



HASEEB WAQAS SUGAR MILLS LIMITED



Company Information

Board of Directors

1. Mr. Raza Mustafa
2. Mian Abdullah Ilyas
3. Mian Waqas Riaz
4. Mrs. Yasmin Riaz
5. Ms. Zainab Waqas
6. Mrs. Shahzadi Ilyas
7. Ms. Zakia Ilyas
8. Miss. Aqsa Riaz

Chairman
Director/Chief Executive
Director
Director
Director
Director
Director
Director

Audit Committee

1. Mian Waqas Riaz (Chairman)
2. Ms. Zakia Ilyas (Member)
3. Mrs. Yasmin Riaz (Member)

Human Resource & Remuneration Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zainab Waqas (Member)
3. Ms. Zakia Ilyas (Member)

Company Secretary

Mr. Ansar Ahmed, FCA
Tel: 042-35917313
Email: cs@hwgc.com.pk

Chief Financial Officer

Syed Mubashar Hussain Bukhari
Tel: 042-35917313
Email: hwgc@hwgc.com.pk

Auditors

M/s Qadeer & Company
Chartered Accountants
32-A, Lawrence Road, Lahore

Registrar

Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore

Mills

Mouza Jagmal, Tehsil Jattoi
District. Muzaffargarh

Registered Office

06-F, Model Town, Lahore
Tel: 042-35917321-23
Fax: 042-35917317
Website: www.hwgc.com.pk

Bankers

National Bank of Pakistan
Sindh Bank Limited
The Bank of Punjab

Legal Advisor

Muhammad Ahsan Khan
(Advocate)

**DIRECTORS' REVIEW
FOR THE HALF YEAR ENDED 31 MARCH 2024**

Dear Members

On behalf of the Board of Directors, it is my privilege to present you the Half Yearly condensed financial statements duly reviewed by the statutory auditors and their report is attached to the financial statements.

FINANCIAL RESULTS

The financial results of the company for the period under review are summarized as follows:

	For the half year ended 31 March	
	2024	2023
	(Rupees)	
Net Sales	-	-
Gross Profit / (Loss)	(172,009,937)	(74,170,892)
Net Profit / (Loss) before tax	(183,110,222)	(207,235,518)
Net Profit / (Loss) after tax	(223,721,645)	(199,783,412)
Basic Earning	(06.90)	(06.17)

During the period under review, the Company posted gross loss of Rs.172,009,937 as compared to last periods of Rs.74,170,892. Further, the company remains non-operational during the crushing season and resultantly has zero production and sales during the period.

The management of the company is striving hard to arrange funds for the coming season. Hopefully we will be able to start the 2024-25 crushing season timely with full swing.

Moreover, the management of the company has already started negotiating with the financial institutions for Rescheduling & Restructuring of outstanding liabilities and with FBR as well, hopefully would be finalized before start of season.

FUTURE OUTLOOK

Management of the company is hopeful of catching the crushing season 2024-25 and optimistic of doing the crushing at its maximum level.



ACKNOWLEDGEMENT

The Board of Directors deeply express their appreciation and pay their gratitude to sugarcane growers, valuable customers, shareholders, banks and Government Departments for their continued support, trust, persistent co-operation and patronage which gives strength to pursue our corporate objectives with renewed vigor. The Board also acknowledges the valuable teamwork, devotion and dedication by the executives, employees and workers of the Company.

On behalf of the Board

(ABDULLAH ILYAS)

Chief Executive

Place: Lahore:

Dated: 30 May 2024

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

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Haseeb Waqas Sugar Mills Limited** as at **March 31, 2024** and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the half year then ended (here-in-after referred to as the 'interim financial statements'). Management is responsible for the preparation and presentation of these 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 interim financial statements based on our review. The figures of the interim statement of profit or loss, condensed interim statement of other comprehensive income for the quarters ended March 31, 2021 and March 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended **March 31, 2024**.

Scope of Review

We conducted our review in accordance with International Standards 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 enquiries, 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.

Basis for Qualified Conclusion

Based on the information provided to us by management, previous auditor's report contained Qualified Opinion due to following matters:

- a) Gratuity payable amounting to Rs. 17.728 million is stated in Note 8 of the financial statements. Management did not provide the required actuarial valuation. Additionally, we were not given the information and explanations needed to assess whether any actuarial adjustments should be recognized for the mentioned gratuity payable amount. No other satisfactory audit procedures could be adopted to determine if any value adjustments should be made in the financial statements regarding the gratuity. Any necessary adjustments could impact the company's net assets as of September 30, 2023, and the related disclosures in the financial statements.
- b) The company's sales tax status has been blacklisted by the Federal Board of Revenue due to the non-payment of an outstanding net liability amounting to Rs. 199.819 million, as mentioned in Notes 10 and 14.2 of the financial statements.

- c) Trade and other payables, as mentioned in Note 10 of the financial statements, include old outstanding balances. We were unable to verify these liabilities through direct confirmations or alternative audit procedures. Therefore, we could not determine the effect of any necessary adjustments had the liabilities been verified.
- d) An unclaimed dividend amounting to Rs. 1.444 million, as disclosed in Note 14.4 of the financial statements and relating to previous years, has not been deposited into the government treasury as required by Section 244 of the Companies Act, 2017. Additionally, no notification has been issued to the shareholders in this regard.
- e) Advances, deposits, prepayments, and other receivables totaling Rs. 44.127 million, as mentioned in Note 19 of the financial statements, are long outstanding. We have not received direct confirmation of these balances, and we believe the majority are impaired without any provisions being made. However, the actual effect of the necessary adjustments, if provisions were charged, could not be determined.

Qualified Conclusion

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

The engagement partner on the review resulting in this independent auditor's report is **Mr. Saeed Ul Hassan, FCA.**

Lahore
Dated: May 27, 2024
UDIN: RR202410617mjyc9SGt0



Saeed Ul Hassan
SAEED UL HASSAN & CO.
CHARTERED ACCOUNTANTS



HASEEB WAQAS SUGAR MILLS LIMITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

EQUITY AND LIABILITIES	Note	Un-audited	Audited
		March 31, 2024	Sep 30, 2023
Rupees			
Share Capital and Reserves			
Authorized capital 35,000,000 (Sept. 30, 2022: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital	6	324,000,000	324,000,000
Loan from Directors	7	1,232,425,119	1,225,190,739
Surplus on Revaluation of Property, Plant and Equipment		4,630,147,946	4,713,414,891
Accumulated loss		(5,636,881,707)	(5,496,427,007)
		549,691,359	766,178,623
Non Current Liabilities			
Long term financing	8	-	-
Deferred liabilities		17,727,974	17,727,972
Deferred taxation		1,449,676,949	1,409,065,523
		1,467,404,923	1,426,793,495
Current Liabilities			
Trade and other payables		826,457,790	841,461,866
Markup/ interest payables		1,183,695,578	1,183,695,578
Short term borrowings	9	751,891,594	673,246,932
Unclaimed dividend		1,443,972	1,443,972
Current portion of non current liabilities	10	1,367,187,642	1,367,187,642
		4,130,676,575	4,067,035,990
Contingencies and Commitments			
	11	-	-
		6,147,772,857	6,260,008,108
ASSETS			
Non Current Assets			
Property, plant and equipment	12	6,009,145,668	6,152,109,232
Long term deposits		490,000	490,000
		6,009,635,668	6,152,599,232
Current Assets			
Stores, spares and loose tools		62,856,765	61,310,234
Stock in trade	13	-	-
Advances, deposits, prepayments and other receivables		73,894,795	44,126,807
Cash and bank balances		1,385,629	1,971,835
		138,137,189	107,408,876
		6,147,772,857	6,260,008,108

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR AND 2ND QUARTER ENDED MARCH 31, 2024

	Note	Half year ended		Quarter ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Rupees		Rupees	
Sales - Net	14	-	-	-	-
Cost of goods sold	15	(172,009,937)	(74,170,892)	(136,454,309)	(38,615,264)
Gross (loss)		(172,009,937)	(74,170,892)	(136,454,309)	(38,615,264)
Operating expenses:					
- Administrative and general		(11,072,575)	(8,182,971)	(8,265,904)	(5,376,300)
		(183,082,512)	(82,353,863)	(144,720,213)	(43,991,564)
Other operating income	16	-	-	-	-
(Loss/Profit) from operation		(183,082,512)	(82,353,863)	(144,720,213)	(43,991,564)
Finance cost		(27,710)	(124,881,655)	41,917,802	(82,936,143)
(Loss/Profit) before taxation		(183,110,222)	(207,235,518)	(102,802,411)	(126,927,707)
Taxation					
Current		-	-	-	-
Deferred		(40,611,423)	7,452,106	(47,928,450)	135,079
		(40,611,423)	7,452,106	(47,928,450)	135,079
(Loss/Profit) after taxation		(223,721,645)	(199,783,412)	(150,730,861)	(126,792,628)
Loss/Profit per share - basic and diluted		(6.90)	(6.17)	(4.65)	(3.91)

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


ABDULLAH ILYAS
 CHIEF EXECUTIVE


RAZA MUSTAFA
 DIRECTOR


SYED MUBASHIR HUSSAIN BUKHARI
 CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND 2ND QUARTER ENDED MARCH 31, 2024

	Half year ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees		Rupees	
(Loss/Profit) after taxation	(223,721,645)	(199,783,412)	(150,730,861)	(126,792,628)
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) for the period	<u>(223,721,645)</u>	<u>(199,783,412)</u>	<u>(150,730,861)</u>	<u>(126,792,628)</u>

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

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DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
 FOR THE HALF YEAR ENDED MARCH 31, 2024

	March 31, 2024	September 30, 2023
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(183,110,222)	(477,935,797)
Adjustments for:		
- Depreciation	142,963,564	206,819,510
- Finance cost	27,710	125,224,606
	142,991,274	332,044,116
Operating profit before working capital changes	(40,118,948)	(145,891,681)
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	(1,546,531)	(5,417,440)
- Stock in trade	-	-
- Advances, deposits, prepayments and other receivables	(29,767,988)	357,678
Increase / (decrease) in current liabilities:		
- Trade and other payables	(15,004,076)	40,578,812
	(46,318,594)	35,519,050
Cash generated / (used in) from operations	(86,437,542)	(110,372,631)
Income tax paid / deducted	(23,819)	(960,064)
Gratuity paid	(3,886)	-
Finance cost paid	-	(346,840)
Net cash generated from / (used in) operating activities	(86,465,247)	(111,679,535)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	-	-
Long term deposits	-	-
Proceeds from sale of property, plant and equipment	-	-
Net cash (used in) investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from long term loans - Net	-	-
Proceeds / (Repayment) from Directors/Sponsors- Net	7,234,380	94,369,000
Proceeds / (Repayment) of related parties	78,644,662	16,847,046
Net cash generated from financing activities	85,879,042	111,216,046
Net increase / (decrease) in cash and cash equivalents	(586,206)	(463,489)
Cash and cash equivalents at the beginning of the period	1,971,835	2,435,324
Cash and cash equivalents at the end of the period	1,385,629	1,971,835

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED MARCH 31, 2024

	Issued Subscribed and Paid up Capital	Loan from Directors	Surplus on Revaluation of Property, Plant & Equipmenys	Accumulated (Loss) / Profit	Total
	R u p e e s				
Balance as at September 30, 2022	324,000,000	841,942,639	1,323,260,805	(4,082,674,095)	(1,593,470,651)
Loss for the period	-	-	-	(184,954,578)	(184,954,578)
Other comprehensive Income / (Loss) for the Period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	-	(184,954,578)	(184,954,578)
Transation with Owners:					
Increase / (Decrease) in Director's Laon during the Period	-	288,879,100	-	-	288,879,100
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of Tax	-	-	(60,611,950)	60,611,950	-
Balance as at March 31, 2023	324,000,000	1,130,821,739	1,262,648,855	(4,207,016,723)	(1,489,546,129)
Total comprehensive loss for the period					
Net (loss) for the period	-	-	-	(466,344,822)	(466,344,822)
Other comprehensive income	-	-	-	(903,714,377)	(903,714,377)
Total comprehensive income / (loss) for the period	-	-	-	(1,370,059,199)	(1,370,059,199)
Increase in director's loan during the year	-	94,369,000	-	-	94,369,000
Revaluation Surplus arise during the year	-	-	3,531,414,951	-	3,531,414,951
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation	-	-	(80,648,915)	80,648,915	-
Balance as at September 30, 2023	324,000,000	1,225,190,739	4,713,414,891	(5,496,427,007)	766,178,623
Total comprehensive loss for the period					
Net loss for the period	-	-	-	(223,721,645)	(223,721,645)
Adjustment	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	-	(223,721,645)	(223,721,645)
Increase in director's loan during the year	-	-	-	-	-
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation	-	-	(83,266,945)	83,266,945	-
Balance as at March 31, 2024	324,000,000	1,225,190,739	4,630,147,946	(5,636,881,707)	542,456,978

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED MARCH 31, 2024

1 STATUS AND ACTIVITIES

Haseeb Waqas Sugar Mills Limited ("the Company") was incorporated on 13 January 1992 as a Public Limited Company under the Companies Ordinance, 1984 (Now the Companies Act 2017). The Company's registered office is situated at 6 F Model Town, Lahore. The mill is situated at Tehsil Jattoi Distt. Muzaffargarh. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacture and sale of refined sugar and its by-products.

2 STATEMENT OF COMPLIANCE

- 2.01 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which 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 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed. These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended September 30, 2022.
- 2.02 This condensed interim financial report comprises of the condensed interim statement of financial position as at March 31, 2024, the condensed interim profit or loss account, the condensed interim profit or loss account and other comprehensive income, condensed interim statement of changes in equity and the condensed interim statement of cash flows for the six months period then ended which have been subjected to a review but not audited. This condensed interim financial report also includes the condensed interim profit or loss account for the quarter ended March 31, 2024 which is not subject to a review.
- 2.03 The comparative Statement of financial position, presented in this condensed interim financial statement, as at March 31, 2024 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2023 whereas the comparative condensed interim profit or loss account, the condensed interim profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six months period ended March 31, 2023 were subjected to review but not audited. The comparative condensed profit or loss account for the quarter ended March 31, 2023 included in this condensed interim financial report was not subject to a review.

3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention modified by adjustment of revaluation of certain assets. In this condensed interim financial information, except for the statement of cash flows, all the transactions have been accounted for on accrual basis.

4 SIGNIFICANT ACCOUNTING POLICIES

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

5 GOING CONCERN ASSUMPTION

During the period under review, the Company posted gross loss of Rs. 74,170,892/- as compared to last period's of Rs. 73,606,732/-. Further, the Company remain non operational during the crushing season and resultantly have zero production and sales during the period.

OPERATIONAL MEASURES

In view of above issues Company has taken and / or in the process of taking following mitigating steps:

Shifting of mill to Alipur Jatoi, Muzaffargarh done where sugar cane availability and sugar recovery are better.

BMR done and we will see impact of this BMR in the financials of coming season.

Our review petition (regarding shifting of mill to Alipur Jatoi) dismissed by Supreme Court and management considering alternate options available including but not limited to application to Ministry of Industries and Planning under Section 3 of the Punjab Industries (Control on Establishment and Inlargement) Ordinance, 1963.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane and sugar prices in coming season, since sugar dynamics are good and rising.

The projected financial statements prepared by the management to support its going concern assessment is based on following assumptions.

	Year Ended September 30,		
	2025	2026	2027
Sugar Cane Crushing M.T	780,000	800,000	800,000
Sugar cane rate	300	320	330
Sugar price per Kg	90	85	85

However, it is believed that considering the mitigating factors set out in the preceding paragraphs, the going concern assumption is appropriate and has, as such, prepared these financial statements on a going concern basis.



6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	Note	Mar. 31, 2024	Sept. 30, 2023
		Rupees	
	27,000,000 (Sept. 30, 2022: 27,000,000) shares issued for cash.	270,000,000	270,000,000
	5,400,000 (Sept. 30, 2022: 5,400,000) shares issued as fully paid bonus shares.	54,000,000	54,000,000
		<u>324,000,000</u>	<u>324,000,000</u>

There is no movement in ordinary share capital of the Company during the period.

7 LOAN FROM DIRECTORS		<u>1,232,425,119</u>	<u>1,225,190,739</u>
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This loan has been obtained from Sponsors of the Company, and is interest free. There is no fixed tenor or schedule for repayment of this loan. According to the loan agreement, the lenders shall not demand repayment and the same is entirely at the Company's option. Further, this loan is subordinated to National Bank of Pakistan, The Bank of Punjab, Sindh Bank Limited and Silk Bank Ltd.

These loans are accounted for under Technical Release - 32 "Accounting Directors' Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016 with earlier application permitted.

8 LONG TERM FINANCING

Loan from banking companies and other financial institutions-secured

National Bank of Pakistan			
- Demand Finance I	8.1.1	220,000,000	220,000,000
- Demand Finance II	8.1.2	160,000,000	160,000,000
Sindh Bank Ltd			
- Demand Finance	8.1.3	500,000,000	500,000,000
Silk Bank Ltd			
- Demand Finance	8.1.4	390,000,000	390,000,000
PAIR Investment Company Limited			
- Demand Finance	8.1.5	70,000,000	70,000,000
		<u>1,340,000,000</u>	<u>1,340,000,000</u>
Less: current portion shown under current liabilities			
- NBP - Demand Finance - I		#REF!	(220,000,000)
- NBP - Demand Finance - II		#REF!	(160,000,000)
- Sindh Bank - Demand Finance		#REF!	(500,000,000)
- Silk Bank Ltd		#REF!	(390,000,000)
- Demand Finance - PAIR		#REF!	(70,000,000)
		<u>#REF!</u>	<u>(1,340,000,000)</u>
		<u>#REF!</u>	<u>-</u>
8.1.1 Demand Finance I - NBP			
Opening balance		220,000,000	220,000,000
Loan obtained during the period / year		-	-
		<u>220,000,000</u>	<u>220,000,000</u>
Less: payment made during the period / year		-	-
		<u>220,000,000</u>	<u>220,000,000</u>

This finance has been obtained from National Bank of Pakistan The finance is secured by 1st PP charge of Rs. 293.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup 3 months KIBOR +2.5% per annum. This loan is payable in ten bi-annual instalments.

8.1.2 Demand Finance II - NBP			
Opening balance		160,000,000	160,000,000
Loan obtained during the period / year		-	-
		<u>160,000,000</u>	<u>160,000,000</u>
Less: payment made during the period / year		-	-
		<u>160,000,000</u>	<u>160,000,000</u>

This finance has been obtained from National Bank of Pakistan The finance is secured by 1st PP charge of Rs. 213.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup 3 months KIBOR +2.5% per annum. This loan is payable in twelve equal quarterly instalments.

8.1.3 Demand Finance - Sindh Bank			
Opening balance		500,000,000	500,000,000
Loan obtained during the period / year		-	-
		<u>500,000,000</u>	<u>500,000,000</u>
Less: payment made during the period / year		-	-
		<u>500,000,000</u>	<u>50,000,000</u>

This finance has been obtained from Sindh Bank Limited under demand finance arrangement. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +5% per annum. This loan is payable in twelve quarterly instalments.

8.1.4 Demand Finance - Silk Bank Ltd	Note	Mar. 31, 2024	Sept. 30, 2023
		Rupees	
Opening balance		390,000,000	390,000,000
Loan obtained during the period / year		-	-
		<u>390,000,000</u>	<u>390,000,000</u>
Less: payment made during the period / year		-	-
		<u>390,000,000</u>	<u>390,000,000</u>

This finance has been obtained from Silk Bank Limited under demand finance arrangement. The finance is secured by Pari passu charge over all present and future fixed assets of the Company and corporate guarantee of Abdullah Sugar Mills LTD and personal guarantees of directors of the Company. It carries markup 6 months KIBOR + 2% per annum. This loan is payable in twelve quarterly instalments.

8.1.5 Demand Finance - PAIR			
Opening balance		70,000,000	70,000,000
Less: payment made during the period / year		-	-
		<u>70,000,000</u>	<u>70,000,000</u>

This finance has been obtained from PAIR Investment Company Limited. The finance is secured by parri passu charges over the present and future fixed assets of the Company, with a margin of 33% above the financing amount. Parri passu charge by way of creation of mortgage over the land and building of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +350 bps per annum. This loan is payable in eighteen equal monthly installments.

9 SHORT TERM BORROWINGS

Loan from related parties	#REF!	673,246,932
	#REF!	673,246,932

10 CURRENT PORTION OF NON CURRENT LIABILITIES

Long term finances	1,340,000,000	1,340,000,000
Liabilities against assets subject to finance lease	27,187,642	27,187,642
	<u>1,367,187,642</u>	<u>1,367,187,642</u>

11 CONTINGENCIES AND COMMITMENTS

11.01 The collector of Sales Tax And Central Excise (Adjudication) Lahore has issued a show cause notice to the Company for the further tax amounting to Rs. 47 million upto the tax period September 2002 on the grounds that it charged sales tax at the rate of 15 % on its sales to persons liable to be registered.

11.02 The Federal Board of Revenue has blacklisted the Sales Tax status of the Company on 8th March 2018 due to non compliance of the Sales Tax Act, 1990 and the rules made thereunder including not discharging of sales tax liability amounting to Rs. 209 million. However, the Company will further proceed to restate the sales tax status after starting of crushing season as mentioned in note # 5.

11.03 Company has made defaults in repayment of installment of long term loans form financial institutions and bank. As a result, company's name has been included in CIB report of State Bank of Pakistan. The detail of the cases are as:

Sr. #	Name of the Court	Date Instituted	Principal parties	Description of factual basis of the proceedings	Relief sought
1	Lahore High Court	03-May-17	Sindh Bank Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
2	Lahore High Court	29-Jan-16	The Bank of Punjab	Settled	N/A
3	Lahore High Court	22-Sep-16	National Bank Of Pakistan	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
4	Lahore High Court	31-Mar-17	First National Bank Modarba	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
5	Banking Court	20-Apr-18	PAIR Investment Company Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan

11.04 The Division Bench of Honorable Lahore High Court Lahore in its judgment dated September 11, 2017 ordered the relocation of Haseeb Waqas Sugar Mills Limited from Muzaffar Garh to Nankana. Furthermore, Lahore High Court directed the mills to restore and retribute the position by dismantling & removing the said mills from the present location. The Supreme Court of Pakistan vide short order even dated September 13, 2018 dismissed the Company's appeal and prohibited the Company from conducting any business in relation to or functioning as a sugar mill after the period of two months i.e. 12 November 2018. Further, the appellants are directed to remove within the said period from Muzaffar Garh (current factory location) to Nankana (pervious factory location).

However, the Company has filled review petition dated 6th November 2018 to review the above order and accept the appeal filed by the petitioners; but the Supreme Court upheld the previous order to remove the plant from Muzaffar Garh to Nankana Sahab.

Further the company has moved an application to Ministry of Industries under section 3 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance 1963 but the application has been turned down by Ministry of Industries.

Principal parties for respondents are Govt. of the Punjab, JDW Sugar Mills Limited, Ashraf Sugar Mills Limited, Indus Sugar Mills Limited and RYK Mills Limited etc.



11.05 The Company has not complied with the section 244 of Companies Act, 2017 with respect to unclaimed dividend but it is not expected to have any legal consequences.

12	PROPERTY, PLANT AND EQUIPMENT	Note	Mar. 31, 2024	Sept. 30, 2023
			Rupees	
	Opening written down value		2,827,513,789	2,976,625,434
	Addition / Deletion during the period		-	-
	Depreciation for the period / year		2,827,513,789 (142,963,564)	2,976,625,434 (149,111,645)
			<u>2,684,550,225</u>	<u>2,827,513,789</u>

13	STOCK IN TRADE	Note	Mar. 31, 2024	Sept. 30, 2023
			Rupees	
	Work in process		-	-
	Sugar		-	-
	By products stock		-	-
			<u>-</u>	<u>-</u>



	Half year ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rupees		Rupees	
14 SALES - NET				
- Sugar	-	-	-	-
- Molasses	-	-	-	-
- Mud	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less: Sales tax and excise duty	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
15 COST OF GOODS SOLD				
Raw materials consumed	-	-	-	-
Stores and spares consumed	5,464,625	1,547,751	5,184,008	1,267,134
Salaries, wages and other benefits	24,594,431	5,480,647	23,153,399	4,039,615
Repair and maintenance	738,630	895,077	738,630	895,077
Depreciation	141,212,251	66,247,417	107,378,272	32,413,438
Others	-	-	-	-
	<u>172,009,937</u>	<u>74,170,892</u>	<u>136,454,309</u>	<u>38,615,264</u>
Opening work in process	-	-	-	-
Closing work in process	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost of goods manufactured	<u>172,009,937</u>	<u>74,170,892</u>	<u>136,454,309</u>	<u>38,615,264</u>
Opening finished goods	-	-	-	-
Closing finished goods	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>172,009,937</u>	<u>74,170,892</u>	<u>136,454,309</u>	<u>38,615,264</u>
16 OTHER INCOME	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

17 RELATED PARTY TRANSACTIONS

Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, key management personnel including Chief executive, Directors and Executives and Post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances are as follows:

17.1 Details of related party transactions other than those with key management personnel

The Company during the period / year entered into following transactions with related parties other than key management personnel:

17.1.1 Transactions with Associates	Rupees	
Sale of molasses		
Abdullah Sugar Mills Ltd	-	-
(Repayment) / Obtain of Laon (to)/from		
Abdullah Sugar Mills Ltd	913,137	913,137
Sponsors and Directors	-	-

17.1.2 Payments against balances due to related parties were made partially in cash and partially by paying for expenses on behalf of related parties and vice versa.

17.1.3 As per common practice in the sugar industry in Pakistan, the Company also purchased sugar cane from persons associated, directly and indirectly, with management personnel of the Company. These purchases were made in accordance with the cane procurement practice in the sugar industry. It is not practicable to determine the related amounts.



17.2 Details of related party balances are as follows:

Due to:

Abdullah Sugar Mills Limited

Haseeb Waqas Trading (Pvt.) Limited

Loan from Directors and Sponsors

March 31, 2024

Sep 30, 2023

Rupees

655,108,959

654,195,822

2,204,064

2,204,064

1,232,425,119

1,225,190,739

18 AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on May 30, 2024.

19 GENERAL

- Comparative figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.
- Figures have been rounded off to the nearest of Pakistani rupees.

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER