



# Towards **Resilient** Growth

Annual Report 2024



**BABA FARID**  
SUGAR MILLS LIMITED

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# COMPANY INFORMATION

## BOARD OF DIRECTORS

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Mrs. Qaiser Shamim Khan	Chairperson
Mr. Adnan Ahmed Khan	Chief Executive
Mr. Muhammad Shamim Khan	Executive Director
Mr. Nauman Ahmed Khan	Non-Executive
Mrs. Sarah Hajra Khan	Non-Executive
Mr. Farid ud Din Ahmed	Independent Director
Mr. Malik Manzoor Hussain Humayoon	Independent Director

## CHIEF FINANCIAL OFFICER

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Mr. Wasif Mahmood

## COMPANY SECRETARY

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Mr. Muhammad Imran

## AUDITORS

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M/s BDO Ebrahim & Co.  
Chartered Accountants  
Office No. 4, 6th Floor, Askari Corporate Tower, 75/76  
D-1, Main Boulevard, Gulberg-III, Lahore  
Tel: 042-35875709-10  
Fax: 042-35717351  
Email: info@bdo.com.pk

## MILLS

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5 K.M. Faisalabad Road, Okara  
Tel: 044-2714418-21  
Fax: 044-2522978

## BANKERS

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Habib Bank Limited  
The Bank of Punjab  
Bank Al-Habib Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
Bank Alfalah Limited  
Soneri Bank Limited  
Allied Bank Limited  
Askari Bank Limited  
National Bank of Pakistan - Aitemad

## HUMAN RESOURCES & REMUNERATION COMMITTEE

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Mr. Farid-ud-Din Ahmad	Chairman
Mr. Adnan Ahmed Khan	Member
Mr. Malik Manzoor Hussain Humayoon	Member

## AUDIT COMMITTEE

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Mr. Farid-ud-Din Ahmad	Chairman
Mrs. Sarah Hajra Khan	Member
Mr. Malik Manzoor Hussain Humayoon	Member

## NOMINATION COMMITTEE

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Mr. Malik Manzoor Hussain Humayoon	Chairman
Mr. Farid-ud-Din Ahmad	Member

## RISK MANAGEMENT COMMITTEE

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Mr. Malik Manzoor Hussain Humayoon	Chairman
Mr. Farid-ud-Din Ahmad	Member

## SHARE REGISTRAR

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M/s Corplink (Pvt) Limited  
Share Registrar, Wings Arcade,  
1-K Commercial Model Town, Lahore.  
Tel: 042-35916714,  
Fax: 042-35869037  
Email: corplink786@gmail.com

## REGISTERED OFFICE

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2-D-1, Gulberg III, Lahore  
Tel: 042-35771066-71  
Fax: 042-35756687  
Email: info@bfsml.com  
Website: www.bfsml.com

## LEGAL ADVISOR

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M/s Ahmed & Pansota  
Advocate and Legal Consultants  
20 - Sir Gangaram Mansions  
The Mall Lahore  
Tel: 042-37313549, 37313520  
Tel: 042-36672102

# VISION & MISSION STATEMENTS

## OUR VISION



We shall build on our core competencies and achieve excellence in performance to become a leading producer of best quality sugar. In doing so we aim to meet or accede the expectations of all our stakeholders.

Our goal is not only to attain technological advancements in the field of sugar but also to inculcate the most efficient, ethical and time tested business practices in our management.

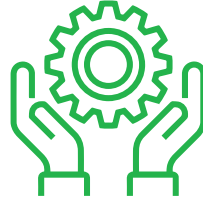
Furthermore, we shall strive to innovate the ways for the improvement and increase in per acre yield of sugarcane and introduce improved varieties of sugarcane having better yield characters, high sucrose contents, disease and drought resistant and better ratooning crop in the region. We shall introduce the mechanized sugarcane cultivation mehtod to the growers and to educate regarding latest developments of agriculture technology and free consultancy of professionals.

## OUR MISSION

We aim to be a leading producer and supplier of quality sugar by adopting the most technological advancement. We intend to play a pivotal role in the economic development of Pakistan.







## CORPORATE STRATEGY

Our corporate strategy and objectives for the future are to find new and improved means of cost reduction, fuel economy and to acquire advanced manufacturing capabilities to support our product development efforts and product line expansion and stand ready to leverage our debt and be responsive to the changing economic scenario. We believe in harnessing the inherent strengths of available human resource and materials to the utmost and a commitment for building a solid foundation poised for sustainable growth for the long-term benefit of our shareholders and employees.



## CORE VALUES

- Strive for excellence and build on our core competencies.
- Keep up with technological advancements in our biological control laboratory and extend the Research & Development Programme to control sugarcane crop diseases.
- Inculcate efficient, ethical and time tested business practices in our management.
- Work as a team and support each other.
- Put the interest of the company before that of the individuals.

# NOTICE OF ANNUAL GENERAL MEETING



**BABA FARID**  
SUGAR MILLS LIMITED

Scan this QR Code with your smart mobile phone or  
Visit below Weblink for BFSML Annual Report 2024



[https://bfsml.com/wp-content/uploads/2025/01/Annual\\_Report\\_BFSML\\_2024.pdf](https://bfsml.com/wp-content/uploads/2025/01/Annual_Report_BFSML_2024.pdf)

Towards **Resilient** Growth

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 46th Annual General Meeting of the Shareholders of the **Baba Farid Sugar Mills Limited** will be held **on Tuesday, January 28, 2025 at 15:00 Hours** at Registered Office, 2-D-1, Gulberg III, Lahore and via video link/Zoom application, to transact following businesses:

## ORDINARY BUSINESS:

1. To Confirm minutes of the 45th Annual General Meeting of the Baba Farid Sugar Mills Limited held on 27-01-2024 as submitted to PSX.
2. To receive, consider and adopt Annual Audited Financial Statements of the Company for the year ended 30th September 2024 together with Auditor's and Board of Directors' reports thereon.
3. To appoint Auditors of the Company for the next financial year 30th September, 2024-25 and to fix their remuneration. Present Auditors M/s. BDO Ebrahim & Co. Chartered Accountants, retired and being eligible, offer themselves for reappointment as Auditors of the Company.
4. To elect nine (09) Directors as fixed by the Board of Directors in accordance with the provisions of section 159 of the Companies Act 2017 for the next term of three years commencing on January 28, 2025. Names of the retiring Directors are; (1) Mr. Muhammad Shamim Khan, (2) Mr. Adnan Ahmed Khan, (3) Mrs. Qaiser Shamim Khan, (4) Mr. Nauman Ahmed Khan, (5) Mrs. Sarah Hajra Khan, (6) Mr. Farid ud Din Ahmed, (7) Mr. Manzoor Hussain Hamayoon. All the retiring directors are eligible for re-election.


## SPECIAL BUSINESS:

5. To consider and approve the transactions carried out with related parties in normal course of business and if appropriate to pass the following resolutions as special resolutions with or without modification.
  - a) **"RESOLVED that** transactions carried out by the Company in the normal course of business with related parties for the period ended September 30, 2024 be and are hereby ratified, approved and confirmed"

Names (s)	Nature of Transactions	Amount (PKR)
Naubahar Bottling Company (Pvt.) Limited	Sale of Sugar	841,905,596
	Paid/recived/adjustment(net)	841,905,596
The Thal Industries Corporation Limited	Sale - store items	15,004,742
	Purchase - other items	330,000
	Paid/ received/adjustment (net)	14,674,742
Almoiz Industries Limited	Sale of scrap	28,145,252
	Sale of store items	2,860,025
	Paid/received/adjustment (net)	22,220,873
	Purchase – steel items	8,784,404

- b) **"FURTHER RESOLVED that** the Chief Executive Officer of the Company or his nominee be and is hereby authorized to approve all the transactions to be carried out in the normal course of business with related parties till the next Annual General Meeting of the Company and in this connection the Chief Executive Officer of the Company or his nominee be and is hereby authorized to take any and all necessary actions and sign/execute any and all such documents/ indentures as may be required in this regards on behalf of the Company"
6. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD

  
MUHAMMAD IMRAN  
Company Secretary

Lahore:  
December 24, 2024

## NOTES:

### 1. Closure of Shares Transfer Books:

Share Transfer Books of the Company will remain closed from 21-01-2025 to 28-01-2025 (both days inclusive). No transfer of shares will be accepted for registration during the closed period. However, transfer received at the office of the Company's Share Registrar Office at M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, Telephone No. 042-35916719, Email address: corplink786@gmail.com by the close of business hours (05:00 PM) on 20th January, 2025 will be considered in time to be eligible for the purpose of attending and voting at 46th AGM of the Company.

### 2. Appointment of Proxy:

A member entitled to attend and vote at the AGM is entitled to appoint another member as proxy to attend and vote instead of him/her. The instrument appointing a proxy must be received at the Registered Office of the Company not less than 48 hours before the time fixed for AGM.

### 3. Online Arrangements for AGM

Online Arrangements for AGM: The Company has made both physical and online arrangements while also ensuring compliance with quorum and other legal / regulatory requirements of general meetings. Shareholders of the Company are encouraged to participate in AGM electronically through video link / Zoom Application and further encouraged to consolidate their attendance through proxies

#### (a) Online Participation in AGM vis Zoom application:

The shareholders may login and participate in the proceedings of AGM through their own smart phones/computers from their own convenient locations after completing all formalities as required for verification and identification of shareholders to attend the AGM electronically, the Login facility will be opened about half hour before start of AGM

(b) The shareholders of BFSML, who wish to attend the AGM electronically through video link, are requested to register their following particulars by sending an e-mail at info@bfsml.com by or before the close of business hours (05:00 p.m) on 26-01-2025.

Folio /CDC account No.	No. of Shares held	Name of Shareholder	Father's/ Husband's Name	CNIC No.	Cell Phone No. with WhatsApp	Active email address

The video link and/or login credentials will be shared with the shareholders whose e-mail, containing all the requested particulars, are received at the given e-mail address by or before the date/time specified above. For any query regarding procedure/requirements of online participation in AGM, the members may please contact on the above cited e-mail address or at +92 42 35771066-71 during business hours.

#### (c) Online Submission of Comments / Suggestions:

The shareholders are also encouraged to send their comments / suggestions in writing, related to the proposed agenda items of the AGM by sending an email at info@bfsml.com by the close of business hours (5:00 p.m.) on 27-01-2025.

### 4. Verification and Identification of Participants at AGM:

Each online participant shall authenticate his/her identity at AGM by enabling clear camera of his/her computer device / mobile etc. for verification and identification purposes.





- (a) For Attending the Meeting (i) In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by submitting online scan/photo of his/her original CNIC/Passport along with Participant ID & Account number at the time of login to the video link/Zoom application for attending online AGM. (ii) In case of corporate entity, scan/photo of the Board's resolution / power of attorney with specimen signature of the nominee shall be submitted online (unless it has been provided earlier) at the time of login to the video link/Zoom application for attending online AGM.
- (b) For Appointing Proxies (i) In case of individuals, the account holder and/or sub-account holder, whose registration details are uploaded as per the CDC Regulations, shall submit scan/photo of the proxy form as per above requirements. (ii) The proxy form shall be (i) duly stamped with adhesive revenue tickets of PKR 50/- and (ii) witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the proxy form. (iii) Attested copies of CNIC or the Passport of beneficial owners and of the proxy shall be furnished with the proxy form. (iv) The proxy shall submit scan/photo of his original CNIC or Passport at the time of login to the video link/Zoom application for attending online AGM. (v) In case of corporate entity, scan/photo of the Board's resolution / power of attorney with specimen signature thereon shall be submitted online (unless it has been provided earlier) along with proxy form to the Company at the time of login to the video link/Zoom application for attending online AGM.

#### 5. Correspondence by Shareholders:

The shareholders must identify themselves by quoting their respective Folio/ CDS Account numbers in all correspondence with the Company and/or with Share Registrar of the Company for any purpose including but not limited to the Online Participation in AGM, Comments & Suggestions on proposed agenda items in AGM / Transfers & Transmissions of shares, and Changes/Updates in CNIC/NICOP/Passport # IBAN/ Correspondence Address / Email Address / Mobile Phone # etc.

#### 6. Video Conferencing Facility:

If the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location to participate in the meeting through video conference at least 7 days prior to the date of AGM, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following and submit to registered address of the company at least 7 days prior to the date of AGM.

"I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of the Baba Farid Sugar Mills Limited, holder of \_\_\_\_\_ ordinary share(s) as per Registered Folio/CDC Account/Sub Account No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

#### **7. Placement of Notice & Proxy Forms and Financial Statements on the Company's Website:**

The Company has placed the Notice of AGM along with Form of Proxy in English & Urdu languages and the Audited Financial Statements for last completed financial year ended September 30 along with Auditor's and Directors' Reports thereon on the Company's website: [www.bfsmil.com](http://www.bfsmil.com) and at PUCARS website of PSX.

#### **8. Transmission of Audited Financial Statements & Notices of General Meetings;**

Audited financial statements of the Company are being sent to shareholders through printing of QR Enabled Code and Weblink on the printed notice of AGM which is being sent/dispatched to all shareholders through post/courier. Soft copies of any or all the documents and information of the Company including audited financial statements and notices of general meeting are also being sent electronically through emails to shareholders whose email addresses are available with the Company, however, the Company shall provide hard copies of Audited Financial Statements and notices of general meetings to its shareholders, on their written request, free of cost, within seven days of receipt of such request.

#### **9. For Election of Directors:**

Any member who seeks to contest election of Directors shall file with the Company at its registered office at 2-D-1, Gulberg III, Lahore not later than fourteen days before the AGM the Notice of his/her intention to contest election of directors along with other documents and information as detailed in the Statement of Material Facts U/S 166(3) of the Companies Act, 2017 annexed to the printed version of this notice;

#### **10. Voting on Special Businesses:**

In accordance with the Companies (Postal Ballot) Regulations, 2018, as amended, entitled shareholders of the Company are being allowed to exercise their right to Vote through Electronic Voting and Voting by Post on Special Businesses of the notice of AGM, in the manner and subject to the conditions contained in the aforesaid regulations;

#### **11. Voting on Election of Director and the Special Businesses:**

Entitled shareholders of the Company are being allowed to exercise their right to Vote through Electronic Voting and Voting by Post on Election of Directors and the Special Businesses of the notice of AGM, in the manner and subject to the conditions contained in the Companies (Postal Ballot) Regulations, 2018;

##### **(a) Procedure for Electronic Voting:**

M/s. Corplink (Pvt) Limited/Share Registrar of the Company/E-Voting Service Provider for the Company) has been appointed as e-voting Service Provider of the Company for Special Businesses to be conducted in AGM; (i) Details of electronic voting (including website address, Login and Password) shall be provided to entitled shareholders of the Company through their email addresses as available with the Company, whereas security codes will be communicated to the shareholders through SMS

on their mobile phone numbers as available with the Company from the web portal of Corplink; (ii) Identities of shareholders shall be authenticated through electronic signatures/authentication for login; (iii) E-voting lines will open at 9:00 hours on January 24, 2025 and close at 17:00 hours on January 27, 2025. No subsequent change will be allowed once the vote is cast during this period.

**(b) Procedure for Voting by Post:**

Shareholders may complete and sign the Ballot Paper and send the same along with the copy of valid and legible copy of Computerized National Identity Card (CNIC) either through scan & email or via courier/post to the address as mentioned on the Ballot Paper till January 27, 2025. The signature on the ballot paper must match with signature on CNIC.

**12. Conversion of Physical Share Certificates into Book Entry Form:**

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017. The Securities Exchange Commission of Pakistan (SECP) through its circular No. CSD/ED/Misc. /2016-639-640 dated March 26, 2021, has advised the listed companies to pursue their such members who still hold shares in physical form to convert their shares into book-entry form.

We hereby requested all such members of BFSML who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any active member/stockbroker of the Pakistan Stock Exchange to open an account in the CDC to facilitate the conversion of physical shares into book-entry form.

Shareholders may contact Share Registrar of the Company (M/s. Corplink (Pvt.) Limited) to understand the process of conversion of physical shares into the book entry form and benefits of holding book entry shares.

**13. MANDATORY INFORMATION – (EMAIL, CNIC, IBAN AND ZAKAT DECLARATION)**

In compliance with Section 119 of the Companies Act, 2017 and Regulation 19 Companies (General Provisions and Forms) Regulations, 2018 members are requested to immediately provide their mandatory information such as CNIC number, updated mailing address, email, contact mobile/telephone number and International Banking Account Number (IBAN) together with a copy of their CNIC to update our records and to avoid any non-compliance of the law, otherwise all dividends will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017.

Member are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption shall be submitted to Broker/CDC (in case of CDS shareholder) and to the Company's Share Registrar (in case of physical shareholder), then his/her zakat status in the dividend entitlement register may be found as Muslim Zakat Payable, and the Company will be constrained to make compulsory deductions of Zakat @ 2.5% of face value of each share from the gross amounts of his/her cash dividends.

# STATEMENT U/S 166 (3) OF THE COMPANIES ACT, 2017

This Statement sets out Material Facts U/S 166 (3) of the Companies Act, 2017 pertaining to the Election of Directors to be conducted at 46th AGM of Baba Farid Sugar Mills Limited which is to be held on Tuesday 28th January 2025 at 15:00 Hours at the Registered Office, 2-D-1, Gulberg III, Lahore and via video link / Zoom application.

## Agenda Item No. 4: Election of Directors:

- (i) In terms of section 153(1) of the Companies Act, 2017, the Board of directors, at its meeting held on 24.12.2024 has fixed the number of directors for next election at nine (09) which are to be elected at AGM for a period of three years.
- (ii) Independent directors, as required on the Board in terms of Rule 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("CCGR-2019"), shall be elected through the process of election of directors in terms of section 159 of the Companies Act-2017.
- (iii) Accordingly, in compliance with the provisions of Rule 7A of CCGR-2019, the Election of Directors may be held separately for the following categories:

Sr. No.	Categories	No. of Seats
1.	Female Director	3
2.	Independent Directors	3
3.	Other Directors	3

- (iv) In order to safeguard the interest of the minority shareholders, any member can send his/her nomination for contesting the election in any of above-mentioned categories.
- (v) Any member who seeks to contest election of Directors shall file with the Company at its registered office at 2-D-1, Gulberg III, Lahore not later than fourteen days before the AGM the documents and information as detailed below;
  - (a) duly signed Notice of his / her Intention to offer himself / herself for election of directors in terms of section 159(3) of CA-2017, and in case of Independent and Female categories, with due selection of any one of these categories in which he/she intends to contest for the election of director along with his/her Profile;
  - (b) Duly signed Consent to act as Director under section 167(1) of CA-2017 read with rule 7A(8) of CCGR-2019 on Form 9 as prescribed under Companies Act-2017 and Companies Regulations, 2024 ("CR-2024");
  - (c) Copy of his/her Valid Computerized National Identity Card (CNIC);
  - (d) Duly signed separate declarations in respect of (a) being compliant with requirements of CCGR-2019, awareness of duties, powers and responsibilities under CA-2017, CCGR-2019, Rulebook of Pakistan Stock Exchange Ltd., Securities Act, 2015, Memorandum and Articles of Association of the Company and other relevant laws and regulations; (b) eligibility criteria as set out in CA-2017, to act as director of a listed company; (c) Independent Director category, a duly signed Declaration of Independence in terms of section 166(2) of CA-2017, as required under CCGR-2019; e. Proof of holding of 2500 BFSML



shares as Qualification Shares, if not already provided and any other important and relevant information. f. Details of holding of other offices & directorships in other companies including details of Global Beneficial Ownership(s) and details of Ultimate Beneficial Ownership(s); g. For physical and electronic correspondence, Complete Office & Residential Addresses, Active personal email address and valid cell phone number registered on his/her CNIC.

- (vi) Any notices received for the category of Independent and Female Directors, shall be subject to due diligence by the Company as prescribed under Section 166 of CA-2017 and Rule 7A of CCGR-2019;
- (vii) Final list of candidates contesting the Election of Directors in all categories will be circulated not later than seven (7) days before the date of the AGM in terms of Section 159(4) of Companies Act-2017 and Rule 7A(10) of CCGR-2019 along with the update of company's website [www.bfsmi.com](http://www.bfsmi.com) accordingly.
- (viii) Justifications for choosing Independent Directors; a. Independent Directors shall have sufficient knowledge, skills and expertise to play effective roles as independent directors. b. At least two of the Independent Directors shall be required to chair Board's committees such as Chairman of Board's Audit Committee and Board's Human Resource and Remuneration Committee. c. Independent Directors shall be willing to attend Directors Training Program from SECP's approved institutions within one year from the date of election. d. Names of Independent Directors must have been registered in the Data Bank maintained by Pakistan Institute of Corporate Governance (PICG) along with their written consents. e. Independent Directors must be eligible in terms of criteria of independence as mentioned in section 166(2) of the CA-2017, and must be willing to act as Independent Directors on the Board of listed company as required under the provisions of section 166(1) of CA-2017. f. None of circumstances, as mentioned under proviso (b) to subsection 2 of section 166 of CA-2017, shall exist in relation to Independent Directors. (ix) The directors, sponsors, majority shareholders and their relatives shall not be interested, directly or indirectly, in the selection of Independent Directors except to the extent of shares that are held by them in the Company

## **STATEMENT OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT 2017**

This statement sets out the material facts pertaining to the special businesses to be transacted at the 46th Annual General Meeting (AGM) of Baba Farid Sugar Mills Limited to be held on Tuesday January 28, 2025 at 15:00 Hours at Registered office at 2-D-1, Gulberg III, Lahore, and through electronically video link/Zoom application.

### **STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017**

The transactions with associated company were carried out during the year, therefore, these transactions have been placed before the shareholders of the Company for their approval.

#### **a) Agenda Item No. 5 of Notice of AGM: Ratification and Approval of Related Party Transactions: (Associated Companies)**

The Company is and shall be conducting all transactions of sales and purchase of goods with Naubahar Bottling Company (Pvt.) Limited, The Thal Industries Corporation Limited and Almoiz Industries Limited (Associated undertaking of the Company) for the period commencing from October 1st, 2023 to period ends September 30, 2024 in the normal course of business. The prices, terms and conditions agreed between the companies are based on Arm Length Basis under Related Party Transactions Policy of the Company. The directors of the company have no interest whatsoever both directly or indirectly except for common directorship. Record consisting of details of

all the transactions along with all supporting documents is maintained as per legal requirements and available in the registered office of the company.

Nature and amount of transactions along with applicable pricing policy are detailed below:

Names(s)	Nature of Transactions	Amount (PKR)	Pricing Policy
<b>Naubahar Bottling Company (Pvt.) Limited</b>	Sale of Sugar	841,905,596	As per approved contract between BFSML & NBC, Related Party Transactions Policy and approval of shareholders in AGM.
	Paid/received/adjustment (net)	841,905,596	
<b>The Thal Industries Corporation Limited</b>	Sale - store items	15,004,742	As per approved contract between BFSML & TICL Related Party Transactions Policy and approval of the shareholders in AGM.
	Purchase - other items	330,000	
	Paid/ received/adjustment (net)	14,674,742	
<b>Almoiz Industries Limited</b>	Sale of scrap	28,145,252	As per approved contract between BFSML & AIL, Related Party Transactions Policy and approval of shareholders in AGM.
	Sale of store items	2,860,025	
	Paid/received/adjustment (net)	22,220,873	
	Purchase – steel items	8,784,404	

The Directors are interested in the resolution to the extent of their common directorship in the Associated undertakings. The following were the common directors in Baba Farid Sugar Mills Ltd with the Almoiz Industries Ltd, The Thal Industries Corporation Ltd and Naubahar Bottling Company (Pvt.) Ltd and respectively: (i) Mr. Muhammad Shamim Khan (ii) Mrs. Qaiser Shamim Khan (iii) Mr. Adnan Ahmed Khan (iv) Mr. Nauman Ahmed Khan (v) Mrs. Sarah Hajra Khan.

The Company shall continue to carry out transactions with the related parties in the ordinary course of business till next the Annual General Meeting. The nature and scope of such related party transactions are explained above in the statement of relevant agenda item. Therefore, such transactions with related parties have to be approved by the shareholders. The shareholders may authorize the Chief Executive or his nominee to approve such transactions till the next Annual General Meeting.

#### **b) Authorization for the Board of Directors to approval related party transactions during the financial year ended Sep. 30, 2024**

The Company is and shall be conducting transactions of sale and purchase of goods with NBC, TICL & AIL during the financial year ending Sep. 30, 2024 and subsequently, in the ordinary course of business and at Arm's Length Basis as per the approved policy with respect to transactions with related parties in the normal course of business, and therefore, all the future transactions with NBC, TICL & AIL shall be approved by the Board of Directors on quarterly basis. Considering the interests/concerns of five out of seven Directors due to their common directorship and /or relationship with Directors of NBC, TICL & AIL, the related parties' transactions of the fiscal year 2024 are suggested to be placed before the shareholders.

Accordingly, approval of the shareholders is being sought to authorized Board of Directors of the Company to approve all transactions carry out with the related parties in the ordinary course of business till next the Annual General Meeting. The nature and scope of such related party transactions are explained above in the statement of relevant agenda item. Therefore, such transactions with related parties have to be approved by the shareholders. The shareholders may authorize the Chief Executive or his nominee to approve such transactions till the next Annual General Meeting for their formal approval/rectification.

There is no specific interest of the directors in these special resolutions, except that mentioned above.

# BALLOT PAPER

Ballot paper for voting through post for poll to be held at Annual General Meeting on 15:00 hours January 28, 2025 at Registered office 2-D-1, Gulberg III, Lahore.

## Baba Farid Sugar Mills Limited

Registered office, 2-D-1, Gulberg III, Lahore. (www.bfsml.com)

Designated email address of the Chairman at which the duly filled in ballot paper may be sent:  
qaiser.shamim@nbcpepsi.com

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	

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

Sr. No	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)																								
1.	<p><b>Special Resolution under Agenda No.5 of Notice of AGM</b></p> <p><b>“RESOLVED that</b> transactions carried out by the Company in the normal course of business with related parties for the period ended September 30, 2024 be and are hereby ratified, approved and confirmed”</p> <table border="1"> <thead> <tr> <th>Names(s)</th> <th>Nature of Transactions</th> <th>Transactions during the period Amount (PKR)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Naubahar Bottling Company (Pvt.) Limited</td> <td>Sale of Sugar</td> <td>841,905,596</td> </tr> <tr> <td>Paid/received/adjustment (net)</td> <td>841,905,596</td> </tr> <tr> <td rowspan="3">The Thal Industries Corporation Limited</td> <td>Sale - store items</td> <td>15,004,742</td> </tr> <tr> <td>Purchase - other items</td> <td>330,000</td> </tr> <tr> <td>Paid/ received/adjustment (net)</td> <td>14,674,742</td> </tr> <tr> <td rowspan="4">Almoiz Industries Limited</td> <td>Sale of scrap</td> <td>28,145,252</td> </tr> <tr> <td>Sale of store items</td> <td>2,860,025</td> </tr> <tr> <td>Paid/received/adjustment (net)</td> <td>22,220,873</td> </tr> <tr> <td>Purchase – steel items</td> <td>8,784,404</td> </tr> </tbody> </table>	Names(s)	Nature of Transactions	Transactions during the period Amount (PKR)	Naubahar Bottling Company (Pvt.) Limited	Sale of Sugar	841,905,596	Paid/received/adjustment (net)	841,905,596	The Thal Industries Corporation Limited	Sale - store items	15,004,742	Purchase - other items	330,000	Paid/ received/adjustment (net)	14,674,742	Almoiz Industries Limited	Sale of scrap	28,145,252	Sale of store items	2,860,025	Paid/received/adjustment (net)	22,220,873	Purchase – steel items	8,784,404			
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	Paid/received/adjustment (net)	22,220,873																										
	Purchase – steel items	8,784,404																										

<p><b>“FURTHER RESOLVED that</b> the Chief Executive Officer of the Company or his nominee be and is hereby authorized to approve all the transactions to be carried out in the normal course of business with related parties till the next Annual General Meeting of the Company and in this connection the Chief Executive Officer of the Company or his nominee be and is hereby authorized to take any and all necessary actions and sign/execute any and all such documents/ indentures as may be required in this regards on behalf of the Company”</p>			
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Signature of shareholder(s) \_\_\_\_\_ Place: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTES:**

1. Dully filled postal ballot should be sent to chairperson of BFSML Mrs. Qaiser Shamim Khan, 2-D-1, Gulberg III, Lahore, Pakistan. (email: qaiser.shamim@nbcpepsi.com)
2. Copy of CNIC should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before January 27, 2025. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.



# اطلاع سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ بابا فرید شوگر ملز لمیٹڈ کا 46 واں سالانہ اجلاس عام، بروز منگل 28 جنوری 2025ء بوقت 15:00 بجے رجسٹرڈ دفتر، 2-D-1، گلبرگ III، لاہور میں اور الیکٹرونک ڈیویڈنگ / ازوم اپیلی کیشن کے ذریعے درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

## عمومی امور

- 1- 27 جنوری 2024ء کو منعقدہ بابا فرید شوگر ملز لمیٹڈ کے 45 ویں سالانہ اجلاس عام کی کارروائی کی توثیق کرنا، جیسا کہ PSX کو جمع کرائی گئی۔
- 2- 30 ستمبر 2024ء کو ختم ہونے والے مالی سال کیلئے کمپنی کے سالانہ نظر ثانی شدہ مالی گوشوارے مع اہل ذمہ داروں اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظور کرنا۔
- 3- اگلے مالی سال 30 ستمبر 2024-25ء کیلئے کمپنی کے آڈیٹرز کا تقرر اور ان کے صلہ خدمت کا تعین کرنا۔ موجودہ آڈیٹرز میسرز بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کیلئے خود کو پیش کرتے ہیں۔
- 4- کمپنیز ایکٹ 2017 کی دفعہ 159 کی پروویژن کے مطابق 28 جنوری 2025ء سے شروع اگلے تین سالوں کی مدت کے لئے بورڈ آف ڈائریکٹرز کی طرف سے مقرر کردہ نو (09) ڈائریکٹرز کا انتخاب کرنا۔ ریٹائر ہونے والے ڈائریکٹرز مندرجہ ذیل ہیں:

- 1- جناب محمد شمیم خان
  - 2- جناب عدنان احمد خان
  - 3- محترمہ قیصر شمیم خان
  - 4- جناب نعمان احمد خان
  - 5- محترمہ سارہ ہاجرہ خان
  - 6- جناب فرید الدین احمد
  - 7- جناب منظور حسین ہمایوں
- ریٹائر ہونے والے تمام ڈائریکٹرز دوبارہ انتخاب کے اہل ہیں۔

## خصوصی امور:

- 5- غور و خوض اور کاروبار کے عام معمول میں متعلقہ پارٹیوں کے ساتھ لین دین کی منظوری دینا اور اگر مناسب خیال کیا گیا تو درج ذیل قرارداد کو معہ یا بلا ترمیم بطور خصوصی قرارداد منظور کرنا۔
- a- قرارداد پایا کہ 30 ستمبر 2024ء کو ختم ہونے والی مدت کے لئے متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں لین دین کمپنی کی طرف سے کیا گیا اور بذریعہ ہذا توثیق، منظور اور تصدیق کی جاتی ہے۔

رقم (پاکستانی روپے)	لین دین کی نوعیت	نام
841,905,596	چینی کی فروخت	نوبہار بوٹلنگ کمپنی (پرائیویٹ) لمیٹڈ
841,905,596	ادائیگی / وصولی / ایڈجسٹمنٹ (خالص)	
15,004,742	فروخت - اسٹور آئٹمز	تھل انڈسٹریز کارپوریشن لمیٹڈ
330,000	خریداری - دیگر آئٹمز	
14,674,742	ادائیگی / وصولی / ایڈجسٹمنٹ (خالص)	
28,145,252	سکرپ کی فروخت	المعرا انڈسٹریز لمیٹڈ
2,860,025	اسٹور آئٹمز کی فروخت	
22,220,873	ادائیگی / وصولی / ایڈجسٹمنٹ (خالص)	
8,784,404	خریداری - اسٹیل آئٹمز	

b- مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو آفیسر یا ان کا نامزدہ بذریعہ ہذا کمپنی کے اگلے سالانہ اجلاس عام تک متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں کئے جانے والے تمام لین دین کو منظور کرنے کے با اختیار ہیں اور اس سلسلے میں کمپنی کے چیف ایگزیکٹو آفیسر یا ان کا نامزدہ بذریعہ ہذا کمپنی کی جانب سے کوئی اور تمام ضروری عوامل کرنے اور کوئی اور تمام ایسے دستاویزات جو بھی اس بابت درکار ہوں دستخط کرنے کے مجاز ہیں۔

6- صاحب صدر کی اجازت سے کسی دیگر امر پر کارروائی کرنا۔

بحکم بورڈ

*Amay*

(محمد عمران)

کمپنی سیکرٹری

لاہور

24 دسمبر 2024ء

نوٹس:

1- حصص منتقلی کتابوں کی بندش:

کمپنی کی حصص منتقلی کتابیں 21 جنوری 2025ء تا 28 جنوری 2025ء (شامل دونوں تاریخیں) بند رہیں گی۔ مدت بندش کے دوران حصص کی کوئی منتقلی قابل قبول نہ ہوگی۔ تاہم، کمپنی کے شیئر رجسٹرار کے دفتر میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، گنگر آرکیڈ، K-1، کمرشل ماڈل ٹاؤن، لاہور فون نمبر: 042-35916719، ای میل ایڈریس: corplink786@gmail.com میں 20 جنوری 2025ء کو کاروبار کے اختتام (شام 05:00 بجے) تک موصولہ منتقلیاں نقد منافع منقسمہ (اگر کوئی ہو) کی ادائیگی کے استحقاق کے لئے بروقت تصور ہوگی۔

2- پراکسی کی تقرری:

AGM میں شرکت اور ووٹ دینے کا اہل رکن اپنی بجائے شرکت اور ووٹ دینے کے لئے کسی دیگر رکن کو بطور پراکسی مقرر کر سکتا ہے۔ پراکسی تقرری کے آلات کمپنی کے رجسٹرڈ دفتر میں AGM کے لئے مقررہ وقت سے کم از کم 48 گھنٹے قبل لازماً وصول ہو جانے چاہئیں۔

3- AGM کے لئے آن لائن انتظامات

AGM کے لئے آن لائن انتظامات: کمپنی نے اجلاس عام کے توہم اور دیگر لیگل اور ریگولیٹری ضروریات کی تعمیل کو بھی یقینی بناتے ہوئے دونوں فزیکل اور آن لائن انتظامات کئے ہیں۔ کمپنی کے حصص داران کی AGM میں الیکٹرونیکل ووٹنگ اور پراکسی کے ذریعے شرکت کو مستحکم کرنے کی حوصلہ افزائی کی جاتی ہے۔

(a) AGM میں آن لائن شرکت مثلاً زوم اپیلی کیشن: حصص داران AGM میں الیکٹرونیکل شرکت کے لئے حصص داران کی تصدیق اور شناخت کے لئے ضروری تمام فارمیٹیز مکمل کرنے کے بعد اپنے سہولت کے مقامات سے اپنے ذاتی سمارٹ فونز یا کمپیوٹرز کے ذریعے AGM کی کارروائی میں لاگ ان اور شرکت کر سکتے ہیں، لاگ ان سہولت AGM کے آغاز سے تقریباً آدھا گھنٹہ قبل کھولی جائے گی۔

(b) BFSML کے حصص داران، جو ڈیولنک کے ذریعے AGM میں الیکٹرونیکل شرکت کے خواہشمند ہیں سے درخواست ہے کہ 26-01-2025 کو کاروباری اوقات کے اختتام (05:00 p.m) تک یا قبل info@bfsml.com پر ای میل بھیج کر اپنے درج ذیل کوائف رجسٹر کروائیں۔

فونو / سی ڈی سی اکاؤنٹ	ملکیتی حصص کی تعداد	حصص دار کا نام	والد / خاندان کا نام	CNIC نمبر	موبائل فون نمبر / مہوٹس ایپ	فعال ای میل ایڈریس

ویڈیولنک اور/یا لاگ ان کریڈنشلز ان حصص داران کے ساتھ شیئر کی جائیں گی جن کی ای میل، جس میں تمام درخواست کی گئی تفصیلات شامل ہوں، مندرجہ بالا تاریخ / وقت تک یا اس سے قبل دیئے گئے ای میل ایڈریس پر وصول ہو جائیں گی۔ AGM میں آن لائن شرکت کا طریقہ کار / تقاضوں سے متعلق کسی بھی استفسار کے لئے، ممبرز براہ کرم کاروباری اوقات کے دوران مذکورہ بالا ای میل ایڈریس پر یا 92 42 3577 1066-71 پر رابطہ کر سکتے ہیں۔

(c) آن لائن تبصرے / تجاویز جمع کروانا:

حصص یافتگان کی یہ بھی حوصلہ افزائی کی جاتی ہے کہ وہ AGM کے مجوزہ ایجنڈا آئٹمز سے متعلق اپنے تبصرے / تجاویز تحریری طور پر [info@bsfsmi.com](mailto:info@bsfsmi.com) پر ای میل کے ذریعے 27-01-2025 کو کاروباری اوقات کے اختتام تک بھیجیں۔

#### 4-AGM میں شرکاء کی تصدیق اور شناخت:

ہر آن لائن شرکت کنندہ AGM میں تصدیق اور شناخت کے مقاصد کے لیے اپنی کمپیوٹرڈ یو اےس / موبائل وغیرہ کے صاف کیمرے کو فعال کر کے اپنی شناخت کی تصدیق کرے گا۔

(a) اجلاس میں شرکت کے لیے (i) واحد فرد کی صورت میں، اکاؤنٹ ہولڈر اور/یا ذیلی اکاؤنٹ ہولڈر جن کی رجسٹریشن کی تفصیلات سی ڈی سی کے ضوابط کے مطابق اپ لوڈ ہیں، اپنی شناخت کی تصدیق آن لائن AGM میں شرکت کے لیے ویڈیولنک / زوم ایپلیکیشن میں لاگ ان کے وقت اپنے اصل CNIC / پاسپورٹ معہ پارٹیشن آئی ڈی نمبر اور اکاؤنٹ نمبر کی آن لائن اسکین / تصویر جمع کروا کر کریں گے۔ (ii) کارپوریٹ ادارہ کی صورت میں، ویڈیولنک / زوم ایپلیکیشن میں لاگ ان کے وقت آن لائن AGM میں شرکت کے لیے بورڈ کی قرارداد کی اسکین / تصویر یا پاور آف اٹارنی نامزد شخص کے نمونے کے دستخط کے ساتھ آن لائن جمع کرایا جائے گا (جب تک یہ پہلے فراہم نہ کیا گیا ہو)۔

(b) پراسیز کی تقرری کے لیے (i) واحد فرد کی صورت میں، اکاؤنٹ ہولڈر اور/یا ذیلی اکاؤنٹ ہولڈر، جن کی رجسٹریشن کی تفصیلات سی ڈی سی کے ضوابط کے مطابق اپ لوڈ ہیں، مندرجہ بالا تقاضوں کے مطابق پراسیز کی اسکین / تصویر جمع کرائیں گے۔ (ii) پراسیز فارم (i) - 50 روپے کے رسیدی ٹکٹ چسپاں کے ساتھ صحیح طور پر مہر شدہ ہوگا اور (ii) دو افراد کی گواہی ہوگی، جن کے نام، پتے اور CNIC نمبر پراسیز فارم پر درج ہوں گے۔ (iii) پراسیز فارم کے ہمراہ پیشکش مالکان اور پراسیز کے CNIC یا پاسپورٹ کی تصدیق شدہ کاپیاں پیش کی جائیں گی۔ (iv) پراسیز آن لائن AGM میں شرکت کے لیے ویڈیولنک / زوم ایپلیکیشن پر لاگ ان کے وقت اپنے اصل CNIC یا پاسپورٹ کی اسکین / تصویر جمع کرائے گا۔ (v) کارپوریٹ ادارہ کی صورت میں، پراسیز فارم کے ہمراہ کمپنی کو آن لائن AGM میں شرکت کے لیے ویڈیولنک / زوم ایپلیکیشن میں لاگ ان کے وقت بورڈ کی قرارداد کی اسکین / تصویر یا پاور آف اٹارنی اس پر نمونہ کے دستخط کے ساتھ آن لائن جمع کرائے جائیں گے (جب تک یہ پہلے فراہم نہ کیا گیا ہو)۔

#### 5- شیئر ہولڈرز کی طرف سے خط و کتابت:

حصص یافتگان کو کسی بھی مقصد، بشمول لیکن محدود نہیں AGM میں آن لائن شرکت، AGM میں مجوزہ ایجنڈا آئٹمز پر تبصرے اور تجاویز / حصص کی منتقلی اور ترسیل، اور CNIC / NICOP / پاسپورٹ # IBAN / خط و کتابت کا پتہ / ای میل پتہ / موبائل فون # وغیرہ میں تبدیلیاں / اپ ڈیٹس کے لیے کمپنی اور/یا کمپنی کے شیئر رجسٹرار کے ساتھ تمام خط و کتابت میں اپنے متعلقہ فونو / سی ڈی ایس اکاؤنٹ نمبر کا حوالہ دے کر اپنی شناخت ثابت کرنی چاہیے۔

#### 6- وڈیو کانفرنس سہولت

اگر کمپنی کو جغرافیائی محل وقوع پر کوئی مجموعی 10% یا زیادہ شیئر ہولڈنگ کے مالک ممبران سے اجلاس میں بذریعہ وڈیو کانفرنس شرکت کیلئے رضامندی AGM کی تاریخ سے کم از کم 7 یوم قبل وصول ہوتی تو، کمپنی اس شہر میں ایسی سہولت کی دستیابی کے حوالہ سے شہر میں وڈیو کانفرنس سہولت کا انتظام کرے گی۔





ذریعے بتائے جائیں گے۔ (ii) شیئر ہولڈرز کی شناخت کی تصدیق الیکٹرانک دستخطوں / لاگ ان کی تصدیق کے ذریعے کی جائے گی۔ (iii) ای دوئنگ لائسنس 24 جنوری 2025 کو 9:00 بجے کھلیں گی اور 27 جنوری 2025 کو 17:00 بجے بند ہوں گی۔ اس مدت کے دوران ووٹ ڈالے جانے کے بعد کسی تبدیلی کی اجازت نہیں ہوگی۔

(b) ڈاک کے ذریعے دوئنگ کا طریقہ کار: شیئر ہولڈرز بیلٹ پیپر کو مکمل اور دستخط کر کے اور اسے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی موثر اور صاف کاپی کے ساتھ یا تو اسٹین اور ای میل کے ذریعے یا کوریئر / ڈاک کے ذریعے 27 جنوری 2025 تک بیلٹ پیپر پر درج پتہ پر بھیج سکتے ہیں۔ بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہونا چاہیے۔

## 12۔ فزیکل شیئر سرٹیفیکیشن کو بک انٹری فارم میں تبدیل کرنا:

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق تمام موجودہ کمپنیوں کے کمپنیز ایکٹ 2017 کے آغاز کی تاریخ سے چار سال کی مدت کے اندرون اپنے فزیکل شیئر زکو بک انٹری فارم میں تبدیل کرنا ضروری ہے۔ سیکورٹیز ایکسچینج کمیشن آف پاکستان (SECP) اپنے سرکلر نمبر CSD/ED/Misc. /2016-639-640 مورخہ 26 مارچ 2021 کے ذریعے مندرجہ کمپنیوں کو ہدایت کی ہے کہ وہ اپنے ممبران جو ابھی بھی فزیکل شکل میں حصص رکھتے ہیں کو ان کے حصص کو بک انٹری فارم میں تبدیل کراویں۔

ہم نے BFSML کے ایسے تمام ممبران جو فزیکل فارم میں شیئر زکو بک انٹری فارم میں تبدیل کر رہے ہیں سے درخواست کی ہے کہ وہ اپنے شیئر زکو بک انٹری فارم میں تبدیل کریں۔ انہیں یہ بھی ہدایت کی جاتی ہے کہ وہ سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ یا پاکستان اسٹاک ایکسچینج کے کسی بھی فعال ممبر / اسٹاک بروکر سے رابطہ کر کے سی ڈی سی میں اکاؤنٹ کھولیں تاکہ فزیکل شیئر زکو بک انٹری فارم میں تبدیل کیا جاسکے۔

شیئر ہولڈرز بک انٹری فارم میں فزیکل شیئر زکو بک انٹری فارم میں تبدیل کرنے کے فوائد کو سمجھنے کے لئے کمپنی کے شیئر رجسٹرار (میسرز کارپوریشن (پرائیویٹ) لمیٹڈ) سے رابطہ کر سکتے ہیں۔

## 13۔ لازمی معلومات۔ (ای میل، IBAN، CNIC اور زکوٰۃ ڈیکلیریشن)

کمپنیز ایکٹ 2017 کے سیکشن 119 اور ریگولیشن 19 کمپنیز (جنرل پروویڈنڈ فارمز) ریگولیشنز، 2018 کے مطابق ممبران سے درخواست کی جاتی ہے کہ وہ اپنی لازمی معلومات جیسے کہ CNIC نمبر، اپ ڈیٹ شدہ میٹنگ ایڈریس، ای میل، رابطہ موبائل / ٹیلی فون نمبر اور بین الاقوامی بینکنگ اکاؤنٹ نمبر (IBAN) اپنے CNIC کی ایک کاپی کے ساتھ ہمارے ریکارڈ کو اپ ڈیٹ کرنے اور قانون کی عدم تعمیل سے بچنے کے لیے فوری طور پر فراہم کریں، بصورت دیگر تمام ڈیویڈنڈز (ڈیویڈنڈز کی تقسیم) ریگولیشنز، 2017 کے ضابطے 6 کے مطابق روک لیا جائے گا۔

ممبران سے درخواست ہے کہ زکوٰۃ و عشر آرڈیننس 1980 کے مطابق ڈیکلیریشن (CZ-50) جمع کروائیں تاکہ زکوٰۃ سے استثنیٰ بروکر / CDC (سی ڈی ایس شیئر ہولڈرز کی صورت میں) اور کمپنی کے شیئر رجسٹرار (فزیکل شیئر ہولڈرز کی صورت میں) کو جمع کرایا جائے، پھر ڈیویڈنڈز استحقاق رجسٹر میں اس کی زکوٰۃ کی حیثیت مسلم زکوٰۃ قابل اداگی کے طور پر پائی جاسکتی ہے، اور کمپنی کو اس کے نقد منافع منقسمہ کی مجموعی رقم سے ہر شیئر کی اصل قیمت کے 2.5% پر زکوٰۃ کی لازمی کٹوتی کرنے پر پابند کیا جائے گا۔

## کمپنی ایکٹ 2017 کی دفعہ (3) 166 کے تحت مادی حقائق کا بیان

بیان ہذا بروز منگل 28 جنوری 2025 کو بوقت 15:00 بجے رجسٹرڈ دفتر 2-D-1، گلبرگ III، لاہور میں اور الیکٹرونک ڈیویڈنڈ ازوم اپیلی کیشن کے ذریعے منعقد ہونے والے باافریڈ شوگر ملز لمیٹڈ کے 46 ویں سالانہ اجلاس عام (AGM) میں منعقد ہونے والے ڈائریکٹرز کے انتخابات پر مشتمل کمپنیز ایکٹ 2017 کی دفعہ (3) 166 کے تحت مادی حقائق کی وضاحت کرتا ہے۔

#### ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب:

(i) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2017 کی دفعہ (1) 153 کے مطابق بورڈ آف ڈائریکٹرز نے 24.12.2024 کو منعقدہ اپنے اجلاس میں اگلے انتخابات کے لئے ڈائریکٹروں کی تعداد نو (09) مقرر کی ہے جن کا انتخاب تین سال کی مدت کے لئے AGM میں کیا جاتا ہے۔

(ii) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2019 (ii) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2019

ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب:

(i) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2017 کی دفعہ (1) 153 کے مطابق بورڈ آف ڈائریکٹرز نے 24.12.2024 کو منعقدہ اپنے اجلاس میں اگلے انتخابات کے لئے ڈائریکٹروں کی تعداد نو (09) مقرر کی ہے جن کا انتخاب تین سال کی مدت کے لئے اے جی ایم میں کیا جاتا ہے۔

(ii) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2019 (ii) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2019 کے رول (1) 6 کے تحت بورڈ پر ضروری آزاد ڈائریکٹروں کا انتخاب کمپنیز ایکٹ-2017 کی دفعہ 159 کے تحت ڈائریکٹرز کے انتخاب کے عمل کے ذریعے کیا جائے گا۔

(iii) اس کے مطابق، 2019-CCGR کے رول 7A کی شقوں کی تعمیل میں، ڈائریکٹروں کا انتخاب مندرجہ ذیل کیٹگریوں کے لئے الگ الگ منعقد کیا جاسکتا ہے:

نمبر شمار	کیٹگریاں	نشستوں کی تعداد
1.	خاتون ڈائریکٹر	3
2.	آزاد ڈائریکٹرز	3
3.	دیگر ڈائریکٹرز	3

(iv) تعلیمی تھمن داروں کے مفادات کے تحفظ کے لئے، کوئی بھی رکن مذکورہ بالا کیٹگریوں میں سے کسی میں بھی انتخاب لڑنے کے لئے اپنی نامزدگی بھیج سکتا ہے۔

(v) کوئی بھی رکن جو ڈائریکٹرز کا انتخاب لڑنا چاہتا ہے وہ کمپنی کے رجسٹرڈ دفتر 2-D-1، گلبرگ III، لاہور میں AGM سے چودہ دن قبل دستاویزات اور معلومات جمع کرائے گا جس کی تفصیل درج ذیل ہے۔

(a) 2017-CA کی دفعہ (3) 159 کے تحت ڈائریکٹرز کے انتخاب کے لئے خود کو پیش کرنے کے ارادے کا باقاعدہ دستخط شدہ نوٹس، اور آزاد اور خواتین کیٹگریوں کی صورت میں، ان میں سے کسی ایک کیٹگری کا مناسب انتخاب جس میں وہ اپنے پروفائل کے ساتھ ڈائریکٹر کے انتخاب میں حصہ لینے کا ارادہ رکھتا ہے؛

(b) ایجنڈا آئٹم نمبر 4: ڈائریکٹرز کا انتخاب: 2017 اور کمپنیز ریگولیشنز 2024 ("CR-2024") کے تحت مقرر کردہ فارم 9 پر 2019-CCGR کے رول (8) 7A کے ساتھ ملا کر پڑھیں 2017-CA کی دفعہ (1) 167 کے تحت ڈائریکٹرز کی حیثیت سے کام کرنے کے لئے باضابطہ دستخط شدہ رضامندی؛

(c) اس کے کارآمد کمپیوٹرائزڈ ذمہ داری شہادت نامی کارڈ (سی این آئی سی) کی کاپی؛

(d) 2019-CCGR کے تقاضوں کے مطابق ہونے، 2017-CA کے تحت فرائض، اختیارات اور ذمہ داریوں کے بارے میں آگاہی، 2019-CCGR، پاکستان اسٹاک ایکسچینج لمیٹڈ کی رول بک، سیکورٹیز ایکٹ، 2015، میمورنڈم اینڈ آرٹیکلز آف ایسوسی ایشن آف دی کمپنی اور دیگر متعلقہ قوانین و ضوابط؛ (b) فہرست شدہ کمپنی کے ڈائریکٹر کے طور پر کام کرنے کے لئے 2017-CA میں بیان کردہ اہلیت کا معیار؛ (c) آزاد ڈائریکٹر کیٹگری، 2019-CCGR کے تحت ضروری 2017-CA کی دفعہ (2) 166 کے مطابق آزادی

کا باقاعدہ دستخط شدہ اعلامیہ؛ e. بی ایف ایس ایم ایل کے 2500 حصص کو کوآلیٹیشن شیئرز کے طور پر رکھنے کا ثبوت، اگر پہلے سے فراہم نہیں کیا گیا ہے اور کوئی دیگر اہم اور متعلقہ معلومات. f. دیگر کمپنیوں میں دیگر عہدوں اور ڈائریکٹرشپس کے انعقاد کی تفصیلات بشمول گلوبل فائدہ مند ملکیت کی تفصیلات اور مجموعی فائدہ مند ملکیت کی تفصیلات؛ g. فزیکل اور الیکٹرانک خط و کتابت کے لئے مکمل دفتر اور رہائشی پتہ، فعال ذاتی ای میل ایڈریس اور اس کے شناختی کارڈ رجسٹرڈ موثر سیل فون نمبر۔

(vi) آزاد اور خاتون ڈائریکٹروں کی کنگڈم کے لئے موصول ہونے والے کسی بھی نوٹس کو CA-2017 کی دفعہ 166 اور CCGR-2019 کے رول 7A کے تحت متعین کردہ کمپنی کی طرف سے مناسب جانچ پڑتال سے مشروط کیا جائے گا۔

(vii) تمام کنگڈم یوں میں ڈائریکٹرز کے انتخاب میں حصہ لینے والے امیدواروں کی حتمی فہرست کمپنیز ایکٹ 2017 کی دفعہ 159(4) اور CCGR-2019 کے رول 7A(10) کے مطابق AM کی تاریخ سے سات (7) دن پہلے جاری کی جائے گی اور اس کے مطابق کمپنی کی ویب سائٹ [www.bfsmi.com](http://www.bfsmi.com) اپ ڈیٹ کی جائے گی۔

(viii) آزاد ڈائریکٹروں کے انتخاب کے لئے جواز؛ a۔ آزاد ڈائریکٹرز کے پاس آزاد ڈائریکٹرز کے طور پر موثر کردار ادا کرنے کے لئے کافی علم، مہارت اور مہارت ہوگی۔ کم از کم دو آزاد ڈائریکٹرز کو بورڈ کی کمیشنوں کی صدارت کرنا ضروری ہوگی جیسے بورڈ کی آڈٹ کمیٹی کے چیئرمین اور بورڈ کی انسانی وسائل اور معاوضہ کمیٹی۔ (b) آزاد ڈائریکٹرز انکیشن کی تاریخ سے ایک سال کے اندر ایس ای سی پی کے منظور شدہ اداروں سے ڈائریکٹرز ٹریننگ پروگرام میں شرکت کے خواہشمند ہوں گے۔ آزاد ڈائریکٹرز کے نام پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس (پی آئی سی جی) کے زیر انتظام ڈیٹا بینک میں ان کی تحریری رضامندی کے ساتھ رجسٹرڈ ہونا ضروری ہے۔ آزاد ڈائریکٹرز کو CA-2017 کی دفعہ 166(2) میں بیان کردہ آزادی کے معیار کے لحاظ سے اہل ہونا چاہئے، اور CA-2017 کی دفعہ 166(1) کی دفعات کے تحت ضرورت کے مطابق لسٹڈ کمپنی کے بورڈ میں آزاد ڈائریکٹرز کے طور پر کام کرنے کے لئے تیار ہونا چاہئے۔ f. اے 2017 کی دفعہ 166 کی ذیلی شق 2 کی شق (بی) کے تحت بیان کردہ کوئی بھی صورت آزاد ڈائریکٹرز کے حوالے سے موجود نہیں ہوگی۔ (ix) ڈائریکٹرز، سپانسرز، اکثریتی شیئر ہولڈرز اور ان کے رشتہ دار بلا واسطہ یا بالواسطہ طور پر آزاد ڈائریکٹرز کے انتخاب میں دلچسپی نہیں رکھتے ہوئے اس حد تک کہ کمپنی میں ان کے پاس حصص موجود ہیں۔

## کمپنیز ایکٹ 2017 کی دفعہ (3) 134 کے تحت مادی حقائق کا بیان

بیان ہذا 28 جنوری 2025 کو بوقت 15:00 بجے رجسٹرڈ دفتر 1-D-2 گلبرگ III، لاہور میں اور الیکٹرانک ڈیولنک ازوم اپیلی کیشن کے ذریعے منعقد ہونے والے با با فرید شوگر ملز لمیٹڈ کے 46 ویں سالانہ اجلاس عام (AGM) میں انجام دیئے جانے والے خصوصی امور پر مشتمل مادی حقائق کی وضاحت کرتا ہے۔

### کمپنیز ایکٹ، 2017 کی دفعہ (3) 134 کے تحت بیان

سال کے دوران شریک کمپنی کے ساتھ تمام لین دین کیا گیا، چنانچہ، یہ لین دین کمپنی کے حصص یافتگان کے روبرو ان کی منظوری کے لئے رکھا گیا ہے۔

(a) AGM نوٹس کا ایجنڈا اسٹم نمبر 5: متعلقہ پارٹی لین دین کی توثیق اور منظوری (شرک کمپنیاں):

کمپنی نو بہار بونٹنگ کمپنی (پرائیویٹ) لمیٹڈ، ٹھل انڈسٹریز کارپوریشن لمیٹڈ اور المعز انڈسٹریز لمیٹڈ (کمپنی کی ایسوسی ایٹڈ انڈر ٹیکنگ) کے ساتھ یکم اکتوبر 2023 سے شروع 30 ستمبر 2024 کو ختم ہونے والی مدت تک کاروبار کے عام معمول کے مطابق سامان کی فروخت اور خریداری کا لین دین کرے گی۔ کمپنیوں کے مابین قیمتوں، شرائط و ضوابط اتفاق رائے سے کمپنی کی متعلقہ پارٹی ٹرانزیکشن پالیسی کے تحت قابل رسائی بنیاد پر ہیں۔ کمپنی کے ڈائریکٹرز مشیر ڈائریکٹرز کے سوائے، بلا واسطہ یا بالواسطہ کی کوئی دلچسپی نہیں رکھتے ہیں۔ تمام معاون دستاویزات کے ہمراہ تمام لین دین کی تفصیلات پر مشتمل ریکارڈ قانونی تقاضوں کے مطابق برقرار رکھا گیا ہے اور کمپنی کے رجسٹرڈ آفس میں دستیاب ہے۔

قابل اطلاق قیمت پالیسی سمیت لین دین کی نوعیت اور مقدار کے بارے میں تفصیل ذیل میں دی گئی ہے:

نام	لین دین کی نوعیت	رقم (پاکستانی روپے)	پرائسنگ پالیسی
نو بہار بونٹنگ کمپنی (پرائیویٹ) لمیٹڈ	چینی کی فروخت ادا ہنگی / وصولی / ایڈجسٹمنٹ (خالص)	841,905,596 841,905,596	BFSML اور NBC کے مابین منظور شدہ معاہدہ ، متعلقہ پارٹی ٹرانزیکشن پالیسی اور AGM میں حصص داران کی منظوری کے مطابق
تھل انڈسٹریز کارپوریشن لمیٹڈ	فروخت - اسٹور آؤٹ خریداری - دیگر آؤٹ ادا ہنگی / وصولی / ایڈجسٹمنٹ (خالص)	15,004,742 330,000 14,674,742	BFSML اور TICL کے مابین منظور شدہ معاہدہ ، متعلقہ پارٹی ٹرانزیکشن پالیسی اور AGM میں حصص داران کی منظوری کے مطابق
المعر انڈسٹریز لمیٹڈ	سکرپ کی فروخت اسٹور آؤٹ کی فروخت ادا ہنگی / وصولی / ایڈجسٹمنٹ (خالص) خریداری - اسٹیل آؤٹ	28,145,252 2,860,025 22,220,873 8,784,404	BFSML اور AIL کے مابین منظور شدہ معاہدہ ، متعلقہ پارٹی ٹرانزیکشن پالیسی اور AGM میں حصص داران کی منظوری کے مطابق

ڈائریکٹرز ایسوسی ایٹڈ اداروں میں اپنی مشترکہ ڈائریکٹرشپ کی حد تک قرارداد میں دلچسپی رکھتے ہیں۔ باہر فریڈ شوگر ملز لمیٹڈ میں المعر انڈسٹریز لمیٹڈ، تھل انڈسٹریز کارپوریشن لمیٹڈ اور نو بہار بونٹنگ کمپنی (پرائیویٹ) لمیٹڈ کے مشترکہ ڈائریکٹرز تھے اور وہ بالترتیب ہیں: (1) جناب محمد شمیم خان (2) محترمہ قیصر شمیم خان (3) جناب عدنان احمد خان (4) جناب نعمان احمد خان (5) محترمہ سارہ ہاجرہ خان۔

کمپنی اگلے سالانہ اجلاس عام تک کاروبار کے عام معمول میں متعلقہ فریقوں کے ساتھ لین دین جاری رکھے گی۔ ایسے متعلقہ فریقین کے ساتھ لین دین کی نوعیت اور اسکوپ کی متعلقہ ایجنڈا آئٹم کے بیان میں وضاحت کی گئی ہے۔ لہذا، متعلقہ فریقوں کے ساتھ اس طرح کے لین دین کو حصص یافتگان کو منظور کرنا ہوگا۔ حصص یافتگان اگلے سالانہ اجلاس عام تک چیف ایگزیکٹو ایس کے نامزد کردہ شخص کو اس طرح کے لین دین کی منظوری دینے کا اختیار دے سکتے ہیں۔

(b) بورڈ آف ڈائریکٹرز کو 30 ستمبر، 2024 کو ختم ہونے والے مالی سال کے دوران متعلقہ پارٹی لین دین کی منظوری کی اجازت کمپنی 30 ستمبر 2024 کو ختم ہونے والے مالی سال کے دوران این بی سی، ٹی آئی سی ایل اور اے آئی ایل کے ساتھ سامان کی خرید و فروخت اور اس کے علاوہ عام طور پر کاروبار کے سلسلے میں متعلقہ فریقوں کے ساتھ لین دین کے سلسلے میں منظور شدہ پالیسی کے مطابق قابل رسائی قیمتوں کی بنیاد پر لین دین کرے گی اور لہذا، این بی سی، ٹی آئی سی ایل اور اے آئی ایل کے ساتھ مستقبل میں ہونے والے تمام لین دین کو سماہی بنیاد پر بورڈ آف ڈائریکٹرز کی طرف سے منظور کیا جائے گا۔ مشترکہ ڈائریکٹرشپ اور/یا این بی سی، ٹی آئی سی ایل اور اے آئی ایل کے ڈائریکٹرز کے ساتھ تعلقات کی وجہ سے سات میں سے پانچ ڈائریکٹرز کے مفادات / خدشات پر غور کرتے ہوئے، مالی سال 2024 کے متعلقہ فریقوں کے لین دین کو شیئر ہولڈرز کے روبرو رکھنے کی تجویز دی گئی ہے۔

اس کے مطابق، اگلے سالانہ اجلاس عام تک کاروبار کے عام معمول میں متعلقہ فریقوں کے ساتھ لین دین کرنے کی منظوری کے لئے کمپنی بورڈ آف ڈائریکٹرز کو اختیار دینے کے لئے حصص داران کی منظوری درکار ہے۔ ایسے متعلقہ فریقین کے ساتھ لین دین کی نوعیت اور اسکوپ کی متعلقہ ایجنڈا آئٹم کے بیان میں وضاحت کی گئی ہے۔ لہذا، متعلقہ فریقوں کے ساتھ اس طرح کے لین دین کو حصص یافتگان کو منظور کرنا ہوگا۔ حصص یافتگان اگلے سالانہ اجلاس عام تک چیف ایگزیکٹو ایس کے نامزد کردہ شخص کو اس طرح کے لین دین کی منظوری دینے کا اختیار دے سکتے ہیں۔

ان خصوصی قراردادوں میں، مذکورہ بالا کے سوائے ڈائریکٹرز کی کوئی خاص دلچسپی نہیں ہے۔

.....XXX.....

# بیلٹ پیپر

مورخہ 28 جنوری 2025 کو 15:00 بجے رجسٹرڈ دفتر، 2-D-1، گلبرگ II، لاہور میں منعقد ہونے والے سالانہ اجلاس عام میں ڈاک کے ذریعے دو ٹنگ کے لئے بیلٹ پیپر۔

بابا فرید شوگر ملز لمیٹڈ

رجسٹرڈ دفتر، 2-D-1، گلبرگ II، لاہور (www.bfsm.com)

چیئر مین کا مقررہ ای میل ایڈریس، جس پر صحیح طریقے سے پُر شدہ بیلٹ پیپر بھیجے جاسکتے ہیں kaiser.shamim@nbcpepsi.com

شیر ہولڈر/جوائنٹ شیر ہولڈر کا نام:	
رجسٹرڈ ایڈریس:	
ملکیتی حصص کی تعداد اور فولیو نمبر	
CNIC نمبر (کاپی منسلک ہونی چاہئے)	
اضافی معلومات اور وضاحتیں (بصورت باڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندگان)	

میں/ہم مندرجہ ذیل قراردادوں کے سلسلے میں اس پوٹنل بیلٹ کے ذریعے اپنا/اپنے ووٹ استعمال کرتے ہیں اور ذیل میں مناسب باکس میں ٹک (✓) کا نشان لگا کر مندرجہ ذیل قراردادوں پر اپنی رضامندی یا اختلاف رائے دیتے ہیں:

نمبر شمار	قرارداد کی نوعیت اور تفصیل	عام حصص کی تعداد جن کے لئے ووٹ کاسٹ کئے جائیں گے	میں/ہم قرارداد پر رضامند ہیں (FOR)	میں/ہم قرارداد کے خلاف ہیں (AGAINST)
1	AGM نوٹس کے ایجنڈا آئٹم نمبر 4 کے تحت خصوصی قرارداد قرار پایا کہ 30 ستمبر 2024 کو ختم ہونے والی مدت کے لئے متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں لین دین کمپنی کی طرف سے کیا گیا اور بذریعہ ہذا توثیق، منظور اور تصدیق کی جاتی ہے۔			
	نام	لین دین کی نوعیت	رقم (پاکستانی روپے)	
	نوبہار بونٹنگ کمپنی	کمپنی کی فروخت	841,905,596	
	(پرائیویٹ) لمیٹڈ	ادائیگی/وصولی/ایڈجسٹمنٹ (خالص)	841,905,596	
	تھل انڈسٹریز کارپوریشن	فروخت - اسٹور آئٹمز	15,004,742	
	لمیٹڈ	خریداری - دیگر آئٹمز	330,000	
		ادائیگی/وصولی/ایڈجسٹمنٹ (خالص)	14,674,742	
	المعرا انڈسٹریز لمیٹڈ	سکرپ کی فروخت	28,145,252	
		اسٹور آئٹمز کی فروخت	2,860,025	
		ادائیگی/وصولی/ایڈجسٹمنٹ (خالص)	22,220,873	
		خریداری - اسٹیل آئٹمز	8,784,404	



			مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو آفیسر یا ان کا نامزدہ بذریعہ ہذا کمپنی کے اگلے سالانہ اجلاس عام تک متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں کئے جانے والے تمام لین دین کو منظور کرنے کے با اختیار ہیں اور اس سلسلے میں کمپنی کے چیف ایگزیکٹو آفیسر یا ان کا نامزدہ بذریعہ ہذا کمپنی کی جانب سے کوئی اور تمام ضروری عوامل کرنے اور کوئی اور تمام ایسے دستاویزات جو بھی اس بابت درکار ہوں دستخط کرنے کے مجاز ہیں۔
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تاریخ

مقام

شیئر ہولڈر کے دستخط

نوٹس:

- 1- صحیح طریقے سے پُر شدہ پوسٹل بیلٹ BFSML کی چیئر پرسن محترمہ قیصر شمیم خان، کو 1 - D - 2، گلبرگ III، لاہور 54000 (ای میل: qaisar.shamim@nbcpepsi.com) پر بھیجنا چاہیے۔
- 2- CNIC کی کاپی پوسٹل بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔
- 3- پوسٹل بیلٹ فارم 27 جنوری 2025 کو یا قبل صدر اجلاس تک پہنچ جانے چاہئیں۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ وونٹک کے لیے قبول نہیں کیا جائے گا۔
- 4- بیلٹ ہیپر پر دستخط CNIC کے دستخط سے مماثل ہونا چاہئے۔
- 5- نامکمل، بغیر دستخط شدہ، غلط، کاٹ کر لکھا ہوا، پھنسا ہوا، مسخ شدہ، دوبارہ لکھا ہوا بیلٹ ہیپر مسترد کر دیا جائے گا۔



## CHAIRMAN'S REVIEW

I am pleased to present this report to the shareholders of Baba Farid Sugar Mills Limited (the Company) for a year that has been marked by both challenges and opportunities. Our organization has navigated through a dynamic environment, where global market fluctuations, regulatory changes, and weather patterns had a significant impact on the industry. However, despite these headwinds, we continue to demonstrate resilience and are well-positioned for sustainable growth.

The global sugar market has seen several shifts over the past year. Prices have been influenced by factors such as changing crop yields in key producing regions, international trade policies, and growing demand for sugar-based products.

Domestically, our sugar sector faced its own set of challenges, including fluctuating sugarcane yields, climate uncertainty, and increasing production costs. Despite these challenges, we have been able to leverage our strong market presence and efficient operational practices to maintain a competitive edge.

The agriculture sector has shown a growth of 6.25 percent in 2023-24 compared to 2.27 percent last year, driven by healthy growth in important crops. Specifically, there was a significant growth of 16.82 percent in the production of major Crops, but the sugarcane production declined by 0.4 percent. Sugarcane production was at 87.6 million tonnes compared to last year's 88.0 million tonnes.

Industrial Sector grew by 1.21 percent in FY 2024 compared to contraction of 3.74 percent last year. The sub-sector large-scale

manufacturing (LSM), representing domestic industrial production, has been consistently recovering

The year 2024 was also very challenging one for the overall economy. Pakistan's economy began to show signs of resilience and stability after facing significant challenges during FY 2023. The economy was hit by international supply shocks and domestic natural disasters (floods) in FY 2023. These events increased the country's vulnerabilities as it was recovering from the pandemic, leading to a negative GDP growth rate. GDP growth was on rise, while inflation continued to trend downward in later part of this year. These positive developments were attributed to the government's resilient policy management and renewed support from both multilateral and bilateral partners. Despite the challenges, the government successfully completed the IMF Stand-By Arrangement (SBA) program. Looking ahead, the government anticipates a new 3-year IMF program to support the external sector further and encourage investment flows, aiming to steer the economy toward its potential growth. Amid these positive developments, GDP growth reached 2.38 percent in FY 2024.

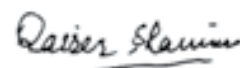
We believe in steadily improving the governance framework of the Company. For this purpose, a formal and effective mechanism in place for evaluation of the Board. Therefore, as required under the Code of Corporate Governance, an annual evaluation of the Board of the Company was carried out. The purpose was to ensure and measure the Board's overall performance and effectiveness and benchmarking against expectations in the context of objectives set for the Company. The Board made arrangements for orientation of Directors to acquaint them with the Rules, Regulations & Laws issued by the Regulatory Authorities to enable them to effectively govern the affairs of the Company for and on behalf of the shareholders.

The Board met the duties as required under the Companies Act, 2017 and the Code of Corporate Governance, applicable to the Company which include approval of significant policies, establishing a sound system of internal controls, approval of budgets and financial results, along with approval of significant investments. The Audit Committee and the Human Resource & Remuneration Committee were chaired by the independent director, indicating our commitment

to the highest levels of governance and transparency. The Audit Committee has continued to supervise the financial reporting processes and ensuring timely and accurate communication of information to all stakeholders.

The Board ensures that reasonable time is available for discussion on the agenda during Board Meetings. All written notices, including the agenda, supporting documents and other working papers of meetings were circulated with-in a reasonable time prior to the meetings. Further, the Board has a fiduciary responsibility for the proper direction and control of the activities of the Company. This responsibility includes such areas of stewardship as the identification and control of the Company's business risks, the integrity of management information systems and transparent reporting to shareholders. The Company continues to deal with the current challenging business environment and strategic changes to improve the future sustainability. The Board is fully responsive and actively guided the Management. I am confident that the Management will successfully device necessary adjustments in the Company's operations, financial management and growth strategy. Looking ahead, the Company aims to further enhance its competitive position by expanding allowable manufacturing capabilities, strengthening research and development by leveraging its expertise. The Board and management are focused on creating enduring value for all stakeholders through improved operational efficiencies, cost controls, portfolio diversification and leveraging strong customer relationships.

I would like to place on record, my sincere appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affairs and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah. We also thank all the Government functionaries, banking and non-banking financial institutions, suppliers and shareholders for their continued support and cooperation for the betterment and prosperity of the Company.



Lahore:  
24 December, 2024

Mrs. Qaiser Shamim Khan  
Chairperson

# DIRECTOR'S REPORT TO THE MEMBERS



On behalf of the Board of Directors (BOD), we are pleased to present the Annual Report of Baba Farid Sugar Mills Limited (BFSML) for the year ended September 30th, 2024 along with the audited financial statements and Auditors' Report thereon.

## BUSINESS ENVIRONMENT REVIEW

FY24 began with high inflationary pressure, tight monetary measures and fiscal pressures. Hence, financial year under review happened to be another year of economic challenges and uncertainties.. GDP growth remained at about 2.4% whereas large scale manufacturing also witnessed a marginal rise reflecting the subdued economic activity across the board.

Persistent high levels of inflation and interest rates throughout the year continued to impact the cost of doing business while simultaneously eroding purchasing power of consumers thus suppressing the overall demand.

However, some improvements were witnessed towards the end of the year when economy was judged to have left the worst behind it and gradually to be on its way out of an economic crisis. The import and currency restrictions that

rippled businesses at large have now eased off.

## Industry Review

Pakistan has a diversified economic base with the agriculture sector, contributing 24 percent in GDP and 37.4 percent in employment. The predominance of agriculture in the economy indicates that agricultural growth is a critical driver of economic growth, employment, and poverty reduction, given its linkages with the other sectors.

Sugarcane is the fourth largest and second most important cash crop of Pakistan. It provides valuable by-product (sugarcane tops) as fodder for livestock during winter. Being tropical crop sugarcane needs sunshine, water and heat; therefore, in Pakistan it is cultivated mainly in Punjab, Sindh and Khyber Pakhtunkhwa. It provides raw material to the 2nd largest agro-based sugar industry. It provides directly and/or indirectly employment to millions of rural farming and non-farming community.

This year the sugarcane posted negative growth of 0.39 percent , with a production of 87.64 million tonnes against 87.98 million tonnes last year.

For crushing season 2023-24, the Punjab government set the minimum support price (MSP) for sugarcane at 400 rupees per 40 kg, which is a 33% increase from the previous year which was Rs. 300 per 40 kg. The Sindh government set the MSP at 425 rupees per 40 kg.

The average sugarcane cost to the Company about 49% higher than that of last year.

## PERFORMANCE OF THE COMPANY

The Company's sugar production increased to 16.45% due to availability of sugarcane in the area and better yield per acre and due to better sugarcane varieties cultivation. The Company was able to obtain the recovery of 10.068% as compared to last year of 9.956%. Evident improvement in the Company's sugar results is mainly due to the endeavors of management and staff, improved production efficiencies, better relationship with Growers and other stakeholders and experience of the management. The Company's Operating and Financial performance is also elaborated below:

### Operating Performance

The summarized operating performance of your Company for the year 2023-24 compared to last year is presented as follows:

Description	2023-24	2022-23
Sugar Cane Crushed (MT)	524,174.100	455,913.605
Sugar Produced (MT)	52,798.400	45,338.900
Sugar Recovery (%)	10.068	9.956
Molasses Produced (MT)	22,345.000	19,288.935
Plant Operational Days	101	97

### Financial Performance

The summarized financial performance of your Company for the year 2023-24 compared to last year is presented as follows:

Description	2023-24	2022-23
	(Rupees in Million)	
Net Sales	5,840.322	4,543.139
Cost of Sales	(5,580.519)	(3,992.397)
Gross Profit	259.802	550.742
Other Income	139.729	174.259
Other expenses & taxes	(1,022.898)	(688.921)
Net (Loss) / Profit	(623.366)	36.083
(Loss) / Earning Per Share	(65.96)	3.82
Gross Profit Ratio	0.04	0.12
P/E Ratio	(0.74)	7.59
Market Price Per Share (30-09-2024)	48.65	28.99

The main reasons for loss incurred this year are high cane cost, exceptionally high finance cost and suppressed sugar prices.



## (LOSS) / EARNING PER SHARE

The loss per share of the company for the year under review stood at Rs. 65.96 (2023: Earning per share Rs. 3.82).

## RISK MITIGATION

The Board of Directors, Board's Audit Committee and Risk Management Committee are responsible for oversight of Company's operations and to evolve proactive strategies to mitigate any potential adverse impact of major risks.

## CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base to maintain investors, creditors, and market confidence and to safeguard its ability to continue as a going concern. The Company manages its capital structure and makes appropriate adjustments to move with economic changes and the risks associated with safeguarding its asset base. Your Company's management believes in maintaining an appropriate debt-equity ratio and optimal mix of long and short-term debts.

## RESEARCH AND DEVELOPMENT

Agricultural R&D is an integral part of the Company's policy which entails identification and multiplication of promising new sugarcane varieties and their subsequent commercial sowing through progressive growers with best agricultural practices. This will not only increase per acre yield of sugar cane but also enhances the grower's earning and creates more enthusiasm for sowing sugarcane compared to competing crops. It also increases the sugarcane supply to the Company and directly improving the bottom line of the Company.

The Company has invested in research and development initiatives, focusing on the cane breeds improvement, and the development of energy crops, production technologies and machinery to sustain its growth momentum.

## HUMAN RESOURCE DEVELOPMENT AND EMPLOYEE RELATION

Human Resources are the most vital asset of your Company to maintain its sustainability as they are the source of Knowledge, Skills, and Competence. The vision of human resources has been determined based on the core value defined by the Company's Management. Your Company believes that effective

utilization of competitive human resources is most important to survive in an ever-changing business environment and to achieve sustainable growth.

Your Company gives utmost importance to the ongoing development of its human resource for smooth operations. The Company uses a combination of on-job training and enhanced skill programs through subject specialists to promote the effective development of human resources.

## RELATIONSHIP WITH GROWERS

The Company enjoys cordial relationship with the farmer's community as it considers the growers to be its backbone. To maintain and further strengthen the relationship, the Company as a matter of principle gives priority and endeavors to;

- Consistently follow the policy of timely payments of sugarcane to growers.
- Fulfill farmers' financial requirements by providing them assistance in the form of agri inputs.
- Enhance technical skills through various advisory programs.
- Provide better quality varieties of sugarcane resulting in increased productivity in sugarcane yield per acre and for better sugar recovery.

## FUTURE OUTLOOK AND GOING CONCERN ASSUMPTION

During the last couple of months, Pakistan's economic outlook has started showing some signs of improvement. One of the key positive indicator is a sharp decline in inflation which after peaking in the previous fiscal year has dropped to a single digit. Consequently, State Bank of Pakistan (SBP) has taken the bold step to reduce the policy rate in successive monetary policy meetings. There is a probability of further decrease in discount rates in the coming months which will bode well for the industry.

Pakistan reached at an agreement with IMF, that has opened the doors for further inflows from other lenders eventually strengthening the foreign reserves. However, Pakistan's economic rebound is contingent on broad structural reforms, including revenue mobilization, fiscal consolidation, and improved governance. In the expected economic and political environment, the management maintains a positive outlook on the Company's prospects of moving forward. The company remains committed in delivering enduring value and strengthening relationships with existing customers & suppliers to materialize its growth aspirations.

The Crushing season 2024-25 has started.. This year there is no cane price regulation by the Provincial Governments. The sugarcane situation in the procurement area of the Company has slightly improved due to higher acreage and also the Company is expected to have reasonable recovery.. Considering non regulated sugarcane prices , and the lowered SBP policy rates, Company expects to have better results subject to free sugar prices.

The government must ensure the price of sugar is reflective of the price of sugarcane and other costs in line with prevailing inflation to create a conducive business environment for the industry as well as develop policies to promote agriculture by providing seeds to farmers those are better in yield and recovery.

These financial statements have been prepared on a going concern basis, based on the sponsors' commitment to provide financial and operational support to the Company. The management has no doubts about the Company's ability to continue as a going concern.

## CORPORATE SOCIAL RESPONSIBILITY

The Company has always strived to play its due role in the society and fulfill its responsibility towards the people and environment. In line with its corporate social responsibility policies, the Company has endeavored to improve the overall conditions of the people living around the manufacturing plant and the surrounding areas.

## SAFETY, HEALTH AND ENVIRONMENT

Your Company implemented strict protocols on health and employee safety. In this regard, the Company follows applicable laws and regulations. Personal protection equipment is provided to all staff.

The Management of Baba Farid Sugar Mills Limited (BFSML) believes that protection of environment is important for survival of every person and as such the Company attaches utmost importance to provide healthy atmosphere to its employees and to the society at large. Your company continued to be conscious of its social responsibility and the management has taken appropriate measures to achieve environmental standards.

## CUSTOMER FOCUS

The Company believes that its valued customers are the foundation of its business success. The Company policies are fully customer focused by putting them at the center of its business decision-making. The

Company is following a long-term strategy that develops loyalty and builds trust. Close liaison with the market and customers has always enabled your Company to best understand customers' needs to offer the best suitable products and service levels to make your Company the first choice.

## MATERIAL CHANGES

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

## RISK AND UNCERTAINTIES

The company is exposed to the following risks and uncertainties:

- Increased competition among the mills due to lesser availability of sugarcane crop in the area
- Higher prices of sugarcane and packing material
- Market disruption due to change in Govt. policies regarding sale of sugar (Specially in export)
- Foreign currency fluctuation
- Higher SBP Policy rates

## STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Company has fully complied with requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. A Statement of Compliance is provided under the relevant section of the report.

## Following are the Statements on Corporate and Financial Reporting Framework:

- The financial statements prepared by the management of the Company present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure, if any, therefrom has been adequately disclosed and explained.
- The system of internal controls is sound in design

and has been effectively implemented and monitored.

- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance.
- Key operating and financial data for last six (6) years in summarized form is annexed.
- Statement of Shareholding pattern along with categories of shareholding of the company is annexed in the report.
- There is nothing outstanding against your Company on account of taxes, duties, levies and charges except for those which are being made in normal course of business and appropriately disclosed in the financial statements.

### Board of Directors

The total number of Directors on the Board is 7 and its composition is as follows:

- Male Directors 5
- Female Directors 2

Category	Names
Independent Directors	Mr. Farid-ud-Din Ahmad Mr. Malik Manzoor Hussain Humayoon
Executive Directors	Mr. Adnan Ahmed Khan (CEO) Mr. Muhammad Shamim Khan
Non-Executive Directors	Mrs. Qaiser Shamim Khan Mr. Nauman Ahmed Khan Mrs. Sarah Hajra Khan

During the year 4 Board meetings were held. The minutes of the meetings were appropriately recorded and circulated. Attendance of such meetings was as under:

Name of Directors	Designation	No. of Meeting Attended
Mrs. Qaiser Shamim Khan	Chair Person	3
Mr. Adnan Ahmed Khan	Chief Executive	3
Mr. Muhammad Shamim Khan	Director	4
Mr. Nauman Ahmed Khan	Director	3
Mrs. Sarah Hajra Khan	Director	4
Mr. Farid Ud Din Ahmed	Independent Director	4
Mr. Malik Manzoor Hussain Humayoon	Independent Director	4

The Board has formed committees comprising of members given below:

### Audit Committee

The Board has constituted an Audit Committee consisting of three members including Chairman of the Committee as mentioned below. The committee regularly meets as per requirement of the code. The committee assists the Board in reviewing internal audit manual and internal audit system.

- i) Mr. Farid-ud-Din Ahmad (Chairman); and
- ii) Mr. Malik Manzoor Hussain Humayoon
- iii) Mrs. Sarah Hajra Khan;

### HR and Remuneration Committee

The Board has constituted a Human Resource Committee consisting of three members including Chairman of the committee as mentioned below, in compliance with the Code of Corporate Governance.

- i) Mr. Farid-ud-Din Ahmad (Chairman); and
- ii) Mr. Malik Manzoor Hussain Humayoon.
- iii) Mr. Adnan Ahmed Khan;

### Nomination Committee

The Board has constituted a Nomination Committee consisting of two members including Chairman of the committee as mentioned below, in compliance with the Code of Corporate Governance.

- i) Mr. Malik Manzoor Hussain Humayoon. (Chairman)
- ii) Mr. Farid-ud-Din Ahmad

### Risk Management Committee

The Board has constituted a Risk Management Committee consisting of two members including Chairman of the committee in compliance with the Code of Corporate Governance.

- i) Mr. Malik Manzoor Hussain Humayoon. (Chairman)
- ii) Mr. Farid-ud-Din Ahmad

### Adequacy of Internal Financial Controls

The Directors are aware of their responsibility with respect to internal controls and they confirm that adequate controls have been implemented by the Company.

### RELATED PARTIES TRANSACTIONS

In accordance with the relevant regulations, your Company has devised a Related Party Transactions

Policy approved by the Board of Directors which governs how arm's length and non-arm's length transactions are dealt with. All related party transactions carried out during the year are disclosed in the financial statements. Transactions with related parties are based at arm's length, that normal commercial rates on the same terms and conditions as applicable to third party transaction

### CONTRIBUTION TO THE NATIONAL EXCHEQUER

The Company's contribution to the National Exchequer for the year ended September 30, 2024 was Rs. 878 Million as compared to Rs. 773 million for the last year.

### AUDITORS

The present Auditors M/s BDO Ebrahim & Company, Chartered Accountants, are the retiring auditors of the Company and have offered their services for re-appointment. They confirmed that they have been given a satisfactory rating under the Quality Control Review Program of The Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) guidelines on code of ethics, as adopted by ICAP. On the recommendation of the Board's Audit Committee, the Board of Directors proposed their re-appointment by the shareholders at the ensuing Annual General Meeting, as auditors of the Company for the year ending September 30, 2025, at a fee to be mutually agreed upon.

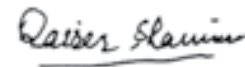
### ACKNOWLEDGMENT

The Directors wish to acknowledge the devotion of the employees and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers, and bankers for their continued confidence and support. Like to thank all financial institutions having a business relationship with the Company and

For and on behalf of Board  
Baba Farid Sugar Mills Limited



Mr. Adnan Ahmed Khan  
Chief Executive Officer



Mrs. Qaiser Shamim Khan  
Chairperson

Lahore: 24th December, 2024

## ڈائریکٹرز کی ممبران کو رپورٹ

بورڈ آف ڈائریکٹرز (BOD) کی جانب سے، مجھے 30 ستمبر 2024 کو ختم ہونے والے مالی سال کے لئے بافارید شوگر ملز لمیٹڈ (BFSML) کی سالانہ رپورٹ معائنہ پر نظر ثانی شدہ حسابات اور آڈیٹ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

### کاروباری ماحول کا جائزہ

مالی سال 24 کا آغاز افراط زر کے دباؤ، سخت مالیاتی اقدامات اور مالی دباؤ کے ساتھ ہوا۔ لہذا زیر جائزہ مالی سال معاشی مشکلات اور غیر یقینی صورتحال کا ایک اور سال ثابت ہوا۔ جی ڈی پی کی شرح نمو تقریباً 2.4 فیصد رہی جبکہ بڑے پیمانے پر مینوفیکچرنگ میں بھی معمولی اضافہ دیکھا گیا جو پورے بورڈ میں سست معاشی سرگرمی کی عکاسی کرتا ہے۔

سال بھر افراط زر اور شرح سود کی مسلسل بلند سطح نے کاروبار کرنے کی لاگت کو متاثر کرنا جاری رکھا جبکہ اس کے ساتھ ساتھ صارفین کی قوت خرید میں کمی واقع ہوئی جس سے مجموعی طلب میں کمی واقع ہوئی ہے۔

تاہم، سال کے آخر میں کچھ بہتری دیکھنے میں آئی جب یہ اندازہ لگایا گیا کہ معیشت نے بدترین صورتحال کو پیچھے چھوڑ دیا ہے اور بتدریج معاشی بحران سے بحالی کی راہ پر گامزن ہے۔ درآمدات اور کرنسی کی پابندیاں جس نے بڑے پیمانے کے کاروباروں کو ہلا کر رکھ دیا تھا، اب نرم ہو گئی ہیں۔

### انڈسٹری کا جائزہ

پاکستان زرعی شعبے کے ساتھ متنوع اقتصادی بنیاد رکھتا ہے جو جی ڈی پی میں 24 فیصد اور روزگار میں 37.4 فیصد حصہ شامل کرتا ہے۔ معیشت میں زراعت کا غلبہ اس بات کی نشاندہی کرتا ہے کہ زرعی نمو معاشی نمو، روزگار اور غربت میں کمی کا ایک اہم محرک ہے، کیونکہ اس کے دوسرے شعبوں کے ساتھ روابط ہیں۔

گنا پاکستان کی چھٹی سب سے بڑی اور دوسری سب سے اہم نقد آمدنی اور فصل ہے۔ یہ موسم سرما کے دوران مویشیوں کے لئے چارے کے طور پر قیمتی بائی پروڈکٹ (گنے کی چوٹیاں) فراہم کرتا ہے۔ ٹراپیکل فصل ہونے کی وجہ سے گنے کو چھوپ، پانی اور گرمی کی ضرورت ہوتی ہے۔ لہذا، پاکستان میں یہ بنیادی طور پر پنجاب، سندھ اور خیبر پختونخوا میں کاشت کیا جاتا ہے۔ یہ دوسری سب سے بڑی زرعی چھینی کی صنعت کو نام مال فراہم کرتا ہے۔ یہ لاکھوں دیہی کاشتکاروں اور غیر کاشتکار برادری کو بلاواسطہ اور پالیواسطہ طور پر روزگار فراہم کرتا ہے۔

اس سال گنے نے گزشتہ سال 87.98 ملین ٹن کے برعکس 87.64 ملین ٹن کی پیداوار کے ساتھ، 0.39 فیصد کی منفی نمو درج کرائی ہے۔ کرشنگ یزن 2023-24 کے لئے، حکومت پنجاب نے گنے کی کم از کم امدادی قیمت (MSP) 400 روپے فی 40 کلوگرام مقرر کی ہے جو گزشتہ سال کی 300 روپے فی 40 کلوگرام سے 33 فیصد زیادہ ہے۔ سندھ حکومت نے MSP کم از کم امدادی قیمت 425 روپے فی 40 کلوگرام مقرر کی ہے۔

کمپنی کو گزشتہ سال کے مقابلے گنے کی اوسط قیمت تقریباً 49 فیصد زیادہ ادا کرنا پڑی۔

### کمپنی کی کارکردگی

علاقہ میں گنے کی دستیابی اور فی ایکڑ بہتر پیداوار کے باعث اور گنے کی بہتر اقسام کی وجہ سے کمپنی کی چھینی کی پیداوار 16.45 فیصد تک زیادہ ہوئی۔ کمپنی گزشتہ سال 9.956% کے مقابلے 10.068% کی ریکوری حاصل کرنے میں کامیاب رہی ہے۔ کمپنی کی چھینی کے نتائج میں بہتری بنیادی طور پر انتظامیہ اور عملہ کی کوششوں، بہتر پیداواری صلاحیتوں، کاشتکاروں اور دیگر اسٹیک ہولڈرز کے ساتھ بہتر تعلقات اور انتظامیہ کے تجربے کی بدولت ممکن ہوئی۔ کمپنی کی آپریشننگ اور مالیاتی کارکردگی بھی ذیل میں بیان کی گئی ہے۔



## آپریٹنگ کارکردگی

گزشتہ سال کے مقابلے مالی سال 2023-24 کے لئے کمپنی کی آپریٹنگ کارکردگی کا خلاصہ حسب ذیل ہے:

2022-23	2023-24	تفصیل
455,913.605	524,174.100	گنے کی کرشنگ (میٹرک ٹن)
45,338.900	52,798.400	چینی کی پیداوار (میٹرک ٹن)
9.956	10.068	چینی کی ریکوری (فیصد)
19,288.935	22,345.000	مولاس کی پیداوار (میٹرک ٹن)
97	101	پلانٹ کے آپریشن ایام

## مالی کارکردگی

گزشتہ سال کے مقابلے مالی سال 2023-24 کے لئے کمپنی کی مالی کارکردگی کا خلاصہ حسب ذیل ہے:

روپے ملین میں

2022-23 (رقوم ملین میں)	2023-24 (رقوم ملین میں)	تفصیل
4,543.139	5,840.322	خالص فروخت
(3,992.397)	(5,580.519)	فروخت لاگت
550.742	259.802	مجموعی منافع
174.259	139.729	دیگر آمدنی
(688.921)	(1,022.898)	دیگر اخراجات اور ٹیکسز
36.083	(623.366)	خالص (نقصان) / منافع
3.82	(65.96)	(نقصان) / آمدنی فی شیئر (روپے)
0.12	0.04	مجموعی منافع تناسب
7.59	(0.74)	P/E تناسب
28.99	48.65	مارکیٹ قیمت فی شیئر (30 ستمبر 2024 کے مطابق)

اس سال ہونے والے نقصان کی اہم وجوہات گنے کی زیادہ قیمت، شرح سود میں اضافہ اور غیر معمولی زیادہ مالی لاگت اور چینی کی کم قیمتیں ہیں۔

## فی شیئر (نقصان) / آمدنی

زیر جائزہ سال کے لئے کمپنی کا فی شیئر نقصان 65.96 روپے (2023: 3.82 روپے فی شیئر آمدنی) رہا ہے۔

## خطرے کی تخفیف

بورڈ آف ڈائریکٹرز، بورڈ کی آڈٹ کمیٹی، اور رسک مینجمنٹ ٹیم کمپنی کے آپریٹنگ ریسکوں اور بڑے خطرات کے کسی بھی ممکنہ منفی اثرات کو کم کرنے کے لیے فعال حکمت عملی تیار کرنے کی ذمہ دار ہے۔

## کیپٹل مینجمنٹ

کپنی کی پالیسی سرمایہ کاروں، قرض دہندگان، اور مارکیٹ کے اعتماد کو برقرار رکھنے کے لیے ایک مضبوط سرمائے کی بنیاد کو برقرار رکھنا ہے اور ایک جاری تشویش کے طور پر جاری رہنے کی اپنی صلاحیت کی حفاظت کرنا ہے۔ کپنی اپنے سرمائے کے ڈھانچے کا انتظام کرتی ہے اور معاشی تبدیلیوں اور اس کے اثاثہ کی بنیاد کی حفاظت سے وابستہ خطرات کے ساتھ آگے بڑھنے کے لیے مناسب ایڈجسٹمنٹ کرتی ہے۔ آپ کی کپنی کی انتظامیہ مناسب قرض ایکویٹی تناسب اور طویل اور مختصر مدت کے قرضوں کے بہترین مرکب کو برقرار رکھنے پر یقین رکھتی ہے۔

## تحقیق و ترقی

زرعی تحقیق و ترقی کپنی کی پالیسی کا ایک لازمی حصہ ہے جس میں بہترین زرعی طریقوں کے ساتھ ترقی پسند کاشتکاروں کے ذریعے گنے کی مختلف اور نئی اقسام کی شناخت اور اس کے بعد تجارتی پیمانے پر ان کی کاشت شامل ہے۔ یہ نہ صرف گنے کی نئی ایکڑ پیداوار بڑھاتی ہے بلکہ کاشتکاروں کی آمدنی میں اضافہ اور مسابقتی فصلوں کے مقابلے میں گنے کی بوائی کے لئے زیادہ شوق پیدا کرتی ہے۔ یہ کپنی کو گنے کی سپلائی، مجموعی طور پر شوگر کی ریکوری کو بڑھاتی ہے اور براہ راست کپنی کے منافع کو بہتر بناتی ہے۔ کپنی نے اپنی نمونہ رفتار کو مستحکم رکھنے کے لئے گنے کے بیج، اور انرجی کراپس کی ڈوپلینٹ، پروڈکشن ٹیکنالوجیز اور مشینری کی بہتری پر توجہ مرکوز رکھتے ہوئے تحقیق و ترقی کے اقدامات میں سرمایہ کاری کی ہے۔

## ہیومن ریسورس ڈویلپمنٹ اور ملازمین کے تعلقات

انسانی وسائل کپنی کی پائیداری کو برقرار رکھنے کے لیے آپ کی کپنی کا سب سے اہم اثاثہ ہیں کیونکہ یہ علم، ہنر اور قابلیت کا ذریعہ ہیں۔ انسانی وسائل کے وژن کا تعین کپنی کی انتظامیہ کی طرف سے بیان کردہ بنیادی قدر کی بناء پر کیا گیا ہے۔ آپ کی کپنی کا خیال ہے کہ مسابقتی انسانی وسائل کا مؤثر استعمال ایک بدلے کاروباری ماحول میں زندہ رہنے اور پائیدار ترقی حاصل کرنے کے لیے سب سے اہم ہے۔

آپ کی کپنی ہموار کارروائیوں کے لیے اپنے انسانی وسائل کی مسلسل ترقی کو اہمیت دیتی ہے۔ کپنی انسانی وسائل کی مؤثر ترقی کو فروغ دینے کے لیے ماہرین کے ذریعے آن جاب ٹریننگ اور بہتر مہارت کے پروگراموں کا استعمال کرتی ہے۔

## کاشتکاروں کے ساتھ تعلقات

کپنی کسان برادری کے ساتھ خوشگوار تعلقات سے لطف اندوز ہوتی ہے کیونکہ وہ کاشتکاروں کو اپنی بڑھتی ہوئی کپنی کے ساتھ تعلقات کو برقرار رکھنے اور مزید تقویت دینے کے لئے، کپنی اچھے اصولوں کو ترجیح دیتی ہے اور کوشش کرتی ہے کہ:

- کاشتکاروں کو گنے کی بروقت ادائیگی کی پالیسی پر مستقل طور پر عمل کرے۔
- زرعی ان پٹس کی شکل میں کسانوں کی مالی ضروریات کو اپنے ذرائع سے مالی مدد فراہم کر کے پورا کرے۔
- مختلف مشاورتی پروگراموں کے ذریعے ٹیکنیکی مہارتوں کو بڑھائے۔
- گنے کی بہتر کوالٹی اور بہتر پیداوار کی اقسام فراہم کرے جس کے نتیجے میں گنے کی نئی ایکڑ پیداوار میں اضافہ اور چینی کی ریکوری بہتر ہوتی ہے۔

## مستقبل کا نقطہ نظر اور گونگ کنسرن مفروضہ

گزشتہ چند ماہ کے دوران پاکستان کے معاشی منظر نامہ میں بہتری کے کچھ آثار نظر آنے لگے ہیں۔ اہم مثبت اشارہ میں سے ایک افراط زر میں تیزی سے کمی ہے جو پچھلے مالی سال میں عروج پر پہنچنے کے بعد واحد حد تک گر گئی ہے۔ نیچٹا اسٹیٹ بینک آف پاکستان (ایس بی پی) نے سلسلہ ماہیٹری پالیسی اجلاسوں میں پالیسی ریٹ کو کم کرنے کا جرات مندانہ قدم اٹھایا ہے۔ آئندہ مہینوں میں ڈسکاؤنٹ کی شرحوں میں مزید کمی کا امکان ہے جو صنعت کے لئے اچھا ثابت ہوگا۔

پاکستان نے آئی ایم ایف کے ساتھ ایک معاہدہ کیا ہے جس نے دوسرے قرض دہندگان کی جانب سے مزید ترسیلات زر کے دروازے کھول دیئے ہیں جس سے بالآخر زرمبادلہ کے ذخائر مضبوط ہوئے ہیں۔ تاہم، پاکستان کی معاشی بحالی وسیع ڈھانچہ جاتی اصلاحات پر منحصر ہے، جن میں محصولات کو متحرک کرنا، مالی استحکام اور بہتر گورننس شامل ہیں۔ متوقع معاشی اور سیاسی ماحول میں، انتظامیہ کپنی کے آگے بڑھنے کے امکانات پر مثبت نقطہ نظر برقرار رکھے ہوئے ہے۔ کپنی اپنی ترقی کی اہمگلوں کو عملی جامہ پہنانے کے لئے پائیدار قدر فراہم کرنے اور موجودہ گاہکوں اور سپلائرز کے ساتھ تعلقات کو مضبوط بنانے کے لئے پُر عزم ہے۔

کرشک سیزن 2024-25 کا آغاز ہو گیا ہے۔ اس سال صوبائی حکومتوں کی جانب سے گنے کی قیمتوں کا کوئی ضابطہ طے نہیں کیا گیا ہے۔ زیادہ رقبے کی وجہ سے کمپنی کے خریداری کے علاقہ میں گنے کی صورتحال میں قدرے بہتری آئی ہے اور کمپنی کی معقول بحالی کی بھی توقع ہے۔ گنے کی غیر منظم قیمتوں اور اسٹیٹ بینک کی کم پالیسی ریش کو مد نظر رکھتے ہوئے کمپنی کو توقع ہے کہ فری چینی کی قیمتوں سے مشروط بہتر نتائج حاصل ہوں گے۔

حکومت اس بات کو لازماً یقینی بنانے کے لیے کمپنی کی قیمت موجودہ افراط زر کے مطابق گنے کی قیمت اور دیگر اخراجات کی عکاسی کرتی ہے تاکہ صنعت کے لئے سازگار کاروباری ماحول پیدا کیا جاسکے اور کاشتکاروں کو بیج فراہم کر کے زراعت کو فروغ دینے کی پالیسیاں تیار کی جائیں جو پیداوار اور بحالی میں بہتر ہوں۔

یہ مالیاتی گوشوارے کمپنی کو مالی اور آپریشنل مدد فراہم کرنے کے سانسرز کے عزم کی بنیاد پر تیار کیے گئے ہیں۔ انتظامیہ کو کمپنی کی جاری تشریح کے طور پر جاری رہنے کی صلاحیت کے بارے میں کوئی شک و شبہ نہیں ہے۔

### کارپوریٹ سماجی ذمہ داری

کمپنی نے ہمیشہ معاشرے میں اپنا مناسب کردار ادا کرنے اور عوام اور ماحول کی خاطر اپنی ذمہ داری پوری کرنے کی کوشش کی ہے۔ اپنی کارپوریٹ سماجی ذمہ داری کی پالیسیوں کے مطابق، کمپنی نے مینوفیکچرنگ پلانٹ اور ارد گرد کے علاقوں میں رہنے والے لوگوں کے مجموعی حالات کو بہتر بنانے کی کوشش کی ہے۔

### حفاظت، صحت اور ماحولیات

آپ کی کمپنی نے صحت اور ملازمین کی حفاظت سے متعلق پروٹوکول پر سختی سے عمل درآمد کیا ہے۔ اس سلسلہ میں، کمپنی قابل اطلاق قوانین اور ضوابط کی پیروی کرتی ہے۔ تمام عملے کو ذاتی تحفظ کا سامان فراہم کیا گیا ہے۔

ہیڈ کوارٹرز کو ملٹی میٹ (BFSMD) کی انتظامیہ اس بات پر یقین رکھتی ہے کہ ماحول کا تحفظ ہر فرد کی بقاء کے لیے ضروری ہے اور اس لیے کمپنی اپنے ملازمین اور بڑے پیمانے پر معاشرے کو صحت مند ماحول فراہم کرنے کو انتہائی اہمیت دیتی ہے۔ آپ کی کمپنی اپنی سماجی ذمہ داری کا شعور رکھتی ہے اور انتظامیہ نے آلودگی سے پاک ماحول کے حصول کے لیے مناسب اقدامات کیے ہیں۔

### صارفین پر توجہ

کمپنی کا خیال ہے کہ اس کے قابل قدر صارفین اس کی کاروباری کامیابی کی بنیاد ہیں۔ کمپنی کی پالیسیاں اپنے کاروباری فیصلہ سازی کے مرکز میں رکھ کر مکمل طور پر صارف پر مرکوز ہیں۔ کمپنی ایک طویل مدتی حکمت عملی پر عمل پیرا ہے جو وفا داری کو فروغ اور اعتماد پیدا کرتی ہے۔ مارکیٹ اور صارفین کے ساتھ قریبی رابطے نے ہمیشہ آپ کی کمپنی کو اس قابل بنایا ہے کہ وہ آپ کی کمپنی کو اولین پسند بنانے کے لیے بہترین موزوں مصنوعات اور خدمات کی سطحوں کو پیش کرنے کے لیے صارفین کی ضروریات کو بہتر طریقے سے سمجھ سکے۔

### مادی تبدیلیاں

کمپنی کے مالیاتی سال کے اختتام اور رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں دیکھے گئے جو مالی گوشواروں اور رپورٹ کی تاریخ سے متعلق ہوں۔

### خطرات اور غیر یقینی صورتحال

کمپنی کو درج ذیل خطرات اور غیر یقینی صورتحال کا سامنا ہے:

- علاقہ میں گنے کی فصل کی کم دستیابی کی وجہ سے طوں کے درمیان زیادہ مسابقت۔

- گنے اور پیکنگ میٹریل کی زیادہ قیمتیں۔

-پہنچنے کی فراہم سے متعلق حکومتی پالیسیوں (برآمدات میں خاص طور پر) میں تبدیلی کی وجہ سے مارکیٹ ملل۔

- غیر ملکی کرنسی میں اچھا چڑھاؤ۔

- SBP کی زیادہ پالیسی شرمیں

### کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان

کمپنی نے گورنری گائیڈ (کارپوریٹ گورننس کا ضابطہ) ریگولیشنز 2019 کے تقاضوں پر مکمل طور پر عمل کیا ہے۔ تعمیل کا بیان رپورٹ کے متعلقہ سیکشن کے تحت فراہم کیا گیا ہے:

#### کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کے بیان میں تبدیلیاں ہیں:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی حسابات کمپنی کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکٹیوٹی میں تبدیلیوں کو مدعا طور پر ظاہر کرتے ہیں۔
- کمپنی کے کماؤات، جات، ہالنگ مینج طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاکھیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ اصولوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی تبدیلی کی گئی ہے اور ان سے کسی مادی اغراض کا انکشاف اور وضاحت کی گئی ہے۔
- اندرونی کنٹرول کا نظام صنعت کی ضروریات اور جدید انتظامی اصولوں کے مطابق ڈیزائن ہے اور اسکی مؤثر طریقے سے مملکت آد اور نگرانی کی جاتی ہے۔
- کمپنی کے گورننگ کسٹرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- کارپوریٹ گورننس کے بہترین عوامل سے کوئی مادی اغراض نہیں کیا گیا ہے۔
- گزشتہ پچھ سال کا کلیدی آپریشننگ اور مالیاتی ڈیٹا رپورٹ ہڈا سے منسلک ہے۔
- نمونہ حصص داری کا بیان مد کمپنی کے شیئرز ہولڈنگ کی کھل کر رپورٹ میں لکھ ہے۔
- میسجز، ڈیویڈنڈ، لیویز اور چارجز کی مد میں آپ کی کمپنی کے خلاف کوئی ہٹا یا جات نہیں ہیں ماسوائے جو معمول کے کاروبار میں کی جا رہی ہیں۔

### بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کی کل تعداد 7 ہے اور اس کی تشکیل حسب ذیل کے مطابق ہے:

• مرد ڈائریکٹرز 5

• خاتون ڈائریکٹرز 2

کنگری	نام
آزاد ڈائریکٹرز	جناب فرید الدین احمد جناب ملک منظور حسین ہمایوں
ایگزیکٹو ڈائریکٹرز	جناب عدنان احمد خان (سی ای او) جناب محمد شمیم خان
نان ایگزیکٹو ڈائریکٹرز	محترمہ قیصر شمیم خان جناب نعمان احمد خان محترمہ ساروہ باجوہ خان

زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس منعقد ہوئے۔ اجلاس کی کارروائیاں موزوں طریقے سے ریکارڈ اور تسلی کی گئیں۔ بورڈ کے اجلاسوں میں ہر ایک ڈائریکٹرز کی حاضری حسب ذیل ہے۔

تعداد حاضری	عہدہ	نام ڈائریکٹرز
3	چیئر پرسن	محترمہ قیصر شمیم خان
3	چیف ایگزیکٹو	جناب عدنان احمد خان
4	ڈائریکٹر	جناب محمد شمیم خان
3	ڈائریکٹر	جناب نعمان احمد خان
4	ڈائریکٹر	محترمہ سارہ ہاجرہ خان
4	آزاد ڈائریکٹر	جناب فرید الدین احمد
4	آزاد ڈائریکٹر	جناب ملک منظور حسین ہمایوں

بورڈ نے حسب ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں۔

### آڈٹ کمیٹی

بورڈ نے مندرجہ ذیل کے مطابق کمیٹی کے چیئر مین سمیت تین ارکان پر مشتمل آڈٹ کمیٹی تشکیل دی ہے۔ کمیٹی باقاعدگی سے ضابطہ کے تقاضوں کو پورا کرتی ہے۔ کمیٹی انٹرنل آڈٹ مینٹل اور انٹرنل آڈٹ سسٹم کے جائزہ میں بورڈ کی مدد کرتی ہے۔

- (i) جناب فرید الدین احمد (چیئر مین) اور
- (ii) جناب ملک منظور حسین ہمایوں
- (iii) محترمہ سارہ ہاجرہ خان

### ایچ آر اینڈ ریٹرنیشن کمیٹی

بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں، مندرجہ ذیل کے مطابق کمیٹی کے چیئر مین سمیت تین ارکان پر مشتمل ہیومن ریورس کمیٹی تشکیل دی ہے۔

- (i) جناب فرید الدین احمد (چیئر مین) اور
- (ii) جناب ملک منظور حسین ہمایوں
- (iii) جناب عدنان احمد خان

### نامینیشن کمیٹی

بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں، مندرجہ ذیل کے مطابق کمیٹی کے چیئر مین سمیت دو ارکان پر مشتمل نامینیشن کمیٹی تشکیل دی ہے۔

- (i) جناب ملک منظور حسین ہمایوں (چیئر مین)
- (ii) جناب فرید الدین احمد

### رسک مینجمنٹ کمیٹی

بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں، مندرجہ ذیل کے مطابق کمیٹی کے چیئر مین سمیت دو ارکان پر مشتمل رسک مینجمنٹ کمیٹی تشکیل دی ہے۔

- (i) جناب ملک منظور حسین ہمایوں (چیئر مین)
- (ii) جناب فرید الدین احمد



## مناسب داخلی مالیاتی کنٹرول

ڈائریکٹرز داخلی مالیاتی کنٹرول کی باہت اپنی ذمہ داری سے بخوبی آگاہ ہیں۔ انتظامیہ اور آڈیٹرز (داخلی اور بیرونی دونوں) کے ساتھ مشاورت کے ذریعے، وہ توثیق کرتے ہیں کہ کمپنی کی طرف سے مناسب کنٹرول نافذ کیا گیا ہے۔

## متعلقہ پارٹی لین دین

متعلقہ ضوابط کے مطابق، آپ کی کمپنی نے بورڈ آف ڈائریکٹرز کی معروضہ متعلقہ پارٹی ٹرانزیکشنز پالیسی وضع کی ہے جو اس بات کی نگرانی کرتی ہے کہ قابل رسائی اور ناقابل رسائی لین دین کے ساتھ کیسے فرمایا جاتا ہے۔ سال کے دوران کئے گئے تمام متعلقہ فریق کے لین دین کا انکشاف، مالی حسابات میں کیا گیا ہے۔ متعلقہ فریقوں کے ساتھ لین دین قابل رسائی قیمتوں، جو کہ تیسرے فریق کے لین دین پر لاگو ہونے والی شرائط و ضوابط پر عام تجارتی شرحوں پر مبنی ہے۔

## قومی خزانے میں شراکت

30 ستمبر 2024 کو ختم ہونے والے سال کے لیے قومی خزانے میں کمپنی کا حصہ گزشتہ سال کے لیے 773 ملین روپے کے مقابلے میں 878 ملین روپے تھا۔

## آڈیٹرز

موجودہ آڈیٹرز سمرز BDO ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر، دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔ وہ تصدیق کرتے ہیں کہ انہیں دی گئی اسٹیٹمنٹ آف چارٹرز اکاؤنٹنٹس آف پاکستان (ICAP) کے گواہی کنٹرول ریویو پروگرام کے تحت ایک تسلی بخش درجہ بندی دی گئی ہے اور یہ فرم انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے ضابطہ اخلاق سے متعلق رہنما اصولوں کی مکمل تعمیل کرتی ہے، جیسا کہ ICAP کی طرف سے اپنایا گیا ہے۔ بورڈ کی آڈٹ کمیٹی کی سفارش پر، بورڈ آف ڈائریکٹرز نے 30 ستمبر 2025 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر آئندہ سالانا اجلاس عام میں شیئر ہولڈرز کی جانب سے باہمی رضامندی کی فیس پر ان کی دوبارہ تقرری کی تجویز پیش کی ہے۔

## اعتماد و ثقید

ڈائریکٹرز ملازمین کی نگرانی کو سراہتے ہیں اور ان کی نگرانی اور عزم کی قدر کرتے ہیں۔ وہ کمپنی کے فراہم کنندگان، صارفین، اور دیگر ذیلی ان کے مسلسل اعتماد اور تعاون کے لیے بھی دل کی گہرائیوں سے سراہتے ہیں۔

مخانب بورڈ  
بابا فرید شوگر ملز لمیٹڈ

*Raiser Slavina*  
مختارہ قیصرہ میمن خان  
چیئر پرسن

*(عبدان احمد خان)*  
چیف ایگزیکٹو

لاہور: 24 ستمبر 2024ء

# SIX YEARS SUMMARY OF FINANCIAL HIGHLIGHTS

## OPERATING PERFORMANCE:

		2024	2023	2022	2021	2020	2019
			Restated	Restated			
<b>Sugar Production:</b>							
Cane crushed	(M.Tons)	524,174.100	455,913.605	604,762.396	457,224.825	290,029.359	26,976.308
Average sucrose recovery	(%)	10.068	9.956	8.936	9.072	8.70	5.58
Sugar produced	(M.Tons)	52,798.400	45,338.900	54,026.500	41,501.500	25,159.000	1,935.600
Operating period	Days	101	97	132	116	115	22
<b>Operating results:</b>							
Sales	(000'Rs.)	5,840,322	4,543,139	3,938,712	3,864,161	1,783,548	121,607
Cost of sales	(000'Rs.)	5,580,519	3,992,397	3,990,959	3,613,466	1,754,710	478,699
Gross profit/ (Loss)	(000'Rs.)	259,802	550,742	(52,247)	250,695	28,838	(357,092)
Gross Profit / (Loss) to Net Sales	(Ratio)	0.04	0.12	(0.01)	0.06	0.02	(2.94)
Net (Loss) / Profit before Taxation/ Levy	(000'Rs.)	(550,271)	92,586	(167,659)	166,421	(276,941)	(627,625)
Net (Loss) / Profit after Taxation/ Levy	(000'Rs.)	(623,367)	36,083	(242,297)	122,219	(286,079)	(682,625)
Net (Loss) / Profit to Net Sales	(Ratio)	(0.107)	0.008	(0.06)	0.03	(0.16)	(5.61)
<b>Shareholders' Equity:</b>							
Paid up capital	(000'Rs.)	94,500	94,500	94,500	94,500	94,500	94,500
Reserves & surplus	(000'Rs.)	2,494,980	3,121,527	3,086,363	1,698,942	1,256,871	771,630
Shareholders' equity	(000'Rs.)	2,589,480	3,216,027	3,180,863	1,793,442	1,351,371	866,130
(Loss) / Earning Per Share	Rupees	(65.96)	3.82	(25.64)	12.93	(30.27)	(72.24)
P/E Ratio	Rupees	(0.74)	7.59	(1.48)	4.07	(1.21)	(0.68)
Market Price Per Share	Rupees	48.65	28.99	37.90	52.63	36.57	49.25
<b>Financial position:</b>							
Current assets	(000'Rs.)	2,764,592	1,398,640	1,151,069	536,024	897,653	296,437
Fixed capital expenditure	(000'Rs.)	3,453,739	3,513,912	3,569,816	2,943,193	2,830,740	2,822,993
Total assets	(000'Rs.)	6,218,961	4,913,078	4,722,747	3,480,553	3,728,568	3,119,430
Current liabilities	(000'Rs.)	3,248,033	1,207,164	1,202,357	1,003,023	1,100,007	900,442
Long term debts	(000'Rs.)	356,166	472,184	327,985	306,792	901,016	965,960
Total liabilities	(000'Rs.)	3,629,481	1,697,051	1,541,884	1,687,111	2,377,197	2,253,300
Current ratio	(%)	0.85	1.16	0.96	0.53	0.82	0.33
Debt equity ratio	(%)	1.40	0.53	0.48	0.94	1.76	2.60

# FORM-34

## THE COMPANIES ACT, 2017

(SECTION 227(2)(F))

### PATTERN OF SHAREHOLDING

1. Incorporation Number **0006535**

2. Name of the Company **BABA FARID SUGAR MILLS LIMITED**

2.1 Pattern of holding of the shares held by the shareholders as at **30/09/2024**

2.2 Number of Shareholders	Shareholdings		Total Shares Held
	From	To	
630	1	100	15,323
378	101	500	69,566
33	501	1,000	25,736
36	1,001	5,000	89,321
3	5,001	10,000	19,999
1	10,001	15,000	10,500
1	35,001	40,000	37,668
3	910,001	915,000	2,734,635
2	975,001	980,000	1,956,942
1	1,115,001	1,120,000	1,115,049
1	1,640,001	1,645,000	1,640,784
1	1,730,001	1,735,000	1,734,477
1,090			9,450,000

2.3 Categories of shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	9,183,987	97.1850%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
2.3.3 NIT and ICP	1,000	0.0106%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	100	0.0011%
2.3.5 Insurance Companies	0	0.0000%
2.3.6 Modarabas and Mutual Funds	0	0.0000%
2.3.7 Shareholders holding 10% or more	9,181,887	97.1628%
2.3.8 General Public		
a. Local	247,490	2.6189%
b. Foreign	5	0.0001%
2.3.9 Others (to be specified)		
- Joint Stock Companies	17,418	0.1843%

# CATEGORIES OF SHARE HOLDERS

As on 30th September 2024

S. No.	NAME	HOLDING	%AGE
<b><u>DIRECTORS, CEO THEIR SPOUSE AND MINOR CHILDREN</u></b>			
1	MR. MUHAMAMD SHAMIM KHAN (CDC)	1,640,784	17.3628
	MR. MUHAMAMD SHAMIM KHAN	1,115,049	11.7995
2	MRS. QAISER SHAMIM KHAN (CDC)	911,545	9.6460
	MRS. QAISER SHAMIM KHAN	1,734,477	18.3543
3	MR. ADNAN AHMED KHAN (CDC)	911,545	9.6460
	MR. ADNAN AHMED KHAN	978,471	10.3542
4	MR. NAUMAN AHMED KHAN (CDC)	911,545	9.6460
	MR. NAUMAN AHMED KHAN	978,471	10.3542
5	MALIK MANZOOR HUSSAIN HUMAYUN	1,600	0.0169
6	MR. FARID UL DIN AHMED	200	0.0021
7	MRS. SARAH HAJRAH KHAN	300	0.0032
		<b>9,183,987</b>	<b>97.1850</b>
<b><u>ASSOCIATED COMPANIES</u></b>			
		<b>0</b>	<b>0.0000</b>
<b><u>NIT &amp; ICP</u></b>			
1	M/S INVESTMENT CORPORATION OF PAKSTAN	1,000	0.0106
		<b>1,000</b>	<b>0.0106</b>
<b><u>BANKS, DEVELOPMENTS, FINANCIAL INSTITUTIONS, NON BANKING FINANCIAL INSTITUTIONS</u></b>			
1	M/S FIDELITY INVESTMENT BANK LTD.	100	0.0011
		<b>100</b>	<b>0.0011</b>
<b><u>JOINT STOCK COMPANIES</u></b>			
1	SALIM SOZER SECURITIES (PRIVATE) LIMITED (CDC)	6,055	0.0641
2	AKIK CAPITAL (PRIVATE) LIMITED (CDC)	7,337	0.0776
3	CENTRAL DEPOSITORY COMPANY OF PAKISTAN LTD.(CDC)	25	0.0003
4	MAPLE LEAF CAPITAL LIMITED (CDC)	1	0.0000
5	SARFRAZ MAHMOOD (PRIVATE) LTD. (CDC)	500	0.0053
6	SCANDIA LIMITED (CDC)	3,500	0.0370
		<b>17,418</b>	<b>0.1843</b>
<b><u>SHARES HELD BY THE GENERAL PUBLIC (FOREIGN)</u></b>			
		<b>5</b>	<b>0.0001</b>
<b><u>SHARES HELD BY THE GENERAL PUBLIC (LOCAL)</u></b>			
		<b>247,490</b>	<b>2.6189</b>
		<b>247,495</b>	<b>2.6190</b>
<b>TOTAL:</b>		<b>9,450,000</b>	<b>100.0000</b>

S. No.	NAME	HOLDING	%AGE
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**SHAREHOLDERS HOLDING 10% OR MORE OF TOTAL CAPITAL**

1	MR. MUHAMAMD SHAMIM KHAN (CDC)	2,755,833	29.1623
2	MRS. QAISER SHAMIM KHAN (CDC)	2,646,022	28.0002
3	MR. ADNAN AHMED KHAN (CDC)	1,890,016	20.0002
4	MR. NAUMAN AHMED KHAN (CDC)	1,890,016	20.0002
		9,181,887	97.1628

**SHAREHOLDERS HOLDING 5% OR MORE OF TOTAL CAPITAL**

1	MR. MUHAMAMD SHAMIM KHAN (CDC)	2,755,833	29.1623
2	MRS. QAISER SHAMIM KHAN (CDC)	2,646,022	28.0002
3	MR. ADNAN AHMED KHAN (CDC)	1,890,016	20.0002
4	MR. NAUMAN AHMED KHAN (CDC)	1,890,016	20.0002
		9,181,887	97.1628

During the financial year the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows

S. No.	NAME	SALE	PURCHASE
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NIL



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



**NAME OF THE COMPANY:** BABA FARID SUGAR MILLS LIMITED  
**YEAR ENDED:** SEPTEMBER 30, 2024

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

1. The total number of directors are seven as per the following:
  - a. Male: 05
  - b. Female: 02
2. The composition of the Board of Directors (the Board") is as follows:

Category	Names
Independent Directors	Mr. Farid-ud-Din Ahmad Mr. Malik Manzoor Hussain Humayoon
Non-Executive Director	Mrs. Qaiser Shamim Khan Mr. Nauman Ahmed Khan Mrs. Sarah Hajra Khan
Executive Directors	Mr. Adnan Ahmed Khan (CEO) Mr. Muhammad Shamim Khan
Female Directors	Mrs. Qaiser Shamim Khan Mrs. Sarah Hajra Khan

Determination of number of independent Directors comes to 2.33 (rounded to 2.0) which is based on seven elected Directors. The Fraction of one-third is not rounded up, as the two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.

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 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, recordings and circulating minutes of meeting of the board.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. The following Directors have attained Directors Training program certification:  
Mrs. Sarah Hajra Khan  
Mr. Farid-ud-Din Ahmad  
Mr. Malik Manzoor Hussain Humayoon  
  
Remaining four directors are exempted from such training as they have fourteen years of education and fifteen years of experience on the board of the listed company
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

#### AUDIT COMMITTEE

Names	Designation held
Mr. Farid ud Din Ahmad	Chairman/ Independent
Mrs. Sarah Hajra Khan	Member / Non-Executive
Mr. Malik Manzoor Hussain Humayoon	Member / Independent

#### HR AND REMUNERATION COMMITTEE

Names	Designation held
Mr. Farid ud Din Ahmad	Chairman/ Independent
Mr. Adnan Ahmed Khan	Member / Executive (CEO)
Mr. Malik Manzoor Hussain Humayoon	Member / Independent

#### RISK MANAGEMENT COMMITTEE

Names	Designation held
Mr. Malik Manzoor Hussain Humayoon	Chairman / Independent
Mr. Farid ud Din Ahmad	Member / Independent

## NOMINATION COMMITTEE

Names	Designation held
Mr. Malik Manzoor Hussain Humayoon	Chairman/ Independent
Mr. Farid ud Din Ahmad	Member/ Independent

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/ half yearly/ yearly) of the committees held during the financial year ended 30th September 2023 were as per following:

Names	Number of Meetings Held
Audit Committee	6
HR and Remuneration Committee	1
Risk Management Committee	1
Nomination Committee	1

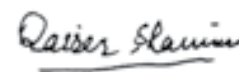
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating 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 accountant (IFAC) guidelines on code of ethics as adopted by Institute of chartered accountants of Pakistan and that they and partners of the firm involved in the audit are not a close relative ( spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 have been complied with, except for an independent director as explained above in note 2.
19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	Role of the Board and its members to address Sustainability Risks and Opportunities The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	During the year, SECP introduced new regulation 10A in the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(A)

For and on behalf of Board  
Baba Farid Sugar Mills Limited



Mr. Adnan Ahmed Khan  
Chief Executive Officer



Mrs. Qaiser Shamim Khan  
Chairperson

December 24, 2024

# INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Baba Farid Sugar Mills Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Baba Farid Sugar Mills Limited for the year ended September 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2024.

Further we highlight below instances of non-compliance with the requirement of the regulations as reflected in the paragraph reference where it is stated in the statement of Compliance:

## Paragraph Reference

## Description

- |       |                                                                                      |
|-------|--------------------------------------------------------------------------------------|
| I 02  | Independent directors' fraction is not rounded up as "One".                          |
| II 19 | Role of the Board and its members to address Sustainability Risks and Opportunities. |

*Pano Rehman*

**BDO EBRAHIM & CO.**

Chartered Accountants

Engagement Partner: Sajjad Hussain Gill

UDIN: CR202410087XRnucCpAb

Lahore: January 06, 2025

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Baba Farid Sugar Mills Limited Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of BABA FARID SUGAR MILLS LIMITED (the Company), which comprise the statement of financial position as at September 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy 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 and 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, 2024 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Key Audit Matters

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



Following are the key audit matters:

Sr.No	Key audit matters	How the matter was addressed in our audit
1.	Contingencies	
	<p>As disclosed in note 35.1 to the financial statements, the Company is involved in certain legal and tax proceedings against the Company. The appeals were filed by the Company against these orders at respective forums.</p> <p>Management judgement is involved in assessing the accounting for claims, and in particular in considering the probability of a claim being successful and we have accordingly designated this as a focus area of the audit. The risk related to the claims is mainly associated with the completeness of the disclosure, and the completeness of the provisions in the financial statements.</p> <p>No provision has been made in the financial statements for the liability that may arise in the event of a decision against the Company as the management is of the opinion, based on advice of legal and tax advisor that the decision is likely to be in the favor of the Company.</p> <p>There are significant uncertainties attached to the future outcome of these pending matters and, therefore, are considered as key audit matters.</p>	<p>We undertook number of procedures to verify the appropriateness of contingencies in the financial statements. Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of the Company's processes and controls over litigations through meetings with the management and review of the minutes of the Board of Directors and Board Audit Committee.</li> <li>•</li> <li>• Reviewed the correspondence of the Company with the relevant authorities and the Company's legal advisors including the judgments or orders passed by the competent authorities.</li> <li>•</li> <li>• Obtained and reviewed direct confirmations from the Company's external legal advisors for their views on the legal position of the Company in relation to the contingent matters.</li> <li>•</li> <li>• Discussed open matters and developments with the in-house legal department personnel of the Company.</li> <li>•</li> <li>• Evaluated the adequacy of disclosures made in respect of these contingencies in accordance with the applicable accounting and reporting standards.</li> </ul>

2.	Revenue recognition	
	<p>The company principally generates revenue from sale of sugar and its by-products. Revenue has been recognized as per the accounting policy stated in note 7.22 to the financial statements.</p> <p>We have identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company and gives rise to an inherent risk of material misstatement to meet expectations or targets.</p>	<p>Our audit procedures in respect of revenue recognition, amongst others, included the following:</p> <ul style="list-style-type: none"> <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 compliance of the policy 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 during the year with sales orders, sales invoices, delivery notes and other relevant underlying documents.</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>

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Financial Statements

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

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

The Board of directors are 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 judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

### Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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 Sajjad Hussain Gill.

*BDO Ebrahim & Co.*

**BDO EBRAHIM & CO.**  
CHARTERED ACCOUNTANTS

UDIN: AR202410087clFfr0Cy1  
LAHORE: January 06, 2025

# STATEMENT OF FINANCIAL POSITION

As At 30 September 2024

	Note	2024 Rupees	2023 Rupees (Restated)	2022 Rupees (Restated)
<b>ASSETS</b>				
<b>NON CURRENT ASSETS</b>				
Property, plant and equipment				
Operating fixed assets	9	3,427,348,441	3,492,165,517	3,550,648,365
Right-of-use assets	10	13,838,540	20,090,211	14,848,919
Capital work in progress	11	12,552,659	1,656,275	4,318,237
		3,453,739,640	3,513,912,003	3,569,815,521
Long term deposits	12	630,184	525,400	1,862,450
		3,454,369,824	3,514,437,403	3,571,677,971
<b>CURRENT ASSETS</b>				
Stores, spare parts and loose tools	13	207,803,822	189,945,202	142,233,291
Stock in trade	14	1,942,632,882	726,722,121	535,560,190
Trade debts	15	3,362,467	-	8,258,625
Short term investment	16	306,400	-	-
Loans and advances	17	446,928,134	317,295,182	186,693,990
Short term deposits and prepayments	18	798,285	2,597,585	1,698,307
Other receivables	19	5,722,999	8,327,829	9,373,703
Taxation / levy - net	20	73,247,717	36,941,661	41,719,765
Cash and bank	21	83,789,198	116,810,909	225,531,346
		2,764,591,904	1,398,640,489	1,151,069,217
<b>TOTAL ASSETS</b>		<b>6,218,961,728</b>	<b>4,913,077,892</b>	<b>4,722,747,188</b>
<b>EQUITY AND LIABILITIES</b>				
<b>SHARE CAPITAL AND RESERVES</b>				
Authorized share capital	22.1	700,000,000	700,000,000	700,000,000
Issued, subscribed and paid up capital	22.2	94,500,000	94,500,000	94,500,000
Reserves				
Revenue reserves - accumulated losses		(3,024,992,840)	(2,452,520,079)	(2,545,950,284)
Directors' loans	23	3,002,700,000	3,002,700,000	3,002,700,000
Surplus on revaluation of operating fixed assets	24	2,517,273,104	2,571,346,693	2,629,613,660
		2,589,480,264	3,216,026,614	3,180,863,376
<b>NON CURRENT LIABILITIES</b>				
Long term loan	25	139,544,750	194,971,400	321,629,268
Long term diminishing musharka	26	210,000,000	270,000,000	-
Lease liabilities	27	6,621,610	7,213,053	6,355,958
Deferred liabilities	28	25,281,610	17,703,025	11,541,454
		381,447,970	489,887,478	339,526,680
<b>CURRENT LIABILITIES</b>				
Trade and other payables	29	197,369,356	213,111,524	189,828,824
Contract liabilities	30	241,776,008	408,485,470	73,494,312
Unclaimed dividend		255,930	255,930	255,930
Due to Pattoki Sugar Mills Limited	31	9,007,275	15,552,242	16,656,242
Short term borrowings	32	2,059,050,720	100,000,000	440,005,920
Mark-up accrued	33	416,221,001	305,335,771	298,446,922
Current portion of long term liabilities	34	324,353,204	164,422,863	183,668,982
		3,248,033,494	1,207,163,800	1,202,357,132
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,218,961,728</b>	<b>4,913,077,892</b>	<b>4,722,747,188</b>
<b>CONTINGENCIES AND COMMITMENTS</b>				
	35			

The annexed notes from 1 to 64 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



# STATEMENT OF PROFIT OR LOSS

For the year ended 30 September 2024

	Note	2024 Rupees	2023 Rupees (Restated)
Revenue from contracts with customers	36	5,840,321,922	4,543,139,222
Cost of sales	37	(5,580,519,459)	(3,992,396,801)
Gross profit		259,802,463	550,742,421
Selling and distribution expenses	38	(29,978,859)	(37,312,887)
General and administrative expenses	39	(160,614,922)	(135,939,736)
Other operating expense	40	(1,676,202)	(108,730,149)
Other income	41	139,729,726	174,259,392
		(52,540,257)	(107,723,380)
Operating profit		207,262,206	443,019,041
Financial charges	42	(757,533,689)	(350,433,374)
(Loss) / profit before taxation and levy		(550,271,483)	92,585,667
Levy	43	(73,144,097)	(56,448,158)
(Loss) / profit before income tax		(623,415,580)	36,137,509
Taxation	44	49,047	(54,761)
(Loss) / profit for the year		(623,366,533)	36,082,748
(Loss) / Earnings per share - Basic and diluted (Rupees)	46	(65.96)	3.82

The annexed notes from 1 to 64 form an integral part of these financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# STATEMENT OF COMPREHENSIVE INCOME

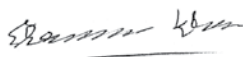
For the year ended 30 September 2024

	Note	2024 Rupees	2023 Rupees (Restated)
(Loss) / profit for the year		(623,366,533)	36,082,748
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability	28.2.4	(3,179,817)	(919,510)
Related tax effect		-	-
		(3,179,817)	(919,510)
Surplus on revaluation of operating fixed assets		-	-
Related tax effect		-	-
		-	-
Total comprehensive (loss) / income for the year		(626,546,350)	35,163,238

The annexed notes from 1 to 64 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# STATEMENT OF CASH FLOWS

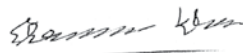
For the year ended 30 September 2024

	Note	2024 Rupees	2023 Rupees (Restated)
<b>Cash flows from operating activities</b>			
(Loss) / profit before taxation and levy		(550,271,483)	92,585,667
Adjustments for non-cash items :			
Depreciation	9.8 and 10	112,223,892	114,086,983
Provision for gratuity	28.2.4	14,771,634	7,586,305
Gain on sale of fixed assets	41	(98,214)	(8,381,455)
Liabilities written back	41	-	(17,891,973)
Financial charges	42	757,533,689	350,433,374
Net cash flow before working capital changes		334,159,518	538,418,901
<b>Decrease / (increase) in current assets</b>			
Stores, spare parts and loose tools		(17,858,620)	(47,711,911)
Stock in trade		(1,215,910,761)	(191,161,931)
Trade debts		(3,362,467)	8,258,625
Loans and advances		(129,632,952)	(130,601,192)
Trade deposits and short term prepayments		1,799,300	(899,278)
Other receivables		2,604,830	1,045,874
		(1,362,360,670)	(361,069,813)
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payables		(182,451,630)	376,165,831
Taxes paid		(1,210,652,782)	553,514,919
Payment against staff retirement - gratuity	28.2.5	(109,401,106)	(51,724,815)
Financial charges paid		(10,372,866)	(2,344,244)
		(646,648,459)	(343,544,525)
Net cash (used in) / generated from operating activities		(1,977,075,213)	155,901,335
<b>Cash flows from investing activities</b>			
Additions in operating fixed assets	9	(27,446,828)	(58,077,999)
Additions in capital work in progress	11.1	(21,271,071)	2,661,962
Proceeds from sale of operating fixed assets		740,984	15,059,452
Short term investment		(306,400)	-
Long term deposits		(104,784)	1,337,050
Net cash used in investing activities		(48,388,099)	(39,019,535)
<b>Cash flows from financing activities</b>			
Loan obtained / (repaid) to banking companies		73,342,132	(173,762,182)
Long term diminishing musharakah (repaid) / obtained		(30,000,000)	300,000,000
(Paid) / adjusted to Pattoki Sugar Mills Limited		(6,544,967)	(1,104,000)
Principal repayment of lease liability		(3,406,284)	(10,730,135)
Short term borrowings - net		1,959,050,720	(340,005,920)
Net cash generated / (used in) from financing activities		1,992,441,601	(225,602,237)
Net decrease in cash and cash equivalents		(33,021,711)	(108,720,437)
Cash and cash equivalents at the beginning of the year		116,810,909	225,531,346
Cash and cash equivalents at the end of the year		83,789,198	116,810,909

The annexed notes from 1 to 64 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2024

	Issued, subscribed and paid-up capital	Surplus on revaluation of fixed assets	Directors' loans	Revenue Reserves	Total	
	Ordinary shares			Accumulated losses		
<b>Note</b>	----- ( Rupees) -----					
Balance as at October 01, 2022 as previously reported	94,500,000	2,371,408,110	3,002,700,000	(2,696,855,317)	2,771,752,793	
Effect of restatement on adoption of IAS-12/37 and IFRIC 21	8	-	258,205,550	-	150,905,033	409,110,583
Balance as at October 01, 2022 - restated	94,500,000	2,629,613,660	3,002,700,000	(2,545,950,284)	3,180,863,376	
<b>Total comprehensive income for the year</b>						
Profit for the year	-	-	-	36,082,748	36,082,748	
Remeasurement of defined benefit liability	-	-	-	(919,510)	(919,510)	
Incremental depreciation on revaluation surplus	-	(58,266,967)	-	58,266,967	-	
	-	(58,266,967)	-	93,430,205	35,163,238	
Balance as at September 30, 2023	94,500,000	2,571,346,693	3,002,700,000	(2,452,520,079)	3,216,026,614	
<b>Total comprehensive income for the year</b>						
Loss for the year	-	-	-	(623,366,533)	(623,366,533)	
Remeasurement of defined benefit liability	-	-	-	(3,179,817)	(3,179,817)	
Incremental depreciation on revaluation surplus	-	(54,073,589)	-	54,073,589	-	
	-	(54,073,589)	-	(572,472,761)	(626,546,350)	
Balance as at September 30, 2024	94,500,000	2,517,273,104	3,002,700,000	(3,024,992,840)	2,589,480,264	

The annexed notes from 1 to 64 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2024

## 1. LEGAL STATUS AND NATURE OF BUSINESS

Baba Farid Sugar Mills Limited (“the Company”) was incorporated in 1978 under the repealed Companies Act, 1913 (now Companies Act, 2017) as a Public Limited Company and its shares are quoted at Pakistan Stock Exchange. It is principally engaged in the manufacturing and sale of sugar including its by-products i.e. molasses, Filter cake and bagasse.

## 2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 2-D/1, Gulberg III, Lahore. The manufacturing facility of the Company is located at 5 KM Faisalabad Road, District Okara, Punjab.

## 3. GOING CONCERN ASSUMPTION

The Company has accumulated losses amounting to Rs. 3,024.993 million as at September 30, 2024, however, the Company has positive equity as the sponsors have provided financial support in the form of an interest-free loan amounting to Rs. 3,002.700 million, payable at the discretion of the Company. The management expects improved gross margins and profitability in future years due to non-regulation of sugar cane price and decrease in interest rates, therefore, the management considers that the going concern assumption used to prepare these financial statements is appropriate.

## 4. BASIS OF PREPARATION

### 4.1 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 (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

### 4.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for recognition of certain staff retirement benefits at present value and as modified for fair value adjustment in certain fixed assets and exchange differences.

The preparation of financial statements in conformity with accounting and reporting standards requires management to make estimates, assumptions and use judgments that effect the application of policies and reported amounts, of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management that may have a significant risk of material adjustments to the financial statements in subsequent years are disclosed in note 7.



#### 4.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency for the Company.

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

#### 5.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended September 30, 2024

The following standards, amendments and interpretations are effective for the year ended September 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after January 1, 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in note 7 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

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

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

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

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

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

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

## 6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in relevant notes.

## 7. MATERIAL ACCOUNTING POLICY INFORMATION

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

### 7.1 Property, plant and equipment

#### a) Owned assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land, buildings on freehold land, and plant and machinery which are carried at revalued amount and capital work-in-progress which is stated at cost less impairment losses.

Depreciation is charged on all fixed assets by applying the reducing balance method at the rates specified in note 9. The rates are determined to allocate the cost of an asset less estimated residual value, if not insignificant, over its useful life.

Depreciation on assets is charged from the month of addition while no depreciation is charged for the month in which assets are disposed off.

Increases in the carrying amounts arising on revaluation of fixed assets is recognised, net of tax, in other comprehensive income and accumulated revaluation surplus in shareholders' equity and value of fixed assets. If an assets' carrying amount is increased as a result of revaluation, the increase will be recognized in other comprehensive income.

However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. If an assets' carrying amount is decreased as a result of revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that assets.

Maintenance and normal repairs are charged to income as and when incurred while cost of major replacements and improvements, if any, are capitalized.

Gains and losses on disposal and retirement of an asset are included in the statement of profit or loss.

#### Surplus on revaluation of operating fixed assets

Surplus arising on revaluation is credited to surplus on revaluation of property plant and equipment. This surplus on revaluation, to the extent of incremental depreciation is transferred to accumulated profit, net of deferred tax.

#### b) Capital work in progress

Capital work-in-progress are stated at cost less impairment losses, if any, and consists of expenditure incurred, advances made and other costs directly attributable to operating fixed assets in the course of their construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant operating fixed assets category as and when assets are available for use intended by the management.

#### c) Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indications exist, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in the statement of profit or loss. 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.

Impaired assets are reviewed for possible reversal of the impairment at each statement of financial position date. Reversal of the impairment losses are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment losses had been recognized. A reversal of impairment loss is recognized in the statement of profit or loss.

## 7.2 Leases

### Right of use assets

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use asset is subsequently depreciated using reducing balance method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

### Lease liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

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

### Significant judgement in determining the lease term of contracts with renewal options

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

## 7.3 Intangible assets

Costs that are directly associated with identifiable software products controlled by the Company and have probable economic benefits beyond one year are recognized as intangible assets. These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is provided on a straight line basis over the asset's estimated useful lives.

#### 7.4 Stores, spares and loose tools

These are valued at lower of weighted average cost and net realizable value less impairment, if any, except for items in transit, which are valued at cost comprising of invoice value plus other charges paid thereon till the statement of financial position date. The Company reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence if there is any change in usage pattern and physical form of related stores, spares and loose tools. For items which are slow moving and / or identified as surplus to the company's requirements, adequate provision is made for any excess book value over estimated realisable value.

Spares parts of capital nature which can be used only in connection with an item of property, plant and equipment are classified as tangible fixed assets under the plant and machinery category and are depreciated on over a time period not exceeding the useful life of related assets.

#### 7.5 Stock-in-trade

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

Raw and packing materials	- weighted average cost
Raw and packing materials in transit	- Invoice value plus other expenses incurred thereon
Work in process	- Cost of material as above plus proportionate production overheads
Finished goods	- Average cost of manufacture/purchase which includes proportionate production overheads including duties and taxes paid thereon, if any.
By products	- At net realizable value

Adequate provision is made for slow moving and obsolete items.

Net realizable value represents the estimated selling prices in the ordinary course of business less expenses incidental to make the sale.

#### 7.6 Trade debts and other receivables

Trade debts and other receivables are recognized and carried at original invoiced amount which is the fair value of the consideration to be received in future for goods sold less provision for doubtful amounts. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company is required to recognize allowance for doubtful debts on all financial assets carried at amortized cost in accordance with Expected Credit Loss (ECL) requiring to recognize the loss irrespective whether the loss event has occurred. Default or delay in payments are considered indicators that the receivable is impaired.

#### 7.7 Taxation

##### a) Current

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

## b) Deferred

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

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

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

## c) Levy

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

## 7.8 Borrowings

Loans and borrowings are recorded at the proceeds received. Finance cost are accounted for on accrual basis and are shown as interest and mark-up accrued to the extent of the amount remaining unpaid.

Short term borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Borrowing cost on long term finances and short term borrowings which are obtained for the acquisition of qualifying assets are capitalized as part of cost of that asset. All other borrowing costs are charged to the statement of profit or loss in the period in which these are incurred. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost as allowed under IAS 23 "Borrowing cost".

## 7.9 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

## 7.10 Provisions

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

## 7.11 Operating lease/Ijarah

Operating lease/ijarah in which a significant portion of the risks and rewards of ownership are retained by the lessor/Muj'ir (lessor) are classified as operating leases/Ijarah. Payments made during the period are charged to profit and loss on a straight-line basis over the period of the lease/Ijarah.



The SECP has issued directive (vide SRO 431(I)/2007 dated May 22, 2007) that Islamic Financial Accounting Standard 2 (IFAS-2) shall be followed in preparation of the financial statements by companies while accounting for Ijarah (Lease) transactions as defined by said Standard. The Company has adopted the above said standard.

#### 7.12 Cash and bank balances

Cash in hand and at banks are carried at nominal amount.

#### 7.13 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand, cheques in hand and balances with banks net of borrowings not considered as being in the nature of financing activities.

#### 7.14 Dividend and appropriation to reserve

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

#### 7.15 Financial instruments

##### 7.15.1 Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Company as at statement of financial position date are carried at amortized cost.

##### Amortized cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Debt Instrument - FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

### Equity Instrument - FVOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

### Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

### Impairment

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company recognizes loss allowance for Expected Credit Losses (ECLs), except for the following, which are measured at 12-month ECLs, on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

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

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

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

The Company applies the IFRS 9 simplified approach to measure the expected credit losses which uses a lifetime expected loss allowance. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Management uses actual credit loss experience over a past years to base the calculation of ECL.

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

### 7.15.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

### 7.15.3 Recognition and measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

### 7.15.4 Derecognition

The financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial assets. The financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

### 7.16 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet 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 realize the asset and settle the liability simultaneously.

### 7.17 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of transactions or at the contract rate. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing at the reporting date or at the contract rate. Exchange gains and losses are included in the statement of profit or loss currently.

### 7.18 Employee benefits

The Company's employees benefits comprise of gratuity scheme and compensated absences for eligible employees.

### 7.18.1 Staff retirement benefits

#### Defined benefit plan (Gratuity Fund)

The Company operates an un-funded gratuity scheme for all its permanent employees who have attained retirement age, died or resigned during service period and have served for the minimum qualification period. Provision is based on the actuarial valuation of the scheme carried out as at September 30, 2024 using the Projected Unit Credit Method in accordance with IAS-19 "Employee Benefits" and resulting vested portion of past service cost has been charged to income in the current year. The remeasurement gains / losses as per actuarial valuation done at financial year end are recognized immediately in other comprehensive income and all other expenses are recognized in accordance with IAS 19 "Employee Benefits" in the statement of profit or loss.

### 7.18.2 Compensated absences

The Company accounts for these benefits in the period in which the absences are earned.

## 7.19 Revenue recognition

Revenue comprises the fair value for the sale of goods net of sales taxes and discounts. Revenue from the sale of goods is recognized when control of the goods passes to customers and the customers can direct the use of and substantially obtain all the benefits from the goods.

Revenue is recognized when specific criteria have been met for each of the Company's activities as described below.

#### Revenue from contracts with customers

##### Sale of goods

- Sale of goods is recognized when the Company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from the sale of goods is recognized at the point in time when the performance obligations arising from the contract with a customer is satisfied and the amount of revenue that it expects to be entitled can be determined. This usually occurs when control of the asset is transferred to the customer, which is when goods are dispatched or delivered to the customer.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is disclosed net of returns, rebates, discounts and other allowances.

##### 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.

##### Others

- Scrap sales are recognized on delivery to customers at realized amounts.
- Return on deposit is accrued on time proportion basis by reference to the principle outstanding and the applicable rate of return.
- All other income is recognized on accrual basis.

## 7.20 Related party transactions

Transactions with related parties are based at arm's length, that normal commercial rates on the same terms and conditions as applicable to third party transactions.

## 7.21 Borrowing costs

Interest charges on long term loans are capitalized for the period up to the date of commencement of commercial production of the respective plant and machinery acquired out of the proceeds of such loans. All other interest and charges are treated as expenses during the year.

## 7.22 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company has only one reportable segment.

## 7.23 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

## 7.24 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs, net of tax, directly attributable to the issue of new shares are shown as a deduction in equity.

## 7.25 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

## 7.26 Financial assets - due from Government of Pakistan

Financial assets due from the Government of Pakistan i.e. subsidy on export due from Government. SECP through S.R.O. 67 (I)/2023 dated January 20, 2023 has notified that, in respect of companies holding financial assets due from the Government of Pakistan in respect of circular debt, the requirements contained in IFRS 9 with respect to application of Expected Credit Losses method shall not be applicable till December 31, 2024 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period.

These are recognized initially at invoice value, which approximates fair value, and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all the amount due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the receivable is impaired. The provision is recognized in the statement of profit or loss. When a receivable is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the statement of profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of profit or loss.

The allowance for doubtful accounts is based on the Company's assessment at the collectability of counterparty accounts. The Company regularly reviews its trade debts that remain outstanding past their applicable payment terms and establishes allowance and potential write-offs by considering facts such as historical experience, credit quality, age of the accounts receivable balances and current economic conditions that may affect customers ability to pay.

#### 7.27 Loans, advances, deposits, prepayments and other receivables

Loans, advances, deposits, prepayment and other receivables are carried at original amount less provision made for doubtful receivables based on a review of all outstanding amounts at the year end. Balance considered irrecoverable are written off.

### 8. RESTATEMENT - ON ADOPTION OF IAS 12 – APPLICATION GUIDANCE ON ACCOUNTING FOR MINIMUM AND FINAL TAXES

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these financial statements.

The Company has adopted approach one under the scope of IFRIC 21/IAS 37/IAS 12. During the year, the Company incurred a loss before taxation of Rs. 550.271 million, resulting in accumulated losses amounting of Rs. 3,024.993 million as at September 30, 2024. The company had previously recorded a net deferred tax liability of Rs. 354.229 million in 2023. Following the adoption of approach one, any previously recorded deferred tax would require reassessment, and necessary adjustments would be made through retained earnings in accordance with IAS 08 'Accounting Policies, Changes in Accounting Estimates, and Errors'. Following the above guidance and management assessment, the Company will remain in minimum tax and deductible temporary difference cannot be utilized, the deferred tax liability recorded in prior year has been reversed and relevant adjustments has been made in statement of changes in equity.



The summary of effect on prior periods is presented below:

	As previously reported	Restatement	As restated
<b>As at September 30, 2022</b>			
<b>Effect on statement of financial position :</b>			
Deferred liabilities	420,652,037	(409,110,583)	11,541,454
"Revenue reserves accumulated losses"	(2,696,855,317)	150,905,033	(2,545,950,284)
"Surplus on revaluation of operating fixed assets"	2,371,408,110	258,205,550	2,629,613,660
<b>As at September 30, 2023</b>			
<b>Effect on statement of financial position :</b>			
Deferred liabilities	371,932,435	(354,229,410)	17,703,025
"Revenue reserves - accumulated losses"	(2,565,441,359)	112,921,280	(2,452,520,079)
"Surplus on revaluation of operating fixed assets"	2,330,038,563	241,308,130	2,571,346,693
<b>Effect on statement of profit or loss :</b>			
Income tax - deferred tax	(54,614,515)	54,614,515	-
<b>Effect on other comprehensive income :</b>			
Remeasurement of defined benefit liability related deferred tax	(266,658)	266,658	-
<b>Effect on statement of changes in equity :</b>			
<b>As at September 30, 2023</b>			
Incremental depreciation transferred to retained earning	(41,369,547)	(16,897,420)	(58,266,967)

## 9. OPERATING FIXED ASSETS

9.1 The following is the statement of fixed assets;

Description	Freehold land	Buildings on freehold land	Plant and machinery	Electric installation	Tools and equipment	Vehicles	Furniture and fixtures	Office and other equipments	Computer and allied equipment	Total
	(Rupees)									
Net carrying value basis year ended September 30, 2024										
Opening net book value (NBV)	1,728,240,000	276,304,880	1,427,965,056	19,176,568	28,923,177	2,860,377	2,146,318	3,938,156	2,610,985	3,492,165,517
Additions / transfer (at cost)	-	10,627,646	14,165,000	6,739,836	3,856,658	7,545,374	865,520	74,000	786,210	44,680,444
Disposals (NBV)	-	-	-	-	-	(642,770)	-	-	-	(642,770)
Depreciation charge	-	(27,938,442)	(71,965,357)	(2,218,970)	(3,040,119)	(1,973,321)	(279,630)	(398,133)	(1,040,778)	(108,854,750)
Closing net book value	1,728,240,000	258,994,084	1,370,184,699	23,697,434	29,739,716	7,789,860	2,732,208	3,614,023	2,356,417	3,427,348,441
Gross carrying value basis year ended September 30, 2024										
Cost/revalued amount	1,728,240,000	607,169,786	2,634,652,950	37,960,307	40,838,219	12,204,313	8,982,968	16,826,001	4,956,779	5,091,831,323
Accumulated depreciation	-	(348,175,702)	(1,264,468,251)	(14,262,873)	(11,098,503)	(4,414,453)	(6,250,760)	(13,211,978)	(2,600,362)	(1,664,482,882)
Net book value	1,728,240,000	258,994,084	1,370,184,699	23,697,434	29,739,716	7,789,860	2,732,208	3,614,023	2,356,417	3,427,348,441
Net carrying value basis year ended September 30, 2023										
Opening net book value (NBV)	1,728,240,000	290,689,156	1,494,941,821	9,988,948	18,139,997	558,881	1,738,922	4,216,371	2,134,269	3,550,648,365
Additions / Transfer (at cost)	-	15,575,219	13,832,101	10,332,730	13,237,117	2,791,082	610,827	155,877	1,543,046	58,077,999
Disposals (NBV)	-	-	(5,727,917)	-	-	(19,219)	-	-	-	(5,747,136)
Depreciation charge	-	(29,959,495)	(75,080,949)	(1,145,110)	(2,453,937)	(470,367)	(203,431)	(434,092)	(1,066,330)	(110,813,711)
Closing net book value	1,728,240,000	276,304,880	1,427,965,056	19,176,568	28,923,177	2,860,377	2,146,318	3,938,156	2,610,985	3,492,165,517
Gross carrying value basis year ended September 30, 2023										
Cost/revalued amount	1,728,240,000	596,542,140	2,620,467,950	31,220,471	36,981,561	5,434,843	8,117,448	16,752,001	4,170,569	5,047,926,983
Accumulated depreciation	-	(320,237,260)	(1,192,502,894)	(12,043,903)	(8,058,384)	(2,574,466)	(5,971,130)	(12,813,845)	(1,559,584)	(1,555,761,466)
Net book value	1,728,240,000	276,304,880	1,427,965,056	19,176,568	28,923,177	2,860,377	2,146,318	3,938,156	2,610,985	3,492,165,517
Depreciation rate % per annum	-	10	5	10	10	20	10	10	33	

9.2 Free hold land of the Company is located at 5-km Faisalabad Road, District Okara, Punjab with an area covering 72.011 acres (2023: 72.011 acres). The building on freehold land and other immovable assets of the Company are constructed/located at above mentioned freehold land and address.

9.3 Plant and machinery and building on free hold land include transfer from capital work-in-progress amounting to Rs. 10.375 million (2023: Rs. 8.172 million).

9.4 Free hold land, buildings on free hold land, and plant and machinery were revalued by independent valuers M/s. Harvester Services (Private) Limited as at September 30, 2022 on the basis of market value. The revaluation resulted in surplus aggregating to Rs. 533.459 million. Had there been no revaluation on that date, the book value of operating fixed assets would have been lower by Rs. 2,553.340 million (2023: Rs. 2,573.245 million).

9.5 Had there been no revaluation, the net book value of the assets as at september 30, 2024 would have been as under:

Description	Note	2024 Rupees	2023 Rupees
Free hold land		7,959,798	7,959,798
Buildings on free hold land		52,738,796	46,790,167
Plant and machinery		774,917,357	800,770,902
		<u>835,615,951</u>	<u>855,520,867</u>

9.6 The forced sale value of free hold land, buildings on free hold land and plant and machinery is Rs. 1,469.004 million, 218.017 million and 1,116.000 million, respectively.

	Note	2024 Rupees	2023 Rupees
<b>9.7 The depreciation charge for the year is as follows:</b>			
Operating fixed assets	9.1	108,854,750	110,813,711
Right-of-use assets	10	3,369,142	3,273,272
		<u>112,223,892</u>	<u>114,086,983</u>
<b>9.8 The depreciation charge for the year is as follows:</b>			
Cost of sales	37	105,162,888	108,639,490
General and administrative expenses	39	3,691,862	2,174,220
		<u>108,854,750</u>	<u>110,813,711</u>

9.9 Plant and machinery includes an amount of Nil (2023: Rs. Nil) as stand by equipment / parts which have been capitalised and depreciated over the useful life of the assets.

#### 9.10 Fair value measurement (revalued property, plant and equipment)

9.10.1 Fair value measurement of free hold land is based on the valuations carried out by an independent valuer M/s. Harvester Services (Private) Limited as at September 30, 2022 on the basis of market value.

9.10.2 Fair value measurement of revalued land is based on assumptions considered to be level 2 inputs.

#### 9.10.3 Valuation techniques used to derive level 2 fair values - Land

Fair value of land has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input in this valuation approach is price / rate per kanal in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

	Note	2024 Rupees	2023 Rupees
<b>10. RIGHT-OF-USE ASSETS</b>			
Vehicles	10.1	7,344,810	11,235,125
Agricultural land	10.2	6,493,730	8,855,086
		<u>13,838,540</u>	<u>20,090,211</u>
<b>10.1 The following is the statement of right of use assets:</b>			
<b>Vehicle</b>			
<b>Year ended September 30, 2024</b>			
<b>Net carrying value basis</b>			
Opening net book value		11,235,125	14,848,919
Addition during the year	10.1.2	3,976,400	37,590
Transferred to operating fixed assets		(6,858,929)	(968,451)
Depreciation		(1,007,786)	(2,682,933)
		<u>7,344,810</u>	<u>11,235,125</u>
<b>Gross carrying value basis</b>			
Cost		17,644,280	19,386,220
Addition during the year		3,976,400	37,590
Transferred to operating fixed assets		(12,061,950)	(1,779,530)
Accumulated depreciation	10.1.1	(2,213,920)	(6,409,155)
Net book value		<u>7,344,810</u>	<u>11,235,125</u>

	Note	2024 Rupees	2023 Rupees
<b>10.1.1 Accumulated depreciation</b>			
Opening balance		6,409,155	4,537,301
Charge for the year		1,007,786	2,682,933
Transfer to fixed assets		(5,203,021)	(811,079)
Closing balance		2,213,920	6,409,155
Depreciation rate % per annum		20%	20%
<b>10.1.2</b> This represents vehicles obtained on finance lease from Bank Al Habib Limited as further detailed in note 27.			
<b>10.2 Agricultural land</b>			
Year ended September 30			
Net carrying value basis			
Opening net book value	10.2.3	8,855,086	-
Addition during the year		-	9,445,425
Depreciation		(2,361,356)	(590,339)
		6,493,730	8,855,086
Gross carrying value basis			
Cost		9,445,425	9,445,425
Accumulated depreciation	10.2.1	(2,951,695)	(590,339)
Net book value		6,493,730	8,855,086
<b>10.2.1 Accumulated depreciation</b>			
Opening balance		590,339	-
Charge for the year		2,361,356	590,339
Closing balance		2,951,695	590,339
Depreciation rate % per annum		25%	25%
<b>10.2.2 The depreciation charge for the year has been allocated as follows:</b>			
General and administrative expenses	39	3,369,142	3,273,272

**10.2.3** This represents right of use of agriculture land against lease from various individuals for agriculture purposes to grow the sugarcane and seed experiments.

## 11. CAPITAL WORK IN PROGRESS

	Note	2024 Rupees	2023 Rupees
This comprises of:			
Buildings on free hold land	11.1	2,767,368	1,656,275
Plant and machinery		9,785,291	-
		12,552,659	1,656,275

	Building	Plant and machinery	Total
	Rupees	Rupees	Rupees
<b>11.1 Movement of carrying amount</b>			
Year ended September 30, 2024			
Opening balance	1,656,275	-	1,656,275
Additions (at cost)	11,485,780	9,785,291	21,271,071
Transferred to operating fixed assets	(10,374,687)	-	(10,374,687)
Closing balance	2,767,368	9,785,291	12,552,659
Year ended September 30, 2023			
Opening balance	4,318,237	-	4,318,237
Additions (at cost)	5,509,693	-	5,509,693
Transferred to operating fixed assets	(8,171,655)	-	(8,171,655)
Closing balance	1,656,275	-	1,656,275

- 11.2** Buildings on free hold land consists of weigh bridge, sugar godown store and new mills house shed and plant and machinery consists of ash wet scrubber new turbine which are still under construction and expected to be completed in next financial year.

	Note	2024 Rupees	2023 Rupees
<b>12. LONG TERM DEPOSITS</b>			
Long term deposits	12.1	630,184	525,400
<b>12.1 Movement of carrying amount</b>			
Opening balance		1,687,950	1,862,450
Addition		779,184	-
Adjusted during the year		(1,311,550)	(174,500)
Closing balance		1,155,584	1,687,950
Current portion shown under the current	18	(525,400)	(1,162,550)
		630,184	525,400

- 12.2** This comprises of security deposits with the bank in respect of leasing facility availed during the current and prior years.

	Note	2024 Rupees	2023 Rupees
<b>13. STORES, SPARES AND LOOSE TOOLS</b>			
Stores	13.1	130,834,596	132,222,661
Spare parts	13.1	90,440,299	72,144,062
		221,274,895	204,366,723
Less:			
Provision for obsolete store and spare parts	13.2	(16,041,549)	(16,041,549)
		205,233,346	188,325,174
Loose tools		2,570,476	1,620,028
		207,803,822	189,945,202

- 13.1 Stores and spare parts also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spare parts consumption resulting in capital expenditure are capitalized in cost of respective assets.

	Note	2024 Rupees	2024 Rupees
<b>13.2 Movement of provision for obsolete stores and spares</b>			
Opening balance		16,041,549	16,041,549
Provision made		-	-
Closing balance		16,041,549	16,041,549
<b>14. STOCK IN TRADE</b>			
Work in process			
- Sugar		10,314,607	9,404,221
- Molasses		1,410,808	2,935,690
	37	11,725,415	12,339,911
Finished goods			
- Sugar	14.1&14.2	1,926,348,367	714,322,740
- Molasses		4,559,100	59,470
		1,942,632,882	726,722,121

- 14.1 Stock-in-trade up to a maximum amount of Rs. 1,851.301 million (2023: Rs. Nil) are under hypothecation of commercial banks as security for short term borrowings.

- 14.2 These include provision for write down of finished goods inventory to net realizable value amounting to Rs. 102.960 million (2023: Rs. 0.980 million).

#### 15. TRADE DEBTS

	Note	2024 Rupees	2023 Rupees
Unsecured			
Considered good		3,362,467	-
		3,362,467	-
Less: Allowance for expected credit losses		-	-
		3,362,467	-

- 15.1 This represents amount receivable from Malmo Bakers and Sweets and Jalal Sons against sale of sugar.

#### 16. SHORT TERM INVESTMENT

At fair value through profit or loss - Mutual funds			
BAHL Asset Management Limited			
BAHL Islamic Money Market Fund	16.1	306,400	-



	Note	2024 Rupees	2023 Rupees
<b>16.1 Bank Alhabib Money Market Fund</b>			
Opening		-	-
Acquired during the year		600,000,000	-
Bonus / dividend		5,752,300	-
Redeemed during the year		(605,445,900)	-
Closing		306,400	-

## 17. LOANS AND ADVANCES

Advances - (Unsecured - considered good)			
To employees	17.1	4,051,004	2,902,815
Advance against supplies and services (Unsecured)			
Considered good			
To cane growers	17.2	322,701,342	295,092,221
To store purchasers	17.3	120,175,788	19,300,146
		446,928,134	317,295,182

**17.1** This represents advances given to employees against salary and expenses. These advances are provided for general purposes in accordance with the terms of their employment, which are not past due. These advances are unsecured, interest free and receivable on demand.

**17.2** This represents advances to various sugar cane growers in the form of fertilizers, seeds and pesticides. These advances are unsecured, interest free and will be adjusted in sugar cane payment.

**17.3** This represents advances to vendors and service providers and are settled as and when the items are received and services are rendered.

**17.4** Financial assets under this caption are advances which are trivial for the decision making of users of the financial statements hence no impact on measurement has been considered.

	Note	2024 Rupees	2023 Rupees
<b>18. SHORT TERM DEPOSITS AND PREPAYMENTS</b>			
Prepaid insurance		272,885	1,435,035
Current portion of long term deposit	12.1	525,400	1,162,550
		798,285	2,597,585
<b>19. OTHER RECEIVABLES</b>			
Considered good			
Input sales tax	19.1	5,722,999	8,327,829
Considered doubtful			
Subsidy receivable on exports	19.3	105,742,500	105,742,500
Less: Allowance for expected credit losses	19.2	(105,742,500)	(105,742,500)
		-	-
		5,722,999	8,327,829

19.1 This represents sales tax against unclaimed invoices which have been claimed subsequent to the reporting date.

19.2 Movement of provision for impairment allowance is as follows:

	Note	2024 Rupees	2023 Rupees
Balance as at October 01,		(105,742,500)	(105,742,500)
Provision made during the year		-	-
Closing balance		<u>(105,742,500)</u>	<u>(105,742,500)</u>

19.3 This represents subsidy receivable from Government of Pakistan against export of sugar during the financial year 2015. This is claimable under finance division's notification No. 1(4) CF-C/2014-114 dated February 18, 2015 in terms of which Government of Pakistan has approved total cash subsidy at the rate of Rs. 10/- per kg to sugar mills on export of sugar, as per the terms and conditions mentioned therein. The Company considers that this amount may not be recoverable so that a provision is made for it.

19.4 The maximum amount due from Al-Moiz Industries Limited at the end of any month during the year was Rs. 4.590 million (2023: Rs. 4.561 million).

19.5 The maximum amount due from The Thal Industries Corporation Limited at the end of any month during the year was Rs. 9.145 million (2023: Rs. 7.371 million).

	Note	2024 Rupees	2023 Rupees
<b>20. TAXATION / LEVY - NET</b>			
Opening balance		36,941,661	32,487,650
Advance income tax		109,401,106	60,956,930
Less: Provision for taxation	43	(73,144,097)	(56,448,158)
Prior year adjustment		49,047	(54,761)
Net asset / (liability)		<u>73,247,717</u>	<u>36,941,661</u>

## 21. CASH AND BANK BALANCES

Cash in hand		527,414	297,964
Balances at banks			
Deposit accounts	21.1	1,143,872	29,632,783
Current accounts	21.3	82,117,910	86,880,162
		<u>83,789,196</u>	<u>116,810,909</u>

21.1 Cash at bank in deposit accounts carries profit rate ranging from 14.00% to 20.70% (2023: 14.00% to 20.50%).

21.2 Cash at bank in current accounts do not carry any interest or mark-up. There is no impact on measurement of bank balances due to implementation of IFRS 9.

21.3 In some bank accounts, the Company has not conducted any transactions since long and the bank had marked these accounts as dormant.

## 22. SHARE CAPITAL

### 22.1 Authorized share capital

2024	2023		2024 Rupees	2023 Rupees
Number of ordinary shares of Rs. 10/- each				
<u>70,000,000</u>	<u>70,000,000</u>	Ordinary shares of Rs. 10/- each	<u>700,000,000</u>	<u>700,000,000</u>

### 22.2 Issued, subscribed and paid up capital:

2024	2023		2024 Rupees	2023 Rupees
Number of ordinary shares of Rs. 10/- each				
6,400,000	6,400,000	Fully paid in cash	64,000,000	64,000,000
3,050,000	3,050,000	Fully paid bonus shares	30,500,000	30,500,000
<u>9,450,000</u>	<u>9,450,000</u>		<u>94,500,000</u>	<u>94,500,000</u>

Number of  
Shares

Rupees

#### 22.2.1 Movement of share capital is as follows:

Opening balance as at October 01, 2023	9,450,000	94,500,000
Bonus shares issued during the year	-	-
Closing balance as at September 30, 2024	<u>9,450,000</u>	<u>94,500,000</u>

#### 22.2.2 There is no shareholder agreement for voting rights, board selection, rights of first refusal and block voting.

## 23. DIRECTORS' LOANS

	2024 Rupees	2023 Rupees
Unsecured		
Directors	2,635,700,000	2,635,700,000
Chief Executive	367,000,000	367,000,000
	<u>3,002,700,000</u>	<u>3,002,700,000</u>

23.1 This represents unsecured interest free long term loans from directors of the Company to meet the working capital and long term requirements. These are payable on discretion of the Company and will be paid as and when convenient to the Company. This has been disclosed / classified in accordance with TR -32 "Directors' Loan" clause 3.3 "Contractual Directors' loan" that is interest free and repayable at the discretion of the Company, issued by the Institute of Chartered Accountants of Pakistan. The Director's loan is subordinated to financial institutions against banking facilities to the extent mentioned in respective financing agreements.

	2024 Rupees	2023 Rupees
<b>24 . SURPLUS ON REVALUATION OF FIXED ASSETS - Restated</b>		
Balance brought forward	2,571,346,693	2,629,613,660
Revaluation during the year	-	-
Less:		
Transferred to equity in respect of incremental depreciation charged during the year - (net of deferred tax)	54,073,589	58,266,967
Related deferred tax liability during the year transferred to profit and loss account	-	
	(54,073,589)	(58,266,967)
	<u>2,517,273,104</u>	<u>2,571,346,693</u>

24.1 The Company's freehold land, buildings on freehold land, and plant and machinery have been revalued by M/s. Harvester Services (Private) Limited, an independent valuer not connected with the Company and approved by Pakistan Banks' Association (PBA). The basis of revaluation for items of these fixed assets were as follows:

#### Freehold land

Fair market value of freehold land was assessed through inquiries to real estate agents and property dealers in near vicinity of freehold land. Different valuation methods and exercises were adopted according to experience, location and other usage of freehold land. Valuer had also considered all other relevant factors as well.

#### Buildings on freehold land

Construction specifications were noted for each building and structure and new construction rates were applied according to construction specifications for current replacement values. After determining current replacement values, depreciation was calculated to determine the current assessed market value.

#### Plant and machinery

Suppliers and different sugar plant consultants in Pakistan and abroad were contacted to collect information regarding current prices of comparable sugar plant to determine current replacement value. Fair depreciation factor for each item was applied according to their physical condition, usage and maintenance.

24.2 Had there been no revaluation, the net book value of the specific classes of operating assets would have been as follows:

Note	2024 Rupees	2023 Rupees
Freehold land	7,959,798	7,959,798
Buildings on freehold land	52,738,796	46,790,167
Plant and machinery	774,917,357	800,770,902

	Note	2024 Rupees	2023 Rupees
<b>25. LONG TERM LOAN</b>			
Secured - banking companies			
Bank Al Habib Limited	25.1	199,535,950	259,527,150
Allied Bank Limited	25.2	200,000,000	66,666,668
		<u>399,535,950</u>	<u>326,193,818</u>
Current portion shown under current liabilities		(259,991,200)	(131,222,418)
		<u>139,544,750</u>	<u>194,971,400</u>

**25.1** This is a term loan obtained from Bank Al Habib Limited with approved limit of Rs. 300 million (2023: Rs. 300 million). This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (associated Company), subordination of directors loans and pari passu charge over present and future fixed asset of the Company (land, building, plant and machinery) with 25% margin amounting to Rs. 667 million.

**25.2** This is revolving Agri-facility with approved limit of Rs. 200 million (2023: Rs. 200 million). This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (associated Company), subordination of directors loans and pari passu charge over present and future fixed asset of the Company (land, building, plant and machinery) with 25% margin amounting to Rs. 267 million. As of September, 30, 2024, the Company's current ratio is below 1:1, as required under the Bank's benchmark, consequently, the management has reclassified remaining non-current portion of loan amounting to Rs. 66.667 million as current liability.

**25.2** These facilities carries markup ranging from 3 month KIBOR+1%.

	Note	2024 Rupees	2023 Rupees
<b>26. LONG TERM DIMINISHING MUSHARAKA</b>			
Secured-banking companies			
National Bank of Pakistan (Islamic mode)	26.1	270,000,000	300,000,000
		<u>270,000,000</u>	<u>300,000,000</u>
Current portion shown under current liabilities		(60,000,000)	(30,000,000)
		<u>210,000,000</u>	<u>270,000,000</u>

**26.1** This is a term loan obtained from National Bank of Pakistan- Aitemaad with approved limit of Rs. 300 million (2023: Rs. 300 million) and carries mark-up at the rate ranging from 6 months KIBOR plus 1.50% per annum. This facility is secured against the personal guarantees of directors and first pari passu charge of Rs. 400 million on present and future fixed asset of the Company with 25% margin to be registered with SECP including constructive equitable mortgage of land and hypothecation of plant and machinery of Company.

	Note	2024 Rupees	2023 Rupees
<b>27. LEASE LIABILITIES</b>			
Secured -			
Against right-of-use assets			
Lease liabilities	27.1	10,983,614	10,413,498
Less: current portion shown under current liabilities		(4,362,004)	(3,200,445)
		<u>6,621,610</u>	<u>7,213,053</u>
<b>27.1 Movement of lease liabilities is as follows:</b>			
Opening balance as at October 01,		10,413,498	11,698,208
Add: recognized during the year		3,906,000	9,445,425
Add: interest expense for the year		1,577,896	1,708,665
Less: payment made during the year		(4,913,780)	(12,438,800)
Closing balance		10,983,614	10,413,498
Less: current portion shown under current liabilities		(4,362,004)	(3,200,445)
		<u>6,621,610</u>	<u>7,213,053</u>
<b>27.2 Maturity analysis-contractual undiscounted cash flows</b>			
Less than one year		6,245,054	3,935,917
One to five year		6,389,136	7,878,540
Total undiscounted lease liability		12,634,190	11,814,457
Less: future finance cost		(1,650,576)	(1,400,959)
Total undiscounted lease liability		<u>10,983,614</u>	<u>10,413,498</u>

**27.3** When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate ranges from 17.01% to 24.25% per annum (2023: 17.02% to 23.52% per annum).

**27.4** The lease facility has been obtained from Bank Al Habib Limited. The assets is owned by the Bank. The above liabilities were obligations under leases with bank for lease of vehicles. This also includes agriculture land obtained on long term lease.

	Note	2024 Rupees	2023 Rupees
<b>28. DEFERRED LIABILITIES</b>			
Deferred taxation - restated	28.1	-	-
Provision for gratuity	28.2	25,281,610	17,703,025
		<u>25,281,610</u>	<u>17,703,025</u>

**28.1** The deferred tax liability has been reversed in term of light of guidance under IAS 37/IFRIC 21 - IAS 12.

## **28.2 Provision for gratuity**

### **28.2.1 General description**

The scheme provides for termination benefits for all its permanent employees who qualify for the scheme. The defined benefit payable to each employee at the end of his service comprises of total number of years of his service multiplied by last drawn basic salary. The Gratuity scheme is a un-funded arrangement. There is no minimum funding requirement for gratuity benefit scheme. The gratuity benefit scheme is a defined benefit scheme.

Annual charge is based on actuarial valuation carried out by an independent approved valuer M/s TRT Associates as at September 30, 2024 using the Projected Unit Credit method.



The Company faces the following risks on account of gratuity:

The main risk of gratuity benefit scheme is that the accrued benefits may not be paid when they fall due. The gratuity benefit liability reflected in the Company's accounts provides a reasonable security of the accrued rights because it is likely that the accrued gratuity benefits could be considered as high priority debt in case of insolvency of the sponsor.

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Discount rate fluctuation - The present value of the defined benefit liability is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Demographic Risks: Mortality Risk - The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rates of the participants may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

Withdrawal Risk - The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

	2024 Percentage Per annum	2023 Percentage
<b>28.2.2 Significant actuarial assumptions</b>		
Following are significant actuarial assumptions used in the valuation:		
Discount rate	12.00%	16.75%
Expected rate of increase in salary	11.00%	15.75%
Expected average remaining working life time of employees	8 years	8 years
	2024 Rupees	2023 Rupees
<b>28.2.3 Reconciliation of payable to defined benefit plan</b>		
Present value of obligation		
Liability recognized in balance sheet	25,281,610	17,703,025

	Note	2024 Rupees	2023 Rupees
<b>28.2.4 Movement of the liability recognized in the statement of financial position</b>			
Opening net liability		17,703,025	11,541,454
Charge for the year	28.2.6	14,771,634	7,586,305
Remeasurement chargeable to other comprehensive income	28.2.9	3,179,817	919,510
Benefits paid during the year		(10,372,866)	(2,344,244)
Closing net liability		25,281,610	17,703,025
<b>28.2.5 Movement in present value of defined benefit obligations</b>			
Present value of obligation at the start of the year		17,703,025	11,541,454
Current service cost		6,573,449	6,186,445
Past service cost		6,101,656	-
Interest cost		2,096,529	1,399,860
Remeasurements:			
Actuarial losses from changes in financial assumption		3,179,817	919,510
Benefit paid during the year		(10,372,866)	(2,344,244)
Closing present value of defined benefit obligations		25,281,610	17,703,025
<b>28.2.6 Charge for the year</b>			
Current service cost		6,573,449	6,186,445
Past service cost		6,101,656	-
Interest cost		2,096,529	1,399,860
Charge for the year		14,771,634	7,586,305
<b>28.2.7 Allocation of charge for the year</b>			
Cost of sales		10,340,144	4,584,123
Selling and distribution expenses		295,432	100,000
General and administrative expenses		4,136,058	2,902,182
		14,771,634	7,586,305

**28.2.8** The expected charge in respect of defined benefit plan for the year ending September 30, 2025 will be Rs. 7.389 million.

	Note	2024 Rupees	2023 Rupees
<b>28.2.9 Total remeasurement charge in other comprehensive income</b>			
Remeasurement of plan obligation			
Actuarial (gains) / losses from changes in demographic assumption		-	-
Actuarial (gains) / losses from changes in financial assumption		3,179,817	919,510
Experience adjustment		-	-
		3,179,817	919,510

### 28.2.10 Sensitivity analysis

The impact of 1% change in following variables on defined benefit obligation is as follows:

	2024 Rupees	2023 Rupees
Discount rate + 100 bps	23,347,429	16,348,647
Discount rate - 100 bps	27,376,630	19,170,028
Salary increase + 100 bps	27,376,025	19,169,604
Salary increase - 100 bps	23,347,143	16,348,447

### 28.2.11 Maturity profile

Time in year		
1	4,825,611	2,628,101
2	6,139,057	3,374,992
3	7,301,474	4,164,217
4	8,982,429	4,826,395
5-11 onwards	50,300,947	25,872,407

28.2.12 The average duration of the defined benefit obligation is 8 years.

28.2.13 During the year, the comparative figures of maturity profile have been revised based on correct numbers. The change does not have any impact on these financial statements.

28.2.14 Year wise comparison is as follows:

	2024	2023	2022	2021	2020
			Rupees		
Present value of defined benefit obligation	25,281,610	17,703,025	11,541,454	7,705,659	2,761,963
Experience adjustment on obligation	-	-	-	143,475	(151,708)

## 29. TRADE AND OTHER PAYABLES

	Note	2024 Rupees	2023 Rupees
Trade creditors		143,043,983	114,171,800
Accrued liabilities		20,557,482	21,104,358
Workers' Profit Participation Fund	29.3	-	8,308,468
Workers' Welfare Fund	29.4	-	1,991,090
Taxes and duties payable		5,264,135	2,040,782
Sales tax payable		28,315,881	64,732,244
Other liabilities		187,873	762,782
		<u>197,369,354</u>	<u>213,111,524</u>

29.1 As the reporting date there is no payable balance to related parties. The maximum amount due to Thal Industries Corporation Limited and Al-Moiz Industries Limited at the end of any month during the year was Rs. Nil (2023: Rs. 2.008 million) and Nil (2023: Rs. 34.330 million), respectively.

29.2 The trade creditors' balances includes an amount of Rs. 14.107 million and accrued liabilities includes an amount of Rs. 9.136 million respectively, which are long outstanding at the reporting date and are adjustable against the payment to be made to the Sponsor Sellers as per agreement. However, due to un-availability of third party confirmation, on prudence basis these balance have not been adjusted and the Company will complete the due legal process before adjusting these balances.

	Note	2024 Rupees	2023 Rupees
<b>29.3 Workers' Profit Participation Fund</b>			
Balance as at October 01,		8,308,468	2,723,310
Interest	29.3.2	834,655	607,434
Less: amount paid		(9,142,110)	-
		1,013	3,330,744
Less: unallocated amount paid to Govt. treasury		(1,013)	-
Current year's allocation at 5%	40	-	4,977,724
		-	8,308,468

29.3.1 The Company retains the allocation of this fund for its business operations till the amounts are paid.

29.3.2 Interest on Workers' profit (participation) fund has been provided at the rate of 22.31% (2023:22.31%).

	2024 Rupees	2023 Rupees
<b>29.4 Workers' Welfare Fund</b>		
Balance as at October 01,	1,991,090	3,578,937
Less: amount paid to fund	(1,991,090)	(3,578,937)
	-	-
Current year's allocation at 2%	-	1,991,090
	-	1,991,090

### 30. CONTRACT LIABILITIES

Unsecured		
Opening balance as at October 01,	408,485,470	73,494,312
Advance received	5,938,733,367	4,983,937,109
Income recognized	(6,105,442,829)	(4,648,945,951)
Closing balance	241,776,008	408,485,470

30.1 During the year, the performance obligations under lying the opening contract liability of Rs. 408.485 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the year. In addition, information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 241.776 million is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

	Note	2024 Rupees	2023 Rupees
<b>31. DUE TO PATTOKI SUGAR MILLS LIMITED</b>			
Unsecured:			
Pattoki Sugar Mills Limited (PSML)	31.1	9,007,275	15,552,242
<b>31.1 Movement of amount due to Pattoki Sugar Mills Limited (PSML) is as follow:</b>			
Opening balance		15,552,242	16,656,242
Add: adjustment made during the year		(1,498,757)	-
Less: expenses paid on behalf of PSML		(5,046,210)	(1,104,000)
Closing balance		9,007,275	15,552,242

**31.2** This represents balance payable to M/s Pattoki Sugar Mills Limited (PSML) - the ex holding company as settlement balance. During the year, the Company has paid legal expenses in respect of old cases and made the adjustment of balance payable to PSML.

	Note	2024 Rupees	2023 Rupees
<b>32. SHORT TERM BORROWING</b>			
Secured - banking companies			
Cash Finance (Conventional financing)	32.1	1,851,297,154	-
Short term Financing (STF)			
Bank Al Habib Limited	32.2	200,000,000	100,000,000
Running Finance			
Bank Al Habib Limited	32.3	7,753,566	-
		2,059,050,720	100,000,000

**32.1** This represents cash finance facility under the conventional financing arrangement from various banks that carries mark-up at the rate ranging from 1 month KIBOR plus 0.75% to 1% per annum (2023: 1 month KIBOR plus 0.75% per annum) on utilized limits. This facility is secured against white refined sugar bags at 22% margin, personal guarantees of the directors and subordination of loan from directors.

**32.2** This represents the financing facility for procurement and supply of agricultural inputs to growers of the Company aggregated to Rs. 200 million (2023: Rs. 200 million). This facility carries the markup at the rate of relevant KIBOR plus 1% per annum. This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (associated Company), subordination of directors loan and pari passu charge over present and future fixed assets of the Company.

**32.3** During the year, the Company had availed a running finance facility from Bank Al Habib Limited aggregated to Rs. 50 million (2023: Rs. 50 million) and carries mark-up at the rate of 1 month KIBOR plus 0.75% (2023: 1 month KIBOR plus 0.75%) on utilized limits. This facility was secured against all present and future current assets of the Company for Rs. 67 million and personal guarantees of the directors.

	Note	2024 Rupees	2023 Rupees
<b>33. MARK UP ACCRUED</b>			
Long term financing from associated company		264,084,254	264,084,254
Long term financing from banking companies		37,403,118	32,305,172
Short term borrowings		114,733,629	8,795,548
Mark-up on lease		-	150,797
		<u>416,221,001</u>	<u>305,335,771</u>
<b>34. CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Liabilities against assets subject to finance lease	27	4,362,004	3,200,445
Long term loans	25	259,991,200	131,222,418
Long term diminishing musharka	26	60,000,000	30,000,000
		<u>324,353,204</u>	<u>164,422,863</u>

### 35. CONTINGENCIES AND COMMITMENTS

#### 35.1 Contingent liabilities

- a) The LTU-FBR has preferred a reference before Income Tax Appellate (ITAT) for the assessment year 1996 - 1997 against the decision of CIT appeals. The department has also filed petition for leave to appeal before the honorable Supreme Court of Pakistan for the assessment year 1999 - 2000 and tax year 2006 against the order in the favor of the company by the honorable High Court of Sindh.

In the opinion of the tax advisor the ultimate appellate decision is likely to be in Company's favour, hence no provision is made in these accounts as there will be no tax impact of the matter in view of brought forward tax losses. In view of the favorable decision of the higher appellate forums on the like issue in prior years the management is hopeful about favorable outcome in above matters. Hence no provision is made in these account as there will be no tax impact of the matter in view of brought forward losses. The figures are not quantifiable due to old cases.

- b) The Company has filed reference application before the Honorable High Court of Sindh against the decision of ITAT in respect of assessment year 2000 - 2001, the reference application is pending before the honorable High Court Sindh. The Company has also filed the appeal before the Commissioner of income tax appeals against addition made by the assessing officer for the assessment year 2002 - 2003 which is pending for adjudication. In view of the favorable decision of the higher appellate forums on the like issue in prior years the management is hopeful about favorable outcome in above matters. Hence no provision is made in these account as there will be no tax impact of the matter in view of brought forward losses. The figures are not quantifiable due to old cases.
- c) The Company has filed an appeal before the Tribunal against the order of Commissioner Inland Revenue disallowing refund of further tax on the ground that the incidence of the tax has been passed on the consumers and the Company is not entitled to claim refund in terms of Section 3 (B) of the sales Tax Act, 1990. The management of the Company is of the view that outcome of the suit would be in favour of the Company.
- d) Demand amounting to Rs. 3.825 million has been created by DCIR vide order dated November 03, 2017 against the Company for adjustment of input tax. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 3.825 million (2023: Rs. 3.825 million).

- e) Demand amounting to Rs. 2.528 million has been created by DCIR vide order dated November 07, 2018 against the Company for adjustment of input tax for the period of January 2018. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 2.528 million (2023: Rs. 2.528 million).
- f) Demand amounting to Rs. 12.648 million has been created by DCIR vide order dated December 16, 2018 against the Company for adjustment of input tax for the period of February 2018. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 12.648 million (2023: Rs. 12.648 million).
- g) Demand amounting to Rs. 9.894 million has been created by DCIR vide order dated December 20, 2018 against the Company for adjustment of input tax for the period of March 2018. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 9.894 million (2023: Rs. 9.894 million).
- h) Demand amounting to Rs. 41.616 million has been created by DCIR vide order dated August 04, 2017 against the Company on account of sales tax audit for the tax year 2014 and certain amounts were held recoverable. The Company being aggrieved filed appeal before CIR (A). CIR (A) remanded back the case for fresh adjudication. Thereafter in fresh proceedings an amount of Rs. 3.416 million has been established vide order dated March 28, 2019. This has also been challenged before CIR Appeals. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 3.416 million (2023: Rs. 3.416 million).
- i) Demand amounting to Rs. 10.137 million has been created by DCIR vide order dated November 12, 2018 against the Company on account of inadmissible input tax adjustment for the period July 2016 to November 2017. The Company being aggrieved filed appeal before CIR (A). CIR (A) remanded back the case for fresh adjudication. The case decided against the Company and an amount of Rs. 10.211 million has been paid to the Department under protest and also appeal has been filed against this order. The Company expects a favorable outcome of the proceedings.
- j) As per SRO of 77(1) / 2013 dated February 07, 2013, the Federal Government allowed reduced rate@0.5% FED on local sales of white crystalline sugar equivalent to the quantity actually exported by the sugar manufacturer as per quota allotted. Sales tax and Federal Excise returns for the tax periods from November 2013 to June 2014 were analyzed by the Commissioner Inland Revenue and it was observed that registered person had declared local sales on which Company was required to charge and pay FED @ 8% in VAT mode under the provision of section 3 and 7 of the Federal Excise Act, 2005. The Commissioner Inland Revenue created a demand amounting to Rs. 65.084 million along with default surcharge and penalty of Rs. 3.254 million on short payment of FED based on that Company charged and paid FED at the rate of 0.5% without fulfilling the conditions as mentioned in SRO 77(1) 2013. Being aggrieved with the order passed by the Deputy Commissioner Inland Revenue, the Company preferred appeal before the Commissioner Inland Revenue (Appeals-I), Karachi.

The CIR (A) vide order in appeal No. STA/91/LTU/2019/09 vacated order of Deputy Commissioner and passed order in favour of the Company. The department has filed an appeal against this order to Appellate Tribunal IR. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 68.338 million.

- k) As per SRO of 77(1) / 2013 dated February 07, 2013 read with the SRO 1072 (1) / 2013 dated December 27, 2013, the Federal Government allowed reduced rate@0.5% FED on local sales of white crystalline sugar equivalent to the quantity actually exported by the sugar manufacturer as per quota allotted by the



ECC in its meeting held on January 10, 2013. Sales tax and Federal Excise returns for the tax periods from February 2013 to October 2013 were analyzed by the Commissioner Inland Revenue and it was observed that registered person had declared local sales on which Company was required to charge and pay FED @ 8% in VAT mode under the provision of section 3 and 7 of the Federal Excise Act, 2005.

The Commissioner Inland Revenue created a demand amounting to Rs. 15.393 million along with default surcharge and penalty of Rs. 0.769 million on short payment of FED based that Company charged and paid FED at the rate of 0.5% without fulfilling the conditions as mentioned in SRO 77(1) 2013. Being aggrieved with the order passed by the Deputy Commissioner Inland Revenue, the Company preferred appeal before the Commissioner Inland Revenue (Appeals-I), Karachi. The CIR (A) vide order in appeal No. STA/90/LTU/2019/06 vacated order of Deputy Commissioner and passed order in favour of the Company. The department has filed an appeal against this order to Appellate Tribunal IR. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 16.163 million (2023: Rs. 16.163 million).

- l) Demand amounting to Rs. 10.163 million has been created by DCIR against the Company on account of some discrepancies were observed in the sales tax returns for the period from July 2016 to November 2017. The Company being aggrieved filed appeal before CIR (A). CIR (A) remanded back the case for fresh adjudication. Thereafter in fresh proceedings an amount of Rs. 10.163 million has been demanded by DCIR. This has also been challenged before CIR Appeals. The CIR (A) vide order in Appeal No. STA/40/LTU/2019/07 dated September 26, 2019 annulled order of DCIR. Being aggrieved with the order department has filed second appeal to Appellate Tribunal IR. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 10.163 million (2023: Rs. 10.163 million).
- m) Sales tax Audit for Tax Year 2017, 2018 and 2019 u/s 25 of Sales Tax Act, 1990 were selected by Commissioner Income Tax through his discretionary powers vested under this section. The DCIR has requested information in this regard and the Company has obtained stay order from Honorable High Court of Sindh, Karachi.
- n) The Competition Commission of Pakistan (CCP) initiated the inquiry against all the sugar mills due to price hike based on export of Sugar. CCP decided the case against the sugar mills and imposed penalty on all the sugar mills and Sugar Mills Association amounting to Rs. 44 billion. As per CCP decision maximum penalty of Rs. 8.512 million was imposed on the Company. According to majority of lawyers, the CCP decision was based on veto powers used by the chairman of committee which is bad in law and cannot hold in superior courts. The Company along with others sugar industries filed a petition against this decision in the higher courts. The Honorable Court has granted a stay to the Company against this penalty.
- o) The Company has received notice under section 254 of the Companies Act, 2017 and directors have also received a notice pursuant to section 111(b) of the Securities Act, 2015 which have been responded. The Company and directors are not expecting any further unpleasant correspondence in this regard.
- p) The Company has obtained a stay against the notice received from EOBI, in which the EOBI is demanding to pay the EOBI contribution on the basis of Rs. 25,000/- instead of Rs. 13,000/-. The Company is confident to defend the case and considering no adverse effect on the Company financial statements.

## 35.2 Commitments

- a) The Company is committed as at the reporting date in respect of capital expenditure of Rs. Nil (2023: 150 million).

- b) The amount of future lease rentals on vehicle contract and the period in which payments will become due are as follows:

	Note	2024 Rupees	2023 Rupees
Less than one year	27.2	6,245,054	3,935,917
Between one and five years	27.2	6,389,136	7,878,540
		<u>12,634,190</u>	<u>11,814,457</u>

### 36. SALES

Set out below is the dis-aggregation of the Company's revenue from contracts with customers.

	Note	2024 Rupees	2023 Rupees
Manufacturing - local			
Sugar			
Local		5,933,803,858	4,302,367,649
Export		192,780,000	232,740,000
		<u>6,126,583,858</u>	<u>4,535,107,649</u>
By products sales:			
Molasses	36.1	703,368,930	678,776,670
Bagasse		37,665,388	35,928,375
V.F.Cake		28,462,655	14,699,735
		<u>769,496,973</u>	<u>729,404,780</u>
Less: sales tax/FED			
Sugar		(975,656,521)	(651,276,576)
Molasses		(69,224,210)	(62,371,160)
Bagasse		(5,745,568)	(5,569,623)
V.F.Cake		(5,132,610)	(2,155,848)
		<u>(1,055,758,909)</u>	<u>(721,373,207)</u>
		<u>5,840,321,922</u>	<u>4,543,139,222</u>

#### 36.1 Molasses:

Sale under			
- DTRE (Duty and Tax Remission for Exporters)		249,565,774	270,000,000
- Others		453,803,156	408,776,670
		<u>703,368,930</u>	<u>678,776,670</u>

#### 36.2 Geographical region:

Pakistan		5,933,803,858	4,302,367,649
Tajkistan / Singapore		192,780,000	232,740,000
		<u>6,126,583,858</u>	<u>4,535,107,649</u>

#### 36.3 Timing of transfer of goods

Goods transferred to customers at a point in time		<u>6,126,583,858</u>	<u>4,535,107,649</u>
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- 36.4 The sales includes an amount of Rs. 841.906 million (2023: Rs. 324.000 million) which has been made to an associated company, Naubahar Bottling Company (Private) Limited on prevailing market rates.

	Note	2024 Rupees	2023 Rupees
<b>37. COST OF SALES</b>			
Cane purchases and expenses thereon		6,106,024,252	3,574,265,411
Other overheads:			
Stores, spares and consumables		16,927,108	27,023,660
Packing materials consumed		52,074,032	39,003,164
Chemicals consumed		33,580,174	34,340,973
Salaries, wages and other benefits	37.1	232,778,878	184,284,670
Fuel and power		32,418,330	28,172,040
Repair and maintenance		185,579,055	164,128,735
Depreciation on operating fixed assets	9.8	105,162,888	108,639,490
Vehicle running expenses		16,049,758	13,451,733
Fee and subscription		355,610	90,000
Insurance		1,067,936	1,002,063
Other factory overheads		14,412,199	9,156,793
		690,405,968	609,293,321
Work in process			
Opening		12,339,911	5,413,703
Closing	14	(11,725,415)	(12,339,911)
		614,496	(6,926,208)
Cost of goods manufactured		6,797,044,716	4,176,632,524
Finished goods			
Opening		714,382,210	530,146,487
Closing	14	(1,930,907,467)	(714,382,210)
		(1,216,525,257)	(184,235,723)
		5,580,519,459	3,992,396,801

37.1 This amount includes Rs. 10.340 million (2023: Rs. 4.584 million) in respect of employees' retirement benefits.

	Note	2024 Rupees	2023 Rupees
<b>38. SELLING AND DISTRIBUTION EXPENSES</b>			
Salaries, wages and other benefits	38.1	5,803,081	4,632,855
Freight outward		1,055,962	12,197,430
Other selling expenses related to export		936,603	1,198,348
Stacking, restacking and carriage		16,308,847	15,186,974
Insurance		2,366,766	1,131,182
Commission on sale of sugar		3,507,600	2,966,098
		29,978,859	37,312,887

38.1 This amount includes Rs. 0.295 million (2023: Rs. 0.100 million) in respect of employees' retirement benefits.

	Note	2024 Rupees	2023 Rupees
<b>39. GENERAL AND ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits	39.1	105,964,839	88,695,022
Director's meeting fee		690,000	370,000
Traveling and conveyance		316,259	409,898
Rent, rates and taxes		485,517	322,500
Telephone and postage		1,178,451	1,021,149
Printing and stationery		2,885,357	2,189,460
Fee and subscription		5,647,276	6,853,485
Insurance		4,550,573	3,231,377
Repair and maintenance		5,038,768	4,510,494
Vehicle running expenses		10,140,914	5,800,047
Entertainment		3,601,993	2,677,457
Legal and professional charges		3,164,366	9,016,948
Charity and donations	39.2	2,495,413	2,756,942
Depreciation on operating fixed assets	9.8	3,691,862	2,174,220
Depreciation on right-of-use assets	10.1	3,369,142	3,273,272
Miscellaneous		7,394,192	2,637,465
		<u>160,614,922</u>	<u>135,939,736</u>

**39.1** This amount includes Rs. 4.136 million (2023: Rs. 2.902 million) in respect of employees' retirement benefits.

	Note	2024 Rupees	2023 Rupees
<b>39.2 Description</b>			
Iftar Dastarkhawan		2,495,413	-
Turkey and Syria Earthquake Victims		-	500,000
		<u>2,495,413</u>	<u>500,000</u>

#### 40. OTHER OPERATING EXPENSES

Auditors' remuneration	40.1	1,485,102	1,267,750
Cost audit fee		191,100	173,250
Rent of land	40.2	-	240,000
Impairment of bank balances	21.3	-	80,335
Capacity regularization fee		-	100,000,000
Worker's profit participation fund	29.3	-	4,977,724
Worker's welfare fund	29.4	-	1,991,090
		<u>1,676,202</u>	<u>108,730,149</u>

**40.1** The breakup for audit fee is as follow;

Audit fee		843,240	733,250
Half yearly review fee		330,000	334,000
Review of code of corporate governance		174,690	81,250
Certifications		36,500	52,500
Out of pocket expenses		100,672	66,750
		<u>1,485,102</u>	<u>1,267,750</u>

40.2 This rental agreements have been classified as short-term leases due to their duration being less than 12 months or low value. The Company applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Accordingly, these have been considered operating or low value leases.

	Note	2024 Rupees	2023 Rupees
<b>41. OTHER INCOME</b>			
Income from financial assets			
Profit on bank deposit		35,348,106	27,140,289
Dividend income		6,767,503	-
		42,115,609	27,140,289
Income from non-financial assets			
Gain on sale of fixed assets		98,214	7,772,448
Gain on sale of store items		1,391,406	609,007
Exchange gain on export of Sugar		7,938	19,106,189
Margin charged on agri products	41.1	46,304,683	43,763,513
Sale of scrap		49,761,876	57,975,973
Misc. Income		50,000	-
Liabilities no longer payable written back	41.2	-	17,891,973
		97,614,117	147,119,103
		139,729,726	174,259,392

41.1 This represents rate difference / margin charged to cane growers on provision of fertilizers and seeds.

41.2 This represents accrued liability which was no more payable in the previous year.

	Note	2024 Rupees	2023 Rupees
<b>42. FINANCIAL CHARGES</b>			
Mark-up / interest on:			
Short term financing		635,180,790	237,607,584
Long term loan from banks		118,594,022	109,372,106
Interest on worker's profit participation fund		834,655	607,434
Lease liabilities		1,577,896	1,708,665
		756,187,363	349,295,789
Bank charges and commission		1,346,326	1,137,585
		757,533,689	350,433,374
<b>43. LEVY</b>			
Minimum taxes	43.1	73,144,097	56,448,158

43.1 This represents minimum taxes paid under Section 113 of Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21/IAS 37.

43.2 As the tax charge represent minimum tax (turnover) under under section 113 of the income Tax Ordinance, 2001, numerical reconciliation between the average effective tax rate and the applicable tax rate is not prepared and presented.

	Note	2024 Rupees	2023 Rupees
<b>44. TAXATION</b>			
Current			
Prior year adjustments	44.1	(49,047)	54,761
		(49,047)	54,761
Deferred tax	28	-	-
		(49,047)	54,761

44.1 This represents a difference between net taxation charged in the financial statements and the income tax return filed in the last year due to expenditure not taken into account.

#### 44.2 Comparison of tax provision against tax assessments

Years	Excess/ (Short)	Tax provision (Rupees)	Tax assessment / tax return
2022-23	41,334	56,448,158	56,406,824
2021-22	(46,761)	48,838,233	48,884,994
2020-21	-	48,022,480	48,022,480
2019-20	-	24,408,193	24,408,193

#### 44.3 Reconciliation of tax charge

Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss is as follows:

Current tax liability for the year as per applicable tax laws	73,095,050	56,502,919
Portion of current tax liability as per tax laws, representing income tax under IAS 12	49,047	(54,761)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(73,144,097)	(56,448,158)
Difference	-	-

44.4 Minimum tax for tax year 2017, 2018, 2019 and 2020 of Rs. 47.191 million, Rs. 62.772 million, Rs. 1.849 million and Rs. 2.512 million respectively was fully adjusted against the tax credits under section 65B. The Company has claimed tax credit at the rate of 10% for tax year 2019 based on the appeals filed by the general Industry in the Courts.

44.5 As at September 30, 2024, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in the financial statements for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

#### 45. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of ultimate parent company and parent company, associated companies and directors of the Company. Significant transactions and balances with related parties, other than those disclosed elsewhere in these financial statements are as follows:

Name of parties	Nature of relationship	Nature of transactions	September 30, 2024		September 30, 2023	
			Transactions during the year	Closing balance	Transactions during the year	Closing balance
----- Rupees -----						
Naubahar Bottling Company (Private) Limited	Associated Company	Sale of sugar Paid / received / adjustment (net) Long term loans - paid/adjusted	841,905,596 841,905,596 -	- - -	324,000,000 324,000,000 -	- - -
The Thal Industries Corporation Limited	Associated Company	Mark-up payable Mark-up charged on long term loan Sale - Store items Purchases - store items Purchases - other items Paid / received / adjustment (net)	- 15,004,742 - 330,000 14,674,742	264,084,254 - - - - -	- 7,371,000 2,451,200 - - 4,919,800	264,084,254 - - - - -
Al-Moiz Industries Limited	Associated Company	Sale of scrap Sale of store item Paid / received / adjustment (net) Purchases- steel items Purchases- other item	28,145,252 2,860,025 22,220,873 8,784,404 -	- - - - -	35,989,446 - 1,659,242 34,129,377 200,827	- - - - -
<b>Directors / shareholders</b>						
Mr. Muhammad Shamim Khan	Director	Directors' contribution/loan	-	1,356,300,000	-	1,356,300,000
Mrs. Gaiser Shamim Khan	Director	Directors' contribution/loan	-	1,199,600,000	-	1,199,600,000
Mr. Nauman Ahmed Khan	Director	Directors' contribution/loan	-	79,800,000	-	79,800,000
Mr. Adnan Ahmed Khan	CEO	Directors' contribution/loan	-	367,000,000	-	367,000,000
Executives	Key management Personnel	Remuneration paid	58,625,820	-	42,084,148	-



## 45.1 Basis of relationship with the company

In respect of associated companies and holding company incorporated inside Pakistan with whom the company had entered into transaction during the financial year along with basis of relationship is as follows:

Name of related party	Country of Incorporation/origin	Relationship	2024		2023	
			Basis of Association	Shareholdings	Basis of Association	Shareholdings
Naubahar Bottling Company (Private) Limited	Pakistan	Associated	Common management	Nil	Common management	Nil
Al-Moiz Industries Limited	Pakistan	Associated	Common management	Nil	Common management	Nil
Moiz Textile Limited	Pakistan	Associated	Common management	Nil	Common management	Nil
The Thal Industries Corporation Limited	Pakistan	Associated	Common management	Nil	Common management	Nil
Mr. Muhammad Shamim Khan	Pakistan	Director	Shareholding	29.1623%	Shareholding	29.1623%
Mrs. Qaiser Shamim Khan	Pakistan	Director	Shareholding	28.0002%	Shareholding	28.0002%
Mr. Adnan Ahmed Khan	Pakistan	Chief Executive	Shareholding	20.0002%	Shareholding	20.0002%
Mr. Nauman Khan	Pakistan	Director	Shareholding	20.0002%	Shareholding	20.0002%
Malik Manzoor Hussain Humayun	Pakistan	Director	Shareholding	0.0169%	Shareholding	0.0169%
Mr. Farid ul din Ahmed	Pakistan	Director	Shareholding	0.0021%	Shareholding	0.0021%
Mrs. Sarah Hajra Khan	Pakistan	Director	Shareholding	0.0032%	Shareholding	0.0032%

45.2 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (note 50)". There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

45.3 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

## 46. (LOSS) / EARNING PER SHARE - BASIC AND DILUTED (RUPEES)

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	2024	2023 (Restated)
(Loss) / profit after taxation - (Rupees)	(623,366,533)	36,082,748
Weighted average number of ordinary shares	9,450,000	9,450,000
(loss) / earning per share - (Rupees)	(65.96)	3.82

#### 47. RECONCILIATION OF MOVEMENT OF LIABILITIES AND EQUITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities			Total
	Short & Long term Loans and others	Directors contribution	Lease liabilities	
	(Rupees)			
Balance as at October 1, 2023	722,742,216	3,002,700,000	10,413,498	3,735,855,714
Contribution / borrowings obtained	2,032,392,852	-	3,906,000	2,036,298,852
Prior year adjustment	3,451,602	-	70,400	3,522,002
Repayment of financing	(30,000,000)	-	(3,406,284)	(33,406,284)
	2,005,844,454	-	570,116	2,006,414,570
Balance as at September 30, 2024	2,728,586,670	3,002,700,000	10,983,614	5,742,270,284

47.1 There is no movement in the dividend during the year, therefore no reconciliation has been prepared.

47.2 There is no non cash transaction during the year (2023: Nil).

#### 48. FINANCIAL INSTRUMENTS

Financial risk management

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

##### 48.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if the counter party fails completely to perform as contracted and arise principally from trade debts, loans and advances, trade deposits, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is as follows:

	2024 Rupees	2023 Rupees
Long term deposits	630,184	525,400
Trade debts	3,362,467	-
Loans and advances	446,928,134	317,295,182
Bank balances	83,261,782	116,512,945
Short term investment	306,400	-
Other receivables	5,722,999	8,327,829
Short term deposits and prepayments	798,285	2,597,585
	534,182,567	434,333,527

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty. To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Credit terms are approved by the approval committee. Where considered necessary, advance payments are obtained from certain parties. There is no separate credit period defined.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

The maximum exposure to credit risk for trade debts at the reporting date by geographic region is as follows:

	2024 Rupees	2023 Rupees
Export	-	-
Domestic	3,362,467	-
	<u>3,362,467</u>	<u>-</u>

Trade receivables by geographical split is as follows:

	Sales		Trade debts (Rupees)		
	LC	Others (Rupees)	Total	Outstanding balance	
Country				2024	2023
Pakistan	-	5,647,541,922	5,647,541,922	3,362,467	-
Singapore	-	192,780,000	192,780,000	-	-
Total	<u>-</u>	<u>5,840,321,922</u>	<u>5,840,321,922</u>	<u>-</u>	<u>-</u>

The maximum exposure to credit risk for trade debts at the balance sheet date by type of customer is as follows:

	2024 Rupees	2023 Rupees
Dealers/industries	3,362,467	-
End-user customers	-	-
	<u>3,362,467</u>	<u>-</u>

The aging of trade receivable at the reporting date is:

Not past due	-	-
Past due 1-30 days	-	-
Past due 30-180 days	3,362,467	-
Past due more than 180 days	-	-
	<u>3,362,467</u>	<u>-</u>

The company's most significant customers are Popular Food Industries Private Limited (2023: Mehmood Ahmad) from whom the receivable was Rs. nil (2023: Nil). During the year an amount of Rs. 841.905 million (2023: Rs. 324 million) of sales have been made to an associated company, Naubahar Bottling Company (Private) Limited on prevailing market rates which is also a significant customer of the Company.

Based on the past experience, consideration of financial position, past track records and recoveries, the Company believes that impairment allowance is necessary in respect of trade debtors past due, accordingly appropriate impairment loss has been recorded in these financial statements.

No impairment charged during the year.

The Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating Agency	Ratings		2024 Rupees	2023 Rupees
		Short Term	Long Term		
Bank Al-Habib Limited	PACRA	A1+	AA+	-	4,640,092
Bank Al-Habib Limited	PACRA	A1+	AA+	1,143,872	29,632,783
Allied Bank Limited	PACRA	A1+	AAA	10,653,963	21,067,448
MCB Bank Limited	PACRA	A-1+	AAA	14,773,772	4,756,867
MCB Islamic Bank Limited	PACRA	A	A1	409,699	409,720
National Bank of Pakistan	PACRA	A-1+	AAA	672,179	-
Habib Bank Limited	JCR-VIS	A-1+	AAA	8,410,809	14,871,969
Bank Alfalah Limited	PACRA	A1+	AA	12,588,812	8,315,392
The Bank of Punjab	PACRA	A1+	AA	200,000	-
Askari Bank Limited	PACRA	A1+	AA+	357,913	433,768
Soneri Bank Limited"	PACRA	A1+	AA-	13,688,363	3,781,840
Meezan Bank Limited	VIS	A-1+	AA+	20,362,400	28,603,066

### Cash and bank balances

The Company held cash and cash equivalents amounting to Rs. 83.789 million (2023: Rs. 116.810 million). These cash and cash equivalents are held with banks and financial institutions counterparties, which are rated A to AA+, based on PACRA ratings. Impairment on cash and cash equivalents has been measured on a 12 month expected loss basis and reflects short term maturities of the exposure. The Company considers its cash and cash equivalents have low credit risk based on the external ratings of the counterparties. 12 month probabilities of default are based on historical data supplied by PACRA rating agency for each credit rating. Loss given default (LGD) parameters generally reflect assumed recovery rates based on recovery rates assumed in Basel Guidelines for unsecured exposures.

### Advances, deposits and other receivables

Advances, deposits and other receivables mainly comprise of advances to employees against salaries, receivables from related parties and deposits with government entities. The Company has assessed, based on historical experience and available securities, that the expected credit loss associated with these financial assets is trivial and therefore no impairment charge has been accounted for.

## 48.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

	Carrying amount	Contractual cash flow	One to twelve months	One to two years	Two to five years
	----- (Rupees) -----				
<b>2024</b>					
<b>Financial liabilities</b>					
Long term loan	399,535,950	399,535,950	259,991,200	126,657,868	12,886,882
Mark-up accrued	416,221,001	416,221,001	416,221,001	-	-
Lease liabilities	10,983,614	12,634,190	6,245,054	4,794,568	1,594,568
Due to Pattoki Sugar Mills Limited	9,007,275	9,007,275	9,007,275	-	-
Trade and other payables	163,789,338	163,789,338	163,789,338	-	-
Short term borrowing	2,059,050,720	2,059,050,720	2,059,050,720	-	-
Unclaimed dividend	255,930	255,930	255,930	-	-
	<u>3,058,843,828</u>	<u>3,060,494,404</u>	<u>2,914,304,588</u>	<u>131,452,436</u>	<u>14,481,450</u>
<b>2023</b>					
<b>Financial liabilities</b>					
Long term loan	326,193,818	326,193,818	132,042,868	59,991,200	134,159,750
Mark-up accrued	305,335,771	305,335,771	305,335,771	-	-
Lease liabilities	10,413,498	11,814,457	3,935,917	4,684,530	3,194,010
Due to Pattoki Sugar Mills Limited	15,552,242	15,552,242	15,552,242	-	-
Trade and other payables	136,038,940	136,038,940	136,038,940	-	-
Short term borrowing	100,000,000	100,000,000	100,000,000	-	-
Unclaimed dividend	255,930	255,930	255,930	-	-
	<u>893,790,199</u>	<u>895,191,158</u>	<u>693,161,668</u>	<u>64,675,730</u>	<u>137,353,760</u>

### 48.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The company is exposed to currency risk and interest rate risk only.

#### a) Currency risk

The Company is exposed to currency risk on trade debts, import of raw materials and stores and spares and export sales that are denominated in a currency other than the respective functional currency of the Company, primarily in U.S. dollar. The Company's exposure to foreign currency risk is as follows:

	2024 Rupees	2023 Rupees
Trade debts	-	-
Gross balance sheet exposure	-	-
Outstanding letters of credit	-	-
<b>Net exposure</b>	<u>-</u>	<u>-</u>

The following significant exchange rates applied during the year:

	Average rate		Reporting date rate	
	2024	2023	2024	2023
USD to PKR	278.61	287.98	277.75	287.74

## Sensitivity analysis

At reporting date, if the PKR had strengthened by 10% against the US dollar with all other variables held constant, post tax profit for the year would have been lower by the amount shown below.

		2024 Rupees	2023 Rupees
<b>Effect on profit or loss</b>			
Loss	-	-	

The weakening of the PKR against US dollar would have had an equal but opposite impact on the post tax profits / loss.

## b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loans and short term borrowings. These are benchmarked to variable rates which expose the Group to cash flow interest rate risk. At the reporting date, the interest rate profile of the Company's interest - bearing financial instruments is as follows:

	2024 Effective rate	2023	2024 Carrying amount Rupees	2023 Carrying amount Rupees
<b>Financial liabilities</b>				
Variable rate instruments:				
Long term loan	22.51%	20.28%	399,535,950	326,193,818
Short term borrowings	22.36%	19.52%	2,059,050,720	100,000,000
Lease liabilities	24.25%	23.52%	10,983,614	10,413,498
Long term diminishing musharka	22.91%	20.26%	270,000,000	300,000,000
			<u>2,739,570,284</u>	<u>736,607,316</u>

Effective interest rates are also mentioned in the respective notes to the financial statements.

## Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2023.

	100 bp increase	100 bp decrease
<b>As at September 30, 2024</b>		
Cash flow sensitivity - Variable rate financial liabilities	<u>(27,395,703)</u>	<u>27,395,703</u>
<b>As at September 30, 2023</b>		
Cash flow sensitivity - Variable rate financial liabilities	<u>(7,366,073)</u>	<u>7,366,073</u>

The sensitivity analysis prepared is not necessarily indicative of the effects on (loss) / profit for the year and assets / liabilities of the Company.

### Interest rate risk management

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The long and short term borrowing and loans and advances by the Company has variable rate pricing that is mostly dependent on Karachi Inter Bank Offered Rate ("KIBOR") as indicated in respective notes.

#### 48.4 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company is not exposed on any price risk.

#### 48.5 Risk management strategy related to sugarcane supplies

The Company is exposed to the following risks relating to its sugarcane supplies.

The Company is subject to various laws and regulations in Pakistan. The Company has established environmental policies and procedures aimed at ensuring compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

### Climate and other risks

Due to inherent nature of the agricultural products, it contains elements of significant risks and uncertainties which may adversely affect business and resultant profitability, including but not limited to the following:

- adverse weather conditions such as floods etc. affecting the quality and quantity of production; and
- potential insect, fungal and weed infestations resulting in crop failure and reduced yields.

The Company is principally dependent upon the Government's measures for flood control. The Company provides to cane growers an effective preventive pesticide / insecticide / fungicide program, regularly monitors the crops for any infestations and takes immediate curative measures.

### Supply and demand risk

The price of sugarcane is driven by consumer demand of sugar as well as Government's intervention in setting of minimum / support price for the grower. Surplus production or bumper crop may result in a lower selling price hence affecting profitability of the Company adversely. The Company manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis for projected harvest volume and analysis.

## 49. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels for fair value estimation used by the Company have been explained as follows;

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level-1).
- Inputs other than quoted prices included within level - 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) ( Level-2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (Level-3).



There were no financial instruments held by the Company which are measured at fair value as of September 30, 2024 and September 30, 2023.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

The Company has valued its some of fixed assets at fair value and classified under Property, Plant and Equipment. The carrying value and level of fair value of these non - financial assets have been disclosed in the relevant note to the financial statements.

The following is the categorization of non-financial assets measured at fair value as at September 30, 2024 and September 30, 2023.

	2024			
	Level 1	Level 2	Level 3	Total
	Rupees			
<b>Assets:</b>				
Free hold land	-	1,728,240,000	-	1,728,240,000
Buildings	-	258,994,084	-	258,994,084
Plant and machinery	-	1,370,184,699	-	1,370,184,699
	2023			
	Level 1	Level 2	Level 3	Total
	Rupees			
<b>Assets:</b>				
Free hold land	-	1,728,240,000	-	1,728,240,000
Buildings	-	276,304,880	-	276,304,880
Plant and machinery	-	1,427,965,056	-	1,427,965,056

There were no transfers between Levels 1 and 2 and Levels 2 and 3 during the year and there were no changes in valuation techniques during the periods.

## 50. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	----- (Rupees) -----					
Managerial remuneration	-	-	-	-	50,246,708	38,595,938
House rent allowance	-	-	-	-	180,000	-
Utility expenses	-	-	-	-	4,272,000	1,071,819
Bonus (performance)	-	-	-	-	3,927,112	2,024,705
Reimbursable expenses	-	-	-	-	-	-
Gratuity	-	-	-	-	-	391,686
Meeting fee	60,000	20,000	630,000	350,000	-	-
	60,000	20,000	630,000	350,000	58,625,820	42,084,148
Number of persons	1	1	6	6	29	14

50.1 The Company also provides the Executives with Company maintained house. Additionally the Executives were provided free use of Cellular phone and company maintained cars in accordance with their terms of employment.

50.2 The Chief executive and directors of the company have waived their rights to receive meeting fee except which is mentioned above. No remuneration have been paid to executive / non executive directors of the Company.

## 51. RECOVERABLE AMOUNTS AND IMPAIRMENTS

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless otherwise stated in financial statements.

## 52. CAPACITY AND PRODUCTION

	2024 Number	2023 Number
Approved / installed crushing capacity (TCD)	10,000	10,000
Actual crushing (Metric tons)	524,174.10	455,913.61
Sugar production from cane (Metric tons)	52,798.40	45,338.90
Recovery of sugar cane (percentage)	10.068%	9.956%

## 53. NUMBER OF EMPLOYEES

Number of employees at September 30,		
Permanent		
Head office	4	5
Factory	82	82
Contractual / temporary /daily wages		
Head office	2	2
Factory	356	335
Average number of employees during the year		
Permanent		
Head office	5	5
Factory	85	88
Contractual / temporary /daily wages		
Head office	2	2
Factory	467	450

## 54. CAPITAL RISK MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide an adequate return to shareholders..

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The management at all times seeks to earn returns higher than its weighted average cost of capital, by increasing efficiencies in operations, so as to increase profitability.

	<b>2024 Rupees</b>	<b>2023 Rupees</b>
The proportion of debt to equity at the year end was:		
Total Borrowings	5,532,270,284	3,469,307,316
Less: Balances with banks	(83,789,198)	(116,810,909)
Net debt	5,448,481,086	3,352,496,407
Total equity - including surplus on fixed asset	2,589,480,264	3,216,026,614
Total capital	8,037,961,350	6,568,523,021
Gearing ratio	68%	51%

In accordance with the terms of agreement with the lenders of short term finances and long term loans (as referred to in note 23 and 25 to these financial statements), the Company is required to comply with certain financial covenants in respect of capital requirements which the Company has complied with throughout the reporting period except those disclosed in note 25.3.

## 55. RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for establishment and over sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee. The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

## 56. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Company's financial position and performance during the year have been adequately disclosed in the notes to these financial statements..

## 57. NON-ADJUSTING EVENTS AFTER THE REPORTING DATE

There are no significant reportable events after the reporting date.

## 58. FINANCIAL INSTRUMENTS BY CATEGORY

Note	Carrying amount			Fair value			
	Financial assets at amortized cost	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total

### On-Balance sheet financial instruments

As at September 30, 2024

#### Financial assets

##### At amortised cost

Long term deposits	12	630,184	-	630,184	-	-	-	-
Trade debts	15	3,362,467	-	3,362,467	-	-	-	-
Loans and advances	17	4,051,004	-	4,051,004	-	-	-	-
Cash and bank	21	83,789,198	-	83,789,198	-	-	-	-
		<u>91,832,853</u>	<u>-</u>	<u>91,832,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### Financial liabilities at amortised cost

Long term loans	25	-	399,535,950	399,535,950	-	-	-	-
Lease liabilities	27	-	10,983,614	10,983,614	-	-	-	-
Trade and other payables	29	-	163,789,338	163,789,338	-	-	-	-
Unclaimed dividend		-	255,930	255,930	-	-	-	-
Due to Pattoki Sugar Mills Limited	31	-	9,007,275	9,007,275	-	-	-	-
Short term borrowings	32	-	2,059,050,720	2,059,050,720	-	-	-	-
Mark-up accrued	33	-	416,221,001	416,221,001	-	-	-	-
		<u>-</u>	<u>3,058,843,828</u>	<u>3,058,843,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### On-Balance sheet financial instruments

As at September 30, 2023

#### Financial assets at amortised cost

Long-term deposits	12	525,400	-	525,400	-	-	-	-
Trade debts - net of provisions	15	-	-	-	-	-	-	-
Loans and advances	17	2,902,815	-	2,902,815	-	-	-	-
Cash and bank balances	21	116,810,909	-	116,810,909	-	-	-	-
		<u>120,239,124</u>	<u>-</u>	<u>120,239,124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### Financial liabilities at amortised cost

Long term loans	25	-	326,193,818	326,193,818	-	-	-	-
Lease liabilities	27	-	10,413,498	10,413,498	-	-	-	-
Trade and other payables	29	-	136,038,940	136,038,940	-	-	-	-
Unclaimed dividend		-	255,930	255,930	-	-	-	-
Due to Pattoki Sugar Mills Limited	31	-	15,552,242	15,552,242	-	-	-	-
Short term borrowing	32	-	100,000,000	100,000,000	-	-	-	-
Mark-up accrued	33	-	305,335,771	305,335,771	-	-	-	-
		<u>-</u>	<u>893,790,199</u>	<u>893,790,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

58.1 The Company has valued certain fixed assets at fair value and classified under property, plant and equipment. The carrying value and level of fair value of these non - financial assets have been disclosed in the relevant note to the financial statements.

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

## 59. SEASONALITY OF OPERATIONS

Due to seasonal nature of sugar business, operating results of the Company are expected to fluctuate in the second half of the year. The sugarcane crushing season normally starts from November and lasts till April each year.

## 60. OPERATING SEGMENTS

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

Sugar Sales represents 88.84% (2023 : 85.48%) of the total sales of the Company.

The major sale of the Company relates to the customers in Pakistan.

All non - current assets of the company as at September 30, 2024 are located in Pakistan.

No sale accounted for 10% or more of total sales was made to any customer during the year, except Naubahar Bottling Company (Private) Limited, which constitute of 14.10% of total sugar sales (2023: Crystalline Chemical (Pvt) Limited, which constitute of 11.30%).

## 61. SHARIAH COMPLIANCE DISCLOSURE

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

	2024 Rupees	2023 Rupees
Statement of financial position -Financing obtained as per Islamic mode:		
Long term diminishing musharka	210,000,000	270,000,000
Markup accrued:		
Long term diminishing musharka	20,268,001	23,734,850
Relationships with banks having islamic window		
Bank Name	Region	Nature of transactiom
National Bank of Pakistan	Pakistan	Long term diminishing musharka

## 62. DISCLOSURE REQUIREMENT FOR ALL SHARE ISLAMIC INDEX

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year except as follows for better presentation;


Reclassified from:	Reclassified to:	Rupees
Statement of financial position		
Tax refund due from government	Taxation / Levy -net	41,665,004
Taxation - net	Taxation / Levy -net	4,723,343
Statement of profit or loss		
Taxation expense	Levy	56,448,158

## 63. DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue on December 24, 2024 by the Board of Directors of the Company.

## 64. GENERAL

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

  
CHIEFE EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER



# Proxy Form

No. of Shares

Folio No./CDC Participant ID

I/We \_\_\_\_\_

of \_\_\_\_\_

Being member of BABA FARID SUGAR MILLS LIMITED hereby appoint

Mr./Miss/Mrs. \_\_\_\_\_

of failing him/her \_\_\_\_\_

being a member of the company a my/our proxy to attend, act and vote for me/us and on my/us and on my/or behalf, at the 46<sup>th</sup> Annual General Meeting of the company to be held Registered Office, 2-D-1, Gulberg III, Lahore on Tuesday, the 28<sup>th</sup> January, 2025 at 3.00 p.m. and every adjournment thereof:

As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Signed by the said \_\_\_\_\_ of \_\_\_\_\_

1. Witness's Signature

Name: \_\_\_\_\_

CNIC No. \_\_\_\_\_

Address: \_\_\_\_\_

Member's Signature

\_\_\_\_\_

2. Witness's Signature

Name: \_\_\_\_\_

CNIC No. \_\_\_\_\_

Address: \_\_\_\_\_

Revenue Stamp  
Rs. 50/-

Date \_\_\_\_\_

Place \_\_\_\_\_

Notes: \_\_\_\_\_

1. This form of proxy, in order to be effected must be deposited duly completed at the registered office 2-D-1, Gulberg III, Lahore, not less than 48 hours before the time for holding the meeting.
2. A Proxy must be a member of the company.
3. Signature should agree with the specimen registered with the company.
4. CDC shareholder's entitled to attend and vote at this meeting must bring with them their Computerized National Identity Card / passport in original to provide his/her identity.



# بابا فرید شوگر ملز لمیٹڈ

## مختار نامہ

میں اہم ----- کا 1 کے -----  
 بحیثیت رکن بابا فرید شوگر ملز لمیٹڈ اور حامل حصص، بمطابق شیئر رجسٹرڈ فیو نمبر -----  
 اور ایسی ڈی سی پارٹنر شپ (شرکت آئی ڈی نمبر) -----  
 اور سب اکاؤنٹ ذیلی کھاتہ نمبر -----  
 محترم / محترمہ -----  
 کو اپنے اہارے ایماہ پر ----- مورخہ 28 جنوری 2025ء بروز منگل بوقت 15:00  
 کو مستفید ہونے کیلئے کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا اہارہ ایماہ اور مختار (پراسی) مقرر کرتا ہوں کرتے ہیں۔  
 آج بروز ----- بتاریخ ----- 2025ء کو دسخط کیے گئے۔

گواہان

-1

پانچ روپے کے رسید ٹکٹ پر دسخط

دسخط: -----  
 نام: -----  
 پتہ: -----  
 کمپیوٹرائزڈ شناختی کارڈ نمبر: -----

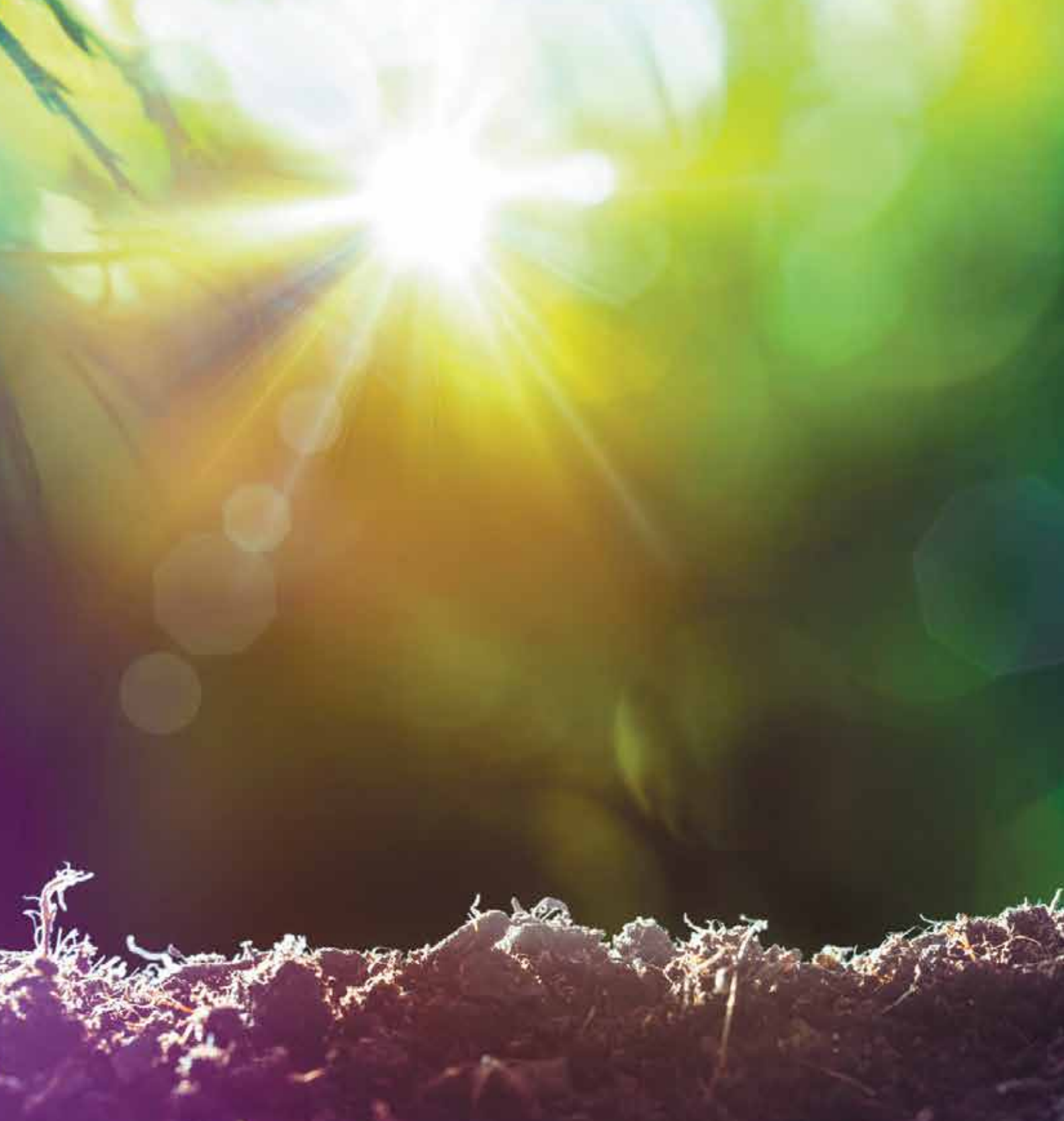
-2

دسخط کیلئے کے نمونہ دسخط سے  
 مماثل ہونے چاہئیں

دسخط: -----  
 نام: -----  
 پتہ: -----  
 کمپیوٹرائزڈ شناختی کارڈ نمبر: -----

نوٹ:

- 1۔ ایک ممبر (رکن) جو اجلاس میں شرکت نہیں کر سکتا وہ اس فارم کو مکمل کرے اور دسخط کرنے کے بعد اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل رجسٹرڈ آفس کے پتے پر ارسال کرے۔
- 2۔ سی ڈی سی شیئر ہولڈر ہونے کی صورت میں درج بالا کے علاوہ ذیل میں درج ہدایات پر بھی عمل کرنا ہوگا۔
- 3۔ فرد ہونے کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور ایماہ جس کی سکیورٹیز ڈگریڈ روپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ ہوں انہیں کیلئے کی جانب سے دی گئی ہدایت کی روشنی میں پراسی فارم جمع کرانا ہوگا۔
- 4۔ مختار نامے پر بطور گواہان دو افراد کے دسخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم پر درج ہوں۔
- 5۔ پیش نظر اوٹرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوں گی جسے نائب مختار نامہ کے ہمراہ پیش کرے گا۔
- 6۔ اجلاس کے وقت نائب گواہان اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
- 7۔ کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن) بورڈ آف ڈائریکٹرز قرار داد امج نامزد کردہ شخص / اٹارنی کے نمونہ دسخط پاور آف اٹارنی (اگر پہلے فراہم نہ کئے گئے ہوں) پراسی فارم (مختار نامہ) کے ہمراہ کیلئے میں جمع کرنا ہوگا۔



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IF UNDELIVERED, PLEASE RETURN TO

**BABA FARID  
SUGAR MILLS LIMITED**

2-D-1, GULBERG III, LAHORE