



Habib Sugar Mills Limited

Annual Report 2024



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Company Information

Board of Directors	Asghar D. Habib Murtaza Habib Hasnain Habib Farouq Habib Rahimtoola Sohail Hussain Haji Muhammad Salman Husain Chawala Tyaba Muslim Habib Khursheed A. Jamal	<i>Chairman</i> Chief Executive
Audit Committee	Farouq Habib Rahimtoola Tyaba Muslim Habib Sohail Hussain Haji	Chairman Member Member
Human Resource & Remuneration Committee	Tyaba Muslim Habib Hasnain Habib Khursheed A. Jamal	Chairperson Member Member
Chief Financial Officer	Amir Bashir Ahmed	
Company Secretary	Imran Amin Virani	
Registered Office	3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi-75530 Phones : (+92-21) 35680036 - 5 Lines Fax : (+92-21) 35684086 www : habibsugar.com E-mail : sugar@habib.com	
Mills	Sugar & Distillery Division Nawabshah District Shaheed Benazirabad Phones : (+92-244) 360751 - 5 Lines Fax : (+92-244) 361314 Textile Division D-140/B-1 Mangopir Road S.I.T.E. Karachi-75700 Phones : (+92-21) 32571325, 32572119 Fax : (+92-21) 32572118	
Terminal	60/1-B Oil Installation Area Keamari Karachi-75620 Phones : (+92-21) 32852003-4 Fax : (+92-21) 32852005	
Bankers	Allied Bank Limited Bank AL Habib Limited Bank Al-Falah Limited First Women Bank Limited JS Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan United Bank Limited	
Statutory Auditors	Grant Thornton Anjum Rahman Chartered Accountants	
Cost Auditors	Reanda Haroon Zakaria & Co. Chartered Accountants	
Share Registrar	THK Associates (Pvt.) Limited Plot No. C-32, Jami Commercial Street-2 D.H.A. Phase VII, Karachi. UAN : (+92-21) 111-000-322 Phone : (+92-21) 35310184 Fax : (+92-21) 35310191 E-mail : sfc@thk.com.pk	



VISION STATEMENT

We aim to be a leading manufacturer and supplier of quality sugar, ethanol, liquidified carbon dioxide (CO₂) and household textiles 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 STATEMENT

As a prominent producer and supplier of sugar, ethanol, liquidified carbon dioxide (CO₂) and household textiles, 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.



Code of Conduct

The founders of Habib Sugar Mills Limited were visionaries who established the company on very sound principles and envisioned its development and growth on the basis of making no compromises in any aspects of business practices. The company takes pride in adherence to its principles and continues to serve its customers, stakeholders and society based on the following guidelines:

Products

- To produce refined, high-grade sugar that is edible and hygienic and provides all the nutrition and food value at standards determined by the company, which would exceed industry norms and averages.
- To produce by-products and allied products including molasses, ethanol and liquidified carbon dioxide (CO₂).
- To diversify into other products such as home textiles thus consuming indigenous raw material and generating export earnings.

Systems & Processes

- To regularly update and upgrade manufacturing systems and processes so as to keep abreast with technological advancements, achieve economies of production and transfer knowledge and skill to workers.
- To develop and maintain the technical and professional standards, standard operating procedures and stringent quality control measures with on-line quality assurance at every stage of manufacture.
- To continuously conduct product research and develop new products, while improving upon the existing products, using ideal additives and packaging material.
- To regularly maintain, replace and upgrade all machinery and equipment for smooth working, optimum output and ensure safe working in all production units.
- To maintain a smooth work-flow in all departments with an effective communication system contained within the framework of principles yet allowing the required degree of autonomy for efficient functioning.

Management & Employees

- To employ only the appropriately suited human resource through the selection and recruitment process based on the commensurate qualifications and experience criteria without any non-professional considerations, without any bias or prejudice of race, cast, colour, creed or religious beliefs.
- To ensure that all management personnel are adequately qualified to perform management functions as assigned.
- To guide, direct and motivate employees to perform functions and to recognize and reward employees based on their performance outputs.
- To measure employee's performance by a pre-determined criteria so as to be fair and equitable towards every single employee.
- To ensure that all employees work towards achievement of corporate objectives, individually and collectively as a team and conduct themselves at work and in society as respectable employees and responsible citizens.



- To regularly train all employees at all levels to improve their knowledge and skill and provide employees with a career path whereby they can seek a planned betterment in their professional and personal life.
- To ensure that all employees and management personnel strictly adhere to the company rules and regulations and observe the best codes of conduct and abide by all laws of Pakistan.
- To make timely payment of salaries, wages and all allowances and benefits to all employees in line with their terms.
- To ensure all directors and employees of the company shall undertake such activities, whether personal or professional, that in no way conflicts with the interests of the company but contributes towards the betterment, development and growth of the organization in particular and the industry in general.

Financial

- To implement an effective, transparent and secure financial reporting and internal control system so as to ensure compliance with regulatory factors as well as meet all obligations of payable and receivables and keep investors, shareholders and management fully aware.
- To ensure effective utilization of all company resources and plan and operate resource utilization in order to produce better results and generate better yields and facilitate timely decisions.
- To place a strict Internal Audit system to study, analyze, review and report all company earning and spending and enhance reliability of all financial information and build shareholders confidence.
- To regularly prepare, as per pre-determined schedules, all financial reports and present accounts to the Board for review and analysis and show trends based on company income, revenues and expenses and industry trends.
- To ensure cost effectiveness and purchase goods and services based on developed criteria, vendor assessment and market competitiveness and evaluate options on prices, terms, products/services, substitute available, prior to purchase.
- To ensure timely and proper payments as per negotiated terms to all suppliers and deduct applicable taxes so as to enhance corporate credibility and image.
- To maintain an excellent relationship with bankers and utilize banking facilities in a manner to benefit company whilst making proper use of funding and facilities available and ensuring no defaults.

Adherence to Law

- The company shall at all times strictly adhere to all laws of the country and fulfill all statutory requirements and ensure timely, proper and full payment of all applicable taxes, rates, duties and/or any other levies as may be imposed from time to time.

Environment

- The company shall use all means to ensure a clean, safe, healthy and pollution free environment not only for its workers and employees but for the well being of all people who live in and around any of the production and manufacturing units and employ such technology as may be beneficial in maintaining a healthy and hygienic working and living environment.

Planning

- The company shall prepare an annual plan with clearly defined objectives, goals and strategies and implement those plans with a close watch on achievements and monitor and control measures shall be built in to ensure achievement of objectives and enhancement of corporate image.



Notice of Annual General Meeting

Notice is hereby given that the 63rd Annual General Meeting of Habib Sugar Mills Limited will be held on Thursday, January 23, 2025 at 11:00 a.m. at Auditorium Hall – The Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

Ordinary Business

1. To receive and consider the audited financial statements, the Directors' report and the Auditors' report for the year ended September 30, 2024.
2. To approve payment of cash dividend @ 120% i.e. Rs. 6 per share of Rs. 5 each for the year ended September 30, 2024 as recommended by the Board of Directors.
3. To appoint auditors of the Company for the year ending September 30, 2025 and fix their remuneration.

By order of the Board

Imran Amin Virani
Company Secretary

Karachi: December 11, 2024

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from Tuesday, January 14, 2025 to Thursday, January 23, 2025 both days inclusive.

2. Circulation of annual report through QR Code and weblink

In accordance with Section 223 of the Companies Act, 2017 and pursuant to SECP's SRO 389(1)/2023 dated 21st March 2023, the Company has obtained shareholders' approval in the 62nd Annual General Meeting (AGM) of the Company held on 24th January 2024 to circulate the Annual Report of the Company to Members through QR enabled Code and Weblink. The Annual Report is available through Code and Weblink:

<https://www.habibsugar.com/investor-information/financial-statements>



3. Proxy

A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as a proxy to attend and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed at least 48 hours before the time of meeting. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be provided at least 48 hours before the time of the meeting. The Proxy Form in English and Urdu is enclosed with the Notice of the AGM and also available on the Company's website (www.habibsugar.com).

4. For Identification

Owners of the physical shares and CDC account holder should present Computerized National Identity Card (CNIC) along with participant ID number and CDC account number. In case of appointment of proxy by such account holder(s), the guidelines as contained in the SECP's circular of 26th January 2000 are to be followed.

5. Change of address

Members are requested to notify any change in their addresses and their contact numbers immediately to our Share Registrar, THK Associates (Pvt.) Limited, Karachi.



6. Submission of Copies of Valid CNIC

Pursuant to the directives of the Securities and Exchange Commission of Pakistan, CNIC number is mandatorily required for payment of dividend. Shareholders holding physical share certificate are therefore requested to submit a copy of their valid CNIC, if not already provided to THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street – 2, D.H.A., Phase VII, Karachi (the Share Registrar). In case of non-receipt of the copy of valid CNIC, Habib Sugar Mills Limited would be unable to comply with SRO 831(1)/2012 dated July 5, 2012 of SECP and therefore will be constrained under Regulation No. 6 of the companies (Distribution of dividend) Regulations, 2017 and section 243(2) of the Companies Act 2017 to pay dividend to such shareholder.

7. Withholding Tax on Dividend

As per Income Tax Ordinance 2001, different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:

- (i) For filers 15 %
- (ii) For non-filers 30 %

Shareholders are advised to make sure that their names are entered into Active Tax-Payers List (ATL) provided on the website of FBR before the book closure of the Company, otherwise tax on their cash dividend will be deducted @ 30% instead of 15 %.

For shareholders holding their shares jointly, as per the clarification issued by the Federal Board of Revenue, withholding tax will be determined separately on 'Filer/Non-Filer' status of Principle shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principle shareholder and Joint-holder(s) in respect of shares held by them to our share registrar, in writing as follows:

Company Name	Folio/CDC Account No.	Total shares	Principle Shareholder		Joint Shareholder(s)	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The Corporate shareholders having CDC account are required to have their National Tax number (NTN) updated with their respective participants, whereas physical shareholders should send a copy of their NTN certificate to the company or Company's Share Registrar M/s THK Associates (Pvt.) Limited. The shareholders while sending NTN or NTN certificate, as the case may be, must quote company name and their respective Folio numbers.

8. Valid tax Exemption Certificate for Exemption from Withholding Tax

Withholding Tax exemption from the dividend income shall only be allowed if copy of valid tax exemption certificate is made available to Share Registrar before the Book Closure of the Company.

9. Mandatory requirement of Bank details for payment of dividend

Section 242 of the Companies Act, 2017 provides that in case of a listed company, any cash dividend declared by the company must be paid electronically directly into the bank accounts of the shareholders. In order to receive dividends directly into their bank account, shareholders in case of physical shares, are requested to fill in E-Dividend Mandate Form available on the Company's website i.e. www.habibsugar.com and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. THK Associates (Pvt.) Limited. In case shares are held in CDC, E-Dividend Mandate Form must be submitted directly to shareholder's broker/participant/CDC investor account services. In-case of non-submission of IBAN, the Company will withhold the payment of dividends under the Companies (Distribution of Dividends) Regulations,



2017. Further, the information regarding gross dividend, tax/zakat deduction and net amount of dividend will be provided through the Centralized Cash Dividend Register (CCDR), therefore, shareholders should register themselves to CDC's eServices Portal at <https://eservices.cdcaccess.com.pk>.

10. Participation in the Annual General Meeting via Video Conference Facility

In terms of section 134(1)(b) of the Companies Act, 2017, members holding in aggregate 10% or more shareholding can also avail video conference facility to attend the Annual General Meeting. In this regard, please fill the following information and share at companysecretary@habibsugar.com seven (7) days before holding the Annual General Meeting. If the Company receives consent from members residing at a geographical location, to participate in the meeting through video conference atleast seven (7) days prior to date of meeting, the Company will arrange video conference facility in the city subject to availability of such facility in the city.

"I/We _____ of _____, being a member of Habib Sugar Mills Limited, holder of _____ ordinary shares(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____".

Video conference link details and login credentials will be e-mailed to the registered members/proxies who have provided all the requested information. Shareholders can also provide their comments and questions for the agenda items of the AGM on companysecretary@habibsugar.com at least 48 hours before the time of the meeting.

11. Conversion of Physical Shares into Book Entry Form

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of Companies Act, 2017.

The Securities and Exchange Commission of Pakistan through its circular No. CSD/ED/Misc/2016- 639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form to convert their shares into book entry form.

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest.

12. Transmission of Financial Statements & Notices through email

Members are hereby informed that the Annual Financial Statements of the Company for the year ended September 30, 2024 can be downloaded from the Company's website www.habibsugar.com. Further, the Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated September 8, 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are requested to send their consent and e-mail addresses for receiving Audited Financial Statements and Notices through e-mail. In order to avail this facility, a standard request form is available at the Company's website.

For any query / clarification / information, the shareholder may contact the company, and /or the share registrar at the following addresses;

Company Address:
Habib Sugar Mills Limited
3rd Floor, Imperial Court
Dr. Ziauddin Ahmed Road, Karachi-75530
Phones : (+92-21) 35680036 – 5 Lines
Fax : (+92-21) 35684086
e-mail : companysecretary@habibsugar.com

Share Registrar Address:
THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street-2, D.H.A.
Phase VII, Karachi-75500
UAN : (+92-21) 111-000-322,
Phone : (+92-21) 35310191-193
Fax : (+92-21) 35310190
e.mail: sfc@thk.com.pk



Six years' review at a glance

		2024	2023	2022	2021	2020	2019
Sugar Division							
Sugarcane crushed	M. Tons	1,065,705	844,841	1,126,516	761,667	620,425	771,864
Average sucrose recovery	%	10.63	10.96	10.61	10.36	9.91	10.87
Sugar produced	M. Tons	113,286	92,591	119,531	78,910	61,488	83,910
Distillery Division							
Ethanol							
Molasses processed	M. Tons	154,723	191,525	163,346	126,512	134,770	162,015
Average ethanol yield	%	18.50	18.01	18.95	19.17	18.70	18.38
Ethanol produced	M. Tons	28,618	34,494	30,956	24,251	25,206	29,786
Liquidified Carbon Dioxide (CO ₂) produced	M. Tons	10,102	10,825	7,825	8,477	7,583	8,407
Textile Division							
Yarn / Semi finished goods consumed	Kgs.	545,045	506,863	514,355	850,107	716,804	907,431
Average yield	%	86.86	83.05	89.65	86.11	84.90	83.80
Finished product	Kgs.	473,426	420,936	461,114	732,011	608,561	760,385
Operating results							
Sales / Rental income	Rs. '000	20,624,090	19,985,028	13,006,818	9,912,679	10,138,211	9,873,134
Cost of sales	Rs. '000	18,111,404	16,044,162	10,796,106	8,552,280	9,038,874	8,381,862
Gross profit	Rs. '000	2,512,686	3,940,866	2,210,712	1,360,399	1,099,337	1,491,272
Profit before taxation	Rs. '000	2,715,473	3,266,478	1,624,761	1,199,736	804,295	1,342,276
Profit after taxation	Rs. '000	1,960,473	2,541,478	1,289,761	989,736	694,295	1,202,276
Shareholders' Equity							
Paid-up capital	Rs. '000	675,000	750,000	750,000	750,000	750,000	750,000
Reserves	Rs. '000	12,498,094	10,565,406	8,770,002	8,510,094	7,872,962	7,325,693
Shareholders' equity	Rs. '000	13,173,094	11,315,406	9,520,002	9,260,094	8,622,962	8,075,693
Break-up value per share	Rs.	97.58	75.44	63.47	61.73	57.49	53.84
Earnings per share	Rs.	14.52	16.94	8.60	6.60	4.63	8.02
Return on equity	%	14.88	22.46	13.55	10.69	8.05	14.89
Financial position - Assets							
Fixed assets	Rs. '000	2,092,699	2,284,432	2,357,465	2,496,633	2,478,359	2,478,920
Right-of-use assets	Rs. '000	14,849	7,237	14,474	11,659	17,488	-
Long-term investments	Rs. '000	3,542,201	1,908,277	2,155,805	2,806,226	2,696,602	2,299,658
Long-term loans and deposits	Rs. '000	19,231	21,501	18,800	11,391	9,402	10,717
Current assets	Rs. '000	14,320,942	13,487,612	8,986,899	6,509,222	5,904,354	5,959,710
Total assets	Rs. '000	19,989,922	17,709,059	13,533,443	11,835,131	11,106,205	10,749,005
Financial position - Liabilities							
Non-current liabilities	Rs. '000	339,298	251,932	178,395	174,722	146,959	69,000
Current liabilities	Rs. '000	6,477,530	6,141,721	3,835,046	2,400,315	2,336,284	2,604,312
Total liabilities	Rs. '000	6,816,828	6,393,653	4,013,441	2,575,037	2,483,243	2,673,312
Ratios							
Current ratio		2.21	2.20	2.34	2.71	2.53	2.29
Dividends							
Cash	%	120	120	70	60	55	55



Chairman's Report

It is my pleasure to present this report to the shareholders of the Company on the performance of the Board of Directors and their effectiveness in guiding the Company towards accomplishing its aims and objectives.

Habib Sugar Mills Limited has implemented a strong governance framework that supports effective and prudent management of business matters, which is regarded as instrumental in achieving the Company's long-term success. The effective governance implemented by the Company is evident from the strong liquidity position and net profit of Rs. 1,960 million earned by the Company for the current year.

During the year, a major tax amendment was made through the Finance Act, 2024 which will have an adverse impact on the results of the export-oriented divisions of the Company. The income from exports was previously taxable at the rate of 1% on export proceeds as final tax. Under the amendment, effective July 1, 2024, the income from exports is now taxable at the normal corporate tax rates.

During the financial year 2023-24, the Board met four (4) times. The Board has complied with all the regulatory requirements and acted in accordance with applicable laws and best practices.

As required under the Code of Corporate Governance, an annual evaluation of the Board of the Company was conducted. The purpose of this evaluation was to ensure that the overall performance and effectiveness of the Board are measured and benchmarked against expectations in the context of objectives set for the Company.

The Board ensured adequate representation of non-executive and independent directors on the Board and its Committees as required under the CCG. The members of the Board and its respective Committees possess adequate skills, experience and ability required to perform their responsibilities.

The Board has actively participated in strategic planning, risk management and policy development and ensured the integration of all policies and convergence to the Company's vision and mission. The Board also sets annual budgets, targets and goals for the management.

The Board and its Committees have diligently performed their duties and remained updated with respect to the achievement of the Company's objectives, goals, strategies and financial performance through regular presentations by the management. The Board held extensive and fruitful discussions to arrive at decisions and appropriate direction and oversight is provided to the management on a timely basis. Areas where improvements are required are duly considered and action plans are framed and implemented.

The Board has developed an environment of a clear and transparent system of Governance by setting up an adequate and effective internal control system through self-assessment mechanisms and internal audit activities. Further, the Board ensured compliance with the best practices of corporate governance.

Finally, I wish to acknowledge the commitment and diligence of my fellow directors, the executive team and all the employees of the Company for their hard work and contribution towards the growth of the Company.

Karachi: December 11, 2024

Asghar D. Habib
Chairman



Directors' Report to the members For the year ended September 30, 2024

Dear Members – Assalam-o-Alaikum

The Board of Directors are pleased to present their report along with the annual audited financial statements of your Company for the year ended September 30, 2024.

Operating Performance

By the Grace of Almighty Allah, during the year under review, the operations of your Company resulted in an after-tax profit of Rs. 1,960.47 million (2023: Rs. 2,541.48 million). The summarized operating results and appropriations, as recommended by the Board, are as follows:

	September 30, 2024	September 30, 2023 (Rupees in Million)	Variance
Profit before levies and income tax	2,715.47	3,266.48	(551.01)
Less: Levies - final tax	(237.25)	(169.55)	(67.70)
Profit before income tax	2,478.22	3,096.93	(618.71)
Taxation	(517.75)	(555.45)	37.7
Net profit for the year	1,960.47	2,541.48	(581.01)
Adjustments for:			
Actuarial loss on Gratuity Fund Valuation	(1.86)	(4.48)	2.62
Realized gain / (loss) on sale of investments	94.43	(227.64)	322.07
	92.57	(232.12)	324.69
Unappropriated profit brought forward	4.55	5.19	(0.64)
Profit available for appropriation	2,057.59	2,314.55	(256.96)
Cash Dividend Proposed @ 120% (2023: @ 120%)	810.00	900.00	90.00
Transfer to General Reserve	1,000.00	1,410.00	410.00
	1,810.00	2,310.00	500.00
Unappropriated profit carried forward	247.59	4.55	243.04
Share Capital (No. of shares @ Rs. 5 each)	135,000,000	150,000,000	(15,000,000)
Earnings per share – Basic and diluted (Rs.)	14.52	16.94	(2.42)

Sugar Division

The season 2023-24 commenced on November 15, 2023, and the plant operated up to March 3, 2024, for 110 days as against 89 days in the preceding season.

The Government of Sindh, on August 16, 2023, issued a notification fixing the minimum sugarcane support price at Rs. 425 per 40 kgs for the crushing season 2023 - 2024 as against Rs. 302 per 40 kgs for the crushing season 2022 - 2023. In addition, the sugar mills in Sindh were also required to pay quality premiums at the rate of Re. 0.50 for every 0.1 percent sucrose recovery above the benchmark of 8.7%.



The comparative statistics of the division's operations are given below :

		2023-24	2022-23	Variance
Crushing duration	Days	110	89	21
Sugarcane crushed	M.Tons	1,065,705	844,841	220,864
Average sucrose recovery	%	10.63	10.96	(0.33)
Sugar production	M.Tons	113,286	92,591	20,695

The sugar division earned operating profit of Rs. 844.47 million (2023: Rs. 857.71 million). Despite the above scenario, the Company had been able to maintain its profitability on account of improved selling prices as compared to the preceding period.

Considering the available stock of the previous year and surplus production during the current season, the sugar mills had requested the Government to allow export of 1,000,000 M. Tons of sugar. Subsequently, the Government has allowed in phases the export of 790,000 M. Tons of sugar. Out of the above export permission, the Sindh province was allocated 237,000 M. Tons of sugar for export, representing 30% of the total export quantity allowed by the Government. Our Company was allocated an export quota of 6,587 M. Tons. Till the close of the financial year, the Company had exported 1,250 M. Tons, and the quantity of over 5,000 M.Tons of the balance quota will be exported during the first quarter of the next financial year and included in closing stock of the division.

Distillery Division

The division earned an operating profit of Rs. 784.19 million (2023: Rs. 2,055.60 million). The decrease in the profit of Rs. 1,271.41 million during the year ended on September 30, 2024, was mainly due to depressed Ethanol selling prices in the international market and lower quantum.

The contribution of the liquified carbon dioxide (CO₂) unit is included in the results of the division.

The Comparative statistics of the division's operations are given below:

		2023-24	2022-23	Variance
Ethanol				
Days of operation		346	358	(12)
Molasses processed	M.Tons	154,723	191,525	(36,802)
Average recovery	(%)	18.50	18.01	0.49
Ethanol production	M.Tons	28,618	34,494	(5,876)
Liquified Carbon Dioxide (CO₂)				
Days of operation		303	308	(5)
Liquified Carbon Dioxide (CO ₂) production	M. Tons	10,102	10,825	(723)

Textile Division

During the year under review, the division earned an operating profit of Rs. 14.94 million (2023: Rs. 40.27 million). The decrease in profit was attributable to depressed selling prices and high manufacturing costs, mainly on account of raw material.

The comparative statistics of the division's operations are given below:

		2023-24	2022-23	Variance
Days of operation		320	326	(6)
Yarn consumed	Kgs	545,045	506,863	38,182
Finished goods production	Kgs	473,426	420,936	52,490



Trading Division

The division earned an operating profit of Rs. 81.77 million (2023: Rs. 259.00 million) on account of trading of sugar and molasses.

Other Earnings

In addition to the above, the Company also earned dividend income of Rs. 968.31 million (2023: 568.51 million).

Buy-Back of Shares

The Board of Directors, in their meeting held on December 23, 2023, had recommended the scheme for the Buy-Back of 15,000,000 ordinary shares of the Company, which was approved by the members in the Annual General Meeting held on January 24, 2024. The Company completed the purchase/Buy-Back of Shares on April 25, 2024, and the required legal and corporate formalities had also been completed. The 15,000,000 shares purchased by the Company had been cancelled in the books in line with the Buy-Back Scheme approved by the members. The paid-up capital of the Company was accordingly reduced to 135,000,000 ordinary shares of Rs. 5/- each.

Taxation of income from exports

Through the Finance Act 2024, a major amendment was made regarding the taxation of income from exports, which will have a major impact on the export business of the Company. Previously, the income from exports was taxable @ 1% on export proceeds under the Final Tax Regime (FTR). After the above amendment, income from exports is now taxable at the normal tax rate of 39% (i.e., Income Tax @ 29% and Super Tax @ 10%).

The above amendment is applicable w.e.f. July 1, 2024, and the Company has, therefore, charged tax @ 39% on income from exports for the last quarter ended on September 30, 2024, whereas for the first three quarters ended on June 30, 2024, the tax on export income had been charged @ 1% on export proceeds under the FTR.

Future Prospects

The new Government has placed a strong emphasis on economic stability and growth. Notably, it successfully negotiated a new IMF program and secured a long-term IMF agreement: a 36-month Extended Fund Facility worth approximately USD 7 billion. This program aims to support the Government's efforts to stabilize the economy and create conditions for stronger, more inclusive, and resilient growth. Additionally, recent inflation and interest rates show a declining trend for the first time in three years, suggesting the potential for a further decline in the upcoming fiscal year. Under the above scenario, the Company is focusing on new strategies for optimum use of assets of the Company in an efficient manner to achieve better results and to utilize surplus liquid funds of the Company to ensure better returns.

Sugar Division

The sugar division of the Company commenced crushing operations on November 20, 2024, and up to December 10, 2024, crushed 135,069 M. Tons of sugarcane with average sucrose recovery of 8.96% and sugar production of 12,104 M. Tons.

Unlike the previous practice, the Sindh Government has not issued a notification for fixing a minimum support price for the purchase of sugarcane for the crushing season 2024-25 as the International Monetary Fund (IMF) has prohibited Government of Pakistan from setting support prices for sugarcane and other key crops.

Further, the PSMA has also requested the Government to fully de-regulate the sugar sector at Federal and provincial levels so that the sector operates freely under the market mechanism.

In light of the above scenario, the Company is procuring sugarcane from growers at the prevailing market rates, and the crushing operation of the Company started on November 20, 2024.



Distillery Division

During the period up to December 10, 2024, the distillery division produced 1,891 M. Tons of ethanol and 716 M. Tons of liquified carbon dioxide.

Textile Division

Efforts are being made to explore additional export markets to achieve better sales volume and to attain better profitability.

Investment in Wind Power Project

The Company had made an equity investment of Rs.12.50 million in Uni Energy Limited, an unlisted public company incorporated to undertake business activities related to the generation and transmission of electric power generation through wind. The above investment was made in the financial year 2015-2016, and in the same year, the Government of Sindh granted a Letter of Intent (LOI) and allotted land for setting up the project at Jhampir, district Thatta. Presently, the decision for further progress is in abeyance, considering the delay in Tariff determination and mechanism for the purchase of energy from windmill projects. The future course of action will be decided upon clarification from the government.

Board and Management Committees

Audit Committee

The Company has established an Audit Committee as required under the Code of Corporate Governance. The Audit Committee comprises three members, all of them are independent non-executive directors. The attendance at the meetings was as follows:

		No. of meetings attended
Mr. Farouq Habib Rahimtoola	Chairman	4
Mr. Sohail Hussain Haji	Member	4
Ms. Tyaba Muslim Habib	Member	4

Human Resources (HR) and Remuneration Committee

The Company has established the HR and Remuneration Committee as required under the Code of Corporate Governance. The HR and Remuneration Committee comprises three members, two of whom are non-executive directors. The CEO of the Company is also a member of the Committee. The Chairperson of the Committee is an independent non-executive director. The attendance at the meeting was as follows:

		No. of meeting attended
Ms. Tyaba Muslim Habib	Chairperson	1
Mr. Hasnain Habib	Member	1
Mr. Khursheed A. Jamal	Member	1

Corporate Social Responsibility

Habib Sugar Mills Limited's Corporate Social Responsibility (CSR) programme dates back to its inception in 1962. Responding to the needs of local communities, the Company's CSR portfolio has widened over the years to include social welfare, education, healthcare, infrastructural development and livelihood generation.



Community Investment and Welfare

As part of its core values, the Company places tremendous importance on contributing to the well-being of the communities surrounding the mills. As a responsible corporate citizen, the Company has regularly undertaken several welfare activities, viz., running of school up to secondary level, holding of eye camps, financial assistance to villagers in the surrounding area of the mills and supply of free ration, medical assistance and educational support to the needy people. The contribution of the Company to the social and economic uplift of the surrounding areas has been acknowledged at all levels.

The Company continues to employ physically disabled persons in compliance with the Disabled Persons (Employment & Rehabilitation) Ordinance, 1981.

HSM school has been running successfully for many years to impart quality education to the children of HSM employees. The school provides its students with a healthy, safe and conducive environment for learning. The school not only focuses on academics but also aims at the spiritual, social, moral and physical growth of its students.

During the year, the company continued its support to the Family Education Services Foundation (FESF), a non-profit organization, to run a school for deaf children at Nawabshah. Your Company has donated Rs. 30.0 million during the year, and at present, a large number of students are enrolled in the school. The campus is the first-ever educational facility of its kind for the deaf in Nawabshah and will enable deaf students to receive education in an environment that maximizes their potential and enhances their quality of life.

The Company also donated Rs. 13 million to different recognized charitable institutions, which are providing education and financial support to needy persons and establishing positive social trends in society.

Health, Safety and Environment

Being a responsible corporate citizen, the Company is fully committed to meeting all the standards concerning health, safety and the environment.

The Management of HSM believes that the protection of the environment is important for the survival of every person, and as such, the Company attaches utmost importance to providing a healthy atmosphere to its employees and residents of Nawabshah. Your Company continues to be conscious of its social responsibility, and the management has taken appropriate steps to achieve a pollution-free environment.

The fly ash removal systems installed in the boilers of the mills continue to operate satisfactorily, and the spread of black soot particles has been eliminated. The Company has installed a sugar factory wastewater treatment plant to remove oil, grease and total suspended solids from the wastewater. The project has since been completed, yielding satisfactory results.

The installation of slop treatment plant and carbon dioxide recovery plants are the manifestation of our social responsibility, which has helped us to reduce greenhouse gas emissions from our operations.

By the grace of Allah, the successful operations of these projects have helped us to achieve a pollution-free environment for the residents of Nawabshah.

In addition to the above, the Company is providing clean drinking water to nearby villagers and neighbours. The Company also ensures to provide regular Occupational Health Surveillance of employees conducted by Social Security / Peoples Medical Hospital Shaheed Benazirabad and Personnel Protective equipment provided to specified work to all employees for its proper utilization in the workplace.



Continuing the efforts to contribute to conserving the environment, the tree plantation drive of the Company is continuing in the factory premises and surrounding areas to make the area greener and improve environmental ecology and environmentally friendly. During this activity, people were also briefed about the significance and benefits of tree plantation for the mitigation of climate change to build safer areas. The Company has so far planted approximately 5,000 trees, and further plantation of trees is under process.

Contribution to the National Exchequer

Your Company contributed an amount of Rs. 3,269.86 million to the Government treasury in the shape of taxes, levies, sales-tax and excise duty in addition to precious foreign exchange earned, equivalent to Pak Rupees 7,450 million (US\$ 26.72 million) during the year under review from exports of sugar, ethanol and household textiles.

Auditors

The auditors, Messrs. Grant Thornton Anjum Rahman, Chartered Accountants, have completed their statutory audit assignment for the year ended on September 30, 2024, and are retiring at the conclusion of 63rd Annual General Meeting. The retiring auditors, Messrs. Grant Thornton Anjum Rahman, Chartered Accountants, have offered themselves for re-appointment for the upcoming year.

The Audit Committee and the Board of Directors have recommended the appointment of Messrs. Grant Thornton Anjum Rahman, Chartered Accountants, as auditors of the Company for the ensuing year for the consideration and approval of the members at the forthcoming Annual General Meeting.

Statement on Corporate and Financial Reporting Framework

- The financial statements prepared by the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements. Changes, if any, have been adequately disclosed, and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements, and deviation therefrom, if any, has been adequately disclosed.
- The system of internal controls is sound in design and has been effectively implemented and monitored regularly.
- There are no significant doubts about the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.
- Key operating and financial data for the last six years in a summarized form is given on page 9.
- Information about the taxes and levies is given in the notes to the financial statements.

Value of investments, including profit accrued thereon and balances in deposit / current accounts of Provident Fund and Gratuity Fund as of September 30, 2024, were as follows:

	Rs.'000
Provident Fund	390,751
Gratuity Fund	175,822



During the year, four meetings of the Board of Directors were held, and the attendance by each Director was as follows:

Name of Director	Number of meetings attended
Mr. Asghar D. Habib	4
Mr. Murtaza Habib	4
Mr. Hasnain Habib	2
Mr. Farouq Habib Rahimtoola	4
Mr. Sohail Hussain Haji	4
Ms. Tyaba Muslim Habib	4
Mr. Muhammad Salman Husain Chawala	4
Mr. Khursheed A. Jamal	4

The pattern of shareholding and additional information regarding the pattern of shareholding is given on pages 68 and 69.

Change in shareholding of the Directors, CEO, CFO, Company Secretary and their spouses and minor children is given in Pattern of Shareholding on Page 70.

Acknowledgement

The Directors of the Company would like to thank all the staff, shareholders, financial institutions and other stakeholders of the Company for their continued support and cooperation.

On behalf of the Board of Directors

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director

Karachi: December 11, 2024



Statement of Compliance with Listed Companies Code of Corporate Governance Regulations, 2019

Year ended September 30, 2024

The Company has complied with the requirement of the Regulations in the following manner:

1. The total numbers of Directors are Eight (8) as per the following:
 - a. Male: Seven (7)
 - b. Female: One (1)
2. The Composition of the Board is as follows:

a. Independent Directors	Mr. Farouq Habib Rahimtoola Mr. Sohail Hussain Haji Ms. Tyaba Muslim Habib
b. Non-Executive Directors	Mr. Asghar D. Habib Mr. Hasnain Habib Mr. Muhammad Salman Husain Chawala
c. Executive Directors	Mr. Murtaza Habib Mr. Khursheed A. Jamal
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of the significant policies along with the dates on which these were approved or amended have been maintained.
6. 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 Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and in his 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 meetings of Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The following Directors have either obtained certificates of Directors' Training Program or are exempted from the requirement of Directors' Training Program as per the Listed Companies (Code of Corporate Governance) Regulations, 2019:
Mr. Asghar D. Habib
Mr. Murtaza Habib
Mr. Hasnain Habib
Mr. Farouq Habib Rahimtoola
Mr. Sohail Hussain Haji
Mr. Muhammad Salman Husain Chawala
Ms. Tyaba Muslim Habib
Mr. Khursheed A. Jamal



10. The Board has approved appointment of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with 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 has formed Committees comprising of members given below:

Audit Committee	HR and Remuneration Committee
Mr. Farouq Habib Rahimtoola (Chairman)	Ms. Tyaba Muslim Habib (Chairperson)
Mr. Sohail Hussain Haji	Mr. Hasnain Habib
Ms. Tyaba Muslim Habib	Mr. Khursheed A. Jamal

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/halfyearly/yearly) of the committees were as per following :
 - a. Audit committee: four (4) meetings held during the year ended September 30, 2024
 - b. HR and Remuneration committee: one (1) meeting held during the year ended September 30, 2024.
15. The Board has set up an effective internal audit function supervised by a person who is an associate member of the Institute of Cost and Management Accountants of Pakistan (ACMA) and considered suitably qualified and experienced for the purpose and 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 the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, 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 requirements 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 with.

Asghar D. Habib
Chairman

Karachi: December 11, 2024

Independent Auditors' Review Report

To the members of Habib Sugar Mills Limited

Review Report on the Statement of Compliance contained in the 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 **Habib Sugar Mills Limited** (the Company) for the year ended 30 September 2024 in accordance with the requirements of regulation 36 of the Regulations.

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 Regulations 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 with this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation 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 30 September 2024.



Chartered Accountants

Place: Karachi

Date: 26 December 2024

UDIN: CR20241009325hvf7ErY

INDEPENDENT AUDITORS' REPORT

To the members of Habib Sugar Mills Limited Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Habib Sugar Mills Limited (the Company), which comprise the statement of financial position as at 30 September 2024, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies 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 explanations given to us, the statement of financial position, the statement of profit or loss, the statement of 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 30 September 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 Matters

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 year. 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 are the Key audit matters:

Key audit matters	How the matter was addressed in our audit
Stock-in-trade	
<p>As disclosed in note 10 to the financial statements, stock-in-trade amounts to Rs. 5,389 million which constitutes 27% of total assets of the Company. The stock is measured at lower of weighted average cost and net realizable value. There is an element of judgement involved in determining an appropriate costing basis and assessing its valuation.</p> <p>Given the significance of stock-in-trade to the Company's total assets and the level of judgements and estimates involved, we have identified valuation of stock-in-trade as a key audit matter.</p>	<p>Our key procedures amongst others included the following:</p> <ul style="list-style-type: none"> - obtained an understanding of controls over purchases and valuation of stock-in-trade and tested, on a sample basis, their design, implementation and operating effectiveness. - performed observation of inventory counts and physical inspection of the stock held at the premises of the Company. - assessed net realizable value by comparing management's estimation of future selling prices for the products with the selling prices achieved subsequent to the reporting period. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

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, 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) 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 of the Company 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 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 to 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 year 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, the statement of 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Khurram Jameel.



Chartered Accountants
Place: Karachi
Date: 01 January 2025
UDIN: AR2024100938ESuyxNiz




Statement of Financial Position as at September 30, 2024

	Note	2024 (Rupees in thousands)	2023
Assets			
Non-Current Assets			
Property, plant and equipment	6	2,092,699	2,284,432
Right-of-use assets		14,849	7,237
Long-term investments	7	3,542,201	1,908,277
Long-term loans	8	15,259	17,529
Long-term deposits		3,972	3,972
		<u>5,668,980</u>	<u>4,221,447</u>
Current Assets			
Stores and spare parts	9	353,120	387,261
Stock-in-trade	10	5,389,802	3,957,133
Trade debts	11	859,516	1,160,742
Loans and advances	12	774,407	186,108
Trade deposits and short-term prepayments		43,537	64,087
Accrued Profit		534	32,793
Other receivables		18,315	12,753
Short-term investments	13	5,780,392	6,412,471
Cash and bank balances	14	1,101,319	1,274,264
		<u>14,320,942</u>	<u>13,487,612</u>
Total Assets		<u><u>19,989,922</u></u>	<u><u>17,709,059</u></u>
Equity and Liabilities			
Share Capital and Reserves			
Share Capital			
Authorised			
150,000,000 (2023: 150,000,000) Ordinary shares of Rs. 5/- each		<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid-up capital			
135,000,000 (2023: 150,000,000) Ordinary shares of Rs. 5/- each	15	675,000	750,000
Reserves	16	<u>12,498,094</u>	<u>10,565,406</u>
Total Equity		<u>13,173,094</u>	<u>11,315,406</u>
Non-Current Liabilities			
Deferred taxation	17	328,500	180,500
Gas Infrastructure Development cess	18	–	71,432
Lease Liability		10,798	–
		<u>339,298</u>	<u>251,932</u>
Current Liabilities			
Trade and other payables	19	3,092,874	2,956,821
Contract liability	20	2,115,996	1,615,781
Short term borrowings	21	906,732	1,156,626
Unclaimed dividends		272,090	195,425
Accrued mark-up		1,917	5,440
Taxation - net		79,911	202,055
Current portion of lease Liability		8,010	9,573
		<u>6,477,530</u>	<u>6,141,721</u>
Total Equity and Liabilities		<u><u>19,989,922</u></u>	<u><u>17,709,059</u></u>
Contingencies and Commitments			
	22		

The annexed notes 1 to 40 form an integral part of these financial statements.


Amir Bashir Ahmed
Chief Financial Officer


Khursheed A. Jamal
Chief Executive


Murtaza Habib
Director



Statement of Profit or Loss for the year ended September 30, 2024

	Note	2024	2023
(Rupees in thousands)			
Net sales and services	23	20,624,090	19,985,028
Cost of sales	24	(18,111,404)	(16,044,162)
Gross Profit		2,512,686	3,940,866
Selling and distribution expenses	25	(411,969)	(424,392)
Administrative expenses	26	(375,338)	(303,889)
Other operating expenses	27	(182,132)	(529,751)
Other income	28	1,204,638	612,041
		235,199	(645,991)
Operating Profit		2,747,885	3,294,875
Finance cost - net	29	(32,412)	(28,397)
Profit before levies and income tax		2,715,473	3,266,478
Levies - final tax		(237,248)	(169,548)
Profit before income tax		2,478,225	3,096,930
Taxation	30	(517,752)	(555,452)
Net profit for the year		1,960,473	2,541,478
Earnings per share - Basic and diluted (Rupees)	31	14.52	16.94

The annexed notes 1 to 40 form an integral part of these financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director



Statement of Comprehensive Income for the year ended September 30, 2024

	2024	2023
	(Rupees in thousands)	
Net profit for the year	1,960,473	2,541,478
Other comprehensive income :		
Items that will not be reclassified subsequently to the statement of profit or loss:		
Actuarial loss on defined benefit plan - net of tax	(1,856)	(4,481)
Unrealised gain / (loss) on re-measurement of investments at FVOCI - net of tax	1,921,526	(216,593)
	1,919,670	(221,074)
Total comprehensive income for the year	<u>3,880,143</u>	<u>2,320,404</u>

The annexed notes 1 to 40 form an integral part of these financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director



Statement of Changes in Equity for the year ended September 30, 2024

	Issued, subscribed and paid-up Capital	Reserves			Unrealised gain / (loss) on re-measurement of investment at FVOCI	Total Reserves	Total Equity
		Capital Reserve	General Reserve	Unappro- priated profit			
	(Rupees in thousands)						
Balance as on October 01, 2022	750,000	34,000	6,408,500	1,340,185	987,317	8,770,002	9,520,002
Realised loss on sale of investment	-	-	-	(227,642)	227,642	-	-
Transfer to general reserve	-	-	810,000	(810,000)	-	-	-
Net profit for the year	-	-	-	2,541,478	-	2,541,478	2,541,478
Other comprehensive loss for the year	-	-	-	(4,481)	(216,593)	(221,074)	(221,074)
Total comprehensive income for the year	-	-	-	2,536,997	(216,593)	2,320,404	2,320,404
Final cash dividend for the year ended 30 September 2022 @70%	-	-	-	(525,000)	-	(525,000)	(525,000)
Balance as on September 30, 2023	750,000	34,000	7,218,500	2,314,540	998,366	10,565,406	11,315,406
Realised gain on sale of investment	-	-	-	94,429	(94,429)	-	-
Transfer to general reserve	-	-	1,410,000	(1,410,000)	-	-	-
Net profit for the year	-	-	-	1,960,473	-	1,960,473	1,960,473
Other comprehensive income for the year	-	-	-	(1,856)	1,921,526	1,919,670	1,919,670
Total comprehensive income for the year	-	-	-	1,958,617	1,921,526	3,880,143	3,880,143
Final cash dividend for the year ended 30 September 2023 @120%	-	-	-	(900,000)	-	(900,000)	(900,000)
Cancellation of own shares purchased	(75,000)	-	(1,047,455)	-	-	(1,047,455)	(1,122,455)
Balance as on September 30, 2024	675,000	34,000	7,581,045	2,057,586	2,825,463	12,498,094	13,173,094

The annexed notes 1 to 40 form an integral part of these financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director



Statement of Cash Flows for the year ended September 30, 2024

	Note	2024 (Rupees in thousands)	2023
Cash flows from operating activities			
Cash generated from operations	32	863,090	3,750,591
Finance cost paid - net	29.1	(3,676)	(31,786)
Income tax paid		(815,144)	(447,053)
Long-term loans		2,270	(2,701)
Net cash (used in) / generated from operating activities		46,540	3,269,051
Cash flows from investing activities			
Fixed capital expenditure		(32,261)	(145,130)
Redemption / sale proceeds of investments		7,472,483	7,509,083
Dividend received		965,757	569,643
Purchase of investments		(6,523,332)	(11,192,881)
Sale proceeds of fixed assets		27,787	4,566
Net cash generated / (used in) from investing activities		1,910,434	(3,254,719)
Cash flows from financing activities			
Lease rentals paid		(9,235)	(7,929)
Buy back of own shares		(1,047,455)	-
Dividend paid		(823,335)	(434,737)
Net cash used in financing activities		(1,880,025)	(442,666)
Net increase / (decrease) in cash and cash equivalents		76,949	(428,334)
Cash and cash equivalents at the beginning of the year		117,638	545,972
Cash and cash equivalents at the end of the year		194,587	117,638
Cash and cash Equivalents			
Cash and bank balances	14	1,101,319	1,274,264
Short-term borrowings	21	(906,732)	(1,156,626)
		194,587	117,638

The annexed notes 1 to 40 form an integral part of these financial statements.

Amir Bashir Ahmed
Chief Financial Officer

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director



Notes to the Financial Statements for the year ended September 30, 2024

1 THE COMPANY AND ITS OPERATIONS

Habib Sugar Mills Limited is a public limited company incorporated in Pakistan on 08 February 1962, with its shares quoted on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacturing and marketing of refined sugar, ethanol, liquidified carbon dioxide (CO₂), household textiles, providing bulk storage facilities and trading of commodities. The business units of the Company are located as follows:

Registered office - 3rd Floor, Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi.

Mills - District Shaheed Benazirabad, Nawabshah (Sugar and Distillery Division) and D-140/B-1, Manghopir Road, S.I.T.E. Karachi (Textile Division)

Terminal - 60/1-B, Oil Installation Area, Keamari, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Act differ from the IFRSs / IFAS, the provisions of and directives issued under the Act have been followed.

2.2 Accounting convention

These financial statements have been prepared under historical cost convention, except for:

- staff retirement benefit plan which is carried at present value of defined benefit obligation net of fair value of the plan assets as prescribed in IAS 19 "Employees Benefits". And
- investments which have been recognised at fair value in accordance with the requirements of IFRS-9 " Financial Instruments".

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is Company's functional and presentation currency.

3 NEW ACCOUNTING STANDARDS

3.1 Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Company's accounting period beginning on 01 October 2023, but are considered either to be not relevant or do not have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.



3.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's accounting periods beginning on / after 01 October 2024. However, the Company expects that these standards will not have any material impact on the future financial statements of the Company.

4 Significant accounting judgments, assumptions and estimates

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 expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

- a) Determining the useful lives of property, plant and equipment (Note 5.1);
- b) Classification and valuation of investments (Note 5.4);
- c) Impairment / adjustment of inventories to their net realizable value (Notes 5.7);
- d) Accounting for staff retirement benefits (Note 5.10);
- e) Recognition of taxation and deferred tax (Note 5.17); and
- f) Impairment of financial and non financial assets (Note 5.24);

5 MATERIAL ACCOUNTING POLICIES

5.1 Property, plant and equipment

Operating fixed assets

Freehold land is stated at cost. Other operating fixed assets, are stated at cost less accumulated depreciation / impairment (if any).

Depreciation is charged to statement of profit or loss applying the reducing balance method. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month the asset is in use. Assets residual values and useful lives are reviewed, and adjusted, if appropriate at each date of the statement of financial position date.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use. Gain or loss on disposal of assets is included in statement of profit or loss in the year the assets is derecognised.

Capital work-in-progress

Capital work-in-progress is stated at cost less impairment losses, if any. Items are transferred to the respective assets when available for intended use.

Major stores and spare parts

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. Transfers 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.



5.3 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentive received. Right-of-use assets are depreciated on straight-line basis over the period of lease term.

5.4 Investments

Investments acquired with the intention to be held for over one year are classified as long term investments. However, these can be sold earlier due to liquidity requirements and/or any other reason. Short term investments are those which are acquired for a short period.

Investments are classified as follows:

Fair value through other comprehensive income

Equity investments are initially recognised at cost, being the fair value of the consideration paid including transaction cost. Subsequent to initial recognition, these investments are re-measured at fair value.

All gains or losses from change in the fair value of equity investments are recognised directly in other comprehensive income.

Amortised cost

Investments in government securities are initially recognised at cost, excluding transaction cost. It represents the cost to purchase the security, adjusted for the accretion or amortization of discounts or premiums paid below or above par value, and accrued interest.

5.5 Deposits, advances, prepayments and other receivables

These are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

5.6 Stores and spare parts

These are valued at the lower of moving average cost and net realisable value except for items in transit which are valued at cost. Provision is made for obsolescence and slow moving items.

5.7 Stock-in-trade

These are valued as follows:

Raw materials	At the lower of average cost and net realisable value
Work-in-process	At the lower of average cost and net realisable value
Finished goods	At the lower of average cost and net realisable value
Bagasse	At the lower of average cost and net realisable value

5.8 Trade debts

These are recognised and carried at the original invoice amounts, being the fair value, less an allowance for uncollectible amounts, if any. The Company applies the IFRS 9 simplified approach to measure the expected credited losses (ECL) which uses the life time expected loss allowance for trade debts.



5.9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise of cash in hand, with banks on current, savings, treasury call and deposit accounts, net of short term borrowings under mark-up arrangements, if any.

5.10 Staff retirement benefits

5.10.1 Staff gratuity

The Company operates an approved defined benefit gratuity scheme for all permanent employees. Minimum qualifying period for entitlement to gratuity is continuous five years service with the Company. The scheme is funded and contributions to the fund are made in accordance with the recommendations of the actuary.

The latest actuarial valuation of the gratuity scheme was carried out as at 30 September 2024. The projected unit credit method, using the following significant assumptions, have been used for actuarial valuation.

Discount rate	12.00%	per annum
Expected rate of increase in salaries	11.75%	per annum

Based on the actuarial valuation of gratuity scheme as of 30 September 2024, the fair value of gratuity scheme assets and present value of liabilities were Rs. 175.822 million and Rs. 177.678 million respectively. The Company recognises the total actuarial gains and losses in the year in which they arise.

	2024	2023
	(Rupees in thousands)	
Net Employee Defined Benefit Obligation		
Present value of defined benefit obligation	177,678	144,334
Fair value of plan assets	(175,822)	(139,853)
Liability recognised in the statement of financial position	<u>1,856</u>	<u>4,481</u>
The movement in net defined benefit obligation is as follows:		
Opening balance	4,481	1,573
Net charge for the year	7,605	5,906
Contribution	(12,086)	(7,479)
Remeasurement recognized in OCI during the year	1,856	4,481
Closing balance	<u>1,856</u>	<u>4,481</u>
Amount Recognised in profit or loss		
Current service cost	6,911	571
Interest cost	24,199	15,573
Expected return on plan assets	(23,505)	(15,378)
	<u>7,605</u>	<u>766</u>
Amount recognised in OCI :		
Actuarial loss on obligation	4,746	8,001
Actuarial gain on plan asset	(2,890)	(3,520)
	<u>1,856</u>	<u>4,481</u>



	2024	2023
	(Rupees in thousands)	
The movement in present value of defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	144,334	119,666
Current service cost	6,911	5,711
Interest cost	24,199	15,573
Benefits paid	(2,512)	(4,617)
Actuarial loss	4,746	8,001
Present value of defined benefit obligation at the end of the year	<u>177,678</u>	<u>144,334</u>
The movement in fair value of plan assets is as follows:		
Fair value of plan assets at the beginning of the year	139,853	118,093
Expected return on assets	23,505	15,377
Contributions	12,086	7,480
Benefits paid	(2,512)	(4,617)
Actuarial gain	2,890	3,520
Fair value of plan assets at the end of the year	<u>175,822</u>	<u>139,853</u>
Actual return on plan assets	<u>26,395</u>	<u>18,897</u>
Plan assets comprise:		
Term deposit receipts	–	111,000
Term Finance Certificates	100	146
Balance with Banks	175,722	28,438
Accrued interest	–	269
	<u>175,822</u>	<u>139,853</u>

Comparison of present value of defined benefit obligation, the fair value of plan assets and the surplus or deficit of gratuity fund is as follows:

As at September 30,	2024	2023	2022	2021	2020
	(Rupees in thousands)				
Present value of defined benefit					
Obligation	177,678	144,334	119,666	124,275	120,325
Fair value of plan assets	(175,822)	(139,853)	(118,093)	(123,466)	(120,167)
Deficit	<u>1,856</u>	<u>4,481</u>	<u>1,573</u>	<u>809</u>	<u>158</u>
Experience adjustment on obligation	<u>(16,459)</u>	<u>(2,177)</u>	<u>(3,518)</u>	<u>(8,148)</u>	<u>(3,627)</u>
Experience adjustment on plan assets	<u>2,890</u>	<u>3,519</u>	<u>2,759</u>	<u>4,775</u>	<u>2,517</u>

Sensitivity analysis

Significant assumption for the determination of the defined obligation are discount rate and expected salary increase. The possible changes in defined obligation due to change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant are as follows:

	(Rupees in thousand)
Discount Rate +1 %	171,011
Discount Rate -1 %	185,051
Long Term Salary Increases +1 %	184,201
Long Term Salary Increases -1 %	171,685



5.10.2 Provident fund

The Company operates a recognised provident fund scheme for all its permanent employees. Equal monthly contributions are made by the Company and the employees at the rate of 8.33% of basic salary plus applicable cost of living allowance.

5.11 Leases

Lease liability is initially measured at present value of the lease payments over the period of lease term, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

The lease liability is remeasured when the Company reassess the reasonable certainty of exercise of extension or termination option upon occurrence of either a significant event or a significant change in circumstance, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit or loss if the carrying amount of right to-use asset has been reduced to zero.

A change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increase the scope of lease adding the right-to-use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right of-use asset.

5.12 Borrowings and their cost

Borrowings are recorded at the proceeds received.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction and commissioning of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

5.13 Trade and other payables

Liabilities for trade and other payables 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.

5.14 Contract liability

Contract liability is an obligation of the Company to transfer goods and services to a customer for which the Company has received consideration from the customer. If the customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when payment is made. Contract liabilities are recognised in revenue when Company fulfils the performance obligation under the contract.

5.15 Ijarah

Leased assets which are obtained under Ijarah agreement are not recognized in the Company's financial statements and are treated as operating lease based on IFAS 2 issued by the ICAP and notified by the SECP vide S.R.O. 43(1) / 2007 dated 22 May 2007. Ijarah payments made under an Ijarah are charged to the profit or loss account on a straight line basis over the Ijarah term unless another systematic basis is representative of time pattern of the user's benefit even if the payment are not on that basis.



5.16 Unclaimed dividend

The Company recognises unclaimed dividend which was declared and remained unclaimed from the date it was due and payable. The dividend declared and remained unpaid from the date it was due and payable is recognised as unpaid dividend.

5.17 Taxation

5.17.1 Current

The charge for current taxation is based on taxable income at the current rates in accordance with Income Tax Ordinance, 2001 (the Ordinance).

Pursuant to the release of Circular 7/2024 by the ICAP, the Company has elected to change the method of accounting for minimum taxes and final taxes.

Minimum tax

The Company has elected to designate the amount calculated on taxable income using the enacted tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, will then be recognized as a levy falling under the scope of IFRIC 21 / IAS 37.

Final tax

As computation of final taxes under provisions of the Ordinance is not based on taxable income, therefore, final taxes fall under levy within the scope of IFRIC 21/IAS 37 and not income tax in the statement of profit or loss.

5.17.2 Deferred

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and adjusted 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 asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date.

5.18 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed periodically and adjusted to reflect the current best estimate.

5.19 Contingencies

Contingencies are disclosed when Company has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of entity, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of recourse embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability.



5.20 Foreign currencies

Transactions in foreign currencies are translated into Pak Rupees which is the Company's functional and presentation currency, at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rates ruling on the statement of financial position date. Exchange gains and losses are included in statement of profit or loss.

5.21 Revenue recognition

Revenue is recognised when control of the asset is transferred to the customer. Revenue is measured at fair value of the consideration received or receivable and is recognised on the following basis:

- Revenue from sale of goods is recognised when or as control of goods have been transferred to a customer and the performance obligations are met. The credit limit in contract with customers is up to 90 days.
- Storage income is recorded when services are rendered.
- Profit on bank accounts / investments is recognised on accrual basis.
- Dividend income is recognised when the right to receive such payment is established.
- Other revenues are accounted when performance obligations are met.

5.22 Segment reporting

Segment reporting is based on operating (business) segments of the Company. These business segments are engaged in providing product or services which are subject to risks and rewards that are different from the risks and rewards of other segments.

5.23 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.23.1 Financial assets

Initial recognition and measurement

Financial assets are classified at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, (in the case of a financial asset not at fair value through profit or loss), transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



Subsequent measurement

For purposes of subsequent measurement, the Company classifies its financial assets into following categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets designated at fair value through Other Comprehensive Income (FVOCI) with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss (FVPL).

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- 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 amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognised as other income in profit or loss when the right of payment has been established. The Company has not designated any financial asset as at FVPL.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

5.23.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

Financial liabilities at amortized cost

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.



5.24 Impairment

5.24.1 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL is recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For financial assets other than trade debts, the Company applies general approach in calculating ECL. It is based on difference between the contractual cashflows due in accordance with the contract and all the cashflows that the Company expect to receive discounted at the approximation of the original effective interest rate. The expected cashflows will include cash flows from sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade debts, the Company applies a simplified approach where applicable in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Company has established a provision matrix for large portfolio of customer having similar characteristics and default rates based on the credit rating of customers from which receivables are due that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

5.24.2 Impairment of non-financial assets

The carrying amounts of the Company's non financial assets are reviewed annually to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and impairment losses are recognised in the statement of profit or loss. The recoverable is the higher of an asset's fair value less cost to disposals and value in use.

5.25 Offsetting

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset or settle the liability simultaneously.

5.26 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved.

5.27 Earnings per share

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



	Note	2024 (Rupees in thousands)	2023
6. Property, plant and equipment:			
Operating fixed assets	6.1	2,092,699	2,220,789
Capital work-in-progress		–	63,643
		<u>2,092,699</u>	<u>2,284,432</u>

6.1 Operating fixed assets for 2024:

	COST			DEPRECIATION / AMORTIZATION		WRITTEN DOWN VALUE		
	As at Oct. 1, 2023	Additions / (deletions)	As at Sept. 30, 2024	As at Oct. 1, 2023	charge for the year	As at Sept. 30, 2024	As at Sept. 30, 2024	Rate of depreciation / amortization
	(Rupees in thousands)							
Land								
Freehold - Sugar / Distillery division	319,969	–	319,969	–	–	–	319,969	–
Leasehold - Textile division	489	–	489	271	5	276	213	1.01
Buildings on freehold land								
Sugar division	115,143	–	115,143	89,855	2,529	92,384	22,759	10
Distillery division	21,243	–	21,243	19,329	191	19,520	1,723	10
Non-factory buildings	30,228	–	30,228	25,201	251	25,452	4,776	5
Buildings on leasehold land								
Textile division	19,335	–	19,335	18,003	133	18,136	1,199	10
Plant and machinery								
Sugar division	3,098,855	61,139	3,159,994	1,743,386	141,187	1,884,573	1,275,421	10
Distillery division - Note 6.1.1	1,384,341	–	1,384,341	944,464	43,988	988,452	395,889	10
Textile division	132,071	–	132,071	104,027	2,780	106,807	25,264	10
Railway siding - Sugar division	468	–	468	468	–	468	–	10
Electric, gas and water installations								
Sugar / Distillery division	8,808	–	8,808	8,549	26	8,575	233	10
Textile division	3,601	–	3,601	3,255	35	3,290	311	10
Furniture, fittings, electrical and office equipment								
Sugar / Distillery division	119,181	10,368 (240)	129,309	93,156	7,860 (211)	100,805	28,504	25
Textile division	11,642	–	11,642	10,563	331	10,894	748	25
Tractors / trolleys and agriculture implements								
Sugar division	5,121	2,124	7,245	3,186	647	3,833	3,413	20
Motor cars / vehicles								
Sugar / Distillery division	51,001	7,238 (6,314)	51,925	37,070	3,196 (558)	39,708	12,217	20
Textile division	873	–	873	797	15	812	61	20
Total	<u>5,322,369</u>	<u>80,869 (6,554)</u>	<u>5,396,684</u>	<u>3,101,580</u>	<u>203,174 (769)</u>	<u>3,303,985</u>	<u>2,092,699</u>	



6.1.1 Plant and machinery of distillery division include storage tanks of the CO₂ unit having written down value of Rs.8.16 (2023: Rs. 9.07) million installed at Coca Cola Beverages Pakistan Limited and Pakistan Beverages Limited premises for storage of Liquidified Carbondioxide.

6.1.2 Particulars of immovable property are as follows:

Particulars	Location	Total Area
Land	Nawabshah, District Shaheed Benazirabad	345.95 Acre
Land	D-140/B-1, Mangopir Road, S.I.T.E. Karachi	1.12 Acre
Land	60/1-B Oil Installation Area, Keamari, Karachi	4000 Sqm

6.1.3 Reconciliation of carrying values for 2024

	Written down value as at Oct. 1, 2023	Additions / (deletions)	Depreciation / amortization charge for the year & accumulated depreciation / amortization on deletions	Written down value as at Sept. 30, 2024
(Rupees in thousands)				
Land	320,187	–	5	320,182
Buildings on freehold land	32,229	–	2,972	29,257
Buildings on leasehold land	1,332	–	133	1,199
Plant and machinery	1,823,390	61,139	187,955	1,696,574
Electric, gas and water installations	605	–	60	545
Furniture, fittings, electrical and office equipment	27,104	10,368 (240)	8,191 (211)	29,252
Tractors / trolleys and agriculture implements	1,935	2,124	647	3,413
Motor cars / vehicles	14,007	7,238 (6,314)	3,211 (558)	12,278
	<u>2,220,789</u>	<u>80,869</u> (6,554)	<u>203,174</u> (769)	<u>2,092,699</u>



6.2 Operating fixed assets for 2023:

	COST			DEPRECIATION / AMORTIZATION			WRITTEN DOWN VALUE	
	As at Oct. 1, 2022	Additions / (deletions)	As at Sept. 30, 2023	As at Oct. 1, 2022	charge for the year/ on deletions	As at Sept. 30, 2023	As at Sept. 30, 2023	Rate of depreciation / amortization
(Rupees in thousands)								
Land								
Freehold - Sugar / Distillery division	237,119	82,850	319,969	-	-	-	319,969	-
Leasehold - Textile division	489	-	489	266	5	271	218	1.01
Buildings on freehold land								
Sugar division	115,143	-	115,143	87,045	2,810	89,855	25,288	10
Distillery division	21,243	-	21,243	19,116	213	19,329	1,914	10
Non-factory buildings	30,228	-	30,228	24,937	264	25,201	5,027	5
Buildings on leasehold land								
Textile division	19,335	-	19,335	17,856	147	18,003	1,332	10
Plant and machinery								
Sugar division	3,087,527	11,328	3,098,855	1,593,150	150,236	1,743,386	1,355,469	10
Distillery division	1,384,341	-	1,384,341	895,588	48,876	944,464	439,877	10
Textile division	131,743	328	132,071	100,945	3,082	104,027	28,044	10
Railway siding - Sugar division	468	-	468	468	-	468	-	10
Electric, gas and water installations								
Sugar / Distillery division	8,808	-	8,808	8,520	29	8,549	259	10
Textile division	3,601	-	3,601	3,217	38	3,255	346	10
Furniture, fittings, electrical and office equipment								
Sugar / Distillery division	111,721	7,551 (91)	119,181	85,175	8,044 (63)	93,156	26,025	25
Textile division	11,287	355	11,642	10,223	340	10,563	1,079	25
Tractors / trolleys and agriculture implements								
Sugar division	2,765	2,356	5,121	2,749	437	3,186	1,935	20
Motor cars / vehicles								
Sugar / Distillery division	51,241	285 (525)	51,001	33,998	3,381 (309)	37,070	13,931	20
Textile division	873	-	873	780	17	797	76	20
Total	5,217,932	105,053 (616)	5,322,369	2,884,033	217,919 (372)	3,101,580	2,220,789	



6.2.1 Reconciliation of carrying values for 2023

	Written down value as at Oct. 1, 2022	Additions / (deletions) (Rupees in thousands)	Depreciation / amortization charge for the year & accumulated depreciation / amortization on deletions	Written down value as at Sept. 30, 2023
Land	237,342	82,850	5	320,187
Buildings on freehold land	35,516	–	3,287	32,229
Buildings on leasehold land	1,479	–	147	1,332
Plant and machinery	2,013,928	11,656	202,194	1,823,390
Electric, gas and water installations	672	–	67	605
Furniture, fittings, electrical and office equipment	27,610	7,906 (91)	8,384 (63)	27,104
Tractors / trolleys and agriculture implements	16	2,356	437	1,935
Motor cars / vehicles	17,336	285 (525)	3,398 (309)	14,007
	<u>2,333,899</u>	<u>105,053</u> <u>(616)</u>	<u>217,919</u> <u>(372)</u>	<u>2,220,789</u>
		Note	2024 (Rupees in thousands)	2023 (Rupees in thousands)

6.3 Allocation of depreciation charge for the year:

Cost of Sales			
Sugar division	24	149,067	158,138
Distillery division	24	46,931	52,277
Textile division	24	2,952	3,274
		198,950	213,689
Administrative expenses			
Sugar division	26	3,294	3,258
Distillery division	26	282	279
Textile division	26	346	357
Terminal	23.1	302	335
		4,224	4,229
		<u>203,174</u>	<u>217,918</u>

6.4 Details of operating fixed assets disposed off:

	Cost	Accumulated depre- ciation	written down value	Sale proceeds	Gain on disposal	Mode of disposal	Particulars of purchasers	Relationship with purchaser
			(Rupees in thousands)					
Furniture, fittings, electrical and office equipment	241	210	31	69	38	Negotiation	Various	None
Motor cars / vehicles	6,313	559	5,754	27,718	21,964	Tender	Various	None
2024	6,554	769	5,785	27,787	22,002			
2023	616	372	244	4,566	4,322			



		Note	2024	2023			
			(Rupees in thousands)				
7.	LONG TERM INVESTMENTS - at FVOCI						
	Investments in related parties - Quoted	7.1	2,414,474	1,113,694			
	Investments in related parties - Un-Quoted	7.2	13,125	13,125			
	Investments in other companies - Quoted	7.3	1,114,602	781,458			
			<u>3,542,201</u>	<u>1,908,277</u>			
		Note	2024	2023			
			(Rupees in thousands)				
	Number of shares	Face value Rs.					
	2024	2023					
7.1	Investments in related parties - Quoted						
	24,136,691	24,136,691	10	Bank AL Habib Limited	2,382,291	1,086,875	
	5,363,772	5,363,772	5	Habib Insurance Company Limited	32,183	26,819	
					<u>2,414,474</u>	<u>1,113,694</u>	
7.2	Investments in related parties - Unquoted						
	1,249,999	1,249,999	10	UniEnergy Limited	7.3.1	13,125	13,125
7.3	Investments in other companies - Quoted						
	340,000	340,000	10	Amreli Steels Limited	6,174	6,763	
	257,500	257,500	10	Agha Steels Limited	2,902	2,644	
	-	114,000	10	AirLink Communication Limited	-	2,692	
	127,000	50,000	10	Bank Alfalah Limited	7,703	1,924	
	453,730	607,176	10	Cherat Cement Company Limited	82,316	78,435	
	43,890	43,890	10	Cherat Packaging Limited	4,367	3,906	
	26,478	26,478	10	Dawood Lawrencepur Limited	5,349	6,620	
	375,400	517,500	10	D.G. Khan Cement Company Limited	27,592	22,470	
	68,000	68,000	10	Engro Corporation Limited	20,653	16,330	
	-	12,500	10	Friesland Canpina Engro Pakistan Limited (formerly Engro Foods Limited)	-	695	
	243,700	229,200	10	Engro Fertilizer Limited	46,366	17,401	
	186,098	441,098	10	Engro Polymer & Chemical Limited	6,216	17,340	
	90,600	90,600	10	Faran Sugar Mills Limited	3,986	5,527	
	415,000	-	10	Fauji Cement Company Limited	10,491	-	
	100,885	100,885	10	Fauji Fertilizer Company Limited	22,442	9,366	
	200,000	200,000	10	Fauji Fertilizer Bin Qasim Limited	10,024	2,748	
	157,759	157,759	10	Fauji Foods Limited	1,333	1,016	
	12,100	12,100	10	GlaxoSmithKline Pakistan Limited	2,327	895	
	54,000	54,000	10	Gul Ahmed Textile Mills Limited	1,021	955	
	3,630	3,630	10	Haleon Pakistan Limited	1,994	517	
	882,500	882,500	10	Habib Metropolitan Bank Limited	59,295	31,973	
	421,213	421,213	10	Habib Bank Limited	53,511	38,095	
	12,350	12,350	10	Indus Motors Company Limited	21,411	11,053	
	76,100	126,100	10	International Industries Limited	10,436	11,068	
	824,676	1,083,481	10	International Steels Limited	51,732	46,059	
	384,500	384,500	10	Javedan Corporation Limited	16,103	16,141	
	2,910,000	1,810,000	10	K-Electric Limited	10,942	3,548	
	95,120	153,800	10	Lucky Cement Limited	84,090	89,617	
	440,000	250,000	10	Maple Leaf Cement Factory Limited	14,274	7,485	
	171,837	185,837	10	MCB Bank Limited	41,310	24,038	
	423,506	423,506	10	Mehran Sugar Mills Limited	17,821	18,253	
	270,768	189,405	10	Mirpurkhas Sugar Mills Limited	7,587	7,197	
	28,467	30,468	10	National Food Limited	4,896	3,335	
	315,000	285,000	10	Oil and Gas Development Company Limited	45,180	27,491	
	25,000	25,000	10	Packages Limited	12,420	9,209	
	200,000	200,000	10	Pakistan International Bulk Terminal Limited	1,124	772	
	30,000	30,000	10	Pakistan Oil Fields Limited	18,748	11,693	
	230,000	230,000	10	Power Cement Limited	1,155	931	
	711,503	711,503	5	Thal Limited	291,802	160,857	
	300,458	435,458	10	The Hub Power Company Limited	35,857	38,464	
	81,083	81,083	10	TPL Insurance Limited	825	1,407	
	125,736	125,736	10	The Searle Company Limited	7,161	4,424	
	15,000	-	10	Pakistan Aluminium Beverage Cans Limited	1,152	-	
	5,000	-	10	Pioneer Cement Limited	906	-	
	144,000	-	10	Pak Petroleum Limited	15,382	-	
	90,000	140,000	10	United Bank Limited	26,228	20,104	
					<u>1,114,602</u>	<u>781,458</u>	
					<u>3,542,201</u>	<u>1,908,277</u>	



7.3.1 The fair value of the investments in UniEnergy Limited has been determined on the net assets value due to the limited financial information available.

7.4 The aggregate cost of the above investments is Rs. 884.76 (2023: Rs. 950.57) million.

	Note	2024 (Rupees in thousands)	2023
8. Long-term loans			
Secured - considered good			
Executives		9,602	18,897
Other Employees	8.1	14,553	15,054
		<u>24,155</u>	<u>33,951</u>
Receivable within next twelve months shown under current asset:			
Executives	12	(2,700)	(5,462)
Other Employees		(6,196)	(10,960)
		<u>(8,896)</u>	<u>(16,422)</u>
		<u>15,259</u>	<u>17,529</u>

8.1 Long-term loans include loans of Rs. 2.08 (2023: 3.28) million to workers which carries no interest as per Company policy and CBA agreement. The balance of amount loan carries interest at the rate of 7% per annum. These are secured against property documents and retirements benefits. These loans are carried at cost due to materiality of the amounts involved.

	Note	2024 (Rupees in thousands)	2023
9. Stores and spare parts			
Stores		218,546	222,536
Provision for obsolescence and slow moving stores	9.1	(36,718)	(28,718)
		<u>181,828</u>	<u>193,818</u>
Spare parts		199,398	221,549
Provision for obsolescence and slow moving spare parts		(28,106)	(28,106)
		<u>171,292</u>	<u>193,443</u>
		<u>353,120</u>	<u>387,261</u>

9.1 Provision for obsolescence and slow moving stores

Balance at the beginning of the year		28,718	19,718
Provision made during the year	24	8,000	9,000
Balance at the end of the year		<u>36,718</u>	<u>28,718</u>



	Note	2024 (Rupees in thousands)	2023
10. Stock-in-trade			
Raw materials			
Distillery division		264,037	620,335
Textile division		20,765	22,680
		<u>284,802</u>	<u>643,015</u>
Work-in-process			
Sugar division		2,456	1,826
Textile division		93,637	79,539
		<u>96,093</u>	<u>81,365</u>
Finished goods			
Sugar division		4,319,216	2,253,241
Distillery division		651,568	954,983
Textile division		23,899	19,446
		<u>4,994,683</u>	<u>3,227,670</u>
Bagasse		14,224	5,083
		<u>5,389,802</u>	<u>3,957,133</u>
11. Trade debts - considered good			
Export – Secured against export documents		101,426	318,740
Local – Unsecured		758,090	842,002
	11.1	<u>859,516</u>	<u>1,160,742</u>
11.1 The aging of trade debts at September 30, is as follows :			
Not yet due		639,599	743,388
up to 90 days		211,981	414,624
91 to 180 days		7,936	2,730
		<u>859,516</u>	<u>1,160,742</u>
12. Loans and advances - considered good			
Loans - secured			
Current maturity of long-term loans			
Executives	8	2,700	5,462
Other Employees		6,196	10,960
		<u>8,896</u>	<u>16,422</u>
Advances - unsecured			
Suppliers		765,511	169,686
		<u>774,407</u>	<u>186,108</u>



	Note	2024	2023
(Rupees in thousands)			
13. Short-term investments			
At amortised cost			
Al Habib Cash Fund		2,043,522	2,532,723
Alfalah Assets Management Limited		1,102,564	-
ABL Cash Fund		1,033,123	1,525,564
MCB - Pakistan Sovereign Fund		784,396	-
MCB - Pakistan Income Enhancement Fund		529,018	-
Al Habib Fixed Return Fund		287,769	-
Al Habib Money Market		-	515,393
MCB - Pakistan Cash Management Fund		-	758,224
HBL Cash Fund		-	758,861
	13.1	<u>5,780,392</u>	<u>6,090,765</u>
At amortised cost		-	321,706
		<u>5,780,392</u>	<u>6,412,471</u>

13.1 The aggregate cost of the units of mutual funds is Rs. 5,539.38 (2023: Rs. 6,063.11) million.

	Note	2024	2023
(Rupees in thousands)			
14. CASH AND BANK BALANCES			
Cash in hand		470	770
Balances with banks in:			
Current accounts		78,375	120,118
Treasury call accounts	14.1	974,474	1,105,376
Term deposit receipts	14.2	48,000	48,000
	14.3	<u>1,100,849</u>	<u>1,273,494</u>
		<u>1,101,319</u>	<u>1,274,264</u>

14.1 Profit rates on treasury call accounts ranged between 14.00% to 20.60% (2023: 14.50% to 20.60%) per annum.

14.2 Profit rates on term deposit receipts ranged between 13.00% to 19.50% (2023: 19.50%) per annum. Maturity of these term deposit receipts is one month.

14.3 This includes Rs. 886.29 (2023: Rs.1,104.27) million kept with Bank AL Habib Limited - a related party.



			2024	2023
			(Rupees in thousands)	
15. Issued, subscribed and paid-up capital				
	2024	2023		
	Number of shares			
	10,136,700	10,136,700	Ordinary shares of Rs. 5/- each fully paid in cash	50,684
	139,863,300	139,863,300	Ordinary shares of Rs. 5/- each issued as bonus shares	699,316
				750,000
	(15,000,000)	–	Cancellation of own shares purchased	(75,000)
	<u>135,000,000</u>	<u>150,000,000</u>		<u>675,000</u>
				<u>750,000</u>
15.1	Issued, subscribed and paid-up capital of the Company includes 14,896,001 (2023: 14,896,001) ordinary shares of Rs.5/- each held by related parties at the end of the year.			
15.2	Voting rights, Board Selection, right of first refusal and block voting are in proportion to the shareholding.			
		Note	2024	2023
			(Rupees in thousands)	
16. Reserves				
Capital				
Share premium			34,000	34,000
Revenue				
General Reserve	16.1		7,581,045	7,218,500
Unappropriated profit			2,057,586	2,314,540
Unrealised gain on re-measurement of FVOCI investments			2,825,463	998,366
			12,464,094	10,531,406
			<u>12,498,094</u>	<u>10,565,406</u>
16.1	At the beginning of the year:		7,218,500	6,408,500
	- Transferred from unappropriated profit		1,410,000	810,000
	- Cancellation of own shares purchased		(1,047,455)	–
			<u>7,581,045</u>	<u>7,218,500</u>



	Note	2024 (Rupees in thousands)	2023
17. Deferred taxation			
Deferred tax liability on taxable temporary differences:			
- accelerated tax depreciation		330,500	228,000
- re-measurement of investments		73,000	-
		<u>403,500</u>	<u>228,000</u>
Deferred tax asset on deductible temporary differences:			
- provisions		(67,500)	(31,500)
- re-measurement of investments		-	(13,000)
- others		(7,500)	(3,000)
		<u>(75,000)</u>	<u>(47,500)</u>
		<u>328,500</u>	<u>180,500</u>
18 Gas Infrastructure Development Cess			
Provision for GIDC		109,555	103,734
Less: current maturity		(109,555)	(32,302)
Provision for GIDC shown under non-current liabilities		-	71,432
		<u>-</u>	<u>71,432</u>
19 Trade and other payables			
Creditors		2,112,260	2,054,357
Accrued liabilities		508,101	483,306
Sales tax payable		173,507	173,146
Payable to Employees Gratuity Fund		1,856	4,481
Gas Infrastructure Development Cess	18	109,555	32,302
Workers' Profit Participation Fund (WPPF)	19.1	149,311	161,518
Workers' Welfare Fund		32,442	43,231
Income-tax deducted at source		5,842	4,480
		<u>3,092,874</u>	<u>2,956,821</u>
19.1 Workers' Profit Participation Fund (WPPF)			
Balance at the beginning of the year		161,518	88,508
Interest on funds utilized in the Company's business		5,361	1,176
		<u>166,879</u>	<u>89,684</u>
Amount paid to the WPPF		(166,879)	(89,684)
		<u>-</u>	<u>-</u>
Charge for the year	27	149,311	161,518
Balance at the end of the year		<u>149,311</u>	<u>161,518</u>
20 Contract Liability			
Revenue recognised during the year from amounts included in contract liability at beginning of the year amounting to Rs. 1,567.31 (2023: 1,758.72) million.			



2024 2023
(Rupees in thousands)

21. SHORT-TERM BORROWINGS - SECURED

906,732 1,156,626

The aggregate financing facility available from commercial banks amounted to Rs. 13,846 (2023: Rs.9,562) million. These financing facilities are secured by way of registered charge against hypothecation of stock-in-trade, stores and spares, assignment of trade debts and other receivables. The rate of mark-up charged during the period was 2.00% to 22.54% (2023: 2.00% to 21.73%) per annum.

22. CONTINGENCIES AND COMMITMENTS

22.1 The Competition Commission of Pakistan (CCP) had passed a consolidated order on 06 August 2021 whereby penalties had been levied on 84 sugar mills under the Competition Act, 2010 on account of alleged 'anti-competitive activities in the sugar industry'.

Under the above-referred order dated 06 August 2021, penalty of Rs. 493.66 million had been levied on the Company equivalent to 5% of the total turnover of Rs. 9,873.13 million as per the audited financial statements for the year ended 30 September 2019. The penalty had been levied on account of alleged 'collective decision of export quantities' by fixing/controlling the supply of sugar and maintaining the desired price levels in the market during the period from the year 2012 to 2020.

The appeals against the above order are presently pending before the Sindh High Court and the Competition Appellate Tribunal and in terms of the joint statement filed by the CCP and sugar mills on August 25, 2022 with the Sindh High Court, it was agreed between the parties that the CCP shall not initiate any recovery proceedings until the final decision in appeal which is pending before the Competition Appellate Tribunal. Further, the single judge of the Sindh High Court shall also decide the pending suits expeditiously.

The legal counsel of the Company is of the view the favourable outcome is expected from the Sindh High Court as well as Competition Appellate Tribunal. The Company has therefore, not made any provision in these financial statements in respect of the penalty levied by CCP vide its order dated 06 August 2021.

22.2 The Company has provided counter guarantees to Bank AL Habib Limited, a related party, amounting to Rs. 600 (2023: Rs. 500 million) against agriculture finance facilities to the growers supplying sugarcane to the mills and counter guarantees to other banks amounting to Rs. 2,691.93 (2023: Rs. 2,402.39) million against guarantees issued by banks in favour of third parties on behalf of the Company. These guarantees are secured by way of registered charge against hypothecation of stores and spares, stock-in-trade, assignment of trade debts and other receivables.

22.3 Lease rentals under Ijarah agreements in respect of vehicles, payable over the following next four years, are as follows:

	2024	2023
	(Rupees in thousands)	
Year ending September 30		
2024	–	49,905
2025	51,805	44,268
2026	47,639	30,383
2027	40,097	615
2028	13,175	–
	<u>152,716</u>	<u>125,171</u>

23. Segment operating results and related information

(Rupees in thousands)



	Note	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales and services											
Local sales		13,565,823	11,862,850	950,108	975,114	5,378	3,451	1,296,661	1,267,970	15,817,970	14,109,385
Less: Sales tax / Federal excise duty		1,960,136	1,732,700	148,532	150,304	968	593	197,783	192,419	2,307,419	2,076,016
		11,605,687	10,130,150	801,576	824,810	4,410	2,858	1,098,878	1,075,551	13,510,551	12,033,369
Export sales		164,869	405,572	6,019,304	6,996,826	702,149	659,232	365,481	-	7,251,803	8,061,630
Less: Export duty, freight and commission		-	-	31,535	49,209	54,556	65,612	54,884	-	140,975	114,821
		164,869	405,572	5,987,769	6,947,617	647,593	593,620	310,597	-	7,110,828	7,946,809
Net sales		11,770,556	10,535,722	6,789,345	7,772,427	652,003	596,478	1,409,475	1,075,551	20,621,379	19,980,178
Services											
Terminal Storage income - net	23.1	-	-	2,711	4,850	-	-	-	-	2,711	4,850
		11,770,556	10,535,722	6,792,056	7,777,277	652,003	596,478	1,409,475	1,075,551	20,624,090	19,985,028
Less: Cost of sales	24	10,472,319	9,278,788	5,729,777	5,425,615	591,714	525,902	1,317,594	813,857	18,111,404	16,044,162
Gross profit		1,298,237	1,256,934	1,062,279	2,351,662	60,289	70,576	91,881	261,694	2,512,686	3,940,866
Selling and distribution expenses	25	114,485	125,094	254,070	275,522	34,219	21,848	9,195	1,928	411,969	424,392
Administrative expenses	26	339,283	274,126	24,016	20,538	11,127	8,458	913	767	375,338	303,889
		453,768	399,220	278,086	296,060	45,346	30,306	10,108	2,695	787,307	728,281
Profit before other operating expenses and other income		844,469	857,714	784,193	2,055,602	14,943	40,270	81,773	258,999	1,725,379	3,212,585
Other operating expenses	27									(182,132)	(529,751)
Other income	28									1,204,638	612,041
Operating profit										2,747,885	3,294,875

- Sugar division is engaged in manufacturing of refined sugar.
- Distillery division is engaged in manufacturing of ethanol, liquidified carbon dioxide (CO₂) and providing bulk storage facilities.
- Textile division is engaged in manufacturing of household textiles.
- Trading division is engaged in trading of commodities viz sugar / molasses / bagasse / liquidified carbon dioxide (CO₂) as and when opportunity occurs.

(Rupees in thousands)



	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
23.1 Services										
Terminal storage income	-	-	18,962	19,767	-	-	-	-	18,962	19,767
Less: Terminal expenses										
Salaries, wages and other benefits - note 23.1.1	-	-	8,730	7,322	-	-	-	-	8,730	7,322
Repairs and maintenance	-	-	2,951	3,266	-	-	-	-	2,951	3,266
Water, electricity and gas	-	-	1,218	749	-	-	-	-	1,218	749
Rent, rates and taxes	-	-	1,789	1,856	-	-	-	-	1,789	1,856
Depreciation - note 6.3	-	-	302	335	-	-	-	-	302	335
Travelling and vehicle running expenses	-	-	468	480	-	-	-	-	468	480
Insurance	-	-	20	72	-	-	-	-	20	72
Other expenses	-	-	773	837	-	-	-	-	773	837
	-	-	16,251	14,917	-	-	-	-	16,251	14,917
	-	-	2,711	4,850	-	-	-	-	2,711	4,850

23.1.1 Salaries, wages and other benefits include a sum of Rs. 1.10 (2023: Rs. 0.76) million in respect of staff retirement benefits.

2024
2023
(Rupees in thousands)



23.2 Geographical Information of customers

Revenues from customers (Country wise)	2024	2023
Pakistan	13,513,262	12,038,219
South Korea	665,631	—
UAE	505,340	557,026
United Kingdom	322,588	453,942
Thailand	334,728	21,635
Switzerland	—	2,134,959
Portugal	—	735,351
Saudi Arabia	339,361	15,753
Italy	—	2,111,023
Netherland	3,827,298	360,793
Ivory Coast	109,643	—
South Africa	277,364	530,985
Taiwan	516,365	602,729
Afghanistan	164,869	405,572
Holland	47,641	17,041
	<u>20,624,090</u>	<u>19,985,028</u>

The above revenue information above is based on the location of customers

23.3 Of the Company's total revenue, three customer accounts for more than 10%.

(Rupees in thousands)



	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
24. Cost of sales										
Raw material consumed	12,206,309	7,532,041	4,665,029	5,371,029	428,431	372,575	-	-	17,299,769	13,275,645
Salaries, wages and other benefits - note 24.1	565,204	455,537	169,545	145,572	10,324	23,446	-	-	745,073	624,555
Process chemicals	140,460	114,041	60,689	62,022	-	-	-	-	201,149	176,063
Packing material	144,880	99,045	-	-	29,919	28,678	-	-	174,799	127,723
Dyeing, weaving and other charges	-	-	-	-	69,569	61,831	-	-	69,569	61,831
Stores and spare parts consumed	216,695	155,919	59,516	59,479	-	-	-	-	276,211	215,398
Provision for obsolescence and slow moving stores & spares -note 9.1	6,000	6,000	2,000	3,000	-	-	-	-	8,000	9,000
Rent, rates, taxes and lease rentals	37,865	27,669	22,680	17,429	2,771	765	-	-	63,316	45,863
Water, fuel and power	123,139	114,676	198,808	164,014	69,986	44,875	-	-	391,933	323,565
Repairs and maintenance	347,669	292,870	157,352	208,131	5,670	5,046	-	-	510,691	506,047
Legal and professional charges	4,705	3,996	-	-	-	-	-	-	4,705	3,996
Insurance	16,235	11,757	10,057	10,963	300	821	-	-	26,592	23,541
Postage, telephone and stationery	4,794	5,386	1,403	865	-	-	-	-	6,197	6,251
Depreciation / amortization - note 6.3	149,067	158,138	46,931	52,277	2,952	3,274	-	-	198,950	213,689
Other manufacturing expenses	62,396	59,581	32,352	18,457	2,171	191	-	-	96,919	78,229
Duty drawback / Rebate	-	-	-	-	(11,828)	(10,653)	-	-	(11,828)	(10,653)
Bagasse sale	(27,618)	(52,254)	-	-	-	-	-	-	(27,618)	(52,254)
Bagasse transferred to distillery division	(145,872)	(91,353)	-	-	-	-	-	-	(145,872)	(91,353)
Molasses transferred to distillery division	(1,313,004)	(998,844)	-	-	-	-	-	-	(1,313,004)	(998,844)
	332,615	362,164	761,333	742,209	181,834	158,274	-	-	1,275,782	1,262,647
Manufacturing cost	12,538,924	7,894,205	5,426,362	6,113,238	610,265	530,849	-	-	18,575,551	14,538,292
Opening stock of work-in-process	1,826	1,223	-	-	79,539	77,144	-	-	81,365	78,367
Closing stock of work-in-process	(2,456)	(1,826)	-	-	(93,637)	(79,539)	-	-	(96,093)	(81,365)
	(630)	(603)	-	-	(14,098)	(2,395)	-	-	(14,728)	(2,998)
Cost of goods manufactured	12,538,294	7,893,602	5,426,362	6,113,238	596,167	528,454	-	-	18,560,823	14,535,294
Opening stock of finished goods	2,253,241	3,638,427	954,983	267,360	19,446	16,894	-	-	3,227,670	3,922,681
Purchases	-	-	-	-	-	-	1,317,594	813,857	1,317,594	813,857
Closing stock of finished goods	(4,319,216)	(2,253,241)	(651,568)	(954,983)	(23,899)	(19,446)	-	-	(4,994,683)	(3,227,670)
	(2,065,975)	1,385,186	303,415	(687,623)	(4,453)	(2,552)	1,317,594	813,857	(449,419)	1,508,868
	10,472,319	9,278,788	5,729,777	5,425,615	591,714	525,902	1,317,594	813,857	18,111,404	16,044,162

24.1 Salaries, wages and other benefits include a sum of Rs.17.12 (2023: Rs. 13.14) million in respect of staff retirement benefits.

(Rupees in thousands)

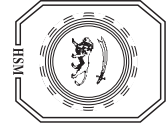
	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
25. Selling and distribution expenses										
Salaries, wages and other benefits - note 25.1	11,125	10,198	10,076	10,575	15,662	7,390	-	-	36,863	28,163
Insurance	4,202	5,111	2,750	2,675	165	46	-	-	7,117	7,832
Rent, rates, taxes and lease rentals	7,117	4,935	4,572	3,473	-	-	-	-	11,689	8,408
Transport, freight, handling and forwarding expenses	85,420	104,850	231,512	255,016	9,707	6,882	9,195	1,928	335,834	368,676
Other expenses	6,621	-	5,160	3,783	8,685	7,530	-	-	20,466	11,313
	<u>114,485</u>	<u>125,094</u>	<u>254,070</u>	<u>275,522</u>	<u>34,219</u>	<u>21,848</u>	<u>9,195</u>	<u>1,928</u>	<u>411,969</u>	<u>424,392</u>

25.1 Salaries, wages and other benefits include a sum of Rs. 2.05 (2023: Rs. 1.65) million in respect of staff retirement benefits.

	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
26. Administrative expenses										
Salaries, wages and other benefits - note 26.1	157,377	132,394	11,117	10,820	8,547	6,404	615	516	177,656	150,134
Insurance	4,705	2,826	58	43	137	2	-	-	4,900	2,871
Repairs and maintenance	10,034	2,542	1,260	616	88	242	-	-	11,382	3,400
Postage, telephone and stationery	6,867	6,368	817	746	548	604	-	-	8,232	7,718
Travelling and vehicle running expenses	54,105	46,184	1,434	1,089	532	-	-	98	56,244	47,371
Rent, rates, taxes and lease rentals	7,116	4,965	4,631	3,532	-	-	-	-	11,747	8,497
Water, electricity and gas	7,419	6,113	731	449	173	101	-	-	8,150	6,663
Fees, subscription and periodicals	8,339	4,483	54	48	45	44	-	-	8,438	4,575
Legal and professional charges	11,547	4,308	80	76	7	6	-	10	11,634	4,400
Directors' meeting fee	680	755	-	-	-	-	-	-	680	755
Depreciation	3,294	3,258	282	279	346	357	-	-	3,922	3,894
Depreciation on Right-of-use assets	7,423	7,237	-	-	-	-	-	-	7,423	7,237
Auditors' remuneration - note 26.2	2,487	2,191	1,435	1,031	138	79	298	143	4,357	3,444
Other expenses	57,890	50,502	2,117	1,809	566	619	-	-	60,573	52,930
	<u>339,283</u>	<u>274,126</u>	<u>24,016</u>	<u>20,538</u>	<u>11,127</u>	<u>8,458</u>	<u>913</u>	<u>767</u>	<u>375,338</u>	<u>303,889</u>

26.1 Salaries, wages and other benefits include a sum of Rs. 8.87 (2023: Rs. 7.10) million in respect of staff retirement benefits.





	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
26.2 Auditors' remuneration										
Statutory audit fee	1,805	1,698	1,041	667	100	51	216	92	3,162	2,508
Code of corporate governance	102	130	59	95	6	7	12	13	178	245
Half yearly review fee	339	260	196	193	19	15	41	27	594	495
Out of pocket expenses	241	103	139	76	13	6	29	11	423	196
	<u>2,487</u>	<u>2,191</u>	<u>1,435</u>	<u>1,031</u>	<u>138</u>	<u>79</u>	<u>298</u>	<u>143</u>	<u>4,357</u>	<u>3,444</u>

26.3 Other expenses of sugar division include donation of Rs. 43 (2023: Rs. 35) million as per details below:

Name of Institution	2024	2023
	(Rupees in thousands)	
Al-Sayyeda Benevolent Trust	6,000	3,000
Rehmat Bai Widows & Orphanage Trust	—	3,000
Habib Medical Trust	6,000	3,000
Habib Poor Fund	—	3,000
Family Education Services Foundation	30,000	22,000
Markaz-e-umeed	1,000	1,000
	<u>43,000</u>	<u>35,000</u>

None of the Directors or their spouses had any interest in the above donee's fund.

26.4 Information on assets, liabilities and capital expenditure by segment is as follows:

	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
										(Rupees in thousands)
26.4.1 Segment assets	7,352,406	4,782,121	1,873,807	2,480,973	192,317	372,363	—	—	9,418,530	7,635,457
Unallocated assets									10,571,392	10,073,602
									<u>19,989,922</u>	<u>17,709,059</u>
26.4.2 Segment liabilities	3,870,485	3,754,107	1,908,760	1,663,144	207,059	204,559	2,529	25,901	5,988,833	5,647,711
Unallocated liabilities									827,995	745,942
									<u>6,816,828</u>	<u>6,393,653</u>
26.4.3 Capital expenditure	32,261	145,130	—	—	—	—	—	—	32,261	145,130



	Note	2024 (Rupees in thousands)	2023
27. Other operating expenses			
Workers' Profit Participation Fund	19.1	149,311	161,518
Workers' Welfare Fund		27,000	30,000
Exchange loss - net		–	338,233
Others		5,821	–
		<u>182,132</u>	<u>529,751</u>
28. Other income			
Income from financial assets			
Dividend income	28.1	968,308	568,510
Income from non financial assets			
Gain on disposal of fixed assets		22,002	4,322
Exchange gain - net		196,886	–
Others		17,442	39,209
		<u>236,330</u>	<u>43,531</u>
		<u>1,204,638</u>	<u>612,041</u>
28.1 Dividend income includes dividend received from the following related parties:			
		2024 (Rupees in thousands)	2023
Bank AL Habib Limited		398,255	277,572
Habib Insurance Company Limited		3,352	3,352
		<u>401,607</u>	<u>280,924</u>
29. Finance cost - net			
Profit on treasury call accounts		375,874	262,001
Profit on term deposits receipts		8,942	24,263
Interest on Government Securities		14,396	55,717
Interest on loan to employees		1,451	1,926
		<u>400,663</u>	<u>343,907</u>
Less: Mark-up / interest on:			
Short-term borrowings		(379,365)	(341,765)
Workers' Profit Participation Fund		(5,359)	(1,176)
Lease Liability		(4,030)	(1,216)
Bank charges		(44,321)	(28,147)
		<u>(433,075)</u>	<u>(372,304)</u>
		<u>(32,412)</u>	<u>(28,397)</u>



	Note	2024	2023
		(Rupees in thousands)	
29.1			
Finance income received		432,922	335,078
Finance charges paid		(436,598)	(366,864)
Finance cost paid - net		<u>(3,676)</u>	<u>(31,786)</u>
30. Taxation			
Income tax - current		455,752	403,952
- prior years		-	55,000
Deferred tax		62,000	96,500
	30.1	<u>517,752</u>	<u>555,452</u>
30.1 Reconciliation of tax charge for the year			
Profit before income tax		<u>2,478,225</u>	<u>3,096,930</u>
Corporate tax rate		<u>29%</u>	<u>29%</u>
Tax on accounting profit at applicable rate		718,685	898,110
Tax effect of timing differences		62,000	96,500
Tax effect of lower tax rates		(503,252)	(633,604)
Tax effect of tax credits / income exempt from tax and unused tax losses		(17,180)	(103,955)
Tax effect of Super Tax		218,000	245,500
Tax effect of inadmissible expenses		39,499	52,901
		<u>(200,933)</u>	<u>(342,658)</u>
		<u>517,752</u>	<u>555,452</u>
30.2			
The income tax return for the Tax year 2024 (financial year ended 30 September 2023) has been filed.			
	Note	2024	2023
		(Rupees in thousands)	
31. Earnings per share - Basic and diluted			
Net profit for the year		1,960,473	2,541,478
		Number of shares	
Number of ordinary shares of Rs. 5/- each		<u>135,000,000</u>	<u>150,000,000</u>
Earnings per share - Basic and diluted (Rupees)		<u>14.52</u>	<u>16.94</u>



	Note	2024 (Rupees in thousands)	2023
32. Cash generated from operations			
Profit before levies and incomes tax		2,715,473	3,266,478
Adjustment for non-cash charges and other items			
Depreciation / amortization		210,597	225,156
Provision for obsolescence and slow moving stores and spares		(8,000)	(9,000)
Gain on disposal of operating fixed assets		(22,002)	(4,322)
Finance cost - net		32,412	28,397
Dividend income		(968,308)	(568,510)
Others		5,821	(5,838)
		(749,480)	(334,117)
Working capital changes	32.1	(1,102,903)	818,230
		<u>863,090</u>	<u>3,750,591</u>
32.1 Working capital changes			
Increase in current assets			
Stores and spare parts		42,141	(103,301)
Stock-in-trade		(1,432,669)	1,047,160
Trade debts		301,226	(836,599)
Loans and advances		(588,299)	(110,039)
Trade deposits and short-term prepayments		20,550	(43,604)
Other receivables		(3,011)	(2,609)
		(1,660,062)	(48,992)
Increase in current liabilities			
Trade and other payables		56,944	1,066,757
Contract liability		500,215	(199,535)
		557,159	867,222
		<u>(1,102,903)</u>	<u>818,230</u>



33. Remuneration of Chief Executive, Directors and Executives

	2024				2023			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	(Rupees in thousands)							
Managerial remuneration	30,000	14,060	147,002	191,062	22,868	11,880	91,085	125,833
Perquisites								
Telephone	47	31	491	569	37	26	208	271
Bonus	3,226	–	24,315	27,541	1,097	–	13,103	14,200
Medical	653	193	2,722	3,568	393	129	2,036	2,558
Utilities	–	1,781	–	1,781	–	1,899	–	1,899
Entertainment	–	338	–	338	–	345	–	345
Retirement benefits	1,977	990	10,234	13,201	1,586	881	6,853	9,320
	<u>35,903</u>	<u>17,393</u>	<u>184,764</u>	<u>238,060</u>	<u>25,981</u>	<u>15,160</u>	<u>113,285</u>	<u>154,426</u>
Number of persons	<u>1</u>	<u>1</u>	<u>35</u>	<u>37</u>	<u>1</u>	<u>1</u>	<u>22</u>	<u>24</u>

33.1 The Chief Executive Officer (CEO), directors and certain executives of the Company have also been provided with the free use of Company owned and maintained cars.

33.2 Six non-executive directors have been paid fees of Rs. 0.68 (2023: Rs. 0.76) million for attending Board and other meetings.

34. Financial Risk Management

The Company is exposed to the following risks:

34.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter parties and continually assessing the credit worthiness of counter parties.

Concentrations of credit risk arise 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 economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is exposed to credit risk on loans, deposits, trade debts, other receivables and bank balances and profit accrued thereon. The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is as follows:



	2024	2023
	(Rupees in thousands)	
Loans and advances	789,666	203,637
Deposits	4,823	4,823
Trade debts	859,516	1,160,742
Accrued profit	534	32,793
Other receivables	18,315	12,753
Short-term investments	5,780,392	6,412,471
Cash and bank balances	1,101,319	1,274,264
	<u>8,554,565</u>	<u>9,101,483</u>

Quality of financial assets

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

	2024	2023
	(Rupees in thousands)	
34.1.1 Trade debts		
Customers with no defaults in the past one year	<u>859,516</u>	<u>1,160,742</u>
34.1.2 Bank Balances		
A1+	1,097,905	1,268,543
A2	2,944	4,951
	<u>1,100,849</u>	<u>1,273,494</u>

34.2 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured except for the fair valuation of the Company's Investments carried at fair value through other comprehensive income. Under market risk the Company is exposed to interest rate risk, currency risk and equity price risk.

34.2.1 Interest rate risk

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

At the date of the statement of financial position, the bank balances of Rs. 1,022.47 (2023: Rs.1,153.38) million are subject to interest rate risk. Applicable interest rates have been indicated in Note 14 to these financial statements. Company's profit after tax for the year would have been Rs. 6.62 (2023: Rs.8.82) million higher / lower if interest rates have been 1% higher / lower while holding all other variables constant.

34.2.2 Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. The Company's exposure to foreign currency risk is as follows:



		2024 (Respective Currency)	2023
Trade debts	\$	364,529	761,635
“	£	–	280,905
Contract liability	\$	694,133	395,124

The following significant exchange rates have been applied at the reporting dates:

Exchange rates		2024	2023
buying \$		277.55	281.70
selling \$		278.05	282.20
buying £		371.91	359.03
selling £		372.58	359.66

The foreign currency exposure is partly covered as the outstanding balance at the year end is determined in respective currency which is converted into rupees at the exchange rate prevailing at the date of the statement of financial position.

Sensitivity analysis:

The following table demonstrates the sensitivity of the Company's profit before tax and the Company's equity to a reasonably possible change in the foreign currency exchange rate, with all other variables held constant.

	Change in Foreign Currency rate (%)	Effect on profit before levies and income tax (Rupees in thousands)	Effect on equity
September 30, 2024	+10	(9,183)	(5,602)
	-10	9,183	5,602
September 30, 2023	+10	(20,392)	(19,965)
	-10	20,392	19,965

34.2.3 Equity price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total investments. Reports on the investment portfolio are submitted to the Company's senior management on a regular basis. The Investment Committee of the Company reviews and approves policy decisions.

At the date of the statement of financial position, the exposure to investment at fair value through other comprehensive was 9,322.60 (2023: Rs.7,999.04) million.

34.3 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company continually monitors its liquidity position and ensures availability of funds by maintaining flexibility by keeping committed credit lines available.



Year ended September 30, 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
(Rupees in thousands)						
Trade and other payables	–	1,137,249	1,955,625	–	–	3,092,874
Contract liability	–	2,115,995	–	–	–	2,115,995
Lease Liability	–	8,010	–	–	–	8,010
Short term borrowings	–	906,732	–	–	–	906,732
	–	4,167,986	1,955,625	–	–	6,123,611
(Rupees in thousands)						
Year ended September 30, 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
(Rupees in thousands)						
Trade and other payables	–	1,115,446	1,841,375	–	–	2,956,821
Contract liability	–	1,615,781	–	–	–	1,615,781
Lease Liability	–	9,573	–	–	–	9,573
Short term borrowings	–	1,156,626	–	–	–	1,156,626
	–	3,897,426	1,841,375	–	–	5,738,801

34.4 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities, either internally within the Company or externally at the Company's service providers and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of operation behaviour. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation while achieving its business objective and generating returns for investors.

Primary responsibility for the development and implementation of controls over operational risk rests with the management of the Company. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective; and
- operational and qualitative track record of the plant and equipment supplier and related service providers.

34.5 Capital risk management

The company finances its investments portfolio through management of its working capital and equity with a view to maintaining an appropriate mix between various sources of finance to minimise risk. The primary objective of the Company's capital management is to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital.



2024 2023
(Rupees in thousands)

34.6 FINANCIAL INSTRUMENTS BY CATEGORY

34.6.1 Financial assets as per statement of financial position

Fair value through other comprehensive income

Investments in related parties - Quoted	2,414,474	1,113,694
Investments in related parties - Unquoted	13,125	13,125
Investments in other companies - Quoted	1,114,602	781,458
Investments in units of mutual funds	5,780,392	6,090,765
	9,322,593	7,999,042

At amortised cost

- Loans and advances	14,553	15,054
- Deposits	4,823	4,823
- Trade debts	859,516	1,160,742
- Profit accrued	534	32,793
- Other receivables	18,315	12,753
- Investment in Government Securities	-	321,706
- Cash and bank balance	1,101,319	1,274,264
	1,999,060	2,822,135
	11,321,653	10,821,177

34.6.2 Financial liabilities as per statement of financial position

At amortised cost

- Trade and other payables	3,092,874	2,956,821
- Unclaimed dividend	272,090	195,425
	3,364,964	3,152,246

34.6.3 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

Financial assets which are tradeable in an open market are revalued at the market prices prevailing on the date of the statement of financial position. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The Company uses the following hierarchy for disclosure of the fair value of financial instruments by valuation techniques:

Level 1: Quoted prices in active markets for identical assets.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset either directly or indirectly.

Level 3: inputs for the asset that are not based on observable market data.



	2024			
	Level 1	Level 2	Level 3	Total
	(Rupees in thousands)			
Long-term investments	3,529,076	–	13,125	3,542,201
Short-term investments	–	5,780,392	–	5,780,392
	<u>3,529,076</u>	<u>5,780,392</u>	<u>13,125</u>	<u>9,322,593</u>

	2023			
	Level 1	Level 2	Level 3	Total
	(Rupees in thousands)			
Long-term investments	1,895,152	–	13,125	1,908,277
Short-term investments	–	6,090,765	–	6,090,765
	<u>1,895,152</u>	<u>6,090,765</u>	<u>13,125</u>	<u>7,999,042</u>

During the year, there were no transfers between levels.

The market prices of units of mutual funds are based on the declared Net Asset Values (NAV) on which redemptions can be made. NAVs have been obtained from the website of Mutual Fund Association of Pakistan (MUFAP).

35. Capacity and production

	2024			2023		
	Quantity		Working days	Quantity		Working days
35.1 Sugar division						
Crushing capacity	11,000	M.Tons Per Day		11,000	M. Tons Per Day	
Crushing based on actual working days	1,210,000	M. Tons	110	979,000	M. Tons	89
Actual crushing	1,065,705	M. Tons	110	844,841	M. Tons	89
Sucrose recovery	10.63	%		10.96	%	
Sugar production	113,286	M. Tons		92,591	M. Tons	

Sugar unit operated below capacity due to lesser availability of sugarcane.

35.2 Distillery division

a) Ethanol

Capacity	34,000	M. Tons	300	34,000	M. Tons	300
Actual production	28,618	M. Tons	346	34,494	M. Tons	358

During the year, plant operated below capacity due to lower availability of Molasses.

b) Liquidified carbon dioxide (CO₂)

Capacity	18,000	M. Tons	300	18,000	M. Tons	300
Actual production	10,102	M. Tons	303	10,825	M. Tons	308

During the year, CO₂ plants operated below capacity due to lower availability of raw gas.



	2024		2023	
	Quantity	Working days	Quantity	Working days
35.3 Textile division				
Capacity	560,000	Kgs. 300	560,000	Kgs. 300
Actual production	473,426	Kgs. 320	420,936	Kgs. 326

The actual production of textile division is lower due to selective orders.

36. Provident Fund related disclosure

The following information is based on un-audited financial statements of the Fund as at 30 September:

	2024 (Rupees in thousands)	2023 (Rupees in thousands)
Size of the fund - Total assets	411,022	342,309
Fair value of investments	390,751	326,960
Percentage of investments made	95.07	95.52

36.1 The cost of above investments amounted to Rs. 368.74 million (2023: Rs. 320.20 million).

36.2 The break-up of fair value of investments is as follows:

	2024 (Percentage)	2023 (Percentage)	2024 (Rupees in thousands)	2023 (Rupees in thousands)
Bank deposits	<u>100.00</u>	<u>100.00</u>	<u>390,751</u>	<u>326,960</u>

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

	2024 (Number)	2023 (Number)
37. Number of Employees		
Number of employees including contractual employees at September 30,	584	531
Average number of employees including contractual employees during the year	581	527

38. Transactions with related parties

Related parties comprise of associated entities with common directorship, retirement benefit funds, directors and key management personnel. Material transactions with related parties during the year, other than those which have been disclosed entities elsewhere in these financial statements, are as follows:



Name of related parties and relationship with the Company	Nature of transactions	2024 (Rupees in thousands)	2023
Related Parties			
Bank Al Habib Limited	Profit on Treasury call account	370,145	104,677
	Dividend received	398,255	277,572
	Dividend paid	56,492	32,954
	Bank charges	246	418
Al Habib Asset Management Limited subsidiary of Bank Al Habib Limited	Purchase of Units	2,188,054	4,868,126
	Dividend received	220,550	102,024
	Sale of Units	2,986,214	3,295,436
	Capital gain	19,171	21,403
Habib Insurance Company Limited	Insurance premium paid	55,355	32,826
	Insurance claim received	3,428	24,200
	Dividend received	3,352	3,352
	Dividend paid	26,693	15,571
Habib Mercantile Company Limited	Dividend paid	3,064	1,787
Habib Sons (Pvt.) Limited	Dividend paid	3,128	1,822
Retirement benefit funds	Contribution to retirement funds	24,100	19,048

Transactions with related parties are carried out under normal commercial terms and conditions.

39. DIVIDEND

The Board of Directors of the Company in their meeting held on 11 December 2024 have proposed a final cash dividend of Rs. 6 per share (120%) for the year ended 30 September 2024. The approval of the members for the proposed final cash dividend will be obtained at the Annual General Meeting of the Company to be held on 23 January 2025.

40. GENERAL

40.1 Figures have been rounded off to the nearest thousand rupees.

40.2 These financial statements were authorised for issue on 11 December, 2024 by the Board of Directors of the Company.

40.3 Corresponding figures have been reclassified wherever necessary for better presentation.

Amir Bashir Ahmed
Chief Financial Officer

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director



Pattern of Shareholding as at September 30, 2024

Number of Shareholders	Size of Shareholding		Total Number of Shares held
	From	To	
1,458	1	100	31,908
792	101	500	224,338
421	501	1,000	320,619
1,120	1,001	5,000	2,567,506
203	5,001	10,000	1,472,884
96	10,001	15,000	1,196,318
56	15,001	20,000	981,356
42	20,001	25,000	943,533
26	25,001	30,000	723,771
16	30,001	35,000	514,870
17	35,001	40,000	653,288
15	40,001	45,000	641,283
10	45,001	50,000	485,099
8	50,001	55,000	424,142
7	55,001	60,000	405,993
6	60,001	65,000	378,736
4	65,001	70,000	268,598
8	70,001	75,000	579,158
5	75,001	80,000	395,433
4	85,001	90,000	350,731
4	90,001	95,000	366,769
4	95,001	100,000	395,500
2	100,001	105,000	200,413
1	105,001	110,000	109,877
2	110,001	115,000	227,875
2	115,001	120,000	237,642
1	120,001	125,000	123,747
1	125,001	130,000	125,747
2	130,001	135,000	264,664
1	135,001	140,000	135,404
3	140,001	145,000	425,385
2	145,001	150,000	297,020
2	150,001	155,000	309,348
2	155,001	160,000	316,382
1	170,001	175,000	170,181
3	175,001	180,000	533,703
1	185,001	190,000	185,779
2	195,001	200,000	395,665
4	200,001	205,000	802,508
1	205,001	210,000	205,156
2	245,001	250,000	495,078
1	265,001	270,000	269,803
1	280,001	285,000	283,665
1	285,001	290,000	289,337
1	290,001	295,000	291,658
1	295,001	300,000	300,000
2	300,001	305,000	607,627
2	305,001	310,000	616,536
1	320,001	325,000	320,446
2	325,001	330,000	657,539
1	330,001	335,000	334,970
1	340,001	345,000	340,630
1	370,001	375,000	374,360
2	390,001	395,000	783,658
2	395,001	400,000	797,377
1	415,001	420,000	416,500
2	420,001	425,000	843,564
1	435,001	440,000	437,166
1	445,001	450,000	445,536
1	450,001	455,000	453,980
1	460,001	465,000	463,815
4	465,001	470,000	1,872,556
1	510,001	515,000	510,668
3	520,001	525,000	1,567,933
1	555,001	560,000	557,127
1	570,001	575,000	572,918
1	580,001	585,000	584,000
1	595,001	600,000	597,032
1	650,001	655,000	654,552
1	780,001	785,000	780,825



Pattern of Shareholding as at September 30, 2024

Number of Shareholders	Size of Shareholding		Total Number of Shares held
	From	To	
3	865,001	870,000	2,598,556
1	950,001	955,000	952,368
1	970,001	975,000	970,127
2	1,030,001	1,035,000	2,064,634
1	1,035,001	1,040,000	1,039,263
1	1,080,001	1,085,000	1,080,889
2	1,180,001	1,185,000	2,364,087
1	1,185,001	1,190,000	1,189,501
1	1,260,001	1,265,000	1,262,237
1	1,265,001	1,270,000	1,266,939
2	1,285,001	1,290,000	2,577,784
1	1,415,001	1,420,000	1,418,565
1	1,430,001	1,435,000	1,430,064
1	1,455,001	1,460,000	1,458,500
1	1,525,001	1,530,000	1,528,168
1	1,685,001	1,690,000	1,688,251
1	1,730,001	1,735,000	1,734,994
1	1,865,001	1,870,000	1,866,906
1	2,700,001	2,705,000	2,700,500
1	2,945,001	2,980,000	2,949,500
1	3,110,001	3,115,000	3,111,000
1	3,540,001	3,545,000	3,541,018
1	3,740,001	3,745,000	3,741,357
1	4,445,001	4,450,000	4,448,758
1	6,545,001	6,550,000	6,546,806
1	6,630,001	6,635,000	6,631,596
1	9,415,001	9,420,000	9,415,312
1	26,510,001	26,515,000	26,513,125
4,430			135,000,000

Shareholders' Category	Number of Shareholders	Number of Shares held	Percentage
General Public (Local)	4,248	53,286,965	39.47
General Public (Forigen)	112	7,875,510	5.83
Insurance Companies	2	4,448,928	3.30
Joint Stock Companies	41	38,787,517	28.73
Financial Institutions	7	16,161,531	11.97
Modaraba Companies	1	10,400	0.01
Charitable Trusts	16	14,419,172	10.68
Societies	2	9,976	0.01
Corporate Law Authority	1	1	0.00
	4,430	135,000,000	100.00



Pattern of Shareholding as at September 30, 2024

Additional Information

Shareholders' Category	Number of Shareholders	Number of Shares Held	
Associated companies, undertakings and related parties			
Habib Mercantile Co. (Pvt.) Ltd.	1	510,668	
Habib & Sons (Pvt.) Ltd.	1	521,263	
Bank Al Habib Ltd.	1	9,415,312	
Habib Insurance Co. Ltd.	1	4,448,758	
NIT and ICP			
National Investment (Unit) Trust (NIT)	1	117,744	
Investment Corporation of Pakistan	1	731	
Directors, CEO and their spouses and minor children			
Asghar D. Habib	Chairman	1	3,821,357
Murtaza Habib	"	1	3,581,018
Hasnain Habib	"	1	5,000
Farouq Habib Rahimtoola	"	1	5,000
Sohail Hussain Haji	"	1	5,000
Muhammad Salman Husain Chawala	"	-	-
Tyaba Muslim Habib	"	1	10,000
Khursheed A. Jamal	Chief Executive	1	1,000
Mrs. Tahira Asghar D. Habib W/o Mr. Asghar D. Habib		1	3,558,671
Executives		1	49
Public Sector Companies and Corporations	39		37,755,586
Banks, Development Finance Institutions, Non Banking Financial Institutions, Insurance Companies, Takaful, Modarabas and Pension Funds	6		6,638,314
General Public			
a). Local	4,239		42,309,870
b). Foreign	112		7,875,510
Others			
Charitable & Other Trusts	16		14,409,172
Societies	2		9,976
Government Institution	1		1
	<u>4,430</u>		<u>135,000,000</u>
Shareholders holding 10% or more voting rights			
ICOM Industrie Und Handels, Schaan Principality of Liechtenstein	26,513,125		

Name	Date	Sale	No. of Shares Purchased
Mrs. Tahira Asghar D. Habib - Spouse of Chairman	18.10.2023	-	50,000
Mrs. Tahira Asghar D. Habib - Spouse of Chairman	01.12.2023	-	121,000
Mrs. Tahira Asghar D. Habib - Spouse of Chairman	27.12.2023	-	639,000
Mrs. Tahira Asghar D. Habib - Spouse of Chairman	27.12.2023	-	200,000
			<u>1,010,000</u>



سال کے دوران بورڈ کے چار اجلاس منعقد کئے گئے اور ہر ڈائریکٹر کی حاضری کی تفصیلات درج ذیل ہیں:

ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد
جناب اصغر ڈی حبیب	4
جناب مرتضیٰ حبیب	4
جناب حسین حبیب	2
جناب سہیل حسین حاجی	4
جناب فاروق حبیب رحیم تولا	4
محترمہ طیبہ مسلم حبیب	4
جناب محمد سلمان حسین چاؤلہ	4
جناب خورشیداے۔ جمال	4

شیر ہولڈنگ کے طریقہ اور اس سے متعلق اضافی معلومات صفحہ نمبر 68 اور 69 پر دی گئی ہے۔

ڈائریکٹرز CEO، CFO، کمپنی سیکریٹری اور ان کی فیملیز کے شیر ہولڈنگ میں تبدیلی جو کہ شیر ہولڈنگ کی نوعیت صفحہ نمبر 70 پر دی گئی ہے۔

اظہار تشکر:

ڈائریکٹر ان اپنے تمام عملے، سرورسز خدمات اور سخت محنت سے کام کرنے کا اعتراف کرتے ہیں جس میں کمپنی کے آفیسر، اسٹاف اور ورکرز شامل ہیں اور ان مالیاتی اداروں کا شکریہ بھی ادا کیا ہے جن کے ساتھ ہمارے کاروباری تعلقات اور ہمارے کسٹمرز کا بھی جن کی سپورٹ اور تعاون حاصل رہا۔

بورڈ آف ڈائریکٹرز کی جانب سے

مرتضیٰ حبیب
ڈائریکٹر

خورشیداے۔ جمال
چیف ایگزیکٹو

کراچی مورخہ 11 دسمبر 2024ء



ماحولیات کے تحفظ میں اپنا حصہ ڈالنے کی کوششوں کو جاری رکھتے ہوئے، کمپنی کی جانب سے فیکٹری کے احاطے اور آس پاس کے علاقوں میں درخت لگانے کی مہم جاری ہے تاکہ علاقے کو سرسبز و شاداب بنایا جاسکے اور ماحولیاتی ماحولیات کو بہتر بنایا جاسکے اور ماحول دوست بنایا جاسکے۔ اس سرگرمی کے دوران لوگوں کو محفوظ علاقوں کی تعمیر کے لیے موسمیاتی تبدیلیوں کو کم کرنے کے لیے درخت لگانے کی اہمیت اور فوائد کے بارے میں بھی آگاہ کیا گیا۔ اب تک کمپنی نے تقریباً 5000 درخت لگائے ہیں اور مزید شجرکاری کا کام جاری ہے۔

قومی خزانے میں حصہ داری:

زیرہ جائزہ سال کے دوران آپ کی کمپنی نے ٹیکسز، محصولات، سیلز ٹیکس اور ایکسائز کی مد میں 3,269.86 ملین روپے خزانے میں جمع کرائے ہیں اس کے علاوہ قیمتی زرمبادلہ بھی ایتھانول شکر اور گھریلو ٹیکسٹائل کی ایکسپورٹ سے حاصل کیا جو کہ مبلغ 7,450 ملین روپے (US \$ 26.72 ملین) کے مساوی ہیں۔

آڈیٹرز:

آڈیٹرز میسرز گرانٹ تھورنٹن انجم رحمان چارٹرڈ اکاؤنٹنٹس نے اپنا پہلا قانونی آڈٹ کی ذمہ داری 30 ستمبر 2024 کو ختم ہونے والے سال مکمل کر لیا اور 63 واں سالانہ اجلاس عام کے ختم ہونے پر ریٹائر ہو رہے ہیں۔ ریٹائر ہونے والے گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس نے اسی سال اپنی تقرری کے لئے پیشکش کی ہے۔ آڈٹ کمیٹی کی سفارش پر بورڈ نے میسرز گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کو آئندہ سال کے لئے کمپنی کے آڈیٹرز کے طور پر تقرری آئندہ ہونے والے اجلاس عام میں منظوری کی سفارش کی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق اسٹیٹمنٹ:

- مالیاتی حسابات جو کہ کمپنی نے مرتب کئے ہیں یہ شفاف انداز میں کمپنی کی ضروری امور اور آپریشنز کے نتائج اور کیش فلو اور آپریشنز کے نتائج اور کیش فلو اور ایکویٹی میں تبدیلی کو ظاہر کرتے ہیں۔
 - کمپنی کی بکس آف اکاؤنٹ مناسبت طریقے سے ترتیب دیئے جاتے ہیں۔
 - مالیاتی حسابات کی تیاری کے سلسلے میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور کسی بھی تبدیلی اور تخمینہ کو مناسب اور واضح طور پر ظاہر کیا جاتا ہے۔
 - انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز جو کہ پاکستان میں نافذ العمل ہے اس پر مالیاتی حسابات کی تیاری پر لاگو کیا گیا ہے اور کسی بھی تبدیلی اور تخمینہ کو مناسب طور پر وضاحت کی گئی ہے۔
 - داخلی کنٹرول کا نظام مستحکم ہے اور موثر طور پر اس پر عمل درآمد اور نگرانی کی جاتی ہے۔
 - کمپنی کی صلاحیت بطور چلتے ہوئے کاروبار پر کسی قسم کا ٹینک نہیں ہے۔
- کارپوریٹ گورننس کے طریقے کا جیسا کہ لسٹنگ ریگولیشنز میں تفصیل دی گئی ہے جس کی کوئی خلاف ورزی نہیں کی گئی۔
 - چھ سال کے مالیاتی اعداد و شمار اور آپریشن کے متعلق معلومات صفحہ نمبر 9 پر دی گئی ہے۔
 - ٹیکسز اور محصولات سے متعلق معلومات مالیاتی اسٹیٹمنٹ کے نوٹس میں دی گئی ہے۔

سرماہی کاری کی ویلویوشن حاصل کردہ منافع اور پروڈنٹ فنڈ اور گریجویٹ ڈیپازٹ / کرنٹ اکاؤنٹ میں بیلنس 30 ستمبر 2024 کو درج ذیل ہے۔

(روپے ہزاروں میں)

390,751

175,823

پروڈنٹ فنڈ

گریجویٹ فنڈ



کارپوریٹ معاشرتی ذمہ داری:

حبیب شوگر ملز کارپوریٹ معاشرتی ذمہ داری (CSR) جو کہ 1962ء میں قائم ہونے کے سال سے ہی پروگرام مرتب کرتی ہے۔ مقامی کمیونٹیز، گورنمنٹ باڈیز اور سوسائٹی آرگنائزیشن کی ضروریات پر توجہ دیتی ہے۔ کمیٹی کا CSR رپورٹ فولیو سالوں پر محیط ہے جس میں سوشل ویلفیئر، تعلیم، صحت کی حفاظت، انفراسٹرکچر کی ترقی اور ذریعہ معاش کے دیگر امور شامل ہیں۔

کمیونٹی کی سرمایہ کاری اور ویلفیئر اسکیم:

کمپنی نے اپنی بنیادی اقدار کے حصے کے طور پر مل کے آس پاس کے رہنے والے لوگوں کی فلاح و بہبود میں اپنا حصہ ڈالنے کو بہت اہمیت دی ہے۔ ایک ذمہ دار کارپوریٹ شہری کی حیثیت سے اور اس حوالے سے سینکڑوں سطح تک اسکول چلانا، آنکھوں کے کمپ کا قیام، ملز کے آس پاس ایریا میں رہنے والوں کو مالی تعاون اور مفت راشن اور میڈیکل اور تعلیم کی معاونت ضرورت مند افراد کو کی جاتی ہے۔ معاشرتی اور اقتصادی امور میں کمپنی اپنا کردار ادا کرتی ہے اور ضلع میں تمام سطح پر سرابا جاتا ہے۔

کمپنی نے جسمانی طور پر معذور افراد کو ملازمت فراہم کی ہیں جو کہ معذور افراد (تقریری اور آباد کاری) آرڈیننس 1981 پر عمل کرتے ہوئے کیا ہے۔

گزشتہ کئی سالوں سے HSM اسکول اپنے ملازمین کے بچوں کو بہترین تعلیم فراہم کر رہا ہے۔ اسکول میں بہت صحت مند، محفوظ اور تعلیمی فروغ کا ماحول ہے۔ اسکول میں طالب علموں کو نہ صرف تعلیم پر زور دیا جاتا ہے بلکہ معاشرتی تہذیب اور جسمانی افزائش کی بھی تربیت ہوتی ہے۔

اس سال کے دوران کمپنی نے فیملی ایجوکیشن سروسز فاؤنڈیشن (FESF) جو کہ ایک غیر منافع بخش ادارہ ہے اس کی مستقل معاونت کر رہا ہے جو کہ نواب شاہ میں بہروں کا اسکول چلا رہے ہیں۔ آپ کی کمپنی نے اس سال کے دوران مبلغ 30.0 ملین روپے کا عطیہ دیا ہے۔ اور اس وقت طلبہ کی ایک بڑی تعداد کا اندراج کیا جا چکا ہے یہ واحد ادارہ ہے جو کہ نواب شاہ میں بہرے افراد کے لئے بہترین تعلیمی سہولت فراہم کرتا ہے تاکہ ان کی طرز زندگی میں بہتری آئے اور تعلیم ماحول سے اپنی اہلیت کو بڑھائیں۔

اس سال کے دوران کمپنی نے مزید 13 ملین روپے کا بھی عطیہ مختلف رجسٹرڈ خیراتی اداروں کو دیا۔ جو کہ تعلیم اور مالی تعاون اور ضرورت مند لوگوں کو مہیا کرتے ہیں جو کہ معاشرے میں خدمات کا مثبت رجحان ہے۔

صحت، حفاظت اور ماحولیات:

ایک ذمہ دار کارپوریٹ شہری ہوتے ہوئے صحت، حفاظت اور ماحولیات کی آلودگی کے تمام معیاری اقدامات کرنے کا عزم رکھتی ہے۔

HSML کی انتظامیہ اس بات پر یقین رکھتی ہے کہ ماحولیات کی آلودگی سے محفوظ رہنا ہر آدمی کے لئے ضروری ہے اور اس کے لئے کمپنی ضروری سمجھتی ہے کہ اپنے ملازمین اور نواب شاہ کے رہائشی افراد کو صحت مند ماحول فراہم کرتی ہے اور آپ کی کمپنی مسلسل اس بات کو اپنی معاشرتی ذمہ داری سمجھتی ہے کہ ضروری اقدامات کرتی ہے تاکہ اس بات کو یقینی بنایا جائے کہ آلودگی سے پاک ماحول فراہم کیا جائے۔

ملز کے ہوائی میں راکھ دور کرنے کے لئے سسٹم نصب کیا گیا ہے جو کہ مستقل طور پر کامیابی سے چل رہا ہے اور کالے ذرے مکمل طور پر غائب ہو گئے ہیں۔ کمپنی نے شوگر فیکٹری میں ایک آلودہ پانی کا ٹریٹمنٹ پلانٹ بھی لگایا ہے تاکہ آئل گریس اور دیگر سیال مادے کو اس پانی سے خارج کیا جاسکے۔ یہ پروجیکٹ مکمل ہونے کے بعد کامیابی سے اطمینان بخش نتائج حاصل کر رہا ہے۔

SLOP ٹریٹمنٹ پلانٹ اور کاربن ڈائی کسائیڈ ریکوری پلانٹ کی تنصیب ہماری معاشرتی ذمہ داری ہے جو کہ ہمارے نکاسی کے عمل سے ہمارے ڈسٹری کے آپریشن سے گرین ہاؤس گیسز کو کم کرنے میں مددگار ہے۔

اللہ تعالیٰ کے کرم سے ان پروجیکٹس کے کامیاب آپریشن کے تحت نواب شاہ کے لوگوں کے لئے آلودگی سے پاک ماحول فراہم کرنے میں مدد ملی ہے۔

مزید یہ کہ کمپنی قرب و جوار کے دیہات کے لوگوں کو صاف پانی بھی فراہم کر رہا ہے۔ کمپنی سوشل سیکورٹی / پینل میڈیکل ہسپتال شہید بینظیر آباد کے ذریعے ملازمین کی باقاعدہ پیشہ ورانہ صحت کی نگرانی اور کام کی جگہ پر اس کے مناسب استعمال کے لیے تمام ملازمین کو مخصوص کام کے لیے فراہم کردہ پرسنل پروجیکٹو آلات فراہم کرنے کو یقینی بناتی ہے۔



مزید برآں، پاکستان شوگر ملز ایسوسی ایشن (پی ایس ایم اے) نے بھی حکومت سے درخواست کی ہے کہ وہ شوگر سیکٹر کو وفاقی اور صوبائی سطح پر مکمل طور پر ڈی ریگولیٹ کرے تاکہ یہ شعبہ مارکیٹ مکینزم کے تحت آزادانہ طور پر کام کر سکے۔

مندرجہ بالا صور حال کو مد نظر رکھتے ہوئے کمپنی گنے کی خریداری مقامی مارکیٹ کی موجودہ قیمتوں پر کاشتکاروں سے کر رہی ہے اور کمپنی کا کرشنگ آپریشن 20 نومبر 2024 سے شروع ہو چکا ہے۔

ڈسٹری ڈویژن:

ڈسٹری ڈویژن میں 10 دسمبر 2024 تک اسٹھانول کی پیداوار 1,891 میٹرک ٹن ہوئی اور لیکوٹینڈ فائڈ کاربن ڈائی آکسائیڈ کی پیداوار 716 میٹرک ٹن ہوئی۔

ٹیکسٹائل ڈویژن:

بہتر منافع کے حصول کے لئے اصنافی برآمدی مارکیٹ کی تلاش جاری ہے

وٹڈ پاور پروجیکٹ میں سرمایہ کاری:

کمپنی نے یو این جی لمیٹڈ میں 12.5 ملین روپے کی سرمایہ کاری کی ہے اور یہ ایک غیر درج شدہ پبلک کمپنی ہے۔ جو کہ ہوا کو استعمال کرتے ہوئے بجلی پیدا کرے گی اور قومی گریڈ کو بیچے گی۔ اور متعلقہ کاروباری سرگرمیوں کو انجام دے گی۔ مذکورہ سرمایہ کاری 16-2025 میں کی گئی اور اسی سال حکومت سندھ نے لیٹر آف انٹینٹ (LOI) جاری کیا ہے اور چھمپیر ضلع ٹھٹھہ میں پروجیکٹ لگانے کے لئے زمین الاٹ کی ہے۔ حکومت حالیہ طور پر ٹریف کی بنیاد اور بجلی خریدنے کے طریقہ کار پر نظر ثانی کر رہی ہے۔ آئندہ کالاتح عمل حکومت کی وضاحت کے بعد کیا جائے گا۔

بورڈ اینڈ مینجمنٹ کمیٹی:

آڈٹ کمیٹی:

کمپنی نے کوڈ آف کارپوریٹ گورننس (تبدیل شدہ) کے تحت آڈٹ کمیٹی تشکیل دی ہے۔ یہ آڈٹ کمیٹی تین ممبران پر مشتمل ہے اور یہ سب انڈیپنڈینٹ نان ایگزیکٹو ڈائریکٹرز ہیں۔ آڈٹ کمیٹی سال کے دوران چار اجلاس منعقد کرتی ہے۔ ان اجلاسوں میں شرکت کی تعداد درج ذیل ہے:

اجلاس میں شرکت کی تعداد

4	چیئر مین / ممبر	جناب فاروق حبیب رحیم تولا
4	ممبر	جناب سہیل حسین حاجی
4	ممبر	محترمہ طیبہ مسلم حبیب

HR اور معاوضہ کمیٹی:

کمپنی نے نظم و ضبط کے تحت HR اور معاوضہ کمیٹی کوڈ آف کارپوریٹ کے تحت قائم کی ہے۔ HR اور معاوضہ کمیٹی تین ممبران پر مشتمل ہے جن میں دو نان ایگزیکٹو ڈائریکٹران ہیں اور CEO بھی کمیٹی کے ممبر ہیں۔ کمیٹی کی چیئر پرسن جو کہ انڈیپنڈینٹ نان ایگزیکٹو ڈائریکٹر ہے۔ یہ کمیٹی سال کے دوران ایک میٹنگ کرتی ہے۔ اس میٹنگ میں شرکت کی تفصیل درج ذیل ہے:

اجلاس میں شرکت کی تعداد

1	چیئر پرسن	محترمہ طیبہ مسلم حبیب
1	ممبر	جناب حسنین حبیب
1	ممبر	جناب خورشید اے جمال



اضافہ/(کمی)	2022-23	2023-24	ڈویژن کے آپریشن کی تفصیلات کا موازنہ درج ذیل ہے:
(6)	326	320	آپریشن کے دن
38,182	506,863	545,045	سوت کی مقدار
52,490	420,936	473,426	تیار مال کی پیداوار

ٹریڈنگ ڈویژن:

ٹریڈنگ ڈویژن کا آپریٹنگ منافع 81.77 بلین روپے (30 ستمبر 2023 259 بلین روپے) ہوا۔
اوپر بتائے ہوئے مختلف ڈویژن کے منافع کے علاوہ کمپنی نے ڈیویڈنڈ انکم کی مد میں 968.31 بلین روپے (2023: 568.51 بلین روپے) کمایا۔

Bay Back Share واپس خریداری برائے شیئرز

بورڈ آف ڈائریکٹرز کی میٹنگ منعقدہ 23 دسمبر 2023 جس میں 15,000,000 شیئرز کی واپس خریداری کی سفارشات کی گئی تھیں جسکی منظوری ممبران نے سالانہ اجلاس منعقدہ 24 جنوری 2024 میں دی۔ شیئرز کی واپس خریداری کی تکمیل 15 اپریل 2024 میں مکمل ہوگئی اور قانونی تقاضے بھی پورے کئے گئے۔ پندرہ بلین کے شیئرز ممبران کی منظوری سے واپس خریداری کے اسکیم کے تحت حسابات کی کتابوں میں منسوخ کی جا چکی ہیں۔ کمپنی کا ادا شدہ سرمایہ اب تخفیف کے بعد 135,000,000 بحساب 5 روپے فی شیئر ہے۔

برآمدی آمدنی ٹیکس

فنانس ایکٹ 2024 کے تحت برآمدی آمدنی ٹیکس میں بڑی تبدیلی کی گئی جسکے برآمدی کاروبار پر بڑے اثرات مرتب ہوئے۔ گذشتہ سالوں میں برآمدات پر ٹیکس کی شرح 1 فیصد تھی جو FTR (فائل ٹیکس رجیم) کے تحت تھی۔ مندرجہ بالا ترمیمی آرڈیننس کے تحت اب برآمدی آمدنی پر ٹیکس کی شرح 39 فیصد ہے جس میں انکم ٹیکس 29 فیصد اور سپر ٹیکس 10 فیصد ہے۔

مندرجہ بالا فنانس ایکٹ 2024 ترمیمی بل کم جولائی 2024 سے نافذ العمل ہے۔ لہذا کمپنی نے 39 فیصد کے حساب سے آخری سہ ماہی 24-9-30 کو برآمدی آمدنی پر ٹیکس چارج کیا جبکہ ابتدائی تین سہ ماہی جس کا اختتام 24-6-30 کو ہوا اس پر 1 فیصد کے حساب سے ٹیکس چارج کیا۔

مستقبل کا پروگرام

نئی حکومت نے معاشی استحکام اور ترقی کے لئے پرزور اقدامات پر زور دیا ہے اور خاص طور پر اس حکومت نے IMF کے ساتھ بات چیت کے ذریعے ایک طویل مدتی معاہدہ کیا ہے جو کہ 36 ماہ توسیعی فنڈ کی سہولت کے تحت 7 بلین ڈالر ہے۔ یہ پروگرام گورنمنٹ کی معاشی استحکام اور ترقی کے لئے مددگار ثابت ہوگی۔ مزید یہ کہ تین سالوں میں پہلی مرتبہ افراط زر اور شرح سود میں کمی کارہجان دیکھا گیا ہے جس میں مزید آئندہ مالی سال میں کمی کا امکان ہے۔

مندرجہ بالا منظر نامہ کی روشنی میں کمپنی نئی حکمت عملیوں پر توجہ مرکوز کرتے ہوئے اپنے اثاثہ جات کو زیادہ سے زیادہ موثر انداز میں استعمال کر کے اور اپنی زائد آمدنی (سرپلس فنڈ) کو بروئے کار لاتے ہوئے بہترین نتائج اور فوائد کے حصول کو یقینی بنائے گی۔

شوگر ڈویژن:

کمپنی کے شوگر ڈویژن نے 20 نومبر 2024 کو کرشنگ آپریشنز کا آغاز کیا اور 10 دسمبر 2024 تک 135,069 میٹرک ٹن گنا کرش کیا، جس میں اوسط سا کروڑ کی بازیابی 8.96% تھی اور چینی کی پیداوار 12,104 میٹرک ٹن رہی۔ پچھلی پریکٹس کے برعکس، سندھ حکومت نے کرشنگ سیزن 2024-25 کے لئے گنے کی خریداری کے لئے کم از کم سپورٹ پرائس کا نوٹیفکیشن جاری نہیں کیا کیونکہ بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) نے حکومت پاکستان کو گنے اور دیگر اہم فصلوں کے لئے امدادی قیمت مقرر کرنے سے روک دیا ہے۔



اضافہ (کمی)	2022-23	2023-24	ڈویژن کے آپریشن کی تفصیلات کا موازنہ درج ذیل ہے:	
21	89	110	ایام	کرشنگ کی مدت
220,864	844,841	1,065,705	میٹرک ٹن	گنے کی کرشنگ
(0.33)	10.96	10.63	%	شکر کی اوسط ریکوری
20,695	92,591	113,286	میٹرک ٹن	شکر کی پیداوار

شکر ڈویژن نے 844.47 ملین روپے کا منافع کیا (30 ستمبر، 2023: 857.71 ملین روپے)۔ گزشتہ سال کے مقابلے میں منافع بہتر قیمت فروخت کی وجہ سے برقرار رہا۔

موجودہ سال کے دوران پیداوار میں اضافے اور پچھلے سال کے دستیاب اسٹاک کو مد نظر رکھتے ہوئے، شوگر ملز نے حکومت سے 1,000,000 میٹرک ٹن چینی برآمد کرنے کی اجازت دینے کی درخواست کی تھی۔ اس کے بعد، حکومت نے مراحل میں 790,000 میٹرک ٹن چینی کی برآمد کی اجازت دی۔ اس اجازت میں سے سمنڈھ صوبے کو چینی کی میٹرک برآمد کے لئے 237,000 مختص کی گئی، جو حکومت کی جانب سے دی جانے والی کل برآمد کی مقدار کا 30 فیصد ہے۔ ہماری کمپنی کو 6,587 میٹرک ٹن کی برآمدی کوڈ دیا گیا تھا۔ مالی سال کے اختتام تک کمپنی نے 1,250 میٹرک ٹن چینی برآمد کی اور باقی مقدار کا برآمدی کوڈ اگلے مالی سال کے پہلے کوارٹر میں برآمد کیا جائے گا۔

ڈسٹری ڈویژن:

اس ڈویژن نے مبلغ 784.19 ملین روپے منافع حاصل کیا (2023: 2055.60 ملین روپے)۔

مالی سال 2024-9-30 میں 1271.41 ملین میں کمی کی بڑی وجہ بین الاقوامی مارکیٹ میں اسٹھانول کی قیمت میں کمی اور کم مقدار کی فروخت تھی

لیکویٹڈ فائڈ کاربن ڈائی آکسائیڈ یونٹ کا حاصل کردہ آپریٹنگ منافع ڈویژن کے منافع میں شامل ہے۔

اضافہ (کمی)	2022-23	2023-24	ڈویژن کے آپریشن کی تفصیلات کا موازنہ درج ذیل ہے:	
				اسٹھانول
(12)	358	346		آپریشن کے دن
(36,802)	191,525	154,723	میٹرک ٹن	شیرے کی پروسس
0.49	18.01	18.50	%	اوسط ریکوری
(5,876)	34,494	28,618	میٹرک ٹن	اسٹھانول کی پیداوار
				لیکویٹڈ فائڈ کاربن ڈائی آکسائیڈ (CO2)
(5)	308	303	ایام	آپریشن کی مدت
(723)	10,825	10,102	میٹرک ٹن	لیکویٹڈ فائڈ کاربن ڈائی آکسائیڈ (CO2) کی پیداوار

ٹیکسٹائل ڈویژن:

زیر جائزہ سال کے دوران ڈویژن نے 14.94 ملین روپے کا منافع کیا (2023: 40.27 ملین روپے)۔ منافع میں کمی کی وجہ قیمت فروخت میں کمی اور بلند پیداواری اخراجات تھے



ڈائریکٹرز کی رپورٹ

محترم ممبران۔ السلام علیکم

بورڈ آف ڈائریکٹرز خوشی سے 30 ستمبر 2024ء کو ختم ہونے والے سال کیلئے آپ کی کمپنی کی سالانہ آڈٹ شدہ مالیاتی حسابات پیش کرتے ہیں۔

اللہ کے فضل و کرم سے زیر جائزہ سال کے دوران آپ کی کمپنی کے آپریشن کی وجہ سے منافع بعد از ٹیکس کی رقم مبلغ 1960.47 ملین روپے رہا۔ (ستمبر 30، 2023: 2541.48 ملین روپے) کمپنی کی کارکردگی کے نتائج اور بورڈ کی سفارش کے مطابق تصرفات درج ذیل ہیں۔

اضافہ / (کمی)	30 ستمبر 2023	30 ستمبر 2024
(551.01)	3,266.48	2,715.47
(67.70)	(169.55)	(237.25)
(618.71)	3,096.93	2,478.22
37.7	(555.45)	(517.75)
(581.01)	2,541.48	1,960.47
2.62	(4.48)	(1.86)
322.07	(227.64)	94.43
324.69	(232.12)	92.57
(0.64)	5.19	4.55
(256.96)	2,314.55	2,057.59
90.00	900.00	810
410.00	1,410.00	1,000
500.00	2,310.00	1,810
243.04	4.55	247.59
(15,000,000)	150,000,000	135,000,000
(2.42)	16.94	14.52

لیویز اور انکم ٹیکس سے پہلے منافع

لیویز۔ حتمی ٹیکس

منافع قبل از ٹیکس

ٹیکس کی فراہمی

منافع بعد از ٹیکس

ایڈجسٹمنٹس

ایکویٹیبل خسارے گریجویٹ فنڈ کے تخمینہ پر

سرمایہ کاری کی فروخت پر (نقصان) / منافع حاصل کیا

غیر منقسمہ منافع براڈ فارورڈ

تصرف کیلئے دستیاب منافع

کیش ڈویڈنڈ بحساب 120% (30 ستمبر 2023: 120%)

جزل ریزرو کو منتقلی

غیر منقسمہ منافع کیری فارورڈ

شیر کیپٹل (فی شیئر 5 روپے)

آمدنی فی شیئر۔ بنیادی اور معتدل (روپیہ)

شکر ڈویژن

گنے کی کرشنگ کا سیزن 2023-2024 15 نومبر، 2023 کو شروع ہوا اور 3 مارچ، 2024 تک 110 دن پلانٹ کو چلایا گیا۔ جبکہ گزشتہ سیزن 89 دن کا تھا۔

حکومت سندھ نے 16 اگست، 2023 کو گنے کی کم از کم سپورٹ پرائس برائے سیزن 2023-2024 کے نوٹفیکیشن کا اجراء کیا جس میں گنے کی قیمت -/425 روپے فی 40 کلوگرام مقرر کی

گئی۔ اس کے مقابلے میں سیزن 2022-2023 میں 302 روپے تھی علاوہ ازیں ملز کو الٹی پریہیمئم شکر کی اوسط ریکوری کے بیچ مارک 8.70 فیصد سے زائد ہر 0.10 فیصد پر 0.50 روپے فی

40 کلوگرام ادا کرے گی۔



چیرمین کی رپورٹ

مجھے کمپنی کے چیئر ہولڈرز کے سامنے بورڈ آف ڈائریکٹرز کی کارکردگی اور کمپنی کو اس کے مقاصد اور اہداف کے حصول کی طرف رہنمائی میں ان کی موثریت پر یہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔ حبیب شوگر ملز لمیٹڈ نے ایک مضبوط انتظامی فریم ورک نافذ کیا ہے جو کاروباری معاملات کے موثر اور مختصراً انتظام کو معاونت فراہم کرتا ہے، جیسے کمپنی کی طویل مدتی کامیابی کے حصول میں اہم سمجھا جاتا ہے۔ کمپنی کی طرف سے نافذ کئے گئے موثر انتظامی اقدامات مضبوط لیکویڈیٹی پوزیشن اور موجودہ سال میں 1960 ملین کے خالص منافع کی کمائی سے واضح ہے۔

سال کے دوران 2024 کے فنانس ایکٹ کے ذریعے انگیس میں ایک بڑی ترمیم کی گئی ہے جو کمپنی کے برآمدی شعبوں کے نتائج پر منفی اثر ڈالے گی۔ پہلے برآمدی آمدنی پر 1% کی شرح سے حتمی ٹیکس عائد کیا جاتا تھا۔ ترمیم کے تحت، یکم جولائی 2024 سے برآمدات سے حاصل ہونے والی آمدنی اب معمول کے کارپوریٹ ٹیکس کی شرحوں پر ٹیکس عائد ہوگی۔

مالی سال 2023-24 کے دوران، بورڈ نے چار (4) بار ملاقات کی۔ بورڈ نے تمام ضوابطی ضروریات کی تعمیل کی اور قابل اطلاق قوانین پر بہترین طریقوں کے مطابق عمل کیا۔ کارپوریٹ گورننس (سی سی جی) کے تحت کمپنی کے بورڈ کا سالانہ جائزہ لیا گیا ہے۔ اس جائزے کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور اسکے موثر ہونے کو جانچا جائے اور کمپنی کے مقاصد کے تناظر میں توقعات کو پورا کیا جائے۔

بورڈ نے حکمت عملی کی منصوبہ بندی، رسک مینجمنٹ اور پالیسی کی ترقی میں فعال طور پر حصہ لیا اور یہ یقینی بنایا کہ تمام پالیسیاں کمپنی کے وژن اور مشن کے ساتھ ہم آہنگ ہوں۔ بورڈ سالانہ ٹیکس، اہداف اور مقاصد کو بھی انتظامیہ کے لئے طے کرتا ہے۔

بورڈ اور اس کی کمیٹیوں نے اپنی ذمہ داریوں کو مجموعی سے پورا کیا اور انتظامیہ کی طرف سے باقاعدگی سے پیش کی جانے والی پیشکشوں کے ذریعے کمپنی کے مقاصد، اہداف، حکمت عملیوں اور مالی کارکردگی کے حوالے سے اپ ڈیٹ رہے۔ بورڈ نے فیصلہ کرنے کے لئے وسیع اور نتیجہ خیز بحث کی اور انتظامیہ کو مناسب سمت اور نگرانی بروقت فراہم کی۔ جن شعبوں میں بہتری کی ضرورت ہے ان پر غور کیا گیا اور ایکشن پلانز تیار کئے گئے اور ان پر عمل درآمد کیا گیا۔

بورڈ نے خود تفتیش کے طریقہ کار اور اندرونی آڈٹ کی سرگرمیوں کے ذریعے موثر اندرونی کنٹرول سسٹم تشکیل کیا اور گورننس کے مضبوط اور شفاف ماحول کو برقرار رکھا۔ اس کے علاوہ بورڈ نے کارپوریٹ گورننس کے بہترین اصولوں پر عمل کیا۔

آخر کار، میں اپنے ساتھ ڈائریکٹرز، ایگزیکٹو ٹیم اور کمپنی کے تمام ملازمین کی محنت اور کمپنی کی ترقی میں ان کے تعاون کا اعتراف کرنا چاہتا ہوں۔

اصغر ڈی حبیب
چیرمین

کراچی مورخہ 11 دسمبر 2024ء



Form of Proxy

The Company Secretary
Habib Sugar Mills Limited
Imperial Court, 3rd Floor
Dr. Ziauddin Ahmed Road
KARACHI – 75530

I/We of
a member(s) of HABIB SUGAR MILLS LIMITED and holding
ordinary shares, as per Folio No. and /or CDC Participant's
I.D. Numbers
and Account / Sub-Account No.
hereby appoint of
or failing him..... of
another member of the Company to vote for me / us and on my / our behalf at the
63rd Annual General Meeting of the Company to be held on Thursday, January 23, 2025
and at any adjournment thereof.

As witness my / our hand this.....day of.....2025

Rs. Five
Revenue
Stamp

.....
SIGNATURE OF MEMBER(S)

1. Witness Signature: _____
Name: _____
Address: _____
CNIC/Passport No: _____

2. Witness Signature: _____
Name: _____
Address: _____
CNIC/Passport No: _____

A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as a proxy to attend and vote on his / her behalf.

Any individual beneficial owner of CDC, entitled to attend and vote at this meeting must bring his / her National Identity Card, Account and Participant's ID Numbers to prove his / her identity, and in case of proxy, must enclose attested copies of his / her National Identity Card, Account and Participant's ID Numbers. Representatives of corporate members should bring the usual documents as required for such purpose.

The instrument appointing a proxy should be signed by the member or by his attorney duly authorised in writing. If the member is a corporation its common seal (if any) should be affixed to the instrument.

The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified copy thereof, should be deposited at the registered office of the Company at least 48 hours before the time of the meeting.



پراکسی فارم

کمپنی سیکریٹری

حبیب شوگر ملز لمیٹڈ

ایمپیریل کورٹ، تیسری منزل،

ڈاکٹر ضیاء الدین روڈ، کراچی۔ ۷۵۵۳۰

میں / ہم

ساکن

میں بحیثیت ممبر حبیب شوگر ملز لمیٹڈ

عام شیئرز جن کے شیئرز رجسٹرڈ فیو نمبر _____ اور ایسی ڈی سی پارٹنیشن آئی ڈی نمبر _____

اور ڈبلی اکاؤنٹ نمبر _____ بذریعہ ہذا

ساکن

اور اگر ان کے لئے ممکن نہ ہو تو _____ ساکن

کو بطور اپنا/ہمارا پراکسی مقرر کرتا/کرتی ہوں تاکہ بروز جمعرات ۲۳ جنوری ۲۰۲۵ء کو منعقد کئے جانے والے کمپنی کے ۶۳ ویں سالانہ اجلاس عام میں میری/ہماری جگہ ووٹ دے سکیں۔

ممبر کے دستخط

دستخط
مبلغ ۵ روپے
کے ڈاک ٹکٹ

دستخط مورخہ _____

گواہان:

دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر _____

پاسپورٹ نمبر _____

دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر _____

پاسپورٹ نمبر _____

نوٹ:

- (۱) ہر وہ ممبر جسے اجلاس بلڈ میں شرکت کرنے اور ووٹ دینے کا حق حاصل ہے اپنے بجائے شرکت کرنے اور ووٹ دینے کے لئے کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا/کر سکتی ہے
- (۲) سی ڈی سی شیئرز ہولڈرز اور ان کے پراکسیز لازمی طور پر اس پراکسی فارم کے ساتھ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کریں۔
- (۳) موثر العمل ہونے کے لئے پراکسیز اجلاس کے وقت انعقاد سے کم از کم ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں لازماً وصول ہو جائیں۔ پراکسی کو کمپنی کارکن ہونا ضروری ہے۔

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