



# ABDULLAH SHAH GHAZI

## SUGAR MILLS LIMITED

42<sup>nd</sup>

2025

ANNUAL REPORT



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## CORPORATE INFORMATION

### **Board of Directors**

Muhammad Dawood (Chief Executive/Director)  
 Yasir Iqbal (Chairman)  
 Muhammad Rasheed Rana  
 Amjad Abbas  
 Muddssar Iqbal  
 Fiaz Qadeer Butt  
 Bilqees Begum

### **Audit Committee**

Fiaz Qadeer Butt (Chairman/Member)  
 Muddssar Iqbal (Member)  
 Amjad Abbas (Member)

### **Chief Financial Officer**

Sohail Azam Khan

### **Company Secretary**

Saleem Abbas

### **Internal Auditors'**

Mamoon Ahmad Moon

### **Auditors'**

Zahid Jamil & Co.  
 Chartered Accountants

### **Registrar**

CDC Shares Registrar Services Limited,  
 CDC House, 99-B, Block-B, S.M.C.H.S.,  
 Main Shahrah-e-Faisal, Karachi, Pakistan

### **Registered Office**

7/10, A-2 Arkay Square  
 Shahrah-e-Liaqat, New Challi, Karachi

### **Mills**

Abdullah Shah Ghaziabad, Garho,  
 District Thatta, Sindh

### **Bankers**

Bank Islami Pakistan Limited  
 Bank Al-Falah Limited  
 United Bank Limited  
 MCB Bank Limited  
 Meezan Bank Limited  
 Habib Metropolitan Bank Limited  
 Allied Bank Limited

### **Web Presence:**

[www.asgsml.com](http://www.asgsml.com)

## **Mission Statement**

To be the premier sugar and allied product's manufacturer while providing our clients with flexibility, on-time delivery, and consistent quality and to achieve sustainable and equitable expansion and growth through efficient and effective resources and at the same time developing a corporate business environment most suited to all the employees and people Concerned.

## **Vision Statement**

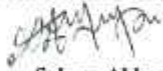
To transform the Company into a market leader for the Quality Sugar Manufacturing, while keeping our focus on the growing customer base, be characterized by a high degree of professionalism and is accountable for the successful fulfillment of the company's mission, and to play a meaningful role in the economy of Pakistan

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 42<sup>nd</sup> Annual General Meeting ("AGM") of Abdullah Shah Ghazi Sugar Mills Limited (the "Company") will be held on Tuesday, January 27, 2026 at 9:00 a.m. at Diamond Banquet, Plot No. C-36, 37 Extension, Gulshan-e- Hadeed, Phase-I, Karachi and via video link to transact the following Ordinary Business:

1. To receive, consider and adopt the Chairman's Review Report, Reports of Directors and Auditors together with Audited Annual Financial Statements of the Company for the year ended 30 September 2025.
2. To appoint Company's auditors and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring auditors M's Zahid Jamil & Co, Chartered Accountants for re-appointment as auditors of the Company.

By Order of the Board

  
**Saleem Abbas**  
 Company Secretary

Lahore: January 06, 2026

### Notes:

1. The Share Transfer Books of the Company will remain closed from January 21, 2026 to January 27, 2026 (both days inclusive). Transfers received in order at the office of the Company's Independent Share Registrar, M's. CDC Share Registrar Services Limited, CDC House, 99-B, Block B, S.M.C.H.S. Main Shahrh-e-Faisal, Karachi by the close of business (5:00 PM) on January 20, 2026, will be treated in time for the purposes of entitlement to attend, speak and vote at the AGM.
2. For safety and wellbeing of shareholders and the public at large The Company has also arranged participation via video link. The members can attend the AGM via video link using smart phones/tablets/computers for safety and well-being of the members of the Company and general public. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through WhatsApp at 03028407700 or email at [saleem.magsi@maccgroupp.com](mailto:saleem.magsi@maccgroupp.com) by - January 24, 2026.

Name of member	Company	CNIC No.	CDC Account No/Folio No.	Cell Number.	Email address

The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that they email with the Company

with. The Login facility will remain open from start of the meeting till its proceedings are concluded.

The shareholders who wish to send their comments/ suggestions on the agenda of the AGM can email the Company at [saleem.magsi@maccagroup.com](mailto:saleem.magsi@maccagroup.com) or WhatsApp at 03028407700.

Shareholders are also encouraged to consolidate their attendance and participation through proxies for minimal public interaction.

3. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her and a proxy so appointed shall have the same rights, as respects attending, speaking and voting at the AGM as are available to the members. A Proxy must be a member of the Company.
4. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.
5. Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

#### **A. For Attending the Meeting**

- a. In case of Individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or, original Passport at the time of attending the Meeting.
- b. In case of corporate entity, the Board's resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

#### **B. For Appointing Proxies**

- a. In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The Proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e. In case of corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

## 6. Change of address

Members are requested to promptly notify to the Company's Share Registrar of any change in their addresses.

## 7. Placement of Financial Statements and Other Information on Company's website

The Company has placed a copy of the Notice of AGM, Annual Financial Statements for the year ended September 30, 2025 along with Auditors and Directors Reports thereon, Chairman's Review and other information on the website of the Company: [www.agsml.com](http://www.agsml.com)

## 8. Computerized National Identity Card (CNIC) of Shareholders (Mandatory)

Shareholders are requested to provide if not already provided, copy of their valid CNIC to the Company's Independent Share Registrar at the address given herein below. A legible scanned copy of the same can also be forwarded at [saleem.magsi@maccsgroup.com](mailto:saleem.magsi@maccsgroup.com) along with folio number and updated address for correspondence

## 9. Deposit of Physical Shares into CDC Account

The shareholders having physical shareholding may upon CDC sub-account with any of the brokers or investor account directly with CDC to place their physical shares into script-less form. This will facilitate them in many ways including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Stock Exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Act.

# سالانہ اجلاس عام کی اطلاع

یہ نوٹیفکیشن عام کی اجلاس کے متعلق ہے۔ "سی این ڈی" (AGM) کی اجلاس 27 جنوری 2026 کو 9:00 بجے اور اختتام شام 5 بجے تک ہوگی۔

1. 30 جنوری 2025 کو اجلاس کے لیے تمام اہل مال کے حصص داروں کے ناموں کی فہرست جاری کی گئی ہے۔
2. اہل مال کے حصص داروں کے ناموں کی فہرست کے لیے مخصوص ڈیڑھ گھنٹہ کی اجلاس کے دوران ہونے والے کسی بھی معاملے کے لیے درخواستیں پیش کرنا ہوں گی۔



2025ء کا سال

نوٹیفکیشن

1. ان کی اسٹیٹس 21 جنوری 2026 کو 12:00 بجے تک اپنی اپنی ذمہ داریوں کو پورا کرنا ہوگا۔
2. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔
3. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔

رقم	AGM	AGM	AGM	AGM

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3. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔
4. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔

5. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔
6. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔

7. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔
8. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔

9. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔
10. اگر کسی حصص دار کو 2025ء کی 31 دسمبر تک کیلئے کسی بھی قسم کی ادائیگی کی ضرورت ہوگی تو اسے اپنے اہل مال کے حصص داروں کو مطلع کرنا ہوگا۔

یہ نوٹیفکیشن عام کی اجلاس کے متعلق ہے۔ "سی این ڈی" (AGM) کی اجلاس 27 جنوری 2026 کو 9:00 بجے اور اختتام شام 5 بجے تک ہوگی۔

## CHAIRMAN'S REVIEW

I am pleased to present the Chairman's Review on behalf of the Board of Directors of **Abdullah Shah Ghazi Sugar Mills Limited** (the "Company") for the financial year ended **September 30, 2025**. This review outlines the performance of the Board and evaluates the effectiveness of its oversight, governance practices, and the role played by its committees in achieving the Company's objectives.

### Board Composition and Governance Framework

The Board of Directors comprises a balanced mix of executive, non-executive and independent directors, including female representation. The members of the Board possess diverse professional expertise and extensive experience across various business and functional areas. The Board has been constituted in full compliance with the provisions of the **Companies Act, 2017** and the **Listed Companies (Code of Corporate Governance) Regulations, 2019**.

The Board recognizes its collective responsibility for the overall stewardship of the Company, including strategic direction, policy formulation, risk oversight, and ensuring the integrity of corporate and financial reporting. The Board remains fully committed to maintaining high standards of transparency, accountability, and ethical conduct in line with best corporate governance practices.

### Board Committees

To enhance effectiveness and ensure focused oversight, the Board has constituted the following committees:

- **Audit Committee**
- **Human Resource & Remuneration Committee**

Each committee is composed of suitably qualified directors possessing relevant skills and experience. The committees operate under clearly defined **Terms of Reference** approved by the Board and discharge their responsibilities independently while reporting their findings and recommendations to the Board for consideration.

### Compliance and Corporate Responsibility

The Board actively monitors compliance with applicable laws, regulations, and governance standards. It promotes a culture of ethical conduct, integrity, diversity, and continuous professional development across the organization. The Board is also mindful of the Company's responsibilities as a responsible corporate citizen, particularly in the areas of employee welfare, occupational health and safety, environmental protection, and community development.

The Board is satisfied with the efforts undertaken by the Company in fulfilling its corporate social responsibilities and remains committed to further strengthening these initiatives in the years ahead.

### Performance Evaluation

In accordance with regulatory requirements and good governance practices, the Board conducts an annual self-evaluation of its performance, as well as that of its committees, after the close of each financial year. The evaluation process assesses the effectiveness of governance structures, decision-making processes, and oversight functions. Based on the assessment carried out for the year under review, the overall performance of the Board and its committees has been considered **satisfactory**.

The Board will continue to play a proactive role in setting the strategic direction of the Company, safeguarding shareholders' interests, and guiding management to conduct business operations in line with approved strategies and regulatory requirements. The Board remains committed to promoting sustainable growth, operational discipline, and long-term value creation while upholding the principles of sound corporate governance.



**Muhammad Rasheed Rana**

Chairman

Lahore

January 06, 2026



## DIRECTOR'S REPORT

In the Name of Allah, the Most Gracious, the Most Merciful

Dear Members,

On behalf of the Board of Directors, we are pleased to present the Directors' Report together with the audited financial statements of Abdullah Shah Ghazi Sugar Mills Limited ("the Company") for the financial year ended September 30, 2025, along with the Auditors' Report thereon, to be laid before the members at the 42<sup>nd</sup> Annual General Meeting.

### 1. Business Overview

The year under review remained extremely challenging for the Company. During the financial year ended September 30, 2025, the mill operated for a limited period of 23 days, whereas in the preceding year the mill remained largely non-operational. The constrained operations significantly impacted production volumes and financial performance. Despite these limitations, the management continued to focus on cost containment and preservation of the Company's assets.

### 2. Financial Performance

A summary of the Company's financial results for the year under review, together with comparative figures for the preceding year, is given below:

Particulars	2025 (Rupees)	2024 (Rupees)
Net Sales	273,713,570	–
Gross Loss	(248,538,055)	(220,528,678)
Net Loss After Tax	(310,716,185)	(191,533,374)
Loss per Share (Rupees)	(3.92)	(2.42)

#### Key Performance Indicators

- Gross loss as a percentage of sales: 90.8%
- Net loss as a percentage of sales: 113.5%

### 3. Performance Analysis

- The limited operations during the year resulted in sales revenue; however, fixed and variable operating costs adversely affected overall profitability.
- The net loss for the year increased primarily due to operational inefficiencies arising from short-duration crushing and unavoidable fixed overheads.
- The loss per share increased from Rs. 2.42 in the preceding year to Rs. 3.92 during the year under review.

#### 4. Challenges and Strategic Direction

The continued non-operational or partially operational status of the mill remains a key concern. The management is actively considering the following strategic initiatives:

- Exploration of strategic partnerships and alliances to revive operations.
- Optimization and potential monetization of idle and underutilized assets.
- Development of a comprehensive turnaround and restructuring plan aimed at long-term sustainability.

#### 5. Dividend

In view of the accumulated losses, the Board of Directors has not recommended any dividend for the year ended September 30, 2025.

#### 6. Future Outlook

The Board remains cautiously optimistic regarding the future prospects of the Company. The key focus areas include:

##### Revival of Operations

- Formulation of a phased operational restart plan.
- Exploration of funding options through financial institutions, investors, and other viable sources.

##### Cost Optimization

- Continued control of non-essential expenditures.
- Adoption of technology-driven solutions to improve efficiency upon resumption of operations.

##### Strategic Alliances and Market Expansion

- Entering into joint ventures or outsourcing arrangements to reduce operational burden.
- Identifying new markets and product diversification opportunities post-revival.

#### 7. Risk and Uncertainties

The Company operates in a challenging economic and regulatory environment. Key risks include liquidity constraints, volatility in sugar prices, and operational uncertainties. The management continues to monitor these risks closely and is committed to strengthening internal controls and financial discipline.

#### 8. Corporate and Financial Reporting Framework

The Directors confirm that:

- The financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan.
- Proper books of account have been maintained.
- Appropriate accounting policies have been consistently applied.

- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts about the Company's ability to continue as a going concern.
- The Company has complied with the requirements of the **Companies Act, 2017**, the **Code of Corporate Governance**, and relevant regulations of the Securities and Exchange Commission of Pakistan (SECP).

A statement of compliance with the Code of Corporate Governance is annexed.

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#### 9. Changes in the Nature of Business

No material changes occurred during the year in the nature of the Company's business.

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#### 10. Auditors' Report

There is no qualification or modification in the Auditors' Report for the year ended September 30, 2025.

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#### 11. Material Changes After the Reporting Date

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

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#### 12. Board of Directors

The composition of the Board during the year was as follows:

- Mr. Muhammad Rasheed Rana – Chairman / Non-Executive Director
- Mr. Muhammad Dawood – Chief Executive / Executive Director
- Mr. Yasir Iqbal – Executive Director
- Mr. Fiaz Qadeer Butt – Independent Director
- Mst. Bilquees Begum – Independent Director
- Mr. Amjed Abbas – Non-Executive Director
- Mr. Muddsar Iqbal – Non-Executive Director

During the year, **four (04)** meetings of the Board of Directors were held, and attendance was satisfactory.

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#### 13. Board Committees

##### Audit Committee

The Audit Committee comprises three members, including an independent director as Chairman. Four meetings were held during the year.

#### Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee was constituted in accordance with applicable regulations. One meeting was held during the year.

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#### 14. Directors' Remuneration

The Board has approved a transparent Directors' Remuneration Policy in line with applicable laws and best corporate governance practices.

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#### 15. Corporate Social Responsibility

The Company remains committed to responsible business practices, employee welfare, environmental protection, and support for local communities.

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#### 16. Pattern of Shareholding

The pattern of shareholding as at September 30, 2025, is annexed to this report.

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#### 17. Auditors

M/s Zahid Jamil & Company, Chartered Accountants, being eligible, have offered themselves for re-appointment as auditors of the Company for the financial year 2025-26. The Audit Committee and the Board have recommended their re-appointment.

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#### 18. Acknowledgement

The Board expresses its appreciation to the shareholders, employees, bankers, sugarcane farmers, and all other stakeholders for their continued support and cooperation.

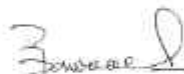
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#### On behalf of the Board of Directors



**Yasir Iqbal**  
Director

Lahore  
January 06, 2026



**Muhammad Dawood**  
Chief Executive

## ڈائریکٹرز رپورٹ برائے ممبران

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

اللہ کے نام سے جو نہایت مہربان اور رحم کرنے والا ہے۔

محترم اراکین شرکت

ہرز آف ڈائریکٹرز کی جانب سے ہمیں یہ اعزاز حاصل ہے کہ ہم آپ کے مدد سے عہدہ شاہ غازی شوگر ملز لمیٹڈ (”کمپنی“) کی مالی سال 30 ستمبر 2025 کو ختم ہونے کے لیے ڈائریکٹرز کی رپورٹ آٹ شدہ مالی بیانات اور اکائز کی رپورٹ پیش کریں، جو کہ کمپنی کی 42 ویں سالانہ جنرل میٹنگ میں نمونہ کے لیے پیش کی جا رہی ہے۔

## 1. یکھواری جائزہ

ہر جائزہ مالی سال کمپنی کے لیے نہایت مشکل رہا۔ مالی سال 2025 کے دوران مل محدود مدت یعنی صرف 23 دن کے لیے چل سکی، جبکہ گزشتہ مالی سال میں مل تقریباً مکمل طور پر چل رہا تھا۔ محدود آپریشنز کے باعث پیداوار اور مل کی تازگی پر اتنی اثر پڑا۔ اس کے علاوہ، دکانیہ نئے اخراجات میں کمی اور کمپنی کے اثاثوں کے تخمینہ پر ضمنی توجہ دی۔

## 2. مالی کارکردگی

نیزہ جائزہ میں ہر گزشتہ سال کے مقابلے میں تازگی اور ڈیج ڈیٹا تھا:

تفصیل	(2025 روپے)	(2024 روپے)
خالص فروخت	273,713,570	-
مجموعی اخلاء	(248,538,055)	(220,528,678)
کمپنی کے لیے خالص اخلاء	(310,716,185)	(181,533,374)
(ملی شیئر اخلاء) روپے	(3.92)	(2.42)

اہم کارکردگی اشاریے

- فروخت کے مقابلے میں مجموعی اخلاء: 90.8%
- فروخت کے مقابلے میں خالص اخلاء: 113.6%

## 3. کارکردگی کا تجزیہ

- محدود مدت کی پیداوار کے باعث اگرچہ فروخت ہوئی، تاہم مستقل اور مختصر اخراجات نے نتائج پر اتنی اثر ڈالا۔
- عملی مدت کے آپریشن اور ناکرے مستقل اخراجات کے باعث سال کے دوران خالص اخلاء بڑھا۔
- ملی شیئر اخلاء گزشتہ سال کے 2.42 روپے کے مقابلے میں بڑھ کر 3.92 روپے ہو گیا۔



- اردوٹی کنٹرول کا نظام موثر اور مناسب ہے۔
  - کھیتی کے جدی کاہدہ (Going Concern) پر کوئی نمایاں شبہ موجود نہیں۔
  - کھیتی نے گینڈا ایکٹ 2017، کوڈ آف کارپوریٹ گورننس اور ایس ای ٹی پی کے قواعد و ضوابط کی مکمل پابندی کی ہے۔
- کوڈ آف کارپوریٹ گورننس کے تحت کھیتی کا یہاں منسلک ہے۔

9. کاہدہ کی نوعیت میں تبدیلی  
سال کے دوران کھیتی کے کاہدہ کی نوعیت میں کوئی نمایاں تبدیلی واقع نہیں ہوئی۔

10. آڈیٹرز کی رپورٹ  
سال 2025 کے لیے آڈیٹرز کی رپورٹ میں کوئی تبہ یا اعتراض شامل نہیں ہے۔

11. ریجنل منسج کے بعد اہم تبدیلیاں  
سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کھیتی کی ملاقات کو متاثر کرنے والی کوئی نمایاں تبدیلی یا تبدیلی نہیں ہوئی۔

12. بورڈ آف ڈائریکٹرز  
سال کے دوران بورڈ کی کھیلی درج ذیل رہی:

- مسز محمد رشید - بورڈ میں آج تک ڈائریکٹر
- مسز محمد رواد - ٹیکسٹائل بورڈ آف ڈائریکٹرز
- مسز ریمہ اقبال - بورڈ آف ڈائریکٹرز
- مسز فیاضہ قرابت - آڈو ڈائریکٹر
- مسز شمیم بیگم - نواز ڈائریکٹر
- مسز احمد عباس - این ڈی ڈائریکٹر
- مسز مہر اقبال - این ڈی ڈائریکٹر

سال کے دوران بورڈ کے چار (04) اجلاس منعقد ہوئے اور باہمی تسلی بخش رہے۔

13. بورڈ کمیٹیاں  
آڈٹ کمیٹی  
آڈٹ کمیٹی محمد ابراہیم پر مشتمل ہے جس کی سربراہی ایک آنیو ڈائریکٹر کرتے ہیں۔ سال کے دوران کمیٹی کے چار اجلاس منعقد ہوئے۔  
پیپکن ریگولیشن بورڈ ریگولیشن کمیٹی  
یہ کمیٹی مختلف قوانین کے مطابق جازم کی مٹھی۔ سال کے دوران کمیٹی کا ایک اجلاس منعقد ہوا۔

14. ڈائریکٹرز کا معاوضہ سپورڈ نے ڈائریکٹرز کے معاوضے کے لیے شیلف پالیسی منظور کر رکھی ہے جو قابل اطلاق قوانین اور بہترین کاپورٹس روایات کے مطابق ہے۔

15. کاپورٹس ملٹی آنسہ دلدی  
کئی آنسہ دارانہ کاروباری طرز عمل، مارشنگ کی تلاش، ہول کے قرضہ اور ملٹی کیونٹی کی معاوضے کے لیے آرم ہے۔


16. حصص کی ملکیت کا نمونہ  
30 ستمبر 2025 تک حصص کی ملکیت کا نمونہ اس رپورٹ کے ساتھ منسلک ہے۔

17. آؤٹرز  
تمام ایس ڈیہ ایبل ایف کئی، پارڈ 11 اکاؤنٹنٹس، ایل ہول کے ایف ڈی مل 2025-26 کے لیے دوبارہ تقرری کے خود چمتہ ہیں۔ آؤٹ کئی اور ہورڈ نے ایل کی دوبارہ تقرری کی تلاش کی ہے۔

18. ہشلہ ٹنڈر  
ہورڈ شیئر ہولڈرز مارشنگ، بیگنڈوہ کارنگوں اور تمام ڈیگہ اسٹیک ہولڈرز کے تعاون پر ہل ٹنڈر ہا کرتا ہے۔

ہورڈ آف ڈائریکٹرز کی جانب سے

  
محمد دلدو  
چیف ایگزیکٹو

  
ایم ایقبال  
ڈائریکٹر  
لاہور

2026 جولائی 06

## 6 YEARS OPERATING HIGHLIGHTS

(Figure in Thousand)

	2025	2024	2023	2022	2021	2020
<b>OPERATING HIGHLIGHTS</b>						
Gross sales	323,275		502,407	-	-	68,360
Net sales	273,714		385,282	-	-	58,427
Cost of sales	522,252	220,529	843,256	196,595	200,934	260,827
Gross profit	(248,536)	(220,529)	(457,974)	(195,595)	(200,934)	(202,400)
Administrative and selling expenses	16,773	14,905	33,666	25,729	31,066	14,465
Operating Profit / (Loss)	(265,311)	(235,434)	(491,641)	(221,324)	(232,000)	(216,865)
Interest expenses	150,196	195,265	149,876	88,642	35,024	77,878
Levy	4,041	-	-	-	-	-
Other income	20,778	208,201	448,049	239	92,410	-
Profit before taxation	(398,772)	(222,498)	(193,468)	(309,727)	(174,615)	(294,743)
Profit after taxation	(310,716)	(191,533)	(283,614)	(319,537)	(222,152)	(209,298)
Basic earnings per share Rs.	(3.96)	(2.42)	(3.58)	(4.03)	(2.80)	(2.64)
<b>PRODUCTION DATA</b>						
Crushing days	23		35	-	-	-
Cane Crushed	TPD	1,681	1,238	-	-	-
Sugar production	M.Tons	1,024	3,902	-	-	-
Sugar recovery	% age	6.65	9.23	-	-	-
Molasses production	M.Tons	1,085	2,170	-	-	-
Molasses recovery	% age	5.01	5.03	-	-	-

**PATTERN OF SHAREHOLDINGS AS AT SEPTEMBER 30, 2025**

FORM "20" THE COMPANIES ACT 2017 (Section 227)(2)(f)

1 Incorporation Number

2 Name of Company

3 Pattern of holding of the shares held by the shareholding as 30-09-2025

# Of Shareholders	Shareholdings'Slab		Total Shares Held
940	1	to 100	63,301
762	101	to 500	282,829
208	501	to 1000	189,675
339	1001	to 5000	976,012
141	5001	to 10000	1,152,229
51	10001	to 15000	675,855
45	15001	to 20000	840,773
37	20001	to 25000	870,268
19	25001	to 30000	542,824
13	30001	to 35000	430,014
15	35001	to 40000	592,900
8	40001	to 45000	344,579
15	45001	to 50000	740,401
8	50001	to 55000	425,455
5	55001	to 60000	296,500
3	60001	to 65000	190,020
5	65001	to 70000	340,725
3	70001	to 75000	224,000
2	75001	to 80000	160,000
2	80001	to 85000	108,975
1	85001	to 90000	90,000
10	95001	to 100000	993,466
5	100001	to 105000	309,105
2	105001	to 110000	218,881
1	110001	to 115000	114,500
1	115001	to 120000	120,000
1	120001	to 125000	123,100
2	125001	to 130000	259,000
1	130001	to 135000	131,500
1	140001	to 145000	145,000
1	145001	to 150000	150,000
1	150001	to 155000	154,050
1	165001	to 170000	107,000
1	170001	to 175000	173,175
2	175001	to 180000	350,871
1	185001	to 190000	189,673
3	195001	to 200000	600,000
2	200001	to 205000	408,101
1	215001	to 220000	220,000
1	230001	to 235000	233,850
1	235001	to 240000	240,000
1	265001	to 270000	268,100
1	285001	to 290000	290,000
1	295001	to 300000	300,000
2	305001	to 310000	614,500
1	345001	to 350000	346,500
1	450001	to 455000	450,450
1	62090001	to 62095000	62,092,509
<b>2667</b>			<b>79,261,666</b>

## CATEGORIES OF SHAREHOLDING AS AT SEPTEMBER 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
<b>Directors and their spouse(s) and minor children:</b>			
MR. FAIZ QADEER SUIT		1	100
MR. FAHIM FAQ RASHEED KHAN		1	400
ASIF IQBAL		1	400
MR. MUHAMMAD DAWOOD		1	400
MR. AMAD ABBAS		1	100
MR. MUDDASAR IQBAL		1	100
MRS. BILQUEES ABQUM		1	100
<b>Associated Companies, underlings and related parties</b>			
HAQ BAHU SUGAR MILLS (PVT) LTD		2	42,215,600
NTT and ICP		1	20,000
Executive		-	-
Banks, development Finance institutions, non-banking Finance companies,		2	432
Insurance Companies		1	500
Mutual Funds and Moderates		1	101,400
<b>General Public</b>			
	a. Local	2,566	15,546,530
	b. Foreign	45	780,324
Others		18	595,270
	<b>Totals</b>	<b>3,667</b>	<b>75,261,666</b>
			<b>100.00</b>

Share holders holding 10% or more	Shares Held	Percentage
HAQ BAHU SUGAR MILLS (P. V) LTD	42,215,600	78.69

6. Signature of Company Secretary



7. Name of Signatory

Saleem Abbas

8. Designation

Company Secretary

9. CNIC Number

32304-8810990-5

10. Date

8/30/2025

**Zahid Jamil & Co.**

Chartered Accountants

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An Association of  
Independent Accounting Firms**INDEPENDENT AUDITOR'S REPORT**

**To the members of ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED**  
Report on the Audit of the Financial Statements.

**Opinion**

We have audited the annexed financial statements of ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED, which comprise the statement of financial position as at September 30, 2025, and the statement of profit or loss, the statement of other 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 a summary of significant accounting policies 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 other 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 loss, other comprehensive loss, 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.

**Material Uncertainty Relating to Going Concern**

We draw attention to Note 2, which indicates that as at statement of financial position date, the Company incurred a net loss before tax of Rs. 398,152,740/- (2024: Rs. 222,498,716/-) in the current year including depreciation of Rs. 165,886,355/- (2024: Rs. 152,904,200/-). The current liabilities exceed the current assets by an amount of Rs. 2,950,447,020/- (2024: Rs. 2,694,161,239/-) and its accumulated loss stands out at Rs. 2,802,233,637/- (2024: Rs. 2,548,814,371/-). These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may not be able to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on "going concern basis" in consideration of mitigating factors mentioned in Note 2 of these financial statements. Our opinion is not modified in respect of this matter.



199670186, 191664601, 191664602, 199670187 & 199670188

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## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. 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. We have determined the matters below to be the key audit matters to be communicated in our report.

Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
<p><b>Creditors and advances from customers</b> As referred in note 17 to the accompanying financial statements, the creditors and advances from customers represent a significant portion of the financial statements in the context of materiality. Therefore these areas have been determined as key audit matter to be reported:</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>- obtained list of parties and circularized confirmations on sample basis.</li> <li>- performed arithmetic tests and analytical procedures.</li> <li>- checked that the Company has performance obligation outstanding to creditors and customers.</li> <li>- checked that appropriate presentation and disclosure is made in the financial statements.</li> </ul>
<p><b>Pending litigations</b> As referred in note no. 21.1, to the accompanying financial statements, the Company faces a number of pending litigations. There is a high level of judgement required in estimating the level of provisioning and/or the level of disclosure required. Where the impact of possible and present obligations is not probable or not reliably measurable, and thus no provision is recorded, failure to adequately disclose the nature of these circumstances within the financial statements may distort the reader's view as to the potential risks faced by the Company. Given the nature and amounts involved in such cases and the appellate forums at which these are pending, the ultimate outcome and the resultant accounting in the financial statements is subject to significant judgment, which can change over time as new facts emerge and each legal case progresses, and therefore, we have identified this as key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- circularized confirmations to relevant third-party legal representatives;</li> <li>- assessed management's processes to identify new possible obligations and changes in existing obligations for compliance with Company policy and IAS 37 requirements;</li> <li>- analyzed significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied</li> <li>- reviewed the subsequent position of pending litigations and</li> <li>- assessed the adequacy of disclosures in note no. 21.1, to the financial statements.</li> </ul>

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<p><b>Revenue recognition</b></p> <p>As referred in note no. 4.15 and 22 to the accompanying financial statements, the Company had minimal revenue in the current financial year, whereas it had generated no revenue in the last year.</p> <p>We identified the 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.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- 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,</li> <li>- assessed the appropriateness of the Company's accounting policy for recording of revenue and its compliance with International Financial Reporting Standard - Revenue from contracts with customers (IFRS 15),</li> <li>- 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,</li> <li>- 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,</li> <li>- assessed the adequacy of disclosures in the financial statements to be in accordance with the applicable accounting and reporting standard.</li> </ul>
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#### Information other than the Financial Statements and Auditor's Report Thereon

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

Based on the work, we have performed as to report any material misstatement of this other information, 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.

(Other Offices of International Accounting Firms: Hyderabad & Kuala Lumpur)

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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.

Board of directors is responsible for overseeing the Company's financial reporting process.

#### Auditor's 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 auditor's 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 judgement and maintain professional scepticism 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 auditor's 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.

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**Zahid Jamil & Co.**

Chartered Accountants

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Independent Accounting Firms**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 other 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 period were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

**The engagement partner on the audit resulting in this independent auditor's report is Adeel Anwar (ACA).**

Chartered Accountants

Place: Lahore

Date:

UDIN: AR20251036617cMsq3ZE

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**STATEMENT OF COMPLIANCE  
WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE)  
REGULATIONS, 2019**

Name of Company: **ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED**

Year Ended: **September 30, 2025**

The company has complied with the requirements of the regulations in the following manner:

The total number of directors is seven as per the following:

- a Male: 6  
b Female: 1

2 The composition of the board is as follows:

Category	Names
Independent Directors	Mr. Fiaz Qadeer Butt Mst. Bilqees Begum
Non-Executive Directors	Mr. Amjad Abbas Mr. Muddssar Iqbal Mr. Muhammad Rasheed Rana
Executive Directors	Mr. Muhammad Dawood Mr. Yasir Iqbal
Female Directors	Mst. Bilqees Begum

- 3 The directors have confirmed that none of them is serving as a director on more than seven listed Companies including this, Company.
- 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 the board/shareholders as empowered by the relevant provisions of 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 the 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 Five members of the Board have requisite education and experience on the Board(s) of listed companies and are exempt from Directors' Training Program. Three directors have already completed training course as required.
- 10 The board has approved appointment of CFO, Company Secretary and head of internal audit, including their remuneration, terms, and conditions of employment 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:

Names of Committee	Names of Members and Chairman
Audit Committee	Mr. Fiaz Qadeer Butt (Chairman/Member) Mr. Muddsar Iqbal (Member) Mr. Amjad Abbas (Member)
Human Resource and Remuneration Committee	Mr. Fiaz Qadeer Butt (Chairman/Member) Mr. Muddsar Iqbal (Member) Mr. Amjad Abbas (Member)

- 13 The term of reference of the aforesaid committee have been formed, documented and advised to the committee for compliance.
- 14 The frequency of meetings (quarterly/half yearly/ yearly) were as per following:
- a Audit Committee Quarterly
- b HR&R Committee Yearly
- 15 The Board has set up an effective outsourced internal audit function who are considered suitably qualified and experienced for the purpose and are 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 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.

- 19 Explanation for noncompliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirements	Explanations	Regulations No.
1	Constitution of Risk Management Committee	The function of risk of management committee are currently performed by chief internal auditor who apprises the board accordingly.	30
2	Disclosure of Significant Policies on Website	The company intends to disclose its significant policies on website before the close of current fiscal year.	35

On behalf of the board of director



**Muhammad Rasheed Rana**  
(Chairman)

Lahore January 06, 2026

**Zahid Jamil & Co.**

Chartered Accountants

An Independent Member Firm of PrimeGlobal


 An Association of  
 Independent Accounting Firms
**Independent Auditor's Review Report****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 Abdullah Shah Ghazi Sugar Mills Limited (the Company) 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.

Following instances of non-compliance with the requirement of the Regulations were observed which is not explained in the Statement of Compliance:

- i) There is no female director in Company. (Regulation number 7)
- ii) Risk management committee had not been constituted ( Regulation number 30).

Based on our review, except for the above instances of non-compliance, 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 30 September 2025.

**ZAHID JAMIL & CO.**  
**CHARTERED ACCOUNTANTS**

Place: Lahore

(Engagement Partner: Adeel Anwar, ACA)

Date:

UDIN: CR202510366HzANQfB6K

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**STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2025**

	NOTE	2025 RUPEES	2024 RUPEES
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5.	3,209,662,254	3,239,137,229
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools	6.	47,540,969	54,291,647
Stock in trade	7.	3,885,126	-
Advances	8.	13,490,722	23,290,605
Other receivables	9.	302,735	302,755
Tax refunds due from the Government	10.	16,028,185	13,241,394
Cash and bank balances	11.	4,488,343	1,292,593
		85,936,080	92,418,974
		<u>3,295,598,334</u>	<u>3,331,556,203</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital			
Authorized			
100,000,000 (2024: 100,000,000)			
Ordinary shares of Rs. 10 - each	12.1.	1,000,000,000	1,000,000,000
issued, subscribed and paid-up capital	12.2.	792,616,660	792,616,660
Capital reserve			
Surplus on revaluation of property, plant and equipment - net	13.	1,053,387,494	1,110,654,739
Revenue reserve:			
Accumulated loss	13.	(2,802,233,637)	(2,548,814,371)
		(956,229,483)	(645,542,972)
<b>NON-CURRENT LIABILITIES</b>			
Long term loan from related party - unsecured	14.	856,805,392	751,364,788
Long term financing	15.	222,000,000	236,028,000
Deferred liabilities	16.	136,021,612	225,121,174
		1,214,825,204	1,190,518,962
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17.	2,300,794,169	2,158,946,493
Accrued mark-up	18.	698,194,512	567,688,720
Short term borrowings	19.	18,975,000	18,975,000
Current portion of long term financing	20.	15,000,000	10,972,000
Provision for taxation	27.	4,040,932	-
		3,037,002,613	2,786,580,213
<b>CONTINGENCIES AND COMMITMENTS</b>			
	21.	-	-
		<u>3,295,598,334</u>	<u>3,331,556,203</u>

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	NOTE	2025 RUPEES	2024 RUPEES
Sales - net	22.	273,713,570	-
Cost of sales	23.	(522,251,625)	(220,528,678)
Gross loss		(248,538,055)	(220,528,678)
Administrative and general expenses	24.	(16,772,629)	(14,905,419)
Operating loss		(265,310,684)	(235,434,097)
Other income	25.	20,778,277	208,200,655
Loss before interest and tax		(244,532,407)	(27,233,442)
Finance cost	26.	(150,198,913)	(195,265,274)
Loss before levy and taxation		(394,731,320)	(222,498,716)
Levy	27.	(4,040,932)	-
Loss before taxation		(398,772,252)	(222,498,716)
Taxation	27.	88,056,067	10,965,342
Loss for the year		(310,716,185)	(191,533,374)
Loss per share - basic and diluted	28.	(3.92)	(2.42)

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	NOTE	2025 RUPEES	2024 RUPEES
Loss for the year		(310,716,185)	(191,533,374)
Other comprehensive income:			
Items that will not be subsequently reclassified to statement of profit or loss:			
Re-measurement of defined benefit liability - net of deferred tax	16.1.5.	29,874	2,362,872
Total comprehensive loss for the year:		<u>(310,686,511)</u>	<u>(189,170,503)</u>

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	NOTE	2025 RUPEES	2024 RUPEES
<b>A-CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Less before taxation		(394,751,370)	(222,498,716)
Adjustment for non-cash income and expenses:			
Depreciation	5, 11, 1	165,886,355	152,904,200
Financial cost		130,562,154	174,725,689
Provision for gratuity		986,180	942,808
Gain on sale of vehicle		-	(2,807,259)
Creditor written-back	25	(20,778,277)	(205,393,416)
		276,656,412	120,370,042
Cash flows before working capital changes		(118,074,907)	(102,128,674)
Effect on cash flows due to changes in working capital:			
(Increase) / decrease in current assets :			
Stores, spares and loose tools	6	6,750,678	(75,317,516)
Stock in trade	7	(3,885,126)	194,400
Advances	8	9,599,893	60,342,232
Other receivables	9	-	(5,815,000)
Tax refunds due from the Government	10	(1,713,233)	(4,701,394)
		10,752,202	56,332,742
Increase / (decrease) in current liabilities :			
Trade and other payables	17	132,625,952	(55,975,318)
Cash generated from / (used in) operations		25,503,247	(101,769,250)
Income tax paid		(1,075,553)	(425,169)
Finance cost paid		(56,363)	(889,664)
Gratuity paid		-	(261,275)
		(1,129,921)	(1,574,708)
Net cash generated from / (used in) operating activities		24,175,326	(103,343,958)
<b>B-CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for acquisition of property, plant and equipment		(2,243,050)	(22,000)
Payment for capital work in progress	5, 2	(134,168,350)	-
Net cash used in investing activities		(136,411,380)	(22,000)
<b>C-CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments against long term financing	15	(10,000,000)	(10,972,000)
Proceeds from sales of assets		-	2,990,000
Proceeds from long term loan from related party	14	125,433,804	109,295,841
Net cash generated from financing activities		115,433,804	(107,315,841)
Net increase / (decrease) in cash and bank balances (A+B+C)		3,195,750	(2,052,117)
Cash and bank balances at the beginning of the year		1,292,593	3,544,710
Cash and bank balances at the end of the year		4,488,343	1,292,593

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2025

### 1. STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February, 11, 1990. The Company is listed on Pakistan Stock Exchange. The principal business of the Company is manufacturing and selling of refined sugar and by-products.

The Company has been classified as Public Interest Company as per the guidelines of SECP and ICAP.

Business Unit	Geographical Location
■ Head / Registered Office	Registered office of the Company is situated at 7/10, A-2 Askay Square, Shahn-e-Lisqal, New Chilla, Karachi.
■ Mills Plant	Gicho, District Thatta, Sindh, Pakistan.

### 2. MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

The financial statements of the Company for the year ended September 30, 2025, show that the Company incurred a net loss (in Rs. 394,731,320 - (2024: Rs. 722,498,716/-) in the current year including depreciation of Rs. 165,886,355 - (2024: Rs. 152,904,205/-). The current liabilities exceed the current assets by an amount of Rs. 2,951,066,535/- (2024: Rs. 2,694,161,239/-) and its accumulated loss stands out at Rs. 2,802,253,637/- (2024: Rs. 2,548,814,371/-). These conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as going concern and therefore the Company may not be able to realize its assets and discharge its liabilities in the normal course of business. In spite of the above-quoted circumstances, the management of the Company considers that the going concern assumption used for the preparation of these financial statements is appropriate due to the following mitigating factors:

- (a) Arbitration efforts to resolve issues with TCP are underway and it is expected that the Company will be able to settle the subject amount in a favorable and sustainable manner. Also see note no.21.1. (a).
- (b) The sponsors have unconditional commitments to enable Company to continue as a going concern.
- (c) The financing arrangement with Bank Islami Pakistan Limited has been successfully restructured. As per the restructured agreement, the loan will be repaid in installments upto June 30, 2025. The Bank Islami Limited had filed a recovery suit for Rs. 560,507,225 on account of loan recovery against the Company, on May 2021, which will be withdrawn on completion of payments under restructuring agreement. Further details regarding the legal proceedings have been disclosed in note 21.1. (b).

Accordingly, these financial statements have been prepared on going concern basis.

### 3. BASIS OF PREPARATION

#### 3.1 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 (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

#### 3.2 Basis of Measurement

These financial statements have been prepared under the "historical cost convention" except of certain classes of property, plant and equipment which are stated at revalued amount and employee retirement benefit which are stated at fair value.

#### 3.3 Functional and Presentation Currency

These financial statements are presented in Pak. Rupee, which is the Company's functional and presentation currency. All financial information presented in Pak. Rupee has been rounded off to the nearest Rupee unless stated otherwise.

#### 3.4 Accounting Policies

The accounting policies adopted for the preparation of these financial statements are consistent with those applied in the preparation of the preceding annual financial statements of the Company for the year ended September 30, 2024, to the extent and manner stated.

### 3.5 Changes in accounting standards, interpretations and pronouncements

#### 3.5.1 Standards, interpretation and amendments to approved accounting standards that are effective in the current year

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 are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective Date - Annual Periods Beginning on or After
IFRS 16 'Leases' - Lease Liability in a Sale and Leaseback [Amendments]	January 1, 2024
IAS 1 'Presentation of Financial Statements' - Non-current Liabilities with covenants [Amendments]	January 1, 2024
IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Supplier Finance Arrangements' [Amendments]	January 1, 2024
IAS 1 'Presentation of Financial Statements' - Classification of Liabilities as 'Comparative information'	January 1, 2024

#### 3.5.2 Standards, interpretation and amendments to approved accounting standards 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, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective Date - Annual Periods Beginning on or After
IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability [Amendments]	January 1, 2025
IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' Classification and Measurement of Financial Instruments [Amendments]	January 1, 2026
IFRS 18 'Presentation and Disclosures in Financial Statements'	January 1, 2027

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 17 Insurance Contracts

The following interpretations issued by the IASB have been waived off by SECP:

- IFRIC 4 Determining whether an arrangement contains lease
- IFRIC 12 Service Concession Arrangements

### 3.6. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In process of applying the Company's accounting policies, the management has made following estimates and judgments which are significant in financial statements:

**Information about the judgments made by the management in the application of the accounting policies and approved accounting**

- (i) Useful life, residual value and depreciation method of property, plant and equipment (notes 4.1 & 5)
- (ii) Stores, spares and loose tools (note 4.2 & 6)
- (iii) Stock in trade (notes 4.3 & 7)
- (iv) Measurement of defined benefit obligation - Key actuarial assumptions (notes 4.11 & 16.1.6)
- (v) Provision for taxation (notes 4.12 & 27)
- (vi) Provisions (note 4.14)
- (vii) Impairment (note 4.16)

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****4.1 Property, Plant and Equipment:****(a) Operating Fixed Assets**

- Fixed assets including additions are stated at cost less accumulated depreciation and less
- Depreciation on operating fixed assets is provided on the reducing balance method over its useful life at the rates specified in the operating fixed assets schedule.
- Subsequent costs are included in the asset's carrying amount or recognized 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.
- Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major repairs and improvements, which increase the asset's remaining useful economic life or the performance beyond the current estimated levels, are capitalized.
- Gain or loss on scrapping or disposal of assets, if any, is charged to statement of profit or loss.
- The incremental depreciation charged on revalued assets during the year is transferred to retained earnings accumulated loss to record realization of surplus to the extent of incremental

**(b) Capital Work in Progress**

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

**(c) Revaluation**

Operating fixed assets are stated at revalued amount using the fair value at the date of revaluation, less any subsequent accumulated depreciation and accumulated impairment losses, if any. Revaluations are performed with sufficient regularity so that the fair value and carrying value do not differ materially at the date of statement of financial position. Increases in the carrying amounts arising on revaluation of fixed assets are recognised, net of tax (other than on land), in other comprehensive income and accumulated in revaluation surplus in shareholders' equity and 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. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation surplus on property, plant and equipment to accumulated loss. Depreciation is charged to income applying reducing balance method to write-off the cost over the estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

The revaluation reserve is not available for distribution to the Company's shareholders.

**4.2 Stores, Spares and loose tools**

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make the sale.

Stores in transit are valued at invoice value including other charges, if any, incurred thereon.

**4.3 Stocks-in-trade**

These are valued at lower of cost and net realizable value. The cost is determined as follows:

Raw materials:	Weighted average cost
Goods in transit:	Cost comprising invoice value plus other charges incurred thereon.
Work in process:	Weighted average manufacturing cost.
Finished goods:	Average manufacturing cost.

Net realizable value signifies the estimated selling price in ordinary course of business less expenses necessary to be incurred in order to make the sale.

**4.4 Advances and Taxes Receivable**

These are carried at cost less provision made for doubtful receivables based on a review of all outstanding amounts at the year end. Advances or taxes receivable considered irrecoverable are written off.

**4.5 Cash and Cash Equivalents**

Cash and cash equivalents are carried in the statement of financial position at nominal amounts. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand and balances with banks in current and saving accounts.

**4.6 Financial Instruments**

All the financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset or a portion of a financial asset when, and only when, the enterprise loses control of the contractual rights that comprise the financial asset or portion of the financial asset. While a financial liability or part of a financial liability is derecognized from the statement of financial position, when, and only when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

**(a) Financial Assets**

Financial assets may include long term deposits, short term loans and advances, other receivable and cash and bank balances. These are initially recognized at cost which represent fair value of consideration given for them. Subsequent to initial recognition, financial assets are carried at cost, if fair value is not materially different at the date of statement of financial position.

**(b) Financial Liabilities**

Financial liabilities are classified according to the substance of the contractual agreements entered into. Significant financial liabilities are long term loans, short term finances and trade and other payables. All financial liabilities are initially recognized at cost, which represents fair value of the consideration received at initial recognition. After initial recognition, financial liabilities held for trading are carried at fair value and all other financial liabilities are measured at amortized cost.

**4.7 Financial Assets Classification**

Effective October 01, 2020, the Company classifies its financial assets in the following measurement categories:

- (i) Amortised cost where the effective interest rate method will apply;
- (ii) Fair value through profit or loss, and
- (iii) Fair value through other comprehensive income.

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 statement of profit or loss or other comprehensive income (OCI).

**Recognition and Derecognition**

Regular-way purchases and sales of financial assets are recognized on trade-date, which is the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

**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 (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

**Definition of Default**

The Company considers the following as constituting an event of default for internal credit risk management purposes as

historical experience indicated that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

**Impairment of Financial Assets**

Effective October 01, 2020, the Company assesses on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its trade debts. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Cash and bank balances

**Simplified Approach for Trade Debts**

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

**Recognition of Loss Allowance**

The Company recognises an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

**Write-off**

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

**Financial Liabilities****Classification, Initial Recognition and Subsequent Measurement**

Financial liabilities are classified in the following categories:

- i) Fair value through profit or loss; and
- ii) Other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

**Fair value through Profit or Loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

**Other Financial Liabilities**

After initial recognition, other financial liabilities, which are interest bearing, are subsequently measured at amortised cost, using the effective interest rate method. Gains and losses are recognised in profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortization process.

**Derecognition of Financial Liabilities**

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or expired.

**4.3 Off Setting of Financial Instruments**

A financial asset and a financial liability are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**4.9 Issued, Subscribed and Paid-up Capital**

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**4.10 Borrowings**

Loans and borrowings are recorded at their fair value being the proceeds received. Financial charges are accounted for by applying effective interest rate method and included in accrued liabilities.

**4.11 Staff Retirement Benefits**

The Company operates an unfunded gratuity scheme covering all employees eligible to the benefit. Provisions are made on the basis of actuarial recommendations. The actuarial valuations are carried out as at 30th September 2025, using the Projected Unit Credit Method, as required by International Accounting Standards (IAS-19).

The amount recognized in statement of financial position represents the present value of the defined benefit obligation as on 30th September 2025, as adjusted for unrecognized actuarial gains and losses.

The amendments in IAS 19 require the recognition of changes in defined benefit obligation and fair value of plan asset when they occur, thus eliminating 'Corridor Approach' permitted under previous version of IAS 19, thus accelerating recognition of past service cost. All actuarial gains and losses are recognized immediately through 'Other Comprehensive Income'.

**4.12 Taxation****(a) Current Income Tax**

Provision for current tax is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for tax on income is calculated at the current rates of taxation as applicable after taking into account tax credit and tax reliefs available, if any. Income tax expense is recognized in statement of profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

**(b) Deferred Tax**

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognized for all the deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset may be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that related tax benefits will be realized. Deferred tax liabilities are recognized for all the taxable temporary differences.

Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted by the government of financial position date.

Deferred tax is charged in the statement of profit or loss, except in the case of items charged to other comprehensive income or equity, in which case it is included in other comprehensive income or equity.

**(c) Sales Tax / Excise Duty**

Revenues, expenses and assets are recognized net of the amount of sales tax / FED except:

- Where the sales tax / FED incurred on purchase of asset or services is not recoverable from the taxation authority.
- Receivables and payables balances that are stated with the amount of sales tax / FED included.

The net amount of sales tax / FED recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**4.13 Trade and Other Payables**

Trade and other payables are carried at cost which is the fair value of consideration to be paid for goods and/or services received, whether or not billed to the Company.

**4.14 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation of which reliable estimate can be made. The expense related to provision is presented in profit and loss, net of any reimbursements. The provision is recognized at its present value, accounting for time value of money, except where the impact for discounting is considered to be immaterial. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

#### 4.15 Revenue Recognition

##### Revenue from Customers:

The Company recognizes revenue from contracts with customers based on a five-step model as set out in IFRS-15:

**Step-1: Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step-2: Identify performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step-3: Determine the transaction price:** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step-4: Allocate the transaction price to the performance obligations in the contract:** For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step-5: Recognize revenue when (or as) the Company satisfies a performance obligation.**

Mentioned below are different revenue streams of the Company and their terms of recognition of revenue after satisfying all the five steps of revenue recognition in accordance with IFRS 15.

(a) **Sale of Goods**

The Company's contracts with customers for the sale of goods generally include one performance obligation, which is recognized at a point of time. Revenue is recognized when goods are dispatched to customers and bill of lading is prepared. It is the time when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing involvement of management, and the goods and the amount of revenue can be measured reliably. Revenue from sale of goods is measured at fair value of the consideration received or receivable, net of discounts and applicable taxes.

(b) **Interest Income**

Interest and rental income are recognized on accrual basis.

(c) **Dividend Income**

Dividend income is recognized when the Company's right to receive the dividend is established.

(d) **Scrap Sales**

Sale of scrap is recognized on actual realization basis.

(e) **Others**

Return on deposits are accounted for on accrual basis.

##### Contract Assets and Contract Liabilities

##### 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 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 recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

##### Presentation and Disclosure Requirements

As required for the financial statements, the Company disaggregated revenue recognized from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

#### 4.16 Impairment

(a) **Financial Assets**

The Company assesses at each date of statement of financial position whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is deemed to be impaired if and only if there is an objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Any impairment loss on financial assets, including the financial assets carried at amortized cost, is recognized in statement of profit or loss.

**(b) Non-financial Assets**

The Company continually assesses at each date of statement of financial position whether there is any indication that an asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in statement of profit or loss for the year. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

When impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income.

**4.17 Related Party Transactions**

All transactions between Company and related parties are accounted for in the normal course of business and carried out on mutually agreed terms. The Company voluntarily places the related party transactions before the Board of Directors for their consideration and approval, distinguishing between transactions carried out on terms equivalent to those that prevail in accordance with normal business price, recording proper justification for using if any, alternate pricing mechanism.

**4.18 Dividends**

Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved.

**4.19 Earnings Per Share (EPS)**

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders' of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by using profit and loss attributable to ordinary shareholders' and the weighted average number of ordinary shares outstanding, adjusted for the effect of all dilutive potential ordinary shares.

**4.20 Segment Reporting**

A segment is a distinguishable component within the Company that is engaged in providing products and under a common control environment (geographical segment), which is subject to risks and returns that are different from those of other segments. Segments results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment. The principal business of the Company is manufacturing and selling of refined sugar and by-products therefore no segmentation has been provided.

	NOTE	2025 BUDGET	2024 BUDGET
<b>5. Property, Plant and Equipment</b>			
Operating lease assets	S.1.	1,075,493,734	1,239,137,229
Capital work in progress	S.2.	134,158,310	-
		<u>1,209,652,044</u>	<u>1,239,137,229</u>
<b>5.1. Depreciation for the period has been allocated as under:</b>			
Cost of goods manufactured		163,137,393	149,917,835
Administrative and general expense		2,727,752	2,995,345
		<u>165,865,145</u>	<u>152,913,180</u>
<b>5.1.1. Had there been no evaluation, the carrying amount of retained assets would have been as follows:</b>			
Land (soil)		3,937,954	3,937,954
Experienced land		2,407,954	2,407,954
Relating on land (soil)		-	-
Factory		37,533,377	41,725,897
Non-factory		9,159,719	10,178,577
Plant and machinery		2,348,207,705	2,324,425,319
		<u>2,407,646,609</u>	<u>2,382,757,691</u>
<b>5.1.2. Total value (as of September 30, 2019) as per revaluation of freehold land was Rs. 18.09 M, building was Rs. 140.40 M and plant and machinery was Rs. 2.88 B.</b>			
<b>5.2. Capital work in progress - at cost</b>			
Opening balance		-	422,484,334
Add: Additions during the year		134,158,310	-
Less: Transfer to property, plant and equipment		-	(422,484,334)
	S.1.	<u>134,158,310</u>	<u>-</u>
<b>5.3. This statement includes work in progress related to plant and machinery.</b>			
The management ensured an independent review of the year end as per IAS 58 and is of the view that there is no impairment but assets to be recognized for in the financial statements relating to capital work in progress.			
<b>6. Stores, spare and loose tools</b>			
Remained open		47,545,960	54,291,647
<b>7. Stock in trade</b>			
Work in process		3,885,126	-
Finished goods		-	-
		<u>3,885,126</u>	<u>-</u>
<b>8. Advances</b>			
<b>Unsecured</b>			
Contractor's bill		-	-
Payable		4,536,076	4,852,894
Contractors		-	1,170,475
Suppliers		2,323,438	2,363,735
Employees against salary		751,320	858,132
Employees for other expenses		5,942,438	6,843,376
		<u>13,053,272</u>	<u>23,290,693</u>
<b>9. Other receivables</b>			
Other receivables	S.1.	502,735	502,735
<b>10. It includes receivables against Competitive Quotation/Floating assets, which is currently under audit.</b>			
<b>11. Tax refunds due from the Government</b>			
Income tax refundable		5,161,898	4,088,340
Sales tax refundable		11,846,267	6,133,954
		<u>17,008,165</u>	<u>10,222,294</u>
<b>12. Cash and bank balances</b>			
Cash in hand		3,773,238	514,643
Cash at bank		-	-
Current accounts		6,680,014	680,877
Saving accounts		161,671	101,071
		<u>10,615,933</u>	<u>1,296,591</u>

	2025	2024
	RS/PLF	RS/PLF
<b>12. Share (costs)</b>		
<b>12.1. Authorized share capital</b>		
2023	2024	
Number of Shares		
100,000,000	100,000,000	
Ordinary shares of Rs. 10/- each		
	1,000,000,000	1,000,000,000
<b>12.2. Issued, subscribed and paid up capital</b>		
2023	2024	
Number of Shares		
70,261,699	70,261,699	
Ordinary shares of Rs. 10/- each fully paid in cash		
	702,616,990	702,616,990
<b>12.3. 62,213,699 (2024: 62,213,699) ordinary shares are held by M/s. Hayat Sugar Mills (Private) Limited (holding Company) representing 78.44% (2024: 78.49%) shareholding in the Company.</b>		
<b>12.4. Voting rights, board election, right of first refusal and Block vote are in proportion to the shareholding of the shareholders.</b>		
<b>13. Reserves</b>		
<b>Current reserves</b>		
Surplus on revaluation of property, plant and equipment (Net)	13.1.	1,033,387,494
Reserves reserve		1,110,634,739
Accumulated loss		(2,892,237,637)
		(2,548,814,371)
		(1,748,946,443)
		(1,428,110,027)
<b>13.1. Surplus on revaluation of property, plant and equipment - net</b>		
The fair revaluation of property, plant and equipment of the Company was carried out by independent professional valuers, Messrs. Transnational Surveyors (Assured business members of the Royal Institution of Chartered Surveyors), which provided in the revaluation order of Rs. 1,27,972,411/- and report was issued on September 26, 2019. The Company has incorporated the revaluation adjustments in the relevant financial statements.		
Opening balance		1,557,794,637
1,642,624,345		
<b>Add: Revaluation during the year</b>		
Less: Transferred to equity in respect of:		
Intentional depreciation on revalued asset		(37,667,345)
69,584,518)		
Related deferred tax liability		(23,391,866)
(24,745,760)		
		(80,838,097)
		(85,350,368)
Closing balance - gross		1,476,633,046
1,537,794,637		
<b>Less: Related deferred tax liability</b>		
Related deferred tax liability on revaluation surplus		448,632,294
471,383,068)		
Amount paid during the year in respect of: Intentional depreciation		(23,391,866)
(24,745,760)		
		(43,248,432)
		448,632,294
<b>Closing balance - Net</b>	13.1.1.	1,033,387,494
1,110,634,739		
<b>13.1.1. The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the shareholders of the Company, in accordance with the section 141 of the Companies Act, 2017.</b>		
<b>14. Long term loan from related party - structured</b>		
Loan from the holding Company		816,803,292
731,569,188		
The loan has been advanced by M/s. Hayat Sugar Mills (Pvt.) Ltd. which carries mark-up of 5 months LIBOR plus 1% (2024: 5% months LIBOR plus 1%) payable half yearly. Since the loan will not be repayable within next twelve months, therefore, the same has been classified as a long term liability. The loan is subject to MUD replication / approval.		
<b>15. Long term financial</b>		
Special		
Liabilities management		
Islamic finance		
Debt issued Pakistan Limited	15.1.	237,000,000
247,000,000		
		237,000,000
		247,000,000
Less: Current portion of long term financing		(3,000,000)
(18,972,000)		
		232,000,000
		226,028,000
<b>15.1. The Bank Islam Limited, has filed a recovery suit for Rs. 167,907,225/- on account of loan recovery against the Company. On May 2023, the learned court has rendered its judgement on this issue. Although, the case would be discharged from the court once the loan maturity and MUD issued by the bank is filed with the court, but both the Company and the bank have mutually agreed to restructure the financing arrangement. Under the restructured financing arrangement, the Company shall pay a lump sum of Rs. 275 Million, mark-up premium of Rs. 36,446 Million and an optional additional mark-up / future profit of Rs. 126,258 Million to the bank by June 30, 2025, with mark-up payments starting from September 2023. Further details regarding the legal proceedings have been disclosed in note 21.1 (a).</b>		

	NOTE	2025 RUPEES	2024 RUPEES
<b>10. Deferred liabilities</b>			
Staff retirement benefits – gratuity	16.1.	5,512,057	4,567,651
Deferred taxation	16.2.	135,410,575	214,455,443
		<u>1,46,021,612</u>	<u>225,121,754</u>
<b>10.1. Staff retirement benefits – gratuity</b>			
The Company operates an un-fundled gratuity scheme covering all employees eligible to the benefit. Provisions are made on the basis of actuarial recommendations. The latest actuarial valuations are carried out as at 30th September 2025 using the Projected Unit Credit Method, as required by International Accounting Standards (IAS-19).			
<b>10.1.1. Amount recognised in the statement of financial position</b>			
Present value of defined benefit obligation	16.1.2.	<u>5,512,057</u>	<u>4,567,651</u>
<b>10.1.2. Movement in liability</b>			
Opening balance		4,567,651	7,214,707
Current service cost		475,865	428,831
Interest cost on defined benefit obligation		512,327	521,977
Actuarial gains/losses chargeable to other comprehensive income		(41,794)	(5,327,989)
Benefits paid		-	(261,875)
		<u>5,512,057</u>	<u>4,567,651</u>
<b>10.1.3. Amount charged to statement of profit or loss</b>			
Current service cost		475,865	428,831
Interest cost on defined benefit obligation		512,327	521,977
		<u>988,192</u>	<u>950,808</u>
<b>10.1.4. Expenses recognised in statement of profit or loss</b>			
Cost of sales		936,671	945,979
Administrative and general expenses		49,209	546,829
		<u>985,880</u>	<u>1,492,808</u>
<b>10.1.5. Re-measurements chargeable to other comprehensive income</b>			
Re-measurement of plan obligations:			
Actuarial gains/losses from changes in financial assumptions		41,794	5,327,989
Experience adjustments		-	-
		<u>41,794</u>	<u>5,327,989</u>
Related deferred tax liability @ 20%		(12,120)	(965,117)
		<u>29,674</u>	<u>2,362,472</u>
<b>10.1.6. Principal actuarial assumptions</b>			
Discount rate used for present cost in statement of profit or loss		11.32%	10.40%
Discount rate used for year end obligation		11.75%	12.59%
Salary increase used for year end obligation		N/A	N/A
Nil salary is assumed at		11/01/2025	01/01/2025
Mortality rates		According to S17C 2001-2005 table with sex job tableback	According to S17C 2001-2005 table with sex job tableback
Withdrawal rates		Age Based	Age Based
Retirement assumptions		Age 60	Age 55
<b>10.1.7. Year end sensitivity analysis of 100 basis point defined benefit obligations</b>			
Discount rate + 100 bps		5,284,219	4,391,780
Discount rate - 100 bps		5,741,671	4,733,492
Salary increase + 100 bps		5,763,467	4,754,920
Salary increase - 100 bps		5,266,675	4,387,070
The average duration of the defined benefit obligation is 4 years.			
<b>10.1.8. Expected maturity profile</b>			
Following are the expected distribution and timing of benefit payments at the year end:			
Year		2025 RUPEES	
2026		112,907	
2027		107,485	
2028		90,217	
2029		95,909	
2030		91,949	
2031 to 2033		416,916	
2034 onwards		4,356,554	
Average duration of defined benefit obligation: 4.51 years			
<b>10.1.9. Expected change in present value of liability for the year ending September 30, 2026 is as follows:</b>			

	2025	2024
	INR LAKHS	RUPEES
Current tax cost	1,304,354	
Temp(1) cost	613,057	
	<u>1,918,411</u>	
<b>16.2. Deferred taxation:</b>		
The liability of deferred tax comprises of temporary differences relating to:		
<b>16.2.1. Taxable temporary differences:</b>		
Accelerated tax depreciation	295,891,895	346,768,738
Reserve/surplus	427,248,452	446,619,308
	719,140,338	613,408,084
<b>Deductible temporary differences:</b>		
Research benefit obligations	(1,298,491)	(1,134,619)
Ministers tax available for carry forward	(4,640,952)	
Unsettled tax issues	(582,991,054)	(673,229,962)
	(988,930,497)	(948,394,591)
	<u>130,509,574</u>	<u>27,553,502</u>
<b>16.2.2. Deferred tax asset or liability (where has been provided on the basis of expectation of future availability of taxable profits in the future against which this deferred tax asset could be utilised):</b>		
<b>16.2.3. Movement in deferred tax liabilities as follows:</b>		
At beginning of the year	218,255,521	248,155,794
<b>16.2.3.1. Reclassified as statement of profit or loss:</b>		
Accelerated tax depreciation / amortisation	49,122,823	715,211
Accelerated tax depreciation / amortisation	(25,394,866)	(24,345,790)
Minimum tax available for carry forward	(4,640,952)	
Tax credits / unused tax losses	(109,461,117)	(17,088,187)
Research benefit obligations	(285,092)	455,425
	(88,056,102)	(26,963,341)
<b>16.2.3.2. Reclassified in statement of other comprehensive income:</b>		
Other comprehensive income	(2,159)	863,117
At end of the year:	<u>130,509,574</u>	<u>27,553,502</u>
<b>17. Trade and other payables</b>		
<b>17.1. Creditors for goods and services:</b>		
Advances from customers	17.1.	
Accrued liabilities	15,237,944	15,890,915
Deposits	39,075	39,075
Interest on liability	101,957	2,015,031
Workers' profit participation fund	17.2.	
Workers' welfare fund	17.3.	
Other liabilities	9,691,906	8,755,327
	<u>3,380,794,161</u>	<u>3,181,946,495</u>
<b>17.1.1. This includes an amount of Rs. 321.152 million related to a legal balance by the Trading Corporation of Pakistan. Refer to note 2.1.1 (p. 25) for detailed information regarding the dispute. The matter is sub-judice with the appellate authority.</b>		
<b>17.2. Workers' profit participation fund</b>		
Opening balance	131,749,551	132,792,781
Added during the year		
Interest charged	38,207,788	29,846,770
	<u>149,957,339</u>	<u>132,749,551</u>
Paid during the year		
	<u>149,957,339</u>	<u>132,749,551</u>
No provision has been recognized in the current year and preceding year due to uncertain loss. Furthermore, such up has been charged including late payment surcharge @ 13.82% (1 year KIBOR plus 2.5%) (2024: 16.90%).		
<b>17.3. Workers' welfare fund</b>		
Workers' welfare fund	11,708,819	10,340,809
No provision has been recognized in the current year and preceding year due to taxable losses. Furthermore, such up has been charged including late payment surcharge @ 13.82% (1 year KIBOR plus 2.5%) (2024: 16.90%).		
<b>18. Advanced borrowing</b>		
<b>18.1. Islamic mode of financing:</b>		
Long term financing	123,041,491	183,406,167
Other		
Long term financing	18.1.	
	<u>375,150,023</u>	<u>467,882,155</u>
	<u>689,196,512</u>	<u>567,488,229</u>
<b>18.1.1. The provision is payable to M/s Haq Raza Sugar Mills (Pvt.) Limited, holding Company, calculated at 3 month KIBOR +1% (2024: 3 month KIBOR +1%).</b>		

	2025	2024	2024
	NDIC	Rspees	Rspees
19. Short term borrowings			
Other financing (Director's)	19.1.	18,975,000	18,975,000
19.1. The financing being for legal claim filed by Mr. Arif Ullah Khan (related party). This loan is interest free, unsecured and repayable on demand.			
20. Current portion of long term financing			
Current portion of long term financing	15.	15,000,000	10,972,000
21. Contingencies and commitments			
21.1. Contingencies			
(a) The Company received intimation from Jindal Corporation of Pakistan (JCP) under four different sugar supply agreements. The Company contends that this amount is not due as the buyer did not fulfill its performance obligations. As a prudent policy, adjustments would be made as per timeline of the dispute. The Company is of the view that Trading Corporation of Pakistan has made numerous breaches of the agreements causing excessive losses to the Company and has filed a civil suit in court of Honourable Chief Justice, Lahore pending to rely on dispute for arbitrations under the terms of the agreements. The matter is a pending agreement before the Court.			
(b) Bank of India Limited had filed recovery suit for Rs. 850,907,323/- on account of loan recovery against the Company. On May 2021, the loaned amount has received its judgment on this issue. Although, the case would be discharged from the court once the bank restores and NDC issued by the bank is filed with the court, but both the Company and the bank have mutually agreed to terminate the financing arrangement. Under the terminated financing arrangement, the Company shall pay reduced amount of Rs. 275 Million, which is subject to Rs. 26,444 Million and an estimated additional rental of Rs. 126,358 Million to the bank by June 30, 2025, with interest payments starting from September 2022.			
21.2. Commitments			
There have been no known commitments as at date of financial position date (2024 - 31/12)			
22. Sales - net			
Local sales			
Sugar		146,574,580	-
Molasses		176,700,000	-
Total gross sales		323,274,580	-
Less: Taxes		(49,562,011)	-
		273,712,569	-
23. Cost of sales			
Cost of sugar cane		194,527,089	-
Sewer and spare consumed		5,101,164	10,824,422
Oil and lubricants consumed		1,575,323	1,490,198
Packaging material consumed		872,181	-
Chemical consumed		3,751,771	94,591
Salaries, wages and benefits	23.1.	30,878,694	38,649,252
Water, fuel and power		10,641,980	7,508,246
Vehicle running and maintenance		953,077	741,475
Freight, handling and labour		1,362,059	489,478
Depreciation	23.2.	165,137,945	149,517,833
Others		880,335	1,887,780
		413,278,890	220,334,278
Work in progress			
Opening stock		-	194,499
Closing stock		(5,885,126)	-
Cost of goods manufactured		407,393,764	220,528,777
Finished goods			
Opening stock		-	-
Closing stock		-	-
Add: Inventory Purchase		112,857,931	-
Change stock			
		520,251,695	220,528,777
23.1. It includes an amount of Rs 956,871/- (2024: 105,979/-) relating to staff retirement benefits - gratuity.			
24. Administrative and general expenses			
Salaries, wages and benefits	24.1.	4,071,942	2,877,905
Fees, subscriptions and contracts		3,622,979	1,101,574
Vehicle running and maintenance		257,147	109,904
Legal and professional charges		475,080	1,784,308
Traveling and conveyance		407,086	290,174
Tuition fees, consultancy and other services		100,000	470,695
Rent, rates and taxes		154,000	157,000
Auditor's remuneration	24.2.	1,465,000	1,190,000
Depreciation	24.3.	2,728,762	2,586,365
Borrowing cost		388,829	324,669
Miscellaneous		2,228,782	3,782,123
		16,772,620	14,625,618
24.1. It also includes an amount of Rs 649,509/- (2024: 346,825/-) relating to staff retirement benefits - gratuity.			

	NOTE	2025 RUPES	2024 RUPES
24. Auditor's remuneration			
Annual audit fee		60,000	60,000
Fee for audit of corporate governance		100,000	100,000
Half yearly review		100,000	100,000
		<u>1,300,000</u>	<u>1,060,000</u>
25. Other Income			
Gain on sale of vehicle		-	2,807,250
Customer average bank	25.4	20,778,277	20,493,416
		<u>20,778,277</u>	<u>20,290,666</u>
25.1. This represents an amount that is regarded as not being payable or earned. This includes the balance relating to Akshatuh Shub Ghazi Provision services, which has been now operational since done for its financial period and system which no claim exists. The remaining amount includes salary and gratuity payments and old conditions that have been fully satisfied or are no longer enforceable and this has now been utilized to the Company's other income.			
26. Finance cost			
Make up on interest pay's less - Bad Debt Sugar Mills (Former) Limited		113,270,885	130,088,104
Make up on long term loan		17,235,104	17,994,512
Make up on WPP and WPF		18,626,708	20,341,284
Bank charges and commission		56,166	44,074
		<u>149,188,863</u>	<u>168,468,974</u>
27. Taxation			
Levy			
Minimum Tax	27.1	4,040,932	-
Income Tax expense			
Current		-	-
Deferred		-	-
Adjusting for legislation and process of emergency differences	27.2	(88,958,067)	(88,965,342)
		<u>(84,917,135)</u>	<u>(88,965,342)</u>
27.1. The separate minimum tax and minimum TID of Income Tax Ordinance, 2001, respectively, lay in terms of requirements of ITRIC 21 and IAS 12.			
27.2. Relationship between tax expense and accounting profit			
The pre-tax (to be added) related to current and preceding financial year (respectively the Minimum Tax liability under section 113 of the Income Tax Ordinance, 2001. Accordingly, reconciliation between tax expense and accounting profit for current and preceding financial year has not been prepared and presented.			
27.3. Reconciliation of tax expense with the statutory rate			
Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in profit or loss is follows:			
Current tax expense for the year as per applicable tax laws		4,040,932	-
Effect of current tax liability as per tax laws, independent of income tax under IAS 12		-	-
Provision of levy in terms of requirements of ITRIC 21 / IAS 12		(4,040,932)	-
		<u>-</u>	<u>-</u>
28. Less per share - basic and diluted			
Loss after taxation for the year attributable to ordinary shareholders		(310,716,185)	(191,233,374)
Number of shares (in lakhs)		1,140,000	1,140,000
Weighted average number of ordinary shares outstanding during the year		78,261,066	78,261,066
Loss per share		<u>(3.97)</u>	<u>(2.43)</u>
28.1. Diluted earnings per share			
No figure for diluted earnings per share have been presented as the Company has not yet issued any instruments which would have an impact on basic earnings per share when exercised.			
29. Remuneration of chief executive, directors and executives			
The aggregate amount charged in the accounts for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company, was as follows:			

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
Monetary remuneration	-	-	-	-	-	2,791,130
Perquisites	-	-	-	-	-	2,791,130
Number of persons	1	1	1	1	5	3

## 38. Transactions with related parties

Related parties comprise of holding company, subsidiary, associated undertakings, directors of the Company, key employees and staff retirement fund. The Company at several stages of business carried out transactions with various related parties at mutually agreed terms and conditions, subjected to BOD approval. Amounts due from and to related parties are shown under individual head payable. Terms, liquidity and financial undertakings also have same terms and conditions.

Details of transactions with related parties, whether they should have been specifically disclosed elsewhere in the financial statements, are as follows:

Name of related party	Relationship with the Company	Nature of Transactions	2023 RUPEES	2024 RUPEES
Reg. Bafra Sugar Mills (Private) Limited	Holding Company	Mark-up accrued Purchase of Molasses Loan received Loan outstanding as at year end	11,270,695 11,257,951 125,411,804 878,207,392	158,928,104 - 109,205,841 751,369,788
Ms. Azhar Qader Durr	Major Shareholder in Holding Company	Loan received Loan repaid Loan outstanding as at year end	- - 18,975,000	- - 18,975,000

## 39. Financial assets and liabilities

As at September 30, 2023

	Amortised Cost	Fair Value Through Profit and Loss	Fair Value Through Other Comprehensive Income	Total
Rupees				
<b>Financial assets</b>				
Maturity up to one year				
Advances	11,690,722	-	-	11,690,722
Cash and bank balances	4,488,345	-	-	4,488,345
	<u>16,179,067</u>	-	-	<u>16,179,067</u>
		Other Financial Liabilities- At Amortised Cost	Fair Value Through Profit and Loss	Total
Rupees				
<b>Financial Liabilities</b>				
Other financial liabilities				
Maturity up to one year				
Trade and other payables	2,300,794,169	-	-	2,300,794,169
Current maturity of non-current liabilities	15,000,000	-	-	15,000,000
Accrued mark-up	698,194,512	-	-	698,194,512
Short term borrowings	18,975,000	-	-	18,975,000
Maturity after one year				
Long term finance	222,005,000	-	-	222,005,000
Loan from loan from related party - interest free	856,803,342	-	-	856,803,342
	<u>4,111,765,273</u>	-	-	<u>4,111,765,273</u>
Goodwill net			(4,093,586,206)	
Foreign currency financial liabilities			1,781,598,104	
Non-interest bearing financial liabilities			2,519,767,169	

As at September 28, 2024

	Amortised Cost	Fair Value Through Profit and Loss	Fair Value Through Other Comprehensive Income	Total
Rupees				
<b>Financial assets</b>				
Maturity up to one year				
Advances	23,290,805	-	-	23,290,805
Other receivables	302,735	-	-	302,735
Tax refund due from government	13,241,304	-	-	13,241,304
Cash and bank balances	1,292,345	-	-	1,292,345
	<u>28,127,289</u>	-	-	<u>28,127,289</u>

Other Financial Liabilities - At Amortised Cost	Fair Value Through Profit and Loss	Total
<b>Impairment</b>		
<b>Financial liabilities</b>		
<b>Other financial liabilities</b>		
<b>Maturity after one year</b>		
Trade and other payables	-	3,139,465,604
Current maturity of other financial liabilities	16,972,000	16,972,000
Accrued mark-up	567,689,729	567,689,729
Short term borrowings	16,972,000	16,972,000
<b>Maturity after one year</b>		
Long term deposits	236,028,000	236,028,000
Long term loans from related party - unsecured	731,369,788	731,369,788
	<b>3,751,978,601</b>	<b>3,751,978,601</b>
<b>Equity pay</b>		<b>(3,715,951,674)</b>
<b>Interest bearing financial liabilities</b>		<b>1,545,066,305</b>
<b>Non-interest bearing financial liabilities</b>		<b>2,200,901,463</b>

The Company's activities are exposed to a variety of financial risks. The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's overall risk management strategy seeks to minimize adverse effects from the uncertainties in financial markets on the Company's financial performance. The Company sets policies, objectives and mechanisms, which aim at effective management of these risks within an overall operating environment. The key financial risks include credit risk, liquidity risk and interest rate risk.

**Risk management** is carried out in accordance with established policies and guidelines approved by the Board of Directors. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and return is achieved. Risk management objectives and policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to the following risks:

- Credit risk
- Liquidity risk
- Market risk

**a) Credit risk**

Credit risk represents the remaining loss that would be recognized at the reporting date if counterparties failed completely to perform as expected. To reduce exposure to credit risk the Company has developed a formal system of pre-credit checks and credit limits are applied to its customers. The management also continuously monitors credit exposure towards its customers and makes provision against those balances considered doubtful of recovery. Credit risk of the Company arises principally from the trade debts, loans and advances, trade deposits and other receivables. The closing amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

Financial assets	2025	2024
	RUPES	RUPES
Advances	13,695,732	25,290,495
Bank balances	17,083	78,948
	<b>14,407,867</b>	<b>24,972,553</b>

Bank balances are held only with reputable banks. The credit rating of banks holding balances is given below:

				28-Sep-25	28-Sep-24
	Short-term	Long-term	Agency		
Bank Al Habib Ltd.	A-1+	AAA	PACRA	73,933	73,933
Meehan Bank Ltd.	A-1+	AAA	VS	181,349	28,995
Meehan Bank Ltd.	A-1+	AAA	PACRA	101,739	210,277
TAJIB Bank Ltd.	A-1+	AAA	VS	31,239	31,239
Sindh Bank Ltd.	A-1	A	VS	1,755	1,035
National Bank of Pakistan	A-1+	AAA	PACRA	85,811	85,811
SK Bank Ltd.	A-2	A-	VS	-	-
SB Bank Ltd.	A-1+	AA	PACRA	16,678	16,678
Street Bank Ltd.	A-1+	AA-	PACRA	146,730	146,730
Sindh Bank Ltd.	A-3	BBB-	VS	14,932	14,932
				<b>717,083</b>	<b>781,948</b>

**Concentration of credit risk:**

Concentration of credit risk arises when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial assets is broadly diversified and all transactions are entered into with credit-worthy counterparties, thereby mitigating any significant concentration of credit risk.

**(b) Liquidity risk**

Liquidity risk refers to company's liability in raising funds to meet commitments. The Company's exposure to liquidity risk arises primarily from mismatches at the maturity of financial assets and liabilities. The Company follows an effective cash management and financing policy to ensure availability of funds and to take appropriate action for new requirements. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of rolling agreements:

Non-Derivative Financial Liabilities	Carrying Amount 2025	Contractual Cash Flows	One Year or Less	More Than One But Less Than Two Year	More Than Two Years
Long term bank term related party - secured	656,805,592	829,805,592	-	829,805,592	-
Long term financing	257,000,000	257,000,000	15,000,000	95,000,000	127,000,000
Short term borrowings	18,975,000	18,975,000	18,975,000	-	-
Financial debt payable	698,194,512	698,194,512	698,194,512	-	-
Trade and other payables	2,309,764,169	2,309,764,169	2,309,764,169	-	-
	4,111,758,273	4,111,768,273	3,032,963,681	929,805,592	127,000,000

Non-Derivative Financial Liabilities	Carrying Amount 2024	Contractual Cash Flows	One Year or Less	More Than One But Less Than Two Year	More Than Two Years
Long term bank term related party - secured	731,369,788	731,369,788	-	731,369,788	-
Long term financing	247,000,000	247,000,000	19,975,000	92,000,000	125,025,000
Short term borrowings	18,975,000	18,975,000	18,975,000	-	-
Financial debt payable	567,688,720	567,688,720	567,688,720	-	-
Trade and other payables	2,189,946,495	2,189,946,495	2,189,946,495	-	-
	3,754,979,003	3,754,979,003	2,796,585,215	823,369,788	125,025,000

The contractual cash flows relating to the Non-Financial Assets and Liabilities have been determined on the basis of Cash of Funds or payable by SFR as of the date of measuring of the financing facility. Amount of loan face response basis along with their contractual etc.

Short-term	Long-term	Agency	\$6-Sep-25	\$6-Sep-24
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**(c) Market risk****(i) Interest rate risk**

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates arises primarily to the following:

Variable rate instruments at carrying amount

Financial liabilities	2025 NTPEDS	2024 NTPEDS
Long term bank term related party - secured	856,821,592	751,569,788
Long term financing	257,000,000	247,000,000
	1,093,821,592	978,569,788

Fixed rate sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / decreased how / profit for the year subject to loan terms maturing for the whole year by the amounts shown below:

Effect on loss / profit due to change of 100 bp

Increase	(10,938,056)	9,765,948
Decrease	(10,938,056)	(9,765,948)

**(ii) Equity price risk**

Equity price risk is the risk of volatility in share prices resulting from their dependence on market sentiment, speculative activities, supply and demand for shares and liquidity in the market. As at the balance sheet date, the Company is not exposed to any such risk.

**(iii) Foreign currency risk**

Foreign currency risk is the risk that the value of a financial asset or a financial liability will fluctuate due to change in foreign exchange rates, which results in net assets and liabilities being as a result of transactions with foreign undertakings. As of the balance sheet date, the Company is not exposed to any such risk.

**(d) Fair value of financial assets and liabilities**

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction. The carrying values of all financial assets and liabilities reflected in the financial statements are approximations of their fair values.

The Company uses the following hierarchy for the determination of fair value of financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Those financial instruments whose quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Reconciliation of movement of liabilities to cash flows  
Arising from financing activities

	Short Term Borrowing	Average Dividend	Long Term Loans
Balance as at October 01, 2024	18,975,000	537,488,719	978,349,788
Changes from financing activities			
Finances repaid	-	-	(110,000,000)
Dividends declared	-	-	(25,435,804)
Mark up received	-	110,360,154	-
Mark up repaid	-	(30,363)	-
Balance as at September 30, 2025	18,975,000	498,148,510	1,048,318,988
Balance as at October 01, 2023	18,975,000	392,254,604	889,945,347
Changes from financing activities			
Finances repaid	-	-	(10,072,000)
Dividends declared	-	-	(109,255,841)
Mark up received	-	174,723,659	-
Mark up repaid	-	(489,664)	-
Balance as at September 30, 2024	18,975,000	537,488,719	978,349,788

The Company has no investment in listed securities.

### 32. Capital management

The primary objective of the Company's management is to ensure that it maintains a strong credit rating and healthy capital ratios while continue to going concern in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of its current economic conditions. To maintain or adjust its capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to raise additional cash, if required.

As of the balance sheet date, the management considers that the capital of the Company is sufficient to meet the requirements of the business.

The Company has no significant debt on the basis of the going concern. The ratio is calculated as under:

	2025 RUPEES	2024 RUPEES
Long term loan from financial party - unsecured	316,315,092	78,349,788
Long term financing	277,000,000	247,000,000
Short term borrowings	8,875,000	18,975,000
Less: cash and cash equivalents	(4,468,343)	(1,282,343)
Net Debt	1,117,316,749	609,525,391
Net Equity	(936,239,482)	(643,341,972)
Total capital employed	181,825,632	247,000,409
Gearing Ratio	595%	247%

### 33. Number of employees

The total and average number of employees during the year ended at September 30, 2025 and 2024, respectively, are as follows:

	2025	2024
Average number of employees during the year	67	57
Number of employees at year end	34	78

### 34. Capacity and production

Grains stored in  
Sectors closed in  
Working days  
Crushing capacity  
Sugar cane crushed  
Sugar produced  
Recovery ratio

Tones	
6-Jan-25	-
25-Jan-25	-
23	-
509	5,590
15,982,712	-
1,025,940	-
8.630%	-

### 35. Corresponding figures

The corresponding non-comparative figures have been presented and justified for the purpose of recognition and better presentation. However, there has been no significant reclassification affecting the financial ratios.

### 36. Authoritative order

These financial statements have been authorized for issue on January 09, 2025 by the Board of Directors of the Company

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**PROXY FORM**

**ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED**

**42ND ANNUAL GENERAL MEETING**

I / We \_\_\_\_\_ s/o \_\_\_\_\_ r/o \_\_\_\_\_  
being a member of Abdullah Shah Ghazi Sugar Mills Limited and  
holder of \_\_\_\_\_ ordinary shares as per registered Folio / CDC Participant ID # \_\_\_\_\_  
and CDC Sub Account # / CDC Investor Account ID # \_\_\_\_\_  
hereby appoint Mr. \_\_\_\_\_ s/o \_\_\_\_\_ r/o \_\_\_\_\_  
\_\_\_\_\_ having  
registered Folio / CDC Participant ID # \_\_\_\_\_ and CDC Sub Account # / CDC Investor  
Account ID # \_\_\_\_\_ as my/our proxy to attend and vote on my/our behalf at the 42nd  
Annual General Meeting of the Company to be held at 9:00 a.m. on 27 January, 2026 at  
\_\_\_\_\_ or at any adjournment thereof.

Affix Rs. 5/-  
Revenue Stamp

\_\_\_\_\_  
Signature of Member  
(Signature should agree with the  
specimen Registered with the  
Company).

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2026

**Witnesses:**

1 Signature _____	2 Signature _____
Name _____	Name _____
Address _____	Address _____
_____	_____
CNIC or Passport # _____	CNIC or Passport # _____

**Important notes:**

1. No person shall act as proxy unless he himself is member of the Company, except that a corporate entity may appoint a person who is not a member. Non-natural members must furnish board resolution / power of attorney with specimen signatures of proxy along with the proxy form.
2. Attested copies of the CNIC or the Passport of the member and the proxy shall be furnished with the proxy form. The proxy shall produce original CNIC or original passport at the time of the meeting.
3. Proxies in order to be effective must be received by the Company at its Registered Office not less than forty-eight (48) hours before the time for holding the meeting.
4. CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with the proxy form before submission to the Company (Original CNIC / Passport is required to be produced at the time of the meeting).
5. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity shall be submitted (unless it has been provided earlier) along with proxy form to the Company.



## GET IN TOUCH

 [www.asgsml.com](http://www.asgsml.com)

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