ANNUAL REPORT 2023



BABA FARID
SUGAR MILLS LIMITED



CONTENTS

CompanyInformation 02
VisionStatement,MissionStatement 03
CorporateStrategy,CoreValues 04
NoticeofAnnualGeneralMeeting 05
StatementofMaterialFacts 11
NoticeofAnnualGeneralMeeting(Urdu) 15
Chairman'sReview 23
Director'sReport 26
Director'sReportUrdu 32
6YearsOperatingResults 39
PatternofHoldingofShares 40
CategoriesofShareHolders 41
StatementofComplianceCodeofCorporateGovernance 43
IndependentAuditor'sReviewReporttotheMembers 46
IndependentAuditor'sReporttotheMembers 47
StatementofFinancialPosition 52
Statement of Profit or Loss 53
StatementofComprehensiveIncome 54
StatementofCashFlows 55
StatementofChangesinEquity 56
NotestotheFinancialStatements 57
ProxyForm

COMPANY INFORMATION

BOARDOFDIRECTORS

Mrs.QaiserShamimKhan	Chairperson
Mr.AdnanAhmedKhan	ChiefExecutive
Mr.MuhammadShamimKhan	ExecutiveDirector
Mr.NaumanAhmedKhan	Non-Executive
Mrs.SarahHajraKhan	Non-Executive
Mr.FaridudDinAhmed	IndependentDirector
Mr.MalikManzoorHussainHumayoon	IndependentDirector

CHIEFFINANCIALOFFICER

Mr.WasifMahmood

COMPANYSECRETARY

Mr.MuhammadImran

AUDITORS

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

MILLS

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

BANKERS

Habib Bank Limited
Bank Al-Habib Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
Bank Alfalah Limited
Soneri Bank Limited
Allied Bank Limited
Askari Bank Limited
NationalBankofPakistan-Aitemad



HUMANRESOURCES&REMUNERATION COMMITTEE

Mr.Farid-ud-DinAhmad	Chairman
Mr.AdnanAhmedKhan	Member
Mr.MalikManzoorHussainHumayoon	Member

AUDITCOMMITTEE

Mr.Farid-ud-DinAhmad	Chairman
Mrs.SarahHajraKhan	Member
Mr.MalikManzoorHussainHumayoon	Member

NOMINATIONCOMMITTEE

Mr.MalikManzoorHussainHumayoon	Chairman
Mr.Farid-ud-DinAhmad	Member

RISKMANAGEMENTCOMMITTEE

Mr.MalikManzoorHussainHumayoon	Chairman
Mr.Farid-ud-DinAhmad	Member

SHAREREGISTRAR

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

REGISTEREDOFFICE

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

LEGALADVISOR

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

VISION & MISSION STATEMENTS

OUR VISION



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

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

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

OUR MISSION

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





CORPORATE STRATEGY

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

CORE VALUES

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 45th Annual General Meeting of the Shareholders of the **Baba Farid Sugar Mills Limited** will be held on Saturday, **January 27, 2024 at 15:00 Hours** at Registered Office, 2-D-1, Gulberg III, Lahore and via video link/Zoom application, to transact following businesses:

ORDINARY BUSINESS:

1. To Confirm minutes of the 44th Annual General Meeting of the Baba Farid Sugar Mills Limited held on 27-01-2023 as submitted to PSX.

2. To receive, consider and adopt Annual Audited Financial Statements of the Company for the financial year ended 30th September 2023 together with Auditor's and Board of Directors' reports thereon.

3. To appoint Auditors of the Company for the next financial year 30th September, 2024 and to fix their remuneration. Present Auditors M/s. BDO Ebrahim & Co. Chartered Accountants, Lahore, retired and being eligible, have offered themselves for reappointment as Auditors of the Company.

SPECIAL BUSINESS:

4. To consider and approve the transactions carried out with related parties in normal course of business and if appropriate to pass the following resolutions as special resolutions with or without modification.

a) **"RESOLVED that** transactions carried out by the Company in the normal course of business with related parties for the period ended September 30, 2023 be and are hereby ratified, approved and confirmed"

Names(s)	Nature of Transactions	Amount (PKR)
Naubahar Bottling Company (Pvt.) Limited	Sale of Sugar Paid/recived/adjustment(net)	324,000,000 324,000,000
The Thal Industries Corporation Limited	Sale Store Items Purchases- Store items Paid/ received/adjustment (net)	7,371,000 2,451,200 4,919,800
Almoiz Industries Limited	Sale of scrap Paid/received/adjustment (net) Purchase – store items Purchase – other items	35,989,446 1,659,242 34,129,377 200,827

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

5. To consider, and if appropriate to pass following resolution, with or without modifications, as ordinary resolution regarding transmission of annual reports of the Company to all the shareholders of the Company through QR Enabled Code and Weblink as allowed by the SECP via S.R.O No. 389(1)/2023 dated March 21, 2023.

(a) **"Resolved that** transmission / circulation of annual Balance Sheet and Profit and Loss Accounts, Auditor's Report, Director's Report and Chairman's Review etc. (Annual Audited Accounts/Annual Report of the company, along with any and all other prescribed / notified / and required reports/information/notes etc., to all the shareholders of the Company through QR Enabled Code and Weblink be and is hereby approved and discontinuation of the mode of transmission/circulation of any or all aforesaid information/documents to the shareholders of the Company through CD/DVD/USB ect be and is hereby approved."

(b) **"Furtherresolvedthat**ChiefExecutiveofthecompanyorhisnomineebeandisherebyauthorizedandempowered singly and severally to complete and ratify all legal, regulatory, prescribed and notified formalities and requirements for the purpose of giving effect to above resolution and spirit and to do or cause to be done any and all acts, deeds, matters and things as may be necessary incidental, ancillary and expedient for abovementioned purposes and intents."

6. To transact any other business with the permission of the Chair.

BYORDEROFTHEBOARD



MUHAMMADIMRAN
CompanySecretary

Lahore:
December 26, 2023

NOTES:

1. ClosureofSharesTransferBooks:

Share Transfer Books of the Company will remain closed from 20-01-2024 to 27-01-2024 (both days inclusive).Notransferofshareswillbeacceptedforregistrationduringtheclosedperiod.However,transfer received at the office of the Company's Share Registrar Office at M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, Telephone No. 042-35916719, Email address: corplink786@gmail.com by the close of business hours on 19th January, 2024 will be treated in time for the entitlement of payoutofcashdividend(ifany).

2. AppointmentofProxy:

AmemberentitledtoattendandvoteattheAGMisentitledtoappointanothermemberasproxytoattend and vote instead of him/her. The instrument appointing a proxy must be received at the Registered Office of the Company not less than 48 hours before the time fixed for AGM.

3. OnlineArrangementsforAGM

InviewofDirectives/Instructions/GuidelinesofSECPandotherGovernmentDept./Institutionsasissued from time to time, listed companies are required to arrange for online along with physical participation in general meetings. Accordingly, the Company has made both arrangements while also ensuring compliancewithquorumandotherlegal/regulatoryrequirementsofgeneralmeetings.Shareholdersof the Company are encouraged to participate in AGM electronically through video link /Zoom Application andfurtherencouragedtoconsolidatetheirattendancethroughproxies.

(a) OnlineParticipationinAGMvisZoomapplication:

The shareholders may login and participate in the proceedings of AGM through their own smart phones/computersfromtheirownconvenientlocationsaftercompletingallformalitiesasrequiredfor verification and identification of shareholders to attend the AGM electronically, the Login facility will be openedabouthalfhourbeforestartofAGM



(b) The shareholders of BFSML, who wish to attend the AGM electronically through video link, are requested to register their following particulars by sending an e-mail at info@bfsml.com by or before the close of business hours (05:00 p.m) on 26-01-2024.

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

The video link and/or login credentials will be shared with the shareholders whose e-mail, containing all the requested particulars, are received at the given e-mail address by or before the date/time specified above.Foranyqueryregardingprocedure/requirementsofonlineparticipationinAGM,themembersmay please contact on the above cited e-mail address or at +92 42 35771066-71 during business hours.

(c) OnlineSubmissionofComments/Suggestions:
The shareholders are also encouraged to send their comments / suggestions in writing, related to the proposed agenda items of the AGM by sending an email at info@bfsml.com by the close of business hours (5:00 p.m.) on 26-01-2024.

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

(a) For Attending the Meeting (i) In case of Individuals, the account holder and/or sub-account holder whoseregistrationdetailsareuploadedaspertheCDCRegulations,shallauthenticatehis/heridentity bysubmittingonlinescan/photoofhis/heroriginalCNIC/PassportalongwithParticipantID&Account number at the time of login to the video link/Zoom application for attending online AGM. (ii) In case of corporateentity,scan/photooftheBoard'sresolution/powerofattorneywithspecimensignatureof thenomineeshallbesubmittedonline(unlessithasbeenprovidedearlier)atthetimeoflogintothe video link/Zoom application for attending online AGM.

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

5. Correspondence by Shareholders:

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

6. Video Conferencing Facility:

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

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

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

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

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

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

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

9. VotingonSpecialBusinesses:

In accordance with the Companies (Postal Ballot) Regulations, 2018, as amended, entitled shareholders of theCompanyarebeingallowedtoexercisetheirrighttoVotethroughElectronicVotingandVotingbyPost onSpecialBusinessesofthenoticeofAGM,inthemannerandsubjecttotheconditionscontainedinthe aforesaidregulations;

(a) ProcedureforElectronicVoting:

M/s. Corplink (Pvt) Limited/Share Registrar of the Company/E-Voting Service Provider for the Company)hasbeenappointedase-votingServiceProvideroftheCompanyforSpecialBusinessesto be conducted in AGM; (i) Details of electronic voting (including website address, Login and Password) shallbeprovidedtoentitledshareholdersoftheCompanythroughtheiremailaddressesasavailable withtheCompany,whereassecuritycodeswillbecommunicatedtotheshareholdersthroughSMS on their mobile phone numbers as available with the Company from the web portal of Corplink; (ii) Identities of shareholders shall be authenticated through electronic signatures/authentication for login; (iii) E-voting lines will open at 9:00 hours on January 23, 2024 and close at 17:00 hours on January 26, 2024. No subsequent change will be allowed once the vote is cast during this period.

(b) Procedure for Voting by Post: Shareholders may complete and sign the Ballot Paper and send the same along with the copy of valid and legible copy of Computerized National Identity Card (CNIC) either through scan & email or via courier/post to the address as mentioned on the Ballot Paper till January 24, 2024. The signature on the ballot papermustmatchwithsignatureonCNIC.

10. Conversion of Physical Share Certificates into Book Entry Form:

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical sharesintobook-entryformwithinaperiodnotexceedingfouryearsfromthedateofcommencementof the Companies Act. 2017. The Securities Exchange Commission of Pakistan (SECP) through its circular No. CSD/ED/Misc. /2016-639-640 dated March 26, 2021, has advised the listed companies to pursue their suchmemberswhostillholdsharesinphysicalformtoconverttheirsharesintobook-entryform.

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

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

11. PaymentofDividendElectronically

As per Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Further, rule 3 of the Companies (Distribution of Dividends) Regulations, 2017 provides that the company should make payment of cash dividend within a period of fifteen (15) working days from the date of its declaration. Therefore, the registered shareholders of the Company are requested to provide bank account details to our Share Registrar M/s. Corplink (Pvt.) Limited, in order to credit their cash dividends directly to their internationalbankaccountnumber(IBAN),ifdeclared.

12. DeductionofWithholdingTaxontheamountofdividend:

Pursuant to Circular No.19/2014 dated October 24, 2014, SECP has directed all companies to inform shareholders about changes made in the section 150 of the Income Tax Ordinance 2001 from dividend payment have been revised as: for filers of Income Tax return 15.00% and Non-filers of Income Tax return 30.00% respectively. You are therefore advised to check and ensure your Filer status from Active Tax Payer List (ATL) available to FBR, website www.fbr.gov.pk as well as ensure that your CNIC/ Passport number has beenrecordedbyyourParticipant/InvestorAccountServices(incaseyourshareholdingisinbookentry form) or by Company's Share Registrar M/s. Corplink (Pvt.) Ltd. (in case of physical shareholding).

13. MANDATORYINFORMAION–(EMAIL,CNIC,IBANANDZAKATDECLARATION):

In compliance with Section 119 of the Companies Act, 2017 and Regulation 19 Companies (General Provisions and Forms) Regulations, 2018 members are requested to immediately provide their mandatory informationsuchasCNICnumber,updatedmailingaddress,email,contactmobile/telephonenumberand InternationalBankingAccountNumber(IBAN)togetherwithacopyoftheirCNICtoupdateourrecords andtoavoidanynon-complianceofthelaw,otherwisealldividendswillbewithheldintermsofRegulation 6 of the Companies (Distribution of Dividends) Regulations, 2017.

Member are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemptionshallbesubmittedtoBroker/CDC(incaseofCDSshareholder)andtotheCompany'sShare Registrar(incaseofphysicalshareholder),thenhis/herzakatstatusinthedividendentitlementregistermay be found as Muslim Zakat Payable, and the Company will be constrained to make compulsory deductions of Zakat @ 2.5% of face value of each share from the gross amounts of his/her cash dividends.

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

This statement sets out the material facts pertaining to the elections of directors and the special businesses to be transacted at the 45th Annual General Meeting (AGM) of Baba Farid Sugar Mills Limited to be held on Saturday January 27, 2024 at 15:00 Hours at Registered office at 2-D-1, Gulberg III, Lahore, and through electronically video link/Zoom application.

STATEMENTU/S134(3)OFTHECOMPANIESACT,2017

The transactions with associated company were carried out during the year, therefore, these transactions have beenplacedbeforetheshareholdersoftheCompanyfortheirapproval.

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

The Company is and shall be conducting transactions of sales and purchase of goods with Naubahar Bottling Company (Pvt.) Limited, The Thal Industries Corporation Limited and Almoiz Industries Limited for the period commencing from October 1st, 2022 to period ends September 30, 2023 in the normal course of business. The prices, terms and conditions agreed between the companies are based on Arm Length Basis under Related Party Transactions Policy of the Company. The directors of the company have no interest whatsoever both directlyorindirectlyexceptforcommondirectorship.Recordconsistingofdetailsofallthetransactionsalong with all supporting documents is maintained as per legal requirements and available in the registered office of thecompany.

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

Names(s)	NatureofTransactions	Transactionsduringtheperiod Amount(PKR)
NaubaharBottlingCompany (Pvt.)Limited	SaleofSugar Paid/recived/adjustment(net)	324,000,000 324,000,000
TheThalIndustries CorporationLimited	SaleStoreItems Purchases-Storeitems Paid/received/adjustment(net)	7,371,000 2,451,200 4,919,800
AlmoizIndustriesLimited	Saleofscrap Paid/received/adjustment(net) Purchase–storeitems Purchase–otheritems	35,989,446 1,659,242 34,129,377 200,827

The Directors are interested in the resolution to the extent of their common directorship in the Associated undertakings. The following were the common directors in Baba Farid Sugar Mills Ltd with the Almoiz Industries Ltd, The Thal Industries Corporation Ltd and Naubahar Bottling Company (Pvt.) Ltd and respectively:

1. Mr. Muhammad Shamim Khan
2. Mrs. Qaiser Shamim Khan
3. Mr. Adnan Ahmed Khan
4. Mr. Nauman Ahmed Khan
5. Mrs. Sarah Hajra Khan

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

b) Authorization for the Board of Directors to approval related party transactions during the financial year ended Sep. 30, 2023

The Company is and shall be conducting transactions of sale and purchase of goods with NBC, TICL & AIL during the financial year ending Sep. 30, 2023 and subsequently, in the ordinary course of business and at Arm's Length Basis as per the approved policy with respect to transactions with related parties in the normal course of business, and therefore, all the future transactions with NBC, TICL & AIL shall be approved by the Board of Directors on quarterly basis. Considering the interests/concerns of five out of seven Directors due to their common directorship and /or relationship with Directors of NBC, TICL & AIL, the related parties' transactions of the fiscal year 2023 are suggested to be placed before the shareholders.

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

c) AgendaItemNo.6ofNoticeofAGM:

Transmission of Annual Audited Accounts through QR Code and Weblink. The Securities and Exchange Commission of Pakistan has allowed listed Companies, through its S.R.O No.389(1)/2023 dated March 21,2023 to circulate the Annual Audited Financial Statements to their Members through QR enabled code and weblink instead of transmitting the Annual Audited Financial Statements through CD/DVD/USB. The Company shall circulate Annual Audited Financial Statements through email address in case it has been provided by the member to the Company, and upon demand, supply hard copies of the Annual Audited FinancialStatementstothesharehold ersfreeofcostuponreceiptofadulycompletedRequestForm,which maybeobtainedfromtheCompany'swebsitei.e.www.bfsml.com.

d) AuthorizationtoperformallrelatedactsregardingdisseminationofAnnualReportoftheCompany.

The Company is and shall be transmitting/circulating/dissemination Annual Accounts/Annual Report of the companythroughQREnabledCodeandWeblinkandthroughavailableemailaddressesoftheShareholders in compliance to the under relaxations of relevant and applicable provisions of laws, regulations, notifications and therefore, all the processes and procedures should be entrusted to the responsible officers of the company, hence, approvals of shareholders are being sought to authorize the Chief Executive Officer or his nominee and severally to complete all legal, regulatory, prescribed and notified formalities and requirements for the purpose of giving effect to above resolutions in letter and spirit which actions shall be deemed to be approved by Shareholders. The nature and scope of special business is explained above in the statement of relevantagendaitem.

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

BALLOT PAPER

Ballot paper for voting through post for poll to be held at Annual General Meeting on 15:00 hours January 27, 2024 at Registered office 2-D-1, Gulberg III, Lahore.

BabaFaridSugarMillsLimited
Registered office, 2-D-1, Gulberg III, Lahore. (www.bfsml.com)
Designated email address of the Chairman at which the duly filled in ballot paper may be sent:
qaiser.shamim@nbcpepsi.com

Nameofshareholder/jointshareholders	
RegisteredAddress	
Numberofshareholdandfolionumber	
CNICNumber(copytobeattached)	
AdditionalInformationandenclosures(Incaseof representativeofbodycorporate,corporationand FederalGovernment.)	

I/weherebyexercisemy/ourvoteinrespectofthefollowingresolutionsthroughpostalballotbyconveyingmy/ our assent or dissent to the following resolution by placing tick (√) mark in the appropriate box below (delete as appropriate);

Sr. No	NatureandDescriptionofresolutions	No.of ordinary sharesfor whichvotes cast	I/Weassent tothe Resolutions (FOR)	I/We dissent tothe Resolutions (AGAINST)
1.	SpecialResolutionunderAgendaNo.4ofNoticeof AGM **"RESOLVED**thattransactionscarriedoutbythe Companyinthenormalcourseofbusinesswithrelated parties for the period ended September 30, 2023 be and are hereby ratified, approved and confirmed"			

Names(s)	NatureofTransactions	Transac-tions duringthe period Amount (PKR)
Naubahar Bottling Company (Pvt.) Limited	SaleofSugar Paid/received/adjustment(net)	324,000,000 324,000,000
TheThal Industries Corporation Limited	SaleStoreItems Purchases-Storeitems Paid/received/adjustment(net)	7,371,000 2,451,200 4,919,800
Almoiz Industries Limited	Saleofscrap Paid/received/adjustment(net) Purchase–storeitems Purchase–otheritems	35,989,446 1,659,242 34,129,377 200,827

	"FURTHERRESOLVEDthattheChiefExecutive Officer of the Company or his nominee be and is hereby authorizedtoapproveallthetransactionstobecarried outinthenormalcourseofbusinesswithrelatedparties tillthenextAnnualGeneralMeetingoftheCompany and in this connection the Chief Executive Officer of the Companyorhisnomineebeandisherebyauthorizedto takeanyandallnecessaryactionsandsign/executeany andallsuchdocuments/indenturesasmayberequired in this regards on behalf of the Company"			
2.	**SpecialResolutionunderAgendaNo.5ofNoticeof AGM** **"Resolvedthat**transmission/circulationofannual Balance Sheet and Profit and Loss Accounts, Auditor's Report,Director'sReportandChairman'sReview etc.(AnnualAuditedAccounts/AnnualReportofthe company,alongwithanyandallotherprescribed/ notified / and required reports/information/notes etc., to alltheshareholdersoftheCompanythroughQREnabled CodeandWeblinkbeandisherebyapprovedand discontinuationofthemodeoftransmission/circulation ofanyorallaforesaidinformation/documentstothe shareholdersoftheCompanythroughCD/DVD/USBbe and is hereby approved." **"Furtherresolvedthat**ChiefExecutiveofthecompany orhisnomineebeandisherebyauthorizedand empoweredsinglyandseverallytocompleteandratify all legal, regulatory, prescribed and notified formalities and requirements for the purpose of giving effect to aboveresolutionandspiritandtodoorcausetobe doneanyandallacts,deeds,mattersandthingsasmay benecessaryincidental,ancillaryandexpedientfor abovementioned purposes and intents."			

Signature of shareholder(s)_____ Place:_____ Date: _____

NOTES:

1. Dully filled postal ballot should be sent to chairperson of BFSML Mrs. Qaiser Shamim Khan, 2-D-1, Gulberg III, Lahore, 54000, Pakistan. (email: qaiser.shamim@nbcpepsi.com)
2. Copy of CNIC should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before January 26, 2024. Any postal ballot receivedafterthisdate,willnotbeconsideredforvoting.
4. Signature on postal ballot should match with signature on CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

اطلاع سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ بابا فرید شوگر ملز لمیٹڈ کے حصص داران کا 45واں سالانہ اجلاس عام، بروز ہفتہ 27 جنوری 2024ء بوقت 15:00 بجے رجسٹرڈ دفتر، 2-D-1، گلبرگ III، لاہور میں اور الیکٹرونیکلی وڈیو لنک/زوم ایپلی کیشن کے ذریعے درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عمومی امور

1۔ 27 جنوری 2023ء کو منعقدہ بابا فرید شوگر ملز لمیٹڈ کے 44واں سالانہ اجلاس عام کی کارروائی کی توثیق کرنا، جیسا کہ PSX کو جمع کرائی گئی۔

2۔30 ستمبر 2023ء کو ختم ہونے والے مالی سال کیلئے کمپنی کے سالانہ نظر ثانی شدہ مالی گوشوارے معہ ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور وخوض اور منظور کرنا۔

3۔اگلے مالی سال 30 ستمبر 2024ء کیلئے کمپنی کے آڈیٹرز کا تقرر اور ان کے صلہ، خدمت کا تعین کرنا۔ موجودہ آڈیٹرز میسرز بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، لاہور ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کیلئے خود کو پیش کرتے ہیں۔

خصوصی امور:

5۔غور وخوض اور کاروبار کے عام معمول میں متعلقہ پارٹیوں کے ساتھ لین دین کی منظوری دینا اور اگر مناسب خیال کیا گیا تو درج ذیل قرارداد کو معہ یا بلا ترمیم بطور خصوصی قرارداد منظور کرنا۔

a۔قرار پایا کہ 30 ستمبر 2023 کو ختم ہونے والی مدت کے لئے متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں لین دین کمپنی کی طرف سے کیا گیا اور بذریعہ ہذا توثیق، منظور اور تصدیق کی جاتی ہے۔

نام	لین دین کی نوعیت	رقم (پاکستانی روپے)
نوبہار بونٹنگ کمپنی (پرائیویٹ) لمیٹڈ	شوگر کی فروخت	324,000,000
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	324,000,000
تھل انڈسٹریز کارپوریشن لمیٹڈ	سٹور اشیاء کی فروخت	7,371,000
	خریداری- سٹور اشیاء	2,451,200
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	4,919,800
المعز انڈسٹریز لمیٹڈ	اسکریپ کی فروخت	35,989,446
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	1,659,242
	خریداری- سٹور اشیاء	34,129,377
	خریداری- دیگر اشیاء	200,827

b۔ مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو آفیسر یا ان کا نامزد کردہ بذریعہ ہذا کمپنی کے اگلے سالانہ اجلاس عام تک متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں کئے جانے والے تمام لین دین کو

منظور کرنے کے بااختیار ہیں اور اس سلسلے میں کمپنی کے چیف ایگزیکٹو آفیسر یا ان کا نامزد کردہ بذریعہ ہذا کمپنی کی جانب سے کوئی اور تمام ضروری عوامل کرنے اور کوئی اور تمام ایسے دستاویزات جو بھی اس بابت درکار ہوں دستخط کرنے کے مجاز ہیں۔

5۔غور وخوض اور اگر مناسب سمجھا گیا تو، SECP کی طرف سے S.R.O No. 389(1)/2023 مورخہ 21 مارچ 2023 کے ذریعے دی گئی اجازت کے مطابق کمپنی کے تمام شیئر ہولڈرز کو کمپنی کی سالانہ رپورٹس QR فعال کوڈ اور ویب لنک کے ذریعے ترسیل کے بارے میں مندرجہ ذیل قرارداد کو، معہ یا بلا ترمیم عام قرارداد کے طور پر منظور کرنا۔

(a) "قرار پایا کہ ٹرانسمیشن کی سالانہ بیلنس شیٹ اور منافع ونقصان کے کھاتے، آڈیٹر کی رپورٹ، ڈائریکٹر کی رپورٹ اور چیئرمین کا جائزہ وغیرہ (کمپنی کے سالانہ نظر ثانی شدہ کھاتے/سالانہ

رپورٹ، بمعہ اوکوئی اور تمام دیگر مجوزہ/نوٹیفائیڈ/اور مطلوبہ رپورٹس/معلومات/نوٹس وغیرہ)، کمپنی کے تمام شیئر ہولڈرز کو QR فعال کوڈ اور ویب لنک کے ذریعے ترسیل/منتقلی کی جائے اور بذریعہ ہذا منظوری دی جاتی ہے اور کسی بھی یا تمام مذکورہ معلومات/دستاویزات کی شیئر ہولڈرز کو USB/DVD/CD وغیرہ کے ذریعے ترسیل/منتقلی کے طریقہ کار کو بند کیا جائے اور بذریعہ ہذا اس کی منظوری دی جاتی ہے۔

(b) "مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹیو یا اس کے نامزد کردہ کو بذریعہ ہذا تمام قانونی، ریگولیٹری، تجویز کردہ اور مطلع شدہ رسمی کارروائیوں اور تقاضوں کو مکمل کرنے اور بذریعہ ہذا مذکورہ قرارداد کو عملی جامہ پہنانے کے لیے اور کسی بھی اور تمام کاموں، اعمال، معاملات اور چیزوں کو انجام دینے یا کروانے جو کہ مذکورہ بالا مقاصد اور ارادوں کے لیے ضروری واتفاقی، ذیلی اور مصلحتاً ہو اس کی توثیق کرنے کا اختیار دیا گیا ہے۔

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

بحکم بورڈ

لاہور،
26 دسمبر 2023ء

محمد عمران
کمپنی سیکرٹری

نوٹس:

1۔ حصص منتقلی کتابوں کی بندش:

کمپنی کی حصص منتقلی کتابیں 20 جنوری 2024ء تا 27 جنوری 2024ء (بشمول دونوں تاریخیں) بند رہیں گی۔ مدت بندش کے دوران حصص کی کوئی منتقلی قابل قبول نہ ہوگی۔ تاہم، کمپنی کے شیئر رجسٹرار کے دفتر میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K - 1، کمرشل ماڈل ٹاؤن، لاہور فون نمبر: 0 4 2 - 3 5 9 1 6 7 19، ای میل ایڈریس: corplink786@gmail.com میں 19 جنوری 2024ء کو کاروبار کے اختتام تک موصولہ منتقلیاں نقد منافع منقسمہ (اگر کوئی ہو) کی ادائیگی کے استحقاق کے لئے بروقت تصور ہونگی۔

2۔ پراکسی کی تقرری:

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

3۔ AGM کے لئے آن لائن انتظامات

SECP اور دیگر سرکاری محکموں/ اداروں کی وقتاً فوقتاً جاری کردہ ہدایات/ گائیڈ لائنز کے پیش نظر، مندرجہ کمپنیوں پر لازم ہے کہ وہ عام اجلاسوں میں مادی شراکت کے ساتھ ساتھ آن لائن شراکت کے انتظامات کریں۔ اس کے مطابق، کمپنی نے اجلاس عام کے کورم اور دیگر لیگل/ ریگولیٹری ضروریات کی تعمیل کو بھی یقینی بناتے ہوئے تمام انتظامات کئے ہیں۔ کمپنی کے حصص داران کی AGM میں وڈیو لنک/ زوم ایپلی کیشن کے ذریعے اور پراکسیز کے ذریعے اپنی شرکت کو مستحکم کرنے کی حوصلہ افزائی کی جاتی ہے۔

(a) AGM میں آن لائن شرکت مثلاً زوم ایپلی کیشن: حصص داران AGM میں الیکٹرونیکلی شرکت کے لئے حصص داران کی تصدیق اور شناخت کے لئے ضروری تمام فارمیلٹیز مکمل کرنے کے بعد اپنے سہولت کے مقامات سے اپنے ذاتی سمارٹ فونز/ کمپیوٹرز کے ذریعے AGM کی کارروائی میں لاگ اِن اور شرکت کرسکتے ہیں، لاگن سہولت AGM کے آغاز سے تقریباً آدھا گھنٹہ قبل کھولی جائے گی۔

(b) BFSML کے حصص داران، جو وڈیو لنک کے ذریعے AGM میں الیکٹرونیکلی شرکت کے خواہشمند ہیں سے درخواست ہے کہ 26-01-2024 (05:00 p.m) کو کاروباری اوقات کے اختتام تک یا قبل info@bfsml.com پر ای میل بھیج کر اپنے درج ذیل کوائف رجسٹر کروائیں۔

فولیو / سی ڈی سی اکاؤنٹ نمبر	ملکیتی حصص کی تعداد	حصص دار کا نام	والد/خاوند کا نام	CNIC نمبر	موبائل فون نمبر معہ وٹس ایپ	فعال ای میل ایڈریس

ویڈیو لنک اور/ یا لاگ اِن کریڈنشلز ان حصص داران کے ساتھ شیئر کی جائیں گی جن کی ای میل، جس میں تمام درخواست کی گئی تفصیلات شامل ہوں، مندرجہ بالا تاریخ / وقت تک یا اس سے قبل دیئے گئے ای میل ایڈریس پر وصول ہو جائیں گی۔AGM میں آن لائن شرکت کا طریقہ کار/ تقاضوں سے متعلق کسی بھی استفسار کے لئے، ممبرز براہِ کرم کاروباری اوقات کے دوران مذکورہ بالا ای میل ایڈریس پر یا 3577106671 92 42+ پر رابطہ کر سکتے ہیں۔

(c) آن لائن تبصرے/تجاویز جمع کروانا:

حصص یافتگان کی یہ بھی حوصلہ افزائی کی جاتی ہے کہ وہ AGM کے مجوزہ ایجنڈا آئٹمز سے متعلق اپنے تبصرے/تجاویز تحریری طور پر info@bfsml.com پر ای میل کے ذریعے 26-01-2024 کو کاروباری اوقات کے اختتام تک بھیجیں۔

4۔AGM میں شرکاء کی تصدیق اور شناخت:

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

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

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

5۔شیئر ہولڈرز کی طرف سے خط و کتابت:

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

6۔ویڈیو کانفرنس سہولت

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

بابت ہذا میں، درج ذیل کو پُر اور کمپنی کے رجسٹرڈ پتہ پر AGM کی تاریخ سے کم از کم سات یوم قبل جمع کرائیں۔

میں رہم.....ساکن.....بحیثیت رکن بابا فرید شوگر ملز لمیٹڈ، مالک..... عام حصص بمطابق رجسٹرڈ فولیو/ سی ڈی سی اکاؤنٹ/ سب اکاؤنٹ نمبر.....بذریعہ ہذا.....میں وڈیو کانفرنس سہولت کا خواہشمند ہوں۔

7۔نوٹس اور پراکسی فارمز اور مالی گوشواروں کی کمپنی کی ویب سائٹ پر پلیسمنٹ:

کمپنی نے 30 ستمبر کو ختم ہونے والے گزشتہ مالی سال کے نظر ثانی شدہ مالیاتی گوشواروں کے ساتھ ساتھ آڈیٹر اور ڈائریکٹرز کی رپورٹس اور AGM کا نوٹس معہ پراکسی فارم انگریزی اور اردو زبانوں میں کمپنی کی ویب سائٹ: www.bsfml.com اور PSX کی PUCARS ویب سائٹ پر رکھ دیئے ہیں۔

8۔نظرثانی شدہ مالیاتی گوشواروں اور عام اجلاسوں کے نوٹس کی ترسیل؛

کمپنی کے نظرثانی شدہ مالیاتی گوشواروں کو AGM کے پرنٹ شدہ نوٹس پر QR فعال کوڈ اور Weblink کی پرنٹنگ کے ذریعے شیئر ہولڈرز کو بھیجا جا رہا ہے جو ڈاک/کوریئر کے ذریعے تمام شیئر ہولڈرز کو بھیجا جا رہا ہے۔ کمپنی کے کسی بھی یا تمام دستاویزات اور معلومات کی سافٹ کاپیاں بشمول نظرثانی شدہ مالیاتی گوشوارے اور اجلاس عام کے نوٹس بھی الیکٹرانک طور پر ای میلز کے ذریعے ان شیئر ہولڈرز کو بھیجے جا رہے ہیں جن کے ای میل ایڈریس کمپنی کے ہاں دستیاب ہیں، تاہم، کمپنی نظرثانی شدہ مالی گوشوارے اور عام اجلاسوں کے نوٹس کی ہارڈ کاپیاں اپنے شیئر ہولڈرز کو، ان کی تحریری درخواست پر، ایسی درخواست کی وصولی کے سات دنوں کے اندر، مفت فراہم کرے گی۔

9۔خصوصی امور پر ووٹنگ:

کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 ترمیم شدہ، کے مطابق، کمپنی کے حقدار شیئر ہولڈرز کو AGM کے نوٹس کے خصوصی امور پر الیکٹرانک ووٹنگ کے ذریعے اور ڈاک کے ذریعے ووٹنگ، اس طریقے سے اور مذکورہ ضوابط میں موجود شرائط کے تابع ووٹ کا حق استعمال کرنے کی اجازت دی جا رہی ہے؛

(a) الیکٹرانک ووٹنگ کا طریقہ کار: میسرز کارپ لنک (پرائیویٹ) لمیٹڈ/کمپنی کے شیئر رجسٹرار/کمپنی کے لیے ای ووٹنگ سروس فراہم کنندہ) کو AGM میں سرانجام دیئے جانے والے خصوصی امور کے لیے کمپنی کا ای ووٹنگ سروس فراہم کنندہ مقرر کیا گیا ہے۔ (i) الیکٹرانک ووٹنگ کی تفصیلات (بشمول ویب سائٹ ایڈریس، لاگ ان اور پاس ورڈ) کمپنی کے حقدار شیئر ہولڈرز کو ان کے ای میل پتوں کے ذریعے فراہم کی جائیں گی جو کہ کمپنی کے ہاں دستیاب ہے، جبکہ سیکیورٹی کوڈز شیئر ہولڈرز کو کارپ لنک کے ویب پورٹل سے کمپنی کے ہاں دستیاب ان کے موبائل فون نمبرز پر SMS کے ذریعے بتائے جائیں گے۔؛ (ii) شیئر ہولڈرز کی شناخت کی تصدیق الیکٹرانک دستخطوں/ لاگ ان کی تصدیق کے ذریعے کی جائے گی۔ (iii) ای ووٹنگ لائنیں 22 جنوری 2024 کو 9:00 بجے کھلیں گی اور 26 جنوری 2024 کو 17:00 بجے بند ہوں گی۔ اس مدت کے دوران ووٹ ڈالے جانے کے بعد کسی تبدیلی کی اجازت نہیں ہوگی۔

(b) ڈاک کے ذریعے ووٹنگ کا طریقہ کار: شیئر ہولڈرز بیلٹ پیپر کو مکمل اور دستخط کر کے اور اسے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی مؤثر اور صاف کاپی کے ساتھ یا تو اسکین اور ای میل کے ذریعے یا کوریئر/ڈاک کے ذریعے 24 جنوری 2024 تک بیلٹ پیپر پر درج پتہ پر بھیج سکتے ہیں۔ بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہونا چاہیے۔

10۔فزیکل شیئر سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کرنا:

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

ہم نے BFSML کے ایسے تمام ممبران جو فزیکل فارم میں شیئرز رکھتے ہیں سے درخواست کی ہے اپنے شیئرز کو جلد از جلد بک انٹری فارم میں تبدیل کریں۔ انہیں یہ بھی تجویز کی جاتی ہے کہ وہ سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ یا پاکستان اسٹاک ایکسچینج کے کسی بھی فعال ممبر/اسٹاک بروکر سے رابطہ کر کے سی ڈی سی میں اکاؤنٹ کھولیں تاکہ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کیا جا سکے۔

شیئر ہولڈرز بک انٹری فارم میں فزیکل شیئرز کی تبدیلی کے عمل اور بک انٹری شیئرز رکھنے کے فوائد کو سمجھنے کے لئے کمپنی کے شیئر رجسٹرار (میسرز کارپ لنک (پرائیویٹ) لمیٹڈ) سے رابطہ کر سکتے ہیں۔

11۔ڈیویڈینڈ کی الیکٹرونیکلی ادائیگی

کمپنیز ایکٹ 2017ء کی دفعہ 242 کے مطابق کوئی قابل ادا نقد منافع منقسمہ صرف الیکٹرونک طریقہ سے براہِ راست اہل حصص داران کے منسوب بینک اکاؤنٹ میں ادا کئے جائیں گے۔ اس کے علاوہ کمپنیز (ڈیویڈینڈ کی تقسیم) ریگولیشنز، 2017ء کے رول 3 میں کہا گیا ہے کہ کمپنی کو نقد منافع منقسمہ کی ادائیگی ڈیکلیریشن کی تاریخ سے پندرہ یوم کار کی مدت کے اندر کر دینی چاہئے۔ لہٰذا، کمپنی کے رجسٹرڈ ارکان سے التماس ہے کہ ان کا نقد منافع منقسمہ، اگر اعلان ہوا، ان کے انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) میں براہِ راست جمع کرانے کے لئے ہمارے شیئر رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ کو بینک اکاؤنٹ تفصیلات فراہم کریں:

12۔ڈیویڈینڈ کی رقم پر ودہولڈنگ ٹیکس کی ڈیڈکشن

سرکلر نمبر 19/2014 مورخہ 24 اکتوبر 2014 کی پیروی میں، SECP نے تمام کمپنیوں کو ہدایت کی ہے کہ حصص داران کو مطلع کریں کہ انکم ٹیکس آرڈیننس 2001 کی دفعہ 150 کے تحت ڈیویڈینڈ ادائیگی سے انکم ٹیکس کی کٹوتی کی شرح حسب ذیل کے مطابق ریوائز کی گئی ہے: انکم ٹیکس ریٹرن کے فائلرز کے لئے یہ شرح بالترتیب 15.00% اور انکم ٹیکس ریٹرن کے نان فائلرز کے لئے 30.00% ہے۔

لہٰذا آپ کو ہدایت کی جاتی ہے کہ ایف بی آر کی ویب سائٹ www.fbr.gov.pk پر دستیاب ایکٹو ٹیکس پیئر فہرست (ATL) سے اپنا سٹیٹس چیک کریں اور یقینی بنائیں اور یہ بھی یقینی بنائیں کہ ان کا CNIC/پاسپورٹ نمبر آپ کے پارٹیسپنٹ/انویسٹرا کاؤنٹ سروسز (بصورت آپ کی شیئر ہولڈنگ بک انٹری صورت میں ہے) یا کمپنی کے شیئر رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ (بصورت مادی شیئر ہولڈنگ) کے ذریعے درج کرائے گئے ہیں۔

13۔لازمی معلومات-(ای میل، CNIC، IBANاورزکوۃ ڈیکلریشن)

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

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

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

بیان ہذا بروز ہفتہ 27 جنوری 2024ء بوقت 15:00 بجے رجسٹرد فتر، 1-D-2، گلبرگ III، لاہور میں اور الیکٹرونیکلی وڈیو لنک/زوم ایپلی کیشن کے ذریعے منعقد ہونے والے بابا فرید شوگر ملز لمیٹڈ کے 45 واں سالانہ اجلاس عام میں سرانجام دیء جانے والے خصوصی امور اور ڈائریکٹرز کے انتخابات سے متعلق مادی حقائق کا تعین کرتا ہے۔

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

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

AGM(a نوٹس کا ایجنڈا آئٹم نمبر 5: متعلقہ پارٹی (شریک کمپنیز) لین دین کی توثیق اور منظوری:

کمپنی نوبہار بوٹلنگ کمپنی (پرائیویٹ) لمیٹڈ، تھل انڈسٹریز کارپوریشن لمیٹڈ اور المعز انڈسٹریز لمیٹڈ کے ساتھ یکم اکتوبر 2022 سے شروع 30 ستمبر 2023ء کو ختم ہونے والی مدت تک کاروبار کے عام معمول کے مطابق سامان کی فروخت اور خریداری کا لین دین کرے گی۔ کمپنیوں کے مابین قیمتوں، شرائط وضوابط اتفاق رائے سے کمپنی کی متعلقہ پارٹی ٹرانزیکشن پالیسی کے تحت قابل رسائی بنیاد پر ہیں۔ کمپنی کے ڈائریکٹرز مشترکہ ڈائریکٹرشپ کے سوائے، براہ راست یا بالواسطہ کی کوئی دلچسپی نہیں رکھتے ہیں۔ تمام معاون دستاویزات کے ہمراہ تمام لین دین کی تفصیلات پر مشتمل ریکارڈ قانونی تقاضوں کے مطابق برقرار رکھا گیا ہے اور کمپنی کے رجسٹرڈ آفس میں دستیاب ہے۔

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

نام	لین دین کی نوعیت	رقم (پاکستانی روپے)
نوبہار بوٹلنگ کمپنی (پرائیویٹ) لمیٹڈ	شوگر کی فروخت	324,000,000
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	324,000,000
تھل انڈسٹریز کارپوریشن لمیٹڈ	سٹور اشیاء کی فروخت	7,371,000
	خریداری-سٹور اشیاء	2,451,200
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	4,919,800
المعز انڈسٹریز لمیٹڈ	اسکریپ کی فروخت	35,989,446
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	1,659,242
	خریداری-سٹور اشیاء	34,129,377
	خریداری-دیگر اشیاء	200,827

ڈائریکٹرز مشترکہ ڈائریکٹرشپ اور / یا مشترکہ ڈائریکٹر کے درمیان تعلق کی وجہ سے متعلقہ پارٹی ٹرانزیکشن میں دلچسپی رکھتے ہیں۔ بابا فرید شوگر ملز لمیٹڈ کے ساتھ المعز انڈسٹریز لمیٹڈ، دی تھل انڈسٹریز کارپوریشن لمیٹڈ اور نو بہار بوٹلنگ کمپنی (پرائیویٹ) میں مندرجہ ذیل مشترکہ ڈائریکٹر بالترتیب ہیں۔

i) جناب محمد شمیم خان
ii) محترمہ قیصر شمیم خان
iii) جناب عدنان احمد خان
iv) جناب نعمان احمد خان
v) محترمہ سارہ ہاجرہ خان

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

b) بورڈ آف ڈائریکٹرز کو 30 ستمبر، 2023 کو ختم ہونے والے مالی سال کے دوران متعلقہ پارٹی لین دین کی منظوری کی اجازت

کمپنی 30 ستمبر 2023 کو ختم ہونے والے مالی سال کے دوران این بی سی، ٹی آئی سی ایل اور اے آئی ایل کے ساتھ سامان کی خرید و فروخت اور اس کے علاوہ عام طور پر کاروبار کے سلسلے میں متعلقہ فریقوں کے ساتھ لین دین کے سلسلے میں منظور شدہ پالیسی کے مطابق قابل رسائی قیمتوں کی بنیاد پر لین دین کرے گی اور لہٰذا، این بی سی، ٹی آئی سی ایل اور اے آئی ایل کے ساتھ مستقبل میں ہونے والے تمام لین دین کو سہ ماہی بنیاد پر بورڈ آف ڈائریکٹرز کی طرف سے منظور کیا جائے گا۔ مشترکہ ڈائریکٹرشپ اور/ یا این بی سی، ٹی آئی سی ایل اور اے آئی ایل کے ڈائریکٹرز کے ساتھ تعلقات کی وجہ سے سات میں سے پانچ ڈائریکٹرز کے مفادات/ خدشات پر غور کرتے ہوئے، مالی سال 2023 کے متعلقہ فریقوں کے لین دین کو شیئر ہولڈرز کے رُوبرو رکھنے کی تجویز دی گئی ہے۔

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

c) AGM نوٹس کا ایجنڈا آئٹم نمبر 6: QR کوڈ اور Weblink کے ذریعے سالانہ نظر ثانی شدہ اکاؤنٹس کی ترسیل۔

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اپنے S.R.O No.389(1)/2023 مورخہ 21 مارچ 2023 کے ذریعے مندرج کمپنیوں کو اجازت دی ہے کہ وہ سالانہ نظر ثانی شدہ مالیاتی گوشوارے اپنے ممبران کو CD / DVD / USB کے ذریعے بھیجنے کی بجائے QR فعال کوڈ اور ویب لنک کے ذریعے بھیجیں۔ کمپنی سالانہ نظر ثانی شدہ مالیاتی گوشواروں کو ای میل ایڈریس کے ذریعے ترسیل کرے گی اگر یہ ممبر کی طرف سے کمپنی کو فراہم کر دی گئی ہے، اور مطالبہ پر، باضابطہ طور پر مکمل شدہ درخواست فارم کی وصولی پر حصص یافتگان کو سالانہ نظر ثانی شدہ مالی گوشواروں کی ہارڈ کاپیاں مفت فراہم کرے گی، جو کمپنی کی ویب سائٹ یعنی www.bfsml.com سے حاصل کیا جا سکتا ہے۔

d) کمپنی کی سالانہ رپورٹ کی ترسیل سے متعلق تمام متعلقہ کام سرانجام دینے کی اجازت۔

کمپنی قوانین، ضوابط، ٹیکنیکیشنز کی متعلقہ اور قابل اطلاق شقوں میں نرمی کے تحت QR فعال کوڈ اور ویب لنک کے ذریعے اور شیئر ہولڈرز کے دستیاب ای میل ایڈریس کے ذریعے کمپنی کے سالانہ اکاؤنٹس/ سالانہ رپورٹ کو منتقل کر رہی ہے اور کرے گی اور اس لیے تمام عمل اور طریقہ کار کمپنی کے ذمہ دار افسران کے سپرد کیا جانا چاہیے، اس لیے حصص یافتگان کی منظوری درکار ہے تاکہ چیف ایگزیکٹو آفیسر یا اس کے نامزد کردہ کو اختیار دیا جا سکے اور الگ الگ تمام قانونی، ریگولیٹری، تجویز کردہ اور مطلع شدہ رسمی کارروائیوں کو مکمل کیا جا سکے۔ جو کہ مندرجہ بالا قراردادوں کو حقیقی معنوں میں نافذ کرنے کے مقصد کے تقاضے جن کی کارروائیوں کو شیئر ہولڈرز کے ذریعہ منظور شدہ سمجھا جائے گا۔ خصوصی امور کی نوعیت اور دائرہ کار متعلقہ ایجنڈا آئٹم کے بیان میں اوپر بیان کیا گیا ہے۔

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

.....XXX.....

بیلٹ پیپر

مورخہ 27 جنوری 2024 کو 15:00 بجے رجسٹرڈ دفتر، 2-D-1، گلبرگ III، لاہور میں منعقد ہونے والے سالانہ اجلاس عام میں ڈاک کے ذریعے ووٹنگ کے لئے بیلٹ پیپر۔

بابا فرید شوگر ملز لمیٹڈ

رجسٹرڈ دفتر، 2-D-1، گلبرگ III، لاہور (www.bfsml.com)

چیئرمین کا مقررہ ای میل ایڈریس، جس پر صحیح طریقے سے پُر شدہ بیلٹ پیپر بھیجے جا سکتے ہیں: qaiser.shamim@nbcpepsi.com

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

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

نمبر شمار	قرارداد کی نوعیت اور تفصیل	عام حصص کی تعداد جن کے لئے ووٹ کاسٹ کئے جائیں گے	میں/ہم قرارداد پر رضامند ہیں (FOR)	میں/ہم قرارداد کے خلاف ہیں (AGAINST)
	AGM نوٹس کے ایجنڈا آئٹم نمبر 4 کے تحت خصوصی قرارداد: قرار پایا کہ 30 ستمبر 2023 کو ختم ہونے والی مدت کے لئے متعلقہ پارٹیوں کے ساتھ کاروبار کے عام معمول میں لین دین کمپنی کی طرف سے کیا گیا اور بذریعہ ہذا توثیق، منظور اور تصدیق کی جاتی ہے۔			

نام	لین دین کی نوعیت	رقم (پاکستانی روپے)
نوبہار بیوٹنگ کمپنی (پرائیویٹ) لمیٹڈ	شوگر کی فروخت	324,000,000
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	324,000,000
تھل انڈسٹریز کارپوریشن لمیٹڈ	سٹور اشیاء کی فروخت	7,371,000
	خریداری- سٹور اشیاء	2,451,200
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	4,919,800
المعز انڈسٹریز لمیٹڈ	اسکریپ کی فروخت	35,989,446
	ادا شدہ/موصول/ایڈجسٹمنٹ (خالص)	1,659,242
	خریداری- سٹور اشیاء	34,129,377
	خریداری- دیگر اشیاء	200,827

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

2	**AGM نوٹس کے ایجنڈا نمبر 5 کے تحت خصوصی قرارداد:** "قرار پایا کہ سالانہ بیلنس شیٹ اور منافع ونقصان کے کھاتے، آڈیٹر کی رپورٹ، ڈائریکٹر کی رپورٹ اور چیئرمین کا جائزہ وغیرہ (کمپنی کے سالانہ نظرثانی شدہ کھاتے/سالانہ رپورٹ، بھراہ کوئی اور تمام دیگر مجوزہ/نوٹیفائیڈ/اور مطلوبہ رپورٹس/معلومات/نوٹس وغیرہ)، کمپنی کے تمام شیئر ہولڈرز کو QR فعال کوڈ اور ویب لنک کے ذریعے ترسیل /منتقلی کی جائے اور بذریعہ ہذا منظوری دی جاتی ہے اور کسی بھی یا تمام مذکورہ معلومات/دستاویزات کی شیئر ہولڈرز کو USB/DVD/CD کے ذریعے ترسیل/منتقلی کے طریقہ کار کو بند کیا جائے اور بذریعہ ہذا اس کی منظوری دی جاتی ہے۔ "مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹیو یا اس کے نامزد کردہ کو بذریعہ ہذا تمام قانونی، ریگولیٹری، تجویز کردہ اور مطلع شدہ رسمی کارروائیوں اور تقاضوں کو مکمل کرنے اور بذریعہ ہذا مذکورہ قرارداد کو عملی جامہ پہنانے کے لیے اور کسی بھی اور عوامل اور چیزوں کو انجام دینے یا کروانے جو کہ مذکورہ بالا مقاصد اور ارادوں کے لیے ضروری واقعاتی، ذیلی اور مصلحتاً ہو اس کی توثیق کرنے کا اختیار دیا گیا ہے۔"			

شیئر ہولڈر کے دستخط _____ مقام _____ تاریخ _____

نوٹس:

1۔ صحیح طریقے سے پُر شدہ پوسٹل بیلٹ B F S M L کی چیئرپرسن محترمہ قیصر شمیم خان، کو 1 - D - 2، گلبرگ III، لاہور 5 4 0 0 0 (ای میل: qaiser.shamim@nbcpepsi.com) پر بھیجنا چاہیے:۔

2۔ CNIC کی کاپی پوسٹل بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔

3۔ پوسٹل بیلٹ فارمز 26 جنوری 2024 کو یا قبل صدر اجلاس تک پہنچ جانے چاہئیں۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ ووٹنگ کے لیے قبول نہیں کیا جائے گا۔

4۔ بیلٹ پیپر پر دستخط CNIC کے دستخط سے مماثل ہونا چاہئے۔

5۔ نامکمل، بغیر دستخط شدہ، غلط، کاٹ کر لکھا ہوا، پھٹا ہوا، مسخ شدہ، دوبارہ لکھا ہوا بیلٹ پیپر مسترد کر دیا جائے گا۔



CHAIRMAN'S REVIEW

I am pleased to present this report to the shareholders of Baba Farid Sugar Mills Limited (the Company) and to appraise them on the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's Goals, corporate objectives and strategy based on strategic planning which are in line with the vision and mission of the Company.

The geopolitical situation, difficult financial environment, and high inflationary pressures have all had a substantial impact on the prospects for global growth. All these factors posed significant economic risks for Pakistan's economy as well. Devastating floods and political unrest further aggravated the situation.

Thus, FY2023 has been a challenging year for Pakistan's economy. In FY2022, Pakistan's economy witnessed a high growth rate of 6.1 percent, however, it was unsustainable as it was largely driven by domestic demand, which was stimulated by expansionary fiscal policy and ended up with a high fiscal and current account deficit. Subsequently, the economy signaled excessive demand and overheating.

The severe macroeconomic imbalances, flood damages, domestic supply shocks, and international economic slowdown have dampened the economic growth to just 0.29 percent in FY2023.

Pakistan faced a heavy monsoon spell in July-August 2022 which damaged two main sub-sectors, i.e., crops and livestock.

Moreover, the damage in the agriculture sector had a spillover effect on the industry and allied services sectors. As a result, domestic production remained below the required levels, raising the prices of all essential food items to a historic high. The total damage in the agriculture sector amounts to approximately Rs 800 billion (US$ 3.725 billion)

In FY2023, Pakistan's GDP grew by 0.29 percent, with 1.55 percent growth in agriculture, -2.94 percent in industrial sector, and 0.86 percent in services sector. The GDP at current market prices recorded Rs 84,658 billion, showing a 27.10 percent growth over the previous year Rs 66,624 billion (US$ 341 billion).

The per capita income decreased from US$ 1765 to US$ 1568 in FY2023. This deceleration was attributed to the significant depreciation of PKR and the contraction in economic activity. For FY2023, the Investment to-GDP ratio stood at 13.6 percent as compared to 15.6 percent in FY2022.

The growth of the agriculture sector has been estimated at 1.55 percent in FY2023. This growth was majorly driven by some main crops such as wheat, sugarcane, and livestock. Overall, the growth of the important crop is -3.20 percent due to the decrease in the production of Cotton and Rice. In FY2023, the crops of Cotton witnessed a decline of 41 percent from 8.33 to 4.91 million bales, and Rice production also reduced by 21.5 percent from 9.32 to 7.32 million tons. The flood has engulfed a large part of agriculture land that has affected the production of these major crops. However, positive growth of 5.4 percent has been observed in Wheat. Wheat production increased from 26.208 to 27.634 million tons in FY2023. Similarly, Sugarcane increased by 2.8 percent from 88.65 to 91.11 million tons, and Maize increased from 9.52 to 10.183 million tons.

The proliferation of risks, including the global economic slowdown and flood damages, coupled with the SBP's restrictive policies such as high-interest rates, import restrictions, and the closure of LCs to correct the balance of payments and control inflation, has created headwinds for businesses, consumer confidence, and investment. Thus, the industry weighed down by various domestic and external factors leading to a slowdown in its performance in FY2023. LSM remained on the negative side, at negative 8.11 percent during July-March FY2023 against the growth of 10.61 percent in the corresponding period last year.

In addition to inflation, our country faced a number of internal challenges which brought the economy down to its knees. Devastating floods and their delayed rehabilitation work in Pakistan added profound risk to the country's economic outlook. In addition, country's foreign exchange reserves took a nose dive and resulted in recording their lowest level in a decade, due to which the country faced challenges in retirement of contracts and LCs. This has resulted in a disruption in the supply chain as well as sharp price increases. The economic outlook will be shaped largely by the restoration of political stability and the continued implementation of reforms. There seems to be no short-term solution. Our vending associates are also dependent on their supply chain and facing import restrictions.

Despite confronting these formidable hurdles, your Company stood resolute. The visionary guidance of the Board of Directors ignited the ingenuity of our management, fostering the creation and successful execution of a flexible and efficient business strategy. This endeavor bore fruit, as your Company achieved an impressive 15.83% surge in gross sales, reaching an unprecedented milestone of Rs 5.26 billion during the review year (compared to Rs 4.54 billion in the prior year). This growth in revenue translated equally to the bottom line irrespective of production expenses and a substantial uptick in finance costs attributed to the stringent monetary policy. Consequently, the net profit amounted to Rs 90.697 million (compared to net loss of Rs 242.296 million in the previous year), resulting in an Earnings per Share (EPS) of Rs 9.60 (compared to Loss per share of Rs 25.64 in the previous year).

We believe in steadily improving the governance framework of the Company. For this purpose, a formal and effective mechanism in place for evaluation of the Board. Therefore, as required under the Code of Corporate Governance, an annual evaluation of the Board of the Company was carried out, the purpose was to ensure and measure the Board's overall performance and effectiveness and bench marked against expectations in the context of objectives set

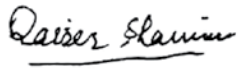
for the Company. The Board made arrangements for orientation of Directors to acquaint them with the Rules, Regulations & Laws issued by the Regulatory Authorities and enable them to effectively govern the affairs of the Company for and on behalf of the shareholders.

The Board met the duties as required under the Companies Act, 2017 and the Code of Corporate

Governance,applicabletotheCompanywhichinclude approval of significant policies, establishing a sound system of internal controls, approval of budgets and financial results, along with approval of significant investments. The Audit Committee and the Human Resource&RemunerationCommitteewerechairedby the independent director, indicating our commitment to the highest levels of governance and transparency. The Audit Committee has continued to supervise the financial reporting processes and ensuring timely and accurate communication of information to all stakeholders.

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

Iwouldliketoplaceonrecord,mysincereappreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affairs and hope that theywillcontinueforenhancementofproductivitywith great zeal and spirit under the blessings of Almighty Allah. Thanks to all the Government functionaries, banking and non-banking financial institutions, suppliersandshareholdersfortheircontinuedsupport and cooperation for the betterment and prosperity of theCompany.



Lahore: Mrs.QaiserShamimKhan
26 December, 2023 Chairperson

DIRECTOR'S REPORT TO THE MEMBERS



On behalf of the Board of Directors (BOD), we are pleased to present the Annual Report of Baba Farid Sugar Mills Limited (BFSML) for the year ended September 30th, 2023 along with the audited financial statements and Auditors' Reportthereon.

BUSINESSENVIRONMENTREVIEW

The financial year under review marked a significant period for Pakistan's economic history, characterizedbyarangeofinternalandexternal factors that influenced its economic health. The country had faced the challenges of depleting forex reserves, currency devaluation and rising inflation. The situation further worsened when the country hit with heavy rains and floods in the early months of the financial year. Floods engulfed major part of agriculture land and disrupted the domestic supply chain. All this resulted into one of the highest inflation levels in theeconomichistoryofPakistan.Consequently, the SBP had to intervene by raising the policy rate to an unprecedented level of 22%.

In FY2023, Pakistan's GDP grew by 0.29 percent, with 1.55 percent growth in agriculture, -2.94 percent in industrial sector, and 0.86 percent in services sector. The per capita income decreased from US$ 1,765 to US$ 1,568 in FY2023.

IndustryReview

Sugarcane is a tropical crop cultivated mainly in Punjab, Sindh and Khyber Pakhtunkhwa. It provides raw material to the 2nd largest agro-based industry of the country. It provides employment to millions of rural farming and non-farming community. In addition, it is a major source of livestock fodder during winter season. Its production accounts for 3.7 percent in agriculture's value addition and 0.9 percent in GDP. During 2022-23, sugarcane was cultivated on 1,319 thousand hectares showing increase of 4.7 percent compared to 1,260 thousand hectares last year (as per "Economic Survey of Pakistan"). The main factor contributed to more area sown were lucrative cane prices for last year. Its production increased by 2.8 percent to 91.111 million tonnes over last year (88.651 million tonnes) (as per "Economic Survey of Pakistan").

For crushing season 2022-23, notified support price of sugarcane was revised to Rs. 300 per 40 kg from Rs. 225 per 40 kg (as was in 2021-22) in the Province of Punjab. The average sugarcane

cost to the Company was Rs. 314 per 40 kg as compared to Rs. 257 per 40 kg during last crushing season which is higher by about 22%.

However, sugar prices remained at low levels during the first half of the year under review however, the sugar prices witnessed upward trend in the second half of financial year.

PERFORMANCEOFTHECOMPANY

The Company's sugar production decreased to 16.08% due to the shrinkage of crushing season and decrease in per acre yield, but due to better sugarcane varieties, the Company was able to obtain the recovery of 9.956% as compared to last year 8.936%. Evident improvement in the Company's sugar results is mainly due to the endeavors of management and staff, improved production efficiencies, better relationship with Growers and other stakeholders and experience of the management. The Company's Operating and Financial performance is also elaborated below:

OperatingPerformance

The summarized operating performance of your Company for the year 2022-23 compared to last year is presented as follows:

Description	2023-23	2021-22
Sugar Cane Crushed (MT)	455,913.605	604,762.396
Sugar Produced (MT)	45,338.900	54,026.500
Sugar Recovery (%)	9.9564	8.936
Molasses Produced (MT)	19,288.935	27,815.000
PlantOperationalDays	97	132

FinancialPerformance

The summarized financial performance of your Company for the year 2022-23 compared to last year is presented as follows:

Description	2022-23	2021-22
	(RupeesinMillion)	
NetSales	4,543	3,939
CostofSales	(3,992)	(3,991)
Gross Profit/ (Loss)	551	(52)
OtherIncome	174	321
Otherexpenses&taxes	(634)	(511)
Net Profit/ (Loss)	91	(242)
Earnings/ (Loss) Per Share	9.60	(25.64)
Gross Profit/ (Loss) Ratio	0.12	(0.01)
P/ERatio	3.02	(1.48)
Market Price Per Share (As on September 30")	28.99	37.90

EARNING/(LOSS)PERSHARE

The earning per share of the company for the year under review stood at Rs. 9.60 (2022: Loss per share 25.64).

RISK MITIGATION

The Board of Directors, Board's Audit Committee, and Steering Committee comprising of the senior management team led by the Chief Executive Officer are responsible for oversight of Company's operations and to evolve proactive strategies to mitigate any potential adverse impact of major risks.

CAPITAL MANAGEMENT

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

RESEARCH AND DEVELOPMENT

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

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

HUMAN RESOURCE DEVELOPMENT AND EMPLYEE RELATION

Human Resources are the most vital asset of your Company to maintain its sustainability as they are the source of Knowledge, Skills, and Competence. The vision of human resources has been determined based on the core value defined by the Company's Management. Your Company believes that effective utilization of competitive human resources is the most important to survive in an ever-changing business environment and to achieve sustainable growth.

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

RELATIONSHIP WITH GROWERS

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

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

FUTURE OUTLOOK AND GOING CONCERN ASSUMPTION

The Crushing season 2023-24 has started and is expected to be more challenging one for the sugar industry. The Government of Punjab has notified the sugarcane price at Rs. 400/- per 40 kg. The sugarcane situation in the procurement area of the Company has slightly improved due to higher acreage and also the Company is observing a good recovery as compared to last year. Considering the prevalent condition of the industry i.e., high sugarcane support price and low sugar prices, are expected to be major hindrances towards the profitability.

The government has set the target growth rate for Pakistan for FY 2023-24 at 3.5%, which seems ambitious. High inflation and strict monetary policy are having an adverse effect on demand and production costs. Moreover, the government has taken several steps to fix the structural problems of the notional economy under the IMF program, such as raising energy prices, taxes and policy rates. The IMF program helped to restore the foreign exchange reserves. However, inflation will make businesses more costly and reduce people's purchasing power. Moreover, the global demand slowdown may bring country exports target grim amid country's debt burden, that is expected to keep pressure on USD/PKR parity.

Your Company's management is closely monitoring the changing scenario and adapting its business strategy accordingly.

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

Going forward the Company is expected to perform better but the external environment is crucial in determining the earnings. Though the impact of higher sugarcane prices, higher interest rates and inflationary pressure may subdue the profitability, while, the sugar prices to determine the extent of profitability. Looking aheaditisexpected;thatcountry'seconomytogrowat lowrate,interestrates(thoughtocurtailbut)toremain high, inflation to remain there, local currency to remain under pressure and political ambiguity is expected to prevailbeingtheelectionyear.

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

CORPORATESOCIALRESPONSIBILITY

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

SAFETY,HEALTHANDENVIRONMENT

YourCompanyimplementedstrictprotocolsonhealth and employee safety. In this regard, the Company follows applicable laws and regulations. Personal protection equipment is provided to all staff.

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

CUSTOMERFOCUS

The Company believes that its valued customers are the foundation of its business success. The Company policies are fully customers' focused by putting them at the center of its business decision-making. The Company is following a long-term strategy that develops loyalty and builds trust. Close liaison with the market and customers has always enabled your Company to best understand customers' needs to offer the best suitable products and service levels to make your Company the first choice.

MATERIALCHANGES

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

RISKANDUNCERTAINTIES

The company is exposed to the following risks and uncertainties:

- Increased competition among the mills due to lesseravailabilityofsugarcanecropinthearea
- Higherpricesofsugarcaneandpackingmaterial
- MarketdisruptionduetochangeinGovt.policies regardingsaleofsugar
- Foreign currency fluctuation
- HigherSBPPolicyrates

STATEMENTOFCOMPLIANCEWITHCODEOF CORPORATEGOVERNANCE

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

Following are the Statements on Corporate and FinancialReportingFramework:

- The financial statements prepared by the managementoftheCompanypresentitsstateof affairs fairly, the result of its operations, cash flows andchangesinequity.
- Proper books of accounts of the Company have beenmaintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based onreasonableandprudentjudgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosedandexplained.

- The system of internal controls is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance.
- Key operating and financial data for last six (6) years in summarized form is annexed.
- StatementofShareholdingpatternalongwithcategoriesofshareholdingofthecompanyisannexedinthe report.
- There is nothing outstanding against your Company on account of taxes, duties, levies and charges except for those which are being made in normal course of business and appropriately disclosed in the financial statements.

BoardofDirectors

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

- Male Directors 5
- Female Directors 2

Category	Names
IndependentDirectors	Mr.Farid-ud-DinAhmad Mr.MalikManzoorHussainHumayoon
ExecutiveDirectors	Mr.AdnanAhmedKhan(CEO) Mr.MuhammadShamimKhan
Non-ExecutiveDirectors	Mrs.QaiserShamimKhan Mr.NaumanAhmedKhan Mrs.SarahHajraKhan

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

NameofDirectors	Designation	No.ofMeeting Attended
Mrs. Qaiser Shamim Khan	Chair Person	3
Mr. Adnan Ahmed Khan	Chief Executive	2
Mr. Muhammad Shamim Khan	Director	4
Mr. Nauman Ahmed Khan	Director	4
Mrs. Sarah Hajra Khan	Director	4
Mr. Farid Ud Din Ahmed	Independent Director	4
Mr. Malik Manzoor Hussain Humayoon	Independent Director	4

The Board has formed committees comprising of members given below:

AuditCommittee

The Board has constituted an Audit Committee consisting of three members including Chairman of the Committee as mentioned below. The committee regularly meets as per requirement of the code. The committee assists the Boardinreviewinginternalauditmanualandinternalauditsystem.

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

HR and Remuneration Committee

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

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

Nomination Committee

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

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

Risk Management Committee

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

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

Adequacy of Internal Financial Controls

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

RELATED PARTIES TRANSACTIONS

In accordance with the relevant regulations, your Company has devised a Related Party Transactions Policy approved by the Board of Directors which governs how arm's length and non-arm's length transactions are dealt with. All related party transactions carried out during the year are disclosed in the financial statements.

CONTRIBUTION TO THE NATIONAL EXCHEQUER

The Company's contribution to the National Exchequer for the year ended September 30, 2023 was Rs. 773.10 million as compared to Rs. 624.538 million for the last year.

AUDITORS

The present Auditors M/s BDO Ebrahim & Company, Chartered Accountants, are the retiring auditors of the Company and have offered their services for re-appointment. They confirmed that they have been given a satisfactory rating under the Quality Control Review Program of The Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) guidelines on code of ethics, as adopted by ICAP. On the recommendation of the Board's Audit Committee, the Board of Directors proposed their re-appointment by the shareholders at the ensuing Annual General Meeting, as auditors of the Company for the year ending September 30, 2024, at a fee to be mutually agreed upon.

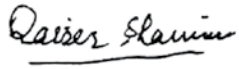
ACKNOWLEDGMENT

The Directors wish to acknowledge the devotion of the employees and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers, and bankers for their continued confidence and support.

For and on behalf of Board
Baba Farid Sugar Mills Limited



Mr. Adnan Ahmed Khan
Chief Executive Officer



Mrs. Qaiser Shamim Khan
Chairperson

Lahore: 26th December, 2023

ڈائریکٹرز کی ممبران کو رپورٹ

بورڈ آف ڈائریکٹرز(BOD) کی جانب سے، مجھے 30 ستمبر 2023 کو ختم ہونے والے مالی سال کے لئے بابا فرید شوگر ملز لمیٹڈ(BFSML) کی سالانہ رپورٹ معہ ان پر نظر ثانی شدہ حسابات اور آڈیٹر کی رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

کاروباری ماحول کا جائزہ

زیر جائزہ مالی سال پاکستان کی معاشی تاریخ کے لئے ایک اہم دور کی نشاندہی کرتا ہے، جس میں متعدد اندرونی اور بیرونی عوامل شامل ہیں جنہوں نے اس کی معاشی صحت کو متاثر کیا ہے۔ ملک کو زرمبادلہ کے ذخائر میں کمی، کرنسی کی قدر میں کمی اور بڑھتی ہوئی افراط زر کی مشکلات کا سامنا تھا۔ صورتحال اس وقت مزید خراب ہوگئی جب مالی سال کے ابتدائی مہینوں میں ملک شدید بارشوں اور سیلاب سے متاثر ہوا۔ سیلاب نے زرعی زمین کے بڑے رقبہ کو اپنی لپیٹ میں لے لیا اور ملکی سپلائی چین میں خلل ڈالا۔ ان سب کے نتیجے میں پاکستان کی معاشی تاریخ میں افراط زر بلند ترین سطح پر پہنچ گیے۔ نتیجتاً اسٹیٹ بینک آف پاکستان کو مداخلت کرتے ہوئے پالیسی ریٹ کو 22 فیصد کی غیر معمولی سطح تک بڑھانا پڑا۔

مالی سال 2023 میں پاکستان کی جی ڈی پی میں 0.29 فیصد اضافہ ہوا جس میں زراعت میں 1.55 فیصد، صنعتی شعبے میں 2.94- فیصد اور خدمات کے شعبے میں 0.86 فیصد تک اضافہ ہوا۔ مالی سال 2023 میں فی کس آمدنی 1,765 امریکی ڈالر سے کم ہو کر 1,568 امریکی ڈالر رہ گئی۔

انڈسٹری کا جائزہ

گنے کی فصل بنیادی طور پر پنجاب، سندھ اور خیبر پختونخوا میں کاشت کی جاتی ہے۔ یہ ملک کی دوسری سب سے بڑی زرعی صنعت کو خام مال فراہم کرتی ہے۔ یہ لاکھوں دیہی کاشتکار اور غیر کاشتکار برادری کو روزگار فراہم کرتی ہے۔ اس کے علاوہ، یہ سردیوں کے موسم میں مویشیوں کے چارہ کا ایک اہم ذریعہ ہے۔ اس کی پیداوار زراعت کی ویلیو ایڈیشن میں 3.7 فیصد اور جی ڈی پی میں 0.9 فیصد ہے۔ 2022-23 کے دوران 1,319 ہزار ہیکٹر رقبے پر گنے کی کاشت کی گئی جو گزشتہ سال کے 1,260 ہزار ہیکٹر رقبے کے مقابلے میں 4.7 فیصد زیادہ ہے (اکنامک سروے آف پاکستان کے مطابق)۔ زیادہ رقبے کی بوائی میں اہم عنصر پچھلے سال کے لئے گنے کی منافع بخش قیمتیں تھیں۔ اس کی پیداوار گزشتہ سال (88.651 ملین ٹن) کے مقابلے میں 2.8 فیصد اضافے کے ساتھ 91.111 ملین ٹن ہوگئی ("اکنامک سروے آف پاکستان" کے مطابق)۔

کرشنگ سیزن 23-2022 کے لئے صوبہ پنجاب میں گنے کی امدادی قیمت 225 روپے فی 40 کلوگرام سے بڑھا کر 300 روپے فی 40 کلوگرام کر دی گئی ہے۔ کمپنی کو گنے کی اوسط قیمت 314 روپے فی 40 کلوگرام برداشت کرنا پڑی جو گزشتہ کرشنگ سیزن کے دوران 257 روپے فی 40 کلوگرام تھی جو تقریباً 22 فیصد زیادہ ہے۔
تاہم رواں مالی سال کی پہلی ششماہی کے دوران چینی کی قیمتیں کم سطح پر رہیں البتہ مالی سال کی دوسری ششماہی میں چینی کی قیمتوں میں اضافے کا رجحان دیکھا گیا ہے۔

کمپنی کی کارکردگی

کرشنگ سیزن کی کمی اور فی ایکڑ پیداوار میں کمی کے باعث کمپنی کی چینی کی پیداوار 16.08 فیصد تک کم ہوئی، لیکن گنے کی بہتر اقسام کی وجہ سے، کمپنی گزشتہ سال 8.936% کے مقابلے 9.956% کی ریکوری حاصل کرنے میں کامیاب رہی ہے۔ کمپنی کی چینی کے نتائج میں بہتری بنیادی طور پر انتظامیہ اور عملہ کی کوششوں، بہتر پیداواری صلاحیت، کاشتکاروں اور دیگر اسٹیک ہولڈرز کے ساتھ بہتر تعلقات اور انتظامیہ کے تجربے کی بدولت ممکن ہوئی۔ کمپنی کی آپریٹنگ اور مالیاتی کارکردگی بھی ذیل میں بیان کی گئی ہے۔

آپریٹنگ کارکردگی

گزشتہ سال کے مقابلے مالی سال 2022-23 کے لئے کمپنی کی آپریٹنگ کارکردگی کا خلاصہ حسبِ ذیل ہے:

تفصیل	2022-23	2021-22
گنے کی کرشنگ (میٹرک ٹن)	455,913.605	604,762.396
چینی کی پیداوار (میٹرک ٹن)	45,338.900	54,026.500
چینی کی ریکوری (فیصد)	9.9564	8.936
مولاسس کی پیداوار (میٹرک ٹن)	19,288.935	27,815.000
پلانٹ کے آپریشن ایام	97	132

مالی کارکردگی

گزشتہ سال کے مقابلے مالی سال 2022-23 کے لئے کمپنی کی مالی کارکردگی کا خلاصہ حسبِ ذیل ہے:

روپے ملین میں

تفصیل	2022-23 (رقم ملین میں)	2021-22 (رقم ملین میں)
خالص فروخت	4,543	3,939
فروخت لاگت	(3,992)	(3,991)
مجموعی منافع/(نقصان)	551	(52)
دیگر آمدنی	174	321
دیگر اخراجات اور ٹیکسز	(634)	(511)
خالص منافع/(نقصان)	91	(242)
آمدنی/(نقصان) فی شیئر (روپے)	9.60	(25.64)
مجموعی منافع/(نقصان) تناسب	0.12	(0.01)
P/E تناسب	3.02	(1.48)
مارکیٹ قیمت فی شیئر (30 ستمبر کے مطابق)	28.99	37.90

فی شیئر (نقصان)/ آمدنی

زیرِ جائزہ سال کے لئے کمپنی کی فی شیئر آمدنی 9.60 روپے (2022 :25.64 روپے فی شیئر نقصان) رہی ہے۔

خطرے کی تخفیف

بورڈ آف ڈائریکٹرز، بورڈ کی آڈٹ کمیٹی، اور چیف ایگزیکٹو آفیسر کی قیادت میں سینئر مینجمنٹ ٹیم پر مشتمل اسٹیئرنگ کمیٹی کمپنی کے آپریشنز کی نگرانی اور بڑے خطرات کے کسی بھی ممکنہ منفی اثرات کو کم کرنے کے لیے فعال حکمت عملی تیار کرنے کی ذمہ دار ہے۔

کیپٹل مینجمنٹ

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

تحقیق و ترقی

زرعی تحقیق و ترقی کمپنی کی پالیسی کا ایک لازمی حصہ ہے جس میں بہترین زرعی طریقوں کے ساتھ ترقی پسند کاشتکاروں کے ذریعے گنے کی مختلف اور نئی اقسام کی شناخت اور اس کے بعد تجارتی پیمانے پر ان کی کاشت شامل ہے۔ یہ نہ صرف گنے کی فی ایکڑ پیداوار بڑھاتی ہے بلکہ کاشتکاروں کی آمدنی میں اضافہ اور مسابقتی فصلوں کے مقابلے میں گنے کی بوائی کے لئے زیادہ شوق پیدا کرتی ہے۔ یہ کمپنی کو گنے کی سپلائی، مجموعی طور پر شوگر کی ریکوری کو بڑھاتی ہے اور براہ راست کمپنی کے منافع کو بہتر بناتی ہے۔

کمپنی نے اپنی نمو کی رفتار کو مستحکم رکھنے کے لئے گنے کے بیج، اور انرجی کراپس کی ڈویلپمنٹ، پروڈکشن ٹیکنالوجیز اور مشینری کی بہتری پر توجہ مرکوز رکھتے ہوئے تحقیق و ترقی کے اقدامات میں سرمایہ کاری کی ہے۔

ہیومن ریسورس ڈویلپمنٹ اور ملازمین کے تعلقات

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

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

کاشتکاروں کے ساتھ تعلقات

کمپنی کسان برادری کے ساتھ خوشگوار تعلقات سے لطف اندوز ہوتی ہے کیونکہ وہ کاشتکاروں کو اپنی ریڑھ کی ہڈی سمجھتی ہے۔ تعلقات کو برقرار رکھنے اور مزید تقویت دینے کے لئے، کمپنی اچھے اصولوں کو ترجیح دیتی ہے اور کوشش کرتی ہے کہ؛

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

مستقبل کا نقطہ نظر اور گوئنگ کنسرن مفروضہ

کرشنگ سیزن 2023-24 شروع ہو چکا ہے اور توقع ہے کہ شوگر انڈسٹری کے لیے زیادہ چیلنجنگ ہوگا۔ حکومت پنجاب نے گنے کی قیمت -/400 روپے فی 40 کلوگرام مقرر کی ہے۔ زیادہ رقبہ کی وجہ سے کمپنی کے خریداری کے علاقے میں گنے کی صورتحال قدرے بہتر ہوئی ہے اور کمپنی گزشتہ سال کے مقابلے میں اچھی ریکوری کا بھی مشاہدہ کر رہی ہے۔ صنعت کی موجودہ حالت کو مدنظر رکھتے ہوئے، گنے کی زیادہ امدادی قیمت، اور چینی کی کم قیمتیں منافع کی راہ میں بڑی رکاوٹیں ہوں گی۔

حکومت نے مالی سال 2023-24ء کے لئے پاکستان کے لئے شرح نمو کا ہدف 3.5 فیصد مقرر کیا ہے۔ زیادہ افراط زر اور سخت مانیٹری پالیسی طلب اور پیداواری لاگت پر منفی اثر ڈال رہی ہے۔ مزید برآں، حکومت نے آئی ایم ایف پروگرام کے تحت قومی معیشت کے بنیادی مسائل کو حل کرنے کے لئے متعدد اقدامات کیے ہیں، جیسے کہ توانائی کی قیمتوں، ٹیکس اور پالیسی شرح میں اضافہ کر دیا ہے۔ آئی ایم ایف پروگرام نے زرمبادلہ کے ذخائر کو بحال کرنے میں مدد کی۔ تاہم افراط زر کاروبار کو مزید مہنگا اور لوگوں کی قوت خرید میں کمی لائے گا۔ مزید برآں، عالمی طلب میں سست روی ملکی برآمدات کے ہدف کو مشکل بنا سکتی ہے کیونکہ ملک پر قرضوں کا بوجھ بڑھ سکتا ہے، جس سے توقع ہے کہ امریکی ڈالر/ پاکستانی روپیہ کی برابری پر دباؤ برقرار رہے گا۔

آپ کی کمپنی کی انتظامیہ بدلتے ہوئے منظرنامہ کی گہری نگرانی کر رہی ہے اور اس کے مطابق اپنی کاروباری حکمت عملی کو موزوں بنا رہی ہے۔

حکومت کو اس بات کو یقینی بنانا چاہیے کہ چینی کی قیمت گنے کی قیمت اور موجودہ مہنگائی کے مطابق دیگر اخراجات کی عکاسی کرے تاکہ صنعت کے لیے سازگار کاروباری ماحول پیدا کیا جا سکے اور ساتھ ہی کسانوں کو بہتر پیداوار دینے والے بیج فراہم کر کے زراعت کو فروغ دینے اور بحالی کے لیے پالیسیاں تیار کی جائیں۔

آگے بڑھتے ہوئے کمپنی سے بہتر کارکردگی کی توقع ہے لیکن آمدنی کا تعین کرنے کے لیے بیرونی ماحول بہت اہم ہے۔ گنے کی زیادہ قیمتوں کے اثرات کو مدنظر رکھتے ہوئے، بلند ترین شرح سود اور مہنگائی کا دباؤ منافع کو بری طرح متاثر کر سکتا ہے، جبکہ چینی کی قیمتیں منافع کی حد کا تعین کرتی ہیں۔ آگے دیکھتے ہوئے اس بات کی توقع کی جاتی ہے کہ ملک کی معیشت کم شرح سے ترقی کرے گی، شرح سود (اگرچہ کم ہوگی لیکن) بلند، افراط زر برقرار، مقامی کرنسی دباؤ میں رہے گی اور انتخابی سال میں سیاسی ابہام برقرار رہے گا۔

یہ مالی گوشوارے کمپنی کو مالی اور آپریشنل مدد فراہم کرنے کے لئے اسپانسرز کی وابستگی کی بنیاد پر ایک جاری تشویش کی بنیاد پر تیار کیے گئے ہیں۔ انتظامیہ کو جاری تشویش کے بطور کمپنی کے جاری رہنے کی صلاحیت کے بارے میں کوئی شبہ نہیں ہے۔

کارپوریٹ سماجی ذمہ داری

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

حفاظت، صحت اور ماحولیات

آپ کی کمپنی نے صحت اور ملازمین کی حفاظت سے متعلق پروٹوکول پر سختی سے عمل درآمد کیا ہے۔ اس سلسلہ میں، کمپنی قابل اطلاق قوانین اور ضوابط کی پیروی کرتی ہے۔ بابا فرید شوگر ملز لمیٹڈ (BFSML) کی انتظامیہ اس بات پر یقین رکھتی ہے کہ ماحول کا تحفظ ہر فرد کی بقا کے لیے ضروری ہے اور اس لیے کمپنی اپنے ملازمین اور بڑے پیمانے پر معاشرے کو صحت مند ماحول فراہم کرنے کو انتہائی اہمیت دیتی ہے۔ آپ کی کمپنی اپنی سماجی ذمہ داری کا شعور رکھتی ہے اور انتظامیہ نے آلودگی سے پاک ماحول کے حصول کے لیے مناسب اقدامات کیے ہیں۔

صارفین پر توجہ

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

مادی تبدیلیاں

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

خطرات اور غیر یقینی صورتحال

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

- علاقہ میں گنے کی فصل کی کم دستیابی کی وجہ سے ملوں کے درمیان مسابقت میں اضافہ
- گنے اور پیکنگ میٹریل کی زیادہ قیمتیں۔
- چینی کی فروخت سے متعلق حکومتی پالیسیوں میں تبدیلی کی وجہ سے مارکیٹ میں خلل۔
- غیر ملکی کرنسی میں اتار چڑھاؤ
- SBP کی بڑھتی ہوئی شرح سود

کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان

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

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کے بیان مندرجہ ذیل ہیں:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی حسابات کمپنی کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے اور ان سے کسی مادی انحراف کا انکشاف اور وضاحت کی گئیہے۔
- اندرونی کنٹرول کا نظام صنعت کی ضروریات اور جدید انتظامی اصولوں کے مطابق ڈیزائن ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے گوئنگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں۔
- کارپوریٹ گورننس کے بہترین عوامل سے کوئی مادی انحراف نہیں کیا گیا ہے۔
- گزشتہ چھ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا رپورٹ ہذا سے منسلک ہے۔
- نمونہ حصص داری کا بیان معہ کمپنی کے شیئر ہولڈنگ کی کیٹگریز رپورٹ میں لف ہے۔
- ٹیکسز، ڈیوٹیز، لیویز اور چارجز کی مد میں آپ کی کمپنی کے خلاف کوئی بقایا جات نہیں ہیں ماسوائے جو معمول کے کاروبار میں کی جارہی ہیں۔

بورڈ آف ڈائریکٹرز

بورڈ پر ڈائریکٹرز کی کل تعداد 7 ہے اور اس کی تشکیل حسبِ ذیل کے مطابق ہے:

- مرد ڈائریکٹرز 5
- خاتون ڈائریکٹرز 2

کیٹگری	نام
آزاد ڈائریکٹرز	جناب فریدالدین احمد جناب ملک منظور حسین ہمایوں
ایگزیکٹو ڈائریکٹرز	جناب عدنان احمد خان (سی ای او) جناب محمد شمیم خان
نان ایگزیکٹو ڈائریکٹرز	محترمہ قیصر شمیم خان جناب نعمان احمد خان محترمہ سارہ ہاجرہ خان

زیرِ جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس منعقد ہوئے۔ اجلاس کی کارروائیاں موزوں طریقہ سے ریکارڈ اور ترسیل کی گئی۔ بورڈ کے اجلاسوں میں ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے۔

نام ڈائریکٹرز	عہدہ	تعداد حاضری
محترمہ قیصر شمیم خان	چیئرپرسن	3
جناب عدنان احمد خان	چیف ایگزیکٹو	2
جناب محمد شمیم خان	ڈائریکٹر	4
جناب نعمان احمد خان	ڈائریکٹر	4
محترمہ سارہ ہاجرہ خان	ڈائریکٹر	4
جناب فریدالدین احمد	آزاد ڈائریکٹر	4
جناب ملک منظور حسین ہمایوں	آزاد ڈائریکٹر	4

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

آڈٹ کمیٹی

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

- i) جناب فریدالدین احمد (چیئرمین) اور
- ii) جناب ملک منظور حسین ہمایوں
- iii) محترمہ سارہ ہاجرہ خان

ایچ آر اینڈ ریمنریشن کمیٹی

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

- i) جناب فریدالدین احمد (چیئرمین) اور
- ii) جناب ملک منظور حسین ہمایوں
- iii) جناب عدنان احمد خان

نامینیشن کمیٹی

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

- i) جناب ملک منظور حسین ہمایوں (چیئرمین)
- ii) جناب فریدالدین احمد

رسک مینجمنٹ کمیٹی

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

- i) جناب ملک منظور حسین ہمایوں (چیئرمین)
- ii) جناب فریدالدین احمد

مناسب داخلی مالیاتی کنٹرول

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

متعلقہ پارٹی لین دین

متعلقہ قواعد وضوابط کے مطابق، آپ کی کمپنی نے بورڈ آف ڈائریکٹرز کی طرف سے منظور کردہ ایک متعلقہ پارٹی ٹرانزیکشن پالیسی تیار کی ہے جو اس بات کو کنٹرول کرتی ہے کہ متعلقہ پارٹیوں کے ساتھ تمام لین دین قابل رسائی قیمتوں پر کیا گیا ہے۔ سال کے دوران کیے گئے تمام متعلقہ پارٹی لین دین کو مالی بیانات میں ظاہر کیا گیا ہے۔

قومی خزانہ میں شراکت

30 ستمبر 2023ء کو ختم ہونے والے سال کے دوران کمپنی کا قومی خزانے میں حصہ 773.10 ملین روپے رہا جبکہ گزشتہ سال یہ 624.538 ملین روپے تھا۔

آڈیٹرز

موجودہ آڈیٹرز میسرز BDO ابراہیم اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر، دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔ وہ تصدیق کرتے ہیں کہ انہیں دی انسٹی

ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت ایک تسلی بخش درجہ بندی دی گئی ہے اور یہ فرم انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے ضابطہ اخلاق سے متعلق رہنما اصولوں کی مکمل تعمیل کرتی ہے، جیسا کہ ICAP کی طرف سے اپنایا گیا ہے۔ بورڈ کی آڈٹ کمیٹی کی سفارش پر، بورڈ آف ڈائریکٹرز نے 30 ستمبر 2024 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹر کے طور پر آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کی جانب سے باہمی رضامندی کی فیس پر ان کی دوبارہ تقرری کی تجویز پیش کی ہے۔

اظہار تشکر

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

منجانب بورڈ
بابا فرید شوگر ملز لمیٹڈ

Qaiser Shamim

محترمہ قیصر شمیم خان
چیئرپرسن

(عدنان احمد خان)
چیف ایگزیکٹو

لاہور: 26 دسمبر 2023ء

SIX YEARS SUMMARY OF FINANCIAL HIGHLIGHTS

OPERATINGPERFORMANCE:

		2023	2022	2021	2020	2019	2018
SugarProduction:							
Cane crushed	(M.Tons)	455,913.605	604,762.396	457,224.825	290,029.359	26,976.308	208,593.731
Average sucrose recovery	(%)	9.956	8.936	9.072	8.70	5.58	8.77
Sugar produced	(M.Tons)	45,338.900	54,026.500	41,501.500	25,159.000	1,935.600	18,261.900
Operating period	Days	97	132	116	115	22	93
Operating results:							
Sales	(000'Rs.)	4,543,139	3,938,712	3,864,161	1,783,548	121,607	1,381,821
Cost of sales	(000'Rs.)	3,992,397	3,990,959	3,613,466	1,754,710	478,699	1,545,650
Gross profit/ (Loss)	(000'Rs.)	550,742	(52,247)	250,695	28,838	(357,092)	(163,829)
Gross Loss/ Profit to Net Sales	(%)	0.12	(0.01)	0.06	0.02	(2.94)	(0.12)
Net Profit / (Loss) before Taxation	(000'Rs.)	92,586	(167,659)	166,421	(276,941)	(627,625)	(378,293)
Net Profit / (Loss) after Taxation	(000'Rs.)	90,697	(242,297)	122,219	(286,079)	(682,625)	(374,066)
Net Profit / (Loss) to Net Sales	(%)	0.020	(0.06)	0.03	(0.16)	(5.61)	(0.27)
Shareholders'Equity:							
Paid up capital	(000'Rs.)	94,500	94,500	94,500	94,500	94,500	94,500
Reserves & surplus	(000'Rs.)	2,767,297	2,677,253	1,698,942	1,256,871	771,630	235,256
Shareholders' equity	(000'Rs.)	2,861,797	2,771,753	1,793,442	1,351,371	866,130	329,756
Earnings/ loss per share	Rupees	9.60	(25.64)	12.93	(30.27)	(72.24)	(39.58)
P/E Ratio	Rupees	3.02	(1.48)	4.07	(1.21)	(0.68)	(0.96)
Market Price Per Share	Rupees	28.99	37.90	52.63	36.57	49.25	38.00
Financialposition:							
Current assets	(000'Rs.)	1,403,364	1,151,069	536,024	897,653	296,437	805,554
Fixed capital expenditure	(000'Rs.)	3,513,912	3,569,816	2,943,193	2,830,740	2,822,993	2,495,993
Total assets	(000'Rs.)	4,917,801	4,722,747	3,480,553	3,728,568	3,119,430	3,302,135
Current liabilities	(000'Rs.)	1,211,887	1,202,357	1,003,023	1,100,007	900,442	2,084,145
Long term debts	(000'Rs.)	464,971	327,985	306,792	901,016	965,960	600,000
Total liabilities	(000'Rs.)	2,056,004	1,950,994	1,687,111	2,377,197	2,253,300	2,972,379
Current ratio	(%)	1.16	0.96	0.53	0.82	0.33	0.39
Debt equity ratio	(%)	0.72	0.70	0.94	1.76	2.60	9.01

FORM-34
THE COMPANIES ACT, 2017
(SECTION 227(2)(F)
PATTERNOFSHAREHOLDING

1.	IncorporationNumber	0006535
2.	Name of the Company	BABAFARIDSUGARMILLSLIMITED

2.1 Pattern of holding of the shares held by the shareholders as at 30/09/2023

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

2.3	Categoriesofshareholders	SharesHeld	Percentage
2.3.1	Directors, Chief Executive Officer, andtheirspouseandminorchildren	9,183,987	97.1850%
2.3.2	Associated Companies, undertakingsandrelated parties.(ParentCompany)	0	0.0000%
2.3.3	NIT and ICP	1,000	0.0106%
2.3.4	Banks Development FinancialInstitutions,Non BankingFinancialInstitutions.	100	0.0011%
2.3.5	Insurance Companies	0	0.0000%
2.3.6	Modarabas and Mutual Funds	0	0.0000%
2.3.7	Shareholders holding 10% ormore	9,181,887	97.1628%
2.3.8	General Public a. Local b. Foreign	 247,490 5	 2.6189% 0.0001%
2.3.9	Others (to be specified) - Joint Stock Companies	17,418	0.1843%

CATEGORIES OF SHARE HOLDERS

Ason30thSeptember2023

S.No.	NAME	HOLDING	%AGE
DIRECTORS,CEOTHEIRSPOUSEANDMINORCHILDREN			
1	MR. MUHAMAMD SHAMIM KHAN (CDC)	1,640,784	17.3628
	MR. MUHAMAMD SHAMIM KHAN	1,115,049	11.7995
2	MRS. QAISER SHAMIM KHAN (CDC)	911,545	9.6460
	MRS. QAISER SHAMIM KHAN	1,734,477	18.3543
3	MR. ADNAN AHMED KHAN (CDC)	911,545	9.6460
	MR. ADNAN AHMED KHAN	978,471	10.3542
4	MR. NAUMAN AHMED KHAN (CDC)	911,545	9.6460
	MR. NAUMAN AHMED KHAN	978,471	10.3542
5	MALIK MANZOOR HUSSAIN HUMAYUN	1,600	0.0169
6	MR. FARID UL DIN AHMED	200	0.0021
7	MRS. SARAH HAJRAH KHAN	300	0.0032
		9,183,987	97.1850
ASSOCIATEDCOMPANIES			
		0	0.0000
NIT&ICP			
1	M/S INVESTMENT CORPORATION OF PAKSTAN	1,000	0.0106
		1,000	0.0106
BANKS,DEVELOPMENTS,FINANCIALINSTITUTIONS, NONBANKINGFINANCIALINSTITUTIONS			
1	M/S FIDELITY INVESTMENT BANK LTD.	100	0.0011
		100	0.0011
JOINTSTOCKCOMPANIES			
1	SALIM SOZER SECURITIES (PRIVATE) LIMITED (CDC)	6,055	0.0641
2	AKIK CAPITAL (PRIVATE) LIMITED (CDC)	7,337	0.0776
3	CENTRAL DEPOSITORY COMPANY OF PAKISTAN LTD.(CDC)	25	0.0003
4	MAPLE LEAF CAPITAL LIMITED (CDC)	1	0.0000
5	SARFRAZ MAHMOOD (PRIVATE) LTD. (CDC)	500	0.0053
6	SCANDIA LIMITED (CDC)	3,500	0.0370
		17,418	0.1843
SHARESHELDBYTHEGENERALPUBLIC(FOREIGN)		5	0.0001
SHARESHELDBYTHEGENERALPUBLIC(LOCAL)		247,490	2.6189
		247,495	2.6190
TOTAL:		**9,450,000**	**100.0000**

S.No.	NAME	HOLDING	%AGE
SHAREHOLDERS HOLDING 10% OR MORE OF TOTAL CAPITAL			
1	MR. MUHAMAMD SHAMIM KHAN (CDC)	2,755,833	29.1623
2	MRS. QAISER SHAMIM KHAN (CDC)	2,646,022	28.0002
3	MR. ADNAN AHMED KHAN (CDC)	1,890,016	20.0002
4	MR. NAUMAN AHMED KHAN (CDC)	1,890,016	20.0002
		9,181,887	97.1628
SHAREHOLDERS HOLDING 5% OR MORE OF TOTAL CAPITAL			
1	MR. MUHAMAMD SHAMIM KHAN (CDC)	2,755,833	29.1623
2	MRS. QAISER SHAMIM KHAN (CDC)	2,646,022	28.0002
3	MR. ADNAN AHMED KHAN (CDC)	1,890,016	20.0002
4	MR. NAUMAN AHMED KHAN (CDC)	1,890,016	20.0002
		9,181,887	97.1628

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

S.No.	NAME	SALE	PURCHASE
	NIL		

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

(CODEOFCORPORATEGOVERNANCE)REGULATIONS,2019



NAMEOFTHECOMPANY: BABAFARIDSUGARMILLSLIMITED
YEARENDED: SEPTEMBER30,2023

M/s.BabaFaridSugarMillsLimited ("the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

1. The total number of directors are seven as per the following:

   a. Male: 05
   b. Female: 02

2. The composition of the Board of Directors (the Board") is as follows:

Category	Names
IndependentDirectors	Mr.Farid-ud-DinAhmad Mr.MalikManzoorHussainHumayoon
Non-ExecutiveDirector	Mrs.QaiserShamimKhan Mr.NaumanAhmedKhan Mrs.SarahHajraKhan
ExecutiveDirectors	Mr.AdnanAhmedKhan(CEO) Mr.MuhammadShamimKhan
FemaleDirectors	Mrs.QaiserShamimKhan Mrs.SarahHajraKhan

Determination of number of independent Directors comes to 2.33 (rounded to 2.0) which is based on seven elected Directors. The Fraction of one-third is not rounded up, as the two elected independent directors have requisite competencies,skills,knowledgeandexperiencetodischargeandexecutetheirdutiescompetently,asperapplicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointmentofathirdindependentdirectorisnotwarranted.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including thisCompany;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate itthroughouttheCompanyalongwithitssupportingpoliciesandprocedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approvalorupdatingismaintainedbytheCompany;

6. AllthepowersoftheBoardhavebeendulyexercisedanddecisionsonrelevantmattershavebeentakenbytheBoard /shareholdersasempoweredbytherelevantprovisionsoftheActandtheseregulations;

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,recordingsandcirculatingminutesofmeetingoftheboard.

8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance withtheActandtheseRegulations;

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

   Mrs.SarahHajraKhan
   Mr.Farid-ud-DinAhmad
   Mr.MalikManzoorHussainHumayoon

   Remaining four directors are exempted from such training as they have fourteen years of education and fifteen years ofexperienceontheboardofthelistedcompany

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 theRegulations.

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:

AUDITCOMMITTEE

Names	Designationheld
Mr.FaridudDinAhmad	Chairman/Independent
Mrs.SarahHajraKhan	Member/Non-Executive
Mr.MalikManzoorHussainHumayoon	Member/Independent

HRANDREMUNERATIONCOMMITTEE

Names	Designationheld
Mr.FaridudDinAhmad	Chairman/Independent
Mr.AdnanAhmedKhan	Member/Executive(CEO)
Mr.MalikManzoorHussainHumayoon	Member/Independent

RISKMANAGEMENTCOMMITTEE

Names	Designationheld
Mr.MalikManzoorHussainHumayoon	Chairman/Independent
Mr.FaridudDinAhmad	Member/Independent

NOMINATIONCOMMITTEE

Names	Designationheld
Mr.MalikManzoorHussainHumayoon	Chairman/Independent
Mr.FaridudDinAhmad	Member/Independent

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

14. The frequency of meetings (quarterly/ half yearly/ yearly)of the committees held during the financial year ended 30th September 2023 were as per following:

Names	NumberofMeetingsHeld
AuditCommittee	6
HRandRemunerationCommittee	1
RiskManagementCommittee	1
NominationCommittee	1

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purposeandareconversantwithpoliciesandproceduresoftheCompany;

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 BoardofPakistan,thattheyandalltheirpartnersareincompliancewithinternationalfederationofaccountant(IFAC) guidelinesoncodeofethicsasadoptedbyInstituteofcharteredaccountantsofPakistanandthattheyandpartners 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 thattheyhaveobservedIFACguidelinesinthisregard.

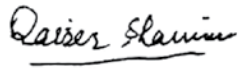
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33, and 36 have been complied with, expect for an independent director as explained above in note 2.

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

- As per regulation 35, “Disclosure of significant policies on website” the Company may post the following on its website:

Key element of its significant policies
BriefsynopsisoftermsofreferenceoftheBoardCommittees
Keyelementofthedirectors'remunerationpolicy

However,thesehavenotbeenpostedonthewebsiteas,theupdatingofwebsitecustomizationisstillinprogressand willsoonbecompliedwith.



Mrs.QaiserShamimKhan
Chairperson

26th December 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Baba Farid Sugar Mills Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Baba Farid Sugar Mills Limited for the year ended September 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2023.

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

	Paragraph Reference	Description
I	02	Independent directors' fraction is not rounded up as "One".
II	19	Disclosure of significant policies has not been posted on the Company website.

BDO EBRAHIM & CO.
Chartered Accountants
Engagement Partner: Muhammad Imran
UDIN: CR202310131E3OrzvcAY
Lahore: January 02, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Baba Farid Sugar Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of BABA FARID SUGAR MILLS LIMITED (the Company), which comprise the statement of financial position as at September 30, 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2023 and of the profit and other comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

Sr.No	Keyauditmatters	Howthematterwasaddressedinouraudit
1.	Contingencies	
	As disclosed in note 35.1 to the financial statements, the Company is involved in certain legal and tax proceedings against the Company. The appeals were filed by the Company against these orders at respective forums. Management judgement is involved in assessing the accounting for claims, and in particular in considering the probability of a claim being successful and we have accordingly designated this as a focus area of the audit. The risk related to the claims is mainly associated with the completeness of the disclosure, and the completeness of the provisions in the financial statements. • No provision has been made in the financial statements for the liability that may arise in the event of a decision against the Company as the management is of the opinion, based on advice of legal and tax advisor that the decision is likely to be in the favor of the Company. There are significant uncertainties attached to the future outcome of these pending matters and, therefore, are considered as key audit matters.	We undertook number of procedures to verify the appropriateness of contingencies in the financial statements. Our audit procedures included the following: • Obtained understanding of the Company's processes and controls over litigations through meetings with the management and review of the minutes of the Board of Directors and Board Audit Committee. • Reviewed the correspondence of the Company with the relevant authorities and the Company's legal advisors including the judgments or orders passed by the competent authorities. • Obtained and reviewed direct confirmations from the Company's external legal advisors for their views on the legal position of the Company in relation to the contingent matters. • Discussed open matters and developments with the in-house legal department personnel of the Company. • Evaluated the adequacy of disclosures made in respect of these contingencies in accordance with the applicable accounting and reporting standards.

2.	Revenuerecognition	
	The company principally generates revenue from sale of sugar and its by-products. Revenue has been recognized as per the accounting policy stated in note 6.22 to the financial statements. We have identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company and gives rise to an inherent risk of material misstatement to meet expectations or targets.	Our audit procedures in respect of revenue recognition, amongst others, included the following: • Obtained an understanding of the process relating to recording of revenue and testing the design, implementation and operating effectiveness of relevant key internal controls over recording of revenue. • Assessed the appropriateness of the Company's accounting policy for recording of revenue and compliance of the policy with International Financial Reporting Standard – Revenue from contracts with customers (IFRS 15). • Reviewed a sample of contractual arrangements entered into by the Company with its customers and checking the performance obligations involved, transaction price and recognition of revenue based on satisfaction of performance obligation. • Compared a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery notes and other relevant underlying documents. • Compared a sample of sale transactions recorded before and after the year end with relevant underlying documentation to assess whether revenue has been recorded in the correct accounting period. • Assessed the adequacy of disclosures in the financial statements to be in accordance with the applicable accounting and reporting standard.

InformationOtherthantheFinancialStatementsandAuditor'sReportThereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have

performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

ResponsibilitiesofManagementandBoardofDirectorsfortheFinancialStatements

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

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

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

Auditor'sResponsibilitiesfortheAuditoftheFinancialStatements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

ReportonOtherLegalandRegulatoryRequirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Imran.

BDO Ebrahim&Co.

BDOEBRAHIM&CO.
CHARTERED ACCOUNTANTS
UDIN: AR202310131HfcAo64wt

LAHORE: JANUARY 02, 2024

STATEMENT OF FINANCIAL POSITION

As At 30 September 2023

	Note	2023 Rupees	2022 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	7	3,492,165,517	3,550,648,365
Right-of-use assets	8	20,090,211	14,848,919
Capital work in progress	9	1,656,275	4,318,237
		3,513,912,003	3,569,815,521
Long term deposits	10	525,400	1,862,450
		3,514,437,403	3,571,677,971
CURRENT ASSETS			
Stores, spare parts and loose tools	11	189,945,202	142,233,291
Stock in trade	12	726,722,121	535,560,190
Trade debts	13	-	8,258,625
Loans and advances	15	317,295,182	186,693,990
Short term deposits and prepayments	16	2,597,585	1,698,307
Other receivables	17	8,327,829	9,373,703
Tax refunds due from the Government	18	41,665,004	9,232,115
Taxation - net	33	-	32,487,650
Cash and bank	19	116,810,909	225,531,346
		1,403,363,832	1,151,069,217
		4,917,801,235	4,722,747,188
SHARE CAPITAL AND RESERVES			
Authorized share capital	20.1	700,000,000	700,000,000
Issued, subscribed and paid up capital	20.2	94,500,000	94,500,000
Reserves			
Revenue reserves - accumulated losses		(2,565,441,359)	(2,696,855,317)
Directors' loans	21	3,002,700,000	3,002,700,000
Surplus on revaluation of fixed assets	22	2,330,038,563	2,371,408,110
		2,861,797,204	2,771,752,793
NON CURRENT LIABILITIES			
Long term loan	24	194,971,400	321,629,268
Long term diminishing musharka	25	270,000,000	-
Lease liabilities	26	7,213,053	6,355,958
Deferred liabilities	27	371,932,435	420,652,037
		844,116,888	748,637,263
CURRENT LIABILITIES			
Trade and other payables	28	213,111,524	189,828,824
Contract liabilities	29	408,485,470	73,494,312
Unclaimed dividend		255,930	255,930
Due to Pattoki Sugar Mills Limited	30	15,552,242	16,656,242
Short term borrowings	31	100,000,000	440,005,920
Mark-up accrued	32	305,335,771	298,446,922
Taxation- net	33	4,723,343	-
Current portion of long term liabilities	34	164,422,863	183,668,982
		1,211,887,143	1,202,357,132
TOTAL EQUITY AND LIABILITIES		4,917,801,235	4,722,747,188
CONTINGENCIES AND COMMI TMENTS	35	-	-

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS

For the year ended 30 September 2023

	Note	2023 Rupees	2022 Rupees
Revenue from contracts with customers	36	4,543,139,222	3,938,711,677
Cost of sales	37	(3,992,396,801)	(3,990,958,561)
Gross profit / (loss)		550,742,421	(52,246,884)
Selling and distribution expenses	38	(37,312,887)	(19,902,768)
General and administrative expenses	39	(135,939,736)	(102,782,889)
Other operating expenses	40	(108,730,149)	(107,978,750)
Other income	41	174,259,392	321,181,959
		(107,723,380)	90,517,552
Operating profit		443,019,041	38,270,668
Financial charges	42	(350,433,374)	(205,930,110)
Profit / (loss) before taxation		92,585,667	(167,659,442)
Taxation	43	(1,888,404)	(74,637,419)
Profit / (loss) after taxation		90,697,263	(242,296,861)
Earnings / (loss) per share - Basic and diluted (Rupees)	46	9.60	(25.64)

Appropriation have been reflected in the statement of changes in equity.

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2023

	Note	2023 Rupees	2022 Rupees
Profit / (loss) after taxation		90,697,263	(242,296,861)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability	27.3.4	(919,510)	868,139
Related tax effect		266,658	(251,760)
		(652,852)	616,379
Surplus on revaluation of operating fixed assets		-	533,459,545
Related tax effect		-	(13,468,340)
		-	519,991,205
Items that may be reclassified subsequently to profit or loss		-	-
Total comprehensive income for the year		90,044,411	278,310,723

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

STATEMENT OF CASH FLOWS

Fortheyearended30September2023

	Note	2023 Rupees	2022 Rupees
Cash flows from operating activities			
(Profit / (loss) before taxation		92,585,667	(167,659,442)
Adjustments for non-cash items :			
Depreciation	7.8 &8	114,086,983	104,730,258
Provision for gratuity	27.3.4	7,586,305	5,532,233
Gain on sale of fixed assets	41	(8,381,455)	-
Profit on investment	41	-	311,741
Provision for obsolete stores and spare parts	40	-	1,000,000
Provision for doubtful debts	40	-	105,742,500
Liabilities written back	41	(17,891,973)	(236,634,124)
Financial charges	42	350,433,374	204,762,660
Net cash flow before working capital changes		538,418,901	17,785,826
Decrease/(increase)incurrentassets			
Stores, spare parts and loose tools		(47,711,911)	(14,618,761)
Stock in trade		(191,161,931)	(531,223,764)
Trade debts		8,258,625	(3,681,933)
Loans and advances		(130,601,192)	(51,313,137)
Trade deposits and short term prepayments		(899,278)	8,731
Other receivables		1,045,874	10,168,485
		(361,069,813)	(590,660,379)
Increase/(decrease)incurrentliabilities			
Trade and other payables		376,165,831	83,435,687
		553,514,919	(489,438,866)
Taxes paid		(51,724,815)	(82,376,687)
Payment against staff retirement - gratuity	27.3.5	(2,344,244)	(828,299)
Financial charges paid		(343,544,525)	(155,093,516)
Net cash generated from / (used in) operating activities		155,901,335	(727,737,368)
CashFlowsFromInvestingActivities			
Additions to operating fixed assets	7	(58,077,999)	(293,574,321)
Additions to capital work in progress	9.1	2,661,962	102,787,571
Proceeds from sale of operating fixed assets		15,059,452	-
Short term investment		-	100,000,000
Long term deposits		1,337,050	(525,400)
Net cash used in investing activities		(39,019,535)	(91,312,150)
CashFlowsFromFinancingActivities			
Loan (repaid)/obtained to banking companies		(173,762,182)	499,956,000
Long term diminishing musharka obtained		300,000,000	-
(Paid) /adjusted to Pattoki Sugar Mills Limited		(1,104,000)	2,229,544
Loan repaid to associated company - net		-	(600,000,000)
Directors' loans		-	700,000,000
Principal repayment of lease liability		(10,730,135)	(4,259,913)
Short term borrowings - net		(340,005,920)	419,709,975
Net cash (used in) / generated from financing activities		(225,602,237)	1,017,635,606
Net (decrease) / increase in cash and cash equivalents		(108,720,437)	198,586,088
Cash and cash equivalents at the beginning of the year		225,531,346	26,945,258
Cash and cash equivalents at the end of the year		116,810,909	225,531,346

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY

Fortheyearended30September2023

	Note	Issued, subscribed and paid-up capital	Surplus on revaluation of fixed assets	Directors' loans	Revenue Reserves	Total
		Ordinary shares			Accumulated losses	
		----------(Rupees)----------				
Balance as at October 01, 2021		94,500,000	1,890,862,444	2,302,700,000	(2,494,620,374)	1,793,442,070
Total comprehensive loss for the year						
Loss for the year		-	-	-	(242,296,861)	(242,296,861)
Remeasurement of defined benefit liability - net of deferred tax		-	-	-	616,379	616,379
Surplus on revaluation of fixed assets - net of deferred tax		-	519,991,205	-	-	519,991,205
Incremental depreciation on revaluation surplus - net of deferred tax		-	(39,445,539)	-	39,445,539	-
Directors' contribution / loan	21.2	-	-	700,000,000	-	700,000,000
		-	480,545,666	700,000,000	(202,234,943)	978,310,723
Balance as at September 30, 2022		94,500,000	2,371,408,110	3,002,700,000	(2,696,855,317)	2,771,752,793
Total comprehensive income for the year						
Profit for the year		-	-	-	90,697,263	90,697,263
Remeasurement of defined benefit liability - net of deferred tax		-	-	-	(652,852)	(652,852)
Incremental depreciation on revaluation surplus - net of deferred tax		-	(41,369,547)	-	41,369,547	-
Directors' contribution / loan	21.2	-	-	-	-	-
		-	(41,369,547)	-	131,413,958	90,044,411
Balance as at September 30, 2023		94,500,000	2,330,038,563	3,002,700,000	(2,565,441,359)	2,861,797,204

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS

Fortheyearended30September2023

1. LEGALSTATUSANDNATUREOFBUSINESS

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

2. GEOGRAPHICALLOCATIONANDADDRESSESOFBUSINESSUNITS

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

3. GOINGCONCERNASSUMPTION

The Company has accumulated losses amounting to Rs. 2,565.441 million as at September 30, 2023, which has exceeded the issued, subscribed, and paid-up capital by Rs. 2,470.941 million.

However, these financial statements have been prepared on a going concern basis based on the profitable projections and sponsors' commitment to provide financial support to the Company. The Company has earned a profit amounting to Rs. 90.697 million during the year which is expected to grow in the future.

The Company has positive equity and current ratio. During the financial year, the Government allowed the export of sugar which added a substantial amount to the Company's turnover, and secondly, the sales rates are also better as compared to the same period of the last year. On the basis of the above factors, the Company is expecting better financial results in the future. The Company's current ratio has been improved as compared to the previous year i.e 1.16 (September 30, 2022: 0.96)

Further, the sponsors have provided financial support under an interest-free loan amounting to Rs. 3,002.7 million, payable at the discretion of the Company. Considering the financial support of the sponsors and financial plan the management considers that the going concern assumption used to prepare these financial statements is appropriate.

4. BASISOFPREPARATION

4.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of :

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act , 2017 (the Act); and
- Provisions of and directives issued under the Companies Act, 2017.

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

4.2 Accountingconvention

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

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

Judgments and estimates made by the management that may have a significant risk of material adjustments to the financial statements in subsequent years are disclosed in note 44.

4.3 Functional and presentation currency

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

5. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVEDACCOUNTINGANDREPORTINGSTANDARDS

5.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended September 30, 2023

The following standards, amendments and interpretations are effective for the year ended September 30, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 01, 2022

Certain annual improvements have also been made to a number of IFRSs.

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

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts

6. SIGNIFICANTACCOUNTINGPOLICIES

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

6.1 Property, plant and equipment

a) Ownedassets

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

Depreciation is charged on all fixed assets by applying the reducing balance method at the rates specified in note 7. The rates are determined to allocate the cost of an asset less estimated residual value, if not insignificant, over its useful life.

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

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

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

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

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

Surplus on revaluation of operating fixed assets

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

b) Capital work in progress

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

c) Impairment of non-financial assets

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

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is largely independent from other assets and group. Impairment losses are recognized as expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

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

6.2 Leases

Right of use assets

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

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

Leaseliability

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

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

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

Short-term leases and leases of low-value assets

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

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

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

6.3 Intangibleassets

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

6.4 Investment property

Investment property is property which is held either to earn rental income or for capital appreciation or for both. Investment property is initially recognized at cost, being the fair value of the consideration given. Subsequent to initial recognition investment property is carried at fair value. The fair value is determined annually by an independent approved valuer. The fair values is based on market value being the estimated amount for which a property could be exchanged on the date of valuation between knowledgeable and willing buyer and seller in an arms length transaction.

Any gain or loss arising from a change in fair value is recognized in the income statement.

Rental income from investment property is accounted for as described in note 6.22.

When an item of property, plant and equipment is transferred to investment property following a change in its use, differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized in surplus on revaluation of property, plant and equipment, if it is a gain. Upon disposal of the item the related surplus on revaluation of property, plant and equipment is transferred to retained earnings. Any loss arising in this manner is recognized immediately in the income statement.

For a transfer from inventories to investment property that will be carried at fair value any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in the income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

6.5 Investmentinassociates

Investment in associates where the Company holds 20% or more of the voting power of the investee companies and where significant influence can be established are accounted for using the equity method. Investment in associates other than those described as above are classified as "Fair value through OCI".

In case of investments accounted for under the equity method, the method is applied from the date when significant influence is established until the date when that significant influence ceases.

6.6 Investmentsinsubsidiary

Investment in unquoted subsidiary is initially valued at cost. At subsequent reporting dates, the Company reviews the carrying amount of the investment to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

6.7 Stores, spares and loose tools

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

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

6.8 Stock-in-trade

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

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

Adequate provision is made for slow moving and obsolete items.

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

6.9 Tradedebtsandotherreceivables

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

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

6.10 Taxation

a) Current

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

b) Deferred

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

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

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

6.11 Borrowings

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

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

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

6.12 Trade and other payables

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

6.13 Provisions

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

6.14 Operating lease/Ijarah

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

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

6.15 Cash and bank balances

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

6.16 Cash and cash equivalents

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

6.17 Dividend and appropriation to reserve

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

6.18 Financialinstruments

6.18.1Financialassets

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

Amortizedcost

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

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

Debt Instrument - FVOCI

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

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

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

Equity Instrument - FVOCI

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

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

Fair value through profit or loss (FVTPL)

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

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

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

Impairment

The Company recognizes loss allowances for ECLs on:

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

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

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

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

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

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

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

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

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

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

6.18.2 Financialliabilities

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

6.18.3 Recognitionandmeasurement

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

6.18.4 Derecognition

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

6.19 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

6.20 Foreign currency transactions and translation

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

6.21 Employee benefits

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

6.21.1 Staff retirement benefits

Defined benefit plan (Gratuity Fund)

The Company operates an un-funded gratuity scheme for all its permanent employees who have attained retirement age, died or resigned during service period and have served for the minimum qualification period. Provision is based on the actuarial valuation of the scheme carried out as at September 30, 2023 using the Projected Unit Credit Method in accordance with IAS-19 "Employee Benefits" and resulting vested portion of past service cost has been charged to income in the current year. The remeasurement gains / losses as per actuarial valuation done at financial year end are recognized immediately in other comprehensive income and all other expenses are recognized in accordance with IAS 19 "Employee Benefits" in the statement of profit or loss.

6.21.2 Compensated absences

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

6.22 Revenuerecognition

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

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

Revenue from contracts with customers

Sale of goods

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

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

Contractassets

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.

Contractliabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

Others

- Scrap sales are recognized on delivery to customers at realized amounts.
- Return on deposit is accrued on time proportion basis by reference to the principle outstanding and the applicable rate of return.
- Rental income is recognized on accrual basis.
- All other income is recognized on accrual basis.
- Dividend on equity investments is recognized as income when the right to receive payment is established.

6.23 Related party transactions

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

6.24 Borrowingcosts

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

6.25 Segment reporting

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

6.26 Contingencies

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

6.27 Share capital

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

6.28 Earnings per share

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

6.29 Financial assets - due from Government of Pakistan

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

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

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

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

6.30 Loans, advances, deposits, prepayments and other receivables

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

7. OPERATINGFIXEDASSETS

7.1 The following is the statement of fixed assets;

Description	Freehold land	Buildings on freehold land	Plantand machinery	Electric installation	Toolsand equipment	Vehicles	Furniture and fixtures	Office andother equipments	Computer andallied equipment	Total
	(Rupees)									
Net carrying value basis year ended September 30, 2023										
Opening net book value (NBV)	1,728,240,000	290,689,156	1,494,941,821	9,988,948	18,139,997	558,881	1,738,922	4,216,371	2,134,269	3,550,648,365
Additions / transfer (at cost)	-	15,575,219	13,832,101	10,332,730	13,237,117	2,791,082	610,827	155,877	1,543,046	58,077,999
Disposals (NBV)	-	-	(5,727,917)	-	-	(19,219)	-	-	-	(5,747,136)
Depreciation charge	-	(29,959,495)	(75,080,949)	(1,145,110)	(2,453,937)	(470,367)	(203,431)	(434,092)	(1,066,330)	(110,813,711)
Closing net book value	1,728,240,000	276,304,880	1,427,965,056	19,176,568	28,923,177	2,860,377	2,146,318	3,938,156	2,610,985	3,492,165,517
Gross carrying value basis year ended September 30, 2023										
Cost/revalued amount	1,728,240,000	596,542,140	2,620,467,950	31,220,471	36,981,561	5,434,843	8,117,448	16,752,001	4,170,569	5,047,926,983
Accumulated depreciation	-	(320,237,260)	(1,192,502,894)	(12,043,903)	(8,058,384)	(2,574,466)	(5,971,130)	(12,813,845)	(1,559,584)	(1,555,761,466)
Net book value	1,728,240,000	276,304,880	1,427,965,056	19,176,568	28,923,177	2,860,377	2,146,318	3,938,156	2,610,985	3,492,165,517
Net carrying value basis year ended September 30, 2022										
Opening net book value (NBV)	1,260,192,500	221,542,290	1,323,968,991	6,714,244	5,967,161	339,389	1,543,817	4,136,691	1,544,036	2,825,949,119
Revaluation (note 22)	468,047,500	65,508,791	(96,746)	-	-	-	-	-	-	533,459,545
Additions / Transfer (at cost)	-	27,822,441	246,081,082	4,205,585	13,403,269	344,444	375,140	535,190	807,170	293,574,321
Disposals (NBV)	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(24,184,366)	(75,011,506)	(930,881)	(1,230,433)	(124,952)	(180,035)	(455,510)	(216,937)	(102,334,620)
Closing net book value	1,728,240,000	290,689,156	1,494,941,821	9,988,948	18,139,997	558,881	1,738,922	4,216,371	2,134,269	3,550,648,365
Gross carrying value basis year ended September 30, 2022										
Cost/revalued amount	1,728,240,000	580,966,921	2,612,635,849	20,887,741	23,744,444	8,313,761	7,506,621	16,596,124	2,627,523	5,001,518,984
Accumulated depreciation	-	(290,277,765)	(1,117,694,028)	(10,898,793)	(5,604,447)	(7,754,880)	(5,767,699)	(12,379,753)	(493,254)	(1,450,870,619)
Net book value	1,728,240,000	290,689,156	1,494,941,821	9,988,948	18,139,997	558,881	1,738,922	4,216,371	2,134,269	3,550,648,365
Depreciation rate % per annum	-	10	5	10	10	20	10	10	33	

7.2 Free hold land of the Company is located at 5-km Faisalabad Road, District Okara, Punjab with an area covering 72.011 acres (2022: 72.011 acres). The building on freehold land and other immovable assets of the Company are constructed/located at above mentioned freehold land and address.

7.3 Plant and machinery and building on free hold land include transfer from capital work-in-progress amounting to Rs. 8.172 million (2022: 255.286 million).

7.4 Free hold land, buildings on free hold land, and plant and machinery were revalued by independent valuers M/s. Harvester Services (Private) Limited as at September 30, 2022 on the basis of market value. The revaluation resulted in surplus aggregating to Rs. 533.459 million. Had there been no revaluation on that date, the book value of operating fixed assets would have been lower by Rs. 2,573.245 million (2022: Rs. 2,629.614 million).

7.5 Had there been no revaluation, the net book value of the assets as at September 30, 2023 would have been as under.

Description	Note	2023 Rupees	2022 Rupees
Free hold land		7,959,798	7,959,798
Buildings on free hold land		46,790,167	34,683,275
Plant and machinery		800,770,902	834,672,422
		855,520,866	877,315,495

7.6 During the year, the Company has reclassified computers and allied equipments from office equipments, which were depreciated at the rate of 10% per annum. The Company has changed its useful life form 10 years to 3 years and now these have been depreciated at the rate 33.33%. This change has been recorded as a change in accounting estimates in compliance with International Accounting Standards 8 "Accounting policies, changes in accounting estimates and errors", and the impact of this change has been reflected prospectively in the statement of profit or loss. If this change had not been made, the

depreciation charge on computer and allied equipments for the year would have decreased by Rs. 0.743 million, while the carrying value of these assets and profit before tax would have increased by the same amount.

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

7.8 The depreciation charge for the year is as follows:

	Note	2023 Rupees	2022 Rupees
Cost of sales	37	108,639,490	101,357,186
General and administrative expenses	39	2,174,220	977,434
		110,813,710	102,334,620

7.9 The following operating fixed assets were disposed off during the year:

Description	Cost	Accumulated depreciation	Net Book value	Adjustments / Proceeds	Gain / (Loss)	Mode of disposal	Particulars of buyers
			(Rupees)				
Plant&Machinery ACRegenerating System	6,000,000	272,083	5,727,917	6,300,000	572,083	Negotiation	The Thal Industries Corporation Limited
Total 2023	6,000,000	272,083	5,727,917	6,300,000	572,083		
Total 2022	-	-	-	-	-		

7.10 Plant and machinery includes an amount of Nil (2022: Rs. 7.165 million) as stand by equipment/parts which have been capitalised and depreciated over the useful life of the assets.

7.11 Fair value measurement (revalued property, plant and equipment)

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

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

7.11.3 Valuation techniques used to derive level 2 fair values - Land

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

		Note	2023 Rupees	2022 Rupees
8.	RIGHTOFUSEASSETS			
	Vehicles	8.1	11,235,125	14,848,919
	Agricultural land	8.2	8,855,086	-
			20,090,211	14,848,919
8.1	The following is the statement of right of use assets:			
	Vehicle			
	Year ended September 30, 2023			
	Netcarryingvaluebasis			
	Opening net book value		14,848,919	10,137,747
	Addition during the year	8.2.3	37,590	7,106,810
	Transferred to operating fixed assets		(968,451)	-
	Depreciation charged during year		(2,682,933)	(2,395,638)
			11,235,125	14,848,919
	Grosscarryingvaluebasis			
	Cost		19,386,220	12,279,410
	Addition during the year		37,590	7,106,810
	Transferred to operating fixed assets		(1,779,530)	-
	Accumulated depreciation	8.1.1	(6,409,155)	(4,537,301)
	Net book value		11,235,125	14,848,919
8.1.1	Accumulated depreciation			
	Opening balance		4,537,301	2,141,663
	Charge for the year		2,682,933	2,395,638
	Transfer to fixed assets		(811,079)	-
	Closing balance		6,409,155	4,537,301
	Depreciation rate % per annum		20%	20%
8.2	Agriculturalland			
	Year ended September 30, 2023			
	Net carrying value basis			
	Opening net book value		-	-
	Addition during the year		9,445,425	-
	Transferred to operating fixed assets		-	-
	Depreciation		(590,339)	-
			8,855,086	-
	Gross carrying value basis			
	Cost		9,445,425	-
	Addition during the year		-	-
	Transferred to operating fixed assets		-	-
	Accumulated depreciation	8.2.1	(590,339)	-
	Net book value		8,855,086	-

	Note	2023 Rupees	2022 Rupees
8.2.1 Accumulated depreciation			
Opening balance		-	-
Charge for the year		590,339	-
Closing balance		590,339	-
Depreciation rate % per annum		25%	-
8.2.2 The depreciation charge for the year has been allocated as follows:			
General and administrative expenses	39	3,273,272	2,395,638

8.2.3 Current addition represents registration fee of vehicle obtained on finance lease from the Bank Al Habib Limited. It has been delivered to the Company during the current year, however, it has been financed / leased to the Company during the year ended September 30, 2022.

8.2.4 This represents vehicles obtained on finance lease from Bank Al Habib Limited as further detailed in note 26.

8.2.5 Current addition represents obtained of agriculture land on lease from various individual for agriculture purposes to grow the sugarcanes and seed experiments.

9. CAPITAL WORK IN PROGRESS

	Note	2023 Rupees	2022 Rupees
This comprises of:			
Buildings on free hold land	9.1	1,656,275	4,318,237
Plant and machinery		-	-
		1,656,275	4,318,237

	Building	Plant and machinery	Total
9.1 Movement of carrying amount	Rupees	Rupees	Rupees
Year ended September 30, 2023			
Opening balance	4,318,237	-	4,318,237
Additions (at cost)	5,509,693	-	5,509,693
Transferred to operating fixed assets	(8,171,655)	-	(8,171,655)
Closing balance	1,656,275	-	1,656,275
Year ended September 30, 2022			
Opening balance	12,775,893	94,329,915	107,105,808
Additions (at cost)	19,364,785	133,133,849	152,498,634
Transferred to operating fixed assets	(27,822,441)	(227,463,764)	(255,286,205)
Closing balance	4,318,237	-	4,318,237

9.2 Buildings on free hold land consists of new compressor & instrument workshop, sugar godown store and new mills house shed which is still under construction and expected to be completed in next financial year.

	Note	2023 Rupees	2022 Rupees
10. LONG TERM DEPOSITS			
Long term deposits	10.1	525,400	1,862,450
10.1 Movement of carrying amount			
Opening balance		1,862,450	1,337,050
Addition		-	525,400
Adjusted during the year		(174,500)	-
Closing balance		1,687,950	1,862,450
Current portion shown under the current assets	16	(1,162,550)	-
		525,400	1,862,450

10.2 This comprises of security deposits with the Bank in respect of leasing facility availed during the current and prior years.

	Note	2023 Rupees	2022 Rupees
11. STORES,SPARESANDLOOSETOOLS			
Stores	11.1	132,222,661	91,631,893
Spare parts	11.1	72,144,062	65,100,052
		204,366,723	156,731,945
Less:			
Provision for obsolete stores	11.2	(16,041,549)	(16,041,549)
		188,325,174	140,690,396
Loose tools		1,620,028	1,542,895
		189,945,202	142,233,291

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

	2023 Rupees	2022 Rupees
11.2 Movement of provision for obsolete stores and spares		
Opening balance	16,041,549	15,041,549
Provision made	-	1,000,000
Closing balance	16,041,549	16,041,549

	Note	2023 Rupees	2022 Rupees
12. STOCKINTRADE			
Work in process			
- Sugar		9,404,221	4,903,115
- Molasses		2,935,690	510,588
	37	12,339,911	5,413,703
Finished goods			
- Sugar	12.1&12.2	714,322,740	530,146,487
- Molasses		59,470	-
		726,722,121	535,560,190

12.1 Stock-in-trade up to a maximum amount to Nil (2022: Rs. 487.865 million) are under hypothecation of commercial banks as security for short term borrowings.

12.2 These include provision for write down of finished goods inventory to net realizable value amounting to Rs. 0.980 million (2022: Rs. 21.371 million).

13. TRADEDEBTS

	Note	2023 Rupees	2022 Rupees
Unsecured			
Considered good		-	8,258,625
Considered doubtful	13.1	-	-
		-	8,258,625
Less: Provision for doubtful debts	13.1	-	-
		-	8,258,625

13.1 Movement of provision for impairment allowance is as follows:

Balance as at October 01,	-	382,652,520
Adjustment on account of:		
Written off during the period	-	(382,652,520)
Recovery of doubtful debts	-	-
Provision made for doubtful debts	-	-
Net adjustment	-	(382,652,520)
Closing balance	-	-

13.2 The management has decided to write off the provision made against doubtful debts as amount is not recoverable from debtors during the last year.

13.3 The last year trade debts represents amount receivable from Abdur Rehman & Co. against V.Filter cake.

14. SHORTTERMINVESTMENT

	Note	2023 Rupees	2022 Rupees
At fair value through profit or loss - Mutual funds			
HBL Asset Management Limited			
HBL Islamic Money Market Fund	14.1	-	-

14.1 HBL Islamic Money Market Fund

Opening	-	100,355,619
Acquired during the year	-	-
Bonus /dividend	-	264,980
Redeemed during the year	-	(100,620,599)
Closing	-	-

14.1.1 Movement of HBL Islamic Money Market Fund is as follow;

Opening units	-	991,907.23
Units acquired during the year	-	-
Bonus / dividend units (net of tax)	-	2,619.04
	-	994,526.27
Applicable price/ closing price	-	101.1744
Closing fair value	-	100,620,599
Fair value adjustment	-	-
	-	100,620,599

15. LOANSANDADVANCES

Advances - (Unsecured - considered good)			
To employees	15.1	2,902,815	42,632
Advance against supplies and services (Unsecured)			
Considered good			
To cane growers	15.2	295,092,221	164,054,529
To store purchasers	15.3	19,300,146	22,596,829
		317,295,182	186,693,990

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

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

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

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

	Note	2023 Rupees	2022 Rupees
16. SHORTTERMDEPOSITSANDPREPAYMENTS			
Prepaid insurance		1,435,035	1,698,307
Current portion of long term deposit	10.1	1,162,550	-
		2,597,585	1,698,307
17. OTHERRECEIVABLES			
Considered good			
Input sales tax	17.1	8,327,829	9,373,703
Other receivables (related parties)	17.4 & 17.5	-	-
Considered doubtful			
Subsidy receivable on exports	17.3	105,742,500	105,742,500
Less: Provision for impairment allowance	17.2	(105,742,500)	(105,742,500)
	-	-	
		8,327,829	9,373,703

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

17.2 Movement of provision for impairment allowance is as follows:

	Note	2023 Rupees	2022 Rupees
Balance as at October 01,		(105,742,500)	-
Provision made during the year		-	(105,742,500)
Closing balance		(105,742,500)	(105,742,500)

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

17.4 The maximum amount due from Al-Moiz Industries Limited at the end of any month during the year was Rs. 4.561 million (2022: Rs. 3.595 million).

17.5 The maximum amount due from The Thal Industries Corporation Limited at the end of any month during the year was Rs. 7.371 million (2022: Rs. 0.400 Million).

	Note	2023 Rupees	2022 Rupees
18. TAXREFUNDSDUEFROMTHEGOVERNMENT			
Income tax		41,665,004	9,232,115

	Note	2023 Rupees	2022 Rupees
19. CASH AND BANK BALANCES			
Cash in hand		297,964	648,363
Cash at banks - in			
Deposit accounts	19.1	29,632,783	199,887,997
Current accounts	19.3	86,880,162	24,994,986
		116,810,909	225,531,346

19.1 Cash at bank in deposit accounts carries profit rate ranging from 14.00% to 20.50% (2022: 8.25% to 13.75%).

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

19.3 In some bank accounts, the Company has not conducted any transactions since long and the bank had marked these accounts as dormant. Based on prudence basis, the Company has made an impairment amounting to Rs. 80,335.

20. SHARE CAPITAL

20.1 Authorized share capital

2023 Number of ordinary shares of Rs. 10/- each	2022 Number of ordinary shares of Rs. 10/- each		2023 Rupees	2022 Rupees
70,000,000	70,000,000	Ordinary shares of Rs. 10/- each	700,000,000	700,000,000

20.2 Issued, subscribed and paid up capital:

2023 Number of ordinary shares of Rs. 10/- each	2022 Number of ordinary shares of Rs. 10/- each		2023 Rupees	2022 Rupees
6,400,000	6,400,000	Fully paid in cash	64,000,000	64,000,000
3,050,000	3,050,000	Fully paid bonus shares	30,500,000	30,500,000
9,450,000	9,450,000		94,500,000	94,500,000

20.2.1 Movement of share capital is as follows:

	Number of Shares	Rupees
Opening balance	9,450,000	94,500,000
Bonus shares issued during the year	-	-
Closing balance	9,450,000	94,500,000

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

		2023 Rupees	2022 Rupees
21.	DIRECTORS'LOANS		
	Unsecured		
	Directors		
	Others (other than banking companies)		
	Directors	2,635,700,000	2,635,700,000
	Chief Executive	367,000,000	367,000,000
		3,002,700,000	3,002,700,000

21.1 During the year, the comparative figures of Director's loan have been revised based on correct numbers. The change does not have any impact on these financial statements.

21.2 Movement of loan is as follows:

Opening balance	3,002,700,000	2,302,700,000
Obtained during the year from:		
Mr. Muhammad Shamim Khan	-	290,000,000
Mrs. Qaiser Shamim Khan	-	210,000,000
Mr. Nauman Ahmed Khan	-	25,000,000
Mr. Adnan Ahmed Khan	-	175,000,000
	-	700,000,000
Repaid during the year	-	-
Closing balance	3,002,700,000	3,002,700,000

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

		2023 Rupees	2022 Rupees
22.	SURPLUSONREVALUATIONOFFIXEDASSETS		
	Balance brought forward	2,629,613,660	2,151,711,212
	Revaluation during the year	-	533,459,545
	Less:		
	Transferred to equity in respect of incremental depreciation charged during the year - (net of deferred tax)	41,369,547	39,445,539
	Related deferred tax liability during the year transferred to profit and loss account	16,897,420	16,111,558
		(58,266,967)	(55,557,097)
		2,571,346,693	2,629,613,660
	Less: Related deferred tax effect:		
	Balance as at October 01	258,205,550	260,848,768
	Effect of change in rate deferred tax impact for the period	-	13,468,340
	Incremental depreciation charged during the year transferred to profit and loss account	(16,897,420)	(16,111,558)
		(241,308,130)	(258,205,550)
		2,330,038,563	2,371,408,110

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

Freeholdland

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

Buildings on freehold land

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

Plantandmachinery

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

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

	Note	2023 Rupees	2022 Rupees
Freehold land		7,959,798	7,959,798
Buildings on freehold land		46,790,167	34,683,275
Plant and machinery		800,770,902	834,672,422

23. LOAN FROM ASSOCIATED COMPANY

	Note	2023 Rupees	2022 Rupees
Unsecured:			
Naubahar Bottling Company (Private) Limited	23.1	-	-
23.1 Balance as at October 01		-	600,000,000
Obtained during the year		-	-
Repayments/adjustments during the year		-	(600,000,000)
		-	-

23.2 The Company obtained unsecured loan from M/s Naubahar Bottling Company (Private) Limited - the associated company (2022: associated company) that carries mark-up at the rate of 3 month's KIBOR plus 0.5% per annum. The effective mark-up rate charged by Naubahar Bottling Company (Private) Limited during the prior year which range from Nil (2022: 8.28% to 12.39%) per annum. During the previous year, company had repaid full amount of loan.

24. LONG TERM LOAN

	Note	2023 Rupees	2022 Rupees
Secured- banking companies			
Bank Al Habib Limited	24.1	259,527,150	299,956,000
Allied Bank Limited	24.2	66,666,668	200,000,000
		326,193,818	499,956,000
Current portion shown under current liabilities		(131,222,418)	(178,326,732)
		194,971,400	321,629,268

24.1 This is a term loan obtained from Bank Al Habib Limited with approved limit of Rs. 300 million (2022: 300 million) and carries mark-up at the rate of 3 months average KIBOR plus 1% per annum. This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (associated Company), subordination of directors loans and pari passu charge over present and future fixed asset of the Company (land, building, plant & machinery) with 25% margin amounting to Rs. 667 million.

24.2 This is revolving agri facility with approved limit of Rs. 200 million (2022: 200 million) and carries the markup at the rate of three month average KIBOR plus 1% per annum. This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (associated Company),

subordination of directors loans and pari passu charge over present and future fixed asset of the Company (land, building, plant & machinery) with 25% margin amounting to Rs. 267 million.

	Note	2023 Rupees	2022 Rupees
25. LONGTERMDIMINISHINGMUSHARAKA			
Secured-banking companies			
National Bank of Pakistan (Islamic mode)	25.1	300,000,000	-
		300,000,000	-
Current portion shown under current liabilities		(30,000,000)	-
		270,000,000	-

25.1 This is a term loan obtained from National Bank of Pakistan- Aitemaad with approved limit of Rs. 300 million (2022: Nil) and carries mark-up at the rate of 6 months KIBOR plus 1.50% per annum. This facility is secured against the personal guarantees of directors and first pari passu charge of Rs. 400 million on present and future fixed asset of the Company with 25% margin to be registered with SECP including constructive equitable mortgage of land and hypothecation of plant and machinery of Company.

	Note	2023 Rupees	2022 Rupees
26. LEASELIABILITIES			
Secured -			
Against right-of-use assets			
Lease liabilities	26.1	10,413,498	11,698,208
Less: current portion shown under current liabilities		(3,200,445)	(5,342,250)
		7,213,053	6,355,958
26.1 Movement of lease liabilities is as follows:			
Opening balance as at October 01,		11,698,208	10,704,121
Add: recognized during the year		9,445,425	4,086,550
Add: interest expense for the year		1,708,665	1,167,450
Less: payment made during the year		(12,438,800)	(4,259,913)
Closing balance		10,413,498	11,698,208
Less: current portion shown under current liabilities		(3,200,445)	(5,342,250)
		7,213,053	6,355,958

	Note	2023 Rupees	2022 Rupees
26.2 Maturity analysis-contractual undiscounted cash flows			
Less than one year		3,935,917	6,833,033
One to five year		7,878,540	6,794,136
More than five year		-	-
Total undiscounted lease liability		11,814,457	13,627,169
Less: future finance cost		(1,400,959)	(1,928,961)
Total undiscounted lease liability		10,413,498	11,698,208

26.3 When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate ranges from 17.02% to 23.52% per annum (2022: 9.03% to 17.02% per annum).

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

	Note	2023 Rupees	2022 Rupees
27. DEFERREDLIABILITIES			
Deferred taxation	27.1	354,229,410	409,110,583
Provision for gratuity	27.3	17,703,025	11,541,454
		371,932,435	420,652,037
27.1 Deferred taxation			
Deferred tax liability comprises as follows:			
Taxable temporary differences			
Surplus on revaluation of fixed assets	22	241,308,130	258,205,550
Tax depreciation allowances		145,647,577	150,905,033
Right-of-use assets		5,826,161	-
Deductible temporary differences			
Deferred tax related to actuarial loss (OCI)		266,658	-
Provision for gratuity		(5,133,877)	-
Lease liabilities		(3,019,914)	-
Provision for doubtful other receivables	17	(30,665,325)	-
	27.2	354,229,410	409,110,583
27.2 The gross movement in the deferred tax liability during the year is as follows:			
Balance as at October 01,		409,110,583	369,590,877
Charged to statement of profit or loss	43	(54,614,515)	25,799,606
Charged to other comprehensive income		(266,658)	13,720,100
		354,229,410	409,110,583

27.2.1 As at September 30, 2023, deferred tax asset amounting Rs. 604.889 million (2022: Rs. 558.141 million) on unused business losses, depreciation losses and minimum tax losses have not been recognized in the financial statements as a matter of prudence as in the opinion of the management there is no certainty regarding realizability of the amount. The management intends to re-assess the recognition of deferred tax asset as at September 30, 2023. Business loss can be carried forward up to 5 years and depreciation losses can be carried forward for infinite time. Detail is as follows:

		2023 Rupees	2022 Rupees
Business losses:	Available up to:		
Tax Year 2020	Tax year 2026	532,631,904	532,631,904
Tax Year 2021	Tax year 2027	97,891,761	97,891,761
Tax Year 2023	Tax year 2029	804,607,034	804,607,034
Tax Year 2024	Tax year 2030	112,601,055	-
		1,547,731,754	1,435,130,699
Minimum tax losses:	Available up to:		
Tax Year 2020	Tax year 2025	1,849,101	1,849,101
Tax Year 2021	Tax year 2026	26,920,378	26,920,378
Tax Year 2022	Tax year 2027	45,673,480	45,673,480
Tax Year 2023	Tax year 2028	44,222,941	44,222,941
Tax Year 2024	Tax year 2029	51,229,690	-
		169,895,590	118,665,900
Depreciation losses:	Available up to:		
Tax Year 2020	Infinity	79,652,162	79,652,162
Tax Year 2021	Infinity	45,245,425	45,245,425
Tax Year 2022	Infinity	39,667,145	39,667,145
Tax Year 2023	Infinity	126,189,798	126,189,798
Tax Year 2024	Infinity	77,444,518	-
		368,199,048	290,754,530
Total losses to be carry forward		2,085,826,392	1,844,551,129

27.3 Provision for gratuity

27.3.1 General description

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

Annual charge is based on actuarial valuation carried out by an independent approved valuer M/s TRT Associates as at September 30, 2023 using the Projected Unit Credit method.

The Company faces the following risks on account of gratuity:

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

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

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

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

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

		2023 Percentage Perannum	2022 Percentage
27.3.2	**Significant actuarial assumptions**		
	Following are significant actuarial assumptions used in the valuation:		
	Discount rate	16.75%	13.50%
	Expected rate of increase in salary	15.75%	12.50%
	Expected average remaining working life time of employees	8 years	8 years
	Note	**2023 Rupees**	**2022 Rupees**
27.3.3	**Reconciliation of payable to defined benefit plan**		
	Present value of obligation		
	Liability recognized in balance sheet	17,703,025	11,541,454

	Note	2023 Rupees	2022 Rupees
27.3.4 Movement of the liability recognized in the statement of financial position			
Opening net liability		11,541,454	7,705,659
Charge for the year	27.3.6	7,586,305	5,532,233
Remeasurement chargeable to other comprehensive income	27.3.9	919,510	(868,139)
Benefits paid during the year		(2,344,244)	(828,299)
Closing net liability		17,703,025	11,541,454
27.3.5 Movement in present value of defined benefit obligations			
Present value of obligation at the start of the year		11,541,454	7,705,659
Current service cost		6,186,445	4,766,628
Past service cost		-	-
Interest cost		1,399,860	765,605
Remeasurements:			
Actuarial losses/(gain) from changes in financial assumption		919,510	(868,139)
Benefit paid during the year		(2,344,244)	(828,299)
Closing present value of defined benefit obligations		17,703,025	11,541,454
27.3.6 Charge for the year			
Current service cost		6,186,445	4,766,628
Past service cost		-	-
Interest cost		1,399,860	765,605
Charge for the year		7,586,305	5,532,233
27.3.7 Allocation of charge for the year			
Cost of sales		4,584,123	3,429,115
Selling and distribution expenses		100,000	74,000
General and administrative expenses		2,902,182	2,029,118
		7,586,305	5,532,233

27.3.8 The expected charge in respect of defined benefit plan for the year ending September 30, 2024 will be Rs. 7.26 million.

	Note	2023 Rupees	2022 Rupees
27.3.9 Total remeasurement charge in other comprehensive income			
Remeasurement of plan obligation			
Actuarial (gains) / losses from changes in demographic assumption		-	-
Actuarial (gains) / losses from changes in financial assumption		919,510	(868,139)
Experience adjustment		-	-
		919,510	(868,139)

27.3.10 Sensitivity analysis

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

Discount rate + 100 bps	16,348,647	10,658,470
Discount rate - 100 bps	19,170,028	12,497,864
Salary increase + 100 bps	19,169,604	12,497,587
Salary increase - 100 bps	16,348,447	10,658,339

27.3.11 Maturity profile

Time in year		
1	2,628,101	1,538,209
2	3,374,992	2,217,824
3	4,164,217	2,911,631
4	4,826,395	3,626,857
5-11 onwards	25,872,407	20,201,820

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

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

27.3.14 Year wise comparison is as follows:

	2023	2022	2021	2020	2019
			Rupees		
Present value of defined benefit obligation	17,703,025	11,541,454	7,705,659	2,761,963	89,033
Experience adjustment on obligation	-	-	143,475	(151,708)	-

	Note	2023 Rupees	2022 Rupees
28. TRADE AND OTHER PAYABLES			
Trade creditors		114,171,800	112,474,695
Accrued liabilities		21,104,358	19,914,296
Workers' Profit Participation Fund	28.3	8,308,468	2,723,310
Workers' Welfare Fund	28.4	1,991,090	3,578,937
Taxes and duties payable		2,040,782	954,225
Sales tax payable		64,732,244	50,152,825
Other liabilities		762,782	30,536
		213,111,524	189,828,824

28.1 As the reporting date there is no payable balance to related parties. The maximum amount due to the Thal Industries Corporation Limited and Al-Moiz Industries Limited at the end of any month during the year was Rs. 2.008 million (2022: Rs. 5.330 million) and Rs. 34.330 million (2022: Rs. 7.090 million), respectively.

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

	Note	2023 Rupees	2022 Rupees
28.3 Workers' Profit Participation Fund			
Balance as at October 01,		2,723,310	11,306,963
Interest	28.3.2	607,434	918,713
Less: amount paid to fund		-	(9,502,366)
		3,330,744	2,723,310
Current year's allocation at 5%	40	4,977,724	-
		8,308,468	2,723,310

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

28.3.2 Interest on Workers' profit (participation) fund has been provided at the rate of 22.31% (2022: 15.40%).

	Note	2023 Rupees	2022 Rupees
28. 4 Workers' Welfare Fund			
Balance as at Oct 01,		3,578,937	3,578,937
Interest		-	-
Less: amount paid to fund		(3,578,937)	-
		-	3,578,937
Current year's allocation at 2%		1,991,090	-
		1,991,090	3,578,937

	Note	2023 Rupees	2022 Rupees
29 CONTRACTLIABILITIES			
Unsecured			
Opening balance as at October 01,		73,494,312	255,302,967
Advance received		4,983,937,109	2,728,621,461
Written back during the year	29.2	-	(236,634,000)
Income recognized		(4,648,945,951)	(2,673,796,116)
Closing balance		408,485,470	73,494,312

29.1 During the year, the performance obligations under lying the opening contract liability of Rs. 73.494 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the year. In addition, information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 408.485 million is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

29.2 During the last year an amount of Rs. 236.634 million has been written back based on confirmations received from the relevant parties mentioning that no balance is owed from the Company.

	Note	2023 Rupees	2022 Rupees
30. DUE TO PATTOKI SUGAR MILLS LIMITED			
Unsecured:			
Pattoki Sugar Mills Limited (PSML)	30.1	15,552,242	16,656,242
30.1 Movement of amount due to Pattoki Sugar Mills Limited (PSML) is as follows:			
Opening balance		16,656,242	14,426,698
Add: adjustment made during the year		-	2,836,544
Less: expenses paid on behalf of PSML		(1,104,000)	(607,000)
Closing balance		15,552,242	16,656,242

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

	Note	2023 Rupees	2022 Rupees
31. SHORTTERMBORROWING			
Secured-bankingcompanies			
Cash Finance (Conventional financing)			
Bank Al Habib Limited	31.1	-	379,999,462
Short term Financing (STF)			
Bank Al Habib Limited	31.2	100,000,000	50,000,000
RunningFinance			
Bank Al Habib Limited	31.3	-	10,006,458
		100,000,000	440,005,920

31.1 This represents cash finance facility under the conventional financing arrangement from Bank Al Habib Limited aggregated to Rs. 500 million (2022: Rs. 500 million) and carries mark-up at the rate of 1 month KIBOR plus 0.75% per annum (2022: 1 month KIBOR plus 0.75% per annum) on utilized limits. This facility is secured against white refined sugar bags at 22% margin, personal guarantees of the directors and subordination of loan from directors.

31.2 This represents the financing facility for procurement and supply of agricultural inputs to growers of the Company aggregated to Rs. 200 million (2022: Rs. 200 million). This facility carries the markup at the rate of relevant KIBOR plus 1% per annum. This facility is secured against the personal guarantees of directors, corporate guarantees of M/s Al- Moiz Industries Limited (associated Company), subordination of directors loan and pari passu charge over present and future fixed assets of the Company.

31.3 During the year, the Company had availed a running finance facility from Bank Al Habib Limited aggregated to Rs. 50 million (2022: Rs. 50 million) and carries mark-up at the rate of 1 month KIBOR plus 0.75% (2022: 1 month KIBOR plus 0.75%) on utilized limits. This facility was secured against all present and future current assets of the Company for Rs. 67 million and personal guarantees of the directors.

	Note	2023 Rupees	2022 Rupees
32. MARKUPACCRUED			
Long term financing from associated company		264,084,254	264,084,254
Long term financing		32,305,172	12,254,230
Short term borrowings		8,795,548	21,896,925
Mark-up on lease		150,797	211,513
		305,335,771	298,446,922
33. TAXATION - NET			
Opening balance		32,487,650	7,169,497
Advance income tax		51,724,815	81,325,883
Less: Provision for taxation	43	(56,448,158)	(48,838,233)
Transferred to tax refunds due from the Government		(32,432,889)	(7,579,209)
Prior year adjustment		(54,761)	409,712
Net (liability) / asset		(4,723,343)	32,487,650

	Note	2023 Rupees	2022 Rupees
34. CURRENT PORTION OF LONG TERM LIABILITIES			
Liabilities against assets subject to finance lease	26	3,200,445	5,342,250
Long term loans	24	131,222,418	178,326,732
Long term diminishing musharka	25	30,000,000	-
		164,422,863	183,668,982

35. CONTINGENCIES AND COMMITMENTS

35.1 Contingent liabilities

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

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

b) The Company has filed reference application before the Honorable High Court of Sindh against the decision of ITAT in respect of assessment year 2000 - 2001, the reference application is pending before the honorable High Court Sindh. The Company has also filed the appeal before the Commissioner of income tax appeals against addition made by the assessing officer for the assessment year 2002 - 2003 which is pending for adjudication. In view of the favorable decision of the higher appellate forums on the like issue in prior years the management is hopeful about favorable outcome in above matters. Hence no provision is made in these account as there will be no tax impact of the matter in view of brought forward losses. The figures are not quantifiable due to old cases.

c) The Company has filed an appeal before the Tribunal against the order of Commissioner Inland Revenue disallowing refund of further tax on the ground that the incidence of the tax has been passed on the consumers and the Company is not entitled to claim refund in terms of Section 3 (B) of the sales Tax Act, 1990. The management of the Company is of the view that outcome of the suit would be in favour of the Company.

d) Demand amounting to Rs. 3.825 million has been created by DCIR vide order dated November 03, 2017 against the Company for adjustment of input tax. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 3.825 million (2022: Rs. 3.825 million).

e) Demand amounting to Rs. 2.528 million has been created by DCIR vide order dated November 07, 2018 against the Company for adjustment of input tax for the period of January 2018. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 2.528 million (2022: Rs. 2.528 million).

f) Demand amounting to Rs. 12.648 million has been created by DCIR vide order dated December 16, 2018 against the Company for adjustment of input tax for the period of February 2018. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 12.648 million (2022: Rs. 12.648 million).

g) Demand amounting to Rs. 9.894 million has been created by DCIR vide order dated December 20, 2018 against the Company for adjustment of input tax for the period of March 2018. The Company being aggrieved filed input tax rectification application. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 9.894 million (2022: Rs. 9.894 million).

h) Demand amounting to Rs. 41.616 million has been created by DCIR vide order dated August 04, 2017 against the Company on account of sales tax audit for the tax year 2014 and certain amounts were held recoverable. The Company being aggrieved filed appeal before CIR (A). CIR (A) remanded back the case for fresh adjudication. Thereafter in fresh proceedings an amount of Rs. 3.416 million has been established vide order dated March 28, 2019. This has also been challenged before CIR Appeals. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 3.416 million (2022: Rs. 3.416 million).

i) Demand amounting to Rs. 10.137 million has been created by DCIR vide order dated November 12, 2018 against the Company on account of inadmissible input tax adjustment for the period July 2016 to November 2017. The Company being aggrieved filed appeal before CIR (A). CIR (A) remanded back the case for fresh adjudication. The case decided against the Company and an amount of Rs. 10.211 million has been paid to the Department under protest and also appeal has been filed against this order. The Company expects a favorable outcome of the proceedings.

j) As per SRO of 77(1) / 2013 dated February 07, 2013, the Federal Government allowed reduced rate@.0.5% FED on local sales of white crystalline sugar equivalent to the quantity actually exported by the sugar manufacturer as per quota allotted. Sales tax and Federal Excise returns for the tax periods from November 2013 to June 2014 were analyzed by the Commissioner Inland Revenue and it was observed that registered person had declared local sales on which Company was required to charge and pay FED @ 8% in VAT mode under the provision of section 3 and 7 of the Federal Excise Act, 2005. The Commissioner Inland Revenue created a demand amounting to Rs. 65.084 million along with default surcharge and penalty of Rs. 3.254 million on short payment of FED based on that Company charged and paid FED at the rate of 0.5% without fulfilling the conditions as mentioned in SRO 77(1) 2013. Being aggrieved with the order passed by the Deputy Commissioner Inland Revenue, the Company preferred appeal before the Commissioner Inland Revenue (Appeals-I), Karachi.

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

k) As per SRO of 77(1) / 2013 dated February 07, 2013 read with the SRO 1072 (1) / 2013 dated December 27, 2013, the Federal Government allowed reduced rate@.0.5% FED on local sales of white crystalline sugar equivalent to the quantity actually exported by the sugar manufacturer as per quota allotted by the ECC in it meeting held on January 10, 2013. Sales tax and Federal Excise returns for the tax periods from February 2013 to October 2013 were analyzed by the Commissioner Inland Revenue and it was observed that registered person had declared local sales on which Company was required to charge and pay FED @ 8% in VAT mode under the provision of section 3 and 7 of the Federal Excise Act, 2005.

The Commissioner Inland Revenue created a demand amounting to Rs. 15.393 million along with default surcharge and penalty of Rs. 0.769 million on short payment of FED based that Company charged and

paid FED at the rate of 0.5% without fulfilling the conditions as mentioned in SRO 77(1) 2013. Being aggrieved with the order passed by the Deputy Commissioner Inland Revenue, the Company preferred appeal before the Commissioner Inland Revenue (Appeals-I), Karachi. The CIR (A) vide order in appeal No. STA/90/LTU/2019/06 vacated order of Deputy Commissioner and passed order in favour of the Company. The department has filed an appeal against this order to Appellate Tribunal IR. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 16.163 million (2022: Rs. 16.163 million).

l) Demand amounting to Rs. 10.163 million has been created by DCIR against the Company on account of some discrepancies were observed in the sales tax returns for the period from July 2016 to November 2017. The Company being aggrieved filed appeal before CIR (A). CIR (A) remanded back the case for fresh adjudication. Thereafter in fresh proceedings an amount of Rs. 10.163 million has been demanded by DCIR. This has also been challenged before CIR Appeals. The CIR (A) vide order in Appeal No. STA/40/LTU/2019/07 dated September 26, 2019 annulled order of DCIR. Being aggrieved with the order department has filed second appeal to Appellate Tribunal IR. The Company expects a favorable outcome of the proceedings. However, if the case is decided against the Company, it may result in tax payable of Rs. 10.163 million (2022: Rs. 10.163 million).

m) Income tax audit for Tax Year 2015, 2016, 2017, 2018 and 2019 u/s 177 of Income Tax Ordinance, 2001 were selected by Commissioner Income Tax through his discretionary powers vested under this section. The DCIR has created a demand amounting to Rs. 7,606.899 million against all these years. The Company has challenged it before CIR (Appeals) which is pending for adjudication. The Company is confident of favorable outcome.

n) Sales tax Audit for Tax Year 2017, 2018 and 2019 u/s 25 of Sales Tax Act, 1990 were selected by Commissioner Income Tax through his discretionary powers vested under this section. The DCIR has requested information in this regard and the Company has obtained stay order from Honorable High Court of Sindh, Karachi.

o) The Company has received two orders for Tax Year 2015, and 2016 under section 161(1A). The DCIR has created a demand amounting to Rs. 23.02 million along with surcharge against all these years. The Company has challenged it before CIR (Appeals) which is pending for adjudication. The Company is confident for favorable outcome.

p) The Company is facing claims, launched in the labor courts, pertaining to staff retirement benefits, salaries and others related matters. The claims amount cannot be quantified due to nature of the claims.

q) The Competition Commission of Pakistan (CCP) initiated the inquiry against all the sugar mills due to price hike based on export of Sugar. CCP decided the case against the sugar mills and imposed penalty on all the sugar mills and Sugar Mills Association amounting to Rs. 44 billion. As per CCP decision maximum penalty of Rs. 8.512 million was imposed on the Company. According to majority of lawyers, the CCP decision was based on veto powers used by the chairman of committee which is bad in law and cannot hold in superior courts. The Company along with others sugar industries filed a petition against this decision in the higher courts. The Honorable Court has granted a stay to the Company against this penalty.

r) The FBR had opened the proceedings against the Company u/s 161/205 for the tax year 2018. The department has raised the demand of Rs. 17.585 million. Being aggrieved from the decision of the assessing officer, the Company had filed an appeal against the said order in Inland Revenue Appellate Tribunal. The Company is confident to defend the case.

s) The FBR had opened the proceeding against the Company u/s 161/205 for the tax year 2019. The department has raised the demand of Rs. 12.546 million. Being aggrieved from the decision of the assessing officer, the Company had filed an appeal against the said order in Inland Revenue Appellate Tribunal. The Company is confident to defend the case.

t) The FBR issued an assessment order against the Company under the Sales Tax Act, 1990 by mentioning that the Company had claimed Input tax in violation of Section 8 of the Act, and raised a liability of Rs. 25.322 million. Being aggrieved from the decision of the assessing officer, the Company had filed an appeal before the CIR (A). The Company is confident to defend the case on the basis of legal grounds available in the law.

u) The Company has received notice under section 254 of the Companies Act, 2017 and directors have also received a notice pursuant to section 111(b) of the Securities Act, 2015 which have been responded. The Company and directors are not expecting any further unpleasant correspondence in this regard.

v) The Company has obtained a stay against the notice received from EOBI, in which the EOBI is demanding to pay the EOBI contribution on the basis of Rs. 25,000/- instead of Rs. 13,000/-. The Company is confident to defend the case and considering no adverse effect on the Company financial statements.

w) The DCIR issued an assessment order against the Company under the Sales Tax Act, 1990 by mentioning that the Company had claimed Input tax in violation of Section 8 of the Act, and raised a demand of Rs. 32.582 million. Being aggrieved from the decision of the assessing officer, the Company had filed an appeal before the CIR (A). The CIR(A) upheld the dis-allowance of input tax paid with respect to procurement of items such as alloy, steel bars etc. However, the issue of self-disallowed input tax of Rs. 0.908 million was remanded back. Being aggrieved with the above treatment, the Company filed an appeal before ATIR on May 04, 2023 against the aforesaid order of CIR(A). The department has also filed appeal against the order of CIR(A) before ATIR to the extent of issue remanded back. The Company is confident to defend the case on the basis of legal grounds available in the law.

35.2 Commitments

a) The Company is committed as at the balance sheet date in respect of capital expenditure of Rs. 150 million (2022: 2.681 million).

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

	Note	2023 Rupees	2022 Rupees
Less than one year	26.2	3,935,917	6,833,033
Between one and five years	26.2	7,878,540	6,794,136
More than five years		-	-
		11,814,457	13,627,169

	Note	2023 Rupees	2022 Rupees
36. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Set out below is the dis-aggregation of the Company's revenue from contracts with customers.			
Sales			
Manufacturing - local			
Sugar			
Local		4,302,367,649	3,893,668,264
Export		232,740,000	-
		4,535,107,649	3,893,668,264
By products sales:			
Molasses	36.1	678,776,670	596,765,337
Bagasse		35,928,375	31,043,630
V.F.Cake		14,699,735	23,464,779
		729,404,780	651,273,746
Less: sales tax			
Sugar		(651,276,576)	(578,660,610)
Molasses		(62,371,160)	(19,649,693)
Bagasse		(5,569,623)	(4,510,611)
V.F.Cake		(2,155,848)	(3,409,419)
		(721,373,207)	(606,230,333)
		4,543,139,222	3,938,711,677
36.1 Molasses:			
Sale under			
- DTRE (Duty & Tax Remission for Exporters)		270,000,000	461,529,211
- Others		408,776,670	135,236,126
		678,776,670	596,765,337
36.2 Geographical region:			
Pakistan		4,302,367,649	3,893,668,264
Singapore		232,740,000	-
		4,535,107,649	3,893,668,264
36.3 Timing of transfer of goods			
Goods transferred to customers at a point in time		4,535,107,649	3,893,668,264

36.4 The sales includes an amount of Rs. 324.000 million (2022: Rs. 1,377.915 million) which has been made to an associated company, Naubahar Bottling Company (Private) Limited on prevailing market rates.

	Note	2023 Rupees	2022 Rupees
37. COST OF SALES			
Cane purchases and expenses thereon		3,574,265,411	3,888,910,744
Other overheads:			
Stores, spares and consumables		27,023,660	27,062,895
Packing materials consumed		39,003,164	35,876,616
Chemicals consumed		34,340,973	43,178,461
Salaries, wages and other benefits	37.1	184,284,670	166,084,009
Fuel and power		28,172,040	33,110,131
Repair and maintenance		164,128,735	208,679,614
Depreciation on operating fixed assets	7.8	108,639,490	101,357,186
Vehicle running expenses		13,451,733	7,695,373
Fee and subscription		90,000	169,025
Insurance		1,002,063	1,707,141
Other factory overheads		9,156,793	8,351,130
		609,293,321	633,271,581
Work in process			
Opening		5,413,703	4,301,029
Closing	12	(12,339,911)	(5,413,703)
		(6,926,208)	(1,112,674)
Cost of goods manufactured		4,176,632,524	4,521,069,651
Finished goods			
Opening		530,146,487	35,397
Closing	12	(714,382,210)	(530,146,487)
		(184,235,723)	(530,111,090)
		3,992,396,801	3,990,958,561

37.1 This amount includes Rs. 4.584 million (2022: Rs. 3.429 million) in respect of employees' retirement benefits.

	Note	2023 Rupees	2022 Rupees
38. SELLING AND DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	38.1	4,632,855	3,704,253
Freight outward		12,197,430	-
Other selling expenses related to export		1,198,348	-
Stacking, restacking and carriage		15,186,974	12,288,307
Insurance		1,131,182	1,120,008
Commission on sale of sugar		2,966,098	2,790,200
		37,312,887	19,902,768

38.1 This amount includes Rs. 0.100 million (2022: Rs. 0.074 million) in respect of employees' retirement benefits.

39. GENERAL AND ADMINISTRATIVE EXPENSES

	Note	2023 Rupees	2022 Rupees
Salaries, wages and other benefits	39.1	88,695,022	69,329,989
Director's meeting fee		370,000	300,000
Traveling and conveyance		409,898	232,170
Rent, rates and taxes		322,500	288,000
Telephone and postage		1,021,149	995,113
Printing and stationery		2,189,460	1,931,927
Fee and subscription		6,853,485	4,937,561
Insurance		3,231,377	2,460,671
Repair and maintenance		4,510,494	7,044,905
Vehicle running expenses		5,800,047	4,707,210
Entertainment		2,677,457	1,972,031
Legal and professional charges		9,016,948	3,449,913
Charity and donations	39.2	2,756,942	82,500
Depreciation on operating fixed assets	7.8	2,174,220	977,434
Depreciation on right-of-use assets	8.1	3,273,272	2,395,638
Miscellaneous		2,637,465	1,677,827
		135,939,736	102,782,889

39.1 This amount includes Rs. 2.902 million (2022: Rs. 2.029 million) in respect of employees' retirement benefits.

39.2 Charity and donations

This represents amounts paid for earthquake relief activities for Turkey & Syria and Ramadan Iftari. Donations were not made to any donee in which any director of the Company or his spouse had any interest at any time during the year. The break up is as follows:

	Note	2023 Rupees	2022 Rupees
Description			
Turkiye & Syria Earthquake Victims		500,000	-

40. OTHER OPERATING EXPENSES

	Note	2023 Rupees	2022 Rupees
Auditors' remuneration			
Audit fee		733,250	605,000
Half yearly review fee		334,000	303,750
Review of code of corporate governance		81,250	75,000
Certifications		52,500	50,000
Out of pocket expenses		66,750	45,000
		1,267,750	1,078,750
Cost audit fee		173,250	157,500
Provision for doubtful receivables	40.1	-	105,742,500
Provision for obsolete stores and spare parts		-	1,000,000
Rent of land	40.2	240,000	-
Impairment of bank balances	19.3	80,335	-
Capacity regularization fee	40.3	100,000,000	-
Worker's profit participation fund	28.3	4,977,724	-
Worker's welfare fund	28.4	1,991,090	-
		108,730,149	107,978,750

40.1 This represents provision for doubtful subsidy on export on prudence basis as chances of recoveries are remote.

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

40.3 An amendment in section 11 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance, 1963 (the Ordinance) was made by the Government and as per notification "The Government may exempt an industrial undertaking or class of industrial undertaking duly established under this Ordinance from all or any of the provisions of this Ordinance or the rules and may regularize contravention of any of the provision of this Ordinance committed till the commencement of the Punjab Industries (Control on Establishment and Enlargement) (Amendment) Act, 2022 (the Act), subject to payment of such requitals as the Government may determine.

In pursuance of the amendment in section 11 of the Ordinance, the Company has submitted an application dated December 08, 2022, for regularization of its enhanced crushing capacity up to 12,000 TCD. As per the decision, the application was forwarded to the Technical Sub-Committee for scrutiny, evaluation and recommendation. The Technical Sub-Committee visited the Company and submitted its report vide letter dated January 18, 2023, for further deliberation and consideration.

Accordingly, the committee unanimously recommended that the initial capacity of the Company be considered zero TCD due to the non-availability of NOC, and crushing capacity to the maximum upper limit of 10,000 TCD is recommended for regularization subject to submission of Rs. 100 million and fulfilment of all legal formalities.

During the year, the Company paid the requisite amount of Rs. 100 million on June 12, 2023, to the Director General (industries, prices, weights, and measures) Punjab and the same amount has been recorded as an expense and charged to statement of profit or loss. This amount considered as fine/penalty for regularization of the capacity.

	Note	2023 Rupees	2022 Rupees
41. OTHERINCOME			
Income from financial assets			
Profit on investment		-	311,741
Profit on bank deposit		27,140,289	12,534,220
		27,140,289	12,845,961
Income from non-financial assets			
Gain on sale of fixed assets	7.9	7,772,448	-
Gain on sale of store items		609,007	-
Exchange gain on export of Sugar		19,106,189	-
Margin charged on agri products	41.1	43,763,513	11,049,092
Sale of scrap		57,975,973	60,652,782
Liabilities no longer payable written back	41.2	17,891,973	236,634,124
		147,119,103	308,335,998
		174,259,392	321,181,959

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

41.2 Current year written back represents accrued liability which is no more payable. Last year it includes advance from customers amounting to Rs. 236.634 million written back for excess balances which are confirmed to be no longer payable.

	Note	2023 Rupees	2022 Rupees
42. FINANCIALCHARGES			
Mark-up / interest on:			
Short term financing		237,607,584	154,217,917
Loan from associated company		-	16,603,863
Long term loan from banks		109,372,106	32,495,693
Interest on worker's profit participation fund		607,434	918,713
Lease liabilities		1,708,665	1,167,450
		349,295,789	205,403,636
Bank charges and commission		1,137,585	526,474
		350,433,374	205,930,110

	Note	2023 Rupees	2022 Rupees
43. TAXATION			
Current	43.1	56,448,158	48,838,233
Prior year adjustments		54,761	(420)
Deferred tax	27.2	(54,614,515)	25,799,606
		1,888,404	74,637,419

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

43.2 The rate of tax has been fixed at 29% for Tax Year 2022 and onwards by taxation authorities.

43.3 Comparison of tax provision against tax assessments

Years	Note	Excess/ (Short)	Tax provision (Rupees)	Tax assessment / tax return
2021-22	43.4	(46,761)	48,838,233	48,884,994
2020-21	43.4	-	48,022,480	48,022,480
2019-20	43.4	-	24,408,193	24,408,193

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

43.5 As at September 30, 2023, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in the financial statements for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

44. ACCOUNTINGESTIMATESANDJUDGMENTS

The Company's main accounting policies affecting its result of operations and financial conditions are set out in note 6. Judgments and assumptions have been required by the management in applying the Company's accounting policies in many areas. Actual results may differ from estimates calculated using these judgments and assumptions. Key sources of estimation, uncertainty and critical accounting judgments are as follows:

a) Income taxes

The Company takes into account relevant provisions of the current income tax laws while providing for current and deferred taxes as explained in note 6 to these financial statements.

b) Defined benefit plan

Certain actuarial assumptions have been adopted by external professional valuer (as disclosed in note 27.3) for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect unrecognized gains and losses in those years.

c) Property, plant and equipment

The estimates for revalued amounts, if any, of different classes of property, plant and equipment, are based on valuation performed by external professional valuers and recommendation of technical teams of the Company. Further, the Company reviews the value of the assets for possible impairment on an annual basis.

Any change in the 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. As explained in note 7 to these financial statements, the Company has revalued its free hold land as on September 30, 2022.

d) Stores and spares

Management has made estimates for realizable amount of slow moving and obsolete stores and spares items to determine provision for slow moving and obsolete items. Any future change in the estimated realizable amounts might affect carrying amount of stores and spares with corresponding affect on amounts recognized in profit and loss account as provision / reversal.

e) Financialinstruments

The fair value of the financial instrument that are not traded in an active market is determined by using valuation techniques based on assumption that are dependent on conditions existing at the balance sheet.

f) Provision for doubtful receivables

The Company uses a provision matrix to calculate ECLs for trade receivables and other receivables. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

g) Fairvaluemeasurement

A number of assets and liabilities included in the financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Establishment's financial and non- financial assets and liabilities utilizes market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilized are (the fair value hierarchy):

- - Level 1: Quoted prices in active markets for identical items (unadjusted)

- Level 2: Observable direct or indirect inputs other than Level 1 inputs

- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur.

h) Provisionandcontingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on its 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 balance sheet date.

i) Impairment of assets

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

j) Stock-in-trade

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. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

45. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Name of parties	Nature of relationship	Nature of transactions	September 30, 2023		September 30, 2022	
			Transactions during the year	Closing balance	Transactions during the year	Closing balance
			---------- Rupees ----------			
Naubahar Bottling Company (Private) Limited	Associated Company	Sale of sugar	324,000,000	-	1,377,915,000	-
	Paid / received / adjustment (net)		324,000,000	-	1,377,915,000	-
	Long term loans - paid/adjusted		-	-	600,000,000	-
	Mark-up payable -		-	264,084,254	-	264,084,254
	Mark-up charged on long term loan		-	-	16,603,863	-
The Thal Industries Corporation Limited	Associated Company	Sale - Store items	7,371,000	-	517,140	-
	Purchases - store items		2,451,200	-	18,495,654	-
	Paid / received / adjustment (net)		4,919,800	-	17,978,514	-
			-		-	
Al-Moiz Industries Limited	Associated Company	Sale of scrap	35,989,446	-	43,697,340	-
	Paid / received / adjustment (net)		1,659,242	-	35,702,340	-
	Purchases- store items		34,129,377	-	-	-
	Purchases- other items		200,827	-	7,995,000	-
Directors/shareholders						
Mr. Muhammad Shamim Khan	Director	Directors' contribution/loan	-	1,356,300,000	290,000,000	1,356,300,000
Mrs. Qaiser Shamim Khan	Director	Directors' contribution/loan	-	1,199,600,000	210,000,000	1,199,600,000
Mr. Nauman Khan	Director	Directors' contribution/loan	-	79,800,000	25,000,000	79,800,000
Mr. Adnan Ahmed Khan	CEO	Directors' contribution/loan	-	367,000,000	175,000,000	367,000,000
Key management Personnel"						
Executives		Remuneration paid	42,084,148	-	35,912,249	-
Personnel						

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

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

	2023	2022
Profit / (loss) after taxation - (Rupees)	90,697,263	(242,296,861)
Weighted average number of ordinary shares	9,450,000	9,450,000
Earnings / (loss) per share - (Rupees)	9.60	(25.64)

47. RECONCILIATIONOFMOVEMENTOFLIABILITIESANDEQUITIESTOCASHFLOWSARISINGFROM FINANCINGACTIVITIES

	Liabilities			
	Short&Longterm Loansandothers	Directors contribution	Lease Liability	Total
	(Rupees)			
Balance as at October 1, 2022	937,614,318	3,002,700,000	11,698,208	3,952,012,526
Contribution / borrowings obtained	300,000,000	-	9,445,425	309,445,425
Repayment of financing	(513,768,102)	-	(10,730,135)	(524,498,237)
Payment / adjustment	(1,104,000)	-	-	(1,104,000)
	(214,872,102)	-	(1,284,710)	(216,156,812)
Balance as at September 30, 2023	722,742,216	3,002,700,000	10,413,498	3,735,855,714

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

47.2 There is no non cash transaction during the year (2022: Rs. 2.11 million non cash transaction of lease obligation).

48. FINANCIALINSTRUMENTS

Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

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

48.1 Credit risk

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

	2023 Rupees	2022 Rupees
Long term deposits	525,400	1,862,450
Trade debts	-	8,258,625
Loans and advances	2,902,815	42,632
Bank balances	116,512,945	224,882,983
	119,941,160	235,046,690

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

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

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

	2023 Rupees	2022 Rupees
Export	-	-
Domestic	-	8,258,625
	-	8,258,625

Trade receivables by geographical split is as follows:

	Sales			Trade debts (Rupees)	
	LC	Others	Total	Outstandingbalance	
		(Rupees)		2023	2022
Country					
Pakistan		4,310,399,222	4,310,399,222	-	8,258,625
Singapore		232,740,000	232,740,000	-	-
Total		4,543,139,222	4,543,139,222	-	8,258,625

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

	2023 Rupees	2022 Rupees
Dealers/industries	-	8,258,625
End-user customers	-	-
	-	8,258,625

The aging of trade receivable at the reporting date is:

Not past due	-	-
Past due 1-30 days	-	-
Past due 30-180 days	-	8,258,625
Past due more than 180 days	-	-
	-	8,258,625

The company's most significant customers are Mehmood Ahmad (2022: Abdur Rehman & Co.) from whom the receivable was Rs. nil (2022: Rs. 8.039 million). During the year an amount of Rs. 324.000 million (2022: 1,377.915 million) of sales have been made to an associated company, Naubahar Bottling Company (Private) Limited on prevailing market rates which is also a significant customer of the Company.

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

No impairment charged during the year.

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

	Rating Agency	Ratings Short Term	Ratings Long Term	2023 Rupees	2022 Rupees
Bank Al-Habib Limited	PACRA	A1+	AA+	4,640,092	-
Bank Al-Habib Limited	PACRA	A1+	AA+	29,632,783	199,887,997
Bank Al-Habib Limited	PACRA	A1+	AA+	-	599
Allied Bank Limited	PACRA	A1+	AAA	21,067,448	473,971
MCB Bank Limited	PACRA	A-1+	AAA	4,756,867	1,012,831
MCB Islamic Bank Limited	PACRA	A	A1	409,720	412,728
National Bank of Pakistan	PACRA	A-1+	AAA	-	79,736
Habib Bank Limited	JCR-VIS	A-1+	AAA	14,871,969	10,789,795
Bank Alfalah Limited	PACRA	A1+	AA	8,315,392	4,951,010
Askari Bank Limited	PACRA	A1+	AA+	433,768	821,865
Soneri Bank Limited"	PACRA	A1+	AA-	3,781,840	448,595
Meezan Bank Limited	VIS	A-1+	AA+	28,603,066	6,003,856

Cash and bank balances

The Company held cash and cash equivalents amounting to Rs. 116.810 million (2022: Rs. 225.53 million). These cash and cash equivalents are held with banks and financial institutions counterparties, which are rated A to AA+, based on PACRA ratings. Impairment on cash and cash equivalents has been measured on a 12 month expected loss basis and reflects short term maturities of the exposure. The Company considers its cash and cash equivalents have low credit risk based on the external ratings of the counterparties. 12 month probabilities of default are based on historical data supplied by PACRA rating agency for each credit rating. Loss given default (LGD) parameters generally reflect assumed recovery rates based on recovery rates assumed in Basel Guidelines for unsecured exposures.

Advances, deposits and other receivables

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

48.2 Liquidity risk

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

	Carrying amount	Contractual cash flow	Oneto twelve months	Oneto two years	Twoto five years
			(Rupees)		
2023					
Financialliabilities					
Long term loan	326,193,818	326,193,818	132,042,868	59,991,200	134,159,750
Mark-up accrued	305,335,771	305,335,771	305,335,771	-	-
Lease liabilities	10,413,498	11,814,457	3,935,917	4,684,530	3,194,010
Due to Pattoki Sugar Mills Limited	15,552,242	15,552,242	15,552,242	-	-
Trade and other payables	136,038,940	136,038,940	136,038,940	-	-
Short term borrowing	100,000,000	100,000,000	100,000,000	-	-
Unclaimed dividend	255,930	255,930	255,930	-	-
	893,790,199	895,191,158	693,161,668	64,675,730	137,353,760
2022					
Financial liabilities					
Long term loan	499,956,000	573,049,567	204,398,100	145,175,248	223,476,219
Mark-up accrued	298,446,922	298,446,922	298,446,922	-	-
Lease liabilities	11,698,208	1,682,756	603,012	1,079,744	-
Due to Pattoki Sugar Mills Limited	16,656,242	16,656,242	16,656,242	-	-
Trade and other payables	132,419,527	132,419,527	132,419,527	-	-
Short term borrowing	440,005,920	440,005,920	440,005,920	-	-
Unclaimed dividend	255,930	255,930	255,930	-	-
	1,399,438,749	1,462,516,864	1,092,785,653	146,254,992	223,476,219

48.3 Market risk

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

a) Currency risk

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

	2023 Rupees	2022 Rupees
Trade debts	-	-
Gross balance sheet exposure	-	-
Outstanding letters of credit	-	-
Net exposure	-	-

The following significant exchange rates applied during the year:

	Average rate		Reporting date rate	
	2023	2022	2023	2022
USD to PKR	287.98	208.79	287.74	228.45

Sensitivityanalysis

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

	2023 Rupees	2022 Rupees
Effect on profit or loss		
Loss	-	-

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

b) Interest rate risk

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

	2023	2022	2023	2022
	Effective rate		Carrying amount	
Financial liabilities			Rupees	Rupees
Variable rate instruments:				
Long term loan	20.28%	14.62%	326,193,818	499,956,000
Short term borrowings	19.52%	14.43%	100,000,000	440,005,920
Long term diminishing musharka	20.26%	-	300,000,000	-
			726,193,818	939,961,920

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	100bp increase	100bp decrease
As at September 30, 2023		
Cash flow sensitivity - Variable rate financial liabilities	(7,261,938)	7,261,938
As at September 30, 2022		
Cash flow sensitivity - Variable rate financial liabilities	(9,399,619)	9,399,619

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

Interest rate risk management

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

48.4 Other price risk

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

48.5 Risk management strategy related to sugarcane supplies

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

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

Climate and other risks

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

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

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

Supply and demand risk

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

49. FAIRVALUEOFFINANCIALINSTRUMENTS

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

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

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

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

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

There were no financial instruments held by the Company which are measured at fair value as of September 30, 2023 and September 30, 2022.

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

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

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

	2023			
	Level1	Level2	Level3	Total
		Rupees		
Assets:				
Free hold land	-	1,728,240,000	-	1,728,240,000
Buildings on free hold land	-	276,304,880	-	276,304,880
Plant and machinery	-	1,427,965,056	-	1,427,965,056

	2022			
	Level 1	Level 2	Level 3	Total
		Rupees		
Assets:				
Free hold land	-	1,728,240,000	-	1,728,240,000
Buildings on free hold land	-	290,689,156	-	290,689,156
Plant and machinery	-	1,494,941,821	-	1,494,941,821

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

50. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives	
	2023	2022	2023	2022	2023	2022
	(Rupees)					
Managerial remuneration	-	-	-	-	38,595,938	19,972,565
House rent allowance	-	-	-	-	-	8,372,518
Utility expenses	-	-	-	-	1,071,819	2,139,159
Bonus (performance)	-	-	-	-	2,024,705	2,459,858
Reimbursable expenses	-	-	-	-	-	2,968,149
Gratuity	-	-	-	-	391,686	-
Meeting fee	20,000	30,000	350,000	270,000	-	-
	20,000	30,000	350,000	270,000	42,084,148	35,912,249
Number of persons	1	1	6	6	14	12

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

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

51. RECOVERABLE AMOUNTS AND IMPAIRMENTS

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

52. CAPACITY AND PRODUCTION

		2023 Number	2022 Number
Crushing capacity on the basis of operating days (Metric tons)		1,600,000	560,000
Approved / installed crushing capacity (TCD)	52.2	10,000	10,000
Actual crushing (Metric tons)		455,913.61	604,762.40
Sugar production from cane (Metric tons)		45,338.90	54,026.50
Recovery of sugar cane (percentage)		9.956%	8.936%

52.1 Actual production per day has been increased as compared to designed capacity due to replacement of old machines with modern machines. Further, the Company has paid Rs. 100 million to Director General (industries, prices, weights and measures) Punjab to regularize the crushing capacity up to the limit of 10,000 TCD. Please refer note 40.3.

52.2 Comparative figure of approved crushing capacity has revised based on regularised capacity as more fully explained in note 40.3 to these financial statements.

53. NUMBEROFEMPLOYEES

	2023 Number	2022 Number
Number of employees at September 30		
Permanent		
Head office	5	4
Factory	82	91
Contractual / temporary		
Head office	2	2
Factory	335	338
Average number of employees during the year		
Permanent		
Head office	5	4
Factory	88	93
Contractual/temporary		
Head office	2	2
Factory	450	497

54. CAPITALRISKMANAGEMENT

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

The Company's objectives when managing capital are:

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

(ii) to provide an adequate return to shareholders.

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

The management at all times seeks to earn returns higher than its weighted average cost of capital, by

increasing efficiencies in operations, so as to increase profitability.

The proportion of debt to equity at the year end was:	2023 Rupees	2022 Rupees
Total Borrowings (notes 24, 21, 34, 31, and 26)	3,469,307,316	3,954,360,128
Less: Balances with banks (note 19)	(116,810,909)	(225,531,346)
Net debt	3,352,496,407	3,728,828,782
Total equity - including surplus on fixed asset	2,861,797,204	2,771,752,793
Total capital	6,214,293,611	6,500,581,575
Gearing ratio	54%	57%

In accordance with the terms of agreement with the lenders of short term finances and long term loans (as referred to in note 24 and 31 to these financial statements), the Company is required to comply with certain financial covenants in respect of capital requirements which the Company has compiled with throughout the reporting period.

55. RISKMANAGEMENTFRAMEWORK

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

56. CORRESPONDINGFIGURES

Corresponding figures have been rearranged and reclassified, whenever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, no significant reclassification has been made during the year except following for better and correct presentation.

Reclassified from	Reclassified to	Rupees
Operating fixed assets		
Office and other equipments	Computer and allied equipment	2,134,269
Trade and other payables		
Advances from customers	Contract liabilities	73,494,312
Lease liabilities		
Liabilities	Future finance cost	1,928,961

57. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIALPOSITIONANDPERFORMANCE

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

58. NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant reportable events after the balance sheet date.

59. FINANCIALINSTRUMENTSBYCATEGORY

	Note	Carryingamount			Fairvalue			
		Financial assetsat amvortized cost	Financial liabilitiesat amortized cost	Total	Level 1	Level 2	Level 3	Total
On-Balance sheet financial instruments								
As at September 30, 2023								
Financialassets								
Atamortisedcost								
Long term deposits	10	525,400	-	525,400	-	-	-	-
Trade debts	13	-	-	-	-	-	-	-
Loans and advances	15	2,902,815	-	2,902,815	-	-	-	-
Cash and bank	19	116,810,909	-	116,810,909	-	-	-	-
		120,239,124	-	120,239,124	-	-	-	-
Financialliabilitiesatamortisedcost								
Long term loans	25	-	326,193,818	326,193,818	-	-	-	-
Lease liabilities	26	-	10,413,498	10,413,498	-	-	-	-
Trade and other payables	28	-	136,038,940	136,038,940	-	-	-	-
Unclaimed dividend		-	255,930	255,930	-	-	-	-
Due to Pattoki Sugar Mills Limited	30	-	15,552,242	15,552,242	-	-	-	-
Short term borrowings	31	-	100,000,000	100,000,000	-	-	-	-
Mark-up accrued	32	-	305,335,771	305,335,771	-	-	-	-
		-	893,790,199	893,790,199	-	-	-	-
On-Balance sheet financial instruments								
As at September 30, 2022								
Financialassetsatamortisedcost								
Long-term deposits	10	1,862,450	-	1,862,450	-	-	-	-
Trade debts - net of provisions	13	8,258,625	-	8,258,625	-	-	-	-
Loans and advances	15	42,632	-	42,632	-	-	-	-
Cash and bank balances	19	225,531,346	-	225,531,346	-	-	-	-
		235,695,053	-	235,695,053	-	-	-	-
Financialliabilitiesatamortisedcost								
Long term loans	25	-	499,956,000	499,956,000	-	-	-	-
Lease liabilities	26	-	11,698,208	11,698,208	-	-	-	-
Trade and other payables	28	-	132,419,527	132,419,527	-	-	-	-
Unclaimed dividend		-	255,930	255,930	-	-	-	-
Due to Pattoki Sugar Mills Limited	30	-	16,656,242	16,656,242	-	-	-	-
Short term borrowing	31	-	440,005,920	440,005,920	-	-	-	-
Mark-up accrued	32	-	298,446,922	298,446,922	-	-	-	-
		-	1,399,438,749	1,399,438,749	-	-	-	-

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

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

60. SEASONALITY OF OPERATIONS

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

61. OPERATINGSEGMENTS

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

Sugar Sales represents 85.48% (2022 : 85.67%) of the total sales of the Company.

The Company's sales relate to the customers in Pakistan.

All non - current assets of the company as at September 30, 2023 are located in Pakistan.

No sale accounted for 10% or more of total sales was made to any customer during the year, except Crystalline Chemical (Pvt) Limited, which constitute of 11.30% of total sugar sales (2022: Naubahar Bottling Co. (Pvt) Limited 31% of the total Sales).

62. DISCLOSUREREQUIREMENTFORALLSHAREISLAMICINDEX

The Company is not listed on All Share Islamic Index, therefore, no disclosure has been made in this regards in these financial statements as required by the Fourth Schedule of Companies Act, 2017.

63. DATEOFAUTHORIZATIONOFISSUE

These financial statements were authorized for issue on December 26, 2023 by the Board of Directors of the Company.

64. GENERAL

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

ProxyForm

No. of Shares

Folio No./CDC Participant ID

I/We _____

of_____

Being member of BABA FARID SUGAR MILLS LIMITED hereby appoint

Mr./Miss/Mrs._____

of failing him/her_____

being a member of the company a my/our proxy to attend, act and vote for me/us and on my/us and on my/or behalf, at the 45th Annual General Meeting of the company to be held Registered Office, 2-D-1, Gulberg III, Lahore on Friday, the 27th January, 2024 at 3.00 p.m. and every adjournment thereof:

As witness my hand this _____ day of _____ 2024

Signed by the said _____ of _____

1. Witness's Signature
Name: _____
CNIC No. _____
Address: _____

Member's Signature
_____

2. Witness's Signature
Name: _____
CNIC No. _____
Address: _____

Revenue Stamp
Rs. 50/-

Date_____

Place _____

Notes: _____

1. This form of proxy, in order to be effected must be deposited duly completed at the registered office 2-D-1, Gulberg III, Lahore, not less than 48 hours before the time for holding the meeting.

2. A Proxy must be a member of the company.

3. Signature should agree with the specimen registered with the company.

4. CDC shareholder's entitled to attend and vote at this meeting must bring with them their Computerized National Identity Card / passport in original to provide his/her identity.

بابا فرید شوگر ملز لمیٹڈ

مختار نامہ

میں/ہم ---------- کا / کے ----------

بحیثیت رکن بابا فرید شگر ملز لمیٹڈ اور حال حصص، بمطابق شیئر رجسٹر فولیو نمبر ----------

اور/یا سی ڈی سی پارٹیسپینٹ (شرکت آئی ڈی نمبر ----------

اور سب اکاؤنٹ ذیلی کھاتہ نمبر ----------

محترم/محترمہ ----------

کو اپنے/ہمارے ایماء پر ---------- مورخہ 27 جنوری 2024ء بروز جمعہ بوقت 3:00 بجے ----------

کو منعقد ہونے 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 ---------- 2024ء کو دستخط کیے گئے۔

گواہان

-1

دستخط: ----------

نام: ----------

پتہ: ----------

کمپیوٹرائزڈ شناختی کارڈ نمبر: ----------

پچاس روپے کے رسید ٹکٹ پر دستخط

-2

دستخط: ----------

نام: ----------

پتہ: ----------

کمپیوٹرائزڈ شناختی کارڈ نمبر: ----------

دستخط کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں

نوٹ:

1- ایک ممبر (رکن) جو اجلاس میں شرکت نہیں کرسکتا وہ اس فارم کو مکمل کرے اور دستخط کرنے کے بعد اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل رجسٹرڈ آفس کے پتے پر ارسال کرے۔

2- سی ڈی سی شیئر ہولڈر ہونے کی صورت میں درج بالا کے علاوہ ذیل میں درج ہدایات پر بھی عمل کرنا ہوگا۔

الف۔ فرد ہونے کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ جس کی سیکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد وضوابط کے مطابق اپ لوڈ ہوں انہیں کمپنی کی جانب سے دی گئی ہدایت کی روشنی میں پراکسی فارم جمع کرانا ہوگا۔

ب۔ مختار نامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم پر درج ہوں۔

ج۔ بینفشل اونرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوگی جسے نائب مختار نامہ کے ہمراہ پیش کرے گا۔

د۔ اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

و۔ کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن) بورڈ آف ڈائریکٹرز قرارداد/مع نامزد کردہ شخص/اٹارنی کے نمونہ دستخط پاور آف اٹارنی (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم (مختار نامہ) کے ہمراہ کمپنی میں جمع کرانا ہوگا۔

IFUNDELIVERED,PLEASERETURNTO

BABAFARID
SUGARMILLSLIMITED
2-D-1,GULBERGIII,LAHORE