



Habib Rice Products Ltd.

**Half Yearly
Unaudited Accounts
December 31, 2024**

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CHAIRMAN'S REVIEW / DIRECTORS' REPORT

Half Year Ended December 31, 2024 (Unaudited)

Dear Shareholders,

Review:-

A short Corn Crop supported higher rice prices as poultry feed demand shifted to rice.

At the same time, post harvest use of anti fungus treatment rendered the rice non organic - thus restricting our proteins to domestic sale, in competitions to cheap soya bean meal imports.

The high energy cost has not been accepted by the customers - who have a further incentive to Import Sorbitol due to a concession of paying only 1% sales tax verses 18% on domestic produced Sorbitol.

To add fuel to the fire - the FTA with China - Now permits Imports of Sorbitol from China @ 3% (v/s 16%) import duty and zero starting 1st January 2026.

Instead of encouraging domestic production with high import tariffs - our Government is doing the exact opposite - make domestic products more expensive and imports cheaper by low tariffs and domestic levies, and expensive energy.

This has reduced the demand for domestically produced sorbitol by 33% - already and increasing.

Of late the Government of Baluchistan has enacted a Market Committee fee - vaguely listing products - resulting in exorbitant charges levied on our products at the whim of the contract collectors.

Hub Dam has over flowed for 3 years running, even today there is more than 3 years requirement of water in the Hub Lake - yet we are starved and we have to buy our requirement from the Tanker Mafia at Rs. 1.6 per gallon v/s the Industrial Rate of Rs. 0.05 per gallon.

All these factors combined if not corrected, will severely cripple our Industrial base.

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

On behalf of the Board,

OWAIS G. HABIB
Chief Executive Officer

GAFFAR A. HABIB
Chairman

Karachi: February 20, 2025



INDEPENDENT AUDITORS' REVIEW REPORT
To the members of Habib Rice Products Limited
Report on review of Condensed Interim Financial Statements

**Grant Thornton Anjum
Rahman**
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Habib Rice Products Limited** (the Company) as at 31 December 2024, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (herein-after referred to as the 'condensed interim financial statements'). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 'Review of Interim Financial Statements 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed 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.



Other Matters

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months' period ended December 31, 2024 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended December 31, 2024.

The engagement partner on the review resulting in this independent auditors' report is **Muhammad Shaukat Naseeb**.


Grant Thornton Anjum Rahman

Chartered Accountants

Karachi

Date: 25 February 2025

UDIN: RR2024101261alQyugbo



Habib Rice Products Ltd.

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 (Un-Audited)**

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
ASSETS	Note	----- Rupees -----	
Non current assets			
Property, plant and equipment	4	500,913,133	512,660,327
Right-of-use assets		11,825,796	5,946,250
Long-term deposits		28,343,619	27,282,370
Deferred taxation	5	-	6,341,495
		<u>541,082,548</u>	<u>552,230,442</u>
Current assets			
Stores, spares parts and loose tools		108,736,051	115,950,823
Stock in trade	6	400,418,919	419,045,739
Trade debts	7	73,002,864	22,352,383
Loan and advances		26,066,221	11,981,675
Trade deposits, prepayments and other receivable		2,204,251	3,996,250
Short - term investments	8	496,889	269,978
Taxation-net		84,275,204	89,078,282
Cash and bank balances	9	101,458,048	100,732,383
		<u>796,658,447</u>	<u>763,407,513</u>
		<u>1,337,740,995</u>	<u>1,315,637,955</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 60,000,000 (June 2024: 60,000,000) ordinary shares of Rs.5 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid-up share capital 40,000,000 (June 2024: 40,000,000) ordinary shares of Rs.5 each		<u>200,000,000</u>	<u>200,000,000</u>
Reserves		<u>669,467,671</u>	<u>749,413,604</u>
		<u>869,467,671</u>	<u>949,413,604</u>
Current liabilities			
Trade and other payables	10	200,405,259	113,473,180
Current maturity of lease liabilities		13,432,695	535,640
Current maturity of Gas Infrastructure Development Cess	11	229,344,757	227,124,918
Unclaimed dividend		25,090,613	25,090,613
		<u>468,273,324</u>	<u>366,224,351</u>
		<u>1,337,740,995</u>	<u>1,315,637,955</u>
CONTINGENCIES AND COMMITMENTS	12		

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

OWAIS G. HABIB
Chief Executive Officer

JAMSHED ALI KHAN
Chief Financial Officer

GAFFAR A. HABIB
Chairman

Karachi: February 20, 2025



Habib Rice Products Ltd.

**CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

Note	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
Turnover - net	1,045,441,974	1,395,753,566	598,983,884	769,940,127
Cost of sales	(966,822,472)	(1,364,355,668)	(524,957,874)	(751,161,344)
Gross profit	78,619,502	31,397,898	74,026,010	18,778,783
Distribution costs	(62,662,570)	(79,553,842)	(39,706,504)	(52,099,266)
Administrative expenses	(74,596,272)	(74,649,330)	(38,699,641)	(40,703,915)
Other expenses	-	(1,169,845)	-	(1,169,845)
Other income	5,164,218	47,734,981	2,221,118	16,826,500
Finance costs	(4,085,921)	(14,808,688)	(3,627,858)	(14,308,554)
Gain on remeasurement of provision for GIDC	-	11,694,161	-	11,694,161
Loss before levies and income tax	(57,561,043)	(79,354,665)	(5,786,875)	(60,982,136)
Levies	(12,467,318)	(16,941,484)	(9,053,991)	(9,218,699)
Loss before income tax	(70,028,361)	(96,296,149)	(14,840,866)	(70,200,835)
Taxation	(9,917,572)	(1,703,644)	4,493,038	(1,330,046)
Net loss for the period	<u>(79,945,933)</u>	<u>(97,999,793)</u>	<u>(10,347,828)</u>	<u>(71,530,881)</u>
Loss per share-basic and diluted	(2.00)	(2.45)	(0.26)	(1.79)

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

OWAIS G. HABIB
Chief Executive Officer

JAMSHED ALI KHAN
Chief Financial Officer

GAFFAR A. HABIB
Chairman

Karachi: February 20, 2025



Habib Rice Products Ltd.

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
Loss after taxation	(79,945,933)	(97,999,793)	(10,347,828)	(71,530,881)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(79,945,933)</u>	<u>(97,999,793)</u>	<u>(10,347,828)</u>	<u>(71,530,881)</u>

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

OWAIS G. HABIB
Chief Executive Officer

Karachi: February 20, 2025

JAMSHED ALI KHAN
Chief Financial Officer

GAFFAR A. HABIB
Chairman



Habib Rice Products Ltd.

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

Particulars	Issued, Subscribed And Paid-up Capital	Reserves			Total equity
		Capital Reserve Share Premium	Revenue reserves General Reserve	Unappropriated Profit	
Balance as at July 01, 2023	200,000,000	10,000,000	50,000,000	841,847,270	1,101,847,270
Final dividend @ 30% for the year ended June 30, 2023	-	-	-	(60,000,000)	(60,000,000)
Net loss after taxation	-	-	-	(97,999,793)	(97,999,793)
Other comprehensive loss	-	-	-	(97,999,793)	(97,999,793)
Total comprehensive loss	-	-	-	(97,999,793)	(97,999,793)
Balance as at December 31, 2023	200,000,000	10,000,000	50,000,000	683,847,477	943,847,477
Balance as at July 01, 2024	200,000,000	10,000,000	50,000,000	689,413,604	949,413,604
Net loss after taxation	-	-	-	(79,945,933)	(79,945,933)
Other comprehensive income	-	-	-	(79,945,933)	(79,945,933)
Total comprehensive loss	-	-	-	(79,945,933)	(79,945,933)
Balance as at December 31, 2024	200,000,000	10,000,000	50,000,000	609,467,671	869,467,671

Rupees

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

OWAIS G. HABIB
Chief Executive Officer

JAMSHED ALI KHAN
Chief Financial Officer

GAFFAR A. HABIB
Chairman

Karachi: February 20, 2025



Habib Rice Products Ltd.

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

		December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
	Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before levies and taxation		(57,561,043)	(79,354,665)
Adjustments for non cash Items:			
Depreciation on operating fixed assets	4.1	23,258,425	25,004,358
Depreciation on right-of-use assets		7,128,829	6,183,714
Profit on term deposits receipts and interest on savings accounts		(4,862,255)	(35,206,217)
Dividend income on mutual fund units		(2,848)	(2,664,129)
Unrealised fair value gain on short-term investments		-	(9,864,636)
Gain on remeasurement of provision for GIDC - net		-	(11,694,161)
Finance costs		4,085,921	14,808,688
Operating loss before working capital changes		(27,952,971)	(92,787,048)
Working capital changes	13	49,830,642	2,054,119
Cash generated from / (used in) operations		<u>21,877,671</u>	<u>(90,732,929)</u>
Taxes paid		(11,240,317)	(30,512,167)
Finance costs paid		(1,404,672)	(1,706,967)
Long term deposits - net		(1,061,249)	-
		<u>(13,706,238)</u>	<u>(32,219,134)</u>
Net cash generated from / (used in) operating activities		8,171,433	(122,952,063)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(11,511,231)	(5,413,010)
Short term investments - net		-	57,728,274
Profit on term receipts and interest savings accounts received		4,835,344	37,178,165
Dividend income received - Mutual funds		2,848	-
Dividend income received - BAH		-	2,664,128
Net cash (used in)/ generated from investing activities		<u>(6,673,039)</u>	<u>92,157,557</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(70,624,801)
Lease rentals paid		(572,729)	(2,317,602)
Net cash (used in) financing activities		<u>(572,729)</u>	<u>(72,942,403)</u>
Net increase / (decrease) in cash and cash equivalents		925,665	(103,736,909)
Cash and cash equivalents at beginning of the period		100,732,383	191,015,449
Cash and cash equivalents at end of the period	9	<u>101,658,048</u>	<u>87,278,540</u>

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

OWAIS G. HABIB
Chief Executive Officer

Karachi: February 20, 2025

JAMSHED ALI KHAN
Chief Financial Officer

GAFFAR A. HABIB
Chairman



Habib Rice Products Ltd.

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

1 THE COMPANY AND ITS OPERATIONS

Habib Rice Products Limited (the Company) is a public listed company limited by shares incorporated in Pakistan on July 10, 1980 and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 2nd Floor, UBL Building I.I Chundrigar Road, Karachi, Sindh. The Company is engaged in the production of rice based starch sugar and proteins. The Company's primary production facility are located at its industrial complex in Hub Industrial Area, District Lasbela, Baluchistan.

2 BASIS OF PREPARATION

2.1 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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024. These condensed interim financial statements are unaudited.

2.3 The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 and notes forming part thereof have not been reviewed by the auditors of the Company.

2.4 These condensed interim financial statements are presented in the Pakistani rupees which is also the Company's functional currency.

3 ACCOUNTING POLICIES, ESTIMATES, JUDGEMENTS AND FINANCIAL RISK POLICIES

3.1 The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited financial statements for the year ended June 30, 2024.

3.2 The estimates, assumptions and judgements made in the preparation of these condensed interim financial statements are substantially the same as those applied in the preparation of audited financial statements for the year ended June 30, 2024.



Habib Rice Products Ltd.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
Note		Rupees -----	
4	PROPERTY, PLANT & EQUIPMENT		
	Operating fixed assets	4.1 484,318,954	505,347,266
	Capital Work-in-Progress (CWIP)	16,594,179	7,313,061
		<u>500,913,133</u>	<u>512,660,327</u>
4.1	Operating Fixed Assets		
	Net Book value (NBV) at the beginning of the period / year	505,347,266	538,811,916
	Additions / transfers during the period / year (cost)	2,230,113	3,094,191
	Transfer from CWIP during the period / year (cost)	-	12,874,192
	Disposal during the period / year	-	(74,805)
	Depreciation charged during the period / year	(23,258,425)	(49,358,228)
	NBV at the end of the period / year	<u>484,318,954</u>	<u>505,347,266</u>
5	DEFERRED TAXATION		
		5.1 -	6,341,495
5.1	Deferred tax asset recognition is reassessed at each financial position date based on available evidence. The amount of gross temporary difference for which no deferred tax asset is recognized in the statement of financial position was Rs. 5,631,609 (June 30, 2024: 6,341,495).		
		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
		Rupees -----	
6	STOCK IN TRADE		
	Raw and Packing Material		
	- in hand	90,509,936	106,673,707
	- in transit	2,297,480	208,025
		<u>92,807,416</u>	<u>106,881,732</u>
	Work-in-process	5,437,038	3,211,285
	Finished goods	302,174,465	308,952,722
		<u>400,418,919</u>	<u>419,045,739</u>
7	TRADE DEBTS		
	Local - unsecured	73,002,864	22,352,383



Habib Rice Products Ltd.

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	----- Rupees -----	
8 SHORT-TERM INVESTMENTS		
At amortised cost		
Term deposit receipts (TDR)		
- maturity within 3 months	200,000	-
- maturing within 3 to 12 months	<u>254,450</u>	<u>254,450</u>
	454,450	254,450
Accrued Profit	<u>42,439</u>	<u>15,528</u>
	<u>496,889</u>	<u>269,978</u>
9 CASH AND BANK BALANCES		
Bank Balances		
Current Account		
- Local Currency	2,154,964	4,793,551
- Foreign Currency	<u>33,282,611</u>	<u>33,903,392</u>
	35,437,575	38,696,943
Savings Account	9.1 <u>64,819,994</u>	<u>61,359,194</u>
	100,257,569	100,056,137
Cash in hand	<u>1,200,479</u>	<u>676,246</u>
	<u>101,458,048</u>	<u>100,732,383</u>
9.1	These carry interest rates 13.50% to 17.25% (June 30, 2024: 20.50% to 20.50%) per annum.	
	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	----- Rupees -----	
9.2 Cash and Cash Equivalent		
Current accounts	35,437,575	38,696,943
Saving accounts	64,819,994	61,359,194
Cash in hand	1,200,479	676,246
Term deposit receipts - short term	8 <u>200,000</u>	<u>-</u>
	<u>101,658,048</u>	<u>100,732,383</u>
10 TRADE AND OTHER PAYABLES		
Creditors	36,817,552	19,808,338
Accrued liabilities	82,820,181	64,441,122
Contract liabilities	54,676,291	20,128,783
Sales tax payable	<u>26,091,235</u>	<u>9,094,937</u>
	<u>200,405,259</u>	<u>113,473,180</u>



Habib Rice Products Ltd.

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	----- Rupees -----	
11 PROVISION FOR GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC)		
Opening balance	227,124,918	215,257,424
Unwinding of finance cost	2,219,839	14,041,087
Gain on remeasurement of provision	-	(2,173,593)
	<u>229,344,757</u>	<u>227,124,918</u>
Current maturity	(229,344,757)	(227,124,918)
Non-current maturity	<u>-</u>	<u>-</u>
12 CONTINGENCIES AND COMMITMENTS		
There is no significant change in the status of contingencies and commitments as disclosed in the annual audited financial statements for the year ended June 30, 2024 except as follows:		
	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	----- Rupees -----	
Outstanding letters of credit	<u>20,005,461</u>	<u>10,687,467</u>
Guarantee issued in favour of: Sui Southern Gas Company Limited	<u>102,346,611</u>	<u>73,845,865</u>
Karachi Electric Limited	<u>1,686,249</u>	<u>1,686,249</u>
	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
	----- Rupees -----	
13 WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets		
Stores, spare parts & loose tools	7,214,772	9,941,047
Stock in trade	18,626,820	47,309,665
Trade debts	(50,650,481)	(50,862,535)
Loans and advances	(14,084,546)	(8,812,364)
Trade deposits and pre-payments	1,792,000	2,263,963
	<u>(37,101,435)</u>	<u>(160,224)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	86,932,078	21,981,691
Provision for gas rate revision	-	(19,767,348)
	<u>86,932,078</u>	<u>2,214,343</u>
	<u>49,830,643</u>	<u>2,054,119</u>



Habib Rice Products Ltd.

14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, directors, other key management personnel and retirement funds. Transactions with related parties other than those disclosed elsewhere in the financial information as mentioned below are entered under agreed terms:

	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
	----- Rupees -----	
Transactions during the period		
Key Management personnel		
Salaries and allowances	<u>35,239,259</u>	<u>32,227,759</u>
Retirement benefit plans		
Contribution to providend fund	<u>7,652,420</u>	<u>7,436,954</u>

15 GENERAL

Figures have been rounded off to the nearest rupee, unless otherwise stated.

16 DATE OF AUTHORIZATION

These condensed Interim Financial Information have been authorised for issue on February 20, 2025 by the Board of Directors of the Company.

OWAIS G. HABIB
Chief Executive Officer

JAMSHED ALI KHAN
Chief Financial Officer

GAFFAR A. HABIB
Chairman

Karachi: February 20, 2025

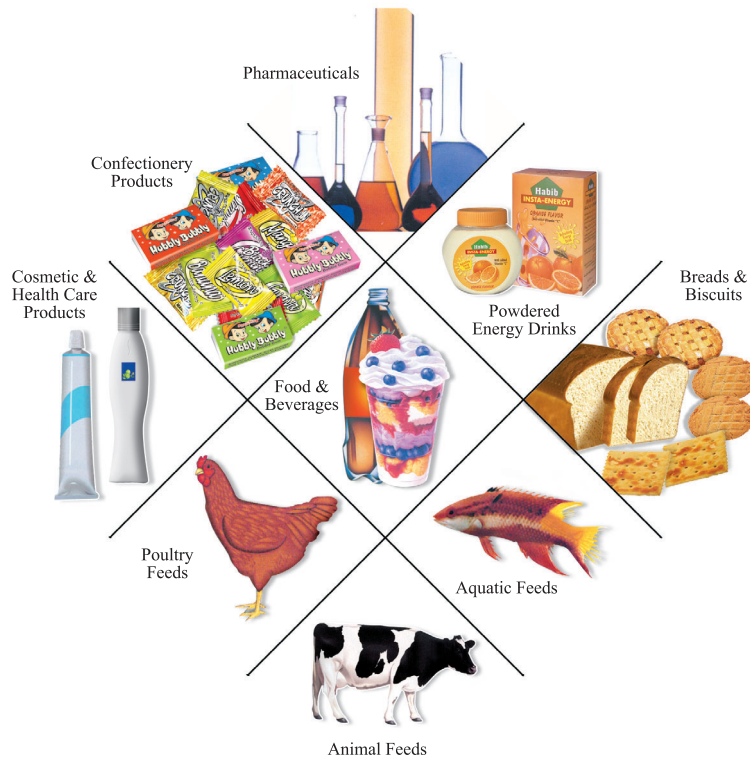


Habib Rice Products Ltd.

Pioneer Producers of Rice Derives Products and Proteins

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

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



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