

ADAM SUGAR MILLS LIMITED



QUARTERLY REPORT

**FOR THE FIRST QUARTER ENDED
31 December, 2024
(UN-AUDITED)**



ADAM SUGAR MILLS LIMITED

**IN THE NAME OF ALLAH
THE BENEFICENT, THE MERCIFUL**

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ADAM SUGAR MILLS LIMITED

VISION

To be the leader in sugar industry by building the company's image through quality improvement, competitive prices and meeting social obligations.

MISSION

- Endeavour to be the market leader by offering high quality sugar to our customers at competitive prices.
- To continue improving operating performance and profitability thereby ensuring growth for the company while serving best interest of shareholders.

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. JUNAID G. ADAM - CHAIRMAN
MR. GHULAM AHMED ADAM - CHIEF EXECUTIVE
MR. JAWAID AHMAD
MR. OMAR G. ADAM
MR. SALEEM PAREKH
MRS. HUMERA DIWAN
MS. SARAH ADAM

AUDIT COMMITTEE

CHAIRPERSON MEMBER MEMBER

MR. SALEEM PAREKH
MR. JAWAID AHMAD
MS. SARAH ADAM

HUMAN RESOURCES AND REMUNERATION COMMITTEE

CHAIRMANPERSON MEMBER MEMBER

MR. SALEEM PAREKH
MR. JAWAID AHMAD
MR. OMAR G. ADAM

CORPORATE SECRETARY

QAMAR RAFI KHAN

CHIEF FINANCIAL OFFICER

FAISAL HABIB

HEAD OF INTERNAL AUDIT

NOMAN IQBAL

REGISTERED OFFICE

HAJI ADAM CHAMBERS, ALTAF HUSSAIN ROAD,
NEW CHALLI, KARACHI-2
TEL NO. 32417812 & 32401139-43
WEBSITE: www.adam.com.pk/adamsugar.html

FACTORY

CHAK NO. 4, FORDWAH, CHISHTIAN DISTRICT
BAHAWALNAGAR

STATUTORY AUDITORS

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
CHARTERED ACCOUNTANTS

COST AUDITOR

A.D. AKHAWALA & CO.
CHARTERED ACCOUNTANTS

SHARE REGISTRARS

C & K MANAGEMENT ASSOCIATES (PVT) LTD
M-13, PROGRESSIVE PLAZA, CIVIL LINES QUARTERS,
NEAR P.I.D.C BEAUMONT PLAZA, KARACHI.
TEL NO. 35685930
FAX NO. 35687839



ADAM SUGAR MILLS LIMITED

IN THE NAME OF ALLAH THE BENEFICIENT, THE MERCIFUL

DIRECTORS' REVIEW

On behalf of the Board of Directors, I am pleased to present the Un-Audited Financial Statements of the Company for the first quarter ending December 31, 2024.

<u>OPERATING RESULTS</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cane crushed - Metric Tons	155,660	212,881
Average Recovery	8.60%	9.67%
Sugar Produced - Metric Tons	13,387	19,920
Commenced Crushing on	21-11-2024	25-11-2023
No. of season days	41	37

The current season started on a challenging note due to uncertainty within the grower community, as the Punjab Government has not fixed the minimum support price and this caused hesitation among growers as they are not accustomed to global market dynamics where prices are determined by market forces. Furthermore, both sugarcane yield per acre and recoveries are unexpectedly low this season. This is a countrywide phenomenon and has affected almost all sugarcane growing regions of Pakistan.

Despite the challenges of the previous season, the Company successfully fulfilled its sugar export commitments within the allocated quota and time frame allotted, and has started the current crushing season smoothly.

Future Outlook

We remain optimistic about achieving favorable results in current financial year. The countrywide sugar production outlook does not indicate any major surplus on the horizon as in previous financial year. The local market should have ample supply however and we hope that the Government will once again allow export of surplus stocks if any after taking into account the requirements of the country.

We are optimistic about Government's efforts towards strengthening economy and that it will bring positive results.

Acknowledgment

The Board sincerely appreciates the unwavering dedication and cooperation demonstrated by the Company's officers, staff, and workers. We look forward to their continued commitment to the success of the Company.

On behalf of the Board of Directors

(GHULAM AHMED ADAM)
(CHIEF EXECUTIVE)

(OMAR G. ADAM)
(DIRECTOR)

Karachi: January 29, 2025



ADAM SUGAR MILLS LIMITED


CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2024

		December 31, 2024	September 30, 2024
	Note	Rupees	
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,361,353,688	6,418,184,008
Long term advances		-	30,864,400
Long term deposits		4,191,581	4,191,581
		<u>6,365,545,269</u>	<u>6,453,239,989</u>
Current assets			
Stores and spares		187,206,848	154,330,437
Stock in trade	5	1,249,194,616	3,249,144,346
Short term investments		25,020,460	25,020,460
Trade debts - unsecured	6	1,213,740,287	506,643,021
Short term loans, advances, deposits and prepayments	7	110,279,209	89,558,315
Others receivables		12,549,819	12,549,818
Cash and bank balances	8	417,191,902	53,025,872
		<u>3,215,183,141</u>	<u>4,090,272,269</u>
Total assets		<u>9,580,728,410</u>	<u>10,543,512,258</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized Capital</i>			
		<u>250,000,000</u>	<u>250,000,000</u>
<i>Issued, subscribed and paid-up capital</i>			
		<u>172,909,620</u>	<u>172,909,620</u>
<i>Capital reserves:</i>			
Surplus on revaluation of property, plant and equipment- net		3,624,268,152	3,654,432,478
Share premium		172,909,620	172,909,620
Capital contribution from director		18,601,691	18,601,691
		<u>3,815,779,463</u>	<u>3,845,943,789</u>
<i>Revenue reserves:</i>			
General reserve		200,000,000	200,000,000
Unappropriated profits		1,031,832,690	1,038,641,867
		<u>1,231,832,690</u>	<u>1,238,641,867</u>
Total equity		<u>5,220,521,773</u>	<u>5,257,495,276</u>
Non-current liabilities			
Long term financing	9	100,908,877	219,882,722
Deferred liabilities		1,143,212,861	1,142,225,610
Provident fund payable		5,255,418	4,945,994
		<u>1,249,377,156</u>	<u>1,367,054,326</u>
Current liabilities			
Short term borrowings	10	1,719,525,132	2,718,924,732
Subordinated loan from Chief Executive	11	23,111,297	22,571,399
Trade and other payables		1,129,485,908	835,408,349
Accrued markup		6,528,180	208,113,890
Current maturity of long term financing		187,223,440	115,055,580
Current maturity of deferred income - Government grant		1,330,401	1,618,314
Dividend		33,093,141	7,156,698
Taxation-net		10,531,982	10,113,694
		<u>3,110,829,481</u>	<u>3,918,962,656</u>
Contingencies and commitments			
	12	-	-
Total equity and liabilities		<u>9,580,728,410</u>	<u>10,543,512,258</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


OMAR G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2024

	December 31, 2024	December 31, 2023
Note	Rupees	Rupees
Sales revenue - net	13 3,880,456,855	1,801,716,579
Cost of sales	<u>(3,708,895,610)</u>	<u>(1,304,189,891)</u>
Gross profit	171,561,245	497,526,688
Administrative expenses	<u>(53,636,681)</u>	<u>(47,397,315)</u>
Selling and distribution costs	<u>(40,988,364)</u>	<u>(1,799,988)</u>
Operating profit	<u>76,936,201</u>	<u>448,329,385</u>
Finance costs	<u>(39,696,828)</u>	<u>(41,702,897)</u>
Other income	2,556,478	3,479,123
Other operating expenses	<u>(1,933,580)</u>	<u>(2,689,820)</u>
Profit before levies and taxation	<u>37,862,271</u>	<u>407,415,791</u>
Levies	<u>(2,612,497)</u>	<u>(28,111,690)</u>
Profit before taxation	<u>35,249,774</u>	<u>379,304,101</u>
Taxation - current	<u>(46,286,834)</u>	<u>(144,552,719)</u>
Profit after taxation	<u>(11,037,060)</u>	<u>234,751,382</u>
Earnings per share- basic and diluted	<u>(0.64)</u>	<u>13.58</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


OMAR G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2024

	December 31, 2024	December 31, 2023
	————— Rupees —————	
Profit after taxation	(11,037,060)	234,751,382
Other comprehensive (loss) / income for the year		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain / (Loss) on remeasurement of defined benefit obligation	-	-
Deferred tax on above	-	-
	-	-
Total comprehensive income for the year	(11,037,060)	234,751,382

The annexed notes from 1 to 16 form an integral part of these financial statements.

GHULAM AHMED ADAM
Chief Executive

OMAR G. ADAM
Director

FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2024

	Capital reserves				Revenue reserves		Total
	Issued, subscribed and paid up capital	Surplus on revaluation of property, plant and equipment	Share premium	Capital contribution from Director	General reserve	Unappropriated profits / (losses)	
Balance as at September 30, 2022 (as previously reported)	172,909,620	2,661,730,994	172,909,620	18,601,691	200,000,000	788,775,896	4,014,927,821
Effect of restatement of corresponding figures	-	(92,293,149)	-	-	-	(37,595,040)	(129,888,189)
Balance as at September 30, 2022 (as restated)	172,909,620	2,569,437,845	172,909,620	18,601,691	200,000,000	751,180,856	3,885,039,632
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - net of deferred tax (restated)	-	(119,064,024)	-	-	-	119,064,024	-
<i>Total comprehensive income/ (loss) for the year ended September 30, 2023</i>							
- Profit after taxation (restated)	-	-	-	-	-	117,516,678	117,516,678
- Other comprehensive income / (loss) (restated)	-	1,330,353,018	-	-	-	(83,975)	1,330,269,043
	-	1,330,353,018	-	-	-	117,432,703	1,447,785,721
<i>Transaction with owners</i>							
Final cash dividend @ 25% for the year ended September 30, 2022	-	-	-	-	-	(43,227,405)	(43,227,405)
Interim cash dividend @ 15% for the quarter ended June 30, 2023	-	-	-	-	-	(25,936,443)	(25,936,443)
Balance as at September 30, 2023 (as restated)	172,909,620	3,780,726,839	172,909,620	18,601,691	200,000,000	918,513,735	5,263,661,505
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - net of deferred tax	-	(126,294,361)	-	-	-	126,294,361	-
<i>Total comprehensive income for the year ended September 30, 2024</i>							
- Profit after taxation	-	-	-	-	-	54,245,694	54,245,694
- Other comprehensive income	-	-	-	-	-	106,445	106,445
	-	-	-	-	-	54,352,139	54,352,139
<i>Transaction with owners</i>							
Final cash dividend @ 35% for the year ended September 30, 2023	-	-	-	-	-	(60,518,368)	(60,518,368)
Balance as at September 30, 2024	172,909,620	3,654,432,478	172,909,620	18,601,691	200,000,000	1,038,641,867	5,257,495,276
<i>Total comprehensive income for the period ended December 31, 2024</i>							
- Profit after tax	-	-	-	-	-	(11,037,060)	(11,037,060)
- Other comprehensive income/loss	-	-	-	-	-	-	-
	-	-	-	-	-	(11,037,060)	(11,037,060)
Transfer to unappropriated profits on account of incremental depreciation	-	(30,164,326)	-	-	-	30,164,326	-
<i>Transaction with owners</i>							
Final Cash dividend @ 15% for the year ended September 30, 2024	-	-	-	-	-	(25,936,443)	(25,936,443)
Balance as at December 31, 2024 172,909,620		3,624,268,152	172,909,620	18,601,691	200,000,000	1,031,832,690	5,220,521,773

The annexed notes from 1 to 16 form an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


OMAR G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2024

	December 31, 2024	December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES	Note	Rupees
Profit before taxation	37,862,271	407,415,791
<i>Adjustments for non cash and other items:</i>		
- Depreciation on property, plant and equipment	4.1 70,035,317	70,321,864
- Provision for gratuity	914,238	493,881
- Finance cost	39,696,828	41,702,897
- Amortization of deferred government grant - Net	(214,900)	-
- Provision for Workers' Profit Participation Fund	1,893,114	20,370,790
- Provision for Workers' Welfare Fund	719,383	7,740,900
- Provision for provident fund	720,900	60,837
	<u>113,764,880</u>	<u>140,691,168</u>
Cash generated from operating activities before working capital changes	151,627,150	548,106,959
Working capital changes:		
<i>Decrease / (increase) in current assets</i>		
- Stores and spares	(32,876,411)	(21,296,053)
- Stock in trade	1,999,949,730	(1,173,538,994)
- Trade debts	(707,097,266)	(156,907,755)
- Short term loans, advances	(20,720,894)	993,615
<i>Increase / (decrease) in current liabilities</i>		
- Trade and other payables	291,465,062	11,912,074
	<u>1,530,720,221</u>	<u>(1,338,837,113)</u>
Cash generated from / (used) in operations	1,682,347,372	(790,730,154)
- Financial costs paid	(240,742,640)	(98,278,947)
- Payment to Provident fund	(411,477)	(481,692)
- Gratuity paid	-	(2,047,631)
- Taxes paid	(48,481,043)	(132,959,936)
	<u>(289,635,160)</u>	<u>(233,768,206)</u>
Net cash generated from / (used) in operating activities	1,392,712,212	(1,024,498,360)
CASH FLOWS FROM INVESTING ACTIVITIES		
- Fixed Capital Expenditure	(13,204,997)	(17,299,529)
- Long term advances transferred	30,864,400	(41,255,644)
Net cash generated from / (used) in investing activities	17,659,403	(58,555,173)
CASH FLOWS FROM FINANCING ACTIVITIES		
- Short term borrowings - net	30,792,738	-
- Long term loan repaid	(46,805,986)	(9,757,221)
Net cash (used) in financing activities	(16,013,248)	(9,757,221)
Net increase / (decrease) in cash and cash equivalents	1,394,358,368	(1,092,810,754)
Cash and cash equivalents at the beginning of the period	(977,166,466)	(629,571,084)
Cash and cash equivalents at the end of the period	417,191,902	(1,722,381,838)

The annexed notes from 1 to 16 form an integral part of these financial statements.


GHULAM AHMED ADAM
Chief Executive


OMAR G. ADAM
Director


FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2024

1. STATUS AND NATURE OF BUSINESS

Adam Sugar Mills Limited ('the Company') was incorporated in Pakistan on October 19, 1965 in the name of Bahawalnagar Sugar Mills Limited as a public limited company under the provisions of the Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984, and subsequently, the Companies Act, 2017, promulgated in May 2017). In 1985, the name of the Company was changed to Adam Sugar Mills Limited. The shares of the Company are quoted on Pakistan Stock Exchange ("the Exchange"). The Company is principally engaged in the manufacturing 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 first floor, Haji Adam Chambers, Altaf Hussain Road, New Challi, Karachi.

Mill: The Company's plant is located at Chak #4, Fordwah, Chishtian, District Bahawalnagar, Punjab.

2. BASIS OF PREPARATION

2.1 Statement of compliance with the applicable accounting and reporting standards

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of, and directives issued under, the Companies Act, 2017.

Where the provisions of, and directives issued under, the Companies Act, 2017 differ from the IFRS, the provision of, and directive issued under, the Companies Act, 2017 have been followed.

2.2 Basis of measurement of items in these financial statements

Items included in these financial statements have been measured at their historical cost except for freehold land, factory building, non-factory building and plant and machinery which are carried at revalued amounts less accumulated depreciation charged thereon.

2.3 Functional and presentation currency

Items included in these 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 Use of estimates and judgments

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.



ADAM SUGAR MILLS LIMITED

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Area of judgement	Brief description of the judgement applied
Property, plant and equipment	Whether the consumption of future economic benefits embodied in the Company's fixed assets is reduced over time and, accordingly, whether it is appropriate to use 'diminishing balance method' as the depreciation method.
Timing of revenue recognition	<p>Local sales revenue: Whether control of the promised goods is transferred to the customer when the goods are dispatched from the Company's premises.</p> <p>Export sales revenue: Whether control of the promised goods is transferred to the customer when the goods are loaded onto the shipping vessel and, as an acknowledgement thereof, a bill of lading is issued by the shipping company.</p>

(b) Assumptions and other major sources of estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Property, plant and equipment	<ul style="list-style-type: none"> - Estimation of useful lives and residual values of the operating fixed assets - Estimation of revalued amounts of freehold land, factory building, non-factory building and plant and machinery.
Deferred taxation	Recognition of deferred tax asset on excess minimum tax over normal tax liability and excess of alternative corporate tax over corporate tax - availability of future taxable profits against which such deductible temporary differences can be utilised.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these interim condensed financial statements are those applied in the preparation of the financial statements for the year ended September 30, 2024.

4	PROPERTY, PLANT AND EQUIPMENT	Note	31-Dec-24	30-Sep-24
			Un-Audited	Audited
			Rupees	
	Operating fixed assets	4.1	6,352,788,453	6,371,399,758
	Capital work in progress		-	3,780,786
	Capital Spares		8,565,235	43,003,464
			<u>6,361,353,688</u>	<u>6,418,184,008</u>



ADAM SUGAR MILLS LIMITED

	31-Dec-24 Un-Audited	30-Sep-24 Audited
	Rupees	
4.1 Operating fixed assets		
Opening written down value	6,371,399,758	6,532,712,172
Addition to fixed assets - tangible	51,424,012	121,079,368
Depreciation charged	(70,035,317)	(282,001,899)
Disposal of fixed assets	-	(389,883)
	<u>6,352,788,453</u>	<u>6,371,399,758</u>
4.2 Additions to fixed assets - tangible		
Factory buildings on freehold land	9,976,501	5,030,467
Plant and machinery	5,446,800	66,548,130
Vehicles	30,861,466	4,111,254
Computer and other equipments	-	1,832,460
Furniture and fixtures	100,000	235,500
Water connections and electrical installations	3,973,595	34,565,881
Tools and other equipments	1,065,650	8,755,676
	<u>51,424,012</u>	<u>121,079,368</u>
5 STOCK IN TRADE		
Work-in-process	135,967,361	5,226,045
Finished goods- Sugar	955,662,800	3,234,728,318
Finished goods- Molasses	157,564,455	9,189,983
	<u>1,113,227,255</u>	<u>3,243,918,301</u>
	<u>1,249,194,616</u>	<u>3,249,144,346</u>
6 TRADE DEBTS - unsecured, considered good		
Receivable against sales of sugar - Net	<u>1,213,740,287</u>	<u>506,643,021</u>
7 SHORT TERM LOANS, ADVANCES, DEPOSITS AND PREPAYMENTS		
Loans to staff	3,393,101	3,617,921
Advances:		
- to growers	22,267,707	10,564,830
- to contractors	3,188,261	679,480
- to suppliers	18,552,361	10,820,649
- against expenses	236,479	81,549
- others	16,315,813	20,596,036
	60,560,621	42,742,544
- Security deposit - Commissioner Workmen's Compensation Bahawalnagar	42,841,568	42,841,568
Prepayments	3,483,919	356,282
	<u>110,279,209</u>	<u>89,558,315</u>



ADAM SUGAR MILLS LIMITED

	31-Dec-24 Un-Audited	30-Sep-24 Audited
	Rupees	
8 CASH AND BANK BALANCES		
Cash in hand	1,357,665	-
Cash at bank		
- Current accounts	414,874,487	47,248,737
- Deposit accounts	959,750	5,777,135
	415,834,237	53,025,872
	417,191,902	53,025,872
9 LONG TERM FINANCE - secured		
<i>From conventional banking companies</i>		
Habib Bank Limited	266,718,000	311,171,000
<i>From Islamic banking companies</i>		
Dubai Islamic Bank Pakistan Limited - SBP Solar Financing	21,414,317	23,767,302
	288,132,317	334,938,302
Current maturity shown under current liabilities	(187,223,440)	(115,055,580)
	100,908,877	219,882,722
10 SHORT TERM BORROWINGS		
<i>Unsecured - interest free</i>		
- from Chief Executive	32,164,394	32,164,394
- from Adam Lubricants Limited (a related concern)	1,052,000,000	830,068,000
	1,084,164,394	862,232,394
<i>Secured</i>		
- from Conventional banking companies		
- Habib Bank Limited	-	1,030,192,338
	-	1,030,192,338
- from Islamic banking companies		
- AL Baraka Bank Limited	-	318,500,000
- Askari Bank Limited	481,384,006	508,000,000
- Dubai Islamic Bank Pakistan Limited	153,976,732	-
	635,360,738	826,500,000
	1,719,525,132	2,718,924,732
10.1	The short term credit facilities availed from banking companies comprise of Conventional Financing and Islamic Financing. These finances are secured against pledge of white refined sugar and personal guarantee of Chief Executive of the Company. Mark up charging rate for Conventional Financing at the rate of 1-Month KIBOR + 1.25% and for Islamic Financing markup at the rate of relevant KIBOR + 1.50% to 2.25%.	
	31-Dec-24 Un-Audited	30-Sep-24 Audited
11 SUBORDINATED LOAN FROM THE CHIEF EXECUTIVE- unsecured	Rupees	
Outstanding amount of the loan (on undiscounted basis)	24,959,713	24,959,713
Outstanding amount of the loan (on discounted basis):		
Balance as at the beginning of the year	22,571,399	20,411,807
Add: Interest on unwinding of the loan during the period	539,898	2,159,592
	23,111,297	22,571,399



ADAM SUGAR MILLS LIMITED

As of September 30, 2020, the outstanding carrying amount of the loan was fully amortized to its nominal value (i.e. Rs. 24.96 million). However, the terms of the loan were renegotiated with the Chief Executive of the Company whereby the contractual maturity of the loan was extended for a further period of five (05) years ending on September 30, 2025. Accordingly, in view thereof, the nominal value of the loan was, again, discounted to its present value, as of September 30, 2020, determined using the discount rate of 10.58% (computed as 1-year KIBOR + 3% credit spread).

12 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments as reported in the audited financial statements for the year ended September 30, 2024.

	31-Dec-24 Un-Audited	30-Sep-24 Audited
	Rupees	
13 SALES REVENUE - net		
Local		
Sale of Sugar	2,977,325,816	1,783,387,049
Sale of Molasses	11,943,878	17,010,023
Sale of Others	3,636,593	1,319,507
	2,992,906,287	1,801,716,579
Export		
Sale of Sugar	887,550,568	-
	3,880,456,855	1,801,716,579

14 TRANSACTION WITH RELATED PARTIES

The related parties comprise associated undertakings, related group companies, local associates, directors and key management personnel. Transaction with related parties are carried out on arm's length basis.

Transactions with associated undertakings and related parties and other key management personnel under the term of their employment are as follows: -

	31-Dec-24 Un-Audited	30-Sep-24 Audited
	Rupees	
Adam Lubricants Limited		
Transactions during the period		
Lubricants purchased during the period / year	7,647,770	14,873,910
Payment against purchases during the period / year	5,667,642	13,699,698
Loan received during the period / year	742,532,000	1,540,000,000
Loan repaid during the period / year	520,600,000	874,932,000
Balances at the end of the period		
Payable against purchases	3,510,771	1,530,643
Short term loan payable	1,052,000,000	830,068,000
Chief Executive		
Balances at the end of the period / year		
Short term loan	32,164,394	32,164,394
Subordinated loan (On undiscounted basis)	24,959,713	24,959,713



ADAM SUGAR MILLS LIMITED

15 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on January 29, 2025 by the Board of Directors of the Company.

16 GENERAL

Figures have been rounded off to the nearest rupees.

GHULAM AHMED ADAM
Chief Executive

OMAR G. ADAM
Director

FAISAL HABIB
Chief Financial Officer



ADAM SUGAR MILLS LIMITED