



Habib Rice Products Ltd.

*45th Annual Report
for the year ended
June 30, 2025*

Contents

	Page No
Company Information	2
Chairman's Review / Directors' Report	3
Company's Contribution to the Economy	5
Statement on Corporate and Financial Reporting Framework	6
Six Years at a Glance	7
Pattern of Shareholding	8
Statement of Compliance with listed Companies (Code of Corporate Governance) Regulation, 2019	10
Independent Auditors' Review Report	13
Independent Auditors' Report on Financial Statements	15
Statement of Financial Position	21
Statement of Profit or Loss	22
Statement of Other Comprehensive Income	23
Statement of Changes in Equity	24
Statement of Cash Flows	25
Notes to the Financial Statements	26
Notice of Annual General Meeting	54
Proxy Form	

COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Owais G. Habib
Mr. Tufail Y. Habib

Managing Director

Non Executive Directors

Mr. Gaffar A. Habib
Dr. Howard J. Synenberg
Ms. Fatemah G. Habib
Dr. Salma Habib
Mr. Adil Ahmed Chapra
Mr. Asad R. Premjee

Chairman
Independent Director

Independent Director
Independent Director

BOARD OF AUDIT COMMITTEE

Mr. Gaffar A. Habib
Ms. Fatemah G. Habib
Dr. Salma Habib
Mr. Asad R. Premjee

BOARD OF HR AND REMUNERATION COMMITTEE

Mr. Gaffar A. Habib
Mr. Tufail Y. Habib
Ms. Fatemah G. Habib
Dr. Salma Habib
Mr. Adil Ahmed Chapra

NOMINATION COMMITTEE

Mr. Gaffar A. Habib
Mr. Owais G. Habib
Mr. Tufail Y. Habib
Ms. Fatemah G. Habib

RISK MANAGEMENT COMMITTEE

Mr. Gaffar A. Habib
Mr. Owais G. Habib
Mr. Tufail Y. Habib
Dr. Salma Habib

CHIEF EXECUTIVE OFFICER

Mr. Owais G. Habib

CHIEF FINANCIAL OFFICER

Mr. Jamshed Ali Khan

COMPANY SECRETARY

Mr. Ali Asghar Rajani

AUDITORS

Grant Thornton Anjum Rahman
Chartered Accountants

SHARE REGISTRAR

M/s. CDC Share Registrar Services Ltd.
CDC House, 99-B, Block-B, S.M.C.H.S., Main Sharah-e-Faisal, Karachi.

REGISTERED OFFICE

2nd Floor, UBL Building, I. I. Chundrigar Road,
Karachi - 74000, Pakistan.
Telephone : (021) 32411887
Fax : (021) 32414581

ADMINISTRATIVE OFFICES & FACTORY

Ahmad Habib Boulevard,
Hub - 90250, Pakistan.
Telephone : (0853) 363963-5
Fax : (0853) 363819



ہڈا مون فضل رئیس

CHAIRMAN'S REVIEW / DIRECTORS' REPORT



Dear Shareholders,

During the year, the Board of the Company comprised of:

Mr. Gaffar A. Habib	Chairman, Non-Executive Director
Mr. Owais G. Habib	Chief Executive Officer
Dr. Howard J. Synenberg	Independent Director
Mr. Tufail Y. Habib	Executive Director
Ms. Fatemah G. Habib	Non-Executive Director
Dr. Salma Habib	Non-Executive Director
Mr. Asad R. Premjee	Independent Director
Mr. Adil Ahmed Chapra	Independent Director

The Financial Highlights and the Directors' proposed appropriations are as follow:

	RUPEES in '000	
	2025	2024
(Loss) before Tax	(123,156)	(54,301)
Provision for Tax (Net)	(32,556)	(38,133)
Net (Loss) after Tax	(155,712)	(92,434)
Un-appropriated Profit Brought Forward	689,414	781,848
Un-Appropriated Profit Carried Forward	533,702	689,414
 (Loss) per Share (EPS) -Net of Tax	 (3.89)	 (2.31)

The Year In Review

The past year has been one of considerable challenges for our Company, as unfavorable policy measures, high energy costs, and supply constraints continued to impact our performance. These factors have led to a net loss of PKR 155.71 million for the year ended June 30, 2025.

One of the most critical issues remains the steep escalation in energy costs. These costs cannot be transferred to customers, who find it more economical to import Sorbitol due to the prevailing tax and tariff regime. Imported Sorbitol is subject to only 1% sales tax, compared to 18% on domestically produced alternatives. Additionally, under the Free Trade Agreement with China, Sorbitol imports attract an import duty of 3%, which will be reduced to zero effective January 1, 2026. Such policy measures render imported Sorbitol significantly cheaper and continue to discourage local production. Consequently, demand for domestically produced Sorbitol has contracted sharply-by more than 33%-and shows a declining trend.

Further burdening our operations, the Government of Baluchistan has recently imposed a Market Committee Fee based on vaguely defined product categories. The arbitrary interpretation of these categories by contract collectors has resulted in excessive charges on our products, thereby increasing our overall cost structure.

Water scarcity also persists as a major constraint. Despite Hub Dam having overflowed for three consecutive years and currently holding more than three years' worth of supply, the Company remains deprived of its rightful allocation. We are compelled to purchase water from private suppliers at exorbitant rates of Rs. 1.6 per gallon, compared to the official industrial tariff of Rs. 0.05 per gallon. This inequitable practice, driven by the so-called "Tanker Mafia," has placed a severe financial strain on our operations.

On the agricultural side, a reduced corn crop during the year shifted poultry feed demand toward rice, which supported higher rice prices. However, post-harvest anti-fungal treatment rendered the rice non-organic, limiting its application in our protein products. This has constrained us to the domestic market, where cheaper soybean meal imports intensify competitive pressures.

In response to the unsustainably high energy costs, the Company has initiated a cost-efficient alternate energy arrangement through the establishment of a Co-generation Power Plant. Civil works on this project have been substantially completed, and installation activities are scheduled to commence shortly. Once operational, this initiative is expected to significantly reduce the Company's energy cost burden and strengthen long-term sustainability.

Looking ahead, the resolution of structural and policy-related issues remains critical for the survival and growth of the domestic industrial base. Unless urgent corrective measures are undertaken-particularly in the areas of energy pricing, water allocation, and fair trade policies-local production will continue to face existential challenges.

The Board and management remain committed to exploring efficiency improvements, alternate energy solutions, and operational strategies to mitigate these headwinds, while continuing to advocate for a level playing field for domestic industry.

In closing: Please join me in my prayers to All Mighty Allah to guide the policy makers to take corrective action to save our local Industries, Aameen

On behalf of the Board,



OWAIS G. HABIB
Chief Executive Officer

Karachi: 01 October 2025



GAFFAR A. HABIB
Chairman

Post Script to the Chairman Report

COMPANY'S CONTRIBUTION TO THE ECONOMY

A Quick glance at the numbers below shows the contribution of our Company has made to the Pakistan Economy

Description	2025 Amount	2024 Amount	2023 Amount	2022 Amount	2021 Amount
----- Rupees in millions -----					
Total Revenue	2,153	2,416	2,596	1,963	1,840
Export Sales (Pak Rupees in Million)	196	578	513	689	294
Taxes Paid					
Sales Tax	487	466	459	235	165
Income Tax	80	118	111	62	103
	567	584	570	297	268
Employees Salaries & Other Benefit	311	289	289	254	237
Investors	-	51	68	102	167
Grand Total	878	924	927	653	672

STATEMENTS ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- a. The Financial Statements prepared by the management of the Company, present fairly its state of affairs and the result of its operations.
- b. The Company has maintained proper books of accounts.
- c. In preparation of Financial Statements, appropriate accounting policies have been consistently applied and accounting estimates are based on reasonable and prudent judgment.
- d. In preparation of Financial Statement International Accounting Standards, as applicable in Pakistan, have been followed and non-applicability, if any, has been adequately disclosed.
- e. The existing system of internal control and other procedures have been continuously reviewed by the internal auditor. The process of review will continue and any weakness in controls will have immediate attention of the management.
- f. There are no doubts about the Company's ability to continue as a going concern.
- g. The Corporate Governance Regulations, as detailed in the Listing Regulations, have been fully implemented.
- h. Key operating and financial data for the last six years in summarized form is annexed.
- i. The following is the value of total assets of Provident Fund based on-respective un-audited accounts as on 30 June 2025.

Provident Fund Rs. 319.26 million - (2024 Rs.285.18 million)

- j. Pattern of Share Holding of the Company is shown on the page 8.
- k. During the year (4) meetings of the Board of Directors were held. Attendance by each Director is as follows:-

Name of Directors	No. of Meeting Attended
1. Mr. Gaffar A. Habib	4
2. Mr. Owais G. Habib	4
3. Dr. Howard J. Synenberg	-
4. Mr. Tufail Y. Habib	4
5. Ms. Fatemah G. Habib	4
6. Dr. Salma Habib	4
7. Mr. Asad R. Premjee	2
8. Mr. Adil Ahmed Chapra	4

AUDITORS

The auditors M/s. Grant Thornton Anjum Rahman, Chartered Accountants retire and have offered themselves for reappointment. The Board of Audit Committee of the Company have recommended their re-appointment for the financial year ending June 30, 2026.



OWAIS G. HABIB
Chief Executive Officer



GAFFAR A. HABIB
Chairman

Karachi: October 01, 2025



SIX YEARS AT A GLANCE

(Rupees in '000)

PARTICULARS	2025	2024	2023	2022	2021	2020
FINANCIAL POSITION						
Paid up Capital	200,000	200,000	200,000	200,000	200,000	200,000
Revenue and Reserves	60,000	60,000	60,000	60,000	60,000	60,000
Unappropriated Profit	533,702	689,414	841,768	668,783	704,699	654,681
Total Share Holder Equity	793,702	949,414	1,101,768	928,783	964,699	914,681
Fixed Assets at Cost	1,592,225	1,477,687	1,461,890	1,436,994	1,386,869	1,163,595
Accumulated Depreciation	1,011,210	965,027	915,793	862,127	862,127	773,290
Fixed Assets Net of Depreciation	581,014	512,660	546,098	574,867	524,742	390,304
Right-of-use assets	13,181	5,946	4,516	15,106	4,922	14,014
Long Term Deposits	1,061	27,282	26,892	26,491	26,491	20,130
Deferred Taxation -Net	-	6,341	14,216	20,768	33,329	28,937
Current Assets	788,323	763,408	968,324	768,664	833,076	861,691
Total Assets Net of Depreciation	1,383,579	1,315,638	1,560,045	1,405,896	1,422,560	1,315,076
Non Current Liabilities	43,244	-	3,462	39,715	76,459	695
Current Liabilities	546,634	366,224	454,736	437,030	400,286	399,700
Total Liabilities	589,878	366,224	458,198	476,745	476,745	400,395
INCOME						
Consolidated Gross Sales	2,486,125	2,663,090	2,888,595	2,040,878	1,772,259	1,797,679
Net Sales	2,136,281	2,340,412	2,534,016	1,919,657	1,772,259	1,699,067
Gain on discounting of provision for GIDC	-	2,174	10,586	8,541	28,367	-
Other Income	17,166	73,877	50,619	34,479	39,811	41,384
Total Net Revenue	2,153,447	2,416,463	2,595,221	1,962,677	1,840,437	1,740,451
Loss / Profit before Taxation	(123,156)	(54,301)	370,048	121,851	251,740	208,663
Taxation	32,556	38,133	36,997	37,767	1,722	34,145
Loss / Profit after Taxation	(155,712)	(92,434)	333,064	84,084	250,018	174,519
STATISTICS AND RATIOS						
Pre-Tax Profit to Sales	(6)	(2)	15	6	14	12
Pre-Tax Profit to Capital	(62)	(27)	185	61	126	104
Current Ratio	1.42	2.08	2.13	1.76	2.08	2.16
Paid-Up Value Per Share (Rs)	5	5	5	5	5	5
Earning Per Share Before Tax(Rs)	(3.08)	(1.36)	9.25	3.05	6.29	5.22
Earning Per Share After Tax(Rs)	(3.89)	(2.31)	8.33	2.10	6.25	4.36
Cash Dividend %(Rs.)	0.00(00%)	0.00(00%)	3.50(70%)	2.00(40%)	5.00(100%)	3.00(60%)
Bonus Share %	-	-	-	-	-	-
Retained Earning Per Share (Rs)	(3.89)	(2.31)	4.83	0.10	1.25	1.36
Break-Up Value Per Share (Rs)	19.84	23.74	27.54	23.22	24.12	22.87

PATTERN OF SHARE HOLDING AS ON JUNE 30, 2025

NO. OF SHARE HOLDERS	SHARE HOLDING	TOTAL SHARES HELD
1005	0000001 TO 0000100	28,632
552	0000101 TO 0000500	155,822
263	0000501 TO 0001000	199,074
338	0001001 TO 0005000	808,289
52	0005001 TO 0010000	412,811
10	0010001 TO 0015000	118,980
10	0015001 TO 0020000	183,148
3	0020001 TO 0025000	65,484
5	0025001 TO 0030000	147,966
3	0030001 TO 0035000	94,508
2	0035001 TO 0040000	76,713
4	0040001 TO 0050000	178,828
2	0050001 TO 0070000	134,764
3	0070001 TO 0075000	218,700
4	0075001 TO 0100000	358,017
7	0100001 TO 0200000	1,014,600
4	0200001 TO 0300000	942,237
1	0300001 TO 0500000	400,000
3	0500001 TO 2000000	3,038,087
3	2000001 TO 3000000	7,801,506
3	3000001 TO 5000000	12,674,619
2	5000001 TO 6000000	10,947,215
2279		40,000,000

S.NO.	CATEGORY OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES HELD	PERCENTAGE OF ISSUED CAPITAL
1	INDIVIDUALS	2,243	38,388,656	95.97%
2	JOINT STOCK COMPANIES	21	308,841	0.77%
3	INSURANCE COMPANIES	3	201,000	0.50%
4	FINANCIAL INSTITUTIONS	7	13,262	0.03%
5	CHARITABLE & OTHER TRUSTS	5	1,088,241	2.72%
	TOTAL	2,279	40,000,000	100%



PATTERN OF SHAREHOLDING AS ON JUNE 30, 2025

Category #	Shareholders' Category	Number of Shareholders	Number of Shares Held	Category Wise Shares Held	Percentage
1	Directors, Chief Executive Officer & Their Spouses			25,924,750	64.81
	Mr. Gaffar A. Habib	1	5,468,885		
	Mr. Owais G. Habib	1	5,478,330		
	Mr. Tufail Y. Habib	1	3,089,742		
	Ms. Fatemah G. Habib	1	4,792,891		
	Dr. Salma Habib	1	4,791,986		
	Mr. Asad R. Premjee	1	500		
	Mr. Adil Ahmed Chapra	1	500		
	Directors' Spouse				
	Mrs. Nishat G. Habib	1	2,301,916		
2	Associated Companies, Undertakings and Related Parties			5,823,041	14.56
	M/s. Ahmad Habib Foundation	1	858,245		
	M/s. Hydari Boring & Pilling (Pvt) Limited	1	18,000		
	M/s. Abbas Builders (Pvt) Limited	1	1,373		
	M/s. Indus Oil Expellers (Pvt) Limited	1	200		
	Related Parties	5	4,945,223		
3	NIT			12,730	0.03
	M/s. National Investment Trust Limited	3	12,730		
4	Bank DFIs, NBFIs	3	366	366	0.00
5	Insurance Companies	3	201,000	201,000	0.50
6	Modarabas and Mutual Funds	1	166	166	0.00
7	Individuals	2,229	7,517,930	7,517,930	18.79
8	Joint Stock Companies	18	289,268	289,268	0.72
9	Charitable & Other Trusts	4	229,996	229,996	0.57
10	Foreign Investors			753	0.00
	Holding less than 10% voting Interest	1	753		
	Total	2,279	40,000,000	40,000,000	100.00

SHARE HOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE LISTED COMPANY

Name(s) of Shareholder(s)	Number of Shareholders	Number of Shares Held	Percentage
Mr. Owais G. Habib	1	5,478,330	13.70%
Mr. Gaffar A. Habib	1	5,468,885	13.67%
Ms. Fatemah G. Habib	1	4,792,891	11.98%
Dr. Salma Habib	1	4,791,986	11.98%
Mr. Tufail Y. Habib	1	3,089,742	7.72%
Mrs. Atiqa Begum	1	2,761,900	6.90%
Mr. Ghulam Abbas Y. Habib	1	2,737,690	6.84%
Mrs. Nishat G. Habib	1	2,301,916	5.75%
TOTAL		31,423,340	78.56%

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Habib Rice Products Ltd. Year Ended June 30, 2025

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

1. The total number of Directors are 8 as per the following:

a. Male:	6
b. Female:	2

2. The composition of board is as follows:

Category	Names
i. Independent Director	Mr. Asad R. Premjee Dr. Howard J. Synenberg Mr. Adil Ahmed Chapra
ii. Non-Executive Directors	Mr. Gaffar A. Habib
iii. Executive Directors	Mr. Owais G. Habib Mr. Tufail Y. Habib
iv. Non-Executive Female Directors	Ms. Fatemah G. Habib Dr. Salma Habib

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. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Six directors have been trained under Directors' Training Program. Two Directors of the Company are exempt from the requirement of Directors' Training Program.



10. The board has approved appointment of 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:-

a) Audit Committee:

Name	Designation
Mr. Gaffar A. Habib	Member
Ms. Fatemah G. Habib	Member
Dr. Salma Habib	Member
Mr. Asad R. Premjee	Chairman

b) HR and Remuneration Committee:

Name	Designation
Mr. Gaffar A. Habib	Member
Mr. Tufail Y. Habib	Member
Ms. Fatemah G. Habib	Member
Dr. Salma Habib	Member
Mr. Adil Ahmed Chapra	Chairman

c) Nomination Committee

Name	Designation
Mr. Gaffar A. Habib	Chairman
Mr. Owais G. Habib	Member
Mr. Tufail Y. Habib	Member
Ms. Fatemah G. Habib	Member

d) **Risk Management Committee**

Name	Designation
Mr. Gaffar A. Habib	Chairman
Mr. Owais G. Habib	Member
Mr. Tufail Y. Habib	Member
Dr. Salma Habib	Member



Habib Rice Products Ltd.

15. The Board has set up an effective internal audit function / or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP 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 requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. During the current year, the Company did not undergo Directors' Training Program for at least one female executive and one Head of Department, as encouraged under SECP regulations as cost saving strategy.
20. To ensure confidentiality, the Company has not been posting its policies on its website.

OWAIS G. HABIB
Chief Executive Officer

GAFFAR A. HABIB
Chairman

Karachi: October 01, 2025



INDEPENDENT AUDITOR'S REVIEW REPORT

Grant Thornton Anjum

Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

To the members of **Habib Rice Products Limited**

T +92 21 35672951-56

Review Report on the Statements of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Habib Rice Products Limited** for the year ended **June 30, 2025** 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 of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.



Following instances of non-compliance with the requirements of the Codes were observed which are not stated in the Statement of Compliance:

S. No.	Reference	Description
1	Statement of Compliance Point 5 and Regulation 10 (4)	The Company has not maintained record of significant policies along with their dates of approval or updating, as required under the Code.
2	Regulation 10 A	The Company has not implemented governance and oversight of sustainability risks and opportunities, including DE&I policies, formation of a sustainability committee, and periodic monitoring of sustainability strategies, as required under Regulation 10A of the Code and SECP ESG Disclosure Guidelines.

Based on our review, except for the above instances of non-compliance, 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 June 30, 2025.

Grant Thornton Anjum Rahman
Chartered Accountants
 Karachi

Date: October 4, 2025

UDIN: CR202510126aN23HsVJ0



Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HABIB RICE PRODUCTS LIMITED

Report on the Audit of the Financial Statements

Grant Thornton Anjum

Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Opinion

We have audited the annexed financial statements of **Habib Rice Products Limited** (the Company), which comprise the statement of financial position as at **June 30, 2025**, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **June 30, 2025** and of the loss 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 period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key audit matters	How the matter was addressed in our audit
<p>Revenue recognition</p> <p>(Refer notes 3.13 and 22 to the financial statements)</p> <p>The Company's revenue for the year ended June 30, 2025 was Rs. 2,136,281,090.</p> <p>Revenue recognition is considered a key audit matter as revenue is an important element of the Company's performance and results and includes inherent risks that may cause management to override internal control processes by recognizing revenues higher than the actual value in order to achieve targets or improve the results.</p>	<p>Our key procedures amongst others included the following:</p> <ul style="list-style-type: none"> - understood and evaluated the accounting policy with respect to revenue recognition; - tested the design of internal controls procedures and its effectiveness in relation to recognition of revenue and related receivable thereon; - tested revenue transactions on a sample basis with underlying documentation including dispatch documents and sales invoices; - tested the cut-off procedures on a 'sample basis', specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period; - performed analytical audit procedures to analyze variation in the price and quantity sold during the year as compared with previous year; and - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.
<p>Valuation of stock-in-trade</p> <p>(Refer note 2.5 (c and d), 3.6 and 9 to the financial statements)</p> <p>As at June 30, 2025, the Company's stock-in-trade amounted to Rs. 456,946,103.</p> <p>Several estimates and judgements are involved in the valuation of stock-in-trade in determining the net realizable value and in assessing the appropriate level of provisioning required for the stock-in-trade.</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;

Key audit matters	How the matter was addressed in our audit
<p>This includes the assessment of available facts and circumstances, the physical condition of the stock-in-trade, the market selling price and the estimated selling cost of the stock-in-trade.</p>	<ul style="list-style-type: none"> - assessed net realizable value to the cost of finished goods by comparing management's estimation of future selling prices for the products with the selling prices achieved subsequent to the reporting period; and
<p>The significance of the balance, together with the estimates and judgements involved in its valuation, has resulted in the stock-in-trade being considered as a key audit matter.</p>	<ul style="list-style-type: none"> - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.
<p>Property, plant and equipment</p> <p>(Refer note 2.5(a), 3.1 and 4 to the financial statements)</p> <p>The net book value of Company's property, plant and equipment amounts to Rs. 581,014,206 as of June 30, 2025.</p> <p>Property, plant and equipment are considered as key audit matter as measurement of depreciation and impairment of property plant and equipment requires the management to make judgments, assumptions and estimates related to determining the useful life and method of depreciation.</p>	<p>Our key procedures amongst others included the following:</p> <ul style="list-style-type: none"> - obtained an understanding of the Company's process with respect to capital expenditure and tested the Company's controls in this area relevant to our audit; - reviewed the relevant documents with reference to the acquisition of newly acquired assets and assessed whether cost capitalization meets the recognition criteria of an asset in accordance with IAS 16 – "Property, plant and equipment"; - evaluated the basis used by the management for determining the useful life of assets and the depreciation charged thereto; and - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

Information other than the financial statements and the Auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended **June 30, 2025** but does not include the financial statements and our auditor's report thereon.

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



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

Responsibilities of Management and Board of Directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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



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

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

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

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

Report on other legal and regulatory requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and



Grant Thornton

- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

Anjum-Int'l-Acc-Acc.

Grant Thornton Anjum Rahman
Chartered Accountants
Karachi

Date: October 4, 2025

UDIN: AR202510126P5KIYqJVt

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	581,014,206	512,660,327
Right-of-use assets	5	13,181,115	5,946,250
Long-term deposits	6	1,061,249	-
Deferred taxation	7	-	6,341,495
		595,256,570	524,948,072
CURRENT ASSETS			
Stores, spares parts and loose tools	8	120,073,257	115,950,823
Stock in trade	9	456,946,103	419,045,739
Trade debts - considered good	10	26,305,128	22,352,383
Loan and advances	11	59,629,527	11,981,675
Trade deposits, prepayments and other receivable	12	6,290,544	4,011,778
Short-term deposits	13	7,819,241	27,282,370
Due from related party		491,659	-
Short-term investments	14	210,655	254,450
Taxation - net		99,623,653	89,078,282
Cash and bank balances	15	10,933,122	100,732,383
		788,322,889	790,689,883
Total assets		<u>1,383,579,459</u>	<u>1,315,637,955</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up share capital	16.2	200,000,000	200,000,000
Reserves		593,701,609	749,413,604
		<u>793,701,609</u>	<u>949,413,604</u>
NON-CURRENT LIABILITIES			
Long term financing	17	38,000,000	-
Lease liabilities	18	5,243,614	-
		43,243,614	-
CURRENT LIABILITIES			
Current maturity of lease liabilities	18	3,483,656	535,640
Provision for gas infrastructure development cess	19	229,344,757	227,124,918
Trade and other payables	20	288,415,210	113,473,180
Due to related party		300,000	-
Unclaimed dividend		25,090,613	25,090,613
		546,634,236	366,224,351
Total equity and liabilities		<u>1,383,579,459</u>	<u>1,315,637,955</u>
CONTINGENCIES AND COMMITMENTS	21		

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



OWAIS G. HABIB
Chief Executive Officer



JAMSHED ALI KHAN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
Sales - net	22	2,136,281,090	2,340,411,980
Cost of goods sold	23	(1,966,289,863)	(2,150,019,672)
Gross profit		169,991,227	190,392,308
Distribution costs	24	(159,980,837)	(164,275,682)
Administrative expenses	25	(141,134,524)	(137,910,995)
Other expenses	26	(1,635,742)	(541,048)
Other income	27	17,166,129	76,050,793
Finance costs	28	(7,562,593)	(18,016,326)
Loss before levies, minimum tax and final tax		(123,156,340)	(54,300,950)
Levies, minimum tax and final tax	29	(26,214,276)	(29,303,533)
Loss after levies, minimum tax and final tax		(149,370,616)	(83,604,483)
Taxation	30	(6,341,379)	(8,829,183)
Net loss for the year		(155,711,995)	(92,433,666)
Loss per share - basic and diluted	31	(3.89)	(2.31)

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



OWAIS G. HABIB
Chief Executive Officer



JAMSHED ALI KHAN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	2025 RUPEES	2024 RUPEES
Net loss for the year	(155,711,995)	(92,433,666)
Other comprehensive income	-	-
Total comprehensive loss for the year	<u>(155,711,995)</u>	<u>(92,433,666)</u>

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



OWAIS G. HABIB
Chief Executive Officer



JAMSHED ALI KHAN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

Particulars	Issued, subscribed and paid -up capital	Reserves			Total Reserves	Total Equity		
		Capital reserves	Revenue reserves					
		Share premium	General reserve	Unappropriated profit				
----- Rupees -----								
As at 30 June 2023	200,000,000	10,000,000	50,000,000	841,847,270	901,847,270	1,101,847,270		
Transaction with owners								
Final dividend @ 30% for the year ended 30 June 2023	-	-	-	(60,000,000)	(60,000,000)	(60,000,000)		
Net loss for the year	-	-	-	(92,433,666)	(92,433,666)	(92,433,666)		
Other comprehensive income	-	-	-	-	-	-		
Total comprehensive loss for the year	-	-	-	(92,433,666)	(92,433,666)	(92,433,666)		
As at 30 June 2024	200,000,000	10,000,000	50,000,000	689,413,604	749,413,604	949,413,604		
Net loss for the year	-	-	-	(155,711,995)	(155,711,995)	(155,711,995)		
Other comprehensive income	-	-	-	-	-	-		
Total comprehensive loss for the year	-	-	-	(155,711,995)	(155,711,995)	(155,711,995)		
As at 30 June 2025	200,000,000	10,000,000	50,000,000	533,701,609	593,701,609	793,701,609		

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



OWAIS G. HABIB
Chief Executive Officer



JAMSHED ALI KHAN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	32	28,130,979	(180,388,995)
Taxes paid		(36,759,531)	(48,217,132)
Finance costs paid		(3,792,532)	(3,452,944)
Long term deposits - net		(1,061,249)	-
Net cash used in operating activities		<u>(41,613,312)</u>	<u>(51,670,076)</u>
		(13,482,333)	(232,059,071)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(114,537,458)	(15,995,839)
Investments - net		254,450	193,524,864
Profit on term receipts and interest savings accounts received		17,167,810	44,989,946
Dividend income received - mutual funds		8,279	5,297,592
Proceeds from disposal of operating fixed assets		-	78,993
Net cash (used in) / generated from investing activities		<u>(97,106,919)</u>	<u>227,895,556</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(70,642,100)
Long term financing obtained		38,000,000	-
Lease rentals paid		(16,999,354)	(15,477,451)
Net cash generated from / (used in) financing activities		<u>21,000,646</u>	<u>(86,119,551)</u>
Net decrease in cash and cash equivalents		(89,588,606)	(90,283,066)
Cash and cash equivalents at beginning of the year		100,732,383	191,015,449
Cash and cash equivalents at end of the year	15.3	<u>11,143,777</u>	<u>100,732,383</u>

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



OWAIS G. HABIB
Chief Executive Officer



JAMSHED ALI KHAN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1 THE COMPANY AND ITS OPERATIONS

Habib Rice Products Limited (the "Company") is a public company limited by shares, incorporated in Pakistan on 10 July 1980 and is listed on the Pakistan Stock Exchange. The Company is engaged in the production of rice based starch sugar and proteins. The registered office of the Company is situated at 2nd Floor, UBL Building, I.I Chundrigar Road, Karachi, Sindh.

1.1 Geographical Location and Address of Business Units / Plant:

Location	Purpose	Covered area
Plot # A-25, A-26, A-27 Quetta Industrial Area and Trading Estate, Quetta, Balochistan	Leasehold Land	1.21 acres
Hub Industrial Area, District Lasbela, Balochistan	Leasehold Land	42 acres
Hub Industrial Area, District Lasbela, Balochistan	Production Plant	32 acres
Phase 6, Pakistan Defence Officers Housing Authority, Karachi, Sindh	Admin Office	-
Plot # 92, New Anaj Mandi, Miro Khan Road, Quetta Road, Larkana, Sindh	Warehouse	0.0436 acres
House # 4F, 7/3 Nazimabad # 4 near Hadi Market, Karachi, Sindh	Sales office and warehouse	-
Plot # S/42, SITE, Karachi, Sindh	Leasehold land	1 acre

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 (IFRS Standards) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.



2.2 New Standards And Interpretations to Approved Accounting Standards

2.2.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments and improvements to approved accounting and reporting standards that are applicable to the Company for the financial year beginning on July 1, 2024; however, these are considered not to have any material impact on the Company's financial reporting and operations, and therefore have not been presented in these financial statements.

2.2.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Company

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on July 1, 2024. These are not expected to have any material impact on the Company's financial reporting and operations, and therefore have not been presented in these financial statements.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.4 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.5 Key judgements 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.

- a) Useful lives, residual values and depreciation method of property, plant and equipment (note 3.1 & 4)
- b) Assessment of the lease term , discount rate and depreciation method of right of use of assets (note 3.2 & 5)
- c) Provision for slow moving and obsolete inventory (note 3.5 and 3.6)
- d) Stock in trade: The Company reviews the net realizable value of stock-in-trade at each reporting date to assess any diminution in the respective carrying values (note 3.6)

- e) Provision (note 3.10)
- f) Current income tax expense, provision for current tax and recognition of deferred tax asset - (note 3.15)
- g) Contingencies (note 3.20)

3 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.1 Property, plant and equipment

3.1.1 Operating fixed assets

Initial recognition

The cost of an item is recognised as an asset if and only if the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Measurement Operating fixed assets are stated at cost less any accumulated depreciation and any accumulated impairment losses except leasehold land which is stated at cost. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Cost

Expenditures incurred to replace a significant component of an item of property, plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. All other expenditures (including normal repairs and maintenance) are recognised in the unconsolidated statement of profit or loss as an expense when these are incurred.

Depreciation

Depreciation is charged using reducing balance method and rate of depreciation on above are specified in the note 4 of these financial statements. Depreciation on additions is charged from the quarter the asset is available for use and no depreciation is charged in the quarter of disposal. Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Gains or losses on disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized in the statement of profit or loss.

3.1.2 Capital work-in-progress

These are stated at cost less accumulated impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period, including advances are carried under this head. These are transferred to specific assets as and when these assets are available for use.

3.2 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 incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated using straight line method over the lease term. Right-of-use assets are subject to impairment. The depreciation rates used are stated in note 5 to the financial statements.

3.3 Impairment of non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax assets are assessed at date of statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

3.4 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.

3.4.1 Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit or Loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Company, the financial assets of the Company are measured and classified as follows:

- Short-term investments in listed equity securities and mutual fund units are designated at FVTPL. These are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

- Trade debts and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses (ECLs), if any.

3.4.2 Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement financial liabilities are recognised at amortised cost.

3.4.3 Impairment of financial assets

The Company recognises an allowance for Expected credit losses (ECLs) for all debts instruments not held at FVTPL.

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. The shortfall is then discounted at an approximation to the asset's 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.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. 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.

At each date of statement of financial position, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Company uses the standard's simplified approach and calculates ECLs based on life time ECLs on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

3.4.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.5 Stores, spare parts and loose tools

These are stated at the lower of NRV and weighted average cost.



Stores in hand, spare parts and loose tools - Purchase cost and other direct expenses on weighted average basis;

Items-in-transit are valued at purchase price, freight value and other charges incurred thereon up to the date of the statement of financial position.

3.6 Stock-in-trade

These are stated at the lower of NRV and cost determined as follows:

- Raw and packing material - Purchase cost and other direct expenses on weighted average basis;
- Work-in-process - Cost of direct material plus conversion cost valued on the basis of equivalent production units;
- Finished goods - Cost of direct material, labour and proportion of manufacturing overheads;

Stock-in-transit is valued at purchase price, freight value and other charges incurred thereon up to the date of the statement of financial position.

NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term bank deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.8 Employee retirement benefits – defined contribution plan

The Company operates a recognised provident fund scheme for all its employees who are eligible for the scheme in accordance with the Company's policy. Contributions in respect thereto are made at the rate of 8.33 percent of employees monthly basic salaries as per the terms of the scheme. 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.

3.9 Trade and other payables

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

3.10 Provisions

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past events and 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 at each reporting date and adjusted to reflect the current best estimate.

3.11 Lease liabilities

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the commencement date of the lease if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

3.12 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

3.13 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable and is recognized on following basis:



- Revenue is recognised at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when performance obligation is satisfied, at a point in time, when control of goods have been transferred to a customer either on dispatch / acceptance of goods for local sales or issuance of the bill of lading in case of export sales. Control, depending on contractual terms, is considered to be transferred either when the product is directly uplifted by customer from the Company premises or when it is delivered by the Company at customer premises.
- Revenue from services is recognised at the point in time when the performance obligation is satisfied i.e. control of the serviced goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those serviced goods. These services include sanforization and mercerization of fabric.

3.14 Other Income

Other income is recognised to the extent it is probable that economic benefit will flow to the Company and the amount can be measured reliably. Other income is measured at fair value of the consideration received or receivable and recognised on following basis:

- Profit on deposits with banks is recognized on time proportion basis taking into account the amount outstanding and rates applicable thereon.
- Dividend income is recognized when the Company's right to receive the payment is established.
- Interest on loans and advances to employees is recognized on the effective interest method.
- Income from sale of scrap is recorded on delivery of scrap to the customer.

3.15 Taxation

Current

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

Pursuant to the release of circular 7/2024 by the Institute of Chartered Accountants of Pakistan, 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 ITO, 2001 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.

Deferred

Deferred tax is provided in full using the balance sheet liability method on all temporary differences arising at the reporting date, between the tax bases of the assets and the liabilities and their carrying amounts. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised 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 utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date.

3.16 Dividends and appropriations to reserves

Dividends and appropriations to reserves are recognised in the financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognised in the financial statements in the period in which such transfers are made.

3.17 Foreign currency transactions

Transactions denominated in foreign currencies are recorded on initial recognition in Pak. Rupees, by applying to the foreign currency amount the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Pak. Rupees equivalents using the exchange rate at the reporting date. Exchange differences are included in the statement of profit or loss.

3.18 Operating segments

For management purposes, the activities of the Company are organized into one operating segment i.e., production of rice based starch sugar and proteins. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organizational and management structure, and internal financial reporting systems. Accordingly, the figures reported in the financial statements are related to the Company's only reportable segment.

3.19 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 period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares.

3.20 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of obligation cannot be measured with sufficient reliability.

	Note	2025 RUPEES	2024 RUPEES
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	488,785,463	505,347,266
Capital work-in-progress	4.3	92,228,743	7,313,061
		<u>581,014,206</u>	<u>512,660,327</u>

4.1 Operating fixed assets

2025	COST				ACCUMULATED DEPRECIATION			NET BOOK VALUE	Depreciation Rate
	As at July 01, 2024	Additions	Transfers (note 4.3)	As at June 30, 2025	As at July 01, 2024	Charge for the year (note 4.2)	As at June 30, 2025		
Rupees									
Leasehold land	51,205,696	-	-	51,205,696	-	-	-	51,205,696	-
Buildings on leasehold land:									
- Factory building	121,757,136	64,147	1,004,030	122,825,313	96,901,113	2,425,214	99,326,327	23,498,986	10%
- Factory office	7,086,750	-	-	7,086,750	3,736,679	164,389	3,901,068	3,185,682	5%
- Pavement and ponds	9,303,700	-	-	9,303,700	6,366,396	144,134	6,510,530	2,793,170	5%
Larkana office premises	759,358	-	-	759,358	567,554	9,413	576,967	182,391	5%
Plant and machinery	1,147,589,785	3,547,434	17,579,355	1,168,716,574	745,850,010	39,286,349	785,136,359	383,580,215	10%
Furniture and fixtures	6,815,857	187,530	85,617	7,089,004	4,888,325	230,561	5,118,886	1,970,118	10%
Tubewell	175,000	-	-	175,000	163,415	1,115	164,530	10,470	10%
Office and electrical equipment	5,214,241	-	-	5,214,241	4,636,694	55,626	4,692,320	521,921	10%
Computers	7,536,070	1,055,663	-	8,591,733	6,603,342	487,717	7,091,059	1,500,674	30%
Laboratory equipment	7,968,945	-	-	7,968,945	5,911,496	198,157	6,109,653	1,859,292	10%
Vehicles	104,327,592	6,098,000	-	110,425,592	88,846,260	3,176,590	92,022,850	18,402,742	20%
Boat	415,000	-	-	415,000	411,590	633	412,223	2,777	20%
Warehouse	218,996	-	-	218,996	143,986	3,681	147,667	71,329	5%
	1,470,374,126	10,952,774	18,669,002	1,499,995,902	965,026,860	46,183,579	1,011,210,439	488,785,463	

2024	COST					ACCUMULATED DEPRECIATION			NET BOOK VALUE	Depreciation Rate
	As at July 01, 2023	Additions	Transfers (note 4.3)	Disposals	As at June 30, 2024	As at July 01, 2023	Charge for the year (note 4.2)	On Disposals	As at June 30, 2024	
Rupees										
Leasehold land	51,205,696	-	-	-	51,205,696	-	-	-	51,205,696	-
Buildings on leasehold land:										
- Factory building	119,637,027	2,120,109	-	-	121,757,136	94,362,156	2,538,957	-	96,901,113	24,856,023
- Factory office	7,086,750	-	-	-	7,086,750	3,563,807	172,872	-	3,736,679	3,350,071
- Pavement and ponds	9,303,700	-	-	-	9,303,700	6,214,824	151,572	-	6,366,396	2,937,304
Larkana office premises	759,358	-	-	-	759,358	557,656	9,898	-	567,554	191,804
Plant and machinery	1,133,980,869	734,724	12,874,192	-	1,147,589,785	703,709,769	42,140,241	-	745,850,010	401,739,775
Furniture and fixtures	6,769,943	45,914	-	-	6,815,857	4,685,279	203,046	-	4,888,325	1,927,532
Tubewell	175,000	-	-	-	175,000	162,181	1,234	-	163,415	11,585
Office and electrical equipment	5,214,241	-	-	-	5,214,241	4,575,140	61,554	-	4,636,694	577,547
Computers	7,450,126	85,944	-	-	7,536,070	6,276,517	326,825	-	6,603,342	932,728
Laboratory equipment	7,968,945	-	-	-	7,968,945	5,692,220	219,276	-	5,911,496	2,057,449
Vehicles	104,418,792	107,500	-	198,700	104,327,592	85,442,049	3,528,106	123,895	88,846,260	15,481,332
Boat	415,000	-	-	-	415,000	410,814	776	-	411,590	3,410
Warehouse	218,996	-	-	-	218,996	140,115	3,871	-	143,986	75,010
	1,454,604,443	3,094,191	12,874,192	198,700	1,470,374,126	915,792,527	49,358,228	123,895	965,026,860	505,347,266

4.2 The depreciation charge for the year has been allocated as follows:

	Note	2025 RUPEES	2024 RUPEES
Cost of sales	23.1	43,815,474	46,383,532
Distribution costs	24	1,294,720	475,357
Administrative expenses	25	1,073,385	2,499,339
		<u>46,183,579</u>	<u>49,358,228</u>

4.3 Capital work-in-progress

Balance at the beginning of the year		7,313,061	7,285,605
Capital expenditure incurred / advances made during the year		103,584,684	12,901,648
Transferred to operating fixed assets		<u>(18,669,002)</u>	<u>(12,874,192)</u>
Balance at the end of the year	4.3.1	<u>92,228,743</u>	<u>7,313,061</u>

- 4.3.1** Capital Work-in-Progress (CWIP) includes costs incurred towards store-related works, assembly of gas generators, and construction of the turbine building, which are currently in progress.

5 RIGHT-OF-USE ASSETS

Cost			
Balance at the beginning of the year		57,306,621	44,745,186
Remeasurement of lease liabilities		14,089,521	14,131,380
Additions		9,551,241	937,021
Deletions		-	(2,506,966)
Balance at the end of the year	5.1	<u>80,947,383</u>	<u>57,306,621</u>
Accumulated depreciation			
Balance at the beginning of the year		51,360,371	40,229,543
Charge for the year	5.2	16,405,897	13,223,808
Deletions during the year		-	(2,092,980)
Balance at the end of the year		<u>67,766,268</u>	<u>51,360,371</u>
Net book value at the end of the year		<u>13,181,115</u>	<u>5,946,250</u>
Useful life in years			Years
		<u>2.5 - 3.5</u>	<u>0.9 - 1.1</u>

- 5.1** Right-of-use assets represent leased properties for office and depot operations, along with a vehicle leased for the director's official use.

- 5.2** The depreciation charge for the year has been allocated as follows:

Distribution costs	24	1,100,820	793,920
Administrative expenses	25	<u>15,305,077</u>	<u>12,429,888</u>
		<u>16,405,897</u>	<u>13,223,808</u>

	Note	2025 RUPEES	2024 RUPEES
6 LONG-TERM DEPOSITS			
Security deposits against leased asset	6.1	1,061,249	-
6.1 This represents security deposit placed with Bank Al Habib Limited for a vehicle obtained under a lease arrangement. The lease carries an interest rate equivalent to 3-month KIBOR plus 1%. The lease term is three years.			
7 DEFERRED TAXATION			
Balance at the beginning of the year		6,341,495	14,215,514
Charge for the year		-	-
Reversal	7.2	(6,341,495)	(7,874,019)
Balance at the end of the year		-	6,341,495
7.1 Taxable temporary differences arising due to:			
Accelerated tax depreciation		(60,149,220)	(41,238,395)
Deductible temporary differences arising due to:			
Provisions		66,509,980	48,741,007
Lease liabilities		2,530,908	(1,161,117)
Deferred tax asset		8,891,668	6,341,495
7.2 Deferred tax asset amounting to Rs. 8.89 million has not been accounted for in these financial statements and Company believe that they may not be able to utilize the deferred tax asset in full.			
8 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores:			
in-hand		60,941,535	58,061,079
in-transit		-	1,814,965
Spare parts		60,941,535	59,876,044
Loose tools		58,804,998	55,763,465
		326,724	311,314
		120,073,257	115,950,823
9 STOCK-IN-TRADE			
Raw and packing materials:			
in-hand		109,510,020	106,673,707
in-transit		3,442,611	208,025
Work-in-process		112,952,631	106,881,732
Finished goods		1,263,636	3,211,285
		342,729,836	308,952,722
		456,946,103	419,045,739

	Note	2025 RUPEES	2024 RUPEES
10 TRADE DEBTS - considered good			
Local - unsecured	10.1	26,305,128 <u>26,305,128</u>	22,352,383 <u>22,352,383</u>

10.1 These are neither past due nor impaired.

11 LOAN AND ADVANCES

Advance to suppliers - secured	11.1	47,500,000	-
Advance to suppliers - unsecured		10,546,539	9,717,582
Advance to employees - unsecured		1,519,032	2,092,713
Loan to employees - secured		63,956	171,380
		<u>59,629,527</u>	<u>11,981,675</u>

11.1 This pertains to guarantee cheques paid against installation of a Cogeneration plant.

12 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE

Security deposits - unsecured, considered good		3,945,774	160,000
Prepayments		2,323,753	3,836,250
Accrued profit		5,568	15,528
Others		15,449	-
		<u>6,290,544</u>	<u>4,011,778</u>

13 SHORT-TERM DEPOSITS

Security deposits			
Nazir of High Court of Sindh	13.1	1,934,560	21,397,689
Utilities		3,078,681	3,078,681
Leased office lease		1,590,000	1,590,000
Others		1,216,000	1,216,000
		<u>7,819,241</u>	<u>27,282,370</u>

13.1 This relates to the amount deposited with the Nazir in accordance with High Court directives, pertaining to a disputed gas amount. During the year, an out-of-court settlement was reached, and the sum of Rs. 19,463,129 was refunded by the Nazir.

14 SHORT-TERM INVESTMENTS

At amortised cost			
Term deposit receipt	14.1	210,655	254,450

14.1 These carry profit rates ranging from 11% to 14.25% (2024: 19.25% to 20.25%) per annum having maturity within 3 months.

	Note	2025 RUPEES	2024 RUPEES
15 CASH AND BANK BALANCES			
Bank balances:			
Current accounts:			
Local currency	15.1	3,909,120	4,793,551
Foreign currency		1,965,251	<u>33,903,392</u>
		5,874,371	<u>38,696,943</u>
Savings accounts:			
Local currency	15.2	3,641,979	61,359,194
Cash in-hand		1,416,772	676,246
		<u>10,933,122</u>	<u>100,732,383</u>
15.1	This amount includes written off balance of Rs. 38,021.		
15.2	These carry profit rates ranging between 9.25% to 19% (2024: 20.50% to 20.50%) per annum.		
15.3 Cash and cash equivalent			
Term deposit receipts	14	210,655	-
Cash and bank balances	15	10,933,122	<u>100,732,383</u>
		<u>11,143,777</u>	<u>100,732,383</u>

16 SHARE CAPITAL

16.1 Authorised share capital

	2025	2024	
---Number of Shares---			
	<u>60,000,000</u>	<u>60,000,000</u>	Ordinary shares of Rs. 5/-.

16.2 Issued, subscribed and paid up share capital

	2025	2024	
---Number of Shares---			
			Ordinary shares of
			Rs. 5/- each
15,000,000	<u>15,000,000</u>	issued as: fully paid in cash.	75,000,000
25,000,000	<u>25,000,000</u>	Ordinary shares allotted as	<u>75,000,000</u>
		bonus shares.	
<u>40,000,000</u>	<u>40,000,000</u>		<u>125,000,000</u>
			<u>125,000,000</u>
			<u>200,000,000</u>
		16.3	<u>200,000,000</u>

16.3 The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of cash, bonus and right shares as and when declared by the Company. All shares carry one vote per share without restriction.

	Note	2025 RUPEES	2024 RUPEES
17 LONG TERM FINANCING			
Long term financing facility		38,000,000	-
Less: Current maturity		-	-
	17.1 & 17.2	<u>38,000,000</u>	<u>-</u>

17.1 This represents financing facility obtained from Bank Al Habib Limited. The financing is secured by a first registered pari passu hypothecation charge over stocks and book debts of Rs. 175 million, and an enhancement in equitable mortgage from Rs. 65 million to Rs. 540 million over the factory's fixed assets, including land and building located at Khasra, Tehsil Hub, Balochistan. Loan is repayable in 8 quarterly installments at a mark-up rate of KIBOR plus 1% per quarter. The mark-up is payable on quarterly basis in arrear.

17.2 Following is the movement of long term financing:

Balance at the beginning of the year		-	-
Financing obtained during the year		38,000,000	-
Payments during the year		-	-
Balance at the end of the year		<u>38,000,000</u>	<u>-</u>

18 LEASE LIABILITIES

Balance at the beginning of the year		535,640	836,381
Remeasurement of lease liabilities		14,089,521	14,131,380
Additions		9,551,241	523,035
Interest on lease liabilities	28	1,550,222	522,295
Lease rentals paid		(16,999,354)	(15,477,451)
Balance at the end of the year	18.1	<u>8,727,270</u>	<u>535,640</u>
Current portion		3,483,656	535,640
Non-current portion		5,243,614	-
		<u>8,727,270</u>	<u>535,640</u>

18.1 Maturity analysis

Not later than one year		4,408,306	572,730
Later than one year but not later than five years		5,807,664	-
Total future minimum lease payments		10,215,970	572,730
Finance charge allocated to future years		(1,488,700)	(37,090)
Present value of future minimum lease payments		<u>8,727,270</u>	<u>535,640</u>

	Note	2025 RUPEES	2024 RUPEES
19 PROVISION FOR GAS INFRASTRUCTURE DEVELOPMENT CESS			
Balance at the beginning of the year		227,124,918	215,257,424
Unwinding of finance cost	28	2,219,839	14,041,087
		<u>229,344,757</u>	<u>229,298,511</u>
Gain on remeasurement of provision		-	(2,173,593)
	19.1	<u>229,344,757</u>	<u>227,124,918</u>

19.1 During the year ended June 30, 2021, the Supreme Court of Pakistan (SCP) decided the Gas Infrastructure Development Cess (GIDC) case and held that the levy of GIDC under the GIDC Act 2015 is constitutional. The Apex Court further stated that all industrial and commercial entities which consume natural gas pass on the burden to their customers, have to pay the GIDC that became due up to July 31, 2020. Accordingly, Sui Southern Gas Company Limited (SSGC) issued GIDC bill to the Company amounting to Rs. 229.34 million to be recovered in 48 monthly instalments.

The above demand of the SSGC was not acknowledged as liability as the Company had not passed the burden to its customers / clients and the Company filed an appeal before the High Court of Sindh (HCS) which granted stay vide order dated September 18, 2020 against the aforementioned demand and restrained SSGC to take any coercive action. However, as a matter of abundant caution and without prejudice to the suit filed, the Company had maintained aggregate provision of Rs. 229.34 million in the financial statements for the year ended June 30, 2025.

20 TRADE AND OTHER PAYABLES

Creditors		117,087,064	19,808,338
Accrued liabilities		76,756,912	64,441,122
Contract liabilities	20.1	88,457,801	20,128,783
Sales tax payable		5,515,155	9,094,937
Others		<u>598,278</u>	<u>-</u>
		<u>288,415,210</u>	<u>113,473,180</u>

20.1 Represents advance received from various customers. Revenue recognised during the year from amounts included in contract liabilities at the beginning of the year amounted to Rs. 87.9 million (2024: Rs. 19.87 million).

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

21.1.1 During the year ended June 30, 2018, SECP issued winding up orders for Hyderi Construction Company Limited (HCCL) and filed a petition before HSC. Following the winding up petition, a case (Suit No. 560, 2018) was filed by RAH Securities Limited (a shareholder of HCCL) against multiple defendants, including the Company, claiming several losses and damages amounting to Rs. 98.8 million severally and jointly. The management, based on the advise of its legal advisor, is confident that the Company has reasonable grounds to defend the above case. Accordingly, no provision has been made in the financial statements as at June 30, 2025.

21.1.2 The Company filed a Suit 722 of 2020 in the HCS challenging the demand of non-utilization fee by Sindh Industrial Trading Estates Limited (SITE) amounting to Rs. 11.95 million in relation to Plot No. S-42, SITE, Karachi on the grounds that the matter regarding demand of non-utilization fee has already been decided by a judgement of HCS dated May 04, 2002 in C.P No. D-333/2020 (M/s Indus Battery Industries vs SITE Limited). The HCS in its order dated July 02, 2020 has restrained SITE from taking any coercive action against the Company. The matter is currently at the stage of hearing. Based on advice from its legal advisor, the management of the Company expects a favourable outcome, hence no provision in this respect is made in the financial statements as at June 30, 2025.

21.1.3 During the year ended June 30, 2020, the Company had received a show cause notice from Additional Commissioner in Land Revenue under Section 122(9) of the Income Tax Ordinance, 2001 in respect of tax year 2016 creating a demand of Rs. 22.27 million. The Company filed an appeal against the impugned order with the Commissioner Inland Revenue Appeal (CIR-A) who remanded back the case to the Additional Commissioner in Land Revenue by deleting certain matters. The department dissatisfied with the decision of the CIR-A and challenged the order before appellate tribunal in land revenue which is yet to be fixed for hearing. Based on advice from its tax advisors, the management of the Company expects a favourable outcome, hence no provision in this respect is made in the financial statements as at June 30, 2025.

	Note	2025 RUPEES	2024 RUPEES
21.2 Commitments			
Outstanding letters of credit		-	10,687,467
Guarantee issued in favour of SSGC		102,346,611	73,845,865
Guarantee issued in favour of KE		1,686,249	1,686,249
Purchase commitment for cogeneration plant		176,700,000	-

22 SALES - NET

Local sales	2,295,118,402	2,101,031,718
Export sales	196,191,952	577,692,261
	2,491,310,354	2,678,723,979
 Sales return	 (5,185,477)	 (15,634,406)
Sales tax	(349,843,787)	(322,677,593)
	(355,029,264)	(338,311,999)
	2,136,281,090	2,340,411,980

23 COST OF GOODS SOLD

Cost of goods manufactured	23.1	2,000,066,977	2,331,620,920
Finished goods at the beginning of the year		308,952,722	127,351,474
Finished goods at the end of the year		(342,729,836)	(308,952,722)

	Note	2025 RUPEES	2024 RUPEES
23.1 Cost of goods manufactured			
Raw and packing materials consumed	23.1.1	1,120,069,769	1,453,088,486
Utilities		512,278,333	527,800,754
Salaries, wages and benefits	23.1.2	203,775,739	199,459,570
Stores, spares parts and loose tools consumed		64,400,171	50,006,912
Depreciation on operating fixed assets	4.2	43,815,474	46,383,532
Vehicle running and maintenance		18,859,928	16,818,254
Insurance		4,559,844	4,418,547
Product testing expense		17,422,925	23,882,054
Others		12,937,145	12,974,096
		1,998,119,328	2,334,832,205
Work-in-process:			
At the beginning of the year		3,211,285	-
At the end of the year		(1,263,636)	(3,211,285)
		1,947,649	(3,211,285)
		2,000,066,977	2,331,620,920

23.1.1 Raw and packing materials consumed

At the beginning of the year	106,673,707	214,054,737
Purchases	1,122,906,082	1,345,707,456
	1,229,579,789	1,559,762,193
At the end of the year	(109,510,020)	(106,673,707)
	1,120,069,769	1,453,088,486

23.1.2 These include Rs 9.79 million (2024: Rs.9.49 million) in respect of staff retirement benefit.

24 DISTRIBUTION COSTS

Freight and commission		104,346,367	96,816,495
Travelling and conveyance	24.1	19,409,574	26,863,144
Salaries and benefits	24.2	16,580,397	14,084,923
ISO and other certifications		8,290,964	5,601,747
Advertisement expenses		5,182,155	12,355,781
Vehicle running expenses		2,137,993	2,082,656
Depreciation on operating fixed assets	4.2	1,294,720	475,357
Depreciation on right-of-use assets	5.2	1,100,820	793,920
Insurance		801,027	665,816
Postage and telephone		370,370	877,527
Entertainment		142,320	103,130
Printing and stationery		86,780	688,467
Utilities		86,184	155,928
Others		151,166	2,710,791
		159,980,837	164,275,682

24.1 These include Rs. 16.3 million (2024: Rs. 23.01 million) in respect of directors travelling.



24.2 These include Rs 1.09 million (2024: Rs.0.94 million) in respect of staff retirement benefit.

			2025 RUPEES	2024 RUPEES
25	ADMINISTRATIVE EXPENSES	Note		
Salaries and benefits	25.1	76,452,559	75,485,028	
Depreciation on right-of-use assets	5.2	15,305,077	12,429,888	
Vehicle running expenses		8,773,442	8,799,786	
Travelling and conveyance	25.2	7,101,396	4,811,265	
Sharjah subsidiary expenses	25.3	6,909,928	-	
Legal and professional charges		5,325,998	7,956,778	
Utilities		3,898,032	3,112,577	
Postage and telephone		2,071,974	1,984,882	
Auditor's remuneration	25.4	1,831,500	1,810,000	
Printing and stationery		1,682,873	1,918,583	
Donations and corporate social responsibility	25.5	1,667,769	6,793,900	
Depreciation on operating fixed assets	4.2	1,073,385	2,499,339	
Entertainment		1,012,996	1,190,884	
Insurance		707,237	624,534	
Advertisement expenses		293,035	1,318,910	
Directors' fee		112,500	118,750	
Repairs and maintenance		35,650	54,500	
Others		6,879,173	7,001,391	
		141,134,524		137,910,995

25.1 These include Rs 4.47 million (2024 Rs.4.69 million) in respect of staff retirement benefit.

25.2 These include Rs. 5.21 million (2024: Rs. 3.07 million) in respect of directors travelling.

25.3 This amount represents pre-commencement expenses incurred by the Company in relation to setting up its wholly owned subsidiary in Sharjah. These expenses comprise legal and incorporation fees, regulatory charges, administrative costs, and other directly attributable expenses incurred prior to the commencement of business operations.

Subsequently, as disclosed through a notification to the Pakistan Stock Exchange dated August 19, 2025, the Company announced initiation of the liquidation process for the subsidiary due to visa-related issues for key personnel. This decision and the required disclosures were made in accordance with regulations of the Pakistan Stock Exchange and the Securities Act, 2015, and were duly communicated to all TRE Certificate Holders.

25.4 Auditor's remuneration

Statutory audit	1,150,000	1,150,000
Half yearly review	250,000	250,000
Other certifications	265,000	265,000
Out of pocket expenses	166,500	145,000
	1,831,500	1,810,000

25.5 No directors or their spouses have any interest in any done to which donations were made.

26 OTHER EXPENSES

Exchange loss - net	1,597,721	541,048
Written off expense	38,021	-
	1,635,742	541,048

	Note	2025 RUPEES	2024 RUPEES
27 OTHER INCOME			
Income from financial assets			
Profit on bank accounts		17,108,927	17,455,181
Profit on investments		48,923	25,525,182
Gain on disposal of investments		-	13,023,056
Dividend income		8,279	5,297,593
		<u>17,166,129</u>	<u>61,301,012</u>
Income from non-financial assets / liabilities			
Gain on remeasurement of provision for GIDC		-	2,173,593
Insurance claim		-	4,188
Reversal of provision for Workers' Welfare Fund		-	12,572,000
		<u>17,166,129</u>	<u>14,749,781</u>
		<u>17,166,129</u>	<u>76,050,793</u>
28 FINANCE COSTS			
Bank charges and commission		3,792,532	3,452,944
Interest on lease liabilities	18	1,550,222	522,295
Unwinding of finance cost on provision for GIDC	19	2,219,839	14,041,087
		<u>7,562,593</u>	<u>18,016,326</u>
29 LEVIES, MINIMUM TAX AND FINAL TAX			
Minimum tax differential		26,213,034	22,229,427
Final tax		1,242	7,074,106
	30.1	<u>26,214,276</u>	<u>29,303,533</u>
30 TAXATION			
Current	30.1	-	-
Prior		(116)	955,164
Deferred	7 & 7.2	6,341,495	7,874,019
		<u>6,341,379</u>	<u>8,829,183</u>
30.1	Income tax assessments of the Company have been finalised up to the tax year 2024.		
31 LOSS PER SHARE - BASIC AND DILUTED			
Net loss for the year		(155,711,995)	(92,433,666)
Weighted average number of ordinary shares in issue	16.2	40,000,000	40,000,000
Basic and diluted loss per share		(3.89)	(2.31)

	2025 RUPEES	2024 RUPEES
32 CASH GENERATED FROM / (USED IN) OPERATIONS		
Loss before levies and income tax	(123,156,340)	(54,300,950)
Adjustments for non cash items:		
Depreciation on operating fixed assets	46,183,579	49,358,228
Depreciation on right-of-use assets	16,405,897	13,223,808
Gain on disposals of operating fixed assets	-	(4,188)
Gain on remeasurement of provision for GIDC	-	(2,173,593)
Dividend income	(8,279)	(5,297,593)
Profit on investment and bank balances	(17,157,850)	(42,980,363)
Finance costs	7,562,593	18,016,326
	<u>52,985,940</u>	<u>30,142,625</u>
	<u>(70,170,400)</u>	<u>(24,158,325)</u>
Working capital changes:		
Stores, spare parts and loose tools	(4,122,434)	4,568,530
Stock-in-trade	(37,900,364)	(77,599,492)
Trade debts	(3,952,745)	15,355,136
Loans and advances	(47,647,852)	(7,215,140)
Trade deposits and pre-payments	(2,288,726)	1,948,307
Short-term deposits	19,463,129	(390,000)
Due from related party	(491,659)	-
Trade and other payables	174,942,030	(92,898,011)
Due to related party	300,000	-
	<u>98,301,379</u>	<u>(156,230,670)</u>
	<u>28,130,979</u>	<u>(180,388,995)</u>

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

33.1 The Company's activities expose it to a variety of financial risks. The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Board of Directors has an overall responsibility for the establishment and over sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets any changes and compliance issues are reported to the Board of Directors through meeting.

As of the reporting date, the Company is exposed to the following risks:

33.2 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market variables such as interest rate risk, currency risk and equity risk. The Company is not materially exposed to other price risk.

33.2.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to deposits in savings accounts. Management of the Company estimates that 1% increase in the market interest rate, with all other factors remaining constant, would decrease the Company's loss before tax by Rs.0.04 million (2024: Rs. 0.85 million) and a 1% decrease would result in increase in the Company's loss by the same amount. However, the actual results may differ from the sensitivity analysis.

33.2.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expenses are denominated in a different currency from the Company's functional currency). As of June 30, 2025, the Company is not materially exposed to currency risk.

33.2.3 Equity risk

Equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices of financial instruments traded in the market. As of June 30, 2025, the Company is not materially exposed to equity risk.

33.3 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 manages credit risk by limiting significant exposure to any individual customers, by obtaining advance against sales and does not have significant exposure to any individual customer.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activable 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. Concentration of credit risk indicates the relative sensitivity of the Company's performance or developments affecting a particular industry.

As of the reporting date, the Company is mainly exposed to credit risk on the following assets:

	2025 RUPEES	2024 RUPEES
Long-term deposits	6	1,061,249
Trade debts	10	26,305,128
Short-term deposits	13	7,819,241
Bank balances	15	9,516,350
	<u>44,701,968</u>	<u>100,056,137</u>
	<u>44,701,968</u>	<u>149,690,890</u>

Credit 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 agencies or the historical information about counter party default rates.

	2025 RUPEES	2024 RUPEES
Trade debts		
Neither past due nor impaired	26,305,128	<u>22,352,383</u>
Past due not impaired	-	-
Total	<u>26,305,128</u>	<u>22,352,383</u>

There are no customers with defaults as at the current and prior years.

Bank balances

A-1 +	9,516,350	<u>100,056,137</u>
-------	-----------	--------------------

33.4 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 applies prudent liquidity risk management by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Table below summarises the maturity profile of the Company's financial liabilities at the following reporting dates based on contractual undiscounted payments.

	2025				
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
Trade and other payables	-	194,143,976	-	-	194,143,976
Long term financing	-	-	-	38,000,000	38,000,000
Lease liabilities	-	-	3,483,656	5,243,614	8,727,270
Unclaimed dividend	<u>25,090,613</u>	-	-	-	<u>25,090,613</u>
	<u>25,090,613</u>	<u>194,143,976</u>	<u>3,483,656</u>	<u>43,243,614</u>	<u>265,961,859</u>
	2024				
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
Trade and other payables	-	84,249,460	-	-	84,249,460
Lease liabilities	-	-	535,640	-	535,640
Unclaimed dividend	<u>25,090,613</u>	-	-	-	<u>25,090,613</u>
	<u>25,090,613</u>	<u>84,249,460</u>	<u>535,640</u>	-	<u>109,875,713</u>

33.5 Capital risk management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

The management seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

	2025 RUPEES	2024 RUPEES
Debt	38,000,000	-
Equity	793,701,609	949,413,604
	<u>831,701,609</u>	<u>949,413,604</u>
Gearing ratio	5%	0 %

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

33.6 Fair value of financial instruments

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

The carrying value of financial instruments carried at amortized cost approximates its fair value.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted market price;

Level 2: Valuation techniques (market observable); and

Level 3: Valuation techniques (non-market observables).

33 FAIR VALUE OF FINANCIAL INSTRUMENTS

Note	Level 1	Level 2	Level 3	Total
	(Rupees)			
Year ended June 30, 2025				
Short term investments	13	-	-	-
Year ended June 30, 2024				
Short term investments	13	-	-	-

34 REMUNERATION OF THE CHIEF EXECUTIVE , DIRECTOR AND EXECUTIVES

- 34.1 Aggregate amounts charged in the financial statements are as follows:

	2025			2024		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	(Rupees)					
Managerial remuneration	16,415,652	9,866,424	35,886,982	15,988,679	9,609,796	32,023,741
Bonus	-	-	-	807,130	487,108	1,517,869
Leave encashment	4,012,715	-	392,878	-	-	614,989
Contribution to provident fund	1,367,971	822,202	2,990,581	1,332,390	800,816	2,668,646
	<u>21,796,338</u>	<u>10,688,626</u>	<u>39,270,441</u>	<u>18,128,199</u>	<u>10,897,720</u>	<u>36,825,245</u>
Number of persons	1	1	12	1	1	12

- 34.2 In addition, the Chief Executive, Director and all Executives are provided free use of Company maintained cars as per terms of employment.

35 TRANSACTIONS WITH RELATED PARTIES

- 35.1 The related parties of the Company comprise of associated companies, directors, retirement funds and key management personnel. Transactions with related parties other than those disclosed elsewhere in the financial statements, are as follows:

35.2 Details of transactions with connected persons are as follows:

Relationship	Nature of transactions	2025	2024
		-----Rupees-----	
Associated Company	Rent expense	<u>600,000</u>	<u>-</u>
	Dividend paid	<u>-</u>	<u>29,360</u>
Directors and other	Dividend paid	<u>-</u>	<u>39,450,279</u>
Staff provident fund	Contributions made	<u>15,339,233</u>	<u>15,130,214</u>

35.3 Amounts outstanding as at year end are as follows:--

Relationship	Nature of transactions		
Associated Company	Receivable	<u>491,659</u>	<u>-</u>
	Rent payable	<u>300,000</u>	<u>-</u>

35.4 Following are the associated companies with whom the Company had entered into transactions or has arrangements:

Company Name	Basis of relationship	Aggregate % of shareholding in the Company
Hydari Boring & Pilling (Private) Limited	Common directorship	0.050%
Abbas Builders (Private) Limited	Common directorship	0.003%
Indus Oil Expellers (Private) Limited	Common directorship	0.001%

36 GENDER PAY GAP

Mean Gender pay Gap 100%

Median Gender pay Gap 100%

At present there is no female employee in the company. If there is a future requirement the Company would give first preference to hiring a female employee.

37 EVENTS AFTER THE REPORTING DATE

No such events or transactions has occurred subsequent to the statement of financial position date i.e. June 30, 2025, which may require adjustment and / or disclosure in financial statement.

38 NUMBER OF EMPLOYEES

The number of employees including contractual employees of the Company are as follows:

	2025	2024
	-----Numbers-----	
At year end	299	<u>307</u>
Average employees during the year	<u>301</u>	<u>300</u>

39 CAPACITY

	2025	2024
	-----M. Tonnes-----	
Annual installed capacity as of 30 June (in m. tons)	45,000	<u>45,000</u>
Actual production for the year (in m. tons)	<u>11,363</u>	<u>13,111</u>

39.1 Actual production is less than the installed capacity due to low industry demand.

40 GENERAL

- 40.1** Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.
- 40.2** Figures have been rounded off to the nearest Rupees unless otherwise stated.
- 40.3** These financial statements were authorised for issue on 01 October, 2025 by the Board of Directors of the Company.



OWAIS G. HABIB
Chief Executive Officer



JAMSHED ALI KHAN
Chief Financial Officer



GAFFAR A. HABIB
Chairman

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 45th Annual General Meeting of the Shareholders of Habib Rice Products Ltd. will be held on Saturday, October 25, 2025 at 09:30 a.m. at The Institute of Chartered Accountants of Pakistan (ICAP) Hall, 2nd Floor, D-31/8, Chartered Accountants Avenue, Clifton, Karachi to transact the following business.

ORDINARY BUSINESS:

1. To confirm the minutes of the Annual General Meeting held on Friday, October 25, 2024.
2. To receive and adopt the Director's Report and Audited Financial Statements of the Company for the year ended June 30, 2025.
3. To appoint Auditors for the year ending on June 30, 2026 and fix their remuneration.
4. To transact such other business as may be placed before the meeting with the permission of the Chairman.

BY ORDER OF THE BOARD

ALI ASGHAR RAJANI
Company Secretary

Karachi: 01 October 2025

NOTES:

1. Closure of Share Transfer Books

The share transfer books of the Company will remain closed from October 18, 2025 to October 25, 2025 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. CDC Share Registrar Services Limited. CDC House, 99 - B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi at the close of the business on 17 October, 2025 will be treated in time to determine the right to attend the Annual General Meeting.

2. Participation in the AGM through Video link:

The General Meeting is being conducted as per guidelines circulated by SECP following arrangements have also been made by the Company to facilitate the maximum participation of the shareholders in the AGM through video link facility, either in-person or through appointed proxies:

The shareholders interested to participate through video link are requested to please provide below information at Email: corporate@habibriceproducts.com at the earliest but not later than close of business on October 22, 2025.

Full Name of Shareholder / Proxy Holder	Company	CNIC Number	Folio / CDC A/c No.	Email ID	Mobile Phone No.
	Habib Rice Products Ltd.				

Please note that video link and login credentials will be shared with only those members / designated proxies whose e-mail and other required information are received in required time as mentioned above.

- a) Video-link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.
- b) Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the meeting proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.
- c) Shareholders may send their comments and suggestions relating to the agenda items of the AGM at least two (2) working days before the meeting, at the given email address corporate@habiriceproducts.com. Shareholders are requested to mention their full name, CNIC # and Folio/CDC Account # for this purpose.
- d) Shareholders are encouraged to participate in the meeting to consolidate their attendance and participation through proxies.

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

3. Participation in General Meeting

A member of the Company entitled to attend and vote at this meeting is entitled to appoint another member of the Company as his/her proxy to attend and vote on his/her behalf. Proxy form, in order to be effective, must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.

A. For Attending the Meeting:

- I. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting through video-link.
- II. In case of Corporate Entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting through video-link.

B. For Appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, address and CNIC/Passport Numbers shall be mentioned on the form.

- iii) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.

In case of Corporate Entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

4. Change of Address

Members are requested to notify any change in their addresses and their contact numbers immediately to our Share Registrar: M/s. CDC Share Registrar Services Limited. CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.

5. Submission of CNIC or Passport

Pursuant to the directive of the Securities & Exchange Commission of Pakistan (SECP), it is mandatory to mention CNIC number of member on members' register and other statutory returns. Those shareholders who have not submitted copy of their CNIC to the Company are once again requested to submit copy of their CNIC, otherwise the Company will be constrained under section 243(2)(a) of the Companies Act, 2017 to withhold dividend of such shareholders.

6. Transmission of Financial Statements and Notices through Electronically

Shareholders have an option to receive Annual Audited Financial Statements and Notice of Annual General Meeting through email. Shareholders of the Company are requested to give their consent on prescribed format placed on the Company's website www.hrpl-financialstatement.com to our Shares Registrar, M/s. CDC Share Registrar Services Limited. CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, to update our record if they wish to receive Annual Audited Financial Statements and Notice of Annual General Meeting through email. However, if a shareholder, in addition, requests for a hard copy of the Audited Financial Statements, the same shall be provided free of cost within seven (07) days of receipt of such request.

7. Postal Ballot / E-Voting

Members may exercise their right to vote by means of Postal Ballot i.e. by post or through electronic mode subject to requirements of section 143-145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.

For any query / clarification / information, the shareholder may contact the Company and/or the Share Registrar at the following addresses:

Company Address:

Habib Rice Products Ltd.

2nd Floor, UBL Building,
I.I. Chundrigar Road, Karachi.

Phone: (+92-21) 32411887
Fax: (+92-21) 32414581

e-mail: corporate@habibriceproducts.com

Share Registrar Address:

M/s. CDC Share Registrar Services Limited

CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.

Phone: 0800-23275 Fax: (+92-21) 34326053
Email: info@cdcsrsl.com

PROXY FORM

I/We _____

of _____

being a member(s) of HABIB RICE PRODUCTS LTD., and a holder of _____

Ordinary Shares as per Share Register Folio Number _____

and/or CDC Account and participant's I.D. Numbers _____

hereby appoint _____ Folio No. _____ of _____

or failing him/her _____ Folio No. _____ of _____

another member of HABIB RICE PRODUCTS LTD., as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on October 25, 2025, and at any adjournment thereof.

Signed this _____ Day of _____

Revenue Stamp
Five
Rupees

SIGNATURE OF MEMBER(S)

(Signature should agree with the specimen signature registered with the Company)



Habib Rice Products Ltd.

Pioneer Producers of Rice Derives Products and Proteins

Habib Rice Products Limited pioneered the conversion of Rice into:-

- **Glucose**
- **Sorbitol**
- **Dextrose**
- **Maltodextrin**
- **High Fructose**
- **Rice Protein**

