



SHAHTAJ

SUGAR MILLS LIMITED
ANNUAL REPORT 2025



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Toqueer Nawaz	Chairman
Mr. Muneer Nawaz	Chief Executive
Mrs. Samia Shahnawaz Idris	
Mr. Rashed Amjad Khalid	
Mr. Abid Nawaz	
Mrs. Sadia Muhammad	
Ms. Ava Ardeshir Cowasjee	
Mr. Mushtaq Ahmad	S.L.I.C.
Mr. Asim Rafiq	N.I.T.
Mr. Zahid Ullah Khan	

COMPANY SECRETARY

Mr. Jamil Ahmad Butt, FCMA

CHIEF FINANCIAL OFFICER

Mr. Waqar Ahmad, FCA

AUDIT COMMITTEE

Mr. Mushtaq Ahmad	Chairman
Mr. Toqueer Nawaz	
Mr. Zahid Ullah Khan	
Mr. Rashed Amjad Khalid	
Mr. Asim Rafiq	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Asim Rafiq	Chairman
Mr. Muneer Nawaz	
Mr. Toqueer Nawaz	
Mr. Abid Nawaz	
Mrs. Sadia Muhammad	

HEAD OFFICE

72/C-1, M. M. Alam Road, Gulberg III, Lahore - 54660.

Phone	:	(042) 3571 0482 - 84
Fax	:	(042) 3571 1904
Website	:	www.shahtajsugar.com
E-mail	:	mail@shahtajsugar.com

REGISTERED OFFICE

19, Dockyard Road, West Wharf, Karachi - 74000.

Phone	:	(021) 3231 3934 - 38
Fax	:	(021) 3231 0623
E-mail	:	jamilbutt@shahtaj.com

CREDIT RATING

Long Term	A-
Short Term	A2
Agency	VIS

PRODUCTION FACILITY

Mandi Bahauddin - 50400.

Phone	:	(0546) 501 147 - 49
		(0546) 508 047 - 48
Fax	:	(0546) 501 768
E-mail	:	mills@shahtajsugar.com

AUDITORS

BDO Ebrahim & Company,
Chartered Accountants,
Office No. 4, 6th Floor,
Askari Corporate Tower, 75/76 D-1,
Main Boulevard Gulberg-III, Lahore – 54660.

LEGAL ADVISOR

Mr. Ras Tariq Chowdhary,
52 - Ravi Block, Fort Green, Canal Road, Lahore.

SHARE REGISTRAR

JWAFFS Registrar Services (Private) Limited Office No.
20, 5th Floor, Arkay Square Extension, New Chali,
Sharah-e-Liaqat, Karachi.
Email: jwaffsregistrar@gmail.com
Phone: +92-21-32440974-75

BANKERS

United Bank Limited
Habib Bank Limited
MCB Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
JS Bank Limited
Allied Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Habib Metropolitan Bank Limited
The Bank of Punjab
Dubai Islamic Bank Pakistan Limited

WEB PRESENCE

www.shahtajsugar.com

PSX SYMBOL

SHJS

QR CODE FOR REPORT DOWNLOAD



VISION

"Shahtaj Sugar Mills Limited is committed to enhancing its core competencies and aims to be a leading entity through quality and innovation in White Crystalline sugar manufacturing and sustainable energy. We drive growth while ensuring the utmost satisfaction of our customers, employees, and shareholders. Our dedication to eco-friendly practices and diversification into renewable energy will pave the way for a prosperous and sustainable future."

Mission

At Shahtaj Sugar Mills Limited, we are dedicated to producing high-quality sugar while fostering sustainable practices that benefit both the environment and our community. Our mission is to innovate and lead in the sugar manufacturing industry by utilizing renewable energy from Bagasse, the by-product of sugarcane processing. Through this commitment, we aim to reduce our carbon footprint, promote energy independence, and support the growth of a greener economy. We strive to create value for our stakeholders by ensuring efficient, eco-friendly production processes and contributing to the sustainable development of our industry.

CORPORATE STRATEGY

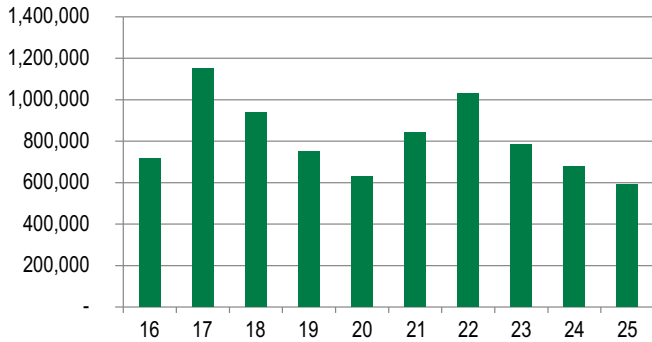
To maximize the effective utilization of Manpower, material, and machines by encouraging, supporting, and rewarding employees, eliminating waste, and reducing costs. Our aim is to establish Shahtaj Sugar Mills Limited as a trusted, efficient, and successful name among all stakeholders and customers. We will achieve this through:

1. **Employee Empowerment and Development:** Foster a culture of continuous learning, innovation, and collaboration by providing ample opportunities for growth and recognizing outstanding performance.
2. **Operational Efficiency:** Implement advanced technologies and best practices to streamline operations, minimize waste, and enhance productivity.
3. **Cost Reduction:** Continuously identify and eliminate inefficiencies to reduce operational costs without compromising on quality.
4. **Sustainability:** Embrace eco-friendly practices, including the utilization of renewable energy sources like Bagasse, to reduce our environmental impact and promote sustainable development.
5. **Stakeholder Engagement:** Build strong, transparent relationships with all stakeholders, ensuring their needs and expectations are met and exceeded.
6. **Customer Satisfaction:** Deliver high-quality products and exceptional service to our customers, ensuring their loyalty and trust.

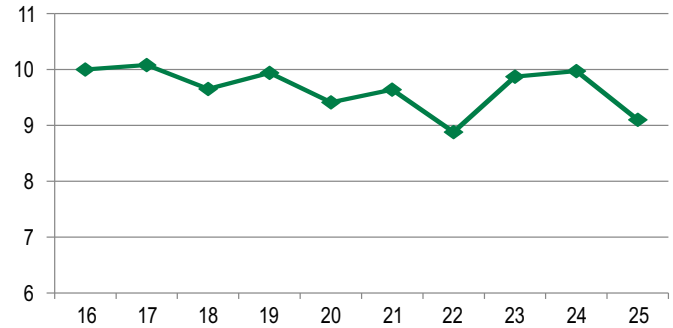
Through these strategic initiatives, we aim to achieve long-term success, creating value for our stakeholders and contributing positively to the industry and community.

Ten Years Production Review

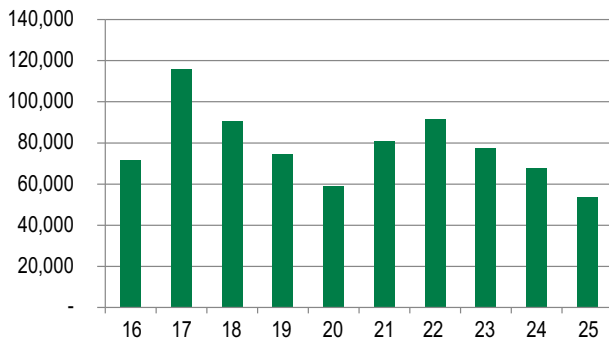
Sugarcane Crushed (M. Ton)



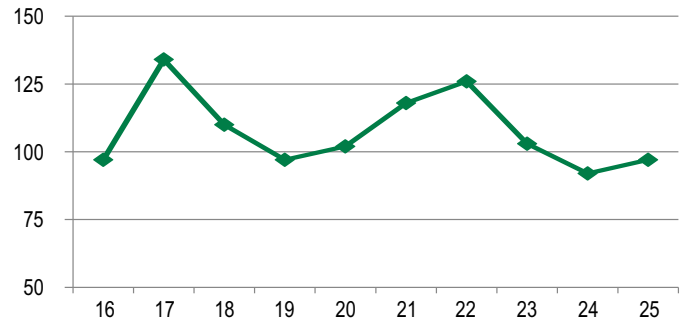
Sugarcane Recovery (Percentage)



Sugar Produced (M. Ton)



Duration (Days)



2016	2017	2018
716,070 M. Ton Sugarcane Crushed	1,148,874 M. Ton Sugarcane Crushed	940,405 M. Ton Sugarcane Crushed
10.00% Recovery	10.08% Recovery	9.65% Recovery
71,599 M. Ton Production	115,754 M. Ton Production	90,756 M. Ton Production
97 Duration (Days)	134 Duration (Days)	110 Duration (Days)
2019	2020	2021
750,785 M. Ton Sugarcane Crushed	630,074 M. Ton Sugarcane Crushed	842,079 M. Ton Sugarcane Crushed
9.94% Recovery	9.41% Recovery	9.64% Recovery
74,585 M. Ton Production	59,204 M. Ton Production	81,181 M. Ton Production
97 Duration (Days)	102 Duration (Days)	118 Duration (Days)
2022	2023	2024
1,031,923 M. Ton Sugarcane Crushed	786,325 M. Ton Sugarcane Crushed	679,859 M. Ton Sugarcane Crushed
8.88% Recovery	9.87% Recovery	9.97% Recovery
91,603 M. Ton Production	77,600 M. Ton Production	67,793 M. Ton Production
126 Duration (Days)	103 Duration (Days)	92 Duration (Days)
2025		
591,293 M. Ton Sugarcane Crushed		
9.10% Recovery		
53,681 M. Ton Production		
97 Duration (Days)		

Notice of Meeting

All the Shareholders,

Notice is hereby given to all the shareholders of SHAHTAJ SUGAR MILLS LIMITED that the 60th Annual General Meeting of the Company will be held on Wednesday, the 28th January, 2026, at 11:00 AM at Beach Luxury Hotel, M.T. Khan Road, Karachi, to transact the following business:

A. ORDINARY BUSINESS

1. To confirm the minutes of the last Annual General Meeting held on 27th January, 2025.
2. To consider and adopt audited Financial Statements of the Company for the year ended 30th September, 2025, together with Auditors' and Directors' Reports thereon.
3. To approve a cash Dividend @ 12.5% i.e. Rs. 1.25 per share for the year ended 30th September, 2025 as recommended by the Directors.
4. To appoint Auditors of the Company for the year 2025-2026 and to fix their remuneration. The present Auditors, M/s. BDO Ebrahim & Company, Chartered Accountants, being eligible, have offered themselves for reappointment.

B. SPECIAL BUSINESS

5. Related Parties Transactions:

To consider, and if thought fit, to pass the following resolutions as Special Resolutions.

- 'RESOLVED that the transactions carried out by the Company in the normal course of business with related parties for the period October 1, 2024, to date be and are hereby ratified, approved and confirmed.'
 - 'FURTHER RESOLVED that the Chief Executive Officer of the Company or his nominee be and is hereby authorized to approve all the transactions carried out and to be carried out in the normal course with related parties till the next Annual General Meeting of the Company and in this connection the Chief Executive Officer of the Company or his nominee be and is hereby authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company.'
6. To transact any other ordinary business with the permission of the Chair

By Order of the Board



(Jamil Ahmad Butt)
Company Secretary

Karachi
6th January, 2026

NOTES:

(1) BOOK CLOSURE:

The register of members of the Company will remain closed from 20th January, 2026, to 29th January, 2026 (both days inclusive). Transfers received in order by the Company's Share Registrar, M/s. JWAFFS Registrar Services (Pvt.) Limited, Office # 20, 5th floor, Arkay Square Extension, New Chali, Shahrah-e-Liaquat, Karachi, by the close of business on 19th January, 2026, will be considered in time for registration in the name of the transferees, and be eligible to attend and vote at the meeting.

(2) PARTICIPATION IN THE MEETING

- a) Members, holding physical shares and holders of CDC Accounts and Sub-accounts for the Company's shares in Central Depository Company Limited, who wish to attend this Meeting may do so by identifying themselves through their original CNIC/Passport and providing a copy thereof.
- b) In case of a corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and attested copy of a valid CNIC of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

(3) APPOINTING PROXIES:

- a) A member entitled to attend and vote at the General Meeting is also entitled to appoint another member as a proxy to attend and vote on his / her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its officials or any other person, through Board Resolution / Power of Attorney. The instrument appointing a proxy must be received at the Registered Office of the Company or at the office of our Share Registrar or through email at jamilbutt@shahtaj.com, not less than 48 hours before the time of the meeting. A copy of resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.
- b) CDC Account Holders, while appointing proxies, will follow the prescribed guidelines as under:
 - i) The proxy form shall be witnessed by two persons whose names, addresses, and CNIC numbers shall be mentioned on the form.

- ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii) In case of a corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and an attested copy of a valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with the proxy form to the Company.
- iv) The proxy shall produce his / her original CNIC or original passport at the time of the AGM.
- c) A blank proxy form is enclosed with this notice.

(4) CHANGE OF ADDRESS

Members are requested to immediately inform the Company's Share Registrar of any change in their mailing address.

(5) DEDUCTION OF INCOME TAX

As per the provisions of Section 150 of the Income Tax Ordinance, 2001 ("Ordinance"), different rates are prescribed for the deduction of withholding tax on the amount of dividend paid by the companies. The Current withholding tax rates are as under:

- (a) For the persons whose names are appearing on ATL: 15%
- (b) For the persons whose names are not appearing on ATL: 30%

All the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of the Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of dividend, otherwise tax on their Dividend will be deducted @ 30% instead of @ 15%.

The Corporate Shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective Participants, whereas corporate physical shareholders should send a copy of their NTN certificates to the Company or the Company's Share Registrar and Share Transfer Agent, M/s. JWAFFS REGISTRAR SERVICES (PVT) LIMITED.

The shareholders, while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective Folio Numbers.

As per FBR's clarification, the valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47B of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in the above Clause must provide valid Tax Exemption Certificates to our Shares Registrar; otherwise, tax will be deducted on the dividend amount as per the rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly, as per the clarification issued by the FBR, withholding tax will be determined separately on 'Filer / Non-Filer' status of the Principal shareholder as well as Joint-holder(s) based on their shareholding proportions. All shareholders who hold shares jointly are therefore requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Shares Transfer Agent in writing as follows:

Folio / CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

(6) ELECTRONIC DIVIDEND MANDATE

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividends to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to provide details of the bank mandate specifying:

Title of Account, Account Number, Bank Name, Branch Name and Code, IBAN Number.

In case shares are held in physical form, please send this information duly signed along with a valid copy of their CNIC to the registrar of the Company, M/s. JWAFFS REGISTRAR SERVICES (PVT) Limited.

In case shares are held in CDC, then the Electronic Mandate Form must be submitted directly to the shareholder's broker participant/CDC account.

In case of non-receipt of the information, the company will be constrained to withhold payment of the dividend to such shareholders.

(7) DECLARATION OF RESIDENTIAL STATUS.

Non-resident shareholder(s) shall submit a declaration of such undertaking with a copy of a valid passport under the definition contained in Section 82 of the Income Tax Ordinance, 2001, for the determination of their residential status for the purposes of tax deduction on dividend to the Company Share Registrar, latest by January 18, 2026. The member may send a declaration using a standard format as placed on the Company's websites.

(8) PARTICIPATION THROUGH A VIDEO CONFERENCING FACILITY

The shareholders can now participate in the AGM proceedings via

video link also. Those members who are willing to attend and participate in the AGM via link are requested to register themselves by sending an email along with the following particulars and a valid copy of both sides of Computerized National Identity Card (CNIC) at Jamilbutt@shahtaj.com with subject of 'Registration for AGM' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio / CDC Account No.	Cell No.	Email Address

Members who will be registered, after necessary verification as per the above requirement, will be provided a password protected video link by the Company via email. The said link will remain open from 11:15 a.m. on the date of AGM till the end of the meeting.

(9) UNPAID DIVIDEND

An updated list of unclaimed dividends / Shares of the Company is available on the Company's website. It lists unclaimed dividends/shares which have remained unclaimed or unpaid for a period of three (3) years from the date these have become due and payable. Claims can be lodged by shareholders on a claim form, which is available on the Company's website. Claim forms must be submitted to the Company's Share Registrar, M/s. JWAFFS Registrar Services (PVT) Limited.

(10) CONVERSION OF PHYSICAL SECURITIES INTO BOOK ENTRY FORM

As per Section 72 of the Companies Act, 2017, every listed company is required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e., May 30, 2017. Further, vide its letter dated March 26, 2021, SECP has directed all the listed companies to pursue its shareholder for conversion of their physical securities into book entry form.

In light of the aforementioned directives, the Shareholders having physical shares are encouraged to open a CDC account with CDS participant/CDC Investor Account Services and convert their existing physical securities into book entry form.

(11) POSTAL BALLOT

Pursuant to the Companies (Postal Ballot) Regulations 2018, members are allowed to exercise their right to vote by post for the businesses classified as special businesses.

Intending shareholders shall ensure that duly filled-in and signed Ballot Papers, along with a copy of a valid CNIC, reach the Chairman of the meeting through post at the Company's registered address, Shahtaj Sugar Mills Limited, by 27th January 2026. Or

email at chairman@shahtaj.com on or before the date during working hours. The signature on Ballot Papers should match with signatures on CNIC. For the convenience of shareholders, a specimen of Ballot Paper is attached. Ballot Paper is also available on the Company's website www.shahtajsugar.com for download.

(12) E-VOTING

Pursuant to Companies (Postal Ballot) Regulations 2018, members are allowed to exercise their right to vote through electronic voting facility for all businesses classified as Special Business.

Details of E-Voting facility will be shared through email with those members of the Company who have their valid CNIC numbers, Cell numbers, and email address available with the Company by the close of business on 21st January, 2026.

The web address, login details, and password will be communicated to the members via email. The security code will be communicated through SMS from the web portal of Digital Custodian Company (being the e-voting service provider).

Identity for the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

E-voting lines will open from 25th January, 2026, at 9.00 A.M. and shall close on 27th January, 2026 at 5.00 P.M. Members can cast their votes any time during this period. A vote once cast by a member will not be allowed to be changed.

(13) TRANSMISSION OF THE ANNUAL REPORT

In terms of approval of the shareholders of the Company in their Extraordinary General Meeting held on 29th May, 2023, and pursuant to SECP's Notification No. SRO 389(1)/2023 dated 21st March, 2023, the Annual Report for the financial year ended on 30th September, 2025 of the Company containing inter alia the audited financial statements, auditors' report, directors, and chairman's reports thereon may be viewed and downloaded by following QR code and weblink:

Weblink: <https://shahtajsugar.com/financial-reports>

QR Code:



The Annual Report will be emailed to those shareholders whose valid email address will be available with the Company.

The shareholders who wish to receive a hard copy of the Annual Report may send to the Company Secretary/Share Registrar, the Standard Request Form available on the website of the Company www.shahtaj.com. The Company then will provide a free of Cost hard copy of Annual Report to the shareholders within one week of the request.

(14) PROHIBITION OF GIFTS TO SHAREHOLDER

In compliance to SECP Notification No. SRO452(1)/2025 dated March 17, 2025 it is notified that no gifts will be distributed to the shareholders at the meeting.

Statement of Material Facts

Under Section 134(3) of the Companies Act, 2017

FOR SPECIAL BUSINESS AT AGENDA ITEM NO. 5

The transactions carried out in the normal course of business with related parties are approved by the Board of Directors of the Company as recommended by the Audit Committee on quarterly basis pursuant to Code of Corporate Governance 2019. In the case of related parties, as mentioned below, a majority of the Directors were common and / or shareholder in related parties and in accordance with the provisions of Section 207 of the Companies Act, 2017, the quorum of the directors could not be formed for approval of these transactions, as viewed by Securities and Exchange Commission of Pakistan. Therefore, these transactions are being placed before the shareholders of the Company for their approval through a special resolution proposed to be passed in the Annual General Meeting.

In view of the above, the normal business transactions conducted for the period from 01 October 2024 to 30 September 2025 with related parties as per the following details are being placed before the shareholders of the Company for their consideration and approval/ratification.

Name of Related Party	Nature of Transaction	Rs. in (thousand)
Shahtaj Textile Limited	Dividend Received	1,150
Shahnawaz (Private) Limited	Purchases and Services Received	932
	Utilities paid	436
	Loan obtained	100,000
	Interest Charged	888
Shezan International Limited	Sale of Sugar	507,198
Shezan Services (Pvt.) Limited	Loan obtained	50,000
	Interest Charged	10,316
Information Systems Associates Limited	Purchases & Services	162
Staff Provident Fund Trust	Contributions Paid	5,816
State Life Insurance Corporation of Pakistan	Premium Paid	1,529

The name of Directors and nature of their interest in the proposed resolution is as under:

Name of Directors	Shahtaj Textile Ltd.	Shezan International Limited	Shahnawaz (Pvt.) Ltd.	Information System Associates Ltd.	Shezan Services (Private) Limited	State Life Insurance Corporation of Pakistan	KSB Pumps Company Limited
Mr. Muneer Nawaz	Chairman	Chairman	Director	Chairman	Chairman	-	-
Mrs. Sadia Muhammad	Director	Director	-	-	-	-	-
Mr. Abid Nawaz	Director	Director	Director	-	Director	-	-
Mrs. Samia Shahnawaz Idris	Shareholder	Shareholder	Shareholder	Shareholder	-	-	-
Mr. Rashed Amjad Khalid	Shareholder	Director	Shareholder	-	Director	-	-
Mr. Toqueer Nawaz	Director	Shareholder	Shareholder	-	-	-	-
Mr. Mushtaq Ahmad	-	-	-	-	-	Key Management Personnel	-
Mr. Asim Rafiq	-	-	-	-	-	-	Director

The Company would be conducting Transactions with related parties in the normal course of business. The majority of the Directors are common and/or shareholder in related parties as detailed herein above Agenda item No. 5 and in accordance with the provisions of Section 207 of the Companies Act, 2017, the quorum of the Directors would not be forming for approval of related party transactions, as viewed by Securities and Exchange Commission of Pakistan. Therefore, in order to comply with the provisions of Code of Corporate Governance 2019, the shareholders of the Company may authorize the Chief Executive of the Company or his nominee to approve transactions already carried out from 01 October 2025 and to be carried out in the normal course of business with related parties till the next Annual General Meeting of the Company.

The names of Directors and the nature and extent of their interest in the proposed resolution is the same as detailed in the statement above.


Review Report by the Chairman

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of Shahtaj Sugar Mills Limited was carried out. The purpose of this evaluation was to ensure that the Board's overall performance and effectiveness is measured and bench marked against expectations in the context of the objectives set forth by the Company.

For the financial year ended 30 September 2025, the Board's overall performance and effectiveness has been assessed as satisfactory. Improvement is an ongoing process leading to action plans. The overall assessment as satisfactory is based on an evaluation of integral components, monitoring the organization's business activities; monitoring financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's business.

The Board of Directors of your Company received agenda and supporting written material including follow-up material in adequate time prior to the Board meetings and its committee meetings. The Board meets frequently enough to discharge its responsibilities. All Directors including Non-Executive Directors and Independent Directors actively participate in all important decisions.

Karachi:
31 December 2025



Toqueer Nawaz
Chairman

چیئر مین جائزہ رپورٹ

کارپوریٹ گورننس کے کوڈ کے تحت بورڈ آف ڈائریکٹرز شاہ تاج شوگر ملز لمیٹڈ کی سالانہ کارکردگی کا جائزہ لیا گیا۔ اس جائزہ کا مقصد بورڈ کی مجموعی کارکردگی اور افادیت کو یقینی بنانا اور کمپنی کے وضع کردہ مقاصد کے حصول کے مطابق ڈھالنا ہے۔

برائے سال اختتام ۳۰ ستمبر ۲۰۲۵ میں بورڈ کی مجموعی کارکردگی اطمینان بخش رہی۔ بہتری ایک جاری رہنے والا عمل ہے جو عملی منصوبوں کے لیے نہایت ضروری ہے۔ بورڈ کی مجموعی اطمینان بخش کارکردگی کی بنیاد میں کچھ لازمی اجزاء کا جائزہ شامل ہے جن میں کاروباری تنظیمی کاروائیوں کی نگرانی اور تمام ملازمین سے مساوی سلوک شامل ہے۔

کمپنی کے بورڈ ممبران کو کمپنی کے ہونے والے اجلاس سے قبل از مقررہ وقت تمام تحریری مواد موصول ہوا۔ اپنی ذمہ داریوں کے حصول کے لیے بورڈ نے متعدد اجلاس منعقد کیے۔ غیر انتظامی اور غیر جانبدار ڈائریکٹرز بھی تمام اہم فیصلوں میں برابر کے شریک رہے۔


توقیر نواز
چیئر مین

کراچی
۳۱ دسمبر ۲۰۲۵

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we are pleased to present the Audited Financial Statements of the Company for the year ended 30 September 2025.

OPERATIONAL PERFORMANCE

Summarized operating performance of your mills for the year is as under:

Production Data		Season	
		2025	2024
Start of Season		21.11.2024	25.11.2023
End of Season		25.02.2025	25.02.2024
Duration	Days	97	92
Sugarcane Crushed	(M. Tons)	591,293	679,859
Production:			
Sugar	(M. Tons)	53,681	67,793
Molasses	(M. Tons)	27,419	28,152
Recovery:			
Sugar	%	9.10	9.97
Molasses	%	4.64	4.14

We had already apprised our shareholders through the half-yearly and quarterly financial statements that, notwithstanding a timely commencement of the crushing season and sustained operational efforts, the Company was unable to achieve the total crushing volume of the previous year. This shortfall was primarily attributable to unusually high temperatures and below-normal rainfall during the season, which adversely affected crop yields and led to reduced availability of sugarcane. Additionally, lower sucrose content in the cane resulted in reduced sugar recovery. However, molasses recovery during the season showed an improvement.

The Government of Punjab has not notified the support price for sugarcane for the crushing season 2024-25, in line with its policy initiative to reduce subsidies and transition towards a market-based pricing mechanism in place of administered support prices. Procurement of sugarcane from outside areas constituted 15.38% of the total cane procured. The overall cost of sugarcane procurement during the year stood at Rs. 10,580 per metric ton, reflecting a reduction of approximately Rs. 424 per metric ton as compared to Rs. 11,004 per metric ton in the preceding year.

INDUSTRY REVIEW

Pakistan is among the world's leading sugar producers, ranking as the 7th largest globally, with sugarcane being the country's second most important cash crop. The sugar industry continues to play a vital role in the national economy through rural employment, farmer income, and industrial activity. However, the sector remains highly regulated, with government policies significantly influencing production, pricing, taxation, and trade.

During the 2024-25 season, the sugar industry faced challenges

arising from fluctuating sugarcane availability, comparatively lower recovery rates, and rising input costs. Adverse weather conditions and agronomic factors affected crop yields in certain regions, resulting in lower cane crushing and sugar production compared to the previous year, though production remained sufficient to meet domestic consumption requirements.

The industry entered the season with carryover sugar stocks, reflecting surplus production in prior years. Domestic sugar consumption remained broadly stable, while production levels continued to hover around consumption needs. Export opportunities existed during the year due to favorable international prices; however, export approvals were granted cautiously and in limited quantities to ensure domestic price stability. These restrictions constrained mills' ability to liquidate surplus inventories, placing pressure on liquidity and working capital management.

Cost pressures persisted across the sector due to regulated sugar prices, relatively higher sugarcane procurement costs, energy expenses, and taxation measures. Although a gradual easing in interest rates during the year provided some relief in financing costs, overall industry's profitability remained sensitive to policy decisions relating to pricing and exports.

The sustainability of the sugar sector remains dependent on consistent government policies, timely export facilitation, productivity improvements, and a more market-aligned pricing mechanism to support long-term growth and stability.

FINANCIAL RESULTS

During the financial year 2024-25, the Company achieved a turnover of Rs. 8,648.772 million, as compared to Rs. 8,821.018 million in the preceding year, reflecting a marginal decline primarily due to lower sugar production volumes. The cost of revenue decreased to Rs. 7,789.382 million from Rs. 7,893.589 million, resulting in a gross profit of Rs. 859.390 million, compared with Rs. 927.429 million in 2023-24.

Operating expenses, including distribution, administration and other operating expenses, aggregated to Rs. 452.762 million, higher than Rs. 404.544 million last year. Consequently, profit from operations stood at Rs. 489.550 million, as against Rs. 575.415 million in the previous year. Other income increased to Rs. 82.922 million from Rs. 52.530 million, providing partial support to operating profitability.

A significant improvement was recorded in finance costs, which declined sharply to Rs. 373.512 million from Rs. 644.724 million in the previous year, mainly due to a reduction in policy rates and improved financial discipline.

As a result, the Company posted a profit before income tax and levy of Rs. 138.672 million, compared to a loss of Rs. 63.827 million in 2023-24. After accounting for levy and income tax, the Company earned a net profit of Rs. 32.679 million, higher than Rs. 32.145 million reported in the previous year. Accordingly, earnings per share (basic and diluted) improved to Rs. 2.72, compared to Rs. 2.68 in 2023-24.

Despite lower cane crushing and reduced sugar production, the

DIRECTORS' REPORT TO THE MEMBERS

Company's improved sugar realizations, lower cane procurement cost, and substantial reduction in finance costs enabled it to achieve a notable improvement in profitability during the year. The management remains focused on operational efficiency, prudent financial management, and value maximization to sustain profitability in a challenging operating environment.

Appropriations (Rupees in thousand)

Balance as at 30 September 2024	(94,801)
Net profit after tax	32,679
Other Comprehensive income	3,363
Accumulated loss carried forward	(58,759)
Earnings per share – basic (Rupees per share)	2.72

Keeping in view the profit for the year, the Board of Directors have recommended dividend @ 12.5% i.e. Rs.1.25/- per share.

OUTSTANDING STATUTORY PAYMENTS

All outstanding payments are normal and of routine nature.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company were observed between the end of the financial year of the Company to which the financial statements relate and the date of the report.

RISK AND UNCERTAINTIES

The company is exposed to the following risks and uncertainties:-

- Heightened competition in the local market arising from aggressive sugarcane pricing by neighboring mills.
- Volatility and potential increases in oil, which may adversely impact operating costs in the oil and electricity prices
- Escalation in the prices of raw and packaging materials.
- Increase in applicable tax rates, leading to higher statutory and compliance costs.
- Potential market disruptions resulting from changes in tax laws, regulations, and fiscal policies.
- Inconsistency and unpredictability in Government policies relating to the sugar industry.

We take these risks as a challenge with the confidence that Company has the ability to mitigate the impact of these risks.

INTERNAL FINANCIAL CONTROLS

A system of sound internal control is established and prevailing in the Company. The system of internal control is designed in a manner to ensure achievement of Company's business objectives and operational efficiency, reliable financial reporting and compliance with various statutory laws.

FINANCIAL AND CORPORATE REPORTING FRAMEWORK. CODE OF CORPORATE GOVERNANCE

In compliance with the Provisions of the Code of Corporate Governance as required by Securities and Exchange Commission of Pakistan (SECP), the Board of Directors hereby declare that:

- The financial statements for the year ended 30 September 2025 present fairly its state of affairs, the results of its operations, cash flows and changes in equity;
- Proper books of accounts have been maintained;
- International Financial Reporting Standards (IFRS) as applicable in Pakistan, have been followed in preparation of financial statements. Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended 30 September 2025 and accounting estimates are based on reasonable and prudent judgment.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no doubt about the Company's ability to continue as a going concern;
- There has been no material departure from the best practices of the Corporate Governance as detailed in the listing regulations;
- Information about taxes and levies is given in the notes to and forming part of financial statements.
- Related party transactions are properly disclosed in the notes to and forming part of financial statements.
- The value of Provident Fund Investment as at 30 September 2025 was Rs. (thousand) 379,100/-

CORPORATE INFORMATION

Composition of the Board

The total number of Directors are ten (10) as per the following:

a.	Male	:	Seven (07)
b.	Female	:	Three (03)

The composition of Board is as follows:

Independent Directors	Mr. Mushtaq Ahmad Mr. Asim Rafiq Ms. Ava Ardeshir Cowasjee Mr. Zahid Ullah Khan
Non-executive Directors	Mr. Toqueer Nawaz Mr. Rashed Amjad Khalid Mr. Abid Nawaz Mrs. Samia Shahnawaz Idris Mrs. Sadia Muhammad
Executive Director	Mr. Muneer Nawaz
Female Directors	Ms. Ava Ardeshir Cowasjee Mrs. Samia Shahnawaz Idris Mrs. Sadia Muhammad

DIRECTORS' REPORT TO THE MEMBERS

Composition of the Committees

The Board has formed committees comprising of members given below:

Audit committee

Mr. Mushtaq Ahmad	Chairman
Mr. Toqueer Nawaz	Member
Mr. Rashed Amjad Khalid	Member
Mr. Zahid Ullah Khan	Member
Mr. Asim Rafiq	Member

Human resource and remuneration committee

Mr. Asim Rafiq	Chairman
Mr. Muneer Nawaz	Member
Mr. Toqueer Nawaz	Member
Mr. Abid Nawaz	Member
Mrs. Sadia Muhammad	Member

Terms of reference of Audit Committee and Human Resource and Remuneration Committee have been approved by the Board in line with the requirement of Code of Corporate Governance and advised to the committees for compliance.

FREQUENCY OF THE MEETINGS

During the year six (06) Board of Directors meeting were held. Attendance of these meeting was as follows:

Name of Directors	No. of Meetings Attended
Mr. Muneer Nawaz	Four
Mr. Toqueer Nawaz	Six
Mr. Mushtaq Ahmad	Six
Mrs. Samia Shah Nawaz Idris	Nil
Mrs. Sadia Muhammad	Six
Mr. Rashed Amjad Khalid	Four
Mr. Abid Nawaz	Six
Ms. Ava Ardeshir Cowasjee	Six
Mr. Asim Rafiq	Six
Mr. Zahid Ullah Khan	Six

Leave of absence was granted to the Directors, who could not attend the Board meetings.

During the year, the Audit Committee met four (04) times. These meetings were held prior to the approval of interim results of the Company by the Board of Directors before and after completion of external audit. Attendance of each Director was as follows

Name of Directors	No. of Meetings Attended
Mr. Mushtaq Ahmad	Four
Mr. Toqueer Nawaz	Four
Mr. Rashed Amjad Khalid	Two
Mr. Zahid Ullah Khan	Four
Mr. Asim Rafiq	Four
Mr. Muneer Nawaz	One

Leave of absence was granted to the Directors, who could not attend the Audit Committee meetings.

During the year, One (01) meeting of the Human Resource & Remuneration Committee was held. Attendance of each Director was as follows:

Name of Director	No. of Meeting Attended
Mr. Asim Rafiq	One
Mr. Toqueer Nawaz	One
Mr. Muneer Nawaz	One
Mr. Abid Nawaz	One
Mrs. Sadia Muhammad	One

Leave of absence was granted to the Directors, who could not attend the Human Resource & Remuneration Committee meeting.

SIX YEARS REVIEW AT A GLANCE

The six years review at a glance is annexed.

PATTERN OF SHAREHOLDINGS

The pattern of shareholdings as on 30 September 2025 is annexed.

TRADING OF SHARES

During the year under review, no shares were traded by Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, their spouses and minor children other than mentioned below:

Name of Director	No. of Shares
Mr. Abid Nawaz	5,000 Sold
Mr. Rashed Amjad Khalid	30,000 Purchased
Mr. Jamil Ahmad Butt	1,664 Gift in

REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS

The Board from time to time reviews and determines the fee of non-executive and independent directors for attending the Board and different committees' meetings, which are subsequently presented before the shareholders in the annual general meeting for approval.

REMUNERATION OF CHIEF EXECUTIVE OFFICER

The remuneration of Chief Executive Officer of the Company for the year ended 30 September 2025 is disclosed in Note 44 of the financial statements. Chief Executive Officer of the Company is paid the present monthly emoluments of Rs. 1,750,000/- plus benefits commensurate to his office from the date of appointment till its review. His new term started on 12 June 2023.

EVALUATION OF THE BOARD'S PERFORMANCE

The Board has developed a mechanism of annual performance evaluation. Every member of the Board ensures his active participation in the meetings of the Board. Detailed discussions are held on strategic matters and clear directions are provided to the management, which are regularly monitored by the Board and its committees. The Board

DIRECTORS' REPORT TO THE MEMBERS

ensures that the Company adopts the best practices of the Code of Corporate Governance. The Board also reviews performance of business segments at each quarter with an aim to improve the low performing segments and at the same time further opportunities of growth are emphasized in all profitable segments, Details of Directors' training programme have been disclosed in the Statement of Compliance with the Code of Corporate Governance.

FINANCIAL STATEMENTS

An independent Auditor's report to the members, issued by External Auditors Messrs. BDO Ebrahim & Company, Chartered Accountants after due audit of financial statements of the Company, is annexed.

EXTERNAL AUDITORS

Messrs. BDO Ebrahim & Co. Chartered Accountants, having completed their audit for the year ended 30 September 2025, will retire at the conclusion of the upcoming 60th Annual General Meeting. Messrs. BDO Ebrahim & Co. Chartered Accountants, being eligible, have offered themselves for reappointment as auditors for the year ending 30 September 2026. The Audit Committee has recommended their reappointment, and the Board endorses this recommendation for approval by the shareholders at the AGM.

CORPORATE SOCIAL RESPONSIBILITIES

Disclosure as required by the Corporate Social Responsibility General Order, 2009 is annexed and form an integral part of this report.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

In compliance with the Securities and Exchange Commission of Pakistan's (SECP) regulations on Environmental, Social, and Governance (ESG) disclosures are annexed and form an integral part of this report.

GENDER PAY GAP ANALYSIS

The Board is committed to formulate a gender diversity policy for recruitment, promotion, gender pay gap analysis, retention and development of female employees.

As required under the SECP circular no. 10 of 2024, the following is the Gender Pay Gap calculated for the year ended 30 September 2025:

- Mean Gender Pay Gap: (15.06)
- Median Gender Pay Gap: (28.20)

HEALTH, SAFETY AND ENVIRONMENT

We try our utmost effort not to make any compromise on the health and safety of our employees. We have taken various measures to improve and enhance the working conditions of our workers to maintain the highest safety and health standards. We are committed to provide a hygienic environment to our employees, stakeholders and visitors. Another responsibility is to protect the environment. As a responsible corporate organization, we are concerned about the reduction of waste and efficient use of natural resources (electricity, water, gas, fuels etc.) and following global practices to protect the environment. We are also

exploring new technologies and improve our processes. Further, we have launched a campaign within the mills premises to plant maximum trees in the Mills area and other factory premises as we intend to maintain cleanliness and green environment in and around the mills area to control pollution.

FUTURE OUTLOOK AND UPDATE ON POWER PROJECT

Sugarcane crop for the next crushing season based on survey conducted by our sugarcane department is reported to be better than the last season. The weather conditions are favorable which will improve the yield per acre of sugarcane crop for the next crushing season. Hopefully next season the favorable climatic conditions will lead to better sucrose content in the sugarcane planted in our area. Furthermore, our field staff is also doing its best to persuade the sugarcane growers to use amplified quality seed and fertilizers to get healthy sugarcane. Crop area for the next crushing season, as based on survey conducted by our sugarcane department is reported to be same as last season because of almost same cane acreage in our area. However, the weather conditions are favorable that will improve the yield per acre of sugarcane crop for the ongoing crushing season.

The Punjab Government may not notify the minimum support price of sugarcane for crushing season 2025-26 keeping in view the strategy of reducing subsidies and transition to market-based pricing mechanism instead of maintaining support prices. However, keeping in view the last year pattern of sugarcane procurement starting price of Rs. 400/- per 40 Kg will be considered as benchmark price of sugarcane to be procured in next crushing season. We are putting our best efforts to procure maximum sugarcane from out zone as well as in zone area.

The selling price of sugar is expected to remain under government control until the sugar sector is fully de-regulated. Government intervention in regulating sugar prices continues to persist, creating uncertainties for the industry. The company's future financial results will depend on the sugar production during the ongoing crushing season and government policies regarding sugar exports, which will determine the ability to offload surplus sugar in international markets.

The Company executed an Energy Purchase Agreement (EPA) on December 23, 2022, for a period of thirty (30) years with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) in respect of its 32 MW Bagasse-Based Co-generation Power Plant located at Mandi Bahauddin.

Subsequently, the power plant has successfully achieved its Commercial Operation Date (COD) on October 10, 2025, following the completion of all requisite commissioning activities and performance acceptance tests. The plant has also obtained the necessary certifications from the Independent Engineer, confirming compliance with the technical, operational, and contractual requirements stipulated under the EPA.

With the achievement of COD, the power plant is now fully operational and authorized to generate and supply electricity on a commercial basis in accordance with the terms and conditions of the Energy Purchase Agreement. This milestone marks a significant step in the Company's efforts to enhance energy efficiency, utilize renewable bagasse-based

fuel, and generate sustainable revenue through the sale of surplus electricity to the national grid.

This development will contribute positively to the company's financial performance, offsetting some of the challenges posed by the sugar market dynamics.


ACKNOWLEDGEMENT

Your Directors place on record their appreciations of the diligence and devotion of duty of the Officers, Members of Staff and Workers of all categories.

FOR AND ON BEHALF OF THE BOARD



TOQUEER NAWAZ
Chairman



MUNEER NAWAZ
Chief Executive

Karachi: 31 December 2025

ممبران کو ڈائریکٹرز کی رپورٹ

صحت، تحفظ اور ماحول

ہماری بھرپور کوشش ہے کہ ہم اپنے ملازمین کی صحت اور حفاظت کے معاملات پر کسی قسم کا سمجھوتہ نہ کریں۔ ہم اپنے کارکنان کی صحت اور حفاظت کے بہترین معیار کے لیے سازگار حالات کو برقرار رکھنے کے لیے ہر وقت کوشاں ہیں۔ ہم پر عزم میں ہیں کہ ہم اپنے ملازمین کو صاف ستھرا ماحول فراہم کریں۔ ایک اور ذمہ داری عمومی ماحول کا تحفظ ہے۔ ایک ذمہ دار کاروباری ادارے کے طور پر ہم صنعتی فضلے کو کم کرنے، قدرتی وسائل (بجلی، پانی، گیس، ایندھن وغیرہ) اور ماحول کے تحفظ کے لیے عالمی طرز عمل اپنانے کا عزم رکھتے ہیں۔ ہم جدید طرز عمل کو اپنانے اور اپنے آپریشنل عمل کو بہتر کرنے کے لیے کوشش جاری رکھے ہوئے ہیں۔ مزید یہ کہ ہم نے اپنی ملزایا کے باغات اور دیگر جگہوں پر زیادہ سے زیادہ درخت لگانے کے لیے ایک مہم کا آغاز کیا ہے تاکہ آلودگی پر قابو پایا جا سکے اور ماحول کو سرسبز و شاداب اور صاف رکھا جاسکے۔

مستقبل کے امکانات اور پاور پراجیکٹ کی تازہ ترین صورت حال

ہمارے گئے گئے کے محکمے کے سروے کی بنیاد پر اگلے کرشنگ سیزن کے لیے گئے کی فصل پچھلے سیزن سے بہتر بتائی جا رہی ہے۔ موسمی حالات سازگار ہیں جس سے اگلے کرشنگ سیزن میں گئے کی فصل کی فی ایکڑ پیداوار میں بہتری آئے گی۔ امید ہے کہ اگلے سیزن میں سازگار موسمی حالات ہونگے جو ہمارے علاقے میں لگائے گئے گئے میں بہتر سوز کی مقدار کا باعث بنیں گے۔ مزید برآں ہمارا فیلڈ سٹاف گئے کے کاشتکاروں کو صحت مند گئے حاصل کرنے کے لیے بہتر معیار کے بیج اور کھاد کے استعمال پر آمادہ کرنے کی پوری کوشش کر رہا ہے۔ اگلے کرشنگ سیزن کے لیے فصل کا رقبہ، جیسا کہ ہمارے گئے کے محکمے کی جانب سے کیے گئے سروے کی بنیاد پر بتایا گیا ہے کہ ہمارے علاقے میں گئے کا رقبہ تقریباً ایک جیسا ہے۔ تاہم، موسمی حالات سازگار ہیں جو کہ جاری کرشنگ سیزن میں گئے کی فصل کی فی ایکڑ پیداوار کو بہتر بنائے گی۔ امید ہے کہ موافق موسمی حالات ہمارے علاقے میں لگائے گئے گئے میں بہتر سوز کی مقدار کا باعث بنیں گے۔

پنجاب حکومت کرشنگ سیزن ۲۶-۲۰۲۵ کے لیے گئے کی سبسڈی کو کم کرنے اور مارکیٹ کی قیمتوں پر منتقلی کی حکمت عملی کو مد نظر رکھتے ہوئے گئے کی سبسڈی کی قیمت کا نوٹیفکیشن جاری نہیں کرے گی۔ تاہم، گزشتہ سال کی گئے کی خریداری کے نمونے کو مد نظر رکھتے ہوئے، گزشتہ سال کی شروع کی قیمت ۴۰۰ روپے فی ۴۰ لوگرام اگلے کرشنگ سیزن میں خریدی جانے والی گئے کی بیج مارک قیمت کے طور پر سمجھا جائے گا۔ ہم اپنی بہترین کوشش کر رہے ہیں کہ ہمارے زون کے اندر اور باہر سے زیادہ سے زیادہ گئے خرید جائے۔

جب تک کہ چینی کے شعبے کو مکمل طور پر ڈی ریگولیٹ نہیں کیا جاتا چینی کی فروخت کی قیمت اس وقت تک حکومت کے کنٹرول میں رہے گی۔ چینی کی قیمتوں کو کنٹرول کرنے میں حکومتی مداخلت بدستور جاری ہے، جس سے صنعت کے لیے غیر یقینی صورتحال پیدا ہو رہی ہے۔ کمپنی کے مستقبل کے مالیاتی نتائج کا انحصار جاری کرشنگ سیزن کے دوران چینی کی پیداوار اور چینی کی برآمدات کے حوالے سے حکومتی پالیسیوں پر ہوگا، جو بین الاقوامی منڈیوں میں اضافی چینی کو آف لوڈ کرنے کی صلاحیت کا تعین کرے گی۔

کمپنی نے ۲۳ دسمبر ۲۰۲۲ کو سینٹرل پاور پراجیکٹ ایجنسی (گرنٹی) لمیٹڈ (سی۔ پی۔ پی۔ اے۔ جی) کے ساتھ ۳۲ میگا واٹ کے بگاس پرنٹی کو۔ جزییشن پاور پلانٹ میں واقع منڈی بہا الدین کے ساتھ تیس (۳۰) سال کی مدت کے لیے انرجی پریچیز ایگریمنٹ (ای۔ پی۔ اے) پر عمل درآمد کیا۔

اس کے بعد پاور پلانٹ نے ۱۰ اکتوبر ۲۰۲۵ کو اپنی کمرشل آپریشن کی تاریخ (سی۔ او۔ ڈی) کا میانی کے ساتھ حاصل کر لی ہے، تمام مطلوبہ کمیشننگ سرگرمیوں اور کارکردگی کی قبولیت کے ٹیسٹ کی تکمیل کے بعد پلانٹ نے خود مختار انجینئر سے ضروری سرٹیفیکیشن بھی حاصل کی ہے جو بجلی خریداری معاہدہ (ای۔ پی۔ اے) کے تحت طے شدہ تکنیکی، آپریشنل، اور معاہدہ کے تقاضوں کی تعمیل کی تصدیق کرتے ہیں۔

کمرشل آپریشن کی تاریخ کے حصول کے ساتھ پاور پلانٹ اب مکمل طور پر فعال ہے اور توانائی کی خریداری کے معاہدے کی شرائط و ضوابط کے مطابق تجارتی بنیادوں پر بجلی پیدا کرنے اور فراہم کرنے کا مجاز ہے۔ یہ سنگ میل کمپنی کی توانائی کی کارکردگی کو بڑھانے، قابل تجدید بیگاس پرنٹی ایندھن کے استعمال، اور قومی گرڈ کو اضافی بجلی کی فروخت کے ذریعے پائیدار آمدنی پیدا کرنے کی کوششوں میں ایک اہم قدم کی نشاندہی کرتا ہے۔

یہ پیشرفت کمپنی کی مالیاتی کارکردگی میں مثبت کردار ادا کرے گی، چینی مارکیٹ کی حرکیات سے درپیش کچھ دشواریوں کو دور کرتی ہے۔

اعتراف

آپ کے ڈائریکٹرز افسروں، عملے کے اراکین اور تمام درجے کے کارکنان کی محنت اور فرض شناسی پران کی قدر شناسی کا اظہار کرتے ہیں۔

بورڈ کے لیے اور اس کی جانب سے

Munir Nawaz

منیر نواز

چیف ایگزیکٹو

کراچی: ۳۱ دسمبر ۲۰۲۵

Taryq

توقیر نواز

چیئر مین

ممبران کو ڈائریکٹرز کی رپورٹ

حصص کی خرید و فروخت

پیش کردہ مالی سال کے دوران کسی ڈائریکٹر، چیف ایگزیکٹو آفیسر، چیف فنانس آفیسر، کمپنی سیکرٹری یا ان کے بیوی بچوں (بشمول نابالغ بچوں) کی طرف سے درج ذیل کے علاوہ کوئی حصص کا کاروبار نہیں کیا گیا:

ڈائریکٹر کا نام	حصص کی تعداد
جناب عابد نواز	۵,۰۰۰ فروخت کیے
جناب رشید امجد خاں	۳۰,۰۰۰ خریدے
جناب جمیل احمد بٹ	۶۶۲، اتھرو وصول کیا

ایگزیکٹو ڈائریکٹرز کے معاوضہ کی پالیسی

بورڈ نان ایگزیکٹو ڈائریکٹرز کی بورڈ اور کمیٹیز میں شمولیت کرنے پر ادائیگی کی پالیسی کا وقتاً فوقتاً جائزہ لیتا ہے اور تعین کرتا ہے۔ جو کہ بعد میں منظوری کے لئے سالانہ اجلاس عام میں حصص داران کے سامنے پیش کیا جاتا ہے۔

ایگزیکٹو ڈائریکٹرز کے معاوضے

چیف ایگزیکٹو اور کمپنی کے ڈائریکٹرز کی مالی سال ۲۰۲۵ ستمبر ۳۰ کو اختتام پذیر پر تنخواہ اور مراعات نوٹ نمبر ۴۴ میں ظاہر کی گئی ہے۔ چیف ایگزیکٹو کو اس کی تقرری کی تاریخ سے اس کی تنخواہ پر نظر ثانی تک ماہانہ تنخواہ ۷,۵۰,۰۰۰ روپے کے ساتھ اس کے عہدے کے مطابق فوائد دیے جائیں گے۔ اس کی نئی مدت ۱۲ جون ۲۰۲۳ کو شروع ہوئی۔

بورڈ کی کارکردگی کا جائزہ

بورڈ نے اپنی سالانہ کارکردگی کا جائزہ لینے کے لیے ایک جامع نظام وضع کیا ہے۔ ہر بورڈ ممبر اس بات کو یقینی بنانے کی کوشش کرتا ہے کہ وہ ادارے کی میٹنگز میں عملی طور پر موثر کردار ادا کرے۔ کاروباری حکمت عملی کے معاملات پر تفصیلی بحث کی جاتی ہے اور منتظمین کی صحیح سمت میں واضح طور پر رہنمائی کی جاتی ہے، جس کا وقتاً فوقتاً بورڈ اور اس کی ذیلی کمیٹیاں بغور جائزہ لیتی ہیں۔ بورڈ اس بات کو یقینی بناتا ہے کہ ادارہ کاروباری معاملات کے لیے وضع کیے گئے اصول و ضوابط پر کاربند ہے۔ بورڈ ہر سہ ماہی کے اختتام پر کاروبار کے تمام معاملات کا اس تناظر میں جائزہ لیتا ہے کہ جہاں کمی ہو اس کو پورا کیا جائے اور اس کے ساتھ ساتھ بہتری کے نئے مواقع جو کہ آنے والے وقت کے لیے نفع بخش ہوں ان پر نظر رکھی جاسکے اور ان سے فائدہ اٹھایا جائے۔ ڈائریکٹر کے لیے منعقدہ کاروباری تربیتی پروگرام کے متعلق ادارے کے کاروباری قواعد و ضوابط پر عملدراری کے بیانیہ میں تفصیلی ذکر موجود ہے۔

مالیاتی گوشوارہ

کمپنی کے بیرونی آڈیٹرز میسرز بی ڈی اویبراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس سے آڈٹ شدہ مالیاتی گوشوارہ آڈیٹرز کی غیر جانبدار آڈٹ رپورٹ کے ساتھ منسلک ہے۔

بیرونی آڈیٹرز

میسرز بی ڈی اویبراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، جنہوں نے سال ختم ۳۰ ستمبر ۲۰۲۵ کا آڈٹ مکمل کر لیا ہے، آئندہ ۶۰ ویں سالانہ جنرل میٹنگ کے اختتام پر سبکدوش ہو جائیں گے۔ میسرز بی ڈی اویبراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس جواہل ہیں، نے سال ختم ۳۰ ستمبر ۲۰۲۶ کے لئے دوبارہ تقرری کی پیشکش کی ہے۔ آڈٹ کمیٹی نے ان کی دوبارہ تقرری کی سفارش کی ہے، اور بورڈ اس سفارش کی سالانہ جنرل میٹنگ میں شیئر ہولڈرز سے منظوری کی تائید کرتا ہے۔

کارپوریٹ سماجی ذمہ داریاں

کارپوریٹ سماجی ذمہ داریوں کے متعلق بیان، جنرل آرڈر ۲۰۰۹ کے تحت اس رپورٹ کا لازمی حصہ بنایا گیا ہے۔

ماحولیاتی، سماجی، اور انتظامی (ESG)

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے ماحولیاتی، سماجی اور انتظامی (ESG) کے انکشافات کے ضوابط کی تعمیل میں یہ ضمیمہ شامل کیے گئے ہیں اور اس رپورٹ کا لازمی حصہ ہیں۔

تنخواہ میں جنسی تعلق کا تجزیہ

بورڈ خواتین ملازمین کی بھرتی، پروموشن، صنفی تنخواہ کے فرق کے تجزیہ، برقرار رکھنے اور ترقی کے لیے صنفی تنوع کی پالیسی بنانے کے لیے پرعزم ہے۔ جیسا کہ ایس ای سی پی سرکلر نمبر ۱۰ آف ۲۰۲۴ کے تحت مطلوب ہے۔ ۳۰ ستمبر ۲۰۲۵ کو ختم ہونے والے سال کے لیے صنفی تنخواہ کے فرق کا حساب درج ذیل ہے:

اوسط صنفی تنخواہ کا فرق: (۱۵-۰۶)

درمیانی صنفی تنخواہ کا فرق: (۲۸-۲۰)

ممبران کوڈائریکٹرز کی رپورٹ

آڈٹ کمیٹی

جناب مشتاق احمد	چیئر مین
جناب توقیر نواز	ممبر
جناب راشد امجد خالد	ممبر
جناب زاهد اللہ خان	ممبر
جناب عاصم رفیق	ممبر

ہیومن ریسورس اور ریمونیریشن کمیٹی

جناب عاصم رفیق	چیئر مین
جناب منیر نواز	ممبر
جناب توقیر نواز	ممبر
جناب عابد نواز	ممبر
محترمہ سعدیہ محمد	ممبر

آڈٹ کمیٹی اور ہیومن ریسورس اور ریمونیریشن کمیٹی کی شرائط کو بورڈ نے کارپوریٹ گورننس کے ضابطہ کی ضرورت کے مطابق منظور کیا ہے اور کمیٹیوں کو تعمیل کے لیے مشورہ دیا ہے۔

ملاقاتوں کی تعداد

دوران سال بورڈ آف ڈائریکٹرز کی چھ میٹنگز منعقد ہوئیں۔ ان میٹنگز کی حاضری درج ذیل رہی۔

میٹنگز میں حاضری کی تعداد

جناب منیر نواز	چار
جناب توقیر نواز	چھ
جناب مشتاق احمد	چھ
محترمہ سامیہ شاہنواز ادریس	صفر
محترمہ سعدیہ محمد	چھ
جناب راشد امجد خالد	چار
جناب عابد نواز	چھ
محترمہ ایوا آردیشر کاوس جی	چھ
جناب عاصم رفیق	چھ
جناب زاهد اللہ خان	چھ

جوڈائریکٹرز ان میٹنگز میں شامل نہیں ہو سکے ان کی رخصت کی درخواست کو منظور کیا گیا۔ دوران سال آڈٹ کمیٹی کی چار میٹنگز منعقد ہوئیں۔ یہ میٹنگز عبوری نتائج کے بیرونی آڈٹ سے پہلے اور بعد میں کمپنی کے بورڈ آف ڈائریکٹرز کو پیش کرنے سے قبل منعقد کی گئیں۔ ہر ایک ڈائریکٹر کی ان میٹنگز میں حاضری درج ذیل ہے۔

میٹنگز میں حاضری کی تعداد

جناب مشتاق احمد	چار
جناب توقیر نواز	چار
جناب راشد امجد خالد	دو
جناب زاهد اللہ خان	چار
جناب عاصم رفیق	چار
جناب منیر نواز	ایک

جوڈائریکٹرز ان میٹنگز میں شامل نہیں ہو سکے ان کی رخصت کی درخواست کو منظور کیا گیا۔

دوران سال ہیومن ریسورس اور معاوضہ کمیٹی کی ایک میٹنگ منعقد ہوئی۔ اس میٹنگ میں جوڈائریکٹرز کی حاضری درج ذیل ہے۔

میٹنگز میں حاضری کی تعداد

جناب عاصم رفیق	ایک
جناب توقیر نواز	ایک
جناب منیر نواز	ایک
جناب عابد نواز	ایک
محترمہ سعدیہ محمد	ایک

جوڈائریکٹرز ان میٹنگز میں شامل نہیں ہو سکے ان کی رخصت کی درخواست کو منظور کیا گیا۔

چھ سالہ کارکردگی کا مختصر جائزہ

ادارے کی چھ سالہ کارکردگی کا جائزہ اس رپورٹ کے ساتھ منسلک ہے۔

حصص داران کی تفصیل (پیٹرین آف شیئر ہولڈنگ)

حصص داران کی تفصیل ۳۰ ستمبر ۲۰۲۵ اس رپورٹ کے ساتھ منسلک ہے۔

ممبران کو ڈائریکٹرز کی رپورٹ

سے انحراف نہیں کیا گیا۔

- ٹیکس اور محصولات کا ذکر نوٹس میں درج ہے اور یہ مالیاتی گوشوارہ کا حصہ ہیں۔
- متعلقہ پارٹیز کے بارے میں معلومات نوٹس میں درج ہیں اور یہ مالیاتی گوشوارہ کا حصہ ہیں۔
- پراویڈینٹ فنڈ کی انویسٹمنٹ کی مالیت کی مد میں ذمہ داری ۳۰ ستمبر ۲۰۲۵ کو ۳۷۹،۱۰۰ (روپے ہزاروں میں) ہے۔

کارپوریٹ معلومات

بورڈ کی تشکیل

ڈائریکٹرز کی کل تعداد دس ہے جو مندرجہ ذیل ہے۔

(۱)۔ مرد سات (۷) (ب)۔ خواتین تین (۳)

بورڈ کی تفصیل درج ذیل ہے۔

غیر جانبدار ڈائریکٹرز	جناب مشتاق احمد
	جناب عاصم رفیق
	محترمہ ایوا آردیش کاوس جی
	جناب زاہد اللہ خان
نان ایگزیکٹو ڈائریکٹرز	جناب توقیر نواز
	جناب راشد امجد خالد
	جناب عابد نواز
	محترمہ سامیہ شاہنواز ادریس
	محترمہ سعدیہ محمد
ایگزیکٹو ڈائریکٹرز	جناب منیر نواز
خاتون ڈائریکٹرز	محترمہ ایوا آردیش کاوس جی
	محترمہ سامیہ شاہنواز ادریس
	محترمہ سعدیہ محمد

کمیٹیوں کی تشکیل

بورڈ نے درج ذیل ممبران پر مشتمل کمیٹیاں تشکیل دی ہیں۔

شوگر انڈسٹری کے حوالے سے حکومت کی عدم مطابقت رکھنے والی غیر متوقع پالیسیاں

کمپنی ان خطرات کو اعتماد کے ساتھ چیلنج کے طور پر لیتی ہے کہ اس میں ان خطرات کے اثرات کو کم کرنے اور ان سے نبرد آزما ہونے کی صلاحیت رکھتی ہے۔

اندرونی مالیاتی کنٹرول

ادارے میں ایک منظم اندرونی محاسبہ کا نظام قائم کیا گیا ہے جو کہ ادارے میں ہر شعبے میں رائج ہے۔ اندرونی کنٹرول کا یہ نظام ادارے کے مقاصد کے حصول، کام میں بہتری، قابل اعتماد مالیاتی رپورٹنگ اور مختلف قوانین کے ساتھ مطابقت کو یقینی بنانے کے لیے بنایا گیا ہے۔

مالیاتی اور کاروباری رپورٹنگ فریم ورک

کاروباری معاملات کے قواعد و ضوابط

بورڈ آف ڈائریکٹرز پاکستان سیکورٹیز اینڈ ایکسچینج کے مروجہ اصول و ضوابط کی تعمیل کرتے ہوئے یہاں اعلان کرتے ہیں کہ:

- انتظامیہ کی طرف سے تیار شدہ مالیاتی گوشوارہ برائے سال ۳۰ ستمبر ۲۰۲۵، میزانیہ نفع اور نقصان کے نتائج، زراعت و ترسیل کا گوشوارہ اور حصص شراکت داری میں تبدیلی منصفانہ طور پر پیش کی گئی ہیں۔

- کمپنی کے تمام حسابات باضابطہ طور پر تیار کیے گئے ہیں۔

- بین الاقوامی حساباتی قواعد جو کہ پاکستان میں رائج ہیں، ۳۰ ستمبر ۲۰۲۴ کے مالیاتی حسابات کی تیاری ان قوانین کے مطابق کی گئی ہے۔ اس سلسلہ میں متعلقہ حساب داری کی رائج روایت کے تسلسل کو برقرار رکھا گیا ہے۔ اور حساباتی تجزیہ معقول اور مناسب فیصلوں کی بنیاد پر کیے گئے ہیں۔

- اندرونی آڈٹ کا نظام مضبوط بنیادوں پر قائم ہے اور اس کو موثر انداز میں مرتب کیا گیا ہے۔

- ادارے کے اپنے کاروباری امور کے مستقبل قریب میں جاری رکھنے کے سلسلہ میں کسی قسم کے شکوک و شبہات نہیں ہیں۔

- متعین کردہ اصول و ضوابط میں تفصیلاً درج کارپوریٹ گورننس کے رہنما اصولوں

ممبران کوڈائزیکٹرز کی رپورٹ

چینی کے شعبے کی پائیداری کا دارومدار حکومت کی مستقل پالیسیوں، بروقت برآمدات کی سہولت، پیداواری صلاحیت میں بہتری، اور طویل مدتی ترقی اور استحکام کو سپورٹ کرنے کے لیے زیادہ مارکیٹ سے منسلک قیمتوں کے طریقہ کار پر ہے۔

مالیاتی نتائج

مالی سال ۲۰۲۳-۲۵ کے دوران کمپنی نے ۷۷۲-۸۰۶ ملین روپے کا کاروبار کیا جو گزشتہ سال ۲۰۱۸-۸۲۱ ملین روپے کے مقابلے میں ہے، جو بنیادی طور پر کم شوگر کی پیداوار کے حجم کی وجہ سے ایک معمولی گراؤ کی عکاسی کرتا ہے۔ پیداواری لاگت ۵۸۹-۸۹۳ ملین روپے سے کم ہو کر ۳۸۲-۷۸۹ ملین روپے ہو گئی جس کے نتیجے میں ۳۹۰-۸۵۹ ملین روپے کا خالص منافع ہوا جو کہ ۲۲-۲۰۲۳ کے ۲۲۹-۹۲۷ ملین روپے کے مقابلے میں تھا۔

کاروبار کے اخراجات جن میں تقسیم، انتظامی اور دیگر اخراجات شامل ہیں جن کا مجموعہ ۷۲۷-۲۵۲ ملین روپے تک پہنچ گیا جو گزشتہ سال کے اخراجات ۵۴۳-۴۰۴ ملین روپے سے زیادہ ہے۔ اس کے نتیجے میں آپریشن سے منافع ۵۵۰-۲۸۹ ملین روپے رہا جبکہ پچھلے سال یہ ۴۱۵-۵۷۵ ملین روپے تھا۔ دیگر ذرائع سے آمدنی میں اضافہ ہوا جو ۵۳۰-۵۲۷ ملین روپے سے بڑھ کر ۹۲۲-۸۲۷ ملین روپے ہو گئی جس کی وجہ سے منافع کو جزوی طور پر سہارا ملا۔

مالیاتی اخراجات میں نمایاں بہتری دیکھی گئی جو پچھلے سال ۷۲۴-۶۴۴ ملین روپے کے مقابلے میں تیزی سے کم ہو کر ۵۱۲-۳۷۳ ملین روپے ہو گئے جو بنیادی طور پر پالیسی کی شرح میں کمی اور بہتر مالی انضباط کی وجہ سے ہوا۔

نیچے کمپنی نے آمدنی ٹیکس اور محصول سے پہلے کا منافع ۶۷۲-۱۳۸ ملین روپے ریکارڈ کیا، جو کہ ۲۰۲۳-۲۴ میں ۸۲۷-۶۳۳ ملین روپے کے نقصان کے مقابلے میں ہے۔ محصول اور آمدنی ٹیکس کے احتساب کے بعد کمپنی نے ۷۷۲-۳۲۷ ملین روپے کا خالص منافع کمایا جو کہ گزشتہ سال میں ریکارڈ کئے گئے ۱۴۵-۳۲۷ ملین روپے سے زیادہ ہے۔ اس کے مطابق فی شیئر آمدنی (بنیادی اور رقیق) ۷۷۲-۲۷۲ روپے ہو گئی جو کہ ۲۰۲۳-۲۴ میں ۶۸-۲۷۲ روپے کے مقابلے میں بہتر ہے۔

گنے کی کم کرشنگ اور چینی کی پیداوار میں کمی کے باوجود، کمپنی کی چینی کی بہتر وصولی، گنے کی خریداری کی کم لاگت، اور مالیاتی اخراجات میں خاطر خواہ کمی نے اسے سال کے دوران منافع میں نمایاں بہتری حاصل کرنے کے قابل بنایا۔ ایک چیلنجنگ آپریٹنگ ماحول میں منافع کو برقرار رکھنے کے لیے انتظامیہ آپریشنل کارکردگی، دانشمندانہ مالیاتی انتظام، اور قدر کو زیادہ سے زیادہ کرنے پر مرکوز ہے۔

(روپے ہزاروں میں)

تخصیصات

۳۰ ستمبر ۲۰۲۴ کو بقایا	(۹۴،۸۰۱)
خالص منافع بعد از محصولات	۳۲،۶۷۹
دیگر جامع آمدن	۳،۳۶۳
غیر مختص کردہ نقصان جو آگے منتقل کیا گیا	(۵۸،۷۵۹)
فی حصص نفع - بنیادی روپوں میں	۲-۷۲

منافع کو مد نظر رکھتے ہوئے آپ کے ادارے کے ڈائریکٹرز نے ۱۲.۵ فیصد فی حصص نفع (یعنی ۲۵-۱ روپے فی حصص) کی تقسیم کی تجویز دی ہے۔

بقایا قانونی ادائیگیاں

تمام قابل ادا بقایا جات معمول کے مطابق ہیں۔

نمایاں تبدیلیاں اور کاروباری ذمہ داریاں

مالیاتی سال کے اختتام اور رپورٹ کی تاریخ کے دوران کوئی بڑی تبدیلی اور معاہدے نہیں ہوئے جو ادارے کی مالیاتی حیثیت پر اثر انداز ہوں۔

خطرات اور غیر یقینی حالات

ادارے کو مندرجہ ذیل خطرات اور غیر یقینی صورتحال کا سامنا ہے:-

- فصل کے حصول کے لیے پڑوسی شوگر ملوں میں قیمتوں میں مقابلہ بازی
- تیل کی قیمتوں میں اتار چڑھاؤ کی وجہ سے آپریٹنگ قیمتوں پر منفی اثرات
- خام اور پیکنگ مواد کی قیمتوں میں اضافہ
- ٹیکس کی شرح میں اضافہ
- ٹیکس قوانین اور ضوابط میں تبدیلی کی وجہ سے منڈی میں خلل

ممبران کو ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی نمائندگی میں ہم انتہائی مسرت کے ساتھ اختتام شدہ سال ۲۰۲۳ ستمبر ۲۰۲۵ کے لیے ادارہ کا محاسب شدہ مالیاتی گوشوارہ آپ کی خدمت میں پیش کرتے ہیں۔

کارکردگی کا جائزہ

آپ کی ملز کی پیداواری کارکردگی کی مختصر رپورٹ گذشتہ سال کے مقابل درج ذیل ہے۔

پیداواری اعداد و شمار		سیزن
	۲۰۲۵	۲۰۲۳
آغاز سیزن	۲۱ نومبر ۲۰۲۳	۲۵ نومبر ۲۰۲۳
اختتام سیزن	۲۵ فروری ۲۰۲۵	۲۵ فروری ۲۰۲۳
دورانیہ سیزن	۹۷ دن	۹۲ دن
گنے کی پائی	۵۹۱،۲۹۳ میٹرک ٹن	۶۷۹،۸۵۹ میٹرک ٹن
پیداوار		
چینی	۵۳،۶۸۱ میٹرک ٹن	۶۷،۷۹۳ میٹرک ٹن
راب	۲۷،۴۱۹ میٹرک ٹن	۲۸،۱۵۲ میٹرک ٹن
پیداواری تناسب		
چینی	۹-۱۰ فیصد	۹-۹۷ فیصد
راب	۴-۶۳ فیصد	۴-۱۴ فیصد

ہم اپنے شیئر ہولڈرز کو ششماہی اور سہ ماہی مالیاتی بیانات کے ذریعے پہلے ہی مطلع کر چکے ہیں کہ سیزن کے بروقت آغاز اور اپنی پوری کوششوں کے باوجود کمپنی گزشتہ سال کے مجموعی کرشنگ حجم کو حاصل کرنے میں ناکام رہی جس کی وجہ بنیادی طور پر غیر معمولی زیادہ درجہ حرارت اور معمول سے کم بارش ہے۔ جس نے فصل کی پیداوار کو بری طرح متاثر کیا اور گنا کم دستیاب ہوا۔ مزید برآں، گنے میں سوکروز کی کم مقدار کی وجہ سے شوگر کی بحالی میں کمی واقع ہوئی۔ تاہم راب کی بازیابی میں بہتری آئی۔

حکومت پنجاب نے اس سیزن میں گنے کی امدادی قیمت مقرر نہیں کی ہے جس میں سبسڈی کو کم کرنے اور امدادی قیمت برقرار رکھنے کے بجائے مارکیٹ کی بنیاد پر قیمتوں کا

تعیین کرنے کی حکمت عملی ہے۔ نتیجتاً، پچھلے سیزن امدادی قیمت اس سال کے کرشنگ سیزن کے لیے شیٹ مارک رہی ہے۔ بیرونی علاقوں سے گنے کی خریداری ۳۸-۱۵ فیصد تھی۔ گنے کی خریداری کی مجموعی لاگت تقریباً ۴۲۳ روپے فی میٹرک ٹن سے کم رہی جو کہ اس سال کی قیمت ۵۸۰،۱۰ روپے فی میٹرک ٹن رہی جو کہ گزشتہ سال ۱۱،۰۰۴ روپے فی میٹرک ٹن تھی۔

صنعت کا جائزہ

پاکستان دنیا بھر میں ساتواں بڑا چینی پیدا کرنے والا ملک ہے، جہاں گنے کی فصل دوسری سب سے اہم نقدی فصل ہے۔ شوگر انڈسٹری دیہی روزگار، کسان آمدنی، اور صنعتی سرگرمیوں کے ذریعے قومی معیشت میں اہم کردار ادا کرتی رہتی ہے۔ تاہم، یہ شعبہ اب بھی زیادہ تر ریگولیٹڈ ہے، جہاں حکومت کی پالیسیاں پیداوار، قیمتوں، محصولات اور تجارت کو نمایاں طور پر متاثر کرتی ہیں۔

۲۵-۲۰۲۳ کے سیزن کے دوران، چینی کی صنعت کو گنے کی دستیابی میں اتار چڑھاؤ، نسبتاً کم ریکوری کی شرح، اور بڑھتی ہوئی ان پٹ لاگت سے پیدا ہونے والے چیلنجوں کا سامنا کرنا پڑا۔ موسمی حالات اور زرعی عوامل نے بعض علاقوں میں فصل کی پیداوار کو متاثر کیا، جس کے نتیجے میں گنے کی کرشنگ اور چینی کی پیداوار پچھلے سال کے مقابلے میں کم ہوئی، حالانکہ پیداوار گھریلو استعمال کی ضروریات کو پورا کرنے کے لیے کافی رہی۔

صنعت نے سیزن میں گزشتہ سال کے غیر استعمال شدہ ذخائر کے ساتھ موجودہ کرشنگ سیزن میں قدم رکھا جو گزشتہ سالوں میں اضافی پیداوار کی عکاسی کرتا ہے۔ گھریلو سطح پر چینی کا استعمال بڑے پیمانے پر مستحکم رہا، جبکہ پیداواری سطح استعمال کی ضروریات کے آس پاس رہیں۔ سال کے دوران موافق بین الاقوامی قیمتوں کی وجہ سے برآمد کے مواقع موجود تھے؛ تاہم، برآمد کی منظوری محتاط انداز میں اور محدود مقدار میں دی گئی تاکہ گھریلو قیمت کا استحکام یقینی بنایا جاسکے۔ ان پابندیوں نے چینی کی فیکٹریوں کی اضافی انویسٹری کو لیکویڈیٹ کرنے کی صلاحیت کو محدود کر دیا، جو نقدیت اور کام کرنے والی سرمائے کی انتظام پر دباؤ ڈالا۔

چینی کی انتظامی قیمت گنے کی نسبتاً زیادہ خریداری کے اخراجات، توانائی کے اخراجات، اور ٹیکس کے اقدامات کی وجہ سے لاگت کا دباؤ پورے شعبے میں برقرار رہا۔ اگرچہ سال کے دوران شرح سود میں بتدریج نرمی نے مالیاتی اخراجات میں کچھ ریلیف فراہم کیا، مجموعی طور پر صنعت کا منافع قیمتوں اور برآمدات سے متعلق پالیسی فیصلوں کے لیے حساس رہا۔

Six Years Review at a Glance

YEAR	2025	2024	2023	2022	2021	2020
Production Data						
Season started	21.11.2024	25.11.2023	25.11.2022	20.11.2021	15.11.2020	30.11.2019
Season closed	25.02.2025	25.02.2024	08.03.2023	25.03.2022	12.03.2021	10.03.2020
Days worked	97	92	103	126	118	102
Cane crushed (M. Tons)	591,293	679,859	786,325	1,031,923	842,079	630,074
Sugar produced:						
Sugar (M. Tons)	53,681	67,793	77,600	91,603	81,181	59,204
Molasses (M. Tons)	27,419	28,152	32,644	45,786	36,593	27,354
Recovery:						
Sugar %	9.10	9.97	9.87	8.88	9.64	9.41
Molasses %	4.64	4.14	4.15	4.44	4.35	4.34
(Rupees in thousand)						
Income						
Sales	8,648,772	8,821,018	9,476,053	6,615,125	6,314,278	4,539,679
Others	82,922	52,530	44,478	35,391	27,019	6,172
	8,731,694	8,873,548	9,520,531	6,650,516	6,341,297	4,545,851
Expenditure						
Cost of revenue	7,789,382	7,893,589	7,885,007	5,841,353	5,503,573	4,151,015
Distribution cost and Administrative expenses	420,779	403,669	389,671	317,281	265,803	247,454
Finance cost	373,512	644,724	503,118	431,282	264,412	138,785
Other operating expenses	31,983	875	97,799	10,449	24,210	7,056
	8,615,656	8,942,857	8,875,595	6,600,365	6,057,997	4,544,310
Share of profit of associate - net	22,634	5,482	16,861	35,265	30,957	10,958
Profit / (Loss) before taxation	138,672	(63,827)	661,797	85,416	314,257	12,499
Taxation & Levy	(105,993)	95,972	(256,325)	(84,339)	(109,429)	(70,950)
Profit / (Loss) after taxation	32,679	32,145	405,472	1,077	204,828	(58,451)
Paid up capital	120,111	120,111	120,111	120,111	120,111	120,111
Capital reserve - Share premium	27,534	27,534	27,534	27,534	27,534	27,534
Revaluation Surplus on property, plant and equipment	1,953,285	1,928,484	1,928,484	1,928,484	1,506,111	1,506,111
General reserve and unappropriated profits	1,092,360	1,081,119	1,187,437	781,040	841,097	631,989
Loans from directors	150,000	150,000	126,000	146,000	150,000	150,000
Shareholders equity	3,343,290	3,307,248	3,389,566	3,003,169	2,644,853	2,435,745
Break up value per share in Rupees	278.35	275.35	282.20	250.03	220.20	202.79
Earnings / (loss) per share - Basic (Rupees)	2.72	2.68	33.76	0.09	17.05	(4.87)
Dividend - Cash (%)	12.5	-	140	-	50	-

Pattern of Share Holding
As at 30 September 2025

NUMBER OF SHARE HOLDERS	Share Holdings		Total Shares Held
	From	To	
451	1	100	7,403
107	101	500	31,802
31	501	1000	22,024
41	1001	5000	99,469
8	5001	10000	62,526
8	10001	15000	94,490
1	15001	20000	19,448
2	20001	25000	44,725
2	25001	30000	60,000
4	30001	35000	126,754
1	45001	50000	48,000
1	50001	55000	52,500
2	55001	60000	111,461
1	65001	70000	70,000
2	70001	75000	143,565
1	80001	85000	80,300
1	130001	135000	133,505
2	135001	140000	271,507
1	140001	145000	142,984
3	175001	180000	528,885
1	190001	195000	190,033
1	195001	200000	200,000
1	210001	215000	213,589
2	220001	225000	448,399
1	225001	230000	229,147
1	250001	255000	250,749
1	265001	270000	266,185
1	275001	280000	276,652
1	300001	305000	304,990
1	315001	320000	319,453
1	325001	330000	328,039
1	335001	340000	337,015
1	375001	380000	378,460
1	395001	400000	400,000
1	425001	430000	425,450
1	525001	530000	529,456
1	600001	605000	601,351
1	605001	610000	606,589
1	780001	785000	781,695
1	805001	810000	808,033
1	855001	860000	858,306
1	1105001	1110000	1,106,157
693			12,011,096

Pattern of Share Holding

As at 30 September 2025

SHARE HOLDER'S CATEGORY		Share Held	Percentage
(i) Associated Companies, undertaking & related parties (name wise details);			
	Shezan Services (Pvt) Ltd.	625,450	
	Shahnawaz (Pvt.) Ltd.	176,500	
		801,950	6.68%
(ii) Modaraba and Mutual Funds (name wise details);			
	MC FSL - Trustee JS Growth Fund	1,106,157	9.21%
(iii) Directors and Their spouse(s) and minor children (name wise details);			
	Mr. Muneer Nawaz	1,459,657	
	Mrs. Abida Muneer Nawaz	529,456	
	Mrs. Samia Shahnawaz Idris	337,015	
	Mr. Abid Nawaz	176,109	
	Mr. Abid Nawaz	30,000	
	Mr. Rashed Amjad Khalid	223,399	
	Mr. Rashed Amjad Khalid	38,000	
	Mr. Toqueer Nawaz	319,453	
	Mr. Toqueer Nawaz	80,300	
	Ms. Ava Ardeshir Cowasjee	135,754	
	Mr. Zahid Ullah Khan	500	
	Mrs. Sadia Muhammad	762	
		3,330,405	27.73%
(iv) Executives			
	Jamil Ahmed Butt	1,664	
		1,664	0.01%
(v) Public sector companies and corporations;		-	

Pattern of Share Holding

As at 30 September 2025

SHARE HOLDER'S CATEGORY		Share Held	Percentage
(vi) Investment, Insurance Companies & NIT			
National Bank Of Pakistan		451	
National Bank Of Pakistan		328,039	
Amin Tai (Private) Ltd.		400,000	
Industrial Development Bank		100	
Pakistan Stock Exchange Limited		50	
RYK Mills Limited		2,000	
Deputy Administrator Abandoned Properties Organization		288	
Trustee- National Bank of Pakistan Empl. Benevolent Fund		2,572	
Trustee- National Bank of Pakistan Empl. Pension Fund		73,294	
Jahangir Siddiqui & Company Limited		225,000	
JS Infocom Limited		3,000	
CDC - Trustee National Investment (Unit) Trust		781,695	
CDC - Trustee Golden Arrow Stock Fund		21,306	
		1,837,795	15.30%
(vii) General Public			
Local Physical		2,057,577	
Local (CDC)		2,875,548	
		4,933,125	41.07%
		12,011,096	100.00%
Shareholder holding 10% or more voting rights in the listed company (name wise details);			
Mr. Muneer Nawaz		1,459,657	12.15%
		1,459,657	12.15%
Shareholder holding 5% or more voting rights in the listed company (name wise details);			
	Number of Share Held	Percentage of Shareholding	
Mr. Muneer Nawaz	1,459,657	12.15%	
MCFSL- Trustee JS Growth Fund (CDC)	1,106,157	9.21%	
Mr. Mahmood Nawaz	860,533	7.16%	
CDC - Trustee National Investment (Unit) Trust	781,695	6.51%	
Mrs. Amtul Bari Naeem	610,389	5.08%	
	4,818,431	40.12%	

Corporate Social Responsibilities

Corporate Social responsibility (CSR) refers to the company's commitment to contribute positively to the society, environment and the economy.

This concept goes beyond profit making and involves business taking responsibility for the impact of their operations to the society.

Following key elements of CSR are in practice.

CORPORATE PHILANTHROPY

In recognition of its social responsibility towards mankind Company is regularly contributing reasonably to the various organizations and associations who have complete servicing infrastructure to serve the humanity and other living species.

ENERGY CONSERVATION.

Operation of sugar Mills is based on self power generation. Main criteria of energy conservation is steam consumption in percentage of cane crushed which in case of our Mills is 51-53% at peak load days, this is termed as a very efficient energy conservation system.

In our continued quest to achieve optimum efficiency levels, all possible measures like intensive vapor bleeding, recycling of utilities, installation of various speed drives at centrifuges and cane carrier etc. are adopted, in order to conserve energy. Concerned technical personnel are regularly encouraged to participate in the seminars on energy conservation.

ENVIRONMENTAL PROTECTION MEASURES.

Being conscious to this social responsibility your Mills have undertaken following measures:

- Used water is recycled for irrigation purposes within and outside the Mills lands.
- Tree plantation at Mills lands to better the surrounding environment.
- Imported state of art oil skimmer has been installed to skim oil from effluent water.
- In-house environment conservation committee to keep constant watch on the Mills operations has been formed.

COMMUNITY INVESTMENT & WELFARE SPENDING FOR UNDER PRIVILEGED CLASS.

The Company is running a High School of excellent standards in the Mills residential colony for employees' children. Talented students of the adjoining areas of the Mills are also allowed admission in the said school.

For growers of the area your Mills has provided a spacious place for "Kisan Hall" built by local market Committee. In addition to this entire up keep and maintenance cost of adjoining Mosque and Kisan Hall is borne by the Mills.

CONSUMER PROTECTION MEASURES

We produce good quality refined white sugar which qualifies multinational companies and "PSQCA" standards. Management is

always very keen on implementation and execution of rules and regulation for quality maintenance. Alhamd-O-Lillah the sugar produced by our Mills is considered best quality product in the market.

EMPLOYMENT OF SPECIAL PERSONS

To ensure regular welfare and rehabilitation of special persons to support their families as per the requirement of "Employment & Rehabilitation Ordinance 1981" the Company has established policy of hiring the "Specially abled" individuals in Mills hierarchy.

INDUSTRIAL RELATIONS

We are maintaining very cordial and harmonious industrial relations at our Mills with the all categories of employees. CBA elections are held in time without any hurdle.

Some of the non-cash benefits available to the employees are described below:

- Five workers are sent to perform Hajj every year on Company's expense.
- Attractive retirement benefits are allowed at the age of superannuation.
- Talented children of employees are paid scholarships.
- Hygienic and clean drinking water plants has been installed at the residential colony as well as in the mills premises.
- Fair price shop is being maintained where various items are provided at subsidized rates.
- For healthy activities well maintained tennis, basket ball, badminton courts and football and cricket grounds have been arranged for the employees of the Mills.

OCCUPATIONAL SAFETY & HEALTH

To ensure hygienic and healthy environment at the Mills there is a permanent safety committee. God forbid, in case of an accident the circumstances leading to such situation are thoroughly investigated, responsibilities are fixed and necessary improvements in the system are incorporated. Safety material is provided to the employees who may be exposed to health and safety hazards in the course of performing their duties.

BUSINESS ETHICS & ANTI CORRUPTION MEASURES

Statement of Ethics and Business Practices is periodically circulated among all employees of the Company for compliance. There is zero tolerance towards corruption in the Mills. The Company has developed comprehensive system of check and balance. Sugarcane growers of the areas of our Mills are totally satisfied with the honesty of our employees, weightment of the sugarcane and payments thereof.

NATIONAL CAUSE DONATIONS

The Company as a policy to assist the distressed communities regularly donating to the welfare institutions like, Shaukat Khanum Cancer Hospital, Aziz Jehan Begum Trust for the Blinds, Sahara for Life Trust, Jinnah Hospital, Lahore, Sindh Institute of Urology & Transplantation (SIUT), Lahore General Hospital, Marie Adelaide Leprosy Centre,

Corporate Social Responsibilities

Fatimid Foundation, Edhi Foundation, SOS Children Village, The Layton Rahmatullah Benevolent Trust etc. etc.

CONTRIBUTION TO NATIONAL EXCHEQUER

The management has always showed its responsibility by paying all government taxes in time without any delay. For the year ended 30 September 2025 we made our humble contribution to the National Exchequer as follows:

Description	Rupees in thousand
Income Tax	252,656/-
Sales Tax/FED	1,540,314/-

RURAL DEVELOPMENT PROGRAMME

Sugar Mills are located in the rural areas, therefore our all activities such as procurement of entire raw material i.e. sugarcane, spending of road cess contributions on communication networks, payments to transporters, wages to the employees etc. are directly related to the rural development.

The Company is playing pivotal role for this cause since its inception. We provide free of cost RCC pipes for culverts, anti-rodent chemicals and furrow making with riggers costing millions of rupees annually. Modern and scientific agricultural practices and machinery viz. Ridgers, Deep Ploughs & Chisels are introduced free of cost to the sugarcane growers. Often reasonable expenses are incurred on roads to facilitate the growers to bring their product to the mills and purchasing centers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

In compliance with the Securities and Exchange Commission of Pakistan's (SECP) regulations, the Company has integrated Environmental, Social, and Governance (ESG) principles into its Operations. This new disclosure requirement enhances transparency and accountability, building upon our long standing commitment to Corporate Social Responsibility.

Environmental, Social, and Governance (ESG) refers to a set of standards used to measure a company's impact on the society including how it handles environmental challenges, social responsibilities, and corporate governance. It's a framework that helps investors, companies, and other stakeholders evaluate the long-term sustainability and ethical footprint of an organization.

ENVIRONMENTAL (E)

As part of our ongoing efforts to reduce our environmental impact, The Company has implemented several initiatives aimed at conserving natural resources, optimizing energy use, and minimizing waste.

SUSTAINABLE PACKAGING:

In line with our commitment to reduce waste, the Company has adopted water and moisture proof, Durable, reusable packaging materials for its products as per PS.3128-2008 (1st Revision) by PSQCA standard. By moving toward sustainable packaging, we aim to significantly decrease the environmental footprint of our products.

PLANTATION DRIVE:

The Company regularly participates in various environment uplift

programmes including tree plantation.

SOCIAL (S)

Social Responsibility remains central to the Company's philosophy. We continue to engage in initiatives that support the welfare of our employees, communities, and consumers. As part of our integrated ESG framework, we strive to make a lasting positive impact on society. The Company remains committed to supporting national causes and charitable organizations. These donations reflect our ongoing commitment to improving healthcare, education, and social welfare in Pakistan. The Company continues its focus on employee well-being, offering benefits such as the Hajj Scheme, which sponsored five employees to perform Hajj in 2024 at the company's expense. We are also committed to employing differently-abled individuals, in compliance with the Employment and Rehabilitation Ordinance, 1981, ensuring a diverse and inclusive workforce. Employee safety is a top priority in the Company. We have implemented stringent Occupational Safety and Health (OSH) policies across all operations, providing regular safety training to employees and conducting frequent audits to ensure a safe working environment. Our OSH measures meet international safety standards and help minimize workplace hazards the Company prioritizes consumer health and safety. Our Research and Development (R&D) department regularly tests our product range to ensure compliance with international safety standards. The Company adheres to the regulations to guarantee that our products meet the highest quality standards, protecting the health and wellbeing of our customers

GOVERNANCE (G)

Governance is a critical pillar of our ESG framework. We are committed to maintaining high standards of corporate governance, ensuring that our operations remain transparent

BUSINESS ETHICS AND PRACTICES:

We uphold strict business ethics, ensuring that honesty and integrity are integral to all business dealings. The company's Statement of Ethics and Business Practices is regularly communicated to employees, reinforcing our commitment to ethical behavior. The Company maintains a zero-tolerance policy toward corruption and bribery, with robust internal controls to mitigate any risks through strong Internal Audit.

BOARD GOVERNANCE AND OVERSIGHT:

The Board of Directors plays a central role in overseeing the company's governance. Independent directors chair our Audit Committee and Human Resource and Remuneration Committee, ensuring transparent oversight of management's performance. In June 2023, the Board reconstituted these committees in compliance with SECP's Code of Corporate Governance.

REGULATORY COMPLIANCE:

The Company adheres to the Code of Corporate Governance as mandated by SECP. The company ensures compliance with all legal and regulatory requirements, including financial reporting standards and environmental laws. Regular audits are conducted to ensure continued compliance and the highest levels of transparency in all business activities.

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF SHAHTAJ SUGAR MILLS LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Shahtaj Sugar Mills Limited for the year ended September 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

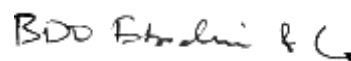
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2025.

Lahore

Date: 31 December 2025

UDIN: CR202510087fVQCjYImv



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Sajjad Hussain Gill

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the Year ended 30 September 2025

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

1. The total number of Directors are ten (10) as per the following:
 - a. Male: Seven (07)
 - b. Female: Three (03)

2. The composition of Board is as follows:

Independent Directors

Mr. Zahid Ullah Khan
Mr. Mushtaq Ahmad
Mr. Asim Rafiq
Ms. Ava Ardeshir Cowasjee

Non-executive Directors

Mr. Toqueer Nawaz (Chairman)
Mr. Rashed Amjad Khalid
Mr. Abid Nawaz
Mrs. Samia Shahnawaz Idris
Mrs. Sadia Muhammad

Executive Director

Mr. Muneer Nawaz (Chief Executive Officer)

Female Directors

Ms. Ava Ardeshir Cowasjee
Mrs. Samia Shahnawaz Idris
Mrs. Sadia Muhammad

3. The Directors have confirmed that none of them is serving as a Director on more than seven (07) listed companies, including Shahtaj Sugar Mills Limited;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for

remuneration of Directors in accordance with the Act and these Regulations;

9. Two (02) Directors of the Company have minimum fourteen (14) years of education and fifteen (15) years of experience on the Board of a listed Company and they are exempt from Director's Training Program. Seven (07) Directors have acquired certification under the Director's Training Program. The Company, however, intends to facilitate further training for the remaining Director in near future as defined in these Regulations;
10. There were no new appointments of the Chief Financial Officer, Company Secretary except Head of Internal Audit, however, all such appointments including their remuneration and terms and conditions of employment are complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

Audit Committee

Mr. Mushtaq Ahmad	Chairman
Mr. Toqueer Nawaz	Member
Mr. Zahid Ullah Khan	Member
Mr. Rashed Amjad Khalid	Member
Mr. Asim Rafiq	Member

Human Resource and Remuneration Committee

Mr. Asim Rafiq	Chairman
Mr. Muneer Nawaz	Member
Mr. Toqueer Nawaz	Member
Mr. Abid Nawaz	Member
Mrs. Sadia Muhammad	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committees were as per following:

a) Audit Committee

Four meetings were held during the financial year ended September 30, 2025.

b) Human Resource and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended September 30, 2025;

15. The Board has set up an effective internal audit function with suitably qualified and experienced staff conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the regulations have been complied with; and
19. Explanations for non-compliance with requirements, other than Regulations 3, 6, 7, 8, 27, 32, 33, and 36 are given below which are non-mandatory:

Sr. No	Requirement	Explanation of Non-Compliance	Regulation Number
1	Role of the Board and its members to address Sustainability Risks and Opportunities: The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a dedicated sustainability committee	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Audit Committee. However, the Board will ensure that the Company has addressed sustainability related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.	10A
2	Directors' Training It is encouraged that by June 30, 2022, all directors on the Board have acquired the prescribed certification under any director training program (DTP) offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	Currently, 9 out of 10 directors have attained the Directors' Training program certification or are exempt from Directors' Training program. The Company has planned to arrange Directors' Training program for remaining one director during the year ending on 30 September 2026.	19(1)
3	Requirement to attain certification Companies are encouraged to arrange training for: i) at least one female executive every year under the Directors' Training Program from year July 2020; and ii) at least one head of department every year under the Directors' Training Program from July 2022.	Currently, there is no female executive employed by the Company. Further, the Company has planned to arrange DTP certification for head of department in the year ending on 30 September 2026.	19(3)



TOQUEER NAWAZ

Chairman

Date: 31 December 2025

INDEPENDENT AUDITORS' REPORT

To The Members Of Shahtaj Sugar Mills Limited Report On The Audit Of The Financial Statements Introduction

Introduction

We have audited the annexed financial statements of Shahtaj Sugar Mills Limited (the Company), which comprise the statement of financial position as at September 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements including material accounting policies information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2025 and of the profit and comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Sr. No.	Key Audit Matter	How the matters were addressed in our audit
1	Contingencies As disclosed in note 31 to the financial statements, the Company is involved in certain legal and tax proceedings against the Company. The appeals were filed by the Company against these orders at respective forums. Management judgement is involved in assessing the accounting for claims, and in particular in considering the probability of a claim being successful and we have accordingly designated this as a focus area of the audit. The risk related to the claims is mainly associated with the completeness of the disclosure, and the completeness of the provisions in the financial statements. No provision has been made in the financial statements for the liability that may arise in the event of a decision against the Company as the management is of the opinion, based on advice of legal and tax advisor that the decision is likely to be in the favor of the Company. There are significant uncertainties attached to the future outcome of these pending matters and, therefore, are considered as key audit matters.	We undertook number of procedures to verify the appropriateness of contingencies in the financial statements. Our audit procedures included the following: <ul style="list-style-type: none">• Obtained understanding of the Company's processes and controls over litigations through meetings with the management and review of the minutes of the Board of Directors and Board Audit Committee.• Reviewed the correspondence of the Company with the relevant authorities and the Company's legal advisors including the judgments or orders passed by the competent authorities.• Obtained and reviewed direct confirmations from the Company's external legal advisors for their views on the legal position of the Company in relation to the contingent matters.• Discussed open matters and developments with the in-house legal department personnel of the Company.• Evaluated the adequacy of disclosures made in respect of these contingencies in accordance with the applicable accounting and reporting standards.

Sr. No.	Key Audit Matter	How the matters were addressed in our audit
1	Revenue recognition	
	<p>The company principally generates revenue from sale of sugar and its by-products. Revenue has been recognized as per the accounting policy stated in note 6.15 to the financial statements.</p> <p>We have identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company and gives rise to an inherent risk of material misstatement to meet expectations or targets.</p>	<p>Our audit procedures in respect of revenue recognition, amongst others, included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the process relating to recording of revenue and testing the design, implementation and operating effectiveness of relevant key internal controls over recording of revenue. • Assessed the appropriateness of the Company's accounting policy for recording of revenue and compliance of the policy with International Financial Reporting Standard Revenue from contracts with customers (IFRS 15). • Reviewed a sample of contractual arrangements entered into by the Company with its customers and checking the performance obligations involved, transaction price and recognition of revenue based on satisfaction of performance obligation. • Compared a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery notes and other relevant underlying documents. • Compared a sample of sale transactions recorded before and after the year end with relevant underlying documentation to assess whether revenue has been recorded in the correct accounting period. • Assessed the adequacy of disclosures in the financial statements to be in accordance with the applicable accounting and reporting standard.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Sajjad Hussain Gill.

Lahore

Date: 31 December 2025

UDIN: AR202510087lxq3aUYtN

BDO Ebrahim & Co.

BDO EBRAHIM & CO.

CHARTERED ACCOUNTANTS

Engagement Partner: Sajjad Hussain Gill

Statement of Financial Position

As at 30 September 2025

	Note	2025 (Rupees in thousand)	2024
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	6,311,819	5,636,647
Long term investment	7	236,860	215,520
Long term loans	8	45,238	47,163
Long term deposits	9	41,161	40,256
		6,635,078	5,939,586
CURRENT ASSETS			
Stores, spares and loose tools	10	252,311	276,447
Stock-in-trade	11	926,224	1,590,037
Trade debts	12	35,366	39,367
Contract assets	13	35,442	-
Loans and advances	14	18,322	157,863
Short term prepayments	15	8,025	4,664
Levy / taxation - net	16	397,279	250,695
Bank balances	17	85,324	268,483
		1,758,293	2,587,556
TOTAL ASSETS		8,393,371	8,527,142
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
15,000,000 (September 30, 2024: 15,000,000) ordinary shares of Rs. 10 each		150,000	150,000
Issued, subscribed and paid-up share capital	18	120,111	120,111
Reserves			
Capital reserve - share premium		27,534	27,534
Capital reserve - revaluation surplus on land	19	1,953,285	1,953,285
Revenue reserve - general reserve / un-appropriated profits		1,092,360	1,056,318
		3,073,179	3,037,137
Loans from directors	20	150,000	150,000
		3,343,290	3,307,248
NON CURRENT LIABILITIES			
Long term financing	21	2,664,451	2,419,772
Loan from associate	22	102,740	99,817
Lease liability	23	11,244	15,872
Retirement benefits obligations	24	34,143	33,474
		2,812,578	2,568,935
CURRENT LIABILITIES			
Trade and other payables	26	340,099	281,520
Contract liabilities	27	167,325	142,952
Short term borrowings	28	1,386,586	1,834,226
Accrued mark-up	29	235,253	363,953
Current portion of non-current liabilities	30	82,417	2,456
Unclaimed dividend		25,823	25,852
		2,237,503	2,650,959
TOTAL EQUITY AND LIABILITIES		8,393,371	8,527,142
CONTINGENCIES AND COMMITMENTS	31		

The annexed notes from 1 to 58 form an integral part of these financial statements.

Director

Director

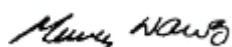
Chief Financial Officer

Statement of Profit or Loss

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
Revenue from contracts with customers - net	32	8,648,772	8,821,018
Cost of revenue	33	(7,789,382)	(7,893,589)
Gross profit		859,390	927,429
Distribution cost	34	(22,198)	(21,384)
Administrative expense	35	(398,581)	(382,285)
Other operating expense	36	(31,983)	(875)
		(452,762)	(404,544)
		406,628	522,885
Other income	37	82,922	52,530
Profit from operations		489,550	575,415
Finance cost	38	(373,512)	(644,724)
		116,038	(69,309)
Share of profit from associate - net of tax	7	22,634	5,482
Profit / (loss) before income tax and levy		138,672	(63,827)
Levy	39	(77,280)	(114,127)
Profit / (loss) before income taxation		61,392	(177,954)
Income tax	40	(28,713)	210,099
Profit for the year		32,679	32,145
Earnings per share -basic and diluted (Rupees)	41	2.72	2.68

The annexed notes from 1 to 58 form an integral part of these financial statements.



Director



Director



Chief Financial Officer

Statement of Comprehensive Income

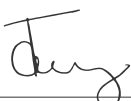
For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
Profit for the year		32,679	32,145
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years:			
Remeasurement of defined benefit obligation	24.1.6	3,507	5,482
Related deferred tax impact		-	(1,590)
		3,507	3,892
Share of associate's other comprehensive (loss) / income	7	(144)	999
		3,363	4,891
Total comprehensive income for the year		36,042	37,036

The annexed notes from 1 to 58 form an integral part of these financial statements.



Director



Director



Chief Financial Officer

Statement of Changes In Equity

For The Year Ended September 30, 2025

	RESERVES							Loan from Directors	Total Equity
	Capital reserve			Revenue reserve					
	Share capital	Share premium	Surplus on revaluation of Land	Subtotal	General reserve	Accumulated profit / (losses)	Subtotal		
(Rupees in thousand)									
Balance as at October 01, 2023	120,111	27,534	1,928,484	1,956,018	1,151,119	36,318	1,187,437	3,143,455	3,413,566
Transactions with owners:									
Final cash dividend 2023: Rs.14	-	-	-	-	-	(168,155)	(168,155)	(168,155)	-
Land revaluation adjustment in associate (note 8.1)	-	-	24,801	24,801	-	-	-	24,801	24,801
Profit for the year	-	-	-	-	-	32,145	32,145	32,145	32,145
Other comprehensive income for the year	-	-	-	-	-	4,891	4,891	4,891	4,891
T total comprehensive income for the year	-	-	-	-	-	37,036	37,036	37,036	37,036
Balance as at September 30, 2024	120,111	27,534	1,953,285	1,980,819	1,151,119	(94,801)	1,056,318	3,037,137	3,307,248
Profit for the year	-	-	-	-	-	32,679	32,679	32,679	32,679
Other comprehensive income for the year	-	-	-	-	-	3,363	3,363	3,363	3,363
T total comprehensive income for the year	-	-	-	-	-	36,042	36,042	36,042	36,042
Balance as at September 30, 2025	120,111	27,534	1,953,285	1,980,819	1,151,119	(58,759)	1,092,360	3,073,179	3,343,290

The annexed notes from 1 to 58 form an integral part of these financial statements.

Director

Director

Chief Financial Officer

Statement of Cash Flows

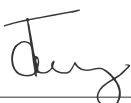
For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated / (used in) from operations	42	1,392,304	(29,814)
Finance cost paid		(502,212)	(443,603)
Profit on bank deposits received		14,347	18,609
Income taxes paid		(252,656)	(181,447)
Leave encashment paid		(791)	(777)
Gratuity and retirement benefit paid		(1,667)	(1,536)
		(742,979)	(608,754)
Net cash generated from / (used in) from operating activities		649,325	(638,568)
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment acquired	6	(708,839)	(1,098,127)
Proceeds from disposal of property, plant and equipment	6	1,174	1,005
Increase in long term loans		1,688	1,120
Dividend received from associate	7	1,150	7,475
Net cash used in investing activities		(704,827)	(1,088,527)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		323,181	1,202,595
Short term borrowings - net		(597,640)	854,685
Loan received from associates		150,000	-
Dividend paid		(29)	(149,649)
Repayment of lease liability	23	(3,169)	(1,340)
Net cash (used) / generated from financing activities		(127,657)	1,906,291
Net (decrease) / increase in cash and cash equivalents		(183,159)	179,196
Cash and cash equivalent at the beginning of the year		268,483	89,287
Cash and cash equivalent at the end of the year		85,324	268,483

The annexed notes from 1 to 58 form an integral part of these financial statements.



Director



Director



Chief Financial Officer

Notes To The Financial Statements

For The Year Ended September 30, 2025

1. THE COMPANY AND ITS OPERATIONS

- 1.1** Shahtaj Sugar Mills Limited (the Company) was incorporated in Pakistan on March 27, 1965 as a public limited Company under the Companies Act, 1913 (Now Companies Act, 2017). Its registered office is situated at 19, Dockyard Road, West Wharf, Karachi. The Company is listed on Pakistan Stock Exchange Limited and is engaged in the manufacture and sale of sugar whereas molasses and bagasse are its significant by-products.
- 1.2** The Company executed a thirty-year Energy Purchase Agreement (EPA) with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) on December 23, 2022 for its 32 MW bagasse-based co-generation power plant located at Mandi Bahauddin.

The power plant successfully achieved its Commercial Operation Date (COD) on October 10, 2025, upon completion of all commissioning and performance tests and receipt of the required certifications from the Independent Engineer. The plant is now fully operational and authorized to generate and supply electricity on a commercial basis in accordance with the terms of the EPA.

1.3 Geographical Location And Addresses Of Business Units

The business units of the Company along with their locations are as follows;

BUSINESS UNIT	ADDRESS
Registered Office	19, Dockyard Road, West Wharf, Karachi.
Head Office	72-C/1, M. M. Alam Road, Gulberg-III, Lahore.
Production Plant	Kuthiala Saidan, Mandi Bahauddin.

2. STATEMENT OF COMPLIANCE

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

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

3. BASIS OF PREPARATION

3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except for recognition of certain staff retirement benefits at present value and land on fair value.

3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupee "Rs." which is the functional and presentation currency of the Company. The figures have been rounded off to the nearest of thousand Rupees unless otherwise stated.

3.3 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income

Notes To The Financial Statements

For The Year Ended September 30, 2025

and expenses. Actual results may differ from these estimates.

In preparing these financial statements, the significant estimates, assumptions and judgements made by the management in applying accounting policies include:

	Note
Impairment of non financial assets	5.1.4
Useful life and residual values of property, plant and equipment	5.1.2
Lease term	5.2.4
Allowance for expected credit loss	5.5
Taxation	5.19

4. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended September 30, 2025

The following standards, amendments and interpretations are effective for the year ended September 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements.	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions.	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current.	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants.	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements.	January 01, 2024

4.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments.	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments.	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability.	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs).	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs).	January 01, 2026
IFRS 17 Insurance Contracts.	January 01, 2027

Notes To The Financial Statements

For The Year Ended September 30, 2025

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

5. MATERIAL ACCOUNTING POLICY INFORMATION

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

5.1 Property, plant and equipment

5.1.1 Owned assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition. Freehold land is stated at revalued amount less any identified impairment loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

Increases in the carrying amounts arising on revaluation of operating fixed assets are recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of property, plant and equipment in shareholders' equity. To the extent that increase reverses a decrease previously recognised in the statement of profit or loss, the increase is first recognised in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss. Upon disposal, any revaluation surplus relating to the particular assets being sold is transferred to retained earnings.

Depreciation

Depreciation on operating fixed assets is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in note 6.1. The Company charges the depreciation on additions from the month in which the asset is available for use and no depreciation is charged for the month in which the asset is de-recognised. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

De-recognition

An item of operating fixed assets is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of profit or loss in the year the asset is de-recognised.

Notes To The Financial Statements

For The Year Ended September 30, 2025

5.1.2 Useful life and residual values of property, plant and equipment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

5.1.3 Capital work in progress

Capital work-in-progress is stated at cost less identified impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

5.1.4 Impairment of non financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognised. An impairment loss or reversal of impairment loss is recognised in the statement of profit or loss.

5.2 Leases

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

5.2.1 Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

5.2.2 Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Notes To The Financial Statements

For The Year Ended September 30, 2025

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

5.2.3 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of retail shops, if any (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

5.2.4 Lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

5.2.5 Incremental borrowing rate

The Company uses incremental borrowing rate at the lease commencement date to calculate the present value of lease payments if the interest rate implicit in the lease is not readily determinable. The rate used to discount future lease payments is practically unlikely to be the rate implicit in the lease, because this information is often commercially sensitive and the information is not provided by the lessor. Therefore, the Company has to determine an incremental borrowing rate. The Company applies judgement in evaluating the incremental borrowing rate because the determination of rate will ultimately have an impact on the lease liability and finance cost.

5.3 Investments and other financial assets

5.3.1 Classification

The Company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) those to be measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

5.3.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are

Notes To The Financial Statements

For The Year Ended September 30, 2025

solely payment of principal and interest.

a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

b) Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

5.4 Financial liabilities – classification and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other

Notes To The Financial Statements

For The Year Ended September 30, 2025

financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

5.5 Impairment of financial assets

The Company recognizes loss allowances for ECLs on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

Debt securities that are determined to have low credit risk at the reporting date; and

Other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

5.6 De-recognition of financial assets and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Notes To The Financial Statements

For The Year Ended September 30, 2025

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

5.7 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

5.8 Investment in associates – (with significant influence)

Associate is an entity over which the Company has significant influence but not control or joint control. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investment is initially recognised at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate is recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the Company.

Investment in equity method accounted for associate is tested for impairment in accordance with the provision of IAS 36 'Impairment of Assets'.

5.9 Inventories

Inventories, except for stock in transit, molasses, bagasse, press mud and stocks at fair price shop are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spares and loose tools

Useable stores, spare parts and loose tools are valued principally at moving average cost. Provision is made for slow moving or obsolete store items based on analysis of usage patterns and prevailing prices, if required. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

Stock-in-trade

Cost of work-in-process and finished goods comprise cost of direct material, labour and appropriate manufacturing overheads.

Molasses, bagasse and press mud are valued at their net realizable value. Stocks at fair price shop is valued at subsidized selling prices.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make a sale.

Notes To The Financial Statements

For The Year Ended September 30, 2025

5.10 Trade debts and other receivables

Trade debts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

5.11 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

5.12 Borrowings

Financing and borrowings are recognised initially at fair value and are subsequently stated at amortised cost. Any difference between the proceeds and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

5.13 Borrowing cost

Interest, mark-up and other charges on long-term finances are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long-term finances. All other interest, mark-up and other charges are recognised in statement of profit or loss.

5.14 Trade and other payables

Liabilities for trade and other amounts payable are initially recognised at fair value, which is normally the transaction cost and subsequently measured at amortised cost using effective interest method.

5.15 Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend

Dividend on investments is recognised when right to receive the dividend is established.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

5.16 Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

5.17 Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

Notes To The Financial Statements

For The Year Ended September 30, 2025

5.18 Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its performance obligations under the contract.

5.19 Taxation

a) Current

The charge for current year is higher of the amount computed on taxable income at the current rates of taxation after taking into account tax credits and rebates, if any, and minimum tax computed at the prescribed rate on turnover or alternative corporate tax. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

b) Deferred

Deferred tax is provided using the balance sheet method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirement of Technical Release - 27 of the Institute of Chartered Accountants of Pakistan.

Deferred tax asset is recognised for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realised or the liabilities are settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited to the statement of profit or loss, except in case of items charged or credited directly to equity in which case it is included in the statement of comprehensive income.

c) Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss account. Any excess of expected income tax paid or payable for the year under the Income Tax Ordinance, 2001 over the amount designated as current income tax for the year, is then recognized as a levy.

5.20 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. The expense relating to provision is presented in profit and loss net of any reimbursements. The management expects that time value of money is not material and no discounting of provision is made by the Company.

5.21 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

5.22 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised until their realization becomes certain.

5.23 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognised, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognised in the financial statements.

Notes To The Financial Statements

For The Year Ended September 30, 2025

5.24 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

5.25 Ijarah contracts

Under the Ijarah contracts the Company obtains usufruct of an asset for an agreed period for an agreed consideration. The Company accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Company as a Mustajir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit and loss on straight line basis over the Ijarah term.

5.26 Segment reporting

Based on the information provided to the chief operating decision maker (the CEO), the Company considers its operations as a single operating segment and disclosures are presented accordingly. The co-generation power project is in progress as disclosed in note 1.2.

5.27 Staff retirement benefits

The Company formed an approved funded defined benefit gratuity liability for all of its permanent employees (excluding members of executive management). Under this plan, gratuity is paid to the retiring employees on the basis of their last drawn gross salary for each completed year of service.

Experience adjustments are recognized in statement of comprehensive income when they occur. Amounts recorded in statement of profit or loss are limited to current and past service cost, gains or losses on settlements, and net interest income / expense. All other changes in net defined benefit liability are recognized in other comprehensive income with no subsequent recycling to statement of profit or loss.

5.28 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognised in the period in which these are approved by the Board of Directors.

5.29 Related party transactions

Transactions and contracts with related party are carried at agreed contractual terms approved by Board of Directors.

Notes To The Financial Statements

For The Year Ended September 30, 2025

6.	OPERATING FIXED ASSETS	Note	2025 (Rupees in thousand)		2024 (Rupees in thousand)	
			2025	2024	2025	2024
	Operating fixed assets	6.1	2,470,269		2,502,296	
	Capital work in progress	6.2	3,833,493		3,123,609	
	Right of use asset	6.3	8,057		10,742	
			6,311,819		5,636,647	

6.1	Description	Freehold land	Buildings and roads on freehold land	Plant and machinery	Tube wells	Electrical installation	Motor vehicles	Furniture and fittings	Office equipment	Arms and ammunition	Telephone exchange	Total
	Net carrying value basis											
	Year ended September 30, 2025											
	Opening net book value	1,930,848	9,525	532,022	3,048	2,395	18,149	1,642	4,070	8	589	2,502,296
	Additions	-	-	-	-	-	-	60	993	-	-	1,053
	Disposals:											
	Cost	-	-	(2,129)	-	-	-	-	-	-	-	(2,129)
	Accumulated depreciation	-	-	2,010	-	-	-	-	-	-	-	2,010
		-	-	(119)	-	-	-	-	-	-	-	(119)
	Depreciation charged	-	(754)	(26,702)	(305)	(239)	(3,630)	(202)	(1,068)	(2)	(59)	(32,961)
	Closing net book value	1,930,848	8,771	505,201	2,743	2,156	14,519	1,500	3,995	6	530	2,470,269
	Gross carrying value basis											
	Year ended September 30, 2025											
	Cost / revalued amount	1,930,848	71,549	1,662,647	5,696	26,823	73,033	11,621	18,815	219	1,942	3,803,193
	Accumulated depreciation	-	(62,778)	(1,157,446)	(2,953)	(24,667)	(58,514)	(10,121)	(14,820)	(213)	(1,412)	(1,332,924)
	Net book value	1,930,848	8,771	505,201	2,743	2,156	14,519	1,500	3,995	6	530	2,470,269

	Net carrying value basis											
	Year ended September 30, 2024											
	Opening net book value	1,930,848	6,363	544,060	2,941	2,661	17,154	1,876	4,204	10	654	2,510,771
	Additions	-	3,592	16,021	404	-	5,966	-	1,028	-	-	27,011
	Disposals:											
	Cost	-	-	(1,740)	-	-	(1,912)	(36)	-	-	-	(3,688)
	Accumulated depreciation	-	-	1,619	-	-	1,427	32	-	-	-	3,078
		-	-	(121)	-	-	(485)	(4)	-	-	-	(610)
	Depreciation charged	-	(430)	(27,938)	(297)	(266)	(4,486)	(230)	(1,162)	(2)	(65)	(34,876)
	Closing net book value	1,930,848	9,525	532,022	3,048	2,395	18,149	1,642	4,070	8	589	2,502,296
	Gross carrying value basis											
	Year ended September 30, 2024											
	Cost / revalued amount	1,930,848	71,549	1,664,776	5,696	26,823	73,033	11,561	17,822	219	1,942	3,804,268
	Accumulated depreciation	-	(62,024)	(1,132,754)	(2,648)	(24,428)	(54,884)	(9,919)	(13,751)	(211)	(1,353)	(1,301,972)
	Net book value	1,930,848	9,525	532,022	3,048	2,395	18,149	1,642	4,071	8	589	2,502,296
		-	5-10%	5-50%	10%	10%	20%	10-25%	10-30%	20%	10%	-

Notes To The Financial Statements

For The Year Ended September 30, 2025

6.1.1 There is no lien on the property, plant and equipment other than that disclosed in note 21 to these financial statements.

	Note	2025 (Rupees in thousand)	2024
6.1.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales	33	29,170	30,382
Administrative expense	34	3,792	4,492
		32,962	34,874

6.1.3 As the reporting date, the carrying value of the land would have been Rs. 2.364 million (2024: Rs. 2.364 million), had the freehold land been carried at cost. Forced sale value of land at the time of revaluation was Rs. 1,641.221 million (2024: Rs. 1,641.221 million).

6.1.4 Particulars of immovable properties (i.e. land and buildings) are as follows:

Nature	Address	Area of land	Covered area of buildings
		Acre	Square feet
Manufacturing unit	Kothala Saidan, Mandi Baha Uddin.	120.68	1,031,370

6.2 CAPITAL-WORK-IN-PROGRESS

	Note	Civil works and buildings	Plant and machinery	Tube wells	Other directly attributable overheads	Advances to suppliers	Total
		(Rupees in thousand)					
As at October 01, 2024		95,864	1,748,208	-	1,155,471	124,066	3,123,609
Add: Additions during the year		72,554	96,125	-	390,787	168,541	728,007
Add / (less): Reclassification		-	247,825	-	-	(265,948)	(18,123)
As at September 30, 2025	6.2.1	168,418	2,092,158	-	1,546,258	26,659	3,833,493
As at October 01, 2023		53,640	1,087,003	-	753,601	158,493	2,052,737
Add: Additions during the year		45,816	571,066	404	401,870	93,867	1,113,023
Add / (less): Reclassification		-	106,160	-	-	(122,968)	(16,808)
Less: Transferred to operating fixed assets during the year		(3,592)	(16,021)	(404)	-	(5,326)	(25,343)
As at September 30, 2024		95,864	1,748,208	-	1,155,471	124,066	3,123,609

6.2.1 This includes stores and spares held for capitalization amounting Rs. Nil (2024: Rs. 9.457 million).

6.2.2 Borrowing cost amounting to Rs. 347.415 million (2024: Rs. 364.705 million) has been capitalized during the year. The effective rate of borrowing cost capitalized during the year ranges from 12.58% to 17.82% (2024: 20.50% to 24.30%) per annum.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
6.3 RIGHT-OF-USE ASSET			
Balance as at October 01,		10,742	13,184
Less: depreciation expense for the year	35	(2,685)	(2,685)
Add: prior year adjustment		-	243
Balance as at September 30,		8,057	10,742
Annual rate of depreciation		11.11%	11.11%

7. LONG TERM INVESTMENT

Investment in associate (with significant influence) - under equity method

Shahtaj Textile Limited - quoted

1,150,000 (2024: 1,150,000) ordinary shares of Rs 10 each

11,500 11,500

Share of post acquisition changes in investee's net assets:

As at October 01,

204,020 180,213

Add: share of profit for the year

22,634 5,482

Less / Add: share of other comprehensive (loss) / income for the year

(144) 999

Add: share of land revaluation surplus adjustment

- 24,801

Less: dividend received

(1,150) (7,475)

225,360 204,020

Balance as at September 30,

236,860 215,520

7.1 Shahtaj Textile Limited (STL), a public limited company, is engaged in the business of manufacturing and sales of textile goods. The registered office of Shahtaj Textile Limited is situated at 27-C, Abdalian Cooperative Housing Society Limited, Opposite Expo Center, Lahore. Shahtaj Textile Limited is listed on Pakistan Stock Exchange Limited. Although the Company holds only 11.9048% of the voting powers in STL, the Company holds significant influence by virtue of the common directors on the board of directors of the Shahtaj Textile Limited.

7.2 The reporting date of STL is June 30, 2025 in line with industry practice. The share in net assets of STL has been determined on the basis of unaudited financial statements for the quarters ended September 30, 2025 and September 30, 2024 and the audited published financial statements for the year ended June 30, 2025. Following is the summary of financial information of associate for the year:

7.3 Investment made in associated company is in accordance with the requirements of the Companies Act, 2017.

	2025 (Rupees in thousand)	2024
Current assets	2,546,208	2,803,173
Non-current assets	1,858,550	1,576,084
Total assets	4,404,758	4,379,257
Current liabilities	1,728,242	2,064,491
Non-current liabilities	686,900	712,748
Total liabilities	2,415,142	2,777,239
Net assets	1,989,616	1,602,018
Total Shares	1,150	1,150
Breakup value per share - (Rs)	205.96	165.84
Quoted fair value of shares	113,931	80,903

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
7.4 Reconciliation to carrying amounts:			
Balance as at October 01,		1,810,359	1,610,378
Add: profit for the year		157,876	46,053
Add/ Less: share of other comprehensive (loss) / income for the year		(1,208)	8,389
Add: share of land revaluation surplus adjustment		32,250	208,329
Less: dividend paid		(9,660)	(62,790)
Balance as at September 30,		1,989,617	1,810,359
Percentage of holding (Percentage)		11.9048%	11.9048%
Carrying value of investment in associate		236,860	215,520
Summarized statement of comprehensive income:			
Revenue		6,310,786	7,979,140
Profit for the year		157,876	46,053
Other comprehensive (loss) / income for the year		(1,208)	8,392
Total comprehensive income for the year		156,668	54,445
8 LONG TERM LOANS			
Loan to employees	8.1	2,721	4,409
Loan to Gujranwala Electric Power Company Limited	8.2	42,517	42,754
		45,238	47,163
8.1 Loan to employees			
Car and motorcycle loans to staff - unsecured, considered good			
-Up to 3 years		5,803	7,286
-More than 3 years		185	413
		5,988	7,699
Less: current portion shown under current assets	14	(3,267)	(3,290)
	8.1.1	2,721	4,409

8.1.1 These represent interest free loans provided to employees for purchase of vehicles as per the Company's policy. These loans are repayable in 50 to 60 equal monthly instalments. Fair value of long term loans represents the net present value of all future cash flows discounted at the rates ranging from 9% to 23.00% per annum (2024: 19.20% to 24.50% per annum). No loan has been granted to Chief Executive, Directors and Executives of the Company.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
8.2 Loan to Gujranwala Electric Power Company Limited			
Unsecured - considered good	8.2.1	80,000	80,000
Fair value adjustment on initial recognition		46,654	46,654
Fair value adjustment on reassessment	36	6,668	-
Less: reversal of fair value adjustment	37	(15,839)	(9,408)
		37,483	37,246
		42,517	42,754

8.2.1 This represents an interest-free loan given to Gujranwala Electric Power Company Limited ("GEPCO") to meet the cost of a 132 KV transmission line for connectivity of the complex to GEPCO's electricity distribution system. The loan is recoverable in 36 equal monthly instalments commencing 18 months from the Commercial Operation Date ("COD") of the project. Initially, the COD was estimated to be February 22, 2025 and the amortisation schedule was prepared accordingly; however, subsequent to reassessment during the year, the actual COD was determined to be October 10, 2025, and the repayment schedule has been revised accordingly. Fair value adjustment is recognised using a discount rate of 24.30% per annum.

	Note	2025 (Rupees in thousand)	2024
9 LONG TERM DEPOSITS			
Security deposits against Ijarah		36,153	36,153
Security deposits - others		5,008	4,103
		41,161	40,256
10 STORES, SPARES AND LOOSE TOOLS			
Stores and spares		249,365	283,031
Loose tools		2,946	2,873
		252,311	285,904
Less: stores and spares held for capital expenditure	6.2.1	-	(9,457)
		252,311	276,447
11 STOCK-IN-TRADE			
Finished goods		912,931	1,582,915
Work-in-process		12,458	6,401
Stock at fair price shop		835	721
		926,224	1,590,037

11.1 Stock-in-trade of Rs. 128.600 million (2024: Rs. 17.342 million) is carried at net realizable value.

11.2 There is no lien on the stock in trade other than that disclosed in note 28 to these financial statements.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
12 TRADE DEBTS			
Unsecured - considered good			
Related party	12.1	-	19,731
Others		35,366	19,636
		35,366	39,367
Considered doubtful:			
Others - unsecured		1,320	1,320
Less: allowance for expected credit loss		(1,320)	(1,320)
		-	-
	12.2	35,366	39,367

12.1 This amount was due from Shezan International Limited - Associated Company. As at the reporting date this amount has been fully received. The maximum aggregate amount receivable from associated company at the end of any month was Rs. 14.017 million (2024: Rs. 111.540 million).

12.2 These are neither past due nor impaired.

	Note	2025 (Rupees in thousand)	2024
12.3 Types of counter parties			
Corporate		29,926	38,998
Others		5,440	369
		35,366	39,367

13 CONTRACT ASSET

Contract asset	13.1	35,442	-
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13.1 This represents unbilled sale of electricity to Central Power Purchasing Agency (CPPA - G) produced during trial run.

14 LOANS AND ADVANCES

Considered good:

Loans to employees - interest free			
- Executives		-	16
- Other employees		1,886	5,271
		1,886	5,287
Advances to contractors	14.1	394	2,896
Advances to cane growers		-	97,687
Advances to suppliers	14.2	12,775	48,703
Current portion of long term loans	8.1	3,267	3,290
		18,322	157,863

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
14.1 Advances to contractors			
Considered good		394	2,896
Considered doubtful		360	360
Provision for doubtful advances		(360)	(360)
		-	-
		394	2,896
14.2 Advances to suppliers			
Considered good	14.2.1	12,775	48,703
Considered doubtful		743	959
Less: Provision for doubtful advances	14.2.2	(743)	(959)
		-	-
		12,775	48,703

14.2.1 These include amount of Rs Nil (2024: Rs. Nil) advanced to KSB Pumps Company Limited - associated company. This is neither past due nor impaired. Maximum aggregate balance due from related party at the end of any month during the year was Rs. Nil (2024: Rs. 15.597 million).

	Note	2025 (Rupees in thousand)	2024
14.2.2 Provision for doubtful advances to suppliers			
Balance as at October 01,		959	959
Less: reversed during the year		(216)	-
Balance as September 30,		743	959
15 SHORT TERM PREPAYMENTS			
Considered good			
Short term prepayments			
Considered good	15.1	8,025	4,664
Considered doubtful		44	44
Less: Provision for doubtful advances		(44)	(44)
		-	-
		8,025	4,664

15.1 These include prepaid insurance premium to State Life Insurance Corporation of Pakistan - related party amounting to Rs. 1.238 million (2024: Rs. 1.600 million). Maximum aggregate balance due from related party at the end of any month during the year was Rs. 1.238 million (2024: Rs. 1.600 million).

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
16 LEVY / TAXATION - NET			
Advance income tax		505,626	360,418
Less: Provision for taxation		(108,347)	(109,723)
		397,279	250,695
17 BANK BALANCES			
Balances at bank			
-Current accounts		21,887	211,488
-Saving accounts	17.1	63,437	56,995
		85,324	268,483
		85,324	268,483

17.1 Rates of profit on saving accounts ranged from 9.00% to 16.00% (2024: 18.00 % to 20.51%) per annum.

18 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

	2025 (Number of shares)	2024	Note	2025 (Rupees in thousand)	2024
	4,560,156	4,560,156	Ordinary shares of Rupees 10 each fully paid in cash	45,602	45,602
	150,000	150,000	Ordinary shares of Rupees 10 each issued on conversion of loan	1,500	1,500
	7,300,940	7,300,940	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	73,009	73,009
	12,011,096	12,011,096		120,111	120,111

18.1 Number of ordinary shares held by Shezan Services (Private) Limited, an associated company, are 625,450 (2024: 425,450).

18.2 During the year ended September 30, 1983, the Company issued 150,000 ordinary shares to Pakistan Industrial Credit and Investment Corporation (Now Samba Bank Limited), with a face value of Rs 10 each, as conversion of outstanding loan at the rate of Rs 15.34 per share. The conversion was made in accordance with loan agreement, whereby, option was granted to convert outstanding loan into ordinary shares of the Company. The premium of Rs 5.34 per share has been shown under share premium - capital reserve account. All ordinary shares contain equal voting rights.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
19 RESERVES			
Composition of reserves is as follows:			
Capital reserves			
Share Premium	19.1	27,534	27,534
Surplus on revaluation of land	19.2	1,953,285	1,953,285
		1,980,819	1,980,819
Revenue reserves			
General reserves		1,151,119	1,151,119
Accumulated losses		(58,759)	(94,801)
		1,092,360	1,056,318
		3,073,179	3,037,137

19.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

19.2 This represents surplus on revaluation of freehold land. Valuation of land has been carried out on September 30, 2022 by Hamid Mukhtar and Company (Private) Limited, approved valuer. Reconciliation of surplus on revaluation of land is as under:

	2025 (Rupees in thousand)	2024
Balance as at October 01.	1,953,285	1,928,484
Add: surplus on revaluation incorporated during the year	-	-
Add: surplus on revaluation of associate incorporated	-	24,801
Balance as at September 30,	1,953,285	1,953,285

	Note	2025 (Rupees in thousand)	2024
20 LOANS FROM DIRECTORS			
Mr. Muneer Nawaz (chief executive officer)		90,000	90,000
Mr. Rashed Amjad Khalid (non-executive director)		20,000	20,000
Mr. Toqueer Nawaz (non-executive director)		8,000	8,000
Mr. Abid Nawaz (non-executive director)		8,000	8,000
Loan payable to legal heir of deceased director	20.3	4,000	4,000
Loan from Mr. Muhammad Naeem	20.2	20,000	20,000
	20.1	150,000	150,000

Notes To The Financial Statements

For The Year Ended September 30, 2025

- 20.1** These represent unsecured, interest free loans given by directors to meet the liquidity requirements of the Company. These loans are repayable at the discretion of the Company. In line with Technical Release - 32 (TR-32 - Accounting Director's loan) issued by the Institute of Chartered Accountants of Pakistan (ICAP), these loans are classified as part of equity.
- 20.2** Mr. Muhammad Naeem was Non-Executive Director of the Company uptill May 29, 2023. However, He is also sponsor of the Company. Therefore, his loan amount has been reclassified as part of equity.
- 20.3** Mr. Mahmood Nawaz passed away on March 07, 2020. There are three legal heirs of Mr. Mahmood Nawaz. Two out of three legal heirs Mr. Toqueer Nawaz and Mr. Abid Nawaz are also directors of the Company who have extended their loans to the Company on same terms (i.e. unsecured, interest free and repayable at the discretion of the Company).

	Note	2025 (Rupees in thousand)	2024
21 LONG TERM FINANCING			
From banking companies - secured	21.1	2,742,953	2,419,772
Less: Current portion		(78,502)	-
		2,664,451	2,419,772

- 21.1** This syndicated term finance facility is obtained to finance the installation of 32MW high pressure bagasse based co-generation power unit.
- 21.2** This amount is payable in fifty six equal quarterly installments commencing after grace period of one year from November 2024 and ending on August 2038. The markup rate is 3 months KIBOR plus 1.5% per annum First pari passu charge of Rupees 3,733.333 million over all present and future current and fixed assets of the Company with 25% margin, exclusive charge over present and future receivables from power purchaser due under the Energy Purchase Agreement (EPA) and personal guarantee of Chief Executive Officer of the Company.
- 21.3** Effective rate of interest charged during the year on these long term financing ranged from 12.58% to 17.82% (2024: 16.57% to 24.30%) per annum.

	Note	2025 (Rupees in thousand)	2024
22 LOAN FROM ASSOCIATE			
Shezan Services (Private) Limited		110,000	110,000
Less: Fair value adjustment on initial recognition		(9,053)	(9,053)
Less: Fair value adjustment on modification		(9,334)	(9,334)
Add: Adjustment due to impact of IFRS-9	22.1	11,127	8,204
		(7,260)	(10,183)
	22.2	102,740	99,817
22.1 Balance as at October 01,		8,204	5,057
Recognized during the year		2,923	3,147
Balance as at September 30,		11,127	8,204

Notes To The Financial Statements

For The Year Ended September 30, 2025

22.2 This represents unsecured loan obtained from Shezan Services (Private) Limited - Associated Company. On March 30, 2024, the loan agreement was revised, and extended till October 31, 2027 at below market rate of interest (i.e. 8.25% per annum) . Fair value adjustment in accordance with IFRS 9 'Financial Instruments' is recognized at discount rate of 12.02% per annum.

	Note	2025 (Rupees in thousand)	2024
23 LEASE LIABILITY			
Total lease liability		15,159	18,328
Less: Current portion shown under current liabilities	30	(3,915)	(2,456)
		11,244	15,872
23.1 Reconciliation of lease liability			
Balance as at October 01,		18,328	19,668
Add: Interest accrued on lease liabilities		2,222	2,729
Add: Prior year adjustment		-	243
Less: Payments made during the year		(5,391)	(4,312)
Balance as at September 30,		15,159	18,328
23.2 Maturity analysis of lease liability is as follows:			
Up to 1 year		5,391	5,391
1-2 years		12,129	10,549
More than 2 years		-	6,738
		17,520	22,678
Less: Future finance cost		(2,361)	(4,350)
Present value of lease liability		15,159	18,328
23.3 Amount recognized in the statement of profit or loss:			
Interest expense on lease liability		2,222	2,729
Expenses relating to short term leases (included in cost of sales)		583	644
		2,805	3,373
23.4 Implicit rate against lease liability is 15.11% (2024: 15.11%) per annum.			
24 RETIREMENT BENEFITS OBLIGATIONS			
Staff retirement benefit	24.1	34,143	33,474

Notes To The Financial Statements

For The Year Ended September 30, 2025

24.1 Staff retirement benefit

The latest actuarial valuation of the defined benefit obligation as at September 30, 2025 was carried out using the projected unit credit method. Details of the obligation as per the actuarial valuation are as follows:

	Note	2025 (Rupees in thousand)	2024
24.1.1 The amount recognized in the statement of financial position is as follows:			
Present value of defined benefit obligation	24.1.2	34,143	33,474
24.1.2 Movement in present value of the defined benefit obligation:			
Obligation as at October 01,		33,474	33,127
Current service cost		1,926	2,035
Interest cost		3,917	5,413
Benefits paid		(1,666)	(1,619)
Remeasurement	24.1.6	(3,508)	(5,482)
Obligation as at September 30,		34,143	33,474
24.1.3 Net movement in liability:			
Balance as at October 01,		33,474	33,127
Charge for the year recognized in statement of profit or loss	24.1.4	5,843	7,448
Remeasurement recognized in other comprehensive income	24.1.6	(3,508)	(5,482)
Benefits paid		(1,666)	(1,619)
Balance as at September 30,		34,143	33,474
24.1.4 Charge for the year recognized in statement of profit or loss:			
Current service cost		1,926	2,035
Interest cost		3,917	5,413
		5,843	7,448

Notes To The Financial Statements

For The Year Ended September 30, 2025

	2025 (Rupees in thousand)	2024
24.1.5 Charge for the year has been allocated as follows:		
Cost of sale	3,153	4,019
Administrative expense	2,649	3,376
Distribution cost	41	53
	5,843	7,448
24.1.6 Remeasurement recognized in other comprehensive income:		
Experience adjustments	(3,508)	(5,482)
24.1.7 Principal actuarial assumptions used:		
Discount rate used for interest cost	% per annum	12.00
Discount rate used for year end obligation	% per annum	11.75
Future salary increase	% per annum	10.75

24.1.8 Sensitivity analysis for actuarial assumptions:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption at the reporting date:

Defined benefit obligation			
	Changes in assumption	Increase in assumption	Decrease in assumption
	Bps	(Rupees in thousand)	
Discount rate	100	33,122	35,292
Future salary increase	100	35,292	33,105

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

24.1.9 Mortality was assumed to be based on SLIC 2001-2005 ultimate mortality rates, set back one year.

24.1.10 The expected charge to statement of profit or loss for the year ending on September 30, 2026 will be Rs. 4.851 million.

24.1.11 The average duration of the defined benefit obligation is 3 years.

24.1.12 Historical Information

	2025	2024	2023	2022	2021
	(Rupees in thousand)				
Present value of defined benefit obligation	34,143	33,474	33,127	31,478	32,442
Remeasurement (loss) / gain on obligation	(3,508)	(5,482)	(2,567)	904	(3,508)

Notes To The Financial Statements

For The Year Ended September 30, 2025

24.1.13 Expected maturity profile of undiscounted defined benefit obligation:

Less than a year	Between 1- 2 years	Between 3 - 5 years	Between 6 - 10 years	Over 10 years	Total
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(Rupees in thousand)

18,226	1,125	9,216	15,178	91,552	135,298
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	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
25 DEFERRED TAXATION			
The net deferred income tax asset comprised of temporary differences relating to:			
Taxable temporary difference			
Accelerated tax depreciation		113,077	114,851
Right-of-use asset		2,337	3,115
Equity accounted investment		33,804	30,603
		149,218	148,569
Deductible temporary differences			
Retirement benefits obligations		(9,901)	(9,707)
Leave encashment		(3,891)	(3,599)
Business losses		(20,925)	(19,205)
Minimum tax carry forward		(187,072)	(109,965)
Lease liability		(4,396)	(5,315)
Allowance for expected credit loss on trade debts		(333)	(395)
Provisions for doubtful loans and advances		(383)	(383)
		(226,901)	(148,569)
Deferred income tax asset - net	25.1	(77,683)	-

25.1 The Company has not recognised deferred tax on net deductible temporary differences amounting to Rs. 298.923 million (September 30, 2024: Nil) due to the uncertainty about the future taxable income .

	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
26 TRADE AND OTHER PAYABLES			
Trade creditors	26.1	77,198	41,887
Accrued expenses		95,612	93,302
Provision for leave encashment	26.2	13,417	12,412
Workers' profit participation fund	26.3	6,232	-
Workers' welfare fund	26.4	3,299	13,842
Withholding tax payable		977	43
Sales tax payable		86,252	80,726
Other payables	26.5	41,202	39,308
Liquidation damages	26.6	15,910	-
		340,099	281,520

Notes To The Financial Statements

For The Year Ended September 30, 2025

26.1 These include amount of Rs 0.367 million (2024: Rs. Nil) due to Shahnawaz Private Limited - related party against services received.

	Note	2025 (Rupees in thousand)	2024
26.2 Provision for leave encashment			
Balance as at October 01,		12,412	11,267
Add: Provision made for the year		1,796	1,922
Less: Leave encashment paid during the year		(791)	(777)
Balance as at September 30,		13,417	12,412
26.3 Workers' profit participation fund			
Balance as at October 01,		-	34,679
Add: Allocation for the year	36	6,232	-
Less: Payments made during the year		-	(34,679)
Balance as at September 30,		6,232	-
26.4 Workers' welfare fund			
Balance as at October 01,		13,842	14,857
Add: Allocation for the year	36	2,368	-
Less: Payments made during the year		(12,911)	(1,015)
Balance as at September 30,		3,299	13,842

26.5 These include amount of Rs. 40.50 million (2024: Rs. 38.800 million) deducted from salaries of employees for the purchase of vehicles' which is adjustable as per Company's policy.

26.6 This represents liquidated damages invoiced by Central Power Purchasing Company (CPPA - G) on account of delay in achieving COD calculated as per EPA agreement Clause 9.3 (b) as also disclosed in Note 31.1.5.

27 CONTRACT LIABILITIES

27.1 These represent advance consideration received from customers in ordinary course of business.

27.2 Revenue of Rs. 135.733 million (2024: Rs. 142.952 million) has been recognized in the reporting period that was included in the contract liabilities balance at the beginning of the year.

27.3 These include advance consideration received from Shezan International Limited - related party amounting to Rs. 146.016 million (2024: Rs. Nil).

	Note	2025 (Rupees in thousand)	2024
28 SHORT TERM BORROWINGS			
From banking companies - secured			
Cash finances		318,773	937,239
Running finances	28.2	499,806	499,997
Islamic mode of finance		418,007	396,990
Associates	28.1	150,000	-
		1,386,586	1,834,226

Notes To The Financial Statements

For The Year Ended September 30, 2025

28.1 During the year, the Company obtained loans amounting to Rs. 150 million from related parties, namely Shezan Services (Private) Limited and Shahnawaz (Private) Limited, under formal loan agreements. The loans are unsecured. A loan of Rs. 50 million obtained from Shezan Services (Private) Limited is repayable on or before 31 December 2025 and carries a markup at the rate of KIBOR plus 0.75% per annum, while a loan of Rs. 100 million obtained from Shahnawaz (Private) Limited is repayable on or before 01 January 2026 and carries a markup equivalent to the return received by the lender on its bank deposits. The loan agreements are renewable at the request of the borrower with the consent of the lenders.

28.2 These facilities are secured against pledge of refined sugar with 10% to 25% (2024: 10% to 25%) margin, first pari passu hypothecation charge on all present and future current assets of the Company and second ranking charge over land, buildings and plant and machinery of the Company. Markup is payable quarterly and at the end of tenure at the rates ranging from 1 month KIBOR plus 0.75% to 1 month KIBOR plus 2.25% (2024: 1 month KIBOR plus 0.75% to 1 month KIBOR plus 2%) and 9 months KIBOR + 0.75% to 9 months KIBOR + 1.50% (2024: 9 months KIBOR + 0.75% to 9 months KIBOR + 1.50%).

	Note	2025 (Rupees in thousand)	2024
29 ACCRUED MARK-UP			
Long term financing		88,869	101,233
Short term borrowings		58,774	186,312
Loan from associate - Shezan Services (Private) Limited	29.1	59,494	49,178
Loan from associate - Shahnawaz (Private) Limited	29.1	28,116	27,230
		235,253	363,953

29.1 As at the reporting date, accrued mark-up of Rs. 59.494 million (2024: Rs. 49.178 million) and Rs. 28.116 million (2024: Rs. 27.230 million) payables to Shezan Services (Private) Limited - associated company and Shahnawaz (Private) Limited - associated company respectively are overdue.

	Note	2025 (Rupees in thousand)	2024
30 CURRENT PORTION OF NON-CURRENT LIABILITIES			
Lease liability	23	3,915	2,456
Current portion-long term loan		78,502	-
		82,417	2,456

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

Non-tax contingencies

31.1.1 A penalty amounting to Rs. 19.471 million was imposed by the Cane Commissioner vide order dated 06 August 2007 for late payments of road cess for the crushing season 1997-98 and 1998-99. The Company filed an appeal before the Secretary Food against this demand, who has remanded the case back to the Cane Commissioner on July 17, 2008 for re-examination.

31.1.2 A provision for cane quality premium payable to growers, aggregating to Rs. 19.818 million, related to various yearly notifications issued by the Government of Punjab (GoP) for fixation of cane support prices and quality premiums above the benchmark average recovery, made during the financial years 1981-82 to 1994-95, was written-back vide Honorable Lahore High Court, Lahore Order dated December 22, 1994. The Company has not received any demand in this respect since many years.

Notes To The Financial Statements

For The Year Ended September 30, 2025

31.1.3 Market committee fee payable by the Company has been recorded at Rs. 5 per metric ton. However, an order dated August 02, 2017 has been received by the Company for increase of rate to Rs. 10 per metric ton. The case is currently pending before the Honorable Lahore High Court under Writ Petition No. 11436/2025. On February 25, 2025, the Court issued a stay order that stops the government from forcefully collecting the higher fees while the case is ongoing. Based on legal advisor's opinion, management is confident of favorable outcome of the case. Therefore no provision has been recorded for the additional fee amounting to Rs. 31.257 million (2024: Rs.28.307 million) which would have been payable at the increased rate.

Enquiry by Competition Commission of Pakistan

31.1.4 The Competition Commission of Pakistan (CCP) passed a consolidated order dated August 06, 2021 imposing penalties on 84 sugar mills, including the Company, amounting to Rs. 230.477 million and Rs. 322.668 million, being 5% and 7% of the Company's turnover for the year ended September 30, 2019, on account of alleged anti-competitive practices in the sugar industry. The penalties were imposed through a majority opinion of the CCP bench, while two members dissented; the Chairperson confirmed the majority view through a casting vote, which was subsequently challenged by the Company.

The Competition Appellate Tribunal set aside the Chairperson's casting vote and remanded the matter, a position later upheld by the Supreme Court, which directed the Tribunal to decide the appeals afresh after granting full right of audience to the parties. Based on legal advice, management believes the penalties are arbitrary and unlawful, and as the matter remains sub judice with the outcome uncertain, no provision has been recognized and the exposure has been disclosed as a contingent liability.

31.1.5 Central Power Purchasing Agency (Guarantee) Limited (CPPA-G)

The Company has received invoices from the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) amounting to USD 589,264 (equivalent to Rs. 166.03 million) as at 30 September 2025 in respect of liquidated damages for an alleged delay in achieving the required commercial operation date under the Energy Purchase Agreement for its 32 MW bagasse-based co-generation power plant. Based on management's assessment of the contractual provisions and an independent legal opinion, a significant portion of the claim is considered not enforceable. Accordingly, a provision of Rs. 15.91 million has been recognized, representing management's best estimate of the probable obligation. The remaining amount of Rs. 150.12 million has been disclosed as a contingent liability, as its outcome is subject to ongoing and anticipated dispute resolution proceedings under the Energy Purchase Agreement. Management will continue to monitor the matter and reassess the position as further developments occur.

Tax contingencies

31.1.6 While finalizing the assessment for assessment year 2000-01 vide order dated February 28, 2001, various additions were made by the assessing officer creating a tax exposure of Rs. 56.542 million which were contested before Commissioner Income Tax (Appeals) and Income Tax Appellate Tribunal. The Company and the department have filed reference applications before the Honorable Lahore High Court, Lahore against the respective decisions where the cases are pending adjudication.

31.1.7 The company has filed a reference application in respect of tax year 2010 before the Honorable Lahore High Court, Lahore on March 04, 2011 against the confirmation of order dated February 07, 2011 levying WWF amounting to Rs. 1.101 million for tax year 2010 which is pending adjudication.

31.1.8 During the year ended September 30, 2013, the assessing officer created a demand of Rs. 12.625 million in respect of Special Excise Duty at market rate for the period from July 01, 2008 to May 31, 2010 against which the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on August 02, 2013 which was decided in Company's favor vide order dated January 09, 2020. Being aggrieved by the said order, the department has filed an appeal before the Honorable Lahore High Court which is pending adjudication.

31.1.9 The assessing officer issued order dated June 29, 2015 under Section 122(4)/122(5A) of the Income Tax Ordinance, 2001 for the tax year 2009. The assessing officer disallowed certain expenses and assessed taxable income and tax demand amounting to Rs. 216.871 million and Rs. 13.570 million respectively. The Company being aggrieved from the order passed by the assessing officer, filed an appeal before Commissioner Inland Revenue (Appeals) (CIR (A)) who vide order dated April 16, 2018 provided partial relief to the Company. Being aggrieved, the tax department has filed an appeal before ATIR which is pending adjudication.

Notes To The Financial Statements

For The Year Ended September 30, 2025

31.1.10 The assessing officer issued order under Section 122(9)/122(5A) of the Income Tax Ordinance, 2001 on February 28, 2018 for the tax year 2012 and disallowed certain expenses claimed against income amounting to Rs. 5.970 million and created income tax demand of Rs. 2.270 million. The Company being aggrieved from the order passed by the assessing officer, filed an appeal before CIR(A) who decided the case in favor of the Company vide order dated February 26, 2021. In response, the Company is not aware if the tax department has filed an appeal before ATIR against the order passed by the CIR(A).

31.1.11 The Deputy Commissioner Inland Revenue (DCIR) issued order under Section 122(1) of the Income Tax Ordinance, 2001 on October 30, 2017 for the tax year 2014. DCIR disallowed certain expenses of Rs. 10.759 million and refundable tax of the Company was reduced from Rs. 51.899 million to Rs. 36.937 million. The Company being aggrieved by the aforesaid passed order, filed an appeal before CIR(A) who passed an order by allowing partial relief of Rs. 0.621 million to the Company, remanded back the certain issues of Rs. 4.076 million to the DCIR and confirmed the disallowance of Rs. 6.063 million vide order dated October 26, 2020.

Subsequently the DCIR initiated the remanded back proceeding and decided the matter against the Company vide order dated January 30, 2023 under Section 124/129 of the Income Tax Ordinance, 2001. In response to the order of DCIR, the Company preferred an appeal before CIR(A) who vide appellate order dated August 16, 2023 decided the appeal on the issue of disallowance of Rs. 3.308 million in favour of the Company while rejected the Company's stance on disallowance of Rs. 0.767 million. Thereafter, the department has filed an appeal against the order of CIR(A) before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication.

31.1.12 The assessing officer has passed an order on September 11, 2019 under Section 11 of the Sales Tax Act, 1990, due to non-chargeability of further tax in respect of sales to unregistered person for certain months from January 2017 to June 2018; whereby, the Company is required to pay outstanding sales tax demand of Rs. 1.096 million and penalty of Rs. 0.055 million. The Company has preferred an appeal before the learned CIR (A) who vide order dated January 23, 2020 confirmed the levy of further tax. Against the said order, the Company filed appeal before the ATIR which is pending for adjudication.

31.1.13 The assessing officer issued a recovery notice on June 18, 2021 to the Company under Section 4(9) of Workers Welfare Fund Ordinance, 1971 for tax year 2018 claiming the Company has failed to pay WWF amounting to Rs. 3.886 million and instead resorted to unlawful act of adjusting the payable WWF against excess payment of income tax in the return which resulted into the non-payment of WWF under the Worker Welfare Fund Ordinance, 1971. The Company filed an appeal before Honorable Lahore High Court, Lahore who remanded back the case to Commissioner Inland Revenue. The case is pending for adjudication.

31.1.14 The assessing officer issued order under Section 122(5A) of the Income Tax Ordinance, 2001 on June 30, 2021 for the tax year 2015. The assessing officer disallowed expenses on account of cash withdrawal as per the provisions of Section 21(I) of the Income Tax Ordinance, 2001 resulting in income tax demand of Rs. 153.790 million. The Company being aggrieved by the order passed by the aforesaid order, filed an appeal before CIR(A) who decided the matter in favour of the Company. Further, the Company is not aware if the tax department has filed an appeal before ATIR against the order passed by the CIR(A).

31.1.15 The assessing officer has passed an order on February 09, 2021 under Section 33 of the Sales Tax Act, 1990 creating sales tax demand of Rs. 1 million on the basis that the Company has not implemented Video Analytics' System (VAS Implementation) in its factory. Being aggrieved, the Company preferred an appeal before the learned CIR (A) who vide order dated November 26, 2021 has set aside the case with the direction that the assessing officer will decide the case after giving opportunity of being heard. However, till date, no proceedings have been initiated by the assessing officer.

31.1.16 The Deputy Commissioner Inland Revenue (DCIR) issued order dated February 04, 2020 under Section 161/205 of the Income Tax Ordinance, 2001 for tax year 2013 and raised income tax demand of Rs. 1.327 million. Being aggrieved, the Company filed an appeal before CIR(A) who vide order dated July 30, 2020 remanded back the case to the concerned officer. The remanded back proceedings have not been initiated so far by the tax department. Further, the Company is not aware if the tax department has filed an appeal before ATIR against the order passed by the CIR(A).

31.1.17 The Deputy Commissioner Inland Revenue (DCIR) issued order dated November 22, 2019 under Section 161/205 of the Income Tax Ordinance, 2001 for tax year 2015 and raised income tax demand of Rs. 1.423 million. Being aggrieved, the Company filed an appeal before CIR(A) who vide order dated May 17, 2021 remanded back the case to the concerned officer. In compliance to the remanded back proceedings notice, the Company filed the reply, however, order from the tax department is still awaited.

Notes To The Financial Statements

For The Year Ended September 30, 2025

- 31.1.18** During the years ended September 30, 2020 and 2021, the case of the Company was selected by the Commissioner Inland Revenue for audit of income tax affairs for tax years 2016, 2017, 2018 and 2019 under Section 177 of the Income Tax Ordinance, 2001. Against the selection of audit, the Company filed writ petition before Honorable Lahore High Court, Lahore which was decided vide order dated November 30, 2020 with directions that the proceedings of audit may continue; however, no final order shall be passed before the disposal of writ petition. In light of judgement of the Honorable Lahore High Court, Lahore audit proceedings were concluded and subsequently show cause notices were issued under Sections 111 and 122(9) of the Income Tax Ordinance, 2001 by the DCIR for the tax years 2016, 2017, 2018 and 2019. However, the Honorable Lahore High Court, Lahore vide its order dated April 27, 2022 vacated the aforesaid order notices by stating that the income tax audit proceedings were without lawful authority and had no legal effect. Further, the Honorable Lahore High Court, Lahore in its judgement has mentioned that the aforesaid judgement will not preclude the commissioners concerned from exercising their independent authority under Section 177 of the Income Tax Ordinance, 2001 to proceed afresh in individual cases strictly in accordance with the law. The Company is not aware of any further proceedings initiated by the tax department for the above said tax years.
- 31.1.19** During the year ended September 30, 2023, the Company has applied for refund claims for the tax years 2014, 2015, 2016, 2018, 2019, 2020 and 2022 aggregating to Rs. 501.475 million. However, the Deputy Commissioner Inland Revenue (DCIR) vide order under Section 170(4) of the Income Tax Ordinance, 2001 dated August 23, 2023 has rejected the refunds on the ground of non availability of documentary evidences to support such refunds. Being aggrieved, the Company has filed appeals before Commissioner Inland Revenue (Appeals) for the said years on September 22, 2023, who vide appellate orders dated November 28, 2024 remanded back the case to the concerned officer.
- 31.1.20** During the year ended September 30, 2020, the case of the Company was selected by the Commissioner Inland Revenue for audit of sales tax affairs for tax periods from October 2015 to September 2018 under Section 25 of the Sales Tax Act, 1990. Against the selection of audit, the Company filed writ petition before Honorable Lahore High Court, Lahore which was decided vide order dated November 30, 2020 with directions that the proceedings of audit may continue; however, no final order shall be passed. In light of judgement of the Honorable Lahore High Court, Lahore audit proceedings were concluded and subsequently show cause notices were issued under Section 11 of the Sales Tax Act, 1990. However, the Honorable Lahore High Court, Lahore vide its order dated April 27, 2022 vacated the aforesaid notices by stating that the sales tax audit proceedings were without lawful authority and had no legal effect. Further, the Honorable Lahore High Court, Lahore in its judgement has mentioned that the aforesaid judgement will not preclude the commissioners concerned from exercising their independent authority under Section 25 of the Sales Tax Act, 1990 to proceed afresh in individual cases strictly in accordance with the law. The Company is not aware of any further proceedings initiated by the tax department for the above said tax years.
- 31.1.21** During the year ended September 30, 2023, the Company has filed its revised income tax return for the tax year 2020 by declaring income tax refund amounting to Rs. 88.570 million. However, the Deputy Commissioner Inland Revenue (DCIR) has rejected tax refund and tax credit amounting to Rs. 36.605 million vide order dated December 30, 2022 under Section 170(3) of the Income Tax Ordinance, 2001. Being aggrieved by the said order, the company preferred an appeal before the learned CIR(A) dated 25 January 2023 who ruled in favour of the company vide order dated 31 August 2023
- 31.1.22** The DCIR passed an order date June 30, 2024 under the section 161/205 of the Ordinance by creating income tax demand of Rs. 10.401 million for the tax year 2018. Being aggrieved, the Company preferred an appeal before the CIR (Appeals), who vide order bearing bar code No. 1000023066624 dated 28 February 2025 confirmed levy of tax upto Rs. 10.16 million. The taxpayer being aggrieved with the order of CIR(A), preferred a writ petition before the honorable Lahore High Court, which is pending adjudication.
- 31.1.23** The DCIR passed an order date June 25, 2025 under the section 161/205 of the Ordinance by creating income tax demand of Rs. 24.819 million for the tax year 2019. Being aggrieved, the Company preferred an appeal before the CIR (Appeals), hearing of the case has been completed, however, order is still awaited.
- 31.1.24** The Additional Deputy Commissioner Inland revenue (ADCIR) passed an order dated: 29 June 2025 under section 122 (5A) of the Ordinance by reducing assessed loss by 12.199 million for the Tax Year 2019. Being aggrieved, the company has filed appeal before the CIR (A), which is pending adjudication.
- 31.1.25** The Commissioner Inland revenue CIR (A) passed an order under section 129(1) on 28 July 2025 deleting addition of 8.214 million and upheld the disallowance of Rs. 0.524 million for the Tax Year 2021.

Notes To The Financial Statements

For The Year Ended September 30, 2025

31.1.26 The Company's share in contingencies of associate accounted under equity method is Rs. 10.421 million (2024: Rs. 8.874 million).

31.2 The Company is actively pursuing the above matters at respective forums. Based on the advice of the legal counsel, the Company is hopeful for the favorable outcome of the matters. Hence, no provision has been made in these financial statements.

	Note	2025 (Rupees in thousand)	2024
31.3 Commitments			
31.3.1 - Contract for capital expenditure		85,344	108,679

31.3.2 The Company has obtained vehicles under ijarah arrangements from Soneri Bank Limited (Islamic Banking) for a period of five years. Ijarah rentals are payable on monthly basis. Future Ujarah payments under Ijarah are as follows:

	Note	2025 (Rupees in thousand)	2024
Not later than one year		7,906	4,312
Later than one year and not later than five years		9,207	21,563
		17,113	25,875

32 REVENUE FROM CONTRACTS WITH CUSTOMERS

Export sales		833,982	256,046
Local sales	32.1	7,779,348	8,564,972
Sale of electricity		35,442	-
		8,648,772	8,821,018

32.1 Local sales

Sugar		8,421,569	8,929,602
By products:			
- Molasses		950,883	848,012
- Bagasse		-	256,957
- Press mud		25,846	14,787
		9,398,298	10,049,358

Less:

Broker's commission on sugar / molasses		15,565	16,417
Sales tax / federal excise duty		1,540,314	1,446,486
Withholding tax on sales		63,071	21,483
		1,618,950	1,484,386
		7,779,348	8,564,972

Geographical region:

Pakistan		7,814,790	8,564,972
Afghanistan		833,982	256,046
		8,648,772	8,821,018

Timing of transfer of goods:

Goods transferred to customers at a point in time		8,821,018	8,821,018
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32.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
33 COST OF REVENUE			
Raw materials consumed:			
Sugarcane purchased		6,215,939	7,435,846
Sugarcane development cess		36,957	42,492
Market committee fee		2,956	3,399
		6,255,852	7,481,737
Process materials		102,195	116,881
Fuel and power		70,928	74,277
Stores and spares consumed		123,580	143,324
Repairs and maintenance		26,278	35,300
Salaries, wages and other benefits	33.1	416,334	398,452
Rent, rates and taxes	33.2	910	1,061
Insurance		6,601	8,825
Depreciation on operating fixed assets	6.1.2	29,170	30,382
Conveyance and travelling		18,801	21,156
Ijarah rentals		4,727	4,765
Other expenses		14,006	15,548
		7,069,382	8,331,708
Work-in-process			
Add: Opening stock of sugar and molasses in process		6,401	4,790
Less: Closing stock of sugar and molasses in process		(12,458)	(6,401)
		(6,057)	(1,611)
Cost of sugar manufactured		7,063,325	8,330,097
Packing material consumed		56,073	70,134
Cost of sugar bagged		7,119,398	8,400,231
Finished goods			
Opening stock		1,582,915	1,076,273
Closing stock		(912,931)	(1,582,915)
		669,984	(506,642)
		7,789,382	7,893,589

33.1 Salaries, wages and other benefits include Rs. 1.415 million (2024: Rs. 1.073 million) in respect of leave encashment, Rs. 0.031 million (2024: Rs. 0.060 million) in respect of gratuity and Rs. 3.195 million (2024: Rs. 4.039 million) in respect of staff retirement benefit.

33.2 Rent, rates and taxes include Rs. 0.583 million (2024: Rs. 0.644 million) in respect of short term leases.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
34 DISTRIBUTION COST			
Salaries and other benefits	34.1	7,615	7,956
Insurance		2,902	4,115
Sugar bag handling cost		8,026	8,227
Sugar export expenses		3,655	1,086
		22,198	21,384

34.1 Salaries and other benefits include Rs. 0.024 million (2024: Rs. 0.012 million) in respect of leave encashment, Rs. 0.030 million (2024: Rs. 0.033 million) in respect of provident fund and Rs. 0.041 million (2024: Rs. 0.054 million) in respect of staff retirement benefit.

	Note	2025 (Rupees in thousand)	2024
35 ADMINISTRATIVE EXPENSE			
Salaries and other benefits	35.1	315,631	306,319
Directors fee		2,688	2,520
Fuel and power		5,787	6,163
Repair and maintenance		9,977	7,855
Printing and stationery		6,922	5,655
Postage and telephone		3,130	2,615
Insurance		1,597	1,534
Utilities		469	458
Rates and taxes		2,126	1,067
Legal and professional charges		7,163	5,337
Auditor's remuneration	35.2	3,085	2,957
Depreciation on operating fixed assets	6.1.2	3,792	4,492
Depreciation on right-of-use asset	6.3	2,685	2,685
Conveyance and travelling		18,249	17,760
Other expenses		12,416	11,850
Ijarah rentals		2,864	3,018
		398,581	382,285

35.1 Salaries and other benefits include Rs. 0.468 million (2024: Rs. 0.943 million) in respect of leave encashment, Rs. 0.005 million (2024: Rs. 0.022 million) in respect of gratuity, Rs. 2.826 million (2024: Rs. 2.986 million) in respect of provident fund and Rs. 2.653 million (2024: Rs. 3.378 million) in respect of staff retirement benefit.

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
35.2 Auditor's remuneration			
Audit fee		1,650	1,500
Certifications and review		1,221	1,262
Expenses reimbursed		215	195
		3,085	2,957
36 OTHER OPERATING EXPENSES			
Workers' profit participation fund	26.3	6,232	-
Workers' welfare fund	26.4	2,368	-
Liquidated damages	26.6	15,910	-
Fair value adjustment on initial recognition of loan to GEPCO	8.2	6,668	-
Donations	36.1	805	875
		31,983	875
36.1 There is no interest of any director or his spouse in donees' fund.			
37 OTHER INCOME			
Income from financial assets			
Profit on bank deposits		14,347	18,609
Reversal of fair value adjustment on loan to GEPCO	8.2	6,431	8,379
Fair value adjustment on loan from associate - modification		-	9,334
Gain on initial recognition of financial assets		901	669
		21,679	36,991
Income from non-financial assets			
Sale of scrap		40,364	14,662
Gain on sale of operating fixed assets		1,055	396
Reversal of provision for doubtful loans to employees		-	402
Reversal of provision for advance to supplier		216	-
Miscellaneous income		19,608	79
		61,243	15,539
		82,922	52,530

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
38 FINANCE COST			
Interest on long term borrowings	21	34,169	-
Interest on short term borrowings	28	319,718	605,281
Interest on loan from associates	22	14,125	20,112
Adjustment due to impact of IFRS-9 on loan from associate	22.1	-	3,147
Interest accrued on lease liability		2,222	2,729
Interest on workers' profit participation fund	26.3	-	9,078
Bank charges and commission		3,278	4,377
		373,512	644,724
39 LEVY			
Levy	39.1	173	1,121
Minimum tax differential	39.2	77,107	113,006
		77,280	114,127

39.1 This represents final tax paid under section 154 (1), 154 (3b), and 150 of Income tax ordinance, 2001 ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

39.2 This represents portion of minimum tax paid under section 154 (1) of Income tax ordinance, 2001 ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

	Note	2025 (Rupees in thousand)	2024
40 TAXATION			
Current tax:			
-For the year		31,067	-
-Prior year		(2,354)	(122,291)
		28,713	(122,291)
Deferred tax		-	(87,808)
		28,713	(210,099)

40.1 Provision for current income tax represents normal tax on local sales and other source of income and final tax on export sales. Provision for super tax on income is calculated as per Section 4C of the Income Tax Ordinance, 2001. Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is as follows:

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
40.2 Reconciliation between tax expense and accounting profit			
Profit before tax		138,672	(63,827)
Applicable tax rate		29%	29%
Tax on accounting profit		40,215	(18,510)
Tax effect arising as consequences of recognition of deferred tax		-	(87,808)
Tax effect of change in prior year's tax		(2,354)	(122,291)
Tax effect due to adjustment recognition of losses and minimum tax		64,933	128,691
Tax effect of inadmissible / admissible adjustments - net		9,590	1,235
Tax effect of dividend income from associate		173	1,121
Tax effect of share of profit from associate		(6,564)	1,590
		105,993	(95,972)
41 EARNINGS PER SHARE - BASIC AND DILUTED			
There is no dilutive effect on the basic earnings per share.			
Profit after taxation attributable to ordinary shareholders		32,679	32,145
Weighted average number of ordinary shares (Numbers)		12,011,096	12,011,096
Earnings per share - Basic (Rs.)		2.72	2.68
42 CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (Loss) before taxation		138,672	(63,827)
Adjustments for non-cash charges and other items:			
Depreciation on property, plant and equipment	6.1.2	32,962	34,874
Depreciation on right-of-use asset	6.3	2,685	2,685
Finance cost	38	373,512	644,724
Provision for retirement benefit	24.1.4	5,842	7,448
Profit on bank deposits	37	(14,347)	(18,609)
Share of profit of associate	7	(22,634)	(5,482)
Adjustment due to impact of IFRS-9 on loan from associate	38	-	3,147
Fair value adjustment on modification of loan from associate	22	-	(9,334)
Provision for leave encashment	26.2	1,796	1,922
Reversal of provision for advance to supplier	37	(216)	-
Provision of liquidated damages	36	15,910	-
Gain on disposal of operating fixed assets	37	(1,055)	(396)
Reversal of fair value adjustment on loan to GEPCO	37	(6,431)	(8,379)
Fair value adjustment on initial recognition of loan to GEPCO		6,668	-
Reversal of provision for doubtful loans to employees		-	(402)
Working capital changes	42.1	858,940	(618,185)
		1,392,304	(29,814)

Notes To The Financial Statements

For The Year Ended September 30, 2025

	Note	2025 (Rupees in thousand)	2024
42.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools	10	24,136	(66,928)
Stock-in-trade	11	663,813	(508,428)
Trade debts	12	(31,441)	26,557
Loans and advances	14	139,541	(96,432)
Short term prepayments	15	(3,145)	(453)
		792,904	(645,684)
Increase / (decrease) in current liabilities:			
Trade and other payables	26	41,664	(3,044)
Contract liabilities	27	24,373	30,543
		858,940	(618,185)

43 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2025				
	Liabilities from financing activities				
	Short term borrowings	Long term financing	Loans from associate	Unclaimed dividend	Lease liability
	(Rupees in thousand)				
Balance as at October 01, 2024	1,834,226	2,419,772	99,817	25,852	18,328
Short term borrowings - net	(447,640)	-	-	-	-
Long term financing obtained	-	323,181	-	-	-
Long term financing repaid	-	-	-	-	-
Repayment of lease liability	-	-	-	-	(3,169)
Dividend - net	-	-	-	(29)	-
Non-cash movement:					
Fair value adjustment on loan	-	-	2,923	-	-
Balance as at September 30, 2025	1,386,586	2,742,953	102,740	25,823	15,159

	2024				
	Liabilities from financing activities				
	Short term borrowings	Long term financing	Loans from associate	Unclaimed dividend	Lease liability
	(Rupees in thousand)				
Balance as at October 01, 2023	979,541	1,217,177	106,004	7,346	19,668
Short term borrowings - net	854,685	-	-	-	-
Loan from associate obtained	-	1,202,595	-	-	-
Repayment of loan to associate	-	-	-	-	-
Repayment of lease liability	-	-	-	-	(1,340)
Dividend paid	-	-	-	18,506	-
Non-cash movement:					
Fair value adjustment on loan	-	-	(6,187)	-	-
Balance as at September 30, 2024	1,834,226	2,419,772	99,817	25,852	18,328

Notes To The Financial Statements

For The Year Ended September 30, 2025

44 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to the chief executive officer, directors and executives of the Company is as follows:

	2025		2024	
	Chief executive officer	Executives	Chief executive officer	Executives
	(Rupees in thousand)			
Managerial remuneration	8,400	16,917	8,400	16,918
Allowances:				
House rent	4,200	2,940	4,200	2,940
Utilities	8,400	14,850	8,400	14,850
Medical and insurance	-	2,772	1,170	3,862
Production	11,543	20,929	13,559	24,529
Contribution to retirement benefits	840	1,504	840	1,504
	33,383	59,912	36,569	64,603
Number of persons	1	8	1	8

44.1 In addition to above, the chief executive officer, directors and certain executives are provided with the free use of the Company's maintained vehicles and telephone facility.

44.2 No remuneration was paid to directors of the Company.

44.3 Fee paid to eight (2024: nine) non-executive directors for attending board meetings was Rs. 1.840 million (2024: Rs 1.760 million).

44.4 Fee paid to five (2024: five) non-executive directors for attending audit committee meetings was Rs. 0.720 million (2024: Rs. 0.680 million).

44.5 Fee paid to four (2024: two) non-executive directors for attending human resource and remuneration committee meetings was Rs 0.160 million (2024: Rs. 0.080 million).

Notes To The Financial Statements

For The Year Ended September 30, 2025

45 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, other related parties, staff provident fund trust and key management personnel. The Company in the normal course of business carries out transactions with related parties. All transactions with the related parties are carried out as per the policy approved by the Board. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of related party	Nature of Relationship	Nature of transaction	2025 (Rupees in thousand)	2024
Shahtaj Textile Limited	Associate	Dividend received	1,150	7,475
Shahnawaz (Private) Limited	Associate	Purchases and services	932	886
		Utilities paid	436	436
		Loan obtained	100,000	250,000
		Loan repaid	-	250,000
		Interest accrued on loan	888	11,012
Shezan International Limited	Associate	Sale of sugar	507,198	433,710
Information System Associates Limited	Associate	Services received	162	-
Shezan Services (Private) Limited	Associate	Interest charged	10,316	9,099
		Loan obtained	50,000	-
State Life Insurance Corporation of Pakistan	Key Management Personnel	Premium paid	1,529	1,836
KSB Pumps Company Limited	Common Directorship	Services received/purchases	-	18,603
Staff Provident Fund Trust	Fund	Company's contribution	5,816	5,910
Mr. Usman Khalid	Relative of	Loan Obtained	-	100,000
	Director	Loan Repaid	-	100,000

45.1 Detail of compensation to key management personnel comprising of chief executive officer, directors and executives is disclosed in note 44.

45.2 Outstanding balances of related parties have been disclosed in the relevant notes to the financial statements.

Notes To The Financial Statements

For The Year Ended September 30, 2025

45.3 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

Name of the related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year		Percentage of shareholding
		2025	2024	
		Percentage		
Shahtaj Textile Limited	Common Directorship and shareholding	Yes	Yes	11.90%
Shahnawaz (Private) Limited	Common Directorship	Yes	Yes	1.46%
Shezan International Limited	Common Directorship	Yes	Yes	-
Information Systems Associates Limited	Common Directorship	Yes	Yes	-
Shezan Services (Private) Limited	Common Directorship	Yes	Yes	5.20%
State Life Insurance Corporation of Pakistan (S.L.I.C)	Director of the Company is key management personnel	Yes	Yes	-
Shahnawaz Engineering (Private) Limited	Common Directorship	No	No	-
HBL Asset Management Limited	Common Directorship	No	No	-
JS Petroleum Limited	Common Directorship	No	No	-
Shahmurad Sugar Mills Limited	Common Directorship	No	No	-
Buxly Paints Limited	Common Directorship	No	No	-
KSB Pumps Company Limited	Common Directorship	Yes	Yes	-
Jubilee General Insurance Company Limited	Common Directorship	No	No	-
General Shipping Agencies (Private) Limited	Common Directorship	No	No	-
Trigen Pharma International (Pvt.) Limited	Common Directorship	No	No	-
Employees' Provident Fund	Employees benefit plan	Yes	Yes	-
Mr. Toqueer Nawaz	Chairman	Yes	Yes	3.33%
Mr. Muneer Nawaz	Chief Executive Office	Yes	Yes	12.15%
Mrs. Samia Shahnawaz Idris	Director	Yes	Yes	2.81%
Mr. Abid Nawaz	Director	Yes	Yes	1.72%
Mrs. Ava Ardesbir Cowasjee	Director	Yes	Yes	1.13%
Mr. Rashed Amjad Khalid	Director	Yes	Yes	2.18%
Mr. Zahid Ullah Khan	Director	Yes	Yes	0.0042%
Mr. Sheikh Asim Rafiq (N.I.T)	Director	Yes	Yes	-
Mrs. Sadia Muhammad	Director	Yes	Yes	0.0063%
Mr. Mushtaq Ahmed (S.L.I.C.)	Director	Yes	Yes	-
Mr. Usman Khalid	Relative of Director	No	Yes	-
Mr. Abdul Waheed Qureshi	Key Management Personnel	Yes	Yes	-
Mr. Mahmood Ahmad Khalid	Key Management Personnel	Yes	Yes	-
Mr. Muhammad Iqbal Javaid	Key Management Personnel	Yes	Yes	-
Mr. Waqar Ahmad	Key Management Personnel	Yes	Yes	-
Mr. Karim Ud Din	Key Management Personnel	Yes	Yes	-
Mr. Muhammad Inam	Key Management Personnel	Yes	Yes	-
Mr. Jameel Ahmed Butt	Key Management Personnel	Yes	Yes	0.0138%
Mr. Qazi Muhammad Waseem	Key Management Personnel	Yes	Yes	-

45.4 Remuneration paid to the directors and key management personnels have been disclosed in Note 44 to these financial statements.

Notes To The Financial Statements

For The Year Ended September 30, 2025

		2025	2024
		(Rupees in thousand)	
46	PLANT CAPACITY AND ACTUAL PRODUCTION		
	Sugar		
	Installed crushing capacity for 97 (2024: 92) working days	Metric tons	1,164,000
	Actual crushing	Metric tons	679,859
	Actual production	Metric tons	67,793
	Sugar recovery	Percentage	9.97

		Non-funded		Funded	
		2025	2024	2025	2024
(Rupees in thousand)					
47	UNUTILIZED CREDIT FACILITIES				
	Total facilities	461,000	461,000	9,750,000	8,200,000
	Utilized at the end of the year	400,000	400,000	3,979,539	4,254,000
	Unutilized at the end of the year	61,000	61,000	5,770,461	3,946,000

48	NUMBER OF EMPLOYEES	2025	2024
	Number of employees as at year end	599	627
	Average number of employees during the year	590	580

49 PROVIDENT FUND

Investments out of provident fund have been made in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

50 FINANCIAL RISK MANAGEMENT

50.1 Financial risk factors

The Company's activities may expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Financial risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

a) Market risk

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Notes To The Financial Statements

For The Year Ended September 30, 2025

The Company is not exposed to currency risk as almost all of its transactions are in local currency except for import of plant and machinery parts. There are no foreign currency receivables and payables as at the reporting date.

ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from long term financing, short term borrowings, loan from associate and bank balances in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	Note	2025 (Rupees in thousand)	2024
Fixed rate instruments			
Financial liability			
Loan from associate	22	102,740	99,817
Floating rate instruments			
Financial asset			
Loan to GEPCO	8	42,517	42,754
Bank balances - saving accounts	16	1,336	56,995
		43,853	99,749
Financial liabilities			
Long term financing	21	2,742,953	2,419,772
Short term borrowings	28	1,386,586	1,834,226
		4,129,539	4,253,998

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rs. 23.444 million (2024: Rs. 23.835 million) lower / higher, mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting date were outstanding for the whole year.

Notes To The Financial Statements

For The Year Ended September 30, 2025

b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	2025 (Rupees in thousand)	2024
Long term deposits	9	41,161	40,256
Trade debts	12	35,366	39,367
Loans and advances	14	1,886	5,287
Bank balances	17	85,324	268,483
		163,737	353,393

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

				2025	2024
Rating					
Short Term	Long term	Agency			
(Rupees in thousand)					
Banks					
United Bank Limited	A1+	AAA	VIS	4,894	25,571
MCB Bank Limited	A1+	AAA	PACRA	65,673	152,507
Habib Bank Limited	A1+	AAA	VIS	3,877	59,818
National Bank of Pakistan	A1+	AAA	PACRA	87	69
JS Bank Limited	A1+	AA	PACRA	133	321
Bank Al Habib Limited	A1+	AAA	PACRA	2,360	8,894
Bank Alfalah Limited	A1+	AAA	PACRA	357	18,357
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	2,487	2,515
Allied Bank Limited	A1+	AAA	PACRA	258	421
Bank Of Punjab	A1+	AA+	PACRA	98	-
Dubai Islamic Bank	A1+	AA	VIS	100	-
Soneri Bank Limited	A1+	AA-	PACRA	5,000	10
				85,324	268,483

The Company's exposure to credit risk and expected credit loss related to trade debts is disclosed in Note 12.

Due to the Company's business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At September 30, 2025, the Company had Rs. 5,770.461 million (2024: Rs. 3,946 million) available credit limits from financial institutions and Rs. 85.324 million (2024: Rs. 268.483 million) cash and bank balances. The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Notes To The Financial Statements

For The Year Ended September 30, 2025

Contractual maturities of financial liabilities as at September 30, 2025:

	Carrying amount	Contractual cash flows	6 month or less	6-12 month	1-2 year	More than 2 years
(Rupees in thousand)						
Non-derivative financial liabilities:						
Long term financing	2,742,953	2,742,953	-	78,502	-	2,664,451
Lease liability	15,159	15,159	-	3,915	11,244	-
Trade and other payables	243,339	243,339	202,836	-	-	40,503
Accrued mark-up	235,253	235,253	235,253	-	-	-
Short term borrowings	1,386,586	1,386,586	1,386,586	-	-	-
Unclaimed dividend	25,823	25,823	25,823	-	-	-
Loan from associate	102,740	102,740	-	-	-	102,740
	4,751,853	4,751,853	1,850,498	82,417	11,244	2,807,694

Contractual maturities of financial liabilities as at September 30, 2024:

	Carrying amount	Contractual cash flows	6 month or less	6-12 month	1-2 year	More than 2 years
(Rupees in thousand)						
Non-derivative financial liabilities:						
Long term financing	2,419,772	2,419,772	-	-	-	2,419,772
Lease liability	18,328	18,328	-	3,401	8,421	6,506
Trade and other payables	186,909	186,909	148,106	-	-	38,803
Accrued mark-up	363,953	363,953	363,953	-	-	-
Short term borrowings	1,834,226	1,834,226	1,834,226	-	-	-
Unclaimed dividend	25,852	25,852	25,852	-	-	-
Loan from associate	99,817	99,817	-	-	-	99,817
	4,948,857	4,948,857	2,372,137	3,401	8,421	2,564,898

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at September 30. The rates of interest / mark-up have been disclosed in Note 20, 22 and 28 to these financial statements.

50.2 Financial instruments by categories	At amortized cost	
	2025	2024
(Rupees in thousand)		
Assets as per statement of financial position		
Long term deposits	41,161	40,256
Trade debts	35,366	39,367
Loans and advances	1,886	5,287
Cash and bank balances	85,324	268,483
	163,737	353,393

Notes To The Financial Statements

For The Year Ended September 30, 2025

	At amortized cost	
	2025	2024
	(Rupees in thousand)	
Liabilities as per statement of financial position		
Long term financing	2,742,953	2,419,772
Lease liability	15,159	18,328
Trade and other payables	202,836	148,106
Accrued mark-up	235,253	363,953
Short term borrowings	1,386,586	1,834,226
Unclaimed dividend	25,823	25,823
Loan from associate	102,740	99,817
	4,711,350	4,910,025

50.3 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2025			2024		
	Financial assets / liabilities	Non-financial assets / liabilities	Total as per statement of financial position	Financial assets / liabilities	Non-financial assets / liabilities	Total as per statement of financial position
	(Rupees in thousand)					
Assets						
Long term deposits	41,161	-	41,161	40,256	-	40,256
Trade debts	35,366	-	35,366	39,367	-	39,367
Loans and advances	1,886	16,436	18,322	5,287	152,576	157,863
Cash and bank balances	85,324	-	85,324	268,483	-	268,483
	163,737	16,436	180,173	353,393	152,576	505,969
Liabilities						
Long term financing	2,742,953	-	2,742,953	2,419,772	-	2,419,772
Lease liability	15,159	-	15,159	18,328	-	18,328
Trade and other payables	202,836	137,263	340,099	148,106	133,414	281,520
Accrued mark-up	235,253	-	235,253	363,953	-	363,953
Short term borrowings	1,386,586	-	1,386,586	1,834,226	-	1,834,226
Unclaimed dividend	25,823	-	25,823	25,823	-	25,823
Loan from associate	102,740	-	102,740	99,817	-	99,817
	4,711,350	137,263	4,848,613	4,910,025	133,414	5,043,439

Notes To The Financial Statements

For The Year Ended September 30, 2025

50.4 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

50.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing, loan from associate and short term borrowings obtained by the Company as referred to in 21, 22 and 28 respectively. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy, remained unchanged from last year.

		2025 (Rupees in thousand)	2024
Borrowings	(Rupees in thousand)	4,232,279	4,353,815
Total equity	(Rupees in thousand)	3,343,290	3,307,248
Total capital employed	(Rupees in thousand)	7,575,569	7,661,063
Gearing ratio	(Percentage)	55.87	56.83

The decrease in gearing ratio resulted primarily due to decrease in borrowings of the Company.

51 RECOGNIZED FAIR VALUE MEASUREMENT- FINANCIAL INSTRUMENTS

Fair value hierarchy

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Notes To The Financial Statements

For The Year Ended September 30, 2025

52 FAIR VALUE MEASUREMENT-NON-FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made for non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

At September 30, 2025	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				
Freehold land	-	1,930,848	-	1,930,848
Total non-financial assets	-	1,930,848	-	1,930,848
At September 30, 2024				
Freehold land	-	1,930,848	-	1,930,848
Total non-financial assets	-	1,930,848	-	1,930,848

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for freehold land carried at revalued amount every three years. The management updates the assessment of the fair value of freehold land carried at revalued amount, taking into account the most recent independent valuations. The management determines the value of freehold land carried at revalued amount within a range of reasonable fair value estimates. The best evidence of fair value of freehold land is current prices in an active market for similar lands.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land carried at revalued amount at the end of every three years. As at September 30, 2022, the fair value of freehold land was determined by Hamid Mukhtar and Company (Private) Limited (approved valuer).

Changes in fair values are analyzed by the Chief Financial Officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

53 SHARIAH COMPLIANCE DISCLOSURE

Following information has been disclosed with the reference to disclosure requirements of fourth schedule of the Companies Act, 2017 relating to all shares Islamic Index.

	2025 (Rupees in thousand)	2024
Statement of financial position -Financing obtained as per Islamic mode:		
Short term financing	418,007	396,990
Markup accrued:		
Short term financing	61,624	72,148
Ijarah	17,113	25,875

Notes To The Financial Statements

For The Year Ended September 30, 2025

Relationships with banks having islamic window

Bank Name	Region	Nature of transactions
Soneri Bank Limited	Pakistan	Short term borrowing / Ijarah

54 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company has proposed a cash dividend for the year ended September 30, 2025 of Rs. 1.25 per share (2024: Rs Nil per share) at their meeting held on **31 December 2025**. However, these events have been considered as non-adjusting events under IAS 10 'Events after the Reporting Period' and have not been recognized in these financial statements.

55 SEGMENT INFORMATION

These financial statements have been prepared on the basis of a single reportable segment.

Sales of sugar represents 90.14% (2024: 89.13%) of the total sales of the Company.

91.88% (2024: 97.52%) of the sales of the Company relates to customers in Pakistan.

All non-current assets of the Company as at September 30, 2025 were located in Pakistan.

56 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements have been made except for the following:

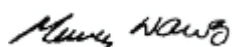
Statement of changes in equity		Rupees in thousand
Reclassified from:	Reclassified to:	
Revaluation surplus related to associate from retained earning	Revaluation surplus relating to land	24,801

57 DATE OF AUTHORIZATION FOR ISSUE

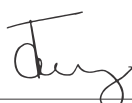
These financial statements were authorized for issue on **31 December 2025** by the Board of Directors of the Company.

58 GENERAL

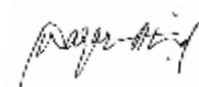
The figures in the financial statements are rounded off to the nearest thousand rupees, unless otherwise stated.



Director



Director



Chief Financial Officer



Form of Proxy 60th Annual General Meeting of Shahtaj Sugar Mills Limited

Please Quote Folio Number: _____

Shares held: _____

I/ We _____ of _____
in the district of _____ being a member of SHAHTAJ SUGAR MILLS LIMITED
hereby appoint _____ of _____
as my / our proxy to vote for me / us and on my / our behalf at the 60th Annual General Meeting of the Company to be
held on 28th January 2026 and at any adjournment thereof.

As witnessed given under my / our hand(s) this _____ day of _____ 2026.

Witness Signature _____

Name _____

CNIC No. _____

Applicable
Revenue Stamp

Member's Signature

Notes:

1. This form of Proxy must be deposited duly completed, at the Company's Registered Office not less than 48 hours before the meeting.
2. A Proxy of individual member must be a member of the Company.
3. In case of corporates the Board of Directors' resolution/power of attorney with the specimen signature shall be submitted along with proxy form to the Company.
4. Signature should agree with the specimen signature registered with the Company.
5. For CDC account holders / corporate in addition to the above following requirements have to be met.
 - i) Attested copy of CNIC or the passport of the beneficial owner shall be provided with proxy form.
 - ii) Proxy shall produce his / her original CNIC or original passport at the time of meeting.



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پراکسی فارم شاہ تاج شوگر ملز لمیٹڈ کا ۶۰ واں سالانہ اجلاس عام

فولیو نمبر: _____
تعداد حصص: _____

میں مستی / مسماۃ _____ ساکن _____
ضلع _____ بحیثیت ممبر شاہ تاج شوگر ملز لمیٹڈ، مسماۃ / مسماۃ _____ ساکن _____ کو
بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ میری طرف سے کمپنی کے ۶۰ ویں اجلاس عام میں جو بتاریخ ۲۸ جنوری ۲۰۲۶ء کو منعقد ہو
رہا ہے اور اس کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

مطلوبہ ریونیو ٹکٹ
چسپاں کریں

دستخط گواہ: _____
نام: _____
قومی شناختی کارڈ نمبر: _____

ممبر کے دستخط

تاریخ: _____

نوٹ:

- ۱۔ یہ پراکسی فارم مکمل پُر شدہ کمپنی کے رجسٹرڈ آفس میں میننگ سے ۴۸ گھنٹے قبل جمع کرایا جانا لازمی ہے۔
 - ۲۔ ضروری ہے کہ پراکسی جس کو دی جائے وہ بھی کمپنی کا ممبر ہو۔
 - ۳۔ کارپوریٹس ممبران کے لئے پراکسی فارم کے ساتھ پراکسی کے حق میں بورڈ آف ڈائریکٹرز کی قرارداد یا پاور آف اٹارنی بمع نمونہ کے دستخط کا جمع کروایا جانا ضروری ہے۔
 - ۴۔ دستخط کمپنی کے پاس پہلے سے محفوظ دستخطی نمونہ کے مطابق ہونے ضروری ہیں۔
 - ۵۔ سی ڈی سی میں اکاؤنٹ رکھنے والے کارپوریٹ ممبران کے لئے مندرجہ بالا کے علاوہ درج ذیل شرائط کو پورا کرنا بھی ضروری ہے:
- ۱۔ پراکسی جس کے حق میں ہو اس کا شناختی کارڈ یا پاسپورٹ کی ایک تصدیق شدہ نقل پراکسی کے ساتھ لگائی جائے۔
 - ب۔ پراکسی اجلاس میں شریک ہوتے وقت اصل شناختی کارڈ یا پاسپورٹ پیش کرے۔



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BALLOT PAPER FOR VOTING THROUGH POST

(Annual General Meeting to be held at 11:00 AM on Wednesday, January 28, 2026)

Name of shareholder/Joint shareholders	
Registered Address	
Number of Share held (on close of January 20, 2026) and folio/CDC Account number	
CNIC No. (Copy to be attached)	
Additional information and enclosures (In case of representative of body corporate, Corporation and Federal Government) as per Note 3.	

I/we hereby exercise my/our vote in respect of the following resolution through postal ballot by conveying my/our assent or dissent to the following resolution by picking tick (✓) mark in the appropriate box below:

Sr. No.	Name and Description of Resolutions	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
5	<p>RESOLVED that the transactions carried out by the Company in the normal course of business with related parties for the period October 1, 2024, to date be and are hereby ratified, approved and confirmed.</p> <p>FURTHER RESOLVED that the Chief Executive Officer of the Company or his nominee be and is hereby authorized to approve all the transactions carried out and to be carried out in the normal course with related parties till the next Annual General Meeting of the Company and in this connection the Chief Executive Officer of the Company or his nominee be and is hereby authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company.</p>		

Signature of Shareholder(s)/Proxy /Authorized Signatories

Place: _____

Date: _____

NOTES:

- Duly filled and signed original postal ballot should be sent to the Chairman, Shahtaj Sugar Mills Ltd at Shahnawaz Building, 19-Dockyard Road, West Wharf, Karachi or a scanned copy of the original postal ballot to be emailed at chairman@shahtaj.com
- Copy of CNIC should be enclosed with the postal ballot form.
- Postal Ballot forms should reach chairman of the meeting on or before January 27, 2026 during working hours. Any Postal Ballot received after this date, will not be considered for voting.
- Signature on Postal Ballot should match with the signature on CNIC.
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot papers will be rejected.
- In case of representative of body corporate and corporation, Postal Ballot must be accompanied with copy of CNIC of authorized person along with duly attested copy of Board resolution, Power of Attorney, or Authorization letter in accordance with Section 138 of the Companies Act 2017, as applicable unless these have already been submitted along with Proxy Form.
- Ballot paper has also been placed on the website of the Company www.shahtajsugar.com Member may download it from there or use original / photocopy published in news papers.



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Shah Taj Sugar Mills Ltd.

پوسٹ کے ذریعے ووٹنگ کے لیے بیلٹ پیپر

(سالانہ اجلاس عام منعقدہ 28 جنوری 2026 بروز بدھ 11:00 بجے صبح)

شیر ہولڈر / مشترکہ شیر ہولڈرز کا نام	
رجسٹرڈ پتہ	
حصص کی تعداد (20 جنوری 2026 کے اختتام پر) اور فولیو / سی ڈی سی اکاؤنٹ نمبر	
قومی شناختی کارڈ نمبر (کاپی منسلک کرنا ہے)	
اضافی معلومات اور ملاحظیات ((باڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندے کی صورت میں) نوٹ 6 کے مطابق۔	

میں / ہم مندرجہ ذیل قرارداد کے سلسلے میں پوسٹل بیلٹ کے ذریعے اپنا / اپنے ووٹ استعمال کرتا ہوں / کرتے ہیں اور ذیل میں مناسب باکس میں ٹک (✓) کا نشان لگا کر درج ذیل قرارداد پر اپنی رضامندی یا عدم اتفاق ظاہر کرتا ہوں / کرتے ہیں۔

نمبر شمار	قراردادوں کا نام اور تفصیل	میں / ہم قرارداد کی منظوری دیتے ہیں (رضامندی)	میں / ہم قرارداد سے اتفاق نہیں کرتے (عدم اتفاق)
5	'مے کیلک' یکم اکتوبر 2024 سے لے کر موجودہ تاریخ تک متعلقہ فریقین کے ساتھ کاروبار امور کے لئے کمپنی کی جانب سے انجام دیئے جانے والے لین دین کی منظوری اور تصدیق کی جاتی ہے۔' 'مزید ملے پایا کہ کمپنی کے آئندہ سالانہ اجلاس عام تک کمپنی کے چیف ایگزیکٹو آفیسر کو کمپنی کے عام کاروباری امور انجام دینے کے لئے متعلقہ فریقین کے ساتھ لین دین کی منظوری کا اختیار دیا جاتا ہے نیز چیف ایگزیکٹو آفیسر یا ان کے نمائندہ کو کمپنی کی ایماء پر اس سلسلے میں تمام ضروری اقدامات کرنے اور درکار دستاویزات پر دستخط کرنے کی اجازت تفویض کی جاتی ہے۔'		

شیر ہولڈرز / پراسس / مجاز دستخط کنندگان کے دستخط

جگہ:

تاریخ:

نوٹس:

- صحیح طریقے سے بھرا ہوا اور دستخط شدہ اصل پوسٹل بیلٹ چیزمین، شاہ تاج شوگر ملز لمیٹڈ کو شاہنواز بلڈنگ، 19-اڈاکارڈ روڈ، ویسٹ وارف، کراچی میں بھیجا جائے یا اصل پوسٹل بیلٹ کی اسکین کاپی ای میل پر بھیجی جائے۔
chairman@shahtaj.com
- پوسٹل بیلٹ فارم کے ساتھ CNIC کی کاپی منسلک ہونی چاہیے۔
- پوسٹل بیلٹ فارم 27 جنوری 2026 کو کام کے اوقات میں یا اس سے پہلے میٹنگ کے چیزمین تک پہنچ جائیں۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ ووٹنگ کے لیے شمار نہیں کیا جائے گا۔
- پوسٹل بیلٹ پر دستخط CNIC پر دستخط سے مماثل ہونا چاہئے۔
- ناکمل، غیر دستخط شدہ، غلط، مسخ شدہ، پھٹے ہوئے اور دہری تحریر والے بیلٹ پیپرز مسترد کر دیئے جائیں گے۔
- باڈی کارپوریٹ اور کارپوریشن کے نمائندے کی صورت میں، پوسٹل بیلٹ کے ساتھ مجاز شخص کے CNIC کی کاپی کے ساتھ بورڈ ریزولوشن، پاور آف اٹارنی، یا کمپنیز ایکٹ 2017 کے سیکشن 138 کے مطابق تھارٹی لیٹر کی صحیح تصدیق شدہ کاپی کے ساتھ ہونا ضروری ہے۔ سوائے اس کے کہ یہ پہلے سے ہی پر کسی فارم کے ساتھ جمع کر دیئے گئے ہوں۔
- بیلٹ پیپر کمپنی کی ویب سائٹ www.shahtajsugar.com پر بھی رکھا گیا ہے ممبرز اسے وہاں سے ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع ہونے والی اصل / فوٹو کاپی استعمال کر سکتے ہیں۔



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

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Gulberg III, Lahore - 54660

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