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DEWAN SUGAR MILLS LIMITED

COMPANY INFORMATION

EXECUTIVE DIRECTORS

Ishtiaq Ahmad - Chief Executive Officer
Ghazanfar Baber Siddiqi

NON-EXECUTIVE DIRECTORS

Abdul Basit - Chairman Board of Directors
Syed Maqbool Ali
Nida Jamil
Mehmood-ul-Hassan Asghar

INDEPENDENT DIRECTOR

Aziz-ul-Haque

COMPANY SECRETARY

Muhammad Hanif German

CHIEF FINANCIAL OFFICER

Muhammad Ilyas Abdul Sattar

AUDITORS

Feroze Sharif Tariq & Co. - Chartered Accountants

COST AUDITORS

UHY Hassan Naeem & Co.

TAX ADVISOR

Sharif & Company - Advocates

LEGAL ADVISOR

A.K. Brohi & Company Advocates

AUDIT COMMITTEE

Aziz-ul-Haque
Syed Maqbool Ali
Abdul Basit

Chairman
Member
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Aziz-ul-Haque
Ghazanfar Baber Siddiqi
Abdul Basit

Chairman
Member
Member

BANKERS

National Bank of Pakistan
Summit Bank Limited
Habib Bank Limited
Standard Chartered Bank Pakistan Limited
The Bank of Khyber Limited

MCB Bank Limited
Meezan Bank Limited
The Bank of Punjab
Dubai Islamic Bank Pakistan Limited
Bank Islami Pakistan Limited

REGISTERED OFFICE:

Dewan Centre, 3-A Lalazar, Beach Hotel
Road, Karachi-74000, Pakistan.

CORPORATE OFFICE

Block-A, 2nd Floor
Finance & Trade Centre
Shahrah-e-Faisal, Karachi, Pakistan.

SHARE REGISTRAR / TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited
Annum Estate Building, Room No. 310 & 311,
3rd Floor, 49, Darul Aman Society.
Main Shahrah-e-Faisal, Adjacent Baloch Colony,
Karachi, Pakistan.

FACTORY

Jillaniabad, Budho Talpur,
Taluka: Mirpur Bathoro
District: Sujawal Sindh, Pakistan.

WEBSITE

www.yousufdewan.com



DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL
IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

The Directors are pleased to present condensed unaudited interim financial information of the Company duly reviewed by the auditors for the period ended March 31, 2025.

Industry Overview

The industrial sector plays a crucial role in Pakistan's economy, significantly to the GDP and employing a large work force. It is the 2nd largest agro based industries facing challenges related to efficiency, technological advancements, by-product utilization and improved farming practices.

Financial Results.

During the period under consideration, the financial results in brief summary is given as under: -

	March 31, 2025 (Rupees)	March 31, 2024 (Rupees)
Net Sales	1,197,919,075	1,287,981,432
Gross (Loss)	(541,066,280)	(57,462,053)
(Net Loss) after tax	(590,954,700)	(151,177,545)

Operational Performance of the Company

Sugar Segment

Sugar plant resumed its operation on 22nd January, 2025 after the lapse of 2023-24 crushing season halted for technical and over hauling issues. During the period under review, Company continued its sugarcane crushing operations for 24 days. We are confident that the operations for the coming season will be recommenced with considerably improved capacity utilization and better results.

Distillery Segment

Distillery unit produced 2,509 tons of Alcohol during the period under review as compared to 6,691 tons of Alcohol produced during the corresponding period. The operating loss of distillery was Rs.198.334 million as against the operating profit of Rs.55.200 million incomparable previous period. Major suffering came due to under utilizations of capacity because of Global Market Dynamics of ethanol demand and pricing besides increase in raw material, transportation and other cost of production. In order to get better results, the Company is adopting various cost cutting measures. Moreover, the power project is in the process of development for the more efficient supply of energy.

DEWAN SUGAR MILLS LIMITED

Chip Board Polypropylene Segment

Chip Board plant has produced 39,660 sheets during the period under review as against last period 20,830 sheets. The operating loss of Rs.4.51 million was suffered as against that of Rs.3.71 million in the previous comparable period. Management is focused on producing value added products and “A” quality sheets which are well accepted in the market. The management is confident it will bring this segment out from losses in future.

Polypropylene unit is already in the state of non-production because of working capital constraints.

Auditor's Observation

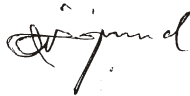
The auditors have expressed adverse opinion in their report on going concern assumption, default in repayment of installments of restructured liabilities and related non-provisioning of mark-up as explained in their report.

The condensed interim financial information has been prepared on going concern assumption as the Company approached its lender for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will streamline the funding requirements of the Company which will ultimately help the management to operate with optimum utilization of production capacity. Therefore, the preparation of condensed interim financial information using going concern assumption is justified as fully explained in note 1.1 to the condensed interim financial information.

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Ar-Rahim, in the name of our beloved Prophet Muhammad (peace be upon him) for the continued showering of his blessings, guidance, strength, health, and prosperity to us, our company, country and nation; and also pray to Almighty Allah to bestow peace, harmony, brotherhood, and unity in true Islamic spirit to whole of the Muslim Ummah; Ameen; Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

By and under Authority of the Board of Directors



Ishtiaq Ahmad

Chief Executive Officer



Abdul Basit

Chairman Board of Directors

Place : Karachi

Date : May 30, 2025

FEROZE SHARIF TARIQ & CO.

Partners: FEROZE QAISER F.C.A., I.C.A.E.W.
ALI HUSAIN, F.C.A.
MOHAMMAD TARIQ, F.C.A., A.C.M.A.

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
4-N/4, BLOCK 6, P.E.C.H.S.,
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REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF DEWAN SUGAR MILLS LIMITED

Introduction

We have reviewed the accompanying Condensed interim Statement of financial Position of Dewan Sugar Mills Limited ("the company") as at March 31, 2025 and the related Condensed interim statement of profit or loss, Condensed interim statement comprehensive income, Condensed interim statement of changes in equity and Condensed interim statement of cash flow and the notes to the financial statement for the half year then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and Presentation of this Condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and Condensed interim statement comprehensive income for the quarters ended March 31, 2025 and March 31, 2024 have not been reviewed as we are required to review only the cumulative figures for the half year ended March 31, 2025.

Scope of Review

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

Basis of Adverse Conclusion

- a) The Condensed interim financial Statements which indicates in note 1.1 the company incurred a loss after taxation of Rs. 590.955 (March 31, 2024: Rs. 151.177) million as on March 31, 2025 and as of that date it has negative revenue reserves amounting to Rs. Rs. 6.379 (September 30, 2024: Rs. 5.895) billion which resulted in negative equity of Rs. 1.283 billion (September 30, 2024: 661.441 million) and its current liabilities exceeded its current assets by Rs. 6.418 (September 30, 2024: Rs. 5.946) billion without provided markup of Restructured and other liabilities and as refer in below para (b) and (c). The Company has defaulted in repayments of installments of earlier restructured long term liabilities as disclosed in para (b) below and short term finance facilities had expired and not renewed by the banks amounting to Rs. 192.196 million, and therefore the company not utilizing its full capacity the Company Closed down the production facility of Polypropylene unit since long. Further, the company not utilizing its full capacity due to working capital constraints. Furthermore, the financial institution

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filled suit for execution of decree and winding up petition. Accordingly, the financial institutions have not been provided bank confirmations as at reporting date this shows restructuring proposal of the company had not been accepted by the lenders till the reporting date. These conditions lead us to believe that the going concern assumption used in preparation of these condensed interim financial statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

- b) The company defaulted in repayment of installments of restructured liabilities, hence as per clause 10.2 of the Compromise Agreement of the company, the entire outstanding restructured liabilities of Rs. 2.633 billion (note 9 to the financial Statements) along with markup of (Rs. 896.875) million (Rs. 471.824 million eligible for waiver mark up and Rs. 425.051 million outstanding mark up note 10 to the condensed interim financial Statements) become immediately payable, therefore provision for markup should be made in these condensed interim financial statements.
- c) In addition to above , since the proposal, has not been accepted so far and the lenders, instead of accepting the restructuring proposal, have preferred to filed suit against the company, therefore the company should made the provision of mark up in the condensed interim financial statements. Further during the year the company not made mark up Provision for the restructured long term and short term liabilities amounting to Rs. 151.797 (September 30, 2024 : Rs. 410.777) million in the financial Statements as disclosed in note 14 to the condensed interim financial Statements. Had the provisions for the mark up, as discussed in preceding paragraph (b), been made in these condensed interim financial statements, the loss after taxation would have been higher by Rs. 2.339 billion and markup payable would have been higher and shareholders' equity would have been lower by Rs. 2.339 billion.

Adverse Conclusion

Our review indicates that, because of the significance of the matter discussed in paragraph (a) to (c) above, these accompanying interim financial Statements as of and for the half year ended March 31, 2025 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial Reporting.

The engagement partner on the review resulting in this independent auditor's review report is Mohammad Ghalib.

Place : Karachi
UDIN: RR202510161tT5dy7Fn2
Date : May 30, 2025


CHARTERED ACCOUNTANTS
Audit Engagement Partner: Mohammad Ghalib



YD | A YOUSUF DEWAN COMPANY

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION FOR THE HALF YEAR ENDED MARCH 31, 2025

		(Un-Audited) Mar.31, 2025	(Audited) Sep.30, 2024
ASSETS	Notes	(Rupees in '000')	
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	7,211,429	7,430,796
CURRENT ASSETS			
Stores, Spares and Loose Tools		144,712	139,965
Stock-in-Trade		418,954	709,818
Trade Debts - Unsecured, Considered Good		33,635	42,562
Loans and Advances and Other Receivable - Unsecured, Considered Good		493,761	489,478
Trade Deposits, Short-Term Prepayments and Current Balances with Statutory Authorities		6,812	11,944
Income Tax Refunds and Advances		168,464	157,938
Short Term Investment - Related Party	7	-	-
Cash and Bank Balances		30,299	28,128
		1,296,637	1,579,833
		8,508,066	9,010,629
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital			
130,000,000 (2024: 130,000,000) Ordinary Shares of Rs. 10/- each		1,300,000	1,300,000
Issued, Subscribed and Paid-up Capital		915,120	915,120
Reserves and Surplus		(6,379,399)	(5,895,009)
Revaluation Surplus on Property Plant and Equipment		4,181,807	4,318,448
		(1,282,472)	(661,441)
NON-CURRENT LIABILITIES			
Sponsors Loan - Unsecured	8	446,231	461,075
Long Term Finance (Secured)	9	-	-
Long Term Interest Payable	10	-	-
Deferred Liabilities	11	1,629,390	1,685,201
CURRENT LIABILITIES			
Trade and Other Payables - Unsecured		4,672,166	4,503,288
Interest, Profit, Mark-up Accrued on Loans and Other Payables		12,010	12,010
Short Term Finances - Secured	12	192,196	192,196
Unclaimed Dividends		770	770
Current Portion of Non-Current Liabilities	9 to 10	2,632,929	2,632,929
Provision for Taxation		204,846	184,601
		7,714,917	7,525,794
CONTINGENCIES & COMMITMENTS			
	13	-	-
		8,508,066	9,010,629

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

Ishtiaq Ahmad
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer


Abdul Basit
Chairman Board of Directors

DEWAN SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2025

	Half Year Ended		Quarter Ended	
	Mar.31, 2025	Mar.31, 2024	Mar.31, 2025	Mar.31, 2024
	(Rupees in '000')			
Sales	1,197,918	1,287,982	926,657	529,930
Cost of Sales	(1,738,985)	(1,345,444)	(1,146,203)	(620,721)
Gross (Loss)	(541,067)	(57,462)	(219,546)	(90,791)
Administrative and General Expenses	(36,797)	(44,226)	(19,813)	(20,446)
Distribution and Selling Costs	(21,219)	(66,320)	(13,145)	(31,764)
Other Operating Income/(Loss)	(297)	12,037	(1,624)	16,387
(Loss) from Operations	(599,380)	(155,970)	(254,129)	(126,614)
Finance Cost	(27,142)	(28,930)	(13,162)	(14,868)
(Loss) before Income Tax	(626,522)	(184,901)	(267,291)	(141,482)
Levies	(20,244)	(12,246)	(20,012)	(4,515)
	(646,766)	(197,147)	(287,303)	(145,997)
Taxation	55,811	45,970	29,430	27,110
(Loss) for the period (after Income Tax)	(590,955)	(151,177)	(257,873)	(118,888)
(Loss) per Share - Basic	(6.46)	(1.65)	(2.82)	(1.30)

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



Ishtiaq Ahmad
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2025**

	Half Year Ended		Quarter Ended	
	Mar.31, 2025	Mar.31, 2024	Mar.31, 2025	Mar.31, 2024
	(Rupees in '000')			
(Loss) for the Period	(590,955)	(151,177)	(257,873)	(118,888)
Items that will not reclassify to profit or loss				
Other comprehensive income	(30,076)	--	(30,076)	--
Items that will not reclassify to profit or loss	--	--	--	--
Total Comprehensive (Loss) for The Period	<u>(621,031)</u>	<u>(151,177)</u>	<u>(287,949)</u>	<u>(118,888)</u>

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

Ishtiaq Ahmad
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer

Abdul Basit
Chairman Board of Directors

DEWAN SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2025

	Mar.31, 2025	Mar.31, 2024
	(Rupees in '000')	
Cash Flow from Operating Activities		
(Loss) Before Taxation	(626,522)	(184,901)
Adjustment for Non-Cash and Other Items:		
Depreciation	220,038	198,676
Financial Charges	27,142	28,930
	247,180	227,606
	(379,342)	42,705
Changes in Operating Assets and Liabilities		
<i>(Increase) / Decrease in Current Assets</i>		
Stores and Spares	(4,747)	(15,311)
Stock in Trade	290,864	(180,273)
Trade Debts	8,927	(32,532)
Loans and Advances	(4,283)	19,990
Trade Deposits, Prepayments & Other Balances	5,131	2,276
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	168,879	187,307
	464,771	(18,543)
Taxes Paid	(10,526)	(11,212)
Financial Charges Paid	(228)	(66)
	(10,754)	(11,278)
Net Cash Flows from Operating Activities	74,676	12,884
Cash Flow from Investing Activities		
Fixed Capital Expenditure	(671)	(17,744)
Net Cash Out Flows from Investing Activities	(671)	(17,744)
Cash Flow from Financing Activities		
Sponsors Loan	(71,834)	--
Net Cash Out Flows from Financing Activities	(71,834)	--
Net Increase (Decrease) in Cash and Bank Balances	2,171	(4,860)
Cash and Bank Balances at Beginning of the Period	28,128	33,926
Cash and Bank Balances at the End of the Period	30,299	29,066

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



Ishtiaq Ahmad
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2025**

	Issued, Subscribed & Paid-up Capital	General Reserve	Accumulated Profit/(Loss)	Revaluation Surplus on Property Plant & Equipment	Total
(Rupees in '000')					
Balance as on October 01, 2023	915,120	190,000	(5,649,465)	3,246,350	(1,297,995)
Loss for the period	--	--	(151,177)	--	(151,177)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	112,547	(112,547)	--
Balance as on March 31, 2024	<u>915,120</u>	<u>190,000</u>	<u>(5,688,095)</u>	<u>3,133,803</u>	<u>(1,449,172)</u>
Balance as on October 01, 2024	915,120	190,000	(6,085,009)	4,318,448	(661,441)
Loss for the period	--	--	(621,031)	--	(621,031)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	136,641	(136,641)	--
Balance as on March 31, 2025	<u>915,120</u>	<u>190,000</u>	<u>(6,569,399)</u>	<u>4,181,807</u>	<u>(1,282,472)</u>

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

Ishtiaq Ahmad
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer

Abdul Basit
Chairman Board of Directors

**CONDENSED INTERIM SEGMENTWISE OPERATING RESULTS (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2025**

DEWAN SUGAR MILLS LIMITED

	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24
Gross Sales										
Local	463,606	-	-	-	67,961	30,570	75,398	84,838	606,965	115,408
Exports	-	-	-	-	-	-	686,505	1,192,897	686,505	1,192,897
	463,606	-	-	-	67,961	30,570	761,903	1,277,735	1,293,470	1,308,305
Sales Commission										
Sales Tax	-	-	-	-	-	-	3,757	5,210	3,757	5,210
	70,720	-	-	-	11,883	5,238	9,192	9,875	91,795	15,113
	70,720	-	-	-	11,883	5,238	12,949	15,085	95,552	20,323
Net Sales										
	392,887	-	-	-	56,078	25,332	748,954	1,262,650	1,197,918	1,287,982
COST OF SALES										
Gross Profit / Loss	772,568	190,529	-	-	60,539	28,989	905,878	1,125,927	1,738,985	1,345,444
	(379,681)	(190,529)	-	-	(4,462)	(3,657)	(156,924)	136,723	(541,067)	(57,462)
Administrative Expenses										
Selling and Distribution Costs	13,248	13,933	3,646	3,476	50	55	19,852	26,761	36,797	44,226
Other operating (income)/Loss	385	-	-	-	-	-	20,834	66,320	21,219	66,320
	(427)	(479)	-	-	-	-	724	(11,558)	297	(12,037)
	13,207	13,454	3,646	3,476	50	55	41,410	81,523	58,313	98,509
Segment Results										
	(392,888)	(203,983)	(3,646)	(3,476)	(4,512)	(3,712)	(198,334)	55,200	(599,380)	(155,971)

(Rupees in '000')



Ishtiaq Ahmad
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Dewan Sugar Mills Limited (the Company) was incorporated in Pakistan, as a public limited company on June 27, 1982, under the Companies Act, 1913 (Now the Companies Act 2017 and its shares are listed in Pakistan Stock Exchange Guarantee Limited. The Principal activity of the Company is production and sale of white crystalline refined sugar, processing and trading of by-products, and other related activities and allied products. Further, The Company's Poly propylene unit is still non operative since 2016.

The geographical Location and address of the company's business units, including mill/plant are as under:

The Company consist of Four units namely

1. sugar Unit. 2. Distillery unit, 3. Board and Penal unit and 4. Poly propylene unit (non operated since 2016)

The registered office of the company is situated at at Dewan Centre, 3-A, Lalazar, Beach Hotel Road, Karachi-74000, Pakistan; while its all four units manufacturing facilities are located at Jillaniabad, Budho Talpur, Taluka: Mirpur Bathoro, District: Thatta, Sindh, Pakistan.

1.1 GOING CONCERN ASSUMPTION

The condensed financial interim information of the company for the half year ended March 31, 2025 incurred a net loss after taxation of Rs.590,955 million (March 31, 2024 151,177 million) and as of that date company's negative reserves of Rs.6.379 billion (September 30, 2024 Rs. 5.895) billion and its current liabilities exceeded its current assets by Rs.6.418 billion (September 30, 2024: Rs. 5.945) billion. Further the company's short term borrowing facilities amounting Rs.192.196 million have been expired and not been renewed by the lenders. The company defaulted in repayment of its restructured long term loan due to liquidity crunch, hence as per clause 10.2 of the compromise agreement entire restructured liabilities along with markup eligible for waiver have become immediately repayable. These conditions along with other matters indicate the existence of material uncertainty which may cast significant doubt about company's ability to continue as going concern, therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The going concern assumption used in preparation of these financial statements is largely depended on the acceptance of restructuring proposal by the lenders. Negotiation is under process and finalized in near future.

2 BASIS OF PREPARATION

Statement of compliance

These condensed 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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standards (IAS) 34-'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

DEWAN SUGAR MILLS LIMITED

3 BASIS OF PRESENTATION

3.1 These condensed interim financial statements are unaudited but subject to limited scope review by auditors and are being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended September 30, 2024, which have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3.2 The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended September 30, 2024, whereas the comparative condensed interim profit or loss account, condensed interim statement of comprehensive income, condensed interim cash flows and condensed statement of changes in equity are extracted from the unaudited condensed interim financial statement for the half year ended March 31, 2024.

3.3 Basis of Measurement

The financial statements have primarily been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the major class of fixed assets which are on revalued amount in note 6 to the financial statements, financial assets and liabilities which are carried at their fair values. Further, accrual basis of accounting is followed except for cash flow information.

4 MATERIAL ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies which were applied in the preparation of the annual financial statements of the Company for the year ended September 30, 2024.

4.1 Application of new and revised International Financial Reporting Standards

4.1.1 Standards, amendments to standards and interpretations becoming effective during the period

There are certain new standards, amendments to existing standards and new interpretations on approved accounting standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after October 01, 2024 but are considered not to be relevant or not to have any material effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

4.1.2 Standards, amendments to standards and interpretations becoming effective in future periods

There are certain new standards, amendments to standards and interpretations that will become effective in future accounting periods but are considered not to be relevant or not to have any material effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.



5 ACCOUNTING ESTIMATES AND JUDGMENTS

- 5.1** The preparation of this condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.
- 5.2** In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2024.
- 5.3** The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2024.

		Un-Audited March 31, 2025 (Rupees in '000')	Audited September 30, 2024
6 PROPERTY, PLANT AND EQUIPMENTS	Note		
Operating Property , Plant & Equipment	6.1	7,102,301	7,321,668
Capital work-in-progress	6.2	109,128	109,128
		7,211,429	7,430,796
6.1 Written Down Value as on October 1, 2024		7,321,668	5,855,861
Addition during the period		671	68,282
Impairment in Plant & Machinery Polypropylene		-	(14,756)
Surplus on revaluation of Fixed Assets		-	1,774,114
		7,322,339	7,683,501
Depreciation for the period		(220,038)	(361,833)
Written Down Value as on March 31, 2025		7,102,301	7,321,668
6.2 Capital work-in-progress		109,128	156,215
Addition during the period		-	3,573
Transferred to Fixed Assets		-	(50,660)
		109,128	109,128
6.2.1	Fixed capital expenditure during the period amounted to Rs.0.671 Million (September 30, 2024:Rs.71.855 Million). Including capital work in progress		
6.2.2	The company has not completed the Power house due to Company faces financial difficulties to Complete the same the management of the Company quiet hopeful to complete in near future for the benefit of the Company.		

7 INVESTMENT IN ASSOCIATED COMPANY

The Company held 13,650,000 shares including 650,000 bonus shares of Dewan Farooque Motors Ltd., Associate is entity over which Company has significant influence but not control. Company's investee Company to be considered it's associate by virtue of common Directorship/Sponsorship, member of Yousuf Dewan Companies and ownership interest of 9.84% in investee Company.

DEWAN SUGAR MILLS LIMITED

		Un-Audited March 31, 2025	Audited September 30, 2024
	Note	(Rupees in '000')	
7.1	Investment in Dewan Farooque Motors Limited		
	Number of shares held	13,650,000	13,650,000
	Cost of investment (Rupees'000')	130,000	130,000
	Fair value of investment (Rupees'000')	608,790	639,093
	Ownership interest	9.84%	9.84%
8	SPONSOR LOAN - UNSECURED		
	Sponsor Loan	8.1 446,231	422,608
	Sponsors Loan obtained for payment of Term Loan	8.2 --	38,467
		446,231	461,075
8.1	Sponsor Loan		
	Opening Balance Original Loan amount	580,788	580,788
	Additional Loan from Sponsor	--	--
		580,788	580,788
	Less Present value adjustment	(158,181)	(200,677)
	Amortization Discount Charges to P & L	23,624	42,496
		(134,557)	(158,181)
	Closing Balance	446,231	422,608

The Sponsors loan had been measured at amortized cost in accordance with International Accounting standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 11.18% per annum. These interest free loans are payable in lump sum on September 30, 2027.

8.2 Sponsor Loan

Sponsors Loan obtained for payment of Term Loan	71,835	159,648
Repayment	71,835	87,813
	--	71,835
Less Present value adjustment	(33,368)	(90,224)
Amortization Income (Reversed)	30,076	32,718
Add Amortization Discount Charged to P & L	3,292	24,138
	--	(33,368)
Closing Balance	--	38,467

8.2.1 This represents unsecured interest free loan payable to sponsor director. This liability had arisen on account of settlement of liabilities of the bank, which were settled by sponsor director. The terms of repayment of loan finalized after restructuring settlement made with the steering committee and as of that date payable in lump sum on December 31, 2022. However due to financial crunch loan Period has been Extended by mutual consent of the Parties to repay in lump sum on 30th September 2027 on interest rate of 21% per annum. Therefore the amount of loan had been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement. The company has repaid the loan during the Period in January 2025 and reversed amortization income accordingly.



		Un-Audited March 31, 2025 (Rupees in '000')	Audited September 30, 2024
9 LONG TERM FINANCE - SECURED	Note		
Syndicate Term Finance: Principal opening		2,348,128	2,348,128
Current Maturity		-	-
Less Overdue installments		2,348,128	2,348,128
		-	-

This amount represent outstanding balance of rescheduled settled amount as per compromising decree dated February 18, 2011 granted by Honorable High Court of Sindh at Karachi. As per terms 32 quarterly installments of principal loan ranging from Rs.57.09 million to Rs. 143.858 million will be payable in ten years with one year grace period with no mark-up through out the repayment period. The repayments of loan had been started from March 30, 2012 and last payment was to be made on December 30, 2020. The company has defaulted in repayment of the same loan and not Provided the Mark up since defaulted by the Company.

10 LONG TERM MARK UP PAYABLE

Mark-up payable on Reschedule Term Finance : Opening	284,801	284,801
Less Overdue installments	284,801	284,801
	--	--

This amount represents token mark up of Rs. 425.051 payable to Syndicated (Summit Bank & Other) in 4 equal quarterly installments (33 to 36) million. Company had provided Rs.284.80 million till September, 2018 and stopped providing further markup and approaching to lender for waiver due to current worst situation of industries of the Country specially Sind province. We are hopeful our this request will be oblige.

11 DEFERRED LIABILITIES

Deferred Tax Liability for Staff Gratuity (Provision)	11.1	5,349	5,349
Deferred Income Tax Liability		1,624,041	1,679,852
		1,629,390	1,685,201

11.1 The Company discontinued its policy for staff retirement benefits plan for gratuity on March 31, 2007 and provision for all its outstanding liabilities had been made until March 31, 2007. This payable amount was to transfer to provident fund scheme, however the Board of Trustee has amended the said clause and now the Company opted to pay this liability to each employees at the time of their separation from the Company.

12 SHORT TERM RUNNING FINANCES - SECURED

Short term running finances - Secured	12.1	192,196	192,196
		192,196	192,196

12.1 This amount represent RF facility of Rs.192.196 million sanctioned by the lenders as per Court order/compromising decree. The facility is secured by the way of first charge over current assets of the Company with 20% margin. The mark-up of this facility is 3 month KIBOR plus 0.75% per annum payable quarterly basis. The facility had expired and not renewed by the banks. During the period Company has not provided the mark up on the same.

DEWAN SUGAR MILLS LIMITED

13 CONTINGENCIES & COMMITMENTS

There is no significant changes in the status of contingencies and commitments during the period as those reported in last published financial statements.

14 FINANCE COST

The company has not provided the markup on long term and short term borrowings from Banks for the period amounting to Rs.151.797 million on the contention of the Company as disclosed in note 9,10 and 12 to the financial statements. However had the provision been made in the financial statements markup for the year would have been higher by Rs.2.339 billion and accrued markup and accumulated loss would have been increased by Rs.2.339 billion.

15 SEASONAL PRODUCTION

Due to the seasonal availability of sugarcane, the manufacturing of sugar is carried out during the period of availability of sugarcane and cost incurred / accrued up to the reporting date have been accounted for in interim financial Statements. Accordingly, the cost incurred / accrued after the reporting date will be reported in the subsequent financial statements.

16 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These condensed interim financial statements do not include all financial risk management information and disclosures which are 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, 2024. There have been no changes in any risk management policies since the year end. The carrying values of all financial and non-financial assets and liabilities measured at other than amortized cost in these condensed interim financial approximate their fair values.

	March 31, 2025	March 31, 2024
17 TRANSACTION WITH RELATED PARTIES	(Rupees in '000')	
Sale Commission	3,757	5,210
Purchases	2,331	7,800
Sales	-	3,315
Provident fund contribution	2,127	2,004
Payments of Sponsor loan	(71,834)	-

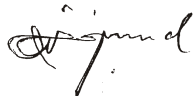
Dewan Mushtaq Trade Limited Relationship by Common Director Ship

18 DATE OF AUTHORIZATION FOR ISSUE

These Financial Statements were authorized for issue on May 30, 2025 by the board of directors of the Company.

19 GENERAL

Figures have been rounded off to the nearest thousand rupees. Comparative rearranged, reclassified and restated wherever necessary as per requirement.



Ishtiaq Ahmad
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Abdul Basit
Chairman Board of Directors



چپ بورڈ پولی پروپیلین کا شعبہ:

دوران جائزہ مدت چپ بورڈ پلانٹ نے گزشتہ مدت کی 20,830 ٹن کے مقابلے میں 39,660 ٹن تیار کیں۔ اس مدت کا آپریٹنگ خسارہ 4.51 ملین روپے رہا جو گزشتہ سال کی اسی مدت کے دوران 3.71 ملین روپے تھا۔ انتظامیہ نے اپنی توجہ ویلیو ایڈڈ مصنوعات کی تیاری پر مرکوز کر رکھی ہے اور درجہ A کی ٹن تیار کر کے مسابقت میں سبقت لی جانے کے لئے کوشاں ہے۔ ہم پر امید ہیں کہ کمپنی کے اس آپریشن میں مثبت نتائج سامنے آئیں گے۔

پولی پروپیلین پینٹ ورکنگ کیمپل کی رکاوٹوں کے سبب پہلے ہی پروڈکشن سے باہر ہے۔

آڈیٹرز نے اپنی رپورٹ میں کمپنی کے آگے بڑھنے اور ترقی کرنے کی صلاحیت، ری اسٹرکچرڈ واجبات کی اقساط کی ادائیگی میں ڈیفالٹ اور مارک اپ کی عدم ادائیگی جیسے معاملات پر منفی رائے کا اظہار کیا ہے۔

کنٹریڈیٹوری مالیاتی معلومات کو گونگ تسویش کے مفروضے پر تیار کیا گیا ہے کیونکہ کمپنی نے اپنی ذمہ داریوں کی مزید تنظیم نو کیلئے اپنے قرض دہندہ سے رابطہ کیا ہے۔ کمپنی پر امید ہے کہ اس طرح کی تنظیم نو جلد ہی موثر ہوگی اور کمپنی کی فنڈنگ کی ضروریات کو بہتر کرے گی جس سے بالآخر انتظامیہ کو پیداواری صلاحیت میں اضافہ کرنے میں مدد ملے گی۔ لہذا کنٹریڈیٹوری مالیاتی معلومات کی تیاری گونگ تسویش مفروضے کا استعمال کرتے ہوئے جائز ہے جیسا کہ نوٹ 1.1 میں مکمل طور پر کنٹریڈیٹوری مالیاتی معلومات کی وضاحت کی گئی ہے۔

اختتام پر اللہ پاک رحمن و رحیم کے حضور سجدہ ریز ہو کر دعا مانگتے ہیں ہمارے نبی سرکارِ دو عالم ﷺ کے وسیلے سے کہ اے اللہ ہماری رہنمائی کرے اور کمپنی قوم اور وطن عزیز کو اپنے حفظ و امان میں رکھے اور بھرپور ترقی کرنے کی توفیق عطا کرے۔ ساتھ ہی اللہ پاک سے دعا مانگتا ہوں کہ امت مسلمہ میں امن، چین اور بھائی چارہ پیدا کرے آمین۔

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے

عبدالباسط

چیرمین بورڈ آف ڈائریکٹر

اشتیاق احمد

چیف ایگزیکٹو آفیسر

کراچی؛
کراچی مورخہ 30 مئی 2025ء

DEWAN SUGAR MILLS LIMITED

ڈائریکٹر ز رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

محترم حصص یافتگان،

السلام علیکم،

دیوان شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2025ء کو ختم ہونے والی مدت کے غیر حاسبی مالیاتی گوشوارے پیش کرتے ہوئے نہایت مسرت محسوس کر رہے ہیں۔

صنعت کا جائزہ:

صنعتی شعبہ پاکستان کی معیشت میں ایک اہم کردار ادا کرتا ہے، جو کہ ملکی GDP میں نمایاں اضافہ کا باعث بننے کے ساتھ بڑی تعداد میں افرادی قوت کو روزگار فراہم کرتا ہے۔ زرعی بنیاد پر قائم دوسرا بڑا صنعتی شعبہ ہونے کے باوجود، یہ شعبہ کئی مشکلات کا سامنا کر رہا ہے، جن میں کارکردگی میں بہتری، ٹیکنالوجی کی ترقی، ضمنی مصنوعات کے موثر استعمال اور جدید زرعی طریقوں کا نفاذ شامل ہے۔

مالیاتی نتائج:

زیر جائزہ مدت کے دوران مالیاتی نتائج کا مختصر خلاصہ درج ذیل ہے:

31 مارچ 2025ء (روپے)	31 مارچ 2024ء (روپے)	
1,197,919,075	1,287,981,432	خالص فروخت
(541,066,280)	(57,462,053)	مجموعی (خسارہ)
(590,954,700)	(151,177,545)	بعد از ٹیکس (خالص خسارہ)

کارکردگی کا جائزہ:

شکر کا شعبہ:

22 جنوری 2025ء کو طویل عرصے کے بعد شکر کے شعبہ نے اپنا آپریشن دوبارہ شروع کیا، جو ٹیکنیکی خرابیوں اور مرمت کے مسائل کے باعث عارضی طور پر بند کر دیا گیا تھا۔ اس کے نتیجے میں صرف 24 دن تک کرشنگ کا عمل جاری رہ سکا۔ ہمیں یقین ہے کہ آنے والے مہینوں میں پلانٹ مکمل صلاحیت کے ساتھ دوبارہ آپریشن شروع کرے گا۔

ڈسٹری کا شعبہ:

زیر جائزہ مدت کے دوران ڈسٹری کے شعبے نے 2,509 ٹن الکل تیار کی، جس کا موازنہ گذشتہ مدت کے دوران تیار کئے گئے 6,691 ٹن الکل سے کیا جاسکتا ہے۔ زیر جائزہ مدت میں ڈسٹری شعبے کا آپریٹنگ خسارہ 198.334 ملین روپے رہا، جبکہ گذشتہ سال آپریٹنگ منافع 55.20 ملین روپے تھا۔ خسارہ کی بڑی وجہ پیداواری صلاحیت کا مکمل استعمال نہ ہونا تھا، جو عالمی منڈی میں اسمتھول کی طلب اور قیمتوں میں اتار چڑھاؤ کے ساتھ ساتھ خام مال، ٹرانسپورٹیشن اور دیگر پیداواری اخراجات میں اضافے کی وجہ سے پیش آیا۔ بہتر نتائج حاصل کرنے کیلئے، کمپنی لاگت میں کمی کے مختلف اقدامات اپناتی رہی ہے۔ مزید برآں، توانائی کی زیادہ موثر فراہمی کیلئے پاور پروڈیکٹ کی تعمیر کی جارہی ہے۔