



**TANDLIANWALA**  
SUGAR MILLS LIMITED

# ANNUAL REPORT 2025

# 37<sup>th</sup> ANNUAL REPORT

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## COMPANY INFORMATION

### Board of Directors

Mr. Ghazi Khan (Chairman)  
 Mr. Akbar Khan (Chief Executive)  
 Mr. Humayun Akhtar Khan  
 Mr. Haroon Khan  
 Mrs. Rasheeda Begum  
 Mrs. Mobina Akbar Khan  
 Mr. Tahir Farooq Malik

### Company Secretary and Chief Financial Officer

Mr. Ahmad Jehanzeb Khan

### Bankers

#### Conventional

National Bank of Pakistan Limited  
 MCB Bank Limited  
 United Bank Limited  
 Allied Bank Limited  
 Habib Bank Limited  
 The Bank of Punjab  
 Soneri Bank Ltd.  
 Bank Alfalah Limited  
 Faysal Bank Ltd.  
 Sindh Bank Ltd.

Meezan Bank Limited  
 Askari Bank Limited  
 Summit Bank Limited  
 Samba Bank Limited  
 The Bank of Khyber  
 Pair Investment Company Ltd.  
 Pak Oman Investment Co. Ltd.  
 Pak Libya Holding Co. (Pvt) Ltd.

#### Islamic

Dubai Islamic Bank  
 Al Baraka Bank (Pakistan) Ltd.

### Legal Advisors

1. Bandial & Associates  
 35-A, Luqman Street, Zahoor  
 Afridi Road, Lahore Cantt.

2. Ali Sibtain Fazli & Associates  
 Mall Mansion 30  
 The Mall, Lahore

### Audit Committee

Mr. Humayun Akhtar Khan  
 Mr. Tahir Farooq Malik  
 Mr. Ghazi Khan  
 Mr. Khalid Siddique

(Chairman)  
 (Member)  
 (Member)  
 (Secretary)

### Auditors

UHY Hassan Naeem & Co.  
 Chartered Accountants

### Share Registrar

Corplink (Private) Limited  
 1-K, Commercial, Model Town, Lahore

### Mills:

#### Unit 1

Kanjwani, Tehsil Tandlianwala, District, Faisalabad

#### Unit 2

Taunsa Road, Indus Highway, District, Dera Ismail Khan

#### Unit 3

Shah Jamal Road, District Muzaffargarh

### Distillery:

#### Unit 1

Kanjwani, Tehsil Tandlianwala, District, Faisalabad

#### Unit 2

Shah Jamal Road, District, Muzaffargarh

### Top Gas:

Kanjwani, Tehsil Tandlianwala, District, Faisalabad

### Registered & Corporate Office

66-L, Gulberg-II, Lahore-54000, Pakistan  
 PABX: 042-35712901, 35763115, 35754701, 35761124  
 Fax: 042-35710929, 35710605  
 Email: [tsmlho@tsmlgroup.com](mailto:tsmlho@tsmlgroup.com)  
 Website: [www.tsmlgroup.com](http://www.tsmlgroup.com)

## CORPORATE VISION, MISSION & STRATEGY

### **Vision**

- To be a Company that continuously enhances its superior technological competence amongst the most efficient and lowest cost procedures in the industry;
- Through enhancing quality of life and contributing to have a healthier future, We aim to deliver sustainable, industry-leading financial performance and earn trust;
- The company aims to produce high quality diversified finished goods at competitive price and to ensure a safe, melodic and challenging working environment for the employees.

### **Mission**

- The Company should ensure a secure & rewarding investment to the shareholders and investors, quality products to its customers, a secure, harmonious and friendly environment to its employees and be a ethical partner with its stakeholders;
- To be a leader in the market, a world class organization by providing competitive quality products and superior services to our customers, while learning from their high standard oriented feedback for our products;
- Improve on contemporary measures including cost, quality, service, speed of delivery and mobilization by optimizing the long term returns and growth of the business.

### **Strategy**

- To be a Company that attracts and retains outstanding people by creating a fosters openness and cultural innovations that promotes individual growth and reward oriented performances;
- To produce a high quality white crystalline sugar by using of highest international standards;
- To grow our base business in sugar and build those related activities where there is opportunity to smooth the impact of sugar price cycles;
- To offer an equal and fair growth opportunities to all employees;
- Ensure to make investments on sugarcane growers in order to have regular supply of profitable sugarcane, in addition to establish a high standard corporate sugarcane farming;
- We provide care through empathy, fairness, trust and support for community in which we exist. We always are conscious for the impact of our activities on our surrounded environment.

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of the Shareholders of the Company will be held on Tuesday January 27, 2026 at 10:00 A.M. at Marina Event Complex 333-AA, Off Raiwind Road, Lahore to transact the following business:

1. To confirm the minutes of Annual General Meeting of the Company held on January 25, 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.

In accordance with the Section 223 of the Companies Act 2017 and the terms of S.R.O No. 389(1)/2023 dated March 21, 2023 issued by (The SECP), Financial Statements of the Company can be accessed through the following web link: <https://tsmlgroup.com/annual-reports> and QR enabled code:



3. To appoint Auditors for the year 2025-2026 and fix their remuneration. The present Auditors M/s UHY Hassan Naeem & Co. Chartered Accountants, retire and being eligible have offered themselves for reappointment.
4. To elect seven Directors of the Company, as fixed by the Board of Directors for a period of three years commencing from January 27, 2026 in accordance with the provision of the Companies Act, 2017. The names of retiring Directors are (who are eligible to offer themselves for re-election):

1-Mr.Ghazi Khan	2-Mr.Akbar Khan	3-Mr.Haroon Khan
4-Mr.Humayun Akhtar Khan	5-Mrs.Rasheeda Begum	6-Mrs.Mobina Akbar Khan
7-Mr.Tahir Farooq Malik		

5. To transact any other ordinary business with the permission of the Chair.

Lahore: January 05, 2026.

By order of the Board  
Ahmad Jehanzeb Khan  
Company Secretary

## **NOTES:**

1. The Share Transfer Books of the Company will remain closed from 19-01-2026 to 27-01-2026 (both days inclusive) for entitlement, attending and voting at Annual General Meeting. Physical Transfers/CDS Transactions IDS received in order in all respects at the close of the Business on 18-01-2026 at the Company's Share Registrar M/s Corplink (Pvt) Ltd, Wing Arcade, 1-K Commercial Area Model Town Lahore attending of the meeting.
2. 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 fitted in/executed and received at the Registered Office of the Company at 66-L, Gulberg-II, Lahore, at least 48 hours before the time of this meeting.
3. Members are requested to provide by mail or email, photocopy of their CNIC and their email address to enable the Company to comply with the relevant laws.  
In accordance with the provision of Section 242 of the Companies Act 2017, it is mandatory for a listed company to pay cash dividend to shareholders only through electronic mode directly into the bank account designated by the entitled shareholders. In order to receive dividends directly into bank account, members are requested to complete the particulars in e-Credit Dividend Mandate Form.  
Members are advised to ensure that they have provided valid Zakat declaration under Zakat & Usher Ordinance, 1980 (for Zakat exemption) to their respective Participant/CDC Investor Account Services/Company's Share Registrar.
4. Members holding shares in physical form are encouraged to convert their physical shares into Book Entry Form (CDC) pursuant to the requirements of Section 72 of the Companies Act 2017.
5. The financial statements of the Company for the financial year ended on September 30, 2025 will also be up-loaded on Company's website.
6. Members are advised to promptly notify change in their postal address, if any, to the Company's Share Registrar.

7. Attendance of Meeting via Video Conference Facility;

In case of members holding ten percent (10%) of the total paid up Capital reside in a remote city: Such member may demand the Company to provide them the facility of video-link for attending the Meeting.

If you wish to take benefit of this facility, please fill the form appearing below and submit it to the Company at the registered office at 66-L, Gulberg-II, Lahore.at least (7)days prior to the date of the meeting.

“I/We----- of-----being a member of Tandlianwala Sugar Mills Limited. Holder of-----Ordinary share(s) as per Registered Folio/CDC Account No-----hereby opt of video link at-----  
-----signature of Member”

The Company will intimate the members the venue of the video link facility at least five (5) days before the date of the meeting along all the information necessary to enable them to access the facility.

8. The shareholders intending to participate in the meeting via video link are hereby requested to share following information at [tsmlho@tsmlgroup.com](mailto:tsmlho@tsmlgroup.com) at the earliest but not later than 48 hours before the time of AGM i.e. before 10:00 a.m. on January 27, 2026:

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

*\*Shareholders are requested to provide their active mobile number and email address to ensure timely communication.*

9. The login facility shall remain open from 09:45 am till the end of the meeting on January 27, 2026.

In case of Election of Directors the members can exercise their right to vote through e-voting or postal ballot, subject to meeting the requirements of Companies Act, 2017, S.R.O 451(1)2025 issued by the SECP, and applicable clauses of the Companies (E-voting) Regulations, 2016 or Companies (Postal Ballot) Regulations, 2018 (as the case may be).

## Election of Directors

Any member who seeks to contest the election of directors shall file with the Company at its Registered/Head Office 66-L, Gulberg-II, Lahore not later than 14 days

before the said meeting. His/her intention to offer himself for the election of directors in terms of Section 159(3) of the Companies Act, 2017 together with:

- i) His/her folio number/CDC account number /CDC Participant No./Sub-Account Number.
- ii) Notice of his/her intention to offer himself/herself for the election as a director along with duly completed and signed Appendix to Form 9 giving his/her consent to act as a Director of the company if elected (under section 167(1) of the Companies Act, 2017, and certify that he is not ineligible to become a Director under any applicable laws, Rules and Regulation.
- iii) Detailed profile along with official address to be placed on the Company's official website.
- iv) A declaration on non-Judicial confirming that:
  - a) He/she is aware of the duties and powers under the relevant applicable laws, Memorandum and Articles of Association of the Company, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and listing regulations of Pakistan Stock Exchange Limited;
  - b) He / She are not serving as a director in more than seven (07) listed Companies simultaneously including an alternate Director.
  - c) He/ She are not ineligible to become a Director of a listed company under Section 153 of the Companies Act, 2017 and any other applicable laws and regulations.
  - d) He/ She are a registered tax payer and having NTN No.
- v) Attested copy of a valid Computerized National Identity Card/ Passport and NTN certificate
- vi) Detail of other officers/directorships and offices held;
- vii) The candidates are requested to read the relevant provisions/ requirements relating to the Election of Directors, as stipulated in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulation, 2019, the other applicable laws and regulations and ensure the compliance with the same in letter and spirit.

If the number of members who offer themselves in each category is not more than the number of Directors to be elected in such category, such members will be elected unopposed without the voting process.

10. In compliance with Section 223(6) of the Companies Act, 2017 and S.R.O 452(1)/2025 dated March 17, 2025 issued by SECP, the Annual Report of the Company and the Notice of Annual General Meeting shall be circulated via email to those email addresses are present in the records/database of the CDC and Share Registrar. Shareholders are encouraged to send/update their email address with the Company's Share Registrar, M/s Corplink (Pvt) Ltd, Wing Arcade, 1-K Commercial Model Town, Lahore. However, if a shareholder, in addition, request for hard copy of Audited Financial Statements the same shall be provided free of cost within seven days of receipt of such request.
11. In compliance with Section 185 of the Companies Act, 2017 and S.R.O 452(1)/2025 dated March 17, 2025 issued by SECP, it is hereby notified that no gifts in any form or manner shall be distributed to shareholders at the Annual General Meeting.

## سالانہ اجلاس عام کانوٹس

اطلاع دی جاتی ہے کہ کمپنی کے شیئر ہولڈرز کی سالانہ جنرل میٹنگ مورخہ 27 جنوری 2026 بروز منگل صبح 10:00 بجے بمقام: مرینہ ایونٹ کمپلیکس (333-AA (Marina Event Complex)، آف رائے ونڈ روڈ لاہور، درج ذیل کاروباری معاملات کے لئے منعقد ہوگی۔

۱۔ 25 جنوری 2025 کو ہونے والی کمپنی کی سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنا۔

۲۔ 30 ستمبر 2025 کو ختم ہونے والے سال کے لئے کمپنی کی آڈٹ شدہ مالیاتی رپورٹس پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کے ساتھ وصول کرنا، ان پر غور کرنا اور اپنانا۔

کمپنیز ایکٹ 2017 کے سیکشن 223 اور SECP کی طرف سے جاری کردہ ایس آر او (S.R.O) نمبر 389(1)/2023 بتاریخ 21 مارچ 2023 کے مطابق کمپنی کے مالیاتی گوشواروں تک رسائی درج ذیل ویب لنک:

<https://tsmlgroup.com/annual-reports> اور (QR Enabled) کیو آر کوڈ کے ذریعے حاصل کی جاسکتی ہے۔



۳۔ سال 2025-2026 کے لئے آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین کرنا، موجودہ آڈیٹرز، میسرز UHY حسن نعیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ریٹائرڈ ہونے اور اہل ہونے کی وجہ سے خود کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔

۴۔ کمپنیز ایکٹ 2017 کی شق کے مطابق 27 جنوری 2026 سے شروع ہونے والی 3 سال کی مدت کے لئے کمپنی کے 7 ڈائریکٹرز کا تقرر کرنا، ریٹائرڈ ہونے والے ڈائریکٹرز (جو کہ دوبارہ انتخاب کے لئے خود کو پیش کرنے کے اہل ہیں) درج ذیل ہیں:

۱۔ مسٹر غازی خان      ۲۔ مسٹر اکبر خان      ۳۔ مسٹر ہارون خان      ۴۔ مسٹر ہمایوں اختر خان  
۵۔ مسز رشیدہ بیگم      ۶۔ مسز مبینا اکبر خان      ۷۔ مسٹر طاہر فاروق ملک

۵۔ چیئرمین کی اجازت سے کوئی اور عام کاروبار کرنا۔

لاہور

05 جنوری، 2026

بورڈ کے حکم سے:

احمد جہانزیب خان

کمپنی سیکرٹری

نوٹس:

۱۔ کمپنی کے حصص کی منتقلی کی کتابیں 19-01-2026 سے 27-01-2026 تک (دونوں دن سمیت) سالانہ عام اجلاس میں حقدار ہونے، شرکت کرنے اور ووٹ دینے کے لئے بند رہیں گی۔ 18-01-2026 کو کاروبار کے اختتام پر کمپنی کے شیئر رجسٹرار میسرز کارپلنک (پرائیویٹ) لمیٹڈ، ونگ آرکیڈ، K-1 کمرشل ایریا ماڈل ٹاؤن لاہور میں میٹنگ میں شرکت کرتے ہوئے فزیکل ٹرانسفرز/سی ڈی ایس ٹرانزیکشنز IDS ہر لحاظ سے ترتیب سے موصول ہونے چاہئیں۔

۲۔ اس میٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار ممبر اپنی طرف سے شرکت کرنے اور ووٹ دینے کے لئے کسی اور ممبر کو پراکسی کے طور پر مقرر کر سکتا ہے، پراکسی کے درست ہونے کے لئے فارمز کو اس میٹنگ سے کم از کم 48 گھنٹے پہلے، 66-L گلبرگ II، لاہور میں کمپنی کے رجسٹرڈ آفس میں مناسب طریقے سے نصب / عمل میں لایا جانا چاہئے۔

۳۔ اراکین سے درخواست کی جاتی ہے کہ وہ بذریعہ ڈاک یا ای میل، اپنے CNIC کی فوٹو کاپی اور اپنا ای میل پتہ فراہم کریں تاکہ کمپنی متعلقہ قوانین کی تعمیل کر سکے کمپنیز ایکٹ 2017 کے سیکشن 242 کے پروویژن کے مطابق ایک لسٹڈ کمپنی کے لئے لازمی ہے کہ وہ شیئر ہولڈرز کو نقد ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار شیئر ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کرے۔ براہ راست بینک اکاؤنٹ میں منافع وصول کرنے کے لئے اراکین سے درخواست کی جاتی ہے کہ وہ ای۔ کریڈٹ ڈیویڈنڈ مینڈیٹ فارم میں تفصیلات کو مکمل کریں۔ اراکین کو مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ انہوں نے زکوٰۃ اور عشر آرنینس 1980 (زکوٰۃ سے استثنیٰ کے لئے) اپنے متعلقہ شریک / CDC سرمایہ کار اکاؤنٹ سروسز / کمپنی کے شیئر رجسٹرار کو درست زکوٰۃ کا اعلان فراہم کیا ہے۔

۴۔ فزیکل فام میں شیئر رکھنے والے ممبران کی حوصلہ افزائی کی جاتی ہے کہ وہ اپنے فزیکل شیئر زکمپنیز ایکٹ 2017 کے سیکشن 72 کے تقاضوں کے مطابق بک انٹری فارم (CDC) میں تبدیل کریں۔

۵۔ 30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لئے کمپنی کے مالی بیانات بھی کمپنی کی ویب سائٹ پر اپ لوڈ کئے جائیں گے۔

۶۔ اراکین کو مشورہ دیا جاتا ہے کہ وہ اپنے پوسٹل ایڈریس میں تبدیلی، اگر کوئی ہو تو، کمپنی کے شیئر رجسٹرار کو فوری طور پر مطلع کریں۔  
۷۔ ویڈیو کانفرنس کی سہولت کے ذریعے میٹنگ میں شرکت:

کل ادا شدہ سرمائے کا دس فیصد (10%) رکھنے والے ممبران جو دور دراز کے شہر میں رہتے ہیں، کمپنی سے مطالبہ کر سکتے ہیں کہ انہیں میٹنگ میں شرکت کے لئے ویڈیو لنک کی سہولت فراہم کی جائے۔

اگر آپ اس سہولت سے فائدہ اٹھانا چاہتے ہیں، تو براہ کرم نیچے دکھائے گئے فارم کو پر کریں اور اسے میٹنگ کی تاریخ سے کم از کم 7 دن پہلے 66-L گلبرگ II، لاہور میں رجسٹرڈ آفس میں کمپنی کو جمع کرائیں۔

میں / ہم \_\_\_\_\_ تانڈلیانوالہ شوگر ملز لمیٹڈ کا / کے ممبر ہونے کے ناطے، رجسٹرڈ فولیو / سی ڈی سی اکاؤنٹ نمبر کے مطابق \_\_\_\_\_ عام حصص کا حامل ہوں / ہیں بمطابق رجسٹرڈ فولیو / سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_ ویڈیولنک کا انتخاب کرتا ہوں / کرتے ہیں \_\_\_\_\_ ممبر کے دستخط: \_\_\_\_\_

کمپنی ممبران کو میٹنگ کی تاریخ سے کم از کم پانچ (5) دن پہلے ویڈیولنک کی سہولت کے مقام کے بارے میں تمام ضروری معلومات کے ساتھ مطلع کرے گی تاکہ وہ اس سہولت تک رسائی حاصل کر سکیں۔

۸۔ ویڈیولنک کے ذریعے میٹنگ میں شرکت کا ارادہ رکھنے والے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ مندرجہ ذیل معلومات کو جلد از جلد [tshlho@tshlgroup.com](mailto:tshlho@tshlgroup.com) پر شیئر کریں لیکن AGM کے وقت سے 48 گھنٹے پہلے یعنی 27 جنوری 2026 کو صبح 10:00 بجے سے پہلے:

شیئر ہولڈر کا نام	CNIC نمبر	فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر	موبائل نمبر *	ای میل ایڈریس *

شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ بروقت رابطے کو یقینی بنانے کے لئے اپنا فعال اور موجودہ موبائل نمبر اور ای میل ایڈریس فراہم کریں۔ لاگ ان کی سہولت 27 جنوری 2026 کو صبح 9:45 بجے سے میٹنگ کے اختتام تک کھلی رہے گی۔

۹۔ ڈائریکٹرز کے انتخاب کی صورت میں ممبران کمپنیز ایکٹ 2017 ایس ای سی پی کی طرف سے جاری کردہ 451(1) S.R.O اور کمپنیز (E-Voting) ریگولیشنز 2018 کی لاگو شدہ یوٹیلٹی ریگولیشنز (Postal Ballot) 2018 کے مطابق (جیسا بھی معاملہ ہو) ای ووٹنگ یا پوسٹل بیلٹ کے ذریعے اپنے ووٹ کا حق استعمال کر سکتے ہیں۔  
ڈائریکٹرز کا انتخاب:

کوئی بھی ممبر جو ڈائریکٹرز کا انتخاب لڑنا چاہتا ہے وہ کمپنی کے رجسٹرڈ ایڈریس L-66 گلبرگ II، لاہور میں مذکور میٹنگ سے 14 دن پہلے فائل کرے گا کمپنیز ایکٹ 2017 کے سیکشن (3) 159 کے مطابق ڈائریکٹرز کے انتخاب کے لئے خود کو پیش کرنے کے ارادے کے ساتھ مذکور ممبر کا:

ا۔ فولیو نمبر / CDC اکاؤنٹ نمبر / CDC حصہ لینے والا نمبر / ذیلی اکاؤنٹ نمبر ہونا لازمی ہے۔

ب۔ تفصیلی پروفائل کے ساتھ سرکاری پتہ کمپنی کی آفیشل ویب سائٹ پر رکھا جائے۔

ج۔ غیر عدلیہ سے متعلق ایک اعلامیہ اس بات کی تصدیق کرتا ہے کہ:

۱۔ وہ متعلقہ قابل اطلاق قوانین، میمورنڈم اور ایسوسی ایشن آف دی کمپنی کے آرٹیکلز، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے لسٹنگ ریگولیشنز کے تحت فرائض اور اختیارات سے واقف ہے۔

۲۔ وہ سات سے زیادہ لسٹڈ کمپنیوں میں ایک ساتھ بطور ڈائریکٹر خدمات انجام نہیں دے رہا ہے جس میں ایک متبادل ڈائریکٹر بھی شامل ہے۔

۳۔ وہ کمپنیز ایکٹ 2017 کے سیکشن 153 اور کسی دوسرے قابل اطلاق قوانین اور ضوابط کے تحت لسٹڈ کمپنی کا ڈائریکٹر بننے کے لئے نااہل نہیں ہے۔

۴۔ وہ ایک رجسٹرڈ ٹیکس دہندہ ہے اور اس کے پاس NTN نمبر ہے۔

د۔ ایک درست کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ اور NTN سرٹیفکیٹ کی تصدیق شدہ کاپی کا حامل ہے۔  
ر۔ دیگر افسران / ڈائریکٹر شپ اور دفاتر کی تفصیلات۔

س۔ امیدواروں سے درخواست کی جاتی ہے کہ وہ کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019، دیگر قابل اطلاق قوانین اور ضوابط میں متعین کردہ ڈائریکٹر کے انتخاب سے متعلق متعلقہ دفعات / تقاضوں کو پڑھیں اور اسی روح کے مطابق عمل کو یقینی بنائیں۔

اگر ہر زمرے میں اپنے آپ کو پیش کرنے والے ممبران کی تعداد اس زمرے میں منتخب ہونے والے ڈائریکٹر کی تعداد سے زیادہ نہیں ہے تو ایسے ممبران ووٹنگ کے عمل کے بغیر بلا مقابلہ منتخب ہو جائیں گے۔

۱۰۔ کمپنیز ایکٹ 2017 کے سیکشن (6) 223 اور S.R.O 452(1)/2025 مورخہ 17 مارچ 2025 کو ایس ای سی پی کی طرف

سے جاری کیا گیا، کمپنی کی سالانہ رپورٹ اور سالانہ جنرل میٹنگ کے نوٹس کو گردش میں لایا جائے گا اور ای میل کے ذریعے بھیجے گئے ایڈریس کو ای میل کے ذریعے ڈی سی ٹیب پر شیئر کیا جائے گا۔ رجسٹرڈ شیئر ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ کمپنی کے شیئر رجسٹرار،

S Corplink (Pvt) Ltd, Wing Arcade 1-K / کمرشل ماڈل ٹاؤن، لاہور کے ساتھ اپنا ای میل ایڈریس بھیجیں / اپ

ڈیٹ کریں۔ تاہم، اگر کوئی شیئر ہولڈر اس کے علاوہ آڈٹ شدہ مالیاتی گوشواروں کی ہارڈ کاپی کے لئے درخواست کرتا ہے تو اسے ایسی درخواست کی وصولی کے ساتھ دنوں کے اندر بلا معاوضہ فراہم کی جائے گی۔

۱۱۔ یہ مطلع کیا جاتا ہے کہ ایس ای سی پی کی طرف سے جاری کئے گئے کمپنیز ایکٹ 2017 کے سیکشن 185 اور S.R.O

452(1)/2025 مورخہ 17 مارچ 2025 کے مطابق، سالانہ جنرل میٹنگ میں شیئر ہولڈرز کو کسی بھی شکل یا انداز میں کوئی تحفہ تقسیم نہیں کیا جائے گا۔

## **CHAIRMAN REVIEW**

“In the name of ALLAH, the most gracious and most merciful”

**Dear Stakeholders,**

It is my privilege to present this review of Tandlianwala Sugar Mills Limited for the financial year ended September 30, 2025. The year under review reflects the Company’s resilience, disciplined execution, and continued commitment to sound governance, even amid a challenging and evolving economic environment.

The Pakistani economy experienced considerable pressures during FY 2024–25, stemming from global economic slowdown, elevated hyper inflationary trend, fiscal tightening, and the impact of adverse climatic conditions and floods. Despite these challenges, policy continuity, improved macroeconomic management, and renewed financial inflows contributed to a gradual stabilization. While the operating landscape remained demanding, the underlying signs of recovery provided cautious optimism for businesses operating with strategic clarity and financial discipline.

Against this backdrop, Tandlianwala Sugar Mills Limited delivered a commendable performance. The Company maintained operational continuity and financial stability while contributing billions to the national exchequer through taxes, duties, cesses, and levies. This substantial contribution underscores the Company’s scale of operations, compliance culture, and enduring commitment to Pakistan’s economic framework. Beyond financial performance, the Company continued to engage constructively with regulators and policymakers, advocating reforms aimed at strengthening the long-term sustainability of the sugar industry.

Throughout the year, the Company remained fully compliant with the requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Board of Directors and its Committees functioned effectively, maintaining appropriate composition, independence, and oversight. In line with regulatory expectations and best practices, an annual evaluation of the Board and its Committees was conducted, covering strategic oversight, governance processes, quality of information flow, Board dynamics, and the effectiveness of the Board and Chief Executive Officer. The results reaffirmed the Board’s capacity to provide effective leadership and objective guidance.

The Board collectively reviewed the Annual Report and the Financial Statements for the year ended September 30, 2025 and, in its considered opinion, confirms that these statements present a fair, balanced, and understandable view of the Company’s financial position, performance, and prospects. The Board remained actively engaged throughout the year, receiving comprehensive agendas and supporting materials well in advance of meetings, enabling informed deliberation and timely decision-making. The Board has consistently emphasized these principles, setting a strong tone at the top and ensuring that governance standards are embedded across all levels of the organization.

The governance framework in place continues to support prudent decision-making, effective risk management, and the safeguarding of stakeholder interests.

I am confident that the Company's strategic direction remains clear, relevant, and aligned with the evolving business environment. The processes for formulating, reviewing, and monitoring strategy are robust and disciplined, as reflected in the Company's operational and financial outcomes during the year. While external challenges persist, the Company is well positioned to build on its strengths, enhance efficiency, and pursue sustainable growth.

On behalf of the Board of Directors, I extend my sincere appreciation to my fellow Directors for their valuable guidance and commitment. I also thank our shareholders, bankers, financial institutions, customers, suppliers, and business partners for their continued trust and support. I would like to place on record my special appreciation for the dedication, resilience, and professionalism of the Company's management and employees, whose collective efforts have been instrumental in navigating challenges and driving the Company forward.

We look ahead with confidence and remain committed to delivering sustainable value, strengthening operational performance, and contributing positively to the national economy.

**Ghazi Khan**  
**Chairman**  
**January 05, 2026**

## چیئر مین کی طرف سے رپورٹ کا جائزہ

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

محترم سٹیک ہولڈرز!

30 ستمبر 2025 کو ختم ہونے والے مالی سال کے لئے تاندلیانوالہ شوگر ملز لمیٹڈ کا یہ جائزہ پیش کرنا میرے لئے اعزاز کی بات ہے۔ زیر جائزہ سال کمپنی کی چلک، نظم و ضبط پر عمل درآمد اور ایک چیلنجنگ اور ابھرتے ہوئے معاشی ماحول کے باوجود اچھی گورننس کے لئے مسلسل عزم کی عکاسی کرتا ہے۔

پاکستانی معیشت نے مالی سال 2024-25 کے دوران عالمی اقتصادی سست روی، بلند افراط زر کے رجحان، مالیاتی سختی اور منفی موسمی حالات اور سیلاب کے اثرات سے پیدا ہونے والے کافی دباؤ کا سامنا کیا۔ ان چیلنجوں کے باوجود پالیسی کے تسلسل، بہتر میکرو اکنامک مینجمنٹ، اور مالیاتی آمدن کی تجدید نے بتدریج استحکام میں حصہ ڈالا۔ جب کہ آپریٹنگ لینڈ سکیپ کا مطالبہ برقرار رہا، بحالی کی بنیادی علامات نے حکمت عملی کی وضاحت اور مالی نظم و ضبط کے ساتھ کام کرنے والے کاروباروں کے لئے محتاط رجائیت فراہم کی۔

اس پس منظر میں تاندلیانوالہ شوگر ملز لمیٹڈ نے قابل ستائش کارکردگی پیش کی۔ کمپنی نے آپریٹنگ تسلسل اور مالی استحکام کو برقرار رکھا، جبکہ ٹیکسز، ڈیوٹیز، سیسز اور لیویز کے ذریعے قومی خزانے میں اربوں روپے کا حصہ ڈالا۔ یہ خاطر خواہ شراکت کمپنی کے آپریشنز کے پیمانے، تعمیل، کلچر، اور پاکستان کے اقتصادی فریم ورک کے لئے پائیدار وابستگی کو واضح کرتی ہے۔ مالیاتی کارکردگی کے علاوہ کمپنی نے ریگولیٹرز اور پالیسی سازوں کے ساتھ تعمیری طور پر مشغول رہنا جاری رکھا، اور ان اصلاحات کی وکالت کی جس کا مقصد چینی کی صنعت کی طویل مدتی پائیداری کو مضبوط کرنا ہے۔

پورے سال کے دوران کمپنی کمپنیز ایکٹ 2017 اور سٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کی پوری طرح تعمیل کرتی رہی۔ بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں نے مناسب ساخت، آزادی اور نگرانی کو برقرار رکھتے ہوئے موثر طریقے سے کام کیا۔ ریگولیٹری توقعات اور بہترین طریقوں کے مطابق، بورڈ اور اس کی کمیٹیوں کا سالانہ جائزہ لیا گیا۔ جس میں اسٹریٹجک نگرانی، گورننس کے عمل، معلومات کے بہاؤ کے معیار، بورڈ کی حرکیات، اور بورڈ اور چیف ایگزیکٹو آفیسر کی تاثیر کا احاطہ کیا گیا۔ نتائج نے بورڈ کی موثر قیادت اور معروضی رہنمائی فراہم کرنے کی صلاحیت کی تصدیق کی۔

بورڈ نے اجتماعی طور پر 30 ستمبر 2025 کو ختم ہونے والے سال کے لئے سالانہ رپورٹ اور مالیاتی گوشواروں کا جائزہ لیا اور اپنی زیر غور رائے میں اس بات کی تصدیق کی کہ یہ بیانات کمپنی کی مالی پوزیشن، کارکردگی اور امکانات کے بارے میں ایک منصفانہ، متوازن اور قابل فہم نظریہ پیش کرتے ہیں۔ بورڈ سال بھر فعال طور پر مصروف رہا۔ اجلاسوں سے پہلے جامع ایجنڈا اور معاون مواد حاصل کرتا رہا، باخبر غور و خوض اور

بروقت فیصلہ سازی کے قابل بنا۔ بورڈ نے ان اصولوں پر مسلسل زور دیا ہے اور سب سے اوپر ایک مضبوط لہجہ قائم کیا ہے اور اس بات کو یقینی بنایا ہے کہ تنظیم کی تمام سطحوں پر گورننس کے معیارات سرایت کر رہے ہیں۔ حکمرانی کا فریم ورک دانشمندانہ فیصلہ سازی، موثر رسک مینجمنٹ، اور اسٹیک ہولڈرز کے مفادات کے تحفظ کی حمایت جاری رکھے ہوئے ہے۔

مجھے یقین ہے کہ کمپنی کی ترویجی سمت واضح، متعلقہ اور ابھرتے ہوئے کاروباری ماحول کے ساتھ ہم آہنگ ہے۔ حکمت عملی کی تشکیل، جائزہ لینے اور نگرانی کے عمل، مضبوط اور نظم و ضبط کے حامل ہیں، جیسا کہ سال کے دوران کمپنی کے آپریشنل اور مالیاتی نتائج سے ظاہر ہوتا ہے۔ جب کہ بیرونی چیلنجز برقرار ہیں، کمپنی اپنی طاقتوں، کارکردگی اور پائیدار ترقی کو آگے بڑھانے کے لئے اچھی پوزیشن میں ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے میں اپنے ساتھی ڈائریکٹرز کو ان کی قیمتی رہنمائی اور عزم کے لئے تہہ دل سے خراج تحسین پیش کرتا ہوں۔ میں اپنے شیئر ہولڈرز، بینکرز، مالیاتی اداروں، صارفین، سپلائرز اور کاروباری شراکت داروں کے مسلسل اعتماد اور تعاون کے لئے ان کا بھی شکریہ ادا کرتا ہوں۔ میں کمپنی کی انتظامیہ اور ملازمین کی لگن، لچک اور پیشہ دارانہ مہارت کی خصوصی تعریف کرنا چاہتا ہوں، جن کی اجتماعی کوششیں چیلنجوں سے نمٹنے اور کمپنی کو آگے بڑھانے میں اہم کردار ادا کرتی رہی ہیں۔

ہم اعتماد کے ساتھ آگے دیکھتے ہیں اور پائیدار قدر کی فراہمی، آپریشنل کارکردگی کو مضبوط بنانے اور قومی معیشت میں مثبت کردار ادا کرنے کے لئے پرعزم ہیں۔

غازی خان

چئیرمین

05 جنوری، 2026

## Directors' Review Report

"In the name of ALLAH, the most gracious and most merciful"

**Dear Shareholders,**

Your directors are pleased to present the Thirty-Seventh Annual Report of M/s Tandlianwala Sugar Mills Limited, together with the audited financial statements of the Company for the year ended September 30, 2025, along with the auditors' report thereon, for the information and consideration of the members.

### **Economic Landscape**

The year under review was challenging for Pakistan's sugar industry, shaped by macroeconomic pressures, elevated interest rates, and an uncertain regulatory environment. Despite these headwinds, the industry demonstrated resilience. While the Governments of Punjab and Khyber Pakhtunkhwa did not announce a minimum sugarcane support price, procurement costs remained elevated due to higher input costs. Sugar prices, however, came under pressure from excess carry-over stocks and delays in approving exports, which constrained margins across the sector.

### **Operational & Financial Performance**

During the financial year ended September 30, 2025, the Company produced 238,644 MT sugar. Net sales of all products were Rs.40.480 billion, reflecting a robust growth of approximately 5.7% over the preceding year.

This performance was underpinned by higher sales volumes and sustained demand across the Company's core and allied business segments. Profit from operations stood at Rs. 4.704 billion, compared to Rs. 5.628 billion in the previous year, primarily impacted by lower gross margins and a reduction in other income. Notably, through disciplined financial management and effective cash flow optimization, the Company managed its affairs successfully, despite a challenging high-interest rate environment. This achievement reflects the Company's proactive financial strategy and efficient utilization of working capital.

### **Cost Management and Liquidity**

Management remained focused on cost effectiveness and efficiency improvement. Timely payments to growers remained a priority, supporting long-term supply relationships and cane quality. Although this approach increased working capital

requirements, the Company successfully managed liquidity through improved financial discipline and reduced reliance on high-cost borrowings.

### **Ethanol Division**

The Ethanol Division continued to deliver a consistent and significant contribution to the Company's overall performance. During the year, the Company maintained its position among the leading exporters of ethanol from Pakistan. The Company's ENA brand sustained its strong reputation in international markets as a premium product, generating superior margins and making a positive contribution to overall profitability.

### **Top Gas (CO<sub>2</sub>) Segment**

Operating in close coordination with the Ethanol Division, the Top Gas (CO<sub>2</sub>) segment delivered satisfactory results and continued to provide valuable operational synergy, further enhancing overall efficiency across the Company's operations. Operating in close coordination with the Ethanol Division, the Top Gas (CO<sub>2</sub>) segment delivered satisfactory results and continued to provide valuable operational synergy, enhancing overall efficiency.

### **Future Outlook**

The sugarcane crushing season 2025–26 commenced on November 15, 2025. Cane arrivals during the initial phase were lower compared to the same period last year, as growers delayed harvesting in anticipation of higher prices. Based on crop assessments and expected recovery trends, sugar production is going to be around 15% higher than last year. Sugarcane prices are anticipated to remain firm, reflecting higher input costs incurred by growers. Management remains cautiously optimistic that improved recovery rates, disciplined cost control, and the Continued strength of the Ethanol Division will support enhanced operational and financial performance in the current year.

### **Corporate and Financial Reporting Framework**

The Directors hereby confirm that the Company has fully complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, issued by the Securities and Exchange Commission of Pakistan (SECP)

Following are the statements on Corporate and Financial Reporting Framework;

- The financial statements present fairly the state of affairs of the Company, the results of its operations, cash flow and changes in equity;

- Proper books of accounts of the Company have been maintained;
- Accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan and the requirements of Companies Act, 2017 have been followed in preparation of the financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no doubts about the Company's ability to continue as going concern;
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations
- A statement regarding key financial data for the last six years is annexed to this report;
- Information about taxes and levies is given in the notes to the financial statements;
- There is no likelihood of any delayed payments or default in respect of all loans availed by the Company;
- During the year 05 Board meetings were held. The minutes of the meetings were appropriately recorded and circulated Attendance was as under:

Name of Directors	Board		Audit Committee	
	Attended	Required	Attended	Required
<b>NON – EXECUTIVE DIRECTORS</b>				
Mr. Ghazi Khan	5	5	5	5
Mr. Tahir Farooq Malik	5	5	5	5
Mrs. Rasheeda Begum	5	5	-	-
Mrs. Mobina Akbar Khan	5	5	-	-
Mr. Humayun Akhtar Khan	5	5	5	5
<b>EXECUTIVE DIRECTORS</b>				
Mr. Akbar Khan	5	5	-	-
Mr. Haroon Khan	5	5	-	-

## **Six Years Review at a Glance**

The six years review at a glance is annexed.

## **Pattern of Shareholdings**

The pattern of shareholdings as on September 30, 2025 which is required to be disclosed under the reporting framework is annexed herewith in this report.

## **Audit Committee**

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

## **Human Resource Committee**

The Board has constituted a Human Resource and Remuneration Committee in compliance with the Code of Corporate Governance. The Human Resource Committee is performing its duties in line with its terms of reference as determined by the Board of Directors.

## **Nomination Committee**

The Board has constituted a Nomination Committee in compliance with the Code of Corporate Governance.

## **Risk Management Committee**

The Board has constituted a Risk Management Committee in compliance with the Code of Corporate Governance.

## **Board Meetings**

There have been 5 meetings during the year and the attendance of each director is stated as above:

## **Trading in Shares**

Trading in shares by Directors, CEO, CFO, Company Secretary and their spouses and minor children has been disclosed in FORM 20 annexed to this annual report.

## **Outstanding Statutory Dues**

Details of outstanding dues towards minimum tax and those relating to other statutory obligations are set out in note 15 and 31 respectively.

## **Dividend**

No dividend is being recommended by the Board of Directors for the year ended September 30, 2025.

## **Staff Retirement Benefits**

The company operates an un-funded gratuity scheme for all employees with qualifying service period of six months.

## **Auditors**

The retiring Auditors, M/s UHY Hassan Naeem & Co, Chartered Accountants, being eligible, offer themselves for appointment for the Statutory External Audit of the year ending September 30, 2026.

## **Appreciation**

The Board acknowledges the continued dedication and efforts of the employees of the Company.

We also acknowledge the contribution of our growers as they hold key element of our industry and we thank them for their continued cooperation.

On behalf of Board of Directors

**Akbar Khan**

(Chief Executive Officer)

January 05, 2026

## ڈائریکٹر کی رپورٹ

اللہ کے نام سے شروع جو بڑا مہربان نہایت رحم فرمانے والا ہے

پیارے شیئر ہولڈرز!

آپ کے ڈائریکٹر کو تاندلیانوالہ شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹر کی جانب سے کمپنی کی 37 ویں سالانہ رپورٹ بشمول آڈٹ شدہ مالیاتی گوشوارہ جات بحوالہ 30 ستمبر 2025 کو ختم ہونے والے سال کے لئے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

اقتصادی پیش منظر:

زیر نظر سال پاکستان کی شوگر انڈسٹری کے لئے چیلنجنگ تھا، جس کی تشکیل میکرو اکنامک دباؤ، بلند شرح سود، اور غیر یقینی ریگولیٹری ماحول تھا۔ ان خرابیوں کے باوجود، صنعت نے چمک کا مظاہرہ کیا، جبکہ پنجاب اور خیبر پختونخواہ کی حکومتوں نے گنے کی کم از کم سپورٹ پرائس کا اعلان نہیں کیا، ان پٹ لاگت زیادہ ہونے کی وجہ سے خریداری کے اخراجات بلند رہے۔ چینی کی قیمتیں، تاہم اضافی کیری اور سٹاک اور برآمدات کی منظوری میں تاخیر کی وجہ سے دباؤ میں آئیں، جس نے پورے شعبے میں مارجن کو محدود کر دیا۔

آپریشنل اور مالیاتی کارکردگی:

30 ستمبر 2025 کو ختم ہونے والے مالی سال کے دوران کمپنی نے 238,644 میٹرک ٹن چینی پیدا کی۔ تمام مصنوعات کی خالص

فروخت 40.480 بلین روپے تھی، جو پچھلے سال کے مقابلے میں تقریباً 5.7 فیصد کی مضبوط نمو کو ظاہر کرتی ہے۔

اس کارکردگی کو کمپنی کے بنیادی اور اس سے منسلک کاروباری حصوں میں زیادہ فروخت کے حجم اور مسلسل مانگ کی بنیاد پر بنایا گیا۔ آپریشنز سے منافع پچھلے سال کے 5.628 ارب روپے کے مقابلے میں 4.704 ارب روپے رہا، جو کہ بنیادی طور پر کم مجموعی مارجن اور دیگر آمدنی میں کمی سے متاثر ہوا۔ خاص طور پر، نظم و ضبط کے مالیاتی انتظام اور موثر نقد بہاؤ کی اصلاح کے ذریعے کمپنی نے اپنے معاملات کو کامیابی کے ساتھ منظم کیا، ایک چیلنجنگ بلند شرح سود کے ماحول کے باوجود یہ کامیابی کمپنی کی فعال مالیاتی حکمت عملی اور ورکنگ کیپیٹل کے موثر استعمال کی عکاسی کرتی ہے۔

لاگت کا انتظام اور لکویڈیٹی:

انتظامیہ لاگت کی اثر انگیزی اور کارکردگی میں بہتری پر مرکوز رہی۔ کاشتکاروں کو بروقت ادائیگی ایک ترجیح رہی۔ طویل مدتی سپلائی تعلقات اور گنے کے معیار کو سپورٹ کرتی ہے اگرچہ اس نقطہ نظر سے ورکنگ کیپیٹل کی ضروریات میں اضافہ ہوا، لیکن کمپنی نے بہتر مالیاتی نظم و ضبط کے ذریعے لکویڈیٹی کا کامیابی سے انتظام کیا اور زیادہ لاگت والے قرضوں پر انحصار کم کیا۔

## اتھنول ڈویژن:

اتھنول ڈویژن نے کمپنی کی مجموعی کارکردگی میں مستقل اور نمایاں شراکت جاری رکھی۔ سال کے دوران کمپنی نے پاکستان سے اتھنول کے سرکردہ برآمد کنندگان میں اپنی پوزیشن برقرار رکھی۔ کمپنی کے ENA برانڈ نے ایک پریئم مصنوعات کے طور پر بین الاقوامی منڈیوں میں اپنی مضبوط ساکھ کو برقرار رکھا، اعلیٰ مارجن پیدا کیا اور مجموعی منافع میں مثبت حصہ ڈالا۔

## ٹاپ گیس (CO2) سیگمنٹ:

اتھنول ڈویژن کے ساتھ قریبی ہم آہنگی میں کام کرتے ہوئے، ٹاپ گیس (CO2) سیگمنٹ نے اطمینان بخش نتائج فراہم کئے اور کمپنی کے تمام آپریشنز میں مجموعی کارکردگی کو مزید بڑھاتے ہوئے قابل قدر آپریشنل ہم آہنگی فراہم کرنا جاری رکھا۔ اتھنول ڈویژن کے ساتھ قریبی ہم آہنگی میں کام کرتے ہوئے، ٹاپ گیس (CO2) طبقہ نے تسلی بخش نتائج فراہم کئے اور مجموعی کارکردگی میں اضافہ کرتے ہوئے قابل قدر آپریشنل ہم آہنگی فراہم کرنا جاری رکھا۔

## مستقبل کا منصوبہ:

گنے کی کرشنگ سیزن 2025-26 کا آغاز 15 نومبر 2025 کو ہوا۔ ابتدائی مرحلے کے دوران گنے کی آمد پچھلے سال کی اسی مدت کے مقابلے میں کم تھی، کیونکہ کاشتکاروں نے زیادہ قیمتوں کی توقع میں کٹائی میں تاخیر کی۔ فصلوں کے جائزوں اور متوقع بحالی کے رجحانات کی بنیاد پر چینی کی پیداوار گزشتہ سال کے مقابلے میں تقریباً 15 فیصد زیادہ ہونے جارہی ہے۔ گنے کی قیمتوں کے مستحکم رہنے کی توقع ہے، جو کاشتکاروں کی طرف سے اٹھائے جانے والے زیادہ ان پٹ اخراجات کی عکاسی کرتی ہے۔ انتظامیہ محتاط طور پر پرامید ہے کہ بحالی کی شرح میں بہتری، لاگت پر نظم و ضبط اور اتھنول ڈویژن کی مسلسل طاقت موجودہ سال میں بہتر آپریشنل اور مالیاتی کارکردگی کو سہارا دے گی۔

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک:

ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ کمپنی نے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی طرف سے جاری کردہ سلیڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز (CCG)، 2019 کی مکمل تعمیل کی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیانات درج ذیل ہیں:

۔ مالیاتی بیانات کمپنی کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔

۔ کمپنی کے کھاتوں کی مناسب کتابیں برقرار رکھی گئی ہیں۔

۔ اکاؤنٹنگ پالیسیوں کو، جیسا کہ مالیاتی گوشواروں کے نوٹس میں بیان کیا گیا ہے، مالی بیانات کی تیاری میں مسلسل لاگو کیا گیا ہے اور

اکاؤنٹنگ کے تخمینے معقول دانشمندانہ فیصلے پر مبنی ہیں۔

۔ بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے اور مالیاتی بیانات کی تیاری میں کمپنیز ایکٹ 2017 کے

تقاضوں پر عمل کیا گیا ہے۔

۔ اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے موثر طریقے سے لاگو کیا گیا ہے، اور اس کی نگرانی کی گئی ہے۔

۔ کمپنی کے عمومی طور پر جاری رہنے کی صلاحیت کے بارے میں کوئی شک نہیں ہے۔

۔ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ لسٹنگ ریگولیشنز کے ضوابط میں تفصیل سے بتایا گیا

ہے۔

۔ گزشتہ چھ سالوں کے اہم مالیاتی اعداد و شمار سے متعلق ایک بیان اس رپورٹ کے ساتھ منسلک ہے۔

۔ ٹیکس اور لیویز کے بارے میں معلومات مالیاتی گوشواروں کے نوٹس میں دی گئی ہیں۔

۔ کمپنی کی طرف سے حاصل کئے گئے تمام قرضوں کی ادائیگی میں تاخیر یا ڈیفالٹ کا کوئی امکان نہیں ہے۔

۔ سال کے دوران 05 بورڈ اجلاس منعقد ہوئے، میٹنگ کے منٹس کو مناسب طریقے سے ریکارڈ کیا گیا اور حاضری درج ذیل تھی:

آڈٹ کمیٹی		بورڈ		ڈائریکٹرز کے نام
مطلوب	شریک	مطلوب	شریک	

نان ایگزیکٹو ڈائریکٹرز

5	5	5	5	مسٹر غازی خان
5	5	5	5	مسٹر طاہر فاروق ملک
		5	5	محترمہ رشیدہ بیگم
		5	5	محترمہ موبینہ اکبر خان
5	5	5	5	مسٹر ہمایوں اختر خان

ایگزیکٹو ڈائریکٹرز

		5	5	مسٹر اکبر خان
		5	5	مسٹر ہارون خان

ایک نظر میں چھ سال کا جائزہ:

چھ سال کا جائزہ ایک نظر میں منسلک ہے۔

شئیر ہولڈنگز کا پیٹرن:

30 ستمبر 2025 تک شئیر ہولڈنگز کا پیٹرن جو رپورٹنگ فریم ورک کے تحت ظاہر کرنا ضروری ہے اس رپورٹ میں اس کے

ساتھ منسلک کر دیا گیا ہے۔

آڈٹ کمیٹی:

بورڈ نے کمیٹی کے چیئرمین سمیت تین ارکان پر مشتمل آڈٹ کمیٹی تشکیل دی ہے۔ کمیٹی ضابطہ کی ضرورت کے مطابق باقاعدگی

سے میٹنگ کرتی ہے۔ کمیٹی اندرونی آڈٹ مینول اور اندرونی آڈٹ سسٹم کا جائزہ لینے میں بورڈ کی مدد کرتی ہے۔

ہیومن ریسورس کمیٹی:

بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں ایک ہیومن ریسورس اینڈ ریمونیریشن کمیٹی تشکیل دی ہے۔ ہیومن ریسورس

کمیٹی بورڈ آف ڈائریکٹرز کی طرف سے مقرر کردہ شرائط کے مطابق اپنے فرائض انجام دے رہی ہے۔

نامزدگی کمیٹی:

بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں ایک نامزدگی کمیٹی تشکیل دی ہے۔

رسک مینجمنٹ کمیٹی:

بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں ایک رسک مینجمنٹ کمیٹی تشکیل دی ہے

بورڈ میٹنگز:

سال کے دوران 5 میٹنگز ہوئیں اور ہر ڈائریکٹر کی حاضری اوپر بیان کی گئی ہے۔

حصص کی تجارت:

ان مالیاتی بیانات کے حصے کے طور پر ڈائریکٹرز، ای او، ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور نابالغ بچوں

کے شئیرز کی تجارت کی تفصیل اس سالانہ رپورٹ کے ساتھ منسلک فارم 20 میں دی گئی ہے۔

بقایا قانونی واجبات:

کم از کم ٹیکس اور دیگر قانونی ذمہ داریوں سے متعلق بقایا واجبات کی تفصیلات بالترتیب نوٹ 15 اور 31 میں بیان کی گئی ہیں۔

ڈیوٹنڈ:

30 ستمبر 2025 کو ختم ہونے والے سال کے لئے بورڈ آف ڈائریکٹرز کی جانب سے کسی منافع کی سفارش نہیں کی جارہی ہے۔

سٹاف ریٹائرمنٹ فوائد:

کمپنی تمام ملازمین کے لئے چھ ماہ کی کوالیفائنگ سروس مدت کے ساتھ ایک غیر فنڈڈ گریجویٹ اسکیم چلاتی ہے۔

آڈیٹرز:

ریٹائرڈ ہونے والے آڈیٹرز، میسرز یو ایچ وائے حسن نعیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اہل ہونے کے ناطے، 30 ستمبر 2026 کو ختم ہونے والے سال کے قانونی بیرونی آڈٹ کے حوالے سے خود کو تقرری کے لئے پیش کرتے ہیں۔

تعریف و توصیف:

بورڈ کمپنی کے ملازمین کی مسلسل لگن اور کوششوں کا اعتراف کرتا ہے۔ ہم اپنے کاشتکاروں کے تعاون کو بھی تسلیم کرتے ہیں کیونکہ وہ ہماری صنعت میں کلیدی عنصر کی حیثیت رکھتے ہیں اور ہم ان کے مسلسل تعاون کے لئے ان کا شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے:

اکبر خان

(چیف ایگزیکٹو آفیسر)

05 جنوری 2026

## SIX YEARS REVIEW AT A GLANCE

Figures in '000

	2025 (Rupees)	2024 (Rupees)	2023 (Rupees)	2022 (Rupees)	2021 (Rupees)	2020 (Rupees)
<b><u>FINANCIAL RESULTS</u></b>						
Sales (Net)	40,480,075	38,311,576	42,290,087	32,299,965	27,114,404	21,271,885
Cost of Sales	34,452,686	32,183,454	36,617,314	28,536,941	23,995,409	19,430,945
<b>Gross profit</b>	<b>6,027,389</b>	<b>6,128,122</b>	<b>5,672,773</b>	<b>3,763,024</b>	<b>3,118,995</b>	<b>1,840,940</b>
Operating, financial and other expenses	5,053,482	4,862,317	3,697,614	2,774,665	2,123,859	1,927,730
	<b>973,907</b>	<b>1,265,805</b>	<b>1,975,159</b>	<b>988,359</b>	<b>995,136</b>	<b>(86,790)</b>
Other income	83,689	666,230	287,041	69,347	87,507	97,730
Net profit before wppf	<b>1,057,596</b>	<b>1,932,035</b>	<b>2,262,200</b>	<b>1,057,706</b>	<b>1,082,643</b>	<b>10,940</b>
Workers' profit participation fund	55,038	101,016	113,110	69,218	49,404	0.547
<b>Net profit before Taxation</b>	<b>1,002,558</b>	<b>1,831,019</b>	<b>2,149,090</b>	<b>988,488</b>	<b>1,033,239</b>	<b>10,940</b>
Provision for taxation	(292,842)	(748,353)	(639,873)	(470,777)	(320,993)	(292,666)
<b>Net profit after taxation</b>	<b><u>709,716</u></b>	<b><u>1,082,666</u></b>	<b><u>1,509,217</u></b>	<b><u>517,711</u></b>	<b><u>712,246</u></b>	<b><u>(281,726)</u></b>
<b>Cash dividend</b>	-	-	-	-	-	-
<b>Earning per share (Rs.)</b>	6.03	9.20	12.82	4.40	6.05	(2.39)
<b>Authorized capital</b>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>
<b>Paid-up capital</b>	<u>1,177,063</u>	<u>1,177,063</u>	<u>1,177,063</u>	<u>1,177,063</u>	<u>1,177,063</u>	<u>1,177,063</u>
<b>Fixed capital expenditures (Net)</b>	<u>13,835,376</u>	<u>14,412,836</u>	<u>14,916,954</u>	<u>15,330,108</u>	<u>15,880,401</u>	<u>16,114,373</u>

**OPERATING RESULTS**

Sugar production - Unit - 1	M. Tons	65,828	89,293	90,299	97,062	95,118	77,182
Sugar production - Unit - 2	M. Tons	72,908	147,608	130,516	104,868	81,679	68,811
Sugar production - Unit - 3	M. Tons	99,908	95,487	112,848	154,683	139,872	119,427

# TANDLIANWALA SUGAR MILLS LTD.

## THE COMPANIES ACT, 2017 (Section 227(2)(f)) PATTERN OF SHAREHOLDING

**FORM 20**

1.1 Name of the Company

**TANDLIANWALA SUGAR MILLS LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at

**30-09-2025**

2.2 No. of Shareholders	-----Shareholdings-----		Total Shares Held
	From	To	
212	1	100	4,550
390	101	500	180,399
60	501	1,000	48,909
46	1,001	5,000	101,734
8	5,001	10,000	54,254
8	10,001	15,000	105,681
4	15,001	20,000	67,107
2	20,001	25,000	41,943
1	25,001	30,000	25,949
1	140,001	145,000	144,300
1	550,001	555,000	552,500
1	1,390,001	1,395,000	1,394,946
1	1,395,001	1,400,000	1,395,343
1	1,400,001	1,405,000	1,401,747
1	3,290,001	3,295,000	3,294,155
1	5,455,001	5,460,000	5,459,419
1	7,635,001	7,640,000	7,639,578
1	10,610,001	10,615,000	10,611,459
1	14,385,001	14,390,000	14,386,021
2	23,595,001	23,600,000	47,193,772
1	23,600,001	23,605,000	23,602,534
744			<b>117,706,300</b>

2.3 Categories of shareholders	Share held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	100,034,214	84.9863%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	---	---
2.3.3 Banks Development Financial Institutions, Non Banking Financial Institutions.	182,589	0.1551%
2.3.4 Shareholders holding 10% or more	100,032,214	84.9846%
2.3.5 General Public		
a. Local	17,489,497	14.8586%
2.3.6 Others (to be specified)		

## TANDLIANWALA SUGAR MILLS LIMITED

### Categories of Shareholding required under Code of Corporate Governance (CCG) As on September 30, 2025

Sr. No.	Name	No. of Shares Held	Percentage
---------	------	--------------------	------------

Associated Companies, Undertakings and Related Parties (Name Wise Detail):

- -

Mutual Funds (Name Wise Detail)

- -

Directors and their Spouse and Minor Children (Name Wise Detail):

1	MR. AKBAR KHAN	24,997,480	21.2372%
2	MR. HAROON KHAN	25,023,431	21.2592%
3	MR. GHAZI KHAN	25,013,823	21.2510%
4	MRS. RASHEEDA BEGUM	500	0.0004%
5	MRS. MOBINA AKBAR KHAN	1,000	0.0008%
6	MR. HUMAYUN AKHTAR KHAN	24,997,480	21.2372%
7	MR. TAHIR FAROOQ MALIK	500	0.0004%

Executives:

- -

Public Sector Companies & Corporations:

- -

Banks, Development Finance Institutions, Non Banking Finance

182,589 0.1551%

Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

S. No.	Name	Holding	Percentage
1	MR. AKBAR KHAN	24,997,480	21.2372%
2	MR. HAROON KHAN	25,023,431	21.2592%
3	MR. GHAZI KHAN	25,013,823	21.2510%
4	MR. HUMAYUN AKHTAR KHAN	24,997,480	21.2372%
5	MR. HAMEED ULLAH KHAN PARACHA	7,639,578	6.4904%

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S.No	NAME	SALE	PURCHASE
1	MR. AKBAR KHAN (CDC)	-	3,404,999
2	MR. HAROON KHAN (CDC)	-	1,855,766
3	MR. GHAZI KHAN (CDC)	-	2,038,523
4	MRS. RASHEEDA BEGUM	21,647,517	-
5	MR. HUMAYUN AKHTAR KHAN (CDC)	-	14,386,021

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

Name of Company: **Tandlianwala Sugar Mills Limited**

Year Ended: **30 September 2025**

The statement is presented in compliance of Listed Companies (Code of Corporate Governance) Regulations, 2019 (herein referred as “The Regulations”) providing a framework for corporate governance.

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

1. The total number of Directors are seven (07) as per the following:

a)	Male:	05
b)	Female:	02

2. The composition of the Board is as under:

### Category

### Names

#### Executive Directors:

Mr. Akbar Khan  
Mr. Haroon Khan

#### Non-Executive Directors:

##### *Male:*

Mr. Ghazi Khan  
Mr. Tahir Farooq Malik  
Mr. Humayun Akhtar Khan

##### *Female:*

Mrs. Rasheeda Begum  
Mrs. Mobina Akbar Khan

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
6. particulars of the significant policies along with their date of approval or updating is maintained by the company;
7. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;

8. 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;
9. The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
10. All the Directors on the Board are well conversant with their responsibilities as Directors of corporate bodies as the Company had arranged briefing for its Directors to apprise them of their duties and responsibilities. All the Directors of the Company are exempt from obtaining certification under Directors' training programs (DTP) per criteria i-e 14 years of education and 15 years of experience on the board of a listed company.
11. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. However no new appointment was made during the year.
12. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
13. The Board has formed an audit committee. It comprises of following 03 (Three) Directors :

<b>Name</b>	<b>Designation</b>
Mr. Humayun Akhtar Khan	Chairman / Member
Mr. Ghazi Khan	Member
Mr. Tahir Farooq Malik	Member

The Board has formed a Human Resource and Remuneration committee. It comprises of following 03 (Three) Directors:

<b>Name</b>	<b>Designation</b>
Mr. Humayun Akhtar Khan	Chairman / Member
Mrs. Rasheeda Begum	Member
Mr. Tahir Farooq Malik	Member

The Board has not constituted a separate "Nomination committee" and "Risk Management Committee" as the responsibilities of these committees is being taken care of at the Board level as when required. Therefore, a need for the separate formation of these committees does not exist.

14. The Terms of Reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
15. The frequency of meetings (quarterly / half yearly / yearly) of the committees were as per following:
  - a) Audit Committee: 05 meetings held during the year ended on September 30, 2025; and
  - b) HR and Remuneration Committee: 01 meeting held during the year ended on September 30, 2025.

16. The Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are considered suitably qualified and experienced professional for the purpose and are conversant with the policies and procedures of the Company.
17. The statutory auditors of the Company have confirmed, that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountant of Pakistan (“ICAP”) 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;
18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
19. We confirm that all requirements of the Regulations 3, 7, 8, 27, 32, 33 and 36 of the regulations have been complied with; except the following:
  - a) The Company did not have any Independent Director during the year ended 30 September 2025 as per the requirement of clause (1) of Section 6 of Listed Companies (Code of Corporate Governance) Regulations, 2019.
  - b) None of the members (including Chairman) of the Audit Committee is an Independent Director as per sub-clause (i) & (ii) of clause 1 of Section 27 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
  - c) None of the members of the Human Resource & remuneration Committee is an Independent Director as per of Section 28(1) & (2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
  - d) The CFO of the Company also holds the position of Company Secretary.

On Behalf of the Board

Lahore: January 05, 2026

**Ghazi Khan**  
CHAIRMAN

## INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of Tandlianwala 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 **Tandlianwala 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.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

## Paragraph reference

## Description

- |                              |   |
|------------------------------|---|
| <i>i) Paragraph 18 (a)</i>   | <i>At present there is no independent director on the Company's Board of Directors as required under the clause (1) of Section 6 of Listed Companies (Code of Corporate Governance) Regulations, 2019.</i>  |
| <i>ii) Paragraph 18 (b)</i>  | <i>Under the sub-clause (i &amp; ii) of clause 1 of Section 27 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Audit Committee shall have at least one independent director who shall preferably be the chairman of the committee. Since, there is no Independent Director on the Board, this requirement is not complied with.</i> |
| <i>iii) Paragraph 18 (c)</i> | <i>Under the clause 1 of Section 28 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Human Resource and Remuneration Committee shall have at least one independent director. Since, there is no Independent Director on the Board, this requirement is not complied with.</i>  |
| <i>iv) Paragraph 18 (d)</i>  | <i>Under the Section 24 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, The Chief Financial Officer of the Company shall not hold the office of company secretary. But the requirement is not complied with.</i>  |

Place: Lahore

Date: January 05, 2026

UDIN:CR202510311Gw8knTAOZ

UHY Hassan Naeem & Co.

Chartered Accountants

(Mr. Arslan Ahmed)

## INDEPENDENT AUDITOR'S REPORT

### To the members of Tandlianwala Sugar Mills Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statements of **Tandlianwala Sugar Mills Limited** (the Company), which comprise the statement of financial position as at September 30, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including 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, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 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.

#### Key Audit Matters

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

Following are the Key audit matters:

Sr. No.	Key audit matters	How the matter was addressed in our audit
1	<p><b>Revenue recognition</b></p> <p>Refer to the statement of profit or loss and note 4.12 and 25 to the financial statements.</p> <p>The Company generates revenue from sale of sugar and its by-products to both local and export customers.</p> <p>We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk of misstatement to meet expectations or targets.</p>	<p>Our audit procedures to assess recognition of sales, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process relating to recording of revenue.</li> <li>• assessed the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards;</li> <li>• compared, on a sample basis, specific revenue transactions recorded just before and just after the financial year end date to determine whether the revenue had been recognized in the appropriate financial period;</li> <li>• performed scanning analytics to identify any manual journal entries relating to sales during the year which were considered to be material or met other specific risk-based criteria for inspecting underlying documentation;</li> <li>• performed test of details over a sample of revenue transactions recorded during the year with sale orders, sales invoices, delivery Challan and other relevant undertaking documents;</li> <li>• reconciled the sales recorded and sales tax paid thereto with the amounts reported in sales tax returns; and</li> <li>• assessed the adequacy of disclosures in financial statements with respect to revenue.</li> </ul>

Sr. No.	Key audit matters	How the matter was addressed in our audit
2	<p><b>Borrowings and finance cost</b></p> <p>Refer notes 4.16, 8, 9, 12, 13 and 30 to the financial statements.</p> <p>The Company has obtained a range of financing facilities from various financial institutions with varying terms and tenure against collaterals of stocks and plant &amp; machinery.</p> <p>Further, compliance with debt covenants is a key requirement of these financing arrangements.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>assessed the internal controls over recording the terms and conditions of borrowings from financial institutions, including their classification as current or non-current and associated cost;</li> <li>obtained confirmations of borrowings as at September 30, 2025 directly from the financial institutions;</li> <li>re-calculated the mark-up recognized as expense during the year to assess whether these were accounted for in accordance with approved accounting standard as applicable in Pakistan;</li> <li>assessed whether installments of loans/leases due or loans/leases maturing within twelve months were classified as current liabilities; and</li> <li>performed substantive procedures to verify the mark-up and principal repayment during the year; and</li> <li>assessed the adequacy of the Company's compliance with loan covenants and disclosures in financial statements.</li> </ul>
3	<p><b>Existence and valuation of stock-in-trade</b></p> <p>Refer notes 4.7 and 21 to the financial statements.</p> <p>The stock-in-trade balances constitutes 27.29% of total assets of the Company. The cost of finished goods is determined at cost including of proportions of production overheads;</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>assessed the appropriateness &amp; consistency of Company's accounting policy for valuation of stock-in-trade and compliance of the policy with the requirements of the prevailing accounting standards;</li> <li>obtained an understanding of internal controls over valuation of stock-in-trade</li> </ul>

Sr. No.	Key audit matters	How the matter was addressed in our audit
	<p>The Company's policy is to value stock-in-trade at lower of cost and net realizable value. The stock-in-trade valuation involves management judgement in determining the appropriate costing basis.</p> <p>Additionally, entity holds its stock-in-trade as a collateral against the financing on account of which there is persistent inherent risk.</p> <p>Thus, on account of the significance of stock-in-trade, complexity in re-calculation and involvement of significant management judgement/estimation in application of the costing methodology; we consider this to be a key audit matter.</p>	<p>and performed test of control on a sample basis, to test their operating effectiveness;</p> <ul style="list-style-type: none"> <li>performed substantive procedures over purchases and consumptions;</li> <li>re-calculated the value of stock-in-trade by allocating the fixed and variable overheads and reviewed the adequacy of costing methodology;</li> <li>performed cut-off procedures and subsequent stock count to validate the completeness and existence of closing stock;</li> <li>assessed reasonableness of management's determination of net realizable value (NRV) and the key estimates adopted and compared, on sample basis, the cost of stock-in-trade with their respective net realizable values (NRV);</li> <li>assessed the adequacy of disclosures in the financial statements to be in accordance with the applicable accounting standards.</li> </ul>
4	<p><b>Deferred Tax</b></p> <p>Refer to note 10.2 to the Financial Statements.</p> <p>A deferred tax asset shall be recognized on the amount of tax losses, if any, along with the requirements of IAS 12. However, such recognition involves management judgement regarding estimation of future profits of the Company.</p> <p>As at September 30, 2025, the Company estimated that the unused tax losses should not be</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>obtained computation of current tax and reconciled the amounts with relevant tax correspondence and underlying accounting records;</li> <li>re-calculated the deferred tax and evaluated the same in accordance with the Income Tax Ordinance, 2001 and International Financial Reporting Standards (IFRS);</li> <li>obtained the financial projections from management as approved by the Board of Directors and reviewed management's estimates and assumptions in support of</li> </ul>

Sr. No.	Key audit matters	How the matter was addressed in our audit
	recognized as sufficient taxable profits are not expected against which the Company can use benefits therefrom. Management is of the view that recognition of deferred tax asset shall be re-assessed on September 30, 2026.	<ul style="list-style-type: none"> <li>the projections for rationality and achievability; and</li> <li>assessed the adequacy of disclosures in the financial statements to be in accordance with the applicable accounting standards.</li> </ul>

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

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended September 30, 2025, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

## Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance ,1980 (XVIII of 1980)

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Ahmed.

**Place:** Lahore

**Date:** January 05, 2026

**UDIN:** AR202510311FGITDRZH8

**UHY Hassan Naeem & Co.**

**Chartered Accountants**

# TANDLIANWALA SUGAR MILLS LTD.

## STATEMENT OF FINANCIAL POSITION

As at September 30, 2025

EQUITY AND LIABILITIES	Note	2025 Rupees	2024 Rupees
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 120,000,000 (2024: 120,000,000) Ordinary shares of Rs. 10 each		<b>1,200,000,000</b>	<b>1,200,000,000</b>
Issued, subscribed and paid-up share capital	5	1,177,063,000	1,177,063,000
Share premium	6	290,741,640	290,741,640
Un-appropriated profits		9,378,276,067	8,609,127,420
Loan from sponsors - <i>unsecured</i>	7	3,635,214,057	3,635,214,057
<b>TOTAL EQUITY</b>		<b>14,481,294,764</b>	<b>13,712,146,117</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term finances - <i>secured</i>	8	90,000,000	
Lease liability	9	287,478,587	324,738,499
Deferred liabilities	10	1,118,174,559	1,030,502,459
		<b>1,495,653,146</b>	<b>1,355,240,958</b>
<b>CURRENT LIABILITIES</b>			
Short term borrowings - <i>secured</i>	11	17,722,925,390	18,469,813,174
Current portion of non-current liabilities	12	97,966,185	111,044,115
Trade and other payables	13	5,024,275,275	5,535,087,104
Mark-up accrued	14	706,810,744	823,224,826
Provision for taxation	15	827,376,319	1,552,132,097
		<b>24,379,353,913</b>	<b>26,491,301,316</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	16		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>40,356,301,823</b>	<b>41,558,688,391</b>

The annexed notes 1 to 44 form an integral part of these financial statements

Chief Financial Officer

Chief Executive

# TANDLIANWALA SUGAR MILLS LTD.

ASSETS	Note	2025 Rupees	2024 Rupees
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	17	13,900,423,610	14,475,937,865
Long term deposits	18	425,150,298	343,202,922
		<b>14,325,573,908</b>	<b>14,819,140,787</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools	19	2,431,146,860	2,078,260,187
Stock-in-trade	20	11,579,205,027	13,117,054,810
Trade debts - <i>considered good</i>	21	30,574,673	14,513,451
Advances, deposits, prepayments and other receivables	22	11,476,097,389	10,228,969,497
Tax refunds due from Government		399,874,701	1,041,873,301
Cash and bank balances	23	113,829,265	258,876,358
		<b>26,030,727,915</b>	<b>26,739,547,604</b>
<b>TOTAL ASSETS</b>		<b>40,356,301,823</b>	<b>41,558,688,391</b>

Director

# TANDLIANWALA SUGAR MILLS LTD.

## STATEMENT OF PROFIT OR LOSS

For the year ended September 30, 2025

	Note	2025 Rupees	2024 Rupees
Sales - <i>net</i>	24	40,480,075,526	38,311,576,293
Cost of sales	25	(34,452,686,878)	(32,183,454,385)
<b>Gross profit</b>		<b>6,027,388,648</b>	<b>6,128,121,908</b>
Administrative expenses	26	(1,002,202,080)	(772,183,607)
Distribution expenses	27	(404,984,033)	(394,536,390)
Other income	28	83,689,350	666,230,011
<b>Profit from operations</b>		<b>4,703,891,885</b>	<b>5,627,631,922</b>
Finance cost	29	(3,624,712,581)	(3,607,317,296)
Other expenses	30	(76,621,731)	(189,295,943)
<b>Profit before taxation &amp; levy</b>		<b>1,002,557,573</b>	<b>1,831,018,683</b>
Levy	31	(204,141,260)	-
<b>Profit before taxation</b>		<b>798,416,313</b>	<b>1,831,018,683</b>
Taxation	31	(88,700,770)	(748,353,175)
<b>Profit after taxation</b>		<b>709,715,543</b>	<b>1,082,665,508</b>
<b>Earnings per share - <i>basic and diluted</i></b>	32	<b>6.03</b>	<b>9.20</b>

The annexed notes 1 to 44 form an integral part of these financial statements

Chief Financial Officer

Chief Executive

Director

# TANGLIANWALA SUGAR MILLS LTD.

## STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended September 30, 2025

	Note	2025 Rupees	2024 Rupees
<b>Profit after taxation</b>		<b>709,715,543</b>	<b>1,082,665,508</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Gain on remeasurement of defined benefit liability	10.1.2	83,708,597	44,146,419
Related tax impact		(24,275,493)	(12,802,462)
		<b>59,433,104</b>	<b>31,343,957</b>
<b>Total comprehensive income for the year</b>		<b>769,148,647</b>	<b>1,114,009,465</b>

The annexed notes 1 to 44 form an integral part of these financial statements

Chief Financial Officer

Chief Executive

Director

# TANDLIANWALA SUGAR MILLS LTD.

## STATEMENT OF CASH FLOWS

For the year ended September 30, 2025

	Note	2025 Rupees	2024 Rupees
<b><u>Cash flows from operating activities</u></b>			
Profit before taxation		1,002,557,573	1,831,018,683
<i>Adjustments for non-cash and other items:</i>			
Depreciation on property, plant and equipment	17.1.1	738,895,908	788,311,168
Gain on disposal of property, plant and equipment	17.1.2	-	-
Finance cost	29	3,624,712,581	3,607,317,296
Provision for staff retirement benefits	10.1.3	172,274,893	189,305,475
Profit on saving accounts	28	(5,669,574)	(118,290,409)
Workers' Welfare Fund	13.3	21,583,586	88,280,212
Workers' Profit Participation Fund	13.2	55,038,145	101,015,731
		<b>4,606,835,539</b>	<b>4,655,939,473</b>
<b>Operating profit before working capital changes</b>		<b>5,609,393,112</b>	<b>6,486,958,156</b>
<i>(Increase) / decrease in current assets:</i>			
Stores, spare parts and loose tools		(352,886,673)	(342,887,741)
Stock-in-trade		1,537,849,783	(7,985,652,001)
Advances, deposits, prepayments and other receivables		(1,247,127,892)	(3,355,886,515)
Trade debts - <i>considered good</i>		(16,061,222)	(10,670,333)
		<b>(78,226,004)</b>	<b>(11,695,096,590)</b>
<i>Increase / (decrease) in current liabilities:</i>			
Trade and other payables		(486,417,829)	(1,116,851,974)
<b>Net cash generated from/(used in) operations</b>		<b>5,044,749,279</b>	<b>(6,324,990,408)</b>
Finance cost paid		(3,741,126,663)	(3,261,820,324)
Staff retirement benefits paid		(894,196)	(944,806)
Taxes paid		(379,975,234)	(250,151,557)
Workers' Profit Participation Fund paid		(101,015,731)	(113,110,016)
		<b>(4,223,011,824)</b>	<b>(3,626,026,703)</b>
<b>Net cash generated from/(used in) operating activities</b>		<b>821,737,455</b>	<b>(9,951,017,111)</b>
<b><u>Cash flows from investing activities</u></b>			
Capital expenditure		(120,591,759)	(224,524,994)
Long term deposits		(81,947,376)	(53,793,800)
Income received from bank deposits		5,669,574	118,290,409
<b>Net cash used in investing activities</b>		<b>(196,869,561)</b>	<b>(160,028,385)</b>
<b><u>Cash flows from financing activities</u></b>			
Long term finance paid - <i>net</i>		90,000,000	(571,654,543)
Lease liabilities - <i>net</i>		(113,027,194)	(105,011,227)
Short term borrowings - <i>net</i>		(746,887,793)	10,036,594,767
<b>Net cash (used in)/generated from financing activities</b>		<b>(769,914,987)</b>	<b>9,359,928,997</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(145,047,093)</b>	<b>(751,116,499)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>159,374,203</b>	<b>910,490,702</b>
<b>Cash and cash equivalents at the end of the year</b>	33	<b>14,327,110</b>	<b>159,374,203</b>

The annexed notes 1 to 44 form an integral part of these financial statements

Chief Financial Officer

Chief Executive

Director

## For the year ended September 30, 2025

The annexed notes 1 to 44 form an integral part of these financial statements

## Chief Executive

## Director

## NOTES TO THE FINANCIAL STATEMENT

For the year ended September 30, 2025

**1 Corporate and general information****1.1 Reporting entity**

Tandlianwala Sugar Mills Limited ("the Company") was incorporated in Pakistan on November 01, 1988 as a Public Limited Company. The shares of the Company are quoted on Pakistan Stock Exchange. The principal activity of the Company is production and sale of white crystalline sugar, ethanol and other related allied by-products.

The geographical locations and addresses of the Company's business units, including production facilities are as under :

- Head office and registered office : 66-L, Gulberg-II, Lahore
- Unit-I : Kanjwani, Tehsil Tandlianwala, District Faisalabad
- Unit-II : Zamand, Miran, Indus Highway, District Dera Ismail Khan
- Unit-III : Rehman Hajra, Shah Jamal Road, District Muzaffargarh

**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 applicable in Pakistan comprise of:

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

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

**2.2 Functional and presentation currency**

These financial statements are presented in Pakistan Rupees (PKR), which is the Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest of Rupee, unless otherwise stated.

**2.3 Basis of measurement**

These financial statements have been prepared under the historical cost convention unless otherwise stated.

**2.4 Use of judgements and estimates**

The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, 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 circumstances, and the results of which form the basis for making judgement about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions 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 future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgement was exercised in the application of accounting policies are as follows:

**2.4.1 Employees' retirement benefits and other obligations**

The Company operates an approved unfunded gratuity scheme covering all permanent workers who have completed the minimum qualifying period of service as defined under the respective scheme. The calculation of the benefit requires assumptions to be made of future outcomes, the principal ones being in respect of an increase in remuneration and the discount rate used to convert future cash flows to current values. The assumptions used for the plan are determined by an independent actuary on annual basis.

**2.4.2 Taxation**

The Company takes into account the prevailing Income Tax Law and the decisions taken by Appellate Authorities. Where, at the assessment stage, the taxation authorities have adopted a different tax treatment and the Company considers that the most likely outcome will be in favor of the Company, the amounts are shown as contingent liabilities.

**2.4.3 Provisions and contingencies**

The Company reviews the status of all pending litigations and claims against the Company. In making a judgement and / or estimate relating to probability of outcome, the management considers laws, statutory rules, regulations and the advice of the legal advisors for the estimated financial outcome and where, based on management's estimate, a provision is required, the same is recorded in the financial statements. The actual outcome of these litigations and claims can affect the carrying amounts of the liabilities recognized at the statement of financial position date.

**2.4.4 Estimated useful lives, residual values and method of depreciation of property, plant and equipment**

The Company reviews the useful lives and residual values of property, plant and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge.

## 2.4.5 Inventories

The Company reviews the inventories for possible impairment on an annual basis. Any change in estimates in future years might affect the carrying amounts of the respective items of inventories with a corresponding effect on the provision.

## 2.4.6 Expected Credit Loss (ECL) / loss allowances against trade debts, deposits, advances and other receivables

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company has elected to measure loss allowances for trade debts other than refunds due from 'Government of Pakistan' using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The financial assets due from the Government of Pakistan continues to be measured under IAS-39 due to the exemption given by the Securities and Exchange Commission of Pakistan vide S.R.O. 985 (I)/2019 dated September 02, 2019. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

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 Company reviews the recoverability of its trade debts, deposits, advances and other receivables to assess amount of loss allowances required there against on an annual basis.

## 3 Application of new and revised International Financial Reporting Standards (IFRS)

The accounting policies and the methods of computation adopted in the preparation of these financial statements are same as those applied in the preparation of the financial statements for the year ended September 30, 2024:

### 3.1 Standards, interpretations and amendments to published approved accounting standards that are not yet effective:

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2026:

Standards or Interpretation	Effective date
Classification and measurement of financial instruments - Amendments to IFRS 9 and IFRS 7	January 1, 2026
IFRS 18 - Presentation and disclosure in financial statements	January 1, 2027
IFRS S1- General Requirements for Disclosure of Sustainability-related Financial Information	July 1, 2026
IFRS S2- Climate-related Disclosures	July 1, 2026

## 4 Material accounting policy information

The significant accounting policies set out below have been consistently applied to all the years presented, unless otherwise stated.

### 4.1 Staff retirement benefits

The Company operates an un-funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits respective of the qualifying period. The projected unit credit method used for the valuation of the scheme is based on assumptions stated in note 10.1.

Past-service costs are recognized immediately in profit and loss account, unless the changes to the plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortized on a straight-line basis over the vesting period.

The Company's obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurement of the defined benefit liability, which comprise actuarial gains and losses, is recognized immediately in other comprehensive income. The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of benefit payments. Interest expense and other expenses related to the defined benefit plan are recognized in profit and loss account.

### 4.2 Taxation

Income tax expense comprises current and deferred tax. It is recognized in profit or loss account except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in equity.

## **Current tax**

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in the previous years arising from assessments framed during the year for such years. Under / over paid amounts of current tax are recorded as tax refundable / payable due from / to the Government.

## **Deferred tax**

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit shall be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

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

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

### **4.3 Ijarah contracts**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases are charged to the profit or loss account on a straight-line basis over the lease / Ijarah term unless another systematic basis is representative of the time pattern of the Company's benefit.

### **4.4 Trade and other payables**

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

### **4.5 Property, plant and equipment**

Property, plant and equipment include owned, right of use assets and capital work in progress.

#### ***Owned***

Property, plant and equipment, except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land and capital work in progress are stated at cost less any identified impairment loss. Cost includes direct cost and related overheads, interest and borrowing cost including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and other costs directly attributable to the acquisition or construction including expenditures on material, labour and overheads directly relating to construction, erection and installation of operating fixed assets.

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

Depreciation is charged on a systematic basis over the useful life of the assets, on the reducing balance method, which reflects the patterns in which the economic benefits are consumed by the Company, at the rates specified in note 17.1.

Depreciation on additions is charged from the month the asset is available for use while no depreciation is charged in the month in which the asset is disposed off. Depreciation methods, residual values and useful lives of assets are reviewed at each financial year end, and adjusted if impact on depreciation is significant.

The Company has changed its estimate of the useful life of its solar power system, revising the depreciation rate from 10% to 04%. This change in accounting estimate has been applied prospectively in accordance with IAS-8 "Accounting Policies, Changes in Accounting Estimate and Errors".

Had this estimate not been revised, the profit for the year would have decreased by Rs. 28.18 million, and the carrying amount of property, plant and equipment would have decreased by Rs. 28.18 million.

The management of the Company reviews carrying amounts of its assets and cash generating units for possible impairment. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the profit or loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the profit or loss account.

## *Right-of-use assets*

Assets held under lease arrangements are initially recorded at the lower of present value of minimum lease payments under the lease agreements and the fair value of the leased assets. Depreciation on leased assets is charged by applying reducing balance method at the rates used for similar owned assets, so as to depreciate the assets over their estimated useful lives in view of certainty of ownership of assets at end of the lease term.

## *Capital work-in-progress*

Capital work in progress is stated at cost less identified impairment loss, if any. Cost includes the expenditures on material, labour, appropriate directly attributable overheads and includes borrowing cost in respect of qualifying assets as stated in note 4.16. These costs are transferred to operating fixed assets as and when the assets are available for their intended use.

### **4.6 Stores, spare parts and loose tools**

Usable stores and spare parts are valued at lower of weighted average cost and net realizable value, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other directly attributable charges paid thereon up-to the balance sheet date. Provision is made in the financial statements for obsolete and slow moving stores, spare and loose tools based on management's estimate as a result of changes in usage pattern and physical form.

### **4.7 Stock-in-trade**

These are valued at the lower of the weighted average cost and net realizable value except for stock in transit, which is valued at cost comprising invoice value and related expenses incurred thereon up to the balance sheet date.

#### **Cost is determined as follows:**

Raw material	at lower of weighted average cost and net realizable value
Finished goods	at lower of weighted average cost and net realizable value
By products	net realizable value

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

### **4.8 IFRS-9 Financial instruments**

#### **4.8.1 Recognition and initial measurement**

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade debt without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade debt without a significant financing component is initially measured at the transaction price.

#### **4.8.2 Classification and subsequent measurement**

##### **Financial assets**

On initial recognition, a financial asset is classified as measured at Amortized cost, Fair Value Through Other Comprehensive Income (FVOCI), Fair Value Through Profit or Loss (FVTPL) and in case of an equity instrument it is classified as FVOCI or FVTPL.

##### **Amortized cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains / losses and impairment losses are recognized in statement of profit or loss. Any gain or loss on derecognition is recognized in statement of profit or loss.

Financial assets measured at amortized cost comprise of cash and bank balances, long term deposits, trade debts, advance, deposits, prepayments and other receivables.

##### **Debt instrument - FVOCI**

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

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

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss. However, the Company has no such instrument at the reporting date.

## **Equity instrument - FVOCI**

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

These assets are subsequently measured at fair value. Dividends are recognized as income in 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 OCI and these investments are never reclassified to profit or loss. However, the Company has no such instrument at the reporting date.

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

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

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

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss. However, the Company has no such instrument at the reporting date.

## **Financial liabilities**

Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, while the interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

The Company's financial liabilities comprise trade and other payables, long term finances, liabilities against assets subject to finance lease, short term borrowings and accrued mark-up.

### **4.8.3 Derecognition**

#### **Financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

#### **Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in statement of profit or loss.

### **4.8.4 Trade debts, deposits and other receivables**

Trade debts are stated initially at the fair value, subsequent to initial recognition. These are stated at their amortized cost as reduced by appropriate provision for impairment, known impaired receivables are written off, while receivables considered doubtful are fully provided for.

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

### **4.9 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends to either settle on a net basis or realize the asset and settle the liability simultaneously.

## 4.10 Impairment

### Non-Financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

## 4.11 Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows comprise cash in hand, running finance and cash at banks.

## 4.12 Revenue recognition

According to the core principle of IFRS 15, the Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company recognizes revenue in accordance with that core principle by applying the following steps:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract;
- Recognize revenue when the entity satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, and represents the amount receivable for goods supplied. Revenue from the sale of goods is recognized when the Company satisfies a performance obligation (at a point of time) by transferring promised goods to customer being when the goods are invoiced and delivered to customers. This criteria of revenue recognition for its timing and amount is consistent with the previously adopted accounting standard therefore, the management concludes that the adoption of IFRS 15 does not have an impact on the timing and amount of the revenue recognition of the Company.

## 4.13 Interest income

Interest income is recognized as it accrues under the effective interest rate method.

## 4.14 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract. It also includes refund liabilities arising out of customers' right to claim amounts from the Company on account of contractual delays in delivery of performance obligations and incentives on target achievements. The Company's contract liabilities comprise advances from customers.

## 4.15 Foreign currency translations

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated into Pak Rupees at exchange rates prevailing on the statement of financial position date. All exchange differences are charged to the statement of profit or loss.

## 4.16 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

## 4.17 Provisions

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

## 4.18 Related party transactions

The Company enters into transactions with related parties on an arm's length basis except in circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.

## 4.19 Dividend

Dividend to Ordinary shareholders is recognized as a deduction from accumulated profit in the statement of changes in equity and as a liability in the Company's financial statements in the year in which the dividends are approved by the Board of Directors or the Company's shareholders as the case may be.

## 4.20 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

## 4.21 Loan from sponsors

Loan from sponsors is accounted for as per Technical Release 32 "Director's Loan" (TR 32) issued by the Institute of Chartered Accountants of Pakistan ("ICAP"), on 25 January 2016 which provides specific guidance on Director's loans that are interest free and repayable at the discretion of the entity. Loans are accounted for as per clause 3.3.1 of TR 32 which states that *"A loan to an entity by the director which is agreed to be paid at the discretion of the entity does not pass the test of liability and is to be recorded as equity at face value. This is not subsequently re-measured."*

## 4.22 Government grants

Government grants relating to export support are recognized when there is reasonable assurance that entity will comply with the conditions attached to it and grant will be received.

## 4.23 Operating profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Company as well as other income related to operating activities. Operating profit excludes finance costs, other expenses and income taxes.

## 4.24 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the Chief Executive include items directly attributable to a segment as well as those that are allocated on a reasonable basis.

The business segments are engaged in providing products or services which are subject to risks and rewards which differ from the risk and rewards of other segments. Segments reported are sugar, ethanol and top gas & others.

	2025 Rupees	2024 Rupees
<b>5 Share capital</b>		
<b>5.1 Authorized share capital</b>		
120,000,000 (2024: 120,000,000) Ordinary shares of Rs. 10 each	1,200,000,000	1,200,000,000
<b>5.2 Issued, subscribed and paid-up share capital</b>		
117,706,300 (2024: 117,706,300) voting Ordinary shares of Rs. 10 each fully paid in cash	1,177,063,000	1,177,063,000
<b>6 Share premium</b>		
This reserve can be utilized by the Company only for the purposes specified in Section 81(2) and 81(3) of the Companies Act, 2017.		
<b>7 Loan from sponsors - unsecured</b>		
This represents interest free loan amounting to Rs. 3,635 million (2024: Rs. 3,635 million) obtained from the sponsors of the Company and is repayable at the discretion of the Company.		

	Note	2025 Rupees	2024 Rupees
<b>8 Long term finances - secured</b>			
First Credit and Investment Bank Limited	8.1	90,000,000	-
<u>Less: Current portion of non-current liabilities</u>			
First Credit and Investment Bank Limited		-	-
		90,000,000	-

### 8.1 Sanctioned Limit (Rs.) Tenure and basis of Mark-up as per Security

90,000,000 06 equal instalments 3MK plus 300 bps principal repayment Agreement payable at the end of each quarter beginning from April 2027.

This loan is secured against ranking charge on land, building, plant and machinery with 25% margin. To be upgraded to first pari-passu / joint pari-passu within 120 days from the date of disbursement. Personal guarantees of three directors are also provided.

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8.2 During the year 2024 payment amounting to Rs. 571.65 million was made to settle the outstading long term financing amounts. Subsequently only one long term financing facility has been obtained with a grace period of 1.5 years.

		2025 Rupees	2024 Rupees
<b>9 Lease liability</b>	<i>Note</i>		
Lease liability	9.1	385,444,772	435,782,614
Less: Current portion		(97,966,185)	(111,044,115)
Closing balance		<u>287,478,587</u>	<u>324,738,499</u>
<b>9.1 Opening balance</b>		435,782,614	503,675,841
Add: Assets acquired during the year		62,689,361	37,118,000
		<u>498,471,975</u>	<u>540,793,841</u>
Less: Payments / adjustments		(113,027,203)	(105,011,227)
		<u>385,444,772</u>	<u>435,782,614</u>
Less: Current portion	12	(97,966,185)	(111,044,115)
Closing balance		<u>287,478,587</u>	<u>324,738,499</u>

9.1.1 The principal payment due under the lease agreements aggregate to Rs. 385.44 million (2024: Rs. 435.78 million) and are payable in monthly installments under various agreements, latest by November 2029. The present values of minimum lease payments have been discounted at interest rate implicit in the lease, which ranges from 13.86% to 24.02% per annum (2024: 22.43% to 28.49% per annum). All lease agreements carry renewal option at the end of lease period, however, the Company intends to exercise its option to purchase the leased assets upon completion of the respective lease terms. There are no financial restrictions imposed by lessors and the taxes, repairs, replacements and insurance costs are borne by the lessee.

9.2 A reconciliation between the total of future minimum lease payments and their present values at year end is as follows:

	2025		
	Future minimum lease payments	Finance cost for future periods	Present value of future minimum lease payments
<b>Particulars</b>	<b>Rupees</b>		
Not later than one year	112,141,008	14,174,823	97,966,185
Later than one year and not later than five years	297,997,733	10,519,146	287,478,587
	<u>410,138,741</u>	<u>24,693,969</u>	<u>385,444,772</u>

	2024		
	Future minimum lease payments	Finance cost for future periods	Present value of future minimum lease payments
<b>Particulars</b>	<b>Rupees</b>		
Not later than one year	146,486,078	35,471,963	111,044,115
Later than one year and not later than five years	335,241,004	10,472,505	324,738,499
	<u>481,727,082</u>	<u>45,944,468</u>	<u>435,782,614</u>

*Salient features of the leases are as follows:*

	2025	2024
Discount factor (%)	13.86% - 24.02%	22.43% - 28.49%
Term of lease (years)	3 - 5	3 - 5
Security deposits (%)	10% - 30%	10% - 30%

	<i>Note</i>	2025 Rupees	2024 Rupees
<b>10 Deferred liabilities</b>			
Staff retirement benefits - <i>Gratuity</i>	10.1	1,118,174,559	1,030,502,459
Deferred taxation	10.2	-	-
		<u>1,118,174,559</u>	<u>1,030,502,459</u>

## 10.1 Staff retirement benefits - *Gratuity*

The latest actuarial valuation of the Company's defined benefit plan was conducted at September 30, 2025 using Projected Unit Credit Method. Detail of obligation for defined benefit plan is as follows:

	<i>Note</i>	2025 Rupees	2024 Rupees
Present value of defined benefit obligation	10.1.1	1,118,174,559	1,030,502,459
Liability as at 30 September		<u>1,118,174,559</u>	<u>1,030,502,459</u>

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		2025 Rupees	2024 Rupees
<b>10.1.1 Movement in defined benefit obligation</b>	<i>Note</i>		
Present value of defined benefit obligation as at 01 October		1,030,502,459	886,288,209
Current service cost for the year	10.1.3	88,219,429	82,627,850
Interest cost for the year	10.1.3	84,055,464	106,677,625
Benefits paid during the year		(894,196)	(944,806)
Actuarial gain on present value of defined benefit obligation	10.1.2	(83,708,597)	(44,146,419)
Present value of defined benefit obligation as at 30 September		<u>1,118,174,559</u>	<u>1,030,502,459</u>
<b>10.1.2 Changes in actuarial gains</b>	<i>Note</i>		
Opening actuarial gain		-	-
Actuarial gain during the year		83,708,597	44,146,419
Charge to other comprehensive income	10.1.3	(83,708,597)	(44,146,419)
Unrecognized actuarial gains		<u>-</u>	<u>-</u>
<b>10.1.3 Charge for the year</b>			
<u>Statement of Profit or Loss</u>			
Current service cost		88,219,429	82,627,850
Interest cost for the year		84,055,464	106,677,625
Net amount chargeable to profit or loss account		<u>172,274,893</u>	<u>189,305,475</u>
<u>Statement of Other Comprehensive Income</u>			
Actuarial gain on defined benefit obligation		(83,708,597)	(44,146,419)
		<u>88,566,296</u>	<u>145,159,056</u>

	2025 Rupees	2024 Rupees	2023 Rupees	2022 Rupees	2021 Rupees
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## Historical Information

Present value of defined benefit obligations	1,118,174,559	1,030,502,459	886,288,209	776,438,046	657,248,153
Experience adjustment arising on plan liability (gain)/loss	(83,708,597)	(44,146,419)	(29,267,035)	16,932,735	(3,966,387)

<b>10.1.4 Assumptions used for valuation of defined benefit schemes</b>	<b>2025</b>	<b>2024</b>
Discount rate used for interest cost	12.00%	16.75%
Discount rate used for year end obligation	11.75%	12.00%
Expected rates of salary increase in future	10.75%	11.00%
Expected mortality rate	SLIC 2001-2005	SLIC 2001-2005
	Setback 1 Year	Setback 1 Year
Withdrawal Rates	Age-Based	Age-Based
Retirement age	60 years	60 years

## **10.1.5 Expected expense for next year**

The expected gratuity expense for the year ending on September 30, 2026 is estimated at Rs. 153.94 million.

## **10.1.6 The Plan exposes the Company to actuarial risks such as:**

### **Salary risks**

The risk that the final salary at the time of cessation of service is greater than what is assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

### **Mortality / withdrawal risks**

There is also a potential risk that the actual mortality / withdrawal rates are different.

## **10.1.7 Gratuity scheme entitles the members to gratuity upon resignation, termination, early retirement, retrenchment, death and dismissal. Gratuity is based on the last month's basic salary for each year of service.**

## **10.1.8 The average duration of the defined benefit obligation is 5 years.**

## **10.1.9 Sensitivity analysis**

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 100 bps with all other variables held constant, the impact on present value of the defined benefit obligation as at 30 September 2025 would have been as follows:

	<b>Gratuity</b>	
	<b>Impact on present value of defined benefit obligation</b>	
	<b>Increase 100 bps</b>	<b>Decrease 100 bps</b>
	<b>----- Rupees -----</b>	
Discount rate movement	700,099,337	768,585,005
Salary growth rate	769,686,274	698,527,804

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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	Note	2025 Rupees	2024 Rupees
<b>10.2 Deferred taxation</b>			
Deferred tax liability as at September 30, 2025 on taxable temporary differences arising in respect of:			
- Accelerated tax depreciation on operating fixed assets		2,358,957,854	2,561,057,427
- Leased assets - net		189,737,562	174,793,488
Deferred tax asset as at September 30, 2025 on deductible temporary differences arising in respect of:			
- Unused tax losses	10.2.2	(1,716,130,058)	(1,921,636,206)
- Staff retirement benefits		(324,270,622)	(298,845,713)
- Provision for Worker's Profit Participation Fund		(15,961,062)	(29,294,562)
- Provision for Worker's Welfare Fund		(31,860,501)	(25,601,261)
- Minimum tax credits		(460,473,173)	(460,473,173)
		<u>-</u>	<u>-</u>

## 10.2.1 Movement in deferred tax balances is as follows:

As at 01 October

Recognized in Statement of Profit or Loss:

- Accelerated tax depreciation on operating fixed assets
- Leased assets - net
- Unused tax losses
- Staff retirement benefits
- Provision for Worker's Profit Participation Fund
- Provision for Worker's Welfare Fund
- Minimum tax credits

(202,099,573)	73,005,949
14,944,074	(35,028,213)
205,506,148	486,411,487
(49,700,402)	(54,624,594)
13,333,500	3,507,343
(6,259,240)	(25,601,261)
-	(460,473,173)
<b>(24,275,493)</b>	<b>(12,802,462)</b>

Recognized in Statement of Other Comprehensive Income:

- Staff retirement benefits

24,275,493	12,802,462
<u>-</u>	<u>-</u>

**10.2.2** As at 30 September 2025 deferred tax asset amounting to Rs. 447.68 million (2024: Rs. 608.6 million) on unused tax losses and minimum tax credit u/s 113 has not been recognized in these financial statements as sufficient taxable profits are not expected to be probable against which the Company can use benefits therefrom. Management is of the view that recognition of deferred tax asset shall be re-assessed on 30 September 2026.

## 11 Short term borrowings - secured

### Banking & Financial Institutions

*Mark-up based borrowings from conventional banks-secured*

	Sanctioned limit Rupees in millions	Interest rate %	2025 Rupees	2024 Rupees
Cash finance	14,950	21.08 - 26.18	10,629,023,235	11,655,411,019
Running finance	100	22.79 - 25.86	99,502,155	99,502,155
Export re-finance/Finance against packing credit	8,200	3 - 10/14.5 - 19	6,994,400,000	6,714,900,000
			<b>17,722,925,390</b>	<b>18,469,813,174</b>

*Islamic mode of financing: secured*

Bai-Salam

-	-
<b>17,722,925,390</b>	<b>18,469,813,174</b>

**11.1** The Company has availed short term borrowing facilities from various commercial banks under mark-up arrangements having aggregate sanctioned limits of Rs. 23,340 million (2024: Rs. 20,950 million). These facilities are secured through pledge of stock-in-trade, lien on debtors, charge over the present and future current and fixed assets, lien on export documents and personal guarantees of the sponsoring Directors as well as subordination of loan from Directors. The outstanding borrowing pledged against stock-in-trade amounting to Rs. 11,300 million. (2024: Rs. 14,300 million).

	Note	2025 Rupees	2024 Rupees
<b>12 Current portion of non-current liabilities</b>			
Long term finances - conventional loan	8	-	-
Long term finances - islamic loan	8	-	-
Lease liability	9	97,966,185	111,044,115
		<b>97,966,185</b>	<b>111,044,115</b>

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	<i>Note</i>	<b>2025</b>	<b>2024</b>
<b>13 Trade and other payables</b>		<b>Rupees</b>	<b>Rupees</b>
Trade and other creditors - <i>unsecured</i>		529,534,296	948,343,956
Creditors for capital expenditure - <i>unsecured</i>		686,071,088	742,104,488
Advances from customers - <i>local</i>	<i>13.1</i>	680,649,561	1,489,279,486
Retention money payable		11,412,984	11,320,146
Federal Excise Duty and Sales Tax payable		1,509,086,677	320,558,545
Income Tax deducted at source		204,627,663	231,759,995
Workers' Profit Participation Fund	<i>13.2</i>	55,038,145	101,015,731
Workers' Welfare Fund	<i>13.3</i>	109,863,798	88,280,212
Accrued liabilities		113,100,504	54,791,349
Other liabilities		1,124,890,559	1,547,633,196
		<b>5,024,275,275</b>	<b>5,535,087,104</b>
<b>13.1</b> This includes Rs. 158.13 million received from Trading Corporation of Pakistan ("TCP") against sale of sugar. In the year 2009, the Food Directorate of the Government, in conjunction with the law enforcement agencies lifted and sold TCP sugar stocks, despite protest from the Company. This lifting of the sugar stocks by Government constituted an event of force majeure under clause 12 of terms of tenders and the tenders would, therefore, be discharged due to frustration of the contract. Accordingly, the management, based on the legal opinion, is of the view that the Company after the event of force majeure is not required to make delivery of sugar to TCP and no penalties or incidental charges will arise on non-performance of the contract. Further, the Company agreed to settle the remaining amount to TCP subject to reconciliation of quantity forcibly lifted by TCP which to-date is pending.			
<b>13.2 Workers' Profit Participation Fund</b>			
	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>Rupees</b>	<b>Rupees</b>
Balance as at 01 October		101,015,731	113,110,016
Provision for the year	<i>30</i>	55,038,145	101,015,731
Mark-up on Workers' Profit Participation Fund		-	-
Payments made during the year		(101,015,731)	(113,110,016)
		<b>55,038,145</b>	<b>101,015,731</b>
<b>13.3 Workers' Welfare Fund</b>			
		<b>2025</b>	<b>2024</b>
		<b>Rupees</b>	<b>Rupees</b>
Balance as at 01 October		88,280,212	-
Provision for the year	<i>30</i>	21,583,586	88,280,212
Payments made during the year		-	-
		<b>109,863,798</b>	<b>88,280,212</b>
<b>14 Mark-up accrued</b>			
		<b>2025</b>	<b>2024</b>
		<b>Rupees</b>	<b>Rupees</b>
<i>Mark-up on borrowings from conventional banks:</i>			
Long term loans - <i>secured</i>		34,693	-
Short term borrowings - <i>secured</i>		706,776,051	823,224,826
		<b>706,810,744</b>	<b>823,224,826</b>
<b>15 Provision for taxation</b>			
	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>Rupees</b>	<b>Rupees</b>
Balance at beginning of the year		1,552,132,097	790,976,460
Add: Provision for the year	<i>31</i>	559,885,282	761,155,637
		<b>2,112,017,379</b>	<b>1,552,132,097</b>
Less: Adjustments		(1,284,641,060)	-
Balance at the end of the year		<b>827,376,319</b>	<b>1,552,132,097</b>

## 16 Contingencies and commitments

### 16.1 Contingencies

- 16.1.1** The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 levied a charge of Rs. 2 per litre on manufacturing of spirit (Ethanol) on 03 July 2012. The management filed Writ Petitions no. 18347/2012 and 33334/2014 against the above levy in the Honourable Lahore High Court ("the Court"). The Court, vide order dated 15 July 2016, dismissed the aforementioned Writ Petitions.

Thereafter, the Company filed an Intra Court Appeal No. 1219/2016, of the same title, against the aforementioned order of the Court. This Intra Court Appeal was dismissed vide order dated 10 October 2017 on the technical ground of maintainability. The Court stated in the aforementioned order that the remedy of Intra Court Appeal did not lie against the Order dated 15 July 2016, and, therefore, dismissed the appeal. However, an Honourable Division Bench of the Court vide Order dated 10 August 2016, directed the Company along with other petitioners to deposit the excise duty payable under the impugned notification with the Deputy Registrar (Judicial), Lahore High Court, and restrained the respondents from collecting the same from the Company. The same interim order holds the field till date. Till date the Company has deposited Rs. 291 million with the Deputed Registrar (Judicial), Lahore High Court which is disclosed in note 23 to the financial statements.

The Company then filed CPLA No. 4330/2017 against the Order dated 10 October 2017. The Honourable Supreme Court of Pakistan has set aside the Order dated 10 October 2017, and remanded the matter back to the Court for decision on merits vide order dated 20 November 2017. However, no date for hearing has been fixed till date against the above

Based on the opinion of the Company's legal counsel, the management is confident of favourable outcome regarding this case, hence, no provision has been recognized in these financial statements.

- 16.1.2** The learned DCIR, through an order dated May 4, 2023, directed the recovery of advance tax amounting to Rs. 79,026,739/- . Aggrieved by this order, the taxpayer filed an appeal before CIR(A), which was heard on December 19, 2023. The CIR(A) issued its order on January 18, 2024, confirming the demand. Dissatisfied with the decision, the taxpayer filed an appeal before ATIR, which, in its order dated March 20, 2024, upheld the demand. Consequently, the taxpayer filed a reference before the Lahore High Court. This demand is expected to automatically settle upon the filing of the return for the Tax Year 2024. The Income Tax Reference was preferred by the Company against the Appellate Order passed by ATIR in ITA No. 779/LB/2024, where ATIR dismissed the Company's appeal for Tax Year 2024 and confirmed the Orders passed by CIR(A) and DCIR, rejecting the estimation of Advance Tax Liability filed under Section 147(6) of the Income Tax Ordinance, 2001, and directing the payment of Rs. 79,026,739/- for the March Quarter of 2023. The Income Tax Reference was listed for preliminary hearing on May 30, 2024, where notice was issued to the department, and recovery proceedings were suspended subject to the furnishing of a bank guarantee for the disputed amount. The last hearing for this Income Tax Reference was scheduled for October 2, 2024, but was adjourned, with no further date of hearing communicated to date.
- 16.1.3** Tax Credit u/s 65B amounting to Rs. 2,505,506/- on plant and machinery has been disallowed by the learned DCIR. Taxpayer being aggrieved filed an appeal before CIR Appeals. The same has decided in favour of the taxpayer. Further, the department has filed Appeal before ATIR, which was heard on 08-04-2021 and passed order having ITA no. 2491 & 2132/LB/2013 dated 1-06-2021 whereby the decision of CIR (A) was upheld by ATIR. Being aggrieved with the decision of ATIR, company filed a writ petition having number WP 68259/2019 and hearing of the same is pending for listing before Honourable Lahore High Court. Management is confident of a favourable outcome in this regard. The said writ petition was transferred to the learned division bench, who vide order dated January 21, 2020 directed the company to file manual income tax return for the tax year 2019. The writ petition was last fixed for hearing on March 15, 2022; however, due to non-availability of the counsel for the respondent department, the same was ordered to be re-listed for a date in office. No
- 16.1.4** The Learned DCIR started proceedings u/s 177 and made additions under various heads amounting to Rs. 664,275,802/- through order u/s 122(1) dated 12-12-2017. Resultantly loss of the Company has been decreased by the same amount. The taxpayer filed an appeal before CIR (A) against the said additions which was decided vide order no. 18-A/V dated 09-02-2021. The same has been decided in the favour of department. Furthermore, the taxpayer being aggrieved has filed Appeal before ATIR on 07-04-2021. Hearing of the same is still pending, and favourable outcome is expected.

- 16.1.5** The learned DCIR initiated proceedings u/s 8(1) of the Sales Tax Act, 1990 where he disallowed input tax of Rs. 14,384,754/- on account of claim in violation of section 8 vide order bearing no. C.No.LTO/ST/E&C-16/DRRA/2020/-2021/5273 dated 15-09-2021. The RP filed an appeal before CIR (A) which was heard on 16-02-2022 in which the learned CIR (A) has set aside the proceeding with the direction that re-assessment of case has to be made vide order bearing no. 09/A/V dated 04-03-2022. The learned DCIR issued reminder notice dated 04.03.2022 in response to which RP duly replied. But Unfortunately without considering the reply, the learned DCIR issued order u/s 11(2) in which learned DCIR again disallowed input tax amounting to Rs. 14,384,754/- Being aggrieved with said order RP filed an appeal before CIR(A). The same has been heard and favourable outcome is expected.
- 16.1.6** The Learned DCIR issued Show cause notice (SCN) dated 21-05-2021 wherein DCIR has confronted the difference in sales and bank credits amounting to Rs. 24,806,408,432/-. The said SCN was challenged in High Court who was granted stay in ICA No.39649/2021 dated 22-06-2021. However, the learned DCIR issued order which was served on 22-06-2021. However, DCIR was not aware of stay issued order in which the additions made of Rs. 22,897,630,561/- and created demand of Rs. 6,860,328,513/-. The said demand has been stayed by High Court (HC) vide order dated 04-11-2021 in the C.M no 4/2021. The taxpayer filed an appeal before CIR (A) against the said demand in which CIR (A) stated that the decision of CIR (A) remains reliant on final decision of High court vide order barcode no.10000115208904 dated 23-12-2021. Furthermore; the taxpayer being aggrieved has filed Appeal before Appellate Tribunal Inland Revenue (ATIR) against the said order of Learned CIR (A) on 31-01-2022 which is pending adjudication. The intra-court appeal stands withdrawn as per order of the Honourable Lahore High Court dated 19-10-2023. The main appeal along-with stay application before ATIR was heard on 19-12-2023. The stay against demand was granted and main appeal was heard in which ATIR order dated 24/01/24 annulled the demand.
- 16.1.7** The learned DCIR initiated proceedings u/s 33(5) and 33(1) of the Sales Tax Act, 1990 where he imposed penalty of Rs. 1,257,357/- on account of late filing of sales tax return vide order bearing no. C.No.LTU/ST/E&C-16/Min/Tandlianwala/2021/5053 dated 09-09-2021. The RP filed an appeal before CIR (A) which was heard on 15-10-2021 in which the learned CIR (A) confirmed the order of DCIR vide order bearing no. 08/A/V dated 04-03-2022. The RP being aggrieved filed an appeal before honourable ATIR on 01-04-2022, which is pending for hearing. The Management is hopeful for favourable outcome.
- 16.1.8** The learned DCIR initiated proceedings u/s 8(1) of the sales Tax Act, 1990 where he disallowed input tax of Rs 30,714,393/- on account of claim in violation of section 8 along with penalty of Rs 1,535,720/- u/s 33 vide order bearing no C.No.LTO/Enf-16/ST/8(2)/18217 dated 20-04-2022. The RP filed an appeal before CIR (A) which was heard on 06-06-2022 in which the learned CIR (A) has set aside the proceeding with the direction that re-assessment of case has to be made vide order bearing no 10/A-V dated 10-06-2022. The learned DCIR finalized the re-assessment proceedings vide order having reference No. LTO /Unit-27/ST/8(1)/582 dated 15.06.2023 in which DCIR again disallowed input tax amounting to Rs. 24,680,164/- Being aggrieved with said order RP filed an appeal before CIR(A). The CIR (A) made the decision in favour of RP regarding allowance of input tax claim of Rs. 18,928,876/- against the acquisition of Pipes of Iron & Fittings while confirmed the learned DCIR decision regarding the remaining input tax claim of Rs. 5,751,288/-. The hearing of this case is not fixed.
- 16.1.9** The learned OIR finalized the proceedings by making addition of Rs 310,704,739 on account of Export Rebate and BMR tax credit impact of the same is Rs 123,703,716/-. Being aggrieved with the order, the tax payer filed an appeal before CIR (A). The commissioner (Appeals) vide order dated 05-01-2021 deleted the addition made by the officer inland revenue (OIR). The department being aggrieved with the order of CIR (A) filed an appeal before ATIR but the same has not been fixed for hearing. Management is confident of a favourable outcome in this regard.
- 16.1.10** The Company has filed a Writ Petition No. 67781/2022 in the Lahore High Court to challenge the validity of Super Tax imposed by the FBR under Section 4C of the Income Tax Ordinance, 2001. The Honourable Court has granted interim relief to the Company to file Income Tax Return for the Tax Year 2022 excluding the tax under section 4C of the Ordinance; subject to deposit of post dated cheques of the differential amount liable to be deposited under section 4C. However, it has been directed on the request of the Petitioner that the cheques shall be encashed on the direction of the Court or subject to decision in this and connected petitions. The said interim relief was challenged by the Commissioner Inland Revenue vide C.P 3508-I/2022 before August Supreme Court of Pakistan (SCP). The SCP disposed off the civil petition, directing the taxpayer to deposit 50% of Super Tax Liability under protest after adjustment of refunds (if any).

- 16.1.11** The writ petition was later fixed for hearing before Honourable Lahore High Court whom vide its judgement date June 27,2023 allowed the Writ petition partially to the extent that the First Proviso to Division IIB of Part-I of the First Schedule to the Ordinance was declared to be discriminatory; hence, ultra-vires to the constitution whereas rest of prayer i.e., imposition/levy of Super tax retrospectively on the doctrine of past & closed transactions were dismissed. Being aggrieved with the above order, cross Intra Court Appeal before Honourable Lahore High court is filed by both parties i.e. Company and FBR. The learned Division bench of the honourable Lahore High Court at Lahore vide Order/Judgment dated June 04, 2024 allowed the Intra Court Appeal filed by the Company on the issue of imposition/levy of Super Tax retrospectively for the Tax Year-2022 whereas dismissed the Intra Court Appeal filed by the Department on the issue of strike down the first provision to Division IIB of Part-I of the First Schedule to the Income Tax Ordinance, 2001 being ultra-vires to the Constitution.
- 16.1.12** The learned DCIR initiated proceedings u/s 11(1)/26(1) of the Sales Tax Act, 1990 where he imposed the penalty of Rs. 50,238,011/- u/s 33 on account of late filing of sales tax returns along with default surcharge of Rs. 11,537,956/- u/s 34(1) vide order bearing no. ST/14 dated 27-07-2023. The RP being aggrieved has filed an appeal before CIR (A) on 27-07-2023 against the said order. The CIR (A) confirmed the demand created by the DCIR vide order no 22-A/V dated 25-09-2023. Being aggrieved with the order of CIR (A), the RP filed an appeal before the honourable ATIR, which is pending for adjudication. Based on tax advisor's opinion, relief from penalty is anticipated, while the default surcharge of Rs. 11,537,956 is paid.
- 16.1.13** The Learned Addl. CIR started proceedings u/s 122(5A) and reduced the refundable income tax amounting to Rs. 298,575,615/- through order u/s 122(5A) dated 26-06-2025. Being aggrieved by the order of Addl.CIR, taxpayer has filed an Appeal before CIR(Appeals) on 25-07-2025. Hearing of the same is still pending, and favourable outcome is expected.
- 16.1.14** The Learned Addl. CIR started proceedings u/s 122(5A) and make additions under multiple heads and created a tax demand amounting to Rs. 82,451,175/- through order u/s 122(5A) dated 14-10-2025. Being aggrieved by the order of Addl.CIR, taxpayer has filed an Appeal before CIR(Appeals) on 11-11-2025. Hearing of the same is still pending, and favourable outcome is expected.
- 16.1.15** The learned DCIR initiated proceedings u/s 11(2) & 11(4A) of the Sales Tax Act, 1990 on account of non payment of sales tax payable amounting to Rs. 282,148/- and sales tax withheld payable amounting to Rs. 4,428,921/- and also imposed penalty and default surcharge u/s 33(5) & 34 respectively on it. The RP being aggrieved with the decision of the DCIR filed an appeal before CIR(A) which is pending for hearing, the learned CIR (A) annulled the order of DCIR and case was decided in taxpayer's favor.
- 16.1.16** The learned DCIR initiated proceedings under Section 8(1) of the Sales Tax Act, 1990, disallowing input tax credit of Rs. 7,393,346/- on cement and Rs. 6,991,408/- on wire and cable, citing violations of Section 8. This was reflected in order C.No. LTO/ST/E&C-16/DRRA/2020/-2021/5273 dated 15-09-2021. The RP filed an appeal before the CIR (A), which was heard on 16-02-2022. The learned CIR (A) set aside the proceedings with directions for reassessment of the case through order No. 09/A/V dated 04-03-2022.
- 16.1.17** Subsequently, the learned DCIR issued a reminder notice dated 04-03-2022, to which the RP responded via letter No. ST/2022-2023/125 dated 02-11-2022. However, without considering the RP's response, the learned DCIR issued an order under Section 11(2), again disallowing input tax credit totalling Rs. 14,384,754/-. Aggrieved by this order, the RP filed an appeal before the CIR (A), who confirmed the demand created by the DCIR through order No. 15/A dated 13-10-2023. The RP is likely to pay Rs. 7,393,346/- related to the disallowance of input tax credit on cement. For the disallowance concerning wire and cable of Rs. 6,991,408, the RP has filed an appeal before the ATIR, which is yet to be fixed for hearing.
- 16.1.18** The learned DCIR initiated proceedings under Section 8(1) of the Sales Tax Act, 1990, disallowing input tax credit as follows: Rs. 2,759,824 on account of copper wire and cable, Rs. 1,886,019 on elbow and flanges, Rs. 1,810,618 on paint, Rs. 1,093,940 on iron and steel articles, and Rs. 903,060 on copper wire and cable, citing violations of Section 8. This action was formalized in order C.No. LTO/ST/Unit-27/DRRA/917 dated 28-11-2023. Aggrieved by the order, the RP filed an appeal before the CIR (A), who, through an order dated 19-02-2024, deleted an amount of Rs. 2,118,999 but upheld a demand of Rs. 6,334,462. The RP is likely to pay Rs. 2,718,678 related to the disallowance of input tax credit on copper wire and cable and paint. For the remaining disallowed input tax credits, the RP filed an appeal before the ATIR on 13-05-2024, which is yet to be fixed for hearing.
- 16.1.19** The aforesaid Income Tax Reference was preferred by the Commissioner Inland Revenue, Zone-V, LTO, Lahore against the Appellate Order dated January 24, 2024, passed by the Learned Appellate Tribunal Inland Revenue, Lahore Bench, Lahore (ATIR) in ITA No.529/LB/2022. The ATIR allowed appeal filed by the Company's appeal for Tax Year-2015 on legal grounds that the Company is not required to maintain the record/books of accounts beyond the period of six years after the end of the tax year to which they relate. The said Income Tax Reference was listed for hearing on June 26, 2024; however, due to non-availability of the Learned Division Bench, the same was re-listed for a date in office. No further hearing date has

been intimated till date.

- 16.1.20** The Income Tax Affairs for the Tax Year-2016 were selected for audit u/s 177(1) of the Ordinance by the concerned Commissioner Inland Revenue without assigning any cogent reasons/grounds and irregularities germinating from the records of the Company. The very selection of case for audit of Income Tax Affairs for the Tax Year-2016 and all subsequent proceedings initiated thereafter challenged in the Constitutional Jurisdiction of the honourable Lahore High Court at Lahore vide Writ Petition # 70459/2021. The said Writ Petition was listed for hearing on November 12, 2021, before Mr. Justice Shahid Jamil Khan. The Learned Single Judge after hearing the preliminary arguments of the parties, was pleased to issue Notices to the Respondent Department with the direction that no final order be passed against the Company till the next date of hearing. The writ petition was last fixed for hearing on April 16, 2024. After preliminary arguments, same were ordered to re-listed for a date in office. No further date of hearing has been communicated till date.
- 16.1.21** The Additional Commissioner Inland Revenue, Audit-II, LTO, Lahore initiated proceedings under the garb of Section 122(9) read with Sections 122(5A) and 111(1)(a) and (c) of the Ordinance vide Notices (issued online) dated June 09, 2021 for the Tax Year - 2015. The said Notices were also challenged in the Constitutional Jurisdiction of the honourable Lahore High Court at Lahore vide Writ Petition # 40859/2021. The said Writ Petition was listed for hearing on June 2021 before the Learned Single Judge of Mr. Justice Jawad Hassan. The Learned Single Judge in Chamber, after hearing the preliminary arguments of the parties, was pleased to direct the Respondents to not take any coercive measures till the next date of hearing. The said Writ Petition was last fixed for hearing on June 08, 2022; however, due to non-availability of the Learned Single Judge at Principal Seat, the same was ordered to be re-listed for a date in office. No date of hearing has been communicated till date.
- 16.1.22** The Deputy Commissioner Inland Revenue, Enforcement & Collection Unit-16, Enforcement Zone, LTO, Lahore issued Notice u/s 176(1) of the Ordinance dated August 25, 2021 to call information which is general in nature in respect of all buyers to whom sales (of any kind or goods) were made during the Financial Years i.e. October-2016 to September-2017; October-2017 to September-2018; October-2018 to September-2019 and October-2019 to September-2020 without identifying any reason/ground for calling such information/details. The Company through Authorized Representative vide letter dated August 30, 2021 raised various objections with regard to assumption of jurisdiction u/s 176 of the Ordinance; calling of numerous details without any identification for multiple Financial Years and also moved a query before the DCIR so as to confirm the basis of issuance of such Notice. The DCIR, on September 02, 2021, without considering the essence of reply so filed by the Company again issued Notice u/s 176(1) of the Ordinance along with Show Cause Notice u/s 182(2) so as to impose penalty for the alleged non-compliance to the Notice issued u/s 176(1) of the Ordinance. The said Notices were challenged in the Constitutional Jurisdiction of the honourable Lahore High Court at Lahore vide Writ Petition # 52799/2021. The said Writ Petition was listed for hearing on September 06, 2021 before Mr. Justice Shahid Jamil Khan. The Learned Single judge after hearing the preliminary arguments of the parties, was pleased to issue notices to the Respondent Department with the direction that no final order be passed against the Company till the next date of hearing. The said Writ Petition was separated from the bunch of audit cases on October 24, 2023 and was listed for hearing on April 22, 2024 before Mr. Justice Muzamil Akhtar Shabir; however, due to non-availability of the Learned Single Bench, the same was re-listed for a date in office. No further date of hearing has been intimated till date.
- 16.1.23** The aforesaid Writ Petition was filed against the denial of Tax Credit u/s 65B(1) of the Ordinance for the Tax Year - 2020 on Non-Equity Investment in Plant and Machinery in terms of amendment made in cut off date as provided in Section 65B(2) of the Ordinance, even to investments in Plant and Machinery that already stood purchased and installed on or before June 30, 2019. The said Writ Petition was fixed for hearing before the Learned Division Bench on December 28, 2020. On the said date pre-admission Notice was issued to the department for filing of report and para-wise comments with the direction to extend the date of filing of Income Tax Return for the Year - 2020 till 31-01-2021, if the Petitioner approaches the concerned Commissioner Inland Revenue through an application. The Writ Petition was last fixed for hearing on March 15, 2022; however, non-availability of the counsel for the respondent department, the same was ordered to be re-listed for a date in office. No further date of hearing has been communicated till date.
- 16.1.24** Commission of Inquiry was constituted by the Federal Government, through the Notification on March 16, 2020 u/s 3 of the Pakistan Commission of Inquiry Act, 2017 (Act 2017) to "probe increase in sugar prices". On the basis of the report submitted by the Commission of Inquiry; Income Tax / Sales Tax Affairs of all sugar mills including the Company for the Tax Years - 2017; 2018 & 2019 and its corresponding Tax Periods (October-2015 to September-2018) were selected for audit u/s 177(1) of the Ordinance and u/s 25 of the Sales Tax Act, 1990 (Act) respectively without assigning any cogent reasons / grounds and irregularities germinating from the records of the Company. The very selection of case for audit of the Income Tax Affairs for the Tax Years-2017; 2018 & 2019 and Sales Tax Affairs for the Tax Periods October-2015 September-2018 and all subsequent proceedings initiated thereafter were challenged in the Constitutional Jurisdiction of the honourable Lahore High Court, Lahore vide Writ Petition Nos. 62342/2020 and 62344/2020. Court. The said Writ Petitions

were listed for hearing on December 07, 2020 before the Learned Division Bench of Mr. Justice Shahid Karim and Mr. Justice Muhammad Sajid Mehmood Sethi. The Learned Division Bench, after hearing the preliminary arguments of the parties, was pleased to issue Notice to the respondent department with the direction that no final order be passed against the Company till the next date of hearing (both in Income Tax and Sales Tax Audit). The said Writ petition were last fixed for hearing on April 16, 2024. After preliminary arguments, the same were ordered to be re-listed for a date in office. No further date of hearing has been communicated till date. It is pertinent to state here that Writ Petitions/ICAs filed on identical facts/issues have already been decided by the Learned Division Bench of the honourable Lahore High Court, Lahore vide Judgment dated April 27, 2022 whereby Income Tax and Sales Tax audit proceedings initiated on the basis of directives issued by the FBR are declared to be without lawful authority and of no legal effect. In our view, the aforesaid Writ Petitions are likely to be disposed off in light of the said Judgment as and when listed for hearing.

## Commitments

- 16.2.1 Commitments in respect of imports contracted but not incurred at year end amounted to approximately Rs. Nil (2024: Rs. Nil).
- 16.2.2 The Company has given a bank guarantee with 100% cash margin of Rs. 2 million (2024: Rs. 2 million) to the Excise and Taxation Department for the export of Ethanol.

### 17.1 Operating fixed assets

Owned

### Right-of-use Assets

Vehicles	81,144,426	1,213,392	-	82,357,818	20	19,580,012	12,555,561	-	32,135,573	50,222,245
Plant and machinery	1,393,553,969	62,683,361	-	1,456,243,330	5	416,599,602	50,153,747	-	466,753,349	989,489,981
	1,474,698,395	63,902,753	-	1,538,601,148		436,179,614	62,709,308	-	498,888,922	1,039,712,226
	23,988,098,558	161,436,517	-	24,149,535,075		9,575,262,490	738,895,908	-	10,314,158,398	13,835,376,677

17.1.1.1 The depreciation charge for the year has been allocated as follows:

#### 17.1.2 Disposal of property, plant and equipment

There were no disposals made during the year (2024: Nil).

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	2025 Rupees	2024 Rupees
<b>17.2 Capital work-in-progress</b>		
<i>Owned</i>		
Civil works	59,307,004	58,212,073
Plant and machinery	3,794,793	3,106,740
Others	1,945,136	1,782,984
	<b>65,046,933</b>	<b>63,101,797</b>

17.2.1 Throughout the year, there is only movement of Rs. 1.95 million (2024: 7.60 million) in the Capital Work in Progress (CWIP) account.

	Note	2025 Rupees	2024 Rupees
<b>18 Long term deposits</b>			
Deposits against leased assets		250,796,082	241,463,039
Others	18.1	174,354,216	101,739,883
		<b>425,150,298</b>	<b>343,202,922</b>

18.1 These mainly comprise of security margins of Rs. 163.85 million (2024: Rs. 91.3 million) deposited against financing facilities.

	2025 Rupees	2024 Rupees
<b>19 Stores, spare parts and loose tools</b>		
Stores and spare parts	2,387,845,548	2,037,806,550
Oil and lubricants	43,301,312	40,453,637
	<b>2,431,146,860</b>	<b>2,078,260,187</b>

	2025 Rupees	2024 Rupees
<b>20 Stock-in-trade</b>		
Raw materials	2,525,283,600	2,546,100,000
Finished goods	9,053,921,427	10,570,954,810
	<b>11,579,205,027</b>	<b>13,117,054,810</b>

## 21 Trade debts - considered good

These include amount due from Lotte Akhtar Beverages (Pvt.) Limited, an associated company, against the sale of Top Gas amounting to Rs. 1.18 million (2024: Rs. 12.4 million) in the normal course of business. Maximum aggregate outstanding balance at any time during the year amounts to Rs. 13.42 million (2024: Rs. 5.10 million).

	Note	2025 Rupees	2024 Rupees
<b>22 Advances, deposits, prepayments and other receivables</b>			
Advances to sugar cane growers - <i>unsecured, considered good</i>	22.6	2,517,873,330	1,748,564,350
Advances to suppliers and contractors - <i>unsecured, considered good</i>	22.1 & 22.6	8,082,758,370	7,013,368,652
Advances to staff - <i>unsecured, considered good</i> :		-	-
- against expenses		39,891,682	10,907,384
- against salaries	22.2	62,503,230	4,977,706
Advances against letter of credit		4,320,087	37,971,245
Pre-payments		12,978,275	31,804,912
Inland export subsidy	22.3	133,187,750	133,187,750
Export support on sugar	22.4	586,491,010	586,491,010
Deposits with the Deputy Registrar (Judicial), Lahore High Court		291,220,809	291,220,809
Other receivables		45,837,893	370,475,679
		<b>11,777,062,436</b>	<b>10,228,969,497</b>
Less: Expected credit loss	22.5 & 22.6	(300,965,047)	-
		<b>11,476,097,389</b>	<b>10,228,969,497</b>

22.1 This represents unsecured interest free advances to contractors and suppliers for normal repair and maintenance.

22.2 This includes amount receivable from executives of the Company, amounting to Rs. 9.39 million (2024: Rs. 2.32 million) respectively.

22.3 This represents inland export subsidy provided to exporters of sugar in the year 2013 and 2014 at the rate of Rs. 1.75 and Rs. 1.00 per kg of sugar exported through SRO 7(2)/2012-E-III (Vol-IV) dated September 30, 2013.

22.4 This represents export support on sugar provided to exporters during the financial year 2017-18 with inland freight support amounting to Rs. 553 million at Rs. 10.7 per kg pursuant to Letter No. F. No. 7(2)/2012-Exp.III issued by the Ministry of Commerce under directions of Government of Pakistan dated October 03, 2017.

## 22.5 Expected credit loss

Opening balance		-	-
Charge for the year	22	(300,965,047)	-
Closing balance		<b>(300,965,047)</b>	-

22.6 The expected credit loss has booked against the advances to sugar cane growers & advances to suppliers and contractors.

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23	Cash and bank balances	Note	2025 Rupees	2024 Rupees
	Cash in hand		858,114	2,182,787
	Cash at bank - local currency			
	- Current accounts		89,556,548	126,512,807
	- Saving accounts	23.1	23,414,603	130,180,764
			<b>112,971,151</b>	<b>256,693,571</b>
			<b>113,829,265</b>	<b>258,876,358</b>

23.1 The balances in saving accounts carry mark-up ranging from 9.5% to 18.5% per annum (2024: 20% to 21% per annum).

24	Sales - net	Note	2025 Rupees	2024 Rupees
	Local:			
	Sugar		32,916,421,776	28,874,456,155
	Ethanol		157,451,454	281,367,461
	Top Gas & others	24.1	346,501,568	448,509,182
			<b>33,420,374,798</b>	<b>29,604,332,798</b>
	Export:			
	Sugar	24.2	5,109,215,330	955,827,524
	Ethanol		7,049,545,905	12,255,559,965
			<b>12,158,761,235</b>	<b>13,211,387,489</b>
			<b>45,579,136,033</b>	<b>42,815,720,287</b>
	Less:			
	Sales tax		<b>(5,099,060,507)</b>	<b>(4,504,143,994)</b>
			<b>40,480,075,526</b>	<b>38,311,576,293</b>

24.1 These include sale to Lotte Akhtar Beverages (Pvt.) Limited, an associated company, of Top Gas amounting to Rs. 47.1 million (2024: Rs. 34.1 million).

24.2 During the year sugar was exported as per the quota allocated by SBP.

25	Cost of sales	Note	2025 Rupees	2024 Rupees
	Raw material consumed		29,920,740,446	37,039,373,867
	Salaries, wages and other benefits	25.1	934,982,301	966,844,136
	Depreciation	17.1.1	710,392,408	755,963,623
	Stores and spare parts consumed		763,966,951	836,902,204
	Fuel and power		177,190,194	214,512,009
	Repair and maintenance		286,300,574	221,210,856
	Vehicle running expenses		36,075,915	44,444,676
	Insurance		58,534,661	63,896,374
	Other expenses		26,653,645	25,958,641
			<b>32,914,837,095</b>	<b>40,169,106,386</b>
	Add: Opening stock			
	- Raw material		2,546,100,000	1,940,460,778
	- Finished goods		10,570,954,810	3,190,942,031
			<b>46,031,891,905</b>	<b>45,300,509,195</b>
	Less: Closing stock			
	- Raw material	20	(2,525,283,600)	(2,546,100,000)
	- Finished goods	20	(9,053,921,427)	(10,570,954,810)
			<b>34,452,686,878</b>	<b>32,183,454,385</b>

25.1 Salaries, wages and other benefits include Rs. 122.09 million (2024: Rs. 130.62 million) in respect of staff retirement benefits.

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	Note	2025 Rupees	2024 Rupees
<b>26 Administrative expenses</b>			
Salaries, wages and other benefits	26.1	443,894,396	441,590,218
Rent, rates and taxes		8,102,622	7,307,379
Depreciation	17.1.1	28,503,500	32,347,545
Utilities expenses		4,954,732	3,405,588
Printing and stationery		10,401,479	16,081,632
Insurance		4,282,103	4,062,731
Postage, telephone and telegrams		11,828,104	10,757,241
Repair and maintenance		5,641,241	6,394,222
Travelling and conveyance		115,614,616	112,575,777
Subscription, books and periodicals		6,654,066	7,882,438
Legal and professional charges		7,813,079	10,123,592
Auditor's remuneration	26.2	15,136,750	16,662,000
Entertainment		15,278,650	19,123,167
Other expenses		23,131,695	83,870,077
Expected credit loss		300,965,047	-
		<b>1,002,202,080</b>	<b>772,183,607</b>

26.1 Salaries, wages and other benefits include Rs. 50.18 million (2024: Rs. 58.68 million) in respect of staff retirement benefits.

	2025 Rupees	2024 Rupees
<b>26.2 Auditor's remuneration</b>		
Audit fee	5,808,000	5,280,000
Half yearly review	1,995,000	1,837,500
Certifications	1,365,000	675,000
Others	5,968,750	8,869,500
	<b>15,136,750</b>	<b>16,662,000</b>

	Note	2025 Rupees	2024 Rupees
<b>27 Distribution expenses</b>			
Handling and distribution		164,375,898	143,857,658
Transportation		197,934,355	201,594,812
Sugar stacking charges		36,045,555	42,185,310
Others	27.1	6,628,225	6,898,610
		<b>404,984,033</b>	<b>394,536,390</b>

27.1 This includes salaries paid to Excise Department Staff present at the Company's premises to monitor the distribution of Ethanol.

	Note	2025 Rupees	2024 Rupees
<b>28 Other income</b>			
<u>Income from financial assets</u>			
Profit on saving accounts		5,669,574	118,290,409
<u>Income from non-financial assets</u>			
Foreign exchange gain/(loss)		(1,535,644)	13,841,497
Write-off of creditors' balances	28.1	-	533,938,733
Miscellaneous income		841,919	159,372
Reversal of liability	28.2	78,713,501	-
		<b>83,689,350</b>	<b>666,230,011</b>

28.1 This represents long outstanding creditors' balances written off during the year.

28.2 This represent reversal of excess sales tax booked in previous years.

	2025 Rupees	2024 Rupees
<b>29 Finance cost</b>		
<u>Mark-up based loans from conventional banks</u>		
- Long term finances - secured	3,244,611	45,339,365
- Short term borrowings - secured	3,580,370,253	3,490,271,826
- Mark-up on lease liability	30,300,716	64,379,824
	<b>3,613,915,580</b>	<b>3,599,991,015</b>
<u>Islamic mode of financing</u>		
- Long term finances - secured	-	189,219
	-	<b>189,219</b>
Bank charges	3,220,703	4,108,985
Other charges	7,576,298	3,028,077
	<b>10,797,001</b>	<b>7,137,062</b>
	<b>3,624,712,581</b>	<b>3,607,317,296</b>

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30 Other expenses	Note	Rupees	Rupees
Workers' Profit Participation Fund	13.2	55,038,145	101,015,731
Workers' Welfare Fund	13.3	21,583,586	88,280,212
		<b>76,621,731</b>	<b>189,295,943</b>
31 Taxation and levy	Note	2025 Rupees	2024 Rupees
Income tax			
- Current	31.2 & 31.3	559,885,282	761,155,637
- Prior period		(242,767,759)	-
- Deferred tax	10.2.1	(24,275,493)	(12,802,462)
Tax expense including levy		<b>292,842,030</b>	<b>748,353,175</b>
Levy		<b>(204,141,260)</b>	-
Tax expense excluding levy		<b>88,700,770</b>	<b>748,353,175</b>

## 31.1 Tax Charge Reconciliation

A numerical reconciliation between tax expense and the product of accounting profit multiplied by tax rate.

	2025 Rupees	2024 Rupees
<b>Accounting Profit</b>	<b>1,002,557,573</b>	<b>1,831,018,683</b>
Tax at the applicable rate of 29%	290,741,696	631,701,446
Tax for the prior year	(242,767,759)	-
Tax effect of change in super tax	146,976,873	18,347,666
Inadmissible expense	111,215,741	312,204,243
Others	13,324,521	(201,097,718)
<b>Tax Expense</b>	<b>292,842,030</b>	<b>748,353,175</b>

31.2 During the year normal tax liability is adjusted against the minimum tax liability calculated at the rate of 29% as minimum tax liability is greater than normal tax this year.

31.3 Certain other tax cases not involving material amounts are pending against the Company against which the Company expects favorable outcomes and, hence, have not been provided for in these accounts.

## 32 Earnings per share - basic and diluted

	2025	2024
Profit after taxation	<i>Rupees</i> 709,715,543	1,082,665,508
Weighted average number of ordinary shares	<i>Number of shares</i> 117,706,300	117,706,300
Basic earnings per share	<i>Rupees</i> 6.03	9.20

32.1 There is no dilution effect on the basic earnings per share as the Company does not have any convertible instruments in issue as at 30 September 2025.

33 Cash and cash equivalents	Note	2025 Rupees	2024 Rupees
Cash and bank balances	23	113,829,265	258,876,358
Short term borrowings - Running finance	11	(99,502,155)	(99,502,155)
		<b>14,327,110</b>	<b>159,374,203</b>

## 34 Financial risk management

The Company is exposed to the following risks from its use of financial instruments:

- 1 Credit risk
- 2 Liquidity risk
- 3 Market risk

This presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

### 34.1 Risk management framework

The Board of Directors have overall responsibility for establishment and over-sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the Audit Committee.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk

limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Audit Committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

## 34.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

### Exposure to 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	2024 Rupees
Long term deposits	174,354,216	101,739,883
Trade debts - <i>considered good</i>	30,574,673	14,513,451
Advances, deposits and other receivables	1,061,057,549	1,419,346,493
Bank balances	112,971,151	256,693,571
	<b>1,378,957,589</b>	<b>1,792,293,398</b>

### Trade debts

Trade debts at the balance sheet date are classified in Pak Rupees.

	2025 Rupees	2024 Rupees
Export - <i>secured</i>	-	-
Local - <i>unsecured, considered good</i>	30,574,673	14,513,451
	<b>30,574,673</b>	<b>14,513,451</b>

The aging of local trade receivables at the reporting date is:

	Related Parties	Others	Total
	2025	2025	2025
	Rupees	Rupees	Rupees
1 to 30 days	-	29,391,111	29,391,111
31 to 90 days	1,183,562	-	1,183,562
	<b>1,183,562</b>	<b>29,391,111</b>	<b>30,574,673</b>
	Related Parties	Others	Total
	2024	2024	2024
	Rupees	Rupees	Rupees
1 to 30 days	11,638,388	1,418,333	13,056,721
31 to 90 days	767,898	688,832	1,456,730
	<b>12,406,286</b>	<b>2,107,165</b>	<b>14,513,451</b>

Trade debts comprise solely of local customers, including Lotte Akhtar Beverages (Pvt.) Limited, an associated company. These include companies with very good credit history with the Company and are regular in their payments. The management continuously monitors the repayment capacity and intention of their debtors and extends the credit periods to their customers according to their credit history. Furthermore, the Company has recovered major portion of its trade debts subsequent to the year. Resultantly, no impairment allowance was recorded.

### Bank balances

Credit risk is considered minimal since the counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Following are the credit ratings of counterparties with external credit ratings:

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	Rating		Rating Agency	2025	2024
	Short term	Long term		Rupees	Rupees
Al-Baraka Bank	A-1	A+	PACRA	542,254	535,058
Allied Bank Limited	A1+	AAA	PACRA	8,453,798	14,703,247
Askari Bank Limited	A1+	AA+	PACRA	18,518	747,582
Bank Alfalah Limited	A1+	AA+	PACRA	1,958,168	73,121
Dubai Islamic Bank	A1+	AA	JCR-VIS	876,758	726,770
Faysal Bank Limited	A1+	AA	PACRA	4,178,920	367,205
Habib Bank Limited	A1+	AAA	JCR-VIS	38,038	781,666
MCB Bank Limited	A1+	AAA	PACRA	28,730,391	26,443,380
Meezan Bank Limited	A1+	AAA	JCR-VIS	9,503,512	10,920,046
National Bank of Pakistan	A1+	AAA	JCR-VIS	4,715,044	1,984,513
Samba Bank Limited	A-1	AA	JCR-VIS	2,452,712	893,090
Sindh Bank Limited	A-1	A+	JCR-VIS	16,312,098	35,795,028
Soneri Bank Limited	A1+	AA-	PACRA	2,209,300	1,792,683
Summit Bank Limited	Suspended		JCR-VIS	80	80
The Bank of Khyber	A-1	A+	JCR-VIS	1,750,340	19,395
The Bank of Punjab	A1+	AA+	PACRA	2,514,058	3,443,567
United Bank Limited	A-1+	AAA	JCR-VIS	28,098,230	156,167,182
U-Microfinance Bank	A-1	A+	JCR-VIS	618,932	1,299,958
				<b>112,971,151</b>	<b>256,693,571</b>

## 34.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. For this purpose, the Company has sufficient running finance facilities available from various commercial banks to meet its liquidity requirements. Further, liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board.

### Exposure to liquidity risk

Following are the contractual maturities of the financial liabilities, including estimated interest payments:

	Carrying Amount	Contractual cash flows	Less than one year	One to five years	More than five years
<b>September 30, 2025</b>			<b>Rupees</b>		
Long term finances - <i>secured</i>	90,000,000	90,000,000	-	90,000,000	-
Lease liabilities	385,444,772	410,138,741	112,141,008	2,97,997,733	-
Short term borrowings- <i>secured</i>	17,722,925,390	17,722,925,390	17,722,925,390	-	-
Trade and other payables	2,465,009,431	2,465,009,431	2,465,009,431	-	-
Mark-up accrued	706,810,744	706,810,744	706,810,744	-	-
	<b>21,370,190,337</b>	<b>21,394,884,306</b>	<b>21,006,886,573</b>	<b>387,997,733</b>	<b>-</b>
<b>September 30, 2024</b>			<b>Rupees</b>		
Long term finances - <i>secured</i>	-	-	-	-	-
Lease liabilities	435,782,614	481,727,082	146,486,078	335,241,004	-
Short term borrowings- <i>secured</i>	18,469,813,174	18,469,813,174	18,469,813,174	-	-
Trade and other payables	3,304,193,165	3,304,193,165	3,304,193,165	-	-
Mark-up accrued	823,224,826	823,224,826	823,224,826	-	-
	<b>23,033,013,779</b>	<b>23,078,958,247</b>	<b>22,743,717,243</b>	<b>335,241,004</b>	<b>-</b>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at September 30, 2025. The rates of mark-up have been disclosed in relevant notes to these financial statements.

## 34.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's

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income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return. Market risk comprises of currency risk, interest rate risk and other price risk.

## 34.4.1 Foreign currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The currency in which these transactions are primarily denominated is US Dollars.

### Exposure to currency risk

There were no financial assets or financial liabilities at year end in foreign currencies which are subject to currency risk exposure.

### Currency risk management

Since the maximum amount exposed to currency risk is Nil (2024: Nil), any adverse / favorable movement in the functional currency with respect to US dollar will not have any material impact on the operational results.

## 34.4.2 Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of financial instruments will fluctuate due to changes in market interest rates. Significant interest rate risk exposures are primarily managed by a mix of borrowings at variable interest rates. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2025	2024	2025	2024
	Effective rate		Carrying amount	
	----- Percentage -----		----- Rupees -----	
- Financial assets				
<u>Fixed rate instruments</u>				
Bank balances - <i>saving accounts</i>	9.5% to 18.5%	20% to 21%	23,414,603	130,180,764
	2025	2024	2025	2024
	Effective rate		Carrying amount	
	----- Percentage -----		----- Rupees -----	
- Financial liabilities				
<u>Floating rate instrument</u>				
Lease liability	13.86% - 24.02%	22.43% - 28.49%	385,444,772	435,782,614
Short term borrowings - <i>secured</i>	13.06% - 25.34%	22.79% - 25.86%	10,728,525,390	11,754,913,174
<u>Fixed rate instruments</u>				
Export refinance facility - <i>secured</i>	11.00% - 17.50%/ 14.52% - 20.89%	3%-10%/ 10.54%-19.00%	6,994,400,000	6,714,900,000

### Fair value sensitivity analysis for fixed rate instruments

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

### Cash flow sensitivity analysis for floating rate instruments

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

	2025	2024
	Rupees	Rupees
Effect on profit - Increase	111,139,702	121,906,958
Effect on profit - Decrease	(111,139,702)	(121,906,958)

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

### Interest rate risk management

The Company manages interest rate risk through risk management strategies where significant changes in gap position can be adjusted. The short term borrowings and loans & advances to the Company have variable rate pricing that is mostly dependent on KIBOR as indicated in respective notes.

## 34.4.3 Other price risk

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

## 35 Capital management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitor the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitor the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

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

The Company manages its capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The Company monitors capital on the basis of the debt-to-equity ratio - calculated as a ratio of long term debt to equity.

The debt-to-equity ratios as at 30<sup>th</sup> September are as follows:

	2025 Rupees	2024 Rupees
Debt	475,444,772	435,782,614
Equity	14,481,294,764	13,712,146,117
<b>Total</b>	<b>14,956,739,536</b>	<b>14,147,928,731</b>
<b>Gearing ratio</b>	<b>3.18%</b>	<b>3.08%</b>

The Company is more geared as compared to last year.

### 35.1 Accounting classification and fair values

September 30, 2025	Carrying amount				Fair value		
	Fair value through Profit or Loss	Fair value through OCI	At Amortized cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
Long term deposits	-	-	174,354,216	174,354,216	-	-	-
Trade debts - <i>considered good</i>	-	-	30,574,673	30,574,673	-	-	-
Advances, deposits, prepayments and other receivables	-	-	1,061,057,549	1,061,057,549	-	-	-
Cash and bank balances	-	-	113,829,265	113,829,265	-	-	-
	-	-	1,379,815,703	1,379,815,703	-	-	-
<b>Financial liabilities</b>							
Long term finances - <i>secured</i>	-	-	90,000,000	90,000,000	-	-	-
Lease liabilities	-	-	385,444,772	385,444,772	-	-	-
Short term borrowings - <i>secured</i>	-	-	17,722,925,390	17,722,925,390	-	-	-
Trade and other payables	-	-	2,465,009,431	2,465,009,431	-	-	-
Mark-up accrued	-	-	706,810,744	706,810,744	-	-	-
	-	-	21,370,190,337	21,370,190,337	-	-	-

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	Carrying amount				Fair value		
	Fair value through Profit or Loss	Fair value through OCI	At Amortized cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
Long term deposits	-	-	101,739,883	<b>101,739,883</b>	-	-	-
Trade debts - <i>considered good</i>	-	-	14,513,451	<b>14,513,451</b>	-	-	-
Advances, deposits, prepayments and other receivables	-	-	1,419,346,493	<b>1,419,346,493</b>	-	-	-
Cash & bank balances	-	-	258,876,358	<b>258,876,358</b>	-	-	-
	-	-	<b>1,794,476,185</b>	<b>1,794,476,185</b>	-	-	-
<b>Financial liabilities</b>							
Long term finances - <i>secured</i>	-	-	-	<b>-</b>	-	-	-
Lease liabilities	-	-	435,782,614	<b>435,782,614</b>	-	-	-
Short term borrowings - <i>secured</i>	-	-	18,469,813,174	<b>18,469,813,174</b>	-	-	-
Trade and other payables	-	-	3,304,193,165	<b>3,304,193,165</b>	-	-	-
Mark-up accrued	-	-	823,224,826	<b>823,224,826</b>	-	-	-
	-	-	<b>23,033,013,779</b>	<b>23,033,013,779</b>	-	-	-

The above table presents assets and liabilities carried at fair value by valuation method. The different levels have been defined as follows:

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the asset or liability that are not based on observable market data.

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September 30, 2024

	Carrying amount				Fair value		
	Fair value through Profit or Loss	Fair value through OCI	At Amortized cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
Long term deposits	-	-	101,739,883	<b>101,739,883</b>	-	-	-
Trade debts - <i>considered good</i>	-	-	14,513,451	<b>14,513,451</b>	-	-	-
Advances, deposits, prepayments and other receivables	-	-	1,419,346,493	<b>1,419,346,493</b>	-	-	-
Cash & bank balances	-	-	258,876,358	<b>258,876,358</b>	-	-	-
	-	-	<b>1,794,476,185</b>	<b>1,794,476,185</b>	-	-	-
<b>Financial liabilities</b>							
Long term finances - <i>secured</i>	-	-	-	<b>-</b>	-	-	-
Lease liabilities	-	-	435,782,614	<b>435,782,614</b>	-	-	-
Short term borrowings - <i>secured</i>	-	-	18,469,813,174	<b>18,469,813,174</b>	-	-	-
Trade and other payables	-	-	3,304,193,165	<b>3,304,193,165</b>	-	-	-
Mark-up accrued	-	-	823,224,826	<b>823,224,826</b>	-	-	-
	-	-	<b>23,033,013,779</b>	<b>23,033,013,779</b>	-	-	-

The above table presents assets and liabilities carried at fair value by valuation method. The different levels have been defined as follows:

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the asset or liability that are not based on observable market data.

### 36 Business segments information

36.1 The Company has three reportable segments, as described below, which are the Company's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. Information reported to the Company's Chief Operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The following summary describes the operations in each of the Company's reportable segments:

#### Reportable Segments

Sugar segment  
Ethanol segment  
Top Gas & other segments

Operation of reportable segments  
Production of White Sugar & Molasses from sugar cane  
Production of Ethanol from molasses  
Production of Top Gas

Information regarding the Company's reportable segments is presented below:

#### Segment revenues and results

Following is the information about reportable segments of the Company:

	Sugar		Ethanol		Top Gas & Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Sales - Net</b>								
- External	33,089,950,264	25,699,286,518	7,179,752,713	12,490,414,396	210,372,549	121,875,379	40,480,075,526	38,311,576,293
- Inter-segment	-	-	-	-	-	-	-	-
	<b>33,089,950,264</b>	<b>25,699,286,518</b>	<b>7,179,752,713</b>	<b>12,490,414,396</b>	<b>210,372,549</b>	<b>121,875,379</b>	<b>40,480,075,526</b>	<b>38,311,576,293</b>
<b>Cost of sales</b>								
- External	(31,854,674,300)	(26,448,389,838)	(2,528,442,892)	(5,808,314,4,613)	(69,569,686)	73,250,066	(34,452,686,878)	(32,183,454,385)
- Inter-segment	3,028,674,205	3,558,157,619	(2,840,571,798)	(3,415,051,468)	(188,102,407)	(143,106,151)	-	-
	<b>(28,826,000,095)</b>	<b>(22,890,232,219)</b>	<b>(5,369,014,690)</b>	<b>(9,223,366,081)</b>	<b>(257,672,093)</b>	<b>(69,856,085)</b>	<b>(34,452,686,878)</b>	<b>(32,183,454,385)</b>
<b>Gross profit</b>	<b>4,263,950,169</b>	<b>2,809,054,299</b>	<b>1,810,738,023</b>	<b>3,267,048,315</b>	<b>(47,299,544)</b>	<b>52,019,294</b>	<b>6,027,388,648</b>	<b>6,128,121,908</b>
- Administrative expenses	(888,496,741)	(653,513,088)	(112,921,461)	(117,479,204)	(783,878)	(1,191,315)	(1,002,202,080)	(772,183,607)
- Distribution expenses	(63,105,559)	(55,273,240)	(314,837,678)	(314,842,606)	(27,040,796)	(24,420,544)	(404,984,033)	(394,536,390)
- Finance cost	(2,625,230,403)	(2,007,848,697)	(999,482,178)	(1,599,468,599)	-	-	(3,624,712,581)	(3,607,317,296)
	<b>(3,576,832,703)</b>	<b>(2,716,635,025)</b>	<b>(1,427,241,317)</b>	<b>(2,031,790,409)</b>	<b>(27,824,674)</b>	<b>(25,611,859)</b>	<b>(5,031,898,694)</b>	<b>(4,774,037,293)</b>
<b>Segment results</b>	<b>687,117,466</b>	<b>92,419,274</b>	<b>383,496,706</b>	<b>1,235,257,906</b>	<b>(75,124,218)</b>	<b>26,407,435</b>	<b>995,489,954</b>	<b>1,354,084,615</b>
<b>Profit from operations</b>								
Other expenses							995,489,954	1,354,084,615
Other income							(76,621,731)	(189,295,943)
<b>Profit before taxation and Levy</b>							83,689,350	666,230,011
Levy							1,002,557,573	1,831,018,683
							(204,141,260)	-
<b>Profit before taxation</b>							798,416,313	1,831,018,683
Taxation							(88,700,770)	(748,353,175)
<b>Profit after taxation</b>							709,715,543	1,082,665,508

### 36.2 Inter-segment sales and purchases and basis of pricing

Inter-segment sales and purchases have been eliminated from total figure and all inter-segment transfers are made at market price.

	Sugar		Ethanol		Top Gas & Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
36.3 Segment assets	24,586,195,892	25,142,364,580	14,473,951,156	14,828,188,107	1,296,154,775	1,588,135,704	40,356,301,823	41,558,688,391
36.4 Segment liabilities	16,436,142,662	17,968,259,371	9,331,153,321	9,768,067,223	107,711,076	110,215,680	25,875,007,059	27,846,542,274
36.5 Additions in property, plant and equipment	93,119,588	173,588,646	67,754,929	104,372,877	562,000	6,231,083	161,436,517	284,192,606
36.6 Depreciation on property, plant and equipment	555,466,115	592,966,116	173,794,123	185,440,950	9,635,670	9,904,102	738,895,908	788,311,168

### 36.7 Secondary reporting format

Segment revenues from external customers by geographical areas are as follows:

	Sugar		Ethanol		Top Gas & Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Export sales / Asia	5,109,215,330	955,827,524	7,049,545,905	12,255,559,965	-	-	12,158,761,235	13,211,387,489
Local sales	27,980,734,934	24,743,458,994	130,206,808	234,854,431	210,372,549	121,875,379	28,321,314,291	25,100,188,804
	33,089,950,264	25,699,286,518	7,179,752,713	12,490,414,396	210,372,549	121,875,379	40,480,075,526	38,311,576,293

# TANDLIANWALA SUGAR MILLS LTD.

## 36.8 Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	2025 Rupees	2024 Rupees
<b>36.8.1 Revenues</b>		
Total revenue for reportable segments	40,480,075,526	38,311,576,293
Elimination of inter-segment revenue	-	-
Consolidated revenue	<b>40,480,075,526</b>	<b>38,311,576,293</b>
<b>36.8.2 Profit or loss before tax and other expenses</b>		
Total profit for reportable segments	995,489,954	1,354,084,615
Un-allocated corporate expenses:		
- Other expenses	(76,621,731)	(189,295,943)
- Other income	83,689,350	666,230,011
- Taxation	(292,842,030)	(748,353,175)
Consolidated profit after tax	<b>709,715,543</b>	<b>1,082,665,508</b>
<b>36.8.3 Assets</b>		
Total assets for reportable segments	40,356,301,823	41,558,688,391
Elimination of inter-segment assets	-	-
Consolidated assets	<b>40,356,301,823</b>	<b>41,558,688,391</b>
<b>36.8.4 Liabilities</b>		
Total liabilities for reportable segments	25,875,007,059	27,846,542,274
Elimination of inter-segment liabilities	-	-
Consolidated liabilities	<b>25,875,007,059</b>	<b>27,846,542,274</b>

## 37 Capacity and production

### Sugar plant

	Unit I	Unit II	Unit III	Total
Crushing capacity (Metric tons) based on 103 days - (Season 2024-2025)	1,562,500	2,000,000	2,500,000	<b>6,062,500</b>
Sugar produced (Metric tons)	65,829	72,908	99,908	<b>238,644</b>
Recovery ratio	8.00%	9.22%	8.86%	<b>8.69%</b>

### Sugar plant

	Unit I	Unit II	Unit III	Total
Crushing capacity (Metric tons) based on 125 days - (Season 2023-2024)	1,562,500	2,000,000	2,500,000	<b>6,062,500</b>
Sugar produced (Metric tons)	89,293	147,608	95,487	<b>332,388</b>
Recovery ratio	8.5%	9.27%	9.52%	<b>9.10%</b>

### Ethanol - Distillery plant I

	2025	2024
Rated capacity (Litres)	41,250,000	41,250,000
Actual production (Litres)	23,381,813	30,006,679

### Ethanol - Distillery plant II

	2025	2024
Rated capacity (Litres)	46,200,000	46,200,000
Actual production (Litres)	24,171,250	40,209,713

### Top Gas - Carbon dioxide plant

	2025	2024
Rated capacity (Metric tons)	14,400	14,400
Actual production (Metric tons)	3,692	4,370

37.1 Reduced capacity utilization is due to the less availability of sugarcane at the start and end of crushing season, which resulted in the operations of the Company below the crushing capacity.

## 38 Remuneration of Chief Executive, Directors and Executives

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

	2025		
	Chief Executive	Directors	Executives
	Rupees		
Meeting Fees		1,300,000	
Managerial remuneration	-	24,800,000	68,251,590
Medical allowance	-	2,480,000	6,825,159
House rent allowance	-	9,920,000	27,300,636
Staff retirement benefits	-	3,100,000	9,513,495
	-	41,600,000	111,890,880
Number of persons	1	2	44

  

	2024		
	Chief Executive	Directors	Executives
	Rupees		
Managerial remuneration	-	24,800,000	88,284,306
Medical allowance	-	2,480,000	5,447,840
House rent allowance	-	9,920,000	23,925,445
Staff retirement benefits	-	3,100,000	3,791,417
	-	40,300,000	121,449,098
Number of persons	1	2	42

38.1 The Chief Executive Officer, Directors and Executives are provided with free use of Company maintained cars.

38.2 Executives are employees whose basic salaries exceed Rs. 1.2 million in a financial year.

## 39 Number of employees

The average and total number of employees are as follows:

### Total employees

Average number of employees during the year

Total number of employees as at 30 September

### Factory employees

Average number of employees during the year

Total number of employees as at 30 September

2025	2024
Number	Number

1,599	1,714
1,545	1,652
1,508	1,618
1,456	1,559

## 40 Transactions with related parties

The related parties comprise directors of the Company, key employees, associated undertakings and holding company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of party	Relationship	Nature of Transactions	2025	2024
			Rupees	Rupees
Lone Akhtar Beverages (Pvt.) Limited	Common directorship	Sale of Top Gas	47,121,543	34,100,961
		Receipts against sale of Top Gas	58,344,267	22,402,853
Ms. Rasheeda Begum	Director	Guest house rent expense	4,800,000	4,800,000

# TANDLIANWALA SUGAR MILLS LTD.

41	Shariah screening disclosure	2025	2024	2025	2024
		Conventional	Conventional	Shariah Compliant	Shariah Compliant
	Long term Finance	90,000,000	-	-	-
	Short term borrowings	17,722,925,390	18,469,813,174	-	-
	Bank balances	94,508,667	241,570,143	19,320,598	15,123,428
	Lease liability	288,123,898	377,856,734	97,320,874	57,925,880
	Revenue	-	-	40,480,075,326	38,311,576,293
	Other income				
	-Interest on saving deposit accounts	5,668,574	118,290,409	-	-
	-Return on investments	-	-	-	-
	-Exchange (loss incurred) / gain earned	(1,535,644)	13,841,497	-	-
	Expenses	3,604,738,738	3,585,760,130	9,176,842	14,230,885
	<b>Relationship with shariah compliant banks</b>				
	<b>Name</b>	<b>Relationship at reporting date</b>		<b>2025 Rupees</b>	<b>2024 Rupees</b>
	Dubai Islamic Bank	Bank Balance		876,758	726,770
	Faysal Bank Limited	Bank Balance		4,178,920	367,205
	Habib Bank Limited	Bank Balance		38,038	781,666
	Moezan Bank Limited	Bank Balance		9,503,512	10,920,046
	Sonari Bank	Bank Balance		2,209,300	1,792,683
	Al Baraka Bank Pakistan Limited	Bank Balance		2,514,070	535,058
				<b>19,320,598</b>	<b>15,123,428</b>

## 42 Events after the statement of financial position date

There are no subsequent events occurring after the statement of financial position date that will affect these financial statements.

## 43 Date of authorization for issue

These financial statements were authorized for issue on January 05, 2026 by the Board of Directors of the Company.

## 44 General

Figures have been rounded off to the nearest Rupee.

Chief Financial Officer

Chief Executive

Director

**Gender Pay Gap Statement Under Clause 10 of 2024**

The following is the gender pay gap calculated for the year ended September 30, 2025:

**(i) Mean Gender Pay Gap**

Description	Rate/Value
Mean of male hourly rate (A)	656
Mean of female hourly rate (B)	—
Pay Gap	Not Applicable

**(ii) Median Gender Pay Gap**

Description	Rate/Value
Median of male hourly rate (A)	188
Median of female hourly rate (B)	—
Pay Gap	Not Applicable

**(iii) Additional Details**

With reference to the composition of our staff, we would like to clarify that currently, there are **no** female employees in our workforce. Hence, the Gender Pay Gap is not applicable



CEO/Director  
(On behalf of Board of Directors of the Company)

Date: 27.12.2025

Proxy Form  
**Tandlianwala Sugar Mills Ltd.**  
37<sup>th</sup> Annual General Meeting

Folio No./CDC A/c No. \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ being a member/members of Tandlianwala Sugar Mills Ltd  
holding \_\_\_\_\_ shares of Rs.10 each, hereby appoint Mr./Ms. \_\_\_\_\_  
of \_\_\_\_\_ a member of the Company, vide Registered Folio/CDC A/c  
No. \_\_\_\_\_ or failing him / her, \_\_\_\_\_ as my/our proxy to vote  
for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company to be hold at Marina  
Event Complex 333-AA off Raiwind Road, Lahore on Tuesday January 27, 2026 at 10:00 am and at any adjournment  
thereof or of any ballot to be taken in consequence thereof,  
Signed this \_\_\_\_\_ day of January, 2026

Witnesses:

1. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
CNIC: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

2. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
CNIC: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Affix Revenue  
Stamp of Rupees  
Five  
Signature by Member(s)

Note:

All proxies, in order to be effective, must be received at the Company's Registered Office not less than forty eight (48) hours before the time fixed for holding the Annual General Meeting and must be duly stamped, signed and witnessed as required.

پراکسی فارم  
تاندلیا نوالہ شوگر ملز لمیٹیڈ کا 37 واں سالانہ اجلاس عام

فولیو / سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_

میں / ہم \_\_\_\_\_ ساکن \_\_\_\_\_  
ضلع \_\_\_\_\_ بحیثیت رکن تاندلیا نوالہ شوگر ملز لمیٹیڈ حامل \_\_\_\_\_ عام حصص مبلغ 10 روپے ہر ایک شیئر،  
مسماۃ \_\_\_\_\_ ساکن \_\_\_\_\_ کمپنی رکن بروئے رجسٹرڈ فولیو / سی ڈی سی اکاؤنٹ  
نمبر \_\_\_\_\_ یا اس کی عدم موجودگی میں \_\_\_\_\_ کو بطور مختار (پراکسی) مقرر کرتا کرتے ہیں تاکہ وہ میری / ہماری طرف سے کمپنی کے  
37 ویں سالانہ اجلاس عام بتاریخ 27 جنوری 2026ء بروز منگل بوقت صبح 10:00 بجے بمقام مرینا ایونٹ مپلس AA-333 آف رانیونڈ روڈ، لاہور پر  
منعقد ہو رہا ہے اور اس کے کسی ملتوی شدہ اجلاس میں حق رائے وہی استعمال کرے۔  
آج مورخہ جنوری 2026 کو میرے دستخط سے جاری ہوا۔

پانچ روپے کی  
ریونیونٹ  
چسپاں کریں

ممبر کے دستخط

گواہان:

1- دستخط \_\_\_\_\_ 2- دستخط \_\_\_\_\_

نام: \_\_\_\_\_ نام: \_\_\_\_\_

شناختی کارڈ نمبر: \_\_\_\_\_ شناختی کارڈ نمبر: \_\_\_\_\_

پتہ: \_\_\_\_\_ پتہ: \_\_\_\_\_

نوٹ:

پراکسی فارم کے موثر ہونے کیلئے لازم ہے کہ ہر لحاظ سے مکمل فارم کمپنی کے رجسٹرڈ دفتر پر اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل لازماً جمع ہو جانا چاہیئے۔



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