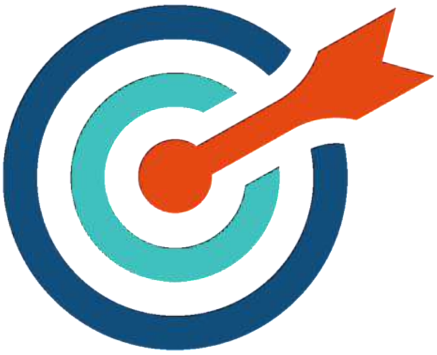
Shakarganj Limited

ANNUAL REPORT FOR THE YEAR ENDED 2024

CONTENTS

VISION, MISSION & CORE VALUES



To provide the best value products and services to our customers through investment in technology, human resources, operational systems, and processes

To provide the best working environment to our employees and provide them opportunities to enhance their skills

To gain and maintain leadership in our relevant sectors by producing the best quality products at the lowest possible cost

To give the best returns to our shareholders by optimal allocation of resources to the products and markets we compete in

To work with our farmers, suppliers, and distributors as partners in developing their expertise and profitability

To pursue environment friendly policies, and effectively and efficiently use all energy resources aiming for zero waste and a clean healthy environment

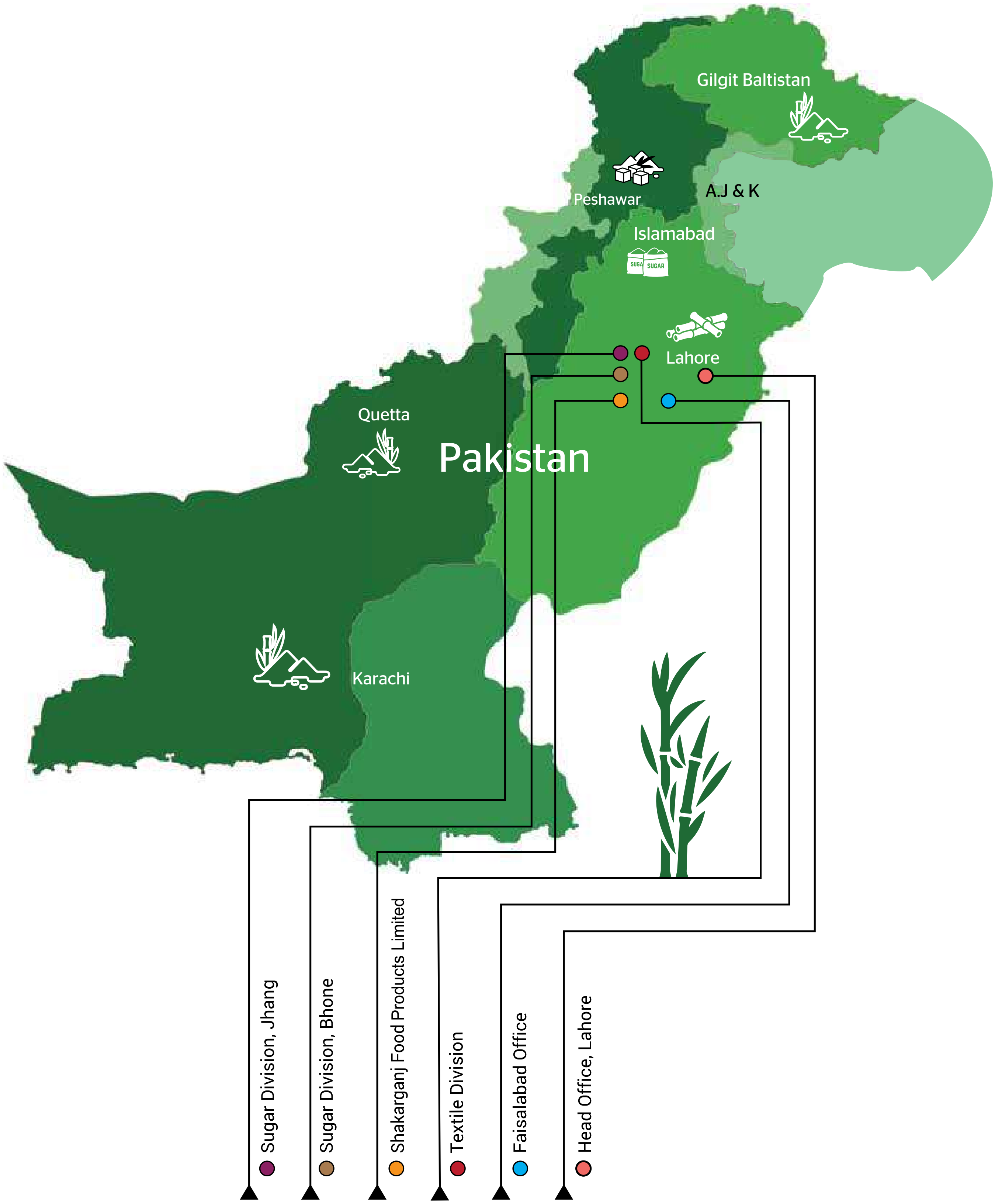
To be a socially responsible corporate citizen supporting education, health, environment, and socio economic development of its community

QUALITY POLICY

Our quality policy, stemming from our vision, is to maintain industry leadership and customer satisfaction through production of high quality sugar, biofuel, yarn, and other allied products at lowest cost, using environment friendly technology in safe working conditions.

We run our businesses with integrity and professionalism, and believe in continual improvements and a fair deal for our investors, customers, suppliers and above all our employees.

GEOGRAPHICAL PRESENCE



COMPANY INFORMATION








Board of Directors

From Left to Right

1. Chairman (Non-Executive) — Manzoor Hussain
2. Chief Executive Officer — Muhammad Saif Ullah

In alphabetic order:

3. Executive Director — Ali Altaf Saleem
4. Non-Executive Director — Bashir Ahmad
5. Non-Executive Director — Muhammad Iqbal
6. Executive Director — Mustapha Altaf Saleem
7. Non-Executive Director (Independent) — Sana Atif
8. Non-Executive Director (Independent) — Shoaib Ahmad Khan

Chief Financial Officer
Muhammad Asif

Audit Committee
Chairman
Shoaib Ahmad Khan (Independent)

Member
Bashir Ahmad
Muhammad Iqbal
Sana Atif (Independent)

Company Secretary
Asif Ali

Human Resource & Remuneration Committee
Chairman
Shoaib Ahmad Khan (Independent)

Member
Bashir Ahmad
Manzoor Hussain

MANAGEMENT COMMITTEES

Executive Committee

Muhammad Saif Ullah
Chairman
Muhammad Pervez Akhtar
Mustapha Altaf Saleem

This committee devises long term policies and visions for the Company with the sole objective for providing the best returns to shareholders by optimum allocation of existing resources. The Committee is also responsible for review of Company's operation on ongoing basis, establishing and ensuring adequacy of internal controls and monitoring compliance of key policies.

Business Strategy Committee

Ali Altaf Saleem
Chairman
Muhammad Pervez Akhtar
Muhammad Asif

This Committee is responsible for formulation of business strategy, review of risks and their mitigation plan. Further, the Committee is also responsible for staying abreast of developments and trends in the Industry to assist the Board in planning for future capital intensive investments and growth of the Company.

System and Technology Committee

Muhammad Pervez Akhtar
Chairman
Muhammad Asif
Ibrahim Ahmad Cheema

This committee is responsible for devising the I.T. Strategy within the organization to keep all information systems of the Company updated in a fast changing environment.

SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Limited is a listed company and its shares are traded on the Pakistan Stock Exchange. Daily quotes on the Company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Sugar & Allied Industries'

Public Information

Financial analysts, Stock brokers, interested investors and financial media desiring information about "Shakarganj" should contact
Mr. Asif Ali
at the Company's Office, Jhang.
Tel: (047) 763 1001 – 05
Fax: (047) 763 1011
E-mail: info@shakarganj.pk

Works

Principal Facility

Management House
Toba Road, Jhang, Pakistan
Tel: (047) 763 1001 – 05
Fax: (047) 763 1011
E-mail: info@shakarganj.pk

Satellite Facility

Management House
63 km, Jhang Sargodha Road
Bhone, Pakistan
Tel: (048) 688 9211 – 13
Fax: (047) 763 1011

Shareholders' Information

Inquiries concerning lost stock certificates, dividend payment, change of address, verification of transfer deeds and share transfers should be directed to CorpTec Associates (Pvt) Limited, Share Registrar of the Company at Lahore.
Tel: (042) 3517 0336 – 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

Products

- Sugar
- Biofuel
- Yarn
- Tiger Compost

Registered and Principal Office

Executive Floor, IT Tower, 73 E 1
Hali Road, Gulberg III, Lahore, Pakistan
UAN: (042) 111 111 765
Tel: (042) 3578 3801-06
Fax: (042) 3578 3811

Faisalabad Office

Nishatabad, New Lahore Road, Faisalabad, Pakistan
Tel: (041) 875 2810
Fax: (041) 875 2811

Website

www.shakarganj.pk
Note: This Report is available on Shakarganj website.

Legal Advisor

Masud & Mriza Associates
Siddiqui Bari Kasuri & Co.

Auditors

Kreston Hyder Bhimji & Co.
Chartered Accountants

Bankers

MCB Bank Limited
National Bank of Pakistan
BankIslami Pakistan Limited

Share Registrar

CorpTec Associates (Pvt) Limited
503-E, Johar Town, Lahore
Tel: (042) 3517 0336 – 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

Annual General Meeting

The 57th Annual General Meeting of Shakarganj Limited will be held on Tuesday, 28 January 2025 at 11:00 a.m. at the E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore and through video link.

COMPANY PROFILE AND GROUP STRUCTURE

Shakarganj Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on the Pakistan Stock Exchange. Shakarganj is a leading manufacturer of food products, biofuel, as well as textiles. We transform renewable crops such as sugarcane and cotton into value added products including refined sugar, biofuel and textiles etc. Our registered office is in Lahore with regional office in Faisalabad. Shakarganj Limited, through its strategic shareholding in Shakarganj Food Products Limited, is also active in production of dairy and fruit products.

Sugar Business

We have two manufacturing facilities, which are both located in District Jhang. We produce different types of sugar comprising pharmaceutical, beverage and commercial grades sugar as well as soft brown sugar, castor and icing sugar, sugar cubes, sachets and retail packs. Our combined crushing capacity is of 16,000 Tons of Cane per Day (TCD) which is extendable to 20,000 TCD.

Biofuel Business

We have six distillation plants of which three are located at our Jhang facility and the remaining three are located at our Bhone facility where various grades of biofuel are produced. Our products include Rectified Ethanol (REN) for industrial and food grades, Anhydrous Ethanol for fuel grade, and Extra Neutral Alcohol (ENA) for pharmaceutical and perfume grades. The combined capacity of our distilleries is 350,000 litres per day.

Textile Business:

This cotton spinning unit produces carded cotton and PC yarn ranging from 10/s to 33/s. The installed capacity is 24,960 spindles for cotton spinning.

Farming & Allied Business:

We have different parcels of agriculture land mainly located in Jhang District near our manufacturing facilities. A dairy farm located at Jhang has been developed, with a herd of around 200 milking and fattening cattle. It has also developed non-chemicals fertilizers for our grower community. The product as organic fertilizer has been developed using an aerobic decomposition process with addition of standardized microbial culture in filter cake. The product is a rich source of organic matter, with macro and micro nutrients to help improve soil and it is very useful for better growth, yield and quality of all field crops in general and specifically for sugarcane.

Business Vision and Strategy:

Shakarganj's vision is to create the country's leading renewable ingredients business. We aim to achieve this by building a consistent portfolio of distinctive, profitable, high-value solutions in products and services for our customers. Shakarganj is committed to providing long-term value for our shareholders. Our strategy is to build a stronger value added business with a low-cost commodity base. We focus on five key business objectives to deliver consistent growth.

- Serve our Customers:

Delivering excellent customer service is at the core of everything we do. Our aim is to be the partner of choice in our customers' processes and to help them develop more successful consumer products.

- Operate Efficiently and Safely:

We aim to be the lowest-cost and most efficient producer in all our markets. Through our expertise in high-volume process management, our focus is on technical and manufacturing excellence and the efficient use of services such as logistics and utilities. We are continually working to improve operational efficiency and strive to ensure safe and healthy conditions for everyone at our sites.

- Invest in Long Term Assets and Partnerships:

We continually evaluate investment opportunities that would add strategic value by enabling us to enter new markets or add products, technologies and knowledge more efficiently than we could originally. We also aim to grow our business by forming joint ventures and partnerships to enhance the capabilities of our existing product portfolio. Using alliances and joint ventures can be an efficient way to lower our cost of investing in new areas and markets, and will help secure access to new and complementary technology and expertise.

- Invest in Technology and People:

We are investing in our research and development capabilities to help us in developing innovative solutions that meet our customers' product challenges. We are also complementing our own capabilities through business and technology partnerships, and university collaborations. To develop talent, improve leadership and help our employees succeed. We operate various Programmes designed to ensure the right skills at all levels to grow our business.

- Grow the Contribution from Value Added Products:

We are committed to grow the contribution from our value added products. Value added products utilise technology and intellectual property enabling us to obtain a price premium along with sustainable and/or higher margins.

shakarganj®

FOOD PRODUCTS LIMITED

(Subsidiary of Shakarganj Limited)

SFPL comprises of three divisions – Dairy, Juice and Pulp & Concentrates. The Dairy and Juice division uses Tetra Pak packages to deliver UHT dairy and beverage products to the local market. The Pulp & Concentrate division produces fruit pulps, concentrates and purees for sale in both the Pakistan and International market. Our aim is to supply premium quality food products to our customers and become one of the leading food companies in Pakistan.

DAIRY & JUICE DIVISION

Shakarganj entered into the dairy business in 2006 with the introduction of its brand "good milk". Since then, it has expanded with a diverse product portfolio in both the dairy and beverage category including UHT white milk, flavoured milk as well as a wide range of juices and nectars. The company has been able to leverage the Shakarganj name in the farming community to establish its milk collection network thereby developing a strong, sustainable and shared value-based supply chain for the business function. The company sells its products throughout the country via a nationwide distribution network.

DAIRY & JUICE PLANT

- Processing and packaging plant located at Jaranwala.
- Machinery from internationally renowned companies such as Tetra Pak.
- Well-equipped, state of the art of laboratory and testing facility at the plant run by a team of technically skilled and experienced staff.
- Research facility for new product development.
- International and domestic quality certifications: HACCP, PSQCA, PFA and HILAL

MILK PROCUREMENT NETWORK

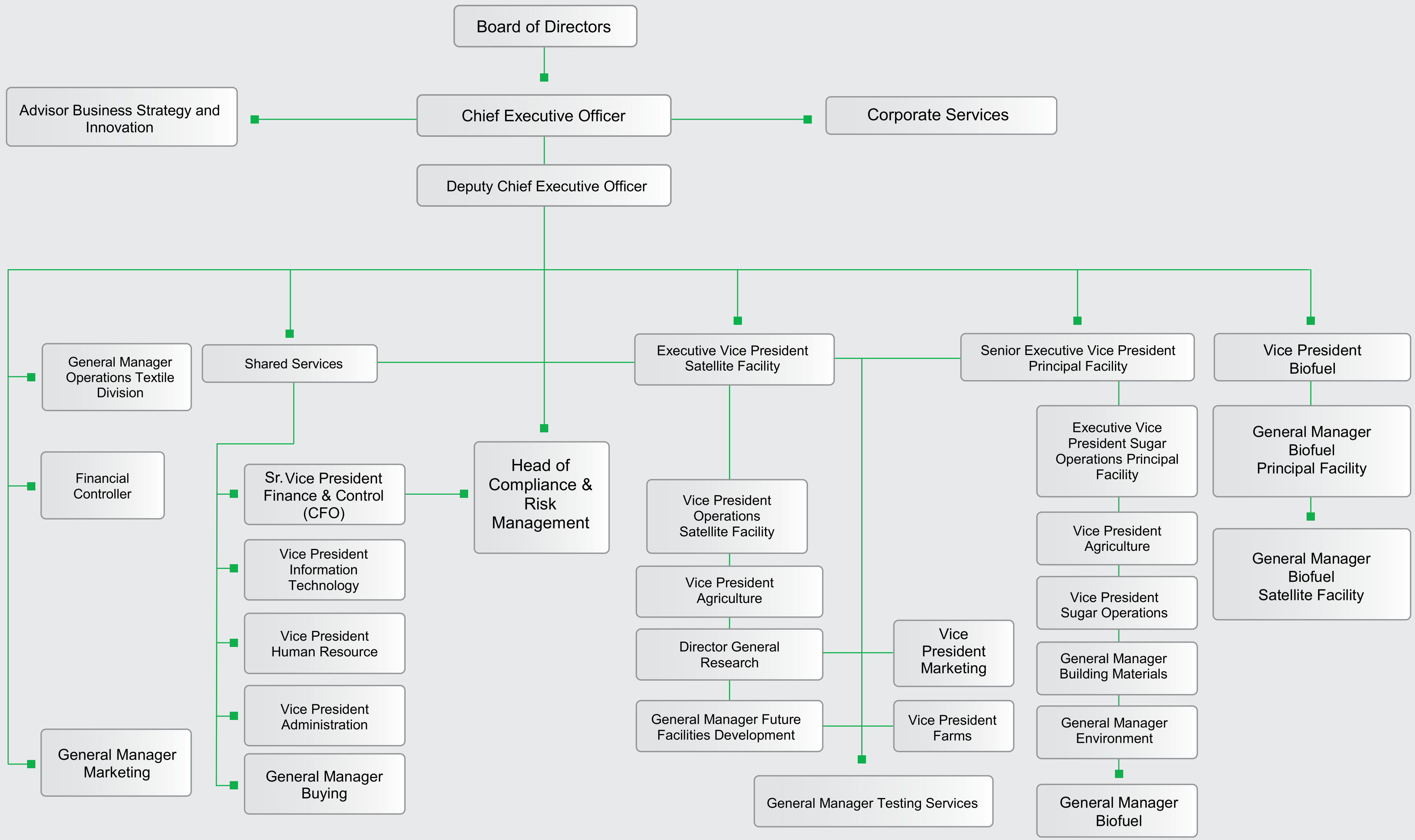
- Well established network of milk collection center at prime locations in Pakistan.
- Collection center run by highly skilled and experienced staff members.
- Quality procurement ensured by well-quipped laboratory and advanced testing facility.
- Advisory services provided by technical team to facilitate higher yield and enhanced milk quality to support the farming community.

PULP & CONCENTRATE DIVISION

Shakarganj has significant capabilities regarding the production of fruit pulps and purees. It is one of the leading manufacturers in Pakistan and has a significant volume of exports to Europe, the Middle East, Africa and Far East. Our manufacturing and processing facility is located in the heart of the agricultural and fruit producing region of Pakistan; giving our customers an advantage in terms of product freshness, continuity of fruit supply and reduced 'time to market'.

- Plant is located at Chiniot.
- Two processing lines for production of juice concentrates, puree and pulps.
- Product storage facilities consist of both, a Refrigerated and frozen setup.
- Technically skilled and experienced manpower.
- Well-equipped laboratory and testing facilities ensure effective quality assurance according to international standards.
- International quality certifications: Food Safety System Certification 22000

ORGANIZATIONAL CHART



REVIEW REPORT BY CHAIRMAN

It gives me immense pleasure to present this report to the shareholders of Shakarganj Limited pertaining to the overall performance of the Board and the effectiveness of its role in attaining the Company's aims and objectives.

Shakarganj Limited has implemented a strong governance framework supportive of an effective and prudent management of business matters which is regarded as instrumental in achieving long-term success of the Company.

During the year, the Board Committees continued to work with a great measure of proficiency. The Audit Committee has focused in particular on the management and control of risks associated with the business. At the same time, the Human Resource and Remuneration Committee has ensured that the HR policies regarding performance management, HR staffing, compensation and benefits are market driven, and are properly aligned not only with the Company's performance and shareholders' interests but also with the long-term success of the Company.

The Board as a whole has reviewed the Annual Report and Financial Statements, and is pleased to confirm that in its view the report and financial statements, taken as a whole, are fair, balanced, and understandable.

The Board carries out a review of its effectiveness and performance each year, on a self-assessment basis. The last such review was carried out in October 2024 for the fiscal year 2024. The overall effectiveness of the Board was assessed as satisfactory and areas that required improvement were duly considered and suitable action plans were framed.

The overall assessment was based on an evaluation of the following integral components:

1. Vision, Mission, and Core Values: The Board members are familiar with the current vision, mission, and core values and found them appropriate for the organization.
2. Engagement in strategic planning: The Board has a clear understanding of the stakeholders whom the organization is meant to serve i.e. its shareholders, farmers, customers, employees, vendors, and the community.

   The Board has the strategic vision of how the organization should be evolving over the next three to five years and has identified key indicators for tracking its progress.
3. Formulation of policies: The Board has established policies that cover all essential areas of board responsibility and operations of the Company.
4. Monitoring the organization's business activities: The Board is knowledgeable about the organization's current business activities including strengths and weaknesses of each major activity, and has an effective process for tracking performance activity-wise as well as area-wise.
5. Adequacy of financial resources management: The Board is knowledgeable about key aspects relating to managing the financial resources of the Company and provides appropriate direction and oversight on a timely basis.
6. Provide effective fiscal oversight: The Board ensures that the budget reflects the priorities established in the annual strategic plan and it complies with regulations governing the audit or independent examination of accounts and considers all recommendations made in the independent auditors' report.
7. Act as a responsible employer: The Board has created necessary policies which ensure that the organization behaves in an equitable and legal manner towards staff, contractors, vendors, and any other individual working on its behalf.
8. Relationship between Board and Staff: Roles and Responsibilities of Board and management staff are clearly defined and understood and climate of mutual trust and respect exists between Board and management.
9. Organization's Public Image: Board members promote a positive image of the organization in the community.
10. Review of CEO performance: The Board assesses the performance of the Chief Executive Officer in a fair and systematic manner and ensures that CEO's pay is properly aligned with the Company's performance, shareholders' interests and the long-term success of the Company.

11. Board Structure and Dynamics: Size and composition of the Board is adequate to govern the Board procedures and the members are actively engaged in the work of the Board. The Board meets frequently enough to adequately discharge its responsibilities.

On an overall basis, I believe that the strategic direction of the Company for the next three years is clear and appropriate despite of the tough macroeconomic situation. Further, the processes adopted in developing and reviewing the overall corporate strategy and achievement of Company's objectives are comprehensive. Here, I would also like to recognize the management and our people for their resolve, perseverance and untiring support in these testing times, they have stood firm with us and continued to deliver despite hardships of last couple of years.

I would also like to thank all the stakeholders for consistent support, and I hope that your patronage of the Company would continue in years to come.

Manzoor Hussain
Chairman

06 January 2025

DIRECTORS' REPORT

Dear Shakarganj Shareholder:

The Directors of Shakarganj Limited ("the Company") have the pleasure in submitting their report together with audited financial statements of the Company for the year ended 30 September 2024.

State of the Company's affairs and Overview of its Business

The Company was incorporated in Pakistan and is listed on the Pakistan Stock Exchange. It is principally engaged in the manufacture, purchase, and sale of sugar, biofuel and yarn (textile). The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone.

Financial Results

The financial results of the Company are summarised below:

	2024	2023
	(Rupees in thousand)	
Revenue – net	8,831,779	9,561,824
Gross loss	(2,022,994)	(322,715)
Loss from operations	(2,677,667)	(935,593)
Share of (loss) / profit from equity accounted investee	(137,330)	87,325
Loss before income tax and levy	(3,074,175)	(863,213)
Levy	(109,639)	(116,218)
Income Tax	126,370	433,212
Loss for the year	(3,057,444)	(546,219)
Loss per share - basic and diluted (Rupees)	(24.46)	(4.37)

Overview of the Company's Business

Crushing season was lasted for only 91 days and was among the shortest crushing season in the history of Shakarganj. Difficult season was experienced as sugarcane procurement prices were sky rocketed during the season without corresponding increase in sugar selling price. Business environments were such that the Company was compelled to crush sugarcane with heavy losses. Sugarcane support price at the start of the season was increased to Rs. 400 per 40 kg as notified by the Panjab Government. However, farmer was not ready to supply sugarcane at this rate and mills were compelled to buy sugarcane at prices even beyond Rs. 500 per 40 kg. Due to non-availability of sugarcane at feasible prices, the crushing campaign was closed on 12 February 2024 at Bhone Division and on 23 February 2024 in Jhang Division. Inspite of very challenging situation, your Company managed to crush 778,454 MT of sugarcane as compared to 1,019,181 MT of sugarcane in the corresponding period.

Due to above situation, there is a big challenge because the sugar price was never fixed rather adversely controlled by Government by taking various measures. Our Biofuel business had also suffered due to lower demand in international market and non-availability of molasses at feasible prices. Our textile business has also affected adversely due to overall situation in the yarn market and the difficult business environments continued in the textile sector, therefore, the plant could not be operated during the year.

The Company incurred gross loss of Rs. 2,022.99 million as compared to gross loss of Rs. 322.72 million during last year. Loss from operations was Rs. 2,677.67 million compared to loss from operations of Rs. 935.59 million during last year. Company posted loss before tax of Rs. 3,183.81 million and after-tax loss of Rs. 3,057.44 million as compared to after tax loss of Rs. 546.22 million in the corresponding year. The Company accounted for its share of loss in equity accounted investment in

Shakarganj Food Products Limited amounting to Rs. 137.33 million as compared to profit of Rs. 87.33 million in the previous year.

Principal Risks and Uncertainties Facing

Following are the principal risks and uncertainties currently faced by the Company:

- Higher purchase price of sugarcane as compared to sugar sale price
- Heavy taxation, sales tax rates on finished products
- Lack of irrigation water, reducing the yield of crop & low-capacity utilizations
- Vulnerable to political interests
- Being an agro based industry, inherent risks of natural calamities / conditions
- Increasing cost of production and labour
- Overall inflationary increase in operational expenses
- Environmental concerns and sugar free products
- Further Rupee devaluation will result in cost escalation

Adequacy of Internal Control

The system of internal control of the Company is sound in design and has been effectively implemented and monitored. The Board of Directors is aware of its responsibility with respect to internal controls environment and accordingly has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company's assets, compliance with applicable laws and regulations and has a reliable financial reporting system. The outsourced independent internal audit function is in operation and such function regularly appraises and monitors the implementation of financial controls. Audit Committee of the Board, reviews the effectiveness of the internal control framework and financial statements regularly on quarterly basis.

Auditors

The auditors Kreston Hyder Bhimji & Co., Chartered Accountants will retire and have offered themselves for reappointment. The Board, on recommendation of the Audit Committee, has recommended the reappointment of Kreston Hyder Bhimji & Co., Chartered Accountants, as auditors for consideration of members at the forthcoming Annual General Meeting.

Corporate Social Responsibility

We actively seek opportunities to contribute to the communities in which we operate and to improve the environments that sustain us all. Our areas of primary focus are education, health and safety, energy conservation, waste reduction, and community building. During the year Shakarganj contributed around Rs. 22.62 million toward these activities. As a responsible member of the corporate community, Shakarganj always contributes substantially towards the national economy on account of taxes and other government levies. Company's contribution toward federal, provincial and local taxes was Rs. 1,434 million during the year under review.

At Shakarganj, Corporate Social Responsibility (CSR) is a strategic management driven initiative that incorporates our business, environmental, and citizenship activities in a manner that supports our vision and upholds our values. We aim to play a positive role in the communities in which we operate. Our community involvement policy is one of the core components underpinning our ethical behaviour. Our programmes involve building long term relationships with local communities to deliver our shared objective: establishing strong, safe, healthy and educated communities by investing time and resources into projects that directly address local needs. Our Social Action Programme (under Shakarganj Foundation) delivers a variety of social services in our extended community under the banner of "Sukh Char Programme" These services include education, healthcare, promotion of arts, and protection of our cultural heritage.

Our school adoption initiative provides support to 35 local girls' and boys' schools that includes provision of clean drinking water, nutrition supplements, uniforms, maintenance of infrastructure and building additional facilities where required. Provision of Oolala flavoured milk is our regular feature and 235 students have been provided Oolala flavoured milk on a regular basis in two schools. Shakarganj also provides support to the education programme of The Citizens Foundation. To provide backbone support to the education initiative a purpose-built teachers training institute was established at Shakarganj premises as a public service.

Shakarganj funded special incentives for school children including recognition of high achievers in school exams with scholarships and awards, sports competitions for school children, and inter-school handwriting competitions for school children and teachers. Our Healthcare initiative delivers primary medical facilities at the doorsteps of our extended community. Three teams of qualified doctors, paramedical staff, and mobile dispensaries served over 11,000 patients during the year.

We provide support to promising local talent in improving their artistic skills in a structured training programme at the School of Art and Calligraphy. A display centre exhibiting the works of these artists and promotion of cultural heritage is also maintained by Shakarganj at the School. In the year 2023-2024, total 240 students have been passed out in Fashion Designing and Fine Art batches.

Health, Safety, and Environment

As we always aim to be an exemplary corporate citizen, health, safety, and environmental concerns are always among our key focus points. We are committed to providing healthy, safe, and clean conditions for our employees, contractors and visitors. In providing a good working environment there is no higher priority than safety and we target continuous improvement to reduce recordable injury and accident times to zero. Nearly twelve hundred members of Team Shakarganj have participated in a structured program to obtain professional training and certification in first aid in collaboration with Pakistan Red Crescent Society – Punjab and Rescue 1122. Moreover, about 65 members of Team Shakarganj have participated in Workplace Safety and Decent Work by W.W.F. Preventive action and training and timely response procedures to deal with potential accidents have resulted in minimising recordable injuries and accidents.

Environmental protection issues are always considered on a higher priority than profit concerns. Shakarganj produces all its products from renewable crops and raw materials and does not believe in making profits at the cost of damage to our environment. We proactively fund and support environmental protection activities in our communities in particular and on national level generally. Energy conservation and aiming for 'zero' waste are our key environment friendly policies. Using sugar by-products in our production lines substantially reduces use of fossil fuels and waste disposal problems. Distillery spent-wash is the ultimate waste product in our production process. This is now biologically treated to produce bio-gas as fuel, and water which is safe to use for irrigation. In addition to this we encourage and promote biological pest control, organic farming techniques, and return of all natural nutrients to the soil that are brought with supply of sugarcane to the mills. We strongly support the activities of Worldwide Fund for Nature - Pakistan, run regular training and education programmes for water management and participate in tree plantation campaigns twice every year. We planted 8,500 plants during spring and autumn plantation campaigns. Our approach to HSE is apparent in our Mission Zero Agenda that targets zero accidents and work-related illnesses. To effectively implement the mission zero agenda, we empower and encourage our people to play their part. We all have a part to play in keeping our workplaces safe. One of the most effective ways we can do this is by being aware of the risks around us and taking action to address these. That's why we actively encourage all our people to regularly assess their working environments and report any identified risks - as they arise. As a result, we have achieved 3.16 million safe working man hours without lost time injury.

To ensure a safe and healthy work environment within the Company premises strict checking is ensured and measures also include categorization of staff essential to be present in office for uninterrupted operations.

Shakarganj is committed to providing a healthy and safe workplace for all personnel performing their duties on its behalf, in a manner that protects the environment, prevention of pollution, and compliance of applicable legal and other requirements. We remain committed to protecting the physical and mental health of our employees, extending the scope and coverage of occupational health services, and constantly improving our occupational health management system. At Shakarganj, health checks are organised on a regular basis for our employees. In addition, we keep health records of employees for better health management and disease prevention. We also pay close attention to a dedicated health support system and provide special disease checks to ensure the health and safety of our employees. We have also released the comprehensive Emergency Plan for incidents and accidents at Shakarganj, and have established a safety management and risk prevention system for the Company. We organise regular emergency drills to improve the plan, enhance awareness of prevention and self-help of the employees and improve the team's ability to handle emergencies.

Board of Directors & its Committees

The Board of Directors consists of eight members including seven male members and one female member. During the year, five (5) meetings of the Board of Directors, four (4) meetings of the Audit Committee and one (1) meeting of Human Resource and Remuneration Committee were held. Attendance of each director is also given below.

Category	Names of Director	Meetings Attended
Independent Directors	Mr. Shoaib Ahmad Khan Mrs. Sana Atif	4 3
Non-Executive Directors	Mr. Manzoor Hussain (Chairman) Mr. Bashir Ahmad Mr. Muhammad Iqbal	4 5 3
Executive Directors	Mr. Muhammad Saif Ullah (Chief Executive Officer) Mr. Ali Altaf Saleem (Deputy Chief Executive Officer) Mr. Mustapha Altaf Saleem	5 5 5

The Board has formed committees comprising of members given below:

Name of Committee	Names of Members and Chairman	Meetings Attended
Audit Committee	Mr. Shoaib Ahmad Khan (Chairman) Mr. Bashir Ahmad Mr. Muhammad Iqbal Mrs. Sana Atif	4 4 4 4
Human Resource and Remuneration Committee	Mr. Shoaib Ahmad Khan (Chairman) Mr. Manzoor Hussain Mr. Bashir Ahmad	1 1 1

As per threshold reviewed by the Board of Directors, the heads of all departments of the Company shall be considered as "Executives".

Non-executive and Independent Director's Remuneration

The Board of Directors has approved a 'Directors' Remuneration Policy', the salient features of the approved policy are as follows:

- ➢ No Director shall determine his/her own remuneration.

- ➢ Meeting fee of a Director other than regular paid Chief Executive, Sponsors and or family Directors and full-time working Director(s), shall be amounting to Rs. 50,000 (fifty thousand rupees only) per meeting or as time to time determined by the Board for attending the Board and its Committee meetings.

- ➢ Directors shall also be entitled for all reasonable expenses including travelling, stay and other expenses incurred by them for attending meetings.

Performance Evaluation of Board of Directors and its Committees

Human Resource and Remuneration Committee has assessed the performance of Board of Directors and its Committees based on the established mechanism of self-assessment by the individual Board or Committee members as the case may be. The above mechanism was approved by the Board on the recommendation of Human Resource and Remuneration Committee.

CEO's Performance Evaluation

During the year, the Human Resource and Remuneration Committee of the Board evaluated the performance of the CEO in line with the established performance-based evaluation system. The evaluation was reviewed against the following criteria:

- ➢ Leadership
- ➢ Policy and Strategy
- ➢ People Management
- ➢ Business Processes/Excellence
- ➢ Governance and Compliance
- ➢ Financial Performance
- ➢ Impact on Society

Subsequently, on the recommendation of the Committee, the evaluation was approved by the Board after their review.

Pattern of Shareholding and Shares Traded

The pattern of shareholding and additional information thereof is attached with this report. No trade in the shares of the Company was reported / carried out by the directors, executives and their spouses and minor children except followings:

Name	Number of Shares	Nature	Date
Mr. Sadaqat Hussain	62	Sell	18 December 2023
Mr. Mustapha Altaf Saleem	1	Purchase	20 August 2024

Financial Statements

As required under the accounting and reporting standards as applicable in Pakistan and as per the requirements of Companies Act, 2017 (XIX of 2017), the management is aware of its responsibility for the preparation and fair presentation of the financial statements 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. The Chief Executive Officer and Chief Financial Officer presented the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors and the Board, after consideration and approval, authorised the signing of financial statements for issuance and circulation. The financial statements of the Company have been duly audited and approved by the auditors of the Company, Kreston Hyder Bhimji & Co., Chartered Accountants and their report is attached with the financial statements. The Directors endorse the contents of this annual report and those shall form an integral part of the Directors' Report in terms of Section 227 of the Companies Act, 2017 and the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2017.

Dividend and Carried Forward

The Directors have recommended nil dividend for the year ended 30 September 2024. Moreover, no amount is being carried forward to the general reserve or any other reserve funds account.

Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this Balance Sheet relates and the date of the Directors' Report.

Default in Payments, Debt or Loan

The Company recognizes its responsibility of timely repayments of due amount and adhering to the best practices prevails in the industry it is stated that no default in payment of any loan or debts was occurred during the year under review except as disclosed in financial statements.

Change in Nature of Business

No change has been occurred during the financial year relating to the nature of the business of the Company.

Related Party Transactions

All related party transactions are approved by the Board after review and recommendation of Audit Committee. The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

Financial Review and Going Concern Assumption

In view of low crushing and production, the financial results were not encouraging, however, the Company remains committed to its best efforts to achieve better performance and to improve its liquidity scenario in future. As reported earlier, Shakarganj Limited has been included in Non-Compliant List by Pakistan Stock Exchange. Its current liabilities have exceeded its currents assets by Rs. 5,417.81 million. However, the Company remains committed to improve its liquidity scenario. Various steps have been planned to overcome the liquidity crunch as given in Note 1.3 to the financial statements attached herewith. All out efforts are being made to improve the production and profitability of the Company through efficiency, effectiveness, and reducing production cost. The management considers that the measures explained might result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. However, as mentioned above, the business environments were such that the Company was compelled to crush sugarcane with heavy losses which factor affected the progress seriously. But still the management of the Company was determined to take chance wherever opportunities arise in future.

Future Outlook

For next crushing season, Government has not fixed sugarcane price and no notification has been issued so for. It is hoped that The Punjab Government would continue to let the market forces work in all the fields for fair play. This factor may cause to create better business environment with better margins. Raw material for our biofuel operations was not available at feasible prices in view of lower crushing and short season. Whereas future outlook of our distilleries operations is always dependent on continuous availability of good quality molasses. Due to higher prices and cash flow crunch buying on large scale basis is not expected, however, management is determined to try its best to run the distilleries at capacity in next season. Further cut in rate of interest would also help to ease out financial worries of industries. However, difficult business environments in the textile business due to high cost of raw material, the operations could not be started yet. As mentioned in our last annual report, management is taking steps to overcome the liquidity crunch and we are hopeful that the Company would continue its operations. Inspite of all the challenges, we remain committed to navigating through the challenging times.

Acknowledgment

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication and devotion to the Company. The Directors feel pleasure in expressing appreciation for the continued interest and support of the shareholders, bankers and all other parties involved and hope that the same spirit will prevail in the future as well.

By Order of the Board

	Muhammad Saif Ullah	Muhammad Iqbal
06 January 2025	Chief Executive Officer	Director

FINANCIAL HIGHLIGHTS

		2024	2023	2022	2021	2020	2019	2018
Profitability & Ratios Area:								
Net Revenue	(Rs 000)	8,831,779	9,561,824	12,325,570	9,161,763	6,409,384	6,256,738	7,404,243
Cost of Revenue	(Rs 000)	10,854,773	9,884,539	11,954,857	9,751,929	7,081,059	6,283,349	7,047,093
Gross (Loss) / Profit	(Rs 000)	(2,022,994)	(322,715)	370,713	(590,166)	(671,675)	(26,611)	357,150
Operating (Loss) / Profit(including Other Income)	(Rs 000)	(2,560,288)	(587,768)	(66,036)	(954,369)	(293,219)	(448,715)	92,871
(Loss) / Profit Before Taxation	(Rs 000)	(3,183,814)	(979,431)	(338,138)	(1,164,266)	(1,170,655)	(774,470)	158,161
(Loss) / Profit After Taxation	(Rs 000)	(3,057,444)	(546,219)	(225,302)	(1,387,910)	(997,583)	(728,411)	(14,008)
Earnings/(Loss) Before Interest, Taxes, Depreciation & Amortization (EBITDA)	(Rs 000)	(1,837,056)	424,175	1,002,529	(391,280)	(262,493)	172,169	858,121
Gross Profit Ratio	(%)	(22.91)	(3.38)	3.01	(6.44)	(10.48)	(0.43)	4.82
Net Profit to Sales	(%)	(34.62)	(5.71)	(1.83)	(15.15)	(15.56)	(11.64)	(0.19)
EBITDA Margin to Sales (net)	(%)	(0.21)	0.04	0.08	(0.04)	(0.04)	0.03	0.12
Operating Leverage Ratio	(%)	(57.50)	(1,208.50)	(2.89)	(0.16)	35.90	14.43	0.89
Return on Capital Employed	(%)	(22.62)	(3.65)	(0.01)	(7.91)	(9.53)	(4.54)	4.08
Liquidity Ratios Area:								
Current Assets	(Rs 000)	1,661,940	2,359,406	1,128,230	1,177,334	1,246,767	992,065	1,485,414
Current Liabilities	(Rs 000)	7,079,753	5,598,340	4,578,725	4,831,358	4,556,514	4,170,356	4,052,096
Net Current Assets / (Liabilities)	(Rs 000)	(5,417,813)	(3,238,934)	(3,450,495)	(3,654,024)	(3,309,747)	(3,178,291)	(2,566,682)
Property, Plant and Equipment	(Rs 000)	13,915,627	14,661,871	15,451,699	16,166,485	9,745,632	10,253,780	10,825,661
Total Assets	(Rs 000)	17,507,832	19,023,521	18,562,005	19,135,860	12,724,256	13,467,068	14,307,132
Current Ratio	(Times)	0.23	0.42	0.25	0.24	0.27	0.24	0.37
Quick / Acid Test Ratio	(Times)	0.11	0.12	0.15	0.09	0.12	0.08	0.09
Cash to Current Liabilities	(%)	0.94	1.13	0.67	0.04	0.18	2.01	0.70
Cash Flow from Operations to Sales	(%)	5.25	6.72	7.07	5.13	11.03	17.47	4.07
Activity / Turnover Ratios Area:								
Inventory Turnover Ratio	(Times)	9.15	10.28	31.50	18.02	10.80	7.24	6.21
No. of days in Inventory	(Days)	39.89	35.52	11.59	20.26	33.80	50.38	58.82
Debtor Turnover Ratio	(Times)	74.09	94.28	166.71	64.43	54.16	167.95	71.49
No. of Days in Receivables / Average Collection Period	(Days)	4.93	3.87	2.19	5.66	6.74	2.17	5.11
Total Assets Turnover Ratio	(Times)	0.50	0.50	0.66	0.48	0.50	0.46	0.52
Fixed Assets Turnover Ratio	(Times)	0.63	0.65	0.80	0.57	0.66	0.61	0.68
Investment / Market Ratios Area:								
Earnings / (Loss) Per Share	(Rupees)	(24.46)	(4.37)	(1.80)	(11.10)	(7.98)	(5.83)	0.11
Dividend Yield Ratio	(%)	-	-	-	-	-	-	-
Dividend Payout Ratio	(%)	-	-	-	-	-	-	-
Dividend Cover Ratio	Times	-	-	-	-	-	-	-
Cash Dividend per Share	(Rupees)	-	-	-	-	-	-	-
Market Value Per Share at the Year End	(Rupees)	24.74	37.42	45.00	52.50	38.00	34.10	55.00
- Highest during the Year	(Rupees)	44.00	47.85	54.90	60.65	50.00	76.48	90.44
- Lowest during the Year	(Rupees)	26.63	29.00	36.50	29.70	30.17	26.25	54.15
Breakup Value Per Share Including Surplus on Revaluation of Fixed Assets	(Rupees)	54.02	81.37	84.07	89.77	54.87	63.67	69.46
Capital Structure Ratios Area:								
Shareholders' Equity (Without Surplus on revaluation of property, plant and Equipment)	(Rs 000)	(2,347,273)	80,582	251,766	(245,421)	770,716	1,601,612	1,857,468
Share Capital	(Rs 000)	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Financial Leverage Ratio	Times	(0.32)	11.14	3.88	(5.51)	2.44	1.37	1.50
Weighted Average Cost of Debt	(%)	23.43	21.13	12.24	8.60	11.42	12.39	7.84
Long Term Debt : Equity Ratio	:	(0.09)	2.79	0.16	(1.70)	0.60	0.24	0.29
Interest Cover Ratio	(Times)	(7.16)	(1.38)	(0.01)	(3.23)	(2.46)	(1.34)	1.79

PRODUCTION DATA

Season	Duration Season (Days)	Cane Crushed (MT)	Raw Sugar Processed (MT)	Sugar Produced (MT)	Recovery (Percent)
2023-24	91	778,454		72,213	9.29
2022-23	88	1,019,181		104,540	10.26
2021-22	145	1,347,651		126,112	9.36
2020-21	114	1,006,075		91,837	9.13
2019-20	108	884,724		77,560	8.76
2018-19	83	484,762		49,016	10.13
2017-18	105	669,064		61,634	9.2
2016-17	145	1,543,849		144,460	9.36
2015-16	97	450,804		45,707	10.16
2014-15	129	615,394		59,905	9.73
2013-14	140	1,259,272		112,271	8.92
2012-13	135	1,409,811		133,753	9.49
2011-12	164	1,957,358		173,620	8.87
2010-11	136	1,567,361		141,549	9.01
2009-10	109	913,272		78,540	8.62
2008-09	110	784,056		71,600	9.13
2007-08	174	2,254,712		177,092	7.85
2006-07	155	1,587,929		128,170	8.04
2005-06	170	1,288,548	92,968.40	178,934	6.97
2004-05	160	1,324,510	67,930.40	177,679	8.63
2003-04	159	1,614,539		136,813	8.48
2002-03	196	1,675,370		127,060	7.58
2001-02	195	1,704,812		128,000	7.53
2000-01	161	1,054,992	27,811.59	105,550	7.5
1999-00	144	524,377		39,965	7.63
1998-99	157	1,350,119		101,479	7.51
1997-98	163	1,434,389		112,430	7.85
1996-97	176	1,036,955		79,740	7.69
1995-96	151	763,316		60,285	7.92
1994-95	157	1,057,036		86,075	8.11
1993-94	196	1,203,371		88,117	7.34
1992-93	161	691,839		54,055	7.85
1991-92	174	746,506		63,986	8.57
1990-91	204	866,552		65,537	7.56
1989-90	187	708,632		57,912	8.17
1988-89	170	446,325		36,367	7.7
1987-88	193	698,605		55,726	7.98
1986-87	149	333,601		27,899	8.36
1985-86	113	237,602		20,625	8.66
1984-85	168	441,718		39,523	8.96
1983-84	173	427,169		35,501	8.31
1982-83	173	361,291		29,440	8.16
1981-82	207	466,040		39,474	8.47
1980-81	187	287,723		25,562	8.89
1979-80	112	61,207		5,619	8.95
1978-79	114	107,106		9,267	8.8
1977-78	177	319,960		27,620	8.61
1976-77	166	308,987		26,086	8.45
1975-76	157	246,394		18,865	7.61

Process Losses (Percent)	Process Molasses (MT)	Biofuel (Litres)	Building Materials (m3)	Yarn (Bags)	Bio Power (MWh)
2.07	31,760	2,226,461			
2.05	43,580	9,933,791			
2.11	59,655	21,572,625			
2.01	48,153	15,199,777		67,915	
2.02	40,229	9,816,686		36,930	
2.22	22,458	15,164,206		102,978	
2.17	31,025	56,728,278		76,107	
2.12	68,086	41,621,230	1,578	75,559	
2.06	19,295	10,201,684		72,776	
2.15	27,270	46,134,870		95,719	10,702
2.07	55,817	76,377,765	6,096	112,846	12,857
2.16	61,450	63,372,339	6,894	146,466	22,865
2.2	93,575	93,796,731	8,789	149,872	27,779
2.02	70,505	68,860,824	5,920	86,209	21,826
2.05	40,901	22,669,768	3,562	149,878	27,292
1.95	33 ,070	33,319,694	1,643	148,426	23,542
2.17	117,742	66,490,739	6,540	149,788	17,714
2.3	79,340	35,093,676	1,834	135,935	
2.54	71,008	27,625,611	1,477	133,580	
2.17	66,190	33,245,964	3,584	119,106	
2.41	81,953	35,408,000	5,141	119,922	
2.36	84,277	26,233,000	1,668	109,096	
2.42	91,890	15,800,156	5,670	96,326	
2.31	53,601	10,469,000	1,571	82,063	
2.2	24,243	4,967,000	497	96,999	
2.23	61,756	5,324,756	1,922	103,555	
2.38	73,477	6,350,000	2,784	85,259	
2.5	54,711	6,015,000		98,406	
2.65	39,397	2,573,700	2,118	83,542	
2.77	53,172	5,460,000	5,299	73,938	
2.65	60,150	5,250,076	4,335	50,880	
2.68	35,980	4,887,020	1,663	115,488	
2.53	37,710	4,525,900	3,360	117,902	
2.59	47,135	3,422,204	643	113,341	
2.31	33,180	3,030,217		97,388	
2.44	22,410				
2.61	38,740	308,494			
2.24	15,060	1,855,809			
2.29	11,470	20,239			
2.38	22,580				
2.4	21,860				
2.44	16,255				
2.48	21,255				
2.42	13,373				
2.25	2,358				
2.27	4,147				
2.44	14,103				
2.67	15,228				
2.68	11,424				

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company : SHAKARGANJ LIMITED
Year Ended : 30 September 2024

Shakarganj Limited (the company) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are eight as per the following:
   a. Male : Seven
   b. Female : One
2. The composition of the Board of Directors (the Board) is as follows

Category	Names
Independent Directors*	Mr. Shoaib Ahmad Khan Mrs. Sana Atif (female)
Executive Directors	Mr. Muhammad Saif Ullah (Chief Executive Officer) Mr. Ali Altaf Saleem (Deputy Chief Executive Officer) Mr. Mustapha Altaf Saleem
Non-Executive Directors	Mr. Manzoor Hussain (Chairman) Mr. Bashir Ahmad Mr. Muhammad Iqbal

*The company could not round up independent directors' fraction due to challenges in inducting further independent directors. The company will strive to fill this gap at the earliest.

3. Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board has already arranged Directors' Training program for the following:

   1. Mr. Ali Altaf Saleem
   2. Mr. Shoaib Ahmad Khan

Moreover, our following six directors are required and will acquire Directors' Training Program within a period of one year from the date of appointment as a director on the board:

1. Mr. Bashir Ahmad
2. Mr. Manzoor Hussain
3. Mr. Muhammad Saif Ullah
4. Mr. Mustapha Altaf Saleem
5. Mr. Muhammad Iqbal
6. Mrs. Sana Atif

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Mr. Shoaib Ahmad Khan	(Chairman)
Mr. Bashir Ahmad	(Member)
Mr. Muhammad Iqbal	(Member)
Mrs. Sana Atif	(Member)

b) HR and Remuneration Committee

Mr. Shoaib Ahmad Khan	(Chairman)
Mr. Manzoor Hussain	(Member)
Mr. Bashir Ahmad	(Member)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the aforesaid committees were as per following:

a) Audit Committee: Four meetings during the financial year ended 30 September 2024.

b) HR and Remuneration Committee: One meeting was held during the financial year ended 30 September 2024.

15. The Board has set up an effective outsourced internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company secretary or Director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with and all other requirements of the Regulations have been complied with.

Mandatory Requirement	Reg. No.	Explanation
Meeting of Audit Committee The Audit Committee was unable to meet in the December 2023 quarter as required by Corporate Code of Governance Regulations.	27(2)(i)	Four meetings were held during the financial year ended 30 September 2024. The Company got extension approved from the regulator in holding its Annual General Meeting in connection with the annual audited financial statements of the Company for the year ended 30 September 2023. Hence, after completion of the audit of the financial statements of the Company for the year ended 30 September 2023, two separate audit committee meetings were held in second quarter of the financial year ended 30 September 2024.

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

Non-Mandatory Requirement	Reg. No.	Explanation
Directors' training It is encouraged that all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19(1)	The respective Directors could not attend the directors' training program due to tight schedule. However, Company is arranging directors' training program for them as early as possible.
Nomination Committee: The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	The Board has not constituted a separate Nomination Committee and currently functions are being performed by HR & R Committee.
Risk Management Committee: The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	The Board has not constituted a separate Risk Management Committee and currently functions are being performed by the Board.

By Order of the Board

06 January 2025

Muhammad Saif Ullah
Chief Executive Officer

Muhammad Iqbal
Director

KRESTON
HYDER BHIMJI & CO
CHARTERED ACCOUNTANTS

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Independent Auditor's Review Report

To the members of Shakarganj Limited

Review Report to the members on the Statement of Compliance contained 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 Shakarganj Limited (the Company) for the year ended 30 September 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the statement of compliance reflects the status of Company's compliance with the provisions of 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 required the Company to place before the Audit Committee, and upon the recommendation of the Audit Committee, place before the Board of Directors, for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

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

Kreston Hyder Bhimji & Co.
Chartered Accountants
Engagement Partner
Mr. Shabir Ahmad, FCA

Lahore
Date: 06 January 2025
UDIN: CR202410766uLHJCdaSR

Other Offices at: Karachi - Faisalabad - Islamabad
Web site: www.krestonhb.com

Shakarganj Limited

Financial Statements (Unconsolidated)

For The Year Ended

30 September 2024

KRESTON
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CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the members of Shakarganj Limited

Report on the Audit of the Unconsolidated Financial Statements

Adverse Opinion

We have audited the annexed unconsolidated financial statements of Shakarganj Limited (the "Company"), which comprises statement of financial position as at 30 September 2024 the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated 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 purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse Opinion Paragraph, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at 30 September 2024 and of the loss, the other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The Company has again sustained loss after income tax for the year ended 30 September 2024 amounting to Rs. 3,057.44 million, which took the accumulated loss to Rs. 5,299.23 million at the reporting date along with adverse current ratio at that date. Further, the textile segment of the Company remained closed during the whole period as well as the previous year. The Company has also overdue statutory obligations. The disposal of certain assets are held up due to court cases, while the company needs funds for the upgradation of plant & machinery of textile and sugar divisions at Jhang. There is no written commitment from the directors / shareholders of the company to finance its above said obligations / working capital requirements.

All these situations indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern, which has not been appropriately resolved, assessed and disclosed in these financial statements.

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 Unconsolidated 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 adverse opinion.

Other Offices at: Karachi - Faisalabad - Islamabad
Web site: www.krestonhb.com

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated 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 Matter(s):

<table>
<tr><th>S.No.</th><th>Key audit matters</th><th>How the matters were addressed in our audit</th></tr>
<tr><td>1.</td><td>Inventory

As at 30 September 2024 inventory comprises consumable stores and spares and stock in trade as disclosed in notes – 9 and 10 to the annexed unconsolidated financial statements.

There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete.

The Company's principal accounting policy on inventory and the critical accounting estimates, judgements and assumptions are disclosed in note 4.6 to the annexed unconsolidated financial statements.

Further, stock in trade in unconsolidated financial statements as disclosed in notes – 9 and 10 include:

• Raw materials comprising mainly molasses;

• work-in-progress mainly comprising sugar in process, molasses in process and polyester in process; and

• finished goods mainly in the shape of refined sugar and ethanol.

The molasses and ethanol is stored in storage tanks. As the weighing of these inventories of stock in trade is not practicable by obtaining measurements of tanks and converting these measurements to units of volume by using an angle of repose, therefore, management assesses the reasonableness of the quantities on hand by relying on the memorandum record and proportion as per production report.
- Due to the significance of inventory balances of consumable stores and spares and stock in trade and related estimations involved, this is considered a key audit matter.
-</td><td>Our audit focused on whether the valuation of year-end inventory was in line with IAS 2. This included challenging judgements taken regarding obsolescence and net realizable value provisions.

We obtained assurance over the appropriateness of management's assumptions applied in calculating the value of inventory by:

• checking the effectiveness of controls associated with the existence and condition of inventories by attending inventory counts at year end with sample / verification test;

• critically assessing the Company's provisioning policy, with specific consideration given to aged / slow-moving inventory;

• assessed the management's process of measurement and the determination of values using conversion of volumes to total weight as well as confirming it from perpetual record.

• obtained and reviewed the inventory valuation report relating to molasses of the external surveyor and assessed its accuracy and authenticity; and

• tested the NRV of the inventories held by preforming a review of sales close to and subsequent to the year end.</td></tr>
</table>

2.	Revenue Recognition As per ISA 240, there is a presumed risk of material misstatement due to inappropriate revenue recognition. This may either result from an overstatement of revenues through premature revenue recognition or recording fictitious revenues or understatement of revenues through improperly shifting revenues to a later period. These revenue may also be manipulated through the use of inappropriate rates for the overstatement / understatement of revenue to achieve desired financial results. The accounting policy related to recognition of revenue by the company is provided in note 4.28 to the annexed unconsolidated financial statements. - In view of significant value of transactions and presumed risk of material misstatement involved, we have considered this as a key audit matter.	In this regard, our audit procedures amongst others included the following: • Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards including management's assessment of impact of "Revenue from contracts with customers" (IFRS 15). • Obtaining an understanding of the nature of the revenue contracts entered into by the Company, testing a sample of sales contracts to confirm our understanding and assessing whether or not management's application of IFRS 15 requirements was in accordance with the standard. • Performing cut-off procedures for a sample of revenue transactions at year end in order to conclude as to whether they were recognized at the moment the related goods actually sold. • Analyzing other adjustments and credit notes issued after the reporting date, if any. • Performing analytical procedures on entries in the daily ledger related to revenue made by the Company. These procedures were carried out by paying special attention to accounting entries recorded close to the yearend or subsequently, as well as those deemed unusual, among other reasons, due to their nature, amount and date of occurrence. • Reviewing disclosures included in the notes to the annexed unconsolidated financial statements.
3.	Contingencies As disclosed in Note 26 to the annexed unconsolidated financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Management has engaged independent lawyers and legal advisors on these matters. Accounting for and disclosures of contingencies is complex and a matter of significance in our audit because judgments and estimates may be required against such contingencies in accordance with applicable financial reporting standards, in relation to the	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained the letter received from the authorities and reviewed to understand the basis of claims and details of the pending matters. The same was discussed with the Company's management. • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities,

	interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impacts, if any, on the Company for disclosure and recognition and measurement of any provisions. Due to the significance of the amounts involved, uncertainties regarding the outcome of certain matters, and the utilization of substantial management judgments and estimates to assess the same, including the associated financial impacts, we have identified these as a key audit matter. For further information on contingencies, refer to notes 4.17 and 26.	to track the progress of the claim up to date the auditor's report is issued. • Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Discussed with in house legal department personnel of the company, remit and scope of the legislation and to assess reasonableness of management's conclusions on such pending matters. • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in notes to unconsolidated financial statements, to conclude as to whether the disclosure is sufficient for compliance with IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".

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

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

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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. As described in the Basis for Adverse Opinion section above, the Company should have incorporated and accounted for these adjustments. We concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the directors' report affected by the failure to incorporate and account for these adjustments.

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

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

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

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 to 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 unconsolidated 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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, except for the matters described in Basis for Adverse Opinion section;

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).

Other Matter

The financial statements of the Company for the year ended September 30, 2023, were audited by another auditor who expressed an adverse opinion on those unconsolidated financial statements on February 15, 2024. The basis of adverse opinion was:

The Company has suffered loss after taxation of Rs. 546.22 million during the current year and has accumulated losses of Rs. 2,797.84 million as at the reporting date. The current liabilities of the Company exceeded its current assets by Rs. 3,238.93 million. The Company has overdue statutory obligations. The textile segment of the Company remained closed during the whole year. The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Company. As the going concern assumption used in preparation of the financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this fact.

The engagement partner on the audit resulting in this independent auditor's report is Shabir Ahmad, FCA.

Lahore	Kreston Hyder Bhimji & Co.
06 January 2025	Chartered Accountants
UDIN: AR202410766otuhFsdlq	

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

	NOTE	2024	2023
		Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	13,915,627	14,661,871
Biological assets	6	34,404	28,889
Long term investments	7	1,860,326	1,937,220
Long term advances and deposits	8	35,535	36,135
		15,845,892	16,664,115
CURRENT ASSETS			
Biological assets	6	585	1,632
Stores, spare parts and loose tools	9	94,441	91,429
Stock-in-trade	10	701,760	1,485,204
Trade debts	11	100,664	137,753
Loans and advances	12	345,648	181,080
Prepayments and other receivables	13	262,022	308,639
Cash and bank balances	14	66,572	63,421
		1,571,692	2,269,158
Non-current assets held for sale	15	90,248	90,248
		1,661,940	2,359,406
TOTAL ASSETS		17,507,832	19,023,521
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up share capital	16	1,250,000	1,250,000
Reserves			
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	17	9,099,872	10,091,018
Other capital reserves	17	1,701,959	1,669,860
		10,801,831	11,760,878
Revenue reserve			
Accumulated loss		(5,299,232)	(2,839,278)
Total equity		6,752,599	10,171,600
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	18	132,353	185,294
Employees' retirement benefits	19	826,552	727,348
Deferred income tax liability	20	2,716,575	2,340,939
		3,675,480	3,253,581
CURRENT LIABILITIES			
Trade and other payables	21	5,150,059	4,075,580
Contract liabilities	22	1,093,830	716,403
Short term borrowings	23	550,253	672,500
Accrued mark-up	24	145,300	76,806
Current portion of non-current liabilities	18	79,412	39,706
Unclaimed dividend		1,851	1,916
Provision for taxation	25	59,048	15,429
		7,079,753	5,598,340
TOTAL LIABILITIES		10,755,233	8,851,921
CONTINGENCIES AND COMMITMENTS	26		
TOTAL EQUITY AND LIABILITIES		17,507,832	19,023,521

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

Chief Executive Officer | Director | Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	NOTE	2024	Restated 2023
		Rupees in thousand	
REVENUE FROM CONTRACTS WITH CUSTOMERS - GROSS		10,266,165	10,843,638
Sales tax and other Government levies		(1,434,386)	(1,281,814)
REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	27	8,831,779	9,561,824
COST OF REVENUE	28	(10,854,773)	(9,884,539)
GROSS LOSS		(2,022,994)	(322,715)
OPERATING EXPENSES			
Administrative and general expenses	29	(436,858)	(400,333)
Selling and distribution cost	30	(68,003)	(105,743)
Other operating expenses	31	(149,812)	(106,802)
		(654,673)	(612,878)
LOSS FROM OPERATIONS		(2,677,667)	(935,593)
OTHER INCOME	32	117,379	347,825
FINANCE COST	33	(376,557)	(362,770)
SHARE OF (LOSS) / PROFIT FROM EQUITY ACCOUNTED INVESTEE	7	(137,330)	87,325
LOSS BEFORE INCOME TAX AND LEVY		(3,074,175)	(863,213)
LEVY	34	(109,639)	(116,218)
LOSS BEFORE INCOME TAX		(3,183,814)	(979,431)
INCOME TAX	35	126,370	433,212
LOSS AFTER INCOME TAX FOR THE YEAR		(3,057,444)	(546,219)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	36	(24.46)	(4.37)

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

Chief Executive Officer | Director | Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	NOTE	2024	2023
		Rupees in thousand	
LOSS AFTER INCOME TAX		(3,057,444)	(546,219)
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit obligations	19	80,013	(206,961)
Related deferred income tax liability	20.1.1	(23,204)	49,628
		56,809	(157,333)
Gain / Deficit arising on remeasurement of investments at fair value through other comprehensive income		10,413	(2,198)
Deferred income tax relating to investments at fair value through other comprehensive income	20.1.1	(1,562)	1,871
		8,851	(327)
Share of other comprehensive income / (loss) of equity accounted investee		27,076	(63,644)
		92,736	(221,304)
Items that may be reclassified subsequently to statement of profit or loss		-	-
Other comprehensive income / (loss) for the year - net of deferred income tax		92,736	(221,304)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(2,964,708)	(767,523)

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

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Rupees in thousand

	SHARE CAPITAL	RESERVES											TOTAL EQUITY
		CAPITAL RESERVES							REVENUE RESERVES			TOTAL	
		Premium on issue of right shares	Share in capital reserves of equity accounted investee	Musharakah financing - equity portion of equity accounted investee	Fair value reserve of investments at fair value through other comprehens -ive income	Difference of capital under scheme of arrange -ment of merger	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Sub total	General	ACCUMULA -TED LOSS	Sub total		
Balance as at 30 September 2022	1,250,000	1,056,373	552,411	41,442	(12,835)	155,930	10,256,630	12,049,951	516,306	(3,307,861)	(2,791,555)	9,258,396	10,508,396
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	-	(592,278)	(592,278)	-	592,278	592,278	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	-	430,727	430,727	-	-	-	430,727	430,727
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	-	(4,061)	(4,061)	-	4,061	4,061	-	-
Incremental depreciation of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(21,692)	-	-	-	-	(21,692)	-	21,692	21,692	-	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(26,016)	-	-	-	-	(26,016)	-	26,016	26,016	-	-
Transfer from general reserve to retained earnings	-	-	-	-	-	-	-	-	(516,306)	516,306	-	-	-
Loss after taxation for the year	-	-	-	-	-	-	-	-	-	(546,219)	(546,219)	(546,219)	(546,219)
Other comprehensive loss for the year	-	-	(75,426)	-	(327)	-	-	(75,753)	-	(145,551)	(145,551)	(221,304)	(221,304)
Total comprehensive loss for the year	-	-	(75,426)	-	(327)	-	-	(75,753)	-	(691,770)	(691,770)	(767,523)	(767,523)
Balance as at 30 September 2023	1,250,000	1,056,373	429,277	41,442	(13,162)	155,930	10,091,018	11,760,878	-	(2,839,278)	(2,839,278)	8,921,600	10,171,600
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	-	(511,499)	(511,499)	-	511,499	511,499	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	-	(477,240)	(477,240)	-	-	-	(477,240)	(477,240)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	-	(2,407)	(2,407)	-	2,407	2,407	-	-
Incremental depreciation of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(20,233)	-	-	-	-	(20,233)	-	20,233	20,233	-	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(12,269)	-	-	-	-	(12,269)	-	12,269	12,269	-	-
Equity adjustment due to loan extension	-	-	-	22,947	-	-	-	22,947	-	-	-	22,947	22,947
Loss after taxation for the year	-	-	-	-	-	-	-	-	-	(3,057,444)	(3,057,444)	(3,057,444)	(3,057,444)
Other comprehensive income for the year	-	-	32,803	-	8,851	-	-	41,654	-	51,082	51,082	92,736	92,736
Total comprehensive income / (loss) for the year	-	-	32,803	-	8,851	-	-	41,654	-	(3,006,362)	(3,006,362)	(2,964,708)	(2,964,708)
Balance as at 30 September 2024	1,250,000	1,056,373	429,578	64,389	(4,311)	155,930	9,099,872	10,801,831	-	(5,299,232)	(5,299,232)	5,502,599	6,752,599

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

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	NOTE	2024	Restated 2023
		Rupees in thousand	
CASH GENERATED FROM OPERATIONS			
Loss before income tax		(3,183,814)	(979,431)
Adjustments for non-cash charges and other items:			
Depreciation	5.1	860,562	924,618
Liabilities no longer payable written back	32	(1,761)	(720)
Gain on sale of property, plant and equipment	32	(22,643)	(3,935)
Fair value adjustment of agricultural assets	6.2	612	1,402
Unrealized loss / (income) on agriculture income		(5,515)	1,315
(Reversal of allowance) / allowance for expected credit losses		(162)	(2,757)
Provision for employees' retirement benefits	19	207,977	124,644
Share of profit from equity accounted investee	7	137,330	(87,325)
Levy	34	109,639	116,218
Provision against doubtful advances agaist capital expenditure	31	12,999	-
Provision against doubtul export rebate receiveable		41,737	-
Finance cost	33	376,557	362,770
OPERATING (LOSS) / PROFIT BEFORE WORKING CAPITAL CHANGES		(1,466,482)	456,799
Changes in working capital items:			
- Stores, spare parts and loose tools		(3,012)	(39,411)
- Stock-in-trade		783,444	(1,189,962)
- Biological assets		435	(153)
- Trade debts		37,251	(69,911)
- Loans and advances		(164,568)	88,866
- Prepayments and other receivables		4,879	13,532
- Increase in Contract Liabilities		377,427	300,627
- Increase in trade and other payables		894,006	1,082,224
		1,929,862	185,812
CASH INFLOWS FROM OPERATIONS		463,380	642,611
Finance cost paid		(125,829)	(338,699)
Income tax and levy paid		(66,020)	(35,146)
Net decrease in long term advances and deposits		600	-
Employees' retirement benefits paid		(28,760)	(26,217)
Net cash generated from operating activities		243,371	242,549
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(133,672)	(141,837)
Proceeds from sale of property, plant and equipment		28,999	10,983
Net cash outflows from investing activities		(104,673)	(130,854)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing	37	(13,235)	(41,413)
Proceeds from long term financing	37	-	225,000
Short term borrowings - net	37	(122,247)	(262,500)
Dividend paid	37	(65)	-
Net cash used in financing activities		(135,547)	(78,913)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		3,151	32,782
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		63,421	30,639
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	14	66,572	63,421

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

Chief Executive Officer　　　Director　　　Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Shakarganj Limited (the Company) is a public limited company incorporated on 20 September 1967 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn. The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Company is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

These financial statements are of the individual entity i.e. Shakarganj Limited.

1.2 Geographical locations and addresses of all business units of the Company except for the registered office are as follows:

Manufacturing units and offices	Address
Jhang Unit (Sugar, biofuel and textil	5 KM Toba Tek Singh Road, Jhang.
Bhone Unit (Sugar and biofuel)	63 KM Jhang - Sargodha Road, Bhone, Tehsil and District Jhang.
Liaison Office	Nishatabad, Chak Jhumra Road, Faisalabad.

1.3 Going concern assumption

The Company has suffered the loss after income tax of Rs. 3,057.44 (2023: Rs. 546.22) million and its accumulated losses are of Rs. 5,299.23 (2023: Rs. 2,839.28) million as at 30 September 2024. The current liabilities of the Company exceeded its current assets by Rs. 5,417.81 (2023: Rs. 3,238.93) million. Moreover, the Company has overdue statutory obligations. Furthermore Textile segment of the Company remained closed during the whole year. Certain shareholders of the Company have applied to Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective courts regarding the approval of disposal of certain agricultural land of the Company. These factors indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern basis due to following reasons:

- The Company is making arrangements to sell its agriculture land having market value of Rs. 755.547 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Company held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi along with no objection from lenders. The proceeds through disposal of land will be utilized by the Company to pay to sugarcane growers and to settle the other liabilities of the Company while the remaining proceeds will be utilized for up gradation of plant and machinery of textile and sugar divisions at Jhang.

- The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2024 is Rs. 7.051 billion. Price discovery by the management for the whole Bhone Unit of the Company including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Company. The management has planned to seek required approvals for roll out of the turnaround plan before the end of financial year 30 September 2024.

- The Company is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

- The Company remains committed to its best efforts to improve liquidity position. The financial projections of the Company show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, these financial statements have been prepared on a going concern basis which assumes that the Company will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

2 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 Standards) 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

- Provisions of and directives issued under the Companies Act, 2017.

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

3 BASIS OF MEASUREMENT

a) Accounting convention

These financial statements have been prepared following accrual basis of accounting except for the statement of cash flows.

These financial statements have been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the following material items in the statement of financial position:

- Inventories that are valued at lower of weighted / moving average cost or Net Realizable Value (NRV) in accordance with IAS 2;

- Freehold land, buildings on freehold land and plant and machinery that stands at the revalued amount in accordance with IAS 16;

- Biological assets at fair value less estimated point of-sale costs as per IAS 41;

- Actuarial valuation of pension and gratuity as per IAS 19; and

- Certain financial instruments which are carried at their fair value in accordance with IFRS 9.

b) Separate financial statements

These financial statements are the separate financial statements of the Company in which investment in subsidiary company is accounted under equity method. Consolidated financial statements of the Company are prepared and presented separately. The Company has 52.39% equity shares of Shakarganj Foods Product Limited as a long-term strategic investment.

c) Functional and presentation currency

The financial statements are presented in Pakistani Rupee (Rs.) which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to nearest rupee, unless otherwise indicated.

d) Critical accounting estimates, judgements and assumptions

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

Description	Note
• Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses)	4.1
• Useful lives and residual values of property, plant and equipment as well as fair values	4.2
• Useful lives, residual values and amortization method of intangible assets	4.3
• Fair value less estimated point of-sale costs	4.5
• Inventories (stock in trade and consumable stores and spares)	4.6
• Lease term	
• Estimation of provisions	4.13
• Estimation of contingent liabilities	4.15
• *Expected credit losses of certain financial assets under IFRS 9*	4.17
• *Impairment loss of non-financial assets other than inventories*	4.17
• *Revenue from contracts with customers involving sale of goods*	
• *Classifications*	

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

e) Change in accounting policy

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognize minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognized as 'Income tax'. The Company has accounted for the effects of these changes in accounting policy retrospectively under para 22 of IAS 8 "Accounting Policies, Change in Accounting Estimates and Errors;" and the corresponding figures have been restated in these financial statements. The effects of restatements is disclosed in notes 32 and 33.

f) Standards, interpretations and amendments to publish approved accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

- New accounting standards interpretations and amendments to accounting standards that are effective and relevant
  Certain standard amendments and interpretations to approved accounting standards are effective for the accounting periods beginning on or after 01 October 2023 but are considered not to be relevant or to have any significant effect on the Company operations and are, therefore, not detailed in these financial statements.

- New accounting standards and amendments to standards not yet effective

  There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after 01 October 2024 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following.

		Effective for the period beginning on or after
IAS 21	Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates' address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date.	01 January 2025
IFRS - 16	Amendments to IFRS 16, Leases on sale and leaseback	01 January 2024
IAS-1	Amendment to IAS 1 – Non-current liabilities with covenants and amendments regarding the classification of liabilities as current or non-current.	01 January 2024
IFRS 7 and IAS 7	Amendments to IAS 7 and IFRS 7 'Supplier Finance Arrangements to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.	01 January 2024
IFRS 7 and 9	IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.	01 January 2026
IFRS-10 / IAS-28	IFRS 10 - Consolidated Financial Statements and IAS 28 - Investment in Associates and Joint Ventures (Amendment regarding sale or contribution of assets between an investor and its associate or Joint Venture).	Deferred indefinitely
IFRS 17	Insurance Contracts (New standard)	01 January 2026

- New Standards issued by IASB but have not yet been notified/adopted by SECP

		Effective for the period beginning on or after as per IASB
IFRS 18	IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures. These standards will become part of the Company's financial reporting framework upon adoption by the SECP.	01 January 2027
IFRS - 1	First Time Adoption of IFRS (restructured version)	01 July 2009

The Company's management at present is in the process of assessing the full impacts of these new standards and the new amendments and is expecting to complete the assessment in due course.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Income tax / levy

Income tax comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity (if any), and in which case the tax amounts are recognized directly in in other comprehensive income or equity.

Income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Levy

In accordance with the Income Tax Ordinance, 2001, computation of turnover tax and final tax is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements, except for taxes on dividends on the Company's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorised as current income tax.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit / loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of property, plant and equipment) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Sales tax

Revenues, expenses and assets are recognized net off amount of sales tax except:

- Where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables or payables that are stated with the amount of sales tax included.

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

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. 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 shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

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.

4.2 Property, plant and equipment

Operating fixed assets - tangible

Owned

Property, plant and equipment except freehold land, buildings on freehold land and plant and machinery are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Freehold land is stated at revalued amount less accumulated impairment losses (if any). Buildings on freehold land and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment losses (if any). The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of these assets; and thereafter the carrying amount of these assets are adjusted to the revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable cost of bringing the asset to working condition.

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 benefit associated with item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is included in the statement of profit or loss in the year the asset is de-recognized.

Depreciation

Depreciation on all operating fixed assets is charged to statement of profit or loss by applying the reducing balance method so as to write off the depreciable amount of the assets over their estimated useful lives at the rates given in Note 5.1. The residual values and useful lives are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant. Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

Capital work in progress

Capital work-in-progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during construction and installation. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost also includes applicable borrowing costs. Transfers are made to relevant operating fixed assets category as and when the assets are available for use.

Revaluation

Any revaluation increase arising on the revaluation of free hold land and building on free hold land and plant & machinery is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of freehold land

and building on freehold land and plant & machinery is charged to profit or loss to the extent that it exceeds the balance, if any, held in the Revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The surplus on revaluation of building on free hold land and plant & machinery to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years.

Judgment and estimates

The Company reviews the useful lives and residual values of property, plant and equipment annually by considering expected pattern of economic benefit that the Company expects to derive from the item and the maximum period up to which such benefits are expected to be available. 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 and impairment.

4.3 Intangibles

Measurement

Intangible assets, other than goodwill, are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method.

Research and development expenditure is charged to 'administrative and general expenses' in the statement of profit or loss, as and when incurred.

Judgment and estimates

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis. All intangible assets are estimated to have definite useful lives.

4.4 Investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital are included in current assets, all other investments are classified as non-current. Management determines the classification of its investments at the time of purchase depending on the purpose for which the investments are required and re-evaluates this classification on regular basis.

Investment in subsidiaries

Investments in subsidiaries / associates where the Company has control / significant influence are measured at cost less impairment, if any, in the Company's separate financial statements. At subsequent reporting date, the recoverable amounts of investments are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as expense in the statement of profit or loss. Investments in subsidiaries and associates that have suffered an impairment are reviewed for possible reversal of impairment at each reporting date. Where impairment losses are subsequently reversed, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. Impairment losses recognized in the statement of profit or loss on investments in subsidiaries and associates are reversed through the statement of profit or loss.

The Company is required to issue consolidated financial statements along with its separate financial statements, in accordance with the requirements of IAS 27, 'Separate Financial Statements'.

4.5 Biological assets

Biological assets comprises standing crops and livestock. These are stated at fair value less estimated point of-sale costs, with any resultant gain or loss recognized in the statement of profit or loss. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

4.6 Inventories

Measurement

Inventories comprises of refined sugar, bio-fuel, bagasse, molasses, sugar and molasses in process and consumables stores and spares. Inventories are stated at the lower of cost and net realizable value. Cost is calculated on the following basis:

- Finished goods, work-in-process of sugar and molasses

These are valued at the average annual production cost, which comprise cost of direct material, labour and appropriate manufacturing overheads.

- Molasses and bagasse

These are valued at their net realizable value.

- Consumable stores and spares

Consumables stores and spares are valued principally at weighted average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

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

Impairment

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the cost of sales in the statement of profit or loss.

Judgments and estimates

The Company reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost.

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

4.7 Trade debts, deposits and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash net of temporary bank or books overdrafts / overdrawn.

4.9 Non-current assets are classified as held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. These are stated at the lower of carrying amount and fair value less costs to sell.

4.10 Borrowings / loans and borrowing costs

Interest bearing borrowings / Loans

Interest bearing borrowings / loans are recorded at the proceeds received. Borrowings are subsequently stated at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest rate method. Finance costs are accounted for on accrual basis and are reported under accrued mark up to the extent of the amount remaining unpaid.

Interest free loans payable on discretion of the company

Interest free loans given by directors and sponsors of the company and repayable at the discretion of the Company are initially measured and subsequently recognized in line with Technical Release - 32 (TR 32 - Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan (ICAP), these loans are shown as part of equity.

Overdrafts

Overdrafts, if any, are repayable in full on demand and are measured at amortized cost.

Interest / borrowing costs

Interest expense / borrowing costs are accounted for on the basis of the effective interest method and are included in finance costs which are charged to income in the period in which these are incurred , except borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Borrowings are reported under accrued finance costs to the extent of the amount remaining unpaid and are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

4.11 Leases

The Company is the lessee.

"At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions."

At initial recognition, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss account if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of use assets are depreciated on a straight-line method over the shorter of lease term or estimated useful live of the assets. If ownership of the asset transfers to the Company at the end of lease term or the cost reflects the exercise of purchase option, depreciation is calculated over the estimated useful life of the asset. These methods most closely reflect the expected pattern of consumption of future economic benefits.

The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

Judgments and estimates

The Company applies judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Ijarah contracts

The Company has entered into Ijarah contracts under which it obtains usufruct of an asset for an agreed period for an agreed consideration. The Ijarah contracts are undertaken in compliance with the Shariah essentials for such contracts prescribed by the State Bank of Pakistan. The Company accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, Company as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit and loss on straight line basis over the Ijarah term.

4.12 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.13 Employees benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company operates a defined contribution plan in the form of recognized provident fund scheme for all employees. Contributions to fund are made monthly by the Company and employee at 8.33% of the basic salary. The Company's contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

Defined benefits plan

The Company operates a funded gratuity scheme as a defined benefit plan for its permanent employees and also funded defined benefit pension plan. All permanent employees who are in the management cadre of the Company participate in these plans subject to a minimum qualifying period of service according to the terms of employment. Monthly contributions are made to these funds on the basis of actuarial recommendation at the rate of 20% per annum of basic salary for pension and 8.33% per annum of basic salary for gratuity.

Actuarial valuation using projected unit credit method for the schemes was carried out as at 30 September 2024. The main features of defined benefit schemes are mentioned in Note 6.1 and Note 6.2. The Company's net obligation in respect of these defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liabilities, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit or loss.

When the benefits of plans are changed or when plans are curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment are recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of defined benefit plans when the settlement occurs.

Compensated absences

The Company provides for annual leave encashment to its employees on the basis of un-availed annual leaves, which is worked out on an average daily rate, based upon last drawn basic salary. It is accumulated to a maximum of twenty-eight and sixty-three days for workers and officers respectively. The un-availed annual leaves can be encashed by an employee at the time of retirement.

The Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. Provisions to cover the obligation are made using the current salary levels of the employees. No actuarial valuation of compensated absences is carried out as the management considers that the financial impact of such valuation will not be material.

4.14 Provisions

Recognition and measurement

Provisions for legal claims and make good obligations are recognised 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 the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Judgement and estimates

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

4.15 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 incentive on target achievements.

Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

Refund liabilities

Refund liabilities are recognized where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances.

Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

4.16 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

4.17 Contingencies and commitments

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

Judgement and estimates

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the reporting date.

Capital commitments, unless those are actual liabilities, are not incorporated in the books of accounts.

4.18 Impairment

Financial assets

The Company recognizes loss allowances for ECLs on:

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

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovery of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Judgement and estimates

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 assets original effective interest rate.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a 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 amortised cost are deducted from the gross carrying amount of the assets.

Impairment on financial assets other than trade debts has been measured on 12 - months expected loss basis and reflects the short maturities of the exposure.

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. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. 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 first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the 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.

Judgement and estimates

The management of the Company reviews carrying amounts of its non-financial assets and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

4.19 Financial Instruments

Recognition and initial measurement

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

A financial asset (unless it is a trade receivable 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 receivable without a significant financing component is initially measured at the transaction price.

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) and fair value through profit or loss (FVTPL).

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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 and losses and impairment 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, deposits, long term loans, trade debts, term deposits and other receivable.

Debt Instrument – FVOCI

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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 are recognized in statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, 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 are never reclassified to statement of profit or loss.

Fair value through profit or loss (FVTPL)

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

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

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss. Dividend income is presented separately from net gain and losses.

Financial assets at fair value through profit or loss comprise of short-term investments in listed equity securities.

All "regular way" purchases and sales of financial assets are recognized on the settlement date, i.e. the date on which the asset is delivered to or by the company. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by the regulation or convention in the market.

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.

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Off - setting of financial instruments

Financial assets and liabilities are off-set and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention and ability to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.20 Foreign currencies

Foreign currency transactions are translated into Pakistan Rupees which is the Company's functional and presentation currency using the exchange rates approximating those prevailing at the date of the transaction.

All monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit or loss. All non-monetary assets and liabilities are translated in Pakistan Rupees using the exchange rates prevailing on the date of transaction or at the date when the fair value was determined.

4.21 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

4.22 Dividend and other distribution

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

4.23 Earnings per share (EPS)

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

4.24 Related party transactions

All transactions arising in the normal course of business and are conducted at arm's length at normal commercial rate on the same terms and conditions as third party transactions using valuation modes as admissible, except in rarely extreme circumstances where, subject to approval of the Board of Directors, it is in the interest of the Company to do so. Parties are said to be related if they are able to influence the operating and financial decisions of the Company and vice versa.

4.25 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The Company has four reportable business segments: Sugar, Biofuel, Textile and Farms.

Transactions among the operating segments are recorded at cost. Inter-segment sales and purchases are eliminated from the total.

4.26 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income. Other comprehensive income comprises items of income and expense, including reclassification adjustments that are not recognized in profit or loss as required or permitted by approved accounting standards.

4.27 Statement of cashflows

The Company classify:

- cash payments for the principal portion of lease payments as financing activities;
- cash payments for the interest portion as operating activities;
- short-term lease payments and payments for leases of low-value assets as operating activities;
- cash flows from interest paid as operating activities, cash flows from interest received and dividends received as investing activities, and cash flows from dividends paid as financing activities. Interest paid includes the interest portion of the lease liabilities; and
- capitalized interest consistently with interest cash flows that are not capitalized.

4.28 Revenue recognition

Sale of goods

The Company generates revenue primarily from the sale of sugar and bio-fuel and related by-products as well as bio-fertilizers to its customers. Revenue from the sale of goods is recognized at the point in time when the performance obligations arising from the contract with a customer is satisfied and the amount of revenue that it expects to be entitled to can be determined. This usually occurs when control of the asset is transferred to the customer, which is when goods are dispatched or delivered from warehouse to the customers. Invoices are generated and revenue is recognised at that point in time. All the sales are on advance basis, except few invoices that are usually payable within 30 days. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is disclosed net of taxes, returns, rebates, discounts and other allowances, whichever applicable.

Judgement and estimates

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Government incentive

Government incentive relating to export sales are recognized when the right to receive such incentives has been established and the underlying conditions are met.

Return on bank deposits

Return on bank deposits is accounted for on a time proportionate basis using the applicable rate of return / interest.

Net unrealized gain / (losses)

Net unrealized gain / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in the statement of profit or loss in the period in which they arise.

Rental income

Rental income is recognized in profit or loss on an accrual basis.

Dividend income

Dividend income is recognized in profit or loss as other income when:

- the Company's right to receive payment has been established;
- is probable that the economic benefits associated with the dividend will flow to the company; and
- the amount of the dividend can be measured reliably.

Foreign currency exchange differences

Foreign currency gains and losses are reported on a net basis.

Other income

Other income, if any, is recognized on an accrual basis.

	NOTE	2024	2023
		Rupees in thousand	
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	13,596,278	14,262,799
Capital work-in-progress	5.2	319,349	399,072
		13,915,627	14,661,871

5.1. OPERATING FIXED ASSETS

Rupees in thousand

	Freehold land	Building on freehold land	Plant and machinery	Tools and equipment	Water, electric and weighbridge equipment	Furniture and fixtures	Office equipment	Vehicles	Laboratory equipment	Arms and ammunition	Library books	Total
At 30 September 2022												
Cost / revalued amount	2,906,905	1,426,343	11,729,968	19,887	242,264	23,122	26,864	96,119	15,115	343	10,901	16,497,831
Accumulated depreciation	-	(106,855)	(903,570)	(18,277)	(231,131)	(20,083)	(26,815)	(80,917)	(13,675)	(325)	(10,813)	(1,412,461)
Net book value	2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
Year ended 30 September 2023												
Opening net book value	2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
Additions	-		102,211	28	860	195		5,800	-	-	-	109,094
Disposals / De-recognitions:												
Cost / revalued amount	-	-	(7,105)	-	-	(125)	-	(5,408)	-	-	(1)	(12,639)
Accumulated depreciation	-	-	985	-	-	74	-	4,532	-	-	1	5,592
	-	-	(6,120)	-	-	(51)	-	(876)	-	-	-	(7,047)
Depreciation charge for the year		(98,996)	(817,397)	(439)	(2,660)	(621)	(20)	(3,880)	(580)	(3)	(22)	(924,618)
Closing net book value	2,906,905	1,220,492	10,105,092	1,199	9,333	2,562	29	16,246	860	15	66	14,262,799
At 30 September 2023												
Cost / revalued amount	2,906,905	1,426,343	11,825,074	19,915	243,124	23,192	26,864	96,511	15,115	343	10,900	16,594,286
Accumulated depreciation	-	(205,851)	(1,719,982)	(18,716)	(233,791)	(20,630)	(26,835)	(80,265)	(14,255)	(328)	(10,834)	(2,331,487)
Net book value	2,906,905	1,220,492	10,105,092	1,199	9,333	2,562	29	16,246	860	15	66	14,262,799
Year ended 30 September 2024												
Opening net book value	2,906,905	1,220,492	10,105,092	1,199	9,333	2,562	29	16,246	860	15	66	14,262,799
Additions	22,000		157,045			99	80	21,172				200,396
Disposals / De-recognitions:												
Cost / revalued amount	-	-	(6,345)	(700)	-	(68)	-	(12,485)	-	-	-	(19,598)
Accumulated depreciation	-	-	1,083	699	-	34	-	11,427	-	-	-	13,243
	-	-	(5,262)	(1)	-	(34)	-	(1,058)	-	-	-	(6,355)
Depreciation charge for the year	-	(91,571)	(762,136)	(241)	(2,080)	(513)	(44)	(3,609)	(347)	(3)	(18)	(860,562)
Closing net book value	2,928,905	1,128,921	9,494,739	957	7,253	2,114	65	32,751	513	12	48	13,596,278
At 30 September 2024												
Cost / revalued amount	2,928,905	1,426,343	11,975,774	19,215	243,124	23,223	26,944	105,198	15,115	343	10,900	16,775,084
Accumulated depreciation	-	(297,422)	(2,481,035)	(18,258)	(235,871)	(21,109)	(26,879)	(72,447)	(14,602)	(331)	(10,852)	(3,178,806)
Net book value	2,928,905	1,128,921	9,494,739	957	7,253	2,114	65	32,751	513	12	48	13,596,278
Annual rate of depreciation (%)	-	7.5	7.5, 30	20, 40	20, 40	20	40	20	40	20	20, 30	

5.1.1. Particulars of immovable properties (i.e. land and building) in the name of the Company are as follows:

Particulars	Location	Area of land	Covered Area of building Sq. ft.
Freehold land (Farms)	Land at Chak Rasool Pur	103 Kanals, 13 Marlas	-
	Land at Moza Billi Habib (Nualan Par)	284 Kanals, 16 Marlas	-
	Land at Moza Chandia Nasheb	438 Kanals, 1 Marla	-
	Land at Moza Turbat Haji Shah	17 Kanals, 9 Marlas	-
	Land at Moza Doka Baloucha	637 Kanals, 19 Marlas	-
	Land at Moza Kot Esa Shah	1 262 Kanals	-
	Land at Moza Kot Khan	2 926 Kanals 4 Marlas	-
	Land at Chak 462 JB	781 Kanals, 13 Marlas	-
	Land at Kot Sahai Singh	52 Kanals, 4 Marlas	-
Freehold land (Bhone)	Land at Chund Bharwana	1 Kanal	
	Land at Adda Massan	1 Kanal	-
	Bhone Unit (factory land)	1 511 Kanals, 5 Marlas	496 365
Freehold land (Jhang)	Land at Lalazar	1 Kanal	-
	Land at Moza Suleman Adda Sher Abad	1 Kanal	-
	Land at Chak 426 Adda Pul	1 Kanal	-
	Land at Chak 428 Adda Pul	1 Kanal	-
	Land at Chak 316 Talwandi	15 Kanals, 16 Marlas	-
	Land at Moza Sangra Adda Kot Shakir	1 Kanal	-
	Land at Islam Wala Adda Pul Gagan	1 Kanal	-
	Land at Adda Kot Bahadar	1 Kanal	-
	Land at Moza Kalachi Adda	1 Kanal	-
	Land at Moza Gilmala	1 Kanal	-
	Land at Malluana More	10 Marlas	-
	Land at Roran Wali	1 Kanal	-
	Jhang Unit (factory land)	1 289 Kanals, 5 Marlas	1 710 670

5.1.2. Detail of operating fixed assets, exceeding the book value of Rs. 500,000, disposed of during the year is as follows:

Description	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
	-----------------------Rupees in thousand	------------------------					
Plant and machinery							
Mills Rollar Shafts	2,311	358	1,953	3,274	1,321	Auction	Muhammad Afzaal, Near Ghalla Mandi, Toba Road, Jhang
Mills Rollar Shafts	1,304	272	1,032	4,986	3,954	Negotiation	Ghulam Mustafa
Parts Uster A.F.I.S Pro With N C & L+M	2,730	453	2,278	3,130	852	Negotiation	Abdul Aziz
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rs. 500,000	13,253	12,160	1,093	17,609	16,516		
	19,598	13,243	6,355	28,999	22,643		

5.1.3. The carrying amount of freehold land, building and plant and machinery would have been Rs. 147.52 million (2023: Rs. 147.52 million), Rs. 166.21 million (2023: Rs. 179.69 million) and Rs. 1,474.77 million (2023: Rs. 1,438.40 million) respectively, had there been no revaluation.

5.1.4. Forced sale value as per last revaluation carried out on 30 September 2021 was Rs. 2,339.84 million, Rs. 1,156.31 million and Rs. 8,135.68 million for freehold land, building and plant and machinery respectively.

	NOTE	2024	2023
		Rupees in thousand	
5.1.5. The depreciation charge has been allocated as follows:			
Cost of revenue	28	844,603	907,261
Administrative and general expenses	29	15,959	17,357
		860,562	924,618

5.2. CAPITAL WORK-IN-PROGRESS

Rupees in thousand

	Civil works	Plant and machinery	Advances for capital expenditure	Total
At 01 October 2022	5,497	223,072	137,760	366,329
Add: Additions during the year	2,000	170,254	-	172,254
Less: Transferred to operating fixed assets during the year	(1,296)	(104,350)	(33,865)	(139,511)
At 30 September 2023	6,201	288,976	103,895	399,072
Add: Additions during the year	25	35,976	79,518	115,519
Less: Transferred to operating fixed assets during the year	-	(158,433)	(23,810)	(182,243)
Less: Provision against doubtful adances	-	-	(12,999)	(12,999)
At 30 September 2024	6,226	166,519	146,604	319,349

	NOTE	2024	2023
		Rupees in thousand	
5.2.1. Advances for capital expenditure:			
Considered good:			
- Plant and machinery		146,604	103,895
Considered doubtful:			
- Plant and machinery		34,663	21,664
- Intangibles		15,274	15,274
		49,937	36,938
		196,541	140,833
Less: Provision against doubtful advances		(49,937)	(36,938)
		146,604	103,895

6. BIOLOGICAL ASSETS

	NOTE	2024	2023
Rice - mature		585	1,632
Livestock	6.1	34,404	28,889
		34,989	30,521
Non - current - livestock		34,404	28,889
Current - crops		585	1,632
		34,989	30,521

6.1. Livestock comprises a total of 179 (2023: 220) animals, which includes cows, heifers, bulls and calves.

		NOTE	2024	2023
			Rupees in thousand	
6.2.	Movement during the year			
	Livestock			
	As at 01 October		28,889	30,204
	Gain arising from changes in fair value less estimated point of sale costs		10,743	1,572
	Purchase during the year		505	-
	Decrease due to sale / deceased livestock		(5,733)	(2,887)
	As at 30 September		34,404	28,889
	Crops			
	As at 01 October		1,632	2,881
	Increase due to purchases / costs incurred		266	4,157
	Decrease due to harvest / sales		(744)	(7,852)
	Fair value adjustment related to sales during the year		43	3,848
	Fair value adjustment of agricultural assets	28	(612)	(1,402)
	As at 30 September		585	1,632
			34,989	30,521
7.	LONG TERM INVESTMENTS			
	Investment in equity accounted investee	7.1	1,845,334	1,932,641
	At fair value through other comprehensive income	7.2	14,992	4,579
			1,860,326	1,937,220
7.1.	Investment in equity accounted investee			
	Shakarganj Food Products Limited - Unquoted			
	87 785 643 (2023: 87 785 643) fully paid ordinary shares of Rs. 10 each. Equity held: 52.39% (2023: 52.39%)			
	Cost		590,784	590,784
	Share of post acquisition reserves:			
	As at 01 October		1,341,857	1,318,176
	Share of (loss) / profit after taxation		(137,330)	87,325
	Share of other comprehensive income / (loss)		27,076	(63,644)
	Equity adjustment due to loan extension		22,947	-
			(87,307)	23,681
			1,254,550	1,341,857
	As at 30 September		1,845,334	1,932,641

7.1.1. Shakarganj Food Products Limited (SFPL) is a public unlisted company incorporated in Pakistan and is principally engaged in the business of manufacturing, processing and sale of food products. Its registered office is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg – III, Lahore. SFPL is a subsidiary of the Company and the investment is accounted for using equity method in accordance with IAS 27 'Separate Financial Statements'.

	2024	2023
	Rupees in thousand	
Summarized statement of financial position		
Non-current assets	5,615,117	5,932,216
Current assets	4,804,356	4,403,268
Total assets	10,419,473	10,335,484
Non-current liabilities	(1,192,736)	(1,023,710)
Current liabilities	(5,840,457)	(5,758,846)
Total liabilities	(7,033,193)	(6,782,556)
Net assets	3,386,280	3,552,928

	2024	2023
Company's share (%)	52.39%	52.39%

	2024	2023
	Rupees in thousand	
Company's share	1,774,073	1,861,380
Excess of purchase consideration over net assets	71,261	71,261
	1,845,334	1,932,641
Reconciliation to carrying amounts:		
As at 01 October	3,552,928	3,507,728
(Loss) / profit after taxation	(262,131)	166,682
Other comprehensive income / (loss)	51,683	(121,482)
Equity settlement	43,800	-
As at 30 September	3,386,280	3,552,928
Summarized statement of comprehensive income		
Revenue	12,976,811	15,068,704
(Loss) / profit for the year	(262,131)	166,682
Other comprehensive income / (loss)	51,683	(121,482)
Total comprehensive (loss) / income	(210,448)	45,200

		NOTE	2024	2023
			Rupees in thousand	
7.2.	At fair value through other comprehensive income			
	Related party - quoted			
	Crescent Steel and Allied Products Limited 180 000 (2023: 180 000) fully paid ordinary shares of Rs. 10 each.		15,921	15,921
	Others - unquoted			
	Crescent Group (Private) Limited 220 000 (2023: 220 000) fully paid ordinary shares of Rs. 10 each.		2,200	2,200
	Crescent Standard Telecommunications Limited 300 000 (2023: 300 000) fully paid ordinary shares of Rs. 10 each.		3,000	3,000
	Innovative Investment Bank Limited 51 351 (2023: 51 351) fully paid ordinary shares of Rs. 10 each		-	-
			21,121	21,121
	Less: Fair value adjustment		(6,129)	(16,542)
			14,992	4,579
8.	LONG TERM ADVANCES AND DEPOSITS			
	Security deposits:			
	Considered good		35,535	36,135
	Considered doubtful		265	265
			35,800	36,400
	Advance to Creek Marina (Private) Limited - considered doubtful	8.1	38,557	38,557
			74,357	74,957
	Less: Provision against doubtful receivables		(38,822)	(38,822)
			35,535	36,135

8.1. This represents payment for two apartments in the Creek Marina Projects pursuant to a settlement agreement entered into by the Company and the former Crescent Standard Investment Bank Limited in year 2006. The construction work at the site has been halted since year 2011 due to differences between Defence Housing Authority and the developer. The resumption of construction work is still uncertain in near future. Consequently, based on prudence principal, the Company provided the above advance in full.

		NOTE	2024	2023
			Rupees in thousand	
9.	STORES, SPARE PARTS AND LOOSE TOOLS			
	Stores		49,224	63,518
	Spare parts		47,213	29,958
	Loose tools		824	773
			97,261	94,249
	Less: Provision for obsolete items		(2,820)	(2,820)
			94,441	91,429

		NOTE	2024 Rupees in thousand	2023
10.	STOCK-IN-TRADE			
	Raw materials		577,175	739,031
	Work-in-process		22,325	13,126
	Finished goods	10.1	102,260	733,047
			701,760	1,485,204

10.1. These include stock of Rs. 0.32 million (2023: Rs. 0.22 million) held by a third party.

10.2. Stock-in-trade of Rs. 691.95 million (2023: Rs. 672.17 million) is being carried at net realizable value.

10.3. The aggregate written-down amount of inventories to net realizable value recognized as an expense during the year was Rs. 139.67 million (2023: Rs. 120.78 million)

		NOTE	2024 Rupees in thousand	2023
11.	TRADE DEBTS			
	Unsecured - considered good:			
	Contract with customers			
	Related party	11.1	17,923	27,930
	Others customers		90,209	117,453
			108,132	145,383
	Less: Allowance for expected credit losses	11.2	(7,468)	(7,630)
			100,664	137,753

11.1. As at 30 September 2024, trade debts due from the Subsidiary Company, Shakarganj Food Products Limited is amounting to Rs. 17.92 million (2023: Rs. 27.93 million). The ageing analysis of these trade debts is as follows:

	2024 Rupees in thousand	2023
Upto 1 month	2,402	2,335
1 to 6 months	15,521	25,595
	17,923	27,930

11.1.1. Maximum aggregate balance due from the Subsidiary Company at the end of any month during the year was Rs. 27.05 million (2023: Rs. 50.90 million).

		NOTE	2024 Rupees in thousand	2023
11.2.	Allowance for expected credit losses			
	Balance as at 01 October		7,630	10,378
	Provision for the year		-	-
	Reversal during the year		(162)	(2,748)
	Net reversal / provision during the year	32	(162)	(2,748)
	Balance as at 30 September		7,468	7,630

11.3. Revenue from the sale of goods is recognized at the time of delivery, while apart from certain advance payments, for credit sales payment is generally due within 30 days from delivery in case of local sales, and in case of export sales advance payment is received.

11.4. As of reporting date, trade debts net of ELCs due from customers, other than the related party are aggregating to Rs. 82.74 million (2023: Rs. 109.82 million) which are past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	NOTE	2024 Rupees in thousand	2023
Not over due (Less than 30 days)		44,488	21,924
30-60 days		15,875	18,280
60-90 days		1,257	68,978
90-180 days		1,547	4,010
180-365 days		29,909	24,561
More than 365 days		15,056	7,630
		108,132	145,383
Less: Allowance for expected credit losses		(7,468)	(7,630)
		100,664	137,753

11.5. Whole of the trade debts are due from local parties.

12. LOANS AND ADVANCES

	NOTE	2024	2023
Considered good:			
- to employees (against salary)	12.1	1,170	1,254
- to employees (against expenses)		2,711	4,530
- to executives	12.1	-	299
- to suppliers and contractors		251,902	177,109
- to sugarcane growers		94,734	7,829
Receivable from related party Crescent Steel and Allied Products Limited (CSAPL)	12.3	12,289	7,217
		362,806	198,238
Less: Provision against doubtful loans and advances	12.2	(17,158)	(17,158)
		345,648	181,080

12.1. These represent interest free loans to employees and executives for various purposes. These are recoverable in monthly installments and are secured against the balances to the credit of employees and executives in the retirement benefits.

	NOTE	2024 Rupees in thousand	2023
12.2. Provision for doubtful loans and advances			
Balance as at 01 October		17,158	17,167
Provision for the year		-	-
Reversal during the year		-	(9)
Net provision / (Reversal) during the year	32	-	(9)
Balance as at 30 September		17,158	17,158

12.3. This represents receivables on account of common expenses incurred by the Company on behalf of this related party. 'The ageing analysis of receivables from this related party is as follows:

	2024	2023
Upto 1 month	1,764	136
1 to 6 months	996	2,307
Above 12 months	9,529	4,774
	12,289	7,217

12.3.1. Maximum aggregate balance due from this related party at the end of any month during the year was Rs. 12.58 million (2023: Rs. 7.22 million).

		NOTE	2024 Rupees in thousand	2023
13.	PREPAYMENTS AND OTHER RECEIVABLES			
	Considered good:			
	Export rebate		41,737	41,737
	Prepayments		3,885	4,238
	Receivable from Employees' Provident Fund Trust		-	11,181
	Others	13.2	260,730	254,076
			306,352	311,232
	Less: Provision against doubtful receivables	13.1	(44,330)	(2,593)
			262,022	308,639

		NOTE	2024 Rupees in thousand	2023
13.1.	Provision against doubtful receivables			
	Balance as at 01 October		2,593	2,593
	Provision for the year		41,737	-
	Balance as at 30 September		44,330	2,593

13.2. These includes Rs. 229 million (2023: Rs. 229 million) kept with Lahore High Court, Lahore under protest. Refer to Note 26.

		NOTE	2024	2023
14.	CASH AND BANK BALANCES			
	With banks:			
	In current accounts		65,806	61,868
	In saving accounts		59	1,112
		14.1/14.2/14.3	65,865	62,980
	Cash in hand		707	441
			66,572	63,421

14.1. These carry profit at the rates ranging from 18.50% to 20.50% (2023: 13.50% to 20.50%) per annum.

14.2. Cash with banks include balance of Rs. 0.08 million (2023: Rs. 0.13 million) with Bank Islami Pakistan Limited, a related party.

14.3. This includes a banker cheque of Rs. 63 million kept with National Bank of Pakistan and has been deposited into the Company's bank account subsequent to the reporting date.

15. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder:

	2024 Rupees in thousand	2023
Plant and machinary	90,248	90,248

Specific items of plant and machinery of Sugar segment of the Company were presented as held for sale following the approval of Board of Directors (BOD) of the Company in the meeting held on 04 January 2021. The management is hopeful of completing the sale transaction of these assets during the next financial year.

		2024	2023
		Rupees in thousand	
16.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
16.1.	Authorized share capital		
	150 000 000 (2023: 150 000 000) ordinary shares of Rs. 10 each	1,500,000	1,500,000
	50 000 000 (2023: 50 000 000) preference shares of Rs. 10 each	500,000	500,000
		2,000,000	2,000,000

16.2. Issued, subscribed and paid up share capital

2024	2023		2024	2023
Number of shares			Rupees in thousand	
79 021 000	79 021 000	Ordinary shares of Rs. 10 each fully paid in cash	790,210	790,210
33 131 816	33 131 816	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	331,318	331,318
750 000	750 000	Ordinary shares of Rs. 10 each issued to Pakistan Industrial Credit and Investment Corporation Limited against its right of option to convert 20 percent of its loan into fully paid up shares	7,500	7,500
9 557 000	9 557 000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under the scheme of merger	95,570	95,570
2 540 184	2 540 184	Ordinary shares of Rs. 10 each issued as fully paid against conversion of preference shares	25,402	25,402
125 000 000	125 000 000		1,250,000	1,250,000

16.3. The share holders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. All issued shares carry one vote per share without restriction.

16.4. Ordinary shares of the Company held by related parties:

	NOTE	2024	2023
		Number of shares	
Crescent Steel and Allied Products Limited		27 409 075	27 409 075
CS Capital (Private) Limited		7 602 272	7 602 272
Shakarganj Mills Limited Employees' Provident Fund Trust		1 375 427	1 375 427
Shakarganj Mills Limited Gratuity Fund		107 876	107 876
Shakarganj Mills Limited Pension Fund		916 582	916 582
		37 411 232	37 411 232

		NOTE	2024	2023
			Rupees in thousand	
17.	CAPITAL RESERVES			
	Surplus on revaluation of property, plant and equipment - net of deferred income tax	17.1	9,099,872	10,091,018
	Other capital reserves			
	Premium on issue of right shares	17.2	1,056,373	1,056,373
	Share in capital reserves of equity accounted investee		429,578	429,277
	Musharakah financing - equity portion of equity accounted investee		64,389	41,442
	Fair value reserve of investments at fair value through other comprehensive income - Net of tax	17.3	(4,311)	(13,162)
	Difference of capital under scheme of arrangement of merger		155,930	155,930
			1,701,959	1,669,860
			10,801,831	11,760,878
17.1.	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX			
	As at 01 October		10,091,018	10,256,630
	Less:			
	Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax		(511,499)	(592,278)
	Surplus on revaluation of property, plant and equipment disposed of during the year - net of deferred income tax		(2,407)	(4,061)
	Impact of change in deferred tax rate		(477,240)	430,727
			(991,146)	(165,612)
	As at 30 September		9,099,872	10,091,018

17.1.1 The latest valuation of land, building, plant and machinery was carried out by an independent valuer Messrs.' Hamid Mukhtar and Company (Private) Limited on 30 September 2021. The valuation was determined by reference to market value of the similar properties / assets. Previously revaluations were carried out on 30 September 2012, 30 September 2014, 09 April 2018 and 27 September 2018 by independent valuers.

17.2. This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

17.3. This represents the unrealized loss on remeasurement of investments at Fair Value Through Other Comprehensive Income (FVTOCI). Reconciliation of fair value reserve is as under:

		NOTE	2024	2023
			Rupees in thousand	
	Balance as on 01 October		(13,162)	(12,835)
	Fair value adjustment during the year		10,413	(2,198)
			(2,749)	(15,033)
	Deferred income tax relating to investments at fair value through other comprehensive income		(1,562)	1,871
	Balance as on 30 September		(4,311)	(13,162)
18.	LONG TERM FINANCING			
	From banking companies - secured	18.1	211,765	225,000
	Less: Current portion shown under current liabilities		(79,412)	(39,706)
			132,353	185,294

18.1. From banking companies

LENDER	2024	2023	RATE OF PROFIT PER ANNUM	EFFECTIVE RATE OF PROFIT	NUMBER OF INSTALLMENTS	PROFIT REPRICING	PROFIT PAYABLE	SECURITY
	Rupees in thousand							
Bank Islami Pakistan Limited	211,765	225,000	3 MK + 1%	21.20% - 23.92%	Subsequent to the year end the company fully repaid- the facility through the sale of the share owned / held by the one director and family members of director. The Company, subsequent to the reporting date, recorded this payable to them.	Quarterly	Quarterly	Ranking charge over fixed assets of Rs. 567 million, Ranking charge over current assets of Rs. 567 million, pledge of stock of Rs. 112 million and personal guarantee of one Director and one family member of the director of the Company. It is also secured through pledge of shares.
	211,765	225,000						

		NOTE	2024	2024
			Rupees in thousand	
19.	EMPLOYEES' RETIREMENT BENEFITS			
	Pension Fund	19.1	972,882	854,630
	Gratuity Fund	19.2	108,218	127,266
			1,081,100	981,896
	Less: Transferred to trade and other payables in:			
	Payable to Pension Fund		174,546	174,546
	Payable to Gratuity Fund		80,002	80,002
			254,548	254,548
			826,552	727,348
19.1	Pension Fund			
	The amount recognized in the statement of financial position is determined as follows:			
	Present value of defined benefit obligation	19.1.1	804,536	708,245
	Fair value of plan assets	19.1.2	168,346	146,385
	Net defined benefit obligation		972,882	854,630
19.1.1	The movement in the defined benefit obligation over the year is as follows:			
	Present value of defined benefit obligation as at 01 October		708,245	597,841
	Current service cost		38,111	27,205
	Interest cost		116,530	77,562
	Remeasurement losses / (gains)		(33,265)	30,572
	Benefits paid during the year		(25,085)	(24,935)
	Present value of defined benefit obligation as at 30 September		804,536	708,245
19.1.2.	The movement in the fair value of plan assets for the year is as follows:			
	Fair value as at 01 October		(146,385)	26,526
	Return on plan assets		(24,978)	3,028
	Contributions during the year		19,614	17,716
	Benefits paid during the year		(25,085)	(24,935)
	Return on plan assets excluding interest income		8,488	(168,720)
	Fair value as at 30 September		(168,346)	(146,385)
19.1.3.	The amounts recognized in the statement of profit or loss are as follows:			
	Current service cost		38,111	27,205
	Interest cost		116,530	77,562
	Return on plan assets		24,978	(3,028)
	Net charge for the year		179,619	101,739

		NOTE	2024	2023
			Rupees in thousand	
19.1.3.1.	The amounts recognized in the statement of profit or loss are classified as follows:			
	Cost of revenue	28.2	110,002	68,329
	Administrative and general expenses	29.1	64,715	31,904
	Selling and distribution cost	30.1	1,283	628
	Other operating expenses	31.1	3,619	878
			179,619	101,739
19.1.4.	Remeasurements of net defined benefit liability			
	Actuarial losses / (gains) due to changes in financial assumptions		(305)	-
	Actuarial losses / (gains) due to experience adjustments		(32,960)	30,572
	Return on plan assets excluding interest income		(8,488)	168,720
	Amount chargeable to other comprehensive income		(41,753)	199,292
19.1.5.	Reconciliation of net defined benefit liability			
	As at 01 October		854,630	571,381
	Expense chargeable to profit or loss during the year		179,619	101,739
	Amount chargeable to other comprehensive income during the year		(41,753)	199,226
	Contributions paid by the Company during the year		(19,614)	(17,716)
	As at 30 September		972,882	854,630

19.1.6. The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 September 2025 are Rs. 162.55 million.

		2024	2023
19.1.7.	Actual return on plan assets		
	Interest income for the year	(24,978)	3,028
	Return on plan assets excluding interest income	8,488	(168,720)
		(16,490)	(165,692)

		2024	2023
19.1.8.	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	11.75%	16.75%
	Future salary increases (per annum)	10.75%	15.75%
	Expected rate of future pension increases (per annum)	6.75%	11.75%
	Average expected remaining working life time of employees	8 years	8 years
	Expected average duration of obligation	16 years	16 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2024	2023
		Rupees in thousand	
19.1.9.	Plan assets are comprised as follows:		
	Equity instruments	345,345	142,802
	Cash and cash equivalents	85	1,734
	Others - net	(513,776)	(290,921)
		(168,346)	(146,385)

19.1.10. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	2023
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(118,402)	(104,231)
Decrease in assumption (Rupees in thousand)	138,855	122,186
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	66,672	122,218
Decrease in assumption (Rupees in thousand)	(61,561)	(104,239)

19.1.11. Expected contribution in next five years :

Year	2025	2026	2027	2028	2029
Annual Contribution Rs (000)	21,233	23,603	26,209	30,307	33,460

19.2. Gratuity Fund

The amount recognized in the statement of financial position are determined as follows:

	NOTE	2024	2023
		Rupees in thousand	
Present value of defined benefit obligations	19.2.1	133,888	137,540
Fair value of plan obligations / (assets)	19.2.2	(25,670)	(10,274)
Net defined benefit obligation		108,218	127,266

19.2.1. The movement in the defined benefit obligation over the year is as follows:

	2024	2023
Present value of defined benefit obligation as at 01 October	137,540	105,162
Current service cost	7,807	9,522
Interest cost	22,833	13,875
Benefits paid during the year	(2,446)	(893)
Remeasurement gains	(31,846)	9,874
Present value of defined benefit obligation as at 30 September	133,888	137,540

19.2.2. The movement in the fair value of plan (obligations) / assets for the year is as follows:

	2024	2023
Fair value as at 01 October	10,274	(31)
Contributions during the year	9,146	8,501
Return on plan assets	2,282	492
Benefits paid during the year	(2,446)	(893)
Return on plan (obligations) / assets excluding interest income	6,414	2,205
Fair value as at 30 September	25,670	10,274

	2024	2023
	Rupees in thousand	

19.2.3. The amounts recognized in the statement of profit or loss are as follows:

	2024	2023
Current service cost	7,807	9,522
Interest cost	22,833	13,875
Return on plan assets	(2,282)	(492)
Net charge for the year	28,358	22,905

		NOTE	2024	2023
			Rupees in thousand	
19.2.3.1.	The amounts recognized were included in the statement of profit or loss as follows:			
	Cost of revenue	28.2	17,367	15,383
	Administrative and general expenses	29.1	10,217	7,183
	Selling and distribution cost	30.1	203	142
	Other operating expenses	31.1	571	197
			28,358	22,905
19.2.4.	Remeasurements of net defined benefit liability			
	Actuarial losses / gains due to changes in financial assumptions		(430)	-
	Actuarial losses / gains due to experience adjustments		(31,416)	9,874
	Return on plan (obligations) / assets excluding interest income		(6,414)	(2,205)
	Amount chargeable to other comprehensive income		(38,260)	7,669

19.2.5. The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 September 2025 are Rs. 21.30 million.

		2024	2023
19.2.6.	Reconciliation of net defined benefit liability		
	As at 01 October	47,264	25,191
	Expense chargeable to profit or loss during the year	28,358	22,905
	Amount chargeable to other comprehensive income during the year	(38,260)	7,669
	Contributions paid by the Company during the year	(9,146)	(8,501)
	As at 30 September	28,216	47,264
19.2.7.	Actual return on plan (obligations) / assets		
	Interest income for the year	2,282	492
	Return on plan assets excluding interest income	6,414	2,205
		8,696	2,697

		2024	2023
19.2.8.	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	11.75%	16.75%
	Future salary increases (per annum)	10.75%	15.75%
	Average expected remaining working life time of employees	10 years	10 years
	Expected average duration of benefit obligation	9 years	9 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2024	2023
		Rupees in thousand	
19.2.9.	Plan (obligations) / assets are comprised as follows:		
	Equity instruments	30,753	15,503
	Cash and cash equivalents	61	70
	Others - net	(5,144)	(5,299)
		25,670	10,274

19.2.10. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	2023
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(11,467)	(11,780)
Decrease in assumption (Rupees in thousand)	12,545	12,887
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	12,542	12,884
Decrease in assumption (Rupees in thousand)	(11,469)	(11,781)

19.2.11. Expected contribution in next five years :

Year	2025	2026	2027	2028	2029
Annual Contribution Rs (000)	9,355	10,566	11,784	13,230	15,235

19.3. The sensitivity analysis for pension fund and gratuity fund are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year except for certain changes as given in Note 17.1.8 and Note 17.2.8.

19.4. Risks associated with the defined benefit plans

The defined benefit plans expose the Company to the following risks:

Interest rate risk

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

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Pension rate risk

The present value of the defined benefit liability is calculated after taking into account the future pension growth of plan participants. As such, an increase in the pension growth rate of the plan participants will increase the liability and vice versa.

Withdrawal rate risk

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

Mortality rate risk

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

			2024	2023
			Rupees in thousand	
20.	DEFERRED INCOME TAX LIABILITY			
	Taxable temporary differences			
	Accelerated tax depreciation		375,929	336,462
	Surplus on revaluation of property, plant and equipment		2,576,706	2,279,722
	Undistributed reserve of investment		48,000	64,584
			3,000,635	2,680,768
	Deductible temporary differences			
	Unused tax losses		-	(139,508)
	Provision for doubtful receivables		(45,738)	(23,361)
	Provision for obsolete stores, spare parts and loose tools		(818)	(676)
	Fair value reserves on biological assets		3,115	-
	Fair value reserve of investment		(919)	(1,871)
	Employees' retirement benefits		(239,700)	(174,413)
			(284,060)	(339,829)
			2,716,575	2,340,939
20.1.	Movement in the deferred income tax liability balance is as follows:			
	As at 01 October		2,340,939	3,052,924
	(Less) / add:			
	Employees' retirement benefits		(65,287)	(55,566)
	Accelerated tax depreciation		39,467	(87,984)
	Unused tax losses		139,508	19,242
	Provision for doubtful receivables		(22,377)	6,466
	Fair value reserves on biological assets		3,115	-
	Provision for obsolete stores, spare parts and loose tools		(142)	118
	Surplus on revaluation of property, plant and equipment		296,984	(618,839)
	Fair value reserve of investment		952	(362)
	Undistributed reserve of investment		(16,584)	24,940
			375,636	(711,985)
	As at 30 September		2,716,575	2,340,939
20.1.1.	Charged to the statement of profit or loss:			
	Net movement of temporary differences	20.1	375,636	(711,985)
	- on surplus on revaluation of property, plant and equipment		(477,240)	430,727
	- on unrealized loss on investment at FVTOCI		(1,562)	1,871
	- on remeasurement of employees' retirement benefits		(23,204)	49,628
			(502,006)	482,226
			(126,370)	(229,759)

20.2. The Company has not recognized deferred income tax asset on Rs. 5,052.80 million (2023: Rs. 8,114.36 million) in respect of tax losses including unabsorbed depreciation, as sufficient tax profits may not be available to set off these in the foreseeable future. Total minimum tax available to carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 September 2024 is of Rs. 201.85 million (2023: Rs. 196.62 million), while no deferred tax asset is recognized on minimum tax.

20.3. The unused tax losses excluding unabsorbed depreciation would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	Rupees in thousand	
2019	707,091	2025
2020	526,953	2026
2021	1,427,031	2027
2022	-	2028
2023	-	2029
2024	1,934,932	2030
	4,596,007	

20.4. The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees in thousand	
2022	-	2025
2023	98,636	2026
2024	103,218	2027
	201,854	

	NOTE	2024	2023
		Rupees in thousand	
21. TRADE AND OTHER PAYABLES			
Creditors		1,841,363	1,892,155
Payable to related parties	21.1	4,581	1,969
Accrued liabilities		557,121	426,750
Payable to Government authorities:			
- Taxes and duties		1,171,263	581,424
- Income tax deducted at source		145,924	143,581
- Other Government levies		10,021	10,021
Payable to Employees' Provident Fund Trust		508	-
Payable to Pension Fund and Gratuity Fund		825,519	536,457
Other payables		593,759	483,223
		5,150,059	4,075,580

21.1. These include Rs. 4.58 million (2023: Rs. 1.97 million) due to Shakarganj Food Products Limited, the subsidiary of the Company.

		NOTE	2024 Rupees in thousand	2023
22.	CONTRACT LIABILITIES			
	Advances from customers		1,038,052	660,625
	Advances for sale of property, plant and equipment		55,778	55,778
			1,093,830	716,403
23.	SHORT TERM BORROWINGS			
	From banking companies - secured			
	Export refinance / Istisna	23.1	550,253	672,500

23.1. Export refinance / Istisna

The Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark-up/profit arrangements. These finances were available at mark-up/profit ranging from 19.00% to 25.66% (2023: 16.92% to 25.91%) per annum on the outstanding balance or part thereof. These include Istisna of Rs. 190 million (2023: Rs. 200 million) payable to Bank Islami Pakistan Limited, a related party and subsequent to the year end Company was completely repaid this Istisna facility. Expiry date of export refinance facility is 31 March 2025 availed from National Bank of Pakistan.

Total credit facilities from the banking Companies as at 30 September 2024 are of Rs. 551.00 million (2023: Rs. 672.50 million). The aggregate credit facilities are secured against ranking charge over fixed assets of the Company with 25% margin, ranking charge over current assets of the Company with 25% margin, pledge of molasses and biofuel, first pari passu charge over all present and future fixed assets of the Company and personal guarantees of a Director and of the family member of director. These are additionally secured by pledge of shares of the Company and of other related parties.

		NOTE	2024 Rupees in thousand	2023
24.	ACCRUED MARK-UP			
	Long term financing	24.1	31,423	13,697
	Short term borrowings	24.2	113,877	63,109
			145,300	76,806

24.1. This includes mark-up of Rs. 31.42 million (2023: Rs. 13.70 million) payable to Bank Islami Pakistan Limited, a related party.

24.2. This includes mark-up of Rs. 37.81 million (2023: Rs. 26.01 million) payable to Bank Islami Pakistan Limited, a related party.

		2024 Rupees in thousand	2023
25.	PROVISION FOR TAXATION		
	Provision For Taxation	1,117,914	1,008,275
	Advance Income Tax	(1,058,866)	(992,846)
		59,048	15,429

26. CONTINGENCIES AND COMMITMENTS

a) Contingencies

(i) The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 through notification No. SO. Tax (E&T) 3-4/2012 dated 03 July 2012, levied a duty of Rs. 2 per liter on manufacturing of spirit (biofuel) with effect from 01 July 2012. In view of legal lacunas, discrimination as to other provinces, no legislative competence and lawful authority of Government of Punjab to impose such duty on industrial ethanol which is not alcohol liquor and the fact that the Company is exporter of the spirit which is exempted under Order 6 of the Punjab Liquor Import, Export, Transportation and Possessions Orders, the management through its legal counsel has challenged the imposition of said levy and is currently contesting it at Lahore High Court, Lahore. Keeping in view all the court proceedings and grounds discussed in various higher courts, Punjab Government, after due deliberations of the Provincial Cabinet of the Punjab Government, on 20 August 2019, through its notification no. SO(E&M)2-5/2018/ED withdrew the imposed duty of Rs. 2 per liter upon the manufacture of spirit in any distillery. As per Company's legal counsel, the Company has clear-cut case and the decision of the case shall be in favor of the Company. In view of the aforesaid, the duty on manufacturing of spirit (biofuel) of Rs. 229.918 million (2023: Rs. 229.918 million) previously deposited with court under protest on this account has been recognized as receivable being refundable.

(ii) The Company has paid an advance amounting to Rs. 12.999 million (2023: Rs. 12.999 million) to Messrs Industrial Enterprises for designing the boiler project to use only biogas as fuel with no option of burning bagasse. However, the boiler could not generate steam as per specification. It is unlikely that this project will be completed. Therefore the Company has gone into litigation with Industrial Enterprises in Civil Court, Jhang on 03 July 2018 for the recovery of the advance paid along with damages. Based on the advice of legal counsel, there are favourable grounds that the case will be decided in favour of the Company and the advance amount paid will be refunded back.

(iii) An appellate order was made by Commissioner Inland Revenue, Appeals, Lahore on 30 November 2020 under section 33 of Federal Excise Act, 2005, confirming payment of federal excise duty of Rs. 12.757 million (2023: Rs. 12.757 million) including penalty regarding export of sugar to Afghanistan through land route in 2014. The Company has filed appeal before Appellate Tribunal Inland Revenue, Lahore against this order on 23 December 2020. No provision has been recognized in the books of account as the Company is confident on positive outcome of the appeal, on the advice of legal counsel.

(iv) The Competition Commission of Pakistan (CCP) imposed penalties of Rs. 312.595 million (2023: Rs. 312.595 million) on sharing commercially sensitive information and Rs. 437.633 million (2023: Rs. 437.633 million) against collective decision on export quantities. Against these penalties, the Company has lodged appeal before Competition Appellate Tribunal on 14 October 2021, whose decision is pending. On the advice of legal counsel, management is confident that the matter will be decided in the favour of the Company.

(v) Commissioner Inland Revenue filed petition in Lahore High Court, Lahore against the Company on 17 June 2021 regarding the order to recover sales tax of Rs. 78.867 million (2023: Rs. 78.867 million) along with default surcharge and penalty against which the Company filed an appeal before Appellate Tribunal Inland Revenue on 10 November 2020 pending adjudicating at the reporting date. According to legal counsel of the Company, the petition filed by CIR is on weak grounds therefore no provision is recognized in these financial statements.

(vi) The Company has filed appeals before Appellate Tribunal Inland Revenue on 05 April 2022 against assessment orders under section 11 of the Sales Tax Act, 1990 passed by the Commissioner Inland Revenue (Appeals) regarding the recovery of sales tax of Rs. 8.272 million for the tax periods October 2016 and March 2018. As per Company's legal counsel, no provision is required as the Company has good arguable cases.

(vii) Deputy Commissioner Inland Revenue issued show cause notices to the Company on 19 May 2022 and on 16 February 2022 against the input tax adjustments of exempt / inadmissible supplies from July 2020 to June 2021 and from July 2021 to November 2021 amounting to Rs. 1.428 million and Rs. 9.282 million respectively in violation of section 8(2) of the Sales Tax Act, 1990. The collective amount was later reduced by CIR (A) to Rs. 3.210 million. The appeals before Appellate Tribunal Inland Revenue dated 18 August 2022 and 18 October 2022 are being pursued by the Company. On the advice of legal counsel, management is confident that the matters will be decided in the favour of the Company.

(viii) Deputy Commissioner Inland Revenue on 29 June 2021 passed an order under section 122(4) of Income Tax Ordinance, 2001 and made an addition amounting to Rs. 2.127 billion being unexplained income under section 111(1)(b) of Ordinance. The Company on 19 March 2022 filed an appeal before CIR(A). Moreover, due to addition as mentioned above, Additional Commissioner Inland Revenue adjusted the refunds claimed by the Company and a demand of Rs. 31.425 million was created. The Company, being aggrieved has filed an appeal before ATIR on 25 October 2022. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Company.

(ix) Commissioner Inland Revenue (CIR) filed sales tax reference no. 50364/2020 against the Company in Lahore High Court, Lahore on 13 October 2020 challenging the judgment of Appellate Tribunal Inland Revenue of setting aside various sales tax / federal excise duty demands of Rs. 28.817 million. As per Company's legal counsel, no provision is required as the reference filed by CIR is on weak grounds and will be dismissed by the Court.

(x) Commissioner Inland Revenue filed Income Tax reference impugning order dated 12th April, 2022 passed in ITA NO, 1564/LB/2015 pertaining to incorrect application of minimum tax at the rate of 0.5% instead of 1% in the tax year 2011. The matter is still pending for adjucation in Lahore High Court. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

(xi) Commissioner Inland Revenue filed sales tax reference against the Company in Lahore High Court impugning order dated 8th March, 2022 passed by the Appellate Tribunal in STA No. 132/LB/2022. The reference was decided on 1st November, 2023. The matter was remanded back to Tribunal for decision afresh. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

(xii) Commissioner Inland Revenue (CIR) issued order declaring sales tax claimed as inadmissible amounting to Rs. 4.545 million against which appeal has been filed before CIR (Appeals). On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

(xiii) The Company's share in contingencies of the equity accounted investee is Rs. 323.152 million (2023: Rs. 785.53 million) and share in bank gurantees issued by varios banks on behalf of this investee is Rs. 28.811 million (2023: Rs. 28.811 million) as of the reporting date.

(xiv) In addition to above-mentioned matters there are certain cases which have been filed against the Company, primarily by the Company's employees, customers and vendors. However, the management is of the view that in the overall context of these financial statements, there would be no significant liability of the Company against such cases.

b) Commitments

There is no contract for capital and other expenditure as at 30 September 2024 (2023: Rs. Nil).

		NOTE	2024	2023
			Rupees in thousand	
27.	REVENUE FROM CONTRACTS WITH CUSTOMERS			
	Local sales	27.1	8,189,694	7,892,875
	Export sales		642,085	1,668,949
			8,831,779	9,561,824
27.1.	Local sales			
	Sugar		8,365,424	8,324,608
	By-products		808,761	564,643
	Biofuel		449,151	283,403
	Farm		744	2,035
			9,624,080	9,174,689
	Less: Sales tax and federal excise duty		1,434,386	1,281,814
			8,189,694	7,892,875

27.2. Revenue recognized during the year from the contract liabilities at the beginning of the year is Rs. 540.600 million (2023: Rs. 274.642 million).

27.3. Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

			2024	2023
			Rupees in thousand	
28.	COST OF REVENUE			
	Raw materials consumed	28.1	8,089,046	8,212,303
	Salaries, wages and other benefits	28.2	580,144	610,545
	Stores, spare parts and loose tools consumed		262,468	230,553
	Dyes and chemicals consumed		54,127	67,197
	Loading and unloading charges		6,085	5,953
	Packing materials consumed		71,789	91,463
	Fuel and power		135,384	109,379
	Repairs and maintenance		19,628	40,497
	Insurance		5,641	7,327
	Vehicle running and maintenance		9,805	11,592
	Travelling and conveyance		1,380	1,764
	Printing and stationery		688	657
	Rent, rates and taxes		2,273	3,207
	Land preparation and irrigation expenses		49	633
	Sugarcane research and development		2,365	2,057
	Fair value adjustment of agricultural assets		612	1,402
	Depreciation	5.1	844,603	907,261
	Miscellaneous		34,347	37,308
			10,120,434	10,341,098
	Work-in-process			
	Opening stock		13,126	11,400
	Closing stock		(22,325)	(13,126)
			(9,199)	(1,726)
	Cost of goods manufactured		10,111,235	10,339,372
	Finished goods			
	Opening stock		733,047	278,214
	Suger purchases for resale		202,545	-
	Closing stock		(192,054)	(733,047)
			743,538	(454,833)
			10,854,773	9,884,539

		NOTE	2024	2023
			Rupees in thousand	
28.1.	Raw materials consumed			
	Opening stock		739,031	5,629
	Add: Purchased during the year		7,927,190	8,945,705
			8,666,221	8,951,334
	Less: Closing stock		(577,175)	(739,031)
			8,089,046	8,212,303
28.2.	Salaries, wages and other benefits include following in respect of retirement benefits:			
	Pension Fund	19.1.3.1	110,002	68,329
	Gratuity Fund	19.2.3.1	17,367	15,383
	Employees' Provident Fund Trust		5,335	5,401
			132,704	89,113

29. ADMINISTRATIVE AND GENERAL EXPENSES

		NOTE	2024	2023
	Salaries, wages and other benefits	29.1	343,668	296,609
	Repairs and maintenance		5,575	6,443
	Insurance		4,189	4,250
	Vehicle running and maintenance		12,825	16,509
	Travelling and conveyance		3,292	2,251
	Printing and stationery		1,814	1,897
	Electricity and gas		5,758	4,694
	Telephone and postage		3,479	3,326
	Legal and professional		24,111	27,092
	Auditor's remuneration	29.2	3,169	2,585
	Rent, rates and taxes		1,422	1,308
	Staff training and development		270	522
	Entertainment		3,511	4,584
	Fee and subscription		6,144	9,187
	Advertisement		78	326
	Depreciation	5.1	15,959	17,357
	Others		1,594	1,456
			436,858	400,333
29.1.	Salaries, wages and other benefits include following in respect of retirement benefits:			
	Pension Fund	19.1.3.1	64,715	31,904
	Gratuity Fund	19.2.3.1	10,217	7,183
	Employees' Provident Fund Trust		5,370	5,381
			80,302	44,468

		NOTE	2024	2023
			Rupees in thousand	
29.2.	Auditor's remuneration			
	Audit fee - stand alone		1,708	1,485
	Fees for half yearly review		696	590
	Cosolidation		230	200
	Other certifications		150	160
	Reimbursable expenses		246	150
	Government levies		139	-
			3,169	2,585

		NOTE	2024	2023
			Rupees in thousand	
30.	SELLING AND DISTRIBUTION COST			
	Storage tank charges		8,610	26,530
	Freight and forwarding		42,921	60,252
	Handling and distribution		952	1,585
	Commission to selling agents		5,515	7,015
	Salaries and other benefits	30.1	7,635	6,417
	Insurance		1,266	2,760
	Sales promotion expenses		856	1,184
	Others		248	-
			68,003	105,743
30.1.	Salaries and other benefits include following in respect of retirement benefits:			
	Pension Fund	19.1.3.1	1,283	628
	Gratuity Fund	19.2.3.1	203	142
	Employees' Provident Fund Trust		255	223
			1,741	993
31.	OTHER OPERATING EXPENSES			
	Social action programme expenses including salaries	31.1	21,008	8,902
	Waste water drainage		1,608	6,239
	Net exchange loss		-	89,977
	Agricultural loss		6,871	1,684
	Provision against doubtful advances against capital expenditure		12,999	-
	Provision against doubtful export rebate receiveable		41,737	-
	Others		65,589	-
			149,812	106,802
31.1.	Social action programme salaries expenses include following in respect of retirement benefits:			
	Pension Fund	19.1.3.1	3,619	878
	Gratuity Fund	19.2.3.1	571	197
	Employees' Provident Fund Trust		146	129
			4,336	1,204

	NOTE	2024	2023
		Rupees in thousand	
32. OTHER INCOME			
Income from financial assets			
Dividend income		360	-
Return on bank deposits		392	114
Net exchange gain		3,173	-
Reversal of allowance for expected credit losses		162	2,757
		4,087	2,871
Income from non-financial assets			
Scrap sales		9,857	26,850
Gain on sale of property, plant and equipment		22,643	3,935
Sale of biofertilizer / mud		30,598	273,360
Liabilities no longer payable written back		1,761	720
Rental income		48,371	39,089
Others		62	1,000
		113,292	344,954
		117,379	347,825

	NOTE	2024	2023
33. FINANCE COST			
Mark up on:			
Long term financing		49,506	34,034
Short term borrowings		142,152	159,255
Due to Gratuity Fund and Pension Fund - related parties		77,501	57,686
Bank and other charges		107,398	111,795
		376,557	362,770

	NOTE	2024	2023
34. LEVY			
Minimum tax	34.1	103,164	99,529
Final tax		6,475	16,689
		109,639	116,218

34.1. This represents final taxes and minimum taxes paid under section 113 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

	NOTE	2024	2023
35. INCOME TAX			
Charge for the year:			
Current	35.1	-	-
Prior year		-	(203,453)
		-	(203,453)
Deferred			
For the year		(154,870)	(229,759)
Rate change impact		28,500	-
		(126,370)	(229,759)
		(126,370)	(433,212)

		2024	2023
		Rupees in thousand	
35.1.	Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in the statement of profit or loss, is as follows:		
	Current tax liability for the year as per applicable tax laws	109,639	116,218
	Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	-
	Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(109,639)	(116,218)
		-	-
35.2.	Relationship between tax expense and accounting (loss) / profit		
	Accounting loss before income tax	(3,183,814)	(979,431)
	Applicable tax rate	29%	29%
	Tax on accounting profit	(923,306)	(284,035)
	Tax effect on difference of admissible and non-admissible expenses	290,630	159,529
	Income tax not recognized on taxable losses for the year	600,881	(9,069)
	Impact of levy	31,795	33,703
	Tax on export sales	-	(16,689)
	Prior year impact	-	(203,453)
	Elimination taxable loss related to exports	-	116,560
	Rate change impact	28,500	-
	Changes relating to deferred tax	(154,870)	(229,759)
		(126,370)	(433,212)

35.3. The aggregate of minimum, final tax and income tax amounting to Rs. 109.639 million (2023: net reversal of Rs. 87.235 million) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

35.4. The Company computes tax based on the generally accepted interpretations of the tax laws to ensure that sufficient provision for the purpose of taxation is available. During the year, Finance Act, 2024 enacted a turnover tax rate of 1.25% (2023: 1.25%) and the normal tax rate of 29% (2023: 29%), therefore, provision for the current tax is made @ 1.25% (2023: 1.25%) of the income / turnover. The deferred tax is computed at the rate of 29% (2023: 23.98%).

		2024	2023
36.	LOSS PER SHARE - BASIC AND DILUTED		
	There is no dilutive effect on basic loss per share of the Company which is based on:		
	Loss for the year (Rupees in thousand)	(3,057,444)	(546,219)
	Weighted average number of ordinary shares (Numbers)	125 000 000	125 000 000
	Loss per share (Rupees)	(24.46)	(4.37)

37. Reconciliation of movement of liabilities to cash flows arising from financing activities:

Rupees in thousand

	2024				2023			
	Unclaimed Dividend	Long term financing	Short term borrowings	Total	Unclaimed Dividend	Long term financing	Short term borrowings	Total
Balance as at 01 October	1,916	225,000	672,500	899,416	1,916	41,413	935,000	978,329
Dividend paid	(65)	-	-	(65)	-	-	-	-
Loans availed	-	-	190,000	190,000	-	225,000	516,800	741,800
Repayment of loans	-	(13,235)	(312,247)	(325,482)	-	(41,413)	(779,300)	(820,713)
Balance as at 30 SEP	1,851	211,765	550,253	763,869	1,916	225,000	672,500	899,416

38. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration including all benefits to Chief Executive Officer, directors and executives of the Company are as follows:

Rupees in thousand

	Chief Executive Officer		Executive Director		Non-Executive Directors		Executives	
	2024	2023	2024	2023	2024	2023	2024	2023
Managerial remuneration	5,079	10,621	10,443	7,301	-	-	78,559	76,556
Allowances								
House rent	2,032	4,699	4,177	2,920	-	-	24,039	21,218
Utilities	508	1,062	1,044	730	-	-	5,857	5,305
Medical	406	128	835	584	-	-	6,369	5,144
Others	600	200	-	-	-	-	1,220	1,315
Contribution to retirement benefits	1,794	3,752	3,690	2,579	-	-	16,188	14,578
Meeting fee	-	-	-	-	1,380	540	-	-
	10,419	20,462	20,189	14,114	1,380	540	132,232	124,116
Number of persons	1	1	2	2	5	8	25	31

38.1. The Chief Executive Officer, some directors and some executives are provided with company maintained car, travel facilities and club membership.

39. PROVIDENT FUND RELATED DISCLOSURE

As at the reporting date, Shakarganj Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

	2024	2023
40. NUMBER OF EMPLOYEES		
Number of employees as at 30 September	761	868
Average number of employees during the year	865	931

41. TRANSACTIONS WITH RELATED PARTIES

41.1. Related parties of the company are as follow:

Name of related party	Relationship	2024	2023
		Basis of relationship (common directorship or shareholding	
Shakarganj Food Products Limited (SFPL)	Subsidiary company	52.39%	52.39%
Crescent Steel and Allied Products Limited (CSAPL)	Associate	21.93%	21.93%
Premier Insurance Limited	Associate	No	Common directorship
CS Capital (Private) Limited	CSAPL's subsidiary	6.08%	6.08%
Bank Islami Pakistan Limited	Subsidiary's associate	-	-
Shakarganj Foundation	Associate	-	-
Mr. Muhammad Iqbal	Director	0.0000%	-
Mrs. Sana Atif	Director	0.0000%	-
Mr. Bashir Ahmad	Director	0.0000%	0.0000%
Mr. Ali Altaf Saleem	Director	0.2382%	0.2382%
Mr. Mustapha Altaf Saleem	Director	0.2564%	0.2564%
Mrs. Fizza Ali Saleem	Director Spouse	0.0027%	0.0027%
Mr. Manzoor Hussain	Director	0.0008%	0.0008%
Mr. Sadaqat Hussain	Director	-	0.0004%
Shakarganj Mills Limited Gratuity Fund	Post employment benefit plans	0.0863%	0.0863%
Shakarganj Mills Limited Pension Fund	Post employment benefit plans	0.7333%	0.7333%
Shakarganj Mills Limited Employees' Provident Fund Trust	Post employment benefit plans	1.1003%	1.1003%

41.2. The Company in the normal course of business carries out transactions with various related parties. The balances with related parties have been disclosed in respective notes to these financial statements, however, detail of transactions with these related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of related party	Basis of relationship	Nature of transactions	2024	2023
			Rupees in thousand	
Subsidiary company				
Shakarganj Food Products Limited (SFPL)	52.39% (2023: 52.39%) of shareholding in SFPL	Sale of goods - gross	25,181	69,234
		Common expenses shared	4,593	2,872
		Receipts	38,344	54,955
Associated companies				
Crescent Steel and Allied Products Limited (CSAPL)	Associate due to shareholding by CSAPL in the Company of 21.93% (2023: 21.93%)	Dividend income	360	-
		Purchase of goods	-	20
		Common expenses shared	4,249	6,075
		Sale of goods and rendering of services	2,576	4,401
Premier Insurance Limited	Common directorship	Insurance expense	-	3,714
BankIslami Pakistan Limited	Subsidiary's associate	Mark-up expense on borrowing	92,098	82,733
Other related parties				
Post employment benefit plans	Employees' Provident Fund Trust, Gratuity Fund and Pension Fund	Expense charged in respect of:		
		Employees' Provident Fund Trust	11,106	11,134
		Pension Fund	179,619	101,739
		Gratuity Fund	28,358	22,905
		Other transactions with pension and gratuity fund:		
		Funds received - net of repayments	334,469	277,434
		Markup expenses	77,501	57,686

41.3. Detail of compensation to key management personnel comprising of Chief Executive Officer, directors and executives is disclosed in Note 38.

42. SEGMENT INFORMATION

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Elimination of Inter-segment transactions		Total - Company	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue from contracts with customers												
External	7,711,920	7,706,461	1,119,115	1,853,328	-	-	744	2,035	-	-	8,831,779	9,561,824
Inter segment	357,362	1,394,627	4,578	31,793	-	-	-	1,509	(361,940)	(1,427,929)	-	-
	8,069,282	9,101,088	1,123,693	1,885,121	-	-	744	3,544	(361,940)	(1,427,929)	8,831,779	9,561,824
Cost of revenue	(9,496,133)	(9,492,347)	(1,657,363)	(1,749,491)	(61,834)	(66,885)	(1,383)	(3,745)	361,940	1,427,929	(10,854,773)	(9,884,539)
Gross (loss) / profit	(1,426,851)	(391,259)	(533,670)	135,630	(61,834)	(66,885)	(639)	(201)	-	-	(2,022,994)	(322,715)
Administrative and general expenses	(366,750)	(299,989)	(50,992)	(62,130)	(19,097)	(38,169)	19	(45)	-	-	(436,858)	(400,333)
Selling and distribution cost	(14,975)	(16,576)	(51,789)	(88,018)	(1,239)	(1,149)	-	-	-	-	(68,003)	(105,743)
	(381,725)	(316,565)	(102,781)	(150,148)	(20,336)	(39,318)	(19)	(45)	-	-	(504,861)	(506,076)
Loss before taxation and unallocated expenses / income	(1,808,576)	(707,824)	(636,451)	(14,518)	(82,170)	(106,203)	(658)	(246)	-	-	(2,527,855)	(828,791)
Unallocated expenses / income:												
Other operating expenses											(149,812)	(106,802)
Other income											117,379	347,825
Finance cost											(376,557)	(362,770)
Share of (loss) / profit from equity accounted investee											(137,330)	87,325
Levy											(109,639)	(116,218)
Income tax											126,370	433,212
Loss after income tax											(3,057,444)	(546,219)

42.1. Reconciliation of reportable segment assets and liabilities:

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total assets for reportable segments	9,219,068	9,430,410	4,805,550	5,967,349	505,705	547,422	633,732	661,429	15,164,055	16,606,610
Unallocated assets									2,343,777	2,416,911
Total assets as per statement of financial position									17,507,832	19,023,521
Total liabilities for reportable segments	7,259,574	5,136,197	1,428,244	1,866,164	139,992	142,403	28,123	17,402	8,855,933	7,162,166
Unallocated liabilities									1,899,300	1,689,755
Total liabilities as per statement of financial position									10,755,233	8,851,921

42.2. Geographical information

The Company's segment wise revenue from external customers as per geographical locations is detailed below:

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Netherlands	-	-	-	628,829	-	-	-	-	-	628,829
Italy	-	-	247,591	-	-	-	-	-	247,591	-
Taiwan	-	-	21,502	147,371	-	-	-	-	21,502	147,371
United Kingdom	-	-	-	384,053	-	-	-	-	-	384,053
United Arab Emirates	-	-	76,817	-	-	-	-	-	76,817	-
KSA-Damam	-	-	4,304	14,001	-	-	-	-	4,304	14,001
Afganistan	199,450	475,885	-	-	-	-	-	-	199,450	475,885
Thailand	-	-	92,421	18,810	-	-	-	-	92,421	18,810
Pakistan	7,512,470	7,230,576	676,480	660,264	-	-	744	2,035	8,189,694	7,892,875
	7,711,920	7,706,461	1,119,115	1,853,328	-	-	744	2,035	8,831,779	9,561,824

42.3. The Company's revenue from external customers in respect of products is detailed below:

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Sugar	7,286,071	7,586,377	-	-	-	-	-	-	7,286,071	7,586,377
By-products	425,849	120,084	324,412	444,559	-	-	-	-	750,261	564,643
Biofuel	-	-	794,703	1,408,769	-	-	-	-	794,703	1,408,769
Farm	-	-	-	-	-	-	744	2,035	744	2,035
	7,711,920	7,706,461	1,119,115	1,853,328	-	-	744	2,035	8,831,779	9,561,824

42.4. All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

43. PLANT CAPACITY AND ACTUAL PRODUCTION

		2024	2023
Sugar			
Jhang			
Rated crushing capacity	(MT / day)	10 000	10 000
On the basis of 91 days (2023: 88 days)	(MT)	910 000	880 000
Actual sugarcane crushed	(MT)	471 215	554 133
Bhone			
Rated crushing capacity	(MT / day)	6 000	6 000
On the basis of 80 days (2023: 83 days)	(MT)	480 000	498 000
Actual sugarcane crushed	(MT)	307 239	465 047
The low crushing was due to low quality sugarcane.			
Biofuel			
Jhang			
Rated production capacity	(Liters / day)	150 000	150 000
On the basis of average number of Nil days (2023: 67 days) working	(Liters)	-	10 050 000
Actual production	(Liters)	-	3 890 752
Bhone			
Rated production capacity	(Liters / day)	200 000	200 000
On the basis of average number of 47 days (2023: 66 days) working	(Liters)	2 350 000	13 200 000
Actual production	(Liters)	2 226 461	6 043 039
Major reason for low production was due to non-availability of raw material at feasible prices.			
Textile			
Capacity (converted in 20s counts)	(Kgs)	9 198 418	9 198 418
Actual production (converted in 20s counts)	(Kgs)	-	-
The textile unit remained closed due to non-availability of raw materials at feasible price and higher electricity rates.			

44. FINANCIAL RISK MANAGEMENT

44.1. Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

(a) Market risk

A market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as currency risk, other price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposure within an acceptable range.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to any currency risk at statement of financial position date as it doesn't have any outstanding balance in foreign currency.

(ii) 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 market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Company's equity (fair value reserve of FVTOCI investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2024	2023
	Rupees in thousand	
PSX 100 (5% increase)	750	229
PSX 100 (5% decrease)	(750)	(229)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as fair value through other comprehensive income.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from long term financing, short term borrowings and deposit in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2024	2023
	Rupees in thousand	
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	(59)	(1,112)
Financial liabilities		
Long term financing	211,765	225,000
Short term borrowings	550,253	672,500
	761,959	896,388

Fair value sensitivity 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 the profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rs. 7.620 million (2023: Rs. 8.964 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024	2023
	Rupees in thousand	
Investments	14,992	4,579
Trade debts	100,664	137,753
Loans and advances	13,459	1,553
Deposits	35,535	36,135
Other receivables	23,642	21,264
Bank balances	65,865	62,980
	254,157	264,264

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 9.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2024	2023
Banks	Short term	Long term	Agency	Rupees in thousand	
Conventional accounts					
Allied Bank Limited	A1+	AAA	PACRA	3	33
Bank Alfalah Limited	A1+	AAA	PACRA	71	309
Habib Bank Limited	A-1+	AAA	VIS	2,279	2,936
MCB Bank Limited	A1+	AAA	PACRA	100	55,448
National Bank of Pakistan	A1+	AAA	PACRA	63,001	237
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	29	29
Askari Bank Limited	A1+	AA+	PACRA	3	3
United Bank Limited	A-1+	AAA	VIS	273	14
				65,759	59,009
Shariah compliant accounts					
Askari Bank Limited	A1+	AA+	PACRA	10	10
BankIslami Pakistan Limited	A1	AA-	PACRA	77	131
Bank Alfalah Limited	A1+	AAA	PACRA	17	15
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	1	5
Meezan Bank Limited	A-1+	AAA	VIS	1	3,810
				106	3,971
				65,865	62,980

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

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. As of reporting date, the Company had Rs. 550.253 million (2023: Rs. 672.500 million) available borrowing limits from financial institutions and Rs. 66.572 million (2023: Rs. 63.421 million) cash and bank balances. Management believes the liquidity risk to be low. Followings are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 September 2024:

Rupees in thousand

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than 1 year
Non-derivative financial liabilities:					
Long term financing	211,765	211,765	52,942	26,471	132,352
Trade and other payables	3,822,851	3,822,851	3,822,851	-	-
Unclaimed dividend	1,851	1,851	1,851	-	-
Accrued mark-up	145,300	145,300	145,300	-	-
Short term borrowings	550,253	550,253	550,253	-	-
	4,732,020	4,732,020	4,573,197	26,471	132,352

Contractual maturities of financial liabilities as at 30 September 2023:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than 1 year
Non-derivative financial liabilities:					
Long term financing	225,000	225,000	13,235	26,470	185,295
Trade and other payables	3,340,554	3,340,554	3,340,554	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Accrued mark-up	76,806	76,806	76,806	-	-
Short term borrowings	672,500	672,500	672,500	-	-
	4,316,776	4,316,776	4,105,011	26,470	185,295

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 September. The rates of interest / mark-up have been disclosed in Note 18 and Note 20 to these financial statements.

Carrying amount of long term financing as at 30 September 2024 includes overdue installments of principal amounting to Rs. 26.471 million (2023: Rs. Nil).

44.2. Financial instruments by categories

Rupees in thousand

	2024			2023		
	At amortized cost	At FVTOCI	Total	At amor -tized cost	At FVTOCI	Total
Assets as per statement of financial position						
Investments	-	14,992	14,992	-	4,579	4,579
Loans and advances	13,459	-	13,459	1,553	-	1,553
Deposits	35,535	-	35,535	36,135	-	36,135
Other receivables	23,642	-	23,642	21,264	-	21,264
Trade debts	100,664	-	100,664	137,753	-	137,753
Cash and bank balances	66,572	-	66,572	63,421	-	63,421
	239,872	14,992	254,864	260,126	4,579	264,705

	Rupees in thousand 2024	2023
	At amortized cost	
Liabilities as per statement of financial position		
Long term financing	211,765	225,000
Short term borrowings	550,253	672,500
Trade and other payables	3,822,851	3,340,554
Accrued mark-up	145,300	76,806
Unclaimed dividend	1,851	1,916
	4,732,020	4,316,776

44.3. Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

Rupees in thousand

	2024			2023		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
Assets as per statement of financial position						
Investments	14,992	1,845,334	1,860,326	4,579	1,932,641	1,937,220
Loans and advances	13,459	332,189	345,648	1,553	179,527	181,080
Deposits	35,535	-	35,535	36,135	-	36,135
Prepayments and other receivables	23,642	238,380	262,022	21,264	287,375	308,639
Trade debts	100,664	-	100,664	137,753	-	137,753
Cash and bank balances	66,572	-	66,572	63,421	-	63,421
	254,864	2,415,903	2,670,767	264,705	2,399,543	2,664,248

Rupees in thousand

	2024			2023		
	Financial liabilities	Other than financial liabilities	Total as per statement of financial position	Financial liabilities	Other than financial liabilities	Total as per statement of financial position
Liabilities as per statement of financial position						
Long term financing	211,765	-	211,765	225,000	-	225,000
Short term borrowings	550,253	-	550,253	672,500	-	672,500
Trade and other payables	3,822,851	1,327,208	5,150,059	3,340,554	735,026	4,075,580
Accrued mark-up	145,300	-	145,300	76,806	-	76,806
Unclaimed dividend	1,851	-	1,851	1,916	-	1,916
	4,732,020	1,327,208	6,059,228	4,316,776	735,026	5,051,802

44.4. Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

44.5. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain strong capital base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Company. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy remained unchanged from last year.

		2024	2023
Borrowings	Rupees in thousand	762,018	897,500
Total equity	Rupees in thousand	6,752,599	10,171,600
Total capital employed	Rupees in thousand	7,514,617	11,069,100
Gearing ratio	Percentage	10.14	8.11

Decrease in gearing ratio resulted primarily due to decrease in borrowings.

45. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Rupees in thousand

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
At 30 September 2024				
At fair value through other comprehensive income	14,992	-	-	14,992
At 30 September 2023				
At fair value through other comprehensive income	4,579	-	-	4,579

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices for listed securities.

46. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

Rupees in thousand

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 30 September 2024				
Recurring fair value measurements				
Freehold land	-	2,928,905	-	2,928,905
Building	-	1,128,921	-	1,128,921
Plant and machinery	-	9,494,739	-	9,494,739
Biological assets	-	34,404	585	34,989
Total non-financial assets	-	13,586,969	585	13,587,554

Rupees in thousand

	Level 1	Level 2	Level 3	Total
At 30 September 2023				
Recurring fair value measurements				
Freehold land	-	2,906,905	-	2,906,905
Building	-	1,220,492	-	1,220,492
Plant and machinery	-	10,105,092	-	10,105,092
Biological assets	-	28,889	1,632	30,521
Total non-financial assets	-	14,261,378	1,632	14,263,010

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuation for its freehold land, building, plant and machinery at least after every three years. The management updates the assessment of the fair value of property, plant and equipment taking into account the most recent independent valuation. The management determines the value of these assets within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of building is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery of the same specifications. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land, building, plant and machinery after three years. The fair value of these assets has been determined by an independent valuer Messrs Hamid Mukhtar and Company (Private) Limited on 30 September 2021. The fair value of biological assets are determined by the related experts keeping in view the current market conditions and other salient factors.

47. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	NOTE	2024	2023
		Rupees in thousand	
Revenue earned from shariah compliant business	27	8,831,779	9,561,824
Gain / (loss) or dividend earned from shariah complaint			
Unrealized gain / (loss) on remeasurement of investments at FVTOCI		10,413	(2,198)
Net exchange loss	31	-	89,977
Net exchange gain	32	3,173	-
Shariah compliant bank deposits and bank balances			
Bank balances	44	106	3,971
Profit earned from shariah compliant bank deposits			
Profit on deposits with banks	32	-	-
Mark-up accrued on Islamic mode of financing	41	92,098	82,733
Profit earned or interest paid on any conventional loan / advance			
Mark-up on long term financing	33	-	1,570
Mark-up on short term borrowings	33	99,560	108,986
Profit earned on deposits with banks	32	392	114
Loans / advances obtained as per Islamic mode			
Short term borrowings	23	190,000	200,000
Long term borrowings	18	211,765	225,000

48. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified wherever necessary. However, no major reclassification has been made in these financial statementse except as mentioned below:

Line	From Heading	To Heading	2024	2023
			Rupees in thousand	
Cost of revenue	Raw material consumed	Miscellaneos	2,168	1,418
Administrative and general expenses	Registered office expenses	Legal and professional cgarges	937	1,062
Advances from customers	Trade and other payables	Contract liabilities	660,625	361,048
Advances for sale of property, plant and equipment	Trade and other payables	Contract liabilities	55,778	54,728

49. EVENTS AFTER THE END OF REPORTING PERIOD

There were no significant adjustable events subsequent to 30 September 2024 which may require an adjustment to the financial statements or additional disclosure.

50. DATE OF AUTHORIZATION

These financial statements have been authorized for issue on 06 January 2025 by the Board of Directors of the Company.

51. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

Shakarganj Limited

Financial Statements (Consolidated)

For The Year Ended
30 September 2024

CONSOLIDATED DIRECTORS' REPORT

Dear Shakarganj Shareholder:

The directors of Shakarganj Limited have pleasure in presenting their report together with the audited consolidated financial statements of the Group for the year ended 30 September 2024. The Group comprises of Shakarganj Limited and its partially owned subsidiary namely Shakarganj Food Products Limited.

Group Financial Results

The financial results of the Group are summarised below:

	2024	2023
	(Rupees in thousand)	
Revenue – net	21,804,658	24,598,876
Gross (loss) / profit	(429,774)	2,242,919
Loss from operations	(2,328,076)	(110,873)
Loss before income tax and levy	(2,858,013)	(217,205)
Levy	(263,978)	(118,613)
Income Tax	(76,837)	(106,103)
Loss for the year	(3,198,829)	(441,921)
Loss per share - basic and diluted (Rupees)	(24.59)	(4.17)

On a Group basis, the consolidated, gross loss for the year was Rs. 429.774 million as compared to Rs. 2,242.919 million in the previous year. Balance sheet footing stood at Rs. 26,059.468 million as at 30 September 2024, compared to Rs. 27,396.465 million as at 30 September 2023. Total equity decreased to Rs. 8,341.543 million on the year end 30 September 2024 from Rs. 11,856.470 million as at 30 September 2023.

Pattern of Shareholding and Shares Traded

The pattern of shareholding and additional information thereof is attached with this report. No trade in the shares of the Holding Company was reported / carried out by the directors, executives and their spouses and minor children except followings:

Name	Number of Shares	Nature	Date
Mr. Sadaqat Hussain	62	Sell	18 December 2023
Mr. Mustapha Altaf Saleem	1	Purchase	20 August 2024

Subsequent Events and Commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this balance sheet relates and the date of the directors' report.

Acknowledgment

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication and devotion to the Company. The Directors feel pleasure in expressing appreciation for the continued interest and support of the shareholders, bankers and all other parties involved and hope that the same spirit will prevail in the future as well.

By Order of the Board

06 January 2025

Muhammad Saif Ullah
Chief Executive Officer

Muhammad Iqbal
Director

KRESTON
HYDER BHIMJI & CO
CHARTERED ACCOUNTANTS

Amin Building,
65 - The Mall, Lahore.
Phone: 042-37352661-37321043
Email: krestonhb@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the members of Shakarganj Limited

Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the annexed consolidated financial statements of Shakarganj Limited ("the Holding Company") and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at 30 September 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as at 30 September 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Adverse Opinion

The Group has again sustained a loss after income tax for the year ended 30 September 2024 amounting to Rs. 3,198.83 million, which took the accumulated loss to Rs. 5,363.03 million at the reporting date along with an adverse current ratio at that date. Further, the textile segment of the Holding Company remained closed during the whole period as well as the previous year. The Holding Company has also overdue statutory obligations. The disposal of certain assets are held up due to court cases, while the company needs funds for the upgradation of plant & machinery of textile and sugar divisions at Jhang. There is no written commitment from the directors / shareholders of the Holding Company to finance its above said obligations / working capital requirements.

All these situations indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern, which has not been appropriately resolved, assessed and disclosed in these financial statements.

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 Consolidated Financial Statements section of our report. We are independent of the Group 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 adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 Matter(s):

<table>
<tr><th>S.No.</th><th>Key audit Matters</th><th>How the Matters were addressed in our audit</th></tr>
<tr><td>1.</td><td>Inventory

As at 30 September 2024 inventory comprises consumable stores and spares and stock in trade as disclosed in notes – 12 and 13 to the annexed consolidated financial statements.

There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete.

The Group's principal accounting policy on inventory and the critical accounting estimates, judgements and assumptions are disclosed in note 4.6 to the annexed consolidated financial statements.

Further, stock in trade in consolidated financial statements as disclosed in note – 13 include:
Raw materials comprising mainly molasses, dairy products, packing materials, etc.;
work-in-process mainly comprising sugar in process, molasses in process, dairy products in-process and polyester in process; and
finished goods mainly in the shape of refined sugar, dairy and juice products, fruit pulps, ethanol, etc.
The molasses and ethanol is stored in storage tanks. As the weighing of these inventories of stock in trade is not practicable by obtaining measurements of tanks and converting these measurements to units of volume by using an angle of repose, therefore, management assesses the reasonableness of the quantities on hand by relying on the memorandum record and proportion as per production report.
Due to the significance of inventory balances of consumable stores and spares and stock in trade and related estimations involved, this is considered a key audit matter.</td><td>Our audit focused on whether the valuation of year-end inventory was in line with IAS 2. This included challenging judgements taken regarding obsolescence and net realizable value provisions.

We obtained assurance over the appropriateness of management's assumptions applied in calculating the value of inventory by:
checking the effectiveness of controls associated with the existence and condition of inventories by attending inventory counts at year end with sample / verification test;
critically assessing the Group's provisioning policy, with specific consideration given to aged / slow-moving inventory;
assessed the management's process of measurement and the determination of values using conversion of volumes to total weight as well as confirming it from perpetual record.
obtained and reviewed the inventory valuation report relating to molasses of the external surveyor and assessed its accuracy and authenticity; and
tested the NRV of the inventories held by preforming a review of sales close to and subsequent to the year end.</td></tr>
</table>

2.	Revenue Recognition As per ISA 240, there is a presumed risk of material misstatement due to inappropriate revenue recognition. This may either result from an overstatement of revenues through premature revenue recognition or recording fictitious revenues or understatement of revenues through improperly shifting revenues to a later period. These revenue may also be manipulated through the use of inappropriate rates for the overstatement / understatement of revenue to achieve desired financial results. The accounting policy related to recognition of revenue by the Group is provided in note 4.29 to the annexed consolidated financial statements. - In view of significant value of transactions and presumed risk of material misstatement involved, we have considered this as a key audit matter.	In this regard, our audit procedures amongst others included the following: • Assessing the appropriateness of the Group's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards including management's assessment of impact of "Revenue from contracts with customers" (IFRS 15). • Obtaining an understanding of the nature of the revenue contracts entered into by the Group, testing a sample of sales contracts to confirm our understanding and assessing whether or not management's application of IFRS 15 requirements was in accordance with the standard. • Performing cut-off procedures for a sample of revenue transactions at year end in order to conclude as to whether they were recognized at the moment the related goods actually sold. • Analyzing other adjustments and credit notes issued after the reporting date, if any. • Performing analytical procedures on entries in the daily ledger related to revenue made by the Group. These procedures were carried out by paying special attention to accounting entries recorded close to the yearend or subsequently, as well as those deemed unusual, among other reasons, due to their nature, amount and date of occurrence. • Reviewing disclosures included in the notes to the annexed consolidated financial statements.
3.	Contingencies As disclosed in Note 32 to the annexed consolidated financial statements, the Group has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Management has engaged independent lawyers and legal advisors on these matters. Accounting for and disclosures of contingencies is complex and a matter of significance in our audit because judgments and estimates may be required against such contingencies in accordance with applicable financial reporting standards, in relation to the interpretation of laws, statutory rules and	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained the letter received from the authorities and reviewed to understand the basis of claims and details of the pending matters. The same was discussed with the Group's management. • Reviewed the correspondence of the Group with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities, to track the progress of the

	regulations, and the probability of outcome and financial impacts, if any, on the Group for disclosure and recognition and measurement of any provisions. Due to the significance of the amounts involved, uncertainties regarding the outcome of certain matters, and the utilization of substantial management judgments and estimates to assess the same, including the associated financial impacts, we have identified these as a key audit matter. For further information on contingencies, refer to notes 4.17 and 32.	claim up to date the auditor's report is issued. • Obtained and reviewed confirmations from the Group's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Discussed with in house legal department personnel of the Group, remit and scope of the legislation and to assess reasonableness of management's conclusions on such pending matters. • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in notes to consolidated financial statements, to conclude as to whether the disclosure is sufficient for compliance with IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".

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

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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. As described in the Basis for Adverse Opinion section above, the Group should have incorporated and accounted for these adjustments. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the annual report affected by the failure to incorporate and account for these adjustments.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 to 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 consolidated 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.

Other matter

The financial statements of the Group for the year ended 30 September 2023, were audited by another auditor who expressed an adverse opinion on those consolidated financial statements on 15 February 2024. The basis of adverse opinion was:

The Group has suffered loss after taxation of Rs. 441.92 million during the current year and has accumulated losses of Rs. 2,886.49 million as at the reporting date. The current liabilities of the Group exceeded its current assets by Rs. 4,594.51 million. The Holding Company has overdue statutory obligations. The textile segment of the Holding Company remained closed during the whole year. The management of the Holding Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Holding Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Holding Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Holding Company. As the going concern assumption used in preparation of these consolidated financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Holding Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. These consolidated financial statements do not adequately disclose this

The engagement partner on the audit resulting in this independent auditor's report is Shabir Ahmad, FCA.

Kreston Hyder Bhimji & Co.
Chartered Accountants

Lahore
06 January 2025
UDIN: AR2024107663cBA6EYW4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As AT 30 SEPTEMBER 2024

	NOTE	2024	2023
		Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	18,896,381	19,920,078
Right-of-use assets	6	531,875	572,272
Intangible asset	7	-	1,146
Biological assets	8	34,404	28,889
Investments	9	14,992	4,579
Long term loans and advances	10	14,118	16,462
Long term deposits	11	123,905	120,264
		19,615,675	20,663,690
CURRENT ASSETS			
Biological assets	8	585	1,632
Stores, spare parts and loose tools	12	306,191	339,434
Stock-in-trade	13	1,239,813	2,192,296
Trade debts	14	198,457	187,750
Loans and advances	15	421,686	243,492
Deposits, prepayments and other receivables	16	2,534,213	2,104,011
Advance income tax		745,401	636,252
Cash and bank balances	17	263,669	133,620
		5,710,015	5,838,487
Non-current assets held for sale	18	733,778	894,288
		6,443,793	6,732,775
TOTAL ASSETS		26,059,468	27,396,465
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up share capital	19	1,250,000	1,250,000
Reserves			
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	20	9,569,990	10,560,835
Other capital reserves	20	1,272,380	1,240,582
		10,842,370	11,801,417
Revenue reserves			
Accumulated loss		(5,363,032)	(2,886,495)
Equity attributable to equity holders of the Holding Company		6,729,338	10,164,922
Non-controlling interest		1,612,206	1,691,548
TOTAL EQUITY		8,341,544	11,856,470
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	21	138,603	216,544
Long term diminishing musharakah	22	2,439	-
Lease liabilities	23	15,556	142,548
Deferred liabilities	24	1,309,221	1,138,400
Deferred income tax liability	25	3,228,523	2,715,215
Musharakah financing - debt portion	26	125,874	-
		4,820,216	4,212,707
CURRENT LIABILITIES			
Musharakah financing	26	-	149,452
Trade and other payables	27	9,233,481	7,669,235
Contract liabilities	28	1,927,235	1,653,984
Short term borrowings	29	870,253	1,024,700
Accrued mark-up	30	213,088	167,160
Current portion of non-current liabilities	31	592,753	645,412
Unclaimed dividend		1,851	1,916
Provision for taxation		59,048	15,429
		12,897,709	11,327,288
TOTAL LIABILITIES		17,717,925	15,539,995
CONTINGENCIES AND COMMITMENTS	32		
TOTAL EQUITY AND LIABILITIES		26,059,468	27,396,465

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

Chief Executive Officer | Director | Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	NOTE	2024	Restated 2023
		Rupees in thousand	
REVENUE FROM CONTRACTS WITH CUSTOMERS - GROSS		23,824,639	26,250,787
Sales tax and other Government levies		(2,019,981)	(1,651,911)
REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	33	21,804,658	24,598,876
COST OF REVENUE	34	(22,234,432)	(22,355,957)
GROSS (LOSS) / PROFIT		(429,774)	2,242,919
OPERATING EXPENSES			
Administrative and general expenses	35	(600,611)	(553,920)
Selling and distribution cost	36	(1,113,027)	(1,407,284)
Other operating expenses	37	(184,664)	(170,842)
		(1,898,302)	(2,132,046)
(LOSS) / PROFIT FROM OPERATIONS		(2,328,076)	110,873
OTHER INCOME	38	236,013	441,830
FINANCE COST	39	(765,951)	(769,908)
LOSS BEFORE LEVY AND INCOME TAX		(2,858,014)	(217,205)
LEVY	40	(263,978)	(118,613)
LOSS BEFORE INCOME TAX		(3,121,992)	(335,818)
INCOME TAX	41	(76,837)	(106,103)
LOSS AFTER INCOME TAX FOR THE YEAR		(3,198,829)	(441,921)
SHARE OF LOSS ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		(3,074,028)	(521,278)
NON-CONTROLLING INTEREST		(124,801)	79,357
		(3,198,829)	(441,921)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	42	(24.59)	(4.17)

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	2024	2023
	Rupees in thousand	
LOSS AFTER INCOME TAX	(3,198,829)	(441,921)
OTHER COMPREHENSIVE LOSS		
Items that will not be reclassified subsequently to profit or loss:		
Effect of rate change	62,614	(143,971)
Remeasurements of defined benefit obligations	63,541	(170,441)
Related deferred income tax liability	(17,663)	35,597
	45,878	(134,844)
Gain / (deficit) arising on remeasurement of investments at fair value through other comprehensive income	10,413	(2,198)
Deferred income tax relating to investments at fair value through other comprehensive income	(1,562)	1,871
	8,851	(327)
	117,343	(279,142)
Items that may be reclassified subsequently to statement of profit or loss	-	-
Other comprehensive income / (loss) for the year - net of deferred income tax	117,343	(279,142)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(3,081,486)	(721,063)
SHARE OF TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:		
EQUITY HOLDERS OF HOLDING COMPANY	(2,981,292)	(742,582)
NON-CONTROLLING INTEREST	(100,194)	21,519
	(3,081,486)	(721,063)

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Rupees in thousand

	SHARE CAPITAL	RESERVES									ACCUMULATED LOSS	SHAREHOLDERS' EQUITY	NON-CONTROLLING INTEREST	TOTAL EQUITY
		CAPITAL RESERVES						REVENUE RESERVES		Total Reserves				
		Premium on issue of right shares	Musharakah financing - equity portion	Fair value reserve of investments at fair value through other comprehensive income	Difference of capital under scheme of arrangement of merger	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Sub total	General	Sub total					
Balance as at 30 September 2022	1,250,000	1,056,373	41,441	(12,835)	155,930	10,849,580	12,090,489	516,306	516,306	12,606,795	(3,380,018)	10,476,777	1,670,029	12,146,806
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(613,970)	(613,970)	-	-	(613,970)	613,970	-	-	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	-	(30,076)	-	-	(30,076)	30,076	-	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	-	430,727	430,727	-	-	430,727	-	430,727	-	430,727
Transfer from general reserve to retained earnings	-	-	-	-	-	-	-	(516,306)	(516,306)	(516,306)	516,306	-	-	-
Loss after income tax for the year	-	-	-	-	-	-	-	-	-	-	(521,278)	(521,278)	79,357	(441,921)
Other comprehensive loss for the period	-	-	-	(327)	-	(75,426)	(75,753)	-	-	(75,753)	(145,551)	(221,304)	(57,838)	(279,142)
Total comprehensive loss for the year	-	-	-	(327)	-	(75,426)	(75,753)	-	-	(75,753)	(666,829)	(742,582)	21,519	(721,063)
Balance as at 30 September 2023	1,250,000	1,056,373	41,441	(13,162)	155,930	10,560,835	11,801,417	-	-	11,801,417	(2,886,495)	10,164,922	1,691,548	11,856,470
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(531,732)	(531,732)	-	-	(531,732)	531,732	-	-	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(14,676)	(14,676)	-	-	(14,676)	14,676	-	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	-	(477,240)	(477,240)	-	-	(477,240)	-	(477,240)	-	(477,240)
Equity adjustment due to loan extention	-	-	22,947	-	-	-	22,947	-	-	22,947	-	22,947	20,853	43,800
Loss after income tax for the year	-	-	-	-	-	-	-	-	-	-	(3,074,028)	(3,074,028)	(124,801)	(3,198,829)
Other comprehensive income for the period	-	-	-	8,851	-	32,803	41,654	-	-	41,654	51,082	92,736	24,606	92,736
Total comprehensive income / (loss) for the year	-	-	-	8,851	-	32,803	41,654	-	-	41,654	(3,022,946)	(2,981,292)	(100,195)	(3,081,487)
Balance as at 30 September 2024	1,250,000	1,056,373	64,388	4,311	155,930	9,569,990	10,842,370	-	-	10,842,370	(5,363,033)	6,729,337	1,612,206	8,341,543

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	NOTE	2024	Restated 2023
		Rupees in thousand	
CASH GENERATED FROM OPERATING ACTIVITIES			
Loss before income tax		(3,121,992)	(335,818)
Adjustments for non-cash charges and other items:			
Depreciation - owned assets	5.1	1,129,058	1,231,566
Depreciation - right-of-use assets	6.1	40,703	56,528
Amortization of deferred income	24.1.1	(944)	(984)
Amortization of intangible asset	7	1,146	1,145
Amortization of long term loan	10	7,024	-
Liabilities no longer payable written back	38	(1,761)	(720)
Gain on sale of property, plant and equipment	38	(37,828)	(5,210)
Gain on sale of non-current assets held for sale	38	(78,192)	(72,540)
Fair value adjustment of agricultural assets		612	1,402
Unrealized loss on agriculture income		(5,515)	1,315
Allowance for expected credit losses	37	-	5,753
Realisation of musharakah	38	(2,964)	-
Accretion of interest on diminishing musharakah	39	1,450	-
Allowance for expected credit losses	38	(5,127)	-
Provision for doubtful loans and advances	37	5,803	-
Levies	40	263,978	118,613
Provision for employees' benefits	24	308,652	216,561
Finance cost	39	765,951	769,908
		(729,946)	1,987,519
Working capital changes			
(Increase) / decrease in current assets:			
- Stores, spare parts and loose tools		27,440	(67,629)
- Stock-in-trade		952,483	(868,850)
- Biological assets		435	(153)
- Trade debts		(5,580)	3,432
- Loans and advances		(178,194)	65,960
- Deposits, prepayments and other receivables		(430,202)	(774,648)
- Increase in contract liabilities		273,251	221,089
- Increase in trade and other payables		1,356,622	692,854
		1,996,255	(727,945)
CASH GENERATED FROM OPERATIONS		1,266,309	1,259,574
Finance cost paid		(490,722)	(687,947)
Net decrease in long term loans, advances		(4,680)	(2,231)
Net increase in long term security deposits		(3,641)	2,018
Employees' benefits paid		(73,347)	(80,830)
Workers' profit participation fund paid		-	(5,000)
Income tax and levies paid		(326,888)	(327,970)
Net cash (used in) / generated from operating activities		367,031	157,614
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(122,219)	(151,627)
Proceeds from disposal of asset held for sale		238,702	461,341
Proceeds from disposal of property, plant and equipment		65,639	55,392
Proceeds from sale of short term investment		-	55,000
Net cash used in investing activities		182,122	420,106
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net	43	(154,447)	(360,199)
Long term finances obtained	43	-	225,000
Repayment of long term financing	43	(74,485)	(156,413)
Repayment of long term diminishing musharakah	43	(4,272)	-
Lease liabilities - net	43	(185,835)	(230,088)
Dividend paid	43	(65)	-
Net cash used in financing activities		(419,104)	(521,700)
NET DECREASE IN CASH AND CASH EQUIVALENTS		130,049	56,020
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		133,620	77,600
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	17	263,669	133,620

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

Chief Executive Officer　　Director　　Chief Financial Officer

1. CORPORATE AND GENERAL INFORMATION

The Group consists of Shakarganj Limited (the Holding Company) and its Subsidiary Company, Shakarganj Food Products Limited. Brief profiles of the Holding Company and its Subsidiary Company are as follows:

1.1 Shakarganj Limited

Shakarganj Limited (the Group) is a public limited Group incorporated on 20 September 1967 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn. The Group has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Group is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

1.2 Geographical locations and addresses of all business units of the Group except for the registered office are as follows:

Manufacturing units and offices	Address
Jhang Unit (Sugar, biofuel and textil	5 KM Toba Tek Singh Road, Jhang.
Bhone Unit (Sugar and biofuel)	63 KM Jhang - Sargodha Road, Bhone, Tehsil and District Jhang.
Liaison Office	Nishatabad, Chak Jhumra Road, Faisalabad.

1.3 Shakarganj Food Products Limited

Shakarganj Food Products Limited (The Subsidiary Company) was incorporated in Pakistan initially as a private limited company on 03 April 2001 under the Companies Ordinance, 1984 (Now Companies Act, 2017). Its name was later changed from A.M. Fruit Products (Private) Limited to Shakarganj Food Products Limited along with change of its status from private limited to public limited on 03 January 2006. The principal activity of the Subsidiary Company is manufacturing, processing and sale of food products (dairy, fruit pulps and concentrate juices). The registered office of the Subsidiary Company is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

Geographical locations and addresses of all business units of The Subsidiary Company except for the registered office are as follows:

Manufacturing units	Address
Dairy Plant	4 KM Lahore Road, Jaranwala
Juice Plant	15 KM Sargodha Road, Near Ahmad Nagar, Tehsil Lalian, District Chiniot Fruit procurement center
Fruit procurement center	Chak No. 13 S.B. Ajnala Station, Muazzamabad Road, Tehsil Bhalwal, District Sargodha

SML held 52.39% shares of SFPL as at 30 September 2024 (2023: 52.39%)

1.4 Going concern assumption

The Group has suffered the loss after income tax of Rupees 3,198.829 (2023: Rupees 441.921) million and its accumulated losses are of Rupees 5,363.033 (2023: Rupees 2,886.495) million as at 30 September 2024 along with adverse current ratio. Moreover, the Group has overdue statutory obligations. Furthermore, Textile segment of the Group remained closed during the whole year. Certain shareholders of the Group have applied to Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective courts regarding the approval of disposal of certain agricultural land of the Group. These factors indicate the existence of material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern basis due to following reasons:

The Group is making arrangements to sell its agriculture land having market value of Rupees 755.547 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Group held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi along with no objection from lenders. The proceeds through disposal of land will be utilized by the Group to pay to sugarcane growers and to settle the other liabilities of the Group while the remaining proceeds will be utilized for up gradation of plant and machinery of textile and sugar divisions at Jhang.

The management of the Group has firmed up a turnaround plan based on disposal of the Bhone Unit of the Group which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2024 is Rupees 7.051 billion. Price discovery by the management for the whole Bhone Unit of the Group including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Group. The management has planned to seek required approvals for roll out of the turnaround plan before the end of financial year 30 September 2024.

The Group is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

The Group remains committed to its best efforts to improve liquidity position. The financial projections of the Group show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Group to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, these financial statements have been prepared on a going concern basis which assumes that the Group will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

1.5 Basis of consolidation

These consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary companies named in note - 1.2 and note – 1.3 above as at 30 June 2024. These consolidated financial statements have been prepared from the information available in the audited financial statements of the Holding Company for the year ended 30 June 2024 and the separate audited financial statements of the subsidiaries for the year ended 30 June 2024.

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Holding Company obtains control, and continue to be consolidated until the date such control ceases.

The financial statements of the subsidiary companies have been consolidated on a line-by-line basis and the carrying values of the investments held by the Holding Company have been eliminated against the shareholders' equity in the subsidiary companies.

The financial statements of the subsidiaries are prepared for the same reporting year as the Holding Company, using consistent accounting policies.

All intra-Group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognized in their financial statements are eliminated in full.

b) Non-controlling interest

Non-controlling interest is that part of net results of operations and of net assets of the subsidiaries which are not owned by the Holding Company either directly or indirectly. Non-controlling interest is presented as a separate item in the consolidated financial statements. The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Non-controlling interest is recorded at proportionate share of net assets at the time of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transaction.

c) Loss of control

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in consolidated statement of profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that subsidiary are reclassified to the consolidated profit and loss account. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently that retained interest is accounted for as an equity-accounted investee, joint venture or as an available for sale financial asset depending on the level of influence retained.

2. 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 Standards) 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

- Provisions of and directives issued under the Companies Act, 2017.

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

3. BASIS OF MEASUREMENT

a) Accounting convention

These financial statements have been prepared following accrual basis of accounting except for the statement of cash flows.

These financial statements have been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the following material items in the statement of financial position:

- Inventories that are valued at lower of weighted / moving average cost or Net Realizable Value (NRV) in accordance with IAS 2;

- Freehold land, buildings on freehold land and plant and machinery that stands at the revalued amount in accordance with IAS 16;

- Biological assets at fair value less estimated point of-sale costs as per IAS 41;

- Actuarial valuation of pension and gratuity as per IAS 19; and

- Certain financial instruments which are carried at their fair value in accordance with IFRS 9.

b) Functional and presentation currency

The financial statements are presented in Pakistani Rupee (Rs.) which is the Group's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to nearest rupee, unless otherwise indicated.

c) Critical accounting estimates, judgements and assumptions

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Group's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

Description	Note
• Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses)	4.1
• Useful lives and residual values of property, plant and equipment as well as fair values	4.2
• Useful lives, residual values and amortization method of intangible assets	4.3
• Fair value less estimated point-of-sale costs of biological assets	4.5
• Inventories (stock in trade and consumable stores and spares)	4.6
• Lease term	4.11
• Estimation of provisions	4.14
• Estimation of contingent liabilities	4.17
• *Expected credit losses of certain financial assets under IFRS 9*	4.18
• *Impairment loss of non-financial assets other than inventories*	4.18
• *Revenue from contracts with customers involving sale of goods*	4.29
• *Classifications*	

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

d) Change in accounting policy

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Group has changed its accounting policy to recognize minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognized as 'Income tax'. The Group has accounted for the effects of these changes in accounting policy retrospectively under para 22 of IAS 8 "Accounting Policies, Change in Accounting Estimates and Errors;" and the corresponding figures have been restated in these consolidated financial statements.

The management believes that the new policy provides reliable and more relevant information to the users of the financial statements.

The effect of restatements is as follows:

Particulars	Had there been no change in accouting policy	Impact of change in accounting policy	After incorporating effect of change in accounting policy
	--------------(Rupees in thousand)	--------------	
Effect on consolidated statement of profit or loss For the year ended 30 September 2024			
Minimum and final tax	-	(263,978)	(263,978)
Loss before income tax	(2,858,014)	(263,978)	(2,594,036)
Income tax	(340,815)	(263,978)	(604,793)
Loss after income tax	(3,189,829)	-	(3,198,829)
Effect on statement of profit or loss For the year ended 30 September 2023			
Minimum and final tax	-	(118,613)	(118,613)
Loss before income tax	(217,205)	(118,613)	(98,592)
Income tax	(224,716)	(118,613)	(343,329)
Loss after income tax	(441,921)	-	(441,921)

e) Standards, interpretations and amendments to publish approved accounting standards

The following amendments to existing standards have been published that are applicable to the Group's financial statements covering annual periods, beginning on or after the following dates:

- New accounting standards interpretations and amendments to accounting standards that are effective and relevant

Certain standard amendments and interpretations to approved accounting standards are effective for the accounting periods beginning on or after 01 October 2023 but are considered not to be relevant or to have any significant effect on the Group operations and are, therefore, not detailed in these financial statements.

The Group adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 01 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

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

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policies (30 September 2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

- New accounting standards and amendments to standards not yet effective

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after 01 October 2024 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these financial statements, except for the following.

		Effective for the period beginning on or after
IAS 21	Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates' address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date.	01 January 2025
IFRS - 16	Amendments to IFRS 16, clarify how a seller-lessee subsequently measures sale and leaseback transactions.	01 January 2024
IAS-1	Amendment to IAS 1 – Non-current liabilities with covenants and amendments regarding the classification of liabilities as current or non-current.	01 January 2024
IFRS 7 and IAS 7	Amendments to IAS 7 and IFRS 7 'Supplier Finance Arrangements to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.	01 January 2024
IFRS 7 and 9	IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability. The Group's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.	01 January 2026
IFRS-10 / IAS-28	IFRS 10 - Consolidated Financial Statements and IAS 28 - Investment in Associates and Joint Ventures (Amendment regarding sale or contribution of assets between an investor and its associate or Joint Venture).	Deferred indefinitely
IFRS 17	Insurance Contracts (New standard)	01 January 2026

New Standards issued by IASB but have not yet been notified / adopted by SECP

		Effective for the period beginning on or after as per IASB
IFRS 18	IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures. These standards will become part of the Group's financial reporting framework upon adoption by the SECP.	01 January 2027
IFRS 19	Subsidiaries without Public Accountability – Disclosures has been issued by IASB.	01 January 2027
IFRS – 1	First Time Adoption of IFRS (restructured version)	01 July 2009

The Group's management at present is in the process of assessing the full impacts of these new standards and the new amendments and is expecting to complete the assessment in due course.

4. MATERIAL ACCOUNTING POLICY INFORMATION

These policies have been consistently applied to all the years presented, except for the impact of adoption of new standards and amendments as disclosed in Note 3(d) and (e) above. The material accounting policies are as follows:

4.1 Income tax / levy

Income tax comprises of current tax and deferred tax. Income tax expense is recognized in the consolidated statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity (if any), and in which case the tax amounts are recognized directly in in other comprehensive income or equity.

Income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Levy

In accordance with the Income Tax Ordinance, 2001, computation of turnover tax and final tax is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements, except for taxes on dividends on the Group's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorised as current income tax.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit / loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of property, plant and equipment) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Sales tax

Revenues, expenses and assets are recognized net off amount of sales tax except:

- Where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables or payables that are stated with the amount of sales tax included.

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

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Group 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 shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

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.

4.2 Property, plant and equipment
Operating fixed assets - tangible
Owned

Property, plant and equipment except freehold land, buildings on freehold land and plant and machinery are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Freehold land is stated at revalued amount less accumulated impairment losses (if any). Buildings on freehold land and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment losses (if any). The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of these assets; and thereafter the carrying amount of these assets are adjusted to the revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable cost of bringing the asset to working condition.

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 benefit associated with item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is included in the consolidated statement of profit or loss in the year the asset is de-recognized.

Depreciation

Depreciation on all operating fixed assets is charged to statement of profit or loss by applying the reducing balance method so as to write off the depreciable amount of the assets over their estimated useful lives at the rates given in Note 5.1. The residual values and useful lives are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant. Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

Capital work in progress

Capital work-in-progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during construction and installation. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost also includes applicable borrowing costs. Transfers are made to relevant operating fixed assets category as and when the assets are available for use.

Revaluation

Any revaluation increase arising on the revaluation of free hold land and building on free hold land and plant & machinery is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of freehold land and building on freehold land and plant & machinery is charged to profit or loss to the extent that it exceeds the balance, if any, held in the Revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The surplus on revaluation of building on free hold land and plant & machinery to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years.

Judgment and estimates

The Group reviews the useful lives and residual values of property, plant and equipment annually by considering expected pattern of economic benefit that the Group expects to derive from the item and the maximum period up to which such benefits are expected to be available. 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 and impairment.

4.3 Intangibles

Measurement

Intangible assets, other than goodwill, are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method.

Research and development expenditure is charged to 'administrative and general expenses' in the consolidated statement of profit or loss, as and when incurred.

Judgment and estimates

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis. All intangible assets are estimated to have definite useful lives.

4.4 Investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital are included in current assets, all other investments are classified as non-current. Management determines the classification of its investments at the time of purchase depending on the purpose for which the investments are required and re-evaluates this classification on regular basis.

Investment in associates

Investments in associates are accounted for using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the net assets of the associates / joint ventures. The consolidated statement of profit or loss reflects the Group's share of the results of the operations of the associates / joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associates / joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate / joint venture and its carrying value and recognises the same in the profit or loss.

4.5 Biological assets

Biological assets comprises standing crops and livestock. These are stated at fair value less estimated point of-sale costs, with any resultant gain or loss recognized in the consolidated statement of profit or loss. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

4.6 Inventories

Measurement

Inventories comprise refined sugar, ethanol, dairy and juice products, fruit pulps, bagasse, molasses, sugar and molasses in process, goods in transit, consumables stores and spares. Inventories are stated at the lower of cost and net realizable value. Cost is calculated on the following basis:

- Raw materials

These are measured and valued on weighted average cost.

- Finished goods and work-in-process

These are valued at the average annual production cost, which comprise cost of direct material, labour and appropriate manufacturing overheads.

- Molasses and bagasse

These are valued at their net realizable value.

- Consumable stores and spares

Consumables stores and spares are valued principally at weighted average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

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

Impairment

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the cost of sales in the consolidated statement of profit or loss.

Judgments and estimates

- The Group reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost.

- The Group reviews the consumable stores and spares for possible impairment on an annual basis. Any change in estimates in future years might affect the carrying amounts of the respective items of consumable stores and spares with a corresponding effect on the provision.

4.7 Trade debts, deposits and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Actual credit loss experience over past years is used to base the calculation of expected credit loss.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash net of temporary bank or books overdrafts / overdrawn.

4.9 Non-current assets are classified as held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and are available for immediate sale and sale is highly probable. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expenses.

4.10 Borrowings / loans and borrowing costs

Interest bearing borrowings / Loans

Interest bearing borrowings / loans are recorded at the proceeds received. Borrowings are subsequently stated at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest rate method. Finance costs are accounted for on accrual basis and are reported under accrued mark up to the extent of the amount remaining unpaid.

Interest free loans payable on discretion of the Group

Interest free loans given by directors and sponsors of the Group and repayable at the discretion of the Group are initially measured and subsequently recognized in line with Technical Release - 32 (TR 32 - Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan (ICAP), these loans are shown as part of equity.

Overdrafts

Overdrafts, if any, are repayable in full on demand and are measured at amortized cost.

Interest / borrowing costs

Interest expense / borrowing costs are accounted for on the basis of the effective interest method and are included in finance costs which are charged to income in the period in which these are incurred , except borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Borrowings are reported under accrued finance costs to the extent of the amount remaining unpaid and are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

4.11 Leases

The Group is the lessee.

"At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions."

At initial recognition, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss account if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of use assets are depreciated on a straight-line method over the shorter of lease term or estimated useful live of the assets. If ownership of the asset transfers to the Group at the end of lease term or the cost reflects the exercise of purchase option, depreciation is calculated over the estimated useful life of the asset. These methods most closely reflect the expected pattern of consumption of future economic benefits.

The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

Judgments and estimates

The Group applies judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Ijarah contracts

The Group has entered into Ijarah contracts under which it obtains usufruct of an asset for an agreed period for an agreed consideration. The Ijarah contracts are undertaken in compliance with the Shariah essentials for such contracts prescribed by the State Bank of Pakistan. The Group accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, Group as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit and loss on straight line basis over the Ijarah term.

4.12 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.13 Employees benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the consolidated statement of profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Group operates a defined contribution plan in the form of recognized provident fund scheme for all employees. Contributions to fund are made monthly by the Group and employee at 8.33% of the basic salary. The Group's contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

Defined benefits plan

The Group operates a funded gratuity scheme as a defined benefit plan for its permanent employees and also funded defined benefit pension plan. All permanent employees who are in the management cadre of the Group participate in these plans subject to a minimum qualifying period of service according to the terms of employment. Monthly contributions are made to these funds on the basis of actuarial recommendation at the rate of 20% per annum of basic salary for pension and 8.33% per annum of basic salary for gratuity.

Actuarial valuation using projected unit credit method for the schemes was carried out as at 30 September 2024. The main features of defined benefit schemes are mentioned in respective notes. The Group's net obligation in respect of these defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liabilities, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Group determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit or loss.

When the benefits of plans are changed or when plans are curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment are recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of defined benefit plans when the settlement occurs.

Accumulated compensated absences

The Subsidiary Company provides leave encashment benefit to its employees. Employees are entitled to receive 14 days leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days. The unutilized accumulated leaves are encashed at the time of leaving the service. Provisions are made at each reporting date by Subsidiary Company to cover the obligation for accumulating compensated absences and are charged to consolidated statement of profit or loss.

Provision is made in the consolidated financial statements on the basis of actuarial recommendations. All actuarial gains or losses, current service cost, past service cost and interest cost are recognzied in consolidated statement of profit or loss. The latest actuarial valuation was carried out as at reporting date.

4.14 Provisions

Recognition and measurement

Provisions for legal claims and make good obligations are recognised when the Group 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 the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Judgement and estimates

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the consolidated statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

4.15 Contract balances

Contract liabilities

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group performs under the contract. It also includes refund liabilities arising out of customers 'right to claim amounts from the Group on account of contractual delays in delivery of performance obligations and incentive on target achievements.

Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

Refund liabilities

Refund liabilities are recognized where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances.

Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

4.16 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

4.17 Contingencies and commitments

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

Judgement and estimates

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the reporting date.

Capital commitments, unless those are actual liabilities, are not incorporated in the books of accounts.

4.18 Impairment

Financial assets

The Group recognizes loss allowances for ECLs on:

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

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group 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 Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovery of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Judgement and estimates

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

The Group has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a matrix that is based on the Group'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 Group 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 Group'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 Group is exposed to credit risk. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impairment on financial assets other than trade debts has been measured on 12 - months expected loss basis and reflects the short maturities of the exposure.

Non-financial assets

The carrying amount of the Group'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. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. 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 consolidated statement of profit or loss. Impairment losses recognized in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the 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.

Judgement and estimates

The management of the Group reviews carrying amounts of its non-financial assets and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

4.19 Financial Instruments

Recognition and initial measurement

All financial assets or financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable 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 receivable without a significant financing component is initially measured at the transaction price.

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) and fair value through profit or loss (FVTPL).

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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 and losses and impairment are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is recognized in consolidated statement of profit or loss.

Financial assets measured at amortized cost comprise cash and bank balances, deposits, long-term loans / advances, trade and other receivables, etc.

Debt Instrument – FVOCI

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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 are recognized in consolidated statement of profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit or loss. However, the Group 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 Group 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 consolidated 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 are never reclassified to statement of profit or loss.

Fair value through profit or loss (FVTPL)

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

On initial recognition, the Group 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 consolidated statement of profit or loss. Dividend income is presented separately from net gain and losses.

Financial assets at fair value through profit or loss comprise of short-term investments in listed equity securities.

All "regular way" purchases and sales of financial assets are recognized on the settlement date, i.e. the date on which the asset is delivered to or by the Group. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by the regulation or convention in the market.

Financial assets – Business model assessment

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g., non-recourse features).

Financial liabilities

Financial liabilities are classified as 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 consolidated statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is also recognized in consolidated statement of profit or loss.

Financial liabilities comprise contractual trade and other payables, short term borrowings, long term financing, deposits, accrued mark-up, unclaimed / unpaid dividend, etc.

The Subsidiary Company has provided an 'Equity Warrant Option' to BIPL under which BIPL may opt for conversion of its musharakah finance claim, either wholly or partially, into ordinary shares of the Subsidiary Company at a fixed price of Rs. 15 per share. The facility has been treated as a compound financial instrument with the debt instrument being measured first using an effective rate of 14.12% per annum while the remainder has been classified as equity portion. In subsequent years, markup expense shall be recognized through statement of profit or loss by using the same rate of interest, and equivalent amount shall be reinstated to the loan through unwinding of discount.

Derecognition

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group 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 Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group 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 consolidated statement of profit or loss.

The Group classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Off - setting of financial instruments

Financial assets and liabilities are off-set and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention and ability to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.20 Foreign currencies

Foreign currency transactions are translated into Pakistan Rupees which is the Group's functional and presentation currency using the exchange rates approximating those prevailing at the date of the transaction.

All monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in consolidated statement of profit or loss. All non-monetary assets and liabilities are translated in Pakistan Rupees using the exchange rates prevailing on the date of transaction or at the date when the fair value was determined.

4.21 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

4.22 Dividend and other distribution

Dividend and other distribution to the Group's shareholders is recognised as a liability in the period in which the dividends are approved by the Group's shareholders.

4.23 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by adjusting basic EPS by the 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 Group that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

4.24 Related party transactions

All transactions arising in the normal course of business and are conducted at arm's length at normal commercial rate on the same terms and conditions as third-party transactions using valuation modes as admissible, except in rarely extreme circumstances where, subject to approval of the Board of Directors, it is in the interest of the Group to do so. Parties are said to be related if they are able to influence the operating and financial decisions of the Group and vice versa.

4.25 Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognizes in the financial statements. The Group will adjust the amounts recognized in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognized in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

4.26 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Group that makes strategic decisions.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The Group has the following reportable business segments: Sugar, Biofuel, Textile, Dairy (Producing dairy and juice products) and Juice (Producing fruit pulps) and Farms.

Transactions among the operating segments are recorded at cost. Inter-segment sales and purchases are eliminated from the total.

4.27 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income. Other comprehensive income comprises items of income and expense, including reclassification adjustments that are not recognized in profit or loss as required or permitted by approved accounting standards.

4.28 Statement of cashflows

The Group classify:

- cash payments for the principal portion of lease payments as financing activities;
- cash payments for the interest portion as operating activities;
- short-term lease payments and payments for leases of low-value assets as operating activities;
- cash flows from interest paid as operating activities, cash flows from interest received and dividends received as investing activities, and cash flows from dividends paid as financing activities. Interest paid includes the interest portion of the lease liabilities; and
- capitalized interest consistently with interest cash flows that are not capitalized.

4.29 Revenue recognition

Sale of goods

The Group generates revenue primarily from the sale of sugar, ethanol and related by-products and Dairy (Producing dairy and juice products) and Juice (Producing fruit pulps) as well as bio-fertilizers to its customers. Revenue from the sale of goods is recognized at the point in time when the performance obligations arising from the contract with a customer is satisfied and the amount of revenue that it expects to be entitled to can be determined. This usually occurs when control of the asset is transferred to the customer, which is when goods are dispatched or delivered from warehouse to the customers in case of local sales and bill of lading in case of exports. Invoices are generated and revenue is recognised at that point in time. All the sales are on advance basis, except few invoices that are usually payable within 30 days. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is disclosed net of taxes, returns, rebates, discounts and other allowances, whichever applicable.

Judgement and estimates

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Government incentive

Government incentive relating to export sales are recognized when the right to receive such incentives has been established and the underlying conditions are met.

Return on bank deposits

Return on bank deposits is accounted for on a time proportionate basis using the applicable rate of return / interest.

Net unrealized gain / (losses)

Net unrealized gain / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in the consolidated statement of profit or loss in the period in which they arise.

Rental income

Rental income is recognized in profit or loss on an accrual basis.

Dividend income

Dividend income is recognized in profit or loss as other income when:

- the Group's right to receive payment has been established;
- is probable that the economic benefits associated with the dividend will flow to the Group; and
- the amount of the dividend can be measured reliably.

Foreign currency exchange differences

Foreign currency gains and losses are reported on a net basis.

Other income

Other income, if any, is recognized on an accrual basis.

	NOTE	2024	2023
		Rupees in thousand	
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	18,577,032	19,521,006
Capital work-in-progress	5.2	319,349	399,072
		18,896,381	19,920,078

5.1. OPERATING FIXED ASSETS

Rupees in thousand

	Freehold land	Building on freehold land	Plant and machinery	Tools and equipment	Water, electric and weighbridge equipment	Furniture and fixtures	Office equipment	Vehicles	Laboratory and milk collection equipment	Arms and ammunition	Library books	Total
3t 30 September 2022												
Opening net book value	3,070,816	1,901,882	15,909,578	1,610	112,369	25,253	9,359	35,985	7,246	18	88	21,074,204
Additions	-	1,697	119,991	28	1,233	318	881	9,940	-	-	-	134,088
Net revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-
Classification to proper heads:												
Cost	-	-	1,978	-	(519)	10	414	-	-	-	-	1,883
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	1,978	-	(519)	10	414	-	-	-	-	1,883
Disposals / De-recognitions:												
Cost / revalued amount	-	-	(59,371)	-	(459)	(1,997)	(1,115)	(9,777)	-	-	(1)	(72,720)
Accumulated depreciation	-	-	13,961	-	50	451	757	7,318	-	-	1	22,538
	-	-	(45,410)	-	(409)	(1,546)	(358)	(2,459)	-	-	-	(50,182)
Transferred from lease assets held for sale (Note 28.1):												
Cost / revalued amount	-	-	826,307	-	-	-	-	-	-	-	-	826,307
Accumulated depreciation	-	-	(153,214)	-	-	-	-	-	-	-	-	(153,214)
	-	-	673,093	-	-	-	-	-	-	-	-	673,093
Current assets held for sale (Note 28.1):												
Cost / revalued amount	-	-	(1,404,336)	-	-	-	-	-	-	-	-	(1,404,336)
Accumulated depreciation	-	-	323,822	-	-	-	-	-	-	-	-	323,822
	-	-	(1,080,514)	-	-	-	-	-	-	-	-	(1,080,514)
Depreciation charge	-	(128,172)	(1,074,634)	(439)	(12,734)	(2,809)	(3,071)	(8,521)	(1,161)	(3)	(22)	(1,231,566)
Closing net book value	3,070,816	1,775,407	14,504,082	1,199	99,940	21,226	7,225	34,945	6,085	15	66	19,521,006
At 30 September 2023												
Cost / revalued amount	3,070,816	2,173,768	17,852,114	19,915	414,240	62,290	66,443	164,211	27,144	343	10,900	23,862,184
Accumulated depreciation	-	(398,361)	(3,348,032)	(18,716)	(314,300)	(41,064)	(59,218)	(129,266)	(21,059)	(328)	(10,834)	(4,341,178)
Net book value	3,070,816	1,775,407	14,504,082	1,199	99,940	21,226	7,225	34,945	6,085	15	66	19,521,006
Opening net book value	3,070,816	1,775,407	14,504,082	1,199	99,940	21,226	7,225	34,945	6,085	15	66	19,521,006
Additions	22,000	-	157,045		68	174	1,035	32,573				212,895
Net revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / De-recognitions:												
Cost / revalued amount	-	-	(28,337)	(700)	-	(68)	(1,076)	(18,895)	-	-	-	(49,076)
Accumulated depreciation	-	-	4,694	699	-	34	873	14,965	-	-	-	21,265
	-	-	(23,643)	(1)	-	(34)	(203)	(3,930)	-	-	-	(27,811)
Depreciation charge	-	(119,317)	(981,533)	(241)	(11,144)	(2,385)	(2,296)	(11,251)	(870)	(3)	(18)	(1,129,058)
Closing net book value	3,092,816	1,656,090	13,655,951	957	88,864	18,981	5,761	52,337	5,215	12	48	18,577,032
At 30 September 2024												
Cost / revalued amount	3,092,816	2,173,768	17,980,822	19,215	414,308	62,396	66,402	177,889	27,144	343	10,900	24,026,003
Accumulated depreciation	-	(517,678)	(4,324,871)	(18,258)	(325,444)	(43,415)	(60,641)	(125,552)	(21,929)	(331)	(10,852)	(5,448,971)
Net book value	3,092,816	1,656,090	13,655,951	957	88,864	18,981	5,761	52,337	5,215	12	48	18,577,032
Annual rate of depreciation (%)	-	5, 7.5	5, 7.5, 30	20, 40	10, 20, 40	10, 20	30, 40	20	10, 40	20	20, 30	

5.1.1 Cost and accumulated depreciation as at 30 September 2021 were reclassified by eliminating gross carrying value of building, plant and machinery against their accumulated depreciation while incorporating revaluation surplus.

5.1.2. Particulars of immoveable properties in the name of the Group are as follows:

Particulars	Location	Area of land	Coverd area of building in sq. ft
Shakarganj Limited			
Freehold land (Farms)	Land at Chak Rasool Pur	103 Kanals, 13 Marlas	-
	Land at Moza Billi Habib (Nualan Par)	284 Kanals, 16 Marlas	-
	Land at Moza Chandia Nasheb	438 Kanals, 1 Marla	-
	Land at Moza Turbat Haji Shah	17 Kanals, 9 Marlas	-
	Land at Moza Doka Baloucha	639 Kanals, 5 Marlas	-
	Land at Moza Kot Esa Shah	1 262 Kanals	-
	Land at Moza Kot Khan	2 926 Kanals, 4 Marlas	-
	Land at Chak 462 JB	781 Kanals, 13 Marlas	-
	Land at Kot Sahai Singh	52 Kanals, 4 Marlas	-
Freehold land (Bhone)	Land at Chund Bharwana	1 Kanal	-
	Land at Adda Massan	1 Kanal	-
	Bhone Unit (factory land)	1511 Kanals, 4 Marlas	496 365
Freehold land (Jhang)	Land at Lalazar	1 Kanal	-
	Land at Moza Suleman Adda Sher Abad	1 Kanal	-
	Land at Chak 426 Adda Pul	1 Kanal	-
	Land at Chak 428 Adda Pul	1 Kanal	-
	Land at Chak 316 Talwandi	15 Kanals, 16 Marlas	-
	Land at Moza Sangra Adda Kot Shakir	1 Kanal	-
	Land at Islam Wala Adda Pul Gagan	1 Kanal	-
	Land at Adda Kot Bahadar	1 Kanal	-
	Land at Moza Kalachi Adda	1 Kanal	-
	Land at Moza Gilmala	1 Kanal	-
	Land at Malluana More	10 Marlas	-
	Land at Roran Wali	1 Kanal	-
	Jhang Unit (factory land)	1 289 Kanals, 5 Marlas	1 710 670
Shakarganj Food Products Limited			Total area (Sq. ft.)
Dairy plant	4 KM Lahore Road, Jaranwala		699 673
Juice plant	Near Ahmad Nagar, Sargodha Road, Tehsil Lalian, District Chiniot		230 324
Fruit procurement centre	Chak No. 13 S.B. Ajnala Station, Muazzamabad Road, Tehsil Bhalwal, District Sargodha		43 560

5.1.3. Detail of operating fixed assets, exceeding the book value of Rs. 500,000, disposed of during the year is as follows:

Description	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
	---------------------------Rupees in thousand---------------------------						
Plant and machinery							
Mills Rollar Shafts	2,311	358	1,953	3,274	1,321	Auction	Muhammad Afzaal, Near Ghalla Mandi, Toba Road, Jhang
Mills Rollar Shafts	1,304	272	1,032	4,986	3,954	Negotiation / tender	Ghulam Mustafa
Parts Uster A.F.I.S Pro With N C & L+M	2,730	453	2,278	3,130	852	Negotiation / tender	Abdul Aziz
Farm Cooling Tank	688	79	609	550	(59)	Negotiation / tender	M. Afzal
VRK Kit	12,911	1,138	11,773	11,773	-	Negotiation / tender	UGM Malaysia
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rs. 500,000	29,132	18,965	10,167	41,927	31,760		
Total	49,076	21,265	27,812	65,639	37,828		

5.1.4 The carrying amount of freehold land, building and plant and machinery would have been Rs. 201.830 million (2023: Rs. 201.830 million), Rs. 554.953 million (2023: Rs. 588.889 million) and Rs. 4,622.011 million (2023: Rs. 4,921.354 million) respectively, had there been no revaluation.

5.1.5 Forced sale value as per last revaluation was Rs. 2,470.973 million, Rs. 1,622.223 million and Rs. 13,308.388 million for freehold land, building and plant and machinery respectively.

		NOTE	2024	2023
			Rupees in thousand	
5.1.6.	The depreciation charge has been allocated as follows:			
	Cost of revenue	34	1,098,279	1,205,519
	Cost of revenue (Raw material consumed)		4,276	-
	Administrative and general expenses	35	20,822	19,273
	Selling and distribution cost	36	5,681	6,774
			1,129,058	1,231,566

5.1.7. Plant and machinery includes assets having cost of Rs. 25.890 million (2023: Rs. 25.890 million) and book value of Rs. 12.932 million (2023: Rs. 13.610 million) mounted on transport contractors' vehicles.

5.2. CAPITAL WORK-IN-PROGRESS

Rupees in thousand

	Civil works	Plant and machinery	Advances for capital expenditure (Note 14.2.1)	Electric Installations	Total
At 01 October 2022	5,497	238,276	137,760	-	381,533
Add: Additions during the year	2,000	170,680	-	-	172,680
Less: Transferred to operating fixed assets during the year	(1,296)	(119,980)	(33,865)	-	(155,141)
At 30 September 2023	6,201	288,976	103,895	-	399,072
Add: Additions during the year	25	35,977	62,407	-	98,409
Less: Transferred to operating fixed assets during the year	-	(158,433)	(6,700)	-	(165,133)
Less: Provision against doubtful adances	-	-	(12,999)	-	(12,999)
At 30 September 2024	6,226	166,520	146,603	-	319,349

		2024	2023
		Rupees in thousand	
5.2.1.	Advances for capital expenditure		
	Considered good:		
	- Plant and machinery	146,603	103,895
	Considered doubtful:		
	- Plant and machinery	34,663	21,664
	- Intangibles	15,274	15,274
		49,937	36,938
		196,540	140,833
	Less: Provision against doubtful advances	(49,937)	(36,938)
		146,603	103,895

6. RIGHT-OF-USE ASSETS

Rupees in thousand

	NOTE	Plant and machinery	Building	Total
As at 01 October 2022		1,265,316	27,183	1,292,499
Additions		-	11,274	11,274
Reclassification adjustment		(1,883)	- -	1,883
Transferred to owned assets		(673,090)	-	(673,090)
Depreciation charge		(44,503)	(12,025)	(56,528)
As at 30 September 2023		545,840	26,432	572,272
Additions		-	-	-
Reclassification adjustment		-	306	306
Transferred to owned assets		-	-	-
Depreciation charge	6.1	(27,292)	(13,411)	(40,703)
As at 30 September 2024		518,548	13,327	531,875
Annual rate of depreciation (%)		5	33	

	NOTE	2024	2023
		Rupees in thousand	
6.1. Depreciation charge for the year has been allocated as follows:			
Cost of revenue	34	27,292	44,503
Administrative and general expenses	35	6,510	6,188
Selling and distribution cost	36	6,901	5,837
		40,703	56,528

7. INTANGIBLE ASSET

Computer software

	NOTE	2024	2023
Net carrying value basis			
Opening net book value		1,146	2,291
Amortization charged	35	(1,146)	(1,645)
Closing net book value		-	1,146
Gross carrying amount			
Cost		6,605	6,605
Accumulated amortization		(5,459)	(5,459)
Closing net book value		1,146	1,146

	2024	2023
Amortization rate (per annum)	20%	20%

7.1 This represents enhancements made to the ERP system named Sidat Hyder Financials. It is stated at historical cost and amortized on straight-line basis over its expected useful life of 5 years.

		NOTE	2024	2023
			Rupees in thousand	
8.	BIOLOGICAL ASSETS			
	Rice - mature		585	1,632
	Livestock - mature	8.1	34,404	28,889
			34,989	30,521
	Non - current - livestock		34,404	28,889
	Current - crops		585	1,632
			34,989	30,521

8.1. Livestock comprises 179 (2023: 220) cows, heifers, bulls and calves.

		NOTE	2024	2023
			Rupees in thousand	
8.2.	Movement during the year			
	Livestock			
	As at 01 October		28,889	30,204
	Gain arising from changes in fair value less estimated point of sale costs		11,248	1,572
	Decrease due to sale / deceased livestock		(5,733)	(2,887)
	As at 30 September		34,404	28,889
	Crops			
	As at 01 October		1,632	2,881
	Increase due to purchases / costs incurred		266	4,157
	Decrease due to harvest / sales		(744)	(7,852)
	Fair value adjustment related to sales during the year		43	3,848
	Fair value adjustment of agricultural assets	34	(612)	(1,402)
	As at 30 September		585	1,632
			34,989	30,521

		NOTE	2024	2023
			Rupees in thousand	
9.	LONG TERM INVESTMENTS			
	At fair value through other comprehensive income			
	Related party - quoted			
	Crescent Steel and Allied Products Limited			
	180 000 (2023: 180 000) fully paid ordinary shares of Rs. 10 each.		15,921	15,921
	Others - unquoted			
	Crescent Group (Private) Limited			
	220 000 (2023: 220 000) fully paid ordinary shares of Rs. 10 each.		2,200	2,200
	Crescent Standard Telecommunications Limited			
	300 000 (2023: 300 000) fully paid ordinary shares of Rs. 10 each.		3,000	3,000
	Innovative Investment Bank Limited			
	51 351 (2023: 51 351) fully paid ordinary shares of Rs. 10 each		-	-
			21,121	21,121
	Less: Fair value adjustment		(6,129)	(16,542)
			14,992	4,579
10.	LONG TERM LOANS AND ADVANCES			
	Long term loans - considered good:			
	Executives	10.1/10.2	19,813	15,829
	Other employees	10.2	8,512	7,009
			28,325	22,838
	Advance to Creek Marina (Private) Limited - considered doubtful	10.4	38,557	38,557
			66,882	61,395
	Less: amortization of long term loan		(7,024)	-
	Less: Provision against doubtful advances		(38,557)	(38,557)
			21,301	22,838
	Less: Current portion shown under current assets	13	(7,183)	(6,376)
			14,118	16,462

10.1. Maximum aggregate balance due from executives at the end of any month during the year was Rs. 19.852 million (2023: Rs. 15.83 million).

10.2. These represent interest free loans given to Subsidiary Company's executives and other employees for purchase of vehicles and other purposes recoverable in equal monthly installments and secured against balance to the credit of these employees in the retirement benefit.

10.3. The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments: Recognition and Measurement' arising in respect of staff loan is not considered material and hence not recognized.

10.4. This represents payment for two apartments in the Creek Marina Projects pursuant to a settlement agreement entered into by the Holding Company and the former Crescent Standard Investment Bank Limited in year 2006. The construction work at the site has been halted since year 2011 due to differences between Defence Housing Authority and the developer. The resumption of construction work is still uncertain in near future. Consequently, based on prudence principal the Holding Company provided the above advance in full.

			2024	2023
		NOTE	Rupees in thousand	
11.	LONG TERM DEPOSITS			
	Margin against bank guarantee - considered good		59,400	59,400
	Security deposits:			
	Considered good		64,505	60,864
	Considered doubtful		265	265
			124,170	120,529
	Less: Provision for doubtful receivables		(265)	(265)
			123,905	120,264
12.	STORES, SPARE PARTS AND LOOSE TOOLS			
	Stores		111,604	121,001
	Spare parts		202,386	220,480
	Loose tools		824	773
			314,814	342,254
	Less: Provision for obsolete items		(8,623)	(2,820)
			306,191	339,434
13.	STOCK-IN-TRADE			
	Raw materials	13.1	777,913	1,026,222
	Packing material		172,393	338,095
	Work-in-process		34,872	13,126
	Finished goods	13.2/13.3	254,635	814,853
			1,239,813	2,192,296

13.1. These include stock of Rs. 26.416 million (2023: Rs. 35.247 million) held by a third party.

13.2. These include stock of Rs. 0.318 million (2023: Rs. 0.224 million) held by a third party.

13.3. This includes stock in transit amounting to Rs. 2.045 million (2023: Nil).

13.4. Stock-in-trade of Rs. 691.950 million (2023: Rs. 672.17 million) is being carried at net realizable value.

13.5. The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rs. 139.673 (2023: Rs. 120.78)

	NOTE	2024	2023
		Rupees in thousand	
14. TRADE DEBTS			
Unsecured - considered good			
Others - against contracts		213,629	208,049
Less: Allowance for expected credit losses	14.1	(15,172)	(20,299)
		198,457	187,750

	NOTE	2024	2023
14.1. Allowance for expected credit losses			
Balance as at 01 October		20,299	14,546
Provision for the year		-	8,501
Reversal during the year		(5,127)	(2,748)
Net provision during the year	38	(5,127)	5,753
Balance as at 30 September		15,172	20,299

14.2. Revenue from the sale of goods is recognized at the time of delivery, while apart from certain advance payments, for credit sales payments is generally due within 30 days from delivery in case of local sales, and in case of export sales for the Holding Company advance payment is received while for Subsidiary Company payment is generally due within 30 days from dispatch.

14.3. As at 30 September 2024, trade debts aggregating to Rs. 198.457 million (2023: Rs. 187.750 million) are past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	NOTE	2024	2023
		Rupees in thousand	
Upto 1 month		129,281	50,098
1 to 6 months		51,792	115,388
More than 6 months		17,384	22,264
		198,457	187,750

	2024	2023
14.4. Trade debts in respect of foreign and local jurisdictions are as follows:		
Srilanka	5,341	-
United States of America	78	-
Mauritius	4,670	-
United Kingdom	26,271	-
Qatar	90	1,769
Comoros	83	-
Maldives	1,376	1,484
Pakistan	160,548	184,497
	198,457	187,750

		NOTE	2024	2023
			Rupees in thousand	
15.	LOANS AND ADVANCES			
	Considered good:			
	- to employees (against salary)		11,520	13,064
	- to employees (against expenses)		2,711	4,530
	- to executives		-	299
	- to suppliers and contractors		299,948	214,263
	- to sugarcane growers		94,734	7,829
			408,913	239,985
	Current portion of long term loans and advances	10	7,183	6,376
	Due from related party	15.1	22,748	14,289
			438,844	260,650
	Less: Provision for doubtful loans and advances	15.2	(17,158)	(17,158)
			421,686	243,492
15.1.	Due from related party			
	Crescent Steel and Allied Products Limited	15.1.1	22,748	14,289

15.1.1. Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 23.036 million (2023: Rs. 14.289 million).

15.1.2. The ageing analysis of the balance due from related party is as follows:

	2024	2023
Upto 1 month	1,764	136
1 to 6 months	11,455	10,125
Above 12 months	9,529	4,028
	22,748	14,289

		NOTE	2024	2023
15.2.	Provision for doubtful loans and advances			
	Balance as at 01 October		17,158	17,167
	Provision for the year		-	-
	Reversal during the year		-	(9)
	Net provision during the year	38	-	(9)
	Balance as at 30 September		17,158	17,158
16.	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
	Considered good:			
	Export rebate		41,737	41,737
	Prepayments		15,035	10,517
	Sales tax refundable		2,261,041	1,789,093
	Receivable from Employees' Provident Fund Trust		-	11,181
	Others		260,730	254,076
			2,578,543	2,106,604
	Less: Provision against doubtful receivables	16.1	(44,330)	(2,593)
			2,534,213	2,104,011

		2024	2023
		Rupees in thousand	

16.1. Provision for doubtful receivables

		2024	2023
Balance as at 01 October		2,593	2,593
Provision for the year		41,737	-
Balance as at 30 September		44,330	2,593

17. CASH AND BANK BALANCES

		2024	2023
With banks:			
In current accounts		259,327	122,530
In foreign currency current accounts		1,612	4,112
In saving accounts	17.1	1,541	4,946
		262,480	131,588
Cash in hand		1,189	2,032
		263,669	133,620

17.1. These carry profit at the rates ranging from 18.00% to 20.50% (2023: 13.50% to 20.50%) per annum.

17.2. Cash with banks include balance of Rs. 123.745 million (2023: Rs. 4.871 million) with BankIslami Pakistan Limited, a related party.

'This includes a banker cheque of Rs. 63 million kept with National Bank of Pakistan and has been deposited into the Company's bank account subsequent to the reporting date.

18. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder:

	NOTE	2024	2023
		Rupees in thousand	
Property, plant and equipment	18.1	733,778	894,288

18.1. Reconciliation of non-current assets held for sale

		2024	2023
As at 01 October		894,288	202,575
Book value of assets transferred from property, plant and equipment:			
Plant and machinery	5.1	-	1,080,514
Less: Book value of assets disposed of during the year			
Plant and machinery		(160,510)	(388,801)
As at 30 September		733,778	894,288

18.1.1. Disposal of plant and machinery classified as non-current assets held for sale was made during the year against sale consideration of Rs. 238.702 million.

18.2. Specific items of freehold land, plant and machinery of Sugar segment of the Holding Company were presented as held for sale following the approval of Board of Directors (BOD) of the Holding Company in the meeting held on 04 January 2021. The management is hopeful of completing the sale transaction of these assets during the next financial year.

18.3. During the year 2023, pursuant to the approval of the Board of Directors of the Subsidiary Company, the Subsidiary Company classified six (6) items (i.e., filing and milk processing machines) of its operating fixed assets as 'assets held for sale', as these assets were available for immediate sale in their present condition and their sale was highly probable. As of the reporting date, the Company has disposed off four (4) item. The sale of remaining items is expected to be completed within one year from the reporting date. The management of the Subsidiary Company has determined that the fair value less cost to sell of these items is higher than their carrying amounts as at the date of statement of financial position. Accordingly, no impairment loss has been recognized in statement of profit or loss.

19. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024	2023		NOTE	2024	2023
Number of shares				Rupees in thousand	
79 021 000	79 021 000	Ordinary shares of Rs. 10 each fully		790,210	790,210
33 131 816	33 131 816	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		331,318	331,318
750 000	750 000	Ordinary shares of Rs. 10 each issued to Pakistan Industrial Credit and Investment Corporation Limited against its right of option to convert 20 percent of its loan into fully paid up shares		7,500	7,500
9 557 000	9 557 000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under the scheme of merger		95,570	95,570
2 540 184	2 540 184	Ordinary shares of Rs. 10 each issued as fully paid against conversion of preference shares		25,402	25,402
125 000 000	125 000 000			1,250,000	1,250,000

19.1. Ordinary shares of the Holding Company held by related parties:

	2024	2023
Crescent Steel and Allied Products Limited	27 409 075	27 409 075
CS Capital (Private) Limited	7 602 272	7 602 272
Shakarganj Mills Limited Employees' Provident Fund Trust	1 375 427	1 375 427
Shakarganj Mills Limited Gratuity Fund	107 876	107 876
Shakarganj Mills Limited Pension Fund	916 582	916 582
	37 411 232	37 411 232

19.2. These shareholders are entitled to receive all distributions inclluding dividends and other entitlements in the form of bonus and right shares as and when declared by the Holding Company. All issued shares carry one vote per share with restriction.

20. CAPITAL RESERVES

	NOTE	2024	2023
Surplus on revaluation of property, plant and equipment - net of deferred income tax (Note 18.1)		9,569,990	10,560,835
Other capital reserves			
Premium on issue of right shares	20.2	1,056,373	1,056,373
Musharakah financing - equity portion		64,388	41,441
Fair value reserve of investments at fair value through other comprehensive income	20.3	(4,311)	(13,162)
Difference of capital under scheme of arrangement of merger		155,930	155,930
		1,272,380	1,240,582
		10,842,370	11,801,417

		2024	2023
		Rupees in thousand	
20.1.	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX		
	As at 01 October	10,560,835	10,849,580
	Less:		
	Impact of change in deferred tax rate	(444,437)	355,301
	Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax	(531,732)	(613,970)
	Surplus on revaluation of property, plant and equipment disposed of during the year - net of deferred income tax	(14,676)	(30,076)
		(990,845)	(288,745)
		9,569,990	10,560,835
	Add: Net surplus arising on revaluation during the year (Non-controlling interest's portion) - net of deferred income tax	29,811	(68,545)
	As at 30 September	9,599,801	10,492,290

20.1.1. The latest valuation of land, building, plant and machinery, along with plant and machinery classified as right-of-use assets was carried out by independent valuers Messers Hamid Mukhtar and Company (Private) Limited and Messers Surval on 30 September 2021 and on 30 September 2022 respectively. The valuations were determined by reference to market value of the similar properties / assets. Previously revaluations were carried out on 30 September 2012, 30 September 2014, 09 April 2018 and 27 September 2018 and 30 September 2019 by independent valuers.

20.2. This reserve can be utilized by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017.

20.3. This represents the unrealized loss on remeasurement of investments at Fair Value Through Other Comprehensive Income (FVTOCI). Reconciliation of fair value reserve is as under:

		NOTE	2024	2023
			Rupees in thousand	
	Balance as on 01 October		(13,162)	(12,835)
	Fair value adjustment during the year		10,413	(2,198)
			(2,749)	(15,033)
	Deferred income tax relating to investments at fair value through other comprehensive income		(1,562)	1,871
	Balance as on 30 September		(4,311)	(13,162)
21.	LONG TERM FINANCING			
	From banking companies - secured			
	Long term loans	21.1	211,765	225,000
	Diminishing musharakah	21.2	321,250	382,500
			533,015	607,500
	Less: Current portion shown under current liabilities	31	(394,412)	(390,956)
			138,603	216,544

21.1. Long term loans

LENDER	2024	2023	RATE OF INTEREST / PROFIT PER ANNUM	EFFECTIVE RATE OF INTEREST	TERMS AND CONDITIONS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
	Rupees in thousand							
Shakarganj Limited Holding Company								
Bank Islami Pakistan Limited	211,765	225000	3 MK + 1%	21.20% - 23.92%	Subsequent to the year end the company fully repaid- the facility through the sale of the share owned / held by the one director and family members of director. The Company, subsequent to the reporting date, recorded this payable to them.	Quarterly	Quarterly	Ranking charge over fixed assets of Rs. 567 million, Ranking charge over current assets of Rs. 567 million , pledge of stock of Rs. 112 million and personal guarantee of one Director and one family member of the director of the Company. It is also secured through pledge of shares.
	211,765	225000						
Shakarganj Food Products Limited Subsidiary Company								
Sindh Modaraba Management Limited (SMML)	31,250	56,250	6 Month KIBOR + 3.5%	21.23%- 28.19%	This represents Diminishing Musharakah facility amounting to Rs. 100 million obtained from Sindh Modaraba Management Limited on March 13, 2020 for a period of five years to support working capital requirement. Due to unprecedented effects of COVID-19 epidemic, the grace period was extended in accordance with the SBP's circular namely BPRD Circular no. 13 of 2020 dated March 26, 2020 as supplemented by BPRD Circular no. 11 of 2020 dated April 09, 2020 and BPRD Circular no. 25 of 2020 dated June 16, 2020 under which banks were required to process and grant customers deferral of the payment of principal amount of loan up to one year. As per the modified agreement, the principal repayment commenced from June 11, 2021 and is to be repaid in 16 equal quarterly installments. The facility carries a mark-up rate of 6 month KIBOR plus 3.50% per annum, reset at the beginning of each semi-annual period aligned with six monthly rental payments. It is secured against post-dated cheques, a specific charge of Rs. 125 million and a charge of Rs. 60 million on all present and future fixed assets excluding land and building but including plant, machinery and equipments. The effective markup rate during the period ranged from 21.23% to 28.19% per annum (September 30, 2023: 19.57% to 28.19% per annum). On March 01, 2023, the Company requested Sindh Modaraba Management Limited regarding the deferment of principal payments and on June 23, 2023, this deferment request was approved and the principal repayment were rescheduled by nine months i.e., principal repayment that was falling due on March 11, 2023 was subsequently due on December 11, 2023. All due payments were made during the year.	Semi annually	Quarterly	Post dated cheques and a title of the assets in the name of SMML for entire facility period.

Rupees in thousand

LENDER	2024	2023	RATE OF INTEREST / PROFIT PER ANNUM	EFFECTIVE RATE OF INTEREST	TERMS AND CONDITIONS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
Diminishing Musharaka Sukuk	290,000	326,250	3 Month KIBOR + 2.5%	22.69%-25.39%	This represents rated, privately placed and secured Diminishing Musharakah Sukuk of Rs. 725 million issued in 2018. It was originally repayable in 20 equal quarterly installments starting from October 10, 2019. The loan was obtained for financing business operations. It carries mark-up at the rate of 3 month KIBOR plus 2.5% per annum to be reset on one business day prior to beginning of each subsequent quarterly period for rental payment due at the end of that quarter and the markup is payable quarterly. The effective markup rate during the period ranged from 22.69% to 25.39% per annum (2023: 17.86% to 25.39% per annum). It is secured against first pari passu charge over fixed assets of the Company amounting to Rs. 967 million. On July 17, 2023, the Company requested Pak Oman Investment Company Limited (POICL) for one-year deferment of principal payments. On September 21, 2023 this deferment request was approved and the payment schedule was rescheduled by one year. Therefore, the principal repayment that was initially falling due on July 10, 2023 was subsequently payable on July 10, 2024. As of September 30, 2024, the Company was not in compliance with certain financial covenants, including the current ratio, debt service coverage ratio, and interest coverage ratio as outlined in the financing agreement with Pak Oman Investment Limited. This breach of covenants has not yet led POICL to demand immediate repayment of the outstanding balance. However, due to the Company's lack of an unconditional right to defer settlement for at least 12 months beyond the reporting date, the management has classified the Diminishing Musharakah Sukuk liability of Rs. 290 million as a current liability. As of the date of approval of these financial statements, the Company's lenders have not provided any relaxation to the Company. Management is however confident that its lenders will not demand repayment of the whole amount of these facilities, before respective due dates for each instalment.	Quarterly	Quarterly	First pari passu charge over fixed assets of the Company amounting to Rs. 967 million.
	321,250	382,500						

		NOTE	2024	2023
			Rupees in thousand	
22.	LONG TERM DIMINISHING MUSHARAKAH			
	Long term financing -secured			
	As at October 01,		-	-
	Additions during the year		7,989	-
	Accretion of interest		1,450	-
	Payments during the year		(4,272)	-
	Less: Current portion		(2,728)	-
	As at September 30,		2,439	-

22.1. The finance has been obtained under the Islamic mode of financing from OLP Modaraba. The financed amount is repayable in 4 years. This carries markup ranges from 18.65% to 26.32% per annum.

		NOTE	2024	2023
23.	LEASE LIABILITIES			
	Present value of lease payments against:			
	Plant and machinery		193,812	367,203
	Building		17,357	29,801
	Less: Current portion		(195,613)	(254,456)
			15,556	142,548
23.1.	Movement of lease liabilities			
	Plant and machinery			
	Opening balance		367,203	588,634
	Markup during the year		20,125	38,217
	Unpaid liability during the year		3,657	-
	Payments made during the year		(197,173)	(259,648)
			193,812	367,203
	Less: Current portion of lease liabilities		(178,256)	(241,712)
			15,556	125,491
	Building			
	Opening balance		29,801	27,184
	Markup during the year		4,345	5,611
	Adjustment during the year		271	11,274
	Payments made during the year		(17,060)	(14,268)
			17,357	29,801
	Less: Current portion of lease liabilities		(17,357)	(12,744)
			-	17,057

23.2. Maturity analysis

Minimum lease payments and their present values are regrouped as under:

	2024 Not later than one year	2024 Later than one year but not later than five years	2023 Not later than one year	2023 Later than one year but not later than five years
	Rupees in thousand			
Lease rentals	208,624	15,722	254,626	183,653
Less: Finance cost for future years	(13,012)	(165)	(31,959)	(9,316)
Present value of lease liabilities	195,612	15,557	222,667	174,337

23.3. Reconciliation of lease liabilities

	Note	2024	2023
Balance as at 01 October		397,004	615,818
Add:			
Additions during the year		271	11,274
Interest accrued on lease liabilities	39	24,470	43,828
Unpaid liability		3,657	-
		425,402	670,920
Less: Payments during the year		(214,233)	(273,916)
Balance as at 30 September		211,169	397,004

23.3.1. The value of minimum lease payments were discounted using implicit interest rate ranged from 8.50 percent to 20.29 percent (2023: 8.50 percent to 20.29 percent) per annum. These arrangements relate to Tetra Pak processing and filling machines and corresponding liability of head office building classified as right-of-use asset. Repayment period ranges from 36 to 71 months.

The financing arrangement relating to Tetra Pak processing and filling machines and corresponding liability of head office building has been classified as right-of-use asset under IFRS 16 Leases. The carrying amount of lease liability pertaining to Tetra Pak processing and filling machines and head office building is Rs. 193.812 million (2023: Rs. 367.20) and Rs. 17.357 million (2023: Rs. 29.80 million) respectively. The ownership of Tetra Pak processing and filling machines is transferred to the company at the end of the lease term.

The Company had total cash outflows for leases of Rs. 214.23 million (2023: Rs. 273.92 million). The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs. 0.306 million and Rs. 0.271 million respectively (2023: Rs. 11.274 million).

	NOTE	2024	2023
		Rupees in thousand	
Amounts recognised in the statement of profit or loss:			
Depreciation charge of right-of-use assets		40,703	56,528
Interest cost of lease liabilities		24,470	43,828
Expense of short term lease		10,712	18,813
		75,885	119,169

24. DEFERRED LIABILITIES

	NOTE	2024	2023
Deferred income	24.1	17,743	18,687
Employees' benefits	24.2	1,291,478	1,119,713
		1,309,221	1,138,400

24.1 This represents the grants received in 2014 from USAID amounting to Rs. 8.53 million and from Market Development Facility (MDF), Australia amounting to Rs. 5.3 million in 2014, Rs. 10.56 million in 2015, Rs 5.60 million in 2016 and Rs. 0.22 million in 2017. This grant was provided in order to support the Company for the purchase and installation of Farm Cooling Tanks (FCTs) at different locations of milk collections, purchase of motor bikes and training of farmers for dairy farming development.

		NOTE	2024	2023
			Rupees in thousand	
24.1.1.	DEFERRED INCOME			
	Others			
	Grants received - gross		30,186	30,186
	Less: Amortization			
	Opening balance		11,499	10,515
	Charged during the year	38	944	984
	Closing balance		12,443	11,499
			17,743	18,687
24.2.	EMPLOYEES' BENEFITS			
	Shakarganj Limited - Holding Company			
	Pension fund	24.2.1	972,882	854,630
	Gratuity fund	24.2.2	108,218	127,266
			1,081,100	981,896
	Less: Transferred to trade and other payables in:			
	Payable to Pension Fund		174,546	174,546
	Payable to Gratuity Fund		80,002	80,002
			254,548	254,548
			826,552	727,348
	Shakarganj Food Products Limited - Subsidiary Company			
	Staff retirement gratuity	24.2.3	437,444	366,442
	Accumulating compensated absences	24.2.4	27,482	25,923
			464,926	392,365
			1,291,478	1,119,713
24.2.1.	Pension fund			
	The amount recognized in the consolidated statement of financial position is determined as follows:			
	Present value of defined benefit obligation	24.2.1.1	804,536	708,245
	Fair value of plan assets	24.2.1.2	168,346	146,385
	Net defined benefit obligation		972,882	854,630

		NOTE	2024	2023
			Rupees in thousand	
24.2.1.1.	The movement in the defined benefit obligation over the year is as follows:			
	Present value of defined benefit obligation as at 01 October		708,245	597,841
	Current service cost		38,111	27,205
	Interest cost		116,530	77,562
	Remeasurement losses / (gains)		(33,265)	30,572
	Benefits paid during the year		(25,085)	(24,935)
	Present value of defined benefit obligation as at 30 September		804,536	708,245

		NOTE	2024	2023
			Rupees in thousand	
24.2.1.2.	The movement in the fair value of plan assets for the year is as follows:			
	Fair value as at 01 October		(146,385)	26,526
	Return on plan assets		(24,978)	3,028
	Contributions during the year		19,614	17,716
	Fund transferred back to the Company	7.2.1.2.1	-	-
	Benefits paid during the year		(25,085)	(24,935)
	Return on plan assets excluding interest income		8,488	(168,720)
	Fair value as at 30 September		(168,346)	(146,385)

		NOTE	2024	2023
			Rupees in thousand	
24.2.1.3	The amounts recognized in the consolidated statement of profit or loss are as follows:			
	Current service cost		38,111	27,205
	Interest cost		116,530	77,562
	Expected return on plan assets		24,978	(3,028)
	Net charge for the year		179,619	101,739
24.2.1.4	The amounts recognized in the consolidated statement of profit or loss are classified as follows:			
	Cost of revenue	34.1	110,002	68,329
	Administrative and general expenses	35.1	64,715	31,904
	Selling and distribution cost	36.2	1,283	628
	Other operating expenses	37.1	3,619	878
			179,619	101,739

		2024	2023
		Rupees in thousand	
24.2.1.5	Remeasurements of net defined benefit liability		
	Actuarial losses / (gains) due to experience adjustments	(33,265)	30,572
	Return on plan assets excluding interest income	(8,488)	168,720
	Amount chargeable to other comprehensive income	(41,753)	199,292
24.2.1.6	Reconciliation of net defined benefit liability		
	As at 01 October	680,084	396,769
	Expense chargeable to profit or loss during the year	179,619	101,739
	Amount chargeable to other comprehensive income during the year	(41,753)	199,292
	Contributions paid by the Company during the year	(19,614)	(17,716)
	As at 30 September	798,336	680,084

24.2.1.7 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2024 are Rs. 174.91 million.

		2024	2023
		Rupees in thousand	
24.2.1.8	Actual return on plan assets		
	Interest income for the year	(24,978)	3,028
	Return on plan assets excluding interest income	8,488	(168,720)
		(16,490)	(165,692)

24.2.1.9 The principal actuarial assumptions used were as follows:

	2024	2023
Discount rate (per annum)	11.75%	16.75%
Future salary increases (per annum)	10.75%	15.75%
Expected rate of future pension increases (per annum)	6.75%	11.75%
Average expected remaining working life time of employees	8 years	8 years
Expected average duration of obligation	16 years	16 years
Expected mortality rate	SLIC (2001-05) mortality table	

		2024	2023
		Rupees in thousand	
24.2.1.10	Plan assets are comprised as follows:		
	Equity instruments	345,345	142,802
	Cash and cash equivalents	85	1,734
	Others - net	(513,776)	(290,921)
		(168,346)	(146,385)

24.2.1.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	2023
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(118,402)	(104,231)
Decrease in assumption (Rupees in thousand)	138,855	122,186
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	66,672	122,218
Decrease in assumption (Rupees in thousand)	(61,561)	(104,239)

24.2.2 Gratuity fund

The amount recognized in the consolidated statement of financial position is determined as follows:

	NOTE	2024	2023
		Rupees in thousand	
Present value of defined benefit obligations	24.2.2.1	133,888	137,540
Fair value of plan obligations / (assets)	24.2.2.2	(25,670)	(10,274)
Net defined benefit obligation		108,218	127,266

		NOTE	2024	2023
			Rupees in thousand	
24.2.2.1	The movement in the defined benefit obligation over the year is as follows:			
	Present value of defined benefit obligation as at 01 October		137,540	105,162
	Current service cost		7,807	9,522
	Interest cost		22,833	13,875
	Benefits paid during the year		(2,446)	(893)
	Remeasurement gains		(31,846)	9,874
	Present value of defined benefit obligation as at 30 September		133,888	137,540
24.2.2.2	The movement in the fair value of plan (obligations) / assets for the year is as follows:			
	Fair value as at 01 October		10,274	(31)
	Contributions during the year		9,146	8,501
	Return on plan assets		2,282	492
	Benefits paid during the year		(2,446)	(893)
	Return on plan (obligations) / assets excluding interest income		6,414	2,205
	Fair value as at 30 September		25,670	10,274

		2024	2023
		Rupees in thousand	
24.2.2.3	The amounts recognized in the consolidated statement of profit or loss are as follows:		
	Current service cost	7,807	9,522
	Interest cost	22,833	13,875
	Expected return on plan assets	(2,282)	(492)
	Net charge for the year	28,358	22,905

		NOTE	2024	2023
			Rupees in thousand	
24.2.2.4	The amounts recognized were included in the consolidated statement of profit or loss as follows:			
	Cost of revenue	34.1	17,367	15,383
	Administrative and general expenses	35.1	10,217	7,183
	Selling and distribution cost	36.2	203	142
	Other operating expenses	37.1	571	197
			28,358	22,905
24.2.2.5	Remeasurements of net defined benefit liability			
	Actuarial losses / gains due to changes in financial assumptions		(430)	-
	Actuarial gains due to experience adjustments		(31,416)	9,874
	Return on plan (obligations) / assets excluding interest income		(6,414)	(2,205)
	Amount chargeable to other comprehensive income		(38,260)	7,669

24.2.2.6 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2024 are Rs. 32.43 million.

	2024	2023
24.2.2.7 Reconciliation of net defined benefit liability	Rupees in thousand	
As at 01 October	47,264	25,191
Expense chargeable to profit or loss during the year	28,358	22,905
Amount chargeable to other comprehensive income during the year	(38,260)	7,669
Contributions paid by the Company during the year	(9,146)	(8,501)
As at 30 September	28,216	47,264
24.2.2.8 Actual return on plan (obligations) / assets		
Interest income for the year	2,282	492
Return on plan assets excluding interest income	6,414	2,205
	8,696	2,697

	2024	2023
24.2.2.9 The principal actuarial assumptions used were as follows:		
Discount rate (per annum)	11.75%	16.75%
Future salary increases (per annum)	12.75%	15.75%
Average expected remaining working life time of employees	10 years	10 years
Expected average duration of benefit obligation	9 years	9 years
Expected mortality rate	SLIC (2001-05) mortality table	

	2024	2023
	Rupees in thousand	
24.2.2.10 Plan (obligations) / assets are comprised as follows:		
Equity instruments	30,753	15,503
Cash and cash equivalents	61	70
Others - net	(5,144)	(5,299)
	25,670	10,274

24.2.2.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	2023
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(11,467)	(11,780)
Decrease in assumption (Rupees in thousand)	12,545	12,887
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	12,542	12,884
Decrease in assumption (Rupees in thousand)	(11,469)	(11,781)

24.2.2.12 Risks associated with pension fund and gratuity fund

The pension fund and gratuity fund expose the Company to the following risks:

Interest rate risk

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

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of the plan participants. As such an increase in the salary of the plan participants will increase the liability and vice versa.

Pension rate risk

The present value of the defined benefit liability is calculated after taking into account the future pension growth of plan participants. As such, an increase in the pension growth rate of the plan participants will increase the liability and vice versa.

Withdrawal rate risk

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

Mortality rate risk

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

24.2.3 Staff retirement gratuity

24.2.3.1 The amount recognized in the consolidated statement of financial position is as follows:

		2024	2023
	NOTE	Rupees in thousand	
Present value of defined benefit obligation as at 01 October		366,442	362,939
Current service cost		40,680	47,662
Interest cost		55,315	42,832
Benefit paid during the year		(41,465)	(50,471)
Remeasurements losses		16,472	(36,520)
Present value of defined benefit obligation as at 30 September		437,444	366,442
24.2.3.2 The amounts recognized in the consolidated statement of profit or loss are as follows:			
Current service cost		40,680	47,662
Interest cost		55,315	42,832
Charge for the year		95,995	90,494
24.2.3.3 The amounts recognized in the consolidated statement of profit or loss are classified as follows:			
Cost of revenue	34.1	44,580	37,863
Administrative and general expenses	35.1	7,794	9,190
Selling and distribution cost	36.2	43,621	43,441
		95,995	90,494
24.2.3.4 Remeasurements of net defined benefit liability			
Actuarial losses from changes in assumptions		(4,019)	2,582
Experience adjustments		20,491	(39,102)
Amount chargeable to other comprehensive income		16,472	(36,520)
24.2.3.5 Reconciliation of net defined benefit liability			
As at 01 October		366,442	362,939
Expense chargeable to profit or loss during the year		95,995	90,494
Amount chargeable to other comprehensive income during the year		16,472	(36,520)
Benefit paid by the Company during the year		(41,465)	(50,471)
As at 30 September		437,444	366,442

	2024	2023
24.2.3.6 The principal actuarial assumptions used were as follows:		
Future salary increases (per annum)	11.25%	15.75%
Discount rate (per annum)	12.25%	16.75%
Expected mortality rate	SLIC (2001-05) mortality table	

24.2.3.7 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2024 are Rs. 91.3 million.

24.2.3.8 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	2023
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(41,741)	(42,084)
Decrease in assumption (Rupees in thousand)	19,588	5,623
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	20,254	6,171
Decrease in assumption (Rupees in thousand)	(42,826)	(42,945)

24.2.4 Accumulating compensated absences

24.2.4.1 The amount recognized in the consolidated statement of financial position is as follows:

	NOTE	2024	2023
		Rupees in thousand	
Present value of defined benefit obligation as at 01 October		25,923	28,640
Current service cost		1,852	2,152
Interest cost		3,758	3,358
Benefit paid during the year		(3,122)	(4,140)
Remeasurement (gains) / losses		(929)	(4,087)
Present value of defined benefit obligation as at 30 September		27,482	25,923
24.2.4.2 The amounts recognized in the consolidated statement of profit or loss are as follows:			
Current service cost		1,852	2,152
Interest cost		3,758	3,358
Re-measurement (gains) / losses		(929)	(4,087)
Charge for the year		4,681	1,423
24.2.4.3 The amounts recognized were included in the consolidated statement of profit or loss as follows:			
Cost of revenue	34.1	1,893	157
Administrative and general expenses	35.1	850	289
Selling and distribution cost	36.2	1,938	977
		4,681	1,423

		2024	2023
		Rupees in thousand	
24.2.4.4	Reconciliation of net defined benefit liability		
	As at 01 October	25,923	28,640
	Expense / remeasurement chargeable to profit or loss during the year	4,681	1,423
	Benefit paid by the Company during the year	(3,122)	(4,140)
	As at 30 September	27,482	25,923
24.2.4.5	The principal actuarial assumptions used were as follows:		
	Future salary increases (per annum)	11.25%	15.75%
	Discount rate (per annum)	12.25%	16.75%
	Expected mortality rate	SLIC (2001-05) mortality table	

24.2.4.6 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	2023
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(2,931)	(1,708)
Decrease in assumption (Rupees in thousand)	1,181	1,974
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	1,228	1,929
Decrease in assumption (Rupees in thousand)	(3,006)	(1,695)

24.2.4.7 Risks associated with staff retirement gratuity and accumulating compensated absences

The staff retirement gratuity and accumulating compensated absences expose the Company to the following risks:

- Salary increase / inflation risk

The liabilities of the defined benefit plans are sensitive to the salary increases.

- Discount rate risk

The risk of changes in discount rate may have an impact on the plan's liability.

- Mortality risk

Actual mortality experience may be different than that assumed in the calculation.

- Withdrawal risk

Actual withdrawals experience may be different from that assumed in the calculation.

24.2.5 The sensitivity analysis for pension fund, gratuity fund, staff retirement gratuity and accumulating compensated absences are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to previous year except for certain changes as given above

			2024	2023
			Rupees in thousand	
25.	DEFERRED INCOME TAX LIABILITY			
	Taxable temporary differences			
	Accelerated tax depreciation		1,303,950	1,389,586
	Surplus on revaluation of property, plant and equipment		2,985,912	2,782,991
	Right of use asset		6,734	10,155
			4,296,596	4,182,732
	Deductible temporary differences			
	Unused tax losses, minimum tax and alternate corporate tax		(692,741)	(1,188,857)
	Provision for doubtful receivables		(48,329)	(28,228)
	Provision for obsolete stores, spare parts and loose tools		(2,770)	(676)
	Fair value reserves on biological assets		3,115	-
	Fair value reserve of investment		(919)	(1,871)
	Lease liability on right of use building		(5,839)	(11,450)
	Deferred liabilities		(320,590)	(236,435)
			(1,068,073)	(1,467,517)
	Net deferred income tax liability		3,228,523	2,715,215
25.1.	Movement in the deferred income tax liability balance is as follows:			
	As at 01 October		2,715,215	2,840,932
	(Less) / add:			
	Accelerated tax depreciation		(85,636)	167,886
	Surplus on revaluation of property, plant and equipment		202,921	(533,087)
	Right of use asset		(3,421)	-
	Unused tax losses, minimum tax and alternate corporate tax		496,116	306,819
	Provision for doubtful receivables		(20,101)	2,808
	Fair value reserve of investment		3,115	-
	Provision for obsolete stores, spare parts and loose tools		(2,094)	118
	Fair value reserve of investment		952	(362)
	Lease liability on right of use building		5,611	-
	Deferred liabilities		(84,155)	(69,899)
			513,308	(125,717)
	As at 30 September		3,228,523	2,715,215
25.1.1.	Charged to the consolidated statement of profit or loss:			
	Net movement of temporary differences	25.1	513,308	(125,717)
	- on surplus on revaluation of property, plant and equipment		(414,626)	286,756
	- on unrealized loss on investment at FVTOCI		(1,562)	1,871
	- on remeasurement of employees' benefits		(17,663)	35,597
			(433,851)	324,224
			79,457	198,507

25.1.2. The Holding Company has not recognized deferred income tax asset on Rs. 5,052.799 million (2023: Rs. 8,114.364 million) in respect of tax losses including unabsorbed depreciation, as sufficient tax profits may not be available to set off these in the foreseeable future. Total minimum tax available to carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 September 2024 is of Rs. 201.854 million (2023: Rs. 196.624 million), while no deferred tax asset is recognized on minimum tax.

25.1.3. The unused tax losses excluding unabsorbed depreciation would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	Rupees in thousand	
2019	707,091	2025
2020	526,953	2026
2021	1,427,031	2027
2022	-	2028
2023	-	2029
2024	1,934,932	2030
	4,596,007	

25.1.4. The minimum tax credits would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees in thousand	
2023	98,636	2027
2024	103,218	2028
	201,854	

	NOTE	2024	2023
		Rupees in thousand	
26. MUSHARAKAH FINANCING			
Balance as at 01 October		149,452	130,396
Add: Unwinding of discount	39	20,222	19,056
Less: Conversion		(43,800)	-
Balance as at 30 September		125,874	149,452
Current portion		-	(149,452)
		125,874	-

26.1. On April 01, 2019, Company obtained Musharakah financing facility amounting to Rs. 280 million from BankIslami Pakistan Limited - BIPL (a related party) for a period of five years ending on 31 March 2024. The principal amount of financing facility was repayable on March 31, 2024 in bullet payment. As explained in Note 27.1 below, the Musharakah facility amounting to Rs. 120 million was converted into Running Musharakah facility in 2022. On March 29, 2024, an agreement between BankIslami Pakistan Limited and the Company extended the tenure of the Musharakah financing facility, amounting to Rs. 160 million, until March 31, 2026.

26.2. To secure the musharakah facility, the Company has provided an 'Equity Warrant Option' to BIPL under which BIPL may opt for conversion of its musharakah finance claim, either wholly or partially, into ordinary shares of the Company at a fixed price of Rs. 15 per share. The Musharakah facility has been treated as a compound financial instrument with the debt instrument being measured first using an effective rate of 14.12% per annum while the remainder has been classified as equity portion as detailed below. In subsequent years, markup expense shall be recognized through statement of profit or loss by using the same rate of interest, and equivalent amount shall be reinstated to the loan through unwinding of discount.

26.3. During the year 2022, based on a revised facility letter, signed with the Company and BIPL, Musharakah facility amounting to Rs. 120 million was converted into a short term borrowing / running musharakah carrying a mark-up of 3 month KIBOR plus 1% at 16.09% (refer to note 32.3 of the financial statements). As result of this facility agreement, BIPL has opted out of the conversion option carried under the Musharakah agreement signed dated December 18, 2018 to the extent of Rs. 120 million.

	NOTE	2024	2023
		Rupees in thousand	
27. TRADE AND OTHER PAYABLES			
Creditors	27.1	5,090,938	4,776,158
Accrued liabilities		789,808	650,586
Payable to Government authorities:			
- Taxes and duties		1,171,263	581,424
- Income tax deducted at source		409,063	338,572
- Others		10,021	10,021
Workers' profit participation fund	27.2	320,087	271,854
Workers' welfare fund		22,515	20,939
Payable to Employees' Provident Fund Trust		508	-
Payable to Pension Fund and Gratuity Fund		825,519	536,457
Other payables		593,759	483,224
		9,233,480	7,669,235

27.1 Trade creditors include an amount of Rs. 13.897 (2023: Rs. 11.44 million) payable to Crescent Steel and Allied Products Limited (related party). These balances are un-secured, incurred in normal course of business, are interest free and payable on demand.

	NOTE	2024	2023
27.2. Workers' profit participation fund			
Balance as on 01 October		271,854	213,362
Interest for the year	39	41,802	23,793
Provision for the year	37	6,432	39,699
		320,088	276,854
Less: Payments during the year		-	5,000
Balance as on 30 September		320,088	271,854

27.2.1. The Company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is accrued at the rate of 2.5% percent above the bank rate or 75 per cent of the rate at which dividend is declared on its ordinary shares, whichever is higher under section 2 (Investment of Funds) of the schedule scheme of Company's Profits (Workers' Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

	NOTE	2024	2023
		Rupees in thousand	
28. CONTRACT LIABILITIES			
Advance from customers	28.1	1,871,457	1,598,206
Advances for sale of property, plant and equipment		55,778	55,778
		1,927,235	1,653,984

28.1. Contract Liabilities represent short-term advances received from customers to deliver goods. Revenue recognised during the year from the contract liabilities at the beginning of the year is Rs. 1,489.721 million (2023: Rs. 1290.150 million).

2024 2023

		NOTE	Rupees in thousand	
29.	SHORT TERM BORROWINGS			
	Shakarganj Limited - Holding Company			
	From banking companies - secured			
	- Export refinance / Istisna	29.1	550,253	672,500
	Shakarganj Food Products Limited - Subsidiary Company			
	From banking companies - secured			
	- Running finances / Istisna / running musharakah	29.3		
	BankIslami Pakistan Limited - related party		200,000	200,000
	National Bank of Pakistan		-	32,200
	BankIslami Pakistan Limited - related party		120,000	120,000
			320,000	352,200
			870,253	870,253

29.1. The Holding Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark-up/profit arrangements. These finances were available at mark-up/profit ranging from 19.00% to 25.66% (2023: 16.92% to 25.91%) per annum on the outstanding balance or part thereof. These include Istisna of Rs. 190 million (2023: Rs. 200 million) payable to Bank Islami Pakistan Limited, a related party and subsequent to the year end Holding Company was completely repaid this Istisna facility. Expiry date of export refinance is 31 March 2025 availed from National Bank of Pakistan.

Total credit facilities from the banking Companies as at 30 September 2024 are of Rs. 551.00 million (2023: Rs. 672.50 million). The aggregate credit facilities are secured against ranking charge over fixed assets of the Company with 25% margin, ranking charge over current assets of the Holding Company with 25% margin, pledge of molasses and biofuel, first pari passu charge over all present and future fixed assets of the Company and personal guarantees of a Director and one of the family member of director. These are additionally secured by pledge of shares of the Holding Company and of other related parties.

29.2. The Subsidiary Company has an Istisna Islamic running finance facility with BankIslami Pakistan Limited amounting to Rs. 200 million(September 30, 2023: Rs. 200 million). This facility was obtained under a mark up arrangement to meet working capital requirements, with a mark up rate of 6 month KIBOR plus 2% per annum(September 30, 2023: 6 month KIBOR plus 2%) per annum. The effective markup rate during the period ranged from 21.92 % to 24.17 %(September 30, 2023: 15.72% to 24.17%) per annum. This facility is secured against a first pari passu charge over fixed assets (Land, Building, Plant and Machinery) amounting to Rs. 986 million, registered with SECP. Additionally, there is a first charge on fixed assets (Land and Building) of Rs. 33 million and a ranking charge over fixed assets (Plant and Machinery) of Rs. 374 million. The total charge held by BankIslami (first pari passu and ranking) over the Company's fixed assets is Rs. 1,393 million. The facility amount has been fully utilized. The original expiry date was September 30, 2024; however, it has been renewed with unchanged terms and conditions until March 31, 2025, as per the facility letter dated October 11, 2024.

29.3. The Subsidiary Company had a short term running finance facility with National Bank of Pakistan Limited amounting to Rs. 100 million (September 30, 2023: 100 million). This facility was obtained under a mark up arrangement to meet working capital needs and bears mark up at the rate of 1 month KIBOR plus 2.5% (September 30, 2023: 1 month KIBOR plus 2.5%) per annum. The effective markup rate during the period ranged from 22.10 % to 24.84% (2023: 18.01% to 24.96%) per annum. This facility is secured against first charge over Subsidiary Company's present and future current assets amounting to Rs. 133.3 million (inclusive of 25% safety margin). All payments related to this facility have been paid to National Bank of Pakistan, and the facility expired on September 30, 2024.

29.4. BankIslami Pakistan Limited converted a long term Musharakah facility into a Running Musharakah to the extent of Rs. 120 million, as per the facility letter dated April 14, 2022, with a markup rate of 3 month KIBOR plus 1%, charged monthly. During the previous year, the pricing terms were updated in a revised facility letter dated March 27, 2023, to 3-month KIBOR plus 2%, effective from July 1, 2023. The effective markup rate during the period ranged from 22.24% to 24.66% per annum (2023: 16.77 % to 24.91%). This facility is secured against a first pari passu charge over fixed assets (Land, Building, Plant and Machinery) amounting to Rs. 986 million, registered with SECP. Additionally, there is a first charge on fixed assets (Land & Building) of Rs. 33 million and a ranking charge over fixed assets (Plant and Machinery) of Rs. 374 million. The total charge held by BankIslami (first pari passu and ranking) over the Company's fixed assets is Rs. 1,393 million. The facility amount has been fully utilized. The original expiry date was September 30, 2024; however, it has been renewed with unchanged terms and conditions until March 31, 2025, as per the facility letter dated October 11, 2024.

		NOTE	2024	2023
			Rupees in thousand	
30.	ACCRUED MARK-UP			
	Long term financing	30.1	46,550	33,553
	Lease liabilities		3,861	7,517
	Short term borrowings	30.2	162,677	126,090
			213,088	167,160

30.1. This includes mark-up of Rs. 31.423 million (2023: Rs. 13.6971 million) payable to BankIslami Pakistan Limited, a related party.

30.2. This includes mark-up of Rs. 86.611 million (2023: Rs. 86.050 million) payable to BankIslami Pakistan Limited, a related party.

		NOTE	2024	2023
31.	CURRENT PORTION OF NON-CURRENT LIABILITIES			
	Current portion of long term financing	21	394,412	390,956
	Long term diminishing musharakah	22	2,728	-
	Current portion of lease liabilities	23	195,613	254,456
			592,753	645,412

32. CONTINGENCIES AND COMMITMENTS

a) Contingencies

32.1 The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 through notification No. SO. Tax (E&T) 3-4/2012 dated 03 July 2012, levied a duty of Rs. 2 per liter on manufacturing of spirit (biofuel) with effect from 01 July 2012. In view of legal lacunas, discrimination as to other provinces, no legislative competence and lawful authority of Government of Punjab to impose such duty on industrial ethanol which is not alcohol liquor and the fact that the Company is exporter of the spirit which is exempted under Order 6 of the Punjab Liquor Import, Export, Transportation and Possessions Orders, the management through its legal counsel has challenged the imposition of said levy and is currently contesting it at Lahore High Court, Lahore. Keeping in view all the court proceedings and grounds discussed in various higher courts, Punjab Government, after due deliberations of the Provincial Cabinet of the Punjab Government, on 20 August 2019, through its notification no. SO(E&M)2-5/2018/ED withdrew the imposed duty of Rs. 2 per liter upon the manufacture of spirit in any distillery. As per Company's legal counsel, the Company has clear-cut case and the decision of the case shall be in favor of the Company. In view of the aforesaid, the duty on manufacturing of spirit (biofuel) of Rs. 229.918 million (2023: Rs. 229.918 million) previously deposited with court under protest on this account has been recognized as receivable being refundable.

32.2 The Company has paid an advance amounting to Rs. 12.999 million (2023: Rs. 12.999 million) to Messrs Industrial Enterprises for designing the boiler project to use only biogas as fuel with no option of burning bagasse. However, the boiler could not generate steam as per specification. It is unlikely that this project will be completed. Therefore the Company has gone into litigation with Industrial Enterprises in Civil Court, Jhang on 03 July 2018 for the recovery of the advance paid along with damages. Based on the advice of legal counsel, there are favourable grounds that the case will be decided in favour of the Company and the advance amount paid will be refunded back.

32.3 An appellate order was made by Commissioner Inland Revenue, Appeals, Lahore on 30 November 2020 under section 33 of Federal Excise Act, 2005, confirming payment of federal excise duty of Rs. 12.757 million (2023: Rs. 12.757 million) including penalty regarding export of sugar to Afghanistan through land route in 2014. The Company has filed appeal before Appellate Tribunal Inland Revenue, Lahore against this order on 23 December 2020. No provision has been recognized in the books of account as the Company is confident on positive outcome of the appeal, on the advice of legal counsel.

32.4 The Competition Commission of Pakistan (CCP) imposed penalties of Rs. 312.595 million (2023: Rs. 312.595 million) on sharing commercially sensitive information and Rs. 437.633 million (2023: Rs. 437.633 million) against collective decision on export quantities. Against these penalties, the Company has lodged appeal before Competition Appellate Tribunal on 14 October 2021, whose decision is pending. On the advice of legal counsel, management is confident that the matter will be decided in the favour of the Company.

32.5 Commissioner Inland Revenue filed petition in Lahore High Court, Lahore against the Company on 17 June 2021 regarding the order to recover sales tax of Rs. 78.867 million (2023: Rs. 78.867 million) along with default surcharge and penalty against which the Company filed an appeal before Appellate Tribunal Inland Revenue on 10 November 2020 pending adjudicating at the reporting date. According to legal counsel of the Company, the petition filed by CIR is on weak grounds therefore no provision is recognized in these financial statements.

32.6 The Company has filed appeals before Appellate Tribunal Inland Revenue on 05 April 2022 against assessment orders under section 11 of the Sales Tax Act, 1990 passed by the Commissioner Inland Revenue (Appeals) regarding the recovery of sales tax of Rs. 8.272 million for the tax periods October 2016 and March 2018. As per Company's legal counsel, no provision is required as the Company has good arguable cases.

32.7 Deputy Commissioner Inland Revenue issued show cause notices to the Company on 19 May 2022 and on 16 February 2022 against the input tax adjustments of exempt / inadmissible supplies from July 2020 to June 2021 and from July 2021 to November 2021 amounting to Rs. 1.428 million and Rs. 9.282 million respectively in violation of section 8(2) of the Sales Tax Act, 1990. The collective amount was later reduced by CIR (A) to Rs. 3.210 million. The appeals before Appellate Tribunal Inland Revenue dated 18 August 2022 and 18 October 2022 are being pursued by the Company. On the advice of legal counsel, management is confident that the matters will be decided in the favour of the Company.

32.8 Deputy Commissioner Inland Revenue on 29 June 2021 passed an order under section 122(4) of Income Tax Ordinance, 2001 and made an addition amounting to Rs. 2.127 billion being unexplained income under section 111(1)(b) of Ordinance. The Company on 19 March 2022 filed an appeal before CIR(A). Moreover, due to addition as mentioned above, Additional Commissioner Inland Revenue adjusted the refunds claimed by the Company and a demand of Rs. 31.425 million was created. The Company, being aggrieved has filed an appeal before ATIR on 25 October 2022. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Company.

32.9 Commissioner Inland Revenue (CIR) filed sales tax reference no. 50364/2020 against the Company in Lahore High Court, Lahore on 13 October 2020 challenging the judgment of Appellate Tribunal Inland Revenue of setting aside various sales tax / federal excise duty demands of Rs. 28.817 million. As per Company's legal counsel, no provision is required as the reference filed by CIR is on weak grounds and will be dismissed by the Court.

32.10 Commissioner Inland Revenue filed Income Tax reference impugning order dated 12th April, 2022 passed in ITA NO, 1564/LB/2015 pertaining to incorrect application of minimum tax at the rate of 0.5% instead of 1% in the tax year 2011. The matter is still pending for adjucation in Lahore High Court. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

Commissioner Inland Revenue (CIR) issued order declaring sales tax claimed as inadmissible amounting to Rs. 4.545 million against which appeal has been filed before CIR (Appeals). On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

32.11 Commissioner Inland Revenue filed sales tax reference against the Company in Lahore High Court impugning order dated 8th March, 2022 passed by the Appellate Tribunal in STA No. 132/LB/2022. The reference was decided on 1st November, 2023. The matter was remanded back to Tribunal for decision afresh. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

32.12 In addition to above-mentioned matters there are certain cases which have been filed against the Company, primarily by the Company's employees, customers and vendors. However, the management is of the view that in the overall context of these financial statements, there would be no significant liability of the Company against such cases.

32.13 The Subsidiary Company has preferred an appeal before the Commissioner Appeals against order passed by the Additional Commissioner Inland Revenue for the tax year 2011 whereby demand of Rs.6.25 million was created under section 122(5A) of the Ordinance along with additions in the income at Rs.91 million. However, in request for rectification, the demand was curtailed to Rs. 1.29 million. The learned Commissioner Appeals has deleted the tax demand of Rs. 1.29 million while additions to the tune of Rs. 1.28 million remain in field by deleting impugned addition of Rs. 89 million. Both the Company and department are in further appeals before the honourable Appellate Tribunal Inland Revenue, which are pending for adjudication. The Company anticipates a favorable outcome in this ongoing matter.

32.14 Assessment for the tax year 2012 was amended under Section 122(5A) of the Income Tax Ordinance, 2001 resulting into additions of Rs. 17.210 million and income tax demand of Rs. 3.37 million. On appeal, the Commissioner Inland Revenue (Appeals) (CIR(A)) has deleted all the additions and demand vide order number 05 dated 12 July 2018. However the department has preferred further appeal against this order of the CIR(A) which is pending for adjudication before the Appellate Tribunal Inland Revenue. Based on opinion of the Subsidiary Company's tax advisor, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

32.15 Proceedings under Section 122 (5A) of Income Tax Ordinance, 2001 were initiated and order passed for the tax year 2013 wherein arbitrary additions to the tune of Rs. 177.44 million and tax demand of Rs. 85.45 million were made. This triggered the Subsidiary Company for filing an appeal before the Commissioner Inland Revenue Appeals (CIR(A)), who vide order dated 14 June 2018 annulled the amended assessment order for de-novo proceedings. In reassessment proceedings, additions were curtailed to Rs. 32.63 million. On filing an appeal before the CIR(A), additions to the tune of Rs. 25.15 million were annulled through order number 01 dated 06 January 2020. The Subsidiary Company has preferred an appeal against the said order before the Appellate Tribunal Inland Revenue which is pending for hearing. Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

32.16 The Deputy Commissioner Inland Revenue passed an order dated 26 October 2020 under section 11(2) of the Sales Tax Act, 1990 and raised tax demand of Rs. 88.93 million against inadmissible input tax adjustment during the tax periods from July 2014 to June 2017. On filing of appeal, the Commissioner Inland Revenue Appeals vide order No. 21/2020 dated 20 February 2021 upheld the demand of Rs. 1.909 million by disallowing input tax on certain items. No provision has been made in these consolidated financial statements, since the management of the Subsidiary Company, based on tax advisor's opinion, is confident that no liability can be arisen.

32.17 Proceedings under sections 161/205 of the Income Tax Ordinance, 2001 for the tax years 2014 and 2015 were initiated and concluded by Deputy Commissioner Inland Revenue on 14 February 2017 and 03 March 2017 respectively. Under these proceedings, demands of Rs. 1.35 million and Rs. 1.4 million respectively were created. The Subsidiary Company has filed appeals before the Commissioner Inland Revenue (Appeals) (CIR(A)) against orders of afore-mentioned years. With respect to tax year 2014, the appeal of the Subsidiary Company was heard by CIR(A) who deleted impugned recovery amounting to Rs. 0.247 million vide order dated 21 May 2020. The default surcharge was also deleted subject to verification of refunds. Subsidiary Company and department had preferred further appeals before the Appellate Tribunal Inland Revenue which are pending for adjudication. The appeal for tax year 2015 has been concluded by the CIR(A) by deleting impugned demand of Rs. 0.904 million vide order dated 23 September 2020. Based on tax advisor's opinion, management expects favorable outcome of the appeals, therefore no provision has been recorded in these consolidated financial statements.

32.18 The case of the Subsidiary Company was selected for audit of its income tax affairs for the tax year 2014 in the random computerized balloting held on 14 September 2015. The proceedings under Section 177 read with Section 122 of the Income Tax Ordinance, 2001 were completed creating tax demand of Rs. 3.07 million and impugned additions of Rs. 71.31 million. On appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)), additions to the tune of Rs. 5.99 million were deleted and demand of tax was confirmed through order number 03 dated 05 June 2020. Subsidiary Company and the department have further assailed the order before the Appellate Tribunal Inland Revenue which is pending for adjudication. Based on the tax advisor's opinion, management is confident of favorable outcome of the appeal. Therefore, no provision has been made in these consolidated financial statements.

32.19 The Collector of Customs issued a revised classification ruling through a public notice on 4 April 2023, categorizing 'Tea Whitener' produced by the dairy companies under Chapter 21 of the Customs Act, 1969. This ruling diverges from previous classifications in 2011 and 2019, which placed the product under Chapter 19. Notably, the classification under Chapter 21 is subject to the standard rate of sales tax, unlike the zero rating applicable under Chapter 19. Accordingly, if this ruling had been effective from April 4, 2023, the resultant sales tax due to the Federal Board of Revenue on the sale of tea whitener would amount to Rs. 513.76 million. Expressing dissatisfaction, the dairy companies filed appeals before the Honorable Lahore High Court (LHC) against the Collector of Customs' order. The LHC transformed the petition into a representation before the FBR, instructing the provision of a proper hearing opportunity. Following the LHC's directives, the Member (Customs Policy) conducted the hearing and issued an order on 19 September 2023, upholding the Collector's ruling. This order has been challenged before the LHC. The LHC, in response, issued a stay order on 25 September 2023, stipulating that the contested classification ruling should not be implemented, and the treatment of tea whitener should follow prior practices. Based on advice from legal counsel, the Company's management is confident that the decision will be in favor of the Company. Additionally, in the event of an unfavorable decision, the management asserts that the Collector's order will be applicable prospectively from the date of the LHC's order to be issued in response to the aforementioned pending petition. The company anticipates a favorable outcome in this ongoing matter.

32.20 The DCIR passed an order u/s 11(2) of the Sales Tax Act,1990 dated October 26,2023 for tax periods January 2018 to June 2019. Sales tax demand of Rs. 11.86 million has been raised on grounds that 100% input tax has been adjusted instead of restricting it to 90% of the output tax in voilation of Section 8(B)(1) of the Sales Tax Act,1990. On appeal before the CIR(A), the demand of Rs.11.86 million has been deleted vide order dated 22 December 2023 whereas penalty and default surcharge amounting Rs.0.59 million has been maintained. The Subsidiary Company has preferred an appeal before the ATIR and expects a favourable decision on the matter.

32.21 Utility providers i.e. Sui Northern Gas Pipeline Limied and Faisalabad Electric Supply Company levied additional taxes totalling Rs. 4.67 million on March-April 2022 gas and electricity bills due to a brief two-day inactive sales tax status. Being aggrieved with the additional taxes, the Company contested this with the Commissioner Inland Revenue (CIR), who upheld the taxes. The Subsidiary Company being dissatisfied with CIR's order filed a petition before Lahore High Court (LHC), LHC instructed the CIR to reconsider the order, taking into account evidence of active status. However, the CIR upheld the original order. The Subsidiary Company being aggrieved filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which nullified the CIR's order. The CIR being aggrieved has filed a sales tax reference before LHC against ATIR's order which is pending adjudication. The Subsidiary company anticipates a favorable outcome in this ongoing matter.

32.22 The Bank of Punjab filed an appeal before the Lahore High Court Lahore against the order dated 12 July 2018 passed by the Banking Court in suit No. 492/1/2015 whereby the recovery for Rs. 2.4 Million in suit of the plaintiff was dismissed. The matter is pending for adjudication before the Lahore High Court. The Subsidiary company anticipates a favorable outcome in this ongoing matter.

32.23 Company received a notice wherein proceedings under section 122 (9) read with section 122(5A) and 111(1)(c) of the Income Tax Ordinance, 2001 for the tax year 2023 dated January 29, 2024 was initiated and the department passed the order against the taxpayer company with arbitrary additions of Rs. 140.95 million. Being aggrieved, the Subsidiary Company preferred an appeal against Commissioner Inland Revenue (Appeals), which was transferred to Appellate Tribunal Inland Revenue (ATIR) on account of amendment in law and was subsequently heard on August 01, 2024, however the order has not been yet released by the ATIR.

b) Guarantees

Bank guarantee amounting to Rs. 53.085 million (2023: Rs. 53.085 million) given in favor of Sui Northern Gas Pipelines Limited for the performance of contract.

c) Commitments

	2024	2023
	Rupees in thousand	
Letter of credits in respect of stores	-	2,798
Letter of credits in respect of raw material	-	14,986
Commitments in respect of Ijarah rentals	-	10,754

The Group had entered into diminishing musharaka arrangements with BankIslami Pakistan Limited and Orix Modaraba for purchase of vehicles for its employees. These were reclassified during the year in long term diminishing musharaka.

The total of future payments under Ijarah for each of the following periods:

	2024	2023
Not later than one year	-	4,263
Later than one year but not later than five years	-	6,491
	-	10,754

			2024	2023
			Rupees in thousand	
33.	REVENUE FROM CONTRACTS WITH CUSTOMERS			
	Local sales	33.1	20,531,123	22,706,576
	Export sales		1,273,535	1,892,300
			21,804,658	24,598,876
33.1.	Local sales			
	Sugar		8,418,513	8,287,476
	By-products		750,261	564,643
	Biofuel		449,922	283,403
	Dairy		13,999,733	15,889,882
	Juice		144,426	144,426
	Farm		744	2,035
			23,763,599	25,171,865
	Less: Sales tax and federal excise duty		2,019,981	1,651,911
	Less: Trade discounts / replacements		1,212,495	813,378
			3,232,476	2,465,289
			20,531,123	22,706,576

33.2. Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

34. COST OF SALES

	NOTE	2024	2023
		Rupees in thousand	
Raw materials consumed		14,699,360	15,130,824
Salaries, wages and other benefits	34.1	884,420	891,465
Consumption of stores, spare parts and loose tools / repair and maintenance		659,721	562,640
Dyes and chemicals consumed / processing charges		54,127	67,197
Loading and unloading charges		6,085	5,953
Packing materials consumed		3,256,123	3,777,282
Fuel and power		649,595	695,040
Insurance		19,365	21,908
Vehicle running and maintenance		59,248	59,184
Travelling and conveyance		20,688	19,275
Printing and stationery		3,823	6,152
Rent, rates and taxes	34.2	58,519	76,545
Land preparation and irrigation expenses		49	633
Sugarcane research and development		2,365	2,057
Fair value adjustment of agricultural assets	8.2	612	1,402
Depreciation - owned assets	5.1.6	1,098,279	1,205,519
Depreciation - right-of-use assets	6.1	27,292	44,502
Miscellaneous		70,991	64,981
		21,570,662	22,632,559
Work-in-process			
Opening stock		13,126	11,399
Closing stock		(22,325)	(13,126)
		(9,199)	(1,727)
Cost of goods manufactured		21,561,463	22,630,832
Finished goods			
Opening stock		814,853	539,978
Sugar puchased for resale		202,545	-
Closing stock		(344,429)	(814,853)
		672,969	(274,875)
		22,234,432	22,355,957

34.1 Salaries, wages and other benefits include following in respect of employees' retirement / other benefits:

	NOTE	2024	2023
		Rupees in thousand	
Pension Fund	24.2.1.4	110,002	68,329
Gratuity Fund	24.2.2.4	17,367	15,383
Employees' Provident Fund Trust		5,335	5,401
Staff retirement gratuity	24.2.3.3	44,580	37,863
Accumulating compensated absences	24.2.4.3	1,893	157
		179,177	127,133

34.2. These include ijarah rentals amounting to Rs. Nill (2023: Rs. 0.558 million).

		2024	2023
		Rupees in thousand	
35. ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, wages and other benefits	35.1	410,910	366,489
Repairs and maintenance		10,890	8,677
Insurance		5,986	6,246
Vehicles' running and maintenance		32,064	34,022
Travelling and conveyance		15,225	9,320
Printing and stationery		2,766	2,350
Electricity and gas		9,069	6,880
Telephone and postage		5,085	4,453
Legal and professional		43,027	45,840
Auditors' remuneration	35.2	5,929	5,345
Rent, rates and taxes	35.3	1,422	6,200
Staff training and development		270	522
Entertainment		6,471	7,663
Fee and subscription		20,238	20,259
Advertisement		78	326
Amortization	5	1,146	1,145
Depreciation - owned assets	5.1.6	20,822	19,273
Depreciation - right-of-use assets	6.1	6,510	6,188
Others		2,703	2,722
		600,611	553,920

35.1. Salaries, wages and other benefits include following in respect of employees' retirement / other benefits:

		2024	2023
Pension Fund	24.2.1.4	64,715	31,904
Gratuity Fund	24.2.2.4	10,217	7,183
Employees' Provident Fund Trust		5,370	5,381
Staff retirement gratuity	24.2.3.3	7,794	9,190
Accumulating compensated absences	24.2.4.3	850	289
		88,946	53,947

		Note	2024	2023
			Rupees in thousand	
35.2.	Auditors' remuneration			
	Kreston Hyder Bhimji and Company			
	Audit fee - stand alone		1,708	1,485
	Fees for half yearly review		696	590
	Cosolidation		230	200
	Other certifications		150	160
	Reimbursable expenses		246	150
	Government levies		139	-
			3,169	2,585
	BDO Ehrahim and Company			
	Audit fee		1,765	1,765
	Review of interim financial statements		325	325
	Group reporting		220	220
	Certifications		150	150
	Reimbursable expenses		300	300
			2,760	2,760
			5,929	5,345

35.3. This includes a low value rental arrangements amounting to Rs. 0.159 million (2023: Rs. 0.194 million).

36. SELLING AND DISTRIBUTION COST

		2024	2023
Storage tank charges		8,610	26,530
Freight, forwarding and fuel		460,836	671,449
Handling and distribution		952	1,585
Commission to selling agents		5,515	7,015
Travelling and conveyance		39,103	42,460
Rent, rates and taxes	36.1	12,687	14,436
Postage and telephone		4,786	5,930
Vehicles' running and maintenance		58,507	75,140
Entertainment		3,947	3,735
Printing and stationery		939	884
Repair and maintenance		4,900	4,077
Salaries and other benefits	36.2	301,691	313,984
Insurance		6,546	9,167
Sales promotion and advertisement	36.3	183,340	214,092
Utilities		4,843	3,575
Fee and subscription		498	-
Depreciation - owned assets	5.1.6	5,681	6,774
Depreciation - right-of-use assets	6.1	6,901	5,838
Others		2,745	613
		1,113,027	1,407,284

36.1. This includes a low value rental arrangements amounting to Rs. 6.088 million (2023: Rs. 6.454 million).

36.2. Salaries and other benefits include following in respect of employees' retirement / other benefits:

		2024	2023
		Rupees in thousand	
Pension Fund	24.2.1.4	1,283	628
Gratuity Fund	24.2.2.4	203	142
Employees' Provident Fund Trust		255	223
Staff retirement gratuity	24.2.3.3	43,621	43,441
Accumulating compensated absences	24.2.4.3	1,938	977
		47,300	45,411

36.3. Sales promotion and advertisement expenditure is net of marketing support credits allowed by Tetra Pak Pakistan Limited aggregating to Rs. 91.907 million (2023: Rs. 108 million).

		2024	2023
		Rupees in thousand	
37. OTHER OPERATING EXPENSES			
Workers' profit participation fund	27.2	6,432	39,699
Workers' welfare fund		1,576	20,939
Social action programme expenses including salaries	37.1	21,008	8,902
Waste water drainage		1,608	6,239
Allowance for expected credit loss	14.1	-	5,753
Provision for slow moving store items		5,803	-
Net exchange loss		-	87,590
Donations	37.2	500	35
Agriculture expense - net		27,412	1,685
Provision against doubtful advances against capital expenditure		12,999	-
Provision against doubtful export rebate receiveable		41,737	-
Others		65,589	-
		184,664	170,842

37.1. Social action programme salaries expenses include following in respect of retirement benefits:

Pension Fund	24.2.1.4	3,619	878
Gratuity Fund	24.2.2.4	571	197
Employees' Provident Fund Trust		129	129
		4,319	1,204

37.2. The directors or their spouses have no interest in the donees.

		NOTE	2024	2023
			Rupees in thousand	
38.	OTHER INCOME			
	Income from financial assets			
	Dividend income		360	
	Return on bank deposits		10,351	8,874
	Net exchange gain		3,755	-
	Reversal of allowance for expected credit losses	14.1	5,127	9
			19,593	8,883
	Income from non-financial assets			
	Scrap sales		14,912	35,692
	Gain on sale of property, plant and equipment	5.1.3	37,828	5,210
	Gain on sale of non-current assets held for sale		78,192	72,540
	Sale of biofertilizer		30,598	273,360
	Insurance claim		-	3,727
	Cold store rent - fruit pulp dairy		788	625
	Liabilities no longer payable written back		1,761	720
	Rental income		48,371	39,089
	Realisation of musharakah		2,964	-
	Amortization of deferred income - Others	24.1.1	944	984
	Others		62	1,000
			216,420	432,947
			236,013	441,830
39.	FINANCE COST			
	Mark up / interest on:			
	Long term financing		138,258	124,023
	Lease liabilities	23.3	24,470	43,828
	Short term borrowings		221,337	239,241
	Diminishing musharakah		1,450	-
	Due to Gratuity Fund and Pension Fund - related parties		77,501	57,686
	Workers' profit participation fund	27.1	41,802	23,793
	Unwinding of discount	26	20,222	19,056
	Bank and other charges		112,195	116,596
	Delayed payment surcharge to Tetra Pak Pakistan Limited		128,716	145,685
			765,951	769,908
40.	LEVY			
	Minimum tax	40.1	249,142	99,530
	Final tax		14,836	19,083
			263,978	118,613

40.1. This represents final taxes and minimum taxes paid under section 113 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

	NOTE	2024	2023
		Rupees in thousand	

41. TAXATION

Charge for the year:			
Current		20,746	2,493
Supar tax		-	106,445
Prior year		(23,366)	(201,342)
		(2,620)	(92,404)
Deferred		79,457	198,507
		76,837	106,103

41.1. Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in the statement of profit or loss, is as follows:

Current tax liability for the year as per applicable tax laws		261,358	26,209
Portion of current tax liability as per tax laws, representing income tax under IAS 12		2,620	92,404
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37		(263,978)	(118,613)
		-	-

	2024	2023

42. LOSS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on basic loss per share which is based on:

	2024	2023
Loss for the year attributable to ordinary shareholders of the Holding Company (Rupees in thousand)	(3,074,028)	(521,278)
Weighted average number of ordinary shares of Holding Company (Numbers)	125,000,000	125,000,000
Loss per share (Rupees)	(24.59)	(4.17)

43. Reconciliation of movement of liabilities to cash flows arising from financing activities:

Rupees in thousand

	2024						
	Long term diminishing musharakah	Unclaimed dividend	Long term financing	Lease liabilities	Musharakah financing - debt portion	Short term borrowings	Total
Balance as at 01 October	-	1,916	607,500	397,004	149,452	1,024,700	2,180,572
Unpaid lease liability	-	-	-	3,657	-	-	3,657
Additions during the year	7,989	-	-	271	-	-	8,260
Accretion of interest	1,450	-	-	24,470	-	-	25,920
Unwinding of discount - non-cash movement	-	-	-	-	20222	-	20,222
Conversion during the year	-	-	-	-	(43,800)	-	(43,800)
Payments during the year	(4,272)	-	-	(214,233)	-	-	(218,505)
Dividend paid	43	(65)	-	-	-	-	(22)
Short term borrowings availed	-	-	-	-	-	190,000	190,000
Repayment of loans	-	-	(74,485)	-	-	(344,447)	(418,932)
Balance as at 30 September	5,210	1,851	533,015	211,169	125,874	870,253	1,747,372

Rupees in thousand

	2023						
	Long term diminishing musharakah	Unclaimed dividend	Long term financing	Lease liabilities	Musharakah financing - debt portion	Short term borrowings	Total
Balance as at 01 October	-	1,916	538,913	615,818	130,396	1,384,899	2,671,942
Lease liabilities recognized	-	-	-	11,274	-	-	11,274
Loans availed	-	-	225,000	-	-	-	225,000
Short term borrowings availed	-	-	-	-	-	516,800	516,800
Repayment of loans	-	-	(156,413)	-	-	(876,999)	(1,033,412)
Repayment of lease liabilities	-	-	-	(230,088)	-	-	(230,088)
Other charges - non-cash movem	-	-	-	-	19,056	-	19,056
Balance as at 30 September		1,916	607,500	397,004	149,452	1,024,700	2,180,572

44. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these consolidated financial statements for remuneration including all benefits to Chief Executive Officer, directors and executives of the Holding Company is as follows:

Rupees in thousand

	Chief Executive Officer		Executive Director		Non-Executive Directors		Executives	
	2024	2023	2024	2023	2024	2023	2024	2023
Managerial remuneration	5,079	10,621	10,443	7,301	-	-	78,559	76,556
Allowances								
House rent	2,032	4,699	4,177	2,920	-	-	24,039	21,218
Utilities	508	1,062	1,044	730	-	-	5,857	5,305
Medical	406	128	835	584	-	-	6,369	5,144
Others	600	200	-	-	-	-	1,220	1,315
Contribution to retirement benefits	1,794	3,752	3,690	2,579	-	-	16,188	14,578
Meeting fee	-	-	-	-	1,380	540	-	-
	10,419	20,462	20,189	14,114	1,380	540	132,232	124,116
Number of persons	1	1	2	2	5	8	25	31

44.1. The Chief Executive Officer, some directors and some executives of the Holding Company are provided with company maintained car, travel facilities and club membership.

45. PROVIDENT FUND RELATED DISCLOSURE

As at the reporting date, Shakarganj Mills Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

	2024	2023
46. NUMBER OF EMPLOYEES		
Number of employees as on 30 September (Numbers)	1 242	1 375
Average number of employees during the year (Numbers)	1 356	1 517

47. TRANSACTIONS WITH RELATED PARTIES

47.1. Related parties of the company are as follow:

Name of related parties	Relationship	2024	2023
		Basis of relationship (common directorship or shareholding)	
Shakarganj Food Products Limited (SFPL)	Subsidiary company	52.39%	52.39%
Crescent Steel and Allied Products Limited (CSAPL)	Associate	21.93%	21.93%
Premier Insurance Limited	Associate	No	Common directorship
CS Capital (Private) Limited	CSAPL's subsidiary	6.08%	6.08%
Bank Islami Pakistan Limited	Subsidiary's associate	-	-
Shakarganj Foundation	Associate	-	-
Mr. Muhammad Iqbal	Director	0.0000%	-
Mrs. Sana Atif	Director	0.0000%	-
Mr. Bashir Ahmad	Director	0.0000%	0.0000%
Mr. Ali Altaf Saleem	Director	0.2382%	0.2382%
Mr. Mustapha Altaf Saleem	Director	0.2564%	0.2564%
Mrs. Fizza Ali Saleem	Director Spouse	0.0027%	0.0027%
Mr. Manzoor Hussain	Director	0.0008%	0.0008%
Mr. Sadaqat Hussain	Director	-	0.0004%
Shakarganj Mills Limited Gratuity Fund	Post employment benefit plans	0.0863%	0.0863%
Shakarganj Mills Limited Pension Fund	Post employment benefit plans	0.7333%	0.7333%
Shakarganj Mills Limited Employees' Provident Fund Trust	Post employment benefit plans	1.1003%	1.1003%

47.2. The Group in the normal course of business carries out transactions with various related parties. The balances with related parties have been disclosed in respective notes to these consolidated financial statements, however, detail of transactions with these related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

Name of related party	Basis of relationship	Nature of transactions	2024	2023
			Rupees in thousand	
Subsidiary company				
Shakarganj Food Products Limited (SFPL)	52.39% (2023: 52.39%) of shareholding in SFPL	Sale of goods - gross	25,181	69,234
		Common expenses shared	4,593	2,872
		Receipts	38,344	54,955
Associated companies				
Crescent Steel and Allied Products Limited (CSAPL)	Associate due to shareholding by CSAPL in the Holding Company of 21.93% (2023: 21.93%)	Dividend income	360	-
		Purchase of goods	-	20
		Common expenses shared	4,249	6,075
		Sale of goods and rendering of services	2,576	4,401
		Godown rent	1,243	1,499
		Guest house, godown rent and utilities expenses	5,687	4,642
		Share of common costs	33,867	2,847
		Payments	6,724	3,500
		Payables	13,897	11,440
		Advance	10,459	7,072
Premier Insurance Limited	Common directorship	Insurance expense	-	3,714
BankIslami Pakistan Limited	Subsidiary's associate	Mark-up expense on borrowing	92,098	82,733
		Mark-up on borrowing	74,768	63,526
		Extension of Musharakah	160,000	-
		Mark-up payments	82,935	35,768
Other related parties				
Post employment benefit plans	Employees' Provident Fund Trust, Gratuity Fund and Pension Fund	Expense charged in respect of:		
		Employees' Provident Fund Trust	11,106	11,134
		Pension Fund	179,619	101,739
		Gratuity Fund	28,358	22,905
		Other transactions with Gratuity Fund and Pension Fund		
		- Funds received	334,469	277,434
		- Mark-up expense	77,501	57,686

47.3. Detail of compensation to key management personnel of the Holding Company comprising of Chief Executive Officer, directors and executives is disclosed in Note 44.

		2024	2023
48. PLANT CAPACITY AND ACTUAL PRODUCTION			
a) Holding Company			
Sugar			
Jhang			
Rated crushing capacity	(MT / day)	10 000	10 000
On the basis of 91 days (2023: 88 days)	(MT)	910 000	880 000
Actual sugarcane crushed	(MT)	471 215	554 133
Bhone			
Rated crushing capacity	(MT / day)	6 000	6 000
On the basis of 80 days (2023: 83 days)	(MT)	480 000	498 000
Actual sugarcane crushed	(MT)	307 239	465 047
The low crushing was due to low quality sugarcane.			
Biofuel			
Jhang			
Rated production capacity	(Litres / day)	150 000	150 000
On the basis of average number of Nil days (2023: 67 days) working	(Litres)		10 050 000
Actual production	(Litres)		3 890 752
Bhone			
Rated production capacity	(Litres / day)	200 000	200 000
On the basis of average number of 47 days (2023: 66 days) working	(Litres)	2 350 000	13 200 000
Actual production	(Litres)	2 226 441	6 043 039
Major reason for low production was due to non-availability of raw material at feasible prices.			
Textile			
Capacity (converted in 20s counts)	(Kgs)	9 198 418	9 198 418
Actual production (converted in 20s counts)	(Kgs)	-	
The textile unit remained closed due to non-availability of raw materials at feasible price.			
b) Subsidiary Company			
Dairy division			
Ultra Heat Treated Packed Milk, Juice and Cream			
Rated processing capacity on the basis of 353 days (2023: 353 days)	(Litres)	315 666 720	397 023 120
Actual milk, juice and cream processed	(Litres)	65 688 759	91 533 210
Desi Ghee			
Rated production capacity on the basis of 353 days (20223: 353 days)	(Kgs)	635 400	635 400
Actual desi ghee produced - Kgs	(Kgs)	15 259	27 757
Juice division			
Fruit Pulps and Concentrate Juices			
Rated production capacity on the basis of 84 days (2023: 17 days)	(Kgs)	16 800 000	3 100 000
Actual fruit processed	(Kgs)	12 789 800	653 526
Under utilization of production / processing capacities was due to limited sales orders.			

49. SEGMENT INFORMATION

Rupees in thousand

	Sugar 2024	Sugar 2023	Biofuel 2024	Biofuel 2023	Dairy 2024	Dairy 2023	Juice 2024	Juice 2023
Revenue from contracts with customers								
External	7,707,988	7,674,809	1,119,115	1,853,328	12,583,081	14,924,278	393,730	144,426
Inter segment	381,834	1,426,279	4,578	31,793	-	-	10,403	15,737
	8,089,822	9,101,088	1,123,693	1,885,121	12,583,081	14,924,278	404,133	160,163
Cost of revenue	(9,496,133)	(9,492,347)	(1,657,363)	(1,749,491)	(11,097,324)	(12,297,272)	(317,210)	(221,535)
Gross (loss) / profit	(1,406,311)	(391,259)	(533,670)	135,630	1,485,757	2,627,006	86,923	(61,372)
Distribution cost	(14,975)	(16,576)	(51,789)	(88,018)	(1,013,509)	(1,291,385)	(31,515)	(10,156)
Administrative expenses	(366,750)	(299,989)	(50,992)	(62,130)	(163,753)	(153,587)	-	-
(Loss) / profit before taxation and unallocated expenses / income	(1,788,036)	(707,824)	(636,451)	(14,518)	308,495	1,182,034	55,408	(71,528)

	Textile 2024	Textile 2023	Farms 2024	Farms 2023	Elimination of Inter-segment transactions 2024	Elimination of Inter-segment transactions 2023	Total - Group 2024	Total - Group 2023
Revenue from contracts with customers								
External	-	-	744	2,035	-	-	21,804,658	24,598,876
Inter segment	-	-	-	1,509	(396,815)	(1,475,318)	-	-
	-	-	744	3,544	(396,815)	(1,475,318)	21,804,658	24,598,876
Cost of revenue	(61,834)	(66,885)	(1,383)	(3,745)	396,815	1,475,318	(22,234,432)	(22,355,957)
Gross (loss) / profit	(61,834)	(66,885)	(639)	(201)	-	-	(429,774)	2,242,919
Distribution cost	(1,239)	(1,149)	-	-	-	-	(1,113,027)	(1,407,284)
Administrative expenses	(19,097)	(38,169)	(19)	(45)	-	-	(600,611)	(553,920)
(Loss) / profit before taxation and unallocated expenses / income	(82,170)	(106,203)	(658)	(246)	-	-	(2,143,412)	281,715
Unallocated expenses / income:								
Other expenses							(184,664)	(170,842)
Other income							236,013	441,830
Finance cost							(765,951)	(769,908)
Levy							(263,978)	(118,613)
Income Tax							(76,837)	(106,103)
Loss after taxation							(3,198,829)	(441,921)

49.1. Reconciliation of reportable segment assets and liabilities:

Rupees in thousand

	Sugar 2024	Sugar 2023	Biofuel 2024	Biofuel 2023	Dairy 2024	Dairy 2023	Juice 2024	Juice 2023	Textile 2024	Textile 2023	Farms 2024	Farms 2023	Total - Group 2024	Total - Group 2023
Total assets for reportable segments	9,201,145	9,402,480	4,805,550	5,967,349	6,896,603	9,874,443	511,846	459,072	505,705	544,922	633,732	661,429	22,554,581	26,909,695
Unallocated assets													3,504,887	486,770
Total assets as per consolidated statement of financial position													26,059,468	27,396,465
Total liabilities for reportable segments	7,254,993	5,134,228	1,428,244	1,866,164	6,116,255	6,412,170	316,551	342,444	139,992	142,403	28,123	17,402	15,284,158	13,914,811
Unallocated liabilities													2,433,767	1,625,184
Total liabilities as per consolidated statement of financial position													17,717,925	15,539,995

49.2. Geographical information

Rupees in thousand

	Sugar		Biofuel		Dairy		Juice		Textile		Farms		Total - Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
The Group's segment wise revenue from external customers as per geographical locations is detailed below:														
United Kingdom	-	-	-	384,053	19,554	6,070	48,412	39,386	-	-	-	-	67,966	429,509
Netherlands	-	-	-	628,829	-	-	-	-	-	-	-	-	-	628,829
Italy	-	-	247,591.00	-	-	-	-	-	-	-	-	-	247,591	-
Taiwan			21,502	147,371	-	-	-	-			-	-	21,502	147,371
Thailand	-	-	92,421	18,810	-	-	-	-	-	-	-	-	92,421	18,810
Saudi Arabia	-	-		14,001	-	-	-	-	-	-	-	-	-	14,001
Afghanistan	199,450	-		-	-	-	-	-	-	-	-	-	199,450	-
Australia	-	-	-	-	6,890	9,911	-	-	-	-	-	-	6,890	9,911
Somalia	-	-	-	-	7,335	8,712	-	-	-	-	-	-	7,335	8,712
Rotterdam	-	-	-	-	-		42,275	15,886	-	-	-	-	42,275	15,886
Sri Lanka	-	-	-		9,911	-	-				-	-	9,911	-
Vietnam	-	-	-		14,401	-	-				-	-	14,401	-
Qatar	-	-	-	-	2,548	8,104	-	-	-	-	-	-	2,548	8,104
Turkey	-	-	-	-	221,875	-	-	-	-	-	-	-	221,875	-
Malaysia	-	-	-	-	-	-	-	-	-	-	-	-	-	-
United Arab Emirates	-	-	76,817	-	2,339	-	-	-	-	-	-	-	79,156	-
France					3,109								3,109	-
Damam	-	-	4,304	-		-	-	-	-	-			4,304	-
United States Of America	-	-	-	-	21,887	33,214	-	-	-	-			21,887	33,214
Gabon	-	-	-	-		5,706	-	-	-	-			-	5,706
Reunion Island	-	-	-	-	5,802	7,933	-	-	-	-			5,802	7,933
Yemen	-	-	-	-		12,874	-	-	-	-			-	12,874
Comoros	-	-	-	-	3,385	8,473	-	-	-	-	-	-	3,385	8,473
Mauritius	-	-	-	-	31,719	2,757	-	-	-	-	-	-	31,719	2,757
Warsame-Somalia	-	-	-	-	26,170	23,018	-	-	-	-	-	-	26,170	23,018
Guinea	-	-	-	-		2,280	-	-	-	-	-	-	-	2,280
Portugal	-	-	-	-	2,176	3,253	-	-	-	-	-	-	2,176	3,253
Maldives	-	-	-	-	13,416	14,187	-	-	-	-	-	-	13,416	14,187
Senegal	-	-	-	-		2,614	-	-	-	-	-	-	-	2,614
Ningbo-China	-	-	-	-	101,013	12,408	-	-	-	-	-	-	101,013	12,408
Sweden	-	-	-	-	3,567	3,258	-	-	-	-	-	-	3,567	3,258
Greece	-	-	-	-		3,307	-	-	-	-	-	-	-	3,307
Bahamas	-	-	-	-	6,195	-	-	-	-	-	-	-	6,195	-
New Zealand	-	-	-	-	3,074	-	-	-	-	-	-	-	3,074	-
Oman	-	-	-	-	2,117	-	-	-	-	-	-	-	2,117	-
Mayotte	-	-	-	-	3,247	-	-	-	-	-	-	-	3,247	-
Bahrain	-	-	-	-	2,762	-	-	-	-	-	-	-	2,762	-
South Africa	-	-	-	-	18,859	-	-	-	-	-	-	-	18,859	-
Guyana	-	-	-	-	7,411	-	-	-	-	-	-	-	7,411	-
Pakistan	7,508,538	7,674,809	676,480	660,264	12,042,319	14,756,199	303,043	89,154	744	2,035	-	-	20,531,124	23,182,461
	7,707,988	7,674,809	1,119,115	1,853,328	12,583,081	14,924,278	393,730	144,426	744	2,035	744	2,035	21,804,658	24,598,876
49.3. The Group's revenue from external customers in respect of products is detailed below:														
Sugar	7,282,139	7,554,725	-	-	-	-	-	-	-	-	-	-	7,282,139	7,554,725
By-products	425,849	120,084	324,412	444,559	-	-	-	-	-	-	-	-	750,261	564,643
Biofuel	-	-	794,703	1,408,769	-	-	-	-	-	-	-	-	794,703	1,408,769
Dairy	-	-	-	-	12,583,081	14,924,278	-	-	-	-	-	-	12,583,081	14,924,278
Juice	-	-	-	-	-	-	393,730	144,426	-	-	-	-	393,730	144,426
Farm	-	-	-	-	-	-	-	-	-	-	744	2,035	744	2,035
	7,707,988	7,674,809	1,119,115	1,853,328	12,583,081	14,924,278	393,730	144,426	-	-	744	2,035	21,804,658	24,598,876

49.4. All non-current assets of the Group as at reporting dates are located and operating in Pakistan.

49.5. The Group's revenue is earned from a large mix of customers.

50. INTERESTS IN OTHER ENTITY

Non-Controlling Interest (NCI)

Set out below is summarized financial information for Shakarganj Food Products Limited - Subsidiary Company that has non-controlling interest to the Group. The amounts disclosed for Subsidiary Company are before inter-company eliminations.

	2024	2023
	Rupees in thousand	
Summarized statement of financial position		
Current assets	4,804,356	4,403,268
Current liabilities	(5,840,457)	(5,758,846)
Net current liabilities	(1,036,101)	(1,355,578)
Non-current assets	5,615,117	5,932,216
Non-current liabilities	(1,192,736)	(1,023,710)
Net non-current assets	4,422,381	4,908,506
Net assets	3,386,280	3,552,928
Accumulated non-controlling interest	1,612,206	1,691,548
Summarized statement of comprehensive income		
Revenue	12,976,811	15,068,704
(Loss) / profit for the year	(262,131)	166,682
Other comprehensive income / (loss)	51,683	(121,482)
Total comprehensive income / (loss)	(210,448)	45,200
Profit / (loss) allocated to non-controlling interest	(124,801)	79,357
Total comprehensive income (loss) / attributable to non-controlling interest	(100,194)	21,519
Summarized cash flows		
Cash flows from operating activities	126,699	(93,700)
Cash flows from investing activities	283,756	559,725
Cash flows used in financing activities	(251,357)	(345,088)
Net decrease in cash and cash equivalents	159,098	120,937

51. FINANCIAL RISK MANAGEMENT

51.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Board of Directors of the Holding Company and Subsidiary Company have overall responsibility for the establishment and oversight of each Company's risk management framework. The Board of each Company is also responsible for developing and monitoring each Company's risk management policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's exposure to currency risk was as follows:

	2024	2023
Trade receivables - USD	134,336	11,242
Trade payables - USD	(223,980)	(179,990)
Cash and bank balances - USD	5,812	14,291
	(83,832)	(154,457)

Following significant exchange rates were applied during the year:

Rupees per US Dollar		
Average rate	283.16	304.87
Reporting date rate	277.71	288.60

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on loss after taxation for the year would have been Rs. 1.164 million (2023: Rs. 2.228 million) lower / higher mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) 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 market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Group is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Group's equity (fair value reserve of FVTOCI investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables of FVTOCI instruments held constant and all the Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2024	2023
	Rupees in thousand	
PSX 100 (5% increase)	750	229
PSX 100 (5% decrease)	(750)	(229)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as FVTOCI.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk arises from long term financing, lease liabilities, short term borrowings, term deposit receipt and deposits in saving accounts. Financial instruments at variable rates expose the Group to cash flow interest rate risk. Financial instruments at fixed rate expose the Group to fair value interest rate risk.

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments was:

	2024	2023
	Rupees in thousand	
Fixed rate instruments		
Financial liabilities		
Musharakah financing - debt portion	125,874	149,452
Lease liabilities	211,169	397,004
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	(1,541)	(4,946)
Financial liabilities		
Long term financing	533,015	607,500
Short term borrowings	870,253	1,024,700
Musharakah financing	125,874	149,542
	1,527,601	1,776,796

Fair value sensitivity for fixed rate instruments

The Group 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 of the Group.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rs. 15.276 million (2023: Rs. 17.768 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024	2023
	Rupees in thousand	
Investments	14,992	4,579
Trade debts	198,457	187,750
Loans and advances	58,280	55,020
Deposits	123,905	120,264
Other receivables	23,642	21,264
Bank balances	262,480	131,588
	681,756	520,465

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Group's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 24.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

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

	Rating			2024	2023
	Short term	Long term	Agency	Rupees in thousand	
Bank accounts / term deposit receipt					
Allied Bank Limited	A1+	AAA	PACRA	3	33
Bank Alfalah Limited	A1+	AA+	PACRA	257	808
Habib Bank Limited	A-1+	AAA	VIS	20,012	25,214
MCB Bank Limited	A1+	AAA	PACRA	49,901	81,395
National Bank of Pakistan	A-1+	AAA	VIS	63,508	355
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	29	29
Askari Bank Limited	A1+	AA+	PACRA	3	3
The Bank of Punjab	A1+	AA+	PACRA	-	-
United Bank Limited	A-1+	AAA	VIS	2,168	10,951
Banks					
Shariah compliant bank accounts					
BankIslami Pakistan Limited	A1	AA-	PACRA	124,060	6,035
Askari Bank Limited	A-1+	AA+	PACRA	10	-
Bank Alfalah Limited	A-1+	AA	PACRA	17	-
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	21	195
Meezan Bank Limited	A-1+	AAA	VIS	1,453	5,302
Silkbank Limited	A-2	A-	VIS	927	927
The Bank of Khyber	A1	A+	PACRA	10	341
MCB Islamic Bank Limited	A1	A	PACRA	101	-
				262,480	131,588

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

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. As of reporting date, the Group had Rs. 550.253 million (2023: Rs. 672.500) available borrowing limits from financial institutions and Rs. 263.669 million (2022: Rs. 133.620 million) cash and bank balances. Management believes the liquidity risk to be low. Followings are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 September 2024:

Rupees in thousand

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than one year
Non-derivative financial liabilities:					
Long term financing	533,015	602,166	320,117	108,352	173,697
Lease liabilities	211,169	224,346	108,542	100,082	15,722
Trade and other payables	7,300,532	7,300,532	7,300,532	-	-
Unclaimed dividend	1,851	1,851	1,851	-	-
Musharakah financing	125,874	160,000	-	-	160,000
Diminishing musharika	5,167	5,167	-	2,728	2,439
Accrued mark-up	213,088	213,088	213,088	-	-
Short term borrowings	870,253	870,253	870,253	-	-
	9,260,949	9,377,403	8,814,383	211,162	351,858

Contractual maturities of financial liabilities as at 30 September 2023:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than one year
	Rupees in thousand				
Non-derivative financial liabilities:					
Long term financing	607,500	787,934	188,860	202,096	396,978
Lease liabilities	397,004	438,208	132,668	121,788	183,752
Trade and other payables	6,446,425	6,446,425	6,446,425	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Musharakah financing	149,452	239,103	-	-	239,103
Accrued mark-up	167,160	167,160	167,160	-	-
Short term borrowings	1,024,700	1,024,700	1,024,700	-	-
	8,794,157	9,105,446	7,961,729	323,884	819,833

51.2. Financial instruments by categories

	2024			2023		
	----------------Rupees in thousand----------------					
	At amortized cost	At FVTOCI	Total	At amortized cost	At FVTOCI	Total
Assets as per consolidated statement of financial position						
Investments	-	14,992	14,992	-	4,579	4,579
Loans and advances	58,280	-	58,280	55,020	-	55,020
Deposits	123,905	-	123,905	120,264	-	120,264
Other receivables	23,642	-	23,642	21,264	-	21,264
Trade debts	198,457	-	198,457	187,750	-	187,750
Cash and bank balances	263,669	-	263,669	133,620	-	133,620
	667,953	14,992	682,945	517,918	4,579	522,497

	2024	2023
	Rupees in thousand	
	At amortized cost	
Liabilities as per consolidated statement of financial position		
Long term financing	533,015	607,500
Lease liabilities	211,169	397,004
Musharakah financing	125,874	149,452
Short term borrowings	870,253	1,024,700
Diminishing musharika	5,167	-
Trade and other payables	7,300,532	6,446,425
Accrued mark-up	213,088	167,160
Unclaimed dividend	1,851	1,916
	9,260,949	8,794,157

51.3. Reconciliation of financial assets and financial liabilities to the line items presented in the consolidated statement of financial position is as follows:

	2024			2023		
	----------------Rupees in thousand----------------					
	Financial assets	Other than financial assets	Total	Financial assets	Other than financial assets	Total
Assets as per consolidated statement of financial position						
Investments	14,992	-	14,992	4,579	-	4,579
Loans and advances	58,280	377,524	435,804	55,020	204,934	259,954
Deposits	123,905	-	123,905	120,264	-	120,264
Prepayments and other receivables	23,642	2,510,571	2,534,213	21,264	2,082,747	2,104,011
Trade debts	198,457	-	198,457	187,750	-	187,750
Cash and bank balances	263,669	-	263,669	133,620	-	133,620
	682,945	2,888,095	3,571,040	522,497	2,287,681	2,810,178

	2024			2023		
	----------------Rupees in thousand----------------					
	Financial liabilities	Other than financial liabilities	Total	Financial liabilities	Other than financial liabilities	Total
Liabilities as per consolidated statement of financial position						
Long term financing	533,015	-	533,015	607,500	-	607,500
Lease liabilities	211,169	-	211,169	397,004	-	397,004
Musharakah financing	125,874	-	125,874	149,452	-	149,452
Diminishing musharika	5,167	-	5,167	-	-	-
Short term borrowings	870,253	-	870,253	1,024,700	-	1,024,700
Trade and other payables	7,300,532	1,932,949	9,233,481	6,446,425	1,654,642	7,669,235
Accrued mark-up	213,088	-	213,088	167,160	-	167,160
Unclaimed dividend	1,851	-	1,851	1,916	-	1,916
	9,260,949	1,932,949	11,193,898	8,794,157	1,654,642	10,016,967

51.4. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Group. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

	2024	2023
Borrowings (Rupees in thousand)	1,534,309	1,781,652
Total equity (Rupees in thousand)	8,341,543	11,856,470
Total capital employed (Rupees in thousand)	9,875,852	13,638,122
Gearing ratio (Percentage)	15.54	13.06

52. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	NOTE	2024	2023
		Rupees in thousand	
Gain / (loss) or dividend earned from shariah complaint investments			
Unrealized gain / (loss) on remeasurement of investments at FVTOCI		10,413	(2,198)
Dividend income	38	360	-
Other receivables	15.1	22,748	14,289
Shariah compliant bank deposits and bank balances			
Bank balances	51	126,599	12,800
Profit earned from shariah compliant bank deposits			
Profit on deposits with banks		-	-
Profit accrued on Islamic mode of financing	30	209,227	159,643
Profit paid on islamic mode of financing			
Mark-up on long term financing	39	139,708	124,023
Mark-up on short term borrowings	39	221,337	239,241
Loans / advances obtained as per Islamic mode			
Long term borrowings	21	664,056	149,452
Short term borrowings	29	870,253	1,024,700

53. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Rupees in thousand

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
At 30 September 2024				
At fair value through other comprehensive income	14,992	-	-	14,992
At 30 September 2023				
At fair value through other comprehensive income	4,579	-	-	4,579

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair values

Specific valuation technique used to value financial instruments include the use of quoted market prices for listed securities.

54. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets into the following three levels.

Rupees in thousand

	Level 1	Level 2	Level 3	Total
At 30 September 2024				
Recurring fair value measurements				
Property, plant and equipment				
Freehold land	-	3,092,816	-	3,092,816
Building	-	1,128,921	527,169	1,656,090
Plant and machinery	-	9,494,740	4,161,211	13,655,951
Right-of-use assets - Plant and machinery	-	-	518,548	518,548
Biological assets	-	34,404	585	34,989
Total non-financial assets	-	13,750,881	5,207,513	18,958,394
At 30 September 2023				
Recurring fair value measurements				
Property, plant and equipment				
Freehold land	-	3,070,816	-	3,070,816
Building	-	1,220,492	554,915	1,775,407
Plant and machinery	-	10,105,093	4,398,989	14,504,082
Right-of-use assets - Plant and machinery	-	-	545,840	545,840
Biological assets	-	28,889	1,632	30,521
Total non-financial assets	-	14,425,290	5,501,376	19,926,666

(ii) Valuation techniques used to determine level 2 fair values

The Group obtains independent valuation for its freehold land, building, plant and machinery at least after every three years. The management updates the assessment of the fair value of property, plant and equipment taking into account the most recent independent valuation. The management determines the value of these assets within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of building is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery of the same specifications. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit.

Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's freehold land, building, plant and machinery after three years. The fair value of these assets has been determined by independent valuers Messrs Hamid Mukhtar and Company (Private) Limited and Messrs Surval on 30 September 2021 and on 30 September 2022 respectively. The fair value of biological assets are determined by the related experts keeping in view the current market conditions and other salient factors.

55. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified wherever necessary. However, no major reclassification has been made in these consolidated financial statementse except as mentioned below:

Line	From Heading	To Heading	2024	2023
			Rupees in thousand	
Cost of revenue	Raw material consumed	Miscellaneos	2,168	1,418
Administrative and general expenses	Registered office expenses	Legal and professional charges	937	1,062
Advances from customers	Trade and other payables	Contract liabilities	1,598,206	1,378,167
Advances for sale of property, plant and equipment	Trade and other payables	Contract liabilities	55,778	54,728

56. EVENTS AFTER THE END OF REPORTING PERIOD

There were no significant adjustable events subsequent to 30 September 2024 which may require an adjustment to the financial statements or additional disclosure

57. DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue on 06 January 2025 by the Board of Directors.

58. GENERAL

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

Chief Executive Officer | Director | Chief Financial Officer

PATTERN OF SHAREHOLDING

Form -20

The Companies Act, 2017
The Companies (General Provisions and Forms) Regulations, 2018[Section 227(2)(f)
Pattern of Shareholding

Part - I

1.1 Name of the Company Shakarganj Limited

Part - II

2.1 Pattern of Holding of the Shares held by the Shareholders as at: 30 September 2024

No. of Shareholders	Shareholding		Total Shares held
	From	To	
447	1	100	12,402
298	101	500	90,940
172	501	1,000	131,465
258	1,001	5,000	556,889
58	5,001	10,000	403,932
16	10,001	15,000	186,705
9	15,001	20,000	158,064
6	20,001	25,000	137,208
8	25,001	30,000	217,380
5	30,001	35,000	167,790
5	35,001	40,000	193,585
2	40,001	45,000	84,176
6	45,001	50,000	281,710
2	50,001	55,000	106,045
2	55,001	60,000	117,420
1	60,001	65,000	61,779
5	65,001	70,000	336,780
8	70,001	75,000	587,105
1	75,001	80,000	76,252
2	85,001	90,000	176,363
1	90,001	95,000	90,401
2	100,001	105,000	204,120
3	105,001	110,000	326,279
2	110,001	115,000	229,969
1	115,001	120,000	115,967
1	120,001	125,000	120,861
1	125,001	130,000	128,599
2	130,001	135,000	267,465
1	140,001	145,000	142,017
1	150,001	155,000	150,933
1	160,001	165,000	164,772
1	180,001	185,000	182,000
1	185,001	190,000	189,501
1	195,001	200,000	200,000
1	220,001	225,000	223,140
1	250,001	255,000	252,552
1	260,001	265,000	263,700
1	295,001	300,000	297,727
1	320,001	325,000	320,454
2	395,001	400,000	800,000

1	655,001	660,000	657,754
1	740,001	745,000	743,980
1	770,001	775,000	772,727
1	785,001	790,000	788,611
1	790,001	795,000	793,728
1	820,001	825,000	825,000
2	880,001	885,000	1,765,000
1	915,001	920,000	916,582
1	995,001	1,000,000	1,000,000
1	1,140,001	1,145,000	1,143,693
1	1,240,001	1,245,000	1,241,600
1	1,375,001	1,380,000	1,375,427
1	1,800,001	1,805,000	1,801,000
1	1,875,001	1,880,000	1,877,500
1	2,035,001	2,040,000	2,035,600
1	2,115,001	2,120,000	2,119,754
1	3,210,001	3,215,000	3,211,221
1	3,910,001	3,915,000	3,911,000
1	5,090,001	5,095,000	5,090,908
1	5,305,001	5,310,000	5,306,818
1	5,720,001	5,725,000	5,720,137
1	7,050,001	7,055,000	7,051,136
1	7,600,001	7,605,000	7,602,272
1	8,110,001	8,115,000	8,114,000
1	9,015,001	9,020,000	9,019,690
1	13,950,001	13,955,000	13,951,340
1	27,405,001	27,410,000	27,409,075
1,365			125,000,000

2.3	Categories of Shareholder	Share held	Percentage
2.3.1	Directors, CEO, Their Spouse and Minor Childern	622,718	0.50
2.3.2	Associated Companies, Undertakings & Related Parties	37,411,232	29.93
2.3.3	NIT & ICP	5,720,137	4.58
2.3.4	Banks, DFIs, NBFCs	106,854	0.09
2.3.5	Insurance Companies	5,005	0.00
2.3.6	Modarabas and Mutual Funds	453	0.00
2.3.7	A. General Public (Local)	43,469,994	34.78
2.3.8	A. Other Companies (Local)	37,633,391	30.13
2.3.9	B. Other Companies (Foreigner)	216	0.00
		125,000,000	100.00

Shareholders More Than 10.00%

M/S. CRESCENT STEEL AND ALLIED PRODUCTS LTD.	27,409,075	21.93
M/S. MASOOD FABRICS LTD	13,951,340	14.36

NOTICE OF 57TH ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of the shareholders of Shakarganj Limited (the "Company") will be held on Tuesday 28 January 2025 at 11:00 AM, at the E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore and through video link to transact the following ordinary business:

1. To receive, consider and adopt the Chairman's Review Report, the Reports of Directors and Auditors together with Audited Annual Separate and Consolidated Financial Statements of Shakarganj Limited for the year ended 30 September 2024.

2. To appoint Company's auditors and to fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of M/s. Kreston Hyder Bhimji & Co. Chartered Accountants for re-appointment as auditors of the Company.

BY ORDER OF THE BOARD

Asif Ali
Company Secretary

Lahore: 06 January 2025

Notes:

1. Venue and participation by video Link:

In view of the requirements of the Securities and Exchange Commission of Pakistan, the following arrangement have been made by the Company for participation of shareholders in the AGM:

(a) The venue of the meeting for shareholders who wish to attend the AGM physically will be E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore;

(b) To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at asif.malik@shakarganj.pk by 27 January 2025.

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

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

2. Book Closure and Proxies:

The Share Transfer Books of the Company will remain closed from 21 January 2025 to 28 January 2025 (both days inclusive). Physical transfers received in order at the office of our Share Registrar, M/s CorpTec Associates (Pvt) Limited, 503-E, Johar Town, Lahore by the close of business on 20 January 2025, will be treated in time for the entitlement to attend, speak and vote at the AGM.

(a) A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her and a proxy so appointed shall have the same rights, as respects attending, speaking and voting at the AGM as are available to the members. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.

(b) The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.

3. e-Payment of Dividend:

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission, all future dividend payments may be withheld.

4. Zakat Declarations:

The members of the Company are required to submit Declaration for Zakat exemption in terms of Zakat and Ushr Ordinance, 1980.

5. Circulation of Financial Statements:

The shareholders who wish to receive hard copy of the Annual Report may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intend to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website: www.shakarganj.pk.

6. Unclaimed Dividend / Shares:

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar M/s. Corptec Associates (Private) Limited, 503-E, Johar Town, Lahore, to collect/enquire about their unclaimed dividend / shares, if any.

7. Placement of Financial Statements:

The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended 30 September 2024 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company: www.shakarganj.pk

8. Deposit of Physical Shares in to CDC Accounts:

As per Section 72 of the Companies Act, 2017, every existing company shall replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Securities and Exchange Commission of Pakistan, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e. May 31, 2017. The shareholder holding shares in physical form are requested to please convert their shares in the book entry form. For this purpose, the shareholders may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited. It also reduces the risks and costs associated with storing share certificate(s) and replacing lost or stolen certificate(s) as well as fraudulent transfer of shares. For the procedure of conversion of physical shares into book-entry form, you may approach our Share Registrar at the contact information given above.

3۔ ڈیویڈینڈ کی ای پیمنٹ

کمپنیز ایکٹ 2017ء کی دفعہ 242 کی پرویژنز کے مطابق فہرستی کمپنیوں کیلئے ضروری ہے کہ کوئی منافع منقسمہ قابل ادا نقد صورت میں فقط الیکٹرونک موڈ کے ذریعے براہ راست مستحق حصص داران کی طرف سے منسوب بینک اکاؤنٹ میں کیا جائیگا۔ اس کے مطابق مادی حصص کے مالک حصص داران سے درخواست ہے درج بالا پتہ پر کمپنی کے شیئر رجسٹرار کو سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ پر بھی دستیاب ای ڈیویڈینڈ فارم پر الیکٹرونک ڈیویڈینڈ مینڈیٹ فراہم کریں۔ سی ڈی سی میں حصص رکھنے کی صورت میں، یہ معلومات اپ ڈیٹنگ اور کمپنی کو ارسال کرنے کیلئے سی ڈی ایس پارٹیسپنٹس کو مہیا کی جانی چاہئیں۔ جمع نہ کروانے کی صورت میں، آئندہ کے تمام منافع کی ادائیگی روکی جاسکتی ہے۔

4۔ زکوٰۃ ڈیکلیریشن

کمپنی کے ارکان کو زکوٰۃ اینڈ عشر آرڈیننس 1980 کی شرائط میں زکوٰۃ ایگزیمپشن کے لئے کمپنی کے ہاں ڈیکلیریشن جمع کرانا ضروری ہے۔

5۔ مالی حسابات کی ترسیل

حصص داران جو مذکورہ بالا دستاویزات کی ہارڈ کاپیاں وصول کرنا چاہتے ہوں کمپنی سیکرٹری/شیئر رجسٹرار کو سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ پر بھی دستیاب معیاری درخواست فارم ارسال کریں اور کمپنی حصص داران کو اس مطالبہ پر مذکورہ بالا دستاویزات ایک ہفتہ کے اندر مفت مہیا کرے گی۔ حصص داران جو سالانہ رپورٹ بشمول اجلاس کے نوٹسز بذریعہ ای میل بھی وصول کرنا چاہتے ہوں سے درخواست ہے کہ سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ www.shakarganj.pk پر بھی دستیاب سٹینڈرڈ درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

6۔ ان کلیم ڈیویڈنڈ / شیئرز

حصص داران کے ان کلیم ڈیویڈنڈز، جو کسی وجہ سے اپنے ڈیویڈنڈ یا بونس شیئرز کلیم نہیں کر سکے یا اپنے مادی حصص حاصل نہیں کر سکے تھے، اگر کوئی ہوں، سے التماس ہے کہ ہمارے شیئر رجسٹرار میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، E - 3 0 5، جوہر ٹاؤن لاہور سے اپنے ان کلیم ڈیویڈنڈ، اگر کوئی ہوں، کے بارے دریافت / حاصل کرنے کے لئے رابطہ کریں۔

7۔ مالی حسابات کی پلیسمنٹ

کمپنی 30 ستمبر 2024ء کو ختم ہوئے سال کیلئے نظر ثانی شدہ جداگانہ اور مربوط سالانہ مالی حسابات معہ ان پر آڈیٹران اور ڈائریکٹران کی رپورٹس اور چیئرمین کی جائزہ رپورٹ اپنی ویب سائٹ www.shakarganj.pk پر رکھ چکی ہے۔

8۔ CDC اکاؤنٹس میں فزیکل شیئرز جمع کروانا

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، ہر موجودہ کمپنی اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرے گی جیسا کہ بیان کیا گیا ہے اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مطلع کردہ تاریخ سے، ایک مدت کے اندر کمپنیز ایکٹ، 2017 کے آغاز سے چار سال یعنی 31 مئی 2017۔ فزیکل شکل میں حصص رکھنے والے شیئر ہولڈر سے درخواست کی جاتی ہے کہ براہ کرم اپنے حصص کو بک انٹری فارم میں تبدیل کریں۔ اس مقصد کے لیے، شیئر ہولڈرز کسی بھی بروکر کے ساتھ اپنا ذیلی اکاؤنٹ کھول سکتے ہیں یا سی ڈی سی کے ساتھ سرمایہ کارانہ اکاؤنٹ براہ راست کھول سکتے ہیں تاکہ اپنے فزیکل شیئرز کو اسکرپ لیس فارم میں رکھ سکیں۔ یہ انہیں کئی طریقوں سے سہولت فراہم کرے گا جس میں حصص کی محفوظ تحویل اور فروخت بھی شامل ہے، جب وہ چاہیں، کیونکہ پاکستان اسٹاک ایکسچینج لمیٹڈ کے موجودہ ضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔ یہ شیئر سرٹیفکیٹ (سرٹیفکیٹس) کو ذخیرہ کرنے اور گمشدہ یا چوری شدہ سرٹیفکیٹ کو تبدیل کرنے کے ساتھ ساتھ حصص کی دھوکہ دہی سے منتقلی سے وابستہ خطرات اور اخراجات کو بھی کم کرتا ہے۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے طریقہ کار کے لیے، آپ اوپر دی گئی رابطہ معلومات پر ہمارے شیئر رجسٹرار سے رجوع کر سکتے ہیں۔

اطلاع برائے 57واں سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ شکر گنج لمیٹڈ (کمپنی) کا 57واں سالانہ اجلاس ایگزیکٹو فلور، آئی ٹی ٹاور 1-E-73، حالی روڈ، گلبرگ III، لاہور پر اور ویڈیو لنک کے ذریعے 28 جنوری 2025ء بروز منگل صبح 11:00 بجے درج ذیل عمومی امور کی انجام دہی کیلئے منعقد ہوگا۔

1۔ 30 ستمبر 2024ء کو ختم ہوئے سال کیلئے کمپنی کے نظر ثانی شدہ جداگانہ اور مربوط سالانہ مالی حسابات معہ ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس، چیئرمین کی جائزہ رپورٹ کی وصولی، غور و خوض اور منظور کرنا۔

2۔ کمپنی کے آڈیٹرز کا تقرر اور ان کے صلہ خدمت کا تعین کرنا۔ ارکان کو بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے آڈیٹرز کی حیثیت سے دوبارہ مقرر کرنے کی سفارش کی ہے۔

لاہور	بحکم بورڈ
مورخہ: 05 جنوری 2025ء	آصف علی
	کمپنی سیکرٹری

نوٹس

1۔ ویڈیو لنک کے ذریعے مقام اور شمولیت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ضروریات کے پیش نظر، کمپنی کی جانب سے AGM میں شیئر ہولڈرز کی شرکت کے لیے درج ذیل انتظامات کیے گئے ہیں:

a) جو حصص داران جسمانی طور پر AGM میں شرکت کرنے کی خواہش رکھتے ہوں ان کے لیے میٹنگ کا مقام ایگزیکٹو فلور، آئی ٹی ٹاور 1 E 73، حالی روڈ، گلبرگ III، لاہور ہوگا۔

b) ویڈیو لنک کے ذریعے اجلاس میں شرکت کے لئے ممبران اور ان کے پراکسیز سے درخواست ہے کہ وہ 27 جنوری 2025 تک asif.malik@shakarganj.pk پر ای میل کے ذریعے اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (دونوں اطراف) / پاسپورٹ، بورڈ ریزولوشن / پاور آف اٹارنی کی تصدیق شدہ کاپی (کارپوریٹ شیئر ہولڈرز کی صورت میں) کے ساتھ مندرجہ ذیل معلومات فراہم کر کے اپنا اندراج کریں۔

ممبر کا نام	شناختی کارڈ نمبر	CDC اکاؤنٹ نمبر/ فولیو نمبر	موبائل نمبر	ای میل ایڈریس

ضروری تصدیق کے بعد رجسٹرڈ ہوئے ممبروں کو کمپنی کے ذریعہ اسی ای میل ایڈریس پر ایک ویڈیو لنک فراہم کیا جائے گا جس کے ساتھ وہ کمپنی کو ای میل کرتے ہیں۔

2۔ کتابوں کی بندش اور پراکسیز

کمپنی کی حصص منتقلی کتابیں 21 جنوری 2025ء تا 28 جنوری 2025ء (بشمول ہر دو ایام) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار دفتر میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ 503-E جوہر ٹاؤن لاہور پر 20 جنوری 2025ء کو کاروبار کے اختتام تک موصولہ فزیکل منتقلیاں اجلاس عام (AGM) میں شرکت کے استحقاق بولنے اور ووٹ دینے کے حق کیلئے بروقت تصور ہونگی۔

a) اس میٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار ممبر اپنی جگہ کسی دوسرے ممبر کو شرکت کرنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کر سکتا ہے اور اس طرح AGM میں مقرر کردہ پراکسی کو بھی وہی حقوق حاصل ہوں گے، جو شرکت کرنے، بولنے اور ووٹ دینے کے حوالے سے ہیں۔ پراکسی فارم پر دو افراد گواہی دیں گے، جن کے نام، پتے اور CNIC نمبر فارم پر درج ہوں گے۔

b) پراکسی اور پاور آف اٹارنی یا دیگر اتھارٹی کا تقرر کرنے والا آلہ جس کے تحت اس پر دستخط کیے گئے ہیں یا پاور آف اٹارنی کی نوٹیریل تصدیق شدہ کاپی کمپنی کے رجسٹرڈ آفس میں کم از کم 48 گھنٹے پہلے جمع کرائی جانی چاہیے۔ پراکسی فارم انگلش اور اردو زبانوں میں ممبران کو AGM کے نوٹس کے ساتھ بھیجے گئے ہیں۔

ڈائریکٹرز کی مجتمع رپورٹ

شکر گنج لمیٹڈ کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والے سال کے لئے گروپ کے آڈٹ شدہ مجتمع مالی حسابات کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔ اس گروپ میں شکر گنج لمیٹڈ اور اس کی جزوی طور پر ملکیتی ماتحت ادارہ ہے، جس کا نام شکر گنج فوڈ پروڈکٹس لمیٹڈ ہے۔

30 ستمبر 2024 کو ختم ہونے والے سال کے لئے شکر گنج لمیٹڈ کی کارکردگی سے متعلق تبصروں کو ڈائریکٹرز کی رپورٹ میں الگ سے پیش کیا گیا ہے۔

گروپ کے مالیاتی نتائج:

گروپ کے مالیاتی نتائج کا خلاصہ حسبِ ذیل ہے:

روپے ہزاروں میں

	2024	2023
آمدن - خالص	21,804,658	24,598,876
مجموعی نقصان / منافع	(429,774)	2,242,919
آپریشنز سے نقصان	(2,328,076)	(110,873)
قبل از ٹیکس نقصان	(2,858,013)	(217,205)
لیوی	(263,978)	(118,613)
انکم ٹیکس	(76,837)	(106,103)
بعد از انکم ٹیکس نقصان	(3,198,829)	(441,921)
نقصان فی شیئر - بنیادی اور معتدل (روپے)	(24.59)	(4.17)

گروپ کی بنیاد پہ مجتمع مجموعی منافع پچھلے سال کے 2,242.919 ملین روپے کے مقابلے میں 429.774 ملین روپے نقصان رہا۔ مجتمع بیلنس شیٹ 30 ستمبر 2023 کے 27,396.47 ملین روپے کے مقابلے میں 30 ستمبر 2024 کو 26,059.468 ملین روپے پر رہی۔ مجموعی ایکویٹی 30 ستمبر 2023 پہ 11,856.470 ملین روپے سے 30 ستمبر 2024 پہ 8,341.543 ملین روپے تک کم ہوگئی۔

ترتیب حصص داری اور حصص کی تجارت

ترتیب حصص داری اور اضافی معلومات اس رپورٹ سے منسلک ہیں۔ ڈائریکٹرز، ایگزیکٹو اور ان کے زوج اور چھوٹے بچوں کی طرف سے ہولڈنگ کمپنی کے حصص میں مندرجہ ذیل کے علاوہ کوئی تجارت نہیں کی گئی ہے

نام	شیئرز کی تعداد	قسم	تاریخ
جناب صداقت حسین	62	بیچے	18 دسمبر 2023ء
جناب مصطفیٰ الطاف سلیم	1	خریدے	20 اگست 2024ء

بعد کے واقعات اور وعدے

مالی سال جس سے یہ بیلنس شیٹ متعلقہ ہے کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں وقوع پذیر اور وعدے نہیں کئے گئے ہیں۔

اظہار تشکر

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی کمپنی کے لئے لگن اور جان نثاری کو سراہتے ہیں۔ ڈائریکٹر حصص داران، بینکوں اور شریک تمام جماعتوں کی مسلسل دلچسپی اور حمایت کی تعریف کا اظہار کرنے میں خوشی محسوس کرتے ہیں اور امید رکھتے ہیں کہ مستقبل میں بھی یہی جذبہ غالب رہے گا۔

منجانب بورڈ

محمد سیف اللہ
چیف ایگزیکٹو آفیسر

محمد اقبال
ڈائریکٹر

06 جنوری 2025 ء

اگلے کرشنگ سیزن کے لئے حکومت نے گنے کی قیمت مقرر نہیں کی ہے اور نہ ہی اس کے لئے کوئی نوٹیفکیشن جاری کیا گیا ہے۔ امید ہے کہ پنجاب حکومت مارکیٹ کی قوتوں کو منصفانہ کھیل کے لئے تمام شعبوں میں کام کرنے کی اجازت دیتی رہے گی۔ یہ عنصر بہتر مارجن کے ساتھ بہتر کاروباری ماحول پیدا کرنے کا سبب بن سکتا ہے۔ کم کرشنگ اور مختصر سیزن کے پیش نظر ہمارے بائیو فیول آپریشنز کے لئے خام مال قابل عمل قیمتوں پر دستیاب نہیں تھا۔ جبکہ ہماری ڈسٹلریز کے آپریشنز کا مستقبل کا نقطہ نظر ہمیشہ اچھے معیار کے مولاسز کی مسلسل دستیابی پر منحصر ہوتا ہے۔ زیادہ قیمتوں اور نقد بہاؤ کی کمی کی وجہ سے بڑے پیمانے پر خریداری کی توقع نہیں ہے، تاہم، انتظامیہ اگلے سیزن میں ڈسٹلریز کو گنجائش پر چلانے کے لئے اپنی پوری کوشش کرنے کے لئے پرعزم ہے۔ شرح سود میں مزید کٹوتی سے صنعتوں کی مالی پریشانیوں کو دور کرنے میں بھی مدد ملے گی۔ تاہم ٹیکسٹائل کے کاروبار میں مشکل کاروباری ماحول کی وجہ سے خام مال کی قیمت زیادہ ہونے کی وجہ سے ابھی تک آپریشن شروع نہیں کیا جاسکا۔ جیسا کہ ہماری پچھلی سالانہ رپورٹ میں ذکر کیا گیا ہے، انتظامیہ لیکویڈیٹی کی کمی پر قابو پانے کے لئے اقدامات کر رہی ہے اور ہمیں امید ہے کہ کمپنی اپنا آپریشن جاری رکھے گی۔ تمام چیلنجوں کے باوجود، ہم چیلنجنگ وقت سے گزرنے کے لئے پرعزم ہیں.

اظہار تشکر

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی کمپنی کے لئے لگن اور جان نثاری کو سراہتے ہیں۔ ڈائریکٹر حصص داران، بینکوں اور شریک تمام جماعتوں کی مسلسل دلچسپی اور حمایت کی تعریف کا اظہار کرنے میں خوشی محسوس کرتے ہیں اور امید رکھتے ہیں کہ مستقبل میں بھی یہی جذبہ غالب رہے گا۔

منجانب بورڈ

محمد سیف اللہ	محمد اقبال	
چیف ایگزیکٹو آفیسر	ڈائریکٹر	06 جنوری 2025 ء

مالیاتی حسابات

پاکستان میں قابل اطلاق اکاؤنٹنگ اور رپورٹنگ معیارات کے تحت درکار اور کمپنیز ایکٹ، 2017 کی ضروریات (XIX of 2017) کے مطابق، انتظامیہ ایسے داخلی کنٹرول کے لئے مالی حسابات کی تیاری اور منصفانہ پریزنٹیشن کی اپنی ذمہ داری سے آگاہ ہے کیونکہ انتظامیہ کا تعین مالی حسابات کی تیاری کو مستحکم کرنے کے لئے ضروری ہے جس میں مواد غلطی سے پاک ہو، چاہے دھوکہ دہی یا غلطی کی وجہ سے ہو۔

چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے مالیاتی حسابات اپنے دستخطوں کے ساتھ باقاعدہ توثیق شدہ بورڈ آف ڈائریکٹرز کے غوروخوض اور منظوری کے لئے پیش کئے ہیں اور بورڈ غوروخوض اور منظوری کے بعد مالی حسابات جاری اور ترسیل کرنے کے لئے دستخط کرنے کا مجاز ہے۔ کمپنی کے مالیاتی حسابات کمپنی کے آڈیٹرز، کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی طرف سے باقاعدہ نظر ثانی شدہ اور منظور شدہ ہیں اور ان کی رپورٹ مالیاتی حسابات کے ہمراہ منسلک ہے۔ ڈائریکٹرز چیف ایگزیکٹو کے جائزہ اور اس سالانہ رپورٹ کے مواد کی تصدیق کرتے ہیں اور وکمپنیز ایکٹ 2017ء کی دفعہ 227 کی شرائط اور مندرجہ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضابطے 2017 کے مطابق ڈائریکٹرز رپورٹ کا لازمی حصہ بنے گا۔

ڈیویڈینڈ اور کیریڈ فارورڈ

ڈائریکٹرز نے 30 ستمبر 2024 کو ختم ہونے والے سال کے لئے ڈیویڈینڈ کی ادائیگی کی سفارش نہیں کی ہے۔ اس کے علاوہ کوئی رقم عام ریزرو یا کسی بھی دیگر ریزروفنڈز اکاؤنٹ میں آگے نہیں بھیجی جارہی ہے۔

بعد کے واقعات

مالی سال جس سے یہ بیلنس شیٹ متعلقہ ہے کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں وقوع پذیر اور وعدے نہیں کئے گئے ہیں۔

ادائیگیوں، ڈیبٹ یا قرض میں نادہندگی

کمپنی واجب رقم کی بروقت واپسی کی اپنی ذمہ داری کو تسلیم کرتی ہے اور صنعت میں کامیابی حاصل کرنے والے بہترین طریقوں کی تعمیل کی جاتی ہے یہ بیان کیا گیا ہے کہ زیرِ جائزہ سال کے دوران کسی بھی قرض یا ڈیبٹ کی ادائیگی میں کوئی نادہندگی نہیں ہوئی سوائے اس کے جیسا کہ مالی بیانات میں ظاہر کیا گیا ہے۔

کاروبار کی نوعیت میں تبدیلی

کمپنی کے کاروبار کی نوعیت سے متعلق مالی سال کے دوران کوئی تبدیلی نہیں ہوئی ہے۔

متعلقہ پارٹی کے معاملات

آڈٹ کمیٹی کے جائزہ اور سفارش کے بعد تمام متعلقہ پارٹی لین دین کو بورڈ کی طرف سے منظور کیا گیا ہے۔ کمپنی نے اس سالانہ رپورٹ سے منسلکہ اپنے مالی حسابات میں متعلقہ پارٹی معاملات کے بارے میں تفصیلی وضاحت کی ہے۔ اس طرح کا وضاحت کمپنیز ایکٹ، 2017 کے چوتھے شیڈول اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کی ضروریات کے مطابق ہے۔

مالی جائزہ اور گوئنگ کنسرن مفروضہ

کم کرشنگ اور پیداوار کے پیش نظر، مالی نتائج حوصلہ افزا نہیں تھے، تاہم، کمپنی بہتر کارکردگی حاصل کرنے اور مستقبل میں اپنی لیکویڈیٹی منظرنامے کو بہتر بنانے کے لئے اپنی بہترین کوششوں کے لئے پرعزم ہے۔ پاکستان اسٹاک ایکسچینج کی جانب سے شکر گنج لمیٹڈ کو نان کمپلائینٹ کی فہرست میں شامل کیا گیا ہے کیونکہ اس کے موجودہ واجبات اس کے موجودہ اثاثوں سے 5,417.81 ملین روپے زیادہ ہیں۔ تاہم، کمپنی اپنی لیکویڈیٹی منظرنامے کو بہتر بنانے کے لئے پرعزم ہے۔ لیکویڈیٹی بحران پر قابو پانے کے لئے مختلف اقدامات کی منصوبہ بندی کی گئی ہے جیسا کہ نوٹ 1.3 میں اس کے ساتھ منسلک مالی بیانات میں دیا گیا ہے۔ کارکردگی، تاثیر اور پیداواری لاگت کو کم کرنے کے ذریعے کمپنی کی پیداوار اور منافع کو بہتر بنانے کے لئے ہر ممکن کوشش کی جارہی ہے۔ انتظامیہ کا خیال ہے کہ بیان کردہ اقدامات کے نتیجے میں کمپنی کو مستقبل قریب میں اپنے کاروبار کے تسلسل کو برقرار رکھنے اور اس طرح اس کی تشویش کی حیثیت کو برقرار رکھنے کے لئے مناسب مالی وسائل کی دستیابی ہوسکتی ہے۔ تاہم، جیسا کہ اوپر ذکر کیا گیا ہے، کاروباری ماحول ایسا تھا کہ کمپنی کو بھاری نقصانات کے ساتھ گنے کو کرش کرنے پر مجبور ہونا پڑا جس نے پیش رفت کو شدید متاثر کیا۔ لیکن پھر بھی کمپنی کی انتظامیہ مستقبل میں جہاں بھی مواقع پیدا ہوں موقع لینے کے لئے پرعزم تھی۔

مستقبل کا نقطہ نظر

بورڈ آف ڈائریکٹرز کی طرف سے حد کے مطابق جائزہ لیا گیا، کمپنی کے تمام محکموں کے سربراہ "ایگزیکٹوز" تصور کئے جائیں گے۔

نان ایگزیکٹواور آزاد ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ایک "ڈائریکٹرز ریمنریشن پالیسی" کی منظوری دی ہے، منظور شدہ پالیسی کی اہم خصوصیات حسبِ ذیل ہیں:

- ✓ کوئی ڈائریکٹر اپنی خود کی ریمنریشن متعین نہیں کرے گا/ گی۔
- ✓ باقاعدہ پیڈ چیف ایگزیکٹو، سپانسرز اور یا فیملی ڈائریکٹرز اور کل وقتی کام کرنے والے ڈائریکٹرز کے علاوہ بورڈ اور اسکی کمیٹی کے اجلاسوں میں شرکت کے لئے ڈائریکٹر میٹنگ فیس کی رقم 50,000 روپے (پچاس ہزار روپے صرف) یا بورڈ کی طرف سے وقتاً فوقتاً متعین کردہ کے مطابق ہوگی۔
- ✓ ڈائریکٹرز اجلاسوں میں شرکت کے لئے سفری، قیام اور دیگر اخراجات کے بشمول تمام مناسب اخراجات لینے کے بھی اہل ہوں گے۔

بورڈ آف ڈائریکٹرز اور اسکی کمیٹیوں کی کارکردگی کی تشخیص

ہیومن ریسورس اینڈ ریمنریشن کمیٹی نے انفرادی بورڈ یا کمیٹی ارکان کی طرف سے جو بھی صورت ہو خود تشخیصی کے قائم شدہ میکانزم پر مبنی بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لیا ہے۔ مندرجہ بالا میکانیزم بورڈ کی طرف سے ہیومن ریسورس اینڈ ریمنریشن کمیٹی کی سفارش پر منظور کیا گیا۔

سی ای او کی کارکردگی کی تشخیص

سال کے دوران بورڈ کی ہیومن ریسورس اینڈ ریمنریشن کمیٹی نے تشخیصی نظام پر مبنی قائم شدہ کارکردگی کے مطابق سی ای او کی کارکردگی کا تعین کیا۔ مندرجہ ذیل معیار پر تشخیصی جائزہ لیا گیا:

- ✓ **قیادت**
- ✓ **پالیسی اور حکمت عملی**
- ✓ **لوگوں کی مینجمنٹ**
- ✓ **بزنس پراسیس/ مہارت**
- ✓ **گورننس اور تعمیل**
- ✓ **مالیاتی کارکردگی**
- ✓ **معاشرہ پر اثرات**

اس کے بعد، کمیٹی کی سفارش پر جائزہ کے بعد بورڈ کی طرف سے تشخیص کی منظوری دی گئی۔

ترتیب حصص داری اور حصص کی تجارت

ترتیب حصص داری اور اضافی معلومات اس رپورٹ سے منسلک ہیں۔ ڈائریکٹرز، ایگزیکٹو اور ان کے زوج اور چھوٹے بچوں کی طرف سے کمپنی کے حصص میں مندرجہ ذیل کے علاوہ کوئی تجارت نہیں کی گئی ہے۔

نام	شیئرز کی تعداد	قسم	تاریخ
جناب صداقت حسین	62	بیچے	18 دسمبر 2023ء
جناب مصطفیٰ الطاف سلیم	1	خریدے	20 اگست 2024ء

ہے۔ہم اپنے ملازمین کی جسمانی اور ذہنی صحت کی حفاظت، پیشہ ورانہ صحت کی خدمات کے سکوپ اور کوریج کو بڑھانے اور مسلسل اپنے پیشہ ورانہ صحت کے انتظام کے نظام کو بہتر بنانے کے لئے پُرعزم رہتے ہیں۔شکرگنج میں، ہمارے ملازمین کے لئے باقاعدگی سے صحت کی دیکھ بھال کی جاتی ہے۔اس کے علاوہ، ہم بہترصحت کے انتظام اور بیماری کی روک تھام کے لئے ملازمین کی صحت کا ریکارڈ رکھتے ہیں۔ہم ایک وقف صحت کے معاون نظام پر بھی گہری توجہ دیتے ہیں اور اپنے ملازمین کی صحت اور حفاظت کو یقینی بنانے کے لئے خصوصی بیماری کی جانچ فراہم کرتے ہیں۔ہم نے شکرگنج میں واقعات اور حادثات کے لئے جامع ایمرجنسی پلان بھی جاری کیا ہے اور کمپنی کے لئے حفاظتی انتظام اور خطرے کی روک تھام کا نظام قائم کیا ہے۔ہم منصوبہ کو بہتر بنانے، ملازمین کی روک تھام اور خود کی مدد بارے شعور کو بڑھانے اور ہنگامی صورتحال کو سنبھالنے کے لئے ٹیم کی صلاحیت کو بہتر بنانے کے لئے باقاعدگی سے ایمرجنسی مشق منظّم کرتے ہیں۔

بورڈ آف ڈائریکٹرز اور اسکی کمیٹیاں

بورڈ آف ڈائریکٹرز آٹھ ارکان پر مشتمل ہے جس میں سات مرد ارکان اور ایک خاتون رکن شامل ہے۔سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس، آڈٹ کمیٹی کے چار (4) اجلاس اور ہیومن ریسورس اینڈ ریمنریشن کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ذیل میں ہر ایک ڈائریکٹر کی حاضری دی گئی ہے۔

کیٹگری	نام ڈائریکٹر	تعداد حاضری
آزاد ڈائریکٹرز	جناب شعیب احمد خان	4
	محترمہ ثنا عاطف	3
نان ایگزیکٹو ڈائریکٹرز	جناب منظور حسین (چیئرمین)	4
	جناب بشیر احمد	5
	جناب محمد اقبال	3
ایگزیکٹو ڈائریکٹرز	جناب محمد سیف اللہ (چیف ایگزیکٹو آفیسر)	5
	جناب علی الطاف سلیم (ڈپٹی چیف ایگزیکٹو آفیسر)	5
	جناب مصطفیٰ الطاف سلیم	5

بورڈ نے حسبِ ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں:

نام کمیٹی	نام ارکان اور چیئرمین	تعداد حاضری
آڈٹ کمیٹی	جناب شعیب احمد خان (چیئرمین)	4
	جناب بشیر احمد	4
	جناب محمد اقبال	4
	محترمہ ثنا عاطف	4
ہیومن ریسورس اینڈ ریمنریشن کمیٹی	جناب شعیب احمد خان (چیئرمین)	1
	جناب منظور حسین	1
	جناب بشیر احمد	1

محفوظ،صحت منداور تعلیم یافتہ کمیونٹیز کا قیام ہیں۔ ہمارا سوشل ایکشن پروگرام (شکرگنج فاؤنڈیشن کے تحت) "Sukh Char Programme" عنوان کے تحت ہماری وسیع کمیونٹی میں سماجی خدمات کی ورائٹی مہیا کرتا ہے۔ان خدمات میں تعلیم،صحت کی حفاظت،فنون کی ترقی اور ہمارے ثقافتی ورثہ کی حفاظت شامل ہیں۔

ہمارا سکول کو اپنانے کا اقدام 35 مقامی گرلز اور بوائز سکولوں کو مدد فراہم کرتا ہے جس میں جہاں ضرورت ہو پینے کا صاف پانی، نیوٹریشن سپلیمنٹ، یونیفارمز، بنیادی ڈھانچہ کی بحالی اور اضافی سہولیات کی تعمیر شامل ہیں۔اولا لا فلیورڈ دودھ کی فراہمی ہماری باقاعدہ خصوصیت ہے اور دو سکولوں میں 235 طلباء کو اولا لا فلیورڈ دودھ مستقل بنیادوں پر فراہم کیا جا چکا ہے۔شکرگنج سٹیپرز فاؤنڈیشن کے ایجوکیشن پروگرام کو بھی مدد فراہم کرتی ہے۔تعلیم کو بنیادی تعاون فراہم کرنے کے مقصد کے ساتھ ایک پبلک سروسز کے طور پر شکرگنج کے پریمسز میں ٹیچرز ٹریننگ انسٹیٹیوٹ قائم کیا گیا ہے۔

شکرگنج سکول کے بچوں کو خصوصی مراعات بھی دیتا ہے جس میں سکول کے امتحانات میں اعلیٰ نمبرز حاصل کرنے والوں کو اسکالرشپس اور انعامات، سکول کے بچوں کے لئے کھیلوں کے مقابلے اور سکول کے بچوں اور اساتذہ کیلئے انٹر سکول خوشخطی کے مقابلے شامل ہیں۔ ہمارے ہیلتھ کیئر کے اقدامات ہماری وسیع کمیونٹی کے دروزے پر بنیادی طبی سہولیات فراہم کرتے ہیں۔ ماہر ڈاکٹروں، پیرامیڈیکل سٹاف کی تین ٹیموں اور موبائل ڈسپنسریوں نے سال کے دوران 11,000 سے زائد مریضوں کا علاج کیا۔

ہم اسکول آف آرٹ اینڈ کیلی گرافی میں سٹرکچر ٹریننگ پروگرام میں فنکارانہ مہارتوں کو بہتر بنانے میں مقامی ذہانت کو مدد فراہم کرتے ہیں۔سکول میں شکرگنج کے زیر انتظام ان فنکاروں کے کام کی نمائش اور ثقافتی ورثہ کی ترقی کیلئے ایک ڈسپلے سنٹر بھی قائم کیا گیا ہے۔سال 2024-2023 میں فیشن ڈیزائننگ اور فائن آرٹ بیچز میں کل 240 طلباء پاس آؤٹ ہوئے ہیں۔

صحت،حفاظت اور ماحول

جیسا کہ ہم ہمیشہ مثالی کارپوریٹ شہری بننے کا ارادہ رکھتے ہیں،صحت،حفاظت،اور ماحولیاتی خدشات ہمیشہ ہمارے اہم فوکل پوائنٹس ہیں۔ہم اپنے ملازمین،ٹھیکیداروں اور مہمانوں کے لئے صحت مند،محفوظ اور صاف حالات فراہم کرنے کے لئے مصروف عمل ہیں۔ایک اچھا کام کرنے والا ماحول فراہم کرنے میں حفاظت سے زیادہ کسی اور کو اعلیٰ ترجیح نہیں دی جاتی ہے اور ہم شدید چوٹ اور حادثے کے اوقات کو صفر درجہ تک کم کرنے کے لئے مسلسل کوشاں رہتے ہیں۔شکرگنج ٹیم کے تقریباً بارہ سوار اکین نے پاکستان ہلال احمر سوسائٹی۔پنجاب اور ریسکیو 1122 کے تعاون سے ابتدائی طبی امداد میں پیشہ ورانہ تربیت اور سرٹیفکیٹ حاصل کرنے کے لئے منظّم پروگرام میں حصہ لیا ہے۔مزید برآں،ٹیم شکرگنج کے تقریباً 65 ارکان نے W.W.F کے ورک پلیس سیفٹی اور ڈیسنٹ ورک میں حصہ لیا ہے۔ممکنہ حادثات سے نمٹنے کے لئے حفاظتی اقدامات اور ٹریننگ اور بروقت ردعمل کے طریقہ کار نے شدید زخم اور حادثات کو کم سے کم کیا۔

ماحولیاتی تحفظ کے معاملات کو ہمیشہ منافع کے خدشات سے زیادہ ترجیح دی جاتی ہے۔شکرگنج اپنی تمام مصنوعات کو قابل تجدید فصلوں اور خام مال سے پیدا کرتی ہے اور ہمارے ماحول کو نقصان پہنچانے کی لاگت میں منافع بنانے میں یقین نہیں رکھتی ہے۔ہم فعال طور پر اپنی کمیونٹی میں اور قومی سطح پر ماحولیاتی تحفظ کی سرگرمیوں کو فنڈ اور معاونت دیتے ہیں۔بجلی کی بچت اور 'صفر' ضیاع کا مقصد ہماری اہم ماحول دوست پالیسیاں ہیں۔ ہماری پروڈکشن لائنوں میں چینی کی بائی مصنوعات کے استعمال نے فوسل فیولز کے استعمال اور فضلہ کو ضائع کرنے کے مسائل کو نمایاں طور پر کم کر دیا ہے۔ ہمارے پیداواری عمل میں ڈسٹلری سپینٹ واش قطعی ویسٹ مصنوعات ہے۔اب اسے حیاتیاتی طریقہ سے بطور ایندھن بائیو گیس تیار کی جاتی ہے اور پانی آبپاشی کے لئے استعمال کیا جاتا ہے۔اس کے علاوہ ہم زمین کے حیاتیاتی کیڑوں کے کنٹرول، نامیاتی زراعت کی تکنیک،اور تمام قدرتی غذائی اجزاء کی واپسی اور فروغ دینے کی حوصلہ افزائی کرتے ہیں جو کہ ملوں تک شوگر کین کی سپلائی سے لائے جاتے ہیں۔ہم ورلڈ وائیڈ فنڈ فار نیچر- پاکستان کی سرگرمیوں کی بھرپور حمایت کرتے ہیں، پانی کے انتظام کے لیے باقاعدہ تربیتی اور تعلیمی پروگرام چلاتے ہیں اور ہر سال دوبار درخت لگانے کی مہم میں حصہ لیتے ہیں۔ہم نے موسم بہار اور خزاں کی شجر کاری مہموں کے دوران 8,500 پودے لگائے۔ایچ ایس ای کے بارے میں ہمارا نقطہ نظر ہمارے مشن زیرو ایجنڈا میں واضح ہے جو صفر حادثات اور کام سے متعلق بیماریوں کو ہدف بناتا ہے۔مشن زیرو ایجنڈا کو مؤثر طریقے سے نافذ کرنے کے لئے، ہم اپنے لوگوں کو بااختیار بناتے ہیں اور ان کی حوصلہ افزائی کرتے ہیں کہ وہ اپنا کردار ادا کریں۔HSE کا ہمارا نقطہ نظر ہمارے مشن زیرو ایجنڈا میں ظاہر ہوتا ہے جو صفر حادثات اور کام سے متعلق کمیوں کو نشانہ بناتا ہے۔مشن زیرو ایجنڈا کو مؤثر طریقے سے نافذ کرنے کے لئے، ہم اپنے لوگوں کو اپنے حصہ کا کردار ادا کرنے کے لئے بااختیار بناتے اور حوصلہ افزائی کرتے ہیں۔ہم سب کو اپنے کام کی جگہوں کو محفوظ رکھنے میں اپنے حصہ کا کردار ادا کرنا چاہئے۔سب سے زیادہ مؤثر طریقوں میں سے ایک جو ہم کر سکتے ہیں اپنے اردگرد کے خطرات کے بارے میں آگاہ رہنا اور ان سے نمٹنے کے لئے کارروائی کرنا ہے۔لہٰذا ہم اپنے تمام لوگوں کی فعال طور پر ان کے کام کے ماحول کا باقاعدگی سے جائزہ لینے اور کسی بھی شناختی خطرات کی اطلاع دینے کے لئے سرگرمی کی حوصلہ افزائی کرتے ہیں۔اس کے نتیجے میں، ہم نے بغیر لوسٹ ٹائم انجری کے 3.16 ملین سیف ورکنگ مین گھنٹے حاصل کیے ہیں۔

ایک محفوظ اور صحت مند کام کے ماحول کو یقینی بنانے کے لیے، کمپنی اپنی صحت اور حفاظت کے طریقوں کو وبائی مرض کی ڈیویلپمنٹ کے مطابق ڈھال رہی ہے۔کمپنی کے احاطے کے اندر سخت چیکنگ کو یقینی بنایا گیا ہے اور اقدامات میں عملے کی درجہ بندی بھی شامل ہے جو بلاتعطل کارروائیوں کے لیے دفتر میں موجود ہونا ضروری ہے۔

شکرگنج ماحولیات، آلودگی کی روک تھام، اور قابل اطلاق قانونی اور دیگر ضروریات کی تعمیل کی طرح، اپنے ملازمین کو ان کے فرائض انجام دینے کے لئے ایک صحت مند اور محفوظ کام کی جگہ فراہم کرنے کے لئے پرعزم

ملین روپے بعداز ٹیکس نقصان کیا۔ کمپنی نے شکرگنج فوڈ پراڈکٹس لمیٹڈ میں اپنی ایکویٹی اکاؤنٹڈ انویسٹمنٹ میں پچھلے سال 87.83 ملین روپے منافع کے مقابلے میں 137.33 ملین روپے نقصان کیا۔

بنیادی خطرات اور غیر یقینی صورتحال کا مقابلہ

کمپنی کو درپیش بنیادی خطرات اور غیر یقینی صورتحال حسبِ ذیل ہیں۔

- ✓ چینی کی قیمت فروخت کے مقابلے گنے کی زیادہ قیمت خرید۔
- ✓ تیار پراڈکٹس پر بھاری ٹیکسز، سیلز ٹیکس ریٹس۔
- ✓ آبپاشی کے لیے پانی کی کمی، فصل کی فی ایکڑ پیداوار میں کمی اور کم صلاحیتی استعمالات۔
- ✓ نقصان دہ سیاسی دلچسپیاں
- ✓ زراعت پر مبنی صنعت، قدرتی آفات کے حالات کے اصل خطرات۔
- ✓ پیداوار اور لیبر کی لاگت میں اضافہ۔
- ✓ آپریشنل اخراجات میں مجموعی افراطِ زر میں اضافہ۔
- ✓ ماحولیاتی تعلقات اور شوگر فری مصنوعات۔
- ✓ روپے کی قدر میں مزید کمی لاگت میں اضافہ پر منتج ہوگی۔

جامع انٹرنل کنٹرول

کمپنی کے انٹرنل کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اسے مؤثر طریقے سے لاگو اور نگرانی کی جاتی ہے۔ بورڈ آف ڈائریکٹرز انٹرنل کنٹرولز کے ماحول کی بابت اپنی ذمہ داریوں سے آگاہ ہے اور اس کے مطابق آپریشنز کی مؤثرگی کو یقینی بنانے، کمپنی کے اثاثوں کی حفاظت، قابل اطلاق قوانین وضوابط کی تعمیل اور قابل اعتماد مالی رپورٹنگ کیلئے انٹرنل فنانشل کنٹرولز کا مؤثر نظام قائم کیا ہے۔ آؤٹ سورس خودمختار انٹرنل آڈٹ فنکشن کام کررہا ہے اور ایسا فنکشن فنانشل کنٹرولز کے اطلاق کی باقاعدگی سے تشخیص اور نگرانی کرتا ہے۔ بورڈ کی آڈٹ کمیٹی، سہ ماہی بنیاد پر باقاعدگی سے انٹرنل کنٹرول فریم ورک اور مالیاتی حسابات کی مؤثرگی کا جائزہ لیتی ہے۔

آڈیٹرز

آڈیٹرز کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہوجائیں گے اور انہوں نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ بورڈ نے، آڈٹ کمیٹی کی سفارش پر آئندہ سالانہ جنرل میٹنگ میں ممبران کے غور کے لیے کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو بطور آڈیٹر دوبارہ مقرر کرنے کی سفارش کی ہے۔

کارپوریٹ سماجی ذمہ داری

ہم کمیونٹیز، جس میں کاروبار کرتے ہیں، میں فعال طور پر حصہ لینے اور ماحول کو بہتر بنانے کے مواقع تلاش کرتے ہیں۔ بنیادی توجہ کے ہمارے شعبے تعلیم، صحت اور حفاظت، توانائی کی بچت، فضلہ کی کمی اور کمیونٹیز کی تعمیر ہیں۔ سال کے دوران شکرگنج نے ان سرگرمیوں میں 22.62 ملین روپے کا حصہ شامل کیا۔ کارپوریٹ کمیونٹی کا ایک ذمہ دار رکن ہونے کی حیثیت سے، شکرگنج نے ہمیشہ ٹیکسز اور دیگر حکومتی لیویز کی مد میں قومی معیشت میں کافی حصہ شامل کیا ہے۔ کمپنی کا وفاقی، صوبائی اور ملکی ٹیکسز کا حصہ زیرِ جائزہ سال کے دوران 1,434 ملین روپے تھا۔

شکرگنج میں، کارپوریٹ سماجی ذمہ داری (سی ایس آر) ایک بنیادی اسٹریٹجک مینجمنٹ چلاتی ہے جو ہمارے کاروبار، ماحول اور سٹیزن شپ کو اس انداز سے قائم کرتی ہے جو ہمارے وژن کو مدد دیتی ہے اور ہماری اقدار کو برقرار رکھتی ہے۔ ہمارا مقصد کمیونٹیز جس میں ہم کاروبار کرتے ہیں میں ایک مثبت کردار ادا کرنا ہے۔ ہماری کمیونٹی انوالومنٹ پالیسی ہمارے اخلاقی رویہ کے بنیادی عناصر میں سے ایک ہے۔ ہمارا مشترکہ مقصد ڈلیور کرنے کیلئے مقامی کمیونٹیز کے ساتھ طویل مدتی تعلقات تعمیر کرنے میں مصروف ہمارے پروگرامز، منصوبے جو براہِ راست مقامی ضروریات کو پورا کرتے ہیں میں وقت اور ذرائع کی سرمایہ کاری کے ذریعے مضبوط،

ڈائریکٹرز کی رپورٹ

محترم شکر گنج حصص داران:

شکر گنج لمیٹڈ ("کمپنی") کے ڈائریکٹرز 30 ستمبر 2024ء کو ختم ہونے والے مالی سال کے لئے اپنی رپورٹ معہ کمپنی کے نظر ثانی شدہ مالیاتی حسابات بخوشی پیش کر رہے ہیں۔

کمپنی کے معاملات کی حالت اور اس کے کاروبار کا جائزہ

کمپنی پاکستان میں قائم ہوئی اور پاکستان سٹاک ایکسچینج پر مندرج ہے۔ یہ بنیادی طور پر چینی ، بائیو فیول ، یارن (ٹیکسٹائل) کی تیاری، خریداری اور فروخت کے کاروبار میں مشغول ہے۔ کمپنی کی بنیادی مینوفیکچرنگ سہولیات جھنگ اور سیٹلائٹ مینوفیکچرنگ سہولیات بھون میں واقع ہیں۔

مالیاتی نتائج:

کمپنی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

روپے ہزاروں میں

2023	2024	
9,561,824	8,831,779	آمدن
(322,715)	(2,022,994)	مجموعی نقصان
(935,593)	(2,677,667)	آپریشنز سے نقصان
87,325	(137,330)	ایکوئٹی سے نقصان/ نفع کا حصہ بلحاظ سرمایہ کاری
(863,213)	(3,074,175)	قبل از لیوی اور ٹیکس نقصان
(116,218)	(109,639)	لیوی
433,212	126,370	انکم ٹیکس
(546,219)	(3,057,444)	بعد از انکم ٹیکس نقصان
(4.37)	(24.46)	نقصان فی شیئر۔ بنیادی اور معتدل (روپے)

کمپنی کے کاروبار کا جائزہ

کرشنگ سیزن صرف 91 دنوں تک جاری رہا اور یہ شکر گنج کی تاریخ میں سب سے مختصر کرشنگ سیزن میں سے ایک تھا۔ مشکل سیزن کا سامنا کیا گیا کیونکہ چینی کی فروخت کی قیمت میں اضافے کے بغیر سیزن کے دوران گنے کی خریداری کی قیمتیں آسمان کو چھو گئیں۔ کاروباری ماحول ایسا تھا کہ کمپنی بھاری نقصان کے ساتھ گنے کو کرش کرنے پر مجبور تھی۔ سیزن کے آغاز میں گنے کی امدادی قیمت 400 روپے فی 40 کلوگرام تک بڑھا دی گئی تھی جیسا کہ پنجاب حکومت نے نوٹیفکیشن جاری کیا تھا۔ تاہم کسان اس نرخ پر گنے کی فراہمی کے لیے تیار نہیں تھے اور ملیں 500 روپے فی 40 کلوگرام سے بھی زیادہ قیمت پر گنے خریدنے پر مجبور تھیں۔ گنے کی ممکنہ قیمتوں پر دستیابی نہ ہونے کی وجہ سے 12 فروری 2024 کو بھون ڈویژن اور 23 فروری 2024 کو جھنگ ڈویژن میں کرشنگ مہم بند کر دی گئی۔ انتہائی مشکل صورتحال کے باوجود آپ کی کمپنی 778,454 میٹرک ٹن گنے کو کرش کرنے میں کامیاب رہی جبکہ پچھلے سال اسی عرصے میں 1,019,181 میٹرک ٹن گنے کی کرشنگ کی گئی تھی۔

مذکورہ صورتحال کی وجہ سے ایک بڑا چیلنج درپیش ہے کیونکہ چینی کی قیمت کبھی طے نہیں کی گئی بلکہ حکومت نے مختلف اقدامات کر کے اس پر منفی کنٹرول کیا۔ ہمارے بائیو فیول کے کاروبار کو بین الاقوامی مارکیٹ میں کم طلب اور ممکنہ قیمتوں پر مولاسز کی عدم دستیابی کی وجہ سے بھی نقصان پہنچا تھا۔ یارن مارکیٹ کی مجموعی صورتحال اور ٹیکسٹائل سیکٹر میں مشکل کاروباری ماحول جاری رہنے کی وجہ سے ہمارا ٹیکسٹائل کا کاروبار بھی بری طرح متاثر ہوا ہے لہٰذا سال کے دوران پلانٹ نہیں چل سکا۔

کمپنی نے پچھلے سال کے دوران 322.72 ملین روپے مجموعی نقصان کے مقابلے میں اس سال کے دوران 2,022.99 ملین روپے مجموعی نقصان کیا۔ پچھلے سال 935.59 ملین روپے نقصان کے مقابلے میں آپریشنز سے نقصان 2,677.67 ملین روپے تھا۔ کمپنی نے ٹیکس سے پہلے 3,183.81 ملین روپے نقصان اور پچھلے سال ٹیکس کے بعد 546.22 ملین روپے کے نقصان کے مقابلے میں ٹیکس کے بعد 3,057.44

10۔ **سی ای او کی کارکردگی کا جائزہ:** بورڈ منصفانہ اور منظّم طریقے سے سی ای او کی کارکردگی کی تشخیص کرتا ہے اور اس بات کو یقینی بناتا ہے کہ سی ای او کی تنخواہ کمپنی کی کارکردگی، حصص داران کے مفادات اور کمپنی کی طویل مدتی کامیابی سے موزوں طور منسلک ہے۔

11۔ **بورڈ کی ساخت اور متحرکات:** بورڈ کا سائز اور ساخت بورڈ کے طریقہ کار کو کنٹرول کرنے کے لئے کافی ہے اور اراکین بورڈ کے کام میں فعال طور پر مصروف ہیں۔ بورڈ اپنی ذمہ داریوں کی ادائیگی کے لئے کافی ضروریات کو پورا کرتا ہے۔

مجموعی طور پر، میں سمجھتا ہوں کہ سخت معاشی صورتحال کے باوجود اگلے تین سالوں کے لئے کمپنی کی اسٹریٹجک سمت واضح اور مناسب ہے۔ مزید یہ کہ مجموعی کارپوریٹ حکمت عملی تیار کرنے اور اس کے جائزہ لینے میں اپنائے جانے والے عمل اور کمپنی کے مقاصد کی تکمیل جامع ہے۔ یہاں میں انتظامیہ اور اپنے لوگوں کو ان کے عزم، استقامت اور آزمائش کی اس گھڑی میں انتھک تعاون کے لیے بھی تسلیم کرنا چاہوں گا، وہ گزشتہ چند سالوں کی مشکلات کے باوجود ہمارے ساتھ ثابت قدم رہے اور ڈیلیور کرتے رہے۔

میں مسلسل تعاون کے لیے تمام اسٹیک ہولڈرز کا شکریہ ادا کرنا چاہوں گا، اور مجھے امید ہے کہ کمپنی کی آپ کی سرپرستی آنے والے سالوں میں بھی جاری رہے گی۔

منظور سین

چیئرمین

06 جنوری 2025ء

چیئرمین کی جائزہ رپورٹ

مجھے شکر گنج لمیٹڈ کے حصص داروں کے سامنے بورڈ کی مجموعی کارکردگی اور کمپنی کے اغراض ومقاصد کے حصول میں اس کے کردار کی تاثیر کی یہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔

شکر گنج نے کاروباری معاملات کا ایک مؤثر اور محتاط انتظامات کا حمایتی مضبوط گورننس فریم ورک لاگو کیا ہے جو کمپنی کی طویل مدتی کامیابی حاصل کرنے میں اہم کردار ادا کرتا ہے۔

سال کے دوران بورڈ کمیٹیوں نے بڑی صلاحیت کے ساتھ کام جاری رکھا۔ آڈٹ کمیٹی نے خاص طور پر کاروبار سے منسلک خطرات کے انتظام اور کنٹرول پر توجہ مرکوز رکھی ہے۔ ساتھ ہی ساتھ، ہیومین ریسورس اور ریمنریشن کمیٹی نے اس بات کو یقینی بنایا ہے کہ کارکردگی کے انتظامات، ایچ آر عملے، معاوضہ اور فوائد کے بارے میں ایچ آر کی پالیسیاں مارکیٹ کے مقابلہ کی ہیں اور صرف کمپنی کی کارکردگی اور حصص داران کے مفادات کے ساتھ نہیں بلکہ کمپنی کی طویل مدتی کامیابی سے بھی موزوں طور پر منسلک ہیں۔

بورڈ نے مجموعی طور پر سالانہ رپورٹ اور مالی حسابات کا جائزہ لیا ہے، اور خوشی سے اس بات کی تصدیق کی ہے کہ مجموعی طور پر لی گئی ان کی جائزہ رپورٹ اور مالی حسابات، منصفانہ، متوازن اور قابل فہم ہیں۔

بورڈ خود تشخیصی کی بنیاد پر، مالی سال کے اختتام کے بعد ہر سال اپنی مؤثر گی اور کارکردگی کا جائزہ لیتا ہے۔ اس طرح کا گذشتہ جائزہ مالی سال 2024 کے لئے اکتوبر 2024 میں کیا گیا تھا۔ بورڈ کی مجموعی طور پر مؤثر گی اطمینان بخش تھی۔ شعبے جن میں بہتری کی ضرورت ہے ان پر مناسب طریقے سے غور وخوض کیا گیا ہے اور موزوں کارروائی کے منصوبے تیار کئے گئے ہیں۔

مجموعی تشخیص مندرجہ ذیل لازمی اجزاء کی تشخیص پر مبنی تھی:

1۔ **نقطہ نظر، مشن اور اقدار:** بورڈ کے اراکین موجودہ نقطہ نظر، مشن اور اقدار سے واقف ہیں اور تنظیم کے لئے انہیں موزوں پاتے ہیں۔

2۔ **اسٹریٹجک منصوبہ بندی میں مصروفیت:** بورڈ حصص داروں کو بخوبی سمجھتا ہے جن کو تنظیم خدمات فراہم کرتی ہے یعنی اپنے حصص داران، زمیندار، صارفین، ملازمین، وینڈرز، معاشرہ وغیرہ۔ بورڈ کا اسٹریٹجک نقطہ نظر ہے کہ اگلے تین سے پانچ سالوں میں تنظیم کو کس طرح تیار رہنا چاہئے اور اس کی ترقی کو ٹریک کرنے کے لئے اہم اشاروں کی نشاندہی کی ہے۔

3۔ **پالیسیوں کی تشکیل:** بورڈ نے ایسی پالیسیاں تشکیل دی ہیں جو بورڈ کی ذمہ داری اور کمپنی کے آپریشنز کے تمام ضروری شعبوں کا احاطہ کرتی ہیں۔

4۔ **تنظیم کی کاروباری سرگرمیوں کی نگرانی:** بورڈ تنظیم کی موجودہ کاروباری سرگرمیوں بشمول ہر ایک اہم سرگرمی کی مضبوطی اور کمزوری کے بارے بخوبی واقف ہے اور سرگرمی/شعبہ وار کارکردگی کی نگرانی کے لئے ایک مؤثر طریقہ کار رکھتا ہے۔

5۔ **مالی وسائل کے انتظام کی مہارت:** بورڈ کمپنی کے مالی وسائل کے انتظامات سے متعلق اہم پہلوؤں کے بارے میں جانتا ہے اور بروقت بنیاد پر مناسب سمت اور نگرانی فراہم کرتا ہے۔

6۔ **مؤثر مالی نگرانی کی فراہمی:** بورڈ یقینی بناتا ہے کہ بجٹ سالانہ اسٹریٹجک منصوبہ میں قائم ترجیحات کی عکاسی کرتا ہے اور یہ اکاؤنٹس کے آڈٹ یا آزاد آزمائشی پر قابو پانے والے قواعد و ضوابط پر عمل کرتا ہے اور آزاد آڈیٹر کی رپورٹ اور مینجمنٹ لیٹر میں تمام سفارشات پر غور کرتا ہے۔

7۔ **ایک ذمہ دار آجر کا کردار ادا کرنا:** بورڈ نے ضروری پالیسیاں تشکیل دی ہیں جو اس بات کو یقینی بناتی ہیں کہ تنظیم عملے، ٹھیکیداروں، وینڈرز اور اس کی جانب سے کام کرنے والے کسی دوسرے فرد کی طرف مناسب اور قانونی طریقے کا سلوک روا رکھتی ہے۔

8۔ **بورڈ اور عملہ کے درمیان تعلقات:** بورڈ اور انتظامی عملے کے کردار اور ذمہ داریوں کی واضح طور پر وضاحت، فہم، باہمی اعتماد کا ماحول اور بورڈ اور انتظامیہ کے درمیان احترام موجود ہے۔

9۔ **تنظیم کے بارے عوامی تصور:** بورڈ کے ارکان کمیونٹی میں تنظیم کے مثبت تصور کو فروغ دیتے ہیں۔

FORM OF PROXY

I/We ____, being member(s) of Shakarganj Limited and holder of ____________________ Shares as per Folio No.__________/CDC Participation ID # _______________ and Sub Account # _______________ /CDC Investor Account ID #______________do hereby appoint ______________________________________ of ______________________________ having Folio No.________CDC Participation ID # __________ and Sub Account # _________/CDC Investor Account ID #______________as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of Shakarganj Limited scheduled to be held on Tuesday, 28 January 2025 at 11:00 a.m at the Executive Floor, IT Tower, 73 E 1, Hali Road, Gulberg III, Lahore and through video-link to transact the following Ordinary Business:

As witness my / our hand this ___________________________ day of ___________________________ 2025.

1. Name ____

C.N.I.C ____

Address ______________________________________

____

Please affix here Revenue Stamp of Rs. 50/-

2. Name ____

C.N.I.C ____

Address ______________________________________

____

Notes:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instrument appointing a Proxy together with the Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Share Registrar Office of the Company, CorpTec Associates (Private) Limited, 503-E, Johar Town, Lahore, not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular# 1 dated January 26, 2000 of the Securities and Exchange Commission of Pakistan for appointing Proxies:

   i) In case of individuals, the account holder or sub-account holder whose securities and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

   ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

   iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

   iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.

   v) In case of a corporate entity, the Board of Directors' resolution/Power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

مختارنامہ

میں/ہم ______________________________ کا/کے ______________________________

بحیثیت رکن شکرگنج لمیٹڈ اور حامل ____________ حصص، بمطابق فولیو نمبر ______________ سی ڈی سی پارٹیسپینٹ (شرکت) آئی ڈی نمبر ______________

اور سب اکاؤنٹ (ذیلی کھاتہ) نمبر ____________ / سی ڈی سی سرمایا کارانہ اکاؤنٹ نمبر ______________ محترم / محترمہ ______________

کو اپنے /ہمارے ایماء پر مورخہ **28** جنوری 2025 بروز منگل صبح 11:00 بجے ایگزیکٹو فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، گلبرگ III، لاہور پر اور ویڈیو لنک کے ذریعے منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا/ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں/ کرتے ہیں۔

آج بروز ____________ بتاریخ ____________ 2025ء کو دستخط کیے گئے۔

گواہان:

1۔ دستخط: ______________________

نام: ______________________

پتہ: ______________________

____

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

2۔ دستخط: ______________________

نام: ______________________

پتہ: ______________________

____

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

____

پچاس روپے مالیت کے رسیدی ٹکٹ پر دستخط

دستخط کمپنی کے نمونہ دستخط سے مماثل ہونے چاہیں

نوٹ:

1۔ ایک ممبر (رکن) جو اجلاس میں شرکت اور ووٹ دینے کا مجاز ہوا، اپنی جگہ کسی کو بطور نائب شرکت کرنے اور ووٹ دینے کا حق تفویض کرسکتا ہے۔

2۔ پاور آف اٹارنی کے ساتھ ایک پراکسی کا تقرر کرنے والا آلہ، اگر کوئی ہو، جس کے تحت اس پر دستخط کیے گئے ہیں۔ یا اس کی نوٹیریال تصدیق شدہ کاپی، کمپنی کے شیئر رجسٹرار آفس CorpTec ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، E-503، جوہر ٹاؤن، لاہور میں اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے جمع کرائی جائے،

3۔ سی ڈی سی اکاؤنٹ ہولڈرز کو پراکسیز کی تقرری کے لیے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر نمبر 1 مورخہ 26 جنوری 2000 میں مزید بیان کردہ مندرجہ ذیل گائیڈ لائنز پر عمل کرنا ہوگا۔

i) فرد یا اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر ہونے کی صورت میں جس کی سیکیورٹیز اور ان کی رجسٹریشن کی تفصیلات قواعد وضوابط کے مطابق اپلوڈ ہوں، اپنا مختارنامہ اوپر دی گئی ہدایات کے مطابق جمع کروائیں گے۔

ii) مختارنامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہوں۔

iii) بینیفیشل اونرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوگی جسے نائب مختارنامے کے ہمراہ پیش کرے گا۔

iv) اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

v) کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن)، بورڈ آف ڈائریکٹرز کی قرارداد/ مع نامزد کردہ شخص/اٹارنی کے نمونہ دستخط پاور آف اٹارنی (اگر پہلے فراہم نہ کیے گئے ہوں) پراکسی فارم (مختارنامے) کے ہمراہ کمپنی کو جمع کرانا ہوگا۔

CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

M/s Corptec Associates (Private) Limited
503-E Johar Town, Lahore
Email: info@corptec.com.pk

SUBJECT: CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

Dear Sirs,

I/we, being the shareholder(s) of Shakarganj Limited ("Company"), do hereby consent and authorize the Company for electronic transmission of the Audited Annual Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

1. Name of Shareholder(s) : ______________________________

____

2. Fathers / Husband Name:______________________________

____

3. CNIC: ______________________________

____

4. NTN: ______________________________

____

5. Participant ID / Folio No: ______________________________

____

6. E-mail address: ______________________________

____

7. Telephone: ______________________________

____

8. Mailing address:______________________________

____

Date: ____________________
Signature:
(In case of corporate shareholders,
the authorized signatory must sign)

سالانہ رپورٹ اوراے جی ایم نوٹس کی
الیکٹرانک ٹرانسمیشن کی اجازت کا فارم

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

E-503، جوہر ٹاؤن، لاہور

ای میل info@corptec.com.pk

عنوان: سالانہ رپورٹ اوراے جی ایم نوٹس کی الیکٹرانک ٹرانسمیشن کی اجازت کا فارم

جنابِ عالی:

میں/ہم بذریعہ ہذا شکر گنج لمیٹڈ (''کمپنی'') کا/کے شیئر ہولڈر (ہولڈرز) ہونے کے ناطے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس بمع سالانہ اجلاسِ عام کے نوٹس کی، ذیل میں دیئے گئے ای میل کے ذریعے الیکٹرانک ٹرانسمیشن کی اجازت اور اختیار دیتا ہوں/دیتے ہیں اور اپنے ای میل ایڈریس میں کسی تبدیلی کی کمپنی کو فوری طور پر اطلاع دینے کا وعدہ کرتا ہوں/کرتے ہیں۔

میں سمجھتا ہوں کہ کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس بمع سالانہ اجلاسِ عام کے نوٹس کی ای میل کے ذریعے ٹرانسمیشن سے ان تقاضوں کی تکمیل ہوگی جن کا کمپنیز ایکٹ، 2017ء کی دفعات کے تحت ذکر کیا گیا ہے۔

1۔شیئر ہولڈر (ہولڈرز) کا نام..

2۔والد/شوہر کا نام..

3۔سی این آئی سی..

4۔این ٹی این..

5۔پارٹیسپنٹ آئی ڈی/فولیو نمبر..

6۔ای میل ایڈریس ....

7۔فون نمبر:..

8۔میلنگ ایڈریس: ....

....

دستخط

(کارپوریٹ شیئر ہولڈرز کی صورت میں،
مجاز دستخط کنندہ لازمی دستخط کرے)

تاریخ:...

STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of member: ____

____

2. CNIC No/Passport No: ____

____

3. Folio/CDC Participant ID/ Sub a/c/Investor a/c: ____

____

4. Registered Address: ____

____

____

I/We hereby request you to provide me/us a hard copy of the Annual Report of Shakarganj Limited for the year ended September 30, ______at my above mentioned registered address instead of CD/DVD/USB. I undertake to intimate any change in the above information through revised Standard Request Form.

Date: Member's Signature:

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73/E-1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.

معیاری درخواست فارم برائے سالانہ آڈٹ شدہ حسابات کی ہارڈ کاپیز

ممبر کا نام:..

سی این آئی سی نمبر/ پاسپورٹ نمبر..

فولیو/سی ڈی سی پارٹیسپنٹ آئی ڈی/ سب a/c انویسٹر a/c ....

رجسٹرڈ ایڈریس:..

میں/ہم آپ سے درخواست کرتا ہوں/کرتے ہیں کہ مجھے/ہمیں شکر گنج لمیٹڈ کے 30 ستمبر .... کو ختم ہونے والے سال کی سالانہ رپورٹ کی ہارڈ کاپی، سی ڈی/ ڈی وی ڈی/ یو ایس بی کے بجائے میرے مذکورہ بالا رجسٹرڈ پتے پر فراہم کی جائے۔ میں وعدہ کرتا ہوں کہ میں مذکورہ بالا معلومات میں کسی تبدیلی کی اطلاع نظر ثانی شدہ معیاری درخواست فارم کے ذریعے دوں گا/ دیں گے۔

تاریخ.....................................

....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپنڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جا سکتا ہے۔

کمپنی سیکرٹری

شکر گنج لمیٹڈ

E فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور

ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

انڈیپنڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ

E-503، جوہر ٹاؤن، لاہور

ای میل: info@corpetc.com.pk

اگر کوئی ممبر مستقبل کے تمام سالانہ آڈٹ شدہ حسابات کی ہارڈ کاپیوں کی وصولی کو ترجیح دیتا ہے تو اس ترجیح کے بارے میں کمپنی کو تحریری طور پر مطلع کیا جائے۔

E-DIVIDEND FORM (DIVIDEND PAYMENT THROUGH ELECTRONIC MODE)

The Company Secretary/Share Registrar,

I/We, ____________________________, holding CNIC No. ______________________, being the registered shareholder of the company under folio no. ___________________, state that pursuant the relevant provisions of Section 242 of the Companies Act, 2019 pertaining to dividend payments by listed companies, the below mentioned information relating to my Bank Account for receipt of current and future cash dividends through electronic mode directly into my bank account are true and correct and I will intimate the changes, if any in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur through revised E-Dividend Form.

Title of Bank Account	
Bank Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	

In case of CDC shareholding, I hereby also undertake that I shall update the above information of my bank account in the Central Depository System through respective participant.

Date: Member's Signature:

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73 E 1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

ای۔ڈیویڈنڈ فارم (الیکٹرانک طریقے سے ڈیویڈنڈ کی ادائیگی)

دی کمپنی سیکرٹری/شیئر رجسٹرار،

میں / ہم...................حامل سی این آئی سی نمبر...................فولیونمبر...................کے تحت کمپنی کے رجسٹرڈ شیئر ہولڈر ہونے کی حیثیت سے بیان کرتا ہوں کہ لسٹیڈ کمپنیوں کی طرف سے ڈیویڈنڈ کی ادائیگیوں سے متعلق کمپنیز ایکٹ، 2017ء کے سیکشن 242 کی متعلقہ دفعات کی رُو سے موجودہ اور مستقبل کے کیش ڈیویڈنڈز کی الیکٹرانک طریقے سے براہِ راست میرے بینک اکاؤنٹ میں وصولی کے لئے ذیل میں دی جانے والی معلومات صحیح اور درست ہیں۔ اگر اوپر بیان کردہ معلومات میں کوئی تبدیلی ہوئی تو جیسے ہی یہ تبدیلی ہوگی میں نظر ثانی شدہ ای۔ڈیویڈنڈ فارم کے ذریعے کمپنی اور متعلقہ شیئر رجسٹرار کو فوری طور پر اس کی اطلاع دوں گا۔

ٹائٹل آف بینک اکاؤنٹ	
بینک اکاؤنٹ نمبر	
آئی بی اے این نمبر	
بینک کا نام	
برانچ کا نام اور ایڈریس	
شیئر ہولڈر کا سیل نمبر	
شیئر ہولڈر کا لینڈ لائن نمبر	
شیئر ہولڈر کا ای میل	

سی ڈی سی شیئر ہولڈنگ کی صورت میں، میں بذریعہ ہذا یہ وعدہ بھی کرتا ہوں کہ متعلقہ پارٹیسپنٹ کے ذریعے سنٹرل ڈیپازٹری سسٹم میں اپنے بینک اکاؤنٹ کی مذکورہ بالا معلومات کو اپ ڈیٹ کروں گا۔

تاریخ...................................... ....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپینڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جاسکتا ہے۔

کمپنی سیکرٹری
شکر گنج لمیٹڈ
Eفلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور
ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو
میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
انڈیپینڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ
E-503، جوہر ٹاؤن، لاہور
ای میل: info@corpetc.com.pk

FORM FOR VIDEO CONFERENCE FACILITY

The Company Secretary/Share Registrar,

I/we,____________________________, of ______________________, being the registered shareholder(s) of the company under Folio No(s). ___________________/ CDC Participant ID No.___ and Sub Account No.___ CDC Investor Account ID No., and holder of ___________ Ordinary Shares, hereby request for video conference facility at __________________ for the Annual General Meeting of the Company to be held on _________________.

Date: Member's Signature:

Note:
This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73 E 1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

فارم برائے ویڈیو کانفرنس سہولت

دی کمپنی سیکرٹری/شیئر رجسٹرار،

.................سے تعلق رکھنے والا/ والے، میں/ہم.................................حامل...........................عام حصص فولیونمبر (نمبرز).................................../سی ڈی سی پارٹیسپنٹ ID نمبر............................اور سب اکاؤنٹ نمبر......................سی ڈی سی انویسٹرا کاؤنٹ ID نمبر.................کے تحت کمپنی کے رجسٹرڈ شیئر ہولڈر (ہولڈرز) کی حیثیت سے .... کو منعقد ہونے والے کمپنی کے سالانہ اجلاسِ عام کے لئے.............................میں ویڈیو کانفرنس سہولت کی درخواست کرتا ہوں/کرتے ہیں۔

تاریخ...................................   ....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپنڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جاسکتا ہے۔

کمپنی سیکرٹری

شکر گنج لمیٹڈ

E فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور

ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

انڈیپنڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ

E-503، جوہر ٹاؤن، لاہور

ای میل: info@corpetc.com.pk

Shakarganj Limited
Executive Floor, IT Tower, 73 E 1
Hali Road, Gulberg III, Lahore, Pakistan
Telephone: (042) 111 111 765
Fax: (042) 3578 3811