



KHAIRPUR
SUGAR MILLS LIMITED



**FINANCIAL
STATEMENTS**
For the Half Year Ended
March 31, 2024

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CORPORATE INFORMATION**Date of Incorporation**

August 23, 1989

Date of Commencement of Business

September 13, 1989

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFIER

Mr. Mirza Muhammad Bilal Kamil

COMPANY SECRETARY

Mr. Shoaib ul Haque

BANKERS

National Bank of Pakistan
Sindh Bank Limited
Dubai Islamic Bank Pakistan Limited
MCB Bank Limited
United Bank Limited
Allied Bank Limited
Bank Al Falah Limited
Habib Bank Limited
JS Bank Limited
Bank Al Habib Limited
Faysal Islamic Bank Limited
Habib Metropolitan Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited

STATUTORY AUDITORS

M/S. Haroon Zakaria & Company
Chartered Accountants
M-1-M4, Mezzanine Floor, Progressive Plaza,
Plot No. 5 CL - 10, Civil Lines Quarter,
Beaumont Road, Near Dawood Centre,
Karachi - 75530 PAKISTAN.

COST AUDITORS

A.D Akhawala & Co.
321, 3rd Floor Uni Centre
I.I. Chundrigar Road, Karachi - 74000

AUDIT COMMITTEE

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

HR AND REMUNERATION COMMITTEE

Mr. Asif Khan Brohi
Chairman
Mr. Ghulam Nabi Memon Morai
Member
Mr. Muhammad Mubeen Jumani
Member

LEGAL ADVISOR

Asad Ali Riar
Suite No 17-18 Farid Chambers, 2nd Floor
Abdullah Haroon Road, Karachi

SHARES REGISTERAR

M/S. C & K Management Associates (Pvt.) Limited
404, Trade Tower, Abdullah Haroon Road,
Near Metropole Hotel, Karachi.

REGISTERED OFFICE

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

MILLS

Naroo Dhoro, Taluka Kot Diji,
Khairpur.

E-MAIL & WEBSITE

headoffice@jumanigroup.com
<http://khaipurpursugar.com.pk>

STOCK EXCHANGE SYMBOL

KPUS

VISION STATEMENT

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

MISSION STATEMENT

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

DIRECTORS' REPORT

Dear Members

Assalam-o-alaikoom

On behalf of the Board of Directors, it is our privilege to present before you the un-audited accounts of the Company for the Half year ended March 31, 2024.

FINANCIAL RESULTS

During the period under review, the operation of your Company resulted in a pre-tax profits of Rs. 389,093 Million. The financial results are as under:

FINANCIAL RESULTS

	31-03-2024	31-03-2023
	Rupees in '000	
Profit before Taxation	389,093	73,909
Taxation	(213,887)	(50,618)
Profit after Taxation	175,206	23,291
Earnings per Share	10.94	1.45

PERFORMANCE REVIEW

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

	SEASON 2023-2024	SEASON 2022-2023
Season Started	16-11-2023	29-11-2022
Season Ended	09-03-2024	03-03-2023
Number of days worked	115	95
Sugarcane Crushing (MT)	831,344.075	483,067.945
Recovery (%) Sugar	10.794	10.067
Recovery (%) Molasses	4.172	5.599
Production - Sugar (MT)	89,731.00	48,635
Production - Molasses (MT)	34,685.00	27,046.270

PERFORMANCE REVIEW

The crushing season 2023-24 started on 16th November 2023 and up to the end of the season 831,344.075 M.T Sugar-cane has been crushed by producing 89,731 M.T Sugar with average recovery of 10.794% in 115 days, as compared to crushing of 483,067.945 M.T Sugar-cane and producing 48,635 M.T Sugar with average recovery of 10.067% in 95 days in corresponding period of last year/season 2022-23.

The Government of Sindh (Agriculture Supply & Prices Department) has issued a notification fixing the minimum sugarcane support price at Rs.425/= (Rupees four hundred and twenty five) per 40 kg (Mds) for crushing season 2023-24. Due to which growers are getting more than the previous year and fair return of their efforts. Sugar prices stable during the crushing season. However, the prices of molasses were increased as compared to the last year and reached the all-time high of more than Rs 34,000 PMT. Further combining the same with the increase in finance limits during the season the company is anticipating marginal increase in the overall financing cost. All such factors will play significant role on company's cost. However, as the company is using the continuous pan for the first time in the current financial year plus the overall improved quality of cane supplied during the season the company managed to achieved recovery of 10.794% which is the ever highest in the company's history. Moreover, the company also managed to decrease the lost hours due to lower stoppages which help in overall increase in plant efficiency combining it with the all-time highest sale of molasses the company is able to curtailed its cost to one of the lowest in the industry. It is also anticipated keeping in view the surplus sugar stock in the country and the bumper crop ahead in the next season that the Federal Government will allow the export of excess sugar stock shortly. Keeping all the above mentioned factors the company is anticipating to close the current financial year with improved profitability as compared to its history.

ENVIRONMENT

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

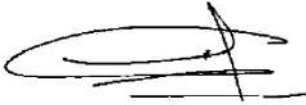
The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:
 - a. Male : 5
 - b. Female : 2
2. The composition of board is as follows:
 - a) Independent Directors Mr. Ghulam Nabi Memon Morai
Mr. Asif Khan Brohi
 - b) Other Non-executive Director Mr. Fahad Mubeen Jumani
Mrs. Qamar Mubeen Jumani
Miss. Arisha Mubeen Jumani
 - c) Executive Directors Mr. Muhammad Mubeen Jumani
Mr. Faraz Mubeen Jumani
 - d) Female Directors Mrs. Qamar Mubeen Jumani
Miss. Arisha Mubeen Jumani

3. The board has formed committees comprising of members given below:

- a) Audit Committee
Mr. Asif Khan Brohi Chairman
Mr. Ghulam Nabi Memon Morai Member
Mrs. Qamar Mubeen Jumani Member
- b) HR and Remuneration Committee
Mr. Asif Khan Brohi Chairman
Mr. Ghulam Nabi Memon Morai Member
Mr. Muhammad Mubeen Jumani Member

In the end, I would like to place on record the sincere efforts and hard work put up by workers, staff and officers of the company.



(Faraz Mubeen Jumani)
Chief Executive Officer



(Muhammad Mubeen Jumani)
Director

Place: Karachi, dated: May 27, 2024

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF KHAIRPUR SUGAR MILLS LIMITED
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL
STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Khairpur Sugar Mills Limited** as at March 31, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and the condensed interim statement of cash flows and notes to the financial statements for six-month period then ended (here-in-after referred to as the "Interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

Other matter

The figures of the condensed statement of profit or loss and other comprehensive income for the quarters ended March 31, 2024 and 2023 and the notes thereto have not been reviewed as we are required to review only the cumulative figures for the six months period ended March 31, 2024.

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



Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi, dated: May 27, 2024
UDIN: RR202410127CNVS2RFm8

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024**

	March 31, 2024 Un-Audited	September 30, 2023 Audited
Note	----Rupees in 000's----	
ASSETS		
Non-Current Assets		
Property, plant and equipment	5 4,956,481	5,046,600
Intangible assets	7,675	7,872
Long term deposits	12,832	12,832
	<u>4,976,988</u>	<u>5,067,304</u>
Current Assets		
Trade debts	12,210	12,210
Stores, spares and loose tools	259,307	269,993
Stock in trade	6 5,230,587	2,249,478
Short term investment	61,948	22,300
Loans and advances	873,824	804,562
Deposits, prepayments and other receivables	289,219	294,027
Cash and bank balances	88,292	28,300
	<u>6,815,387</u>	<u>3,680,870</u>
Total Assets	<u><u>11,792,375</u></u>	<u><u>8,748,174</u></u>
EQUITY AND LIABILITIES		
Authorized Capital		
20,000,000 Ordinary shares of Rs. 10 each	<u>200,000</u>	<u>200,000</u>
Share capital and reserves		
Issued, subscribed and paid up capital	160,175	160,175
Revenue reserves - accumulated profit	460,451	234,411
Surplus on revaluation of property, plant and equipment - net	2,419,026	2,469,860
Subordinated Loan	1,140,657	1,140,657
Shareholders' equity	<u>4,180,309</u>	<u>4,005,103</u>
Non-Current Liabilities		
Long term financing	7 405,998	482,539
Deferred liabilities	912,201	802,237
Lease liability	8 28,796	32,846
	<u>1,346,995</u>	<u>1,317,622</u>
Current Liabilities		
Current portion of lease liability	7,626	6,741
Current portion of long term financing	-	-
Short term borrowings	9 2,770,022	1,981,248
Trade and other payables	10 3,179,062	1,169,004
Accrued markup	252,565	203,003
Provision for taxation	55,796	65,453
	<u>6,265,071</u>	<u>3,425,449</u>
Contingencies	11	
Total Equity and Liabilities	<u><u>11,792,375</u></u>	<u><u>8,748,174</u></u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



Faraz Mubeen Jumani
Chief Executive Officer



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

Place: Karachi, Dated: May 27, 2024

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED MARCH 31, 2024**

	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees in 000's -----			
Sales - net	7,819,232	3,705,870	4,654,263	1,682,859
Cost of sales	<u>(6,975,016)</u>	<u>(3,309,463)</u>	<u>(4,262,243)</u>	<u>(1,414,826)</u>
Gross profit	844,217	396,407	392,021	268,033
Administrative expenses	<u>(163,589)</u>	<u>(160,030)</u>	<u>(69,449)</u>	<u>(87,181)</u>
Distribution expenses	<u>(28,878)</u>	<u>(42,684)</u>	<u>(21,466)</u>	<u>(38,765)</u>
	<u>(192,466)</u>	<u>(202,714)</u>	<u>(90,914)</u>	<u>(125,946)</u>
Operating profit	651,750	193,693	301,106	142,087
Other income	4,623	17,048	4,616	17,038
Other charges	<u>(18,970)</u>	<u>(6,731)</u>	<u>(18,970)</u>	<u>(6,731)</u>
	637,404	204,010	286,753	152,394
Financial charges	<u>(248,310)</u>	<u>(130,101)</u>	<u>(105,896)</u>	<u>(99,665)</u>
Profit before taxation	389,093	73,909	180,856	52,729
Taxation				
Current	<u>(103,924)</u>	<u>(44,454)</u>	<u>(23,214)</u>	<u>(43,525)</u>
Deferred	<u>(109,963)</u>	<u>(6,164)</u>	<u>(109,963)</u>	<u>(6,164)</u>
	<u>(213,887)</u>	<u>(50,618)</u>	<u>(133,177)</u>	<u>(49,689)</u>
Profit after taxation	175,206	23,291	47,679	3,040
Total comprehensive income for the period	175,206	23,291	47,679	3,040
Earning per share-basic and diluted	10.94	1.45	2.98	0.19

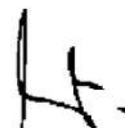
The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



Faraz Mubeen Jumani
Chief Executive Officer



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

Place: Karachi, Dated: May 27, 2024

**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED MARCH 31, 2024**

	Issued, subscribed & paid-up capital	Un- appropriated Profit	Surplus on revaluation of fixed assets	Subordinated Loan	Total
-----Rupees in 000's-----					
Balance as at October 01, 2022	160,175	171,329	1,200,998	1,140,657	2,673,159
Revaluation during the period - net off deferred tax	-	-	1,336,024	-	1,336,024
Total comprehensive income for the period ended March 31, 2023					
- Profit for the period	-	23,291	-	-	23,291
- Other comprehensive income for the period	-	-	-	-	-
	-	23,291	-	-	23,291
Transfer on account of incremental depreciation-net of deferred tax	-	32,745	(32,745)	-	-
Balance as at March 31, 2023	160,175	227,365	2,504,277	1,140,657	4,032,474
Balance as at October 1, 2023	160,175	234,411	2,469,860	1,140,657	4,005,103
Total comprehensive income for the period ended March 31, 2024					
- Profit for the period	-	175,206	-	-	175,206
- Other comprehensive income for the period	-	-	-	-	-
	-	175,206	-	-	175,206
Transfer on account of incremental depreciation-net of deferred tax	-	50,834	(50,834)	-	-
Balance as at March 31, 2024	160,175	460,451	2,419,026	1,140,657	4,180,309

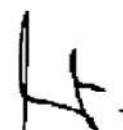
The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



Faraz Mubeen Jumani
Chief Executive Officer



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

Place: Karachi, Dated: May 27, 2024


**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE SIX MONTHS ENDED MARCH 31, 2024**

	March 31, 2024 Un-Audited	September 30, 2023 Audited
----Rupees in 000's----		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	389,093	73,909
Adjustments for:		
Financial cost	248,310	130,101
Depreciation and amortization	122,176	90,633
Gain on disposal of fixed asset	(2,191)	-
Unwinding of deferred income	-	(3,235)
	368,295	217,499
Working capital changes:		
Trade debts	-	31,698
Stores, spares and loose tools	10,686	(37,039)
Stock in trade	(2,981,109)	(904,445)
Loans and advances - Considered good	(69,262)	(5,652)
Deposits, prepayments and other receivables	4,808	(2,693)
Trade and other payables	2,010,058	387,651
Cash used in operations	(1,024,819)	(530,480)
	(267,431)	(239,072)
Taxes paid - net	(113,581)	(60,217)
Financial charges paid	(198,746)	(129,251)
Net cash (used in) operating activities	(579,758)	(428,540)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(30,899)	(26,358)
Sale proceeds from disposal of fixed asset	2,450	-
Long term deposits	-	572
Short term investments made	(39,648)	(22,300)
Additions to capital work-in-progress	(1,221)	(10,245)
Net cash (used in) investing activities	(69,318)	(58,331)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term loans - net	(76,541)	(15,140)
Proceeds from short term borrowing - net	788,774	371,207
Payment of lease rentals	(3,165)	(4,408)
Repayment of staff gratuity	-	-
Net cash generated from financing activities	709,068	351,659
Net decrease in cash and cash equivalents	59,992	(135,212)
Cash and cash equivalent at beginning of the period	28,300	176,565
Cash and cash equivalent at end of the period	88,292	41,353

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.



Faraz Mubeen Jumani
Chief Executive Officer



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2024

1 NATURE AND STATUS OF BUSINESS

The Company was incorporated in Pakistan on August 23, 1989 as a public limited company under the repealed Companies Ordinance, 1984 now the Companies Act, 2017, (The Act). The company is listed on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange). The registered office of the Company is situated at 51/II/IV, 26th Street, Khayaban e Janbaz D.H.A, Karachi.

The company is principally engaged in the manufacture and sale of sugar and by products.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statement have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosure required for the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company for year ended 30 September 2023.

The comparative statement of financial position presented in this condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended 30 September 2023, whereas the comparative condensed interim statement of Profit or Loss and Other Comprehensive Income, condensed interim Statement of Changes in Equity and condensed interim Statement Cash Flow are extracted from the unaudited condensed interim financial information for the period ended 31 March 2023.

This condensed interim financial statements are unaudited but subject to limited scope review by the statutory auditors as required by the Companies Act, 2017. The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended March 31, 2024 and March 31, 2023 have not been reviewed by the statutory auditors of the Company as they have reviewed the cumulative figures for the six months ended March 31, 2024 and March 31, 2023.

2.2 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency. All figures have been rounded off to the nearest thousand rupees.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statement are the same as those applied in the preparation of the financial statements for the year ended September 30, 2023.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts. Actual results may differ from these estimates, assumptions and judgements. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2023.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2023.

		March 31, 2024 Un-Audited	September 30, 2023 Audited
	Note	-----Rupees in 000's-----	
5 PROPERTY, PLANT & EQUIPMENT			
Written down value at 1 October		4,990,720	3,295,764
Additions during the period	5.1	30,899	129,322
Disposals during the period		(259)	-
Revaluation during the period	7	-	1,790,262
Depreciation charged			
on owned asset		(118,660)	(216,330)
on right of used assets		(3,319)	(8,298)
		<u>(121,979)</u>	<u>(224,628)</u>
		4,899,380	4,990,720
Capital work in progress		57,101	55,880
		<u>4,956,481</u>	<u>5,046,600</u>
5.1 Additions			
Plant and machinery		22,974	104,198
Office equipment		913	1,928
Furniture and fixture		-	1,215
Factory equipment		6,392	6,549
Vehicles		620	15,432
		<u>30,899</u>	<u>129,322</u>

	March 31, 2024 Un-Audited	September 30, 2023 Audited
Note	----Rupees in 000's----	
6 STOCK IN TRADE		
Finished goods		
- Sugar	5,040,488	2,043,988
- Molasses	-	202,254
- Bagasse	<u>188,243</u>	<u>2,053</u>
	<u>5,228,730</u>	<u>2,248,295</u>
Work in process	<u>1,857</u>	<u>1,183</u>
	<u><u>5,230,587</u></u>	<u><u>2,249,478</u></u>

6.1 The carrying value of finished goods of Rs.1,311.88 million (September 2023: Rs.752.44 million) are pledged with banks against cash finance.

7 LONG TERM FINANCING

Loan from related parties

Loan from associates	7.1	<u><u>405,998</u></u>	<u><u>482,539</u></u>
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7.1 This represents loan from associates which is unsecured and carries markup at 1 Year KIBOR.

8 LEASE LIABILITY

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

The amount of future lease payments and the period in which they fall due are as follows :-

	March 31, 2024 Un-Audited	September 30, 2023 Audited
Note	----Rupees in 000's----	
Minimum lease payment		
Upto one year	13,184	13,184
More than one year but less than five years	<u>34,082</u>	<u>40,674</u>
	<u>47,266</u>	53,858
Financial charges		
Upto one year	<u>5,558</u>	6,443
More than one year but less than five years	<u>5,286</u>	7,828
	<u>10,844</u>	14,271
Present value of minimum lease payments		
Upto one year	<u>7,626</u>	6,741
More than one year but less than five years	<u>28,796</u>	32,846
	<u>36,422</u>	39,587
Current maturity shown under current liabilities	<u>(7,626)</u>	(6,741)
	<u><u>28,796</u></u>	<u><u>32,846</u></u>

	March 31, 2024 Un-Audited	September 30, 2023 Audited
Note	-----Rupees in 000's-----	
9 SHORT TERM BORROWINGS		
From Related parties - Unsecured		
- From Directors	418,885	378,640
From Banking company - Secured		
- Cash finance	9.1 2,349,871	1,602,500
- Temporary overdraft	1,266	108
	<u>2,351,137</u>	<u>1,602,608</u>
	<u>2,770,022</u>	<u>1,981,248</u>

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

	March 31, 2024 Un-Audited	September 30, 2023 Audited
Note	-----Rupees in 000's-----	
10 TRADE AND OTHER PAYABLES		
Creditors	1,314,608	215,109
Accrued liabilities	26,603	18,536
Market committee fee payable	10,969	8,850
Advance from customers	1,509,083	802,663
Unclaimed gratuity	14,341	14,341
Sales tax payables	239,229	51,756
Workers' Profit Participation Fund	8,236	35,662
Workers' Welfare Fund	16,430	16,100
Payable to provident fund	37,447	3,464
Income tax payable	2,116	2,523
	<u>3,179,062</u>	<u>1,169,004</u>

11 CONTINGENCIES

As at March 31, 2024, there is no material change in the status of matters reported as contingencies and commitments in the notes to financial statements of the company for the year ended 30 September 2023.

12 SEASONALITY OF OPERATIONS

The Sugar Industry are operating on seasonal basis normally from November to March. Therefore all major production cost other than fixed cost, for example cost of goods manufactured, stock and short term finances being reflected to be high in this period.

13 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise group companies, associates, directors and key management personnel.

During the period, the following transactions with related parties are carried out: -

	Un-Audited		Second quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- Rupees in 000's -----				
Loan from director - receipts	45,245	196,718	31,664	174,808
Loan from director - repayments	5,000	100,148	-	7,700
Loan from associates - receipts	48,988	133,963	28,000	-
Loan from associates - repayments	125,529	106,722	56,368	43,700
Loan from provident fund - receipts	36,000	-	-	-
KSML employees provident fund	4,666	8,629	2,272	4,270
Remuneration and other benefits of Chief Executive and Directors	25,200	28,200	12,600	14,100

14 DATE OF AUTHORIZATION

These condensed interim financial statements has been authorized for issue on May 27, 2024 by the Board of Directors of the Company.



Faraz Mubeen Jumani
Chief Executive Officer



Mirza Muhammad Bilal Kamil
Chief Financial Officer



Muhammad Mubeen Jumani
Director

Place: Karachi, Dated: May 27, 2024

More than Sugarcane



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