



Sindh Abadgar's Sugar Mills Limited

**UNAUDITED
HALF YEARLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2026**



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COMPANY PROFILE

DIRECTORS	Mr. Deoo Mal Essarani Dr. Tara Chand Essarani Mr. Mahesh Kumar Mr. Dileep Kumar Mr. Jugdesh Kumar Mr. Mohan Lal Dr. Besham Kumar Mr. Muhammad Siddiq Khokhar Mr. Zafar Ahmed Ghori Ms. Maheshwari Osha	Chairman Chief Executive Director Director Director Director Director Independent Director Independent Director Independent Director
CHIEF FINANCIAL OFFICER	Mr. Saqib Ghaffar	
COMPANY SECRETARY	Mr. Ali Hassan	
BANKERS	Allied Bank Limited Askari Bank Limited Bank Al-Falah Limited MCB Bank Limited Bank AL Habib Limited United Bank Limited Meezan Bank Limited Dubai Islamic Bank Limited Habib Bank Limited Faysal Bank Limited	
AUDIT COMMITTEE	Mr. Zafar Ahmed Ghori Mr. Jugdesh Kumar Mr. Dileep Kumar Dr. Besham Kumar	Chairman Member Member Member
HR AND REMUNERATION COMMITTEE	Ms. Maheshwari Osha Mr. Mohan Lal Mr. Dileep Kumar	Chairman Member Member
AUDITORS	M/s. Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
REGISTERED OFFICE	209, 2nd Floor, Progressive Plaza, Beaumont Road, Karachi-Pakistan.	
MILLS	Deh: Deenpur, Taluka. Bulri Shah Karim, Distt. Tando Muhammad Khan, Sindh-73024.	
REGISTRAR	JWAFFS Registrar Services (Pvt) Ltd. Office # 20, 5th Floor, Arkays Square, Ext. New Challi, Shahrah e Liaquat, Karachi.	
EMAIL ADDRESS	sasm@unitedgroup.org.pk	



DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the un-audited condensed interim financial statements of Sindh Abadgar's Sugar Mills Limited (the Company) for the half year ended March 31, 2026.

OPERATIONAL RESULTS

Particulars	Unit	Mar 2025-26	Mar 2024-25
Season commenced on		07.12.2025	21.11.2024
Period reported up to		08.03.2026	23.02.2025
Days worked (gross)	Days	92	95
Cane crushed	Tons	433,330	405,205
Average crushing per day	Tons	5,209	5,453
Capacity utilization	%	59.0%	53.0%
Sugar recovery	%	11.11%	9.98%
Sugar produced	Tons	48,208	40,445
Molasses % Cane	%	4.68%	4.64%
Molasses produced	Tons	20,300	18,800

During the period under review, the Company crushed 433,330 tons of sugarcane as compared to 405,205 tons in the corresponding period last year, reflecting an increase of 28,125 tons or 6.9%. Although the season commenced later than the preceding year and gross operating days were lower, capacity utilization improved to 59% as compared to 53% last year.

Sugar recovery improved materially to 11.11% from 9.98% in the corresponding period. This improvement of 1.13 percentage points, together with higher cane crushing, resulted in sugar production of 48,208 tons as compared to 40,445 tons last year, representing growth of 19.2%. Molasses production also increased to 20,300 tons as compared to 18,800 tons, supported by higher crushing volume and a marginal improvement in molasses recovery.



FINANCIAL RESULTS

Particulars	Basis	Mar 31, 2026	Mar 31, 2025
Sales	Rs. million	1,289.17	1,798.99
Gross profit	Rs. million	133.61	286.59
Operating profit before taxation	Rs. million	118.94	257.49
Profit after taxation	Rs. million	0.82	82.16
Earnings per share	Rupees	0.08	7.88
Gross profit margin	% of sales	10.36%	15.93%
Operating margin	% of sales	9.23%	14.31%
Net profit margin	% of sales	0.06%	4.57%

Sales for the period amounted to Rs. 1,289.17 million as compared to Rs. 1,798.99 million in the corresponding period last year, showing a decline of 28.3%. The reduction in revenue was mainly attributable to lower sales volume during the period, as part of the current season's production remained in inventory at the reporting date.

Gross profit stood at Rs. 133.61 million as compared to Rs. 286.59 million last year. Although the Company achieved significant improvement in operational parameters, margins remained under pressure due to higher cane procurement cost, elevated production inputs, and the impact of sales mix/timing. Gross profit margin accordingly declined to 10.36% from 15.93%.

Operating profit before taxation was Rs. 118.94 million compared to Rs. 257.49 million in the corresponding period. Profit after taxation was Rs. 0.82 million compared to Rs. 82.16 million last year, resulting in earnings per share of Rs. 0.08 compared to Rs. 7.88. The decline in profitability primarily reflects lower sales volumes and cost escalation, partly offset by improved recovery and operational efficiencies.

Industry Outlook and Regulatory Environment

During the current crushing season, the country has produced approximately 7.6 million metric tons of sugar from sugarcane against the initial production target of around 6.6 million metric tons. Compared to last year's production of approximately 5.7 million metric tons, sugar production has increased by nearly 1.9 million metric tons, representing a substantial growth of around 33% over the preceding crushing season.



In the absence of timely and adequate export permissions, the industry is likely to carry historically high sugar stocks into the next financial year, which may exert significant pressure on domestic sugar prices and liquidity position of sugar mills. The situation may further intensify as early indications suggest that the area under sugarcane cultivation for the upcoming season is expected to remain higher, while improved crop yields and better sucrose recovery may result in another bumper sugar crop and elevated production volumes for the second consecutive year. Such back-to-back surplus production cycles may create substantial challenges for the industry in absorbing its fixed operating and financial costs, particularly for mills operating under leveraged capital structures and higher working capital requirements.

Furthermore, due to increased sugar production volumes, the industry is facing extended inventory holding periods and higher inventory carrying quantities on a year-on-year basis. The overall holding cost of sugar stocks has also increased significantly owing to the rise in policy rate by approximately 1% during the period, coupled with substantially higher sugar production costs and prolonged storage duration. Consequently, finance costs, working capital requirements and inventory carrying burden across the industry have increased materially, which may continue to adversely affect profitability and cash flows of sugar mills if market stabilization measures and export opportunities are not introduced on a timely basis.

The Board is of the view that coordinated policy measures, including transparent stock assessment, timely export decisions, rational taxation and consultative deregulation with growers, millers and federal/provincial authorities, are essential for sustainable operations. The Company will continue to focus on cane procurement quality, plant efficiency, recovery improvement, cost discipline and prudent sales strategy to protect shareholder value in the prevailing market environment.

Acknowledgement

The Board of Directors wishes to thank the shareholders for their continued trust and confidence. The Board also places on record its appreciation for the commitment, hard work and dedication of the Company's management, employees, growers, suppliers, bankers and other stakeholders. The management remains committed to improving operational efficiency, strengthening financial discipline and pursuing sustainable growth of the Company.

Dr. Tara Chand
Chief Executive
Karachi: 23 May, 2026



ڈائریکٹرز رپورٹ

محترم ممبران

السلام علیکم!

بورڈ آف ڈائریکٹرز کی جانب سے ہم سندھ آبادگار شوگر ملز لمیٹڈ (کمپنی) کے اختصاری عبوری مالیاتی گوشوارے برائے ششماہی مدت ختمہ 31 مارچ 2026 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

کاروباری نتائج

تفصیل	یونٹ	مارچ 2025-26	مارچ 2024-25
موسم کا آغاز ہوا		07.12.2025	21.11.2024
رپورٹنگ کی مدت		08.03.2026	23.02.2025
کام کے دفتری ایام (مجموعی)	ایام	92	95
گنے کی کرشنگ	ٹن	433,330	405,205
اوسط یومیہ کرشنگ	ٹن	5,209	5,453
پیداواری گنجائش کا استعمال	فیصد	59.0%	53.0%
شکر کی بازیابی	فیصد	11.11%	9.98%
شکر کی پیداوار	ٹن	48,208	40,445
گنے کا شیرہ	فیصد	4.68%	4.64%
شیرے کی پیداوار	ٹن	20,300	18,800

زیر جائزہ مدت کے دوران کمپنی نے 433,330 ٹن گنے کی کرشنگ کی جبکہ گزشتہ سال اسی مدت میں یہ مقدار 405,205 ٹن تھی جس سے 28,125 ٹن یا 6.9% فیصد اضافے کی عکاسی ہوتی۔ اگرچہ گزشتہ سال کے مقابلے میں موسم تاخیر سے شروع ہوا اور مجموعی پیداواری دن بھی کم رہے، تاہم پیداواری گنجائش کے استعمال کی شرح گزشتہ سال کے 53 فیصد کے مقابلے میں بڑھ کر 59 فیصد ہو گئی۔

چینی کی بازیابی میں نمایاں بہتری دیکھنے میں آئی جو گزشتہ سال کی اسی مدت کے 9.98 فیصد کے مقابلے میں بڑھ کر 11.11 فیصد ہو گئی۔ بازیابی میں 1.13 فیصد پوائنٹس کے اس اضافے اور گنے کی زیادہ کرشنگ کے نتیجے میں چینی کی پیداوار 48,208 ٹن رہی، جبکہ گزشتہ سال یہ 40,445 ٹن تھی جو کہ 19.2 فیصد اضافے کی نشاندہی کرتی ہے۔ مزید برآں، شیرے کی پیداوار بھی بڑھ کر 20,300 ٹن ہو گئی جبکہ گزشتہ سال یہ 18,800 ٹن تھی جس کی وجہ کرشنگ کا زیادہ حجم اور شیرے کی بازیابی میں معمولی بہتری رہی۔

مالیاتی نتائج

تفصیلات	بنیاد	31 مارچ 2026	31 مارچ 2025
فروخت	ملین روپے	1,289.17	1,798.99
مجموعی منافع	ملین روپے	133.61	286.59
کاروباری منافع قبل از ٹیکس	ملین روپے	118.94	257.49
منافع بعد از ٹیکس	ملین روپے	0.82	82.16
فی حصص آمدنی	روپے	0.08	7.88
مجموعی منافع کی شرح	فروخت کا فیصد	10.36%	15.93%
کاروباری منافع	فروخت کا فیصد	9.23%	14.31%
خالص منافع کی شرح	فروخت کا فیصد	0.06%	4.57%

اس مدت کے دوران فروخت کا حجم 1,289.17 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ 1,798.99 ملین روپے تھا جس سے 28.3 فیصد کمی کی عکاسی ہوتی ہے۔ آمدنی میں اس کمی کی بنیادی وجہ دوران مدت فروخت کے حجم میں کمی تھی کیونکہ موجودہ سیزن کی پیداوار کا ایک حصہ رپورٹنگ تاریخ تک اسٹاک میں موجود رہا۔

مجموعی منافع 133.61 ملین روپے رہا جبکہ گزشتہ سال یہ 286.59 ملین روپے تھا۔ اگرچہ کمپنی نے آپریشنل کارکردگی میں نمایاں بہتری حاصل کی، تاہم گنے کی خریداری کی بلند لاگت، پیداواری اخراجات میں اضافے اور فروخت کے مرکب و وقت کے اثرات کے باعث منافع کی شرح دباؤ کا شکار رہی۔ چنانچہ مجموعی منافع کی شرح گزشتہ سال کے 15.93 فیصد کے مقابلے میں کم ہو کر 10.36 فیصد رہ گیا۔

ٹیکس سے قبل آپریٹنگ منافع 118.94 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ 257.49 ملین روپے تھا۔ ٹیکس کے بعد منافع 0.82 ملین روپے رہا جبکہ گزشتہ سال یہ 82.16 ملین روپے تھا جس کے نتیجے میں فی حصص آمدنی 0.08 روپے رہی جبکہ گزشتہ سال یہ 7.88 روپے تھی۔ منافع میں یہ کمی بنیادی طور پر فروخت کے کم حجم اور لاگت میں اضافے کی عکاس ہے، تاہم بہتر بازیابی اور کاروباری کارکردگی نے اس اثر کو جزوی طور پر کم کیا۔

صنعتی منظر نامہ اور انضمامی ماحول

موجودہ کرشنگ سیزن کے دوران ملک میں گنے سے تقریباً 7.6 ملین میٹرک ٹن چینی پیدا کی گئی جبکہ ابتدائی پیداواری ہدف تقریباً 6.6 ملین میٹرک ٹن مقرر کیا گیا تھا۔ گزشتہ سال تقریباً 5.7 ملین میٹرک ٹن چینی کی پیداوار کے مقابلے میں اس سال پیداوار میں تقریباً 1.9 ملین میٹرک ٹن اضافہ ہوا جو کہ گزشتہ کرشنگ سیزن کے مقابلے میں تقریباً 33 فیصد نمایاں نمو کو ظاہر کرتا ہے۔

اگر بروقت اور مناسب برآمدی اجازت نامے جاری نہ کیے گئے تو صنعت کو آئندہ مالی سال میں تاریخی طور پر بلند چینی کے ذخائر منتقل کرنا پڑ سکتے ہیں جس سے مقامی چینی کی قیمتوں اور شوگر ملوں کی مالیاتی روانیت پر نمایاں دباؤ پڑنے کا خدشہ ہے۔ یہ صورتحال مزید شدت اختیار کر سکتی ہے کیونکہ ابتدائی اشارے ظاہر کر رہے ہیں کہ آئندہ سیزن میں گنے کی کاشت کا رقبہ زیادہ رہنے کا امکان ہے، جبکہ بہتر فصل پیداوار اور زیادہ سکروز کی بحالی کے باعث مسلسل دوسرے سال بھی چینی کی ریکارڈ پیداوار متوقع ہے۔ مسلسل دو سال سے زائد پیداوار کے ایسے حالات صنعت کے لیے اپنے مستقل کاروباری اور مالیاتی اخراجات برداشت کرنے میں قابل ذکر دشواریاں پیدا کر سکتے ہیں، خصوصاً اُن ملوں کے لیے جو زیادہ قرضہ جاتی سرمایہ اور رواں سرمائے کی ضروریات کے تحت کام کر رہی ہیں۔

مزید برآں، چینی کی پیداوار میں اضافے کے باعث صنعت کو طویل المدتی ذخیرہ اندوزی اور گزشتہ سال کے مقابلے میں زیادہ انویسٹری رکھنے کا سامنا ہے۔ اس عرصے کے دوران پالیسی نرخ میں تقریباً 1 فیصد اضافہ، چینی کی پیداواری لاگت میں نمایاں اضافہ اور طویل ذخیرہ مدت کے باعث چینی کے ذخائر کی مجموعی لاگت بھی نمایاں طور پر بڑھ گئی ہے۔ نتیجتاً، پوری صنعت میں مالیاتی اخراجات، رواں سرمائے کی ضروریات اور انویسٹری برقرار رکھنے کا بوجھ نمایاں طور پر بڑھ چکا ہے، لہذا اگر مارکیٹ میں استحکام کے بروقت اقدامات اور برآمدی مواقع فراہم نہ کیے گئے تو شوگر ملوں کے منافع اور نقد کے بہاؤ پر منفی اثرات مرتب ہوتے رہیں گے۔

بورڈ کی رائے ہے کہ پائیدار کاروباری سرگرمیوں کے لیے مربوط پالیسی اقدامات ناگزیر ہیں جن میں اسٹاک کا شفاف جائزہ، بروقت برآمدی فیصلے، متوازن ٹیکس اور کاسٹنگ کاروں، مل مالکان، اور وفاقی و صوبائی حکام کے ساتھ مشاورتی بنیادوں پر ڈی ریگولیشن شامل ہیں۔ کمپنی موجودہ مارکیٹ ماحول میں شیئر ہولڈرز کے مفادات کے تحفظ کے لیے گنے کی معیاری خریداری، پلانٹ کی کارکردگی، بازیابی میں بہتری، لاگت پر کنٹرول، اور محتاط فروخت حکمت عملی پر مسلسل توجہ مرکوز رکھے گی۔

اعتراف

بورڈ آف ڈائریکٹرز حصص یافتگان کے مسلسل اعتماد اور بھروسے پر اُن کا تہہ دل سے مشکور ہے۔ بورڈ کمپنی کی انتظامیہ، ملازمین، کاسٹنگ کاروں، سپلائرز، بینکاروں اور دیگر متعلقہ فریقین کی وابستگی، محنت اور لگن کو بھی خراج تحسین پیش کرتا ہے۔ انتظامیہ کمپنی کی آپریشنل کارکردگی میں بہتری، مالیاتی نظم و ضبط کو مستحکم بنانے اور کمپنی کی پائیدار ترقی کے حصول کے لئے پُر عزم ہے۔

ڈاکٹر تارا چند

چیف ایگزیکٹو

مورخہ: 23 مئی 2026



INDEPENDENT AUDITORS' REVIEW REPORT

To The Members of Sindh Abadgar's Sugar Mills Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Sindh Abadgar's Sugar Mills Limited** ("the Company") as at **March 31, 2026** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of review

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

As per the terms of our engagement, we were only required to review the cumulative figures for the six-month period ended March 31, 2026. Accordingly, we have not reviewed the figures in the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the three-month period ended March 31, 2026.

Conclusion

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

The engagement partner on the review resulting in this independent auditors' review report is **Mr. Muhammad Rafiq Dosani**.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: 23 May, 2026
UDIN: RR202610210veGi4W1bx



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Note	Un-audited March 31, 2026 Rupees	Audited September 30, 2025 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital		650,000,000	650,000,000
Issued, subscribed and paid-up capital		104,250,000	104,250,000
Capital reserves			
Surplus on revaluation of property, plant and equipment -net		2,342,575,950	2,398,335,247
Revenue reserves			
Unappropriated profits		229,742,148	194,008,674
		2,676,568,098	2,696,593,921
Subordinated loans		480,000,000	480,000,000
		3,156,568,098	3,176,593,921
Non current liabilities			
Deferred liabilities	3	1,398,849,393	1,344,201,650
Current liabilities			
Trade and other payables	4	1,694,402,080	1,187,086,477
Short term borrowings	5	4,594,940,219	923,422,329
Unclaimed dividend		14,437,506	10,430,587
Accrued mark-up		91,347,238	14,688,734
Current maturity of market committee payable		2,874,621	-
		6,398,001,664	2,135,628,127
Contingencies and commitments			
	6	10,953,419,155	6,656,423,698
ASSETS			
Non current assets			
Property, plant and equipment	7	4,293,305,710	4,373,427,004
Long term loans		1,165,673	1,230,057
Long term deposits		1,573,065	990,504
Long term advances		-	5,853,780
		4,296,044,448	4,381,501,345
Current assets			
Stores and spares - net		98,167,877	137,067,041
Stock in trade	8	5,672,964,970	1,239,220,723
Trade debts - unsecured	9	229,181,157	243,704,764
Loans, advances, prepayments and deposit - unsecured	10	105,495,054	155,980,370
Other receivables		79,270,136	76,072,185
Short term investment	11	136,733,243	-
Taxation - net	12	177,921,096	150,855,915
Cash and bank balances		157,641,174	272,021,355
		6,657,374,707	2,274,922,353
		10,953,419,155	6,656,423,698

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SAQIB GHAFFAR
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	Half year ended		Quarter ended	
		March 31, 2026 Rupees	(Restated) March 31, 2025 Rupees	March 31, 2026 Rupees	(Restated) March 31, 2025 Rupees
Sales revenue - net	13	1,289,171,941	1,798,986,313	70,881,894	456,499,922
Cost of sales	14	(1,155,559,073)	(1,512,398,916)	88,769,537	(203,167,205)
Gross profit		133,612,868	286,587,397	159,651,431	253,332,717
Administrative expenses		(105,921,765)	(94,045,065)	(59,527,383)	(49,960,191)
Selling and distribution cost		(7,167,150)	(9,882,056)	(5,056,635)	(5,677,977)
Other income	15	139,169,027	79,241,607	122,071,420	73,201,443
Other expenses	16	(40,749,182)	(4,412,804)	(39,358,592)	(4,212,043)
		(14,669,070)	(29,098,318)	18,128,810	13,351,232
Operating profit		118,943,798	257,489,079	177,780,241	266,683,949
Finance cost	17	(99,768,279)	(121,445,103)	(91,775,936)	(96,872,409)
Profit before levies and taxation		19,175,519	136,043,976	86,004,305	169,811,540
Levies	18	(2,804,642)	(38,030,102)	12,517,734	(19,788,098)
Profit before taxation		16,370,877	98,013,874	98,522,039	150,023,442
Taxation-net	19	(15,546,700)	(15,849,567)	(52,229,422)	(30,190,791)
Profit after taxation		824,177	82,164,307	46,292,617	119,832,651
Earnings per share - basic and diluted		0.08	7.88	4.44	11.49

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SAQIB GHAFFAR
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2026 (UN-AUDITED)

	Half year ended		Quarter ended	
		(Restated)		(Restated)
	March 31,	March 31,	March 31,	March 31,
	2026	2025	2026	2025
	Rupees	Rupees	Rupees	Rupees
Profit after taxation	824,177	82,164,307	46,292,617	119,832,651
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	824,177	82,164,307	46,292,617	119,832,651

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SAQIB GHAFAR
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED AND QUARTER ENDED MARCH 31, 2026**

	Capital reserve	Revenue reserve			
	Surplus on revaluation of property, plant and equipment	Accumulated (losses) / profit	Subordinated Loan	Total	
	Issued, Subscribed and Paidup Capital				
	Rupees				
Balance as at September 30, 2024 (restated)	104,250,000	2,517,630,782	(65,259,166)	480,000,000	3,036,621,616
Total comprehensive income for the half year ended March 31, 2025					
- Profit after taxation (restated)	-	-	82,164,307	-	82,164,307
- Other comprehensive income	-	-	-	-	-
	-	-	82,164,307	-	82,164,307
Incremental depreciation transferred from surplus on revaluation of Property plant and equipment - net of deferred tax	-	(66,692,779)	66,692,779	-	-
Balance as at March 31, 2025 (restated)	104,250,000	2,450,938,003	83,597,920	480,000,000	3,118,785,923
Balance as at September 30, 2025 (audited)	104,250,000	2,398,335,247	194,008,674	480,000,000	3,176,593,921
Total comprehensive income for the period ended March 31, 2026					
- Profit after taxation	-	-	824,177	-	824,177
- Other comprehensive income	-	-	-	-	-
	-	-	824,177	-	824,177
Incremental depreciation transferred from surplus on revaluation of Property plant and equipment - net of deferred tax	-	(55,759,297)	55,759,297	-	-
Transaction with owners					
Cash dividend paid @ 20% for the year ended September 30, 2025	-	-	(20,850,000)	-	(20,850,000)
Balance as at March 31, 2026	104,250,000	2,342,575,950	229,742,148	480,000,000	3,156,568,098

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SAQIB GHAFFAR
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED MARCH 31, 2026 (UN-AUDITED)

	Note	March 31, 2026 Rupees	(Restated) March 31, 2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		19,175,519	136,043,976
Adjustments for:			
- Depreciation		116,685,007	121,368,875
- Gain on sale of fixed assets	15	(4,144,278)	-
- Effect of discounting of market committee fee payable	15	(49,160,572)	-
- Profit on savings accounts and mutual funds	15	(14,091,432)	(9,729,518)
- Reversal of provision on slow moving on stores	15	(8,871,212)	-
- Unrealized loss on short term investment	16	36,795,970	-
- Finance costs	17	99,768,279	121,445,103
		176,981,762	233,084,460
Operating profit before working capital changes		196,157,281	369,128,436
Changes in working capital			
Decrease / (increase) in current assets			
- Stores and spares		47,770,376	(21,944,298)
- Stock in trade		(4,433,744,247)	(3,312,226,125)
- Trade debts - unsecured		14,523,607	(300,802,964)
- Short term loans and advances		50,485,316	(56,201,976)
- Other receivables		(3,197,951)	19,377,706
		(4,324,162,899)	(3,671,797,657)
Increase in current liabilities			
- Trade and other payables		623,070,726	702,254,100
Net cash used in operations		(3,504,934,892)	(2,600,415,121)
Taxes deducted and paid		(53,259,253)	(65,154,291)
Payments against compensated absence		-	(645,372)
Workers' Welfare Fund paid		-	(10,050,018)
Market Committee fee paid		(2,874,621)	-
Finance costs paid		(21,464,611)	(103,891,835)
		(77,598,485)	(179,741,516)
Net cash used in operating activities		(3,582,533,377)	(2,780,156,637)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(31,165,655)	(20,020,277)
Proceeds from disposal of operating fixed asset		4,600,000	-
Profit on bank deposits and mutual funds received		14,091,432	9,729,518
Short term investment		(173,529,213)	-
Long term deposit		(582,561)	-
Long term loans - net		64,384	(259,044)
Net cash used in investing activities		(186,521,613)	(10,549,803)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term finance		-	(41,666,666)
Short term borrowings - net		2,045,896,698	2,570,581,199
Dividend paid		(16,843,081)	-
Net cash generated from financing activities		2,029,053,617	2,528,914,533
Net decrease in cash and cash equivalents		(1,740,001,373)	(261,791,907)
Cash and cash equivalents at the beginning of the period		48,599,026	(427,771,104)
Cash and cash equivalents at the end of the period	23	(1,691,402,347)	(689,563,011)

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SAQIB GHAFAR
Chief Financial Officer



**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2026 (UN-AUDITED)**

1. THE COMPANY AND ITS OPERATIONS

Sindh Abadgar's Sugar Mills Limited ("the Company") is a public listed company incorporated in Pakistan under the Companies Ordinance, 1984, which has now been repealed with the enactment of Companies Act, 2017, on May 30, 2017. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal business of the Company is the production and sale of white sugar.

The geographical location and address of the Company's business units, including plant are as under:

Head office: The Company's registered office is situated at 209, Progressive Plaza, Beaumont Road, Karachi, Pakistan.

Mill: The Company's plant is located at Deh Deenpur, District Tando Muhammad Khan, Sindh, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements (here-in-after referred to as the 'interim financial statements') have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34: 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, and directives issued under, the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.



These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2025.

2.2 Basis of measurement of items in the financial statements

In these interim financial statements, all items have been measured at their historical cost except for short term investment which is measured at fair value through profit and loss and freehold land, factory building, non-factory building and plant and machinery which are stated at revalued amount less accumulated depreciation and accumulated impairment losses thereon, if any .

2.3 Functional and presentation currency

Items included in these interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Judgements and sources of estimation uncertainty

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual financial statements of the Company for the year ended September 30, 2025.

2.5 Material accounting policies

The material accounting policies adopted in the preparation of these interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended September 30, 2025.



	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
3. DEFERRED LIABILITIES			
Deferred taxation - net	3.1	1,051,583,228	1,062,230,600
Quality premium		276,372,514	276,372,514
Market Committee fee	3.2 & 25.1	65,295,115	-
Provision for compensated absences		203,005	203,005
Staff retirement benefits		5,395,531	5,395,531
		<u>1,398,849,393</u>	<u>1,344,201,650</u>

3.1 Deferred taxation - net

For the period ended March 31,2026

	Balance at beginning of the period	Charge / (income) recognized in profit or loss	Charge / (income) recognized in other comprehensive income	Balance at end of the period
	----- Rupees -----			
Deferred tax liability arising from:				
- Surplus on revaluation of property, plant and equipment	1,094,530,241	(32,050,620)	-	1,062,479,621
- Accelerated tax depreciation	182,616,608	(481,841)	-	182,134,767
	<u>1,277,146,849</u>	<u>(32,532,461)</u>	-	<u>1,244,614,388</u>
Deferred tax assets arising from:				
- Minimum tax	(144,996,710)	-	-	(144,996,710)
- Market Committee levy payable	(43,529,051)	18,647,097	-	(24,881,954)
- Provision for slow moving stores and spares	(24,347,022)	3,237,992	-	(21,109,030)
- Provision for compensated absences	(1,969,369)	-	-	(1,969,369)
- Provision for gratuity	(74,097)	-	-	(74,097)
	<u>(214,916,249)</u>	<u>21,885,089</u>	-	<u>(193,031,160)</u>
Net deferred tax	<u>1,062,230,600</u>	<u>(10,647,372)</u>	-	<u>1,051,583,228</u>



For the year ended September 30,2025

	Balance at beginning of the period	Charge / (income) recognized in profit or loss	Charge / (income) recognized in other comprehensive income	Balance at end of the year
----- Rupees -----				
Deferred tax liability arising from:				
- Surplus on revaluation of property, plant and equipment	1,163,101,689	(68,571,448)	-	1,094,530,241
- Accelerated tax depreciation	180,259,709	2,356,899	-	182,616,608
	<u>1,343,361,398</u>	<u>(66,214,549)</u>	-	<u>1,277,146,849</u>
Deferred tax assets arising from:				
- Minimum tax	(83,893,118)	(61,103,592)	-	(144,996,710)
- Unabsorbed tax depreciation losses	(18,339,516)	18,339,516	-	-
- Unused business losses	(51,104,148)	51,104,148	-	-
- Market Committee levy payable	(42,050,053)	(1,478,998)	-	(43,529,051)
- Provision for slow moving stores and spares	(15,039,478)	(9,307,544)	-	(24,347,022)
- Provision for impairment of finished goods	(21,673,101)	21,673,101	-	-
- Provision for compensated absences	(1,604,825)	(364,544)	-	(1,969,369)
- Provision for gratuity	(74,097)	-	-	(74,097)
	<u>(233,778,336)</u>	<u>18,862,087</u>	-	<u>(214,916,249)</u>
Net deferred tax	<u>1,109,583,062</u>	<u>(47,352,462)</u>	-	<u>1,062,230,600</u>



3.2 Market Committee fee

Pursuant to the requirements of the Agriculture Produce Market Act, 1939 read with the Agriculture Produce Market Rules, 1940, the Company is required to pay Market Committee fee at the prescribed rate based on the quantity of sugarcane procured and crushed during each financial year. However, in prior years, the Company neither paid the said fee nor recognised the related expense and liability in the financial statements. The said error was identified in the preceding year and was accordingly corrected through retrospective restatement in the annual financial statements of the Company for the year ended September 30, 2025 (refer note 39 to the annual financial statements). Furthermore, as disclosed in note 24, the consequential adjustments arising from such correction have also been incorporated in these interim financial statements.

During the interim period ended March 31, 2026, the Company entered into a 'Settlement Agreement' with the relevant Market Committee. In terms of the said Settlement Agreement:

- (a) an amount of Rs. 69.124 million, representing 60% of the outstanding dues relating to the period from 1986 to 2024, is payable to the Market Committee in 30 annual installments of varying amounts. Furthermore, 60% of the Market Committee fee pertaining to future periods shall also be payable in cash as and when it falls due; and
- (b) an amount of Rs. 46.082 million, representing 40% of the outstanding dues relating to the period from 1986 to 2024, together with 40% of the Market Committee fee relating to future periods, shall be retained by the Company and utilized, from time to time, on specified development works, against which the Company is required to furnish supporting evidence to the Market Committee.

Consequent upon execution of the Settlement Agreement:

- (i) the liability relating to outstanding dues for the financial years 1986 to 2024, aggregating to Rs. 115.206 million, has been reclassified from current liabilities to non-current liabilities in these interim financial statements. Further, the portion of the said liability payable in cash to the Market Committee, amounting to Rs. 69.124 million, has been remeasured at its present value and the resultant gain of Rs. 49.161 million has been recognized in other income for the period (refer note 15 to these interim financial statements);



(ii) an amount of Rs. 1.621 million, representing 40% of the outstanding dues relating to the financial year 2024-25, previously classified under current liabilities, has been reclassified to non-current liabilities and added to the balance retained by the Company for utilization on development works; and

(iii) an amount of Rs. 1.733 million, representing 40% of the fee payable relating to the financial year 2025-26, has been classified under non-current liabilities and added to the balance retained by the Company for utilization on development works, whereas the remaining 60% has been classified as a current liability and presented under 'Trade and other payables' (refer note 4.2 to these interim financial statements).

As of the reporting date, the Company's obligation in respect of the Market Committee fee was as follows:

	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
Amount payable in instalments (60%)	3.2.1	15,858,724	-
Balance retained for development works (40%)	3.2.2	49,436,391	-
		<u>65,295,115</u>	<u>-</u>

3.2.1 Amount payable in instalments

Amount reclassified from current liabilities (for financial years 1986-2024)	69,123,374	-
Less: Effect of discounting	(49,160,572)	-
	19,962,802	-
Add: Interest recognized on unwinding of liability	1,645,164	-
Less: Payment made during the period	(2,874,621)	-
Balance as at the end of the period / year	<u>18,733,345</u>	<u>-</u>
Current maturity shown under current liability	2,874,621	-
Non-current maturity shown under non-current liabilities	15,858,724	-
	<u>18,733,345</u>	<u>-</u>



	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
3.2.2 Balance retained for development works			
Amount reclassified from current liabilities (for financial years 1986-2024)		46,082,250	-
Amount reclassified from current liabilities (for financial year 2024-25)		1,620,820	-
Charge for the current period (40% portion)		1,733,321	-
		<u>49,436,391</u>	<u>-</u>
4. TRADE AND OTHER PAYABLES			
Trade Creditors:			
- for sugarcane		558,495,864	259,834,252
- for other supplies		54,248,167	44,169,832
		<u>612,744,031</u>	<u>304,004,084</u>
Other payables:			
Advances from customers	4.1	1,011,089,011	511,645,510
Accrued expenses		14,080,540	9,455,887
Sales tax and Federal Excise Duty		27,675,616	218,954,041
Market Committee fee	4.2	2,599,982	119,257,674
Withholding sales tax		1,118,510	1,162,799
Income tax deducted at source		877,293	2,044,123
Workers' Welfare Fund		10,993,449	9,147,583
Workers' Profit Participation Fund		12,204,115	11,245,339
Contractors' retention money		26,437	26,437
Others		993,096	143,000
		<u>1,694,402,080</u>	<u>1,187,086,477</u>



4.1 Advances from customers

During the period, the performance obligations underlying the opening contract liability of Rs. 511.645 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the period.

In addition, information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 1.065 billion is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
4.2 Market Committee fee			
Opening balance		119,257,674	115,205,624
Less: Amount reclassified to non-current liabilities (for financial years 1986-2024)	3.2	(115,205,624)	-
		4,052,050	115,205,624
Less: Payment made during the period / year		(2,431,230)	-
Less: Amount reclassified to non-current liabilities (for financial year 2024-25)		(1,620,820)	-
		-	115,205,624
Add: Charge for the year		-	4,052,050
Add: Charge for the period (60% portion)		2,599,982	-
Closing balance		<u>2,599,982</u>	<u>119,257,674</u>

5. SHORT TERM BORROWINGS - Secured

Cash finance		2,745,896,698	700,000,000
Running finance		1,849,043,521	223,422,329
	5.1	<u>4,594,940,219</u>	<u>923,422,329</u>



5.1 The Company has a total finance facility of Rs. 8,350 million (September 30, 2025: Rs. 2,150 million) from various commercial banks to meet the working capital requirements. The rate of mark-up 1-Month KIBOR plus 1% per annum. The validity of these facilities ranges from March 31, 2026 to September 30, 2026. the facilities are secured against;

- (a) 1st joint pari passu hypothecation charge over stocks of sugarcane and receivables of the company range from Rs. 266.67 million to Rs 400 million with 25% margin registered with SECP,
- (b) Pledge over white crystalline refined sugar with 10% margin at factory godown situated at Deh Deenpur, Taluka & District Tando Mohammad Khan, Sindh,
- (c) Subordinated loans of directors and sponsors and
- (d) Personal guarantee of all the directors of the Company.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

6.1.1 Contingent liabilities existing as at the reporting date

- (a) The Deputy Commissioner Inland Revenue (DCIR) vide its order, dated September 19, 2022, raised a demand of Rs. 260.10 million (including default surcharge u/s. 205 amounting to Rs. 91.19 million and penalty u/s. 182 amounting to Rs. 15.35 million) on the alleged failure of the company to collect/deduct tax under sections 236G, 236H, 149 and 153 of the Income Tax Ordinance (ITO), 2001, for the tax year 2018.

In response to the said order, on October 12, 2022, the Company filed an appeal before the Commissioner Inland Revenue (Appeals-I) challenging the demand raised by the DCIR on the grounds that the order passed was bad in law and the DCIR has grossly erred in raising the demand @ 0.5% u/s 236H which was not applicable to the Company and similarly also erred in calculating the withholding tax liability against various heads of expenses claimed which were duly reconciled with the reconciliation filed with the DCIR as required under rule 44(4) of the Income Tax Rules (ITR), 2002. Accordingly, the levy created against the impugned expenses arbitrarily is unjustified and unwarranted.



On August 17, 2023, Commissioner Inland Revenue, Appeals-I, CIR(A), through its order set aside the tax assessment made by DCIR for the said tax year on the basis that allegations made by him were found to be incorrect after verification of the documents produced by the Company which were not duly taken in account by the DCIR. Accordingly, CIR(A) disposed off the said appeal in favour of the Company stating that the Company has duly discharged its withholding tax liability.

Being aggrieved with the aforesaid order by the CIR (A), the DCIR preferred an appeal dated October 10, 2023 with the Appellate Tribunal Inland Revenue (ATIR) on the grounds that order passed by the learned CIR(A) was bad in law and against the facts of the case.

As of the reporting date, the case was pending for adjudication before the ATIR. After due consultation with its legal advisor, the Company expects a favourable decision and, accordingly, has not made any provision in this regard.

- (b) The Pakistan Standard and Quality Control Authority (the Authority) demanded from the company a marking fee @0.1 % of the ex-factory price of sugar produced for the year 2008-09.

The Company then filed a petition with Honorable High Court of Sindh challenging a marking fee under PSQCA Act -VI of 1996 pleading that the impugned demand so raised are without any lawful authority under the said Act and in violation of the Constitution of the Islamic Republic of Pakistan. Other mills in the industry too have filed similar petitions. Therefor, on December 04, 2012, The High Court passed order on the company's petition terming the impugned notification as issued without lawful authority on the grounds that the subject of agricultural produced is a provincial subject and the Federal Government or its departments has no jurisdiction to prescribe the standard or to regulate licensing, marking and levying of any fee on the petitioners.

In March 2013, the authority being aggrieved, filed an Appeal against the aforesaid order of the High Court before the Supreme Court of Pakistan (the Apex Court) which is currently pending for adjudication. The Company has not made any provision against the impugned demand in view of the legal counsel of the company that the company has a good case on merit and the judgment of the High Court is likely to be upheld.



- (c) On November 05, 2020, the Competition Commission of Pakistan (CCP) issued a show cause notice (SCN) to the Company alleging violation of various sections of Competition Act, 2010. The SCN was replied to by Company's learned legal counsel. However, CCP vide its order dated August 13, 2021, imposed upon the Company a penalty of Rs. 110.56 million for sharing certain information with Pakistan Sugar Mills Association (PSMA) to avail sugar export permission. Being aggrieved with the aforesaid order, on October 07, 2021, the Company filed a Suit (bearing no. 2272 of 2021) before the Honorable High Court of Sindh ('the Court') which, vide its order dated October 08, 2021 suspended the operation of the impugned order till the next date of hearing. Thereafter, the case was fixed for hearing on various dates falling in the period February - April 2022.

In its interim order dated June 13, 2022, the Court accepted the Company's stance for illegally exercising casting vote in the impugned CCP order, and held that a casting vote in the judicial matter was not available under Competition Act, 2010 and, accordingly, suspended the said order till the final disposal of the Suit subject to furnishing of a 50% bank guarantee. In compliance with the said Court's order, the bank guarantee was duly submitted by the Company with the Nazir of the Court on July 25, 2022. Subsequently, the Company preferred an appeal (bearing no. 34/2022) before the Competition Appellate Tribunal, Islamabad (CAT) which, vide its interim order dated August 02, 2022, directed that, till the final adjudication of the appeal, no coercive measures shall be taken by the CCP against the appellant for recovery of the aforesaid penalties.

Thereafter, the Company also filed a High Court Appeal (H.C.A.) before the Court against the aforesaid submission of the bank guarantee. In its order dated August 25, 2022, the Court disposed of the above H.C.A. in terms of a 'Joint Statement' signed by the learned counsel for both the parties to the case. As per the said Joint Statement, the Court's order dated June 13, 2022 was set aside, the bank guarantees previously submitted by the plaintiffs in Suit No. 2272 of 2021 (and other connected suits) were directed to be discharged and returned, the CCP was directed not to initiate recovery proceedings against the plaintiffs until the final decision of the appeals pending before the CAT, and the Single Judge was directed to frame the issues in Suit No. 2272 of 2021 (and other connected suits) and decide the suits expeditiously.



The CAT disposed of the above-mentioned Appeal vide its order dated May 21, 2025, whereby the impugned CCP Order dated August 13, 2021 was set aside and the matter was remanded back to the Commission with the direction that the Chairman or any other member not previously involved should hear the case afresh and decide the matter within 90 days of the Order. Being aggrieved with the CAT's direction to remand the matter back to the Commission, the Company filed a Civil Appeal No. 459/2025 before the Honourable Supreme Court of Pakistan (the Apex Court) who vide its Order dated October 09, 2025, partly set aside the CAT's Order to the extent of remanding the case back to the Commission, and instead directed the CAT to hear the case afresh and decide the matter within 90 days of this Order. Further, Suit No. 2272 of 2021, which was pending adjudication before the Sindh High Court in the previous reporting period, has been transferred to the Court of the Senior Civil Judge / Assistant Sessions Judge-XV, Karachi South (City Court, Karachi), where it has been re-numbered as Suit No. 5330 of 2025 for further proceedings.

The appeal before the CAT was subsequently withdrawn on October 28, 2025, due to a split decision between the two Members of the Tribunal; consequently, no operative order remains in force. The Competition Commission of Pakistan (CCP) filed a review petition before the Supreme Court of Pakistan challenging the order dated September 18, 2025, whereby the Supreme Court had set aside the CAT's direction to remand the case to CCP and instead remanded it back to the CAT. The Supreme Court dismissed the said review petition vide order dated January 15, 2026, holding that the review petitions were neither factually nor legally maintainable. Consequently, the order dated September 18, 2025 passed by the Supreme Court attains finality and shall prevail over all other proceedings. Suit No. 2272 of 2021, re-numbered as Suit No. 5330 of 2025, remains pending before the Court of the Senior Civil Judge / Assistant Sessions Judge-XV, Karachi South (City Court, Karachi); however, given that the Supreme Court's order has attained finality, its decision shall prevail over the proceedings pending before the Session Court.

6.1.2 Previously reported contingent liability, resolved during the period

6.1.2.1 As disclosed in note 12.1.2 of the latest annual financial statements of the Company, The Deputy Commissioner Inland Revenue (DCIR) vide its order, dated March 07, 2024, raised a demand of Rs. 41.562 million (including default surcharge u/s. 205 amounting to Rs. 11.324 million and penalty u/s. 182 amounting to Rs. 2.748 million) which was set aside by the Commissioner Inland Revenue, Appeals-I, CIR(A) on the basis that allegations made by DCIR were found to be incorrect.



Being aggrieved with the aforesaid order by the CIR (A), the DCIR preferred an appeal with the Appellate Tribunal Inland Revenue (ATIR) on the grounds that order passed by the learned CIR(A) was bad in law and against the facts of the case.

On December 23, 2025, the Appellate Tribunal Inland Revenue (ATIR) of Pakistan issued an order whereby the demand raised earlier was set aside and the matter was remanded to the assessing officer for fresh proceedings due to the production of incomplete facts.

6.2 Commitments

As of the reporting date, no financial commitments were known to exist (September 30, 2025: None).

	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	4,242,245,580	4,322,548,047
Capital spares		51,060,130	50,878,957
		<u>4,293,305,710</u>	<u>4,373,427,004</u>
7.1 Operating fixed assets			
Cost / revalued amount			
Opening balance		4,690,980,063	4,614,210,799
Additions during the period / year		36,838,262	76,769,264
Disposals during the period / year		(2,436,600)	-
		<u>4,725,381,725</u>	<u>4,690,980,063</u>
Accumulated depreciation			
Opening balance		(368,432,016)	(120,851,242)
Charge for the period / year		(116,685,007)	(247,580,774)
Disposal during the period / year		1,980,878	-
		<u>(483,136,145)</u>	<u>(368,432,016)</u>
Written down value at the end of period / year		<u>4,242,245,580</u>	<u>4,322,548,047</u>



	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
8. STOCK IN TRADE			
Finished goods inventory:			
- Sugar	8.1	5,446,456,208	1,157,534,130
- Bagasse		64,331,052	57,064,060
- Molasses		148,335,939	-
		<u>5,659,123,199</u>	<u>1,214,598,190</u>
Work-in-process inventory:			
- Sugar		12,724,726	22,339,968
- Molasses		1,117,045	2,282,565
		<u>13,841,771</u>	<u>24,622,533</u>
		<u>5,672,964,970</u>	<u>1,239,220,723</u>

8.1 This includes stock amounting to Rs. 2,840.947 million (September 30, 2025: Rs. 864.73 million) pledged with banks as security against short term borrowings.

		(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
9. TRADE DEBTS - UNSECURED			
Receivable against local sale of:			
- Sugar		31,609,800	-
- Molasses		194,130,213	243,585,376
- Bagasse		3,441,144	119,388
		<u>229,181,157</u>	<u>243,704,764</u>

10. LOANS, ADVANCES, PREPAYMENTS AND DEPOSIT - UNSECURED

Loan to growers	80,503,173	109,715,471
Security deposit - Utility Stores Corporation	1,147,644	1,147,644
Advance to suppliers and contractors	14,620,374	42,012,643
Prepaid insurance	5,509,016	-
Due from employees	3,601,514	3,104,612
Others	113,333	-
	<u>105,495,054</u>	<u>155,980,370</u>



	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
11. SHORT TERM INVESTMENT			
Investment In quoted equity securities - at fair value through profit or loss	11.1	136,733,243	-

11.1

Number of shares			March 31, 2026		September 30, 2025	
March 31,	September 30,	Scrip name	Cost	Fair value	Cost	Fair value
			Rupees		Rupees	
7,500	-	Indus Motor Company Limited	15,600,000	13,573,875	-	-
90,000	-	National Bank Of Pakistan	19,575,000	15,172,200	-	-
200,000	-	Fauji Cement Company Limited	11,282,153	7,846,000	-	-
30,000	-	National Refinery Limited	12,605,113	8,735,400	-	-
700,000	-	Pakistan International Bulk Terminals	14,687,779	9,982,000	-	-
1,000,000	-	Power Cement Limited	17,799,524	15,800,000	-	-
1,000,000	-	Lse Capital Limited	5,959,299	5,130,000	-	-
70,000	-	Fatima Fertilizer Company Limited	12,564,100	8,652,000	-	-
30,000	-	Pakistan Petroleum Limited	7,560,000	5,945,400	-	-
80,000	-	Gharibwal Cement Limited	4,800,000	3,194,400	-	-
105,000	-	Lucky Cement Limited	44,429,505	37,470,300	-	-
192,715	-	Arif Habib Corporation Limited	3,496,393	2,457,117	-	-
30,000	-	Askari Bank Limited	2,759,769	2,454,300	-	-
29,327	-	Pak Qatar General Takaful Limited	410,578	320,251	-	-
			<u>173,529,213</u>	<u>136,733,243</u>	<u>-</u>	<u>-</u>



	Note	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
12. TAXATION-NET			
Opening balance		150,855,915	71,449,184
Taxes paid / deducted at source during the period / year		53,259,253	192,119,248
		<u>204,115,168</u>	<u>263,568,432</u>
Less: Provision for current tax and levies		(26,194,072)	(112,712,517)
		<u>177,921,096</u>	<u>150,855,915</u>

12.1 Income tax assessments of the Company are deemed to be finalized as per tax returns filed up to the tax year 2025. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 unless selected for re-assessment by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for the purpose of issuing an amended assessment order.

	Note	Six-month period ended (Un-audited)	
		March 31, 2026 Rupees	March 31, 2025 Rupees
13. REVENUE - NET			
Revenue from local sales - net	13.1	1,289,171,941	1,039,264,590
Revenue from export sales		-	759,721,723
		<u>1,289,171,941</u>	<u>1,798,986,313</u>

13.1 Revenue from local sales - net

Sale of goods to local customers - gross	1,531,181,257	1,248,905,350
Less: sales tax	(237,840,768)	(190,522,453)
Less: Federal excise duty	(2,250,000)	-
Less: advance income tax	(1,918,548)	(19,118,307)
	<u>1,289,171,941</u>	<u>1,039,264,590</u>



	Note	Six-month period ended (Un-audited)	
		March 31, 2026 Rupees	(Restated) March 31, 2025 Rupees
14. COST OF SALES			
Sugarcane consumed	24	5,585,444,344	4,971,107,339
Manufacturing expenses	14.1	443,075,780	425,939,862
		<u>6,028,520,124</u>	<u>5,397,047,201</u>
Sugar stock in process - opening		22,339,968	20,165,954
Sugar stock in process - closing		(12,724,726)	(21,146,345)
		<u>9,615,242</u>	<u>(980,391)</u>
		6,038,135,366	5,396,066,810
Molasses stock in process - opening		2,282,565	2,323,946
Molasses stock in process - closing		(1,117,045)	(2,282,564)
Molasses Stock - closing		(148,335,939)	-
Sale of molasses (by-product)		(439,216,804)	(572,422,160)
		<u>(586,387,223)</u>	<u>(572,380,778)</u>
Cost of goods manufactured		5,451,748,143	4,823,686,032
Finished stock of Sugar - opening		1,157,534,130	1,716,831,663
Finished stock of Sugar - closing		(5,446,456,208)	(4,964,935,618)
		<u>(4,288,922,078)</u>	<u>(3,248,103,955)</u>
Stock of Bagasse - opening		57,064,060	13,476,068
Stock of Bagasse - closing		(64,331,052)	(76,659,229)
		<u>(7,266,992)</u>	<u>(63,183,161)</u>
		<u>1,155,559,073</u>	<u>1,512,398,916</u>
14.1 Manufacturing expenses			
Salaries, wages and other benefits		166,936,364	139,352,182
Depreciation		105,016,506	109,231,988
Production stores consumed		80,877,182	74,736,860
Repairs and maintenance	25.1	58,763,113	77,030,139
Fuel and power	25.1	22,199,261	15,693,313
Insurance		5,462,288	6,558,855
Transportation		3,533,535	3,052,615
Others		287,531	283,910
		<u>443,075,780</u>	<u>425,939,862</u>



14.2 The (negative) reported cost of sales for the second quarter ended March 31, 2026 is as follows:

	Note	— Rupees —
Cost of finished goods sold in the second quarter - on actual basis		(69,953,598)
Effect of reversal of write-down of the finished goods inventory to its net realizable value previously recognized during the first quarter ended December 31, 2025	14.2.1	158,723,135
Reported (negative) cost of sales for the second quarter ended March 31, 2026		<u>88,769,537</u>

14.2.1 In its condensed interim financial statements for the first quarter ended December 31, 2025, the Company had recognized, as an expense, the amount of the write-down of inventory to its net realizable amounting to Rs. 158.723 million. This represented the excess of the then computed cost of sugar manufactured over its assessed lower net realizable value.

The aforementioned circumstances which previously caused the Company to write-down its finished goods inventory to net its realizable value no longer existed as at the end of the second quarter i.e. March 31, 2026, as of when the cumulative cost of sugar manufactured (i.e. cumulative for the crushing season 2025-26) had reduced below its corresponding reassessed net realizable value (i.e. higher than the cost). Accordingly, as of March 31, 2026, the stock of finished goods was valued at its cost which, in turn, caused the reversal of the write-down of the inventory previously recognized during the first quarter ended December 31, 2025, as stated above.



	Note	Six-month period ended (Un-audited)	
		March 31, 2026 Rupees	March 31, 2025 Rupees
15. OTHER INCOME			
Sale of bagasse (by product)	15.1	56,611,739	69,512,089
Effect of discounting of market committee fee payable		49,160,572	-
Profit on deposit accounts		13,003,801	9,729,518
Reversal of provision on slow moving on stores		8,871,212	-
Gain on disposal of operating fixed assets		4,144,278	-
Dividend Income		3,990,000	-
Profit from mutual funds		1,087,631	-
Insurance claim		1,031,224	-
Gain on sale of rights		90,333	-
Others		1,178,237	-
		<u>139,169,027</u>	<u>79,241,607</u>

15.1 Sale of bagasse - net

Gross sale	66,801,851	82,024,265
Less: sales tax	(10,190,112)	(12,512,176)
	<u>56,611,739</u>	<u>69,512,089</u>

16. OTHER EXPENSES

Unrealized loss on short term investment	36,795,970	-
Charity and donation	16.1	2,305,850
Advances written off		1,272,556
Provision for slow moving stores and spares		-
Exchange loss on export receivable		-
Others		374,806
	<u>40,749,182</u>	<u>4,412,804</u>

16.1 None of the directors of the Company or their spouses had any interest in the donee organizations. Further, there is no party to whom the donation paid exceeds Rs. 1 million.



	Note	Six-month period ended (Un-audited)	
		March 31, 2026 Rupees	March 31, 2025 Rupees
17. FINANCE COSTS			
Markup on long term finance		-	2,363,379
Markup on short term finance			
- running finance		62,051,005	57,850,378
- cash finance		34,445,607	59,531,663
		96,496,612	117,382,041
		96,496,612	119,745,420
Unwinding of Market Committee fee payable		1,645,164	-
Bank charges		1,626,503	1,699,683
		99,768,279	121,445,103

18. LEVIES

Excess of minimum tax over normal tax		-	25,703,049
Provision for Worker's Profit Participation Fund		958,776	7,004,801
Provision for Worker's Welfare Fund		1,845,866	5,322,252
		2,804,642	12,327,053
		2,804,642	38,030,102

	Note	Six-month period ended (Un-audited)	
		March 31, 2026 Rupees	(Restated) March 31, 2025 Rupees
19. TAXATION - net			
Current		26,194,072	4,600,741
Deferred		(10,647,372)	11,248,826
		15,546,700	15,849,567



20. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of group companies, major shareholders, key management personnel and directors of the company and their close family members, and the staff provident fund. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment. Transactions entered into, and balances held, with related parties, other than those disclosed elsewhere in these financial statements, are as follows:

Transactions during the period			(Un-audited) March 31, 2026 Rupees	(Un-audited) March 31, 2025 Rupees
Name of the related parties	Basis of relationship with the party	Particulars		
Tara Chand	Key management personnel	Remuneration of the Chief Executive	3,000,000	3,000,000
Mahesh Kumar		Remuneration of the Director	3,000,000	3,000,000
Contribution to Staff Provident Fund	Other related party	Contribution to Staff Provident Fund	4,366,509	3,662,361

Balances outstanding as of the reporting date			(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
Name of the related parties	Basis of relationship with the party	Nature of the balance outstanding	Note	
Mahesh Kumar	Director	Subordinate loan payable		32,000,000
Pehlaj Rai	Shareholder/ director	Subordinate loan payable		230,000,000
Tara Chand	Director	Subordinate loan payable		30,000,000
Besham Kumar	Director	Subordinate loan payable		4,000,000
Deo Mal Essarani	Director	Subordinate loan payable		48,000,000
Dileep Kumar	Director	Subordinate loan payable		59,000,000
Asha Ram	Sponsor	Subordinate loan payable		9,000,000
Hasso Mal	Sponsor	Subordinate loan payable		24,000,000
Jagdish Kumar	Director	Subordinate loan payable		6,000,000
Jetha Nand	Sponsor	Subordinate loan payable		34,000,000
Prem Chand	Sponsor	Subordinate loan payable		4,000,000



21. OPERATING SEGMENT

These financial statements have been prepared on the basis of single reportable segment. The category-wise disclosures required by the accounting and reporting standards as applicable in Pakistan are as follows:

Revenue from sale of sugar represents 72.22% (March 31, 2025: 73.70%) of the total revenue whereas remaining represent revenue from sale of molasses and bagasse.

Nil (March 31, 2025: 29.43%) revenue of the Company relates to customers outside Pakistan.

All non-current assets of the Company at March 31, 2026 and September 30, 2025 were located in Pakistan.

22. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Level 1 : Quoted market price (unadjusted) in an active market.

Level 2 : Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. However, during the period, there were no transfers between the levels of the fair value hierarchy.



22.1 Fair value hierarchy

Following is the fair value hierarchy of the assets carried at fair value:

	Level 1	Level 2	Level 3	Total
	————— Rupees —————			
March 31, 2026				
- Freehold land	-	514,687,500	-	514,687,500
- Factory building on freehold land	-	395,669,821	-	395,669,821
- Non- factory building on freehold land	-	138,557,337	-	138,557,337
- Plant and machinery	-	3,106,417,837	-	3,106,417,837
- Short term investments	136,733,243	-	-	136,733,243
September 30, 2025				
- Freehold land	-	514,687,500	-	514,687,500
- Factory building on freehold land	-	416,434,500	-	416,434,500
- Non- factory building on freehold land	-	145,828,800	-	145,828,800
- Plant and machinery	-	3,166,500,716	-	3,166,500,716
- Short term investments	-	-	-	-



22.2 Valuation techniques and inputs used to determine fair value

The Company obtains independent valuations for its certain classes of property, plant and equipment. The following table summarizes the inputs used in the fair value measurement:

Description	March 31, 2026 Rupees	September 30, 2025 Rupees	Inputs used in fair value measurement
--- Written down value (WDV) ---			
- Freehold land	514,687,500	514,687,500	The market value of land has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.
- Factory building on freehold land	395,669,821	416,434,500	To determine the fair value of the buildings, following significant inputs were used: 1) Covered area of each building physically inspected by the valuer; 2) Complete specification of civil work on each building; 3) Physical condition of each building; 4) Cost of construction of new similar building;
- Non- factory building on freehold land	138,557,337	145,828,800	
	534,227,158	562,263,300	
- Plant and machinery	3,106,417,837	3,166,500,716	To determine the fair value of the plant and machinery, following significant inputs are used: 1) Cost of acquisition of similar plant and machinery with similar level of technology keeping in view the make, model, capacity, country of origin and other specification. 2) Physical condition of the plant and machinery - To arrive at commensurable value, the new installed values have been depreciated accordingly, keeping in view the present condition of the plant and machinery;



23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	Six-month period ended (Un-audited)	
	March 31, 2026 Rupees	March 31, 2025 Rupees
Cash and bank balances	157,641,174	186,918,031
Short term borrowings - Running finance	(1,849,043,521)	(876,481,042)
	<u>(1,691,402,347)</u>	<u>(689,563,011)</u>

24. RESTATEMENT OF CORRESPONDING FIGURES

Market committee levy

In accordance with Section 19 of the Agriculture Produce Market Act, 1939, read with Rule 29 of the Agriculture Produce Market Rules, 1940, the Company was required to pay the market committee fee based on the sugar cane crushed each year. However, in prior years, this liability was inadvertently omitted from the financial statements which was retrospectively recorded in the latest annual financial statements of the company (September 30, 2025).

During the current period, the charge of market committee fee payable for the period ended March 31, 2025, has been retrospectively recorded in these condensed interim financial statements.

Rate of deferred tax

The Company had previously calculated deferred tax using the standard rate of 29%. However, under Section 4C of the Income Tax Ordinance, an additional tax is applicable based on the level of taxable income, which is also required to be considered in determining deferred tax. The Company had inadvertently not applied the correct composite tax rate in prior period (March 31, 2025). As on the latest annual reporting date (i.e. September 30, 2025), the Company had corrected this matter retrospectively considering the materiality of the said error.

The retrospective effects on the corresponding figures presented in these condensed interim financial statements are as follows:



Effects on the statement of profit or loss

	For the period ended March 31, 2025		
	As previously reported	As restated	Change
	Rupees		
Revenue - net	1,798,986,313	1,798,986,313	-
Cost of sales	(1,508,346,866)	(1,512,398,916)	4,052,050
Gross profit	290,639,447	286,587,397	4,052,050
Administrative expenses	(94,045,065)	(94,045,065)	-
Selling and distribution expenses	(9,882,056)	(9,882,056)	-
Other income	79,241,607	79,241,607	-
Other expenses	(4,412,804)	(4,412,804)	-
	<u>(29,098,318)</u>	<u>(29,098,318)</u>	<u>-</u>
Operating profit	261,541,129	257,489,079	4,052,050
Finance costs	(121,445,103)	(121,445,103)	-
Loss before levies and taxation	140,096,026	136,043,976	4,052,050
Levies	(38,030,102)	(38,030,102)	-
Loss before taxation	102,065,924	98,013,874	4,052,050
Taxation- net	(24,719,719)	(15,849,567)	8,870,152
Loss after taxation	77,346,205	82,164,307	12,922,202
Loss per share - basic and diluted	7.42	7.88	0.46

25. GENERAL

25.1 Reclassification of corresponding figures

In these condensed interim financial statements, the following corresponding figures have been rearranged and reclassified, for the purpose of comparison and better presentation.

Reclassified from component	Reclassified to component	Note	Rupees
Repair and maintenance (Manufacturing expenses)	Fuel and power (Manufacturing expenses)	14.1	4,399,255



25.2 Shariah Disclosures under clause VII of Part I of Schedule IV of the Companies Act, 2017

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278 (I)/ 2024 dated 15 August 2024.

	(Un-audited) March 31, 2026 Rupees	(Audited) September 30, 2025 Rupees
<i>Condensed interim statement of financial position- Liability side:</i>		
- Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	1,149,404,859	-
- Interest or mark-up accrued on any conventional loan or advance	59,263,327	14,688,734
<i>Condensed interim statement of financial position- Asset side:</i>		
- Long-term and short-term Shariah compliant Investments	119,106,742	-
- Shariah-compliant bank deposits, bank balances, and TDRs	41,072,901	93,707,997
	(Un-audited) March 31, 2026 Rupees	(Un-audited) March 31, 2025 Rupees
<i>Condensed interim statement of comprehensive income</i>		
- Revenue earned from Shariah compliant business segment	1,289,171,941	1,798,986,313
- Break-up of late payments or liquidated damages	-	-
- Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates	787,500	-
- Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	32,125	-
- Exchange gain earned from actual currency	-	-
- Exchange gains earned using conventional derivative financial instruments	-	-
- Profit paid on Islamic mode of financing	32,083,911	37,533,462
- Total Interest earned on any conventional loan or advance	-	-



(Un-audited)
March 31,
2026
Rupees

(Un-audited)
March 31,
2025
Rupees

Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non compliant income

Earned from Shariah compliant transactions

Sale of bagasse (by product)	56,611,739	69,512,089
Gain on disposal of operating fixed assets	4,144,278	-
Gain on sale of rights	90,333	-

Earned from Non- Shariah compliant transactions

Profit on deposit accounts	12,971,676	9,729,518
Dividend income	4,290,131	-
Insurance claim	1,031,224	-

Relationship with Shariah Compliant Institutions

Name	Relationship
Bank Islami Pakistan Limited	Bank Balance
Faysal Bank Limited	Bank Balance and short term financing
Meezan Bank Limited	Bank Balance and short term financing
Dubai Islamic bank Pakistan Limited	Bank Balance and short term financing
EFU Takaful window	Insurance of Company's assets

25.3 Date of authorization of the financial statements for issue

These interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on May 23, 2026.

25.4 Level of rounding

Figures in these interim financial statements have been rounded off to the nearest rupee.

DR. TARA CHAND
Chief Executive

MAHESH KUMAR
Director

SAQIB GHAFFAR
Chief Financial Officer

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