At reporting date, the company is not exposed to price risk as the company has no investment and interest bearing financial instruments.

### 37.3 Capital risk management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The company finances its operations through equity and by managing working capital.

Consistent with others in the industry, the company monitors capital on the basis of the its gearing ratio. This is calculated as net debt divided by total capital which is equal to net debt and share holders' equity. Net debt is calculated as total borrowings from financial institutions and directors less cash and bank balances. Total capital is calculated as equity as shown in the statement of financial position plus sponsors' loan, if any, subordinate to equity and net debt.

	2024	2023
	<i>Rupees in '000'</i>	
Long term financing	294,362	482,539
Lease liabilities	62,160	39,587
Short term borrowings	2,146,747	1,981,248
<b>Total debt</b>	<b>2,503,269</b>	<b>2,503,374</b>
Less: Cash and bank balances	<b>(82,246)</b>	<b>(28,300)</b>
<b>Net Debt</b>	<b>2,421,023</b>	<b>2,475,074</b>
Total Capital	1,696,743	1,535,243
<b>Net Debt and Capital</b>	<b>4,117,766</b>	<b>4,010,317</b>
Gearing Ratio (%)	<b>58.79%</b>	61.72%

### 38 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of the financial assets and financial liabilities as at the reporting date approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in arm's length transaction.

### 39 OPERATING SEGMENT

39.1 These financial statements have been prepared on the basis of a single reportable segment.

39.2 Revenue from sale of sugar represents 90% (2023 : 85%) of the gross sales of the Company.

39.3 99% (2023 : 92%) of the gross sales of the Company are made to customers located in Pakistan.

39.4 All non-current assets of the Company at September 30, 2024 are located in Pakistan.

## Notes to the Financial Statements

For the year ended September 30, 2024

### 40 SHARIAH COMPLIANCE DISCLOSURE

As per the requirements of the fourth schedule to the Companies Act, 2017, companies listed on the Islamic Index shall disclose the following:

	-----2024-----		-----2023-----	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
	----- Rupees in '000 -----			
Short term investment	61,948	-	22,300	-
Bank balances	18,546	61,913	28,154	-
Long term financing	294,362	-	482,539	-
Lease liabilities	62,160	-	39,587	-
Short term borrowing	652,859	1,493,888	602,608	1,378,640
Accrued markup	292,759	605	201,901	1,102
Revenue	-	11,363,646	-	4,487,204
Return on term deposit receipt	3,915	-	1,511	-
Finance cost	298,183	270,297	265,002	149,714
Return on savings account	-	317	-	-

### 41 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on **December 27, 2024** by the Board of Directors of the Company.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

**Place:** Karachi, **Dated:** December 27, 2024

## Pattern of Shareholding

As at September 30, 2024

No. of Shareholders		Size of Shareholding				Total Number of Shares Held
197	from	1	to	100	shares	1,681
68	from	101	to	500	shares	32,174
7	from	501	to	1,000	shares	6,414
6	from	1,001	to	5,000	shares	16,774
1	from	5,001		50,000	shares	42,007
1	from	50,001	to	100,000	shares	60,000
2	from	100,001	to	200,000	shares	330,458
2	from	200,001	to	2,000,000	shares	3,600,000
3	from	2,000,001	to	3,000,000	shares	6,830,647
1	from	3,000,001	to	5,100,000	shares	5,097,345
<b>288</b>				<b>TOTAL</b>		<b>16,017,500</b>

## Pattern of Shareholding (Additional Information)

As at September 30, 2024

		No. of Shareholders	Shares held	Percentage %
<b>Associated Cos., Undertaking and Related Parties</b>		-	-	0.00
<b>Director, CEO and their spouses and Minor Children</b>				
Mr. Muhammad Mubeen Jumani	Director	1	160,225	1
Mrs. Qamar Mubeen Jumani	Chairperson	1	5,097,345	31.82
Mr. Faraz Mubeen Jumani	Chief Executive Officer	1	2,084,200	13.01
Mr. Fahad Mubeen Jumani	Director	1	1,600,000	9.99
Miss. Arisha Mubeen Jumani	Director	1	2,076,847	12.97
Mr. Asif Khan Brohi	Director	1	500	0
Mr. Ghulam Nabi Memon Morai	Director	1	100	0
Mrs. Yasmeen Mubeen Jumani	Spouse	1	2,000,000	12.49
<b>Banks, DFIs, Insurance Companies, Modarabas and Mutual Funds.</b>				
- Bankers Equity Limited		1	2,669,600	16.67
- E.F.U. General insurance		1	500	0
Orbit Securities (Private) Limited		1	4,600	0.03
Asda Securities (Private) Limited		1	42,007	0.26
Sarfraz Mahmood (Pvt.) Limited		1	500	0
<b>Shareholder's five percent or more interest</b>				
Mrs. Qamar Mubeen Jumani	Chairperson	1	5,097,345	31.82
Mr. Faraz Mubeen Jumani	Chief Executive Officer	1	1,600,000	13.01
Mr. Fahad Mubeen Jumani	Director	1	1,600,000	9.99
Miss. Arisha Mubeen Jumani	Director	1	1,600,000	12.97
Mrs. Yasmeen Mubeen Jumani	Director	1	2,000,000	12.49

## Form of Proxy

I/We \_\_\_\_\_  
of \_\_\_\_\_ being a member of **KHAIRPUR SUGAR MILLS LIMITED** and holder of

\_\_\_\_\_ (Number of Shares)

Ordinary Shares as per share Register Folio No. \_\_\_\_\_  
and/or CDC Participant I.D. No. \_\_\_\_\_ and Sub Account No., \_\_\_\_\_  
hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him /her \_\_\_\_\_  
of \_\_\_\_\_

as my proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on the 28<sup>th</sup> day of January, 2025 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

### WITNESSES:

1) Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_ CNIC No: \_\_\_\_\_  
Or Passport No: \_\_\_\_\_

2) Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_ CNIC No: \_\_\_\_\_  
Or Passport No: \_\_\_\_\_

\_\_\_\_\_  
Signature  
Signature should agree with the specimen  
registered with the Company

### Note:

Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. A proxy holder must be a member of the Company.

CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.





The Company Secretary  
Khairpur Sugar Mills Limited  
51/II/IV, Khayaban-e-Janbaz,  
Phase-V Ext., D.H.A., Karachi - 75500.

AFFIX  
CORRECT  
POSTAGE

## پراکسی فارم

میں / ہم کی طرف سے \_\_\_\_\_

بھیثیت خیر پور شوگر ملز لمیٹڈ کے رکن، اور عمومی حصص یافتہ جن کی مالیت فی حصص

(شیرز کی تعداد)

اور ذیلی اکاؤنٹ نمبر

اور / یا سی ڈی سی پارٹنیشن آئی ڈی نمبر

رجسٹر فوئیو نمبر

کوپلور پراکسی تعینات کرتا ہوں، میری / ہماری طرف سے سالانہ

کی طرف سے

اپنی دانست میں

اجلاس عام میں شرکت کریں اور ووٹ دیں جو بتاریخ جنوری 28، 2024 کو منعقد کیا جائے گا۔

2025-

مورخہ / بتاریخ

دستخط:

گواہان

1) دستخط:

نام:

پتہ:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:

پاسپورٹ نمبر:

دستخط حصص یافتگان (شیر ہولڈرز)

دستخط کہنی میں کئے جانے والے دستخط سے ممانعت رکھتے ہوں

2) دستخط:

نام:

پتہ:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:

پاسپورٹ نمبر:

نوٹ:

پراکسی فارم سالانہ اجلاس عام کے انعقاد سے کم از کم 48 گھنٹے قبل کہنی کو موصول ہونا ضروری ہے۔ منتخب پراکسی کو کہنی کا ممبر ہونا چاہیے۔

سی ڈی سی حصص یافتگان (شیر ہولڈرز) اور ان کے پراکسی ہولڈرز سے گزارش ہے کہ پراکسی فارم جمع کرانے سے پہلے اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹوکاپی فارم کے ساتھ منسلک کریں۔



The Company Secretary  
Khairpur Sugar Mills Limited  
51/II/IV, Khayaban-e-Janbaz,  
Phase-V Ext., D.H.A., Karachi - 75500.

AFFIX  
CORRECT  
POSTAGE

www.jamapunji.pk








 **Jama  
Punji**  
سرمایہ کاری سمجھداری کے ساتھ



**Be aware, Be alert,  
Be safe**

**Learn about investing at  
www.jamapunji.pk**

**Key features:**

-  Licensed Entities Verification
-  Scam meter\*
-  Jamapunji games\*
-  Tax credit calculator\*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator  
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler\*
-  Financial calculator
-  Subscription to Alerts (event  
notifications, corporate and  
regulatory actions)
-  Jamapunji application for  
mobile device
-  Online Quizzes



Jama Punji is an Investor  
Education Initiative of  
Securities and Exchange  
Commission of Pakistan

 [jamapunji.pk](http://jamapunji.pk)

 [@jamapunji\\_pk](https://twitter.com/jamapunji_pk)

\*Mobile apps are also available for download for android and ios devices



**More than**  
**Sugarcane**



51/II/IV, Khayaban-e-Janbaz,  
Phase-V Ext., D.H.A., Karachi.

Tel : 021-35250131-35 Fax : 021-35250136

E-mail : [headoffice@jumanigroup.com](mailto:headoffice@jumanigroup.com)

Website : [www.khairpursugar.com.pk](http://www.khairpursugar.com.pk)

