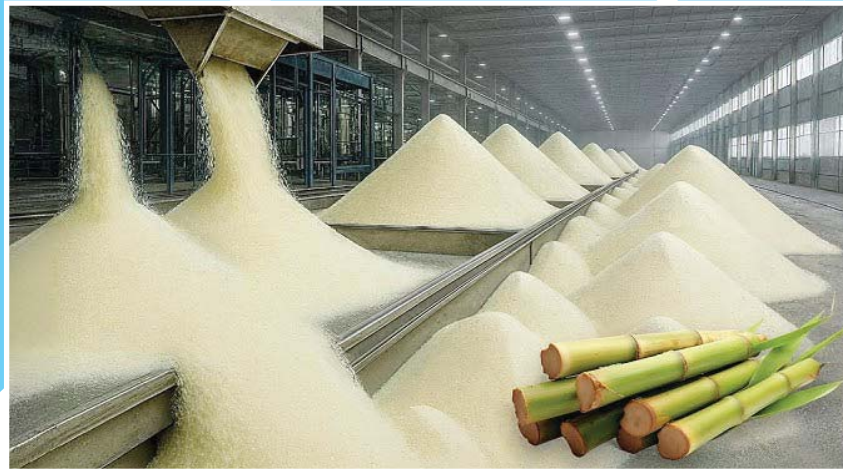


ANNUAL Report 2025



سانگھڑ شوگر ملز لمیٹڈ
Sanghar Sugar Mills Limited

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Company Information

BOARD OF DIRECTORS

Mr. Ghulam Dastagir Rajar (Chairman)	Non-Executive Director
Mr. Ghulam Hyder (Chief Executive)	Executive Director
Haji Khuda Bux Rajar	Executive Director
Mr. Muhammad Qasim	Non-Executive Director
Mr. Mehmood Alam	Independent Director
Mr. M. Abdul Jabbar (Nominee of N.I.T.)	Independent Director
Ms. Misbah	Non-Executive Director-Female

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. M. Abdul Jabbar	(Chairman)
Mr. Muhammad Qasim	
Mr. Mehmood Alam	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. M. Abdul Jabbar	(Chairman)
Mr. Ghulam Hyder	
Ms. Misbah	

INFORMATION TECHNOLOGY & STEERING COMMITTEE

Mr. Ghulam Hyder	(Chairman)
Syed Rehan Ahmad Hashmi	
Mr. Sheraz Khan	

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ghulam Dastagir Rajar	(Chairman)
Mr. Muhammad Qasim	
Ms. Misbah	
Syed Rehan Ahmad Hashmi	

RISK MANAGEMENT COMMITTEE

Mr. Mehmood Alam	(Chairman)
Haji Khuda Bux Rajar	
Mr. M. Abdul Jabbar	

COMPANY SECRETARY

Mr. Muhammad Mubeen Alam

CHIEF FINANCIAL OFFICER

Syed Rehan Ahmad Hashmi

STATUTORY AUDITOR

Kreston Hyder Bhimji & Co.
Chartered Accountants

COST AUDITOR

A. D. Akhawala & Co.
Chartered Accountants

SHARE REGISTRAR

Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road
Karachi.
Phone: 021 32424826
Fax: 021 32424835

LEGAL ADVISOR

Rafiq Kalwar & Dars Law Associates,
Advocates & Corporate Counselors,
Office # 412, 4th Floor, Clifton Centre,
DC-1, Block 5, Clifton, Karachi

BANKERS

Islamic

Al-Baraka Bank (Pakistan) Limited
Bank Islami Pakistan Limited
Meezan Bank Limited

Conventional

Bank Al-Habib Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
United Bank Limited

REGISTERED / HEAD OFFICE

Office # 305, 3rd Floor, Clifton Centre,
Block 5, Clifton, Karachi
Phone: 021 35371441 to 43 (3 lines)
Fax: 021 35371444
Website: www.sangharsugarmills.com
E-mail: info@sangharsugarmills.com

MANUFACTURING FACILITIES

13 K.M., Sanghar - Sindhari Road
Deh Kehore, District Sanghar, Sindh
Phone: (0345) 3737001 - 8222911

Statement of Vision, Mission, Corporate Objectives and Strategy & Strategic Planning

VISION STATEMENT

To have eminent position in manufacturing and supplying quality white refined sugar and allied products and thereby play an important role in the economic and social development of the country.

MISSION STATEMENT

We the Management of Enterprise, have set forth our belief as to the purpose for which the Company is established and the principles under which it should operate. We pledge our entire efforts to the accomplishment of the purpose within the agreed principles. Sanghar Sugar Mills Limited is committed to:

- o Manufacture to the highest quality standards. Pursuing the improvement in shareholders' value through team work and continuous improvement in the system in a competitive business environment.
- o Be ethical in practice and fulfill social responsibilities.
- o Ensure a fair return to stakeholders.
- o Realize responsibility towards society and contribute to the environment as good corporate citizen.

CORPORATE OBJECTIVES

The over riding objective of the Company is to optimize over the time, the return to its shareholders. To achieve this objective, the Company shall endeavor to ensure long term viability of its business and to manage effectively its relationship with stakeholders. Sanghar Sugar Mills Limited shall:

- o Recognize the need of working at the highest standard to achieve greater level of performance in order to meet the expectations of the stakeholders.
- o Optimize over the time, the returns to shareholders of the Company.
- o Strive for excellence and build on the Company's core competencies.
- o Conduct Company's business with integrity and supply only quality and credible information.
- o Respect confidentiality of the information acquired during the course of dealings with the interested parties and refrain from acting in any manner which might discredit the Company.

- o Operate within the regulatory framework and be free of any vested interest which might be incompatible with Organization's integrity, objectivity and independence.

CORPORATE STRATEGY

Production of sugar and sugar by-products are the Company's main area of business. The Company, its Director and Management:-

- o Believe in diversification through new manufacturing facilities and through equity participation.
- o Recognize the value of technological improvement and acquire the benefits of current innovation and development in their business field.
- o Believe in professional management and modern practices and use latest techniques available for growth and overall prosperity.
- o Consider their human resource as the most important asset and help them in providing facilities with regard to training and updating their knowledge and skill and keep them highly motivated.
- o Believe in integrity in business and the Company's integrity depends on integrity of each one of its employees.
- o Consider the sugar cane growers as the most important part of the business.

STRATEGIC PLANNING

- o Keep up with technological advancement and continuously update the company in the field of sugar technology.
- o Maintain all relevant technical and professional standards to be compatible with the requirement of the trade.
- o Gauge the market conditions and availability of substitute products and services and ensure quality with cost effectiveness.
- o Inculcate efficient, ethical and time tested business practice in the Company's management.

The Code of Conduct

The entire Organization of Sanghar Sugar Mills Limited (the Company) will be guided by the following principles of The Code of Conduct in its pursuit of excellence in all activities for the attainment of the Company's Objectives for the Company and its Directors, Executives, Managers, Employees and Workers:

1. Business Ethics:

- o Observe Company policies, regulations and code of best business practices;
- o Provide direction and leadership for the organization and take viable and timely decisions;
- o Promote and develop culture of excellence, conservation and continual improvement;
- o Develop and cultivate work ethics and harmony among colleagues and associates;
- o Ensure cost effectiveness and profitability of operation.

2. Understanding of the Legal Duties:

- o Fulfills all statutory requirements of the Government and follows all applicable laws of the Country together with compliance with accepted accounting principles, rules and procedures required;
- o Meets the expectations of the spectrum of society and Government agencies by implementing an effective and fair system of financial reporting and internal controls;
- o Promote and develop conducive environment through responsive policies and guidelines to facilitate viable and timely decisions;
- o Support and adherence to compliance of legal and industry requirements;
- o Maintain organizational effectiveness for the achievement of the Company's goals;
- o Acquire appropriate knowledge of the legal requirements relating to their duties to perform their obligations diligently and in compliance with the applicable laws, relevant guidelines and policies of the Company and to ensure compliance of applicable regulatory frameworks;
- o Make dedicated efforts to improve competence and skills in their respective roles through continuing professional education;
- o Bring to the notice of the Board, any non-compliance or violation of law or policy by the Company, other Board members or employees.

3. Personal Conduct:

- o Avoid following actions:
Misconduct, intimidating & insulting behavior, verbal onslaught, accusations, misogynist behavior, sexual harassment, ignorance of regulatory framework, spate communication (letters, emails, etc.) without highlighting specific discrepancies, humiliation, pressurizing tactics, coerciveness, disruptive and distractive measures, bullying, disruption of conduct of business, unnecessary interference in management issues, unethically tarnishing image of any person;
- o Exhibit high standards of personal conduct, both inside and outside the Company.

4. Conduct in Business Dealings:

- o Treat everyone, inside and outside the Company, professionally with respect and equality without taking improper advantage of their position;
- o To not involve in such practices like manipulation, misuse of privileged information and concealment of facts.

5. Safeguarding Company's Assets:

- o Use Company's assets, property, proprietary information and intellectual rights for business purposes of the Company and not for personal benefits or gains and to make utmost efforts for the protection and efficient use of the Company's assets;
- o Ensure protection and safeguard the interest and assets of the Company and meet obligations of the Company.

6. Integrity and Honesty:

- o Maintain financial integrity and must avoid making personal gain at the Company's expense by participating in or assisting activities which compete with the Company;
- o Act, at all times, with honesty, integrity and independence to protect Company's properties, reputation and image, and not get into dishonest practices such as bribery or corruption, etc.;
- o Exercise due diligence, objectivity, sound and independent judgment while performing the duties;
- o Exercise prudence in effective, efficient and economical utilization of resources of the Company;
- o To not involve in practices with the intention to get any undue advantage either for himself or his family members.

7. Avoid Conflict of Interest:

- o Activities and involvement of directors and employees of the Company in no way conflict with the interest of the Company. All acts and decisions of the management are motivated by the interest of the Company rather their own;
- o To not get into any such business or practice that would tend to influence him/her in a way other than in the best interests of the Company;
- o To not get into any business transaction or agreement that would result in the conflict of interest in any manner, other than those in the best interests of the Company;
- o To not receive gifts and other benefits from the outsiders having pecuniary and other interest.

8. Ensure Confidentiality:

- o Protect confidential, proprietary and any such information received by virtue of their position in the Company and not disclose such information to anyone, unless the disclosure is required under any law or authorized by the Board of the Company;
- o To not use or intend to use the confidential and proprietary information for gaining unfair advantage and personal benefits, unless it becomes public.

9. Diversity and Inclusion:

- o To promote diverse and inclusive Board and management composition;
- o Provide equal opportunities to all employees for employment in the Company irrespective of their culture, race, gender, caste, and religion;
- o Promote a work environment free from discrimination, harassment and intimidations of any nature.

10. Role Towards Shareholders / Members and other Stakeholders:

- o Deals with all stakeholders in objective and transparent manner so as to meet the expectations of those who rely on the Company;
- o Ensure efficient and effective utilization of its resources;
- o Treat all shareholders/members and stakeholders of the Company in a fair and respectable way;
- o Act in the best interests of the Company and fulfill their fiduciary responsibilities;
- o Understand and consider the interests of all stakeholders in the success of the Company.

11. Encourage Environmental, Social and Corporate Governance (ESG) Practices:

- o Encourage to adopt digitalization to enhance efficiency and to protect the environment;
- o Promote and ensure compliance with ESG policy of the Company;
- o Encourage philanthropic activities, donations, contributions to charities and other matters of social welfare, in terms of sustainable practices;
- o Encourage to publish or disclose regular reports on their ESG targets, environmental and social impact activities;
- o Ensure that the Company operates in an environmentally and socially responsible manner;
- o Ensure that the Company adopts most efficient energy management system, prevention of energy waste and utilization of natural resources in responsible manner;

- o Ensure commitment to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.

12. Promoting Safe and Healthy Environment:

- o Give due consideration to the safety and health of all employees and to provide safe, competitive and healthy working environment;
- o Institute commitment to environmental, health and safety performance;
- o Uses all means to protect the environment and ensures health and safety of the employees.

13. External Activities and Public Comments:

- o To not undertake any external activities during the working hours or, at the expense of Company's duties and commitments.

14. Avoid Insider Trading & Disclosure of Inside Information:

- o To not indulge in insider trading on the basis of unpublished price sensitive information, subject to exceptions given in the Securities Act, 2015, and ensure compliance with all relevant laws and Company's policies, on prohibition of insider trading;
- o Commit to making prompt public disclosure of 'material information' as prescribed by the Pakistan Stock Exchange Regulations, if required;
- o Information that is generally referred to as 'material inside information', the same must be held in strict confidence until it is publicly released or is no longer considered as 'material inside information';
- o To not indulge in buying or selling securities of a Company for their own account or any other account, if possess non-public information or inside information of the Company or information pertaining to any potential trade/deal which may affect the share price of the Company. Further, will not pass any such information to others.

15. Protection against Harassment at Work Place:**Implement a five step framework in daily functioning:**

- o Raise prevention awareness;
- o Commit to all aspects of women empowerment;
- o Implement supportive policies;
- o Collaborate with other sectors; and
- o Ensure transparency and accountability.

Commit to eliminate violence and harassment at work and adopt to:

- o Affirm that violence and harassment will not be tolerated;
- o Establish violence and harassment prevention program with, if appropriate, measurable objectives;
- o Specify the rights and responsibilities of the workers and the employer, including the right of the worker to remove her or himself from a situation involving violence or harassment without fear or retaliation;
- o Establish complaint and investigation procedures;
- o Ensure all internal and external communications related to incidents of violence and harassment will be duly considered, and acted upon as appropriate;
- o Specify the right to privacy of individuals and confidentiality, while balancing the right of workers to be made aware of all hazards;
- o Include measures to address domestic violence; awareness rising, leave for victims, flexible work arrangements, temporary protection against dismissal for victims of domestic violence and referral to public mitigation measures;
- o Institute measures to protect complainants, victims, witnesses and whistle blowers against victimization or retaliation.

16. Role Toward Employees:

- o Promote a culture that supports enterprise and innovation, with appropriate short-term and long-term performance related rewards that are fair and achievable in motivating management and employees effectively and productively;
- o Encourage initiatives and self-realization in employees through meaningful empowerment;
- o Provide pleasant work atmosphere and ensure an equitable way of working and rewarding system;
- o Devote productive time and continued efforts to strengthen the Company;
- o Make concerted struggle for excellence and quality;
- o Protect and safeguard the interest of the Company and avoid conflict of interest;
- o Promote equal pay for work of equal value;
- o Prevent and end violence and harassment in the world of work;
- o Promote work family balance and an equal sharing of childcare responsibilities;
- o Building a future of work that works for women.

17. Miscellaneous:

- o Employees are required to comply with this Code of Conduct and are personally responsible for doing so. Employees must comply with any rules set out in this Code of Conduct. Breach of any principles within the Code may result in disciplinary action and a serious breach, such as if any employee is found to be in wanton abuse of the Code and their action can cause reputational risk or damage or financial loss to the Company, may amount to gross misconduct, which may result in dismissal. Further, the Company reserves the right to seek redress and damages from such individuals;
- o Employees at all levels will be required to certify annually that they understand the Code and that they are in full compliance with it. The Board monitors the findings of this certification on an annual basis;
- o The Company has in place a confidential 'Whistleblowing Policy' as a mechanism and process to encourage the reporting of any non-compliance with the Code of Conduct;
- o Employees agree that all right, title and interest in and to all work product resulting from the course of his/her employment with the Company, whether generated or produced by him/her or others or under his/her supervision, for the Company, including, without limiting the generality of the foregoing, all ideas, designs, concepts, information, data, inventions, improvements, works, discoveries, know-how and all intellectual property, including but not limited to patent, copyright, trade secrets and other related rights, belong to the Company exclusively and shall be the exclusive property of the Company and may be used by the Company at any time without any obligation to pay the employee any compensation whatsoever and to the extent that ownership of such work product may not automatically vest in the Company by operation of law or otherwise, the employee hereby assign, and upon the future creation thereof shall assign, all right, title and interest in and to the work product to the Company and may be used by the Company at any time without any obligation to pay him/her any compensation whatsoever and to the extent that ownership of such work product may not automatically vest in the Company by operation of law or otherwise, the employee hereby assign and the employee shall not use the same for any purpose other than for the benefit of the Company nor will he/she pass it on to any other person or institution other than to those approved by the Board of Directors of the Company and the employee will not take the same with him/her when the employee cease to be an employee of the Company for any reason whatsoever and the employee shall take all steps and shall execute all such documents as may be necessary or reasonably required by the Company, at the expense of the Company, to procure and ensure that the Company obtains and retains complete and exclusive legal title to any such invention or improvement and the employee shall assist the Company in obtaining, securing and enforcing the abovementioned intellectual property rights as is needed by the Company.
- o This Code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed, if required by any applicable law and or regulations. As a general Policy, the Board will not grant waivers to the Code and waiver may be considered only case to case basis.

- ☆ خوشگوار کام کا ماحول فراہم کریں اور کام کرنے کے مساوی طریقوں اور اہداف کے حصول پر انعامات سے نوازنے کے نظام کو یقینی بنائیں؛
- ☆ کمپنی کو کامیاب بنانے کیلئے وقت کو مثبت انداز سے خرچ کیجئے اور ہمہ وقت کوششیں جاری رکھیں؛
- ☆ بہتری اور معیار کی بلندی کے لیے مشترکہ جدوجہد کیجئے؛
- ☆ کمپنی کے مفاد کی حفاظت کریں اور مفادات کے تصادم سے بچیں؛
- ☆ کام کی مساوی قدر کے مد نظر مساوی تنخواہوں کی ادائیگی کو ممکن بنائیں؛
- ☆ کام کی جگہ کو تشدد اور ایذا رسانی سے پاک کیجئے؛
- ☆ کام اور خاندان کو توجہ دیئے جانے کے مابین ایک توازن پیدا کیجئے، نیز بچوں کی دیکھ بھال کی ذمہ داریوں کے احساس کو بھی مساوی فروغ دیجئے؛
- ☆ مستقبل میں خواتین کو مد نظر رکھتے ہوئے کام کی نوعیت کو وضع کیجئے۔

17. متفرق:

- ☆ ملازمین پر اس ضابطہ اخلاق کی تعمیل لازم ہے اور وہ ذاتی حیثیت میں اس پر عمل کرنے کے ذمہ دار ہیں۔ ملازمین پر لازم ہے کہ اس ضابطہ اخلاق میں بیان کردہ تمام قواعد کی تعمیل کریں۔ ضابطہ کے اندر کسی بھی اصول کی خلاف ورزی کے نتیجے میں تادیبی کارروائی اور سنگین خلاف ورزی، جیسا کہ ایسی بے ضابطگی جس سے کمپنی کی ساکھ کو خطرہ لاحق ہو یا مالی نقصان کا باعث بنے، کی صورت میں ملازمت سے برخاستگی بھی کی جاسکتی ہے۔ مزید برآں، کمپنی ایسے افراد سے ازالہ اور ہر جانے کے حصول کا حق محفوظ رکھتی ہے؛
- ☆ تمام سطحوں پر ملازمین پر لازم ہوگا کہ سالانہ اس بات کی تصدیق کریں کہ وہ ضابطہ کو سمجھتے ہیں اور وہ اس کی مکمل تعمیل کرتے ہیں۔ بورڈ سالانہ بنیادوں پر اس تصدیقی عمل کے نتائج کی نگرانی کرتا ہے؛
- ☆ کمپنی نے ضابطہ اخلاق کی عدم تعمیل کی اطلاع دینے کی حوصلہ افزائی کرنے کے لیے ایک طریقہ کار اور عمل کے طور پر ایک خفیہ 'وسل بلونگ پالیسی' وضع کی ہے؛
- ☆ ملازمین اس بات سے اتفاق کرتے ہیں کہ کمپنی کے ساتھ اس کی ملازمت کے دوران پیدا ہونے والی تمام مصنوعات میں اور اس کے حقوق، ملکیت اور مفادات، چاہے اس کے یا دوسروں کے ذریعے یا اس کی نگرانی میں، کمپنی کے لیے، بشمول، مذکورہ بالا کی عمومیت کو محدود کیے بغیر، تمام نظریات، ڈیزائن، تصورات، معلومات، ڈیٹا، ایجادات، حسن کارکردگی، کام، دریافتیں، جانکاری اور تمام دانشورانہ املاک، بشمول پیٹنٹ، کاپی رائٹ، تجارتی راز اور دیگر متعلقہ حقوق، خصوصی طور پر کمپنی سے تعلق رکھتے ہیں اور کمپنی کی خصوصی ملکیت ہوں گے اور کمپنی ان حقوق کو کسی بھی وقت ملازم کو کوئی بھی معاوضہ ادا کئے بغیر استعمال کر سکتی ہے، کہ اس طرح کی مصنوعات کی ملکیت اگر خود بخود کمپنی میں قانون کے عمل سے نہیں ہو سکتی ہے یا دوسری صورت میں، ملازم بذریعہ ہذا تفویض کرے گا، اور اس کی مستقبل کی تخلیق پر، تمام حقوق، ملکیت تفویض کرے گا۔ کمپنی مصنوعات میں اور اس میں پائی جانے والی ملکیت کو کسی بھی وقت معاوضہ ادا کئے بغیر استعمال کر سکتی ہے اور اس حد تک کہ اس طرح کی مصنوعات کی ملکیت خود بخود آپریشن کے ذریعے کمپنی میں نہ بن جائے۔ قانون کے مطابق یا دوسری صورت میں، ملازم بذریعہ ہذا تفویض کرے گا اور ملازم اسے کمپنی کے فائدے کے علاوہ کسی اور مقصد کے لیے استعمال نہیں کرے گا اور نہ ہی وہ اسے بورڈ کی جانب سے منظور شدہ افراد کے علاوہ کسی دوسرے شخص یا ادارے کو منتقل کرے گا۔ اگر ملازم کسی بھی وجہ سے کمپنی کی ملازمت چھوڑ دیتا ہے تو کمپنی کے ڈائریکٹرز اور ملازم اسے اپنے ساتھ نہیں لے جائیں گے اور ملازم تمام اقدامات اٹھائے گا اور ایسی تمام دستاویزات پر عملدرآمد کرے گا جو اس ضمن میں ضروری یا معقول ہوں، کمپنی کے خرچ پر۔ کمپنی کی ایسی کسی بھی ایجاد یا کارکردگی میں بہتری کے عمل کی مکمل اور خصوصی قانونی ملکیت حاصل کرنے اور اسے برقرار رکھنے میں ملازم اس کی مدد کرے گا، یعنی کمپنی کو مذکورہ بالا دانشورانہ املاک کے حقوق کو حاصل کرنے، انھیں محفوظ کرنے اور نافذ کرنے میں جیسا کہ کمپنی کی ضرورت ہو؛
- ☆ اس ضابطہ میں ترمیم، تبدیلی یا تخفیف صرف کمپنی کے بورڈ آف ڈائریکٹرز کے ذریعے کی جاسکتی ہے اور اگر کسی مروجہ قانون یا ضوابط کی ضرورت ہو تو اس کا باقاعدہ اعلان کیا جائے گا۔ بطور عمومی پالیسی، بورڈ ضابطہ اخلاق میں کوئی رعایت نہیں دے گا، تاہم رعایت کا فیصلہ محض خصوصی حالات کی بنیاد پر ہی کیا جاسکتا ہے۔

- ☆ ضرورت پڑنے پر پاکستان اسٹاک ایکسچینج کے ضوابط کے مطابق 'اہم معلومات' کو فوری طور پر عوام الناس تک بہم پہنچایا جائے؛
- ☆ 'اندرونی اہم معلومات' کہلائی جانے والی معلومات کو اس وقت تک صیغہ راز میں رکھا جانا چاہیے جب تک کہ اسے عوام الناس کیلئے جاری نہیں کر دیا جاتا یا اسے 'اندرونی اہم معلومات' کی کیٹگری سے نکال نہیں دیا جاتا؛
- ☆ غیر عوامی یا اندرونی معلومات کی بنیاد پر، اپنے اکاؤنٹ یا کسی دوسرے اکاؤنٹ کے لیے کمپنی کی سیکیورٹیز خریدنے یا بیچنے سے گریز کیا جائے، کسی ممکنہ تجارت/ڈیل سے متعلق معلومات کی بنیاد پر جو کمپنی کے حصص کی قیمت کو متاثر کر سکتی ہوں۔ مزید برآں، ایسی کوئی بھی معلومات دوسروں تک پہنچانے سے سختی سے گریز کیا جائے۔

15. کام کی جگہ پر ہر اسماں کرنے سے تحفظ:

- ☆ کام کے دوران روزانہ کی بنیاد پر پانچ مراحل کے فریم ورک کا نفاذ یقینی بنائیں:
- ☆ احتیاط/روک تھام کے بارے میں آگاہی پیدا کیجئے؛
- ☆ خواتین کو بااختیار بنانے کے تمام پہلوؤں کے لیے وابستگی ظاہر کیجئے؛
- ☆ معاون پالیسیوں کو نافذ کیجئے؛
- ☆ دوسرے شعبوں کے ساتھ تعاون کیجئے؛
- ☆ شفافیت اور جوابدہی کو یقینی بنائیں؛
- ☆ کام پر تشدد اور ایذا رسانی کو ختم کرنے کا عہد کریں اور اسکے نفاذ کو یقینی بنائیں:
- ☆ عہد کیجئے کہ تشدد اور ہراساں کرنا برداشت نہیں کیا جائے گا؛
- ☆ اگر مناسب ہو تو، قابل عمل مقاصد کے تحت تشدد اور ہراساں کرنے کے تذکرہ کیلئے ایک پروگرام مرتب کیجئے؛
- ☆ کارکنان اور آجر کے حقوق اور ذمہ داریوں کی وضاحت کریں، بشمول کارکن کے حقوق کہ وہ خود کو ایسی صورت حال سے کیسے نکالے جس میں تشدد یا ایذا رسانی کا خوف لاحق ہو؛
- ☆ شکایت اور تفتیش کا نظام وضع کیا جائے؛
- ☆ اس بات کو یقینی بنائیں کہ تشدد اور ایذا رسانی کے واقعات سے متعلق تمام داخلی اور خارجی مواصلات پر مناسب طریقے سے غور کیا جائے اور مناسب کارروائی کو یقینی بنایا جائے؛
- ☆ افراد کے حق رازداری کی وضاحت کریں، کارکنوں کے حقوق کے تحفظ کو مد نظر رکھتے ہوئے انھیں تمام خطرات سے آگاہ کیا جائے؛
- ☆ گھریلو تشدد سے نمٹنے کے لیے اقدامات شامل کئے جائیں، آگاہی کے فروغ، متاثرین کے لیے چھٹی، کام میں لچک اور گھریلو تشدد کے متاثرین کے لیے برخواستگی کے خلاف تحفظ کو یقینی بنایا جائے اور عوامی سطح پر ایسے واقعات کی تخفیف کیلئے اقدامات اٹھائے جائیں؛ اور
- ☆ شکایت کنندگان، متاثرین، گواہوں اور وسل بلورز کو تشدد یا انتقامی کارروائیوں سے بچانے کے لیے ادارے کی جانب سے اقدامات لئے جائیں۔

16. ملازمین کے ساتھ سلوک:

- ☆ ایک ایسے کلچر کو فروغ دیا جائے جو انٹراپرائز اور اختراعی عمل کو فروغ دیتا ہو، اس سلسلے میں مناسب مختصر مدت اور طویل مدتی کارکردگی کے انعامات رکھے جائیں، اس ضمن میں انتظامیہ اور ملازمین کو موثر اور نتیجہ خیز نتائج برآمد کرنے کیلئے منصفانہ اور قابل حصول اہداف دیئے جائیں؛
- ☆ با معنی بااختیار بنانے کے ذریعے ملازمین میں اقدامات اور خود شناسی کی حوصلہ افزائی کی جائے؛

- ☆ تمام ملازمین کو ان کی ثقافت، نسل، جنس، ذات اور مذہب سے قطع نظر کمپنی میں ملازمت کے یکساں مواقع فراہم کریں؛
- ☆ کسی بھی نوعیت کے امتیازی سلوک، ایذا رسانی اور دھمکیوں سے پاک کام کے ماحول کو فروغ دیجئے۔

10. شیئر ہولڈرز/ممبران اور دیگر شراکت داروں کا کردار:

- ☆ تمام شراکت داروں کے ساتھ معروضی اور شفاف سلوک روا رکھیں تاکہ کمپنی پر انحصار کرنے والوں کی توقعات پر پورا اتر جا سکے؛
- ☆ اپنے وسائل کے موثر اور بہترین استعمال کو یقینی بنائیں؛
- ☆ کمپنی کے تمام شراکت داروں/ممبران کے ساتھ اچھے اور باعزت طریقے سے پیش آئیں؛
- ☆ کمپنی کے بہترین مفادات میں کام کریں اور اپنی بنیادی ذمہ داریوں کو پورا کیجئے۔
- ☆ تنظیم کی کامیابی کیلئے تمام شراکت داروں کے مفادات کو غور کیجئے اور ان پر عمل کیجئے۔

11. ماحولیاتی، سماجی اور کارپوریٹ گورننس (ESG) کے طریقوں کی حوصلہ افزائی:

- ☆ کارکردگی کو بڑھانے اور ماحول کی حفاظت کے لیے ڈیجیٹلائزیشن کو اپنانے کی حوصلہ افزائی کیجئے؛
- ☆ کمپنی کی ESG پالیسی کو فروغ دیجئے اور اس کی تعمیل کو یقینی بنائیں؛
- ☆ تسلسل کے ساتھ انسان دوست سرگرمیوں، عطیات، خیراتی کاموں اور سماجی بہبود کے دیگر معاملات کی حوصلہ افزائی کیجئے؛
- ☆ اپنے ESG اہداف، ماحولیاتی اور موثر سماجی سرگرمیوں کے بارے میں باقاعدہ رپورٹس شائع کیجئے اور ایسی سرگرمیوں کی ترغیب دیجئے؛
- ☆ اس بات کو یقینی بنائیں کہ کمپنی ماحولیاتی اور سماجی طور پر ذمہ دارانہ طریقے سے کام کرے؛
- ☆ اس بات کو یقینی بنائیں کہ کمپنی انتہائی موثر انداز سے توانائی کا انتظام کرے اور توانائی کے ضیاع سے گریز کیا جائے، قدرتی وسائل کے استعمال میں ذمہ داری کا مظاہرہ کیا جائے؛
- ☆ قدرتی وسائل کے فضول استعمال کو روکنے کے عزم کو یقینی بنائیں اور مروجہ قوانین کے مطابق ماحولیات کی بقاء کو مد نظر رکھتے ہوئے مصنوعات اور خدمات کی ترقی، پیداوار، استعمال کو یقینی بنایا جائے اور وسائل کے ضیاع اور مضر اثرات کو کم سے کم کیا جائے۔

12. محفوظ اور صحت مند ماحول کو فروغ دینا:

- ☆ تمام ملازمین کی حفاظت اور صحت کو یقینی بنایا جائے اور محفوظ، مسابقتی اور صحت مند ماحول کار کو فروغ دیا جائے؛
- ☆ بقائے ماحولیات، صحت اور حفاظت کے فروغ کے لیے ادارے کے عزم کا اظہار کرنا؛
- ☆ بقائے ماحولیات کے لیے تمام ذرائع استعمال لایا جاتا ہے اور ملازمین کی صحت اور حفاظت کو یقینی بنایا جاتا ہے۔

13. بیرونی سرگرمیاں اور عوامی تبصرے:

- ☆ دوران اوقات کار کمپنی کے فرائض سے روگردانی کرتے ہوئے کسی بھی بیرونی سرگرمی میں مشغول ہونے سے گریز جائے۔

14. اندرونی تجارت اور اندرونی معلومات کے انکشاف سے گریز:

- ☆ غیر مطبوعہ قیمت اور دیگر حساس معلومات کی بنیاد پر انسائیڈر ٹریڈنگ میں ملوث ہونے سے اجتناب کیا جائے، ماسوائے سیکیورٹیز ایکٹ 2015 میں دیے گئے مستثنیات کے اور انسائیڈر ٹریڈنگ کی ممانعت پر تمام متعلقہ قوانین اور کمپنی کی پالیسیوں کی تعمیل کو یقینی بنایا جائے؛

4. کاروباری معاملات میں برتاؤ:

- ☆ کمپنی کے اندر اور باہر ہر ایک کے ساتھ پیشہ ورانہ طور پر احترام اور برابری کے ساتھ پیش آنا اور ان کے عہدے کا ناجائز فائدہ اٹھانے سے گریز کرنا؛
- ☆ ہیرا پھیری، زیر رسائی معلومات کے غلط استعمال اور حقائق کو چھپانے جیسے کاموں سے مکمل گریز کرنا۔

5. کمپنی کے اثاثوں کی حفاظت:

- ☆ کمپنی کے اثاثے، جائیداد، ملکیتی معلومات اور دانشورانہ حقوق کو کمپنی کے کاروباری مقاصد کے لیے استعمال کریں نہ کہ ذاتی فوائد کے لیے اور کمپنی کے اثاثوں کے تحفظ اور موثر استعمال کے لیے بھرپور کوششیں کریں؛
- ☆ کمپنی کے مفادات اور اثاثوں کے تحفظ کو یقینی بنائیں اور کمپنی سے متعلق اپنی ذمہ داریاں پوری کیجئے۔

6. دیانتداری اور دیانت:

- ☆ کمپنی کی مالی سالمیت کو برقرار رکھیں اور کمپنی کے خرچ پر ذاتی فوائد حاصل کرنے سے گریز کریں اور کمپنی کو لاحق مسابقتی سرگرمیوں میں حصہ لینے یا ان کی اعانت کرنے سے گریز کریں۔
- ☆ کمپنی کی املاک، ساکھ اور نیک نامی کی حفاظت کے لیے ہمہ وقت ایمانداری، دیانتداری اور آزادی کے ساتھ کام کریں، اور رشوت یا بدعنوانی وغیرہ جیسے بد اخلاقی کے کاموں سے گریز کیجئے؛
- ☆ فرائض کی انجام دہی کے دوران مستعدی، معروضیت، درستگی اور غیر جانبدارانہ فیصلے کیجئے؛
- ☆ کمپنی کے وسائل کے اقتصادی استعمال کو موثر بنانے کیلئے دانشمندی کا مظاہرہ کریں؛
- ☆ اپنی ذات یا اپنے خاندان کے افراد کے لیے کوئی ناجائز فائدہ حاصل کرنے کی نیت سے کسی بھی عمل سے گریز کریں۔

7. مفادات کے تصادم سے گریز:

- ☆ کمپنی کے ڈائریکٹرز اور ملازمین کی سرگرمیاں کمپنی کے مفاد سے کسی بھی طرح متصادم نہیں ہیں، انتظامیہ کے تمام اقدامات اور فیصلے کمپنی کے مفاد پر مبنی ہیں نہ کہ ان کے ذاتی مفادات پر؛
- ☆ کسی ایسے کاروبار یا عمل میں شامل نہ ہوں جس سے کمپنی کے مفادات کو نقصان پہنچنے کا اندیشہ ہو؛
- ☆ ایسے کسی بھی کاروبار یا لین دین یا معاہدے میں شامل نہ ہوں جس کے نتائج کمپنی کے مفادات سے متصادم ہوں؛
- ☆ کمپنی سے باہر لوگوں سے تحائف اور مالی فوائد حاصل کرنے سے گریز کریں۔

8. رازداری کو یقینی بنائیں:

- ☆ آپ کو کمپنی میں اپنے عہدے کی بناء پر اگر کمپنی کو معلومات تک رسائی حاصل ہو تو کمپنی کی ایسی معلومات کی رازداری اور حفاظت کریں اور ایسی معلومات کسی کے سامنے ظاہر نہ کریں، الا یہ کہ ایسا کرنے کا اختیار کمپنی نے آپ کو دیا ہو، یا کسی مروجہ قانون کے تحت ایسا کرنا گزیر ہو؛
- ☆ کمپنی کی خفیہ اور ملکیتی معلومات کو ناجائز اور ذاتی فوائد حاصل کرنے کے لیے استعمال کرنے سے گریز کیا جائے، الا یہ کہ ایسی معلومات عام ہو جائے۔

9. تنوع اور شمولیت:

- ☆ بورڈ اور انتظامیہ میں تنوع اور جامع بنانے کیلئے اقدامات اٹھانا؛

ضابطہ اخلاق

سانگھڑ شوگر ملز لمیٹڈ کی پوری تنظیم کو کمپنی کے مقاصد کے حصول کے لیے اور تمام سرگرمیوں میں عمدگی کو یقینی بنانے کے لیے ڈائریکٹرز، ایگزیکٹوز، منیجرز، ملازمین اور ورکرز کے لیے کمپنی کے درج ذیل ضابطہ اخلاق اصولوں سے رہنمائی فراہم کی جائے گی:

1. کاروباری اخلاقیات:

- ☆ کمپنی کی پالیسیوں، ضوابط اور بہترین کاروباری طریقوں کے کوڈ کا مشاہدہ کریں؛
- ☆ تنظیم کے لیے ہدایات اور رہنمائی فراہم کریں اور قابل عمل اور بروقت فیصلے کریں؛
- ☆ مہارتوں، تحفظ اور مسلسل بہتری کی ثقافت کو فروغ دیں اور ترقی دیں؛
- ☆ ساتھیوں اور ساتھ کام کرنے والوں کے درمیان اخلاقیات کا راور ہم آہنگی کو فروغ دیں اور پروان چڑھائیں؛
- ☆ پیداواری لاگت میں کمی اور کاروباری افعال کے منافع بخش ہونے کو یقینی بنائیں۔

2. قانونی فرائض کی تفہیم:

- ☆ حکومت کے تمام قانونی تقاضوں کو پورا کرنا اور کاؤنٹنگ کے مروجہ اصولوں، قواعد و ضوابط اور مطلوبہ طریقہ کار کی تعمیل کرتے ہوئے تمام قابل اطلاق قوانین کی پیروی کرنا؛
- ☆ مالیاتی رپورٹنگ اور اندرونی کنٹرول کے ایک موثر اور منصفانہ نظام کو نافذ کر کے ذریعے عوام الناس اور سرکاری ایجنسیوں کی توقعات پر پورا اترنا؛
- ☆ احتسابی پالیسیوں اور رہنما خطوط کے ذریعے سازگار ماحول کو فروغ دینا تاکہ قابل عمل اور بروقت فیصلے کئے جاسکیں؛
- ☆ قانونی اور صنعتی تقاضوں کی تعمیل میں معاونت کرنا اور ان پر عمل پیرا ہونا؛
- ☆ کمپنی کے اہداف کے حصول کے لیے موثر تنظیمی ڈھانچے کو برقرار رکھنا؛
- ☆ اپنے فرائض منصبی سے متعلق قانونی تقاضوں کا مناسب علم حاصل کرنا تاکہ اپنی ذمہ داریوں کو مستعد انداز سے اور کمپنی کے قابل اطلاق قوانین، متعلقہ رہنما خطوط اور پالیسیوں کے مطابق انجام دیا جائے اور قابل اطلاق ریگولیٹری فریم ورک کی تعمیل کو یقینی بنایا جائے۔
- ☆ مسلسل پیشہ ورانہ تعلیم کے ذریعے اپنے متعلقہ فرائض منصبی میں قابلیت اور مہارت پیدا کرنے کیلئے ہمہ جہت کوششیں کرنا؛
- ☆ کمپنی یا بورڈ کے دیگر اراکین یا ملازمین کی طرف سے کسی بھی قسم عدم تعمیل یا قانون یا پالیسی کی خلاف ورزی کے معاملات کو بورڈ کے نوٹس میں لانا۔

3. ذاتی برتاؤ:

- ☆ درج ذیل کاموں سے گریز کیجئے:
- ☆ بدتمیزی، دھمکی آمیز اور توہین آمیز رویہ، زبان درازی، الزامات، بدسلوکی، جنسی ہراساں کرنا، ضابطہ کار کے فریم ورک سے لاعلمی، مخصوص تضادات کو نمایاں کیے بغیر لائینی روابط (خطوط، ای میلز، وغیرہ) کرنا، دھونس دینا، کاروباری امور میں خلل ڈالنا، انتظامی امور میں غیر ضروری مداخلت، غیر اخلاقی طور پر کسی بھی شخص کی کردار کشی کرنا؛
- ☆ کمپنی کے اندر اور باہر ذاتی طرز عمل کے اعلیٰ معیارات کا مظاہرہ کرنا۔

Notice of the Annual General Meeting

Notice is hereby given that 40th Annual General Meeting (AGM) of the Shareholders of Sanghar Sugar Mills Limited (the Company) will be held on Wednesday January 28, 2026 at 11:15 a.m. at 3rd Floor, PSX Auditorium, Pakistan Stock Exchange Building (Administration Block), Stock Exchange Road, Karachi and also through video link facility to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Annual General Meeting of the Company held on January 27, 2025.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2025 together with Directors' and Auditors' Reports thereon.

Availability & Circulation of Annual Audited Financial Statements on Company's Website & through QR Enabled Code

In compliance of Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023, the Company is hereby circulate the "**Annual Audited Financial Statements together with all relevant and or related Reports and documents**" of the Company for the year ended September 30, 2025 to the members of the Company, through web link and QR enabled code, to view and download the annual audited financial statements together with the reports and documents annexed thereto. The Members may view and or download through the following link and code:

Web Link: www.sangharsugarmills.com / Investor Information / Annual Reports

QR Code:



3. To appoint Auditors for the year 2025-2026 and fix their remuneration. The present Auditors M/s Kreston Hyder Bhimji & Co. Chartered Accountants, retire and being eligible, have offered themselves for re-appointment.
4. To transact any other ordinary business with the permission of the Chair.

By Order of the Board

Muhammad Mubeen Alam
Company Secretary

Karachi: January 05, 2026

NOTES:

1. Transmission of Audited Financial Statements:

The Audited Financial Statements of the Company for the year ended September 30, 2025 have been made available on the Company's website www.sangharsugarmills.com in addition to Annual and Quarterly Financial Statements of the prior year's / period's respectively.

Further, in compliance of Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023 and with the provisions of the Electronic Transaction Ordinance, 2002 that the Annual Audited Financial Statements together with the relevant notices / reports and or documents of the Company for the year ended September 30, 2025 has been e-mailed by the Company to the respective shareholders who have provided their valid email IDs to the Share Registrar and or concerned Participant / CDC Investor Account Services.

Furthermore, in compliance of Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023 and with the provisions of the Electronic Transaction Ordinance, 2002 that the Notice of Annual General Meeting has been dispatched to members as per requirements of the Companies Act, 2017, on their registered address, containing the QR code and the web link address to view and download the annual audited financial statements together with the reports and documents required to be annexed thereto under the Companies Act, 2017.

2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from 21-01-2026 to 28-01-2026 (both days inclusive). Physical Transfers/CDS Transactions IDS received in order, in all respects, at the close of the Business on 20-01-2026 at the Company's Share Registrar M/s Hameed Majeed Associates (Pvt) Limited, Karachi Chamber, Hasrat Mohani Road, Karachi, will be considered for attending and voting at Annual General Meeting.

3. Online Participation in AGM:

The Securities & Exchange Commission of Pakistan through its Circular No. 4 dated February 15, 2021 has directed the listed companies to ensure the participation of members in General Meeting through electronic means as a regular feature in addition to holding physical meetings. Therefore, the Members will also be able to participate in the AGM proceedings after completing all the formalities required for the verification and identification of the Members for online login participation.

For this purpose, Members are requested to get their particulars registered with the Company by sending email on "info@sangharsugarmills.com" mention in the subject that "AGM January 2026" and can also be registered by sending the following details through courier / post at the registered Office of the Company, addressed to Company Secretary. Following details are required:

Member Name	CNIC No.	Folio / CDS No.	Email ID	Cell No.

Video-link, login credentials and time will be shared with only those shareholders / proxies (must submit proxy form) whose details as stated above, must be received by us at least 48 hours before the time of this meeting. Incomplete, suspicious and details received after the expiry of time period will not be entertained.

Members are also required to attach the copy of their CNIC and where applicable, copy of CNIC of member(s) of whom they hold proxy(ies) while sending the information. Without the copy of CNIC, such member(s) shall not be registered for the video-link facility.

4. Prohibition on grant of Gifts to Shareholders:

The Securities and Exchange Commission of Pakistan (the SECP) through its Circular 2 of 2018 dated February 9, 2018 and S.R.O. 452(1)/2025 has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (token / coupons / lunches / takeaway / packages) in any form or manner, to the shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense and companies failing to comply, may face penalties.

5. Statutory Code of Conduct at AGM:

Shareholders are requested to observe the Statutory Code of Conduct at the AGM in accordance with Section 215 of the Companies Act, 2017 (the Act) and Regulation 55 of the Companies Regulations, 2024 whereby shareholders are not permitted to exert influence or approach the Management directly for decisions, which may lead to creation of hurdles in the smooth functioning of the Management. As mentioned in these provisions, shareholders shall not bring material which may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM, shareholders shall not conduct themselves in a manner to disclose any political affiliation or offend religious susceptibility of other members and shareholders shall keep comments and discussion restricted to the affairs of the Company.

Any shareholder who fails to conduct in the manner provided in the Act and as specified by the SECP, shall be guilty of an offence under the Act and shall be liable to a penalty.

6. Comments / Suggestions for the Agenda Items:

Members can also participate in the meeting through their comments / suggestions for the agenda items via our WhatsApp number and or through our email (kindly mention subject "AGM January 2026"). Details are given below:

WhatsApp No. +92 300 2742176
Email ID: info@sangharsugarmills.com

It is our responsibility that the comments / suggestions of the Members of the Company will be discussed in the meeting and will become part of the minutes of the meeting.

7. Voting (Electronic / Postal Ballot):

In order to comply with the requirements of the S.R.O. 906(1)/2023 dated July 07, 2023, S.R.O. 2192(1)/2022 dated December 05, 2022 and the Companies Act, 2017 (the Act), the Companies (Postal Ballot) Regulations, 2018 (the Regulations) and the Listed Companies (Code of Corporate Governance) Regulations, 2019 the responsibility of the Company is to provide the right of vote through electronic voting facility and vote through postal ballot to every member of the Company, subject to the requirements of sections 143 and 144 of the Act.

8. Participation in the AGM through Proxy:

A member entitled to attend and vote at this meeting may appoint another member as proxy to attend and vote on his/her behalf. Forms of Proxy to be valid must be properly filled in/executed and received at the Registered Office of the Company at Office No. 305, 3rd Floor, Clifton Centre, Block-5, Clifton, Karachi, at least 48 hours before the time of this meeting. A Form of Proxy is attached herewith and the same is also available on the Company's website. CDC Account Holders will further have to follow the guidelines as laid down in circular dated January 26, 2000 issued by SECP.

9. Submission of copy of CNIC (Mandatory):

The Company's Shareholders who are holding its Share in Physical Form are hereby informed and notified in their own interest who have not yet provided copy of their valid Computerized National Identity Card (CNIC) mentioning their Folio Numbers are hereby reminded again through this Notice to send urgently valid copy of their CNIC as mentioned above to the Company or its Share Registrar – M/s Hameed Majeed Associates (Pvt) Limited, Karachi Chambers, Hasrat Mohani Road, Karachi (Phone No. 021-32424826) in order to comply with the mandatory requirements of Securities and Exchange Commission of Pakistan.

A List of such Shareholders along with their Folio numbers, Names, Address and No. of the Company's shares held in Physical Form is available on the Company's Website www.sangharsugarmills.com for reference who have not yet submitted the valid copy of their CNIC to the Company.

It is further informed that the Members of the Company were previously requested/reminded through Notices of Annual and Extra Ordinary General Meetings held in previous years which were appeared in their respective Annual Reports of the Company as well as published in the newspapers – Business Recorder, The Nation and Roznama Khabrain of Karachi and Lahore, on several dates. They are once again reminded that in case of non-receipt of the copy of their valid CNIC along-with Folio No., the Company would be unable to comply with the mandatory requirement of the SECP as mentioned above.

10. Attendance at the Meeting:

A Member holding Physical Shares must bring his/her original Computerized National Identity Card (CNIC) and should mention his/her CNIC and Folio No. and sign on the Attendance Sheet while personally attending this Meeting. Member having deposited his/her shares into Central Depository Company of Pakistan Limited must bring his/her Participant's ID No. and Account/Sub-account No. along-with original CNIC and mention his/her CNIC and CDC Account No. and sign on the Attendance Sheet while personally attending this Meeting. Representatives of corporate Members should bring the usual documents required for such purpose as prescribed by the SECP.

11. Change of Address:

Members are advised to promptly notify change in their postal address, if any, to the Company's Share Registrar. Members having shares in CDC accounts are required to have their address updated with respective participants.

12. Video Conference Facility:

Members can avail video conference facility pursuant to Section 132(2) & Section 134 (b) of the Companies Act, 2017 and Regulation 56 of the Companies Regulations, 2024. In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the Meeting.

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

The Company will intimate to Members regarding venue of video conference facility at least 5 days before the date of the Meeting along with complete information necessary to enable them to access such facility.

I / We, _____ of _____ being a member of Sanghar Sugar Mills Limited, holder of _____ (number of shares) ordinary share(s) as per Registered Folio / CDC Account No. _____ hereby opt for video conference facility at _____.

Signature of Member(s)

13. Unclaimed Dividend:

Members are advised to immediately write us in detail for any outstanding / unclaimed cash dividend issued to you by the Company in past years. Please give complete details duly signed either to the Share Registrar or the Secretary of the Company.

14. Dividend Payments through Electronic Mode:

In accordance with the provisions and under section 242 of the Companies Act, 2017, shareholders are entitled to receive their dividends by way of direct credit to their bank account instead of receiving them through dividend warrants.

Therefore, to receive your future dividends directly in your bank account, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar of the Company and in case Shares held in CDC then please inform concerned Participant / CDC Investor Account Services. The form is also available on our Company's website and annexed herewith.

15. Consent to receive Hard Copy of Audited Financial Statements:

In supersession / partial modification of notification No. 470(I) dated May 31, 2016 and notification No. 787(I)/2014 dated September 08, 2014, the SECP has issued latest S.R.O. 389(I)/2023 dated March 21, 2023 read with Section 223(6) and 223 (7) of the Companies Act, 2017 which states that the Members of the Company who wish to receive the hard copy of Audited Financial Statements and Reports of the Company instead of sending the same through email, are requested to provide a "Standard Request Form", duly filled and signed in all respects, to communicate the need of hard copy, to the Company Secretary / Share Registrar. The Standard Request Form is available on the Company's website and also annexed herewith.

The Company will send the complete audited financial statements with relevant documents in hard copy to the member, at their registered addresses, free of cost, within one week, if a request has been made by the member on the standard request form.

16. Deposit of Physical Shares in to CDC Account:

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form. Therefore, the Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or investor account directly with CDC to place their physical shares into scrip less form, this will facilitate you in many ways, including save custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per the existing regulations of the authorities.

For any query and or information, members may contact to the Company or our Share Registrar at the following address:

Registered Office of the Company:

Office No. 305, 3rd Floor, Clifton Centre, Block - 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines) Fax: 021 35371444.
Website: www.sangharsugarmills.com, E-mail: info@sangharsugarmills.com

Share Registrar of the Company:

Hameed Majeed Associates (Pvt) Ltd, Karachi Chambers, Hasrat Mohani Road, Karachi.
Phone: 021 32424826, Fax: 021 32424835.

14۔ منافع کی الیکٹرانک ادائیگی:

کمپنیز ایکٹ، 2017 کی دفعہ 242 کے مطابق، حصص یافتگان اپنے منافع براہ راست منتقلی کے ذریعے بینک اکاؤنٹ میں وصول کرنے کے حقدار ہیں۔ لہذا، مستقبل میں منافع براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کے لیے، مکمل تفصیلات تحریری طور پر دستخط شدہ درخواست اور قومی شناختی کارڈ / این ٹی این کی نقل کے ساتھ کمپنی کے شیئر رجسٹرار کو فراہم کریں، اور اگر شیئر ڈی ڈی سی میں ہیں تو متعلقہ شراکت دار / سی ڈی سی انویسٹر اکاؤنٹ سروسز کو مطلع کریں۔ فارم کمپنی کی ویب سائٹ پر موجود ہے، نیز فارم نوٹس ہذا کے ساتھ بھی منسلک ہے۔

15۔ آڈٹ شدہ مالیاتی بیانات کی ہارڈ کاپی حاصل کرنے کی رضامندی:

ایس ای سی پی کی جانب سے جاری کردہ نوٹیفیکیشن (I) 470 مورخہ 31 مئی 2016 نوٹیفیکیشن نمبر 2014/787(I) مورخہ 8 ستمبر 2014 کی جگہ یا جزوی ترمیم کے بعد ایس ای سی پی کے تازہ ترین ایس آر او 2023/389(I) مورخہ 21 مارچ 2023 بمعہ کمپنیز ایکٹ، 2017 کی دفعات (6) 223 اور (7) 223 کے مطابق، وہ اراکین جو ای میل کے بجائے آڈٹ شدہ مالیاتی بیانات اور رپورٹس کی پرنٹ شدہ کاپی حاصل کرنا چاہتے ہیں، وہ معیاری درخواست فارم پر کر کے دستخط کے ساتھ کمپنی سیکریٹری / شیئر رجسٹرار کو جمع کرائیں۔ یہ فارم کمپنی کی ویب سائٹ پر اور نوٹس ہذا کے ساتھ بھی منسلک ہے۔

معیاری فارم درخواست موصول ہونے پر کمپنی ایک ہفتے کے اندر اراکین کے رجسٹرڈ پتوں پر بغیر کسی فیس کے مکمل آڈٹ شدہ مالیاتی گوشوارے اور متعلقہ دستاویزات کی پرنٹ شدہ کاپی ارسال کرے گی۔

16۔ فزیکل شیئرز کو سی ڈی سی اکاؤنٹ میں جمع کرانا:

کمپنیز ایکٹ، 2017 کی دفعہ 72 کے مطابق ہر لسٹڈ کمپنی کے لیے لازم ہے کہ فزیکل شیئرز کو بک انٹری کی صورت میں تبدیل کرے۔ لہذا، فزیکل شیئر رکھنے والے اراکین کو ترغیب دی جاتی ہے کہ وہ کسی بروکر کے ذریعے سی ڈی سی سب اکاؤنٹ یا براہ راست سی ڈی سی میں انویسٹر اکاؤنٹ کھول کر اپنے فزیکل شیئرز اسکرپ لیس صورت میں تبدیل کروالیں، ایسا کرنے سے انھیں کئی سہولیات میسر آ سکتی ہیں جیسا کہ حصص کی بحفاظت تحویل اور بروقت حصص کی خرید و فروخت کیونکہ موجودہ قوانین کے تحت فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

☆☆☆☆☆☆☆☆

کسی بھی سوال یا معلومات کے لیے، اراکین کمپنی یا اس کے شیئر رجسٹرار سے درج ذیل پتے پر رابطہ کر سکتے ہیں:

کمپنی کارپوریٹ ڈفٹر:

دفتر نمبر 305، تیسری منزل، کلفٹن سینٹر، بلاک-5، کلفٹن، کراچی

فون: 021 35371441 to 43 (تین لائنیں)

فیکس: 021 35371444

ویب سائٹ: www.sangharsugarmills.com

ای میل: info@sangharsugarmills.com

کمپنی کاشیئر رجسٹرار:

حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی چیمبرز، حسرت موہانی روڈ، کراچی

فون: 021 32424826

فیکس: 021 32424835

رجسٹرار، ایم/ایس حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی جیمبرز، حسرت موہانی روڈ، کراچی (فون نمبر: 021-32424826)، کو ارسال کریں، تاکہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے لازمی تقاضوں کی تعمیل کی جاسکے۔
ایسے حصص یافتگان کی فہرست، جنہوں نے ابھی تک کمپنی کو اپنے درست قومی شناختی کارڈ کی نقل فراہم نہیں کی، ان کے فوئیو نمبرز، نام، پتے اور فزیکل صورت میں رکھے گئے کمپنی کے حصص کی تعداد کے ساتھ، حوالہ کے لیے کمپنی کی ویب سائٹ www.sangharsugarmills.com پر دستیاب ہے۔

مزید برآں، مطلع کیا جاتا ہے کہ کمپنی کے اراکین کو گزشتہ برسوں میں منعقد ہونے والے سالانہ اور غیر معمولی عام اجلاسوں کے نوٹسز کے ذریعے پہلے بھی یاد دہانی کروائی جا چکی ہے، جو کمپنی کی متعلقہ سالانہ رپورٹس میں شائع ہوئے تھے، نیز مختلف تاریخوں پر کراچی اور لاہور سے شائع ہونے والے اخبارات برٹس ریکارڈر، دی نیشن اور روزنامہ خبریں میں بھی شائع کیے گئے تھے۔ انہیں ایک مرتبہ پھر یاد دہانی کروائی جاتی ہے کہ اگر ان کے درست قومی شناختی کارڈ کی نقل فوئیو نمبر کے ساتھ موصول نہ ہوئی، تو کمپنی مذکورہ بالا ایس ای سی پی کی لازمی شرائط پر عمل درآمد کرنے سے قاصر رہے گی۔

10- اجلاس میں حاضری:

فزیکل حصص رکھنے والے اراکین کو اجلاس میں شرکت کے وقت اپنا اصل قومی شناختی کارڈ ساتھ لانا ہوگا اور حاضری کی شیٹ پر اپنا قومی شناختی کارڈ نمبر اور فوئیو نمبر درج کر کے دستخط کرنا ہوں گے۔ سی ڈی سی کی صورت میں شیئر رکھنے والے اراکین کو اپنا شناختی آئی ڈی نمبر اور اکاؤنٹ/ذیلی اکاؤنٹ نمبر، اصل قومی شناختی کارڈ کے ساتھ لانا ہوگا اور حاضری شیٹ پر قومی شناختی کارڈ اور سی ڈی سی اکاؤنٹ نمبر درج کر کے دستخط کرنا ہوں گے۔ کارپوریٹ اراکین کے نمائندگان کو ایس ای سی پی کی ہدایات کے مطابق مطلوبہ دستاویزات لانا ہوں گے۔

11- پتے میں تبدیلی:

اراکین کو ہدایت کی جاتی ہے کہ اپنے ڈاک کے پتے میں کسی بھی تبدیلی کی فوری اطلاع کمپنی کے شیئر رجسٹرار کو دیں۔ سی ڈی سی اکاؤنٹس رکھنے والے اراکین اپنے پتے کی تجدید متعلقہ شرکت دار کے پاس کروائیں۔

12- ویڈیو کانفرنس سہولت:

کمپنیز ایکٹ، 2017 کی دفعات (2) 132 اور (b) 134 اور کمپنیز ریگولیشنز، 2024 کی شق نمبر 56 کے تحت اراکین ویڈیو کانفرنس سہولت سے فائدہ اٹھا سکتے ہیں۔ اس مقصد کے لیے درج ذیل فارم پُر کر کے اجلاس سے 10 دن قبل کمپنی کے رجسٹرڈ پتے پر جمع کرائیں۔
اگر کسی جغرافیائی مقام پر رہائش پذیر اراکین، جو مجموعی طور پر 10% یا اس سے زیادہ شیئر ہولڈنگ رکھتے ہوں، اجلاس سے کم از کم 10 دن قبل ویڈیو کانفرنس کے ذریعے شرکت پر رضامندی ظاہر کریں تو کمپنی اس شہر میں ویڈیو کانفرنس کا انتظام کرے گی بشرطیکہ اس جغرافیائی محل وقوع پر ویڈیو کانفرنسنگ مہیا کرنے کا انتظام کیا جاسکتا ہو۔

کمپنی اجلاس سے کم از کم 5 دن قبل ویڈیو کانفرنس کے مقام اور مکمل تفصیلات سے اراکین کو آگاہ کرے گی تاکہ وہ اجلاس میں شرکت کیلئے رابطہ کر سکیں۔
میں/ہم، _____ ولد/بنت _____، بطور رکن ساگھڑ شوگر ملز لمیٹڈ،
رجسٹرڈ فوئیو/سی ڈی سی اکاؤنٹ نمبر _____ کے مطابق _____ عام شیئرز کا/کی کے حامل ہوں/ہیں،
اور بذریعہ ہذا میں ویڈیو کانفرنس سہولت کے لیے رضامندی ظاہر کرتا/کرتی ہوں/کرتے ہیں۔

دستخط رکن/اراکین

13- غیر وصول شدہ منافع:

اراکین کو ہدایت کی جاتی ہے کہ ماضی کے مالی سالوں میں جاری کردہ کسی بھی بقایا/غیر وصول شدہ نقد منافع کے لیے فوری طور پر مکمل تفصیلات کے ساتھ تحریری طور پر کمپنی یا شیئر رجسٹرار سے رابطہ کریں۔

4- شیئر ہولڈرز کو تحائف دینے پر پابندی:

سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے سرکلر نمبر 2 برائے 2018 مورخہ 9 فروری 2018 اور ایس آر او 452(I)/2025 کے ذریعے کمپنیوں کو سختی سے منع کیا ہے کہ وہ اجلاسوں کے موقع پر یا ان سے متعلق کسی بھی صورت میں حصص یافتگان کو تحائف یا تحائف کے بدلے کسی بھی قسم کی مراعات (ٹوکن، کوپن، لچ، ٹیک اوے، چیکز وغیرہ) فراہم کریں۔ ایکٹ کی دفعہ 185 کے تحت اس ہدایت کی خلاف ورزی جرم تصور کی جائے گی اور عدم تعمیل پر جرمانے عائد کیے جاسکتے ہیں۔

5- اجلاس میں قانونی ضابطہ اخلاق:

شیئر ہولڈرز سے درخواست ہے کہ کمپنیز ایکٹ، 2017 کی دفعہ 215 اور کمپنیز ریگولیشنز، 2024 کے ضابطہ 55 کے مطابق اجلاس میں قانونی ضابطہ اخلاق کی پابندی کریں جس کے تحت حصص یافتگان کو انتظامیہ پر اثر انداز ہونے یا براہ راست فیصلوں کے لیے رجوع کرنے کی اجازت نہیں ہوگی، جس سے انتظامی امور میں رکاوٹ پیدا ہو۔ ان دفعات کے مطابق، شیئر ہولڈرز ایسا کوئی مواد اجلاس میں نہیں لائیں گے جو شرکاء یا مقام کے لیے خطرہ بنے، نوٹس میں شامل ایجنڈا تک محدود رہیں گے، کسی سیاسی وابستگی کا اظہار نہیں کریں گے، دیگر اراکین کے مذہبی جذبات کو ٹھیس پہنچائیں گے، اور گفتگو کو صرف کمپنی کے امور تک محدود رکھیں گے۔

جو حصص یافتگان ایس ای سی پی کی جانب سے متعین کردہ ان ضوابط کی خلاف ورزی کرے گا، وہ ایکٹ کے تحت جرم کا مرتکب ہوگا اور ایسا کرنے کی صورت میں جرمانے کا ذمہ دار ہوگا۔

6- ایجنڈا آئٹمز پر آراء اور تجاویز:

اراکین اپنی آراء اور مشوروں کے ذریعے بھی اجلاس ہذا میں شریک ہو سکتے ہیں، اس سلسلے میں اراکین درج ذیل واٹس ایپ نمبر یا ای میل کے ذریعے ایجنڈا پر اپنی آراء اور تجاویز ارسال کر سکتے ہیں (موضوع میں "AGM January 2026" درج کریں):

واٹس ایپ نمبر: +92 300 2742176

ای میل: info@sangharsugarmills.com

یہ ہماری ذمہ داری ہے کہ کمپنی کے اراکین کی جانب سے دی جانے والی آراء اور تجاویز اجلاس میں زیر بحث لائی جائیں اور کارروائی کا حصہ بنایا جائے۔

7- حق رائے دہی (الیکٹرانک / پوسٹل بیلٹ):

ایس آر او 906(I)/2023 مورخہ 7 جولائی 2023، ایس آر او 2192(I)/2022 مورخہ 5 دسمبر 2022، کمپنیز ایکٹ 2017 کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 اور لنڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تحت کمپنی کی ذمہ داری ہے کہ کمپنی کے ہر ممبر کو بشرطیکہ ایکٹ کے سیکشنز 143 اور 144 کی شرائط پر عمل کرنے کے بعد بذریعہ ڈاک اور بذریعہ الیکٹرانک ذرائع حق رائے دہی کی سہولت فراہم کی جائے۔

8- پراسی کے ذریعے اجلاس میں شرکت:

جو رکن اس اجلاس میں شرکت کرنے اور ووٹ دینے کا اہل ہے، وہ کسی دوسرے رکن کو اپنی جانب سے اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے بطور کسی مقرر کر سکتا ہے۔ پراسی فارم درست طریقے سے پُر اور دستخط کرنے کے بعد اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر، آفس نمبر 305، تیسری منزل، کلفٹن سینٹر، بلاک-5، کلفٹن، کراچی میں موصول ہونا چاہیے۔ پراسی فارم اس کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔ سی ڈی سی اکاؤنٹ ہولڈرز پر یہ اضافی ذمہ داری عائد ہوتی ہے کہ وہ ایس ای سی پی کے 26 جنوری 2000 کے سرکلر میں دی گئی ہدایات پر بھی عمل کریں۔

9- شناختی کارڈ کی کاپی جمع کرانا (لازمی):

کمپنی کے وہ حصص یافتگان جن کے پاس کمپنی کے شیئرز فزیکل صورت میں ہیں، انہیں ان کے اپنے مفاد میں بذریعہ ہذا اطلاع دی جاتی ہے کہ جن حضرات نے تاحال اپنا درست کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی نقل، جس پر ان کے فوٹیو نمبرز درج ہوں، فراہم نہیں کی ہے، انہیں اس نوٹس کے ذریعے ایک مرتبہ پھر یاد دہانی کرائی جاتی ہے کہ وہ فوری طور پر اپنے درست قومی شناختی کارڈ کی نقل، جیسا کہ اوپر بیان کیا گیا ہے، کمپنی یا اس کے شیئر

نوٹس:

1 - آڈٹ شدہ مالیاتی گوشواروں کی ترسیل:

کمپنی کے 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے آڈٹ شدہ مالیاتی گوشوارے کمپنی کی ویب سائٹ www.sangharsugarmills.com پر فراہم کئے جا چکے ہیں، اس کے علاوہ گزشتہ مالی سال/مدت کے سالانہ اور سہ ماہی مالیاتی گوشوارے بھی ویب سائٹ پر دستیاب ہیں۔ مزید برآں کمپنیز ایکٹ، 2017 کی دفعہ (6) 223 بمعہ ایس آر او 2023/389(I) مورخہ 21 مارچ 2023 اور الیکٹرانک ٹرانزیکشن آرڈیننس، 2002 کی دفعات کی تعمیل میں، 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشوارے بمعہ متعلقہ نوٹس/رپورٹس اور دستاویزات ان حصص یافتگان کو ای میل کے ذریعے ارسال کر دیے گئے ہیں جنہوں نے اپنے درست ای میل ایڈریس شیئر رجسٹرار اور/یا متعلقہ شراکت دار/سی ڈی سی انویسٹر اکاؤنٹ سروسز کو فراہم کیے ہیں۔ اسی طرح کمپنیز ایکٹ، 2017 کی دفعہ (6) 223 بمعہ ایس آر او 2023/389(I) مورخہ 21 مارچ 2023 اور الیکٹرانک ٹرانزیکشن آرڈیننس، 2002 کی دفعات کے مطابق، سالانہ عام اجلاس کا نوٹس کمپنیز ایکٹ، 2017 کے تقاضوں کے مطابق اراکین کے رجسٹرڈ پتوں پر ارسال کیا جا چکا ہے، جس میں کیو آر کوڈ اور ویب لنک شامل ہے تاکہ سالانہ آڈٹ شدہ مالیاتی گوشوارے اور متعلقہ رپورٹس اور دستاویزات کو دیکھا اور ڈاؤن لوڈ کیا جاسکے۔

2- حصص منتقلی کھاتوں بندش:

کمپنی کے حصص منتقلی کھاتے 21-01-2026 سے 28-01-2026 تک (بشمول ایام مذکورہ) بند رہیں گے۔ فزیکل ٹرانسفر/سی ڈی ایس ٹرانزیکشن آنی ڈیز جوہر لحاظ سے مکمل ہوں اور 20-01-2026 کو کاروباری اوقات کے اختتام تک کمپنی کے شیئر رجسٹرار میسرز حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی چیئرمین، حسرت موہانی روڈ، کراچی کو موصول ہوں گی، انہیں سالانہ عام اجلاس میں شرکت اور ووٹنگ کے لیے اہل سمجھا جائے گا۔

3- سالانہ عام اجلاس میں آن لائن شرکت:

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اپنے سرکلر نمبر 4 مورخہ 15 فروری 2021 کے ذریعے لسٹڈ کمپنیوں کو ہدایت کی ہے کہ وہ عمومی اجلاسوں میں اراکین کی الیکٹرانک ذرائع کے ذریعے شرکت کو فزیکل اجلاس کے ساتھ مستقل خصوصیت کے طور پر یقینی بنائیں۔ لہذا، اراکین اپنی تصدیق اور شناخت سے متعلق تمام مطلوبہ رسمی کارروائیاں مکمل کرنے کے بعد آن لائن لاگ ان کے ذریعے بھی اجلاس میں شرکت کر سکیں گے۔ اس مقصد کے لیے، اراکین سے درخواست ہے کہ وہ اپنی تفصیلات درج ذیل ای میل ایڈریس info@sangharsugarmills.com پر ارسال کریں اور موضوع میں "AGM January 2026" درج کریں، یا بذریعہ کوریئر/ڈاک کمپنی کے رجسٹرڈ دفتر، بنام کمپنی سیکریٹری، ارسال کریں۔ اس سلسلے میں درج ذیل تفصیلات درکار ہیں:

رکن کا نام	قومی شناختی کارڈ نمبر	فولیو/سی ڈی ایس نمبر	ای میل آئی ڈی	موبائل نمبر

ویڈیولنک، لاگ ان تفصیلات اور وقت صرف انہی حصص یافتگان/پراکسیز (جنہوں نے پراکسی فارم جمع کرایا ہو) کو فراہم کیے جائیں گے جن کی تفصیلات اجلاس کے وقت سے کم از کم 48 گھنٹے قبل ہمیں موصول ہو جائیں۔ نامکمل، مشتبہ یا مقررہ وقت کے بعد موصول ہونے والی تفصیلات قابل قبول نہیں ہوں گی۔

ممبران سے یہ بھی گزارش ہے کہ مذکورہ معلومات فراہم کرتے وقت اپنے قومی شناختی کارڈ کی نقل بھی منسلک کریں اور جہاں ضرورت ہو کسی ممبر کے پروکسی جس کی جانب سے وہ پروکسی بنائے گئے ہیں اس ممبر کی شناختی کارڈ کی نقل بھی منسلک کریں۔ قومی شناختی کارڈ کی نقل کے بغیر ممبران کو ویڈیولنک کیلئے رجسٹرڈ نہیں کیا جائے گا۔

سانگھڑ شوگر ملز لمیٹڈ

نوٹس برائے سالانہ عام اجلاس

بذریعہ ہذا مطلع کیا جاتا ہے کہ سانگھڑ شوگر ملز لمیٹڈ (کمپنی) کے حصص یافتگان کا 40 واں سالانہ عام اجلاس (AGM) بروز بدھ، مورخہ 28 جنوری 2026 کو صبح 11:15 بجے، تیسری منزل، پی ایس ایکس آڈیٹوریم، پاکستان اسٹاک ایکسچینج بلڈنگ (ایڈمنسٹریشن بلاک)، اسٹاک ایکسچینج روڈ، کراچی میں منعقد ہوگا اور ساتھ ہی ویڈیولنک کی سہولت کے ذریعے بھی منعقد کیا جائے گا، تاکہ درج ذیل امور سرانجام دیے جاسکیں:

عمومی امور

- 1۔ کمپنی کے سالانہ عام اجلاس جو 27 جنوری 2025 کو منعقد ہوا تھا، اس کی کارروائی کی شقوں کی توثیق کرنا۔
- 2۔ 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں ڈائریکٹرز رپورٹ اور آڈیٹرز رپورٹ کو وصول کرنا، زیر غور لانا اور منظور کرنا۔

کمپنی کی ویب سائٹ پر سالانہ آڈٹ شدہ مالیاتی گوشواروں کی دستیابی اور کیو آر کوڈ کے ذریعے ترسیل کمپنیز ایکٹ، 2017 کی دفعہ (6) 223 بمطابق آراؤ 2023/389(I) مورخہ 21 مارچ 2023 کی تعمیل میں، کمپنی بذریعہ ہذا مورخہ 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے، سالانہ آڈٹ شدہ مالیاتی گوشواروں بمطابق تمام متعلقہ رپورٹس اور دستاویزات ”کمپنی کے اراکین کو ویب لنک اور کیو آر کوڈ کے ذریعے فراہم کر رہی ہے، تاکہ وہ سالانہ آڈٹ شدہ مالیاتی گوشواروں اور ان کے ساتھ منسلک رپورٹس و دستاویزات کو دیکھ سکیں اور ڈاؤن لوڈ کر سکیں۔ اراکین درج ذیل لنک اور کوڈ کے ذریعے انہیں دیکھ یا ڈاؤن لوڈ کر سکتے ہیں:

ویب لنک: [www.sangharsugarmills.com/InvestorInformation/Annual Reports](http://www.sangharsugarmills.com/InvestorInformation/AnnualReports)



کیو آر کوڈ:

- 3۔ مالی سال 2025-2026 کے لیے آڈیٹرز کی تقرری کرنا اور ان کی فیس مقرر کرنا۔ موجودہ آڈیٹرز، میسرز کریسٹن ہیدرمنجی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر سبکدوش ہو رہے ہیں اور اہل ہونے کے باعث دوبارہ تقرری کے لیے اپنی خدمات پیش کرنے کا ارادہ ظاہر کیا ہے۔
- 4۔ چیئرمین کی اجازت سے کوئی عمومی امور کو سرانجام دینا۔

بحکم بورڈ

محمد مسین عالم
کمپنی سیکریٹری

کراچی: 05 جنوری 2026

Chairman's Review

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the audited financials and other information for the year ended September 30, 2025 and the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's Goals, Corporate Objectives and Strategy based on Strategic Planning which are in line with the Vision and Mission of the Company.

Being a Chairman, promote a culture of openness and constructive debate where all perspectives are considered and ensures a Board engages with a diverse range of senior management. Ensuring the Company adheres to all relevant codes and regulations, while guiding the management team in making decisions that create value for the shareholders in the short, medium & long term.

The Board is composed of members with diverse background having relevant knowledge, skills and experience. Its appropriate balance of Executives, Non-Executives and Independent Directors ensure its independence and empowerment.

The Board remained well informed on the Company's progress against its strategic and financial objectives through regular briefings from management and advisors. It provided guidance and oversight to management in a timely and constructive manner.

The Board is knowledgeable about the Company's current business activities including strengths and weaknesses and has an effective process for tracking activity with performance. The Board has completed its self-evaluation and also assessed the performance of the Chief Executive Officer for the year 2024-25 and I would like to inform you that the overall evaluation and performance measured on the basis of approved criteria for the year was satisfactory. The overall assessment is based on an evaluation of the integral components i.e. Vision, Mission, Values and Code of Conduct of the Company, Formulation of Policies, Monitoring of Organization's business activities, relationship between Board and Management and Board structure and dynamics.

The Board recognizes that well-defined corporate governance processes are vital to enhancing corporate accountability and is committed to ensuring high standards of corporate governance to preserve and maintain stakeholder value. The Board has performed its duties and responsibilities diligently and contributed effectively in guiding the Company in strategic and governance matters. All Board members, including independent directors, fully participated in and contributed to the decision making process of the Board. The Board has established policies that covers all major areas of Board's responsibilities and operations of the Company.

The Board has a fiduciary responsibility for the proper direction and control of the activities of the Company. In addition, the Board members also undertook the key activities i.e. attended Board meetings to actively participate in its proceedings, ensured that the Company complies with all the regulatory requirements and best practices, ensured appropriate measures were in place for safeguarding of the Company's assets, ensured that the identification and control of the Company's business risks, the integrity of management information systems and transparent reporting to shareholders.

During the year 2024-25, the Company has faced the main challenge of the rising raw material prices, rising cost of doing business and intense competition amongst the mills for sugarcane procurement which resulted in high sugarcane procurement cost and other cost of production. Further, your Company was able

to crush 464,266.434 M. Tons of sugarcane compared with 515,994.296 M. Tons of sugarcane in the previous crushing period, average crushing per day was 4,836.11 M. Tons per day from 5,431.52 M. Tons per day of the previous crushing period, produced 46,023.00 M. Tons of sugar at the recovery rate of 9.920% as compared with 52,293.500 M. Tons of sugar produced at the recovery rate of 10.135% in the previous crushing period. The Company has despite facing challenging business environment, earned a profit before all taxes amounted to Rs. 245,598 thousand as compared with loss before all taxes amounted to Rs. 80,321 thousand for the previous year.

The Board is aware that Environmental, Social and Governance (ESG) initiatives help the businesses to attract investors, build customer loyalty, improve financial performance and make operations sustainable. The Company's ESG strategy adjusts environmental, social and governance practices to increase business sustainability and conducting business in a way that provides long-term value. By embedding ESG principles into our core strategy, we are committed to building a sustainable and equitable future. This focus on ESG will enhance our evaluation beyond financial performance.

I have strong confidence that the Company will continue to grow and Board will play its strategic role in assuring sustainable growth of the business and to maximize return for its shareholders. As an Organization, we firmly believe in upholding our core values, adapting to change and evolving for the better and operating with integrity and responsibility.

I would like to place on record, my sincere appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members, workers and thanks to all the Government functionaries, banking and non-banking financial institutions, suppliers and shareholders 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.

Karachi: December 31, 2025

Ghulam Dastagir Rajar
Chairman

کمپنی کی سرگرمیوں کی درست سمت اور کنٹرول میں رکھنا بورڈ کی بنیادی ذمہ داریوں میں شامل ہے۔ اس کے علاوہ، بورڈ کے اراکین نے کلیدی سرگرمیاں بھی انجام دیں، مثلاً بورڈ کے اجلاسوں میں شرکت کر کے کارروائی میں فعال حصہ لینا، اس بات کو یقینی بنانا کہ کمپنی تمام ریگولیٹری تقاضوں اور بہترین طریقہ کار کی پابندی کرے، کمپنی کے اثاثوں کے تحفظ کے لیے مناسب اقدامات کو یقینی بنایا جائے، کمپنی کے کاروباری افعال کو لاحق خطرات کی نشاندہی اور کنٹرول، انتظامی معلوماتی نظام کی سالمیت کو یقینی بنانا، اور حصص یافتگان کیلئے شفاف رپورٹنگ کو ممکن بنانا۔

مالی سال 2024-25 کے دوران، کمپنی کو خام مال کی قیمتوں میں اضافے، کاروبار کرنے کی بڑھتی ہوئی لاگت اور گنے کی خریداری کے لیے شوگر ملوں کے درمیان شدید مسابقت جیسے بڑے مسائل کا سامنا کرنا پڑا، جس کے نتیجے میں گنے کی خریداری کی لاگت اور دیگر پیداواری اخراجات میں اضافہ ہوا۔ مزید برآں، آپ کی کمپنی گزشتہ کرشنگ سیزن میں 515,994.296 میٹرک ٹن گنے کے مقابلے میں 464,266.434 میٹرک ٹن گنا کرشن کرنے میں کامیاب رہی، یومیہ اوسط کرشننگ 5,431.52 میٹرک ٹن فی دن کے مقابلے میں 4,836.11 میٹرک ٹن فی دن رہی، 9.920 ریکوری ریٹ کے ساتھ 46,023.00 میٹرک ٹن چینی پیدا کی گئی، جبکہ گزشتہ کرشنگ سیزن میں 10.135 ریکوری ریٹ کے ساتھ 52,293.500 میٹرک ٹن چینی پیدا کی گئی تھی۔ مشکل کاروباری ماحول کے باوجود، کمپنی نے تمام ٹیکسوں سے قبل 245,598 ہزار روپے کا منافع حاصل کیا، جبکہ گزشتہ مالی سال کے دوران تمام ٹیکسوں سے قبل 80,321 ہزار روپے کا نقصان ہوا تھا۔

بورڈ اس بات سے پوری طرح آگاہ ہے کہ ماحولیاتی، سماجی اور گورننس (ESG) جیسے اقدامات کی وجہ سے سرمایہ کار کاروبار کی جانب متوجہ ہوتے ہیں، صارفین کی وفاداری اضافہ کرنے، مالی کارکردگی بہتر بنانے اور کاروباری افعال کو پائیدار بنانے میں مدد دیتے ہیں۔ کمپنی ماحولیاتی، سماجی اور گورننس طریقہ (ESG) سے متعلق حکمت عملی کو اس طرح ہم آہنگ کرتی ہے کہ کاروبار کی پائیداری میں اضافہ ہو اور کاروبار اس انداز میں کیا جائے جو طویل المدتی قدر فراہم کرے۔ ماحولیاتی، سماجی اور گورننس طریقہ (ESG) کے اصولوں کو اپنی بنیادی حکمت عملی میں شامل کر کے، ہم ایک پائیدار اور منصفانہ مستقبل کی تعمیر کے لیے پُر عزم ہیں۔ ماحولیاتی، سماجی اور گورننس طریقہ (ESG) پر یہ توجہ ہماری جانچ کے معیارات محض مالی کارکردگی تک ہی محدود نہیں رکھے گی۔

میں اس بات پر یقین رکھتا ہوں کہ کمپنی ترقی کا سفر جاری رکھے گی اور بورڈ کاروبار کی پائیدار ترقی کو یقینی بنانے اور اپنے حصص یافتگان کے لیے منافع کو زیادہ سے زیادہ کرنے میں اپنا کلیدی کردار ادا کرتا رہے گا۔ بطور ادارہ، ہم اپنی بنیادی قدر کو برقرار رکھنے، تبدیلی کو اپنانے، بہتری کی جانب ارتقاء کرنے اور دیانت داری اور ذمہ داری کے ساتھ کام کرنے پر پختہ یقین رکھتے ہیں۔

میں اس موقع پر انتظامی افسران، افسران، عملے کے ارکان اور کارکنان کی فرض شناسی، وفاداری اور محنت پر تہ دل سے انکی قدردانی ریکارڈ پر لانا چاہتا ہوں، نیز تمام سرکاری اداروں کے اہلکاروں، بینکاروں اور غیر بینکاری مالیاتی اداروں، سپلائرز اور حصص یافتگان کا شکریہ ادا کرتا ہوں جن کے تعاون سے کمپنی کے امور خوش اسلوبی سے چلتے رہے۔ مجھے امید ہے کہ وہ اللہ تعالیٰ کے فضل و کرم سے اسی جوش و جذبے کے ساتھ پیداواری صلاحیت میں اضافے کے لیے اپنا تعاون جاری رکھیں گے۔

غلام دستگیر راجڑ

چیرمین

کراچی: دسمبر 31، 2025

چیرمین کا جائزہ

معزز حصص یافتگان،

بورڈ آف ڈائریکٹرز کی جانب سے انتہائی مسرت کے ساتھ میں آپ کی خدمت میں مالی سال اختتامیہ 30 ستمبر 2025 کے آڈٹ شدہ مالیاتی گوشوارے اور دیگر معلومات، نیز بورڈ کی مجموعی کارکردگی اور کمپنی کے اہداف، کارپوریٹ مقاصد اور حکمت عملی کے حصول میں بورڈ کے مؤثر کردار کا جائزہ پیش کر رہا ہوں، جو کہ نا صرف کمپنی کی بنیادی حکمت عملی پر مبنی ہیں بلکہ کمپنی کے وژن اور مشن کے عین مطابق بھی ہیں۔

بطور چیرمین، میں شفافیت اور تعمیری بحث و تشخیص کی ثقافت کو فروغ دینے کی سعی کرتا ہوں جہاں تمام نقطہ ہائے نظر کو ملحوظ خاطر رکھا جاتا ہے اور اس بات کو یقینی بناتا ہوں کہ بورڈ اعلیٰ انتظامیہ کے مختلف صلاحیتوں کے حامل افراد کے ساتھ مؤثر طور پر رابطہ رکھے۔ اس بات کو یقینی بنایا جاتا ہے کہ کمپنی تمام متعلقہ ضوابط اور قوانین کی پابندی کرے، جبکہ انتظامی ٹیم کی رہنمائی کی جاتی ہے تاکہ قلیل، وسطی اور طویل مدت میں حصص یافتگان کی سرمایہ کاری کی قدر اضافہ کرنے کیلئے فیصلے کیے جاسکیں۔

بورڈ ایسے اراکین پر مشتمل ہے جو کہ متنوع پس منظر کے حامل ہیں اور جن کے پاس متعلقہ علم، مہارتیں اور تجربہ موجود ہے۔ انتظامی، غیر انتظامی اور غیر جانبدار ڈائریکٹرز کا متوازن امتزاج اس کے خود مختار اور با اختیار ہونے کو یقینی بناتا ہے۔

بورڈ کمپنی کی انتظامیہ اور مشیروں کی جانب سے باقاعدہ بریفنگز کے ذریعے کمپنی کی حکمت عملی اور مالی مقاصد کے تناظر میں پیش رفت سے بخوبی باخبر رہا۔ اور بورڈ کی جانب سے بروقت اور تعمیری انداز میں انتظامیہ کو رہنمائی اور نگرانی فراہم کی گئی۔

بورڈ کمپنی کی موجودہ کاروباری سرگرمیوں سے آگاہ ہے، جن میں اس کی طاقت اور کمزوریاں شامل ہیں، اور کارکردگی کے ساتھ سرگرمیوں کی نگرانی کے لیے ایک مؤثر طریقہ کار موجود ہے۔ بورڈ نے اپنی خود کار جانچ کا عمل مکمل کر لیا ہے اور مالی سال 2024-25 کے لیے چیف ایگزیکٹو آفیسر کی کارکردگی کا بھی جائزہ لیا، اور میں آپ کو مطلع کرنا چاہتا ہوں کہ منظور شدہ معیارات کی بنیاد پر زیر نظر مالی سال کے لیے مجموعی جائزہ اور انکی کارکردگی تسلی بخش رہی۔ مجموعی تشخیص کمپنی کے بنیادی اجزاء یعنی وژن، مشن، اقدار اور ضابطہ اخلاق، پالیسیوں کی تشکیل، تنظیم کی کاروباری سرگرمیوں کی نگرانی، بورڈ اور انتظامیہ کے درمیان تعلق، اور بورڈ کی ساخت اور محرکات کے جائزے پر مبنی ہے۔

بورڈ اس بات کو تسلیم کرتا ہے کہ واضح طور پر متعین شدہ کارپوریٹ گورننس کے اصول اس سلسلے میں انتہائی اہم کردار ادا کرتے ہیں کہ کارپوریٹ کے احتساب کے عمل کو بہتر بنایا جائے اور شراکت داروں کی سرمایہ کاری کی قدر کو محفوظ اور برقرار رکھا جائے۔ اس لیے بورڈ اعلیٰ معیار کی کارپوریٹ گورننس کو یقینی بنانے کے لیے پرعزم ہے۔ بورڈ نے اپنی ذمہ داریاں پوری دیانت داری کے ساتھ ادا کیں اور اسٹریٹجک اور گورننس معاملات میں کمپنی کی رہنمائی میں مؤثر کردار ادا کیا۔ تمام بورڈ اراکین، بشمول غیر جانبدار ڈائریکٹرز، نے بورڈ کے فیصلہ سازی کے عمل میں مکمل شرکت کی اور اپنا مؤثر کردار ادا کیا۔ بورڈ نے ایسی پالیسیاں وضع کی ہیں جو بورڈ کی ذمہ داریوں کے تمام اہم شعبوں اور کمپنی کے کاروباری افعال کا احاطہ کرتی ہیں۔

Directors' Report

The Directors of your Company are pleased to present 40th Annual Report with the Audited Financial Statements of the Company for the year ended September 30, 2025.

PRINCIPAL ACTIVITIES OF THE COMPANY

The Company is principally engaged in the manufacture and sale of sugar and sale of its by-products i.e. molasses and bagasse. The Company has also installed bagasse fired transmission equipment to sell surplus electric power, as and when available during season. The manufacturing facilities are located at Sanghar Sindhri Road, Deh Kehore, District Sanghar in the province of Sindh.

OVERVIEW OF SUGAR INDUSTRY

Sugar is not just a commodity – It's a daily essential.

Sugarcane is Pakistan's second-most important crop after cotton, supporting millions and shaping rural economies. Sugarcane accounts for 80% of global sugar production, with sugar beet making up the rest.

Pakistan grows about 84 million tons of sugarcane annually. Cultivated across 1.2 million hectares, the crop yields between 70 and 100 tons per hectare. Punjab dominates production, contributing about 55.9 million tons, followed by Sindh at 21.7 million tons. From this, the Country's mills produce around 6.6 million tons of sugar annually, based on an average sucrose recovery rate ranging between 9.5% - 10.5%.

Economically, sugarcane contributes roughly 0.7% of Pakistan's GDP. Its by products, bagasse and molasses, fuel other industries. In 2024-25, sugar mills produced around 24 million tons of bagasse, a fibrous residue used to generate electricity, reducing reliance on national grid. Molasses, accounting for about 5% of cane weight, feeds distilleries and the animal feed sector.

Sugarcane remains a vital cash crop for farmers, particularly in the Provinces of Punjab and Sindh. Historically, they have depended on Government-set support prices. But 2024-25, that support was withdrawn as part of IMF-mandated deregulation agreement, leaving growers exposed to market forces, just like sugar industry exposed to market forces for selling their sugar.

Pakistan sugar mills face relentless storm of challenges that often force them to shut down. Soaring costs for raw materials, labour and other incidental costs collide with unpredictable sugar prices, squeezing smaller mills already weighed down by debt.

OPERATING RESULTS & ITS REVIEW

	2024-25	2023-24
Start of Season	Nov 21, 2024	Nov 12, 2023
Cane Crushed (M. Tons)	464,266.434	515,994.296
Sugar Produced (M. Tons)	46,023.000	52,293.500
Recovery %	9.920	10.135
Duration of Season (days)	96	95

Your Company was able to crush 464,266.434 M. Tons of sugarcane compared with 515,994.296 M. Tons of sugarcane in the previous crushing period, average crushing per day has been decreased to 4,836.108 M. Tons per day from 5,431.519 M. Tons per day of the previous crushing period, produced 46,023.000 M. Tons of sugar at the recovery rate of 9.920% as compared with 52,293.500 M. Tons of sugar produced at the recovery rate of 10.135% in the previous crushing period. The crushing and recovery was declined due to low crop and poor quality of cane.

FINANCIAL RESULTS & ITS REVIEW

The key financial figures of the Company for the year ended September 30, 2025 along with the comparatives for the corresponding year are summarized as under:

	2025	2024
	(Rupees '000)	
Profit / (Loss) before levies & taxation	245,598	(80,321)
Levies	—	(79,387)
Profit / (Loss) before taxation	245,598	(159,708)
Taxation	(102,912)	20,048
Profit / (Loss) after taxation	142,686	(139,660)
Earnings / (Loss) per share – basic and diluted (Rupees)	11.94	(11.69)

During the year, the Company's gross profit has been increased by 88.53% as compared to the corresponding year, which resulted profit before levies and taxation amounted to Rs. 245,598 thousand compared with loss before levies and taxation amounted to Rs. 80,321 thousand. The local sugar sales of the Company has been increased by 24.45% and the weighted average cost of production has also been increased by 8.47% while compared with the corresponding year. The export sales of sugar, also gives benefit to the Company's financial results, its cash flows, savings in Sales Tax and Federal Excise Duty (FED). Further, the FED received and paid by the Company to the Government on local sugar sales to manufacturers, gives direct impact on inflation which is ultimately a burden on sugar industry. Sale of by-products i.e. molasses has been sold approximately the same quantity but the selling rate has been decreased as compared to the comparative year and the baggasse has been sold approximately the same quantity and the selling rate has been increased as compared to the comparative year.

Due to the de-regulation policy for sugar industry for ongoing crushing season 2024-25, the Provincial Government did not notify minimum support prices of sugarcane and left the prices to market forces. The Company procured sugarcane at the prevailing market prices and pay competitive prices to the cane growers.

The Federal Board of Revenue issued SRO 577(I)/2025 on April 8, 2025, in which the mechanism for charging sales tax on sugar has been prescribed, which all mills are required to follow. This mechanism adversely affects the profitability and cash-flows of the Company.

OTHER RECEIVABLES

An amount due from the Trade Development Authority of Pakistan and Further Sales Tax has been outstanding since 2013 and subsequent years. Your management has tried to recover these amount from the designated forums and now the management is not hopeful to recover the same and is of the view that these should be written off, consequently, upon approval of the Board of Directors, the said receivables have been written off, as disclosed in note 12 of the financial statements.

COMMENTS ON AUDITORS' REPORT

The statutory auditors of the Company emphasizing the matter in their report regarding non-provision of Rs. 22 per maund for the season 2017-18, in this regards, we would like to inform you that your financials are prepared by taking sugar cane purchased at Rs. 160 per 40 k.g. in the light of the interim order passed by the Honourable High Court of Sindh with the consent of all the stakeholders, we hope that considering the continued depressed economic condition of the sugar industry, the final decision by the Honourable Courts are likely to be in line with the consent order.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board of Directors and the Company remain committed to the principles of good corporate management practice with emphasis on transparency and disclosures. The Board and management are cognizant of their responsibilities and monitor the operations and performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information.

The Company is fully compliant with the Code of Corporate Governance and as per the requirements of the listing regulations, following specific statements are being given hereunder:

- The Financial Statements prepared by the management of the Company, present fairly its state of affairs, the results 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 there is no departure there from.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as going concern.
- There has been no material departure from the best practices of the Corporate Governance as detailed in the Regulations.
- The Key Operating and Financial Data for last ten years in summarized form are annexed.
- There are no statutory over dues otherwise than those disclosed in the financial statements and statutory payments due on account of taxes duties, levies and charges are being made in the normal course of business.
- An unfunded Gratuity Scheme is in operation for all permanent eligible employees and also the Leave Encashment Scheme for eligible employees to be paid at the time of retirement or leaving the Company. Provision are made annually to cover the obligation on the basis of actuarial valuation, related details of which are mentioned in notes to the Financial Statements.
- The Pattern of Shareholding is annexed.
- In terms of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations), the Company shall ensure that all the directors on their Board have acquired the prescribed certification under Director Training Program. As at the year end, the Six Directors on the Board are Certified Directors and Haji Khuda Bux Rajar has the prescribed education and required experience for exemption under the said Regulations, accordingly he is exempted from attending Directors' Training Program.
- The Board strives to continuously improve its and Board Committees' effectiveness. Board has developed a mechanism as required under the Code of Corporate Governance to undertake annual evaluation to assess Board's and its Committees' performance. The Board also reviews developments in corporate governance to ensure that the Company always remains aligned with best practices.
- Other than disclosed in the Pattern of Shareholding, to the best of our knowledge, the Directors, Executives and their spouses and their minor children have not undertaken any other trading of Company's shares during the year.
- Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 for the year is annexed with the Report.

CORPORATE GOVERNANCE & ADHERENCE TO BEST PRACTICES OF CORPORATE GOVERNANCE

The Company has a long history of adherence to high standards of ethical practices, and it continues to uphold these standards going forward. The Board defines a path of continuous improvement by constantly challenging existing processes and the Board has 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 Corporate Governance structure of the Company is based on the Articles of Association as well as statutory, regulatory and other compliance requirements applicable to companies listed on the Pakistan Stock Exchange and the same is complemented by several internal procedures including a risk assessment and control system, as well as system of assurance on compliance with the applicable laws, regulations and the Company's Code of Conduct.

COMPANY'S CODE OF CONDUCT

The Listed Companies (Code of Corporate Governance) Regulations, 2019 requires that the Board of Directors develop a formal Code of Conduct for its directors, senior management and other employees to articulate expected behavior, promote ethical culture in the Company and prevent conflict of interest in their capacity as member of the Board and senior management.

In this regards, the Company aims at maintaining the Organizational Culture that Promotes Transparency and Accountability through honesty, integrity and diligence in dealing with employees, customers, financial market, government, regulatory authorities and other stakeholders. The Board of Directors has approved the "Code of Conduct" which are annexed and also available on website of the Company.

NUMBER OF DIRECTORS

The total number of Directors are as follows:

- a) Male: Six
- b) Female: One

COMPOSITION OF THE BOARD

The composition of Board is as follows:

Name of Directors	Status	Category
1) Mr. Ghulam Dastagir Rajar	Chairman	Non-Executive Director
2) Mr. Ghulam Hyder	Chief Executive	Executive Director
3) Haji Khuda Bux Rajar	Executive Director	Executive Director
4) Mr. M. Abdul Jabbar	Independent Director	Non-Executive Director
5) Mr. Mehmood Alam	Independent Director	Non-Executive Director
6) Mr. Muhammad Qasim	Director	Non-Executive Director
7) Ms. Misbah	Director	Non-Executive Director-Female

BOARD COMMITTEES

The Board has formed their Committees. The composition of Committees and their details are as follows:

Audit Committee

Name of Members	Status	Category
1) Mr. M. Abdul Jabbar	Chairman	Independent Director
2) Mr. Mehmood Alam	Member	Independent Director
3) Mr. Muhammad Qasim	Member	Non-Executive Director

Human Resource & Remuneration Committee

Name of Members	Status	Category
1) Mr. M. Abdul Jabbar	Chairman	Independent Director
2) Mr. Ghulam Hyder	Member	Executive Director
3) Ms. Misbah	Member	Non-Executive Director-Female

Information Technology & Steering Committee

Name of Members	Status	Category
1) Mr. Ghulam Hyder	Chairman	Executive Director
2) Syed Rehan Ahmad Hashmi	Member	Chief Financial Officer
3) Mr. Sheraz Khan	Member	Manager - Management Information System

Corporate Social Responsibility Committee

Name of Members	Status	Category
1) Mr. Ghulam Dastagir Rajar	Chairman	Non-Executive Director
2) Mr. Muhammad Qasim	Member	Non-Executive Director
3) Ms. Misbah	Member	Non-Executive Director-Female
4) Syed Rehan Ahmad Hashmi	Member	Chief Financial Officer – Representing Management

Risk Management Committee

Name of Members	Status	Category
1) Mr. Mehmood Alam	Chairman	Independent Director
2) Haji Khuda Bux Rajar	Member	Executive Director
3) Mr. M. Abdul Jabbar	Member	Independent Director

ATTENDANCE OF THE BOARD OF DIRECTORS AND COMMITTEES

Attendance of the Board of Directors in Board Meeting

Four Board meetings were held during the year. Leave of absence were granted to the Director unable to attend the meetings. Attendance by each Director was as mentioned below:

S. No.	Name of Directors	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Ghulam Dastagir Rajar	Chairman	4/4
2)	Mr. Ghulam Hyder	Chief Executive	3/ 4
3)	Haji Khuda Bux Rajar	Director	4/4
4)	Mr. M. Abdul Jabbar	Director	4/4
5)	Mr. Muhammad Qasim	Director	4/4
6)	Mr. Mehmood Alam	Director	4/4
7)	Ms. Misbah	Director	4/4

Attendance of Members in Meetings of Audit Committee

Four meetings of Audit Committee were held during the year. Attendance by each Member was as mentioned below:

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. M. Abdul Jabbar	Chairman	4/4
2)	Mr. Mehmood Alam	Member	4/4
3)	Mr. Muhammad Qasim	Member	4/4

Attendance of Members in Meetings of Human Resource & Remuneration (H. R. & R.) Committee

Two meetings of H. R. & R. Committee were held during the year. Attendance by each Member was as mentioned below:

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. M. Abdul Jabbar	Chairman	2/2
2)	Mr. Ghulam Hyder	Member	2/2
3)	Ms. Misbah	Member	2/2

Attendance of Members in Meetings of Information Technology & Steering Committee

Two meetings of Information Technology & Steering Committee were held during the year. Attendance by each Member was as mentioned below:

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Ghulam Hyder	Chairman	2/2
2)	Syed Rehan Ahmad Hashmi	Member	2/2
3)	Mr. Sheraz Khan	Member	2/2

Attendance of Members in Meetings of Corporate Social Responsibility (CSR) Committee

Two meetings of CSR Committee were held during the year. Attendance by each Member was as mentioned below:

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Ghulam Dastagir Rajar	Chairman	2/2
2)	Mr. Muhammad Qasim	Member	2/2
3)	Ms. Misbah	Member	2/2
4)	Syed Rehan Ahmad Hashmi	Member	2/2

Attendance of Members in Meetings of Risk Management Committee

Two meetings of Risk Management Committee were held during the year. Attendance by each Member was as mentioned below:

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Mehmood Alam	Chairman	2/2
2)	Haji Khuda Bux Rajar	Member	2/2
3)	Mr. M. Abdul Jabbar	Member	2/2

BOARD EVALUATION

Complying with the Code of Corporate Governance, currently the Board approved "Self-Evaluation Mechanism" for evaluation of performance of the Board, its directors and committees through discussion and questions focusing on the Board's scope, objectives, functions, responsibilities, Company's performance and monitoring. The purpose of the evaluation is to ensure that the Board's performance is measured with reference to overall corporate objectives, governance structure of the Company, statutory & regulatory compliance, communication and information, risk management, strategic planning, implementation of policies and relationship with stakeholders.

As per the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 it is encouraged to have regular independent evaluation of the Board's performance at least every three years by an external body in accordance with the guidelines provided by the Commission.

Evaluation Criteria for the Board are as follows:

- ◆ **Board Composition:** Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives, Integrity, credibility, trustworthiness and active participation of members.
- ◆ **Leadership and Planning:** The Board has spent sufficient time on strategy formulation. Its ability to provide guidance and direction to the Company, review adequacy of resources and follow-up and review of annual targets set by the management.
- ◆ **Board Effectiveness:** All Board members understand and fulfill their responsibilities and comply with all relevant laws. Significant issues are placed in front of the Board for consideration.
- ◆ **Board Accountability:** The Board reviews potential risk, adequacy of internal controls and the risk management procedures.
- ◆ **Strategy and Performance:** The Board devotes appropriate time to review the implementation of Company's strategic and financial plans.
- ◆ **Organization:** The Board Meeting are structured to make effective use of the member's time and skills. Board members receive appropriate supporting materials for timely decision making.
- ◆ **Ethics & Compliance:** The Board ensures that professional standards and corporate values are put in place that promote integrity for the Board, Senior Management and employees in the form of the Company's Code of Conduct.
- ◆ **Risk Management:** The Board has a sound process for identifying and regularly reviewing the Company's principal risks and make necessary adjustments in light of changes to the internal and external environment.

The overall performance of the Board measured on the basis of the above mentioned and others applicable criteria.

DIRECTOR'S TRAINING

The Company is fully aware of the requirements of the Code of Corporate Governance. A formal program has been conducted which primarily includes amongst other things giving briefings relating to the Company's Vision and Strategies, organizational structure, role and responsibilities and powers of the Directors as per the Companies Act including the Code of Corporate Governance and any other regulatory laws applicable in Pakistan.

As at the year end, the following are the details of Directors who are duly Certified and Exempted:

- | | |
|------------------------------|-------------|
| 1. Haji Khuda Bux Rajar | - Exempted |
| 2. Mr. Ghulam Dastagir Rajar | - Certified |
| 3. Mr. Ghulam Hyder | - Certified |
| 4. Mr. Muhammad Qasim | - Certified |
| 5. Mr. M. Abdul Jabbar | - Certified |
| 6. Mr. Mehmood Alam | - Certified |
| 7. Ms. Misbah | - Certified |

CHIEF EXECUTIVE OFFICER'S (CEO) PERFORMANCE REVIEW

Each year the Board establishes a list of goals and strategies aligned to achieve the mission of the Company. This helps in assessing how each objective is contributing towards the growth of the Company. The factors to be evaluated are adherence to the mission, long and short term objectives, ensuring long term profitability, increasing shareholder's value and ensuring good governance and statutory reporting. In addition, a separate evaluation questionnaire for Chief Executive Officer has also been developed for his performance. The performance evaluation of the CEO has been carried out during the year.

ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

The role of the Chairman and the Chief Executive Officer are segregated and they have distinct responsibilities and has been informed at the time of appointment:

Role of Chairman:

- ◆ Chairman acts as custodian of the Company on behalf of the Board and Stakeholders.
- ◆ Heads the Board of Directors and is responsible for ensuring the Board's effectiveness.
- ◆ The Chairman ensures the development of business and protection of goodwill of the Company.
- ◆ The Chairman also controls all meeting procedures and processes, guiding discussion and decision making along with enhancing relations with members and staff.
- ◆ The Chairman promotes and oversee the highest standards of corporate governance within the Board and the Company.
- ◆ Ensure integrity, credibility, trustworthiness and active participation of Board Members in key matters of the Company.
- ◆ The Chairman manage & solve conflict (if any) amongst the Board members and to ensure freedom of opinion in the Board.
- ◆ Promote the highest moral, ethical and professional values and good governance throughout the Company.

Role of Chief Executive Officer:

- ◆ CEO has the prime responsibility of driving for achievement of the Company's vision, mission and its long term goals.
- ◆ Acts as a link between the Board and management of the Company and communicates with the Board on behalf of the management.
- ◆ The CEO is responsible for the day to day management of the Company's affairs and execution of long term strategy and plans.
- ◆ Oversee the implementation of the Company's financial and operational plans in accordance with its business strategy. Identify the potential avenues for diversification and investments and recommend plans / proposals to the Board for its approval.
- ◆ Ensure that all strategic and operational risks are effectively managed to an acceptable level and the adequate system of internal controls is in place for all major operational and financial areas.
- ◆ CEO also represents the Company to the shareholders, government authorities and the public.
- ◆ He is the leader and the decision maker to achieve targets.
- ◆ Promote the highest moral, ethical and professional values and good governance throughout the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Management of the Company is responsible for establishing and maintaining a system of adequate internal controls and procedures. The Company has developed a sound mechanism for identification of risks, assigning levels and devising effective mitigating measures where required while ensuring their implementation by the Management across all functions.

The Board assumes the overall responsibility of overseeing the internal control process, including its effectiveness. These controls are documented, responsibility is assigned and are monitored. The Internal

Audit function also assists the Management to achieve reasonable assurance in terms of reliability and integrity of the Company's financial and operational information, effectiveness in Company's operation to achieve desired results, safeguarding of Company's assets and Compliance of Company's actions with the relevant laws and regulations.

Further, the Directors confirm that the compliance with highest standard of Corporate Governance and comprehensive policies and procedures on internal financial controls has been approved by the Board and are in place and have been effectively implemented and monitored.

THRESHOLD FOR DETERMINING EXECUTIVE

Pursuant to the requirement of Clause 5.6.4 of the Listing Regulations (Rule Book) of the Pakistan Stock Exchange, the Board has set out a Threshold for determining an 'Executive' in respect of trading of Company's shares. The person whose annual basic salary exceeds Rs. 3,000 thousand during the year is treated as "Executive".

RELATED PARTY TRANSACTIONS

The Code of Corporate Governance requires the Company to place before the Audit Committee and upon recommendation of the Audit Committee, place before the Board for consideration and approval. The Company has duly ensured compliance of this requirement and all the Related party transactions were placed before the Audit Committee and upon recommendation, approved by the Board. These transactions were in-line with the requirements of International Financial Reporting Standards (IFRS) and the Companies Act, 2017. The Company maintains a thorough and complete record of all such transactions.

Remuneration of Chief Executive, Directors and Executives

The remuneration of the Board Members are approved by the Board itself. However, in accordance with the Code of Corporate Governance, it is ensured that no Director takes part in deciding his own remuneration. The aggregate amount charged during the year for remuneration, including all benefits to the Chief Executive, Director and Executives of the Company are disclosed in notes to the Financial Statements. Policy for Director's remuneration and meeting fee are annexed with this report.

Other Transactions

The Company in the normal course of business carried out transactions with Key Management Personnel (KMP) / related parties. The transactions reflect economic substance and are executed in the normal course of business and are disclosed in notes to the Financial Statements.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

Name of Related parties with whom the Company has entered into transactions or had agreements and arrangements in place during the financial year along with the basis of relationship are also disclosed in respective notes to the financial statements. Contract or arrangements with related parties were in the ordinary course of business and were at arm's length basis.

MATERIALITY APPROACH

The Management has adopted materiality approach for effective communication with all stakeholders, in addition to disclosure of all events and or transactions, as required by law. The Board has approved a formal materiality policy to set out materiality threshold to be considered by management when disclosing / reporting financial information. The Management also assess material issues based on their relevance to our strategic plans and objective.

The Board has given authority and powers to the Company's management for taking day to day decisions. The management, however, observes the approach of materiality in applying power and authority. Authorizations for transactions and delegation of powers have been define clearly and carried out through formalized process in the Company.

HUMAN RESOURCE MANAGEMENT & SUCCESSION PLANNING

Human resource planning and management is one of the most important considerations with the senior management. The Board has established a Committee which is involved in the selection, evaluation, compensation and succession planning of key management personnel. It is also involved in recommending improvements in the human resource policies and procedures and their periodic review.

The Company is committed to build the better organizational culture that is shaped by empowered employees who demonstrate a deep belief in the Company's Vision and Values. H.R. Management Policy is integral part of the Company's business strategy. The Company fosters leadership, individual accountability and team work.

The Company believes that employees are assets of the Company and have been instrumental in driving the Company's performance year on year. Their passion, commitment, sense of ownership and team work has enabled the Company to maintain its leadership position in the challenging market scenario. The Company has always striven to offer a positive, supportive, open and high performance work culture where innovation and risk taking is encouraged, performance is recognized and employees are motivated to realize their true potential.

The Company also believes in pro-active approach towards Succession Planning. The Company recruits employees, develops their knowledge, skills, and abilities and prepares them for advancement and promotion into more challenging roles. Succession Planning ensures that employees are constantly developed to fill each needed role. The Company looks for people who exemplify continuous improvement when it is spotting Successors for future.

Recruitment and Selection

The Company believe in hiring and retaining capable, qualified and potentially useful employees who are willing to contribute their best to accomplish the objectives of the Company. Appointments of jobs in the permanent cadre are made by promotions or through direct recruitment by the concerned appointing authority through the HR department.

Development and Training

Employees' development and capability building across functions and levels remained a key focus area to build a strong talent pipeline. The Company is committed to invest in enhancing its human capital through building technical skills and competencies of its employees. With the use of performance management processes, the Company aims to ensure that all employees know what is expected of them and possess the necessary skills, knowledge, values and experience to achieve the highest level of performance to their true potential.

Reward and Motivation

It is our policy to reward the employees with fair and competitive salaries and perks along with an opportunity to share in the success of the business in terms of promotions and personal growth. All the elements of the reward system are designed to support the achievement of the desired behavior, values and standards as well as high performance and continuous improvement/ development.

Diversity, Equity and Inclusion

Our employment policies are based on the principles of equality and diversity. We believe that the elimination of unfair discrimination in the workplace contributes to productivity and performance as it allows employees' talents to be most effectively realized. We are committed to diversity, equity and inclusion at work and fair treatment of all colleagues. The Human Resource Department is accountable for ensuring that these principles are followed and for establishing appropriate action plans.

The Company is focused on increasing Diversity, Equity, and Inclusion (DE&I) in the organization and does not discriminate in its hiring and human resource management processes in terms of religion, race, gender and physical ability. Policies have been implemented to develop an environment and culture to attract female employees.

The Company's DEI Policy ensures equal opportunities, fairness, and inclusivity across all levels. It promotes diverse hiring, equitable pay, unbiased career advancement, and inclusive workplace practices. With clear accountability at Board, management, and HR levels, the policy underscores zero tolerance for discrimination and reinforces a culture of belonging and respect.

Succession Plan

A succession plan is a component of good HR planning and management. Succession planning acknowledges that the staff will not be with an organization indefinitely and it provides a plan and process for addressing the changes that will occur when they leave. Keeping in view the need and importance of succession planning, the Company has formulated a comprehensive succession plan by focusing on all the key positions within the Company. The key positions can be defined as those positions that are crucial for the operations of the organization and which are hard to be replaced because of skill, seniority and/or experience requirements.

CONFLICT OF INTEREST

The management of Company has the policy for actual and perceived conflicts of interest and measures are adopted to avoid, identify the existence and to disclose the existence of conflict of interest. No employee will perform any kind of work (directly or indirectly) for a third party without proper approval. Employees must notify their any actual or potential conflict of interest situation and obtain an advice or ruling as the case may be. The primary goal of Company is to manage conflicts of interest to ensure that decisions are made and are seen to be made on proper grounds, for legitimate reasons and without bias. The Company has set the procedures to manage and monitor the conflict of interest.

Every Director is required to provide to the Board complete details regarding any material transaction which may bring conflict of interest with the Company for prior approval of the Board. The interested director(s) do not participate in the discussion neither they vote on such matters. The Director shall promptly notify or disclose to the Board any personal or outside interest, relationship or responsibility held by the director with respect to any potential or actual transaction, agreement or other matter which is or may be presented to the Board for consideration. The transactions with all the related parties are made on arms length basis and complete details are provided to the Board for their approval. Further, all the transactions with the related parties are fully disclosed in the financial statements of the Company.

IMPACT OF COMPANY'S BUSINESS ON ENVIRONMENT

Our plants and operations are complying with national environmental standards. The Company is fully cognizant of its responsibility towards society and welfare. The Company is spending on education, health, medical and fire-fighting facilities, water supply to nearby localities, aiding in emergency and disaster situations in nearby areas, awareness campaigns etc.

It is the responsibility of the Company to make the environment healthy and clean. Therefore, the Company has made serious efforts and are installing equipment to reduce the pollution and making a good impact of Company's business on Environment. The Company has installed collection units to retrieve oil / grease e.t.c. from the waste water and ash collectors are also installed at the path of flue gases to collect unburnt and the ash. The Effluent treatment plant has been completed and has also conducted all environmental examination and is working to reduce the consumption of water by increase in imbibition water temperature, reactivation of cooling tower for vertical crystallizer, by this we are re-cycling water, use for crystallizer cooling purposes. Intake of fresh water is minimized, only due to evaporation, water is loss. Process chemicals are prepared with condensate water in place of raw water.

Further, our Reverse Osmosis (RO) Plants helps meet our water requirements at the factory premises while reducing reliance on municipal water systems, thereby assisting in the reduction of water scarcity in Pakistan. The Company is considerable lighting load and installed various machines / equipment to reduce power consumption.

SOCIAL AND ENVIRONMENT RESPONSIBILITY POLICY

The Company is committed to maintaining the highest standards of corporate governance, including adherence to Environmental, Social, and Governance (ESG) principles. We are implementing policies and practices to ensure our compliance with all applicable ESG Regulations, as required by the Securities and Exchange Commission of Pakistan (SECP).

Our environmental initiatives focus on:

- ◆ Reducing our carbon footprint
- ◆ Optimizing resource usage
- ◆ Managing waste responsibly.

Socially, we prioritize employee welfare, diversity, and community engagement, while our governance framework is designed to uphold transparency, accountability, and ethical business conduct. We continually review and enhance our ESG strategies to align with international best practices and stakeholder expectations.

Our objective is to minimize our carbon footprint and any negative impact we may have on the environment. The Company is committed to the following:

- ◆ Meet or exceed the requirements of relevant legislative, regulatory and environmental standards.
- ◆ Too keep emissions of particulate matter, Carbon Monoxide, Sulphur Dioxide, Oxides of Nitrogen and Flue Gaseous Emissions at minimum level / below the respective limits specified in the National Environmental Quality Standards (NEQS).
- ◆ To identify, reduce and dispose of waste arising from our operations in a manner that minimizes harm to the environment and prevents pollution of land, air and water.
- ◆ To reduce consumption of energy and water and use renewable and or / recyclable resources wherever practicable.

Our strategic move aligns closely with the Sustainable Development Goals as they guide our efforts to create positive, lasting impacts on society and the environment. Reaching environmental excellence is a main objective. We dedicate significant efforts to address key sustainability-related issues, from biodiversity and conservation to renewable energy, climate change and emissions monitoring. Managing our environmental footprint is an integral part of our business philosophy. We are fully committed to carrying out our business activities in an environmentally responsible and sustainable manner and to minimize the environmental implications of our activities.

To meet this, we:

- Actively pursue a policy of pollution prevention.
- Comply with policies and procedures and all applicable local laws and regulations. Make strategic efforts to maximize our energy and resource efficiency, lower our carbon intensity and reduce emissions by managing our usage of energy, water consumption and waste generation.
- Responsibly manage the land within our operations to protect ecosystems and biodiversity and to maximize our contribution to nature conservation. Maintain open and effective communication channels with our employees, contractors, customers, the community and all those who work with us.
- Provide the necessary resources for instruction, training and supervision to appropriately manage the environmental aspects of our operations.
- Plan, review and assess our environmental performance against measurable targets and industry best practices to drive continuous improvement.
- Investigate, monitor and openly report our environmental performance.

- Set corporate requirements to assess the sustainability attributes of our suppliers and subcontractors. Everyone who works for the company is responsible for demonstrating correct environmental behaviors and reporting potential environmental risks, including among others employees, suppliers, contractors, third parties, and out-sourcing partners. Managers are accountable for clearly defining environmental roles and responsibilities.

We comply through following plan of actions:

- Indicators and standard protocols follow up
- Emissions monitoring and reporting
- Waste and water management
- Regulation updates, trends and new technologies
- Promotion of best practices throughout our Operations

INVESTOR GRIEVANCE AND COMPLAINTS

The Company allows full access to all shareholders including potential investors, to call for relevant information or details on Company's operations and their own shareholding. The required information is provided immediately or a query / grievance is resolved promptly in accordance with the regulatory guidelines.

We value our relationships the most. We have earned the trust of our investors and are fully committed to sustain it. The focus is to safeguard and protect the interest of all investors and shareholders, while ensuring that their grievances are resolved quickly and efficiently. The Company has internally established a mechanism for investor services and grievances handling and has hired the services of an independent Share Registrar in addition to having a Company Secretary to resolve all issues of investors.

The salient feature of our Investors' Grievance Policy are as follows:

Complaints are initially lodged with the Share Registrar of the Company who takes necessary steps for resolution or intimation to the Company in case they fall outside their domain. A designated email address for general correspondences can also be used by investors to register complaints. The grievances can also be notified via Complaint Form available on the Company's website in line with the directives of SECP.

The designated person of the Company checks the official email address on a daily basis for new complaints lodged by the investors/shareholders. The Company adheres to the practice of resolving all investors' complaints within ten (10) working days of the receipt thereof. A letter/ email in this regard is sent to the investor, if any, with intimation to the Shares Registrar/ SECP/ Stock Exchange, as and when required, duly signed by the Company Secretary. The Company maintains complete record of all the complaints received through email, post, Share Registrar, SECP, and / or Stock Exchange and their relevant replies.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

Report of Sustainability and Corporate Social Responsibility is annexed with this report.

RISK MANAGEMENT & STRATEGY

The Company's overall risk management program focus on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's operations. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and control, and to monitor risks and adherence to limits. 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. Risk

management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company considers the following material risk:

Operational Risk

Operational risk results in disruption of operations due to scarcity of material, energy outages and dearth of skilled human resources. To mitigate the operational risks, necessary strategies have been developed and substantial investments are continuously being made to ensure the reliability of operating plant. The Company has carried out necessary repairs & maintenance as required.

Market Risk

The Company is not materially exposed to the prices of raw material because strategies has been planned and implemented to overcome the huge cost of raw material.

Foreign Exchange Risk

The Company is not directly exposed to the risk of exchange rate fluctuation as at the year-end and the Company was directly exposed during the year due to export of sugar.

Credit Risk

Credit risk relates to the risk that a Company may encounter as a result of failure of the counter parties to satisfy their debts or obligation in accordance with the agreed terms of credit. 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. The Company manages credit risk interalia by setting out credit limits in relation to individual customers and / or by obtaining advance against the sales and / or through letter of credits and / or by providing adequate allowance for doubtful debts. The Company believes that it is not exposed to major concentration of credit risk.

Liquidity Risk

Liquidity risk arises when the Company has insufficient ready cash and encounters difficulty in meeting its financial obligation. The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. As at the year-end, the Company has available un-availed short term borrowing facilities and also has cash & bank balances. The management believes that the Company is not significantly exposed to the liquidity risk.

Interest Rate Risk

Interest rate risk arises due to fluctuation in interest rates resulting in adverse future cash flows. Company's exposure to interest rate is mainly associated with the short term borrowings. The Company monitors interest rate fluctuation and encounters interest rate risk by utilizing optimal mix of different types of borrowing arrangements.

CAPITAL RESERVE

Revaluation surplus on property, plant & equipment is presented in the statement of financial position as part of equity and in the statement of changes in equity as a capital reserve being the part of equity. This surplus is a capital reserve and is not available for distribution to shareholders of the Company in accordance with the Section 241 of the Companies Act, 2017.

DIVIDEND & APPROPRIATION

Due to the marginal profit after huge losses of previous years, minimum cash flows and other circumstances, the Board of Directors of the Company in its meeting does not recommend any dividend and or appropriation for the year ended September 30, 2025.

CONTRIBUTION TO NATIONAL EXCHEQUER

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates and duties. The Company has accounted for in respect of contribution to National Exchequer in the form income taxes, sales tax and other levies amounting to Rs. 1,750,071 thousand during the year as compared to Rs. 1,069,221 thousand during the last year.

DIGITALIZATION**Digital Transformation – Implementation of Software**

In today's digital era, where connectivity and innovation shape business success, the Company continues to embrace digital transformation as a strategic priority. Cyber-security frameworks were reinforced to safeguard information assets, while refinements in workforce and operational systems supported greater accuracy, transparency, and agility. Sustainability remained a core focus, with smart energy solutions and digital infrastructure contributing to long-term resilience. These efforts reflect the Company's commitment to innovation and operational excellence in an increasingly connected and competitive environment.

The Company has plan and the work is in process regarding the implementation of the "Digital Transformation – Implementation of Software" which is the process of using digital technologies to create new or modify existing processes, culture and experiences to meet changing business and market requirements. This reimagining of business in the digital age is digital transformation. Saving time, cost and empowers team members by automating manual tasks and integrating data and creating a paperless environment. Digital Transformation can integrate applications, databases, and software into a central repository for business intelligence. Digital Transformation is not only a functional unit of the IT Department, it may encompass every department of the Company and can lead to process reengineering, innovation and efficiency across the organization.

Electronic Monitoring of Production of Sugar Bags through Video Analytics

In the Digital Era, the real-time sugar production and supply should be monitored by the Regulatory and Controlling Authorities.

"Without transparent and inclusive reforms, Pakistan will remain trapped in a cycle of sugar surpluses on paper and shortages in reality".

Therefore, subsequent to the year end, the Federal Board of Revenue (the FBR) has issued a Sales Tax General Order 06 of 2025 / Inland Revenue Operations dated October 27, 2025 in the matter of "Electronic Monitoring of Production of Sugar Bags through Video Analytics". The FBR is directed all the Sugar Industry that prior to the commencement of the upcoming sugar crushing season i.e. 2025-26, no person engaged in manufacturing of sugar shall remove any production from their business premises unless it has undergone the process of production monitoring. Therefore all the sugar mills are required to procure and install the "Production Monitoring Equipment (the PMU)" namely "Graphical Processing Unit" and "Central Processing Unit".

The Company has complied with the directions of the FBR and successfully procure and installed the PMU. Further, the Company has already made compliance of previous directions and instructions for real-time sugar production and stock monitoring i.e. complete procedure of affixing Tax Stamps, Sensors at Production area, reporting of sugar dispatched through digital means and monitoring of weighbridge through Video Cameras.

FUTURE PROSPECTS

Crushing Season 2025-26 is started with the expectation of surplus production and imported sugar lying in the Government's Godown. Start of season witness declining in selling price of sugar and increasing trend in the procurement price of cane, with slight increase in the recovery rate of sugar of the Company and

strategies are in place which your management continuously monitor to ensure that the Company stays on the path of growth and progress. The focus is on stringent controls on the cost of production mainly through modernizing, lesser interruptions, abnormal wastages, process improvements, energy savings and high savings in Baggasse consumption through availing and implementing various options and installing machineries.

Adhering to the guidelines and SOPs necessary to ensure the health and safety of human resources, we are optimistic that the Company's performance will sustain and further improve in terms of revenue, profits and liquidity positions.

AUDITORS

The present Auditors M/s. Kreston Hyder Bhimji & Co. Chartered Accountants, retire at the conclusion of forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment. As suggested by the Audit Committee in terms of the Code of Corporate Governance, the Board of Directors has recommended their appointment as Auditors of the Company for the year ending September 30, 2026.

ACKNOWLEDGEMENT

Your Directors appreciate and wish to place on record their appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affair and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah.

The Directors would like to 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.

For & on Behalf of the Board

Ghulam Dastagir Rajar
Chairman

Ghulam Hyder
Chief Executive Officer

Karachi: December 31, 2025

انسانی وسائل کی صحت اور حفاظت کے لیے ضروری ایس او پیز اور ہدایات پر عمل کرتے ہوئے، ہمیں امید ہے کہ کمپنی کی کارکردگی آمدنی، منافع اور لیکویڈیٹی کے لحاظ سے برقرار رہے گی اور مزید بہتر ہوگی۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز کرسٹن حیدر بھیجی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، آئندہ سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور چونکہ وہ دوبارہ تقرری کے اہل ہیں، اس لیے انہوں نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ آڈٹ کمیٹی کی سفارش پر، بورڈ آف ڈائریکٹرز نے 30 ستمبر 2026 کو ختم ہونے والے سال کے لیے انہیں کمپنی کے آڈیٹرز مقرر کرنے کی سفارش کی ہے۔

اظہارِ تشکر

ڈائریکٹرز کمپنی کے تمام ایگزیکٹوز، افسران، اسٹاف ممبرز اور مزدوروں کی لگن، وفاداری اور محنت کو سراہتے ہیں، جن کی بدولت کمپنی کے امور خوش اسلوبی سے انجام پائے۔ ہمیں امید ہے کہ وہ آئندہ بھی اللہ تعالیٰ کے فضل و کرم سے اسی جوش و جذبے کے ساتھ پیداواری صلاحیت میں اضافے کے لیے کام کرتے رہیں گے۔ ڈائریکٹرز تمام سرکاری اداروں، بینکاروں اور غیر بینکاری مالیاتی اداروں، ترسیل کاروں اور حصص یافتگان کا بھی شکریہ ادا کرتے ہیں جنہوں نے کمپنی کی بہتری اور خوشحالی کے لیے مسلسل تعاون فراہم کیا۔

برائے ومنجانب بورڈ

غلام حیدر
چیف ایگزیکٹو آفیسر

غلام دستگیر راجڑ
چیرمین

کراچی: دسمبر 31، 2025

ڈیجیٹلائزیشن

ڈیجیٹل ٹرانسفارمیشن - سافٹ ویئر کا نفاذ

موجودہ ڈیجیٹل دور میں، جہاں رابطہ اور جدت کاروباری کامیابی کی بنیاد ہیں، کمپنی ڈیجیٹل ٹرانسفارمیشن کو ایک اہم اسٹریٹجک ترجیح کے طور پر اپنائے ہوئے ہے۔ معلوماتی اثاثوں کے تحفظ کے لیے سائبر سیکیورٹی فریم ورکس کو مضبوط کیا گیا، جبکہ افرادی قوت اور آپریشنل سسٹمز میں بہتری سے شفافیت، درستگی اور کارکردگی میں اضافہ ہوا۔ پائیداری کو مرکزی حیثیت حاصل رہی، جہاں اسمارٹ انرجی سلوشنز اور ڈیجیٹل انفراسٹرکچر نے طویل مدتی استحکام میں کردار ادا کیا۔ یہ اقدامات تیزی سے جڑتی اور مسابقتی دنیا میں جدت اور آپریشنل مہارتوں کے لیے کمپنی کے عزم کی عکاسی کرتے ہیں۔

کمپنی نے "ڈیجیٹل ٹرانسفارمیشن - سافٹ ویئر کے نفاذ" کے لیے منصوبہ تیار کیا ہے اور اس پر کام جاری ہے، جس کا مقصد ڈیجیٹل ٹیکنالوجی کے ذریعے موجودہ طریقہ کار، ثقافت اور تجربات کو تبدیل یا بہتر بنانا ہے تاکہ بدلتی ہوئی کاروباری اور مارکیٹ ضروریات کو پورا کیا جاسکے۔ اس سے وقت اور لاگت کی بچت، دستی کاموں کی آٹومیشن، ڈیٹا کا انضمام اور پیپریس ماحول ممکن ہو سکے گا۔ ڈیجیٹل ٹرانسفارمیشن مختلف ایپلیکیشنز، ڈیٹا بیسز اور سافٹ ویئر کو ایک مرکزی نظام میں یکجا کر کے بزنس انیلیجنس فراہم کرتی ہے اور یہ صرف آئی ٹی ڈیپارٹمنٹ تک محدود نہیں بلکہ کمپنی کے ہر شعبے میں جدت اور کارکردگی کا باعث بن سکتی ہے۔

ویڈیو اینالیٹکس کے ذریعے شوگر بیگز کی پیداوار کی الیکٹرانک نگرانی

ڈیجیٹل دور میں شوگر کی حقیقی وقت میں پیداوار اور ترسیل کی نگرانی ریگولیٹری اور کنٹرولنگ اتھارٹیز کے لیے ناگزیر ہے۔

"شفاف اور جامع اصلاحات کے بغیر، پاکستان کا غندوں میں چینی کی زیادتی اور حقیقت میں قلت کے چکر میں پھنسا رہے گا"

اسی تناظر میں، سال کے اختتام کے بعد، فیڈرل بورڈ آف ریونیو (FBR) نے 27 اکتوبر 2025 کو سیزنگز جنرل آرڈر نمبر 06 بابت 2025 جاری کیا، جس کے تحت "ویڈیو اینالیٹکس کے ذریعے شوگر بیگز کی پیداوار کی الیکٹرانک نگرانی" لازم قرار دی گئی۔ ہدایت کے مطابق شوگر کرشنگ سیزن 2025-26 کے آغاز سے قبل کوئی بھی شوگر مینوفیکچرر بغیر پروڈکشن مانیٹرنگ کے اپنی پیداوار فیکٹری سے باہر نہیں نکال سکتا۔ اس مقصد کے لیے تمام شوگر ملز کو پروڈکشن مانیٹرنگ یونٹ (PMU) بشمول گرافیکل پروسیسنگ یونٹ اور سینٹرل پروسیسنگ یونٹ نصب کرنا لازمی قرار دیا گیا۔

کمپنی نے ایف بی آر کی ہدایت پر مکمل عمل درآمد کرتے ہوئے پروڈکشن مانیٹرنگ یونٹ (PMU) کامیابی سے نصب کیا ہے۔ مزید برآں، کمپنی پہلے سے ٹیکس اسٹیمپس کی تنصیب، پیداوار کے مقامات پر سینسز، ڈیجیٹل طریقے سے شوگر کی ترسیل کی رپورٹنگ اور ویڈیو کیمروں کے ذریعے وزن کے تول کی نگرانی جیسے تقاضوں پر بھی مکمل عمل درآمد کر چکی ہے۔

مستقبل کے امکانات

سیزن 2025-26 کا آغاز اس امید کے ساتھ ہوا کہ اضافی پیداوار اور درآمد کی گئی چینی جو کہ گورنمنٹ کے گوداموں میں موجود ہے۔ سیزن کا آغاز اس بات کا شاہد ہے کہ چینی کے قیمت فروخت کمی کی طرف اور گنا حاصل کرنے کی قیمت اور ساتھ ہی ریکوری کی شرح بھی بڑھتے ہوئے رجحان کی طرف ہے اور ساتھ ہی کمپنی کی ترقی اور استحکام کو یقینی بنانے کے لیے حکمت عملیاں وضع کی گئی ہیں اور ان کا باقاعدہ جائزہ لیا جاتا ہے۔ پیداواری لاگت میں کمی کے لیے جدید مشینری کی تنصیب، کم رکاوٹیں، غیر معمولی ضیاع میں کمی، عمل کی بہتری، توانائی کی بچت اور بیگاس کے مؤثر استعمال پر خصوصی توجہ دی جا رہی ہے۔

زیر مبادلہ کا خطرہ

زیر نظر مالی سال کے اختتام پر کمپنی کو زیر مبادلہ کی شرح میں اتار چڑھاؤ کے خطرے کا براہ راست سامنا نہیں تھا، تاہم سال کے دوران چینی کی برآمدات کے باعث کمپنی کو زیر مبادلہ کے خطرے کا سامنا رہا۔

کریڈٹ رسک

کریڈٹ رسک اس خطرے سے متعلق ہے کہ اگر فریق ثانی طے شدہ کریڈٹ شرائط کے مطابق اپنی ذمہ داریاں پوری نہ کرے تو کمپنی کو نقصان کا سامنا ہو سکتا ہے۔ تجارتی وصولیوں کے حوالے سے کریڈٹ رسک کو منظم کرنے کے لیے انتظامیہ صارفین کی مالی حیثیت، ماضی کے تجربات اور دیگر عوامل کو مد نظر رکھتے ہوئے کریڈٹ پر تجزیات سرانجام دیتی ہے۔ کمپنی کریڈٹ رسک کو، دیگر طریقوں کے ساتھ، انفرادی صارفین کے لیے کریڈٹ حدود مقرر کر کے، پیشگی وصولیاں لے کر، لیٹر آف کریڈٹ کے ذریعے اور/یا مشکوک قرضوں کے لیے مناسب الاؤنس فراہم کر کے منظم کرتی ہے۔ کمپنی کا خیال ہے کہ اسے کسی بڑے کریڈٹ رسک کے ارتکاز کا سامنا نہیں ہے۔

لیکویڈیٹی رسک

لیکویڈیٹی رسک اس وقت پیدا ہوتا ہے جب کمپنی کے پاس فوری نقدی ناکافی ہو اور وہ اپنی مالی ذمہ داریاں پوری کرنے میں مشکلات کا سامنا کرے۔ کمپنی لیکویڈیٹی رسک کو مناسب نقدی برقرار رکھ کر اور مناسب کریڈٹ سہولیات کی دستیابی کو یقینی بنا کر منظم کرتی ہے۔ زیر نظر مالی سال کے اختتام پر کمپنی کے پاس غیر استعمال شدہ قلیل مدتی قرضہ جاتی سہولیات اور نقد و بینک بیلنس موجود تھے۔ انتظامیہ کے مطابق کمپنی کو لیکویڈیٹی رسک کا نمایاں سامنا نہیں ہے۔

شرح سود کا رسک

شرح سود میں اتار چڑھاؤ کے باعث مستقبل کے نقد بہاؤ پر منفی اثرات پڑنے سے شرح سود کا خطرہ پیدا ہوتا ہے۔ کمپنی کا شرح سود سے متعلق خطرہ بنیادی طور پر قلیل مدتی قرضہ جات سے وابستہ ہے۔ کمپنی شرح سود میں تبدیلیوں کی نگرانی کرتی ہے اور مختلف اقسام کے قرضہ جاتی انتظامات کے موزوں امتزاج کے ذریعے اس خطرے کو منظم کرتی ہے۔

سرمائے کا ذخیرہ

جائیداد، پلانٹ اور مشینری پر رری ویلیوایشن پر ہونے والے اضافے کو مالی حیثیت کے بیان میں ایکویٹی کے حصے کے طور پر اور اسٹیٹمنٹ آف چیئرمین ایکویٹی میں کیپیٹل ریزرو کے طور پر ظاہر کیا گیا ہے۔ یہ اضافہ ایک کیپیٹل ریزرو ہے اور کمپنی ایکٹ 2017 کی دفعہ 241 کے مطابق حصص یافتگان میں تقسیم کے لیے دستیاب نہیں ہے۔

منافع اور تقسیم منافع

گزشتہ برسوں کے بھاری نقصانات، نقد رقوم کی ترسیل میں کمی اور دیگر حالات کے پیش نظر، کمپنی کے بورڈ آف ڈائریکٹرز نے 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لیے کسی بھی منافع یا منافع کی تقسیم کی سفارش نہیں کی۔

قومی خزانے میں شراکت

کمپنی ٹیکسز، ڈیوٹیز اور دیگر محصولات کی ادائیگی کے ذریعے قومی ترقی میں اپنا حصہ ڈال رہی ہے۔ سال کے دوران کمپنی نے قومی خزانے میں انکم ٹیکس، سیلز ٹیکس اور دیگر لیویز کی مد میں مجموعی طور پر 1,750,071 ہزار روپے ادا کیے ہیں، جبکہ گزشتہ سال یہ رقم 1,069,221 ہزار روپے تھی۔

ہم اپنے تعلقات کو سب سے زیادہ اہمیت دیتے ہیں۔ ہم نے سرمایہ کاروں کا اعتماد حاصل کیا ہے اور اسے برقرار رکھنے کے لیے مکمل طور پر پُر عزم ہیں۔ ہماری توجہ تمام سرمایہ کاروں اور حصص یافتگان کے مفادات کے تحفظ اور ان کی شکایات کے فوری اور مؤثر حل پر مرکوز ہے۔ کمپنی نے سرمایہ کاروں کی خدمات اور شکایات کے ازالے کے لیے اندرونی نظام قائم کیا ہے، ایک آزاد شینئر رجسٹرار کی خدمات حاصل کی ہیں اور کمپنی سیکریٹری بھی تعینات ہے تاکہ سرمایہ کاروں کے تمام معاملات حل کیے جاسکیں۔

سرمایہ کاروں کی شکایات پالیسی کی نمایاں خصوصیات درج ذیل ہیں:

شکایات ابتدا میں کمپنی کے شینئر رجسٹرار کے پاس درج کی جاتی ہیں، جو ان کے حل کے لیے ضروری اقدامات کرتا ہے یا دائرہ اختیار سے باہر ہونے کی صورت میں کمپنی کو مطلع کرتا ہے۔ سرمایہ کار عمومی مراسلت کے لیے مخصوص ای میل ایڈریس کے ذریعے بھی شکایات درج کر سکتے ہیں۔ سیکوریٹی اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی ہدایات کے مطابق کمپنی کی ویب سائٹ پر دستیاب شکایتی فارم کے ذریعے بھی شکایات درج کی جاسکتی ہیں۔

کمپنی کا نامزد فرد روزانہ بنیادوں پر دفتری ای میل ایڈریس چیک کرتا ہے تاکہ نئی موصول ہونے والی شکایات پر بروقت کارروائی کی جاسکے۔ کمپنی اس بات کی پابند ہے کہ تمام سرمایہ کاروں کی شکایات موصول ہونے کے دس ایام کار کے اندر حل کی جائیں۔ اس ضمن میں سرمایہ کار کو بذریعہ خط یا ای میل اطلاع دی جاتی ہے، اور ضرورت پڑنے پر شینئر رجسٹرار، ایس ای سی پی اور/یا اسٹاک ایکسچینج کو بھی مطلع کیا جاتا ہے، جو کمپنی سیکریٹری کے دستخط سے ارسال کی جاتی ہے۔ کمپنی ای میل، ڈاک، شینئر رجسٹرار، ایس ای سی پی اور/یا اسٹاک ایکسچینج کے ذریعے موصول ہونے والی تمام شکایات اور ان کے جوابات کا مکمل ریکارڈ محفوظ رکھتی ہے۔

پائیداری اور کارپوریٹ سماجی ذمہ داری

پائیداری اور کارپوریٹ سماجی ذمہ داری سے متعلق رپورٹ کو اس رپورٹ کے ساتھ منسلک کر دیا گیا ہے۔

رسک مینجمنٹ اور حکمت عملی

کمپنی کا مجموعی رسک مینجمنٹ پروگرام مالیاتی مارکیٹ میں غیر یقینی صورتحال پر توجہ مرکوز رکھتا ہے اور کمپنی کی آپریشنز پر ممکنہ منفی اثرات کو کم سے کم کرنے کی کوشش کرتا ہے۔ کمپنی کی رسک مینجمنٹ پالیسیاں ان خطرات کی نشاندہی اور تجزیہ کے لیے وضع کی گئی ہیں جن کا سامنا کمپنی کو ہے، نیز مناسب رسک حدود اور کنٹرولز مقرر کیے جاتے ہیں اور ان پر عمل درآمد کی نگرانی کی جاتی ہے۔ بورڈ آف ڈائریکٹرز کمپنی کے رسک مینجمنٹ فریم ورک کے قیام اور نگرانی کی مجموعی ذمہ داری رکھتا ہے۔ بورڈ کمپنی کی رسک مینجمنٹ پالیسیوں کی تشکیل اور نگرانی کا بھی ذمہ دار ہے۔ مارکیٹ کے حالات اور کمپنی کی سرگرمیوں میں تبدیلیوں کو مد نظر رکھتے ہوئے رسک مینجمنٹ پالیسیوں اور نظام کا باقاعدگی سے جائزہ لیا جاتا ہے۔ کمپنی درج ذیل اہم خطرات کو مد نظر رکھتی ہے:

آپریٹنگ رسک

کاروباری افعال سے متعلق رسک اس صورت میں پیدا ہوتا ہے جب خام مال کی کمی، توانائی کی بندش اور تربیت یافتہ افرادی قوت کی قلت کے باعث کاروباری افعال میں خلل واقع ہو۔ ان خطرات کے تدارک کے لیے ضروری حکمت عملی تیار کی گئی ہے اور آپریٹنگ پلانٹ کی قابل اعتماد کارکردگی کو یقینی بنانے کے لیے مسلسل نمایاں سرمایہ کاری کی جارہی ہے۔ کمپنی نے ضرورت کے مطابق مرمت اور دیکھ بھال کے کام انجام دیے ہیں۔

مارکیٹ رسک

حکومت کی جانب سے خام مال کی قیمتوں کے باعث کمپنی کو خام مال کی قیمتوں کے حوالے سے نمایاں مارکیٹ رسک لاحق نہیں ہے۔ خام مال کی بلند لاگت سے نمٹنے کے لیے حکمت عملیاں مرتب کی گئی ہیں اور ان پر عمل درآمد کیا جا رہا ہے۔

ہماری حکمت عملی کی سمت پائیدار ترقی کے اہداف (Sustainable Development Goals) سے ہم آہنگ ہے، جو معاشرے اور ماحول پر مثبت اور دیرپا اثرات پیدا کرنے میں ہماری رہنمائی کرتے ہیں۔ ماحولیاتی بہترین کارکردگی کا حصول ہمارا اہم مقصد ہے۔ ہماری جانب سے حیاتیاتی تنوع، قدرتی وسائل کے تحفظ، قابل تجدید توانائی، ماحولیاتی تبدیلی اور اخراج کی نگرانی جیسے امور پر نمایاں توجہ دی جاتی ہے۔ اپنے ماحولیاتی اثرات کا انتظام ہماری کاروباری سوچ کا لازمی حصہ ہے۔ ہم اپنی تمام کاروباری سرگرمیوں کو ماحولیاتی طور پر ذمہ دار اور پائیدار انداز میں انجام دینے کے لیے پُر عزم ہیں۔ اس مقصد کے حصول کے لیے ہم:

- ☆ آلودگی سے بچاؤ کی پالیسی پر فعال طور پر عمل کرتے ہیں۔
- ☆ تمام قابل اطلاق مقامی قوانین، ضوابط، پالیسیوں اور طریقہ کار کی پابندی کرتے ہیں، توانائی اور وسائل کے مؤثر استعمال، کاربن کی شدت میں کمی اور اخراج کم کرنے کے لیے حکمت عملی پر مبنی اقدامات کرتے ہیں۔
- ☆ اپنی کارروائیوں کے تحت زمین کا ذمہ دارانہ انتظام کرتے ہیں تاکہ ماحولیاتی نظام اور حیاتیاتی تنوع کا تحفظ ہو اور قدرتی تحفظ میں ہمارا کردار زیادہ سے زیادہ ہو۔ اس ضمن میں ہماری جانب سے اپنے ملازمین، کنٹریکٹروں، صارفین اور کمیونٹی کے علاوہ ہمارے ساتھ کام کرنے والے افراد کے ساتھ ہمہ جہت روابط برقرار رکھے جاتے ہیں۔
- ☆ ماحولیاتی پہلوؤں کے مؤثر انتظام کے لیے ضروری وسائل، تربیت اور نگرانی فراہم کرتے ہیں۔
- ☆ قابل پیمائش اہداف اور صنعتی بہترین طریقہ کار کے مقابلے میں اپنی ماحولیاتی کارکردگی کا جائزہ لیتے ہیں تاکہ مسلسل بہتری کو فروغ دیا جاسکے۔
- ☆ اپنی ماحولیاتی کارکردگی کی جانچ، نگرانی اور شفاف رپورٹنگ کرتے ہیں۔
- ☆ ترسیل کاروں اور ذیلی ترسیل کاروں کی پائیداری سے بابت خصوصیات جانچنے کے لیے کارپوریٹ تقاضے مقرر کرتے ہیں۔ کمپنی کے ساتھ کام کرنے والا ہر فرد، بشمول ملازمین، ترسیل کار، کنٹریکٹرز، تھرڈ پارٹیز، درست ماحولیاتی رویوں کا مظاہرہ کرنے اور ممکنہ ماحولیاتی خطرات کی رپورٹنگ کا ذمہ دار ہے۔ مینجرز واضح طور پر ماحولیاتی کردار اور ذمہ داریاں متعین کرنے کے پابند ہیں۔
- ☆ ہم درج ذیل عملی اقدامات کے ذریعے تعمیل کو یقینی بناتے ہیں:

- ☆ اشاریوں اور معیاری پروٹوکولز کی پیروی
- ☆ اخراج کی نگرانی اور رپورٹنگ
- ☆ فضلے اور پانی کا مؤثر انتظام
- ☆ ضوابط میں تبدیلیوں، رجحانات اور نئی ٹیکنالوجی کیلئے اقدامات
- ☆ تمام آپریشنز میں بہترین طریقہ کار کا فروغ

سرمایہ کاروں کی شکایات اور تحفظات

کمپنی تمام حصص یافتگان اور ممکنہ سرمایہ کاروں کو مکمل رسائی فراہم کرتی ہے تاکہ وہ کمپنی کی سرگرمیوں اور اپنی ترتیب حصص داری سے متعلق معلومات حاصل کر سکیں۔ مطلوبہ معلومات فوری فراہم کی جاتی ہیں یا کسی بھی سوال یا شکایت کو ضابطہ جاتی رہنمائی کے مطابق بروقت حل کیا جاتا ہے۔

ماحول کو صحت مند اور صاف رکھنا کمپنی کی ذمہ داری ہے۔ اسی مقصد کے تحت کمپنی نے آلودگی میں کمی کے لیے سنجیدہ اقدامات کیے ہیں اور مختلف آلات نصب کیے جا رہے ہیں تاکہ کمپنی کے کاروبار کے ماحول پر مثبت اثرات مرتب ہوں۔ کمپنی نے فضلے کے پانی سے تیل اور گریس کی بازیافت کے لیے کلکیشن یونٹس نصب کیے ہیں، جبکہ فلو گیسنز کے راستے میں ایش کلکٹر بھی نصب کیے گئے ہیں تاکہ غیر جلنے والے ذرات اور راکھ کو جمع کیا جاسکے۔ ایف لوینٹ ٹریٹمنٹ پلانٹ مکمل کیا جا چکا ہے اور تمام ماحولیاتی جانچ مکمل کی جا چکی ہے۔ پانی کے استعمال میں کمی کے لیے ایکمیشن واٹر کے درجہ حرارت میں اضافہ، وریکل کرسٹلائزر کے لیے کولنگ ٹاور کی بحالی کے ذریعے پانی کو ری سائیکل کیا جا رہا ہے۔ تازہ پانی کا استعمال کم سے کم رکھا گیا ہے، پانی کا ضیاع صرف بخارات کی صورت میں ہوتا ہے۔ پراسیس کیمیکلز خام پانی کے بجائے کنڈینسٹ پانی سے تیار کیے جا رہے ہیں۔

مزید برآں، کمپنی کے ریورس اوسموس (RO) پلانٹس فیکٹری کی پانی کی ضروریات پوری کرنے میں مدد فراہم کرتے ہیں اور میونسپل واٹر سسٹمز پر انحصار کم کرتے ہیں، جس سے پاکستان میں پانی کی قلت میں کمی میں معاونت ہوتی ہے۔ کیونکہ روشنی اور بجلی کا بوجھ قابل ذکر ہے اس لیے کمپنی نے بجلی کے استعمال میں کمی کے لیے مختلف مشینری اور آلات نصب کیے ہیں۔

سماجی اور ماحولیاتی ذمہ داری کی پالیسی

کمپنی اعلیٰ ترین کارپوریٹ گورننس معیارات کو برقرار رکھنے کے لیے پُر عزم ہے، جن میں ماحولیاتی، سماجی اور گورننس اصولوں کی پابندی شامل ہے۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے مقررہ تمام قابل اطلاق ماحولیاتی، سماجی اور گورننس ضوابط کی تعمیل کو یقینی بنانے کے لیے پالیسیاں اور طریقہ کار نافذ کر رہے ہیں۔

ہماری ماحولیاتی کاوشیں درج ذیل امور پر مرکوز ہیں:

☆ کاربن فٹ پرنٹ میں کمی

☆ وسائل کے مؤثر استعمال کو بہتر بنانا

☆ فضلے کا ذمہ دارانہ انتظام

سماجی طور پر، ہم ملازمین کی فلاح و بہبود، تنوع اور کمیونٹی کے ساتھ روابط کو ترجیح دیتے ہیں، جبکہ ہمارا گورننس فریم ورک شفافیت، جوابدہی اور اخلاقی کاروباری طرز عمل کو یقینی بنانے کے لیے ترتیب دیا گیا ہے۔ ہم اپنی ماحولیاتی، سماجی اور گورننس حکمت عملیوں کا مسلسل جائزہ لیتے اور انہیں بہتر بناتے رہتے ہیں تاکہ بین الاقوامی بہترین طریقہ کار اور شراکت داروں کی توقعات سے ہم آہنگ رہیں۔

ہماری بنیادی کوشش یہ ہے کہ اپنے کاربن فٹ پرنٹ اور ماحول پر پڑنے والے منفی اثرات کو کم سے کم کیا جائے۔ اس مقصد کے تحت کمپنی درج ذیل اقدامات کے لیے پُر عزم ہے:

☆ متعلقہ قانونی، ضابطہ جاتی اور ماحولیاتی معیارات پر پورا اترنا یا ان سے بڑھ کر کارکردگی دکھانا۔

☆ نیشنل انوائرمینٹل کوالٹی اسٹینڈرڈز (NEQS) کے مطابق معلق ذرات، کاربن مونو آکسائیڈ، سلفر ڈائی آکسائیڈ، نائٹروجن آکسائیڈز اور فلو گیس اخراج کو کم سے کم یا مقررہ حدود سے نیچے رکھنا۔

☆ کاروباری افعال سے پیدا ہونے والے فضلے کی نشاندہی، کمی اور محفوظ تلفی تاکہ زمین، ہوا اور پانی کی آلودگی کو روکا جاسکے۔

☆ توانائی اور پانی کے استعمال میں کمی اور جہاں ممکن ہو قابل تجدید اور یاری سائیکل ہونے والے وسائل کا استعمال کرنا۔

مساوات اور شمولیت اور تمام ساتھیوں کے ساتھ منصفانہ سلوک کے لیے پُر عزم ہیں۔ انسانی وسائل کا شعبہ ان اصولوں پر عمل درآمد کو یقینی بنانے اور مناسب عملی منصوبہ بندی مرتب کرنے کا ذمہ دار ہے۔

کمپنی تنظیم میں تنوع، مساوات اور شمولیت (DE&I) کو فروغ دینے پر توجہ مرکوز کیے ہوئے ہے اور بھرتی اور انسانی وسائل کے انتظامی عمل میں مذہب، نسل، جنس اور جسمانی صلاحیت کی بنیاد پر کسی قسم کا امتیاز نہیں کرتی۔ خواتین ملازمین کو راغب کرنے کے لیے موزوں ماحول اور ثقافت کے فروغ کی خاطر پالیسیاں نافذ کی گئی ہیں۔

کمپنی کی تنوع، مساوات اور شمولیت (DEI) پالیسی تمام سطحوں پر مساوی مواقع، انصاف اور شمولیت کو یقینی بناتی ہے۔ یہ متنوع بھرتی، منصفانہ اجرت، غیر جانبدار مستقبل کی ترقی اور جامع کام کی جگہ کے طریقہ کار کو فروغ دیتی ہے۔ بورڈ، انتظامیہ اور انسانی وسائل کی سطح پر واضح جوابدہی کے ساتھ، یہ پالیسی امتیاز کے لیے مکمل عدم برداشت کو اجاگر کرتی ہے اور وابستگی، احترام اور شمولیت پر مبنی ثقافت کو مضبوط بناتی ہے۔

جانشینی منصوبہ

جانشینی منصوبہ بندی انسانی وسائل کی مؤثر منصوبہ بندی اور انتظام کا ایک اہم جزو ہے۔ جانشینی منصوبہ بندی اس حقیقت کو تسلیم کرتی ہے کہ عملہ ہمیشہ ادارے کے ساتھ وابستہ نہیں رہتا، اور یہ اس وقت درپیش تبدیلیوں سے نمٹنے کے لیے ایک واضح منصوبہ اور طریقہ کار فراہم کرتی ہے جب ملازمین ادارہ چھوڑ کر چلے جاتے ہیں۔ جانشینی منصوبہ بندی کی ضرورت اور اہمیت کو مد نظر رکھتے ہوئے، کمپنی نے تمام اہم عہدوں پر توجہ دیتے ہوئے ایک جامع جانشینی منصوبہ مرتب کیا ہے۔ اہم عہدے وہ ہوتے ہیں جو تنظیم کی کارروائیوں کے لیے نہایت ضروری ہوں اور جنہیں مہارت، سینئرٹی اور/یا تجربے کی وجہ سے فوری طور پر تبدیل کرنا مشکل ہو۔

مفادات کا نگرار

کمپنی کی انتظامیہ نے حقیقی اور ظاہری مفادات کے نگرار سے متعلق ایک پالیسی وضع کر رکھی ہے، اور ایسے حالات سے بچاؤ، ان کی نشاندہی اور انکشاف کے لیے مناسب اقدامات اختیار کیے جاتے ہیں۔ کوئی بھی ملازم مناسب منظوری کے بغیر کسی تیسرے فریق کے لیے براہ راست یا بالواسطہ طور پر کوئی کام انجام نہیں دے سکتا۔ ملازمین پر لازم ہے کہ وہ کسی بھی حقیقی یا ممکنہ مفادات کے نگرار سے متعلق صورتحال کی اطلاع دیں اور ضرورت کے مطابق رہنمائی یا فیصلہ حاصل کریں۔ کمپنی کا بنیادی مقصد مفادات کے نگرار کا مؤثر انتظام ہے تاکہ فیصلے درست بنیادوں، جائز وجوہات اور بغیر کسی جانبداری کے کیے جائیں اور ایسے ہی نظر بھی آئیں۔ کمپنی نے مفادات کے نگرار کے انتظام اور نگرانی کے لیے واضح طریقہ کار وضع کیے ہیں۔

ہر ڈائریکٹر پر لازم ہے کہ کسی بھی ایسے اہم لین دین کی مکمل تفصیلات بورڈ کو پیش کرے جس سے کمپنی کے ساتھ مفادات کا نگرار پیدا ہو سکتا ہو، اور اس کے لیے بورڈ کی پیٹنگ منظوری حاصل کرے۔ متعلقہ ڈائریکٹر نہ تو اس معاملے پر بحث میں حصہ لیتے ہیں اور نہ ہی ووٹنگ کرتے ہیں۔ ڈائریکٹر پر لازم ہے کہ کسی بھی ذاتی یا بیرونی مفاد، تعلق یا ذمہ داری سے متعلق بورڈ کو بروقت آگاہ کرے جو کسی ممکنہ یا حقیقی لین دین، معاہدے یا معاملے سے متعلق ہو جو بورڈ کے سامنے پیش کیا جانا ہو۔ تمام متعلقہ فریقین کے ساتھ لین دین مارکیٹ میں مرجہ روایات کی بنیاد پر کیا جاتا ہے اور اس کی مکمل تفصیلات منظوری کے لیے بورڈ کو فراہم کی جاتی ہیں۔ مزید برآں، تمام متعلقہ فریقین کے ساتھ کیے گئے لین دین کمپنی کے مالیاتی گوشواروں میں مکمل طور پر ظاہر کیے جاتے ہیں۔

کمپنی کے کاروبار کے ماحول پر اثرات

ہمارے پلانٹس اور کاروباری افعال قومی ماحولیاتی معیارات کی مکمل پابندی کر رہے ہیں۔ کمپنی اپنی سماجی ذمہ داریوں اور فلاحی کردار سے مکمل طور پر آگاہ ہے۔ کمپنی تعلیم، صحت، طبی اور فائر فائٹنگ سہولیات، قریبی آبادیوں کو پانی کی فراہمی، ہنگامی اور آفات کی صورتحال میں معاونت، آگاہی مہمات وغیرہ پر اخراجات کر رہی ہے۔

بورڈ نے روزمرہ فیصلوں کے لیے کمپنی کی انتظامیہ کو اختیارات اور ذمہ داریاں تفویض کی ہیں، تاہم انتظامیہ ان اختیارات کے استعمال میں اہمیت کے اصول کو مد نظر رکھتی ہے۔ لیکن دین کی منظوری اور اختیارات کی تفویض واضح طور پر متعین ہے اور کمپنی میں باضابطہ متعین شدہ طریقہ کار کے تحت انجام دی جاتی ہے۔

انسانی وسائل کا انتظام اور جانشینی کی منصوبہ بندی

انسانی وسائل کی منصوبہ بندی اور انتظام سینئر مینجمنٹ کی اہم ترین ترجیحات میں شامل ہے۔ بورڈ نے ایک کمیٹی قائم کی ہے جو کلیدی انتظامی اہلکاروں کے انتخاب، کارکردگی کے جائزے، معاوضے اور جانشینی منصوبہ بندی میں شامل ہے۔ یہ کمیٹی انسانی وسائل کی پالیسیوں اور طریقہ کار میں بہتری کی سفارش اور ان کے باقاعدہ جائزے کی ذمہ داری بھی سرانجام دیتی ہے۔

کمپنی ایک بہتر تنظیمی ثقافت کے قیام کے لیے پرعزم ہے جو بااختیار ملازمین پر مبنی ہو، جو کمپنی کے وژن اور اقدار پر گہرا یقین رکھتے ہوں۔ انسانی وسائل کی پالیسی کمپنی کی کاروباری حکمت عملی کا لازمی حصہ ہے۔ کمپنی قیادت، انفرادی جوابدہی اور مجموعی کارکردگی کو فروغ دیتی ہے۔

کمپنی اس بات پر یقین رکھتی ہے کہ ملازمین کمپنی کا قیمتی اثاثہ ہیں اور سال بہ سال کمپنی کی کارکردگی کو بہتر بنانے میں ان کا بنیادی کردار رہا ہے۔ ان کی محنت، وابستگی، احساسِ ملکیت اور ٹیم ورک نے مارکیٹ کے مشکل حالات کے باوجود کمپنی کو اپنی قیادت برقرار رکھنے میں مدد دی ہے۔ کمپنی ہمیشہ ایک مثبت، معاون، کھلی اور اعلیٰ کارکردگی پر مبنی ورک کلچر فراہم کرنے کی کوشش کرتی ہے، جہاں جدت اور خطرہ مول لینے کی حوصلہ افزائی کی جائے، کارکردگی کو تسلیم کیا جائے اور ملازمین کو اپنی اصل صلاحیتوں کے اظہار کا موقع دیا جائے۔

کمپنی جانشینی منصوبہ بندی کے حوالے سے بھی پیشگی اور فعال حکمت عملی کو ملحوظ خاطر رکھتی ہے۔ کمپنی ملازمین کی بھرتی، ان کی صلاحیتوں، مہارتوں اور علم کی ترقی اور انہیں زیادہ ذمہ دار عہدوں کے لیے تیار کرتی ہے۔ جانشینی منصوبہ بندی اس بات کو یقینی بناتی ہے کہ ہر اہم کردار کے لیے اہل افراد تیار ہوں۔ کمپنی مستقبل کے چیلنجز کے انتخاب میں مسلسل بہتری کی صلاحیت رکھنے والے افراد کو ترجیح دیتی ہے۔

بھرتی اور انتخاب

کمپنی قابل، اہل اور باصلاحیت افراد کی بھرتی اور انہیں برقرار رکھنے پر یقین رکھتی ہے جو کمپنی کے مقاصد کے حصول میں اپنا بھرپور کردار ادا کرنے کے خواہاں ہوں۔ مستقل بنیادوں پر تقرریاں ترقی کے ذریعے یا براہ راست بھرتی کے ذریعے، متعلقہ مجاز اتھارٹی کی منظوری سے، انسانی وسائل کے شعبے کے ذریعے کی جاتی ہیں۔

ترقی اور تربیت

مختلف شعبوں اور سطحوں پر ملازمین کی ترقی اور صلاحیت سازی بنیادی توجہ کا مرکز رہی ہے، تاکہ مضبوط ٹیلنٹ کی ہمہ وقت تیاری اور فراہمی کی جاسکے۔ کمپنی اپنے انسانی سرمائے میں سرمایہ کاری کے لیے پرعزم ہے اور ملازمین کی تکنیکی مہارتوں اور صلاحیتوں کو بہتر بنانے پر توجہ دیتی ہے۔ کارکردگی کے انتظامی نظام کے ذریعے کمپنی اس بات کو یقینی بناتی ہے کہ تمام ملازمین اپنی ذمہ داریوں سے آگاہ ہوں اور بہترین کارکردگی کے حصول کے لیے مطلوبہ مہارت، علم، اقدار اور تجربہ رکھتے ہوں۔

انعامات اور ترغیبات

ہماری پالیسی ہے کہ ملازمین کو منصفانہ اور مسابقتی تنخواہیں اور مراعات فراہم کی جائیں، ساتھ ہی ترقی اور ذاتی نشوونما کے ذریعے کاروباری کامیابی میں شریک ہونے کا موقع دیا جائے۔ انعامی نظام کے تمام اجزاء اس طرح ترتیب دیے گئے ہیں کہ مطلوبہ رویے، اقدار، معیار، اعلیٰ کارکردگی اور مسلسل بہتری و ترقی کی حوصلہ افزائی ہو۔

تنوع، مساوات اور شمولیت

ہماری ملازمت سے متعلق پالیسیاں مساوات اور تنوع کے اصولوں پر مبنی ہیں۔ ہمیں اس بات کا مکمل ادراک ہے کہ کام کی جگہ پر غیر منصفانہ امتیاز کے خاتمے سے پیداواری صلاحیت اور کارکردگی میں اضافہ ہوتا ہے کیونکہ اس سے ملازمین کی صلاحیتوں کو موثر ترین انداز میں بروئے کار لایا جاسکتا ہے۔ ہم کام کی جگہ پر تنوع،

معلومات کی درستگی، دیانت داری، اثاثوں کا تحفظ، مطلوبہ نتائج کے حصول اور متعلقہ قوانین و ضوابط کی تعمیل کے حوالے سے معقول یقین دہانی فراہم کی جاسکے۔ مزید برآں، ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ اعلیٰ ترین کارپوریٹ گورننس معیارات اور اندرونی مالیاتی نگرانی سے متعلق جامع پالیسیاں اور طریقہ کار بورڈ سے منظور شدہ ہیں، نافذ العمل ہیں اور مؤثر طور پر ان کی نگرانی کی جارہی ہے۔

ایگزیکٹو کے تعین کے لیے تحدید

پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز (رول بک) کی شق 5.6.4 کے تقاضوں کے تحت، بورڈ نے کمپنی کے حصص کی خرید و فروخت کے حوالے سے "ایگزیکٹو" کے تعین کے لیے ایک حد مقرر کی ہے۔ وہ شخص جس کی سالانہ بنیادی تنخواہ 3,000 ہزار روپے سے زائد ہو، اسے "ایگزیکٹو" تصور کیا جائے گا۔

متعلقہ فریقین کے ساتھ لین دین

کوڈ آف کارپوریٹ گورننس کے تحت کمپنی پر لازم ہے کہ متعلقہ فریقین کے ساتھ کیے گئے تمام لین دین پہلے آڈٹ کمیٹی کے سامنے پیش کرے اور آڈٹ کمیٹی کی سفارش کے بعد بورڈ سے منظوری حاصل کرے۔ کمپنی نے اس تقاضے کی مکمل تعمیل کو یقینی بنایا ہے اور تمام متعلقہ فریقین کے لین دین کے معاملات آڈٹ کمیٹی کے سامنے پیش کیے گئے اور اس کی سفارش پر بورڈ نے ان کی منظوری دی۔ یہ تمام لین دین بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) اور کمپنیز ایکٹ، 2017 کے مطابق انجام دیے گئے۔ کمپنی ان تمام لین دین کا مکمل اور باقاعدہ ریکارڈ محفوظ رکھتی ہے۔

چیف ایگزیکٹو، ڈائریکٹرز اور ایگزیکٹوز کے مشاہرے

بورڈ ممبران کے مشاہرے کی منظوری خود دیتا ہے۔ تاہم کوڈ آف کارپوریٹ گورننس کے مطابق اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے معاوضے کے تعین میں حصہ نہ لے۔ سال کے دوران چیف ایگزیکٹو، ڈائریکٹرز اور ایگزیکٹوز کو دیے گئے مجموعی مشاہروں اور مراعات کی تفصیل مالیاتی گوشواروں کے نوٹس میں ظاہر کی گئی ہے۔ ڈائریکٹرز کے مشاہرے اور اجلاس فیس سے متعلق پالیسی اس رپورٹ کے ساتھ منسلک ہے۔

دیگر لین دین کے معاملات

کمپنی نے معمول کے کاروباری عمل کے دوران کلیدی انتظامی اہلکاروں، متعلقہ فریقین کے ساتھ لین دین کیا ہے۔ یہ لین دین معاشی لحاظ سے اہمیت کی حامل ہیں اور انھیں معمول کے کاروباری طریقوں کے مطابق سرانجام دیا گیا ہے، نیز ان معاملات کو مالیاتی گوشواروں کے نوٹس میں ظاہر کیا گیا ہے۔ کلیدی انتظامی اہلکار وہ افراد ہوتے ہیں جنہیں ادارے کی سرگرمیوں کی منصوبہ بندی، رہنمائی اور نگرانی کی براہ راست یا بالواسطہ ذمہ داری حاصل ہوتی ہے۔ جن متعلقہ فریقین کے ساتھ کمپنی نے مالی سال کے دوران لین دین کیا یا معاہدات و انتظامات موجود رہے، ان کے نام اور تعلق کی بنیاد بھی مالیاتی گوشواروں کے متعلقہ نوٹس میں ظاہر کی گئی ہے۔ متعلقہ افراد کے ساتھ تمام معاہدات اور انتظامات معمول کے کاروباری طریقوں کے مطابق ہی سرانجام دیئے گئے ہیں اور اس سلسلے میں مارکیٹ کی روایات کو ملحوظ خاطر رکھا گیا ہے۔

اہمیت کے تعین کا طریقہ کار

انتظامیہ نے تمام شرائط داروں کے ساتھ مؤثر رابطے کے لیے اہمیت کے اصول کو اختیار کیا ہے، اس کے ساتھ ساتھ قانون کے مطابق تمام واقعات اور لین دین کا انکشاف بھی کیا جاتا ہے۔ بورڈ نے اہمیت کے اصول سے متعلق ایک باضابطہ پالیسی کی منظوری دی ہے، جس کے تحت مالی معلومات کے انکشاف اور رپورٹنگ کے لیے اہمیت کی حد مقرر کی گئی ہے۔ انتظامیہ حکمت عملیوں سے متعلق منصوبوں اور مقاصد سے مطابقت کی بنیاد پر بھی اہم امور کا جائزہ لیتی ہے۔

چیئر مین اور چیف ایگزیکٹو آفیسر کا کردار

چیئر مین اور چیف ایگزیکٹو آفیسر کے کردار ایک دوسرے سے الگ ہیں، ان کی ذمہ داریاں واضح طور پر متعین ہیں اور تقرری کے وقت اس سے آگاہ کیا گیا ہے۔

چیئر مین کا کردار:

- ☆ چیئر مین بورڈ اور شراکت داروں کی جانب سے کمپنی کے امین کے طور پر کام کرتا ہے۔
- ☆ بورڈ آف ڈائریکٹرز کی سربراہی کرتا ہے اور بورڈ کی مؤثر کارکردگی کو یقینی بنانے کا ذمہ دار ہوتا ہے۔
- ☆ کمپنی کے کاروبار کی ترقی اور اس کی ساکھ کے تحفظ کو یقینی بناتا ہے۔
- ☆ تمام اجلاسوں کے طریقہ کار اور عمل کو کنٹرول کرتا ہے، مباحثے اور فیصلوں کی رہنمائی کرتا ہے اور اراکین و عملے کے ساتھ تعلقات کو بہتر بناتا ہے۔
- ☆ بورڈ اور کمپنی کے اندر اعلیٰ ترین کارپوریٹ گورننس معیارات کو فروغ دیتا اور ان کی نگرانی کرتا ہے۔
- ☆ اہم معاملات میں بورڈ ممبران کی دیانت داری، ساکھ، اعتماد اور فعال شرکت کو یقینی بناتا ہے۔
- ☆ بورڈ کے اراکین کے درمیان کسی بھی ممکنہ اختلاف کو حل کرتا ہے اور بورڈ میں اظہار رائے کی آزادی کو یقینی بناتا ہے۔
- ☆ پوری کمپنی میں اعلیٰ اخلاقی، پیشہ ورانہ اقدار اور بہترین گورننس کو فروغ دیتا ہے۔

چیف ایگزیکٹو آفیسر کا کردار:

- ☆ کمپنی کے وژن، مشن اور طویل مدتی اہداف کے حصول کے لیے قائدانہ کردار ادا کرتا ہے۔
- ☆ بورڈ اور انتظامیہ کے درمیان رابطے کا ذریعہ بنتا ہے اور انتظامیہ کی جانب سے بورڈ کو معلومات فراہم کرتا ہے۔
- ☆ کمپنی کے روزمرہ امور کی نگرانی اور طویل مدتی حکمت عملیوں اور منصوبوں کے نفاذ کا ذمہ دار ہوتا ہے۔
- ☆ کمپنی کی کاروباری حکمت عملی کے مطابق مالی اور کاروباری منصوبوں کے نفاذ کی نگرانی کرتا ہے، تنوع اور سرمایہ کاری کے مواقع کی نشاندہی کرتا ہے اور منظوری کے لیے بورڈ کو تجاویز پیش کرتا ہے۔
- ☆ اس بات کو یقینی بناتا ہے کہ تمام حکمت عملیوں اور کاروباری افعال سے متعلق خطرات کو مؤثر انداز میں قابل قبول سطح تک منظم کیا جائے اور تمام اہم مالی و عملی شعبوں میں مؤثر اندرونی کنٹرول کا نظام موجود ہو۔
- ☆ حصص یافتگان، حکومتی اداروں اور عوام کے سامنے کمپنی کی نمائندگی کرتا ہے۔
- ☆ اہداف کے حصول کے لیے قائد اور فیصلہ ساز ہوتا ہے۔
- ☆ پوری کمپنی میں اعلیٰ اخلاقی، پیشہ ورانہ اقدار اور بہترین گورننس کو فروغ دیتا ہے۔

اندرونی مالیاتی کنٹرولز کی کفایت

کمپنی کی انتظامیہ مؤثر اندرونی کنٹرولز اور طریقہ کار کے قیام اور اسے برقرار رکھنے کی ذمہ دار ہے۔ کمپنی نے خطرات کی نشاندہی، ان کی درجہ بندی اور جہاں ضرورت ہو مؤثر تدار کی اقدامات مرتب کرنے کے لیے ایک مضبوط نظام وضع کیا ہے، اور انتظامیہ کے ذریعے تمام شعبوں میں اس کے نفاذ کو یقینی بنایا جاتا ہے۔ بورڈ اندرونی کنٹرول کے پورے نظام کی نگرانی کی مجموعی ذمہ داری سنبھالتا ہے، جس میں اس کی مؤثر کارکردگی بھی شامل ہے۔ یہ نگرانی کا نظام دستاویزی صورت میں موجود ہے، اس سلسلے میں ذمہ داریاں متعین کی گئی ہیں اور ان کی نگرانی کی جاتی ہے۔ اندرونی آڈٹ کا شعبہ بھی انتظامیہ کی معاونت کرتا ہے تاکہ کمپنی کی مالی و عملی

- ☆ بورڈ کی مؤثر کارکردگی: تمام بورڈ ممبران اپنی ذمہ داریوں سے آگاہ ہوں اور ان کی ادائیگی کریں، اور تمام متعلقہ قوانین کی پابندی کریں۔ اہم معاملات غور و خوض کے لیے بورڈ کے سامنے پیش کیے جائیں۔
- ☆ بورڈ کی جوابدہی: بورڈ ممکنہ خطرات، اندرونی نگرانی کی موزونیت اور رسک مینجمنٹ کے طریقہ کار کا جائزہ لیتا ہے۔
- ☆ اسٹریٹیجی اور کارکردگی: بورڈ کمپنی کی حکمت عملیوں اور مالیاتی منصوبوں کے نفاذ کے جائزے کے لیے مناسب وقت صرف کرتا ہے۔
- ☆ تنظیمی ڈھانچہ: بورڈ کے اجلاس اس انداز میں منعقد کیے جاتے ہیں کہ ارکان کے وقت اور مہارتوں کا مؤثر استعمال ہو۔ بروقت فیصلوں کے لیے بورڈ ممبران کو مناسب معاون مواد فراہم کیا جاتا ہے۔
- ☆ اخلاقیات اور تعمیل: بورڈ اس امر کو یقینی بناتا ہے کہ پیشہ ورانہ معیارات اور کارپوریٹ اقدار قائم ہوں، جو بورڈ، اعلیٰ انتظامیہ اور ملازمین میں دیانت داری کو فروغ دیں، جیسا کہ کمپنی کے ضابطہ اخلاق میں بیان کیا گیا ہے۔
- ☆ رسک مینجمنٹ: بورڈ کے پاس کمپنی کے بنیادی خطرات کی نشاندہی اور ان کے باقاعدہ جائزے کے لیے ایک مؤثر نظام موجود ہے، اور اندرونی و بیرونی ماحول میں تبدیلیوں کے پیش نظر ضروری ترامیم کی جاتی ہیں۔
- ☆ بورڈ کی مجموعی کارکردگی کا تعین مذکورہ بالا اور دیگر قابل اطلاق معیارات کی بنیاد پر کیا جاتا ہے۔

ڈائریکٹرز کی تربیت

کمپنی کو کوڈ آف کارپوریٹ گورننس کی ضروریات کا مکمل ادراک ہے۔ اس ضمن میں ایک باضابطہ تربیتی پروگرام منعقد کیا گیا ہے، جس میں دیگر امور کے ساتھ ساتھ کمپنی کے وژن اور حکمت عملیوں، تنظیمی ڈھانچے، ڈائریکٹرز کے کردار، ذمہ داریوں اور اختیارات سے متعلق بریفنگ دی گئی، جیسا کہ کمپنیز ایکٹ، کوڈ آف کارپوریٹ گورننس اور پاکستان میں لاگو دیگر ضابطہ جاتی قوانین میں درج ہے۔

سال کے اختتام پر، ذیل میں ڈائریکٹرز کی تفصیلات دی جا رہی ہیں جو باقاعدہ طور پر سند یافتہ ہیں یا ڈائریکٹرز تربیتی پروگرام سے مستثنیٰ قرار دیے گئے ہیں:

1-	حاجی خدا بخش راجڑ	مستثنیٰ
2-	جناب غلام دستگیر راجڑ	سند یافتہ
3-	جناب غلام حیدر	سند یافتہ
4-	جناب محمد قاسم	سند یافتہ
5-	جناب ایم عبدالجبار	سند یافتہ
6-	جناب محمود عالم	سند یافتہ
7-	محترمہ مصباح	سند یافتہ

چیف ایگزیکٹو آفیسر کی کارکردگی کا جائزہ

ہر سال بورڈ کمپنی کے مشن کے حصول کے لیے اہداف اور حکمت عملیوں کی فہرست مرتب کرتا ہے۔ اس سے یہ جانچنے میں مدد ملتی ہے کہ ہر مقصد کمپنی کی ترقی میں کس حد تک معاون ثابت ہو رہا ہے۔ جن عوامل کا جائزہ لیا جاتا ہے ان میں مشن کی پابندی، قلیل اور طویل مدتی اہداف، طویل مدتی منافع کے حصول کو یقینی بنانا، حصص یافتگان کی سرمایہ کاری کی قدر میں اضافہ، اور بہتر گورننس اور قانونی رپورٹنگ کو یقینی بنانا شامل ہیں۔ اس کے علاوہ چیف ایگزیکٹو آفیسر کی کارکردگی کے جائزے کے لیے ایک علیحدہ سوالنامہ بھی مرتب کیا گیا ہے۔ چیف ایگزیکٹو آفیسر کی کارکردگی کا جائزہ بورڈ کے تمام ڈائریکٹرز انجام دیتے ہیں۔

کارپوریٹ سماجی ذمہ داری کی کمیٹی کے اجلاسوں میں اراکین کی حاضری

زیر نظر مالی سال کے دوران کارپوریٹ سماجی ذمہ داری کی کمیٹی کے دو اجلاس منعقد ہوئے۔ ہر رکن کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	رکن کا نام	عہدہ	شرکت کردہ اجلاس/کل اجلاس
1	جناب غلام دستگیر راجڑ	چیئر مین	2/2
2	جناب محمد قاسم	رکن	2/2
3	محترمہ مصباح	رکن	2/2
4	سید ریحان احمد ہاشمی	رکن	2/2

رسک مینجمنٹ کمیٹی کے اجلاسوں میں اراکین کی حاضری

زیر نظر مالی سال کے دوران رسک مینجمنٹ کمیٹی کے دو اجلاس منعقد ہوئے۔ ہر رکن کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	رکن کا نام	عہدہ	شرکت کردہ اجلاس/کل اجلاس
1	جناب محمود عالم	چیئر مین	2/2
2	حاجی خدا بخش راجڑ	رکن	2/2
3	جناب ایم عبدالجبار	رکن	2/2

بورڈ کی کارکردگی کا جائزہ

کوڈ آف کارپوریٹ گورننس کی تعمیل میں، اس وقت بورڈ نے اپنے ڈائریکٹرز اور کمیٹیوں کی کارکردگی کے جائزے کے لیے خود تشخیصی طریقہ کار کی منظوری دی ہے، جو مباحثے اور سوالات کے ذریعے انجام دیا جاتا ہے اور بورڈ کے دائرہ کار، مقاصد، فرائض، ذمہ داریوں، کمپنی کی کارکردگی اور نگرانی پر توجہ مرکوز رکھتا ہے۔ اس جائزے کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی کارکردگی کو مجموعی کارپوریٹ اہداف، کمپنی کے گورننس ڈھانچے، قانونی اور ضابطہ جاتی تقاضوں کی تعمیل، مواصلات اور معلومات کے نظام، رسک مینجمنٹ، اسٹریٹجک منصوبہ بندی، پالیسیوں کے نفاذ اور شراکت داروں کے ساتھ تعلقات کے حوالے سے جانچا جائے۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے قاعدے کی رو سے، کم از کم ہر تین سال میں بورڈ کی کارکردگی کا کسی بیرونی ادارے کے ذریعے باقاعدہ اور آزادانہ جائزہ لینے کی حوصلہ افزائی کی جاتی ہے، جو کمیشن کی فراہم کردہ ہدایات کے مطابق ہو۔

بورڈ کے جائزے کے معیار

بورڈ کی کارکردگی کے جائزے کے معیارات درج ذیل ہیں:

☆ **بورڈ کی تشکیل:** صنفی توازن، صلاحیتوں، مہارتوں اور فکری تنوع کے مؤثر امتزاج کو یقینی بنانے کی صلاحیت۔ ارکان کی دیانت داری، ساکھ، اعتماد کے قابل ہونا اور فعال شرکت۔

☆ **قیادت اور منصوبہ بندی:** بورڈ کی جانب سے حکمت عملی کی تشکیل پر مناسب وقت صرف کیا جانا، کمپنی کو رہنمائی اور سمت فراہم کرنے کی صلاحیت، وسائل کی دستیابی کا جائزہ، اور انتظامیہ کی جانب سے مقرر کردہ سالانہ اہداف کی نگرانی اور تعاقب کرنا۔

ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	شرکت کردہ اجلاس/کل اجلاس
1	جناب غلام دستگیر راجڑ	چیئر مین	4/4
2	جناب غلام حیدر	چیف ایگزیکٹو	4/3
3	حاجی خدا بخش راجڑ	ڈائریکٹر	4/4
4	جناب ایم عبدالجبار	ڈائریکٹر	4/4
5	جناب محمد قاسم	ڈائریکٹر	4/4
6	جناب محمود عالم	ڈائریکٹر	4/4
7	محترمہ مصباح	ڈائریکٹر	4/4

آڈٹ کمیٹی کے اجلاسوں میں اراکین کی حاضری

زیر نظر مالی سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ ہر رکن کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	رکن کا نام	عہدہ	شرکت کردہ اجلاس/کل اجلاس
1	جناب ایم عبدالجبار	چیئر مین	4/4
2	جناب محمود عالم	رکن	4/4
3	جناب محمد قاسم	رکن	4/4

انسانی وسائل و ادائیگیوں کی کمیٹی کے اجلاسوں میں حاضری

زیر نظر مالی سال کے دوران انسانی وسائل و ادائیگیوں کی کمیٹی کے دو اجلاس منعقد ہوئے۔ ہر رکن کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	رکن کا نام	عہدہ	شرکت کردہ اجلاس/کل اجلاس
1	جناب ایم عبدالجبار	چیئر مین	2/2
2	جناب غلام حیدر	رکن	2/2
3	محترمہ مصباح	رکن	2/2

انفارمیشن ٹیکنالوجی کمیٹی کے اجلاسوں میں اراکین کی حاضری

زیر نظر مالی سال کے دوران انفارمیشن ٹیکنالوجی کمیٹی کے دو اجلاس منعقد ہوئے۔ ہر رکن کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	رکن کا نام	عہدہ	شرکت کردہ اجلاس/کل اجلاس
1	جناب غلام حیدر	چیئر مین	2/2
2	سید ریحان احمد ہاشمی	رکن	2/2
3	جناب شیراز خان	رکن	2/2

انسانی وسائل و ادائیگیوں کی کمیٹی

نمبر شمار	رکن کا نام	عہدہ	زمرہ
1	جناب ایم عبد الجبار	چیئر مین	غیر جانبدار ڈائریکٹر
2	جناب غلام حیدر	رکن	انتظامی ڈائریکٹر
3	محترمہ مصباح	رکن	غیر انتظامی ڈائریکٹر (خاتون)

انفارمیشن ٹیکنالوجی اور اسٹیرنگ کمیٹی

نمبر شمار	رکن کا نام	عہدہ	زمرہ
1	جناب غلام حیدر	چیئر مین	انتظامی ڈائریکٹر
2	سید ریحان احمد ہاشمی	رکن	چیف فنانشل آفیسر
3	جناب شیراز خان	رکن	منیجر، مینجمنٹ انفارمیشن سسٹم

کارپوریٹ سماجی ذمہ داری کی کمیٹی

نمبر شمار	رکن کا نام	عہدہ	زمرہ
1	جناب غلام دستگیر راجڑ	چیئر مین	غیر انتظامی ڈائریکٹر
2	جناب محمد قاسم	رکن	غیر انتظامی ڈائریکٹر
3	محترمہ مصباح	رکن	غیر انتظامی ڈائریکٹر (خاتون)
4	سید ریحان احمد ہاشمی	رکن	چیف فنانشل آفیسر - انتظامیہ کی نمائندگی

رسک مینجمنٹ کمیٹی

نمبر شمار	رکن کا نام	عہدہ	زمرہ
1	جناب محمود عالم	چیئر مین	غیر جانبدار ڈائریکٹر
2	حاجی خدا بخش راجڑ	رکن	انتظامی ڈائریکٹر
3	جناب ایم عبد الجبار	رکن	غیر جانبدار ڈائریکٹر

بورڈ آف ڈائریکٹرز اور کمیٹیوں کی حاضری

بورڈ آف ڈائریکٹرز کے اجلاسوں میں حاضری

زیر نظر مالی سال کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ جو ڈائریکٹرز اجلاس میں شرکت نہ کر سکے، انہیں رخصت غیر حاضری دی گئی تھی۔

کمپنی کا ضابطہ اخلاق

لڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت یہ تقاضا کیا گیا ہے کہ بورڈ آف ڈائریکٹرز اپنے ڈائریکٹرز، اعلیٰ انتظامیہ اور دیگر ملازمین کے لیے ایک باقاعدہ ضابطہ اخلاق مرتب کریں، تاکہ متوقع رویے کی وضاحت کی جاسکے، کمپنی میں اعلیٰ اخلاقی کلچر کو فروغ دیا جاسکے اور بورڈ اور اعلیٰ انتظامیہ کے ارکان کی حیثیت سے مفادات کے ٹکراؤ کو روکا جاسکے۔

اس ضمن میں، کمپنی ایک ایسی تنظیمی ثقافت کو برقرار رکھنے کا ہدف ملحوظ خاطر رکھتی ہے جو شفافیت اور جوابدہی کو فروغ دے، اور ملازمین، صارفین، مالیاتی مارکیٹ، حکومت، ریگولیٹری اداروں اور دیگر شراکت داروں کے ساتھ معاملات میں دیانت داری، سچائی اور مستعدی کو یقینی بنائے۔ بورڈ آف ڈائریکٹرز نے کمپنی کے ”ضابطہ اخلاق“ کی منظوری دے دی ہے، جو رپورٹ ہذا کے ساتھ منسلک بھی ہے اور کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

ڈائریکٹرز کی تعداد

ڈائریکٹرز کی کل تعداد درج ذیل ہے:

(الف) مرد:	چھ
(ب) خواتین:	ایک

بورڈ کی تشکیل

بورڈ کی تشکیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	زمرہ
1	جناب غلام دستگیر راجڑ	چیئر مین	غیر انتظامی ڈائریکٹر
2	جناب غلام حیدر	چیف ایگزیکٹو	انتظامی ڈائریکٹر
3	حاجی خدا بخش راجڑ	انتظامی ڈائریکٹر	انتظامی ڈائریکٹر
4	جناب ایم عبدالجبار	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر
5	جناب محمود عالم	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر
6	جناب محمد قاسم	ڈائریکٹر	غیر انتظامی ڈائریکٹر
7	محترمہ مصباح	ڈائریکٹر	غیر انتظامی ڈائریکٹر - خاتون

بورڈ کمیٹیاں

بورڈ نے مختلف کمیٹیاں تشکیل دی ہیں۔ ان کمیٹیوں کی تشکیل اور تفصیلات درج ذیل ہیں:

آڈٹ کمیٹی

نمبر شمار	رکن کا نام	عہدہ	زمرہ
1	جناب ایم عبدالجبار	چیئر مین	غیر جانبدار ڈائریکٹر
2	جناب محمود عالم	رکن	غیر جانبدار ڈائریکٹر
3	جناب محمد قاسم	رکن	غیر انتظامی ڈائریکٹر

- ☆ کمپنی کے کاروبار کو پیشگی کی بنیاد پر جاری رکھنے کی صلاحیت پر کوئی قابل ذکر شبہ موجود نہیں۔
- ☆ ضوابط میں بیان کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی نمایاں انحراف نہیں کیا گیا۔
- ☆ گزشتہ دس سالوں کے اہم کاروباری امور اور مالیاتی اعداد و شمار خلاصہ کی صورت میں منسلک ہیں۔
- ☆ مالیاتی گوشواروں میں ظاہر کردہ واجبات کے علاوہ کمپنی کے ذمے کوئی دیگر قانونی واجبات بقایا نہیں ہیں، اور ٹیکسز، ڈیویڈنڈ، لیویز اور دیگر چارجز کی ادائیگیاں معمول کے کاروباری طریقہ کار کے مطابق کی جا رہی ہیں۔
- ☆ تمام مستقل اہل ملازمین کے لیے غیر فنڈڈ گریجویٹ اسکیم اور اہل ملازمین کے لیے لیونٹیکسٹ اسکیم نافذ العمل ہے، جو ریٹائرمنٹ یا کمپنی چھوڑنے کے وقت ادا کی جاتی ہے۔ ایکچوریل ویلیویشن یعنی قرین از قیاس امکانات کی بنیاد پر ان واجبات کے لیے سالانہ بنیادوں پر پروویڈنٹس کا اندازہ لگایا جاتا ہے، جن کی تفصیلات مالیاتی گوشواروں کے نوٹس میں دی گئی ہیں۔
- ☆ ترتیب حصص داری رپورٹ ہذا کے ساتھ منسلک ہے۔
- ☆ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت کمپنی اس امر کو یقینی بناتی ہے کہ بورڈ کے تمام ڈائریکٹرز نے ڈائریکٹرز ٹریننگ پروگرام کے تحت مطلوبہ سرٹیفیکیشن حاصل کر لی ہے۔ سال کے اختتام پر بورڈ کے چھ ڈائریکٹرز سرٹیفیکیشن کے حامل ہیں، جبکہ حاجی خدا بخش راجر مقررہ تعلیم اور مطلوبہ تجربہ رکھنے کے باعث مذکورہ ضوابط کے تحت اسٹیٹ کے اہل ہیں، لہذا وہ ڈائریکٹرز ٹریننگ پروگرام میں شرکت سے مستثنیٰ ہیں۔
- ☆ بورڈ اپنی اور اپنی کمیٹیوں کی کارکردگی کو مسلسل بہتر بنانے کے لیے کوشاں رہتا ہے۔ کارپوریٹ گورننس کوڈ کے تحت سالانہ بنیادوں پر بورڈ اور اس کی کمیٹیوں کی کارکردگی کے جائزے کے لیے طریقہ کار وضع کیا گیا ہے۔ بورڈ کارپوریٹ گورننس میں ہونے والی پیش رفت کا بھی جائزہ بھی لیتا رہتا ہے تاکہ کمپنی ہمیشہ کارپوریٹ گورننس کے بہترین طریقہ کار سے ہم آہنگ رہے۔
- ☆ ترتیب حصص داری میں ظاہر کردہ معلومات کے علاوہ، ہماری بہترین معلومات کے مطابق، سال کے دوران ڈائریکٹرز، ایگزیکٹوز، ان کے شریک حیات اور نابالغ بچوں نے کمپنی کے حصص کی کوئی دیگر خرید و فروخت نہیں کی۔
- ☆ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق سال کے لیے اسٹیٹمنٹ آف کمپلائنس رپورٹ یعنی کارپوریٹ گورننس کے سنہرے اصولوں کی پاسداری سے متعلق بیان رپورٹ ہذا کے ساتھ منسلک ہے۔

کارپوریٹ گورننس اور بہترین کارپوریٹ گورننس طریقہ کار کی پابندی

کمپنی کی ایک طویل تاریخ ہے جس میں اعلیٰ اخلاقی معیارات کی پاسداری کی گئی ہے، اور آئندہ بھی ان معیارات کو برقرار رکھا جائے گا۔ بورڈ موجودہ طریقہ کار کو مسلسل جانچتے ہوئے بہتری کے سفر کی سمت متعین کرتا ہے، اور کمپنی کی سرگرمیوں کی درست رہنمائی اور موثر کنٹرول کے لیے امانتی اور بنیادی ذمہ داریوں کا مکمل ادراک رکھتا ہے۔ اس ذمہ داری کے تحت کمپنی کے کاروباری خطرات کی نشاندہی کرنا اور ان پر قابو پانا، انفارمیشن مینجمنٹ سسٹم میں دیانت داری کو یقینی بنانا، اور حصص یافتگان کو شفاف رپورٹنگ فراہم کرنا شامل ہیں۔

کمپنی کا کارپوریٹ گورننس ڈھانچہ کمپنی کے میمورنڈم و آرٹیکلز آف ایسوسی ایشن کے ساتھ ساتھ ان تمام قانونی، ضابطہ جاتی اور دیگر تقاضوں پر مبنی ہے جو پاکستان اسٹاک ایکسچینج میں لسٹڈ کمپنیوں پر لاگو ہوتے ہیں۔ اس ڈھانچے کو متعدد اندرونی طریقہ کار کے ذریعے مزید مضبوط اور مربوط بنایا گیا ہے، جن میں رسک کا اندازہ لگانا اور کنٹرول سسٹم، نیز قابل اطلاق قوانین، ضوابط اور کمپنی کے ضابطہ اخلاق کی تعمیل کو یقینی بنانے کے لیے یقین دہانی کا نظام شامل ہے۔

فروخت پر مینوفیکچررز سے وصول اور حکومت کو ادا کی جانے والی فیڈرل ایکسائز ڈیوٹی (FED) کا براہ راست اثر مہنگائی میں اضافے کی صورت میں ظاہر ہوتا ہے، جو بالآخر شوگر انڈسٹری پر بوجھ بنتا ہے۔ ذیلی مصنوعات یعنی مولا س کی فروخت تقریباً گزشتہ سال کے برابر مقدار میں کی گئی، تاہم اس کی فروخت کی شرح میں تقابلی سال کے مقابلے میں کمی واقع ہوئی۔ اسی طرح بیگاس بھی تقریباً اسی مقدار میں فروخت کی گئی، جبکہ اس کی فروخت کی شرح میں تقابلی مدت کے مقابلے میں اضافہ ہوا۔ شوگر انڈسٹری کے لیے جاری کرشنگ سیزن 2024-25 کے دوران ڈی ریگولیشن پالیسی کے تحت صوبائی حکومتوں نے گنے کی کم از کم امدادی قیمتوں کا اعلان نہیں کیا اور قیمتوں کا تعین مارکیٹ فورسز پر چھوڑ دیا گیا۔ کمپنی نے گنا مروجہ مارکیٹ قیمتوں پر خرید اور کاشتکاروں کو مسابقتی نرخ ادا کیے۔

فیڈرل بورڈ آف ریونیو نے 8 اپریل 2025 کو ایس آر او 2025/1/577 جاری کیا، جس میں چینی پر سیلز ٹیکس وصول کرنے کا طریقہ کار وضع کیا گیا ہے، جس پر تمام شوگر ملوں کو عمل کرنا لازم ہے۔ یہ طریقہ کار کمپنی کے منافع اور نقد رقوم کی ترسیل پر منفی اثر ڈالتا ہے۔

دیگر وصولی رقوم

ٹریڈ و پلمینٹ اتھارٹی آف پاکستان سے واجب الادا رقم اور مزید سیلز ٹیکس 2013 اور اس کے بعد کے سالوں سے بقایا چلا آ رہا تھا۔ انتظامیہ نے متعلقہ فورمز کے ذریعے ان رقوم کی وصولی کی کوشش کی، تاہم اب انتظامیہ کو ان کی وصولی کی کوئی امید نہیں رہی اور اس رائے کی حامل ہے کہ ان رقوم کو کھدف (رائٹ آف) کر دیا جانا چاہیے۔ چنانچہ بورڈ آف ڈائریکٹرز کی منظوری کے بعد ان واجب الوصول رقوم کو ختم کر دیا گیا، جیسا کہ مالیاتی گوشواروں کے نوٹ 12 میں ظاہر کیا گیا ہے۔

آڈیٹرز کی رپورٹ پر تبصرہ

کمپنی کے قانونی آڈیٹرز نے اپنی رپورٹ میں سیزن 2017-18 کے لیے فی من گنا 22 روپے کی عدم فراہمی (نان پروویشن) کے معاملے کو اجاگر کیا ہے۔ اس ضمن میں ہم آپ کو آگاہ کرنا ضروری سمجھتے ہیں کہ کمپنی کے مالیاتی گوشوارے معزز سندھ ہائی کورٹ کے عبوری حکم، جو تمام شراکت داروں کی رضامندی سے جاری کیا گیا تھا، کی روشنی میں فی 40 کلوگرام گنا 160 روپے کی قیمت پر تیار کیے گئے ہیں۔ ہمیں امید ہے کہ شوگر انڈسٹری کی مسلسل دباؤ کا شکار معاشی صورتحال کو مد نظر رکھتے ہوئے معزز عدالتوں کا حتمی فیصلہ بھی اسی رضامندی کے حکم کے مطابق ہوگا۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق بیان

بورڈ آف ڈائریکٹرز اور کمپنی کا رپورٹنگ گورننس کے سنہرے اصولوں پر عملدرآمد کرنے پر مکمل یقین رکھتے ہیں، جن میں شفافیت اور معاملات کے انکشافات پر خصوصی زور دیا جاتا ہے۔ بورڈ اور انتظامیہ اپنی ذمہ داریوں سے بخوبی آگاہ ہیں اور مالی وغیرہ مالی معلومات کی درستگی، جامعیت اور شفافیت کو بہتر بنانے کے لیے کمپنی کی کارکردگی اور آپریشنز کی نگرانی کرتے رہتے ہیں۔

کمپنی کا رپورٹنگ گورننس کی مکمل پابندی کرتی ہے اور لسٹنگ ریگولیشنز کے قواعد کے عین مطابق درج ذیل مخصوص بیانات پیش کیے جا رہے ہیں:

- ☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کی مالی حالت، کاروباری معاملات کے نتائج، نقد رقوم کی ترسیل اور ایکویٹی میں تبدیلیوں کی درست عکاسی کرتے ہیں۔

- ☆ کمپنی کے حسابات کی مناسب اور باقاعدہ کتب محفوظ رکھی گئی ہیں۔
- ☆ مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا تسلسل کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلوں پر مبنی ہیں۔
- ☆ مالیاتی گوشواروں کی تیاری میں، پاکستان میں مروجہ اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) پر عمل کیا گیا ہے اور ان سے کسی قسم کا انحراف نہیں کیا گیا۔

- ☆ اندرونی کنٹرول کا نظام ساخت کے اعتبار سے مضبوط ہے اور مؤثر طریقے سے نافذ کیا گیا ہے، نیز اس کی مسلسل نگرانی کی جا رہی ہے۔

آپریٹنگ نتائج اور ان کا جائزہ

2023-24	2024	سیزن کا آغاز
12 نومبر 2023	21 نومبر 2024	گنے کی پسائی (میٹرک ٹن)
515,994.296	464,266.434	چینی کی پیداوار (میٹرک ٹن)
52,293.500	46,023.000	ریکوری کی شرح
10.135	9.920	سیزن کا دورانیہ
95	96	

کمپنی گزشتہ کرشنگ سیزن کے دوران 515,994.296 میٹرک ٹن گنے کے مقابلے میں رواں کرشنگ سیزن میں 464,266.434 میٹرک ٹن گنا کرش کرنے میں کامیاب رہی۔ یومیہ اوسط کرشنگ گزشتہ سیزن کے 5,431.519 میٹرک ٹن فی دن کے مقابلے میں کم ہو کر 4,836.108 میٹرک ٹن فی دن رہ گئی۔ کمپنی نے 9.920 فیصد ریکوری ریٹ کے ساتھ 46,023.000 میٹرک ٹن چینی پیدا کی، جبکہ گزشتہ کرشنگ سیزن میں 10.135 فیصد ریکوری ریٹ کے ساتھ 52,293.500 میٹرک ٹن چینی تیار کی گئی تھی۔ کرشنگ اور ریکوری میں کمی کی بنیادی وجوہات کم پیداوار اور گنے کے ناقص معیار تھیں۔

مالیاتی نتائج اور ان کا جائزہ

30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے اہم مالیاتی اعداد و شمار، اور اسی مدت کے گزشتہ مالی سال کے تقابلی اعداد و شمار، ذیل میں خلاصہ کی صورت میں پیش کیے جا رہے ہیں:

2024	2025	
..... روپے ہزاروں میں		
(80,321)	245,598	منافع/(نقصان) قبل از لیوز و ٹیکس
(79,387)	—	لیویز
(159,708)	245,598	منافع/(نقصان) قبل از ٹیکس
20,048	(102,912)	ٹیکس
(139,660)	142,686	منافع/(نقصان) بعد از ٹیکس
(11.69)	11.94	آمدن/(نقصان) فی حصص - بنیادی و تحلیلی (روپوں میں)

سال کے دوران، کمپنی کا مجموعی منافع گزشتہ متعلقہ مالی سال کے مقابلے میں 88.53 فیصد اضافہ ہوا، جس کے نتیجے میں لیویز اور ٹیکس سے قبل منافع 245,598 ہزار روپے رہا، جبکہ گزشتہ سال لیویز اور ٹیکس سے قبل 80,321 ہزار روپے کا نقصان ہوا تھا۔ کمپنی کی مقامی چینی کی فروخت میں 24.45 فیصد اضافہ ہوا، جبکہ اسی مدت کے مقابلے میں اوسط کی بنیاد پر پیداواری لاگت میں بھی 8.47 فیصد اضافہ ہوا۔ چینی کی برآمدی فروخت نے بھی کمپنی کے مالی نتائج، نقد رقم کی ترسیل، سیلز ٹیکس اور فیڈرل ایکسائز ڈیوٹی (FED) میں بچت کی صورت میں مثبت کردار ادا کیا۔ مزید برآں، مقامی سطح پر چینی کی

ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ 40 ویں سالانہ رپورٹ پیش کر رہے ہیں۔

کمپنی کی بنیادی سرگرمیاں

کمپنی بنیادی طور پر چینی کی تیاری اور فروخت اور اس کی ضمنی مصنوعات یعنی مولا س اور بیگاس کی فروخت میں مصروف ہے۔ کمپنی نے بیگاس سے چلنے والا بجلی پیدا کرنے کا نظام بھی نصب کیا ہوا ہے تاکہ سیزن کے دوران جب بھی زائد بجلی دستیاب ہو، اسے فروخت کیا جاسکے۔ کمپنی کی پیداواری تنصیبات ساگھڑ سندھڑی روڈ، دیہہ کہوڑ، ضلع ساگھڑ، صوبہ سندھ میں واقع ہیں۔

چینی کی صنعت کا جائزہ

چینی محض ایک تجارتی شے نہیں بلکہ روزمرہ زندگی کی ایک بنیادی ضرورت ہے

گنا، کپاس کے بعد پاکستان کی دوسری سب سے اہم فصل ہے، جولاہوں افراد کے روزگار کا ذریعہ ہے اور دیہی معیشتوں کی تشکیل میں کلیدی کردار ادا کرتا ہے۔ عالمی سطح پر چینی کی پیداوار کا تقریباً 80 فیصد حصہ گنے سے حاصل ہوتا ہے جبکہ باقی چینی چتدر سے تیار کی جاتی ہے۔ پاکستان میں سالانہ تقریباً 84 ملین ٹن گنا پیدا کیا جاتا ہے۔ یہ فصل تقریباً 1.2 ملین ہیکٹر رقبے پر کاشت کی جاتی ہے، جس کی فی ہیکٹر پیداوار 70 سے 100 ٹن کے درمیان ہوتی ہے۔ پنجاب اس پیداوار میں سرفہرست ہے جہاں تقریباً 55.9 ملین ٹن گنا پیدا ہوتا ہے، جبکہ سندھ 21.7 ملین ٹن کے ساتھ دوسرے نمبر پر ہے۔ اس پیداوار سے ملک کی شوگر ملز سالانہ تقریباً 6.6 ملین ٹن چینی تیار کرتی ہیں، جو اوسطاً 9.5 فیصد سے 10.5 فیصد تک سکروزی ریکوری ریٹ پر مشتمل ہے۔ معاشی اعتبار سے، گنا پاکستان کی مجموعی قومی پیداوار (GDP) میں تقریباً 0.7 فیصد حصہ ڈالتا ہے۔ اس کی ضمنی مصنوعات، بیگاس اور مولا س، دیگر صنعتوں کے لیے ایندھن کا کام دیتی ہیں۔ مالی سال 2024-25 کے دوران، شوگر ملز نے تقریباً 24 ملین ٹن بیگاس پیدا کیا، جو ایک ریشہ دار ضمنی پیداوار ہے اور بجلی پیدا کرنے کے لیے استعمال ہوتی ہے، جس سے قومی گرڈ پر انحصار کم ہوتا ہے۔ مولا س، جو گنے کے وزن کا تقریباً 5 فیصد ہوتا ہے، ڈسٹریز میں استعمال ہونے کے علاوہ جانوروں کی خوراک کی صنعت کو فراہم کیا جاتا ہے۔

کسانوں کے لیے، خاص طور پر پنجاب اور سندھ میں، گنا ایک اہم نقد آور فصل ہے۔ تاریخی طور پر وہ حکومت کی مقرر کردہ امدادی قیمتوں پر انحصار کرتے رہے ہیں۔ تاہم 2024-25 میں، آئی ایم ایف کے تحت کیے گئے ڈی ریگولیشن معاہدے کے نتیجے میں یہ امدادی نظام ختم کر دیا گیا، جس سے کاشتکاروں کو مارکیٹ کی قوتوں کے رحم و کرم پر چھوڑ دیا گیا، بالکل اسی طرح جیسے شوگر انڈسٹری چینی کی فروخت میں مارکیٹ فورسز کے تابع ہے۔

پاکستان کی شوگر انڈسٹری میں، شوگر ملوں کو درپیش مسائل کا ایک نہ ختم ہونے والا طوفان اکثر انہیں بندش پر مجبور کر دیتا ہے۔ خام مال، مزدوری اور دیگر ضمنی اخراجات میں تیزی سے اضافہ، غیر یقینی چینی قیمتوں سے متصادم ہے، جس سے وہ چھوٹی ملیں شدید دباؤ میں آ جاتی ہیں جو پہلے ہی قرضوں یا ادائیگیوں میں تاخیر کا شکار ہوتی ہیں۔

Report on Corporate Social Responsibility

For the Year Ended September 30, 2025

Dear Members,

Being the Country's responsible corporate entity, Sanghar Sugar Mills Limited (the Company) gives back to society to help and build a sustainable tomorrow. As per Code of Conduct, which confirms the commitment to respecting fundamental human rights and treating employees, customers and all internal & external stakeholders with fairness, equality and respect in order to foster an open, transparent and trusting environment which is free from prejudice, discrimination, bias, harassment & violation.

With the aim to contribute to societal goals of a philanthropic, or charitable nature by engaging in or supporting volunteering or ethically oriented practices, contributed meaningfully to the society, environment and national causes by creating opportunities for its employees to participate in socially responsible initiatives, allocating a budget approved by the Board, establishing an implementation & monitoring mechanism for CSR initiatives.

Undertake activities in a manner that exhibits responsibility towards the environment & society which complements core business strategy and corporate values. The Company is committed to manage the social, environmental and economic effects of its operations responsibly and in line with public expectations.

The Company is playing an active role in supporting sustainable community and social development of Pakistan and its people. The Company believes in the creation of shared economic and social value across the country. This following Report updates the stakeholders about the steps taken by the Company to ensure compliance:

Education:

Sustainable Development Goal:

- **Gender Equality**
- **Decent Work & Economic Growth**
- **Quality Education**

The Company ensures that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes and also ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.

With the aim of paving the way for a brighter future and to alleviate illiteracy in the rural areas of the Country, the Company has launched education program through Al-Qalam Education System, Sanghar established in 2008 and is providing education facilities at the premises adjacent to the Mills' Employees' Colony by upgrading education facilities and provide safe, non-violent, inclusive and effective learning environments for all by the qualified staff on concessional basis to the children of the factory employees and persons living nearby in rural areas. The primary aim of the education program is to make education accessible and affordable for talented students especially from the rural areas regardless of their financial background.

The Education started from a single class room of Kindergarten with admission of 10 students. Now, grows up-to class 8th having total strength of 233 students, which includes 134 male and 99 female students and having 12 teaching staff and 2 non-teaching staff, appointed for the purpose of education in which 1 is male and 13 are female. 25 Students belongs to the Employee's families and 208 belongs to families living nearby areas. Subsidized fee has been taken from all students of School and even more fee concession has been given to 25 Students, which includes 11 male and 14 female students.

The premises of education is having beautiful infrastructure, neat and clean environment with availability of all basic facilities within covered premises viz large size ventilated class rooms, computer lab, laboratory, playground, tuck shop and uninterrupted power supply.

Main emphasis to run the school is to help poor people of the area, to encourage girl's education, to inspire students to internalize Islamic education in their social growth, attaining self-actualization. Education in remote areas is a big challenges specially those who are not able to afford the expenses of such a qualitative, modern

education nearer to their door step. In addition to above, various events are being organized like Annual Sports Day, Parent's Day etc.

Medical & Health Care:

Sustainable Development Goal:

- Good Health & Well Being

The Company has made a significant contribution in Medical & Health Care. In this regards, physical along-with financial support was extended towards the treatment of eye diseases and treatment of blood diseases etc. Employees' physical and emotional health are also prioritized. Employees also participated from different departments in Firefighting & First-Aid training.

The Management has conducted "Annual Free Eye Camp" for two days. The Camp was held on February 01, 2025 and February 02, 2025 at the premises of the Factory. In free camp, checkup of over 1,384 outpatients were conducted and operations of 548 patients were conducted in which 2 were employees of the Company and 546 were persons living nearby the Company.

The Operations were satisfactorily done including lenses replacements and fixation as per our past practice by the famous eye surgeons and their technicians having strength of 3 Surgeons, 1 Doctor, 11 Technicians and 82 other staff and volunteers were the team members. Before the launch of camp, an advertisement campaign was made through radio, cable, social media & pamphlets for the information of needy persons. Free pick and drop arrangement was made for the patients and caring persons from the areas of Sanghar, Perumal and Mirpurkhas division. Free arrangements of accommodation and food was arranged for patients, care takers, doctors and their staff. The whole camp was financed by the Company and as well as by the Executives personally.

Employees and their families enjoy play area facility. The Company has arranged sports / recreational activities to improve the overall health of employees, which allows to interact with each other, developing a positive corporate culture, wellbeing advantages, enhance self-esteem and making work more Entertaining Medical examinations are usually conducted for early detection of work-related medical illnesses, so measures can be taken to prevent serious disability or other health hazard.

The Company is responsive to make efforts to minimize the accidental risks, have necessary medical facilities and continuously strive to improve greenery and maintain clean and safe environment around the Mills, better housekeeping, safeguarding the health of employees and application of the principles of safety in its operations, the consumers and public at large by following the rules and regulations in this regard. The Company is running dispensary through a qualified and experienced doctors for its employees and for persons living in adjoining areas. A doctor and paramedical assistant are available at the factory.

The Company is contributing through financial donations to the "Kidney Dialysis Centre - Sanghar" as and when seems necessary.

Purified Drinking Water & Waste Water:

Sustainable Development Goal:

- Clean Water & Sanitation**
- Good Health & Well Being**

The Company continues to engage in supporting initiatives for water and environmental sustainability, both at business and at community level. The Company endeavors to continuously improve its processes and systems to reduce its water usage and also engages with the community and external institutions to support water and environmental initiatives. The Company focuses on water and environmental sustainability with;

- Continuous improvement in our processes and systems to reduce our water usage - each year has to be better than the previous.
- Community clean water supply schemes - Water filtration plants for communities living around us.

The Company has achieved universal and equitable access to safe and affordable drinking water for all, ensures supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity and strengthen the participation of local communities in improving water and sanitation management.

Therefore, the Company have made arrangement for the Reverse Osmosis Plant having capacity of 5000 Gallons per day for Mills and surrounding area residents to provide clean and purified drinking water.

Community & Social Development:

Sustainable Development Goal:

- **Zero Hunger**
- **No Poverty**

The Company's efforts have primarily on improving the social conditions of the Communities and employees related to the Company by establishing fair working conditions, ensuring occupational safety, setting social standard, establishing minimum wages, zero tolerance on child labor and forced labor etc. Support the sugarcane growers of the area and provide better quality seeds and fertilizers to achieve improvement in quality of sugarcane and enhance its quantity and productivity in order to have regular, constant and better supply in future the major basic raw material for sugar mills.

The management prefers to hire from local communities in the surrounding areas in order to generate / upgrade livelihoods and the major focus is on education, health and welfare for the underprivileged particularly in that areas.

Tree Plantation:

Sustainable Development Goal:

- **Sustainable Cities and Communities**
- **Life on Land**
- **Climate Change**

Tree plantation is part of our main project of CSR activities. The Company has established green house at the premises of Factory where we have facilities to grow the plants and research on them based on the local atmosphere of Sanghar. Continuing the effort to contribute in conserving the environment, a tree plantation drive was initiated in which free trees were distributed amongst employees in an effort to make Pakistan greener and environment friendly. Like every year employees were briefed about the significance of tree plantation and were encouraged to plant trees within their vicinity.

We have planted several trees in the premises of Factory and nearby areas and distribute amongst the staff to plant them, at their living areas to make environment clean and green.

The Company's Goal is to plant 5,000 + trees in 2025-26 and 3,000 + plants have been planted in and out areas of Factory.

Human Resource Management:

Sustainable Development Goal:

- **Decent Work & Economic Growth**
- **Reduced Inequalities**
- **Gender Equality**

Employees:

There are policies and procedures which demonstrate the Human Resource department, a philosophy of fair and transparent appointments on the basis of merit and give objective of performance evaluation, which ultimately results in the increments, promotions, bonuses and cash awards. Being social responsible, the Company gives importance on providing an opportunity with dignity to people with special needs who are trained to serve the Company as a valuable human capital. The Company treats all employees fairly and compensates them according to the industry practice. The Company provides the benefits such as perquisites, annual leaves, pick and drop, facility of mess, safe and healthy working conditions etc along-with group insurance, making payments to Employees Old Age Benefits Institution, Sindh Employees Social Security Institution.

The Company is committed to maintaining the principles of integrity and trust with respect to privacy of the employees of the Company.

An apprentice training program is in place to provide vocational training to deserving individuals. The program enables youths to develop skills and knowledge of manufacturing processes.

Specially-Abled Persons:

The management of the Company encourages employment of workforce i.e. special person employees living in the rural areas in order to yield significant gain and uplift their living standard. Currently, the management has appointed 16 specially-abled persons as an employee of the Company in which 2 are deaf & dumb, 2 have stammered, 1 is accident case, 5 have one eye damaged, 2 have artificial foot, 4 have polio.

Women Empowerment:

The Company is in the process to strengthen and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all level and ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life. Currently, at the top position, one female has been appointed as Non-Executive Director and became the part of the Board.

Contribution Towards Economy & Government:**Sustainable Development Goal:**

- **Industry Innovation & Infrastructure**
- **Affordable & Clean Energy**

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

Pakistan is facing severe energy crises, this is resulting in load-shedding and power shutdowns in all sectors, whether industrial or residential. Considering the importance of energy, the Company has been heavily investing in power generation, which includes installation of equipment & machinery, with our manufacturing area for our in- house consumption.

Assistance To Families:**Sustainable Development Goal:**

- **No Poverty**
- **Zero Hunger**

The Company has always been active in supporting and providing humanitarian assistance to communities by providing food, where staff also participates as volunteers in delivering the goods.

During the month of Ramadan, in co-ordination with District Administration Sanghar, six sugar stalls were run in six locations of District Sanghar. The Company has charged Rs. 130 per kg against the retail price of Rs. 160 per kg and the Company has given two kg per person at concessional rate. Total 18,800 kg sugar has been sold to 9,400 persons of the District Sanghar.

Environment Protection:**Sustainable Development Goal:**

- **Industry Innovation & Infrastructure**
- **Responsible Consumption & Production**
- **Life on Land**

The Company has developed water and sanitation related activities and programs, including water harvesting, desalination, water efficiency, waste water treatment, recycling and reuse technologies, therefore, the Company has finalized arrangement for the treatment of waste-water, through Activated Sludge Process (Chemical + Biology) process at Mills to meet the SEQs requirements of Sindh Environmental Protection Agency.

Final discharge to Effluent water is treated and closely monitored and periodically tested to ensure fully compliance with SEQS. Overall water consumption has been decreased from previous year. Up-gradation of waste water recycling plant has been made to enhance recycling process. Liquid effluent is treated in an Effluent Treatment Plant (ETP) that is operated through Standard Operating Procedures. Both in-house and

external testing are being carried out to comply with the National Standards. The final environmental hazardous properties of effluents are controlled periodically and ensured to comply with SEQS before final discharge.

Solar Power Generation:**Sustainable Development Goal:**

- **Responsible Consumption**
- **Industry Innovation & Infrastructure**
- **Affordable & Clean Energy**

The Company has installed 10 KW Solar System for offices of Accounts, Admin, Information Technology and Cane Departments. Small individual solar systems have also been installed at the Mess Area, Ware House and 20 Family Quarters of Mill Employees having total capacity of 5 KW.

We have also installed 50 KW Solar Power Generation System for the main factory area and workshop to smoothly run the repair & maintenance during off-season with-out interruption and to curtail usage of diesel generators as well as to reduce purchase of electricity from WAPDA.

Corporate Social Responsibility Plans:**Sustainable Development Goal:**

- **Responsible Consumption**
- **Industry Innovation & Infrastructure**
- **Affordable & Clean Energy**
- **Good Health**

Our company has a strong sense of Corporate Social Responsibility and we are committed to support the areas of women empowerment, education, health, and community development. Our aim is to increase our contribution every year towards social responsibilities for creating a positive social impact.

The Company has plan to conduct a two days free eye camp in the month of February 2026 for employees and persons living nearby.

The Company has planned to install the Solar Power throughout the Mills premises for own consumption, in different phases and our plan is to install 250 KW Solar Power Generation System, in phases, for the main factory area and workshop to smoothly run the repair & maintenance during off-season with-out interruption and to curtail usage of diesel generators. Currently, we have installed the solar powers at some areas of Offices, Hostel, Messes and Employees Colony.

During season the Company's power appliances and plant & machinery are running on own power generation and the power generation through solar will be transferred to Hyderabad Electric Supply Corporation with the permission of National Electric Power Regulatory Authority through Net Metering and this will give benefit during off season through adjustment in HESCO bills, the matter of approvals from authorities are in process and will be completed soon.

Donations & Expenditures Incurred:

The expenditures incurred on Corporate Social Responsibility activities are disclosed in notes to the financial statements under the heading of "Other Operating Cost".

Further, the Company has donating sugar bags on routine basis to the foundation of Deaf & Dumb Children for their consumption. Furthermore, the Company has also contributed for installation of solar plant for use in supplying purified drinking water.

Ghulam Dastagir Rajar

Chairman

Corporate Social Responsibility Committee

Karachi: December 31, 2025

کارپوریٹ سماجی ذمہ داری کے منصوبے:

پائیدار ترقی کے اہداف:

- ذمہ دارانہ کھپت

- صنعت، جدت اور انفراسٹرکچر

- سستی اور صاف توانائی

- اچھی صحت

ہماری کمپنی میں کارپوریٹ سماجی ذمہ داری سے مکمل طور پر آگاہ ہے اور ہم خواتین کو بااختیار بنانے، تعلیم، صحت اور کمیونٹی کی ترقی کے شعبوں کی معاونت کے لیے پرعزم ہیں۔ ہمارا مقصد ہر سال سماجی ذمہ داریوں کے حوالے سے اپنی شراکت میں اضافہ کرنا ہے تاکہ مثبت سماجی اثرات پیدا کیے جاسکیں۔ کمپنی نے فروری 2026 میں ملازمین اور قریبی علاقوں میں رہنے والے افراد کے لیے دوروزہ مفت آئی کیپ منعقد کرنے کا منصوبہ بنایا ہے۔ کمپنی نے ملز کے پورے احاطے میں اپنی ضرورت کے لیے مختلف مراحل میں شمسی توانائی نصب کرنے کا منصوبہ بنایا ہے، اور ہمارا منصوبہ ہے کہ مرکزی فیکٹری ایریا اور ورکشاپ کے لیے مرحلہ وار 250 کلو واٹ شمسی توانائی کا نظام نصب کیا جائے تاکہ آف سیزن میں مرمت اور دیکھ بھال کا کام بغیر رکاوٹ کے جاری رہے اور ڈیزل جنریٹرز کے استعمال میں کمی آئے۔ فی الحال دفاتر، ہاسٹل، مطعم کے علاقوں اور ملازمین کی کالونی کے کچھ حصوں میں شمسی نظام نصب کیے جا چکے ہیں۔ سیزن کے دوران کمپنی کے برقی آلات اور پلانٹ و مشینری اپنی بجلی کی پیداوار پر چلتے ہیں، جبکہ شمسی توانائی سے پیدا ہونے والی بجلی نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی کی اجازت سے میٹ میٹرنگ کے ذریعے حیدرآباد الیکٹرک سپلائی کارپوریشن کو منتقل کی جائے گی، جس سے آف سیزن میں HESCO کے بلوں میں ایڈجسٹمنٹ کے ذریعے فائدہ حاصل ہوگا۔ متعلقہ اداروں سے منظوری کا عمل جاری ہے اور جلد مکمل ہو جائے گا۔ زیادہ قابل اعتماد، کم لاگت اور ماحول دوست توانائی کے ذرائع سے توانائی کے امتزاج میں اضافہ، خام پانی کی دستیابی میں بہتری، اور معیار کو متاثر کرنے والے عوامل پر کنٹرول بڑھا کر مصنوعات کے معیار میں بہتری لانا ہمارے مقاصد میں شامل ہے۔

عطیات اور اخراجات:

کارپوریٹ سماجی ذمہ داری کی سرگرمیوں پر ہونے والے اخراجات کو مالی گوشواروں کے نوٹس میں، دیگر کاروباری اخراجات کے عنوان کے تحت ظاہر کیا گیا ہے۔ مزید برآں، کمپنی معمول کے مطابق گونگے اور بہرے بچوں کی فاؤنڈیشن کو استعمال کے لیے چینی کے تھیلے عطیہ کرتی رہی ہے۔ اس کے علاوہ، کمپنی نے صاف پینے کا پانی فراہم کرنے کے لیے شمسی پلانٹ کی تنصیب میں بھی مالی تعاون کیا ہے۔

غلام دستگیر راجڑ

چیرمین

کارپوریٹ سماجی ذمہ داری کمیٹی

کراچی: دسمبر 31، 2025

رمضان المبارک کے مہینے میں، ضلع انتظامیہ ساگھڑ کے تعاون سے ضلع ساگھڑ کے چھ مختلف مقامات پر چھ چینی کے اسٹال لگائے گئے۔ کمپنی نے فی کلو چینی 160 روپے کی خوردہ قیمت کے مقابلے میں 130 روپے فی کلو کے حساب سے فراہم کی، اور فی فرد دو کلو چینی رعایتی نرخ پر دی گئی۔ مجموعی طور پر 18,800 کلو گرام چینی ضلع ساگھڑ کے 9,400 افراد کو فروخت کی گئی۔

ماحولیاتی تحفظ:

پائیدار ترقی کے اہداف:

- صنعت، جدت اور انفراسٹرکچر

- ذمہ دارانہ کھپت اور پیداوار

- زمینی حیات

کمپنی نے پانی اور صفائی سے متعلق سرگرمیاں اور پروگرام تیار کیے ہیں، جن میں بارش کے پانی کو محفوظ کرنا، نمکین پانی کو قابل استعمال بنانا، پانی کے مؤثر استعمال، گندے پانی کے علاج، ری سائیکلنگ اور دوبارہ استعمال کی ٹیکنالوجیز شامل ہیں۔ اسی وجہ سے کمپنی نے سندھ انوائرنمنٹل پروٹیکشن ایجنسی کے SEQS تقاضوں کو پورا کرنے کے لیے ملز میں ایکٹیو بیڈ سٹریٹجی پروسیس (کیمیائی + حیاتیاتی) کے ذریعے گندے پانی کے علاج کا حتمی انتظام کیا ہے۔ اخراج سے قبل گندے پانی کو مکمل طور پر صاف کیا جاتا ہے اور اس کی کڑی نگرانی اور باقاعدہ جانچ کی جاتی ہے تاکہ ایس ای کیوز (SEQS) کی مکمل تعمیل یقینی بنائی جاسکے۔ مجموعی پانی کے استعمال میں گزشتہ سال کی نسبت کمی آئی ہے۔ ری سائیکلنگ کے عمل کو بہتر بنانے کے لیے ویسٹ واٹرری سائیکلنگ پلانٹ کو اپ گریڈ کیا گیا ہے۔ مائع فضلہ ایک ایفلوینٹ ٹریٹمنٹ پلانٹ (ETP) میں معیاری عملی طریقہ کار کے تحت صاف کیا جاتا ہے۔ قومی معیارات کی تعمیل کے لیے اندرونی اور بیرونی دونوں طرح کی جانچ جاری ہے۔ حتمی اخراج سے قبل فضلے کی ماحولیاتی خطرناک خصوصیات کو باقاعدگی سے کنٹرول اور ایس ای کیوز (SEQS) کے مطابق ہونے کو یقینی بنایا جاتا ہے۔

شمسی توانائی کی پیداوار:

پائیدار ترقی کے اہداف:

- ذمہ دارانہ کھپت

- صنعت، جدت اور انفراسٹرکچر

- سستی اور صاف توانائی

سال کے دوران، کمپنی نے اکاؤنٹس، ایڈمن، انفارمیشن ٹیکنالوجی اور کین ڈیپارٹمنٹس کے دفاتر کے لیے 10 کلو واٹ شمسی نظام نصب کیا ہے۔ اس کے علاوہ مطعم کے مقام پر، گودام اور مل کے ملازمین کے 20 خاندانی کوارٹرز میں 5 کلو واٹ کی مجموعی صلاحیت کے چھوٹے انفرادی شمسی نظام نصب کیے گئے ہیں۔ ہماری جانب سے مرکزی فیکٹری ایریا اور ورکشاپ کے لیے 50 کلو واٹ شمسی توانائی کا نظام بھی نصب کیا ہے تاکہ آف سیزن کے دوران مرمت اور دیکھ بھال کا کام بغیر رکاوٹ کے جاری رکھا جاسکے، ڈیزل جنریٹرز کے استعمال میں کمی لائی جاسکے اور واپڈا سے بجلی کی خرید میں کمی ہو۔

کمپنی ملازمین کی رازداری کے حوالے سے دیانت داری اور اعتماد کے اصولوں کو برقرار رکھنے کے لیے پرعزم ہے۔ اہل افراد کو فنی تربیت فراہم کرنے کے لیے اپرنٹس ٹریننگ پروگرام نافذ العمل ہے۔ یہ پروگرام نوجوانوں کو پیداواری عمل سے آگاہی پیدا کرنے سے متعلق مہارتیں اور علم حاصل کرنے کے قابل بناتا ہے۔

خصوصی صلاحیت کے حامل افراد:

کمپنی کی انتظامیہ دیہی علاقوں میں رہنے والے خصوصی افراد کو روزگار فراہم کرنے کی حوصلہ افزائی کرتی ہے تاکہ نمایاں فوائد حاصل ہوں اور ان کا معیار زندگی بہتر بنایا جاسکے۔ اس وقت انتظامیہ نے 16 خصوصی افراد کو کمپنی میں ملازم رکھا ہوا ہے، جن میں 2 گونگے اور بہرے، 2 ہکلا ہٹ کا شکار، 1 حادثے کا شکار فرد، 5 ایک آنکھ سے متاثرہ، 2 مصنوعی پاؤں والے اور 4 پولیو سے متاثرہ افراد شامل ہیں۔

خواتین کو بااختیار بنانا:

کمپنی صنفی مساوات کے فروغ اور تمام خواتین اور لڑکیوں کو سطح پر بااختیار بنانے کے لیے مضبوط اور قابلِ نفاذ قانون سازی کو مستحکم کرنے کے عمل میں ہے، اور سیاسی، معاشی اور عوامی زندگی میں فیصلہ سازی کی تمام سطحوں پر خواتین کی مکمل اور مؤثر شرکت اور قیادت کے مساوی مواقع کو یقینی بنانے کے لیے پرعزم ہے۔ اس وقت اعلیٰ سطح پر ایک خاتون کو غیر انتظامی ڈائریکٹر کے طور پر مقرر کیا گیا ہے اور وہ بورڈ کا حصہ بن چکی ہیں۔

معیشت اور حکومت کے لیے خدمات:

پائیدار ترقی کے اہداف:

- صنعت، جدت اور انفراسٹرکچر

- سستی اور صاف توانائی

کمپنی ٹیکس، ریٹس، ڈیوٹیز اور دیگر محصولات کی صورت میں اپنی آمدنی قوم کے حوالے کر کے قومی ترقی میں اپنا کردار ادا کر رہی ہے۔ پاکستان شدید توانائی بحران کا شکار ہے، جس کے نتیجے میں صنعتی اور رہائشی دونوں شعبوں میں لوڈ شیڈنگ اور بجلی کی بندش ہو رہی ہے۔ توانائی کی اہمیت کو مد نظر رکھتے ہوئے، کمپنی نے بجلی کی پیداوار میں بھاری سرمایہ کاری کی ہے، جس میں اپنی اندرونی ضروریات کے لیے پیداواری علاقے میں آلات اور مشینری کی تنصیب شامل ہے، تاکہ کمپنی اپنے طور پر اپنی ضرورت کی توانائی پیدا کر سکے۔

خاندانوں کی معاونت:

پائیدار ترقی کے اہداف:

- غربت کا خاتمہ

- زیر بھوک

کمپنی ہمیشہ کمیونٹیز کی معاونت اور انسانی ہمدردی کی امداد فراہم کرنے میں سرگرم رہی ہے، جس کے تحت خوراک فراہم کی جاتی ہے، اور عملہ سامان کی ترسیل میں رضا کارانہ طور پر حصہ لیتا ہے۔

کی معاونت کی جاتی ہے اور بہتر معیار کے بیج اور کھاد فراہم کی جاتی ہے تاکہ گنے کے معیار، مقدار اور پیداوار میں بہتری لائی جاسکے اور مستقبل میں شوگر ملز کے لیے بنیادی خام مال کی باقاعدہ، مستقل اور بہتر فراہمی ممکن ہو۔

انتظامیہ روزگار کے مواقع پیدا کرنے اور ذریعہ معاش کو بہتر بنانے کے لیے قریبی علاقوں کی مقامی کمیونٹیز سے بھرتی کو ترجیح دیتی ہے، اور خاص طور پر ان علاقوں میں محروم طبقے کے لیے تعلیم، صحت اور فلاح و بہبود پر زیادہ توجہ دی جاتی ہے۔

شجرکاری:

پائیدار ترقی کے اہداف:

- پائیدار شہر اور کمیونٹیز

- زمینی حیات

- ماحولیاتی تبدیلی

شجرکاری ہماری سی ایس آر سرگرمیوں کے اہم منصوبوں میں شامل ہے۔ کمپنی نے فیکٹری کے احاطے میں گرین ہاؤس قائم کیا ہے جہاں ساگھڑ کے مقامی موسمی حالات کے مطابق پودے لگانے اور ان پر تحقیق کی سہولیات موجود ہیں۔ ماحول کے تحفظ میں اپنا کردار ادا کرنے کے لیے شجرکاری مہم کا آغاز کیا گیا، جس کے تحت ملازمین میں مفت پودے تقسیم کیے گئے تاکہ پاکستان کو سرسبز اور ماحول دوست بنایا جاسکے۔ ہر سال کی طرح اس سال بھی ملازمین کو شجرکاری کی اہمیت سے آگاہ کیا گیا اور انہیں اپنے ارد گرد درخت لگانے کی ترغیب دی گئی۔

ہم نے فیکٹری کے احاطے اور قریبی علاقوں میں متعدد درخت لگائے ہیں اور عملے میں بھی تقسیم کیے ہیں تاکہ وہ اپنے رہائشی علاقوں میں لگا کر ماحول کو صاف اور سرسبز بنا سکیں۔

کمپنی کا ہدف مالی سال 2025-26 میں 5,000 سے زائد درخت لگانا ہے، جبکہ فیکٹری کے اندر اور باہر کے علاقوں میں 3,000 سے زائد پودے پہلے ہی لگائے جا چکے ہیں۔

انسانی وسائل کا انتظام:

پائیدار ترقی کے اہداف:

- باعزت کام اور معاشی ترقی

- عدم مساوات میں کمی

- صنفی مساوات

ملازمین:

ایسی پالیسیاں اور طریقہ کار مروج ہیں جو انسانی وسائل کے شعبہ کی جانب سے میرٹ کی بنیاد پر منصفانہ اور شفاف تقرریوں کے فلسفے کی عکاسی کرتی ہیں اور کارکردگی کے معروضی جائزے کو ممکن بناتی ہیں، جس کے نتیجے میں تنخواہوں میں اضافہ، ترقی، بونس اور نقد انعامات دیے جاتے ہیں۔ سماجی طور پر ذمہ دار ہونے کے ناطے، کمپنی خصوصی افراد کو باوقار مواقع فراہم کرنے کو اہمیت دیتی ہے، جنہیں تربیت فراہم کی جاتی ہے اور تربیت یافتہ ہو کر کمپنی کی خدمت ایک قیمتی انسانی سرمایہ کے طور پر انجام دیتے ہیں۔ کمپنی تمام ملازمین کے ساتھ منصفانہ سلوک کرتی ہے اور انہیں مروجہ صنعتی طریقہ کار کے مطابق معاوضہ دیتی ہے۔ کمپنی سہولیات فراہم کرتی ہے جیسے مراعات، سالانہ رخصتیں، پک اینڈ ڈراپ، مطعم کی سہولت، محفوظ اور صحت مندا کام کرنے کے حالات وغیرہ، اس کے ساتھ ساتھ گروپ انشورنس، ایمپلائز اولڈ ایج بینیفٹس انسٹی ٹیوشن اور سندھ ایمپلائز سوشل سیکیورٹی انسٹی ٹیوشن میں ادائیگیاں بھی کرتی ہے۔

ملازمین اور ان کے اہل خانہ کھیل کے میدان کی سہولت سے مستفید ہوتے ہیں۔ کمپنی نے ملازمین کی مجموعی صحت کو بہتر بنانے کے لیے کھیل اور تفریحی سرگرمیوں کا اہتمام کیا گیا ہے، جو باہمی روابط، مثبت کارپوریٹ کلچر کی ترقی، فلاح و بہبود کے فوائد، خود اعتمادی میں اضافے اور کام کو مزید دلچسپ بنانے میں مدد دیتی ہیں۔ کام سے متعلقہ بیماریوں کی بروقت تشخیص کے لیے طبی معائنے باقاعدگی سے کیے جاتے ہیں تاکہ سنگین معذوری یا دیگر صحت کے خطرات سے بچاؤ کے اقدامات کیے جاسکیں۔

کمپنی حادثاتی خطرات کو کم سے کم کرنے، ضروری طبی سہولیات فراہم کرنے، سرسبزے میں اضافہ کرنے، ملز کے اطراف صاف اور محفوظ ماحول برقرار رکھنے، بہتر ہاؤس کیپنگ، ملازمین کی صحت کے تحفظ اور اپنی سرگرمیوں میں حفاظتی اصولوں کے اطلاق کے لیے مسلسل کوشاں ہے، اور اس ضمن میں قواعد و ضوابط پر عمل کرتے ہوئے صارفین اور عوام الناس کے تحفظ کو یقینی بناتی ہے۔ کمپنی اپنے ملازمین اور ملحقہ علاقوں میں رہنے والے افراد کے لیے اہل اور تجربہ کار ڈاکٹروں کے ذریعے ڈسپنری چلا رہی ہے۔ فیکٹری میں ایک ڈاکٹر اور پیرامیڈیکل اسٹنٹ دستیاب ہیں۔ کمپنی ضرورت کے مطابق "کڈنی ڈائالاس سینٹر" سائنگھڑ" کو مالی عطیات بھی فراہم کرتی رہتی ہے۔

صاف پینے کا پانی اور گندے پانی کا انتظام:

پائیدار ترقی کے اہداف:

- صاف پانی اور صفائی

- اچھی صحت اور فلاح و بہبود

کمپنی کاروباری اور کمیونٹی دونوں سطحوں پر پانی اور ماحولیاتی پائیداری کے اقدامات کی معاونت جاری رکھے ہوئے ہے۔ کمپنی اپنے عمل اور نظام میں مسلسل بہتری لانے کی کوشش کرتی ہے تاکہ پانی کے استعمال میں کمی کی جاسکے، اور کمیونٹی اور بیرونی اداروں کے ساتھ مل کر پانی اور ماحول سے متعلق اقدامات کو ممکن بناتی ہے۔ کمپنی درج ذیل عوامل کے مد نظر پانی اور ماحولیاتی پائیداری پر توجہ دیتی ہے:

- پانی کے استعمال میں کمی کے لیے عمل اور نظام میں مسلسل بہتری۔ ہر سال گزشتہ سال سے بہتر ہونا چاہیے۔
 - کمیونٹی کے لیے صاف پانی کی فراہمی کی اسکیمیں۔ ہمارے ارد گرد رہنے والی آبادی کے لیے پانی کی فلٹریشن پلانٹس۔
- کمپنی نے سب کے لیے محفوظ اور سستے پینے کے پانی تک عالمگیر اور منصفانہ رسائی حاصل کی ہے، پانی کی قلت سے نمٹنے کے لیے تازہ پانی کی فراہمی کو یقینی بنایا جاتا ہے، پانی کی کمی سے متاثرہ افراد کی تعداد میں نمایاں کمی کی ہے اور پانی اور صفائی کے انتظام کو بہتر بنانے میں مقامی کمیونٹی کی شمولیت کو مضبوط کیا ہے۔ اسی لیے کمپنی نے ملز اور گرد و نواح کے رہائشیوں کو صاف اور محفوظ پینے کا پانی فراہم کرنے کے لیے ریورس اوسموس پلانٹ نصب کیا ہے۔ اس پلانٹ کی صلاحیت 5000 گیلن یومیہ ہے۔

کمیونٹی اور سماجی ترقی:

پائیدار ترقی کے اہداف:

- بھوک کا مکمل خاتمہ

- غربت کا خاتمہ

کمپنی کی کوششیں بنیادی طور پر کمپنی سے وابستہ کمیونٹیز اور ملازمین کے سماجی حالات کو بہتر بنانے پر مرکوز ہیں، جس کے تحت منصفانہ کام کے حالات قائم کرنا، پیشہ ورانہ تحفظ کو یقینی بنانا، سماجی معیارات کا تعین، کم از کم اجرت کا نفاذ، چائلڈ لیبر اور جبری مشقت پر عدم برداشت وغیرہ شامل ہیں۔ علاقے کے گنے کے کاشتکاروں

بنایا گیا ہے اور اہل و قابل عملے کے ذریعے رعایتی بنیادوں پر فیکٹری کے ملازمین کے بچوں اور قریبی دیہی علاقوں میں رہنے والے افراد کے بچوں کے لیے محفوظ، غیر پُر تشدد، جامع اور مؤثر تعلیمی ماحول فراہم کیا جا رہا ہے۔ اس تعلیمی پروگرام کا بنیادی مقصد، مالی حیثیت سے قطع نظر، خاص طور پر دیہی علاقوں سے تعلق رکھنے والے باصلاحیت طلبہ کے لیے تعلیم کو قابل رسائی اور قابل برداشت بنانا ہے۔

تعلیم کا آغاز کنڈرگارٹن کے ایک واحد کلاس روم سے ہوا جس میں 10 طلبہ کو داخلہ دیا گیا۔ اب یہ آٹھویں جماعت تک ترقی کر چکی ہے جس میں کل 233 طلبہ زیر تعلیم ہیں، جن میں 134 لڑکے اور 99 لڑکیاں شامل ہیں، اور اس میں تدریسی عملے کی تعداد 12 اور غیر تدریسی عملے کی تعداد 2 ہے، جو تعلیمی مقاصد کے لیے تعینات ہیں، جن میں 1 مرد اور 13 خواتین شامل ہیں۔ 25 طلبہ ملازمین کے خاندانوں سے تعلق رکھتے ہیں جبکہ 208 طلبہ قریبی علاقوں میں رہنے والے خاندانوں سے تعلق رکھتے ہیں۔ اسکول کے تمام طلبہ سے رعایتی فیس وصول کی جاتی ہے اور مزید فیس میں رعایت 25 طلبہ کو دی گئی ہے، جن میں 11 لڑکے اور 14 لڑکیاں شامل ہیں۔

تعلیمی ادارے کا احاطہ خوبصورت انفراسٹرکچر، صاف ستھرے ماحول اور تمام بنیادی سہولیات سے مزین ہے، جن میں کشادہ اور ہوادار کلاس رومز، کمپیوٹر لیب، لیبارٹری، کھیل کا میدان، تنگ شاپ اور بلا تعلق بجلی کی فراہمی شامل ہے۔

اسکول چلانے کا بنیادی مقصد علاقے کے غریب لوگوں کی مدد کرنا، لڑکیوں کی تعلیم کی حوصلہ افزائی کرنا، طلبہ کو ان کی سماجی نشوونما میں اسلامی تعلیمات کو اپنانے کی ترغیب دینا اور خود آگاہی کے حصول میں مدد فراہم کرنا ہے۔ دور دراز علاقوں میں تعلیم ایک بڑا چیلنج ہے، خاص طور پر ان لوگوں کے لیے جو اپنے دروازے کے قریب ایسی معیاری اور جدید تعلیم کے اخراجات برداشت نہیں کر سکتے۔ اس کے علاوہ، مختلف تقریبات جیسے سالانہ اسپورٹس ڈے، پیئرٹس ڈے وغیرہ منعقد کی جاتی ہیں۔

طبی اور صحت کی سہولیات:

پائیدار ترقی کا ہدف:

- اچھی صحت اور فلاح و بہبود

کمپنی نے طبی اور صحت کی دیکھ بھال میں نمایاں کردار ادا کیا ہے۔ اس ضمن میں آنکھوں کی بیماریوں اور خون کی بیماریوں وغیرہ کے علاج کے لیے جسمانی کے ساتھ ساتھ مالی معاونت بھی فراہم کی گئی۔ ملازمین کی جسمانی اور جذباتی صحت کو بھی ترجیح دی جاتی ہے۔ مختلف شعبہ جات سے تعلق رکھنے والے ملازمین نے فائر فائٹنگ اور فرسٹ ایڈ کی تربیت میں بھی شرکت کی۔

انتظامیہ نے دوروزہ "سالانہ مفت آئی کیو" کا انعقاد کیا۔ یکمپ 01 فروری 2025 اور 02 فروری 2025 کو فیکٹری کے احاطے میں لگایا گیا۔ مفت یکمپ میں 1,384 سے زائد مریضوں کا معائنہ کیا گیا اور 548 مریضوں کے آپریشن کیے گئے، جن میں 2 کمپنی کے ملازمین اور 546 قریبی علاقوں میں رہنے والے افراد شامل تھے۔

آپریشنز ماضی کی روایت کے مطابق کامیابی کے ساتھ انجام دیے گئے، جن میں لینس کی تبدیلی اور تنصیب شامل تھی، یہ تمام خدمات معروف ماہر چشم سرجنز اور ان کے تکنیکی عملے نے انجام دیں، جن کی ٹیم میں 3 سرجن، 1 ڈاکٹر، 11 ٹیکنیشنز اور 82 دیگر عملہ اور رضا کار شامل تھے۔ یکمپ کے آغاز سے قبل مستحق افراد کو آگاہ کرنے کے لیے ریڈیو، کیبل، سوشل میڈیا اور پمفلٹس کے ذریعے تشہیری مہم چلائی گئی۔ ساگھڑ، پیرومل اور میر پور خاص ڈویژن کے علاقوں سے مریضوں اور ان کے تیمارداروں کے لیے مفت آمد و رفت کا انتظام کیا گیا۔ مریضوں، ان کے تیمارداروں، ڈاکٹروں اور ان کے عملے کے لیے رہائش اور کھانے کا مفت انتظام بھی کیا گیا۔ پوریکمپ کمپنی اور ایگزیکٹوز کی ذاتی مالی معاونت سے چلایا گیا۔

کارپوریٹ سماجی ذمہ داری پر رپورٹ برائے مالی سال اختتامیہ 30 ستمبر 2025

معزز اراکین،

وطن عزیز کا ایک ذمہ دار کارپوریٹ ادارہ ہونے کے ناطے، ساگھڑ شوگر ملز لمیٹڈ (کمپنی) اپنے ذمے معاشرے کا قرض لوٹانے پر یقین رکھتی ہے تاکہ ایک پائیدار کل کی تعمیر کی جاسکے۔ ضابطہ اخلاق کے مطابق، جو اس کے بنیادی انسانی حقوق کے احترام اور ملازمین، صارفین اور تمام اندرونی و بیرونی شراکت داروں کے ساتھ انصاف، مساوات اور احترام کے ساتھ برتاؤ کے عزم کی تصدیق کرتا ہے، تاکہ ایک ایسا واضح، شفاف اور قابل اعتماد ماحول کو فروغ دیا جاسکے جو تعصب، امتیاز، جانبداری، خوف و ہراس اور خلاف ورزی سے پاک ہو۔

فلاحی یا خیراتی نوعیت کے سماجی اہداف میں حصہ ڈالنے کے مقصد سے، رضا کارانہ یا اخلاقی طور پر مبنی طریقہ کار میں شامل ہو کر یا ان کی معاونت کر کے، کمپنی نے اپنے ملازمین کے لیے سماجی طور پر ذمہ دارانہ اقدامات میں شرکت کے مواقع پیدا کرنے کے ذریعے، بورڈ سے منظور شدہ بجٹ مختص کر کے، اور سی ایس آر اقدامات کے نفاذ اور نگرانی کا طریقہ کار قائم کر کے معاشرے، ماحول اور قومی مقاصد میں با معنی کردار ادا کیا ہے۔

سرگرمیاں اس انداز میں انجام دی جاتی ہیں جو ماحول اور معاشرے کے حوالے سے ذمہ داری کو ظاہر کریں اور جو بنیادی کاروباری حکمت عملی اور کارپوریٹ اقدار کی تکمیل کریں۔ کمپنی اپنے آپریشنز کے سماجی، ماحولیاتی اور معاشی اثرات کو ذمہ داری کے ساتھ اور عوامی توقعات کے مطابق منظم کرنے کے لیے پرعزم ہے۔ کمپنی، پاکستان اور اس کے عوام کی پائیدار کمیونٹی اور سماجی ترقی کی معاونت میں فعال کردار ادا کر رہی ہے۔ کمپنی پورے ملک میں مشترکہ معاشی اور سماجی قدر کی تخلیق پر یقین رکھتی ہے۔ ذیل میں پیش کی گئی یہ رپورٹ کمپنی کے شراکت داروں کو ان اقدامات سے آگاہ کرتی ہے جو کمپنی نے اس سلسلے میں اپنے عزائم کی تکمیل کو یقینی بنانے کے لیے اٹھائے ہیں:

تعلیم:

پائیدار ترقی کے اہداف:

- صنفی مساوات

- باعزت کام اور معاشی ترقی

- معیاری تعلیم

کمپنی اس بات کو یقینی بناتی ہے کہ تمام بچیاں اور بچے مفت، منصفانہ اور معیاری پرائمری اور سیکنڈری تعلیم مکمل کریں جو موزوں اور مؤثر تعلیمی نتائج کے حامل ہوں، اور اس بات کو بھی یقینی بنایا جاتا ہے کہ تمام بچیوں اور بچوں کو معیاری بچپن کی ابتدائی نشوونما، نگہداشت اور قبل از پرائمری تعلیم تک رسائی حاصل ہوتا کہ وہ پرائمری تعلیم کے لیے تیار ہوں۔

روشن مستقبل کی راہ ہموار کرنے اور ملک کے دیہی علاقوں میں ناخواندگی کے خاتمے کے مقصد سے، کمپنی نے 2008 میں قائم کردہ القلم ایجوکیشن سسٹمز، ساگھڑ کے ذریعے تعلیمی پروگرام شروع کیا ہے اور ملازمین کی کالونی سے متصل احاطے میں تعلیمی سہولیات فراہم کر رہی ہے، جس کے تحت تعلیمی سہولیات کو بہتر

Report on the Company's Environmental, Social & Governance

INTRODUCTION

“ESG” refers to Environmental, Social and Governance factors that can impact Company's Value and investor decision-making:



E	Environmental factors include financially material risks and opportunities such as climate change, water, land, air use.
S	Social factors relate to society, the rights of individuals and the well-being of the communities within which a Company operates, such as human capital management, diversity, health and safety.
G	Governance factors include Board quality, independence and accountability; Board oversight of executive performance and compensation; and the Board's oversight of Company strategy, risk management, performance and disclosure, including disclosure of E & S factors.

The ESG considerations have become increasingly important for companies in recent years as awareness among investors and stakeholders have been on the rise owing to the significant impact of ESG factors on the climate, society and corporate governance.

BACKGROUND & OVERVIEW

Industrialization is a common factor for development of a nation in the modern world but along with its positive effects on the economy of the country, it has negative impacts on the surrounding environment as well. These industrial units were established in the residential area without observing the national as well international best practices to safeguard. The environmental issues have gained great importance world-wide in recent past and remained the focus of discussions at different forums both at national and international levels. The environmental problems affects the economic and social life of common man, thus the governments try to address them by making appropriate policies and enacting environmental legislation to respond to international institutions and treaties agreed upon as global partners.

ABOUT ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Company is committed to operate responsibly and sustainably, recognizing the vital role that Environmental, Social and Governance (ESG) principles play in our long-term success. Our ESG strategy is designed to create value for all our stakeholders, customers, employees, investors, and communities while ensuring that our business practices contribute to a more sustainable and equitable world.

Environmental Stewardship

As an industry, we recognize our environmental impact and are committed to minimizing it. Our environmental strategy focuses on reducing our carbon footprint, enhancing resource efficiency, and promoting sustainable practices throughout our operations.

Carbon Emissions Reduction: We are actively working to reduce our greenhouse gas emissions through investments in energy-efficient technologies and the adoption of renewable energy sources. Our goal is to achieve reduction in carbon emissions, aligning with global climate targets.

Waste Management and Recycling: Committed to reducing waste and promoting recycling across our operations. We have implemented robust waste management programs to ensure that waste materials are minimized, and we actively recycle scrap materials to reduce our environmental footprint.

Water Conservation: Recognizing water as a critical resource, we have initiated water conservation projects to reduce usage and improve efficiency. We are exploring water recycling technologies and aim to reduce our water consumption over the next few years.

Social Responsibility

Social compliance refers to a set of ethical and moral standards that companies must follow in order to ensure that their products are produced in a manner that is responsible, sustainable, and safe for workers, consumers, and the environment. This includes standards related to labor rights, human rights, environmental sustainability, and other critical issues.

Protecting workers' rights: Ensure that workers are treated fairly and with dignity. This includes fair wages, safe working conditions, and freedom from exploitation or discrimination.

Promoting ethical business practices: Help companies avoid unethical business practices that can harm their reputation and lead to consumer backlash.

Ensuring environmental sustainability: Company must adhere to environmental regulations and take steps to minimize their impact on the environment. This helps to ensure that future generations have a healthy planet to live on.

Fostering transparency and accountability: Company must be transparent about their operations and hold themselves accountable for their actions. This helps to build trust with consumers and other stakeholders.

Supporting economic development: Company can help to promote economic development and improve the standard of living for people in the communities where they operate.

Governance & Conduct

Governance is an integral part of the control framework and is built into all control activities. Governance, is demonstrated formal executive involvement and support for Controls and Control activities. The control policies assist in establishing governance and the policies of the Company are further qualified by internal factors such as policy, directives and mandates. Strong governance is the foundation of our business, guiding us to operate with integrity, transparency and accountability.

Board Oversight and Independence: Our Board of Directors is committed to maintaining high standards of governance and oversight. We have implemented policies to ensure Board independence and diversity, reflecting a range of perspectives and expertise to guide our strategic direction.

Ethical Business Practices: We adhere to the highest ethical standards in all aspects of our business. Our Code of Conduct and Ethics sets clear expectations for employees, partners and suppliers, ensuring that we operate with integrity and in compliance with all applicable laws and regulations.

Risk Management and Compliance: We have a comprehensive risk management framework in place to identify, assess and mitigate risks across our operations. This framework includes compliance measures to ensure that we meet all legal and regulatory requirements and uphold our commitments to stakeholders.

COMPANY'S OVERVIEW

Building on our commitment to sustainability, we recognize that the transition to a low-carbon economy, coupled with economic uncertainty and market volatility, demands bold decisions and we are closely monitoring these developments and exploring new opportunities to align with the global energy transition. As a Company operating in a developing country, we face the challenge of transitioning to a low-carbon economy while ensuring food security. To address this, our strategy focuses on boosting the production resources, thereby supporting the economy and promoting social equity in our region. By increasing the Country's self-sufficiency, we aim to reinforcing our commitment to sustainable development and national Prosperity.

We are actively developing strategies and exploring technologies to reduce emissions by using technologies, exploring opportunities for green hydrogen and process efficiency to minimize the impact of GHG emissions. Health and safety remain top priorities in our industry, given the challenging work environment and security risks.

Our programs for social development in our communities and the well-being of our employees reflect our vision and commitment to mutual prosperity. We are dedicated to promoting workplace diversity and inclusion, supporting local initiatives, and nurturing a culture of safety and respect. Corporate Social Responsibility (CSR) is embedded in Company's ethos, which re-affirms its commitment towards bringing lasting impact in the lives of unserved and under-served communities.

We believe in building a strong governance and transparency culture to build foundations for a strong Company. We are fully dedicated to transparency, ethical practices and accountability in all our actions.

BUSINESS INVOLVEMENT

As we move forward, our journey is far from over. There is still much to achieve and we are fully committed to advancing our efforts with unwavering dedication. We pledge to steadfastly pursue this path, driving positive change for a sustainable future. To operate successfully and sustainably, we have established numerous protocols and procedures to ensure safety and security at our premises.

SYNOPSIS OF ESG POLICY

As Company, we are committed to deliver strong Environmental, Social & Governance (ESG) performance that fosters long-term shared value for all stakeholders by integrating ESG factors in the entire business. We recognize that relevant material ESG issues can meaningfully affect investments and these factors are critical components to ensure business sustainability, lead integrated research analysis, effective decision making, efficient stakeholder management and profound engagement with communities & employees to manage business excellence.

We also acknowledge that being a responsible business, our role extends beyond sustaining business operations to protect planet and develop people. Therefore, our ESG focus goes beyond applying mitigation measures, setting forth an ambitious mission in alignment with SDGs and seeking continuous improvement to contribute towards achieving Net Zero, Sustainable Development and an Inclusive Society.

Input	Value Adding Business Activities	Output
<p>Financial Capital Strong capital base and financial resources having equity and long-term financings.</p> <p>Human Capital Workforce, culture and investment in skills development employees and spent on training and development</p> <p>Manufacture Capital Our production plant, with technology and equipment and operational offices</p> <p>Intellectual Capital Intangible assets, IT infrastructure, reputation and knowledge or work-force and research</p> <p>Social and Relationship Capital Strong relationships with local communities, suppliers and other stakeholders</p> <p>Natural Capital Natural resources and ecosystem services. 85.485 Million Gallons water and approx. 121,498 MT of Baggasse consumed 245.76 MW by WAPDA & 37.50 MW by Solar Power energy used.</p>	<p>Climate change poses significant risks and opportunities for our business model in the medium to long term. It directly impacts our raw material i.e sugar cane and increasing costs. However, it also creates investment opportunities in green technologies and low-carbon ventures.</p> <p>External risks impact our business activities and objectives, while our activities impact the economy, environment, and people, including their human rights. Focusing on the most significant risks and impacts is essential to managing them and creating value for stakeholders.</p>	<p>Financial Capital Rs. 7,524,809 thousand net sales. Rs. 245,598 thousand profit before all taxes and ROCE by 12.91%</p> <p>Human Capital 41 new hires, several training hours and Rs. 400,501 thousand paid as Remuneration and Benefits to Employees. Serious / Moderate Injury Rate is Nil</p> <p>Manufacture Capital 46,023.00 M. Tons Sugar Produced 23,955.92 M. Tons Molasses Produced and approx. 141,313 M. Tons Bagasse Produced</p> <p>Intellectual Capital Learning and development. Improved productivity and competitiveness. Exploring diversification and Transition to low carbon</p> <p>Social and Relationship Capital Rs. 7,472 thousand CSR spending and also spent on procurement of goods and services. Increased reputation among stakeholders.</p> <p>Natural Capital 0.13 Cusec water discharge, 14.49 GHG / MT emissions of sugar produced and waste generated. Impact on biodiversity and environmental conditions through emission and Effluents.</p>

RELEVANCE OF MATERIAL TOPICS

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Climate Change We are committed to reduce emissions from our business activities.	Health, Safety & Quality Management We promote health and safety culture for entire work force engaged with our business to improve and sustain safety performance while maintaining our safety targets. To ensure consistent and safe work practices, we apply a corporate safety policy through a comprehensive management system.	Corporate Governance Our strong focus is to conduct our business while complying with all applicable laws, regulations, policies and procedures. We have a strong Governance structure including a Board of Directors having diversified experience to provide strategic direction.
Opportunities in Clean Technologies We shall explore and implement environmental clean technologies such as renewable energy as a replacement to fuel where applicable to reduce GHG footprints. We strive for implementing green building practices and improving energy efficiency.	Human Capital Our integrated theme is linked with wellbeing of our employees, culture, diversity, equity & inclusion, employee experience and capability to ensure efficient business delivery. We focus on hiring top skill, competency development, reward & benefits that fosters long term value in terms of employees' engagement, generating productivity.	Ethics & Transparency We conduct our business in an ethical and transparent manner while promoting accountability and responsible decision making. We have a Whistle Blowing Policy for ensuring highest ethical and moral standards.
Pollution & Waste Management Our focus is to implement a systematic, comprehensive, & ecologically safe waste management program that protects public health & environment, while fulfilling the regulatory requirements.	Community Engagement We take community engagement as a strategic process with and through identified groups of people to create and maintain an enabling environment where business, nature and people can exist in productive harmony to ensure long term business success.	Protection of Human Rights & Child Labor We comply all regulatory requirements for protection of human rights while ensuring compliance with labor laws and child labor.
Natural Resource & Energy Management We are committed for sustainable use of natural resources including conservation of water & other natural resources, promoting afforestation and practicing responsible land utilization.	Social Investments & CSR We employ the concept through our diversified CSR and Social Investment Programs to create an impact, to contribute towards sustainable development and to create shared value while addressing the most pressing social, economic and environmental issues.	Financial Performance & Reporting We are adopting transparent accounting and taxation system by ensuring all applicable regulations are fulfilled. Our reporting is focused on the material issues that matter to our stakeholders.
Biodiversity Our goal is to have a positive influence by restoring, maintaining, & enhancing biodiversity where we work.	Responsible Supply Chain We adopt best practices in our Supply Chain domain, while focusing on transparency, agility and sustainability. We align our service providers and contractors to adopt best practices that comply with our business and HSE framework.	Stakeholder Management We pursue strong collaboration with employees, communities, shareholders, supply chain partners, and regulators, ensuring that practically every layer of society is involved.

ENVIRONMENTAL	SOCIAL	GOVERNANCE
<p>Water and Effluents In a water-scarce environment like Pakistan, responsible water management is vital. Water usage and the importance of sustainable practices in mitigating water scarcity. Effective management of water resources is essential to the Company's operations and its commitment to environmental sustainability.</p>	<p>Diversity, Equity, Inclusion and Non-Discrimination The contributions of diverse workforce and is committed to fostering an inclusive environment. The Company's efforts to promote diversity, equity, inclusion and aligning with its core values. Ensuring fair and equal treatment for all employees is a key priority. The Company's commitment to non-discrimination, driven by its core values and Code of Conduct, ensuring a workplace free of bias.</p>	<p>Economic Performance Commitment to value creation is deeply rooted in its vision, values, and brand promise. Economic performance is a cornerstone of this commitment. The Company's success in cultivating growth for its stakeholders can be quantified and assessed through its audited financial statements, which are included in this report. Underscores the importance of financial stability and growth as essential driver long term sustainability and strategic objectives.</p>

SUSTAINABILITY STRATEGY

The Company envisions sustainability as a commitment to managing the sustainability impacts of its operations, risks and opportunities posed by the external environment while creating value for the Company and its stakeholders through responsible business operations and best practices. In response to the evolving sustainability landscape and the global and national challenges faced by the industry, the Company has developed a comprehensive sustainability framework. This framework is designed to effectively manage environmental impacts and risks while capitalizing on opportunities to deliver value.

Our sustainability policy is built upon three main pillars: Environmental, Social, and Governance. This framework is designed to guide all our sustainability initiatives and our overall ESG. We recognize the significant challenges our industry faces, such as climate change, the transition to low-carbon energy solutions and our commitment to achieving Net Zero.

In developing our sustainability strategy and interventions, we evaluate sustainability-related risks, considering their time horizons and potential impacts on our business. We currently do not have a mechanism to determine the financial effects of all risks and opportunities except the amount spent to tackle related risks during the year. We plan to conduct a scenario analysis to assess the resilience of our business model in the evolving low carbon economy. This will also lead to developing appropriate strategies to ensure that our approach is adaptable to external changes, including market fluctuations and aligns with the transition to low-carbon.

We strive to foster positive relationships with our investors, employees, suppliers, communities and other stakeholders while addressing the social, environmental and economic impacts of transitioning to an environmentally sustainable economy.

Our ESG Policy serves as a cornerstone for guiding our strategy and business decisions, committed to preventing and mitigating the negative impacts of our operations and activities. We are dedicated not only to applying mitigation measures but also to pursuing continuous improvement in alignment with the UN Sustainable Development Goals (SDGs). Our ambitious mission includes striving towards Net Zero emissions, sustainable development and fostering an inclusive society. Achieving these goals requires the availability and affordability of new technologies, particularly in developing countries like Pakistan. This involves addressing energy availability, food security and substantial investments in research, development and capital allocation. Despite these challenges, we have set targets in key sustainability areas to better manage our impacts and demonstrate our commitment to responsible business practices.

Topics	Sub-Topics	Risk & Opportunities	Value Chain	Time Horizon
GHG and Air Emissions	GHG Emission and Air Emissions	<p>Evolving pressure to de-carbonize, set science-based targets and net-zero policies may prompt the Company to expedite the reduction of production, necessitating it to bear the transitional costs.</p> <p>Failing to adapt to technology and market changes may lead to a trust deficit, missed opportunities and reduced prospects for potentially impacting company value.</p> <p>Strive to reduce operational impact while exploring investments in climate friendly technologies and products. Climate change poses physical and transitional risks for our business through rising temperatures, changing weather patterns, devastating floods, technological advancements, policy and legal risks, and market and reputational risks. Technological investments at plants and active support through services are vital to reducing environmental impact and increasing productivity, directly impacting financial performance, food security and farmers' income. The climate related opportunities include research and development for climate friendly production.</p>	<p>Own operations, Down-stream</p> <p>Own operations</p>	<p>Long-term</p> <p>Medium-term</p>
Climate Adaptation, Resilience and Transition	-	<p>Failing to adapt to climate changes (heat waves and increased temperatures, water scarcity, floods) and building climate resilience and transition may lead to increased costs impacting current and future income, cash flows, and asset impairment.</p> <p>Maintained energy usage and resultant emissions in line with targets through effective resource management, regular plant upgrades and efficiency enhancement efforts.</p>	Own operations	Medium-term
Biodiversity	Biodiversity and Rehabilitation	Failure to align with biodiversity protocols and effectively manage the impacts of operations on biodiversity and rehabilitation to achieve a net positive may put at risk future business opportunities the imposition of fines and penalties, and a trust deficit among stakeholders.	Own operations	Short-term to medium-term
Waste	-	Failure to effectively manage and dispose of waste produced in operations and site closures can impact biodiversity, water and soil vital to the community. This may put at risk future business opportunities, the imposition of fines and penalties and a trust deficit among stakeholders.	Own operations Upstream	Short-term to medium-term

Topics	Sub-Topics	Risk & Opportunities	Value Chain	Time Horizon
Water and Effluents	-	Failure to optimize water use, effectively treat and dispose of used water can result in increased water usage costs, operational disruptions due to the non-availability of fresh water, and strained relations with local communities.	Own operations, Upstream	Short-term to medium-term
Health and Safety	Occupational Health and Safety and Asset Integrity and Critical Incident Management	High rates of safety incidents or fatalities could result in financial loss, increased costs, legal liabilities and damage to reputation. Our work on SDGs, aligning our strategy to support SDGs and promotion of SDGs among corporate Pakistan contribute towards solving social issues. Offering products to overcome malnutrition. Partnership with NGOs to create livelihood opportunities and interventions for the provision of healthcare, education and skill development.	Own operations	Short-term
Employment Practices	Employment Practices Freedom of Association and Collective Bargaining Diversity & Inclusion and Work-life Balance	Failure to attract and develop talent, lack of organizational agility, diversity, entrepreneurial culture and the skills required for a digitally enabled, low-carbon future may impede the organization's ability to achieve its strategic goals and pursue new opportunities. Investing in employee skills, diversity and inclusion for engaged and talented workforce to ensure value creation ability.	Own operations	Short-term to medium-term
Local Communities	-	Failing to manage pollutants and respect human rights at operational locations could lead to regulatory penalties, public health concerns and human rights violations. Failing to share benefits with local communities create sense of deprivation among them which can create social distress resulting into internal security situation, thus hampering smooth business operations as well as reputational risk to organization. Spent on CSR activities in defined areas to provide relief to underprivileged communities, pursuing education and livelihood opportunities.	Own operations	Short-term to medium-term
Human Rights	Non-discrimination and Equal Opportunity, Forced Labor and Modern Slavery, Child Labor, Land and Resource Rights, Conflict and Security	Failing to respect human and labor rights may lead to regulatory penalties, human rights violations, reputational damage and operational disruption in conflict areas. Our work on SDGs, aligning our strategy to support SDGs and promotion of SDGs among corporate Pakistan contribute towards solving social issues. Offering products to overcome malnutrition. Partnership with NGOs to create livelihood opportunities, and interventions for the provision of healthcare, education and skill development.	Own operations, Upstream	Short-term to medium-term

Topics	Sub-Topics	Risk & Opportunities	Value Chain	Time Horizon
Economic Impacts	-	Failure to create increased economic impacts hinders transitioning and diversification, the ability to attract talent pool and the achievement of strategic objectives. Exploring diversification strategies to provide sustained healthy returns to investors and shareholders in complex political and macroeconomic environments.	Own operations	Short-term
Ethics and Transparency	Anti-competitive Behavior Anti-corruption Payments to Governments Public Policy	Failure to comply with ethical practices leads to regulatory penalties and reputational damage. Safeguarding the value creation ability taking into account risks. Early adoption of regulations and best practices to strengthening governance.	Own operations	Short-term
Supply Chain Impacts	-	Failure to promote sustainable practices in the supply chain may hinder climate mitigation, adaptation and resilience and lead to regulatory penalties, human rights violations and reputational damage. Working with supply chain partners for embracing best practices to manage supply chain impacts. Sustainability criteria to include in supplier selection procedures.	Own operations, Upstream	Medium-term
Digitization and Cyber Security	-	A major cyber security breach could pose a significant threat to Company's financial position and reputation. Advanced IT controls and firewalls to protect confidential information. Regular system updates, audit and trainings to be conducted to ensure security.	Own operations	Short-term

EMISSIONS & ENERGY

Environmental Concern:

Solid Waste:

The Company generates several types of solid waste during the production process, including baggasse, press mud, boiler ash and cane trash. Baggasse, the fibrous residue left after crushing sugarcane, is the largest waste component and is often used as a fuel for boilers or in paper and biofuel production. Press mud, produced during juice clarification, is rich in organic matter and lime is commonly used as a fertilizer or composting material. Boiler ash, generated from burning baggasse, contains silica and carbon and can be utilized in brick or cement manufacturing. Cane trash, consisting of dry leaves and tops from harvested sugarcane, can serve as biomass fuel or compost material. Most of these solid wastes can be reused or converted into valuable by-products, promoting sustainability in the sugar industry.

Wastewater:

Wastewater generated mainly originates from washing, juice extraction, cooling and other processing operations, is rich in organic matter, suspended solids and nutrients. This wastewater can be effectively treated through wastewater treatment plant.

Noise:

The Company plant & machinery can also contribute to noise pollution. Noise in sugar mills is a significant environmental and occupational concern. The main sources of noise include crushers, turbines, boilers, centrifuges and other heavy machinery used in the production process. These machines often operate continuously during the crushing season, producing sound levels that can exceed safe limits for human hearing. Prolonged exposure to such noise can cause hearing loss, stress, fatigue and reduced worker efficiency.

ANALYSIS & REPORTS

It is a critical global issue that severely threatens agricultural and economic productivity in many parts of the world. There is a growing demand to reduce emissions from operations and the agriculture food chain. As a responsible entity, we have a twofold approach to this issue. Firstly, we aim to reduce greenhouse gas emissions from our operations. Secondly, we are exploring new solutions for the farming community to reduce product use emissions. We aim to drive and influence climate action within and outside our organization.

Our priority is to reduce GHG emissions from our production processes, as this is where our significant direct GHG emissions occur. The emissions from our plants are subject to control limits set by the Environmental Protection Agency. We ensure compliance with these limits and strive to reduce emissions further as much as possible. We regularly determine the total emissions for each plant site and conduct checks to control any variations. The amount of greenhouse gases is constantly measured and added to determine the total amount.

The Analytical Test Report of the **Gaseous Emission Monitoring Report** (Boiler) is as follows:

----- 2025 -----		
Test Parameters	Result	Remarks
1. Sulfur Dioxides (SO ₂)	< 0.1	Within Limit
2. Combine Oxides of Nitrogen as NO%	309.1	Within Limit
3. Carbon Monoxide (CO)	135.5	Within Limit
4. Particulate Matter (PM)	249.0	Within Limit
5. Flue Gases Temperature	164.6	No Guide Limits Available
----- 2024 -----		
Test Parameters	Result	Remarks
1. Sulfur Dioxides (SO ₂)	22.00	Within Limit
2. Combine Oxides of Nitrogen as NO%	253.3	Within Limit
3. Carbon Monoxide (CO)	682.0	Within Limit
4. Particulate Matter (PM)	205.4	Within Limit
5. Flue Gases Temperature	155.6	No Guide Limits Available

The Analytical Test Report of the **Air Quality** is as follows:

----- 2025 -----			
Test Parameters	Results		Remarks
	at ETP	at Boiler	
1. Ambient Temperature	27.00	25.90	No Guide Limits Available
2. Humidity	49.00	49.00	No Guide Limits Available
3. Particulate Matter (PM 10)	136.00	113.00	Within Limit
4. Particulate Matter (PM 2.5)	62.00	58.00	Within Limit
5. Formaldehyde (HCHO)	00.02	0.01	No Guide Limits Available
6. Volatile Organic Compounds	00.003	2.50	No Guide Limits Available

----- 2024 -----			
Test Parameters	Results		Remarks
	at ETP	at Boiler	
1. Ambient Temperature	27.00	23.90	No Guide Limits Available
2. Humidity	49.00	58.00	No Guide Limits Available
3. Particulate Matter (PM 10)	136.00	108.00	Within Limit
4. Particulate Matter (PM 2.5)	62.00	46.00	Within Limit
5. Formaldehyde (HCHO)	00.02	0.01	No Guide Limits Available
6. Volatile Organic Compounds	0.003	5.90	No Guide Limits Available

The Analytical Test Report of the **Noise Report** is as follows:

----- 2025 -----		
Test Parameters	Results	Remarks
1. Production Area	89.50	Within Limit
2. Milling Area	75.85	Within Limit
3. Turbine Section	93.40	Within Limit
4. Near Boiler	87.35	Within Limit
5. Back Side Boiler	85.65	Within Limit
6. Godown / Bagging	84.30	Within Limit

----- 2024 -----		
Test Parameters	Results	Remarks
1. ETP Plant	63.60	Within Limit
2. Milling Area	69.90	Within Limit
3. Near Technical Office	70.70	Within Limit
4. Near Boiler	80.80	Within Limit
5. Back Side Boiler	68.80	Within Limit
6. Godown / Bagging	66.70	Within Limit

CONSUMPTIONS

Energy Consumption

The Company uses Baggasse to produce Steam through Boilers and produced Electricity through turbines by using steam. We strives to optimize its plants' energy efficiency and intensity to reduce overall energy consumption and related greenhouse gas emissions. Plant has specific energy efficiency and reduction targets, and their performance is regularly benchmarked. Company is exploring renewable energy options at different plant locations to reduce non-production-related energy impacts. While solar panels are installed in mills area to harness renewable energy, their contribution to the total energy mix is currently insignificant. The Company aims to explore and implement options to increase the share of renewable energy in its energy mix.

The Management of the Company dedicated significant efforts to optimizing various plant operational parameters to pursue sustainable and energy-efficient operations. This approach aimed to enhance energy efficiency and resulted in several successful initiatives.

Resources Consumption

Sugarcane is the primary raw material for the production of Sugar. Lubricants and chemicals are used in the manufacturing process. Packing material in polypropylene bags is used for packing sugar bags.

Water Consumption

Water stress poses a significant global challenge, impacting the environment, health, and economy. The frequency of weather events such as droughts and floods are increasing, affecting the availability of fresh and clean water. Water is a critical resource for our operations and farmers, as without it they cannot cultivate and grow crops. We understand the impact water scarcity can have on our business and our water use in the communities and thus, we are improving our practices and working closely with the farming community to promote efficient water usage now and in the future.

We use water primarily for cooling and producing steam and meet most of our water requirements through canal water. Canal water are cleaned by using various filter systems before they are used in the processes. Plant has a water intake from a canal managed by the irrigation department. The Company has an agreement with the department and the meters they installed measure the water inflow. We regularly evaluate our plant to assess potential water-related risks and keep track of water withdrawal, consumption, and discharges. We conduct frequent studies to identify opportunities for minimizing freshwater consumption and increasing recycling. We fully complied with the water withdrawal permit during the year without any incidents of non-compliance. The Management also work with local communities and other stakeholders to discuss water availability and quality-related issues. The plant has also installed access points for filtered fresh water to ensure clean water is available to the communities.

During production, the water becomes partially polluted and must be treated before it can be used or discharged. This treatment ensures that pollutants are reduced to acceptable limits. To treat the wastewater, we use Activated Sludge Process (Chemical + Biology) process at Mills. We also use the wastewater for horticulture purposes at the plant. The wastewater discharged is largely cleaned and therefore, does not burden the environment.

The Analytical Test Report of the **Waste Water Quality Report** is as follows:

----- 2025 -----		
Test Parameters	Results	Remarks
1. Temperature	25.4	Within Limit
2. pH	6.74	Within Limit
3. Total Suspended Solids	50.00	Within Limit
4. Total Dissolved Solids	1,424	Within Limit
5. Bio Chemical Oxygen Demand	112.6	Out of Limit (Minor)
6. Chemical Oxygen Demand	350	Out of Limit (Minor)
7. Oil and Grease	12.8	Out of Limit (Minor)

----- 2024 -----

Parameters	Results	Remarks
1. Temperature	18.00	Within Limit
2. pH	6.90	Within Limit
3. Biochemical Oxygen Demand	168.4	Out of Limit
4. Chemical Oxygen Demand	580	Out of Limit
5. Total Suspended Solids	102	Within Limit
6. Total Dissolved Solids	1420.8	Within Limit
7. Grease & Oil	25.3	Out of Limit

CHEMICAL MANAGEMENT

The Company uses different kinds of chemicals. Generally environmental conditions at chemical storage, transportation and handling areas are good. Clearly visible instructions in local language has been posted at chemical storage and usage areas. Material Safety Data Sheets of chemicals posted at chemical handling, storage and usage sites. Below is the summary of Chemical Handling Storage and transportation practices that are being in practice.

Issue	Status
Proper Segregation Scheme	Present
Awareness for segregation / Compatibility	Yes
Separate storage for Hazardous chemicals	Proper labeling with potential hazard
Material Safety Data Sheets Availability	Present
Instruction for Chemical Handling	Yes posted
Labeling of chemicals	Yes, with hazard identification
Written procedure for chemical management	Present
Emergency Response Plan for chemical exposure	Present
Written procedure for spillage control	Present
Mishandling of chemicals	Not found
Spillage of chemicals	Not Observed
Arrangement for Spill control	Spill Kit, Instructions posted
Transportation inside the facility	Controlled through permits
Workers mishandling of chemicals and its spillages	Training provided
Secondary containment	Available for all liquid chemicals
Wooden pallets used for storage	Yes
Persons Protection Equipment Used	Strictly follow at overall premises

Sr. No.	Aspects	Impacts	Mitigation Measures
1.	Site Location	Health & Hygiene issues	Currently none. Site is located in a dedicated area.
2	Air Emissions	Environmental Pollution from emissions Health and Safety issue related to Fluff.	The air emissions will be monitored for the specified parameters on quarterly basis and results reported to SEPA as per the SMART Rules. Maintenance will be done on regular basis. Face mask will be provided to workers at all potential Areas.
3	Solid Waste	Nuisance, Fire hazard; soil and groundwater contamination	Waste to be kept segregated and stored in covered and paved area. Provision of firefighting equipment in waste storage areas. Entry into waste storage areas to be restricted.
4	Wastewater	Liquid wastes if disposed without treatment may be a source of pollution to land and water receiving	Storm water runoff and spill controls would be implemented during operational activities. The effluent is to be monitored for the specified parameters on as per directives from Sindh EPA. Wastewater Treatment Plant is necessary for wastewater treatment facility.
5	Noise	Noise pollution; noise induced hearing loss	Identification of high noise areas; tuning and maintenance of equipment provision of hearing protection in high noise areas
6	Health, Hygiene and Safety	Injury, illness,	Health surveillance of workers to be exposed Investigation of incidents Adoption of safe working practices Ensure use of PPEs Ensure machines are properly guarded
7	Air Quality	Uncontrolled release of gas emissions from the plant building	Equipment design and primary operational management control techniques
8	Transportation of Chemicals	Spillage of chemicals and environmental containment.	Information specified in sub rule (1) of rule 21 of Hazardous Substance Rules, 2014 will be followed. Name of the person from whom the hazardous substance will be collected should be mentioned. Quantity of hazardous substances to be transported should be mentioned.

Sr. No.	Aspects	Impacts	Mitigation Measures
			<p>Contingency or Emergency Response Plan should be made available.</p> <p>Remove all sharp objects from the loading area of the transporting vehicles before loading of chemicals.</p> <p>Transportation hazardous material separately from food items.</p> <p>Ensure that the consignment is secure when you transport hazardous chemicals.</p> <p>Never keep hazardous chemicals near the driver's seat or the passenger's seat.</p> <p>Do not carry heavy chemical containers on your shoulder or on your head. Use a trolley to carry them.</p>
9	Handling of Chemicals	Leaks, spills and accidental mixing of incompatible chemicals	<p>Do not handle chemicals with bare hands, no matter how harm less you may think they are. Gloves should be used.</p> <p>After handling of chemicals, hands should be washed prior to eating or drinking.</p> <p>Chemicals that can produce fumes, dusts should always be handled in a well-ventilated area. Use of containment devices such as fume hood and gas cabinets is particularly advisable. A fume hood, glove box or other appropriate exhaust ventilation is necessary when handling particularly hazardous substances.</p> <p>Do not eat or drink while working with chemicals.</p> <p>Do not light a match or smoke tobacco close to inflammable chemicals.</p> <p>Use appropriate devices such as funnels and spatulas when transferring chemicals from one container to another or when mixing chemicals.</p> <p>Use corrosion-resistant tools and equipment.</p> <p>Sunlight can affect some plastic containers or the chemical contents. Containers and chemicals must not be stored in a location where they can be exposed to direct sunlight.</p> <p>Secondary containment should be available.</p> <p>Stockpiling hazardous chemicals should be avoided.</p> <p>If the waste is hazardous, it should be clearly labeled on the container along with its hazardous characteristics.</p>
10	Health, Hygiene and Safety	Injury, illness,	<p>Chemicals should always be stored in cool, dry environment far away from busy work area.</p> <p>The quantities of hazardous chemicals should be kept to minimal, in line with efficient operation, their usage and shelf life.</p>

Sr. No.	Aspects	Impacts	Mitigation Measures
			<p>Chemicals must not be stored with food stuff, personal use products and personal protective equipment (PPE).</p> <p>Ensure chemicals containers their seals or stoppers are appropriate for the type and quantity of the chemicals stored. As far as practicable, chemicals should be stored in the containers in which they are supplied.</p> <p>Incompatible chemicals are segregated from one another (e.g. fire isolation in a chemical storage cabinet or segregation in space).</p> <p>Chemicals should be stored in such a manner that leaks cannot affect other substances in the store. Liquids should not be stored above powders and solids.</p> <p>Packages are inspected regularly to ensure their integrity. Leaking and damaged packages are removed to a safe area for repackaging or disposal immediately. Labels are reattached or replaced, as necessary, to clearly identify the contents of the package.</p> <p>Chemicals are store away from any heating or ignition sources.</p> <p>Sunlight can affect some plastic containers or the chemical contents. Containers and chemicals must not be stored in a location where they can be exposed to direct sunlight.</p>
11	Land Quality	Accidental release of fuels, oils, chemicals, hazardous materials, etc., to the ground	<p>Appropriate procedures and protocols to be established and monitored for materials delivery and handling</p> <p>All storage areas will have appropriate environmental security measures to prevent accidental release to ground.</p>

ENVIRONMENT HEALTH & SAFETY

Environment Health & Safety (EHS) is a core value of the Company. The Company aims to be ranked as a leader in terms of EHS care among the world's top producers of Sugar Industries. Company is committed to comply with all legal, regulatory and other EHS requirements to which it subscribes, in order to have safe and healthy operations at its facility to protect the life and health of its employees and the community surroundings its operations.

At Mills, the safety and well-being of our employees, contractors, and the communities surrounding our operations are of utmost importance to us. We firmly believe that any accidents or incidents can be prevented. That's why we have put in place EHS system and processes that not only help us achieve our targets but also ensure compliance with all relevant laws and regulations.

Environment Health & Safety status at Mills are:

- ✓ EHS Management System
- ✓ Working are identified and marked
- ✓ EHS training are in practice
- ✓ Personal Protective Equipment provided and in use

- ✓ Safety instructions posted
- ✓ Safety Guards are in working condition
- ✓ Emergency switches are provided and in working conditions
- ✓ Standard Operating Procedures are available
- ✓ Evacuation Plans are posted and routes marked
- ✓ Emergency Exits Marked
- ✓ Fire Hydrant System
- ✓ Adequate lighting system is provided
- ✓ First Aid boxes are available
- ✓ Waste Management System is implemented

The H&S system is derived from Industry Best Practices and International Standards and ensures workers' health, safety and wellbeing through risk assessment, avoiding incidents and embedding continuous improvement in the organization. It complies with several regulations, including the Environmental Protection Act (EPA), Industrial Relations Act (IRA), National Environmental Quality Standard (NEQS), as well as OSHA Guidelines for Noise/Air Pollution in the air and OSHA guidelines for health and safety. It defines responsibilities and expectations from managers, supervisors, employees and business partners. Health and safety practices are monitored and reviewed regularly at corporate and manufacturing location.

The GM governs the operational aspect of these practices at Mills. HR head at the plant site implements fair labor practices, policies concerning regulations and laws, as well as other activities for the benefit of the employees. All workers, including contract workers while working on premises, activities, and workplaces, are covered by the management system. H&S systems are continuously reviewed for improvement, and new industrial safety standards are adopted to eliminate or minimize potential harm. Workers' participation is ensured through various programs such as hearing conservation, heat stress prevention, health and hygiene, ergonomics programs, workplace lighting and prevention from exposure to chemicals. The formal agreements between our Company and CBA include provisions related to health and safety. In addition, all our employees are covered by a comprehensive medical policy that has been designed to meet the requirements of The Factories Act of 1934.

CLIMATE RELATED RISKS AND OPPORTUNITIES

Climate change is one of the most urgent challenges of our time. The Management has identified some areas which are related and gives direct impact on the Company's Operations which includes Environmental Footprint, Recycling, Climatic Conditions Global warming, Natural disasters etc. Following are the initial risk identified by the Company:

Extreme Heat Waves: Prolonged periods of abnormally high temperatures can cause heat stress, health impacts and infrastructure damage

Heavy Rainfall and Flooding: Increased frequency or intensity of rainfall events that overwhelm drainage systems or riverbanks, leading to flooding

Storms: Intense weather systems such as cyclones, hurricanes, or typhoons that bring strong winds, heavy rainfall and potential destruction

The Company takes various steps to protect the environment including compliance with applicable environment standards. We manage our environmental performance through efficient use of natural resources and identifying and implementing green alternatives. The Company has made investments in renewable energy. We have successfully established plus 50 MW solar plant at Mills Premises. With this addition, our total renewable energy capacity has increased, enabling us to meet our plant's energy requirements during off season to some extent, through clean and sustainable sources. These initiatives showcase the Company's dedication to reducing its carbon footprint, embracing clean energy sources, and contributing to a greener future. By investing in renewable energy infrastructure, the Company not only demonstrates environmental stewardship but also paves the way for a more sustainable and resilient energy portfolio.

KEY ESG PERFORMANCE INDICATORS

Category	Metric	Measurement Annual, unless specified	Response
ENVIRONMENT	GHG Emissions	Total amount of Carbon and Green House Gas emissions in metric tons. Total amount, in CO ₂ equivalents, for Scope 1, Scope 2 and Scope 3 (if applicable).	667,024 GHG NIL
	Emissions Intensity	Total GHG emissions per output scaling factor (Sugar Produced). Total Non-GHG emissions per output scaling factor.	14.49 GHG / MT 0.009 GHG / MT
	Energy Usage	Total amount of energy directly consumed. Total amount of energy indirectly consumed.	121.498 MT of Baggasse 245.76 MW by WAPDA & 37.50 MW by Solar Power
	Energy Intensity	Total direct energy usage per output scaling factor.	2.64 / MT
	Energy Mix	Percentage: Energy usage by generation type. Self-generation through Turbines WAPDA Solar Power Disclose the energy consumption from renewable sources as a percentage of total energy consumption.	96.402% 2.491% 0.380% 0.727%
	Water Usage	Total amount of water consumed. (Commercial and Non-Commercial use) Total amount of water reclaimed.	½ Cusec (85.485 Million Gallons) ¼ Cusec
	Environmental Operations	Does your company follow a formal Environmental Policy? Does your company follow specific waste, water, energy, and/or recycling policies? Specify the quantity of waste recycled or re-used as a percentage of total waste for the current and comparative period. Does your company use a recognized energy management system	Yes Yes 100% Yes
	Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks?	Yes
	Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues?	Yes
	Sustainable Sourcing	Does your company have policies and procedures in place for sustainable sourcing?	No
	Climate Risk Mitigation And adaptation	Climate related transition and physical risks, climate related opportunities, capital deployment, internal carbon prices.	In proces

Category	Metric	Measurement Annual, unless specified	Response
SOCIAL	CEO Pay Ratio	CEO total compensation to median Full-time Equivalent (FTE) total compensation. Does your company report this metric in regulatory filings?	— Yes
	Gender Pay Ratio	Ratio: Median male compensation to median female compensation	1:0
	Employee Turnover	Percentage: Year-over-year change for full-time employees Percentage: Year-over-year change for part-time employees Percentage: Year-over-year change for contractors and / or consultants	2.90% 52% (Daily Wages) 25.53%
	Gender Diversity	Percentage: Total enterprise headcount held by men and women Percentage: Entry- and mid-level positions held by men and women Percentage: Senior and executive level positions held by men and women	100% Men 100% Men 100% Men
	Temporary Worker Ratio	Percentage: Total enterprise headcount held by part-time employees Percentage: Total enterprise headcount held by contractors and/or consultants	27.36% 23.79%
	Non-Discrimination	Does your company have a sexual harassment and/or non-discrimination, diversity, inclusion policy?	Yes
		Is there a confidential grievance, resolution, reporting and non-retaliation mechanism and procedure to address and respond to incidence of harassment and violence?	Yes
		Percentage: differently abled women and men in the workforce	5.21% Men only
	Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy?	Yes
	Child & Forced Labor	Does your company follow a child and/or forced labor policy?	Yes
		If yes, does your child and/or forced labor policy also cover suppliers and vendors?	No
	Corporate Social Responsibility	Please share a list of CSR activities undertaken along with total time spent on these and amounts allocated to these.	Refer to CSR Report
	Employee training and Succession Planning	Number of training sessions held on the following. Please also mention the Number of employees and workers trained on these: -Skill Up-gradation -Soft Skills - Health and Safety Measures	On different aspects it's a routine matter
		Percentage: Women and men promoted during the year	6.26% Men only
	Human Rights	Does your company follow a human rights policy?	Yes
		If yes, does your human rights policy also cover suppliers and vendors?	No
	Working Conditions	Number of complaints made by employees regarding working conditions during the reporting period.	No Complaints
		Number of complaints regarding working conditions resolved.	No Complaints
	Injury Rate	Percentage: Frequency of injury events relative to total workforce time.	Minor Injuries
		Number of safety-related incidents during the reporting year and Number of lost production hours as a result.	Nil
	Marketing	Disclose the percentage of employees/workers covered with Health and Safety Insurance.	100%
		Do you have a responsible gender-sensitive marketing communication policy or a commitment embedded in larger corporate policy?	Not Applicable

Category	Metric	Measurement Annual, unless specified	Response
GOVERNANCE	Board Diversity	Percentage: Total board seats occupied by men and women Percentage: Committee chairs occupied by men and women	6 Men / 1 Women All Men
	Board Independence	Does company prohibit CEO from serving as board chair? Percentage: Total board seats occupied by independents	Yes 28.57 %
	Board Competence	Percentage of ESG-certified board members.	Nil
	Incentivized Pay	Are executives formally incentivized to perform on sustainability?	No
	Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	8% - 10%
	Supplier Code of Conduct	Are your vendors or suppliers required to follow a Code of Conduct? If yes, what percentage of your suppliers have formally certified their compliance with the code?	Yes —
	Ethics & Anti-Corruption	Does your company follow an Ethics and/or Anti-Corruption policy? If yes, what percentage of your workforce has formally certified its compliance with the policy?	Yes 100%
	Data Privacy	Does your company follow a Data Privacy policy? Does your company take steps to comply with general data protection rules/ framework?	Yes Yes
	Sustainability Reporting	Does your company publish a sustainability report? Is sustainability data included in your regulatory filings?	Yes Yes
	Disclosure Practices	Does your company provide sustainability data in line with any sustainability reporting frameworks? Does your company focus on specific UN Sustainable Development Goals (SDGs)? Does your company set targets and report progress on the UN SDGs?	Yes Yes Yes
	External Assurance	Are your sustainability disclosures assured or validated by a third party?	Partially

Statement of Gender Pay Gap

Name of the Company: Sanghar Sugar Mills Limited

Following are the gender pay gap calculated for the year ended September 30, 2025

- (I) Mean Gender Pay Gap: 1:0
- (II) Median Gender Pay Gap: 1:0
- (III) Any other data / details as deemed relevant:

Currently, we have One Female Non-Executive Director on the Board and further there is no female employees at mills because nature of business is seasonal (season of 3-4 months) and rest of the year, repair & maintenance and capital expenditures in plant & machinery has been carried out on routine basis. Mills is situated in rural area and due to the social and cultural barriers of the area, females are not willing to go outside and act as a working women.

Policies and procedures are in place for females which includes but not limited to their appointment, safety, anti-harassment, discrimination, pay gap, incentives & facilities and others. Further, the Company is working on Education Program (male & female) and the details are given in Corporate Social Responsibility Report under the relevant head.

For & on Behalf of the Board

Ghulam Hyder
Chief Executive Officer

Karachi: December 31, 2025

Risk Management Framework & Methodology

The Company's overall risk management program focus on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's operations. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and control and to monitor risks and adherence to limits. 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. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Our Risk Management Framework is a comprehensive approach to identifying, assessing and mitigating risk within the context of our risk environment. Our approach to risk management relies on continuously monitoring risk and related mitigation procedures and revising these when required. These procedures are embedded in our day-to-day activities.

Risk Governance Structure & Assessment

Business Process Owners

Identifies risk and devises mitigation plans. Priorities the implementation of action plans based on risk exposure.

Internal Audit

Provides assurance on the exposure of risk, assess the adequacy of internal controls and provides recommendations for enhancing the level of controls needed to mitigate the risk.

Executive Management

Reviews the Company wide risks, assesses the extent of its exposure and finalize the action plans for implementation.

Audit Committee & Risk Management Committee

Reviews the effectiveness of Risk Management Framework and assess the significance of Risk and their mitigation plans.

Board of Directors

Overall responsibility for overseeing the risk management processes.

BOARD COMMITMENT TOWARDS RISK MANAGEMENT

The Board of Directors of the Company is responsible for the risk management and determining the Company's level of risk tolerance. The Board regularly undertakes an overall review of business risks to ensure that the management maintains a sound system of risk identification, risk management and related system and internal controls to safeguard assets, resources, reputation and interest of the Company and shareholders. The Board has evaluated risk tolerance carefully, considering market dynamics and stakeholder expectations. Our approach emphasizes proactive risk identification, mitigation, and compliance with all relevant regulations. We pledge transparency in our risk management practices, ensuring your confidence in our operations. This commitment will safeguard our financial stability, reputation and long-term success, while allowing us to pursue strategic opportunities.

The Board of Directors has carried out a detailed assessment of risks facing the Company originating from various sources. The Board of Directors is satisfied with the Company's risk management practices and the

mitigating strategies adopted to counter such risks. Board of Directors has conducted an exhaustive assessment of the primary risks confronting our Company. This comprehensive evaluation included a thorough analysis of risks that have the potential to pose a significant threat to our business model, future performance, as well as our solvency and liquidity. This in-depth examination underscores our unwavering commitment to sound corporate governance and risk management. By identifying and understanding these critical risks, we can proactively implement measures to mitigate and manage them effectively. Safeguarding our business model, ensuring sustained future performance and maintaining robust solvency and liquidity are essential components of our corporate strategy. We firmly believe that this proactive approach will not only protect our organization from potential setbacks but also position us to seize opportunities for growth and innovation.

The Company considers the following material risk which may affect our business operations and mitigating strategies for controlling these risks:

RISK MANAGEMENT POLICY

The Company is committed to implement an organizational philosophy that ensures risk management is an integral part of corporate objectives, plans and management systems.

Risk Management Objectives are as follows:

- To ensure risk management is adopted throughout the Company as a prudent management practice.
- To ensure that all employees are made aware of the need to manage risk and to promote a culture of participation in that process.
- To protect the Company from adverse incidents, to reduce its exposure to loss and to mitigate and control loss.
- To ensure the ongoing unimpeded capacity of the Company to fulfil its mission, perform its key functions, meet its objectives and serve its customers.
- To reduce the cost of risk to both the Company and its stakeholders.
- To enable compliance with appropriate regulations, wherever applicable, throughout the adoption of best practices.
- To assure business growth with financial stability.

STRATEGIC RISK

This risk arises from potential failures in strategic planning that may lead to non-achievement of core objectives.

Risk	Area of Impact	Source of Risk	Mitigating Action
Inconsistent & Arbitrary changes in Government Policies	Financial Capital	External	Regular advocacy through different forums, like PASMA, to timely appraise the relevant Government Departments and Regulators of all issues that may have an adverse impact on the Company and industry as a whole. Further, the Company consult with the Consultants for developing appropriate policies and cases to defend the interest of the Company and present to the Government. Government intervention is beyond Company's control, nevertheless, the Company actively engages with all stakeholders to address related issues impacting the industry and agriculture sector.
Technological Advancements	Manufactured Capital	Internal	The Company's management values automation of operations and technological advancements. The Company has invested in modernization of production facilities utilizing latest technological developments for cost / output optimization. Investments are being made regularly to continuously improve product quality / quantity and process efficiently.
Disruption in supply	Financial Capital	External	Continuous liaison and coordination with growers for the timely and smooth delivery of cane. Arranging working capital lines at competitive and cost effective rates to ensure payments to growers on time.

O P E R A T I O N A L R I S K

This risk arises as a result of ineffective internal processes, people, systems or external events which can disrupt the flow of business operations.

Risk	Area of Impact	Source of Risk	Mitigating Action
Maintenance	Manufactured Capital	Internal	<p>Effective technical monitoring and preventive maintenance are in place to ensure maximum plant efficiency and capacity utilization.</p> <p>Implementing strong maintenance program to ensure that plant & machinery is in optimal condition and ready for operation. Investing in preventive maintenance and periodic inspections to avoid equipment degradation.</p> <p>Invest in modernizing production equipment and adopting new technologies to effectively adapt to shifts in production technologies.</p>
Employee Retention & Succession Planning	Human Capital	Internal	<p>Conducting regular employee engagement surveys and reviewing employee development policies to retain staff. Providing ongoing training and development programs to ensure staff remain skilled and ready for operational activities.</p> <p>Strategy on succession planning is in place to support the management in assessing employee performance for future growth and identify potential placements.</p> <p>The Company's key focus remains on the training and development of its intellectual capital and to provide meaningful opportunities to foster a thriving work environment and a high performance culture.</p>
Information System	Financial Capital	Internal / External	<p>Appropriate data back-up is in place. Further, system related controls are in place and working effectively to safeguard confidential and or proprietary information.</p> <p>The Company also ensures continual system upgrades, robust cyber security protocols, disaster recovery planning and comprehensive user training.</p>
National Catastrophe	Manufactured Capital / Relationship Capital	External	<p>Every possible aspects of safety measures has been taken into consideration by the Company during construction and erection of Building, Plant & Machinery to ensured that any adverse or unforeseen events / disasters cause minimum disruption.</p> <p>The Company has made comprehensive insurance cover of all. Further, the Company has established data backup to address any unwarranted events.</p>

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 change in credit rating of the issuer of the instrument, change in market sentiments, speculative activities, supply and demand and liquidity in the market.

Risk	Area of Impact	Source of Risk	Mitigating Action
Raw Material - Sugar Cane	Financial Capital	External	<p>The Company always maintains healthy relationship with its farmers. The risk of raw material - Sugarcane short supply and quality is mitigated to a large extent by educating farmers with latest cultivating techniques. The Company provides harvesting advance to growers and also provide fertilizers in the shape of advances for healthy crop.</p> <p>The Management keep an eye on prices of sugarcane offered by other adjoining mills and maintain sufficient bank balances to get the cane at prevailing market prices.</p>
Commodity	Financial Capital	External	<p>The Company diversify its revenue sources through supply of sugar to Registered buyers as well as Unregistered buyers.</p> <p>Further, the Company made investments in plant & machinery to reduce the consumption of Baggasse and sell the surplus Baggasse after meeting our own production requirements.</p>
Finished Goods - Sugar	Financial Capital	External	<p>The management of the Company keep an eye and in-touch with the market sentiments and players respectively. This helps the management to do a quick and aggressive decision for sugar sales in scattered form or in bulk.</p>

FINANCIAL RISK

This risk includes credit risk, liquidity risk, foreign currency risk and interest rate risk.

Risk	Area of Impact	Source of Risk	Mitigating Action
Credit Risk	Financial Capital	External	<p>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.</p> <p>The Company also manages credit risk interalia by setting out credit limits in relation to individual customers and / or by obtaining advance against the sales and / or through letter of credits.</p>
Interest Rate Risk	Financial Capital	External	<p>Company's exposure to interest rate is associated with the short term borrowings. The Company monitors interest rate fluctuation and encounters interest rate risk by utilizing optimal mix of different types of borrowing arrangements and also manages the risk through viable negotiations with lenders and effective fund utilization.</p> <p>Defer the capital and other not necessary expenditures so that all the cash generated would be utilized in debt reduction.</p> <p>Working capital management strategies to be placed to reduce the short term debt profiles.</p>
Liquidity Risk	Financial Capital	External	<p>The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. The Company has available un-availed borrowing facilities and also has cash & bank balances.</p>
Foreign Exchange Risk	Financial Capital	External	<p>The Company's treasury function closely monitors and manages the exposure to foreign currency risk. The Company is not directly exposed to Foreign Exchange Risk. When the Government allow exports and the Company made export sales, the Company obtained partial payment as an advance and negotiate the rate with bank for the balance payment. Moreover, the residual risk on purchases is passed on as part of the product pricing subject to market conditions and Government policies.</p>
Cost & Availability of Funds	Financial Capital	External / Financial	<p>The Company continuously evaluates its financial (Funded & Non-Funded) needs against its borrowings capacity. When financing requirements exceed these capacity, the Company explores alternative funding options. A substantial portion of the Company's working capital is met through short term borrowings. Borrowings is primarily based on floating rates to reduce the impact of interest rate volatility.</p>

COMPLIANCE RISK

This risk includes the Company's potential exposure to legal penalties, resulting from its failure to act in accordance with laws and regulations.

Risk	Area of Impact	Source of Risk	Mitigating Action
Risk of Litigation	Social & Relationship Capital	External	Significant litigation cases are handled through reputable law firms and our Consultants / lawyers engaged by the Company which specialized in particular areas.
Environmental	Natural Capital	Internal	The Company has made serious efforts and are installing equipment to reduce the pollution and making a good impact of Company's business on Environment. The Company has installed collection units to retrieve oil / grease e.t.c. from the waste water and ash collectors are also installed at the chimneys to absorb the ash. The Effluent treatment plant has also been run. Various environmentally friendly projects, such as renewable energy initiatives, urban forests and waste heat recovery systems have been implemented to reduce our net carbon foot print.
Health & Safety	Human Capital	Internal	Issues are addressed by focusing on safety measures such as conducting appropriate trainings, use of equipment & safety practices. Providing awareness to employees for precautionary measures. Safety awareness and training sessions are regularly conducted throughout the Company to continuously monitor and minimize exposure. Implementation of Health & Safety policies and training workshops, periodic review of safety related incidents to ensure process effectiveness and also provide protective equipment. Collaborate with local healthcare authorities and providers to support public health efforts. Continuously monitor global health trends and collaborate with health authorities to adapt our health and safety measures accordingly.
Regulatory Laws & Policies	Relationship Capital	Internal	The Company closely monitors changes in the regulatory environment and adopts to all significant changes in a timely manner, which is applicable to the Company, to prevent any breach of law. External experts are also engaged for consultations. Engage with Governments, Regulatory and public bodies to shape regulatory requirements and mitigate risk. Audit Committee and Internal Audit Department reviews adequacy and effectiveness of controls over compliance & reporting
Unethical & Prohibited Business Practices	Relationship Capital	Internal	Our code of conduct sets out the behaviors that is expected from the Company, the Directors, the Executive & Managers and the Employees & Workers. We are committed to conduct business in an ethical manner and a reputation of trust & reliance.
Sustainability Related Risk	Financial & Social Relationship Capital	External / Reputational / Finance / Compliance	The Company has established formal policies and processes to ensure compliance with regulatory requirements concerning ESG and sustainability practices. Additionally, the Company has developed specific details to monitor progress towards achieving its sustainability goals. The Company actively support its employees' career development and ensures they remain up-to-date with all new and updated legal and regulatory requirements. This strategy ultimately provides the Company with a competitive advantage by maintaining a knowledgeable and skilled workforce.

Responsibilities of the Chairman of the Board of Directors

The responsibilities of the Chairman of the Board of Directors, includes but not limited to, are as follows:

Leadership of the Board

The Chairman is responsible for leadership of the Board and ensure that the Board plays an effective role in fulfilling its responsibilities.

Agenda and discussion in meetings

The Chairman set the agenda of the Board's meeting and ensure that reasonable time is available for discussion of the same. All written notices, including the agenda of meetings be circulated at least seven days prior to the meetings, except in the case of emergency meetings, where the notice period may be reduced or waived.

Minutes of meeting

Ensuring that the minutes of meetings of the Board of Directors are kept in accordance with the requirements of the Companies Act, 2017.

Appointment Letters

At the beginning of the term of each Director, the Chairman issue letter to the appointed Directors setting out their role, obligations, powers and responsibilities in accordance with the Companies Act, 2017 and Company's Articles of Association, their remuneration and entitlement.

Chairman Review Report

Every financial statements circulated under section 223 of the Companies Act, 2017 must contain a Review Report by the Chairman on the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's objectives.

Chairman of the General Meeting

The Chairman of the Board preside as Chairman at every Annual General Meeting and Extra Ordinary General Meeting of the Company.

Where the Company provides facility to its members for attending meeting through video link subject to the provisions of Clause 73 of Sub-Section (1) of Section 2, Section 134 of the Act and its Articles of Association, the Chairman of the meeting shall ensure that no person other than the member or proxy holder is attending the meeting through video link and shall take any further steps to maintain integrity of such meetings. The Chairman of the meeting shall also take the responsibility to ensure availability of adequate facilities at specified locations without interruption / distortion and appoint coordinator at the place of video conference facility to conduct voting and assist Chairman of the meeting.

Under Companies (Postal Ballot) Regulations, 2018:

The responsibility of the Chairman for general meeting, in which agenda of Special Business and the Election of Directors is going to be held, for that purpose the Chairman is to record the time and date of receipt of ballot papers, keep them in safe custody and ensure confidentiality of the result till it is formally announced and immediately after the conclusion of poll, count votes cast during time of poll in person, through proxy, video- link and by post and in case of e-voting unblock result of e-voting and also ensure completeness and accuracy of the results of the voting and announced in the meeting, by the Chairman. The Chairman, after announcement of result of poll shall send execution report of poll to the Company.

Where a scrutinizer has been appointed under the Companies (Postal Ballot) Regulations, 2018 by the Board, the Chairman must comply with the regulations, give details and follow the procedures, as listed therein.

Responsibilities of the Chief Executive Officer

The responsibilities of the Chief Executive Officer of the Company, includes but not limited to, are as follows:

Issues to be placed for decision of Board of Directors

The Chief Executive Officer of the Company shall place significant issues for the information, consideration and decision, as the case may be, of the Board of Directors or its Committees that include but are not limited to the following:

The Chief Executive Officer foresees risk of default concerning obligations on any loans, borrowings or any other debt instrument, the same shall be brought to the attention of Board; annual business plan, cash flow projections, forecasts and strategic plan; budgets including capital, manpower and overhead budgets, along with variance analysis; matters recommended and/or reported by the Audit Committee and other Committees of the Board; quarterly operating results of the Company as a whole internal audit reports, including cases of fraud, bribery, corruption, or irregularities of material nature; management letter issued by the external auditors; details of joint venture or collaboration agreements or agreements with distributors, agents etc.; promulgation of or amendment to a law, rule or regulation, applicability of financial reporting standard and such other matters as may affect the Company and the status of compliance therewith; status and implications of any law suit or proceedings of material nature, filed by or against the Company; failure to recover material amounts of loans, advances, and deposits made by the Company including trade debts; any significant accidents, fatalities, dangerous occurrences and instances of pollution and environmental problems involving the Company; significant claims made or likely to be made against the Company, including any adverse judgment or order made on the conduct of the Company or of another Company that may bear negatively on the Company; report on governance, risk management and compliance issues; disputes with labor and their proposed solutions, any agreement with the labor union or collective bargaining agent and any charter of demands on the Company; reports on / synopsis of issues and information pursued under the whistle blowing policy; implementation of environmental, social and governmental and health and safety business practices including report on corporate social responsibility activities or any other regulatory framework as applicable; sale of assets, investments and undertakings of material amount or significant nature, which is not in the ordinary course of business; and quarterly details of foreign exchange exposures and the safeguards taken by management against adverse exchange rate movement, if material.

Responsibility for Financial Reporting and Corporate Compliance

The Chief Executive Officer and the Chief Financial Officer shall duly endorse the quarterly, half-yearly and annual financial statements under their respective signatures prior to placing and circulating the same for consideration and approval of the Board of Directors.

Chief Executive not to engage in business competing with Company's business

Chief Executive of Company shall not directly or indirectly engage in any business, which is of the same nature and directly competes with the business carried on by the Company.

Responsibilities of the Board of Directors

The Board of Directors of the Company shall carry out its fiduciary duties with a sense of objective judgment and in good faith in the best interests of the Company and its stakeholders.

The Board of Directors is responsible for the governance of risk and for determining the Company's level of risk tolerance by establishing risk management policies. The Board shall undertake at least annually, an overall review of business risks to ensure that the management maintains a sound system of risk identification, risk management and related systemic and internal controls to safeguard assets, resources, reputation and interest of the Company and shareholders.

The Board of Directors of the Company shall ensure that:

- (i) a vision and/or mission statement and overall corporate strategy for the Company is prepared, adopted and periodically reviewed.
- (ii) a formal code of conduct that promotes ethical culture in the Company and prevents conflict of interest in their capacity as member of the Board, senior management and other employees. The Board shall take appropriate steps to disseminate code of conduct throughout the Company along with supporting policies and procedures and these shall be put on the Company's website;
- (iii) adequate systems and controls are in place for identification and redressal of grievances arising from unethical practices;
- (iv) a system of sound internal control is established, which is effectively implemented and maintained at all levels within the Company;
- (v) a formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of Board and of its Committees;
- (vi) the decisions on the following material transactions or significant matters are documented by a resolution passed at a meeting of the Board:
 - a. investment and disinvestment of funds where the maturity period of such investments is six months or more, except in the case of banking companies, non-banking finance companies and insurance companies
 - b. determination of the nature of loans and advances made by the Company and fixing a monetary limit thereof
- (vii) the Board of Directors shall define the level of materiality, keeping in view the specific circumstances of the Company and the recommendations of any technical or executive sub-committee of the Board that may be set up for the purpose;
- (viii) monitor compliance with all the principles of the Code of Conduct by the Company and its Directors, Executives, Managers, Employees and Workers as well as identification and steps being taken to correct significant violations thereof;
- (ix) review reports on violations of principles of the Code of Conduct and monitor compliance with the Company's relevant policies;
- (x) review and maintain a complete record of Acknowledgement and Undertaking of the Code of Conduct by the Directors, Executives, Managers, Employees and Workers.

The Board of Directors shall maintain a complete record of particulars of the significant policies along with their date of approval or updating. The significant policies include but are not limited to the following:

- a) governance of risks and internal control measures;
- b) human resource management including preparation of a succession plan;
- c) permissible fee for non-executive Directors including independent Directors
- d) procurement of goods and services
- e) communication policy and investors'/shareholders' relations
- f) marketing
- g) determination of terms of credit and discount to customers
- h) write-off of bad/doubtful debts, advances and receivables
- i) sale and lease of assets, undertaking, capital expenditure, planning and control
- j) investments and disinvestment of funds
- k) debt coverage
- l) determination and delegation of financial powers
- m) transactions or contracts with associated companies and related parties
- n) environmental, social and governance (ESG) including health and safety aspects in business strategies that promote sustainability. This includes but is not limited to corporate social responsibility (CSR) initiatives and other philanthropic activities, donations / contributions to charities and other social causes; and
- o) whistle blowing policy, by establishing a mechanism to receive, handle complaints in a fair and transparent manner while providing protection to the complainant against victimization.

Attendance in General Meeting

All Directors of the Company shall attend its general meeting(s), (ordinary and extra-ordinary) unless precluded from doing so due to any reasonable cause.

Directors' Review & Report

The quarterly unaudited financial statements and the annual financial statements of the Company shall be published and circulated along with Directors' Review and Directors' Report respectively on the affairs of the Company and in accordance with the requirements of the Companies Act, 2017.

Directors holding shares of Company

Any Director, chief executive officer or executive of the Company or their spouses and minor children sell, buy or transact, whether directly or indirectly, in shares of the Company of which he is a Director, chief executive officer or executive, as the case may be, shall comply with the requirements of Securities Act, 2015.

Closed period

The Company shall determine a closed period prior to the announcement of interim/final results and any business decision, which may materially affect the market price of its shares.

The closed period shall start from the day when any document/statement, which forms the basis of price sensitive information, is sent to the Board of Directors and terminate after the information is made public. The Company shall advise its Directors about the closed period at the time of circulating agenda and working papers for the Board meetings, along with sending intimation of the same to the stock exchanges. Therefore, no Director, chief executive officer or executive shall, directly or indirectly, deal in the shares of the Company or that of its holding Company, in any manner during closed period.

Director's remuneration

The Directors in their report to members shall state the remuneration policy of non-executive Directors including independent Directors, as approved by the Board of Directors. This includes disclosing the significant features and elements thereof. Also post on the Company's web site the principal elements of the Directors' remuneration policy.

The Company's Annual Report shall contain details of aggregate amount of remuneration separately of executive and non-executive Directors, including salary/fee, perquisites, benefits and performance-linked incentives etc.

Terms of Reference of the Audit Committee

The Board of Directors shall provide adequate resources and authority to enable the Audit Committee to carry out its responsibilities effectively. The Terms of Reference of the Audit Committee shall be the following:

- a) determination of appropriate measures to safeguard the Company's assets;
- b) review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - going concern assumption;
 - any changes in accounting policies and practices;
 - compliance with applicable accounting standards;
 - compliance with listing regulations and other statutory and regulatory requirements; and
 - significant related party transactions.
- c) review of preliminary announcements of results prior to publication;
- d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) review of management letter issued by external auditors and management's response thereto;
- f) ensuring coordination between the internal and external auditors of the Company;
- g) review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- h) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- k) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;

- l) determination of compliance with relevant statutory requirements;
- m) monitoring compliance with the regulations and identification of significant violations thereof;
- n) review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- o) recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements. The Board of Directors shall give due consideration to the recommendations of the Audit Committee and where it acts otherwise and shall record the reasons thereof;
- p) consideration of any other issue or matter as may be assigned by the Board of Directors;
- q) monitor compliance with all the principles of the Code of Conduct by the Company and its Directors, Executives, Managers, Employees and Workers as well as identification and steps being taken to correct significant violations thereof;
- r) review reports on violations of principles of the Code of Conduct and monitor compliance with the Company's relevant policies.

Related party transactions

The details of all related party transactions shall be placed periodically before the Audit Committee of the Company and upon recommendations of the Audit Committee the same shall be placed before the Board for review and approval.

The related party transactions, not executed at arm's length price, shall also be placed separately at each meeting along with necessary justification for consideration and approval of the Board on recommendation of the Audit Committee of the Company. Upon the recommendation of the Committee, the Board of Directors of a Company shall approve the pricing methods for related party transactions that were made on the terms equivalent to those that prevail in arm's length transaction, only if such terms can be substantiated.

Terms of Reference of the Human Resource & Remuneration Committee

The Terms of Reference of the Committee may include the following:

- i. leading the process for Board appointments, identifying and assessing candidates who are qualified for election of Directors (in particular, independent Directors) after invoking necessary procedures for making recommendations to the Board prior to publishing names of nominees for election of Directors by the general meeting;
- ii. recommend to the Board for consideration and approval a policy framework for determining remuneration of Directors (both executive and non-executive Directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the Chief Executive Officer level;
- iii. undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' report disclosing name, qualifications and major terms of appointment;
- iv. recommending human resource management policies to the Board;
- v. recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) and succession planning of the Chief Executive Officer;
- vi. recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- vii. consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer or Chief Operating Officer;
- viii. where human resource and remuneration consultants are appointed, their credentials shall be known by the Committee and a statement shall be made by them as to whether they have any other connection with the Company.
- ix. Monitor compliance with the relevant principles of the Code of Conduct by the Company and its Directors, Executives, Managers, Employees and Workers as well as identification and steps being taken to correct significant violations thereof;
- x. Review reports on violations of relevant principles of the Code of Conduct and monitor compliance with the Company's relevant policies.

Terms of Reference for the Corporate Social Responsibility Committee

The responsibilities of the Committee are as follows:

1. To review, agree and establish the Company's corporate strategy to ensure that corporate social responsibility is and remains an integral part of the strategy and its implementation in practice and that the social, environmental and economic activities are aligned
2. To ensure that there is recognition of the impact of its activities upon all stakeholders including shareholders, customers, suppliers, employees and the wider community and environment and that those activities are regulated such that, consistent with sustainable business and development, they are conducted in a socially responsible manner and have a positive impact on society
3. To develop and recommend for acceptance by the Board policies on all key areas of CSR including the environment, health and safety, product testing and customer safety, standards of business conduct, ethics, employees and employee development, charitable activities and community initiatives
4. To develop and support the activities necessary to convert CSR policies into an effective plan for implementation and to agree a programme of specific CSR activities and focus for each financial year, supported by appropriate targets and key performance indicators
5. To monitor compliance with the CSR policies and review performance against agreed targets
6. In conjunction with management and other committees of the Board including the Risk Management Committee, to identify material environmental, social and health and safety risk areas and to ensure that appropriate measures are taken to mitigate any such risks
7. To evaluate and oversee on an ongoing basis the quality and integrity of any reporting to external stakeholders concerning CSR matters and, specifically, to review and present to the Board for final approval a CSR report for publication in the annual reports and accounts
8. To develop and encourage effective two-way communication concerning CSR issues within the business
9. Where appropriate, to consider the appointment of external advisors to advise and support the Committee in respect of CSR initiatives and to be responsible for establishing the selection criteria, terms of reference and fees in respect of any such advisors
10. CSR Commitment Statement to be placed and agreed in each meeting of the Committee with respect to CSR definition, business value of CSR, vision and commitment (resources, time, personnel)
11. To determine the priority areas wherein the CSR projects are currently being managed (ongoing projects) and are planned to be initiated (upcoming projects)
12. To allocate resources and earmark specific resources (quantifiable), specific criteria, or a proportion of amount for selected CSR activities. The method of allocation of resources or identified criteria must be predetermined and endorsed by the Committee / Board

13. Hold orientation sessions for the Committee members and the Board to ensure that the members and the Board have adequate understanding and expertise of CSR for making informed decisions and incorporate CSR as part of Annual Board Evaluation
14. Specifying the organizational approach towards CSR
15. Incorporating the CSR approach into code of ethics of the Company
16. Setting targets for achievement of CSR objectives and periodic monitoring and evaluation of CSR activities
17. Recognizing and documenting the shortfalls / failures and incorporating improvement in future CSR policy / plans
18. To consider such other topics and issues in relation to CSR as may be stipulated by the Board from time to time
19. Monitor compliance with the relevant principles of the Code of Conduct by the Company and as well as identification and steps being taken to correct significant violations thereof;
20. Review reports on violations of relevant principles of the Code of Conduct and monitor compliance with the Company's relevant policies.

External Assurance: The Committee may undertake arrangement for obtaining assurance by an external party. The external assurance is expected to be implemented in a manner that is systematic, documented, evidence-based and characterized by defined procedures. The Assurance Report may form part of Company's CSR Report.

1. Be conducted by the entities or individuals external to the reporting organization, who are demonstrably competent in the subject matter and assurance practices.
2. Should utilize individuals who are not unduly limited by their relationship with the organization or its stakeholders to reach and publish an independent and impartial conclusion on the report.
3. Is implemented in a manner that is systematic, documented, evidence-based and characterized by defined procedures.
4. Assess whether the CSR report of the Company provides a reasonable and balanced presentation of performance, taking into consideration the veracity of report data and the overall selection of content.
5. Assesses the extent to which the report preparer has applied any Reporting Framework.
6. Results in an opinion or set of conclusions that is publicly available in written form and a statement from the assurance provider on their relationship to the report preparer.

Terms of Reference of the Risk Management Committee

The Board constituted the Risk Management Committee to carry out a review of effectiveness of risk management procedures and present a report to the Board. The Terms of Reference of the Committee shall include the following:

- a) Monitoring and review of all material controls (financial, operational, compliance);
- b) Risk mitigation measures are robust and integrity of financial information is ensured;
- c) Appropriate extent of disclosure of Company's risk framework and internal control system in Directors report;
- d) Monitor compliance with the relevant principles of the Code of Conduct by the Company and its Directors, Executives, Managers, Employees and Workers as well as identification and steps being taken to correct significant violations thereof;
- e) Review reports on violations of relevant principles of the Code of Conduct and monitor compliance with the Company's relevant policies.

Terms of reference of the Information Technology & Steering Committee

The Board constituted the Information Technology & Steering Committee to carry out Information Technology Governance. The terms of reference of the committee shall be the following:

- a) To have properly documented and implemented Information Technology Governance Policy to ensure integrated framework for evolving and maintaining existing Information Technology and acquiring new technology to achieve the Company's Strategic focus
- b) To define Information Technology Governance, Scope and its role & responsibilities;
- c) To promote accountabilities, due diligence, efficient and economic delivery of the Company's Information Technology services;
- d) To provide structured decision making process around Information Technology investment decisions;
- e) To laydown solid structure for management decision making;
- f) To develop & upgrade different modules to provide reliable, efficient and timely information.

Policy for Corporate Social Responsibility

The following are an abstracts of policy for Corporate Social Responsibility:

The objective is to promote the development of a framework for Corporate Social Responsibility (CSR) initiatives by the Sanghar Sugar Mills Limited (the Company).

Strategy of Corporate Social Responsibility

The Company is socially responsible and committed to conduct its business ethically and with responsibility. The Company is conscious of the role to play as responsible corporate entity in fulfilling the various needs of the society concerning health, safety, environment, employee relationship and social welfare of the society. The Company considers itself accountable to its stakeholders and has identified dimensions of performing the social responsibilities which are contribution to economy, environment and society. The management peruses the strategy by following strategic guidelines to be a good corporate entity:

1. Encouraging employment of work force living in the rural areas in order to yield significant gain and uplift their living standard.
2. Continuously striving to improve greenery, protecting the environment, maintain a clean environment around the factory and better housekeeping.
3. Making arrangement for civic, health, safety of people, education and accommodation facilities to employees and people.
4. Support social causes and human rights.
5. Conducting business in a socially responsible and ethical manner and in compliance with the Law.
6. Behave responsibly and with sensitivity to local communities in the area in which we operate.
7. Engaging, learning from, respecting and supporting the communities and cultures within which we work.

Sustainability & Corporate Social Responsibility

The Company acknowledges its social and ethical responsibility to carry out its business in order to keep it safe and protect it for the generation to come. Sustainability Policy is considered to be essential for continuing of the business. The Company considers itself accountable to its stakeholders and informs them about the initiative and measures taken to ensure sustainability and has identified the following dimensions of performing social responsibilities which contributing to economy, environment, health, education and society.

1. To support the sugarcane growers of the area and provide better quality seeds and fertilizers to achieve improvement in quality of sugarcane and enhance its quantity and productivity in order to have regular, constant and better supply in future the major basic raw material for sugar mills.
2. To alleviate illiteracy in the rural areas of the Country, the Company has launched education program and is providing education facilities at the premises adjacent to the Mills' Employees' Colony by the

qualified staff on concessional basis to the children of the factory employees and persons living nearby in rural areas.

3. To contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates and duties.
4. To improve foreign reserves of the Country by earning foreign currency through exports of sugar as and when allowed.
5. To follow consciously the needs of the Society concerning health, safety and environment for achieving the objective.
6. To make efforts to minimize the accidental risks, have necessary medical facilities and continuously shrine to improve greenery and maintain clean and safe environment, better housekeeping, safeguarding the health of employees.
7. To make efforts on improving the social conditions of the Communities and employees related to the Company by establishing fair working conditions, ensuring occupational safety, setting social standard, establishing minimum wages, zero tolerance on child labour and forced labour etc.
8. To encourage employment of workforce living in the rural areas in order to yield significant gain and uplift their living standard.
9. To treat all employees fairly and compensates them according to the industry practice. Provides the benefits such as perquisites, annual leaves, pick and drop, facility of mess, safe and healthy working conditions etc along-with group insurance, making payments to Employees Old Age Benefits Institution, Worker's Welfare Fund, Worker's Profit Participation Funds.
10. To maintain the principles of integrity and trust with respect to privacy of the employees of the Company.
11. To carry out activities at the time of natural calamity or engage in Disaster Management System.
12. To promote sustainability in collaboration with the industry associations.
13. To contribute to any fund setup by the Government, which may be recognized as CSR activity.
14. Monitor and review our CSR policies and procedures on a regular basis to ensure suitability and effectiveness.
15. Use continuous assessment to ensure our CSR activities meet identified performance objectives.

Policy for Directors' Remuneration & Meeting Fee

Following are an abstracts of the policy for Directors' Remuneration and Meeting Fee:

Meeting Fee of Directors

Non-Executive Directors do not have service agreements, but are engaged on the basis of a letter of appointment. All Directors are subject to re-election after three years at the Extra Ordinary General Meeting. It is the policy of the Board of Directors that Non-Executive Directors are not eligible to participate in any of the Company's bonus, share option, long-term incentive or Gratuity schemes.

Objective approach of the Company Fees (cash and shares) is to attract and retain Non-Executive Directors of the highest caliber with broad commercial experience relevant to the Company. The fees paid to Non-Executive Directors are determined by the Board of Directors, with recommendations provided. Fee levels may be reviewed annually, with any adjustments effective from start of the financial year and are reviewed by taking into account external advice on best practice and competitive levels. Time commitment and responsibility are also taken into account when reviewing fees. Chairman and Non-Executive Director fees may be delivered in cash. Aggregate fees are limited by the Company's Articles of Association. Travel and expenses for Non-Executive Directors (including the Chairman) are incurred in the normal course of business, for example in relation to attendance at Board and Committee meetings. The costs associated with these are all met by the Company.

Any Non-Executive Director may waive the meeting fee from the Company, upon submission of waiver consent in writing.

The remuneration to be paid to any Director except the Chief Executive and the working Director for attending the meetings of the directors or a committee of directors shall not exceed the scale approved from time to time by the Board of Directors, as the case may be.

The remuneration of a Director for performing extra services, including the holding of the office of the Chairman, from time to time shall be determined by the Board of Directors.

Members representing management or others in any committee and the Executive Directors / Executives will not be entitle for the Meeting Fee.

Executive Directors' Remuneration

Basic Salary:

Provides market competitive fixed remuneration that rewards to relevant skills, responsibilities and contribution. Salaries are positioned within a market competitive range for companies of a similar size and complexity. The Board / Committee does not slavishly follow data but use it as a reference point in considering, in its judgment, the appropriate level having regard to other relevant factors including corporate and individual performance and any changes in an individual's role and responsibilities.

Benefits & Allowances:

To provide appropriate supporting monetary benefits. Provides appropriate insurance cover benefits. The Company may periodically change the benefits available for the office at which an Executive Director works in which case the Director would normally be eligible to receive the amended benefits on similar terms to all relevant staff.

Increment:

It's a sole discretion of the Board of Directors to decide the Increment percentage on annual basis for Executive Directors.

Gratuity:

Provides basic retirement benefits which reflects local market practice and for the permanent employee of the Company as per policy.

Production Bonuses:

Supports delivery of short term operational, financial and strategic goals. Production Bonuses level and the appropriateness of measures are reviewed annually to ensure they continue to support the strategy. Production bonuses will be paid as per the policy of the Company and subject to the limit approved by the Board of Directors for the Executive Directors.

Others:

The remuneration of a Director for performing extra services, including the holding of the office of the Chairman, from time to time shall be determined by the Board of Directors. Interested Directors & their relatives will not be eligible to participate and vote in the proceeding of the Board Meetings in which their remuneration & benefits will be discussed. All taxes and or with-holding taxes will applicable on the Remuneration and fee paid by the Company. These are subject to deduction of tax as per the applicable laws.

Policy for Related Party Transactions & Their Records

Scope of the Policy

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions. It is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties. Amendments, from time to time, to the Policy, if any shall be considered and approved by the Board. The Policy covers all related party transactions of Sanghar Sugar Mills Limited (the Company) as defined under Section 208 of the Companies Act, 2017 read with related Regulation of Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 issued by the Securities & Exchange Commission of Pakistan (the Commission). The Policy is applicable to all the individuals responsible to initiate, authorize, record and report related party transactions and also on all Related Party Transactions irrespective of their value and size.

Definitions & Explanations

- (a) the expression “office of profit” means any office
 - (i) where such office is held by a director, if the director holding it receives from the Company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
 - (ii) where such office is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
- (b) the expression “arm's length transaction” means a transaction which is subject to such terms and conditions as may be specified.
- (c) the expression “related party” includes-
 - (i) a director or his relative - “relative” means spouse, siblings and lineal ascendants and descendants of a person;
 - (ii) a key managerial personnel or his relative;
 - (iii) a firm, in which a director, manager or his relative is a partner;
 - (iv) a private company in which a director or manager is a member or director;
 - (v) a public company in which a director or manager is a director or holds along-with his relatives, any shares of its paid up share capital;
 - (vi) anybody corporate whose chief executive or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager (except in professional capacity);
 - (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act (except in professional capacity);
 - (viii) any company which is;
 - (A) a holding, subsidiary or an associated company of such company; or
 - (B) a subsidiary of a holding company to which it is also a subsidiary;
 - (ix) such other person as may be specified;

Conditions for Transactions With Related Parties to be Characterized as “Arm's Length Transactions”

Subject to the requirements of section 208 of the Act, a transaction between related parties shall be characterized as an “arm's length transaction”, only if it is carried out in a way, as if;

- (a) the parties to the transaction were unrelated in any way;
- (b) the parties were free from any undue influence, control or pressure;
- (c) through its relevant decision-makers, each party was sufficiently knowledgeable about the circumstances of the transaction, sufficiently experienced in business and sufficiently well advised to be able to form a sound business judgment as to what was in its interests; and
- (d) each party was concerned only to achieve the best available commercial result for itself in all the circumstances.

Related Party Transactions

The Company may enter into any contract or arrangement with a related party with respect to:

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property; and
- (f) such related party's appointment to any office or place of profit in the Company.

Provided that where majority of the directors are interested in any of the above transactions, the matter shall be placed before the general meeting for approval as special resolution:

Further, nothing in the above mentioned will apply to any transactions entered into by the Company in its ordinary course of business on an arm's length basis.

Register of Contracts or Arrangements in Which Directors are Interested

The Company shall keep one or more registers giving separately the particulars of all contracts or arrangements, in such manner and containing such particulars as may be specified by the Commission, except for the contract or arrangement;

- (a) for the sale, purchase or supply of any goods, materials or services if the value of such goods and materials or the cost of such services does not exceed the limit prescribed by the Commission; or
- (b) by a banking company for the collection of bills in the ordinary course of its business.

Every director shall, within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the Company the particulars relating to his concern or interest in the other associations which are required to be included in the register or such other information relating to himself as may be specified.

The register shall be kept at the registered office of the Company and it shall be open for inspection at such office during business hours and extracts may be taken there from, and copies thereof as may be required by any member of the company shall be furnished by the Company to such extent, in such manner, and on payment of such fees as may be specified.

The register to be kept shall also be produced at the commencement of every annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

Approval of Related Party Transactions

The details of all related party transactions shall be placed periodically before the Audit Committee of the Company and upon recommendations of the Audit Committee, the same shall be placed before the Board for review and approval.

Upon recommendation of the Audit Committee, the board will approve related party transactions and the following minimum information shall be circulated and disclosed to the Directors along with agenda for Board's Meeting called for approval of related party transactions;

- (a) name of related party;
- (b) names of the interested or concerned persons or Directors;
- (c) nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party;
- (d) detail, description, terms and conditions of transactions;
- (e) amount of transactions;
- (f) time-frame or duration of the transactions or contracts or arrangements;
- (g) pricing policy;
- (h) recommendations of the Audit Committee, where applicable; and
- (i) any other relevant and material information that is necessary for the Board to make a well informed decision regarding the approval of related party transactions.

If majority of the directors are interested in related party transactions, the matter will be placed before the general meeting for approval of members.

In case approval of members is required for related party transactions, the information will be provided to the members in the statement of material facts in terms of section 134 of the Companies Act, 2017 with the notice of the general meeting called for approval of the members for related party transactions.

Responsibility of Board Regarding Related Party Transactions

The Board will ensure that;

- (a) to educate and train management and relevant employees so that they can identify and report the related party transactions to the Board or other authorized persons;
- (b) to provide direction as to whom a Director or employee can consult, in case where they are uncertain if a transaction is a related party transaction or not;
- (c) to set general criteria to approve transactions or arrangement with related parties at various levels;
- (d) to identify and determine whether a related party transaction requires members' approval;
- (e) that any related party transactions that require members' approval are put before members;
- (f) to fix the responsibility for identification and disclosure of related party transactions; and
- (g) that the Company meets its legal and regulatory obligations in relation to related party transactions.

Every contract or arrangement entered will be referred to in the Director's Report to the shareholders along with the justification for entering into such contract or arrangement.

Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting, as the case may be, if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within ninety days from the date on which such contract or arrangement was entered into, such contract or arrangement will be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the Company against any loss incurred by it (if any).

Record to be Maintained of Related Party Transactions and Contracts or Arrangements in Which Directors Are Interested

Subject to the requirements of the Act, the Company should maintain at its registered office, one or more registers with regards to transactions undertaken with related parties and contracts or arrangements in which directors are interested, as per the forms specified in Regulations and enter therein the particulars of:

- (a) contracts or arrangements, in which any director is, directly or indirectly, concerned or interested, as mentioned under the Act; and
- (b) contracts or arrangements with a related party with respect to transactions to which section 208 of the Act applies.

The entries in the register will be made in chronological order and must be authenticated through signatures by the Company Secretary or by any other person authorized by the Board in this behalf. The Company will keep all the contracts, agreements and instruments in respect of transactions or arrangements with related parties at its registered office. The register and record will be kept in the custody of the Company Secretary or any other person authorized by the Board in this behalf and it must be preserved in good order.

The Company will provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made upon the payment of such fee as may be specified in the articles of the Company but not exceeding ten rupees per page.

Disclosure of Information

Pursuant to the provisions of sub-section (2) of section 209 of the Act, a Director shall provide information to the Company in the specified form as provided in Regulations. The Director giving notice of the interest will cause it to be disclosed at the meeting of the Board held immediately after the date of the notice.

All such notices must be kept at the registered office in the custody of the Company Secretary or any other person authorized by the Board in this behalf and must be preserved in good order.

The Company shall disseminate to the Pakistan Stock Exchange information about Related Party Transactions which individually or taken together with previous transactions with a related party during a financial year, is of a value equal to or more than 10% of total assets or annual total turnover as per last year's audited financial statements of the Company, immediately upon entering into such transaction except for the transactions entered into by the Company in its ordinary course of business. The information to be disseminate must include the following:

- o Name of Related Party
- o Nature of Transactions
- o Amount of Transaction
- o Names of the Interested person(s) and their nature of interest in the transaction / related party
- o The interested persons' direct or indirect shareholding in the Company
- o Details, description, terms & conditions of transaction
- o The rationale for and benefit to the Company of such transaction

Scope of Limitation

In the event of any conflict between the provisions of this Policy and the Companies Act, 2017 or any other statutory enactments and rules, the provision of the Companies Act, 2017 or statutory enactments, rules shall prevail.

Policy for Gender Diversity

Equal Opportunity Employment

Sanghar Sugar Mills Limited (the Company) fosters a culture where the people are driven to operate and perform with the highest integrity and values.

As an equal opportunity employer, the Company hires people purely on the basis of merit and is committed to providing equal access to employment to all people, regardless of race, religion, gender, nationality, or disability. The Company respects people and believes that the success of its business is created by good people working together in a team environment.

Some of the key steps taken to promote the equal opportunity mission are:

- Empowerment of women.
- Hiring of people with disabilities.
- Facilitation for candidates for internships who are willing to contribute.

The principal of equal remuneration shall be applied to all workers.

The four key aspects covered in policy that drive the promotion of gender equality are:

- Achieving equal pay for work of equal value
- Preventing and ending violence and harassment in the world of work
- Promoting work family balance and an equal sharing of childcare responsibilities
- Building a future of work that works for women

1. ACHIEVING EQUAL PAY FOR WORK OF EQUAL VALUE:

- Ensuring Commitment and leadership from the top
- Establishing and Implementing a comprehensive equal pay policy
- Measuring the gender pay gap and performing gender-neutral job evaluations
- Promoting pay transparency and reporting

2. PREVENTING AND ENDING GENDER-BASED VIOLENCE AND HARASSMENT IN THE WORK PLACE:

Violence and harassment negatively impact the organization of work, workplace relations, worker engagement, enterprise reputation and productivity. Those experiencing violence and harassment at work can suffer harm to their psychological, physical and sexual health, including physical injuries, anxiety, depression, stress and other lasting impacts of trauma as well as harm to their dignity and their family and social environment.

A five step framework that the Company shall be implemented in daily functioning:

- Raise prevention awareness;
- Commit to all aspects of women empowerment;
- Implement supportive policies;
- Collaborate with other sectors; and
- Ensure transparency and accountability.

Key Standards & other Instruments

The concept of "Violence and Harassment" in the world of work is defined as "un acceptable behaviors and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment".

The Company is committed to eliminate violence and harassment at work and adopt a policy to:

- Affirm that violence and harassment will not be tolerated;
- Establish violence and harassment prevention programmes with, if appropriate, measurable objectives;
- Specify the rights and responsibilities of the workers and the employer, including the right of the worker to remove her or himself from a situation involving violence or harassment without fear or retaliation;
- Establish complaint and investigation procedures;
- Ensure that all internal and external communications related to incidents of violence and harassment will be duly considered, and acted upon as appropriate;
- Specify the right to privacy of individuals and confidentiality, while balancing the right of workers to be made aware of all hazards;
- Include measures to address domestic violence; awareness rising, leave for victims, flexible work arrangements, temporary protection against dismissal for victims of domestic violence and referral to public mitigation measures; and
- Institute measures to protect complainants, victims, witnesses and whistle blowers against victimization or retaliation.

Particular attention to be paid to the hazards and risks that:

- Arise from working conditions and arrangements, work organization and human resource management, as appropriate;
- Involved third parties such as clients, customers, service providers, users, patients and members of the public; and
- Arise from discrimination, abuse of power relations, and gender, cultural and social norms that support violence and harassment.

Protection against Harassment of Women at the workplace Act, 2010:

To protect women against such harassment at their workplace, Government of Pakistan has implemented “Protection against Harassment of Women at the Workplace Act, 2010” in all organizations. Every organization has an internal committee to work in this regard and to undertake the measures for implementation of this Act.

3. PROMOTING WORK-LIFE BALANCE AND EQUAL SHARING OF CARE RESPONSIBILITIES:

The Company shall:

- Provide maternity protection in line with local applicable laws
- Prevent discrimination against pregnant women and workers with family responsibilities
- Provide paid paternity leave and encourage uptake
- Provide paid gender-neutral parental leave
- Facilitate a smooth return to work after leave
- Provide flexible working arrangements
- Support breastfeeding in the workplace
- Assist with on or near site subsidized childcare

4. BUILDING A FUTURE OF WORK THAT WORKS FOR WOMEN

The Company shall:

- Provide gender-sensitive training with a focus on skilling, re-skilling and up-skilling
- Ensure that new technology does not perpetuate gender stereotypes
- Support women entrepreneurs in the gig economy
- Promote the privacy and safety of women and girls in cyberspace

Policy for Whistleblowing

Following are an abstract of policy for Whistleblowing;

Introduction

The Whistleblowing Policy gives legal protection to employee(s) or person(s) against being dismissed or penalized by their employers as a result of alone or jointly, provides to the Regulatory Authorities and to the Sanghar Sugar Mills Limited (the Company) with information regarding a contravention or indented contravention of the Laws and policies administered by the Regulatory Authorities and the Company.

It is fundamental to any employment contract that an employee will be loyal to his or her employer and will not disclose confidential information outside the organization. However, from time to time, a member of staff might discover information which he or she believes shows wrongdoing or malpractice within the organization. On such occasions, it must be made possible for the information to be disclosed without fear of reprisal.

Policy Statement

The Company is committed to the highest standards of honesty, openness and accountability. It aims to ensure that it operates in a responsible manner, taking into account standards set out. It recognizes that individual members of staff have an important role in helping to achieve this aim.

It is often members of the Company who are first to know if someone in the Company, or connected with it, appears to be acting illegally or improperly. They may feel apprehensive or anxious about raising their concerns, and their loyalty to the Company or to a colleague may prevent them from doing so. They might also be concerned that they will not be taken seriously or about any action against themselves that a disclosure might provoke. However, the Company encourages individuals who have knowledge, or reasonable suspicion, of wrongdoing to come forward. The Company takes all wrongdoing seriously and believes that any evidence suggesting such behavior should be investigated thoroughly.

The purpose of this procedure is to assist and enable all person(s) and or employee(s) of the Company to raise concerns or to disclose information which they believe, in good faith, may indicate malpractice.

Scope of the Policy and Procedure

The policy and procedures are concerned with alleged malpractice, impropriety or wrongdoing in the Company, which it is in the Company's or Shareholder's interest to disclose. The purpose of this policy is to establish appropriate handling of the receipt, retention, and treatment of Whistleblowing matters that may involve; (however it is not an exhaustive list):

- Breach of Company's Policies / Manuals (Accounting policies, Department Manuals, Money Laundering, Department Standard Operating Procedures or other policies / manuals);
- Breach of Internal Controls, management override of controls or other auditing matters;
- Non-compliance of various regulations and rules applicable on the Company (Companies Act, Income Tax Ordinance, Listing regulations, Rule Book of Pakistan Stock Exchange, Securities Act, Code of Corporate Governance and etc. and their related rules, notifications, directives or circulars etc.);
- Non-compliance of Code of Conduct;
- Fraud that is the use of deception with the intention of gaining an undue advantage, avoiding an obligation or causing loss to another party;
- False representations of a matter of fact whether by words or by conduct to clients or other stakeholders or any other fraudulent activities;

- Misappropriation of assets;
- Misuse of confidential information or deliberate falsification of records;
- Gross misconduct, gross incompetence, gross inefficiency or inadequate performance;
- Willful omission to perform duty;
- Illicit and corrupt practices;
- Acts of omissions which are deemed to be against the interest of the Company, laws, regulations or public policies;
- Deliberate damage to or misuse of Company's property, plant & equipment and resources;
- Taking or giving bribes or any illegal gratification or any other questionable activity;
- Serious breach of confidence, including insider dealing in securities;
- Financial malpractice or impropriety or fraud;
- Dangers to health and safety or the environment;
- Criminal activity;
- Improper conduct or unethical behavior including any offence;
- Miscarriage of justice; and
- Attempts to conceal any of the above and others.

It can be difficult to decide whether a particular action falls within the procedures and it may be that, when concerns are investigated, it appears appropriate to address them through other more specific procedures. As part of its day to day conduct of business, the Company takes decisions under established and reasonable procedures. It is not intended that this procedure will allow such decisions to be questioned unless on grounds of malpractice, impropriety or wrongdoing.

Conduct of Whistleblower

Whistleblower shall:

1. Act in good faith; explanation: protected disclosure shall not be 'in good faith' if the whistleblower has any other secret or unrelated reason for making the disclosure;
2. Have reasonable grounds to suspect that the protected disclosure indicates that the Company or regulated person has contravened or intends to contravene any administered legislation;
3. Refrain from making false accusations;
4. Take reasonable care to protect sensitive information and restrict disclosure to the relevant persons/authority only;
5. Shall only disclose the details which are related with the violations;
6. Ensure that the protected disclosure is accurate and complete to the best of his / her knowledge;
7. Provide original information;
8. Provide information voluntarily;
9. Provide complete evidence at his / her disposal to aid investigation of the issues reported; and
10. Provide information keeping in view the limitation as per Regulations.

Internal Whistleblowing

A whistleblower may make a protected disclosure before the Audit Committee or Board of Director of the Company or regulated person. If the protected disclosure is in respect of a member of the Audit Committee, such disclosure shall be made directly to the Chairman of the Board of Directors or his assigned representative.

Procedure for Internal Whistleblowing

The Whistleblower shall follow the following minimum procedure:

1. Whistleblower to report, in writing, openly or confidentially any protected disclosure;
2. To review the protected information;
3. To conduct enquiry into the allegations made and review the findings of the enquiry;
4. To determine the penalty or consequences for the employee or official who has been found involved in violation of applicable laws and rules made there under;
5. To report the findings of the enquiry to the Audit Committee and or Chairman of the Board of Directors of the Company, as the case may be; and
6. To report to the Commission.

Protection from Retaliation

The Company, its Board of Directors, Audit Committee or management shall ensure that no whistleblower, if he/she is an employee/former employee, is subject to any adverse action.

Procedure for Making and Investigating a Disclosure

If there are grounds for proceeding, the designated person will decide how the investigation should be undertaken. This will depend on the nature of the matter and may involve:

- o An internal investigation conducted by a sufficiently independent senior employee of the Company or its internal or external auditor;
- o An independent external inquiry.

The investigation will not be conducted by the person who may have to take a significant decision arising from the findings. It will be conducted as sensitively as possible, and normally be complete within due reasonable time of the disclosure being made. The investigation will also take into account concepts of natural justice and the need to safeguard individual reputations.

When an allegation concerns a named individual, the person concerned will be informed of the allegation and of the evidence supporting it. He/she will be invited to respond to the allegation as part of the investigation and/or before any final conclusion is reached. The point at which it is appropriate for the individual to be informed will depend on the nature of the case.

In any hearing under these procedures, the individual making the disclosure and the person against whom an allegation has been made are both entitled to be accompanied by his/her representative. The findings of any investigation will be reported to the designated person who will reach a decision on any further action to be taken.

Following an initial investigation, other internal procedures may be identified as relevant and may be invoked. In some cases, it may be appropriate to refer a matter outside the Company for further investigation. The designated person will inform the individual making the disclosure of the conclusion reached and what action, if any, is to be taken and why.

If the individual making the disclosure is dissatisfied about how an inquiry was carried out, and its resultant outcome, then he/she may appeal but only on procedural grounds, to the Chairman of the Board / Audit Committee, who may order a procedural review and establish its terms of reference.

A report summarizing all disclosures and inquiries and any subsequent actions taken will be made by the designated person to the Board / Audit Committee and such reports will be retained for a minimum of ten years.

Individual making a disclosure

The identity of the individual making an allegation will remain confidential, unless otherwise agreed with that individual, as long as it does not hinder or frustrate the investigation and is compatible with natural justice. However, the investigation process may at some stage need to reveal the source of the information, and the individual making the disclosure may at that stage need to provide an attributable statement as part of the evidence to be presented.

Unsubstantiated Allegations

No action will be taken against an individual who makes an allegation in good faith even if it is not confirmed by subsequent investigation. If, however, an individual makes what are subsequently determined to be malicious or vexatious allegations or made for personal gain, and particularly if he or she persists in making them, disciplinary action may be taken. A disclosure may be deemed malicious or vexatious at any stage of the procedure.

Others

This policy and procedure is designed to clarify for individuals the route through which concerns can be raised and to assure them that such matters will be taken seriously and acted upon within the Company. The Company takes the view that in the vast majority of cases an internal investigation and decision is likely to be the most appropriate course of action.

If an individual raises matters of concern outside the Company, without first using this procedure, he/she may be in breach of the procedure. That is potentially a disciplinary offence, especially if it causes, or might have caused, unnecessary reputational damage of the Company. In particular, it would not usually be considered appropriate for matters to be raised publicly before an investigation is completed.

Policy for Evaluation of Board's Performance

1. The Board Evaluation is to be adopted as Self-Evaluation of the Board, as a whole through open discussion and question every year in the Board Meeting.
2. The Evaluation System is to address areas of critical importance besides covering the following:
 - Appraising the basic organization of the Board of Directors.
 - Assessing the Board's overall scope of responsibilities.
 - The efficiency and effectiveness of the operation of the Board and its Committees.
 - Evaluate the flow of financial & other management information.
 - Focusing on the goals and results.
 - Validating the support and information provided by the management.
3. The Board should review and assess the results and such areas which are identified for improvement.

Policy for Internal Control

Internal Control is broadly defined as a process, affected by an entity's Board of Directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- o Effectiveness and efficiency of operations: These pertain to effectiveness and efficiency of the entity's operations, including operational and financial performance goals and safeguarding assets against loss.
- o Reliability of financial reporting: These pertain to internal and external financial and non-financial reporting and may encompass reliability, timeliness, transparency, or other terms as set forth by regulators, recognized standard setters, or the entity's policies.
- o Compliance with applicable laws and regulations: These pertain to adherence to laws and regulations to which the entity is subject to.

Any system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. The system that have been established can only provide reasonable, and not absolute, assurance against material financial misstatement of loss.

Roles and Responsibilities

Everyone in the Company has responsibility for internal control.

Management - The Chief Executive Officer is ultimately responsible and is the owner of the system. To assist the Chief Executive Officer in discharge of his responsibilities, the Management is responsible to look at annual corporate objectives, approval and revision of budgets prior to presentation to the Board, review of strategy, stewarding corporate and departmental objectives. Senior Managers, in turn, assign responsibility for establishment of more specific internal control policies and procedures to personnel responsible for the departments' functions.

Board of Directors - Management is accountable to the Board of Directors, which provides governance, guidance and oversight. Board members are objective, capable and inquisitive. They have knowledge of the Company's activities and environment, and commit the time necessary to fulfill their Board responsibilities.

The Company's control consciousness is influenced significantly by those charged with governance. Considerations include whether there are sufficient individuals who are independent from management and objective in their evaluations and decision-making. The importance of the responsibilities of those charged with governance is recognized in codes of conduct and other laws and regulations or guidance produced for the benefit of those charged with governance. Other responsibilities of those charged with governance include oversight of the design and effective operation of whistle blower procedures.

Oversight from those charged with governance, structures, reporting lines, and appropriate authorities and responsibilities in pursuit of its objectives. This includes considerations about: key areas of authority and responsibility and appropriate lines of reporting; Policies relating to appropriate business practice, knowledge and experience of key personnel, and resource provided for carrying out duties; and Policies and communications directed at ensuring that all personnel understand the entity's objectives, know how their individual actions interrelate and contribute to those objectives, and recognize how and for what they will be held accountable.

Internal Audit - Internal Audit plays an important role in evaluating the effectiveness of control systems, and contribute to ongoing effectiveness, Because of the position and authority, internal audit plays a significant monitoring role.

The responsibilities of an internal audit function includes performing procedures and evaluating the results to provide assurance to management and those charged with governance regarding the design and effectiveness of risk management, the system of internal control and governance processes. If so, the internal audit function plays an important role in the entity's process to monitor the system of internal control. However, the responsibilities of the internal audit function be focused on evaluating the economy, efficiency and effectiveness of operations.

Other Personnel - Internal control is, to some degree, the responsibility of everyone in the Company and therefore an explicit or implicit part of employee's job description. Hence all personnel are responsible for communicating upward problems in operation, non-compliance with the ethics and business practices and other policies of the Company.

Features of Internal Controls

The principle features of the Company's system of Internal Control are as follows:

- o Control environment
- o Control procedures
- o Corporate
- o Performance monitoring
- o Performance review
- o Investment projects
- o Corporate reporting
- o Human Resource (Performance Measures of Employees)
- o Risk identification and management
- o Monitoring
- o The Information System
- o Communication
- o Physical or Logical Control

Control environment:

The Board encourages a culture of integrity and openness. The Company has an organizational structure with clear lines of accountability and authority across its operations, supported by appropriate reporting procedures. Each of the department is accountable to the Chief Executive Officer and is managed within the strategic guidelines and delegated authorities adopted by the Board. The functional heads, meets regularly to discuss issues facing the Company.

The effectiveness of controls cannot rise above the integrity and ethical values of the people who create, administer, and monitor them. Integrity and ethical behavior are the product of the Company's ethical and behavioral standards or code of conduct. The communication of entity policies on integrity and ethical values may include the communication of behavioral standards to personnel through policy statements and codes of conduct.

Control procedure:

Control procedures have been established in each of the Company's operations to safeguard the Company's assets from loss or misuse and to ensure appropriate authorization and recording of financial transactions.

Corporate Plan:

Management submits an annual corporate budget and plan to the Board for approval. The budget and plan for each department is the quantified assessment of its planned operating and financial performance for the next financial year, together with a revision of the budget for current year. Management reviews the plans with each operational team. The individual plans are based on key economic and financial assumptions and income statement and cash flow.

Performance monitoring:

Performance and financial reports are produced for each department, with comparisons to budget. Reports are consolidated for overall review by the Management, together with forecasts for the income statement and cash flow.

Performance Review:

Each department is subject to regular performance reviews with Management during the year. Actual results and forecasts for the year are compared to budget. Key operational and financial results are reviewed together with the risk profile and business environment of the reporting unit.

Investment project:

Investment projects are subject to formal review and authorization procedures with designated levels of authority, including a review by the Audit Committee before these are recommended for Board approval.

Corporate reporting:

The quarterly, half yearly and annual financial statements and statement of compliance with Code of Corporate Governance are reviewed by Audit Committee before these are recommended for Board approval and dissemination to Pakistan Stock Exchange, Securities & Exchange Commission of Pakistan and shareholders.

Control Risk relevant to reliable financial reporting include external and internal events, transactions or circumstances that may occur and adversely affect an Company's ability to initiate, record, process, and report financial information consistent with the assertions of management in the financial statements. Control Risks can arise or change due to circumstances such as the following:

- o Change in operating environment. Changes in the regulatory, economic or operating environment can result in changes in competitive pressure and significantly different risks.
- o New personnel. New personnel may have a different focus on or understanding of the system of internal control.
- o New or revamped information system. Significant and rapid changes in the information system can change the risk relating to the Company's system of internal control.
- o Rapid growth. Significant and rapid expansion of operations can strain controls and increase the risk of a break down in controls.
- o New technology. Incorporating new technologies into production processes or the information system may change risk associated with the Company's system of internal control.
- o New business models, products, or activities. Entering into business areas or transactions with which an entity has little experience may introduce new risks associated with the Company's system of internal control.
- o Corporate restructurings. Restructuring may be accompanied by staff reductions and changes in supervision and segregation of duties that may change the risk associated with the Company's system internal control.
- o Expanded foreign operations. The expansion or acquisition of foreign operations carries new and often unique risks that may affect internal control.
- o New accounting pronouncements. Adoption of new accounting principles or changing accounting principles may affect risks in preparing financial statements.
- o Use of IT. Maintaining the integrity of data and information processing. Risks to the Company's business strategy that arise if the Company's IT strategy does not effectively supporting the Company's business strategy; or Changes or interruptions in the Company's IT environment or turnover of IT personnel or when the entity does not make necessary updates to the IT environment or such updates are not timely.

Human Resource (Performance Measures of Employees):

The Management of the Company demonstrates a commitment to attract, develop, and retain competent individuals in alignment with its objectives. The Company ensures that the individuals have the knowledge and skills necessary to accomplish the tasks that define the individual's job, such as:

- o Standards for recruiting the most qualified individuals with an emphasis on educational background, prior work experience, past accomplishments, and evidence of integrity and ethical behavior.
- o Training policies that communicate prospective roles and responsibilities, including practices such as training and seminars that illustrate expected level of performance and behavior;
- o Periodic performance appraisals driving promotions that demonstrate the Company's commitment to the advancement of qualified personnel to higher levels of responsibility; and
- o Establishing performance measures, incentives and rewards for those responsible for internal control, including how the measures are evaluate and maintain their relevance.

Risk Identification and Management:

As outlined in the Annual Report there is a mechanism for identifying, assessing, evaluating and mitigating the risks face by the Company. Activities are coordinated by the Management. The CFO retains overall responsibility, on behalf of the Board, for ensuring that the systems for indentifying and assessing significant risks are adequate, that appropriate control systems and other mitigating actions are in place, and that residual exposures are consistent with the strategy and objectives. In addition a process of periodic audit reviews is in place which involves identification of major financial, commercial and operating risk.

The Company's risk assessment process includes how management identifies business risks relevant to the preparation of financial statement in accordance with the Company's applicable financial reporting framework, estimates their significance, assesses the likelihood of their occurrence, and decides upon actions to respond to and manage them and the results thereof.

Monitoring

The Board reviews the effectiveness of established internal control through the Audit Committee, which receives reports from management, Internal Audit, and the external auditor on the systems of internal control and risk management arrangements.

The Board confirms that the actions it considers necessary have been or are being taken to remedy such failings and weaknesses as it has determined to be significant from its review of the system of internal control. This has involved considering the matters reported to it and developing plans and programs that it considers reasonable in the circumstances.

The Internal Audit department, through Head of Internal Audit, reports administratively to the Chief Executive Officer and functionally to the Chairman Audit Committee. It carries out internal audit of various activities in accordance with audit plan approved by Audit Committee prior to execution. Emphasis continue to be on internal compliance measured against set standards and best practices. Management is required to comply in with defined policies and procedures. The Audit Committee is responsible for ascertaining the adequacy and effectiveness of internal controls including financial and operational controls, accounting systems and reporting structure.

Information System

These relevant to financial reporting encompasses policies, procedure and records that:

- o Identify and record all valid transactions.
- o Describe on a timely basis the transactions in sufficient detail to permit proper classification of transactions for financial reporting.
- o Measures the value of transactions and a manner that permits recording their proper monetary value in the financial statements.

- o Determine the time period in which transactions occurred to permit recording of transactions in the proper accounting period.
- o Present properly the transactions and related disclosures in the financial statements.
- o Capture, process and disclose information about events and conditions other than transactions.

Communication

Communication involves providing an understanding of individual roles and responsibilities pertaining to the entity's system of internal control may take a such forms as policy manuals, accounting and financial reporting manuals and memorandum. Communication also can be made electronically, orally, and through the actions of management.

Control in the control activities component consist of application controls and general IT controls, both of which may be manual or automated in nature, and may pertain to the following:

- o Authorization and approvals an authorization affirms that a transaction is valid. An authorization typically takes the form of an approval by a high level of management or of verification and a determination if the transaction is valid.
- o Reconciliations compare two or more data elements and, if difference are identified action is taken to bring the data into agreement. Reconciliations generally address the completeness or accuracy of processing transactions.
- o Verifications compare two or more items with each other or compare an item with a policy, and perform follow-up action when two items do not match or the items is not consistent with policy. Verifications generally address the completeness, accuracy, of validity of processing transactions.

Physical or logical controls

These includes those that address security of assets against authorized access, acquisition, controls that encompass:

The physical security of assets, including adequate safeguards such as secured facilities over access to assets and records. The authorization for access to computer programs and data files (i.e, logical access). The periodic counting and comparison with amount shown on control records.

Segregation of duties

Assigning different people the responsibilities of authorizing transactions, recording transactions, and maintaining custody of assets. Segregation of duties is intended to reduce the opportunities to allow any person to be in a position to both perpetrate and conceal errors or fraud in the normal course of the person's duties.

Limitations of internal control

Internal control, no matter how effective, can provide an entity with only reasonable assurance about achieving the Company's financial reporting objectives. The likelihood of their achievement is affected by the inherent limitations of internal control. These include the realities that human judgment in decision-making can be faulty and that breakdowns in internal control can occur because of human error.

Additionally, controls can be circumvented by the collusion of two or more people or inappropriate management override of internal controls. Further, in designing and implementing controls, management may make judgments on the nature and extent of the controls it chooses to implement, and the nature and extent of the risks it chooses to assume.

Policy for Human Resource Management

Policy & Succession Planning

The Company is committed to build the better organizational culture that is shaped by empowered employees who demonstrate a deep belief in the Company's Vision and Values.

Human Resource (H.R.) Management Policy

H. R. Management Policy is integral part of the Company's business strategy. The Company fosters leadership, individual accountability and team work. The main Objectives of the Company's H. R. Management policy are based on the following:

- I. Selection of the right person, with the right experience, at the right time, offering right compensation.
- II. Developing Management philosophy and practices to promote and encourage motivation and retention of the best employees.
- III. Encouraging and supporting concept of team-working and team-building techniques.
- IV. Recognizing and rewarding employees' contribution to the Company.
- V. Making all reasonable efforts to achieve a high quality of work- life-balance.

Succession Planning

The Company believes in pro-active approach towards Succession Planning. The Company recruits employees, develops their knowledge, skills, abilities and prepares them for advancement and promotion into more challenging roles. Succession Planning ensures that employees are constantly developed to fill each needed role. The Company looks for people who exemplify continuous improvement when it is spotting Successors for future.

Policy for Conflict of Interest Management Policy & Insider Trading

Policy Statement

The Company has the policy for actual and perceived conflicts of interest and measures are adopted to avoid any conflict of interest, identify the existence of any conflict of interest and to disclose the existence of conflict of interest. The Board of Directors shall ensure that the Professional Standards and Corporate Values are put in by the Company that promote integrity for the Company, the Directors, Executives, Managers, Employees and Workers in the form of the Code of Conduct and disseminate the Code of Conduct throughout the Company and put on the Company's Website. The Company Policy provides a guide as to what constitutes a conflict of interest, the processes and procedures that are in place in order to facilitate compliance therewith and the consequences of non-compliance. The Policy is intended to assist Directors and Employees in making the right decisions when confronted with potential conflict of interest issues.

Management of Conflict of Interest

The primary goal of Policy of Sanghar Sugar Mills Limited is to manage conflicts of interest to ensure that decisions are made and are seen to be made on proper grounds, for legitimate reasons and without bias. To do this, the Company has set the following procedures to manage and monitor the conflict of interest:-

- i. To identify the areas of risks.
- ii. To develop strategies and responses for risky areas.
- iii. To educate all employees about the conflict of interest policy.
- iv. To communicate with stakeholders to provide the platform for proper disclosure.
- v. To enforce the policy of the Company.

Insider Trading

All the Directors of the Company are reminded of the Insider Trading that to avoid dealing in shares of the Company while they are in possession of the Insider Information. Every Director is required to provide to the Board complete details regarding any material transaction which may bring conflict of interest with the Company for prior approval of the Board. The Interested Directors do not participate in the discussion neither they vote on such matters. The Transactions with Related Parties in case of supply of sugarcane to the Company, made during the Crushing Period on the Basis of Price of each Crushing Season and price must be at Arms-Length Basis and for Other Transactions that should be made at Arms-Length Basis and complete details thereof should be provided to the Board for their approval. Further, all the Transactions with the Related Parties should be disclose in the Financial Statement of the Company.

Policy for Information Technology (I. T.) & Steering Committee Governance Policy

To have properly documented and implemented I.T. Governance policy to ensure integrated framework for evolving and maintaining existing information Technology and acquiring new technology to achieve the Company's strategic focus.

- i. To define I. T. Governance, Scope, its roles and responsibilities.
- ii. To promote accountabilities, due diligence, efficient and economic delivery of the Company's I. T. Services.
- iii. To provide structured decision making process around I. T. investment decisions.
- iv. To safeguard the Financial Data of the Company.
- v. To lay down solid foundation for Management decision making.
- vi. To develop and upgrade different modules to provide reliable, efficient and timely information.

Steering Committee

There will I. T. Steering Committee in order to implement the I. T. Governance Policy, report thereon and recommend suggestions for improvement in their in to the Board of Directors to secure the interest of the Company.

Policy on Level of Materiality

Purpose

The purpose is to define the level of materiality for transactions which are financially significant for the consideration of the Board of Directors of Sanghar Sugar Mills Limited (the Company) keeping in view the provisions of the Companies Act, 2017 and the Code of Corporate Governance, relating thereto:

Scope

This Policy shall be applicable to all transactions which are financially material and any other transaction(s) which the Board may consider to be material whether defined or not.

Policy

Following transactions should be considered material and be referred to the Board for its consideration, decision and approval by the Directors of the Company in their meeting, namely:-

- 1) To incur capital expenditure on any single item or dispose of a fixed asset in accordance with the following;
 - The amount of capital expenditure to be incurred on any single item shall be more than twenty-five million rupees; and the amount of book value for the disposal of a fixed asset shall be more than five million rupees or one percent of the total assets of the Company, whichever is lower;
 - Provided that any amount of an expenditure or disposal not exceeding the aforesaid limits, may be approved by a Committee constituted by the Board comprising at least one director; and the Committee shall submit to the Board on bi-annually basis a post facto report for information.
- 2) The Board shall have the power to approve the capital expenditure or disposal of fixed assets irrespective of limits as specified above;
- 3) Any capital expenditure to be incurred on land and building irrespective of the amount, or disposal thereof, may be made only with the approval of the Board subject to provisions of Companies Act, 2017;
- 4) to undertake obligations under leasing contracts exceeding the prescribed limit;
- 5) to approve bonuses to employees;
- 6) having regard to such amount as may be determined to be material by the Board:
 - (i) to write off bad debts, advances and receivables;
 - (ii) to write off inventories and other assets of the Company;
 - (iii) to determine the terms of and the circumstances in which a law suit may be compromised and a claim or a right in favor of the Company may be released, extinguished or relinquished
- 7) to make calls on shareholders in respect of moneys unpaid on their shares;
- 8) to issue shares
- 9) to issue debentures, participation term certificate or any instrument in the nature of redeemable capital;

- 10) to borrow moneys otherwise than on debentures;
- 11) to invest the funds of the Company;
- 12) to make loans;
- 13) to authorize a director or the firm of which he is a partner or any partner of such firm or a private company of which he is a member or director to enter any contract with the Company for making sale, purchase or supply of goods or rendering services with the Company;
- 14) to approve annual or half-yearly or other periodical accounts as are required to be circulated to the members;
- 15) to declare interim dividend;
- 16) all transactions or contract of sale and purchase with Associated Company / Companies and Related Party / Parties; and
- 17) any other transaction which, in the opinion of the Board, is material and needs consideration and approval of the Board.

Policy for Safety of Records of the Company

The main purpose of the Company's Policy to save the Company's records which will be based on the following;

- To ensure that the Company's records are created, managed, retained, and disposed off in an effective and efficient manner;
- To keep Books of Accounts up-to the period as required and to comply with the provisions Companies Act, 2017.
- To keep records up-to the period as required under Income Tax Laws, Sales Tax Laws, General Clauses Act, Labour Laws and other Laws applicable to the Company.
- To facilitate the efficient management of the Company's records through the development of Coordinated Records Management Program;
- To ensure preservation of the Company's records of permanent value to support both protection of privacy and freedom of information service throughout the Company to promote collegiality and knowledge sharing;
- Information will be held only as long as required and disposed off in accordance with the record retention policy and retention schedules
- Records and information are owned by the Company, not by the individual or team.

Policy for Employee Health & Safety

The Company has very high regard for the health and safety of its employees. The Company ensures that all HSE related dimensions are considered. The key elements of Health and Safety policy are as follows:

- To take all necessary steps to ensure that operational practices comply with the stipulated procedures as well as with national and international regulations, guidelines and standards.
- Provide effective Quality, Health, Safety and Environmental training to all employees, drivers and sub-contractors, which will enable them to produce quality products, eliminate personnel injury, reduce environmental risks and to protect assets of the plant. Training shall be provided with the goal to prevent, prepare and respond to emergencies in a timely and effective manner to ensure zero or minimal impacts on Health, Safety and Environment from our activities.
- Necessary Health and Safety induction shall be given and all the staff shall be required to wear / use personal protective equipment.
- All procurement of goods and services shall be made with a view to minimize impact on the environment and ensure personnel safety.
- To prevent accidents and cases of work-related injury / health hazards, the HSE function will manage the health and safety risks in the workplace by undertaking a risk assessment and bridging the identified gaps.
- A periodic review of Health, Safety & Environment shall be conducted for routine and non-routine jobs.
- Health and Safety related procedures / work instructions shall be developed and awareness shall be imparted to employees. Key safety related work instructions shall be displayed prominently at production area, workshops and other locations where employees work, in the form of posters in Urdu and English languages.
- Appropriate record of all work related instances of injuries and near-miss incidents shall be maintained.

Report of The Audit Committee on Compliance with the Regulatory Requirements

The Audit Committee has concluded its annual review of the conduct and operations of the Company during the financial year ended September 30, 2025 and reports that:

THE AUDIT COMMITTEE:

- o The Audit Committee (the Committee) is constituted by the Board and comprises of three Members, all are non-executive Directors and the Chairman and one Member of the Committee are Independent Directors.
- o The Committee is governed by the mandate given to it vide Code of Corporate Governance and the Board of the Company. It is vital platform to ensure transparency of Company reporting and checking effectiveness in achievement of Company's objectives.
- o The Committee assist Board in scrutinizing the financial and non-financial information and maintaining an independent check on activities of the management, risk management, internal controls, compliance and governance matters.
- o The Committee members are financially literate with immense experience in the fields of finance, governance and business management.
- o The Committee is accountable to the Board for the determination of appropriate measures to safeguard the Company's assets, review of the Company's internal control systems prior to endorsement by the Board, review the internal audit reports and forwarded to the Board for consideration, recommendation of appointment of external auditors, directing and monitoring the audit function, reviewing the adequacy and quality of the audit process and recommendation to the Board for approval of related party transactions.
- o During the year, four meetings of the Audit Committee were held in which the Chief Executive Officer and the Chief Financial Officer also attended by invitation. The external auditors of the Company also attended two meetings when issues related to the accounts and audit were discussed.
- o The Committee gives additional assurance to the Board for the accuracy of the financial information and also ensures that the Company has an effective internal control framework.

CORPORATE GOVERNANCE:

- o The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" (Compliance Statement) along-with the details of non-compliances of non-mandatory Regulations with the explanations thereon, which has also been reviewed by the Statutory Auditors of the Company and issued a Review Report thereon.
- o The Committee has also reviewed the Compliance Statement and confirm that the requirements of the Regulations have been complied except for those as stated therein for non-mandatory Regulations.
- o The Committee has reviewed the "Code of Conduct" of the Company and has further ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- o The Committee oversees a formal mechanism for employees and management to report concerns or unethical behavior to the Audit Committee and ensures that any allegations are scrutinized seriously. During the year, no whistle was blown, which needs to be reported.
- o The statutory and regulatory obligations and requirements of best practices of governance have been met.

- o The Committee carried out the Annual Evaluation of the Committee in terms of structure, composition, frequency of meetings and contribution towards Board in decision making and policy making.
- o The Committee ensured that a complete record of particulars of significant policies along-with the dates on which they were approved or amended has been maintained.
- o All trading and holdings of the Company's shares by Directors and or their spouses were duly notified in writing to the Company Secretary along with the price, the number of shares, form of shares, and the nature of the transaction. All such transactions were disclosed at the Pakistan Stock Exchange and Securities & Exchange Commission of Pakistan and reported to the Board of Directors. All such holdings have been disclosed in the Pattern of Shareholding.
- o Closed periods were duly determined and announced by the Company, precluding the Directors and Executives of the Company from dealing in Company's shares, prior to each Board Meeting involving announcement of Financial Results or communication of any other business decision, which could materially affect the market share price of the Company.

FINANCIAL STATEMENTS - ANNUAL REPORT 2025:

- o The Company has issued a very comprehensive Annual Report 2025 which comprise the statement of financial position as at September 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, which gives fair, balanced and understandable information in excess of the regulatory requirements to offer an in-depth understanding of the management style, the policies set in place by the Company, its performance during the year and future prospects to various stakeholders of the Company.
- o The Audit Committee believes that the Annual Report 2025 includes both financial and non-financial performance, risk and opportunities and outcomes attributable to Company's activities and key stakeholders having significant influence on its value creation ability.
- o The Committee has briefly reviewed the details, contents and the adequacy of the details and information reported in the Directors' Review on Condensed Interim Financial Statements during the year and the Directors' Report on Annual Financial Statements.
- o The Chief Executive Officer and the Chief Financial Officer have endorsed the financial statements of the Company before presenting to the Committee and the Board. They acknowledge their responsibility for true and fair presentation of the Company's financial statements, accuracy of reporting, compliance with regulations, applicable accounting standards, establishment and maintenance of internal controls and systems of the Company.
- o The Annual Audited Financial Statements has been prepared on a going concern basis, presents a true and fair view of the Company's affairs, results of operations, profits, cash flows and changes in equity for the year under review.
- o The Committee has reviewed the Condensed Interim Quarterly Financial Statements and Annual Audited Financial Statements for the year 2024-25 and recommended to the Board for approval and focused on the followings:
 - Major judgmental areas
 - Significant adjustments resulting from the audit (if any)
 - Going concern assumptions
 - Changes in accounting policies and practices (if any)
 - Compliance with accounting policies and practices
 - Compliance with rules, regulations, statutory and regulatory requirements
 - All related party transactions

- o The Related Party Transactions made by the Company in the normal course of business has been reviewed by the Committee and recommended to the Board for approval.
- o Accounting estimates are based on reasonable and prudent judgments. Certain valuation reports like Revaluation Report of property, plant & equipment and the Actuarial Valuation of retirement benefits conducted by the third party professionals have been examined and incorporated in the Financial Statements. Proper and adequate accounting records have been maintained by the Company. The Financial Statements comply with the requirements of Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholders need.
- o Proper books of account have been kept by the Company as required by the Companies Act, 2017. 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 and are in agreement with the books of account and returns of the Company.
- o The Committee reviewed all the announcement of Financial Results of the Company prior to external communication and publication.

RISK MANAGEMENT & INTERNAL CONTROLS:

- o The Company's system of internal controls are sound in design and has been continually evaluated for effectiveness and adequacy.
- o The Company has in place a Risk Management Framework through which risk are identified, analyzed, evaluated and mitigated through appropriate actions in the form of policies and procedures. The Company periodically monitors the emerging risks, suggests actions and obtain reports on the implementation status of risk mitigating actions.
- o The Committee has ensured the achievement of operational, compliance, risk management, financial reporting, control objectives and safeguarding of the assets of the Company and the shareholders wealth through effective financial, operational and compliance controls and risk management at all levels within the Company
- o The Risk Management Framework is reviewed and monitored annually by the Risk Management Committee and the Audit Committee for recommendations to the Board. No material risk was noted during the period that has not been appropriately mitigated by the management.
- o There were no complaints and or cases reported to the Committee during the year regarding accounting, internal controls and fraud.

INTERNAL AUDIT:

- o The Committee confirmed that the Head of Internal Audit is experienced and conversant with the Company's policies and procedures.
- o The Head of Internal Audit has direct access to the Chairman of the Audit Committee and conducted meetings without the presence of Chief Financial Officer, Chief Executive Officer and External Auditors of the Company to comply with the regulatory requirements. The Committee has ensured that the function has the necessary access to the management and right to seek the information and explanations.
- o The Committee ensured that the Internal Audit Plan provides a financial and business segment wise coverage and devotes effort to the review of the risk management framework surrounding the major business risk.

- o Internal Audits were executed across all business by suitably qualified and experienced employees of the internal audit department, who are well conversant of the Company's policies, procedures, relevant rules, regulations and laws. The Internal Audit were conducted its assignments, based on the Internal Audit Plan approved by the Board, as recommended by the Audit Committee. Observations were discussed taking appropriate action or bringing the matters to the Board's attention, where required.
- o Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with the Laws and Regulations.

EXTERNAL AUDITORS:

- o The Audit Committee has reviewed and discussed the Key Audit Matters and observations with the external auditors. The Management Letter issued by the External Auditors on audit observations for the year 2023-24 was discussed with them by the Committee and for the year 2024-25 will be discussed with-in the specified time, as required by the Code of Corporate Governance.
- o The Committee conducted meeting with External Auditors and discussed the matters that the external auditors wished to highlight, were freely discussed with them, as required by the regulations. The Committee also met the External Auditors in the absence of Chief Financial Officer and the Head of Internal Audit, in accordance with the requirements of the Code of Corporate Governance.
- o The External Auditors firm has been given a satisfactory rating under the Quality Control Review Programme 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. The External Auditors firm is registered with Audit Oversight Board of Pakistan and complied with the Quality Control System. The External Auditors have indicated their willingness to continue as External Auditors.
- o Being eligible for reappointment under the Listing Regulations and the Listed Companies (Code of Corporate Governance) Regulations, 2019 the Committee has recommended the re-appointment of external auditors Kreston Hyder Bhimji & Co. (Chartered Accountants) and their remuneration, the provision of any service permissible to be rendered to the Company by the external auditors in addition to the audit of financial statements for the ensuing financial year 2025-26.

Karachi: December 31, 2025

M. Abdul Jabbar
Chairman - Audit Committee

Independent Auditor's Review Report to the Members of Sanghar 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 Sanghar Sugar Mills Limited (the Company) for the year ended September 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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

CHARTERED ACCOUNTANTS

Place: Karachi

Date: December 31, 2025

UDIN: CR202510221XaGVljWYs

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

Name of the Company: Sanghar Sugar Mills Limited

Year Ending: September 30, 2025

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

1. The total number of Directors are Seven as per the following:

- a) Male: Six
- b) Female: One

2. The composition of Board is as follows:

Independent Directors

Mr. Mehmood Alam
Mr. M. Abdul Jabbar

Non-Executive Directors

Mr. Ghulam Dastagir Rajar
Mr. Muhammad Qasim
Ms. Misbah (Female)

Executive Directors

Mr. Ghulam Hyder
Haji Khuda Bux Rajar

Best practices of Corporate Governance entail having an optimal number and mix of Board members with core competencies, diversity, requisite skills, knowledge, experiences and fulfils any other criteria as deem relevant in the context of the Company's operations. The current Board of Directors of the Company adequately meets this requirement. Further, existing independent directors play an effective part within the Board and make valuable contributions. Therefore, the fraction (2.33) for independent directors has not been rounded up.

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ Shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board have formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The following are the details of Directors who are duly Certified or exempted from Directors' Training Program:

- | | |
|------------------------------|-------------|
| 1. Haji Khuda Bux Rajar | - Exempted |
| 2. Mr. Ghulam Dastagir Rajar | - Certified |
| 3. Mr. Ghulam Hyder | - Certified |
| 4. Mr. Muhammad Qasim | - Certified |
| 5. Mr. M. Abdul Jabbar | - Certified |
| 6. Mr. Mehmood Alam | - Certified |
| 7. Ms. Misbah | - Certified |

10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration, 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:
- | | |
|---------------------|----------|
| Mr. M. Abdul Jabbar | Chairman |
| Mr. Muhammad Qasim | Member |
| Mr. Mehmood Alam | Member |
- Human Resource and Remuneration Committee:
- | | |
|---------------------|----------|
| Mr. M. Abdul Jabbar | Chairman |
| Mr. Ghulam Hyder | Member |
| Ms. Misbah | Member |
- Risk Management Committee:
- | | |
|----------------------|----------|
| Mr. Mehmood Alam | Chairman |
| Haji Khuda Bux Rajar | Member |
| Mr. M. Abdul Jabbar | Member |
- Corporate Social Responsibility Committee:
- | | |
|---------------------------|----------|
| Mr. Ghulam Dastagir Rajar | Chairman |
| Mr. Muhammad Qasim | Member |
| Ms. Misbah | Member |
| Syed Rehan Ahmad Hashmi | Member |
- Information Technology & Steering Committee:
- | | |
|-------------------------|----------|
| Mr. Ghulam Hyder | Chairman |
| Syed Rehan Ahmad Hashmi | Member |
| Mr. Sheraz Khan | Member |
13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance.
14. The frequency of meetings of the Committees were as per following:
- | | |
|--|---------------|
| a) Audit Committee | Four meetings |
| b) Human Resource and Remuneration Committee | Two meetings |
| c) Risk Management Committee | Two meetings |
| d) Corporate Social Responsibility Committee | Two meetings |
| e) Information Technology & Steering Committee | Two meetings |
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 the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, 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 Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

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

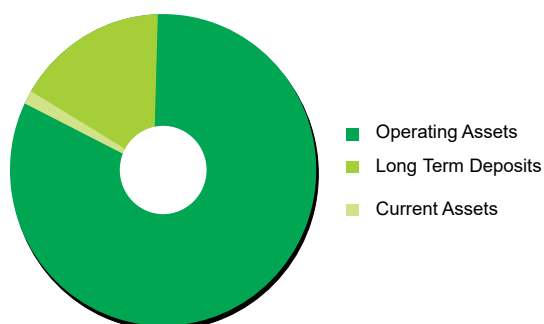
S. No.	Regulation No.	Requirement	Explanation of Non-Compliance
1	5	Representation of Minority Shareholders The minority members as a class shall be facilitated by the Board to contest election of directors.	None of the person representing minority shareholders, filed Consent to act as director with the Company during the timeline as specified in the Election of Directors held on November 02, 2023. Therefore, the elected Directors of the Company will take due care of minority shareholders.
2	10(1)	Responsibilities of the Board of Directors - Adoption of Corporate governance practices by the Company	Non-mandatory provision of the Regulations and are partially complied. The Company is deliberating on full compliance with all the provisions of Regulations.
3	10(6)	All directors of a company shall attend its general meeting(s), (ordinary and extraordinary unless precluded from doing so due to any reasonable cause.	Five Directors have attended the 39th Annual General Meeting (AGM) of the Company. Remaining directors provided reasonable cause for not attending the AGM
4	10(A)	Role of the Board and its members to address sustainability risk and opportunities. The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a dedicated Sustainability Committee.	At present, the Board provides governance and oversight in relation to Company's initiatives on environmental, social and governance (ESG) matters and prefers to continue the same practice. Currently, the Board has not constituted a separate Sustainability Committee and the functions are being performed by the Corporate Social Responsibility Committee.
5	19(3)	Directors' Training - Companies are also encouraged to arrange training for: (i) at least one female executive every year under the Directors' Training program from year July 2020; and (ii) at least one head of department every year under the Directors' Training program from July 2022.	The Company will comply with this Regulation in due course of time. However, this is non-mandatory Regulation but will give benefit to the Company.
6	29	Nomination Committee - The Board may constitute a separate committee, designated as the nomination committee, of such number and class of Directors, as it may deem appropriate in its circumstances	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the Human Resource and Remuneration Committee.
7	35	Disclosure of Significant Policies on website The Company may post key elements of its significant policies including diversity, equity & inclusion and protection against harassment at workplace (as advised by SECP vide its SRO 920(I)/2024 dated June 12, 2024), brief synopsis of terms of reference of the Board's Committees on its website and key elements of the Directors' remuneration policy.	All the policies are well circulated among the relevant employees and Directors, the Board shall consider posting such policies and synopsis on its website.

KEY OPERATING & FINANCIAL HIGHLIGHTS

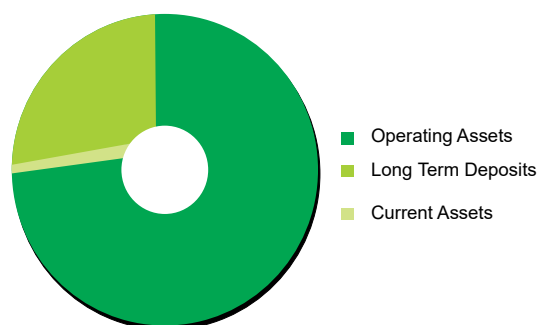
	2025	2024	2023	2022	2021	2020	2019	2018	2017
OPERATIONAL DATA									
Duration of Season (Days)	96	95	85	125	108	109	100	142	133
Cane crushed (Tons)	464,266	515,994	406,403	581,110	451,276	387,303	490,932	712,124	625,237
Sucrose Recovery (%)	9.920	10.135	10.263	10.635	10.012	10.263	10.76	10.37	10.12
Sugar Made (Tons)	46,023.00	52,293.50	41,711.25	61,785.00	45,239.50	39,804.25	52,799.25	73,776	63,380
Molasses (Tons)	23,955.92	24,650.00	21,300.00	26,291.34	18,720	16,802	23,590	42,017	30,300
<i>All figures are in Rs in '000</i>									
PROFIT OR LOSS RESULTS									
Turnover - Net	6,739,085	5,415,294	3,922,156	3,872,185	2,860,053	2,938,182	2,770,439	3,405,535	2,583,232
Gross Profit / (Loss)	639,739	339,327	519,742	360,641	32,913	156,161	131,778	98,520	(70,660)
Operating Profit / (Loss)	395,878	124,412	281,506	177,281	(92,060)	49,137	24,059	146,802	(165,398)
Profit / (Loss) before levies & taxation	245,598	(80,321)	132,451	70,466	(16,094)	(98,846)	(148,608)	24,868	(259,678)
Profit / (Loss) after levies & taxation	142,686	(139,660)	104,883	1,609	(29,826)	(118,755)	(98,855)	19,426	(287,104)
ASSETS EMPLOYED									
Operating Assets	5,020,685	3,425,535	3,552,387	3,707,666	2,615,681	2,712,815	2,807,695	2,909,416	1,745,965
Long Term Deposits	4,540	709	1,059	4,586	20,581	20,231	17,323	18,823	20,961
Deferred Cost	—	—	—	—	—	—	—	8,771	17,543
Current Assets	994,729	1,882,399	1,468,147	1,622,488	1,220,197	606,939	815,755	1,131,843	1,302,916
Total Assets Employed	6,019,954	5,308,643	5,021,593	5,334,740	3,856,459	3,339,985	3,640,773	4,068,853	3,087,385
FINANCED BY									
Shareholder's equity	3,122,983	1,908,924	2,057,446	1,965,075	1,080,845	1,108,108	1,223,854	1,330,699	569,165
Long Term Financing & Lease	72,242	131,277	-	1,752	114,145	247,536	145,670	250,863	345,291
Deferred Liabilities	1,495,746	857,560	842,488	850,123	483,704	508,584	519,916	603,790	300,074
Current Liabilities	1,328,983	2,410,882	2,121,659	2,517,790	2,177,765	1,475,757	1,751,333	1,883,501	1,872,855
Total Fund Invested	6,019,954	5,308,643	5,021,593	5,334,740	3,856,459	3,339,985	3,640,773	4,068,853	3,087,385

Graphical Presentation of Financial Highlights

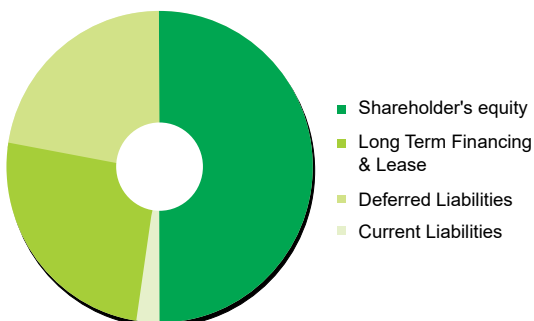
Total Assets Employed - 2025



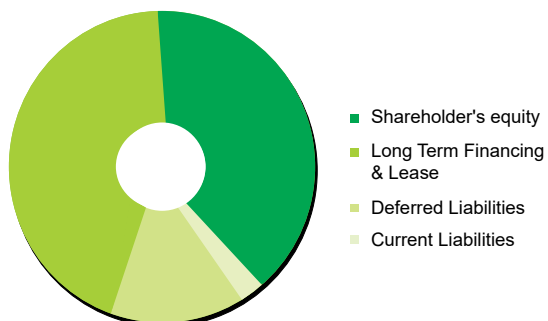
Total Assets Employed - 2024



Total Fund Invested - 2025



Total Fund Invested - 2024



Horizontal Analysis of Financial Statements

	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
	----- Rupees in 000 -----					----- Variance in % -----				
<u>Financial Position</u>										
Total Non-Current Assets	5,025,225	3,426,244	3,553,096	3,712,252	2,636,262	46.67	(3.57)	(4.28)	40.81	(3.54)
Total Current Assets	994,729	1,882,399	1,468,497	1,622,488	1,220,197	(47.16)	28.19	(9.25)	32.97	101.04
Total Assets	6,019,954	5,308,643	5,021,593	5,334,740	3,856,459	13.40	5.72	(5.87)	38.33	15.46
Total Equity & Surplus on revaluation	3,122,983	1,908,924	2,057,446	1,965,075	1,080,845	63.60	(7.22)	4.70	81.81	(2.46)
Total Non-Current Liabilities	1,567,988	988,837	842,488	851,875	597,849	58.57	17.37	(1.10)	42.49	(20.93)
Total Current Liabilities	1,328,983	2,410,882	2,121,659	2,517,790	2,177,765	(44.88)	13.63	(15.73)	15.61	47.57
Total Equity & Liabilities	6,019,954	5,308,643	5,021,593	5,334,740	3,856,459	13.40	5.72	(5.87)	38.33	15.46
<u>Profit or Loss</u>										
Sales	6,739,085	5,415,294	3,922,156	3,872,185	2,860,053	24.45	38.07	1.29	35.39	(2.66)
Cost of sales	(6,099,346)	(5,075,967)	(3,402,414)	(3,511,544)	(2,827,140)	20.16	49.19	(3.11)	24.21	1.62
Gross Profit	639,739	339,327	519,742	360,641	32,913	88.53	(34.71)	44.12	995.74	(78.92)
Trading activities	-	-	-	111	-	-	-	(100.00)	100.00	-
Distribution cost	(29,811)	(3,219)	(11,153)	(696)	(766)	826.10	(71.14)	1,502.44	(9.14)	7.89
Administrative expenses	(178,098)	(159,981)	(134,539)	(132,656)	(114,239)	11.32	18.91	1.42	16.12	14.66
Other expenses	(35,952)	(51,715)	(92,544)	(50,119)	(9,968)	(30.48)	(44.12)	84.65	402.80	49.13
Other income	7,244	46,616	2,155	3,664	187,106	(84.46)	2,063.16	(41.18)	(98.04)	3,324.97
Operating Profit	403,122	171,028	283,661	180,945	95,046	135.71	(39.71)	56.77	90.38	74.08
Finance cost	(157,524)	(251,349)	(151,210)	(110,479)	(111,140)	(37.33)	66.23	36.87	(0.59)	(27.57)
Profit / (Loss) before levies & taxation	245,598	(80,321)	132,451	70,466	(16,094)	405.77	(160.64)	87.96	537.84	(83.72)
Levies & Taxation	(102,912)	(59,339)	(27,568)	(68,857)	(13,732)	73.43	(269.73)	(59.96)	401.43	(31.03)
Profit / (Loss) after levies & taxation	142,686	(139,660)	104,883	1,609	(29,826)	202.17	(183.42)	6,418.52	105.39	(74.88)

Vertical Analysis of Financial Statements

	2025	2025	2024	2024	2023	2023	2022	2022	2021	2021
	Rupees in 000	%	Rupees in 000	%	Rupees in 000	%	Rupees in 000	%	Rupees in 000	%
<u>Financial Position</u>										
Total Non-Current Assets	5,025,225	83.48	3,426,244	64.54	3,553,096	70.76	3,712,252	69.59	2,636,262	68.36
Total Current Assets	994,729	16.52	1,882,399	35.46	1,468,497	29.24	1,622,488	30.41	1,220,197	31.64
Total Assets	6,019,954	100.00	5,308,643	100.00	5,021,593	100.00	5,334,740	100.00	3,856,459	100.00
Total Equity & Surplus on revaluation	3,122,983	51.88	1,908,924	35.96	2,057,446	40.97	1,965,075	36.84	1,080,845	28.03
Total Non-Current Liabilities	1,567,988	26.05	988,837	18.63	842,488	16.78	851,875	15.97	597,849	15.50
Total Current Liabilities	1,328,983	22.08	2,410,882	45.41	2,121,659	42.25	2,517,790	47.20	2,177,765	56.47
Total Equity & Liabilities	6,019,954	100.00	5,308,643	100.00	5,021,593	100.00	5,334,740	100.00	3,856,459	100.00
<u>Profit or Loss</u>										
Sales	6,739,085	100.00	5,415,294	100.00	3,922,156	100.00	3,872,185	100.00	2,860,053	100.00
Cost of sales	(6,099,346)	(90.51)	(5,075,967)	(93.73)	(3,402,414)	(86.75)	(3,511,544)	(90.69)	(2,827,140)	(98.85)
Gross Profit	639,739	9.49	339,327	6.27	519,742	13.25	360,641	9.31	32,913	1.15
Trading activities	-	-	-	-	-	-	111	-	-	-
Distribution cost	(29,811)	(0.44)	(3,219)	(0.06)	(11,153)	(0.28)	(696)	(0.02)	(766)	0.03
Administrative expenses	(178,098)	(2.64)	(159,981)	(2.95)	(134,539)	(3.43)	(132,656)	(3.43)	(114,239)	(3.99)
Other expenses	(35,952)	(0.53)	(51,715)	(0.95)	(92,544)	(2.36)	(50,119)	(1.29)	(9,968)	(0.35)
Other income	7,244	0.11	46,616	0.86	2,155	0.05	3,664	0.09	187,106	6.54
Operating Profit	403,122	5.98	171,028	3.16	283,661	7.23	180,945	4.67	95,046	3.32
Finance cost	(157,524)	(2.34)	(251,349)	(4.64)	(151,210)	3.86	(110,479)	(2.85)	(111,140)	(3.89)
Profit / (Loss) before levies & taxation	245,598	3.64	(80,321)	(1.48)	132,451	3.38	70,466	1.82	(16,094)	(0.56)
Levies & Taxation	(102,912)	(1.53)	(59,339)	(1.10)	(27,568)	(0.89)	68,857	1.78	13,732	0.48
Profit / (Loss) after levies & taxation	142,686	2.12	(139,660)	(2.58)	104,883	2.67	1,609	0.04	(29,826)	(1.04)

Stakeholder Engagement, Investor Relations & Financial Ratios

The Sanghar Sugar Mills Limited (the Company) recognizes and protects the rights of the various stakeholders (internal as well as external) established under relevant laws and regulations and has put in place relevant policies and codes for their protection. The Company maintains sound collaboration relationships with its stakeholders. Procedure for stakeholder's engagement includes communication, good harmony, compliance with laws and regulations and sugarcane growers focused approach which is the key factors for establishment of collaboration relationship with stakeholders. Summary of the rights of the various stakeholders has been discussed below:

Shareholders

Access to shareholder records, enquiries concerning verification of transfer deeds, transfer of share certificates, change of address etc., are directed to the Shares Registrar. We have disclosed essential information to the shareholders and treated them equitably. Shareholders meeting along with timely and accurate reporting to our shareholders are the effective modes of engagements with our shareholders

Regulators

The Company make compliance with laws, rules, regulations and guidelines as directed by the Regulators. Timely, appropriately and accurately disclosures of information, as required by law, are our high priority. We have submitting periodic reports, providing and gives information as and when required.

Customers & Suppliers

The Company receive high-quality services and supplies from our suppliers and ensure that the product we give to our customers should be of high standards. We establish the confidentiality of customer information and redressal their complaints and concerns with honesty and trustworthiness. We have maintain a good relationship with our customers and suppliers.

Employees

As a good employer, the Company gives equal employment opportunity, gives performance based remuneration. Having Human Resource policies and procedures, the Company maintains effective communication between the management and the staff. To secure maximum cooperation of the employees and to motivate them to give their best. Gives full attention to redressal of complaints & grievances.

Community

The Company acknowledge its social and ethical responsibility to carry out its business in order to keep it safe and protect it for the generations to come. Gives priority to the fair distribution of resources, opportunities and financial assistances. The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

Financial Reporting & Communication

Communication with the users of financial statements is give high priority. Annual, half yearly and quarterly reports are distributed to the shareholders and provided to other users with in the time specified by the Regulators and also makes it available on the Company's website for the easy access for the shareholders and potential shareholders. There is also an opportunity for individual shareholder to participate at the General Meetings to ensure high level of accountability. The Company notifies information to the Regulators from time to time. This help the shareholders remain connected with the Company. The notifications mainly include Financial Results, Board of Directors meetings, shareholders meetings etc.

Media & Website

The Company disseminates information through print, electronic, social and other web media. The Company is maintaining its website providing complete information about the Company, Investors Relations, Investors Informations, Governance, Policy & Procedures and contact details. This can be accessed through a link www.sangharsugarmills.com

Public Information

Financial analysts, stock brokers, interested investors and financial media desiring information about the Company and its product may contact the Chief Financial Officer and or the Company Secretary at Head Office, Karachi.

Financial Ratios

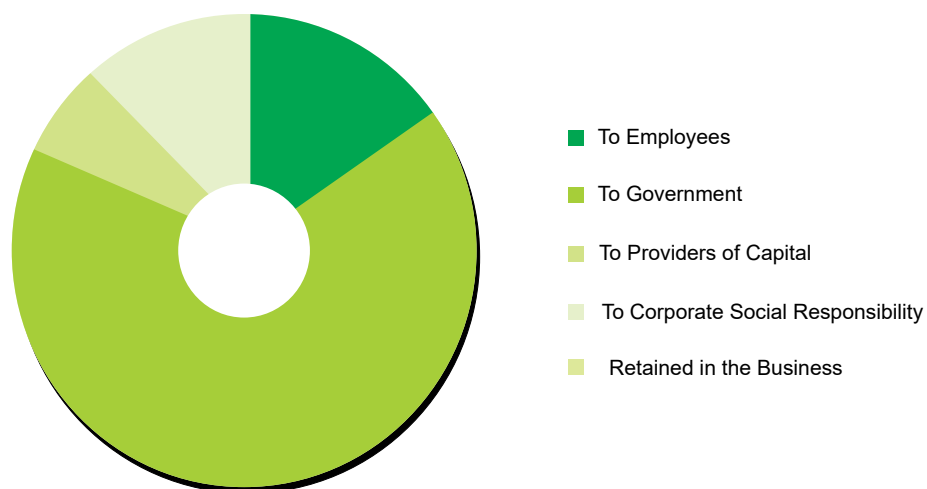
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Profitability Ratios										
Gross Profit Ratio (%)	9.49	6.27	13.25	9.31	1.15	5.31	4.76	2.89	(2.74)	5.35
Net Profit to Sales (%)	2.12	(2.58)	2.67	0.04	(1.04)	(4.04)	(3.57)	0.57	(11.11)	0.49
Return on Capital Employed (%)	12.91	8.96	13.79	9.21	8.79	4.93	1.97	11.03	(85.28)	12.82
Turnover Ratios										
Inventory Turnover Ratio	6.13	4.10	3.04	3.44	5.50	6.51	3.78	3.51	3.12	4.59
Fixed Assets Turnover Ratio	134.23	158.09	110.41	104.44	109.35	108.31	98.67	117.05	147.96	193.37
Investor Information										
Price Earning Ratio	5.05	(1.99)	1.42	103.94	(6.49)	(1.74)	(3.15)	15.36	(1.55)	36.39
Market Value per Share	60.32	23.26	12.50	14.00	16.20	17.34	26.05	24.98	37.35	42.50
Book Value per Share	261.43	159.80	172.23	164.50	90.48	92.76	102.45	111.39	54.02	46.68
Earning / (Loss) per Share	11.94	(11.69)	8.78	0.13	(2.50)	(9.94)	8.28	1.63	(24.03)	1.17
Liquidity Ratios										
Current Ratio	0.75	0.78	0.69	0.64	0.56	0.41	0.47	0.60	0.69	0.91
Capital Structure Ratios										
Debt Equity Ratio	0.07	0.54	0.05	0.42	0.97	0.68	0.86	1.05	3.10	1.11
Interest Cover Ratio	2.56	0.68	1.88	1.64	0.86	0.36	0.14	1.20	(1.75)	1.23

Statement of Value Addition and its Distribution

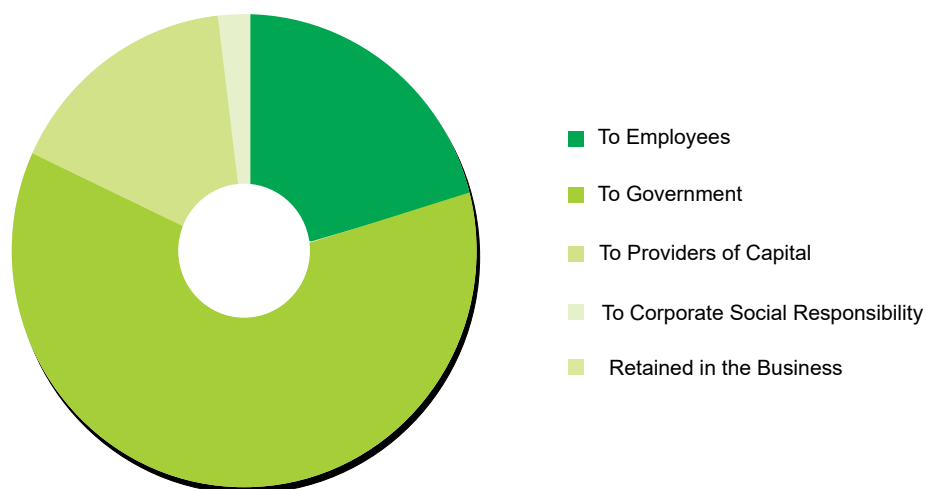
Value Addition	----- 2025 -----		----- 2024 -----	
	(Rs. '000)	%	(Rs. '000)	%
Turnover Gross	9,059,736	99.920	7,273,928	99.363
Other Income	7,244	0.080	46,616	0.637
	9,066,980	100.000	7,320,544	100.000
Cane Procurement and related expenses	5,100,623	79.304	5,806,133	103.691
Other Expenses	1,331,088	20.696	(206,677)	(3.691)
	6,431,711	100.000	5,599,456	100.000
	2,635,269	29.064	1,721,088	23.510
Value Distribution				
Distributed as follows				
To Employees				
- Remuneration	400,501	15.198	350,790	20.382
	400,501		350,790	
To Government				
- Sales Tax, FED & Others	1,589,355	60.311	999,688	58.085
- Levies	160,211	6.079	81,196	4.718
- Deferred Tax	(7,039)	(0.267)	(20,048)	(1.165)
- Cess & Fees	7,544	0.286	8,385	0.487
	1,750,071		1,069,221	
To Providers of Capital				
- Finance Cost	157,524	5.978	251,349	14.604
	157,524		251,349	
To Corporate Social Responsibility				
- Charity & Donations	7,472	0.284	5,603	0.326
	7,472		5,603	
Retained in the Business				
- Depreciation & Amortization	177,014	6.717	183,785	10.678
- Profit / (Loss) for the year	142,686	5.414	(139,660)	(8.115)
	319,700		44,125	
	2,635,269	100.000	1,721,088	100.000

Graphical Presentation of Value Distribution

Value Distribution - 2025



Value Distribution - 2024



Independent Auditors' Report

to the Members of Sanghar Sugar Mills Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Emphasis of Matter

We draw attention to Note 22.1.2 of the annexed financial statements, which describes the uncertainty related to the outcome of legal matters related to minimum sugar cane price and other matters. Our opinion is not qualified in respect of this matter.

Key Audit Matter

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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter. Following are the Key audit matters:

S.No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Contingencies</p> <p>The Company is under litigations in respect of various matters from years related to sugar price fixation and other sugar industry matters including tax orders and related contingencies as well as other miscellaneous claims in respect of the assets/ payables of the Company as disclosed in note 22 of the annexed financial statements.</p> <p>These contingencies requires continuous follow up of management's judgments and estimates in relation to the interpretation of relevant laws, notifications and regulations and the recognition and measurement of any provisions that may be required against such contingencies. Due to inherent uncertainties and the time period such matters may take to resolve, the management judgments and estimates in relation to such contingencies may be complex and can significantly impact the annexed financial statements. Accordingly these are considered as key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessing the management's processes to identify new possible litigations, obligations and changes in existing obligations through inquiries from management and review of the minutes of meetings of the Board of Directors and Audit Committee. Review of the relevant information including case proceedings, interim and final adjudication orders with related industry information and correspondences in respect of the ongoing litigations. Obtaining confirmation from the legal counsel of the Company to evaluate the status of the resolved and pending litigations on the reporting date and view point of the Company's legal counsel thereon. Examining legal and professional expenses to confirm that all pending legal matters are identified and disclosed. Re-computing the amounts of obligations and recorded liabilities based on available underlying information and confronted parameters. Assessing the adequacy and appropriateness of the related disclosures made in the accompanying financial statements in light of IAS-37 "Provisions and Contingencies".
2.	<p>Recognition of Revenue</p> <p>The Company is engaged in the production and sale of sugar and by-products and recognized revenue there from for the year ended 30 September 2025.</p> <p>We identified recognition of revenue as a key audit matter in consistency with the previous year keeping in view the importance and relevance thereto with the materiality as well as complexity of revenue being one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>(Refer to note 4.10 and 23 to the financial statements).</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none"> Obtaining an understanding of the process relating to recognition of revenue and assessing the design, implementation and operating effectiveness of key internal controls over recording of revenue. Assessing the appropriateness of the Company's accounting policies for revenue recognition under distressed circumstances and compliance of those policies with applicable accounting standards. Obtaining an understanding of the nature of the revenue, testing a sample of sales contracts to confirm our understanding and assessing whether or not management's application of IFRS 15 requirements was in accordance with the standard. Performing analytical procedures and test of details by selecting samples of transactions for comparing with sales orders, sales invoices, delivery orders and other underlying records. Comparing a sample of revenue transactions recorded during the year end with the sales orders, sales invoices, delivery orders and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. Reviewing the adequacy of disclosure as required under applicable financial reporting framework.

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 of the Company, but does not include the financial statements and our auditors' report thereon.

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional 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 year 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) In our opinion, no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Fahad Ali Shaikh.

CHARTERED ACCOUNTANTS

Place: Karachi

Date: December 31, 2025

UDIN: AR202510221bgH5DBaRE

Statement of Financial Position

As at September 30, 2025

		September 30 2025	September 30 2024
		(Rupees in '000)	
ASSETS	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,020,685	3,425,535
Long term deposits	6	4,540	709
		5,025,225	3,426,244
CURRENT ASSETS			
Stores, spare parts and loose tools	7	90,279	75,265
Stock-in-trade	8	493,410	1,497,402
Trade debts	9	127,715	27,924
Loans and advances	10	79,912	123,862
Trade deposits and short term prepayments	11	1,396	3,712
Other receivables	12	17,592	76,652
Income tax refundable - net of provision		77,385	27,125
Cash and bank balances	13	107,040	50,457
		994,729	1,882,399
TOTAL ASSETS		6,019,954	5,308,643
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 (2024: 20,000,000) shares of Rs.10 each		200,000	200,000
Issued, subscribed and paid up capital	14	119,460	119,460
Unappropriated profit		398,391	185,181
Surplus on revaluation of property, plant and equipment	15	2,605,132	1,604,283
		3,122,983	1,908,924
NON CURRENT LIABILITIES			
Long term financing	16	57,712	131,277
Lease liabilities against right of use assets	17	14,530	—
Deferred liabilities	18	1,495,746	857,560
		1,567,988	988,837
CURRENT LIABILITIES			
Trade and other payables	19	1,174,945	1,454,524
Accrued finance cost	20	4,755	57,036
Short term borrowings	21	63,333	860,000
Unclaimed dividend		3,731	3,731
Current portion of long term financing	16	77,691	35,591
Current portion of lease liabilities against right of use assets	17	4,528	—
		1,328,983	2,410,882
CONTINGENCIES AND COMMITMENTS	22	—	—
TOTAL EQUITY AND LIABILITIES		6,019,954	5,308,643

The annexed notes from 1 to 43 form an intergral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Profit or Loss

For the year ended September 30, 2025

	Notes	September 30 2025 (Rupees in '000)	September 30 2024
Sales	23	6,739,085	5,415,294
Cost of sales	24	(6,099,346)	(5,075,967)
Gross Profit		639,739	339,327
Distribution cost	25	(29,811)	(3,219)
Administrative expenses	26	(178,098)	(159,981)
Other expenses	27	(35,952)	(51,715)
		(243,861)	(214,915)
Operating profit		395,878	124,412
Other income	28	7,244	46,616
		403,122	171,028
Finance cost	29	(157,524)	(251,349)
Profit / (loss) before levies and taxation		245,598	(80,321)
Levies	30	—	(79,387)
Profit / (loss) before taxation		245,598	(159,708)
Taxation	31	(102,912)	20,048
Profit / (loss) for the year		142,686	(139,660)
Earning / (loss) per share - Basic and diluted (Rupees)	32	11.94	(11.69)

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Comprehensive Income

For the year ended September 30, 2025

	Notes	September 30 2025 (Rupees in '000)	September 30 2024
Profit / (loss) for the year		142,686	(139,660)
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
Remeasurement loss on actuarial valuation of defined benefit and leave encashment plan	18.3.4 & 18.4.1	(1,831)	(12,843)
Related deferred tax	18.1	632	3,981
		(1,199)	(8,862)
Items that may be reclassified subsequently to statement of profit or loss			
Surplus on remeasurement of property, plant and equipment during the year	15	1,699,933	—
Related deferred tax	18.1	(519,892)	—
		1,180,041	—
Effect of change in tax rate on deferred tax related to surplus on revaluation of property, plant and equipment	18.1	(107,469)	—
Total comprehensive income		1,214,059	148,522

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Changes in Equity

For the year ended September 30, 2025

	Issued, Subscribed & Paid-up Capital	Unappropriated profit	Surplus on revaluation of property, plant & equipment	Total
	..... (Rs in '000)			
Balance as at October 01, 2023	119,460	252,764	1,685,222	2,057,446
Total Comprehensive loss for the year ended September 30, 2024				
Loss for the year	—	(139,660)	—	(139,660)
Other comprehensive income	—	(8,862)	—	(8,862)
	—	(148,522)	—	(148,522)
Transfer on account of incremental depreciation charged on surplus on revaluation of property, plant and equipment - net of deferred tax	—	80,939	(80,939)	—
Balance as at September 30, 2024	119,460	185,181	1,604,283	1,908,924
Balance as at October 01, 2024	119,460	185,181	1,604,283	1,908,924
Total Comprehensive income for the year ended September 30, 2025				
Profit for the year	—	142,686	—	142,686
Other comprehensive income	—	(1,199)	1,072,572	1,071,373
	—	141,487	1,072,572	1,214,059
Transfer on account of incremental depreciation charged on surplus on revaluation of property, plant and equipment - net of deferred tax	—	71,723	(71,723)	—
Balance as at September 30, 2025	119,460	398,391	2,605,132	3,122,983

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Cash Flows

For the year ended September 30, 2025

	Notes	September 30 2025 (Rupees in '000)	September 30 2024
Profit / (loss) before levies and taxation		245,598	(80,321)
Adjustment for non cash charges and other items:			
Depreciation on owned operating fixed assets	5.1.2	176,573	183,239
Depreciation on right-of use assets	5.3	441	546
Employees retirement benefits expense	18.3.3 & 18.4.3	37,972	37,047
Provision for market committee fee	18.2	4,643	5,160
Gain on sale of property, plant and equipment	5.1.3	(4,278)	(684)
Provision for slow moving items and obsolescence	7.1	975	1,250
Finance cost	29	157,524	251,349
		373,850	477,907
Cash flow from operating activities before adjustment of working capital changes		619,448	397,586
Changes in Working capital			
(Increase) / Decrease in current assets			
Stores, spare parts and loose tools		(15,989)	6,171
Stock - in - trade		1,003,992	(519,939)
Trade debts		(99,791)	—
Loans and advances		43,950	5,925
Trade deposits and short term prepayments		2,316	(1,290)
Other receivables		59,060	26,716
		993,538	(482,417)
Decrease in current liabilities			
Trade and other payables		(279,579)	(554,794)
		1,333,407	(639,625)
Employees retirement benefits paid during the year	18.3.1 & 18.4.1	(25,950)	(15,949)
Finance cost paid during the year		(208,903)	(200,575)
Increase in long term deposits		(3,831)	—
Levies and income taxes paid during the year		(160,211)	(81,196)
		(398,895)	(297,720)
Net cash inflow / (outflows) from operating activities		934,512	(937,345)

	Notes	September 30 2025 (Rupees in '000)	September 30 2024
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(54,604)	(56,949)
Proceeds from sale of property, plant and equipment	5.1.3	5,907	700
Net cash outflows from investing activities		(48,697)	(56,249)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term financing		(36,730)	(17,870)
Payments of unclaimed dividend		—	(965)
Long term finance obtained		5,265	184,738
(Decrease) / increase in short term borrowings		(696,667)	685,000
Payments of lease liabilities		(1,100)	(1,383)
Net cash (outflows) / inflows from financing activities		(729,232)	849,520
Net increase / (decrease) in cash and cash equivalents		156,583	(144,074)
Cash and cash equivalents at beginning of the year		(49,543)	94,531
Cash and cash equivalents at end of the year	33	107,040	(49,543)

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Notes to the Financial Statements

For the year ended September 30, 2025

1 COMPANY AND ITS OPERATIONS

- 1.1** The Company is a public limited Company incorporated in 1986 in Pakistan and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No. 305, 3rd Floor, Clifton Centre, Block 5, Clifton, Karachi.
- 1.2** The Company is principally engaged in the manufacture and sale of sugar and sale of its by-products i.e. molasses and bagasse. The Company has also set up and operate bagasse fired transmission equipment to sell surplus electric power. The manufacturing facilities are located at Sanghar Sindhri Road, Deh Kehore, District Sanghar in the province of Sindh. The total area of industry land / manufacturing facilities which includes the main factory spread over 320.625 Acres. Covered Area of Building is approximately 300,143 Sq. Feet.

2 BASIS OF PREPARATION

2.1 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 as applicable in Pakistan comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IFRS and IFAS standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting Convention

These financial statements have been prepared under the historical cost convention, except for the following:

- employee retirement benefits that are based on actuarial valuation;
- items of property, plant and equipment carried at revalued amounts;
- stock in trade when valued at net realizable value; and
- right-of-use assets and corresponding lease liabilities in accordance with IFRS-16.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee which is the Company's functional and presentation currency.

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

2.4.1 Standards, interpretations and amendments to published approved accounting standards that became effective during the year

There were certain new amendments to the approved accounting standards and a new interpretation issued by the International Financial Reporting Interpretations Committee (IFRIC) which became effective during the year but are considered not to be relevant or have any significant effect on the Company's operations, therefore, not disclosed in these financial statements except for additional disclosures required by amendment in IAS-1 relating to classification of non-current liabilities.

These amendments to IAS -1 aim to improve the information an entity provides when its right to defer settlement of liability is subject to compliance with covenants with twelve months after the reporting period affect the classification of a liability. These amendments introduce additional disclosure requirements that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period. These amendments only have an impact on the Company's disclosure of long-term loans, but not on the measurement, recognition or presentation of any item in these financial statements. The Company has determined that existing disclosure in the financial statements fulfil the requirements.

2.4.2 New accounting standards / amendments and IFRS 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, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

		Effective from accounting period beginning on or after:
IAS-21	The Effects of changes in Foreign	January 1, 2025
IFRS-7	Financial Instruments: Disclosures	January 1, 2026
IFRS-17	Insurance Contracts	January 1, 2026
IFRS-9	Financial Instruments – Classification	January 1, 2026

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP).

IFRS - 1	First-time Adoption of International Financial Reporting Standards
IFRS - 18	Presentation and Disclosure in Financial Statements
IFRS - 19	Subsidiaries without Public Accountability: Disclosures
IFRIC - 12	Service Concession Arrangement

3 CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of these financial statements in conformity with the approved accounting standards requires the management to make judgments, estimates and assumptions that affects the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under that circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. However, uncertainty about these assumptions and estimates could result in outcome that require material adjustment to the carrying amount of the asset or liability affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and any future period affected.

Judgments made by the management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next period are discussed in the following paragraphs of these note.

In the process of applying the accounting policies, management has made the following estimates, judgments and assumptions which are significant to the financial statements:

– **Taxation :**

In making the estimates of the levies and income tax liabilities, the management considers current income tax law and decisions of appellate authorities. Deferred tax estimate is made considering future applicable tax rate.

– **Levies :**

The Company takes into account the current income tax law, legislations and decisions taken by the taxation authorities for determination of levies. These include determining the specific obligating event that triggers levy recognition based on the relevant legislation, estimating the amount payable by considering applicable rates, and deciding the appropriate timing for recognizing the levy liability. These estimates and judgements are periodically reviewed and updated as necessary.

– **Employees Retirement Benefits:**

Certain actuarial assumptions have been adopted as disclosed in these financial statements for valuation of present value of defined benefit obligation and leave encashment plan. Any changes in these assumptions in future years might effect gains and losses in those years. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates.

– **Property, Plant and Equipment and intangible assets**

The management determines the estimated useful lives and related depreciation / amortisation charge for its property, plant and equipment / intangible assets. The management reviews the value of assets for possible impairment on financial year end. Any change in the estimate in the future years might effect the carrying amounts of the respective items of property, plant and equipment / intangible assets with a corresponding effect on the depreciation / amortisation charge and impairment.

– **Stock in trade**

The Company reviews the net realizable value of stock in trade to assess any diminution in the respective carrying values. Net realizable value is determined with reference to the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

– **Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future event(s).

– **Expected credit losses against trade debts, deposits, advances and other receivables**

The Company reviews the recoverability of its trade debts, advances and other receivables to assess amount of doubtful debts and expected credit losses required there against periodically. While determining the losses, the Company considers financial health, market information, aging of receivables, credit worthiness, credit rating, past records and business relationship.

– **Slow Moving Stores and Obsolescence**

In making estimates of quantum of slow moving items and obsolescence, the aging analysis, current condition of various items and expected use in future are considered.

– **Impairment against non financial assets**

The Company reviews carrying amount of assets periodically to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated and impairment losses are recognized in the statement of profit or loss.

– **Leases**

The Company uses judgments and estimates in the measurement of right of-use assets and corresponding lease liabilities with respect to discount rates, lease terms including exercise of renewal and termination options etc.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted and consistently applied on the financial statements are set out below:

4.1 Property, plant and equipment

4.1.1 Operating Assets

Owned assets

Recognition & Measurement

An item of property, plant & equipment is recognised as an asset if and only if, the future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. These are subsequently stated at cost less accumulated depreciation and impairment, if any, except for free hold land, buildings and plant and machinery which are stated at revalued amounts.

Depreciation

Depreciation is charged, on a systematic basis over the economic useful life of the asset, on reducing balance method, which reflects the pattern in which the assets economic benefits are consumed by the Company, at the rates specified in respective note. Depreciation on additions is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed off.

Revaluation Surplus - owned assets

Revaluation of freehold land and building on freehold land is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of freehold land, factory and non-factory buildings on freehold land and plant and machinery is recognized, net of tax, in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment" except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognized in statement of profit or loss, in which case the increase is first recognized in statement of profit or loss to the extent of the decrease previously charged. Any decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to statement of profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to statement of profit or loss account and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation reserve to the unappropriated profit.

Subsequent Cost

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal; or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the statement of profit or loss when the item is derecognized.

4.1.2 Right-of-use assets

The Company recognizes right of use assets at the commencement date of the lease. (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets include amount of lease liabilities recognized, initial direct costs incurred, the lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased assets at the end of the lease term, the recognized right-of-use assets are depreciated using reducing balance method. Right-of-use assets are subject to impairment. Right-of-use assets are depreciated on a reducing balance basis over the estimated useful lives of the assets.

If ownership of the leased asset, transfers of the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of an asset.

4.1.3 Capital work-in-progress

Capital work-in-progress is stated at cost accumulated up to the reporting date less impairment if any and represents expenditure incurred on property, plant and equipment in the course of construction / installation / implementation / development including borrowing cost on eligible assets. These expenditures are transferred to relevant category of property, plant and equipment as and when the assets become available for use.

4.2 Intangible Asset

Computer software is stated at cost less accumulated amortization. Software costs are only capitalized when it is probable that future economic benefits attributable to the software will flow to the Company and the same is amortized, on a monthly proportionate basis applying the straight line method at the rate stated in respective note to these financial statements.

4.3 Stores, spare parts and loose tools

These are valued at cost calculated on a moving average basis less provision for obsolescence, and slow moving items, except for the items in transit, which are valued at costs accumulated up to the reporting date.

4.4 Stock in trade

Stock of sugar is valued at lower of the weighted average cost and net realizable value. By-products i.e. Molasses and Baggasse are valued at net realizable value (NRV). Cost in relation to work in process and finished goods consists of material cost, proportionate manufacturing overheads.

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

4.5 Trade debts, loans, deposits and other receivable

Trade debts, loans, deposits and other receivables are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts, loans and other receivables. Bad debts are written off when considered irrecoverable.

4.6 Trade and other payables

Liabilities for trade and other payables are recognized initially at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company and subsequently measured at amortised cost.

4.7 Employees Retirement benefits:

4.7.1 Defined benefit plan - Gratuity

The Company operates an unfunded gratuity scheme for all employees eligible to the scheme with qualifying service period. Provision is made annually to cover the obligation on the basis of actuarial valuation carried out using Projected Unit Credit Method and is charged to the statement of profit or loss, related details of which are given in the respective note to the financial statements. Remeasurement gains or losses are recognized in full as and when arise and are charged to other comprehensive income.

4.7.2 Defined benefit plan - Leave Encashment

The Company provides for compensated absences for all eligible employees in the period in which these are earned in accordance with the terms of employment. Provision is made annually to cover the obligation on the basis of actuarial valuation carried out using Projected Unit Credit Method and is charged to statement of profit or loss, related details of which are given in the respective note to the financial statements. Remeasurement gains or losses are recognized in full as and when arise and are charged to other comprehensive income.

4.8 Lease liability

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If the implicit rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently these are increased by interest, reduced by lease payments and remeasured for lease modifications, if any.

Liabilities in respect of certain short term and low value leases are not recognised and payments against such leases are recognised as expense in profit or loss.

4.9 Taxation

4.9.1 Current

The charge for current taxation is based on taxable income at the current rate of taxation (after taking into account applicable tax credits, rebates and exemptions available, if any) and alternate corporate tax under sections 113 & 113 (C) of the Income Tax Ordinance, 2001, respectively whichever is higher. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years.

4.9.2 Deferred

Deferred tax is recognized using the liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and their tax base and is recognized on the basis of the expected manner of the realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the reporting date. Deferred tax asset is recognized to the extent that it is probable that the future taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax asset is reduced to the extent it is no longer probable that the related tax benefit will be realized.

4.9.3 Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

4.9.4 Sales tax and Federal Excise Duty (FED)

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

- Where amount incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the tax / duty is recognized as part of the cost of the acquisition of the assets or as part of the expense item as applicable; and
- Receivables or payables that are stated with the amount of Sales tax / FED included.

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

4.10 Revenue recognition

Revenue from sale of goods is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and the control transfers at a point in time, i.e. at the time the goods are dispatched / shipped to customer. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, returns rebates and government levies.

- Sale of sugar is recognized when or as performance obligations are satisfied by transferring control of a promised good to a customers.
- Sale of by-products are recognized when or as performance obligations are satisfied by transferring control of a promised good to a customers.

- Electric power supply is recognized when the supply of power is passed on through transmission lines.
- Rental income is recorded on an accrual basis.

4.11 Foreign currency transaction and translation

Transactions in foreign currencies are recorded into reporting currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are subsequently translated into reporting currency using year-end spot foreign exchange rates. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. Exchange differences on foreign currency translations are included in the statement of profit or loss.

4.12 Provisions

Provisions are recognized when the Company has present legal or constructive obligation as a result of past event, and it is probable that outflow of economic benefits will be required to settle the obligation and reliable estimates can be made. Where the outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.13 Borrowing cost

Mark-up, interest and other charges on borrowings are capitalized up to the date of commissioning of the respective qualifying assets. All other mark-up, interest, profit and other charges are charged to the statement of profit or loss.

4.14 Financial Instruments

The Company classifies its financial assets in to following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortized cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

4.14.1 Subsequent measurement

Debt Investments at FVOCI: These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of 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 other comprehensive income and are never reclassified to the statement of profit or loss.

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

Financial assets measured at amortized cost: These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

4.14.2 Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

4.14.3 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit or loss.

4.15 Offsetting of financial assets and liabilities

All financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

4.16 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and bank balances net of short term running.

4.17 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognized in the financial statements in the period in which such transfers are made.

4.18 Impairment of assets**4.18.1 Financial assets**

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost.

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

- Other debt securities and bank balance 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.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative

and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

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

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

The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

4.18.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are companied together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Companies of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss

4.19 Contingent liabilities

Contingent liability is disclosed when

- there is a possible obligation that arises from past events and whose existence 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
- there is present 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.

		2025	2024
		(Rupees in '000)	
5	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	Note - 5.1	5,001,870	3,376,270
Capital work-in-progress	Note - 5.2	—	49,265
Right of use assets	Note - 5.3	18,815	—
		<u>5,020,685</u>	<u>3,425,535</u>

5.1 Operating Fixed Assets - Owned:

Net carrying value as at September 30, 2025

Free hold land	Factory Building on free hold land	Non-Factory Building on free hold land	Plant and Machinery	Furniture and Fittings	Vehicles	Computer Equipment & Appliances	Stores & Spares held for capital expenditure	Grand Total
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Rupees in'000

Opening Net Book Value (NBV)	224,000	210,556	48,647	2,871,178	866	15,899	1,739	3,385	3,376,270
Direct addition at cost	—	—	—	—	—	16,371	—	—	16,371
Surplus on Revaluation Note 15	193,000	126,710	129,418	1,250,805	—	—	—	—	1,699,933
Transfer from Capital Work in Progress Note 5.2	—	13,841	—	73,657	—	—	—	—	87,498
Disposal at NBV Note 5.1.3	—	—	—	—	—	(1,629)	—	—	(1,629)
Depreciation charge for the year Note 5.1.2	—	(21,307)	(4,865)	(145,640)	(87)	(4,320)	(185)	(169)	(176,573)
Closing Net Book Value	417,000	329,800	173,200	4,050,000	779	26,320	1,554	3,216	5,001,870
Gross carrying value as at September 30, 2025									
Cost	7,043	178,144	12,365	1,817,715	6,869	60,330	13,298	5,867	2,101,631
Accumulated Depreciation	—	(97,172)	(11,098)	(698,369)	(6,090)	(34,010)	(11,744)	(2,651)	(861,133)
	7,043	80,972	1,267	1,119,346	779	26,320	1,554	3,216	1,240,498
Revaluation	409,957	278,865	171,933	2,930,654	—	—	—	—	3,791,409
Incremental Depreciation	—	(30,037)	—	—	—	—	—	—	(30,037)
	409,957	248,828	171,933	2,930,654	—	—	—	—	3,761,372
Closing Net Book Value	417,000	329,800	173,200	4,050,000	779	26,320	1,554	3,216	5,001,870
Depreciation rate % per annum	—	10	10	5	10	20	10 & 20	5	

Free hold land	Factory Building on free hold land	Non-Factory Building on free hold land	Plant and Machinery	Furniture and Fittings	Vehicles	Computer Equipment & Appliances	Stores & Spares held for capital expenditure	Grand Total
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Rupees in'000

Opening Net Book Value (NBV)	224,000	233,951	54,052	2,978,598	962	16,219	1,948	3,563	3,513,293
Transfer from capital work in progress Note 5.2	—	—	—	43,138	—	—	—	—	43,138
Transfer from right of use assets Note 5.2	—	—	—	—	—	3,094	—	—	3,094
Disposal at NBV Note 5.1.3	—	—	—	—	—	(16)	—	—	(16)
Depreciation charge for the year Note 5.12	—	(23,395)	(5,405)	(150,558)	(96)	(3,398)	(209)	(178)	(183,239)
Closing Net Book Value	224,000	210,556	48,647	2,871,178	866	15,899	1,739	3,385	3,376,270
Gross carrying value as at September 30, 2024									
Cost	7,043	164,303	12,365	1,737,897	6,869	48,089	13,298	5,867	1,995,731
Accumulated Depreciation	—	(89,712)	(10,957)	(643,657)	(6,003)	(32,190)	(11,559)	(2,482)	(796,560)
	7,043	74,591	1,408	1,094,240	866	15,899	1,739	3,385	1,199,171
Revaluation	216,957	278,865	106,655	2,326,520	—	—	—	—	2,928,997
Incremental Depreciation	—	(142,900)	(59,416)	(549,582)	—	—	—	—	(751,898)
	216,957	135,965	47,239	1,776,938	—	—	—	—	2,177,099
Closing Net Book Value	224,000	210,556	48,647	2,871,178	866	15,899	1,739	3,385	3,376,270
Depreciation rate % per annum	—	10	10	5	10	20	10 & 20	5	

5.1.1 The Company's freehold land, building and plant and machinery have been revalued on September 30, 2025, by independent professional valuator M/s KGT (Pvt) Limited at fair market value. The resultant surplus on revaluation has been credited to the surplus on revaluation of property, plant & equipment.

5.1.2 Depreciation charge for the year has been allocated as under:

		2025 (Rupees in '000)	2024
Cost of Sales	Note 24	166,948	173,952
Administrative Cost	Note 26	9,625	9,287
		176,573	183,239

5.1.3 The following Property, plant and equipments were disposed off during the year:

Particulars	Cost	Written Down Value	Sale Proceeds	Gain on Disposal	Mode of Disposal	Purchaser
.....Rupees in '000.....						
Vehicles						
Toyota Corolla	3,390	1,431	5,300	3,869	Insurance Claim	Adamjee Insurance Company Limited
Vehicles having book value below Rs. 500 thousands	740	198	607	409	Negotiation	Various
September 30, 2025 (Note 28)	4,130	1,629	5,907	4,278		
September 30, 2024	681	16	700	684		

5.2 Capital work-in-progress

	Cost at October 01	Capital expenditure incurred during the year	Transferred to operating fixed assets	Cost at September 30
.....Rupees in '000.....				
Factory Building - Civil Works	—	13,841	(13,841)	—
Plant & Machinery - Under Errection	49,265	24,392	(73,657)	—
September 30, 2025	49,265	38,233	(87,498)	—
September 30, 2024	35,454	56,949	(43,138)	49,265

5.3 Right of use assets

Net carrying value		2025 Vehicles Rupees in '000	2024 Vehicles
Opening net book value		—	3,640
Additions at Cost	Note 17	19,256	—
Transfer to owned operating fixed assets		—	(3,094)
Depreciation charge for the year	Note 24	(441)	(546)
Closing Net Book Value		18,815	—
Gross carrying value			
Cost		19,256	—
Accumulated Depreciation		(441)	—
Closing Net Book Value		18,815	—
Depreciation rate % per annum		20	20

		2025 (Rupees in '000)	2024
6	LONG TERM DEPOSITS		
	Considered good:		
	Utilities	404	404
	Others	285	305
	Auto finance deposits - Conventional	3,851	—
		<u>4,540</u>	<u>709</u>
7	STORES, SPARE PARTS AND LOOSE TOOLS		
	Stores	70,322	55,806
	Spare parts	44,037	42,735
	Loose tools	3,270	3,099
		<u>117,629</u>	<u>101,640</u>
	Less: Provision for slow moving items and obsolescence	Note 7.1 <u>27,350</u>	<u>26,375</u>
		<u>90,279</u>	<u>75,265</u>
7.1	Reconciliation of provision for slow moving and obsolete items		
	Opening balance at the beginning	26,375	25,125
	Charge for the year	Note 27 <u>975</u>	<u>1,250</u>
	Closing balance at the end	<u>27,350</u>	<u>26,375</u>
8	STOCK-IN-TRADE		
	Sugar	Note 24 485,242	1,483,991
	Sugar in process	Note 24 1,704	2,559
	Molasses	274	5,263
	Bagasse	6,190	5,589
		<u>493,410</u>	<u>1,497,402</u>
8.1	The closing stock of sugar having carrying value of Rs. 76,542 thousand (2024: Rs. 684,522 thousand) has been pledged against financing obtained from Banking Company as disclosed in note 21.1.		
		2025 (Rupees in '000)	2024
9	TRADE DEBTS		
	Unsecured, Considered good		
	Local Electric Power Sales	Note 9.1 29,494	29,494
	Less: Impairment allowance of tariff adjustment	<u>(1,570)</u>	<u>(1,570)</u>
		<u>27,924</u>	<u>27,924</u>
	Local Sugar Sales	99,791	—
		<u>127,715</u>	<u>27,924</u>
9.1	This represents Rs. 27,924 thousand (2024: Rs. 27,924 thousand) in respect of receivable against supply of electric power to Hyderabad Electric Supply Corporation in previous year. The matter is pending since the tariff is yet to be received from Ministry of Energy - Power Division which will be published in official Gazette of Pakistan.		

		2025 (Rupees in '000)	2024
10 LOANS AND ADVANCES			
Secured and Interest free			
Loans to Employees:			
Other than CEO, Directors & Executives	Note 10.1	5,681	4,747
Un-Secured			
Advances to			
- Employees against salaries		679	514
- Contractors and suppliers		14,218	21,325
- Growers	Considered good - interest free	59,334	9,749
	Considered good - interest bearing	—	87,527
	Considered doubtful	7,515	7,515
		66,849	104,791
	Impairment allowance against doubtful growers advances	7,515	7,515
		59,334	97,276
		79,912	123,862

10.1 Loans have been given to employees for the purchase of house hold equipment's, for solar power and for housing assistance in accordance with the terms of the employment and are repayable in the different monthly installments. These loans are usually provided against their balances of retirement benefits.

10.2 The Company makes advances to growers in the form of cash payments and in the shape of fertilizers / seeds, which are adjustable against the supplies of sugarcane during the following season.

10.2.1 It includes an amount of Rs. 1,320 thousand (2024: Rs. 3,500 thousand) in respect of due from related parties. The maximum month end aggregate amount due from related parties during the year was Rs. 10,541 thousand (2024: Rs. 3,500 thousand).

		2025 (Rupees in '000)	2024
10.2.2 Aging analysis of due from related parties is as follows:			
Upto 90 days		1,320	—
From 91 days to 180 days		—	3,500
		1,320	3,500
11 TRADE DEPOSITS & SHORT TERM PREPAYMENTS			
Trade Deposits			
Rent Deposit and other deposits		355	355
Short Term Prepayments			
Prepaid insurance		1,041	1,070
Prepaid rent		—	1,705
Labour Court - Hyderabad	Note 20.1.3	—	582
		1,041	3,357
		1,396	3,712

		2025 (Rupees in '000)	2024
12 OTHER RECEIVABLES			
Considered Good			
Subsidy due from Provincial Government	Note 12.1	—	47,080
Road Cess receivable	Note 12.2	—	—
Receivable from Nazir of Honourable High Court of Sindh	Note 22.1.6	—	20,661
Receivable from Competition Commission of Pakistan & Others	Note 12.3	8,911	8,911
Receivable from growers against guarantee of grower's loan	Note 22.2.2	8,681	—
		17,592	76,652
Considered doubtful			
Inland freight subsidy	Note 12.4	—	18,713
Further sales tax	Note 12.5	—	8,558
		—	27,271
Impairment allowance against doubtful		—	(27,271)
		17,592	76,652

12.1 This represents subsidy amount relates to the Provincial Government whereas the share pertaining to the Federal Government has been realized in full in previous year. During the year, the Company has received the outstanding amount of Rs. 47,080 thousand from the Government of Sindh on January 30, 2025.

12.2 This represents receivable of the Company's & Growers share of Sugarcane (Development) Cess for the crushing season 2014-15 amounting to Rs. 3,613 thousand. The Company has paid the Cess and as per the notification issued by the Agriculture, Supply & Prices Department, Government of Sindh, the Company has filed documentation in this respect in the relevant department for refund of the said Cess. During the previous year the Company has net-off the amount receivable against its corresponding liability, to be payable to growers. The outcome of the same is awaited.

12.3 This represents an amount of Rs. 8,911 thousand (2024: Rs. 8,911 thousand) receivable in respect of recovery made by the Competition Commission of Pakistan (CCP) as disclosed in note 22.1.5 of the financial statements.

During the year, the Company has sought release / return of the amount recovered by the CCP from the banks account maintained by the sugar mills. The said amount was recovered purportedly under Section 40 of the Competition Act, 2010 pursuant to the Casting Vote Order dated 13.08.2021. The Company has filed petition for the recovery of same and the Honourable High Court of Sindh has issued notices to the Federation and the CCP. The said respondents have been directed to file their comments before the next date of hearing.

		2025 (Rupees in '000)	2024
12.4 Impairment allowance against doubtful			
Impairment allowance against Inland Freight Subsidy		18,713	18,713
Written off during the year	Note 12.4.1	(18,713)	—
		—	18,713

12.4.1 These were the receivable from the Government of Pakistan through Trade Development Authority of Pakistan. Due to uncertainties regarding the recoverability of the subsidy, and as a matter of prudence, an impairment allowance has already been made against the amount of Inland Freight Subsidy already recorded. Subsequent to the year end, the final date of hearing was 21.11.2025 and the Judgement was passed on 26.11.2025 by the Honourable High Court of Sindh, Karachi and the Court stated that the grant earlier approved has lapsed due to the passage of time. Further, it is settled principle of law that grant of subsidy is a benefit and not a fundamental right, hence no writ can be issued for grant and the petitions are misconceived and dismissed. Therefore, the receivable has been written off in light of the Order passed by the Honourable Court.

		2025 (Rupees in '000)	2024
12.5 Impairment allowance against doubtful			
Impairment allowance against further sales tax		8,558	8,558
Written off during the year	Note 12.5.1	(8,558)	—
		<u>—</u>	<u>8,558</u>

12.5.1 This represent Further Sales Tax of one percent on sales to unregistered persons. The Company paid Further Tax in the monthly Sales Tax & Federal Excise Returns for the month of June 2013 and July 2013 on buyers behalf which aggregated to Rs. 4,283 thousand and not received by the buyers. In addition, an amount of Rs. 4,275 thousand on account of Further Tax at the rate of two percent on sales to unregistered persons was paid by the Company and not received from the buyers. Further, due to uncertainties regarding the recoverability, and as a matter of prudence, an impairment allowance has already been made against the amount of Further Tax. The receivable has been written off because of the time barred receivable.

		2025 (Rupees in '000)	2024
13 CASH AND BANK BALANCES			
Cash in hand		627	399
Cash at banks			
In current accounts		108,753	51,688
In current account - Linked with Treasury Call	Note 13.1	5,530	6,240
Impairment allowance against the dormant bank accounts	Note 13.2	(7,870)	(7,870)
		<u>106,413</u>	<u>50,058</u>
		<u>107,040</u>	<u>50,457</u>

13.1 This represents amount placed with commercial bank in "Unclaimed Dividend Account", linked with Treasury Call Account. Profit earned in this account will be used in corporate social responsibility activities.

			2025 (Rupees in '000)	2024
13.2	Reconciliation of impairment allowance against dormant bank accounts			
	Opening balance		7,870	566
	Charge for the year	Note 27	—	7,304
	Closing balance		7,870	7,870
14	ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
	2025	2024		
	Number of shares			
	10,860,000	10,860,000	Ordinary shares of Rs.10 each allotted for consideration paid in cash	108,600
	1,086,000	1,086,000	Ordinary shares of Rs.10 each allotted as fully paid bonus shares	10,860
	11,946,000	11,946,000	119,460	119,460

- 14.1** All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

			2025 (Rupees in '000)	2024
15	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
	Gross opening balance		2,170,938	2,284,936
	Revaluation surplus recorded during the year	Note 5.1	1,699,933	—
	Incremental depreciation charged on surplus on revaluation of property, plant and equipment - net of deferred tax		(71,723)	(80,939)
	Deferred tax on incremental depreciation charged on surplus on revaluation of property, plant and equipment		(37,778)	(33,059)
			(109,501)	(113,998)
			3,761,370	2,170,938
	Opening balance at the beginning of the year		(566,655)	(599,714)
	Deferred tax on incremental depreciation charged during the year		37,778	33,059
	Deferred tax impact of change in tax rate	Note 18.1	(107,469)	—
	Deferred tax on revaluation surplus during the year	Note 18.1	(519,892)	—
	Related deferred Tax	Note 18.1.1	(1,156,238)	(566,655)
	Revaluation surplus net of deferred tax		2,605,132	1,604,283

- 15.1** The Company carries its land, building and plant and machinery on revaluation model in accordance with IAS - 16 "Property, Plant & Equipment". An independent valuer carried out revaluation on September 30, 2025 and issued report on October 29, 2025. Fair value has been determined by the valuer using New Replacement Value i.e., the estimated cost to replace an existing asset or with a substitute of like kind and equal utility using the current standards of materials and design and with no deduction for depreciation as follows:

	Discount Factor in %	Present Market Value September 30, 2025	Fair Value
		(Rupees in '000)	
Free hold Land	10%	417,000	375,300
Building (Factory & Non-Factory)	15%	503,000	427,550
Plant & Machinery	25%	4,050,000	3,037,500

- 15.2 The revaluation surplus on property, plant and equipment is not available for distribution to shareholders of the Company in accordance with the section 241 of the Companies Act, 2017.

2025 2024
(Rupees in '000)

16 LONG TERM FINANCING

Secured

From Banking & Other than Banking Company under profit arrangements from Shahria compliant financial institution

Diminishing Musharakah - I	Note 16.1	57,823	92,730
Diminishing Musharakah - II	Note 16.2	72,315	74,138
Diminishing Musharkah - III	Note 16.3	5,265	—
		135,403	166,868
Current portion shown under current liabilities		(77,691)	(35,591)
		57,712	131,277

- 16.1 This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in three years in monthly installments with a profit payments @ 6 months KIBOR + 4.50%. This loan is secured against the title over specific machinery.
- 16.2 This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in two years in monthly installments after the grace period of one year with a profit payments @ 6 months KIBOR + 4.50%. This loan is secured against the title over specific machinery.
- 16.3 This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in three years in monthly installments with a profit payments @ 12 months KIBOR + 3.51 %. This loan is secured against the title over specific Vehicle.
- 16.4 Certain loan facilities of the Company require compliance with loan covenants (common being current ratio, gearing ratio, and debt service coverage ratio) during the respective tenures of the facilities. Breach of covenants may require the Company to repay the loan earlier than agreed upon repayment dates in case upon intimation of the lender the default is not rectified. The Company monitors the compliance with covenants on a regular basis. There are no indications that the Company would have difficulties complying with these covenants.

		2025 (Rupees in '000)	2024
17	LEASE LIABILITIES AGAINST RIGHT OF USE ASSETS		
	Balance at the beginning of the year	—	1,251
	Lease obtained during the year	Note 5.3 & 17.1	19,256
	Financial charges on lease liabilities	Note 29	902
	Repayments during the year	(1,100)	(1,383)
		19,058	—
	Less: Current portion shown under current liabilities	4,528	—
		14,530	—
17.1	The Company had entered into direct lease agreement with Banking Company for vehicles. Minimum lease payments have been discounted using rates linked with KIBOR i.e. 14.17 % (2024: Nil) being rates implicit in the lease. Lease rentals are payable in 36 months in arrears, on monthly basis. The lease is secured against the title of the specific vehicles.		
18	DEFERRED LIABILITIES		
	Deferred taxation	Note 18.1	1,195,884
	Market committee fee	Note 18.2	99,907
	Employees retirement benefits		
	- Defined benefit plan	Note 18.3	192,893
	- Leave Encashment plan	Note 18.4	7,062
		199,955	186,102
		1,495,746	857,560
18.1	Deferred taxation:		
	Opening Balance	576,194	600,223
	Deferred tax on fresh revaluation taken to other comprehensive income	Note 15	519,892
	Impact of deferred tax on actuarial loss	(632)	(3,981)
	Effect of change in tax rate on deferred tax related to surplus on revaluation of property, plant and equipment	Note 15	107,469
	Credited to statement of profit or loss	Note 31	(7,039)
	Closing balance	1,195,884	576,194
18.1.1	Deferred tax (debit) / credit arising due to:		
	Deferred tax credit arising due to:		
	- surplus on revaluation	Note 15	1,156,238
	- accelerated depreciation	262,012	566,655
	- assets obtained under finance lease	(84)	212,075
		1,418,166	778,730
	Deferred tax debit arising due to:		
	- provisions / impairment	(115,481)	(99,333)
	- lossess, minimum and tax credit carried forward	(106,802)	(103,203)
		1,195,884	576,194

		2025 (Rupees in '000)	2024
18.2 Market committee fee			
Opening Balance		95,264	90,104
Charge during the year		4,643	5,160
Closing balance	Note 18.2.1	99,907	95,264

18.2.1 The Company has filed a suit in the Honourable High Court of Sindh against the levy of market committee fee by the Government of Sindh on sugarcane purchases at the factory. Previously, the Honourable High Court of Sindh has granted status quo. Full provision has been made as a matter of prudence. During the year, the Honourable High Court of Sindh has disposed-off the case on March 01, 2025 and transferred the case to the Senior Civil Judge / Assistant Sessions Judge I, Karachi (South) bearing number 5107/2025 for further hearings. The case is pending at the Honourable Court.

In the meantime, the Senior Civil Judge II, Sanghar issued notice to the Company on May 15, 2025 for declaration and recovery of the said Market Committee dues from the Company. The Company has filed a written statement before the Senior Civil Judge / Assistant Sessions Judge II, Sanghar on July 22, 2025 in the case bearing number 1st Class Civil Suit 47/2025. Then the Case has been transferred to Senior Civil Judge / Assistant Sessions Judge I, Sanghar bearing number 1st Class Civil Suit 42/2025. On December 11, 2025 the Honourable Court adjourn the application filed by the plaintiff for objections and arguments on applications. The case is pending at the Honourable Court.

18.3 Employees Retirement Benfits - Defined Benefits Plan

The Company operates an unfunded gratuity scheme for its employees eligible to the benefit effective from July 01, 2003 and provision is made as per actuarial valuation of the scheme conducted as of September 30, 2025 by M/s Nauman Associates (Consulting Actuaries) under the "Projected Unit Credit " method. The significant actuarial assumptions used for actuarial valuation for the gratuity scheme are as follows:

		2025 (Rupees in '000)	2024
18.3.1 Movement in the present value of the obligation			
Present value of obligation at the beginning of the year		179,712	147,861
Charge for the year			
Current service cost	Note 18.3.2	17,403	14,394
Interest cost	Note 18.3.2	19,390	21,677
		36,793	36,071
Benefits paid during the year		(24,458)	(14,888)
Actuarial losses and experience adjustments	Note 18.3.4	846	10,668
Present value of obligation at the end of the year		192,893	179,712
18.3.2 Expense for the year charged to statement of Profit or Loss			
Current service cost		17,403	14,394
Interest cost		19,390	21,677
		36,793	36,071

		2025 (Rupees in '000)	2024
18.3.3 Charge for the year has been allocated as under:			
Cost of sales	Note 24.1	27,595	27,058
Administrative expenses	Note 26.1	9,198	9,018
		<u>36,793</u>	<u>36,076</u>
18.3.4 Total Remeasurements chargeable in Other Comprehensive Income			
Remeasurements of plan obligation:			
Actuarial (gains)/losses from changes in financial assumptions		(55)	7,209
Experience adjustments		901	3,459
		<u>846</u>	<u>10,668</u>
18.3.5 Significant Actuarial Assumptions		2025	2024
Discount rate used for interest cost in P or L Charge		12.00%	16.75%
Discount rate used for year end obligation		11.75%	12.00%
Salary increased used for year end obligation			
Salary Increase FY 2025		11.75%	12.00%
Next salary is increased at		01-Oct-2025	01-Oct-2024
Retirement assumption		Age 60	Age 60
Withdrawal Rates		Age-Based	Age-Based
Mortality Rates		SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
		2025	2024
		(Rupees in '000)	
18.3.6 Year end Sensitivity Analysis (+ 100 bps) on Defined Benefit Obligation			
Discount Rate + 100 bps		182,660	160,615
Discount Rate - 100 bps		202,665	178,072
Salary Increase + 100 bps		202,797	178,195
Salary Increase - 100 bps		182,368	160,352
18.3.7 Expected Benefit Payments for the next 10 years and beyond			
Year			
FY 2026		46,617	20,839
FY 2027		29,321	29,559
FY 2028		18,658	17,080
FY 2029		30,818	29,205
FY 2030		45,499	43,393
FY 2031		17,738	15,980
FY 2032		20,993	19,617
FY 2033		28,466	29,511
FY 2034		19,387	18,252
FY 2035		19,811	879,303
FY 2036 onwards		955,965	—

The average duration of the defined benefit obligation is 5 years

18.4 Employee Retirement Benefits - Leave Encashment plan:

The Company operates an unfunded leave encashment scheme for its employees eligible to the benefit and provision is made as per actuarial valuation of the scheme conducted as of September 30, 2025 by M/s Nauman Associates (Consulting Actuaries) under the "Projected Unit Credit " method. The significant actuarial assumptions used for actuarial valuation for the leave encashment scheme are as follows:

		2025 (Rupees in '000)	2024
18.4.1 Movement in the present value of the obligation			
Present value of obligation at the beginning of the year		6,390	4,300
Charge for the year			
Current service cost	Note 18.4.2	507	353
Interest cost	Note 18.4.2	671	622
		1,179	976
Benefits paid during the year		(1,492)	(1,061)
Actuarial gains from changes in financial assumptions		(3)	(58)
Experience adjustments		988	2,233
Present value of obligation at the end of the year		7,062	6,390
18.4.2 Expense for the year charged to Statement of Profit or Loss			
Current service cost		507	353
Interest cost		671	622
		1,179	976
18.4.3 Charge for the year has been allocated as under:			
Cost of sales		884	732
Administrative expenses		295	243
		1,179	976
18.4.4 Significant Actuarial Assumptions			
		2025	2024
Discount rate used for interest cost in P or L Charge		12.00%	16.75%
Discount rate used for year end obligation		11.75%	12.00%
Salary increased used for year end obligation			
Salary Increase FY 2025		10.75%	11.00%
Next salary is increased at		01-Oct-2024	01-Oct-2024
Retirement Assumption		Age 60	Age 60
Withdrawal Rates		Age-Based	Age-Based
Mortality Rates		SLIC 2001-2005	SLIC 2001-2005
		Setback 1 year	Setback 1 year
		2025	2024
		(Rupees in '000)	
18.4.5 Year end Sensitivity Analysis (\pm 100 bps) on Defined Benefit Obligation			
Discount Rate + 100 bps		6,724	5,990
Discount Rate - 100 bps		7,448	6,616
Salary Increase + 100 bps		7,459	6,626
Salary Increase - 100 bps		6,708	5,976

		2025 (Rupees in '000)	2024
18.4.6 Expected Benefit Payments for the next 10 years and beyond			
Year			
FY 2026		2,092	739
FY 2027		1,439	1,389
FY 2028		543	522
FY 2029		907	857
FY 2030		1,118	1,156
FY 2031		694	622
FY 2032		815	722
FY 2033		1,166	1,181
FY 2034		572	527
FY 2035		727	18,588
FY 2036 onwards		20,537	—
The average duration of the defined benefit obligation is 5 years			
19 TRADE AND OTHER PAYABLES			
Creditors		98,801	288,974
Accrued liabilities		44,903	52,317
Advances from customers			
Sugar		569,895	698,482
Molasses		—	21,797
Baggasse		3,995	5,695
		573,890	725,974
Sales tax payable	Note 19.1	430,597	381,973
Workers' Profit Participation Fund	Note 19.2	13,304	—
Workers' Welfare Fund	Note 27	7,172	—
Other liabilities	Note 19.3	6,278	5,286
		<u>1,174,945</u>	<u>1,454,524</u>
19.1 This includes sales tax default surcharge amounting to Rs. 107,331 thousand (2024: Rs. 104,650 thousand)..			
19.2 Workers Profit Participation Fund			
Opening balance at the beginning of the year		—	7,113
Interest paid on funds utilized by the Company	Note 29	—	1,021
		—	8,134
Less: Payments made during the year		—	(8,134)
		—	—
Add: Allocation for the year	Note 27	13,304	—
Closing balance at the end of the year		<u>13,304</u>	<u>—</u>

		2025 (Rupees in '000)	2024
19.3 Other liabilities			
Income tax deducted at source		2,168	1,402
Cane field staff	Note 19.4.1	308	493
Others - Employees' social security & old age benefits, workers compensation & others		3,802	3,391
		6,278	5,286
19.4.1	These represents amount received from cane field employees under Company's motor cycle policy.		
20 ACCRUED FINANCE COST			
Accrued profit / mark-up:			
- On long term financing - Shariah compliant financial institution		363	530
- On lease financing		177	—
- On short term borrowings		4,215	56,506
		4,755	57,036
21 SHORT TERM BORROWINGS			
Secured:			
From Banking Company			
Cash Finance		—	685,000
Growers Finance		—	75,000
Running Finance		—	100,000
From Shariah Compliant Financial Institution			
Cash Finance		63,333	—
	Note 21.1	63,333	860,000

- 21.1** The aggregate financing facilities obtained amounted to Rs. 1,490,000 thousand (2024: Rs. 1,475,000 thousand), out of which amount of Rs. 1,426,667 thousand (2024: Rs. 615,000 thousand) remained un-availed as at the year end. These are secured by pledge of sugar stocks (Note 8.1) under the supervision of approved muddadum and hypothecation over current assets of the Company, exclusive & pari passu hypothecation charge on Company's plant & machinery and 1st equitable mortgage charge over fixed assets of the Company. The financing facilities are collaterally secured by the personal guarantees of all the sponsor directors. The facilities carries markup at 3 months KIBOR as base rate plus 1 % and 6 months KIBOR as base rate plus 4.5 % (2024: 3 months KIBOR as base rate plus 1%) chargeable and payable quarterly. The facilities are renewable annually at the time of maturity.

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies:

- 22.1.1** The Company has filed a Constitutional Petition No. D-2515 of 2010 before the Honourable High Court of Sindh against Pakistan Standards and Quality Control Authority (the Authority) Challenging the levy of marking fee under PSQCA Act-VI of 1996. The Authority has demanded a fee payment @ 0.1% of ex-factory price for the year 2008-2009 amounting to Rs. 1,915 thousands. The Company is of the view that demand notifications so raised are without any lawful authority under the PSQCA Act-VI of 1996 and are in violation of the constitution. The Honourable High Court of Sindh has accepted the petition and termed that impugned notifications have been issued without lawful authority and suspended the operation of the impugned notifications. The constitutional petition filed before the Honourable High Court of Sindh has been allowed in favour of the Company. In the meantime, the legal counsel of the Company has filed caveat in respect of an appeal to be filed by PSQCA against the judgment in the Honourable Supreme Court of Pakistan. No provision has been made in this respect, as the Company is confident that the same is not likely to be materialized.

22.1.2 The Government of Sindh issued a notification no. 8(142)/ S.O(EXT)2017, according to which, the minimum price of sugarcane has been fixed at the rate of Rs. 182 per 40 kg for the crushing season 2017-2018. The Company along with other Sugar mills has filed a Constitutional Petition No 8666 of 2017 in the Honourable High Court of Sindh dated 19 December 2017 against the said notification. Thereafter, the Honourable Court after deliberations with all stakeholders announced the judgment fixing the purchase price at Rs. 160 to be paid to growers and the balance of Rs. 22 per 40 kg to be decided by the Honourable Supreme Court of Pakistan which is pending. The differential amount aggregating to Rs. 391,668 thousand has not been accounted for since the purchase price has been agreed with the parties and outcome of the Honourable Supreme Court is not likely to be against the Company. Furthermore, the Company along with other sugar mills have also filed petition in the Honourable Supreme Court challenging the minimum price fixation mechanism, which is also pending before the Honourable Court.

22.1.3 During the preceding year, the Company has filed an appeal in the Honourable Supreme Court of Pakistan against the order passed by the Honourable High Court of Sindh – Circuit Court Hyderabad in the matter of Constitutional Petition No. D - 334 of 2012 (Sanghar Sugar Mills Limited - SSML vs Sindh Labour Appellant Tribunal and Others). The said appeal was also filed against the Sindh Labour Appellate Tribunal for the decision made by the Appellate Tribunal (Hyderabad). The Honourable Supreme Court of Pakistan has suspended the operation of the impugned judgements and directed the Company to let the amount of salary on the basis of last drawn arrears of salary during season and salary of retention during off season and as per directions the Company has deposited an amount of Rs. 722 thousand (2024: Rs. 582 thousand) in the Labour Court of Hyderabad.

On 03.06.2025, the Appellate Jurisdiction of the Honourable Supreme Court of Pakistan has passed an Order and the appeal was dismissed. Further, on 16.09.2025 in the Sindh Labour Court VI, Hyderabad in the matter of Complaint no 122 of 2025 the Honourable Court Ordered that as the complainant has expressed satisfaction on receipt of the amount and reinstatement of plaintiff and no outstanding claim remains against the respondent, hence complaint in hand stands disposed off accordingly.

22.1.4 During the preceding year, the Deputy Commissioner Inland Revenue (DCIR) has passed the Orders under Section 122 (1) / (5) of the Income Tax Ordinance, 2001 in respect of tax years from 2015 to 2019 creating a tax demand of Rs. 24,818,724 thousand and also passed the Orders under Section 161 of the Income Tax Ordinance, 2001 for the tax years from 2017 to 2020 amounted to Rs. 119,608 thousand creating an exorbitant tax demand.

The Company contested the appeals and an Appellant Tribunal Inland Revenue deleted all the demands raised and set aside the orders of the Department. Similarly, orders for the tax year 2017 to 2020 were framed under section 161 of the Income Tax Ordinance, 2001 by revoking section 236 G and H of the Ordinance, relating to tax collection from wholesalers and distributors which also set aside at first appellate stage.

During the preceding year, the DCIR again took up the matter of tax year 2017 to 2020 and passed the Orders amounted to Rs. 25,428 thousand, which were framed previously under section 161 of the Income Tax Ordinance, 2001 for Section 236 G / H of the Ordinance, relating to tax collection from wholesalers and distributors, which were set aside at first appellate stage. The Company has paid the principal amount i.e. Rs. 12,787 thousand and the balance amount related to penalty and default surcharge has again contested and at the forum of Appellant Tribunal Inland Revenue, which is being heard.

Subsequent to the year end, the Commissioner Inland Revenue, LTO, Income Tax Reference Applications 412 to 416, filed in the Honourable High Court of Sindh and on 09.12.2025 the Honourable Court passed an Order that pursuant to Order dated 11.11.2025 that set aside the impugned judgement and remand the matter back to the learned Tribunal for adjudication afresh expeditiously preferably within 90 days. The counsel seeks that pending the aforesaid, no coercive action be taken against the respondent and the reference disposed off.

Management of the Company believe that all the matters will be decided in Company's favour as the demands raised through the stereo type orders by the FBR created on the basis of using stock phrases, imagination based workings and predetermined mindset and are illegal, ultra-vires and without any justification or basis and the Company is continuously contesting the same at designated forums of Inland Revenue Services.

22.1.5 During the preceding year, the Company has filed a petition in the Honourable Supreme Court of Pakistan against a show cause notice issued by the Competition Commission of Pakistan (CCP), challenging the vary jurisdiction of the Competition Commission. The Honourable Supreme Court of Pakistan has disposed of the petition on the ground that this matter is already under proceedings with Honourable High Court and refrained CCP from passing any final / penal order till a final decision is achieved at Honourable High Court. There are no financial implications related to this, at the moment. Further, the Company has filed a Suit No. 2273 of 2021 before the Honourable High Court of Sindh in the matter of the Competition Commission of Pakistan (CCP) in August 2021 passed orders and imposed penalty on PSMA and member sugar mills alleging them to be guilty of collusive activities and cartelization. The penalty imposed on the Company aggregated to Rs. 188,522 thousand. The PSMA and the Company along with other member sugar mills of PSMA filed the Suit against the orders of the Competition Commission of Pakistan before Honourable Sindh High Court. The Honorable Court passed the interim order on 07.10.2021 that the operation of impugned orders dated 06.08.2021 and 13.08.2021 shall remain suspended till the hearing is underway and final order issued on 22.08.2022 whereby the matter was referred to Competition Appellate Tribunal and suspended all previous orders of CCP including direction for withdrawal of all recovery notices/demands and withdrawal of debit blocks and attachment of bank accounts' notices.

The Honourable High Court of Sindh passed the Order dated 13.06.2022 and decided the application (the injunction application) where in it has been interalia held to secure 50% of the respective penalties recommended by the Commission with the Nazir of the Court through Bank Guarantee, with this condition the injunction applications are allowed. Chairperson's decision shall remain suspended till final disposal of the suite subject to furnishing Bank Guarantee whereas applications under order stand dismissed.

Further, the CCP has issued letters dated 24.06.2022 without prejudice to the right of CCP to challenge the Order dated 13.06.2022 and hereby informed that in case the Company fails to comply with the said order, recovery proceedings shall be initiated by the CCP. The CCP has issued notices to the Company along with other sugar mills on 29.06.2022 to pay within 15 days. The CCP vide communication bearing no. F. N. # 366 / Sugar Enq / C&TA / CCP / 2020 dated September 07, 2022 intimating withdrawal of Recovery Notice dated 29.06.2022 issued under section 40(1) of the Competition Act, 2010 till the final decision of the relevant appeals pending before the Competition Appellate Tribunal. The CCP has made partial recovery during the preceding year as disclosed in note 12.3 of the financial statements, which the Company is contesting for refund the amount.

During the year, on 21.05.2025 the Competition Appellate Tribunal, Islamabad has set aside the Chairperson's casting vote in adjudicatory proceedings and remanded the matter to the Commission opinion with the directions that either the Chairperson or any other member who is not a signatory to either of the opinions to hear the appellants. The Company has filed a Suit No. 5331 of 2025 before the Honourable High Court of Sindh in the matter of challenged the Order passed by the Competition Appellate Tribunal. Through these civil appeals, the sugar mills situated in the province of Sindh challenged the Order dated 21.05.2025 passed by the Competition Appellate Tribunal before the Honourable Supreme Court of Pakistan. The said appeals were taken up for hearing before the Honourable Supreme Court of Pakistan on 18.09.2025 and passed the judgement that the impugned Order dated 21.05.2025 passed by the Competition Appellate Tribunal and the Orders passed by the Competition Commission of Pakistan dated 06.08.2021 and 12.08.2021 have also been set aside and matter is remanded to the Tribunal to decide the same afresh within ninety days. The Competition Appellate Tribunal in its Order dated 28.10.2025 allowed to withdraw the pending applications as Honourable Supreme Court as well as Competition Appellate Tribunal already set aside the Casting Vote. The Competition Commission of Pakistan has filed a review petition before the Honourable Supreme Court, which is currently pending.

22.1.6 During the previous year, JDW Sugar Mills Ltd filed the suit against the equal distribution of export quota in February, 2023 in the Honourable High Court of Sindh. The Honourable Court stayed the export of sugar after which the Company and other sugar mills became party to the petition as defendants being aggrieved in Suit No. 145 of 2023 and Suit No. 149 of 2023. The single bench of the Honourable Court passed the judgement in March 3, 2023 and set aside Sindh Cane Commissioner's decision and directed to Cane Commissioner to re-issue the quota in accordance with Federal Government policy. The Company and other Sugar Mills filed the High Court Appeal (HCA) before the Honourable Divisional Bench of Honourable Sindh High Court on March 9, 2023 vide HCA number 64 and 65/2023 against the judgment order of single judge. The Honourable Divisional Bench passed the interim Order and allowed to Export of 1,500 metric tons to each of Sugar Mills.

Further, in continuation of earlier order dated 09.03.2023, the Honourable Court has passed an another Order to allow export of the remaining (undisputed and disputed quantity) of 32,000 M. Tons of sugar with terms and conditions imposed on export proceeds of undisputed and disputed quantity. The export proceeds realized, based on the formula set by the Honourable Court was retained by the Company on undisputed quantity, while on disputed quantity, the export proceeds realized was deposited with the Nazir of the Honourable Court. During the year, the Honourable Court has announced the decision and an amount of Rs. 20,661 thousand has been refunded to the Company (respondant), which are appearing note 12 of the financial statements.

22.2 Guarantee:

22.2.1 The Company has available bank guarantee facility for an amount of Rs. 75,000 thousand which is secured against 25% and rest is against the existing charge over current and fixed assets of the Company, already held as collateral. However, as at year-end no bank guarantee is unsecured on behalf of the Company.

22.2.2 The Company has provided counter guarantee to MCB Bank Limited, amounting to Rs. 75,000 thousand (2024: Rs. 75,000 thousand) against grower finance facility to the growers supplying sugarcane to the mills. The aggregate financing facility obtained amounted to Rs. 75,000 thousand (2024: Rs. 75,000 thousand) directly disbursable to the growers' bank account and the Company recovers the amount of finance from adjustments in cane procurement payments and or recovered through re-payment to the Company by the respective growers along with markup thereon. This is secured by hypothecation over current assets of the Company, exclusive & pari passu hypothecation charge on Company's plant & machinery and 1st equitable mortgage charge over fixed assets of the Company. The financing facility is collaterally secured by the personal guarantees of all the sponsor directors. The facility carries markup at 3 months KIBOR as base rate plus 1% (2024: 3 months KIBOR as base rate plus 1%) chargeable and payable quarterly, which is also recovered from the growers. The facility is renewable annually at the time of maturity.

22.3 Commitments:

22.3.1 Capital commitments in respect of plant & machinery amounting to Rs. 2,100 thousand (2024: Rs. 27,000 thousand).

22.3.2 The Company has committed for donation of 5 acre of land through the Board of Directors' decision in their meeting held on October 29, 2016 which recommended donation of 5 acre land out of total 320 acres Company's land at factory located at Sanghar to Workers Welfare Fund, Government of Pakistan, Islamabad, for the purpose of construction of Fifty Beds Hospital in the vicinity of factory premises of Sanghar Sugar Mills. This has already been approved by the shareholders of the Company in their Extra Ordinary General Meeting held on November 23, 2016. The carrying value of the land as on the year end date is Rs 110 thousand whereas its market value based on revaluation report dated September 30, 2025 by an independent professional valuator is Rs. 6,503 thousand. However, the matter is pending since long and the Company see no further progress, in this project.

		2025 (Rupees in '000)	2024
23 SALES			
Local sales		7,395,095	6,184,408
Export sales		754,131	196,798
		<u>8,149,226</u>	<u>6,381,206</u>
Less: Sales Tax & Federal Excise Duty		(1,394,534)	(957,784)
Less: Brokerage and Commission		(15,607)	(8,128)
		<u>6,739,085</u>	<u>5,415,294</u>
24 COST OF SALES			
Sugar cane consumed (including cane procurement expenses)		5,100,623	5,806,133
Salaries, wages and staff benefits	Note 24.1	269,645	234,098
Stores, spare parts and loose tools consumed		253,920	203,048
Fuel, power and utilities		15,013	15,787
Insurance		16,146	13,512
Repairs and maintenance		10,939	10,157
Vehicle running expenses		15,664	15,335
Depreciation	Note 5.1.2	166,948	173,952
Depreciation on right-of use assets	Note 5.3	441	546
Other expenses		16,133	16,060
		<u>5,865,471</u>	<u>6,488,628</u>
Sugar -in-process			
- Opening		2,559	979
- Closing	Note 8	(1,704)	(2,559)
		<u>855</u>	<u>(1,580)</u>
		<u>5,866,326</u>	<u>6,487,048</u>
Sale of molasses	Note 24.2	656,895	805,500
Inventory adjustment for molasses		(4,988)	4,976
		<u>651,907</u>	<u>810,476</u>
Sale of baggasse	Note 24.3	113,222	87,222
Inventory adjustment for baggasse		600	3,626
		<u>113,822</u>	<u>90,848</u>
Cost of goods manufactured		<u>5,100,597</u>	<u>5,585,724</u>
Finished sugar			
- Opening stock		1,483,991	974,234
- Closing stock	Note 8	(485,242)	(1,483,991)
		<u>998,749</u>	<u>(509,757)</u>
		<u>6,099,346</u>	<u>5,075,967</u>

24.1 Salaries, wages and benefits include Rs. 27,595 thousand (2024: Rs. 27,053 thousand) in respect of defined benefit plan and Rs. 884 thousand (2024: Rs. 732 thousand) in respect of leave encashment plan as disclosed in Note 18.3.3 and 18.4.3 of the financial statements.

24.2 These figures are net off sales tax of Rs. 118,242 thousand (2024: Rs. Nil).

24.3 These figures are net off sales tax and further tax of Rs. 21,895 thousand (2024: Rs. 15,952 thousand).

		2025	2024	
		(Rupees in '000)		
25	DISTRIBUTION COST			
	Handling and stacking	2,758	1,667	
	Export freight and other charges	27,053	1,552	
		<u>29,811</u>	<u>3,219</u>	
26	ADMINISTRATIVE EXPENSES			
	Salaries, wages and staff benefits	Note 26.1	130,856	116,692
	Rent, rates and taxes		3,945	3,638
	Communication		1,359	1,418
	Repairs and maintenance		4,502	3,798
	Utilities		3,213	3,229
	Entertainment		523	608
	Subscription		2,718	2,966
	Cartage		87	31
	Printing and stationery		3,345	3,023
	Insurance		5,382	4,504
	Legal and professional charges		2,201	2,650
	Conveyance and traveling		5,680	6,252
	Depreciation	Note 5.1.2	9,625	9,287
	Others		4,662	1,885
			<u>178,098</u>	<u>159,981</u>
26.1	Salaries, wages and benefits include Rs. 9,198 thousand (2024: Rs. 9,018 thousand) in respect of defined benefit plan and Rs. 295 thousand (2024: Rs. 244 thousand) in respect of leave encashment plan as disclosed in Note 18.3.3 and 18.4.3 of the financial statements.			
27	OTHER EXPENSES			
	Auditors' remuneration	Note 27.1	3,626	3,294
	Corporate social responsibility costs	Note 27.2	7,472	5,603
	Workers' Profit Participation Fund	Note 19.2	13,304	—
	Workers' Welfare Fund	Note 19	7,172	—
	Provision for slow moving and obsolete items	Note 7.1	975	1,250
	Write off against receivable from Labour Court - Hyderabad	Note 22.1.3	722	—
	Exchange loss on export proceeds realization - net		—	37
	Write off against receivable from Nazir High Court	Note 12 & 22.1.6	—	26,716
	Sales tax default surcharge		2,681	7,511
	Impairment allowance against dormant bank account	Note 13.2	—	7,304
			<u>35,952</u>	<u>51,715</u>

		2025 (Rupees in '000)	2024
27.1 Auditors' remuneration			
Statutory Auditors - Kreston Hyder Bhimji and Co.			
Audit fee		2,050	1,832
Half yearly review fee		265	237
Code of corporate governance certification		173	154
Certification of free float of shares & reconciliation		215	193
Sindh Sales tax on services		405	362
		3,108	2,777
Cost Auditors - A.D. Akhawala & Co.			
Cost Audit Fee		450	450
Sindh Sales Tax on Services		68	68
		518	518
		3,626	3,294
27.2	Corporate social responsibility costs do not include any amount paid to any person or organization that exceeds Rs. 1,000,000 and also no director or their spouse has any interest in any donee.		
28 OTHER INCOME			
Income from non financial assets:			
Gain on sale of property, plant and equipment	Note 5.1.3	4,278	684
Rent and related receipts		187	166
		4,465	850
Income from others:			
Scrap Sales	Note 28.1	28	1,244
V. Filter Cake Sales	Note 28.2	1,135	796
Exchange gain		818	—
Liabilities written back		798	43,726
		2,779	45,766
		7,244	46,616
28.1	These figures are net off sales tax and further tax of Rs. 6 thousand (2024: Rs. 268 thousand).		
28.2	These figures are net off sales tax and further tax of Rs. 250 thousand (2024: Rs. 175 thousand).		
29 FINANCE COST			
Profit on long term financing	Note 29.1	31,371	25,388
Mark-up / Profit on short-term borrowings			
Conventional		107,301	223,393
Islamic	Note 29.1	16,732	—
Financial charges on lease liabilities	Note 17	902	132
Bank charges		1,218	1,415
Interest on workers' profit participation fund	Note 19.2	—	1,021
		157,524	251,349
29.1	This represents profit paid in respect of financing under shariah compliant arrangements.		

		2025 (Rupees in '000)	2024
30 LEVIES			
Minimum tax	Note 30.1 & 31.1	—	79,387
30.1	This represent minimum tax or turnover under section 113 and 154 of Income Tax Ordinance, 2001, representing levies in terms of IFRIC 21/IAS 37.		
31 TAXATION			
Current Tax		109,951	—
Deferred	Note 18.1	(7,039)	(20,048)
		102,912	(20,048)
31.1	The Company's liability in respect of levies and taxation represents the minimum tax on turnover tax under section 113 and 154 of Income Tax Ordinance, 2001 net of available tax credits, hence tax reconciliation of tax expense with accounting profit is not presented for the current year.		
		2025	2024
		(Rupees in '000)	
Relationship between levies and income tax and profit / (loss) before income tax :			
Levies		—	79,387
Taxation		102,912	(20,048)
		102,912	59,339
Profit / (Loss) before levies and tax		245,598	(159,708)
Tax @ 29%		71,223	(46,315)
Minimum tax		—	79,387
Super tax		19,327	—
Others		12,361	26,267
		102,912	59,339
32 EARNING / (LOSS) PER SHARE - Basic and Diluted			
Profit / (Loss) for the year (Rupees '000)		142,686	(139,660)
Weighted average number of ordinary shares		11,946,000	11,946,000
Earning / (Loss) per share - (Rupees)		11.94	(11.69)
There is no dilutive effect on the basic earning per share of the Company.			
33 CASH AND CASH EQUIVALENTS			
Cash and cash equivalent comprise of the following items			
Cash and bank balances	Note 13	107,040	50,457
Less: Short term borrowings - running finance	Note 21	—	(100,000)
		107,040	(49,543)

34 FINANCIAL INSTRUMENTS

34.1 FINANCIAL ASSETS AND LIABILITIES

Table below summarizes the maturity profile of the Company's financial assets and liabilities at the following reporting periods:

2025								
Interest / markup rate	Interest / Mark-up bearing			Non Interest / Mark-up bearing			Total	
	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total		
..... (Rupees in '000)								
Financial Assets								
Deposits		—	—	—	355	4,540	4,895	4,895
Trade Debts		—	—	—	127,715	—	127,715	127,715
Other receivable		—	—	—	17,592	—	17,592	17,592
Loans and advances		—	—	—	6,360	—	6,360	6,360
Cash and bank balances	Linked with Treasury Call 5,530	—	5,530	101,510	—	101,510	107,040	
TOTAL		5,530	—	5,530	253,532	4,540	258,072	263,602
Financial Liabilities								
Long term Financing	6 M Kibor + 4.5%& 12 M Kibor + 3.51%	77,691	57,712	135,403	—	—	—	135,403
Lease liabilities	14.17%	4,528	14,530	19,058	—	—	—	19,058
Trade & other payables		13,304	—	13,304	143,704	—	143,704	157,008
Accrued finance cost		—	—	—	4,755	—	4,755	4,755
Short-term borrowings	3 M Kibor + 1% & 6 M Kibor + 4.5%	63,333	—	63,333	—	—	—	63,333
Unclaimed dividend		—	—	—	3,731	—	3,731	3,731
TOTAL		158,856	72,242	231,098	152,190	—	152,190	383,288

2024								
Interest / markup rate	Interest / Mark-up bearing			Non Interest / Mark-up bearing			Total	
	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total		
..... (Rupees in '000)								
Financial Assets								
Deposits		—	—	—	355	709	1,064	1,064
Trade Debts		—	—	—	27,924	—	27,924	27,924
Other Receivables		—	—	—	29,572	—	29,572	29,572
Loans and advances		—	—	—	5,261	—	5,261	5,261
Cash and bank balances	Linked with Treasury Call	6,240	—	6,240	44,217	—	44,217	50,457
TOTAL		6,240	—	6,240	107,329	709	108,038	114,278
Financial Liabilities								
Long Term Financing	6 M Kibor + 4.5 %	35,591	131,277	166,868	—	—	—	166,868
Trade & other payables		—	—	—	341,291	—	341,291	341,291
Accrued mark-up		—	—	—	57,036	—	57,036	57,036
Short Term Borrowings	3 M Kibor + 1%	860,000	—	860,000	—	—	—	860,000
Unclaimed dividend		—	—	—	3,731	—	3,731	3,731
TOTAL		895,591	131,277	1,026,868	402,058	—	402,058	1,428,926

34.2 RELATIONSHIP WITH THE ISLAMIC AND CONVENTIONAL FINANCIAL INSTITUTION

The Company in the normal course of business deals with pure Islamic financial institution as well as the financial institution who have both the conventional and Islamic window operations. The detail of the segregation relevant assets / liabilities and expenditures between Islamic Mode and Conventional Mode is as under:

			2025	2024
	Mode	Notes	(Rupees in '000)	
Lease liabilities	Conventional	17	19,058	—
Long term finance	Islamic	16	135,403	166,868
Short term borrowings	Islamic	21	63,333	—
Short term borrowings	Conventional	21	—	860,000
Accrued finance cost	Islamic	20	363	530
Accrued finance cost	Conventional	20	4,392	56,506
Bank balances	Islamic	13	15,197	4,112
Bank balances	Conventional	13	99,713	53,417
Net revenue earned from Shariah Compliant business	Islamic	23 & 24	6,852,307	5,502,516
Finance cost	Conventional	29	109,421	225,961
Finance cost	Islamic	29	48,103	25,388
Other Income		28		
Exchange gain earned from export of sugar	Islamic	"	818	—
Scrap Sales	Islamic	"	28	1,244
V. Filter Cake Sales	Islamic	"	1,135	796
Liabilities written back	Islamic	"	798	43,726
Gain on sale of property, plant and equipment	Islamic	"	409	684
Gain on sale of property, plant and equipment	Conventional	"	3,869	—
Rent and related receipts	Islamic	"	187	166

The Company has relationship with Sindh Modaraba, OLP Modaraba, OLP Financial Services Limited - Islamic Finance, Faysal Bank Limited, Meezan Bank Limited, Adamjee Insurance Company Limited - Window Takaful Operations, Bank Islami Pakistan Limited, Albarakah Bank Pakistan Limited.

35 FINANCIAL RISKS MANAGEMENT**35.1 Financial Risk Management Objectives, Policies and Responsibilities**

The Company's overall risk management programs focus on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's operations. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and control, and to monitor risks and adherence to limits.

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. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risks, interest rate risks, credit risks, financial instruments and investment of excess liquidity. It is the Company's policy that no trading in derivatives for speculative purpose shall be undertaken.

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

- Market risk
- Credit risk
- Liquidity risk

35.1.1 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 change in credit rating of the issuer of the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The company is subject to following market risks;

35.1.1.1 Foreign Exchange Risk

Foreign exchange risk represents the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly from future economic transaction or receivables or payables that exist due to transactions in foreign exchange. During the year the Company has exposure to foreign currency risk due to export sales and managed through mix of advance receipts and partial payments before shipments and as at year end the Company was not directly exposed to foreign currency risk.

35.1.1.2 Interest / Mark-up / Profit rate risk

Interest / mark-up / profit rate risk is the risk that value or future cash flows of the financial instruments will fluctuate because of changes in market interest / mark-up / profit rates. The Company has mainly long term financing, lease liabilities, short term borrowings and workers' profit participation fund which are based at varying rates.

At the reporting date, the interest rate profile of the Company's significant interest / mark-up bearing financial instruments are as follows:

	2025	2024	2025	2024
	Effective interest / markup rate		Carrying amount	
	(in percent)		(Rupees in '000)	
Financial liabilities				
Variable rate instruments				
Long Term Finance	6 M Kibor + 4.5% & 12 M Kibor + 3.51%	6 M Kibor + 4.5% & 12 M Kibor + 3.51%	135,403	166,868
Lease Liabilities against right of use assets	14.17%	—	19,058	—
Workers Profit Participation Fund			13,304	—
Short term borrowings	3 M Kibor + 1% & 6 M Kibor + 4.5%	3 M Kibor + 1%	63,333	860,000
Less: Cash at bank in saving account	11% to 15%	11% to 15%	(5,530)	(6,240)
			<u>225,568</u>	<u>1,020,628</u>

Sensitivity analysis**Fair value sensitivity analysis for fixed rate instruments**

The Company does not account for any fixed rate instruments at fair value through statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments.

A change of 100 basis points in interest / mark-up rates at the reporting date would have decreased / (increased) profit / loss before tax 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 2024.

	..... 2025 .....		..... 2024.....	
	(Rupees in '000)		(Rupees in '000)	
	Profit and loss 100 bp		Profit and loss 100 bp	
Financial liabilities	(increase)	decrease	(increase)	decrease
Cash flow sensitivity - on statement of financial position	<u>(2,256)</u>	<u>2,256</u>	<u>(10,206)</u>	<u>10,206</u>

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

35.1.1.3 Other Price Risk

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

35.1.2 Credit Risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed to perform as contracted. 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. Sales contracts and credit terms are approved by the Chief Executive Officer and Executive Director. The Company manages credit risk inter alia by setting out credit limits in relation to individual customers and / or by obtaining advance against the sales and / or through letter of credits and / or by providing adequate allowance for doubtful debts. Where considered necessary, advance payments are obtained from certain parties or by obtain advance payments from counter parties.

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 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:

	2025 (Rupees in '000)	2024
Deposits	4,895	1,064
Trade debts	127,715	27,924
Loans and advances	6,360	5,261
Other receivable	17,592	29,572
Bank balances	106,413	50,057
	262,975	113,878

a) Deposits

As at the year end, the deposits are placed against the utility facilities like electricity & water with Government entities and other deposits in normal course of business. Further, the deposits on auto finance represents the deposits given to the conventional financial institution against the deposit of vehicles loan, which will be adjusted at the end of the lease / loan. The Company believes that it is not exposed to significant credit risk in this respect.

b) Trade Debts

These represents balances due from registered buyer against sale of power and against the sale of sugar to registered buyers and the Company believe that it is not exposed to significant credit risk in this respect. Since the receivable against sale of power is from a government owned entity, which must be received and the receivable against sale of sugar has been received subsequent to the year end.

c) Loans and Advances

These represent balances due from employees that are mostly against their balances of retirement benefits. The Company recover the loans & advances to employees and based on past experience the Company does not expect that these will fail to meet their obligations, hence, no impairment allowance is necessary other than already made in these financial statements.

d) Other Receivables

These represents balance due against receivable from the Competition Commission of Pakistan against force recovery. The Company is actively pursuing the matters which are pending at the disposal of Honourable Court and based on the past experience the Company does not expect that these will fail to meet their obligations, hence, no impairment allowance is necessary, in this respect. Further receivable from growers against the guarantee of loan will be recovered through the adjustment in cane payments in ensuing season.

e) Balances with Bank

The Company limits its exposure to credit risk by maintaining bank balances only with counter-parties that have stable credit rating. Management actively monitors credit ratings of the counter parties and given their high credit ratings, management does not expect that the counter party will fail to meet their obligations.

The bank balances along with the short term credit ratings are tabulated below:

	2025 (Rupees in '000)	2024
Credit Ratings		
A-1+	101,136	11,871
A1+	—	36,311
A-1	5,277	1,577
A1	—	298
	106,413	50,057

35.1.2.1 Financial assets that are either past due or impaired

The credit quality of financial assets that are either past due or impaired can be assessed by reference to historical information and external ratings or to historical information about counter party default rates as disclosed in respective notes. Management believes that there are no financial asset that are either past due or impaired, other than disclosed in the Financial Statements.

35.1.3 Liquidity Risk

Liquidity risk represent the risk where the Company will encounter difficulty in meeting obligations associated with financial liabilities. The maturity profile of the Company's financial assets and liabilities as at the reporting date with respect to period lags is given in Note 34.1.

The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. As at September 30, 2025, the Company has available un-availed short term borrowing facilities of Rs. 1,426,667 thousand (2024: Rs. 615,000 thousand) and also has cash & bank balances of Rs. 107,040 thousand (2024: Rs. 50,457 thousand). Based on the above, the management believes that the Company is not significantly exposed to the liquidity risk.

35.2 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances. The Company finances its expansions projects through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

Certain loan facilities of the Company require compliance with loan covenants (common being current ratio, gearing ratio, and debt service coverage ratio) during the respective tenures of the facilities. Breach of covenants may require the Company to repay the loan earlier than agreed upon repayment dates in case upon intimation of the lender the default is not rectified. The Company monitors the compliance with covenants on a regular basis. There are no indications that the Company would have difficulties complying with these covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings less cash and bank balances. The Company's strategy was to maintain leveraged gearing. The gearing ratio as at reporting date is as follows:

	2025	2024
	(Rupees in '000)	
Total financing and borrowings including lease liabilities	217,794	1,026,868
Less: Cash and bank balances	(107,040)	(50,457)
Net debt	110,754	976,411
Total Equity	3,122,983	1,908,924
Total capital employed	3,233,737	2,885,335
Gearing Ratio	3.42%	33.84%

Consistent with others in the industry, the Company manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders.

36 FAIR VALUES / MEASUREMENT

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.

A number of the Company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of cash & cash equivalent, short term deposits, trade debts, loans & advances, other receivable, trade payables, short term borrowing and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. For long term asset and long term liabilities, management considers that their carrying values approximates fair value.

The fair value of land and buildings and plant and machinery is a level 3 recurring fair value measurement. Management engages an independent external expert / valuator to carry out periodic valuation of its non-financial assets (i.e. Land, Building and Plant and Machinery) and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained by the valuer. The Fair Values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, adjusted for any difference in nature, location or condition of the specific property. Recent valuation was carried on September 30, 2025 and following factors were considered:

Land and Building	The valuation is considered on the factors of location, need of the buyers, the overall prevailing market situation and other considerations linked with this.
Plant and Machinery	Factors taken into consideration in order to assess the present value of the machinery include Make, Model, Quality, Operational Capacity, Existing Condition, Demand and Resale Prospects, Depreciation and Obsolescence etc.

37 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged during the year for remuneration, including all benefits to the Chief Executive, Directors and Executives of the Company were as follows:

	Chief Executive		Directors		Executives		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
(Rupees in '000)								
Non executive Directors' meeting fee - 4 Directors (2024: 4 Directors)	—	—	720	780	—	—	720	780
Managerial remuneration - Basic	9,762	8,066	8,996	7,431	8,083	7,570	26,841	23,067
Perquisite (Bonuses, House Rent & Others)	8,248	8,011	7,601	7,385	7,324	7,108	23,173	22,504
Reimbursable expenses	2,112	5,887	1,979	4,311	2,006	2,117	6,097	12,315
	20,122	21,964	18,576	19,127	17,413	16,795	56,111	57,886
Number of persons	1	1	1	1	3	3	5	5

The Chief Executive and Executives as stated above are provided with the Company maintained cars and telephone facilities.

Some of the Directors waived their Meeting's fee for Board & their respective Committees, which was approved in the Board of Directors meeting.

38 RELATED PARTY TRANSACTIONS

The Company in the normal course of business carried out transactions with related parties as detailed below:

Name of Related Party	Relationship with Company	Nature of Transaction	2025 (Rupees in '000)	2024
Mr. Gul Mohammad Rajar	Brother of Chief Executive	Cane purchased	1,002	1,435
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	580	493
Mr. Faisal Rehman Rajar	Brother of Chief Executive	Cane purchased	1,465	30,4016
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	106	—
Haji Khuda Bux Rajar	Director & Father of Chief Executive	Cane purchased	—	35,337
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	—	69
Mr. Abdul Hakeem Rajar	Son of Chairman	Cane purchased	15,462	9,492
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	12,286	4,703

Transactions, as applicable in relation to Directors of the Company and Key Management Personnel (KMP) have been disclosed in note # 37. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

Outstanding balances of related parties as of the statement of financial position date and maximum month end aggregate balance during the year are disclosed in the respective notes to the financial statements. The advances to related parties against supply of cane were disbursed for the crushing season 2024-25 (2024: 2023-24) out of which significant amount had already been adjusted against cane supplied during the crushing season whereas remaining amount is being adjusted subsequent to the year-end against the cane supplied for the crushing season 2025-26 (2024: 2024-25).

39 ENTITY - WIDE INFORMATION

39.1 The Company constitutes of a single reportable segment, the principal class of product is Sugar and by products are Molasses and Baggasse, which does not constitute as a reportable segment, as the same does not meet the threshold.

39.2 Information about geographical areas

The Company does not hold non-current assets in any foreign country. There is revenues from external customers for attribution to foreign countries in these financial statements. The Company is also not dependent on any single customer. The analysis of sugar sales, by products and sales of trading activities are as follows:

	2025	2024
	(Rupees in '000)	
Local Sales - net		
Sugar	5,984,954	5,218,496
Molasses	656,895	805,500
Baggasse	113,222	87,222
Export Sales	754,131	196,798
	<u>6,755,071</u>	<u>6,111,218</u>

39.3 Information about major customers

The Company does not have transactions with any external customer, which amounts to 10 percent or more of its revenues.

40 CAPACITY AND PRODUCTION

	2025		2024	
	Quantity M. Tons	No. of days	Quantity M. Tons	No. of days
Crushing capacity	8,500	Per day	8,500	Per day
Capacity based on actual working days	816,000	96	807,500	95
Actual crushing	464,266.434		515,994.296	
Sucrose recovery (in %)	9.920		10.135	
Sugar production from cane	46,023.00		52,293.50	

40.1 Main reason for under utilization of production capacity is lesser availability of sugarcane during the season.

41 NUMBER OF EMPLOYEES

	2025	2024
	In Numbers	
Total number of Permanent & Contract employees as at the year end	<u>320</u>	<u>301</u>
Average number of Permanent & Contract employees during the year	<u>311</u>	<u>310</u>

42 DATE OF AUTHORIZATION FOR ISSUE

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

43 GENERAL

43.1 Figures have been rounded off to nearest thousand of rupees.

43.2 Certain comparative figures have been rearranged and regrouped for more appropriate presentation and comparison.

Chief Executive

Director

Chief Financial Officer

Pattern of Shareholding

As at September 30, 2025

Number of Shareholders	Shareholding		Total Shares Held	Percentage %
	From	To		
913	1	100	34,080	0.29
172	101	500	42,793	0.36
96	501	1000	63,155	0.53
94	1001	5000	218,937	1.83
36	5001	10000	222,128	1.86
3	10001	15000	32,500	0.27
2	15001	20000	36,500	0.31
3	20001	25000	70,900	0.59
5	25001	30000	133,016	1.11
2	40001	45000	84,500	0.71
1	45001	50000	50,000	0.42
1	50001	60000	57,500	0.48
1	95001	100000	97,240	0.81
1	190001	195000	190,200	1.59
1	235001	240000	235,873	1.97
1	270001	275000	272,740	2.28
1	400001	405000	403,100	3.37
1	485001	490000	486,390	4.07
1	495001	500000	496,000	4.15
4	520001	525000	2,021,600	16.92
1	540001	545000	545,132	4.56
1	570001	575000	573,372	4.80
1	575001	580000	578,628	4.84
1	655001	660000	659,250	5.52
2	790001	795000	1,588,850	13.30
1	795001	800000	795,500	6.66
1	910001	915000	913,000	7.64
1	1040001	1045000	1,043,116	8.73
1,348			11,946,000	100.00

* Note: The slabs representing nil holding have been omitted.

CATEGORIES OF SHAREHOLDERS

As at September 30, 2025

Sr #	Category of Shareholders	Number of Shares Held	Percentage %
1	Directors, Chief Executive and their spouse and minor children	2,017,690	16.8901
2	Associated Companies, undertakings and related parties	1,555,932	13.0247
3	NIT & ICP	1,043,516	8.7353
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	101,550	0.8501
5	Insurance Companies	100	0.0008
6	Modarabas and Mutual Funds	—	—
7	Share holders holding 10%	—	—
8	General Public – Local	7,219,278	60.4326
	– Foreign	100	0.0008
9	Other Companies	7,834	0.0656
	TOTAL	11,946,000	100.0000

Detail of Pattern of Shareholding

Information required under the Code of Corporate Governance
As at September 30, 2025

S #	Category Name	Number of shares held	Percentage %	Category wise Number of shareholders	Category wise shares held	Percentage %
1	Directors, Chief Executive and their spouse and minor children			10	2,017,690	16.8901
	Haji Khuda Bux Rajar	505,400	4.2307			
	Mr. Ghulam Dastagir Rajar	659,250	5.5186			
	Mr. Ghulam Hyder	799,040	6.6888			
	Mr. Muhammad Qasim	2,000	0.0167			
	Mr. Mehmood Alam	2,750	0.0230			
	Miss Misbah	3,000	0.0251			
	Mrs. Khanzady W/o Haji Khuda Bux	2,750	0.0230			
	Mrs. Shahneela Rajar	43,500	0.3641			
2	Associated Companies, Undertaking and Related Parties			3	1,555,932	13.0247
	Gul Mohammad	505,400	4.2307			
	Faisal Rehman	505,400	4.2307			
	Abdul Hakeem	545,132	4.5633			
3	NIT & ICP			2	1,043,516	8.7353
	CDC - Trustee National Investment (Unit) Trust	1,043,116	8.7319			
	Investment Corporation of Pakistan	400	0.0033			
4	Banks, Development Financial Institutions, Non Banking Financial Institutions			4	101,550	0.8501
5	Insurance Companies			1	100	0.0008
6	Shareholders holding 10% or more voting interest			—	—	—
7	Other Companies			6	7,834	0.0656
8	General Public					
	A. Local			1321	7,219,278	60.4326
	B. Foreign			1	100	0.0008
				1,348	11,946,000	100.0000
9	Trading in the Shares of Company during the year by the Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and their Spouses and Minor Children - Information under the Code of Corporate Governance					
	Directors:	Nature	Numbe of Shares Held		Percentage %	
	Mr. Ghulam Hyder	Gift In	145,221		1.2156	
	Haji Khuda Bux Rajar	Buy	263,913		2.2092	
	Related Parties:					
	Mr. Gul Mohammad	Gift Out	169,350		1.4176	
	Mr. Faisal Rehman	Gift In	24,129		0.2020	
	Mr. Faisal Rehman	Buy	258,671		2.1653	
	Mr. Abdul Hakeem	Buy	280,000		2.3439	



Sanghar Sugar Mills Limited

Dividend Payments through Electronic Mode

In accordance with the provisions and under section 242 of the Companies Act, 2017, shareholders are entitled to receive their dividends by way of direct credit to their bank account. Therefore, to receive your dividends directly in your bank account, please give us following complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case Shares held in CDC then please inform concerned Participant / CDC investor Account Services.

SHARE HOLDER'S SECTION

The Company Secretary,
Sanghar Sugar Mills Limited,
Office No. 305, 3rd Floor, Clifton Centre,
Block 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines)
Fax: 021 35371444

The Share Registrar,
Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi
Phone: 021 32424826
Fax: 021 32424835

I hereby wish to communicate my desire to receive my future dividends directly in my bank account as detailed below:

Name of shareholder : _____
Folio number : _____
Contact number of shareholder : _____
Name of Bank : _____
Bank Branch & mailing address : _____
Bank Account No. (Full) : _____
Title of Account : _____
CNIC No. : _____
NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature

CNIC / NTN No. _____
(Copy attached)



ادائیگی ڈیویڈنڈ بذریعہ الیکٹرانک ذرائع

کمپنیز ایکٹ 2017 کے سیکشن 242 اور دفعات کے تحت، شیئر ہولڈرز اپنے بینک اکاؤنٹ میں براہ راست کریڈٹ کے ذریعے اپنا منافع وصول کرنے کے حقدار ہیں۔ لہذا، اپنے منافع کو براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کے لیے، براہ کرم ہمیں درج ذیل مکمل تفصیلات فراہم کریں اور اپنے CNIC/NTN کی ایک کاپی کے ساتھ دستخط شدہ تحریری طور پر شیئر رجسٹرار یا کمپنی کو مطلع کریں اور اگر حصص CDC میں ہیں تو براہ کرم متعلقہ شرکت کنندہ/CDC سرمایہ کار اکاؤنٹ سروسز کو مطلع کریں۔

شعبہ حصص داران

حصص رجسٹرار
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
کراچی چیمبرز، حسرت موہانی روڈ، کراچی۔
فون نمبر: 021 32424826
فیکس نمبر: 021 32424835

کمپنی سیکریٹری
ساگھڑ شوگر ملز لمیٹڈ
آفس نمبر 305، سیکنڈ فلور، کلفٹن سینٹر
بلاک 5، کلفٹن، کراچی۔
فون نمبر: 021 35371441 to 43 (تین لائنیں)
فیکس نمبر: 021 32424835

میں بذریعہ ہذا درخواست ظاہر کرتا ہوں کہ مستقبل میں میرے ڈیویڈنڈ براہ راست میرے بینک اکاؤنٹ میں منتقل کر دیئے جائیں جس کی تفصیلات درج ذیل ہیں:

_____	:	حاصل حصص کا نام
_____	:	فولیو نمبر
_____	:	حاصل حصص کا رابطہ نمبر
_____	:	بینک کا نام
_____	:	بینک کی برانچ و پتہ
_____	:	بینک اکاؤنٹ نمبر (مکمل)
_____	:	عنوان برائے اکاؤنٹ
_____	:	قومی شناختی کارڈ نمبر
_____	:	این ٹی این نمبر (بصورت کارپوریٹ)

میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور اگر مستقبل میں ان میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

دستخط حاصل حصص

قومی شناختی کارڈ / این ٹی این نمبر
(نقل منسلک ہے)



Sanghar Sugar Mills Limited

Consent to receive Hard Copies of Notices and Audited Financial Statements

In supersession / partial modification of notification No. 470(I) dated May 31, 2016 and notification No. 787(I)/2014 dated September 08, 2014, the SECP has issued latest S.R.O. 389(I)/2023 dated March 21, 2023 read with Section 223(6) and 223 (7) of the Companies Act, 2017 which states that the Members of the Company who wish to receive the hard copy of Audited Financial Statements and Reports of the Company instead of sending the same through email, are requested to provide a "Standard Request Form", duly filled and signed in all respects, to communicate the need of hard copy, to the Company Secretary / Share Registrar. Therefore, to receive Hard Copies of current and future notices and audited financial statements, please give us following complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Company.

SHARE HOLDER'S SECTION

SHARE HOLDER'S SECTION

The Company Secretary,
Sanghar Sugar Mills Limited,
Office No. 305, 3rd Floor, Clifton Centre,
Block 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines)
Fax: 021 35371444

The Share Registrar,
Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi
Phone: 021 32424826
Fax: 021 32424835

I hereby wish to communicate my desire to receive notices and audited financial statements through mail as detailed below:

Name of shareholder : _____

Folio number/CDC Account No. : _____

Contact number of shareholder : _____

Contact Address of shareholder : _____

CNIC No. : _____

NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I would like to opt the option of receiving the hard copies of notices and audited financial statements of the Company and I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature & date
(Affix stamp for corporate entity)

CNIC / NTN No. _____
(Copy attached)



اظہار رضامندی برائے وصولی نوٹس و آڈٹ شدہ مالیاتی دستاویزات بذریعہ کاغذی دستاویزات

نوٹیفیکیشن نمبر (D) 470 مؤرخہ 31 مئی 2016 اور نوٹیفیکیشن نمبر (D) 787 مؤرخہ 08 ستمبر 2014 کی تینج / جزوی ترمیم کے تحت، ایس ای سی پی نے کمپنیز ایکٹ، 2017 کی دفعہ 223(6) اور 223(7) کے ساتھ پڑھے جانے والے تازہ ترین ایس آر او نمبر 2023/389 (D) مؤرخہ 21 مارچ 2023 کا اجرا کیا ہے، جس کے مطابق کمپنی کے وہ اراکین جو آڈٹ شدہ مالی بیانات اور رپورٹس ای میل کے ذریعے وصول کرنے کے بجائے ان کی ہارڈ کاپی وصول کرنا چاہتے ہیں، ان سے گزارش ہے کہ وہ ہارڈ کاپی کی ضرورت سے آگاہ کرنے کے لیے ایک "اسٹینڈرڈ ریکویسٹ فارم" تمام ترکوائف کے ساتھ درست طور پر پُر کر کے دستخط شدہ حالت میں کمپنی سیکریٹری / شیئر رجسٹرار کو جمع کروائیں۔ لہذا موجودہ اور آئندہ نوٹسز اور آڈٹ شدہ مالی بیانات کی ہارڈ کاپیاں وصول کرنے کے لیے، براہ کرم اپنی درج ذیل مکمل تفصیلات فراہم کریں اور اپنی شناختی کارڈ / (CNIC) این ٹی این (NTN) کی نقل کے ہمراہ تحریری طور پر دستخط شدہ درخواست کمپنی کو ارسال کریں۔

شعبہ حصص داران

حصص رجسٹرار
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
کراچی چیمبرز، حسرت موہانی روڈ، کراچی۔
فون نمبر: 021 32424826
فیکس نمبر: 021 32424835

کمپنی سیکریٹری
ساکنگھڑ شوگر ملز لمیٹڈ
آفس نمبر 305، سینڈ فلور، کانٹن سینٹر
بلاک 5، کانٹن، کراچی۔
فون نمبر: 021 35371441 to 43 (تین لائنیں)
فیکس نمبر: 021 32424835

میں بذریعہ ہدایہ خواہش ظاہر کرتا ہوں کہ مستقبل میں مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں ارسال کی جائیں جس کی تفصیلات درج ذیل ہیں:

حامل حصص کا نام :
فولیو نمبر / سی ڈی سی نمبر :
حامل حصص کا رابطہ نمبر :
حامل حصص کا رابطہ کا پتہ :
قومی شناختی کارڈ نمبر :
این ٹی این نمبر (بصورت کارپوریٹ) :

میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور یہ کہ میں چاہتا ہوں کہ مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں ارسال کی جائیں۔ اگر مستقبل میں مذکورہ بالا معلومات میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

دستخط حامل حصص

(بصورت کارپوریٹ ادارہ یہاں مہر چسپاں کریں)

قومی شناختی کارڈ / این ٹی این نمبر

(نقل منسلک ہے)



Sanghar Sugar Mills Limited

IMPLEMENTATION OF SECTION 72 OF THE COMPANIES ACT, 2017

CONVERSION OF PHYSICAL SHARES INTO BOOK-ENTRY FORM

Section 72 of the Companies Act, 2017 (the “Act”) requires every company having share capital to have its shares in book- entry form only, from the date notified by the Securities & Exchange Commission of Pakistan (the Commission). Further, every existing company is required to replace its physical shares with book-entry form. A period of four years is specified in the Act for implementation of this provision and the deadline was ended on May 30, 2021. Section 72 is reproduced below for ready reference:

“72. Issuance of shares in book-entry form.(1) After the commencement of this Act from a date notified by the Commission, a company having share capital, shall have shares in book-entry form only.

(2) Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act:

Provided that the Commission may notify different dates for different classes of companies:

Provided further that the Commission may, if it deems appropriate, extend the period for another two years besides the period stated herein.

(3) Nothing contained in this section shall apply to the shares of such companies or class of companies as may be notified by the Commission.”

Furthermore, Regulation 44 of the Companies Regulations, 2024 states as under:-

“Issuance of shares in book-entry form. Subsequent to the notification under section 72 of the Act, all companies required to replace its physical shares with book-entry form shall apply to a Central Depository in terms of the relevant Regulations for declaration of company's shares as eligible securities and comply with the requirements of the Central Depository for issuance of shares in book entry form.”

In view of the above-mentioned requirements of the Act and as a step further towards digitization, the Securities and Exchange Commission of Pakistan (SECP) is considering to make it obligatory for all public listed, public unlisted, public interest and private limited companies to have their shares in book-entry form in compliance with Section 72 of the Companies Act, 2017. Shares held in book-entry form shall have the same rights and privileges as shares held in physical certificate form. However, rights and privileges of shares held in physical form may be restricted at a future date due to non-compliance with the provision of section 72 of the Companies Act, 2017. Once notified, all companies required to replace their physical shares with book-entry form shall apply to a central depository licensed by the SECP for conversion of existing physical shares and further issuance of shares in the book entry form. The central depository shall prescribe procedures for such conversion and issuance of shares including documentation required, process to be followed and applicable fee and charges. Further, the conversion of shares into book-entry form will make the process of share handling more efficient, risk free and would help to minimize shareholding disputes. Handling of shares in case of corporate actions i.e. issue of bonus/right shares and transfer or selling of shares would be much easier, if shares are converted into book-entry form. Book entry securities can be pledged to a bank to obtain financing against them. Furthermore, it would help to reduce the risks and costs associated with storing of physical share certificates, which are susceptible to be lost, stolen and /or damaged and conversion of shares would help to avoid such problems.

Therefore, it is requested to all the Shareholders (who have shares in physical form) of Sanghar Sugar Mills Limited to convert their physical shares in to book-entry form on immediate basis.

سانگھڑ شوگر ملز لمیٹڈ

سیکشن 72 بابت کمپنیز ایکٹ 2017 کا نفاذ

فزیکل حصص کا بک انٹری کی صورت میں تبادلہ

کمپنیز ایکٹ، 2017 کا سیکشن 72 ("ایکٹ") ہر کمپنی کا تقاضہ کرتا ہے جس کے پاس حصص کیپٹل ہے اس کے حصص صرف بک انٹری فارم میں ہوں، اس تاریخ سے جو کہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (کمیشن) کی طرف سے مطلع کیا گیا ہے۔ مزید، ہر موجودہ کمپنی کو اپنے فزیکل شیئرز کو بک انٹری فارم سے تبدیل کرنا ہوگا۔ اس پروویژن کے نفاذ کے لیے ایکٹ میں چار سال کی مدت متعین کی گئی ہے اور آخری تاریخ 30 مئی 2021 کو ختم ہوگئی تھی۔ سیکشن 72 ذیل میں تیار حوالہ کے لیے پیش کیا جاتا ہے:

72۔ جاری کرنا بک انٹری فارم میں شیئرز کا۔ (1) آغاز کے بعد کمیشن کی طرف سے مطلع کردہ تاریخ سے اس ایکٹ کے، حصص کیپٹل والی کمپنی کے پاس صرف بک انٹری فارم میں حصص ہوں گے۔

(2) ہر موجودہ کمپنی اس ایکٹ کے آغاز سے چار سال سے زیادہ نہ ہونے کی مدت کے اندر، کمیشن کی طرف سے مطلع کردہ تاریخ سے اس کے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرنے کی ضرورت ہوگی:

بشرطیکہ کمیشن کمپنیوں کی مختلف کلاسوں کے لیے مختلف تاریخوں کو مطلع کر سکتا ہے:

فراہم کی مزید یہ کہ کمیشن، اگر مناسب سمجھے، یہاں بیان کردہ مدت کے علاوہ مزید دو سال کی مدت بڑھا سکتا ہے۔

(3) اس سیکشن میں شامل کسی بھی چیز کا اطلاق ایسی کمپنیوں یا کمپنیوں کے طبقے کے حصص پر نہیں ہوگا جسے کمیشن کے ذریعہ مطلع کیا گیا ہو۔

مزید برآں، کمپنیز ریگولیشنز، 2024 کا ضابطہ 44 درج ذیل بیان کرتا ہے:-

"بک انٹری فارم میں حصص کا اجراء۔ ایکٹ کے سیکشن 72 کے تحت نوٹیفیکیشن کے بعد، تمام کمپنیاں جو اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرنے کے لیے درکار ہیں، کمپنی کے حصص کو اہل سیکیورٹیز کے طور پر اعلان کرنے کے لیے متعلقہ ضوابط کے لحاظ سے سینٹرل ڈپازٹری پر لاگو ہوں گی اور سینٹرل ڈپازٹ حصص کی بنگ فارم کے تقاضوں کی تعمیل کریں گی۔"

ایکٹ کی مذکورہ بالا تقاضوں کے پیش نظر اور ڈیجیٹلائزیشن کی جانب ایک قدم کے طور پر، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) تمام پبلک لسٹڈ، پبلک ان لسٹڈ، پبلک انٹر سٹ اور پرائیویٹ لمیٹڈ کمپنیوں کے لیے کمپنیز ایکٹ، 2017 کے سیکشن 72 کی تعمیل میں اپنے حصص کو بک انٹری فارم میں رکھنے کا پابند بنانے پر غور کر رہا ہے۔ فزیکل سرٹیفکیٹ فارم میں حصص کے طور پر مراعات۔ تاہم، کمپنیز ایکٹ 2017 کے سیکشن 72 کی شق کی عدم تعمیل کی وجہ سے فزیکل فارم میں رکھے گئے حصص کے حقوق اور مراعات مستقبل کی تاریخ میں محدود ہو سکتے ہیں۔ ایک بار مطلع ہونے کے بعد، تمام کمپنیاں اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرنے کے لیے درکار SECP کی طرف سے لائسنس یافتہ سینٹرل ڈپازٹری پر لاگو ہوں گی اور موجودہ فزیکل شیئرز کی تبدیلی کے لیے SECP کی طرف سے لائسنس یافتہ حصص کی بنگ فارم میں موجود ہے۔ سینٹرل ڈپازٹری حصص کی ایسی تبدیلی اور اجراء کے لیے طریقہ کار تجویز کرے گی جس میں مطلوبہ دستاویزات، عمل کی پیروی اور لاگو فیس اور چارجز شامل ہیں۔ مزید، حصص کو بک انٹری فارم میں تبدیل کرنے سے شیئرز بینڈنگ کے عمل کو زیادہ موثر، خطرے سے پاک بنایا جائے گا اور شیئرز ہولڈنگ کے تنازعات کو کم کرنے میں مدد ملے گی۔ کارپوریٹ ایکشنز یعنی بونس / رائٹ شیئرز کے اجراء اور شیئرز کی منتقلی یا فروخت کی صورت میں حصص کو سنبھالنا بہت آسان ہو جائے گا، اگر حصص کو بک انٹری فارم میں تبدیل کر دیا جائے۔ بک انٹری سیکیورٹیز کو بینک کے پاس گروی رکھا جاسکتا ہے تاکہ ان کے خلاف فنانسنگ حاصل کی جاسکے۔ مزید برآں، اس سے فزیکل شیئرز سرٹیفکیٹس کو ذخیرہ کرنے سے منسلک خطرات اور اخراجات کو کم کرنے میں مدد ملے گی، جو کہ گم، چوری اور / یا خراب ہونے کا خدشہ ہے اور حصص کی تبدیلی سے اس طرح کے مسائل سے بچنے میں مدد ملے گی۔

لہذا، سانگھڑ شوگر ملز لمیٹڈ کے تمام شیئرز (جن کے فزیکل فارم میں شیئرز ہیں) سے درخواست ہے کہ وہ اپنے فزیکل شیئرز کو فوری طور پر بک انٹری فارم میں تبدیل کریں۔



Sanghar Sugar Mills Limited

PROXY FORM

I/We..... W / S / D of

being a member of Sanghar Sugar Mills Limited, holding Shares of the Company, hereby appoint Mr. / Mrs. W / S / D of

CNIC No Folio No CDC Participant's ID. / Sub Account No holding Shares of the Company, or failing him / her, appoint Mr. / Mrs. W / S / D of

CNIC No Folio No CDC Participant's ID. / Sub Account No holding Shares of the Company, as my/our Proxy in my/our absence to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday January 28, 2026 at 11:15 a.m. at 3rd Floor, PSX Auditorium, Pakistan Stock Exchange Building (Administration Block), Stock Exchange Road, Karachi and at any adjournment thereof.

Folio No.	C.D.C. I. D. / Sub Account No.	Signature Over Revenue Stamp

Signed thisday of January 2026 in the presence of:

Witness 1

Signature :

Name :

CNIC No.:

Address :

Witness 2

Signature :

Name :

CNIC No.:

Address :

NOTES:

- 1) Proxy should be member of the Company and should produce his/her CNIC at the time of meeting for identification.
- 2) Signature of the member must agree with the specimen signature registered with the Company.
- 3) CDC Account holder or Sub Accountant holder should enclose valid copy of his/her CNIC/ Passport with Proxy Form. Representatives of the Corporate members should bring the necessary documents as usually required for such purpose.
- 4) Proxy Form dully filled-in and signed must be deposited with the Company Secretary at Company's Registered Office: Office No. 305, 3rd Floor, Clifton Centre, Block - 5, Clifton, Karachi not later than 48 hours before the time fixed for holding this meeting.
- 5) If the member is a corporate entity its common seal should be affixed to the proxy.
- 6) If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

پراکسی فارم

میں / ہم _____ زوجہ / بن / بنت _____ بطور ممبر سنگھڑ شوگر ملز لمیٹڈ، حامل
 حصص برائے کمپنی بذریعہ ہذا جناب / محترمہ _____
 زوجہ / بن / بنت _____ حامل فولیو نمبر _____ سی ڈی سی شراکت دار شناختی نمبر / ذیلی
 اکاؤنٹ نمبر _____ حامل _____ حصص کمپنی ہذا کو مقرر کرتا / کرتی ہوں، بصورت دیگر جناب / محترمہ _____
 زوجہ / بن / بنت _____ حامل فولیو نمبر _____ سی ڈی سی شراکت دار شناختی نمبر / ذیلی
 اکاؤنٹ نمبر _____ حامل _____ حصص کمپنی ہذا کو مقرر کرتا / کرتی ہوں کہ میری عدم موجودگی میں
 اجلاس عام جو کہ بروز بدھ 28 جنوری 2026 کو صبح 11:15 بجے بمقام تیسری منزل، PSX آڈیٹوریم، پاکستان اسٹاک ایکسچینج بلڈنگ (ایڈمنسٹریشن بلاک)،
 اسٹاک ایکسچینج روڈ، کراچی منعقد کیا جا رہا ہے یا اس اجلاس کے مؤخر ہونے کی صورت میں اس کی جگہ دوسرے اجلاس میں شرکت کرے اور میری / ہماری جانب سے حق رائے
 دہی بھی استعمال کرے۔

فولیو نمبر	سی ڈی سی شناختی نمبر / ذیلی اکاؤنٹ نمبر	ریونیو کی مہر اور اس پر دستخط

دستخط شدہ بتاریخ _____ جنوری 2026 درج ذیل افراد کی موجودگی میں

گواہ نمبر 1	گواہ نمبر 2
دستخط _____	دستخط _____
نام _____	نام _____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____
پتہ _____	پتہ _____

ہدایات:

- 1- پراکسی کا کمپنی ممبر ہونا لازمی ہے اور اجلاس میں شرکت کے وقت اپنی شناخت ظاہر کرنے کیلئے اپنا قومی شناختی کارڈ لازماً ظاہر کریں۔
- 2- ممبر کے دستخط، نمونہ دستخط شدہ / اندراج شدہ دستخط سے مماثلت ضروری ہے۔
- 3- سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو پراکسی فارم کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔
 کارپوریٹ اداروں کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔
- 4- باقاعدہ پر اور دستخط شدہ پراکسی فارم کمپنی کے سیکرٹری کو بمقام رجسٹرڈ شدہ دفتر نمبر 305 تیسری منزل، کلفٹن سینٹر، بلاک 5، کراچی کے پاس اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل جمع کرنا ضروری ہے۔
- 5- اگر ممبر کوئی کارپوریٹ ادارہ ہو تو اس کی عام مہر بھی پراکسی فارم پر ثبت ہونا لازم ہے۔
- 6- اگر ممبر ایک سے زائد پراکسی نامزد کرے اور اس مقصد کیلئے کمپنی کے پاس ایک سے زائد پراکسی فارم جمع کروائے تو ایسے تمام پراکسی فارم مسترد کر دیئے جائیں گے۔



سانگھڑ شوگر ملز لمیٹیڈ

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