

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.14 Translation of foreign currency transactions and balances

On initial recognition, a foreign currency transaction is recognized, in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period, foreign currency monetary items are translated using the closing rate (i.e. the spot exchange rate at the end of the reporting period).

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

3.15 Dividend distribution

Dividend distribution is recognised as a liability in the period in which the dividends are approved by the Company's shareholders.

		2025	2024
	<i>Note</i>	Rupees	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	6,225,458,341	6,371,399,758
Capital work in progress	4.2	388,549,985	3,780,786
Capital Spares		37,969,950	43,003,464
		<u>6,651,978,276</u>	<u>6,418,184,008</u>

4.1 Operating fixed assets

2025										Accumulated depreciation				Written down value as at September 30, 2025		Depreciation rates	
As at October 01, 2024		Gross carrying amount			Transfer from CWIP			Disposals		As at September 30, 2025		As at October 01, 2024		Charge for the year	Effect of revaluation	Reversal on disposal	As at September 30, 2025
Free hold land		1,429,893,000	-	-	1,429,893,000	-	-	-	-	-	-	-	-	-	-	1,429,893,000	
Factory buildings on freehold land	249,622,002	15,305,855	-	-	264,927,857	40,769,887	21,932,447	-	-	-	-	62,702,334	202,225,523	10%			
Non-factory buildings on freehold land	81,139,800	-	-	-	81,139,800	6,939,676	3,710,006	-	-	-	-	10,649,682	70,490,118	5%			
Plant and machinery	4,913,746,145	54,500,118	-	-	4,968,246,263	416,537,704	225,265,149	-	-	-	-	641,902,853	4,326,343,410	5% ^a ,9%			
Building construction machinery	12,553,248	-	-	-	12,553,248	5,547,097	630,553	-	-	-	-	6,177,650	6,375,598	9%			
Railway sliding	2,191,346	-	-	-	2,191,346	2,183,223	812	-	-	-	-	2,184,035	7,311	10%			
Vehicles	85,650,599	48,582,764	-	-	134,233,363	51,632,716	13,360,084	-	-	-	-	64,992,800	69,240,563	20%			
Office equipment	3,201,535	-	-	-	3,201,535	2,540,153	74,532	-	-	-	-	2,614,685	586,850	10%			
Computer and other equipments	13,230,093	335,334	3,587,000	-	17,152,427	6,592,780	937,097	-	-	-	-	7,529,877	9,622,550	10%			
Furniture and fixtures	10,248,716	2,920,374	-	-	13,169,690	5,522,169	699,293	-	-	-	-	6,221,462	6,948,228	10%			
Electrical equipments	15,785,394	-	-	-	15,785,394	9,719,237	545,954	-	-	-	-	10,265,191	5,520,203	9%			
Water connectors and electrical installations	82,062,977	6,635,595	-	-	88,698,572	14,318,079	6,424,428	-	-	-	-	20,742,507	6,795,065	9%			
Tools and other equipments	66,920,715	1,065,650	-	-	67,986,365	33,938,574	5,083,180	-	-	-	-	39,021,754	28,964,611	15%			
Arms and ammunitions	401,000	-	-	-	401,000	234,450	9,993	-	-	-	-	244,443	156,557	6%			
Air conditioners and refrigerators	3,599,172	-	-	-	3,599,172	2,270,239	201,179	-	-	-	-	2,471,418	1,127,754	15%			
	6,970,245,742	129,346,290	3,587,000	-	7,103,179,032	598,845,984	278,874,707	-	-	-	-	877,720,691	6,225,458,341				
2024										Accumulated depreciation				Written down value as at September 30, 2024		Depreciation rates	
As at October 01, 2023		Gross carrying amount			Transfer from CWIP			Disposals		As at September 30, 2024		As at October 01, 2023		Charge for the year	Effect of revaluation	Reversal on disposal	As at September 30, 2024
Free hold land		1,429,893,000	-	-	1,429,893,000	-	-	-	-	-	-	-	-	-	-	1,429,893,000	
Factory buildings on freehold land	244,591,535	5,030,467	-	-	249,622,002	17,962,724	22,807,163	-	-	-	-	40,769,887	208,852,115	10%			
Non-factory buildings on freehold land	81,139,800	-	-	-	81,139,800	3,034,406	3,905,270	-	-	-	-	6,939,676	74,200,124	5%			
Plant and machinery	4,847,198,015	66,548,130	-	-	4,913,746,145	181,972,675	234,665,029	-	-	-	-	416,637,704	4,497,108,441	5% ^a ,9%			
Building construction machinery	12,553,248	-	-	-	12,553,248	4,854,181	692,916	-	-	-	-	5,547,097	7,006,151	9%			
Railway sliding	2,191,346	-	-	-	2,191,346	2,182,321	902	-	-	-	-	2,183,223	8,123	10%			
Vehicles	85,810,995	4,111,254	-	-	(4,271,650)	85,650,599	47,362,119	8,152,364	-	-	(3,881,767)	51,632,716	34,017,883	20%			
Office equipment	3,179,335	22,000	-	-	3,201,535	2,468,930	71,223	-	-	-	-	2,540,153	661,382	10%			
Computer and other equipments	11,562,043	1,668,050	-	-	13,230,093	5,910,325	682,455	-	-	-	-	6,592,780	6,637,313	10%			
Furniture and fixtures	10,013,216	235,500	-	-	10,248,716	5,001,233	520,936	-	-	-	-	5,522,169	4,726,547	10%			
Electrical equipments	15,785,394	-	-	-	15,785,394	9,119,287	599,950	-	-	-	-	9,719,237	6,066,157	9%			
Water connectors and electrical installations	47,497,096	34,565,381	-	-	82,062,977	10,020,749	4,297,330	-	-	-	-	14,318,079	67,744,898	9%			
Tools and other equipments	58,165,039	8,755,676	-	-	66,920,715	28,561,457	5,377,117	-	-	-	-	33,938,574	32,982,141	15%			
Arms and ammunitions	401,000	-	-	-	401,000	223,819	10,631	-	-	-	-	234,450	166,350	6%			
Air conditioners and refrigerators	3,456,762	142,410	-	-	3,599,172	2,051,626	218,613	-	-	-	-	2,270,239	1,328,933	15%			
	6,853,438,024	121,079,368	-	(4,271,650)	6,970,245,742	320,725,852	282,001,899	-	-	(3,881,767)	598,845,984	6,371,399,758					

2024										Accumulated depreciation				Written down value as at September 30, 2024		Depreciation rates	
As at October 01, 2023		Gross carrying amount			Transfer from CWIP			Disposals		As at September 30, 2024		As at October 01, 2023		Charge for the year	Effect of revaluation	Reversal on disposal	As at September 30, 2024
Free hold land		1,429,893,000	-	-	1,429,893,000	-	-	-	-	-	-	-	-	-	-	1,429,893,000	
Factory buildings on freehold land	244,591,535	5,030,467	-	-	249,622,002	17,962,724	22,807,163	-	-	-	-	40,769,887	208,852,115	10%			
Non-factory buildings on freehold land	81,139,800	-	-	-	81,139,800	3,034,406	3,905,270	-	-	-	-	6,939,676	74,200,124	5%			
Plant and machinery	4,847,198,015	66,548,130	-	-	4,913,746,145	181,972,675	234,665,029	-	-	-	-	416,637,704	4,497,108,441	5% ^a ,9%			
Building construction machinery	12,553,248	-	-	-	12,553,248	4,854,181	692,916	-	-	-	-	5,547,097	7,006,151	9%			
Railway sliding	2,191,346	-	-	-	2,191,346	2,182,321	902	-	-	-	-	2,183,223	8,123	10%			
Vehicles	85,810,995	4,111,254	-	-	(4,271,650)	85,650,599	47,362,119	8,152,364	-	-	(3,881,767)	51,632,716	34,017,883	20%			
Office equipment	3,179,335	22,000	-	-	3,201,535	2,468,930	71,223	-	-	-	-	2,540,153	661,382	10%			
Computer and other equipments	11,562,043	1,668,050	-	-	13,230,093	5,910,325	682,455	-	-	-	-	6,592,780	6,637,313	10%			
Furniture and fixtures	10,013,216	235,500	-	-	10,248,716	5,001,233	520,936	-	-	-	-	5,522,169	4,726,547	10%			
Electrical equipments	15,785,394	-	-	-	15,785,394	9,119,287	599,950	-	-	-	-	9,719,237	6,066,157	9%			
Water connectors and electrical installations	47,497,096	34,565,381	-	-	82,062,977	10,020,749	4,297,330	-	-	-	-	14,318,079	67,744,898	9%			
Tools and other equipments	58,165,039	8,755,676	-	-	66,920,715	28,561,457	5,377,117	-	-	-	-	33,938,574	32,982,141	15%			
Arms and ammunitions	401,000	-	-	-	401,000	223,819	10,631	-	-	-	-	234,450	166,350	6%			
Air conditioners and refrigerators	3,456,762	142,410	-	-	3,599,172	2,051,626	218,613	-	-	-	-	2,270,239	1,328,933	15%			
	6,853,438,024	121,079,368	-	(4,271,650)	6,970,245,742	320,725,852	282,001,899	-	-	(3,881,767)	598,845,984	6,371,399,758					

		Note	2025	2024
			Rupees	
4.1.1	The depreciation for the year has been allocated as follows:			
	Cost of sales	25.1	263,803,701	272,574,921
	Administrative expenses	26	15,071,006	9,426,978
			<u>278,874,707</u>	<u>282,001,899</u>

4.1.2 Particulars of the Company's immovable fixed assets are as follows:

Asset class	Location	Total area
Freehold land	Chistian	211.836 acres
Factory building	Chistian	247,625 Sq.ft
Non-factory building	Chistian	102,897 Sq.ft

4.1.3 The latest valuation of the freehold land, factory building, non-factory building and plant and machinery was carried out by an independent valuer, M/s. Iqbal A. Nanjee and Company (Private) Limited, as at January 04, 2023. According to that valuation, the fair value and forced sale value of the assets were as follows:

	Fair value	Forced sale
	Rupees	
Freehold land	1,429,893,000	1,143,914,400
Building- factory and non-factory	310,153,329	248,122,663
Plant and machinery	<u>4,614,617,283</u>	<u>3,691,693,827</u>

4.1.4 Had the freehold land, factory building, non-factory building and plant and machinery been carried under the cost model of accounting, their carrying amounts, at the reporting date, would have been as follows:

Particulars	Note	2025	2024
		Rupees	
Free hold land		18,855,030	18,855,030
Factory building on free hold land		63,828,135	55,767,838
Non- Factory building on free hold land		2,676,923	2,966,120
Plant and Machinery		<u>1,532,526,790</u>	<u>1,573,634,262</u>
		<u>1,617,886,878</u>	<u>1,651,223,250</u>

4.2 Capital work in progress

Opening balance as at the beginning of the year		3,780,786	-
Additions:			
- Machinery	42.3	388,356,199	3,780,786
		<u>392,136,985</u>	<u>3,780,786</u>
Transferred to operating fixed assets		<u>(3,587,000)</u>	<u>-</u>
		<u>388,549,985</u>	<u>3,780,786</u>

5. INTANGIBLE ASSETS

ERP Software under implementation		2,008,500	-

6. STORES AND SPARES

Stores and spares inventory in hand		155,320,196	164,168,559
Stores inventory in transit		-	16,408,140
		<u>155,320,196</u>	<u>180,576,699</u>
Provision for slow-moving and obsolete stores and spares	6.1	<u>(31,072,361)</u>	<u>(26,246,262)</u>
		<u>124,247,835</u>	<u>154,330,437</u>

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		2025	2024
		Rupees	
6.1	Provision for slow-moving and obsolete stores and spares		
	Opening balance	26,246,262	2,345,987
	Provision for the year	4,826,099	23,900,275
	Closing balance	<u>31,072,361</u>	<u>26,246,262</u>
7.	STOCK IN TRADE		
	<i>Finished goods inventory:</i>		
	Sugar	592,093,056	3,364,770,808
	Less: Provision for impairment	-	(130,042,490)
		<u>592,093,056</u>	<u>3,234,728,318</u>
	Molasses	204,314,561	9,189,983
		<u>796,407,617</u>	<u>3,243,918,301</u>
	<i>Work-in-process inventory:</i>		
	Sugar	4,917,986	5,226,045
	Molasses	600,913	-
		<u>5,518,899</u>	<u>5,226,045</u>
		<u>801,926,516</u>	<u>3,249,144,346</u>
7.1	As of the reporting date, the value of stock pledged against bank borrowings amounted to Rs. 134.6 million (2024: Rs. 2,514 million).		
8.	SHORT TERM INVESTMENTS	<i>Note</i>	2025
			2024
	<i>Term Deposit Receipts (TDRs):</i>		
	Faysal Bank Limited	9,709,490	9,709,490
	JS Bank Limited	<u>15,310,970</u>	<u>15,310,970</u>
		<u>25,020,460</u>	<u>25,020,460</u>
9.	TRADE DEBTS - <i>unsecured, considered good</i>		
	Receivable against sales of sugar	744,896,004	508,226,828
	Less: provision against expected credit losses	<u>(1,583,807)</u>	<u>(1,583,807)</u>
		<u>743,312,197</u>	<u>506,643,021</u>
10.	LOANS, ADVANCES, DEPOSITS AND PREPAYMENTS		
	Loans to staff	10.1	2,058,421
			3,617,921
	<i>Advances:</i>		
	- to growers	28,606,327	10,564,830
	- to contractors	2,266,820	679,480
	- to suppliers	<u>21,553,523</u>	<u>10,820,649</u>
	- against expenses	177,549	81,549
	- others	-	20,596,036
		<u>52,604,219</u>	<u>42,742,544</u>
	<i>Deposit:</i>		
	- Withholding tax deposits with federal board of revenue	10.2	39,742,281
	- Security deposit - Commissioner Workmen's Compensation Bahawalnagar	10.3	<u>42,841,568</u>
		<u>82,583,849</u>	<u>42,841,568</u>
	Prepayments	433,738	356,282
		<u>137,680,227</u>	<u>89,558,315</u>

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10.1 These represent interest free loans provided to employees in accordance with the Company's policy and are recoverable in equal monthly installments.

10.2 This represents a deposit of Rs. 39,781,281 made with the Federal Board of Revenue. The matter relating to withholding tax was placed before the Honourable High Court of Sindh, which granted an interim stay on the demand, requiring the Company to deposit 50% of the total liability. The amount of Rs. 39,781,281 represents the portion deposited with the Federal Board of Revenue in accordance with the Court's directions. Further details are disclosed in Note 22.1.4 to the financial statements.

10.3 This represents a deposit placed by the company with the Commissioner Workmen's Compensation Bahawalnagar in terms of the orders dated November 11, 2023 passed by the Court of Kaleem Yousaf Authority Payment of Wages Bahawalnagar. For more information on this matter, refer note no. 22.1.6 to these financial statements.

	Note	2025	2024
		Rupees	
11. OTHER RECEIVABLES- considered good			
Rebate receivable	11.1	10,822,087	10,822,087
Interest accrued on term deposit receipts		-	1,727,731
		<u>10,822,087</u>	<u>12,549,818</u>

11.1 This represents the Inland Freight Subsidy receivable from the Trade Development Authority of Pakistan (TDAP) in respect of exports made by the Company during the financial years 2012-13 and 2013-14.

The Pakistan Sugar Mills Association (PSMA), along with the Company, has pursued the matter with TDAP for release of the said subsidy; however, no payment has been received to date. In January 2023, several sugar mills filed a Constitutional Petition before the Honourable Sindh High Court (SHC) seeking release of the subsidy. Pursuant to an order dated May 02, 2025, the Honourable Court directed TDAP to pass a speaking order within 30 days regarding the release of the subsidy.

TDAP issued a speaking order dated June 16, 2025, stating that the subsidy could not be disbursed until funds were released by the Finance Division. Subsequently, on August 19, 2025, a fresh petition was filed by sugar mills against the said speaking order before the Honourable Sindh High Court. The petition was disposed of on November 26, 2025, whereby the Honourable Court dismissed the petition on the grounds that the grant of subsidy constitutes a benefit and not a fundamental right.

The Company intends to challenge the said order before the Honourable Federal Constitutional Court through the filing of a Civil Petition for Leave to Appeal. Based on the assessment of the matter and legal advice received, the management believes that the Company has reasonable legal grounds to pursue the matter and is optimistic about the final outcome.

	Note	2025	2024
		Rupees	
12. BANK BALANCES			
Cash at bank in			
- Current accounts		26,447,638	47,248,737
- Deposit accounts	12.1	359,602	5,777,135
		<u>26,807,240</u>	<u>53,025,872</u>

12.1 These represent balances held with banks in saving accounts carrying profit at the rate of 4.2% to 9% (2024: 11% to 20%).

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13. AUTHORIZED, ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2025		2024		2025		2024	
----(Number of shares)----				Rupees			
25,000,000	25,000,000	Authorized capital					
		Ordinary shares of Rs. 10/- each		250,000,000		250,000,000	
		Issued, subscribed and paid up capital					
		Ordinary shares of Rs.10/- each:					
14,968,221	14,968,221	- fully paid in cash		149,682,210		149,682,210	
		- issued to Pakistan Industrial Credit and Investment					
250,000	250,000	Corporation under terms of loan agreement		2,500,000		2,500,000	
2,072,741	2,072,741	- issued as fully paid bonus shares		20,727,410		20,727,410	
17,290,962	17,290,962			172,909,620		172,909,620	

13.1 There are no agreements among shareholders in relation to voting rights, board selection, right of first refusal and block voting.

14. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT- NET			2025	2024	Restated
			Rupees		
On freehold land					
<i>Gross surplus</i>					
Balance as at the beginning of the year			1,411,037,970		1,411,037,970
On buildings / plant and machinery					
<i>Gross surplus</i>					
Balance as at the beginning of the year			3,159,710,574		3,337,589,957
Incremental depreciation transferred to unappropriated profits			(164,106,922)		(177,879,383)
<i>Related deferred tax charge</i>					
Balance as at the beginning of the year			(1,042,704,489)		(1,068,028,786)
Effect of change in tax rate			-		(33,375,900)
Incremental depreciation transferred to unappropriated profits			54,155,284		58,700,197
			(988,549,205)		(1,042,704,489)
			3,418,092,417		3,528,044,055

14.1 The revaluation surplus on property, plant and equipment is a capital reserve and is not available to for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

15. REVENUE RESERVES			2025	2024	Restated
			Rupees		
General reserve			200,000,000		200,000,000
Unappropriated profits			1,115,003,447		984,363,904
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	Note	2025		2024	
		Rupees			
16. LONG TERM FINANCE - secured					
<i>From conventional banking company</i>					
Habib Bank Limited	16.1	591,952,698		311,171,000	
<i>From Islamic banking company</i>					
Dubai Islamic Bank Pakistan Limited	16.2	13,641,267		23,767,302	
Current maturity shown under current liabilities		605,593,965		334,938,302	
		(150,780,809)		(115,055,580)	
		454,813,156		219,882,722	
16.1 Loan obtained from Habib Bank Limited					
Term finance - I	16.1.1	22,500,000		52,500,000	
Term finance - II	16.1.2	184,765,000		258,671,000	
Term finance - III	16.1.3	384,687,698		-	
		591,952,698		311,171,000	
16.1.1 Term finance - I					
Opening balance		52,500,000		82,500,000	
Repaid during the year		(30,000,000)		(30,000,000)	
Closing balance	16.1.4	22,500,000		52,500,000	
16.1.2 Term finance - II					
Opening balance		258,671,000		295,624,000	
Repaid during the year		(73,906,000)		(36,953,000)	
Closing balance	16.1.4	184,765,000		258,671,000	
16.1.3 Term finance - III					
Opening balance		-		-	
Obtained during the year		384,687,698		-	
Repaid during the year		-		-	
Closing balance	16.1.4	384,687,698		-	
16.1.4 The principal terms and conditions of the financing arrangements are as follows:					

Facility type	Term finance I	Term finance II	Term finance III
Purpose	For BMR activities pertaining to mill to reach optimal capacity utilization	To finance the replacement of its mill No. 05 and the procurement of a power turbine Along with equipments	For BMR activities pertaining to mill to reach optimal capacity utilization
Facility availed amount	Rs. 120 million	Rs. 300 million	Rs. 450 million
Principal repayment frequency	Quarterly	Quarterly	Semi-Annually
Mark up payment frequency	Quarterly	Quarterly	Semi-Annually
Date of the first installment	July 21, 2022	March 27, 2024	April 1, 2026
Date of the last installment	April 21, 2026	December 27, 2027	June 1, 2030
Total number of installments	16	16	51
Principal repayable in each installment	Rs. 7,500,000/-	Rs. 18,476,500/-	Rs. 8,823,529/-
Markup rate (formula)	3 month KIBOR + 2%	3 month KIBOR + 1.25%	3 month KIBOR + 1.25%
Security	1) First pari passu equitable mortgage charge of Rs. 267 million over mills premises (land & building) situated at Chak #4 Fordwah Chishtian District Bahawalnager. 2) First pari passu hypothecation charge for Rs. 267 million over present and future plant & machinery of company. 3) Personal guarantee of the Director Mr. Ghulam Ahmad Adam for Rs. 667 million with 25% margin.	1) First pari passu charge over land, building, plant & machinery of the extent of PKR 400 million inclusive of 25% margin. 2) Disbursement to be made on ranking charge. Charge to be upgraded within 180 days from the date of disbursement.	1) First pari passu charge over land, building, plant & machinery of the extent of PKR 400 million inclusive of 25% margin. 2) Disbursement to be made on ranking charge. Charge to be upgraded within 180 days from the date of disbursement.

		<i>Note</i>	2025	2024
			<u>Rupees</u>	
16.2	Dubai Islamic Bank Pakistan Limited			
	Opening carrying amount - net of deferred grant		23,767,302	30,902,046
	Interest recognized on unwinding of the liability	28	2,515,997	3,371,923
	Loan installments paid		(12,642,032)	(10,506,667)
	Closing carrying amount - net of deferred grant	16.2.1	(10,126,035)	(7,134,744)
			13,641,267	23,767,302
	Current maturity shown under current liabilities		9,411,442	11,149,580
	Non-current maturity shown under non-current liabilities	16.2.1	4,229,825	12,617,722
			13,641,267	23,767,302

16.2.1 The Company obtained a long term financing facility amounting to Rs. 47.06 million from M/s. Dubai Islamic Bank Pakistan Limited under the State Bank of Pakistan's (SBP) Islamic Financing Facility for Renewable Energy (IFRE) notified vide IH & SMEFD Circular No. 12 of 2019 dated August 21, 2019.

The principal terms and conditions of the financing arrangement are as follows:

Purpose	For procurement and installation of solar panel of 509.22 KW on Company's land in Bhawalnagar
Total facility amount	Rs. 60,000,000
Facility availed amount	Rs. 47,057,210
Principal repayment frequency	Semi annually
Mark up payment frequency	Quarterly
Grace period	9 months from the date of disbursement of each tranche
Date of the first installment	November 4, 2021
Date of the last installment	May 25, 2027
Principal repayable in each installment	Each tranche of the facility is repayable in 10 equal semi-annually intallments
Markup rate (formula)	SBP rate + 2.5%
Security	1) First pari passu charge of Rs. 80 million over fixed assets (including land and building) of the Company with 25% margin. 2) Personal guarantee of the Director Mr. Ghulam Ahmed Adam with net worth statement.

16.2.2 Since the facility carries the markup rate of 4.5% which is well below the market interest rate prevailing as on the date of disbursement of funds, the financing is considered to contain an element of government grant as per the IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance'. Accordingly, at initial recognition, the Company measured the loan liability at its fair value (determined on a present value basis) and recognized the difference between the disbursement proceeds received from the bank and the said fair value, as deferred government grant in the statement of financial position. This deferred government grant is being recognized as income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

		<i>Note</i>	2025	2024
			<u>Rupees</u>	
17.	DEFERRED LIABILITIES			
	Deferred taxation - net	17.1 & 41	1,232,213,387	1,291,575,076
	Staff retirement benefits - gratuity	17.2	18,302,224	14,975,698
	Deferred Grant		144,192	839,273
			1,250,659,803	1,307,390,017

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17.1 Deferred taxation-net

For the year ended September 30, 2025				
Balance at beginning of the year (restated)	Charge / (income) recognized in statement of profit or loss	Charge / (income) recognized in other comprehensive income	Balance at end of the year	
(Rupees)				
Deferred tax liability in respect of:				
- Surplus on revaluation of property, plant and equipment	1,042,704,489	(54,155,284)	-	988,549,205
- Accelerated tax depreciation	354,666,049	14,399,700	-	369,065,749
- SBP's islamic financing facility for renewable energy	93,700	235,816	-	329,516
	1,397,464,238	(39,519,768)	-	1,357,944,470
Deferred tax asset in respect of:				
- Excess of minimum tax over normal tax liability	(54,862,496)	(11,886,008)	-	(66,748,504)
- Unabsorbed tax depreciation	-	-	-	-
- Excess of alternative corporate tax over corporate tax	(16,169,033)	-	-	(16,169,033)
- Deferred income - Government grant	(811,004)	-	-	(811,004)
- Provision for gratuity	(4,941,980)	(1,339,349)	241,595	(6,039,734)
- Provision for slow moving items	(8,661,266)	(1,592,613)	-	(10,253,879)
- Provision for doubtful debtors	(522,656)	-	-	(522,656)
- Provision for WWF and WPPF	(19,920,727)	(5,265,546)	-	(25,186,273)
	(105,889,162)	(20,083,516)	241,595	(125,731,083)
Net deferred tax liability	1,291,575,076	(59,603,284)	241,595	1,232,213,387
For the year ended September 30, 2024 (restated)				
Balance at beginning of the year (restated)	Charge / (income) recognized in statement of profit or loss	Charge / (income) recognized in other comprehensive income (Restated)	Balance at end of the year (restated)	
(Rupees)				
Deferred tax liability in respect of:				
- Surplus on revaluation of property, plant and equipment	1,068,028,786	(58,700,197)	33,375,900	1,042,704,489
- Accelerated tax depreciation	329,148,483	25,517,566	-	354,666,049
- SBP's islamic financing facility for renewable energy	819,404	(725,704)	-	93,700
	1,397,996,673	(33,908,335)	33,375,900	1,357,464,238
Deferred tax asset in respect of:				
- Excess of minimum tax over normal tax liability	(37,518,861)	(17,343,635)	-	(54,862,496)
- Unabsorbed tax depreciation	-	-	-	-
- Excess of alternative corporate tax over corporate tax	(16,169,033)	-	-	(16,169,033)
- Deferred income - Government grant	(1,903,401)	1,092,397	-	(811,004)
- Provision for gratuity	(3,898,323)	(1,093,131)	49,474	(4,941,980)
- Provision for slow moving items	(750,716)	(7,910,550)	-	(8,661,266)
- Provision for doubtful debtors	(506,818)	(15,838)	-	(522,656)
- Provision for WWF and WPPF	(22,652,088)	2,731,361	-	(19,920,727)
	(83,399,240)	(22,539,396)	49,474	(105,889,162)
Net deferred tax liability	1,314,597,433	(56,447,731)	33,425,374	1,291,575,076

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17.2 Staff retirement benefits - *gratuity*

As disclosed in note 3.10, the Company operates an unfunded gratuity scheme for its head office employees. The latest actuarial valuation of the plan was carried out as at October 28, 2025 by M/s. Nauman Associates, using the Projected Unit Credit Method.

	2025	2024
	Rupees	
17.2.1 Movement in net liability in the statement of financial position		
Opening defined benefit obligation	14,975,698	12,182,259
Expense charged to statement of profit or loss	4,084,187	3,221,872
Remeasurements recognized in other comprehensive income	(732,106)	(149,922)
Benefit paid	(25,555)	(278,511)
Closing defined benefit obligation	18,302,224	14,975,698
17.2.2 Expense recognized in the statement of profit or loss		
Current service cost	2,288,637	1,455,919
Interest cost on defined benefit obligation	1,795,550	1,765,953
	4,084,187	3,221,872
17.2.3 Remeasurement gains recognised in other comprehensive income		
Actuarial (gain) / loss on defined benefit obligation due to change in financial assumptions	151,245	218,350
Actuarial (gain) / loss on defined benefit obligation due to experience adjustments	(883,351)	(368,272)
	(732,106)	(149,922)
17.2.4 Year end sensitivity analysis of defined benefit obligation		
Discount rate + 100 bps	17,418,663	14,222,570
Discount rate - 100 bps	19,305,447	15,829,219
Rate of salary increase + 100 bps	19,324,455	15,826,781
Rate of salary increase -100 bps	17,385,959	14,211,814
17.2.5 Principal assumptions used in valuation of gratuity		
Discount rate used for interest cost in profit and loss	12.00%	16.75%
Discount rate used for year end obligation	11.75%	12.00%
Expected rate of increase in salary level (per annum)	11.38%	11.50%
Mortality rates	SLIC 2001- 2005	SLIC 2001- 2005
17.2.6 As of the reporting date, the weighted average duration of the defined benefit obligation was 5 years (2024: 5 years).		
17.2.7 The current service and interest cost amounting to Rs. 4,084,187 (2024: Rs. 3,221,872) has been classified under administrative expenses.		

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18.	SHORT TERM BORROWINGS	Note	2025	2024
			Rupees	
<i>Unsecured - interest free</i>				
	- from Chief Executive	18.1	32,164,394	32,164,394
	- from Adam Lubricants Limited (a related party)	18.2	744,841,005	830,068,000
			777,005,399	862,232,394
<i>Secured</i>				
	- from Conventional banking companies	18.3	93,093,905	1,030,192,338
	- Habib Bank Limited			
	- from Islamic banking companies	18.4	-	318,500,000
	- Al Baraka Bank (Pakistan) Limited	18.5	-	508,000,000
	- Askari Bank Limited		-	826,500,000
			870,099,304	2,718,924,732

18.1 Loan obtained from the Chief Executive

This represents a loan granted by Mr. Ghulam Ahmed Adam, the Chief Executive of the Company, to meet working capital requirements of the Company. The loan is interest free and is repayable on demand.

18.2 Loan obtained from M/s. Adam Lubricants Limited

This represents loan granted by M/s. Adam Lubricants Limited to meet working capital requirements of the Company. The loan is interest free and is repayable on demand.

18.3	Cash finance from Habib Bank Limited	Note	2025	2024
			Rupees	
	Opening balance		1,030,192,339	-
	Obtained during the year		1,645,122,549	2,962,684,649
	Repaid during the year		(2,582,220,982)	(1,932,492,310)
	Closing balance	18.3.1	93,093,906	1,030,192,339

18.3.1 This represents the amount availed under the cash finance facility obtained from M/s. Habib Bank Limited in order to meet the working capital requirements of the Company. As of September 30, 2025, the limit of the facility amounted to Rs. 1,200 million (2024: Rs. 1,200 million). The facility carries markup at the rate of 1-Month KIBOR + 1.25%. (2024: 1-Month KIBOR + 1.25%). The facility is secured against pledge over stock of sugar bags with 25% margin duly covered by tarpaulin allowed up to PKR 700 Mn for temporary enhanced facility, ranking charge over fixed assets amounting to Rs. 1,200 million (2024: Rs. 800 million) and personal guarantee of Director (Mr. Ghulam Ahmad Adam). The unavailed facility at year end is Rs. 1106.91 million (2024: Rs. 169.808 million). Further the said facility is due to expire in February 2026.

18.4	Salam facility from AlBaraka Bank (Pakistan) Limited	Note	2025	2024
			Rupees	
	Opening balance		318,500,000	269,300,000
	Financing obtained during the year		399,998,948	400,000,000
	Financing repaid during the year		(718,498,948)	(350,800,000)
	Closing balance	18.4.1	-	318,500,000

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18.4.1 This represents the amount availed under the salam facility obtained from M/s. AlBaraka Bank (Pakistan) Limited in order to meet working capital requirements of the Company. As of September 30, 2025, the limit of the facility amounted to Rs. 400 million (2024: Rs. 400 million). The loan is repayable within 270 days from the disbursement of each tranche. The facility carries markup at the rate of Matching KIBOR + 2.25% (2024: Matching KIBOR + 2.25%) and is secured against pledge of sugar stock of Rs. 533.334 million with 25% margin, 1st pari passu charge over all present and future fixed assets of the company amounting Rs. 200 million, ranking charge over all present and fixed assets of the company amounting of Rs. 150 million and personal guarantee of directors of the Company (namely Mr. Ghulam Ahmed Adam and Mr. Omar Adam NWS). The unavailed facility at year end amounting Rs. 400 million (2024: Rs.81.5 million). Further the said facility is due to expire on November 2025.

	<i>Note</i>	2025	2024
		Rupees	
18.5	Salam facility from Askari Bank Limited		
Opening balance		508,000,000	100,000,000
Obtained during the year		1,293,451,282	995,608,850
Repaid during the year		(1,801,451,282)	(587,608,850)
Closing balance	18.5.1	-	508,000,000

18.5.1 This represents the amount availed under the salam facility obtained from M/s. Askari Bank Limited in order to meet working capital requirements during crushing season. The limit of the facility was Rs. 600 million (2024: Rs. 600 million). The facility carried markup at the rate of Matching KIBOR + 1.5% (2024: Matching KIBOR + 1.5%) and was secured against pledge of white refined sugar stock amounting to Rs. 533 million with 25% margin, ranking charge over current assets with 25% margin amounting to Rs. 533 million and personal guarantee of directors of the Company (namely Mr. Ghulam Ahmed Adam, and Omar G Adam) to the extent of unpaid liability. The unavailed facility at year end amounting Rs. 600 million (2024: Rs.92 million). Further the said facility is due to expire on November 2025.

	<i>Note</i>	2025	2024
		Rupees	
19.	SUBORDINATED LOAN FROM THE CHIEF EXECUTIVE		
Outstanding amount of the loan (on undiscounted basis)		<u>24,959,714</u>	<u>22,571,399</u>
Outstanding amount of the loan (on discounted basis):			
Balance as at the beginning of the year		22,571,399	20,411,807
Add: Interest on unwinding of the loan during the year	28	2,388,315	2,159,592
		<u>24,959,714</u>	<u>22,571,399</u>

19.1 As of September 30, 2020, the outstanding carrying amount of the loan was fully amortized to its nominal value (i.e. Rs. 24.96 million). However, the terms of the loan were renegotiated with the Chief Executive of the Company whereby the contractual maturity of the loan was extended for a further period of five (05) years ending on September 30, 2025. Accordingly, in view thereof, the nominal value of the loan was, again, discounted to its present value, as of September 30, 2020, determined using the discount rate of 10.58% (computed as 1 year KIBOR + 3% credit spread).

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		<i>Note</i>	2025	2024
			— Rupees —	
20.	TRADE AND OTHER PAYABLES			
Trade creditors		20.1 & 42.3	41,192,675	537,961,797
Accrued liabilities			49,565,435	25,381,416
Advance from customers			69,907,055	117,718,013
Sales tax payable			315,605,114	51,206,250
Withholding tax payable			59,234,213	36,816,235
Provision for Workers' Profit Participation Fund	20.2		29,485,614	19,793,368
Provision for Workers' Welfare Fund	20.3		46,836,425	40,572,471
Others			3,870,744	5,958,799
			615,697,275	835,408,349
20.1	Trade creditors			
Cane growers			-	448,347,946
Others	20.1.1		41,192,675	89,613,851
			41,192,675	537,961,797
20.1.1	This includes an amount of Rs. 1,010,771 (2024: Rs. 1,530,643) due to Adam Lubricants Limited, an associated undertaking, as at reporting date.			
20.2	Provision for Workers' Profit Participation Fund			
Opening balance			19,793,368	36,554,154
<i>Add:</i>				
Charge for the year		28	7,465,492	10,346,187
Interest accrued			2,226,754	1,964,265
			9,692,246	12,310,452
Payment made during the year			-	(29,071,238)
			29,485,614	19,793,368
20.3	Provision for Workers' Welfare Fund			
Opening balance			40,572,471	34,233,620
Charge for the year			6,263,954	6,338,851
			46,836,425	40,572,471
21.	ACCRUED MARKUP			
Long term borrowings			10,475,633	17,745,985
Short term borrowings			16,367,491	190,367,905
			26,843,124	208,113,890
22.	TAXATION - NET			
Opening balance			25,615,643	108,216,983
Less: taxes deducted at source including advance tax			(148,023,929)	(189,844,726)
			(122,408,286)	(81,627,743)
Add: Levies- Final/ minimum tax under Income Tax Ordinance, 2001.	31		46,286,411	17,343,635
Add: Current tax	32.		102,763,433	89,899,751
Income tax (refundable) / payable			149,049,844	107,243,386
			26,641,558	25,615,643

22.1 Except as disclosed in note 22.1.1 to these financial statements, income tax assessments of the Company are deemed to have been finalized up to, and including, the tax year 2025 (accounting year ended September 30, 2024) based on the returns of income filed by the Company with the concerned taxation authority. As per section 120 of the Income Tax Ordinance, 2001 ('the Ordinance'), a tax return filed by a taxpayer is treated as an assessment order issued by the concerned taxation authority unless the same is selected for re-assessment / audit as per the legal provisions stipulated in the Ordinance.

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1 During the year ended September 30, 2021, the Commissioner, Inland Revenue (defunct) Zone II, LTU, selected the case of the Company for tax years 2014, for audit under section 177(1). During the pending proceedings, the jurisdiction was transferred to Audit Unit-12 under Commissioner Inland Revenue, Audit-I, LTO. The Deputy Commissioner (Audit-1) Inland Revenue, after notice and hearing, then passed orders in terms of Section 122(1) resulting in a demand of Rs. 487.06 million against declared loss of Rs. 23.16 million for the tax year 2014.

The Company filed an appeal against the impugned order and impugned demand before the Commissioner Inland Revenue (Appeals) for the above mentioned tax year, whereby the Company failed to get desired relief, and therefore, filed appeals before the Appellate Tribunal. Further, the Company also filed a Constitutional Petition before the Honorable Sindh High Court, Karachi, and the Court, vide its order dated January 25, 2021 directed the Department not to take coercive action against the Company for recovery of the impugned demand.

On February 16, 2022, the Deputy Commissioner (Audit-1) Inland Revenue issued a notice to impose penalty u/s 182 for concealment of income u/s 111(1)(a)/(d)(i) amounting to Rs. 266.51 million for the above mentioned tax year. The Company filed a Constitutional Petition before the Honorable Sindh High Court, Karachi, and the Court, vide its order dated August 04, 2022 directed the Department not to pass any final order pursuant to the impugned notice u/s 182(2).

The legal counsel is of the view that there is no likelihood of any unfavourable outcome against the Company pertaining which is pending before Appellate Tribunal. Therefore, based on the view of the Company's legal counsel, no provision has been made in these financial statements.

23.1.2 In April and June 2021, the Company received certain Orders-in-Original passed by the Deputy Commissioner Inland Revenue (DCIR) whereby it was alleged that the Company had suppressed its sales and the corresponding sales tax liability and, accordingly, it was liable to pay an aggregate amount of Rs. 8,683.757 million (including default surcharge and penalty). The details of the said Orders-in-Original are produced below:

Order-in-Original		Period covered	Demand created		
Order No.	Order Date		Sales tax	Default surcharge and penalty	Total
(Rs. in million)					
09/165/2021	June 05, 2021	Oct. 2014 to Sep. 2015	995.887	846.735	1,842.622
10/165/2021	June 12, 2021	Oct. 2015 to Sep. 2016	1,074.208	915.274	1,989.482
05/165/2021	April 08, 2021	Oct. 2016 to Sep. 2017	1,293.325	1,100.854	2,394.179
06/165/2021	April 08, 2021	Oct. 2017 to Sep. 2018	1,327.875	1,129.599	2,457.474
Total			4,691.295	3,992.462	8,683.757

Being aggrieved with the aforementioned Orders-in-Original passed by the DCIR (here-in-after referred to as 'the impugned orders'), in May and June 2021, the Company preferred appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)] praying that the impugned orders are bad in law and may be set-aside or demanded back. In addition, the Company also filed Constitutional Petitions before the Honorable Sindh High Court, Karachi which, vide its order dated October 04, 2021 directed the DCIR not to take coercive measures against the Company for recovery of the impugned demand. Thereafter, the CIR(A) vide his orders dated August 21, 2021, September 17, 2021 and October 21, 2021 upheld the orders passed by the DCIR and disposed off the pending appeals.

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Subsequently, on September 28, 2021 and December 08, 2021, the Company filed appeals before the Appellate Tribunal Inland Revenue (ATIR) challenging the aforesaid orders passed by the CIR(A). As of the reporting date, all such appeals were pending for adjudication. However, the Company's legal counsel is of the view that the final outcome of the appeals is likely to be in favour of the Company and, accordingly, no provision for the aforementioned tax demand raised by the DCIR, amounting to Rs. 8,683.757 million, has been recognized in these financial statements.

23.1.3 In August 2021, the Company, along with several other mills, received a demand notice from the Competition Commission of Pakistan (CCP) whereby it was alleged that the Company involve in anti-competitive activities in the sugar industries and accordingly the said demand notice impose a penalty of Rs. 277,754,779/- on the Company. Being aggrieved with the aforesaid order the Company filed a Suit (bearing no. 64290 of 2021) before the Honorable High Court of Lahore ('the Court') for suspension of demand notice dated August 13, 2021 issued by CCP. Subsequently, the Honorable Lahore High Court vide its order dated October 18, 2021, has restrained CCP from recovering the impugned demand, till the next date of hearing against legality, correctness, propriety and legitimacy of the Casting Vote of Chairperson of The Competition Commission of Pakistan.

The Company also filed an appeal (STA/17/2022) before the Competition Appellate Tribunal (CAT), Islamabad, which, vide its order dated 2 June 2022, directed that no coercive measures be taken by the CCP for recovery of the penalties until the final adjudication of the appeal.

During the year, the CAT disposed of the above appeal vide its order dated 21 May 2025, setting aside the impugned CCP order dated 13 August 2021 and remanding the matter back to the Commission for fresh hearing by the Chairman or any other member not previously involved, to be decided within 90 days. Being aggrieved, the Company filed Civil Appeal No. 497/2025 before the Supreme Court of Pakistan, which, vide its order dated 18 September 2025, upheld the CAT's direction regarding the casting vote and remand of the case, to be heard afresh within 90 days.

Subsequently, the appeal before the Competition Appellate Tribunal (CAT) was withdrawn on 28 October 2025, as all learned counsel for the appellants, under instructions, did not press the appeals following the setting aside of the casting vote. The impugned order effectively remained a split decision, with two Members each expressing differing views. Accordingly, the Tribunal allowed the request, and all listed appeals were formally withdrawn, with pending applications remaining, and the files consigned to record. On 3 November 2025, the CCP filed a review petition before the Supreme Court.

Currently, the CCP's review petition before the Supreme Court remain pending. Based on the opinion of its legal counsel, the Company has a strong case on merit, and the final outcomes of these matters are expected to be favorable. Accordingly, no provision has been recognized in these financial statements for penalties aggregating Rs. 277.754 million.

23.1.4 The Deputy Commissioner Inland Revenue issued a show cause notice under section 161(1A) dated 19 May 2021 and thereafter passed an ex-parte order under section 161(1) dated 16 June 2021 for alleged non-deduction and non-collection of withholding taxes under various provisions of the Income Tax Ordinance, 2001 in respect of Tax Year 2015. The proceedings were initiated on the basis that the Company, being a prescribed withholding agent, was required under the law to withhold and/or collect taxes on specified payments and to deposit the same into the Federal Treasury. The said order created a demand for short deduction / collection of withholding taxes amounting to Rs. 146.66 million, along with default surcharge under section 205 of Rs. 118.13 million and penalty under section 182 of Rs. 14.67 million, aggregating to Rs. 279.46 million.

Being aggrieved with the said order, the Company filed an appeal before the Commissioner Inland Revenue (Appeals), Karachi, who vide order dated 11 May 2022 set aside the order of the Deputy Commissioner Inland Revenue with directions to re-adjudicate the matter after providing proper opportunity of being heard.



Accordingly, a notice under section 124 read with section 161 dated 5 October 2023 was issued requiring compliance on 26 October 2023, for which an adjournment was requested by the Company and was granted. Thereafter, a reminder dated 31 October 2023 was issued for compliance on 10 November 2023, followed by six further reminder notices; but the matter remained pending. Consequently, the Deputy Commissioner Inland Revenue passed an order dated 29 June 2024, creating a revised aggregate tax demand of Rs. 276,191,637, comprising income tax of Rs. 122,179,262, default surcharge of Rs. 141,594,049 and penalty of Rs. 12,418,326.

Being aggrieved, the Company filed an appeal before the Appellate Tribunal Inland Revenue, Division Bench-I, Karachi (ITA No. 1392/KB/2024). The Appellate Tribunal Inland Revenue vide its order dated 8 July 2025 dismissed the appeal, holding that no legal infirmity or procedural lapse existed in the impugned order dated 29 June 2024 and accordingly confirmed the order passed by the Deputy Commissioner Inland Revenue.

Subsequent thereto, during July 2025, the Company paid an aggregate amount of Rs. 24,781,281, and further deposited Rs. 15,000,000 on 25 September 2025, aggregating to Rs. 39,781,281, which has been reflected as deposits (refer Note 10.2 to the financial statements).

Being further aggrieved, the Company instituted Income Tax Reference Application No. 307 of 2025 before the Honourable High Court of Sindh on 31 July 2025, challenging the order passed by the Appellate Tribunal Inland Revenue. Subsequent to the reporting period, the Honourable High Court of Sindh at Karachi vide its order dated 2 October 2025 directed the Company to deposit 50% of the total liability, after adjustment of amounts already deposited amounting to Rs. 39,781,281, resulting in a further deposit requirement of Rs. 98,314,537, to be deposited with the learned Nazir of the Court within two weeks. The interim order was directed to continue, and the matter was fixed for hearing on 12 January 2026. Accordingly, the Company deposited the required amount of Rs. 98,314,537 with the Nazir of the Honourable High Court of Sindh on 4 December 2025.

The matter is currently pending adjudication before the Honourable High Court of Sindh. Based on legal advice, the management is optimistic about a favourable outcome of the Income Tax Reference Application and accordingly, no provision has been made in these financial statements.

23.1.5 For the last several years, the Company has been contesting certain legal suits filed against it by 15 former employees ("the applicants") before the Court of Kaleem Yousuf, Authority under the Payment of Wages Act, 1936, Bahawalnagar ("the Authority"). In each case, the applicants filed claims under section 15(2) of the Payment of Wages Act, 1936, alleging that they had previously been employed by the Company and, upon separation, were not paid their alleged dues including salary/wages, gratuity, leave encashment, overtime and bonus. The aggregate compensation claimed amounted to Rs. 42.842 million.

On 11 November 2023, the Authority announced its final verdict in favour of the applicants and directed the Company to deposit the claimed amount within 30 days from the date of the order. In compliance therewith, the Company deposited Rs. 42.842 million with the Commissioner Workmen's Compensation, Bahawalnagar (refer note 10.3).

Being aggrieved, in December 2023, the Company filed appeals under section 17 of the Payment of Wages Act, 1936 before the Learned District & Sessions Judge / Presiding Officer, Punjab Labour Court No. 8, Bahawalpur. Subsequently, the matter was taken up before the Punjab Labour Appellate Tribunal No. II, Multan, which, vide its order dated 27 October 2025, allowed withdrawal of the revision petition at the request of the Company's counsel to enable the Company to pursue the matter before the Authority and directed the Authority to decide the claims expeditiously. As at the reporting date, all 15 cases remain pending before the Punjab Labour Appellate Tribunal No. II, Multan.

Separately, the same 15 former employees also filed appeals before the National Industrial Relations Commission (NIRC), Islamabad, against the order dated 9 July 2025 passed by the learned Member-in-Chambers, along with applications under section 85 of the Industrial Relations Act, 2012, read with section 5 of the Limitation Act, 1908, seeking condonation of delay. The impugned order was passed on 7 July 2025 and signed on 31 July 2025. Attested copies were applied for on 28 August 2025, and the appeals were filed on 8 October 2025. The NIRC, vide its order dated 27 October 2025, dismissed five out of the fifteen appeals on the ground of limitation.



As at the reporting date, ten out of the fifteen cases remain pending before the NIRC, while all fifteen cases are pending adjudication before the Punjab Labour Appellate Tribunal No. II, Multan. Based on the opinion of the Company's legal counsel, the Company has a good arguable case on merit and no adverse outcome is expected. Accordingly, no additional provision has been recognized in these financial statements in respect of these matters.

23.2 Previously reported contingency, resolved during the year.

23.2.1 As disclosed in the financial statements of the Company for the year ended 30 September 2024 (refer Note 22.1.5 (2)), this matter was previously reported as a contingent liability, which stated that the Commissioner Inland Revenue had raised a demand alleging that the Company had claimed inadmissible input tax on certain construction-related goods, including cement, steel, paints, bricks, varnishes, and distempers, for the periods from July 2014 to June 2018 and July 2016 to November 2017, in violation of section 8(1)(h) and (i) of the Sales Tax Act, 1990.

The matter originated with Order-in-Original No. 17/12/2020 & 19/12/2020 dated 29 June 2020 passed by the Deputy Commissioner Inland Revenue under section 11(2) of the Sales Tax Act, 1990, creating demands of Rs. 10.063 million and Rs. 2.997 million, together with default surcharge and penalty. Being aggrieved, the Company filed appeals before the Commissioner Inland Revenue (Appeals), Hyderabad, who remanded the matters back to the DCIR for further proceedings. Following completion of the remanded proceedings, the DCIR revised the demands to Rs. 8.748 million and Rs. 2.997 million, along with default surcharge of Rs. 0.437 million and penalty of Rs. 0.150 million.

The Company filed appeals before the CIR(A), Hyderabad, registered as Appeal Nos. 209 & 210 dated 31 October 2022, which confirmed the DCIR's orders and dismissed the appeals for being without legal merit. The confirmed demands were Rs. 9.186 million for the tax period July 2016 to November 2017 and Rs. 3.147 million for the tax period July 2014 to June 2018, in accordance with SRO 450(I)/2013 dated 27 May 2013, which clarified that input tax is not admissible on goods not directly used in the manufacture of taxable goods.

Being further aggrieved, the Company filed appeals before the Appellate Tribunal Inland Revenue (Special Division Bench), Karachi, registered as STA Nos. 10/KB/2023 and 11/KB/2023, which were dismissed on 1 August 2024, confirming the CIR(A)'s orders and holding that the demands were legally valid under section 25(5) of the Sales Tax Act, 1990. The Company subsequently filed Reference Applications No. 149 & 150 of 2024 before the Honourable High Court of Sindh, Karachi, which were dismissed on 2 October 2024, confirming that the goods in question were used for construction purposes and did not constitute raw materials for the production of taxable goods by the Company.

Subsequently, the Company filed CPLA 1063-K & 1064-K of 2024 before the Supreme Court of Pakistan, which vide its order dated 8 May 2025, upheld the decisions of the lower forums and dismissed the petitions, confirming that the goods in question do not constitute raw material for taxable production in the Company's operations.

As a result of the final adjudication, the Company has recognized a provision of Rs. 12.333 million in these financial statements (refer Note 30).

23.3 Commitments

As of the reporting date, no material financial commitments were known to exist.

		Note	2025	2024
			Rupees	
24.	SALES REVENUE - net			
	Local sales	24.1	9,896,158,901	7,882,909,511
	Export sales		944,883,844	172,332,881
			10,841,042,745	8,055,242,392
24.1	Local sales			
	Sale of sugar	24.1.1	9,241,215,207	6,945,133,801
	Sale of by-products	24.1.2	654,943,694	937,775,710
			9,896,158,901	7,882,909,511

		Note	2025	2024
			Rupees	
24.1.1	Sale of Sugar			
Revenue from sale of sugar - gross			11,053,809,282	8,156,176,646
Less: federal excise duty			(7,500,000)	-
Less: sales tax and advance income tax			(1,805,094,075)	(1,211,042,845)
			9,241,215,207	6,945,133,801
24.1.2	Sale of By-products:			
Sales of Molasses (gross)			742,593,962	955,578,191
Less: sales tax			(113,277,045)	(34,600,911)
			629,316,917	920,977,280
Sales of Bagasse (gross)			25,500,000	15,148,492
Less: sales tax (including further tax)			(3,980,666)	(2,590,888)
			21,519,334	12,557,604
Sales of Mud (gross)			4,885,060	5,131,400
Less: sales tax (including further tax)			(777,617)	(890,574)
			4,107,443	4,240,826
			654,943,694	937,775,710
25.	COST OF SALES			
Opening stock of finished goods				
- Sugar			3,234,728,318	1,741,362,883
- Molasses			9,189,983	82,049,055
			3,243,918,301	1,823,411,938
Cost of finished goods manufactured	25.1		7,679,789,965	8,550,608,665
			10,923,708,266	10,374,020,603
Closing stock of finished goods				
- Sugar	7		(592,093,056)	(3,234,728,318)
- Molasses	7		(204,314,561)	(9,189,983)
			(796,407,617)	(3,243,918,301)
			10,127,300,649	7,130,102,302
25.1	Cost of finished goods manufactured			
Raw materials consumed			6,814,580,427	7,703,366,619
Conversion costs incurred:				
- Depreciation	4.1.1		263,803,701	272,574,921
- Salaries, wages and allowances			330,131,662	281,228,182
- Stores and spares consumed			137,752,815	154,199,794
- Repairs and maintenance			94,614,925	101,329,390
- Fuel and power			20,977,872	19,833,464
- Insurance			12,517,663	13,652,904
- Market committee fees			2,679,024	2,789,809
- Flying ash removal expenses			3,024,730	2,432,258
			865,502,392	848,040,722
Opening stock of work in process			5,226,045	4,427,369
Closing stock of work in process	7		(5,518,899)	(5,226,045)
			(292,854)	(798,676)
			7,679,789,965	8,550,608,665

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26.	ADMINISTRATIVE EXPENSES	Note	2025	2024
			Rupees	
Salaries, wages and other allowances	26.1		82,572,833	72,418,938
Directors' remuneration	35		63,976,686	65,243,175
Depreciation	4.1.1		15,071,006	9,426,978
Vehicle running expenses			6,445,148	7,872,914
Legal and professional charges			7,917,161	5,420,090
Electricity charges			4,728,416	5,251,437
Computer expenses			2,715,037	5,094,718
Printing and stationery			5,085,587	4,085,091
Fees and subscription			3,577,826	3,164,481
Entertainment			3,945,609	3,098,896
Postage and telephone			3,926,327	3,007,612
Auditors' remuneration	26.2		2,859,000	2,550,000
Repair and maintenance			1,359,360	2,202,158
Conveyance and travelling expenses			1,575,720	1,405,919
Rent, rates and taxes			1,276,401	1,138,447
General expenses			4,361,830	2,360,586
			<u>211,393,947</u>	<u>193,741,440</u>

26.1 This include Rs. 4,084,187 (2024: Rs. 3,221,872) in respect of staff retirement benefits.

26.2	Auditors' remuneration	Note	2025	2024
			Rupees	
Annual audit			2,200,000	2,000,000
Review of half yearly financial statements			559,000	450,000
Other certifications			100,000	100,000
			<u>2,859,000</u>	<u>2,550,000</u>

27. SELLING AND DISTRIBUTION COSTS

Commission expenses		10,082,812	6,257,112
Shifting expenses		4,866,157	5,348,827
Loading and unloading expenses		2,465,532	2,495,760
Export expenses		31,316,445	917,896
Advertisement expenses		260,840	211,100
		<u>48,991,786</u>	<u>15,230,695</u>

28. FINANCE COSTS

Markup charge on long term borrowings:			
- Conventional financing		48,638,880	80,500,293
- Islamic financing facility for renewable energy	16.2	2,515,997	3,371,923
- Subordinated loan from Chief Executive		2,388,315	2,159,592
		<u>53,543,192</u>	<u>86,031,808</u>

Markup charge on short term borrowings:

- on conventional financing		74,987,769	197,980,293
- on Islamic financing		154,110,124	275,266,660
		<u>229,097,893</u>	<u>473,246,953</u>

Bank charges		4,677,218	4,565,969
Finance cost on Workers' profit participation fund		2,226,754	1,964,265

289,545,057 565,808,995

	<i>Note</i>	2025	2024
		Rupees	
29. OTHER INCOME			
Profit on saving accounts		1,176,257	141,423
Profit on term deposit receipts		590,603	5,810,224
Gain on disposal of operating fixed assets		-	1,360,117
Amortization of deferred government grant		1,606,444	2,224,191
Foreign currency gain on monetary items		599,036	58,800
Forfeited deposits on unfulfilled sale contracts		-	4,993,994
Miscellaneous		14,054,983	8,797,170
		<u>18,027,323</u>	<u>23,385,919</u>

30. OTHER OPERATING EXPENSES

Provision against slow-moving stores and spares		4,826,099	23,900,275
Provision for sales tax payable on demand	23.2.1	12,333,000	-
Assets written off		7,020,309	-
Charity and donation	30.1	8,349,378	9,278,592
		<u>32,528,786</u>	<u>33,178,867</u>

30.1 None of the directors or their spouse had any interest in the donees. Further, the particulars of the parties to whom donation paid exceeds Rs. 1 million or 10% of the total donation, whichever is higher, are as follows:

	2025	2024
	Rupees	
Bantva Memon Jamat	1,500,000	1,500,000
Indus Hospital	<u>1,000,000</u>	<u>1,000,000</u>
Al Khidmat Foundation	<u>1,000,000</u>	<u>1,000,000</u>
Shaukat Khanum Hospital	<u>1,000,000</u>	-

31. LEVIES

Workers' Welfare Fund	6,263,954	6,338,851
Workers' Profit Participation Fund	7,465,492	10,346,187
	<u>13,729,446</u>	<u>16,685,038</u>
Excess of minimum tax over normal tax	46,286,411	17,343,635
	<u>60,015,857</u>	<u>34,028,673</u>

32. TAXATION

	2025	2024
	Rupees	
Current	100,149,419	93,015,589
Prior year	2,614,014	(3,115,838)
	<u>102,763,433</u>	<u>89,899,751</u>
Deferred	(59,603,284)	(56,447,731)
	<u>43,160,149</u>	<u>33,452,020</u>

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							Restated
							2025
							2024
							— Rupees —
33.	EARNINGS PER SHARE						
33.1	Basic earnings per share						
	Profit after taxation					46,133,837	73,085,319
	Weighted average number of ordinary shares outstanding during the year					17,290,962	17,290,962
						Number	
						17,290,962	17,290,962
						Restated	
						Rupees	
	Earnings per share - basic					2.67	4.23
33.2	Diluted earnings per share						
	There was no dilutive effect on the basic earnings per share of the Company, since there were no potential ordinary shares in issue as at the reporting date.						
34.	CASH AND CASH EQUIVALENTS			<i>Note</i>		2025	2024
						Rupees	
	Bank balances			<i>12</i>		26,807,240	53,025,872
	Short term borrowing - running finance			<i>18.3</i>		(93,093,905)	(1,030,192,338)
						(66,286,665)	(977,166,466)
35.	REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES						
		CHIEF EXECUTIVE		DIRECTORS		EXECUTIVES	
		2025	2024	2025	2024	2025	2024
						Rupees	
	Basic salary	31,800,000	31,800,000	30,600,000	30,600,000	26,120,121	37,394,400
	Vehicle expenses	155,200	-	92,000	449,886	87,750	57,700
	Travelling expenses	-	-	1,136,686	2,359,289	-	257,935
	Bonus and leave encashment	-	-	-	-	1,928,839	1,558,100
	Meeting Fee	80,000	8,000	360,000	26,000	-	440,000
		32,035,200	31,808,000	32,188,686	33,435,175	28,136,710	39,268,135
	Number of persons	1	1	2	2	13	19

35.1 The Chief Executive, two directors and the executives have been provided with free use of the Company maintained cars.

36. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties of the Company comprise of Adam Pakistan Limited, Adam Lubricants Limited, key management personnel, directors and their close family members. Remuneration of the Chief Executive and directors is disclosed in note 35 to the financial statements. Transactions entered into, and balances held with, related parties, are as follows:



Name of the related party	Particulars	2025	2024
		-----	Rupees -----
Adam Lubricants Limited (Company under common control)	<i>Transactions during the year</i>		
	Lubricants purchased during the year	7,647,770	14,873,910
	Payment against purchases during the year	8,167,642	13,699,698
	Loan received during the year	2,932,815,970	1,540,000,000
	Loan repaid during the year	3,018,042,965	874,932,000
	<i>Balances at the year end</i>		
	Payable against purchases	1,010,771	1,530,643
	Short term loan payable	744,841,005	830,068,000
Chief Executive (Mr. Ghulam Ahmed Adam)	<i>Balances at the year end</i>		
	Short term loan payable	32,164,394	32,164,394
	Subordinated loan payable	24,959,713	24,959,713
Chief Executive (Mr. Ghulam Al)	Guarantees provided to banks against financing on behalf of the Company (refer notes 16, 18.3.1, 18.4.1 and 18.5.1)	4,251,360,000	4,251,360,000

37. SEGMENT INFORMATION

These financial statements have been prepared on the basis of a single reportable segment i.e. sale and manufacturing of sugar. The entity-wide disclosures required by IFRS 8 'Operating Segments' are given below:

- (a) Revenue from sale of sugar represents 93.96% (2024: 88.35%) of the total revenue whereas remaining represent revenue from sale of molasses, bagasse and mud.
- (b) 91.28% (2024: 97.57%) gross sales of the Company were made to customers based in Pakistan.
- (c) As at September 30, 2025 and September 30, 2024 all non-current assets of the Company were located in Pakistan.
- (d) Following are the customers from whom 10% or more of the Company's revenue has been generated during the year:

	2025	2024
	-----	Rupees -----
Customer- A	5,303,601,834	2,884,552,892
Customer- B	2,399,542,372	1,798,349,670
Customer- C	1,244,753,684	-

38. FINANCIAL INSTRUMENTS

38.1 Categories of financial assets and financial liabilities

38.1.1 Financial assets

At amortised cost

Long term deposits	4,191,581	4,191,581
Short term investments	25,020,460	25,020,460
Trade debts	743,312,197	506,643,021
Short term loans to staff	2,058,421	3,617,921
Other receivables	-	1,727,731
Bank balances	26,807,240	53,025,872
	<u>801,389,899</u>	<u>594,226,586</u>

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	2025	2024
	----- Rupees -----	
Subordinated loan from the Chief Executive	24,959,714	22,571,399
Long term finance	605,593,965	334,938,302
Short term borrowings	870,099,304	2,718,924,732
Trade and other payables	94,628,854	569,681,572
Accrued markup	26,843,124	208,113,890
	<u>1,622,124,961</u>	<u>3,854,229,895</u>

38.2 Risks arising from financial instruments

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

38.2.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

A financial asset is regarded as credit impaired as and when it falls under the definition of a 'defaulted' financial asset. For the Company's internal credit management purposes, a financial asset is considered as defaulted when it is **past due for 90 days or more**.

The Company writes off a defaulted financial asset when there remains no reasonable probability of recovering the carrying amount of the asset through available means. Written off financial assets are not subject to enforcement activity.

Maximum exposure to credit risk and its management strategies

Following is the quantitative analysis of the Company's maximum exposure to credit risk as at the reporting date:

	Note	2025	2024
		----- Rupees -----	
Long term deposits		4,191,581	4,191,581
Short term investments		25,020,460	25,020,460
Trade debts	(a)	743,312,197	506,643,021
Short term loans to staff		2,058,421	3,617,921
Other receivables		-	1,727,731
Bank balances	(b)	26,807,240	53,025,872
		<u>801,389,899</u>	<u>594,226,586</u>

Note 'a' - Credit risk management of trade debts

The Company attempts to control credit risk arising from dealings with customers by monitoring credit exposures and continually assessing the creditworthiness of its customers. As part of its credit risk management strategy, the Company receives advances from customers against sales of goods. In addition, the Company has a system of assigning credit limits to its customers based on an extensive evaluation of customer profile and payment history. Outstanding customer receivables are regularly monitored.

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As of the reporting date, the aging analysis of trade debts was as follows:

	2025		2024	
	Gross carrying amount	Provision for expected credit losses	Gross carrying amount	Provision for expected credit losses
	Rupees		Rupees	
Not past due	743,312,197	-	506,643,021	-
Past due 3 months -1 year	-	-	-	-
Past due more than 1 year	1,583,807	1,583,807	1,583,807	1,583,807
	744,896,004	1,583,807	508,226,828	1,583,807

Based on past experience, consideration of financial position, past track records and recoveries, the Company believes that trade debtors considered good do not require any impairment.

Note 'b' - Credit risk management of bank balances

Bank Name	Credit rating agency	Ratings	2025	2024
			Rupees	
Meezan Bank Limited	VIS	AAA	-	23,815,591
Habib Bank Limited	VIS	AAA	14,423,968	682,604
Bank Al-Habib Limited	PACRA	AA+	-	-
Bank Al-Falah Limited	VIS	AA+	271,973	5,675,124
Al Baraka Bank (Pakistan) Limited	VIS	AA-	7,492,789	6,191,297
MCB Bank Limited	PACRA	AAA	603,070	722,013
Faysal Bank Limited	PACRA	AA	1	800,674
Allied Bank Limited	PACRA	AAA	355,845	20,250
Soneri Bank Limited	PACRA	AA-	552	53,262
Askari Bank Limited	PACRA	AA+	98	-
United Bank Limited	VIS	AAA	405,610	9,670,302
Bank of Punjab	PACRA	AA+	57,547	1,252,633
Samba Bank Limited	PACRA	AA	12,755	12,857
HSBC Bank Middel East Limited	-	-	497,907	497,907
JS Bank Limited	PACRA	AA	2,334,790	3,041,790
National Bank of Pakistan	VIS	AAA	315,887	315,887
Dubai Islamic Bank Limited	VIS	AA	-	141,018
Habib Metropolitan Bank Limited	PACRA	AA+	603	98,818
Sindh Bank Limited	PACRA	A	22,861	22,861
Silk Bank Limited	VIS	AAA	6,826	6,826
Bank Makramah Limited	VIS	B	3,321	3,321
Bank Islami Limited	PACRA	AA-	837	837
			26,807,240	53,025,872

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by change in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As of the reporting date, the Company was exposed to following concentration of credit risk:

	2025	2024
	Rupees	
Customer- A	296,013,401	375,503,309
Customer- B	<u>198,418,148</u>	<u>59,726,214</u>

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38.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities 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, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities:

	September 30, 2025						
	Carrying amount	Contractual cash flows	On demand	Six months or less	Six to twelve months	One to five years	More than five years
	(Rupees)						
Non-derivative financial liabilities							
Long term finance (including accrued markup)	616,069,598	711,309,102	-	67,213,631	124,677,312	519,418,159	-
Subordinated loan from the Chief Executive	24,959,714	24,959,713	-	-	24,959,713	-	-
Short term borrowings	870,099,304	870,099,304	777,005,399	93,093,905	-	-	-
Accrued markup on short term borrowings	16,367,491	16,367,491	-	16,367,491	-	-	-
Trade and other payables	94,628,854	94,628,854	-	94,628,854	-	-	-
	1,622,124,961	1,717,364,464	777,005,399	271,303,881	149,637,025	519,418,159	-
 September 30, 2024							
	Carrying amount	Contractual cash flows	On demand	Six months or less	Six to twelve months	One to five years	More than five years
	(Rupees)						
Non-derivative financial liabilities							
Long term finance (including accrued markup)	352,684,287	421,507,496	-	76,058,824	90,649,716	254,798,956	-
Subordinated loan from the Chief Executive	22,571,399	24,959,713	-	-	24,959,713	-	-
Short term borrowings	2,718,924,732	2,718,924,732	1,892,424,732	826,500,000	-	-	-
Accrued markup on short term borrowings	190,367,905	190,367,905	-	190,367,905	-	-	-
Trade and other payables	569,681,572	569,681,572	-	569,681,572	-	-	-
	3,854,229,895	3,925,441,418	1,892,424,732	1,662,608,301	115,609,429	254,798,956	-

38.2.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

a) *Currency risk*

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to a change in a foreign exchange rate. It arises mainly where receivables and payables exist due to transactions in foreign currency. As of the reporting date, the Company was not exposed to any foreign currency risk.

b) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As of the reporting date, the Company was exposed to cash flow interest rate risk on the long term and short term financing obtained from banks.

Exposure to interest rate risk

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 interest rate (%)		Carrying amount (Rs.)	
Financial liabilities				
Long term finance	12.28%-18.13%	11.02%-22.12%	605,593,965	334,938,302
Short term borrowings	11.07%-17.67%	18.21%-23.08%	93,093,905	2,718,924,732
Financial assets				
Bank deposits - pls account	4.2% - 9%	11% - 20%	359,602	5,777,135

Sensitivity analysis:

The following information summarizes the estimated effects of 1% hypothetical increase and decrease in interest rates on cash flows from financial assets and financial liabilities that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. The hypothetical changes in market rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	(Decrease) / increase in profit before taxation	
	1% increase	1% (decrease)
As at September 30, 2025		
Cash flow sensitivity - Variable rate financial instruments	(6,983,283)	6,983,283
As at September 30, 2024		
Cash flow sensitivity - Variable rate financial instruments	(30,480,859)	30,480,859

c) *Other price risk*

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

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39. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. However, during the year, there were no transfers between the levels of the fair value hierarchy.

39.1 Fair value hierarchy

Following is the fair value hierarchy of the assets carried at fair value:

September 30, 2025	Level 1	Level 2	Level 3	Total
	Rupees			
- Freehold land	-	1,429,893,000	-	1,429,893,000
- Factory building	-	202,225,523	-	202,225,523
- Non - factory building	-	70,490,118	-	70,490,118
- Plant and machinery	-	4,326,343,410	-	4,326,343,410

September 30, 2024
- Freehold land
- Factory building
- Non - factory building
- Plant and machinery

There were no transfers between levels 1, 2 and 3 during the year and there were no changes in valuation techniques during the years.

39.2 Valuation techniques and inputs used to determine fair value

The Company obtains independent valuations for its certain classes of property, plant and equipment. The following table summarizes the inputs used in the fair value measurement:

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Description	2025	2024	Inputs used in fair value measurement
	Rupees	Rupees	
---- Written down value (WDV) ----			
Freehold land	1,429,893,000	1,429,893,000	The market value of land has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.
Factory buildings on freehold land	202,225,523	208,852,115	To determine the fair value of the buildings, following significant inputs were used:
Non-factory buildings on freehold land	70,490,118	74,200,124	<ol style="list-style-type: none"> 1) Covered area of each building physically inspected by the valuer; 2) Complete specification of civil work on each building; 3) Physical condition of each building; 4) Cost of construction of new similar building;
Plant and machinery	4,326,343,410	4,497,108,441	<p>To determine the fair value of the plant and machinery, following significant inputs are :</p> <ol style="list-style-type: none"> 1) Cost of acquisition of similar plant and machinery with similar level of technology keeping in view the make, model, capacity, country of origin and other specification. 2) Physical condition of the plant and machinery - To arrive at commensurable value, the new installed values have been depreciated accordingly, keeping in view the present condition of the plant and machinery.;

39.3 Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value of the financial assets and liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Company's financial assets consist of long term deposits, short term investments, trade debts, short term loan to staff, other receivables and bank balances. Its financial liabilities consist of long term finances (including accrued markup), subordinated loan from the Chief Executive, short term borrowings, accrued markup on short term borrowings and trade and other payables. The fair value of above financial assets and liabilities (except non-current portion of long term loans) approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of non-current portion of long term loans is not significantly different from its carrying value as these financial instruments bear interest at floating rates which gets re-priced at regular intervals.

40. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, sustain future development of the business, safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

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Following is the quantitative analysis of what the Company manages as capital:

	2025	2024	(Restated) Rupees
<i>Borrowings</i>			
Long term finance	605,593,965	334,938,302	
Subordinated loan from the Chief Executive	24,959,714	22,571,399	
	<u>630,553,679</u>	<u>357,509,701</u>	
<i>Share capital and reserves</i>			
Issued, subscribed and paid up capital	172,909,620	172,909,620	
Share premium	172,909,620	172,909,620	
Capital contribution from director	18,601,691	18,601,691	
Revenue reserves	1,315,003,447	1,184,363,904	
	<u>1,679,424,378</u>	<u>1,548,784,835</u>	
	<u>2,309,978,057</u>	<u>1,906,294,536</u>	

41. CORRECTION OF PRIOR PERIOD ERRORS

Restatement of Super Tax – Tax Year 2023

For Tax Year 2023, the Company received an order under section 4C dated 21 May 2025, under which Super Tax is payable at the effective rate of 8%, resulting in a total demand of Rs. 32,047,828, of which Rs. 4,460,980 has already been paid, leaving a balance of Rs. 27,586,848. Upon review of the Company's records, it was noted that Super Tax had been initially provided at an incorrect rate of 4%, amounting to Rs. 16,545,879. The resulting under-provision of Rs. 15,501,949 has now been recognized, and the Super Tax liability has been restated retrospectively in the financial statements to reflect the correct charge.

Rate of deferred tax

The Company had previously calculated deferred tax using the standard rate of 29%. However, under Section 4C of the Income Tax Ordinance, an additional tax is applicable based on the level of taxable income, which is also required to be considered in determining deferred tax. The Company had inadvertently not applied the correct composite tax rate in prior years. During the current year, the Company has corrected this matter retrospectively.

The aforesaid prior period errors have been corrected retrospectively in accordance with 'IAS 8 - Basis of Preparation of Financial Statements', and the comparative figures have been restated. As the restatement had a material impact on the statement of financial position at the beginning of the earliest comparative period presented (i.e., September 30, 2023), a third statement of financial position has also been presented in these financial statements in compliance with IAS 1 'Presentation of Financial Statements'.

The retrospective effects on the corresponding figures presented in these financial statements are as follows:

Effects on the statement of financial position

	As at September 30, 2024			As at September 30, 2023		
	As previously reported	As restated	Change	As previously reported	As restated	Change
	(Rupees)			(Rupees)		

Share capital and reserves

Unappropriated profits	1,038,641,867	984,363,904	(54,277,963)	918,513,735	852,517,319	(65,996,416)
Surplus on revaluation of plant and electrical instruments	3,654,432,478	3,528,044,055	(126,388,423)	3,780,726,839	3,680,599,141	(100,127,698)

Deferred liabilities

Deferred taxation-net	1,126,410,639	1,291,575,076	165,164,437	1,163,975,268	1,314,597,433	150,622,165
Taxation - net	10,113,694	23,613,613	13,501,919	92,713,034	108,216,983	15,501,949

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Effects on the statement of profit or loss

	For the year ended September 30, 2024		
	As previously reported	As restated	Change
	(Rupees) -----		
Revenue - net	8,055,242,392	8,055,242,392	-
Cost of sales	(7,130,102,302)	(7,130,102,302)	-
Gross profit	925,140,090	925,140,090	-
Administrative expenses	(198,307,409)	(193,741,440)	(4,565,969)
Selling and distribution expenses	(15,230,695)	(15,230,695)	-
Operating profit	(213,538,104)	(208,972,135)	(4,565,969)
	711,601,986	716,167,955	(4,565,969)
Finance costs	(561,243,026)	(565,808,995)	4,565,969
Other income	23,385,919	23,385,919	-
Other operating expenses	(33,178,867)	(33,178,867)	-
Profit before levies and taxation	(571,035,974)	(575,601,943)	4,565,969
	140,566,012	140,566,012	-
Levies	(34,028,673)	(34,028,673)	-
Profit before taxation	106,537,339	106,537,339	-
<i>Taxation</i>			
- Current	(93,015,589)	(93,015,589)	-
- Prior year	3,115,838	3,115,838	-
- Deferred	37,608,106	56,447,731	(18,839,625)
	(52,291,645)	(33,452,020)	(18,839,625)
Profit after taxation	54,245,694	73,085,319	(18,839,625)
Earning per share - basic and diluted	3.14	4.23	1.09

42. GENERAL

42.1 Plant capacity and actual production

	2025		2024	
	Quantity (Metric Tons)	No. of Days	Quantity (Metric Tons)	No. of Days
Crushing capacity	2,400,000	150	2,400,000	150
Cane crushed	651,341	115	684,186	104
Production - sugar	57,442	115	69,369	104

42.1.1 During the crushing season 2024-25, mill operated 115 days (2023-2024 : 104 days) out of 180 days, therefore the production capacity of the Company remained under utilized mainly due to non-availability of sugar cane.

	2025		2024	
	Number			
42.2 (a) Number of employees	493	485		
Total number of employees as at the year end	493	485		
Average number of employees during the year	668	650		

	2025	2024		
	Number			
42.2 (b) Shariah compliance status disclosure				
Statement of financial position				
- Long-term financing as per Islamic mode	13,641,267	23,767,302		
- Short-term financing as per Islamic mode	777,005,399	1,688,732,394		
- Mark-up accrued on Islamic mode	5,849,990	130,176,041		
- Short-term investment as per Islamic mode	-	-		
- Long-term investment as per Islamic mode	-	-		
- Shariah-compliant bank balance	239,459	24,765,765		
Statement of profit and loss				
- Revenue earned from Shariah compliant business segment	10,841,042,745	8,055,242,392		
- Dividend earned from Shariah compliant investments	-	-		
- Gain / (Loss) on sale of securities - net from Shariah compliant investments	-	-		
- Gain on remeasurement of investments - net from Shariah compliant investments	-	-		
- Profit earned from Shariah compliant bank balances	254,232	-		
- Exchange gain/ (loss) on actual currency	3,605	-		
- Markup paid on Islamic mode of financing	154,110,124	275,266,660		
- Markup earned on conventional loans and advances	-	-		

Relationships with Shariah - compliant financial institutions, including banks, takaful operators and their windows, etc.	<div style="border: 1px solid black; padding: 5px; width: 100%; height: 150px; overflow: auto;"> <p>Bank Alfalah Limited – Islamic Banking</p> <p>Askari Bank Limited – Islamic Banking</p> <p>Al Baraka Bank (Pakistan) Limited</p> <p>Meezan Bank Limited</p> <p>Dubai Islamic Bank Pakistan Limited</p> <p>Faysal Bank Limited – Islamic Banking (Faysal Islamic)</p> </div>
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42.3 Reclassification of corresponding figures

Corresponding figures have been rearranged and reclassified in these financial statements, wherever necessary, for the purpose of comparison. Major reclassifications are detailed hereunder:

Reclassification from	Reclassification to	Rupees
Bank charges (<i>Administrative Expenses</i>)	Bank charges (<i>Finance Cost</i>)	27 <u>4,565,969</u>
Trade creditors (<i>Trade and other payable</i>)	Withholding tax payable (<i>Trade and other payable</i>)	4.2 <u>379,560</u>

42.4 Non-adjusting event after the reporting date

The Board of Directors in their meeting held on January 05, 2026 has proposed a final cash dividend of Rs. 4/- per share (2024: Rs. 1.5/- per share) for approval of the members at the Annual General Meeting to be held on January 31, 2026. These financial statements do not reflect this appropriation.

42.5 Date of authorization of the financial statements for issue

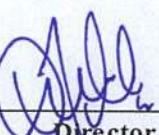
These financial statements have been authorized for issue by the Board of Directors of the Company in their meeting held on January 05, 2026

42.6 Level of rounding

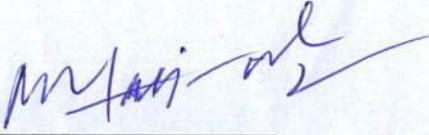
All the figures in these financial statements have been rounded off to the nearest rupee.



Chief Executive



Director



Chief Financial Officer