



**KHAIRPUR**  
SUGAR MILLS LIMITED



**1<sup>st</sup> QUARTER**  
**ENDED December**  
**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 OPERATION OFFICER**

Mr. Suleman Kanjiani

**CHIEF FINANCIAL OFFICER**

Mr. Mirza Muhammad Bilal Kamil

**COMPANY SECRETARY**

Mr. Mirza Muhammad Bilal Kamil

**BANKERS**

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

**STATUTORY AUDITORS**

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

**STOCK EXCHANGE SYMBOL**

KPUS

**COST AUDITORS**

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

**AUDIT COMMITTEE**

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

**HR AND REMUNERATION COMMITTEE**

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

**NOMINATION COMMITTEE**

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

**RISK MANAGEMENT COMMITTEE**

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

**LEGAL ADVISOR**

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

**SHARES REGISTERAR**

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

**REGISTERED OFFICE**

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

**MILLS**

Naroo Dhoru, Taluka Kot Diji, Khairpur.

**E-MAIL & WEBSITE**

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

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### **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.

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## 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 financial statements of the Company for the First Quarter ended December 31, 2024.

### FINANCIAL RESULTS

During the period under review, the operation of your Company resulted in a pre-tax profit of Rs. 46,637 Million. The summarized financial results are as under:

	Rupees in thousand
Profit before taxation	46,637
Taxation	<u>(23,687)</u>
Profit after taxation	<u><u>22,950</u></u>

### PERFORMANCE REVIEW

The crushing season 2024-25 commenced on November 21, 2024, and by the end of this quarter, the Company has crushed 233,030.888 M.T of sugarcane, producing 19,593 M.T of sugar with an average recovery rate of 8.954% in 41 days. In comparison, during the corresponding period of the previous season (2023-24), the Company crushed 334,187.782 M.T of sugarcane, producing 32,485 M.T of sugar with an average recovery of 9.984% in 46 days.

The Government of Sindh (Agriculture Supply & Prices Department) has not notified any official sugarcane procurement prices. Due to lower sucrose content in sugarcane, the average recovery has declined, leading to an increase in the per M.T cost of sugar production. However, the selling price of sugar is expected to cover all variable and fixed costs. By the end of the season, and depending upon the shortage in production, industries expecting gradually increase in sale prices of the sugar which will counter the impact of lower recoveries, and plus the impact of reduction of finance cost due to continuous decline in the KIBOR rates, which also play a positive role in the company's profitability as the company expecting a decent profit in upcoming financial year.

### ENVIRONMENT

Khairpur Sugar Mills Limited remains committed to environmental sustainability. In compliance with the Sindh Environmental Protection Act, 2013, the Company has implemented measures to reduce water usage and improve drainage systems. With approval from the Sindh Environmental Protection Agency (SEPA) and guidance from foreign consultants, a wastewater treatment plant with a capacity of 3,000 cubic meters per day has been installed. The treated water is being repurposed for agricultural use, addressing water scarcity and reducing pollution.

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The Company has complied with corporate governance regulations in the following manner:

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

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

2. The composition of board is as follows:

Sr. No.	Designation Category	Names
(i)	Independent Directors	Mr. Asif Khan Brohi, Mr. Ghulam Nabi Memon Morai
(ii)	Non-Executive Directors	Mr. Fahad Mubeen Jumani Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani
(iii)	Executive Directors	Mr. Muhammad Mubeen Jumani Mr. Faraz Mubeen Jumani
(iv)	Female Directors	Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani

3. The Board had formed committees comprising of members given below:

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

The Board extends its sincere gratitude to the shareholders, employees, and stakeholders for their continuous support and dedication. The tireless efforts of our workforce have been instrumental in the Company's progress and success.



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



**(Muhammad Mubeen Jumani)**  
Director

Place: Karachi  
Dated: January 30, 2025

**KHAIRPUR SUGAR MILLS LIMITED**  
**STATEMENT OF CONDENSED INTERIM FINANCIAL POSITION (UNAUDITED)**  
**AS AT DECEMBER 31, 2024**

	December 31 2024 (Unaudited)	September 30 2024 (Audited)
Note	----Rupees in 000's----	
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	5 4,926,493	4,919,764
Intangible Assets	7,385	7,478
Long Term deposits	12,832	23,671
	<u>4,946,710</u>	<u>4,950,913</u>
<b>CURRENT ASSETS</b>		
Stores & spare and loose tools	313,649	275,158
Short Term Investment	39,648	61,948
Stock in Trade	2,947,666	2,204,746
Loans and Advances	938,417	924,183
Deposits, prepayments and other receivables	277,467	290,147
Cash and bank balances	61,007	82,246
	<u>4,577,854</u>	<u>3,838,428</u>
<b>TOTAL ASSETS</b>	<u>9,524,564</u>	<u>8,789,341</u>
<b>EQUITY AND LIABILITIES</b>		
Authorised share capital	200,000	200,000
20,000,000 ordinary shares of Rs. 10/- each		
Issued, subscribed and paidup capital	160,175	160,175
Surplus on revaluation of fixed assets-net	2,344,046	2,368,193
Subordinated Loan	1,140,657	1,140,657
Accumulated Profit	443,008	395,911
<b>SHAREHOLDER'S EQUITY</b>	<u>4,087,886</u>	<u>4,064,936</u>
<b>NON-CURRENT LIABILITIES</b>		
Liabilities against asset subject to finance lease	51,851	48,966
Long Term Financing	347,424	294,362
Deferred Liability	839,311	843,203
	<u>1,238,586</u>	<u>1,186,531</u>
<b>CURRENT LIABILITIES</b>		
Short term borrowing	6 2,365,159	2,146,747
Assets subject to finance lease	7,583	13,194
Trade & other payables	1,552,488	1,050,004
Provision for taxation	5,384	34,565
Accrued Markup	267,478	293,364
	<u>4,198,092</u>	<u>3,537,874</u>
<b>CONTINGENCIES</b>	7 -	-
Total Equity and Liabilities	<u>9,524,564</u>	<u>8,789,341</u>

The annexed notes from 1 to 10 form an integral part of these interim financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: January 30, 2025

**KHAIRPUR SUGAR MILLS LIMITED**  
**STATEMENT OF CONDENSED INTERIM PROFIT OR LOSS (UNAUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2024**

	December 31 2024	December 31 2023
	----Rupees in 000's----	
Sales - net	2,213,711	3,164,969
Cost of Sales	<u>(1,942,163)</u>	<u>(2,712,773)</u>
<b>Gross Profit</b>	<b>271,548</b>	<b>452,196</b>
Administrative Expenses	<u>(104,080)</u>	<u>(84,142)</u>
Operating Expenses	<u>(11,568)</u>	<u>(9,998)</u>
Distribution Expense	<u>(115,648)</u>	<u>(7,412)</u>
<b>Operating Profit</b>	<b>155,900</b>	<b>350,644</b>
Other Income	<u>6,124</u>	<u>7</u>
	<b>162,024</b>	<b>350,651</b>
Financial charges	<u>(115,387)</u>	<u>(142,414)</u>
<b>Profit before Taxation</b>	<b>46,637</b>	<b>208,237</b>
<b>Taxation</b>	<u>(23,687)</u>	<u>(80,710)</u>
<b>Profit after Taxation</b>	<b>22,950</b>	<b>127,527</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit for the period</b>	<u><b>22,950</b></u>	<u><b>127,527</b></u>
<b>Earnings per share-basic and diluted</b>	<u><b>1.43</b></u>	<u><b>7.97</b></u>

The annexed notes from 1 to 10 form an integral part of these interim financial statements.

  
**Faraz Mubeen Jumani**  
 Chief Executive Officer

  
**Mirza Muhammad Bilal Kamil**  
 Chief Financial Officer

  
**Muhammad Mubeen Jumani**  
 Director

Place: Karachi, Dated: January 30, 2025



**KHAIRPUR SUGAR MILLS LIMITED**  
**STATEMENT OF CONDENSED INTERIM CHANGES IN EQUITY (UNAUDITED)**  
**AS AT DECEMBER 31, 2024**

	Issued, subscribed & paid-up capital	Revenue Reserve Surplus on revaluation of fixed assts	Accumulated Profit	Subordinated Loan	Total
-----Rupees in 000's-----					
<b>Balance as at September 30, 2023</b>	160,175	2,469,860	234,411	1,140,657	4,005,103
Revaluation during the period - net off deferred tax		-	-	-	-
<i>Total comprehensive income for the year ended September 30, 2024</i>					
- Profit for the year	-	-	59,833	-	59,833
- Other comprehensive income for the year	-	-	-	-	-
	-	-	59,833	-	59,833
Present value adjustment of long term loan due to modification	-	-	-	-	-
Transfer on account of incremental depreciation-net of deferred tax	-	(101,667)	101,667	-	-
<b>Balance as at September 30, 2024</b>	<b>160,175</b>	<b>2,368,193</b>	<b>395,911</b>	<b>1,140,657</b>	<b>4,064,936</b>
<b>Balance as at September 30, 2024</b>	<b>160,175</b>	<b>2,368,193</b>	<b>395,911</b>	<b>1,140,657</b>	<b>4,064,936</b>
Revaluation during the period - net off deferred tax					
<i>Total comprehensive income for the year ended December 31, 2024</i>					
- Profit for the period	-	-	22,950	-	22,950
- Other comprehensive income for the period	-	-	-	-	-
	-	-	22,950	-	22,950
Transfer on account of incremental depreciation-net of deferred tax	-	(24,147)	24,147	-	-
<b>Balance as at December 31, 2024</b>	<b>160,175</b>	<b>2,344,046</b>	<b>443,008</b>	<b>1,140,657</b>	<b>4,087,886</b>

The annexed notes from 1 to 10 form an integral part of these interim financial statements.

  
**Faraz Mubeen Jumani**  
 Chief Executive Officer

  
**Mirza Muhammad Bilal Kamil**  
 Chief Financial Officer

  
**Muhammad Mubeen Jumani**  
 Director

Place: Karachi, Dated: January 30, 2025

**KHAIRPUR SUGAR MILLS LIMITED**  
**STATEMENT OF CONDENSED INTERIM CASH FLOWS (UN-AUDITED)**  
**AS AT DECEMBER 31, 2024**

	Dec 31 2024 (Unaudited)	Dec 31 2023 (Unaudited)
Note	----Rupees in 000's----	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation	46,637	208,238
Adjustments for:		
- Financial cost	115,125	142,414
- Depreciation	59,650	61,085
- Amortization	93	9
	174,868	203,507
Working capital changes:		
Stores, spares and loose tools	(38,491)	(11,431)
Stock in trade	(742,920)	(1,149,646)
Loans and advances - Considered good	(14,234)	121,780
Deposits, prepayments and other receivables	12,680	12,867
Trade and other payables	502,484	1,478,849
	(280,481)	452,419
	(58,976)	864,163
Taxes paid - net	(56,760)	(92,088)
Financial charges paid	(141,012)	(168,382)
	(197,772)	(260,471)
Net cash (used in) operating activities	(256,748)	603,694
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(55,045)	(23,223)
Long term deposits	10,839	(1)
Short term investment	22,300	-
Capital work-in-progress	(11,334)	(707)
Net cash (used in) investing activities	(33,240)	(23,931)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowing	218,412	(86,568)
Proceeds from Long term borrowing	53,062	(47,382)
Repayment of lease rentals	(2,726)	(1,505)
Net cash generated from financing activities	268,748	(135,455)
Net decrease in cash and cash equivalents	(21,239)	444,307
Cash and cash equivalent at beginning of the period	82,246	28,300
Cash and cash equivalent at end of the period	61,007	472,607

The annexed notes from 1 to 10 form an integral part of these interim financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: January 30, 2025

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**KHAIRPUR SUGAR MILLS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL**  
**STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2024**

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**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 (The Ordinance) (Now Companies Act 2017). 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 principal activity of the Company is the manufacture and sale of sugar and by products.

**2. BASIS OF PREPARATION**

This condensed interim financial statements is unaudited and has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting which comprise of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of, and directives issued under the Companies Act 2017; in case, where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Companies Act 2017 (the act). In cases where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Act shall prevail.

This condensed interim financial statements does not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the company as at and for the year ended September 30, 2024.

These condensed interim financial statements are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

The comparative balance sheet presented in these interim financial statements has been extracted from the audited financial statements of the Company for the year ended September 30, 2024, whereas the comparative profit and loss account, statement of changes in equity and cash flow statement are extracted from the unaudited interim financial statements for the first quarter ended December 31, 2024.

**2.1 Functional and Presentation Currency**

These condensed interim financial statements are prepared in Pakistani Rupees which is also the Company's functional currency and all the numbers presented have been rounded off to the nearest thousand.

**3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the company as at and for the year ended September 30, 2024. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the company's operations and did not have any impact on the accounting policies of the company.

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#### 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 recognised 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, 2024.

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, 2024.

	Un-audited December 31, 2024	Audited September 30, 2024
Note	-----Rupees in 000's-----	
<b>5. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Written down value at 1 October	4,860,874	4,990,720
Additions	5.1 55,045	121,586
Disposals - net	-	(1,760)
Depreciation	<u>(59,650)</u>	<u>(249,672)</u>
	4,856,269	4,860,874
Capital work in progress	<u>70,224</u>	<u>58,890</u>
	<u>4,926,493</u>	<u>4,919,764</u>
<b>5.1 Additions</b>		
Plant and machinery	55,000	82,552
Office equipment	-	1,228
Factory equipment	729	-
Right of use assets	-	30,968
Vehicle	-	6,838
	<u>55,729</u>	<u>121,586</u>
<b>6. SHORT TERM BORROWINGS</b>		
<i>From Related parties - Unsecured</i>		
- From directors	542,375	493,888
<i>From banking company - Secured</i>		
- Cash finance	<u>1,822,784</u>	<u>1,652,859</u>
	<u>2,365,159</u>	<u>2,146,747</u>

**7 CONTINGENCIES AND COMMITMENTS**

As at December 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 ending 30 September 2024.

**8 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.

**9 DATE OF AUTHORIZATION**

This condensed interim financial information has been authorized for issue on January 30, 2025 by the Board of Directors of the Company.

**10 GENERAL**

Figures have been rounded off to the nearest thousand rupees.



*Faraz Mubeen Jumani*  
Chief Executive Officer



*Mirza Muhammad Bilal Kamil*  
Chief Financial Officer



*Muhammad Mubeen Jumani*  
Director

Place: Karachi, Dated: January 30, 2025

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Phase-V Ext., D.H.A., Karachi.

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