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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Agro Processors and Atmospheric Gases Limited (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of matter

We draw attention to Note 21.1 which provide details regarding legal cases related to issuance of right shares. Our opinion is not modified in respect of this matter.

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

Management is responsible for the other information. The other information comprises the information included in the Directors' 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.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

d) 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 Zulfikar Ali Causer.

KARACHI

DATED: 30 SEP 2025

UDIN: AR202510067gWZTh260Q

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		---- Rupees ----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	1,597,669,584	1,350,685,952
Capital work in progress	7	18,188,304	-
Long term loans	8	6,576,241	5,545,576
Long term deposits	9	16,813,862	14,424,666
Deferred taxation- net	10	36,883,099	22,066,600
		1,676,131,090	1,392,722,794
CURRENT ASSETS			
Stores and spares		9,006,603	10,684,424
Stock-in-trade	11	3,919,577,769	2,557,643,646
Trade debts	12	2,256,454,705	2,481,125,068
Short term investments	13	58,782,172	64,732,172
Loans and advances	14	41,231,504	60,339,728
Short term deposits and prepayments	15	62,260,642	60,720,173
Other receivables	16	125,059,757	3,212,548
Taxation - net	17	79,202,137	10,007,679
Tax refunds due from government	18	186,980,379	287,338,945
Cash and bank balances	19	150,817,468	32,658,895
		6,889,373,136	5,568,463,278
TOTAL ASSETS		8,565,504,226	6,961,186,072
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
10,000,000 (2024: 10,000,000) ordinary 'shares of Rs. 100/- each	20	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	21	657,894,800	657,894,800
Capital reserve			
Share premium		541,579,164	541,579,164
Surplus on revaluation of property	22	805,632,206	653,601,567
		1,347,211,370	1,195,180,731
Revenue reserve			
Unappropriated profit		1,699,753,668	1,192,815,730
		3,704,859,838	3,045,891,261
NON - CURRENT LIABILITIES			
Long term loans	23	-	30,000,004
Lease liabilities against assets subject to finance lease	24	52,433,707	39,429,620
Staff retirement benefits	25	97,687,840	101,245,062
		150,121,547	170,674,686
CURRENT LIABILITIES			
Trade and other payables	26	2,786,852,144	2,419,759,528
Markup accrued	27	16,003,825	54,346,962
Short term borrowings	28	1,859,638,467	1,220,277,674
Current portion of long term loan	23	30,000,004	40,000,000
Current portion of lease liabilities against assets subject to finance lease	24	18,028,401	10,235,961
		4,710,522,841	3,744,620,125
TOTAL EQUITY AND LIABILITIES		8,565,504,226	6,961,186,072
CONTINGENCIES AND COMMITMENTS	29		

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
Sales - net	30	18,072,250,541	15,361,376,165
Cost of sales	31	(15,478,990,682)	(13,122,688,540)
Gross profit		2,593,259,859	2,238,687,625
Administrative expenses	32	(243,255,100)	(229,840,976)
Selling and distribution expenses	33	(1,143,828,124)	(1,077,308,864)
Other charges	34	(71,343,156)	(72,880,051)
		(1,458,426,380)	(1,380,029,891)
Operating profit		1,134,833,479	858,657,734
Finance cost	35	(448,552,906)	(382,787,451)
		686,280,573	475,870,283
Other income	36	239,382,926	29,900,541
Profit before levy and taxation		925,663,499	505,770,824
Levy	37	-	(40,873,867)
Profit before taxation		925,663,499	464,896,957
Taxation	38	(368,500,399)	(251,763,239)
Profit for the year		557,163,100	213,133,718

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

		2025	2024
		------ Rupees ------	
Profit for the year		557,163,100	213,133,718
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurement (loss)/gain of defined benefit obligation	25.1	(3,389,327)	2,866,918
Impact of deferred tax		982,905	(831,406)
Surplus on revaluation of land		155,000,000	-
		152,593,578	2,035,512
Total comprehensive income for the year		709,756,678	215,169,230

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up capital	Capital Reserve		Unappropriated profit	Total
		Share premium	Surplus on Revaluation of property		
	Rupees				
Balance as at July 01, 2023	657,894,800	541,579,164	656,593,189	994,391,723	2,850,458,876
Total comprehensive income for the year					
Profit for the year	-	-	-	213,133,718	213,133,718
Remeasurement of defined benefit liability - net of deferred tax	-	-	-	2,035,512	2,035,512
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(2,991,622)	2,991,622	-
Total comprehensive income for the year	-	-	(2,991,622)	5,027,134	2,035,512
Transactions with owner					
Final dividend for the year ended June 30, 2023 at Rs. 3 per share	-	-	-	(19,736,845)	(19,736,845)
Balance as at June 30, 2024	657,894,800	541,579,164	653,601,567	1,192,815,730	3,045,891,261
Total comprehensive income for the year					
Profit for the year	-	-	-	557,163,100	557,163,100
Remeasurement of defined benefit liability - net of deferred tax	-	-	-	2,406,422	2,406,422
Revaluation of land	-	-	155,000,000	-	155,000,000
Transferred from surplus on revaluation of property on account of incremental depreciation - net of deferred tax	-	-	(2,969,361)	-	(2,969,361)
	-	-	152,030,639	2,406,422	154,437,061
Transactions with owner					
Final dividend for the year ended June 30, 2024 at Rs. 8 per share	-	-	-	(52,631,584)	(52,631,584)
Balance as at June 30, 2025	657,894,800	541,579,164	805,632,206	1,699,753,668	3,704,859,838

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

AGRO PROCESSORS AND ATMOSPHERIC GASES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		925,663,499	464,896,957
Adjustment for non cash and other items:			
Gratuity	25	32,010,602	32,297,638
Depreciation	6	56,390,725	51,107,167
Gain on disposal of fixed assets	36	(4,939,977)	(4,105,638)
Sindh Workers' Profit Participation Fund		49,850,333	28,932,544
Sindh Workers' Welfare Fund		19,940,133	11,573,018
Finance costs		448,552,906	382,787,451
		1,527,468,221	967,489,137
(Increase) / decrease in current assets			
Stores and spares		1,677,821	(4,742,946)
Stock in trade		(1,361,934,123)	114,376,125
Trade debts		224,670,363	(234,730,545)
Loan and advances		19,108,224	(29,116,807)
Tax refunds due from government		100,358,566	(57,579,945)
Short term deposits and prepayments		(1,540,469)	(15,705,410)
Other receivables		(121,847,209)	131,976,846
		(1,139,506,827)	(95,522,682)
Increase in current liability			
Trade and other payables		337,807,712	505,479,515
Cash generated from operations		725,769,106	1,377,445,970
Finance costs paid		(486,896,043)	(444,208,264)
Long term loans and deposits		(17,844,527)	269,381
Gratuity paid		(27,716,315)	(18,924,354)
Sindh Workers' Profit Participation Fund - paid		(31,825,798)	(51,412,187)
Sindh Workers' Welfare Fund - paid		(11,573,018)	(18,290,128)
Taxes paid		(446,493,668)	(84,449,050)
Net cash (used in) / generated from operating activities		(296,580,263)	760,431,368
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure - paid		(120,191,641)	(48,343,222)
Acquisition of intangible - paid	7	(18,188,304)	(2,512,810)
Proceeds from sale of vehicles		14,794,727	5,856,928
Purchase of short term investments		5,950,000	70,349,357
Net cash generated (used in) / generated from investing activities		(117,635,219)	25,350,253
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(40,000,000)	(99,990,839)
Repayment of lease liabilities against assets subject to finance lease		(14,421,543)	(7,389,903)
Dividend paid		(52,565,195)	(19,704,068)
Repayment of short term borrowings		(175,574,394)	(45,000,000)
Net cash used in financing activities		(282,561,132)	(172,084,810)
Net (decrease) / increase in cash and cash equivalents		(696,776,614)	613,696,811
Cash and cash equivalent at beginning of the year		(862,618,778)	(1,476,315,589)
Cash and cash equivalent at end of the year	42	(1,559,395,392)	(862,618,778)

The annexed notes from 1 to 51 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

1 STATUS AND NATURE OF BUSINESS

1.1 The Company was incorporated in Pakistan on September 25, 1980 as a private limited company under Companies Act, 2017. On February 11, 2021 the Company changed its status from private company into a public company. The Company is mainly engaged in manufacturing and selling of vegetable ghee, cooking oil, allied items and substances.

1.2 Initial Public Offering (IPO)

During the prior year, the company has made public announcement regarding initial public offering to expand its business operations in Middle East and North Africa. However, no official timeline for the IPO announcement has been provided at this time and the board has authorized the management to appoint Habib Bank Limited and KTrade to initiate the process of an IPO.

1.3 JCR - VIS Credit Rating Company Limited has upgrade BBB+ and A-2 ratings to the Company for long term and short term, respectively on September 11, 2024.

2 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNIT

The registered office of the Company is situated at F/392, S.I.T.E., Karachi.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies to the financial statements.

3.3 Functional and presentation currency

These Financial statements are prepared in Pakistani Rupees, which is the Company's functional and presentation currency.

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make estimates, assumptions and use judgment that affect the application of accounting policies and the reported amount of assets, liabilities, 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 recognised prospectively commencing from the period of revision. Areas where judgments and estimates made by the management that may have a significant effect on the amounts recognised in the financial statements are included in the following notes:

	Note
- Useful lives of property, plant and equipment ;	5.1 & 6
- Valuation of stores and spares and stock-in-trade ;	5.3, 5.4 & 11
- Provision for expected credit loss ;	5.9.2 & 12
- Staff retirement benefit - gratuity scheme ;	5.6 & 25
- Taxation	5.7 & 38
- Contingencies	5.10 & 29

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial 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' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

4.2 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 statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 1, 2027

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

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policy information applied in the presentation of these financial statements are set out below. These policies have been consistently applied for the year presented, unless otherwise stated.

5.1 Property, plant and equipment

a) Owned

Property, plant and equipment except lease hold land, building and plant and machinery are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Land, building and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment loss, if any.

Cost includes expenditure that is directly attributable to the acquisition and bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

All expenditure incurred during installation and construction period are carried under capital work in progress. These will be transferred to operating fixed assets upon commencement of commercial operations.

Depreciation is charged to income applying the reducing balance method at the rates specified in relevant note. Full month's depreciation is charged in the month of addition, whereas, no depreciation is charged in the month of disposal.

Fixed assets' residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Incremental depreciation charged for the year on revalued assets is transferred from surplus on revaluation of property, plant and equipment to retained earnings during the year.

Repair and maintenance costs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements are capitalized if criteria are met, and the assets so replaced, if any, are disposed.

Gains and losses on disposal of property, plant and equipment are taken to the statement of profit or loss, and the related surplus on revaluation is transferred directly to unappropriated profit.

b) Right-of-use asset - Leased

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 assets is subsequently depreciated using the 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 disclosed in note 6 of financial statements.

c) Lease Liability

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 measured 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 assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

d) **Short term leases**

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

e) **Capital work in progress**

Capital work in progress are stated at cost less accumulated impairment losses (if any) and consist of expenditure incurred and advances made in the course of an asset's reconstruction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

f) **Surplus on revaluation of property**

Any revaluation increase arising on the revaluation of land and building is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the statement of profit or loss, in which case the increase is credited to the statement of profit or loss to the extent of the decrease previously charged.

Any decrease in carrying amount arising on the revaluation of Lease hold land and building is charged to the statement of profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

g) **Impairment of non financial assets**

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is 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 statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

5.2 Cash and cash equivalent

Cash and cash equivalents comprises of cash balances and bank deposits. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finance and short-term investments having maturity upto 3 months. Running finances under mark-up arrangements are shown with short term-borrowings in current liabilities on the reporting date.

5.3 Stores and spares

Stores and spares are stated at cost less provision for slow moving and obsolete items. Cost is determined by using the first in first out method. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

5.4 Stock in trade

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

Raw materials	-	At cost determined on monthly weighted average basis
Stock in process and finished goods	-	Raw and packing material at cost as determined above plus proportionate overheads
Stock of gift items and packing material	-	At cost determined on monthly weighted average basis
Raw material in transit	-	Invoice value plus other expenses incurred thereon

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

5.5 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 future for the goods and services received, whether billed or not to the Company.

5.6 Staff retirement benefits

The Company operates an unfunded gratuity scheme for its permanent employees whose period of service is six months. Contributions are made to the fund on the basis of actuarial recommendations. The most recent actuarial valuation was carried out at June 30, 2025 using the projected unit credit method [refer note 25.1]. The Company recognizes expense in accordance with IAS 19 "Employee Benefits".

Actuarial gain or loss (remeasurements) are immediately recognised in Statement of Comprehensive Income' as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets. Current service costs and any past service costs together with net interest cost are charged to profit or loss.

Retirement benefits are payable to employees on completion of prescribed qualifying period of service under the Plan.

5.7 Taxation

a) Current

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years and tax credit, if any.

For the current year, the income tax liability is based on the taxable profits of the Company and need not to be bifurcated between the income tax and levy (as per the requirements of IFRIC-21 / IAS-37).

b) Deferred

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in financial statements purposes and the amounts used for taxation purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the date of statement of financial position.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rate that have been enacted or substantively enacted by the reporting date. Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

5.8 Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. Accordingly, the Company has accounting policy to recognise minimum tax or final tax if any on any amount over the current tax as levy under IAS-37 "Provisions, Contingent liabilities and Contingent assets" which was previously recognised as Income tax liabilities.

5.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.9.1 Financial assets

Initial Recognition and Measurement

Financial assets are classified at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15 "Revenue from Contract with Customers".

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets
- Financial assets at fair value through profit or loss (FVPL)

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in statement of profit or loss and other comprehensive income.

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on equity investments are also recognised as other income in profit or loss when the right of payment has been established.

The Company has not designated any financial asset at FVPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

5.9.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at FVPL.

Financial liabilities at amortized cost

After initial recognition, borrowings and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowing.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.9.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model which requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Company's financial assets include mainly trade debts, deposits, short term investments, advances, other receivables, cash and bank balances.

The Company's trade receivables do not contain a significant financing component (as determined in terms of the requirements of IFRS 15 "Revenue from Contracts with Customers"), therefore, the Company is using simplified approach, that does not require the Company to track the changes in credit risk, but, instead, requires to recognise a loss allowance based on lifetime ECLs at each reporting date.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

The expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

5.10 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.

5.11 Borrowings cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.12 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate wherever required. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.13 Revenue recognition

Revenue is recognised when control of a promised goods passes to a customer. It is measured at the fair value of the consideration received or receivable, sales tax and other duties collected on behalf of third parties are not taken into account. The Company primarily generates revenue from sale of cooking oil and recognized when control passes to the customer at a specific point in time.

The revenue is recorded on the basis of the consideration defined in the contract with the customer, including variable consideration such as discount, volume rebates or other contractual price reductions; if any.

5.14 Other Income

Interest and other incomes are recognised on accrual basis.

Scrap sales are recognized on delivery to customers at realized amounts.

5.15 Deposits, advances, prepayments and other receivables excluding financial assets

These are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

5.16 Share capital

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

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

Dividend and appropriation to reserves are recognized in the financial statements in the year in which it is approved by the shareholders.

5.17 Foreign currency translation

Transactions in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into rupees at exchange rate prevailing on the reporting date except those covered by forward exchange contracts. Exchange differences on translations during the year are taken to the statement of profit or loss.

6 PROPERTY, PLANT AND EQUIPMENT

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	6.1	1,597,669,584	1,350,685,95
		1,597,669,584	1,350,685,95

6.1 Operating fixed assets

Description	Leased Assets: Lease hold land	Leased Assets: Building on lease hold	Leased Assets: Vehicles	Leased Assets: Sub total	Owned: Godowns	Owned: Lahore office	Owned: Plant and machinery	Owned: Electric and gas installation
	Rupees							
Year ended June 30, 2025								
Net carrying value basis								
Opening book value	620,000,000	94,762,497	42,929,477	757,691,974	-	298,249	530,482,453	715,753
Additions	-	3,586,496	35,218,070	38,804,566	-	-	17,175,364	38,000
Revaluation surplus	155,000,000	-	-	155,000,000	-	-	-	-
Transfer from CWIP	-	-	-	-	-	-	2,083,486	-
Deletions - NBV	-	-	(2,938,000)	(2,938,000)	-	-	(3,936,351)	-
Depreciation charge	-	(4,917,450)	(11,710,127)	(16,627,577)	-	(14,913)	(27,290,317)	(75,375)
Closing net book value	775,000,000	93,431,543	63,499,420	931,930,963	-	283,335	518,514,514	678,377
		177,316,000	83,884,457					
Gross carrying value basis								
Cost / revalue	620,000,000	168,951,778	100,719,070	889,670,848	-	1,138,281	954,422,812	1,408,987
Accumulated depreciation	-	(75,520,235)	(37,219,650)	(112,739,885)	-	(854,945)	(437,991,814)	(1,730,610)
Net book value	620,000,000	93,431,543	63,499,420	776,930,963	-	283,336	516,431,028	678,377
Year ended June 30, 2024								
Net carrying value basis								
Opening book value	620,000,000	99,749,997	35,434,845	755,184,842	57,933	313,946	524,734,552	795,211
Additions	-	-	18,227,000	18,227,000	-	-	16,548,075	-
Transfer from CWIP	-	-	-	-	-	-	19,767,299	-
Deletions - NBV	-	-	-	-	(57,933)	-	(2,647,344)	-
Depreciation charge	-	(4,987,500)	(10,732,368)	(15,719,868) -	-	(15,697)	(27,920,129)	(79,528)
Closing net book value	620,000,000	94,762,497	42,929,477	757,691,974	-	298,249	530,482,453	715,753
Gross carrying value basis								
Cost / revalue	620,000,000	165,365,282	65,501,000	850,866,282	263,000	1,138,281	937,247,478	4,370,987
Accumulated depreciation	-	(70,602,785)	(22,571,523)	(93,174,308)	(263,000)	(840,032)	(406,765,025)	(3,655,234)
Net book value	620,000,000	94,762,497	42,929,477	757,691,974	-	298,249	530,482,453	715,753
Depreciation rate (% per annum)	-	5%	20%		5%	5%	5%	10%

Description	Owned: Furniture and fixture	Owned: Office equipments	Owned: Tools and equipments	Owned: Vehicles	Owned: Lab equipments	Owned: Mobile phones	Owned: Gas cylinders	Owned: Solar power project-2024	Owned: Defence office	Owned: Sub total	Total
Year ended June 30, 2025											
Net carrying value basis											
Opening book value	4,319,409	19,506,757	27,742,577	8,439,020	1,489,761	-	-	-	-	592,993,978	1,350,685,952
Additions	387,603	4,424,685	11,606,463	1,356,236	192,500	128,000	-	54,216,290	27,000,000	116,605,145	155,409,711
Revaluation surplus	-	-	-	-	-	-	-	-	-	-	155,000,000
Transfer from CWIP	-	-	-	-	-	-	-	735,909	-	2,819,395	2,819,395
Deletions - NBV	(38,000)	(690,457)	(604,206)	(1,647,642)	-	-	-	-	-	(6,916,750)	(9,854,750)
Depreciation charge	(464,902)	(2,316,099)	(3,802,493)	(1,425,691)	(168,226)	(25,600)	-	(2,747,610)	(1,350,000)	(39,763,147)	(56,390,724)
Closing net book value	4,202,111	20,974,887	34,942,448	6,721,923	1,514,035	102,400	-	52,204,589	25,650,000	665,738,619	1,597,669,584
Gross carrying value basis											
Cost / revalue	12,278,866	42,618,416	59,485,297	73,063,433	3,780,120	308,000	-	54,216,290	27,000,000	1,232,720,527	2,122,391,375
Accumulated depreciation	(8,076,754)	(21,853,530)	(24,542,849)	(66,341,510)	(2,266,085)	(45,600)	-	(2,747,610)	(1,350,000)	(569,801,302)	(682,541,187)
Net book value	4,202,111	20,764,887	34,942,448	6,721,923	1,514,035	262,400	-	51,468,680	25,650,000	662,919,225	1,439,850,193
Year ended June 30, 2024											
Net carrying value basis											
Opening book value	4,104,215	18,745,026	25,657,281	10,133,236	1,608,799	-	36,968	-	-	586,187,228	1,341,372,070
Additions	697,828	3,367,967	8,363,243	1,083,740	55,370	100,000	-	-	-	30,116,222	48,343,222
Transfer from CWIP	-	-	-	-	-	-	-	-	-	19,767,299	19,767,299
Deletions - NBV	(2,700)	(296,431)	(3,097,439)	(1,541,788)	(8,870)	-	(36,968)	-	-	(7,689,473)	(7,689,473)
Depreciation charge	(479,934)	(2,309,805)	(3,180,508)	(1,236,368)	(165,529)	(20,000)	-	-	-	(35,387,299)	(51,107,167)
Closing net book value	4,319,409	19,506,757	27,742,577	8,439,020	1,489,761	80,000	-	-	-	592,993,978	1,350,685,952
Gross carrying value basis											
Cost / revalue	11,891,261	38,273,731	47,799,827	71,707,197	3,587,620	100,000	155,120	-	-	1,116,433,501	1,967,299,783
Accumulated depreciation	(7,571,852)	(18,766,974)	(20,056,250)	(63,268,177)	(2,097,859)	(20,000)	(155,120)	-	-	(523,439,523)	(616,613,831)
Net book value	4,319,409	19,506,757	27,742,577	8,439,020	1,489,761	80,000	-	-	-	592,993,978	1,350,685,952
Depreciation rate (% per annum)	10%	10%	10%	20%	10%	20%	10%	5%	5%		

6.1.1 This leasehold land of 2.481 acre is situated at F-392, S.I.T.E Karachi.

6.1.2 The Company has professionally revalued their leasehold land on June 30, 2025 as per report submitted by independent valuer KG Traders (Private) limited on the basis of market value. The balance of revaluation surplus amounting to Rs. 805.36 million is appearing as "Surplus on revaluation of fixed assets". Previously the land had been revalued by independent valuer KG Traders (Private) limited on June 28, 2019

6.1.3 Depreciation for the year has been allocated as under:

	Note	2025 Rupees	2024 Rupees
Cost of goods manufactured	31	35,560,694	36,348,892
Administrative expenses	32	20,830,031	14,758,275
		56,390,724	51,107,167

6.1.4 The incremental value of the property, plant and equipment so revalued is depreciated over the remaining useful life of the respective assets at the date of revaluation.

6.1.5 Had there been no revaluation, the net book value of the land and building would have been as follows:

	2025 Rupees	2024 Rupees
Leasehold land	778,881	778,881
Buildings on leasehold land	13,969,771	14,705,022
	14,748,652	15,483,903

6.1.6 Forced sale value as per the last revaluation report as of June 30, 2022;

Land	496,000,000

6.1.7 Fair value of property, plant and equipment are based on the valuations carried out by an independent valuer KG Traders (Private) Limited on the basis of market value.

6.1.8 Fair value of leasehold land and building on leasehold land are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation.

7 CAPITAL WORK IN PROGRESS

7.1 During the year, the Company acquired an intangible i.e SAP software amounting to Rs. 18.188 million. However, the use of SAP has not yet been commenced due its pending licenses.

	Note	2025 Rupees	2024 Rupees
8 LONG TERM LOANS			
Secured - considered good			
Loan to staff	8.1	15,596,132	14,031,415
Less: Current portion shown under current assets	14	(9,019,891)	(8,485,839)
		6,576,241	5,545,576

8.1 The loans are provided to employees of the Company in accordance with the term of employment and are interest free. All loans are secured against salary and gratuity fund of the Company.

9 LONG TERM DEPOSITS

	Note	2025	2024
Security deposits			
Ijarah deposits	9.1	-	1,567,500
Rented Property		420,000	-
Diminishing Musharka	9.2	11,663,696	8,127,000
Others		4,730,166	4,730,166
	9.3	16,813,862	14,424,666

9.1 The Company has entered into Ijarah agreements with Meezan Bank Limited for the purchase of vehicles for a period of five years, which expired during the year. The annual rentals amounting to Rs. 2.022 million have been paid in November 2024. Taxes and repairs are to be borne by the Company (lessee), however, major repairs and insurance costs are to be borne by the lessors. These payments are secured against promissory notes in favor of the lessor for the entire amount of ijarah rentals and security deposit of Rs. 1.567 million. (2024: 1.567 million).

9.2 The Company has diminishing musharakah agreement from First Habib Modaraba. The Company has 10% of cost and accounted for as long term deposit, whereas, rest of 90% is beared by First Habib Modaraba.

9.3 These are non-interest bearing and generally on a term of more than one year.

10 DEFERRED TAXATION - NET

	Note	2025	2024
Deferred taxation asset	10.1	36,883,099	22,066,600

10.1 The net balance for deferred taxation is in respect of following temporary differences:

	Note	2025 Rupees	2024 Rupees
Deferred tax liabilities:			
Accelerated tax depreciation allowance		138,522,247	135,987,863
Incremental depreciation leasehold building		1,212,838	(1,221,930)
Remeasurement of defined benefit liability		(982,905)	831,406
		138,752,180	135,597,339
Deferred tax assets:			
Provision for doubtful debts		47,194,121	47,194,121
Turnover tax		84,818,925	79,155,280
Lease liabilities		2,019,180	1,953,470
Tax depreciation-loss		13,273,580	-
Provision for gratuity		28,329,474	29,361,068
		175,635,279	157,663,939
		36,883,099	22,066,600

11 STOCK-IN-TRADE

	Note	2025 Rupees	2024 Rupees
Raw material			
Oil	31.1	2,882,682,793	1,953,442,053
Chemicals	31.2	46,721,602	43,512,828
Packing material	31.3	78,056,355	67,267,774
Finished goods	31	912,117,019	493,420,991
		3,919,577,769	2,557,643,646

12 TRADE DEBTS

	Note	2025 Rupees	2024 Rupees
Unsecured			
Considered good		2,256,454,705	2,481,125,068
Considered doubtful		162,738,347	162,738,347
	12.1	2,419,193,052	2,643,863,415
Expected credit loss allowance	12.2	(162,738,347)	(162,738,347)
		2,256,454,705	2,481,125,068

12.1 The ageing of trade receivables at the reporting date is:

	2025 Rupees	2024 Rupees
Not yet due	1,170,833,452	1,541,806,094
Past due 1-30 days	880,733,175	596,561,958
Past due 31-60 days	291,731,698	207,554,011
Past due 61-90 days	10,352,157	128,195,749
Past due over 90 days	65,542,570	169,745,603
	2,419,193,052	2,643,863,415

	Note	2025 Rupees	2024 Rupees

12.2 Movement in provision for expected credit loss

Opening balance		162,738,347	162,738,347
Add: Provision made during the year		-	-
Closing balance		162,738,347	162,738,347

13 SHORT TERM INVESTMENTS

At amortized cost			
Term deposit receipts	13.1	58,782,172	64,732,172

13.1 The investments were of lien with a bank in respect of credit facilities obtained. These carried mark up ranging between 11% to 22% (2024: 19.75% to 24%) per annum. The maturity date for these term deposit receipts is March 07, 2026.

14 LOANS AND ADVANCES

Secured - considered good			
Loan to staff -current portion		9,019,891	8,485,839
Unsecured - considered good			
Advance			
To staff for expenses		515,212	716,616
Against supply of goods and services		31,696,401	51,137,273
		32,211,613	51,853,889
	14.1	41,231,504	60,339,728

14.1 These are non-interest bearing balances for a period of less then 12 months.

15 SHORT TERM DEPOSITS AND PREPAYMENTS

Prepayment		2,542,024	2,001,555
Short term deposits	15.1	59,718,618	58,718,618
		62,260,642	60,720,173

15.1 This includes deposit amounting to Rs. 52.998 million (2024: Rs 52.998 million) paid to Nazir of Sindh High Court against the price difference of Sui Southern Gas Company as a security for levying and collecting Gas additional rate increase from Rs. 488.23 to Rs. 600 per MMBTU and from Rs. 933.45 to Rs. 1350.69 per MMBTU respectively.

		Note	2025 Rupees	2024 Rupees
16	**OTHER RECEIVABLES**			
	Sales tax and special excise duty		124,752,803	-
	Miscellaneous		306,954	10,126
	Accrued interest on short term investment		-	2,945,707
	Accrued interest on saving account		-	256,715
			125,059,757	3,212,548
17	**TAXATION - NET**			
	Advance tax		447,702,536	180,147,534
	Less: Provision for taxation	38	(368,500,399)	(170,139,855)
			79,202,137	10,007,679
18	**TAX REFUND DUE FROM GOVERNMENT**			
	Income tax refundable		186,980,379	287,338,945
			186,980,379	287,338,945
19	**CASH AND BANK BALANCES**			
	Cash in hand		7,581,430	12,550,381
	Cash at banks			
	In current accounts		59,615,142	20,026,669
	In saving account		83,620,896	81,845
			143,236,038	20,108,514
		42	150,817,468	32,658,895

20 AUTHORIZED SHARE CAPITAL

Numbers of ordinary shares of Rs. 100 each 2025	2024		2025 Rupees	2024 Rupees
10,000,000	10,000,000	Ordinary shares of Rs. 100/- each	1,000,000,000	1,000,000,000

21 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Numbers of ordinary shares of Rs. 100 each 2025	2024		2025 Rupees	2024 Rupees
6,578,948	6,578,948	Ordinary shares of Rs. 100/- each	657,894,800	657,894,800

21.1 One of the minority shareholders, Mr. Saleheen Siddiqui was creating a hindrance in the issuance of the right shares, so the Company filed a legal suit before the Honorable Sindh High Court.

The Court ordered him to restrain from creating any hindrance in the issuance of the right share hence all the formalities were completed and Form-3 was submitted to SECP on June 03, 2021. The case has since been transfered to District Courts upon enactment of the Civil Courts Amendment Act 2025, however, the injuction is still operating agaisnt Mr. Saleheen. Further, Mr. Saleheen Siddique filed an appeal against the cancellation of the new director's appointment and all right shares issued at a premium is mala fide and void ab-initio, against which the Company received an interim Court order on June 04, 2021, to maintain the status quo in this regard because of which certified true copy from SECP was not issued to the Company.

This interim order with all stay applications filed by Mr. Siddiqui have since been dismissed by the Honorable High Court of Sindh vide its order dated 07.08.2025 whereas the interim order received on June 04, 2021 has also been vacated. Mr. Siddiqui challenged the aforesaid order through filing recalling and suspension applications but the same were also dismissed vide order dated 13.08.2025

Both the cases are pending with the District Court and the Honorable Sindh High Court respectively for further hearing.

22 SURPLUS ON REVALUATION OF PROPERTY

Revaluation of building and lease-hold land, buildings was carried out on June 30, 2025 by independent valuer M/s KG Traders (Private) Limited on the basis of market value. Revaluation surplus has been credited to surplus on revaluation of property after netting off incremental depreciation and related deferred tax liability.

	2025 Rupees	2024 Rupees
Surplus on leasehold land	774,221,119	619,221,119
Surplus on building on lease hold land	31,411,087	34,380,448
	805,632,206	653,601,567
Balance as at July 01,	667,644,285	671,857,837
Add: Revaluation during the year	155,000,000	-
Less: Transfer to unappropriated profit in respect of:		
Incremental depreciation charged during the year	2,969,361	2,991,622
Related deferred tax liability on incremental depreciation	1,212,838	1,221,930
	4,182,199	4,213,552
	818,462,086	667,644,285
Less: Related deferred tax effect:		
Balance as at July 01	14,042,719	15,264,649
Less: Deferred tax on incremental charged during the year transferred to the statement of profit or loss	(1,212,838)	(1,221,930)
	12,829,881	14,042,719
	805,632,206	653,601,567

	Note	2025 Rupees	2024 Rupees
23 LONG TERM LOANS			
Secured - Banking Companies Bank Al Falah Limited	23.1	70,000,004	110,000,004
Less: Payment made during the year		(40,000,000)	(40,000,000)
		30,000,004	70,000,004
Less: Current portion		(30,000,004)	(40,000,000)
		-	30,000,004

23.1 This represents conventional financing facility obtained by the Company in 2018 amounting to Rs. 200 million from Al Falah Bank for the period of 7 years. The repayment of this loan started after grace period of 2 years from the date of first disbursement i.e. February 23, 2018 and March 05, 2018 respectively , in equal quarterly installments of Rs. 10 million. First repayment has made on May 23, 2020. It carries mark-up at the rate of 6 months KIBOR plus 1 percent per annum and is secured against first pari passu hypothecation and mortgage charge over fixed assets (i.e. plant, machinery, land and building) of the Company amounting to Rs. 267 million inclusive of 25 percent margin.

24 LEASE LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2025 Rupees	2024 Rupees
Secured		
Balance as at July 01,	49,665,581	38,342,926
Additions during the year	35,218,070	18,712,558
Payments made during the year	(14,421,543)	(7,389,903)
	70,462,108	49,665,581
Less: Payable within one year shown under current liabilities	(18,028,401)	(10,235,961)
	52,433,707	39,429,620

The above liabilities represent the unpaid balance of the total of minimum lease payments and the residual value payable at end of lease discounted at a rate of 11% to 23% (2024: 15.9% to 23.23%) per annum. These facilities are secured by security deposits and vehicles titles in the name of leasing companies.

	2025			2024		
	Upto one year	One to five years	Total	Upto one year	One to five years	Total
	Rupees			Rupees		
Minimum lease payments outstanding	27,507,452	63,008,214	90,515,666	17,949,714	48,495,779	66,445,493
Financial charges not due	(9,479,052)	(10,574,507)	(20,053,559)	(7,713,753)	(9,066,159)	(16,779,912)
Present value of minimum lease payments	18,028,400	52,433,707	70,462,107	10,235,961	39,429,620	49,665,581
Payable within one year shown under current liabilities	(18,028,400)	-	(18,028,400)	(10,235,961)	-	(10,235,961)
	-	52,433,707	52,433,707	-	39,429,620	39,429,620

		Note	2025 Rupees	2024 Rupees
25	**STAFF RETIREMENT BENEFITS**			
	Liability recognised in the statement of financial position			
	Provision for gratuity	25.1	97,687,840	101,245,062

25.1 Defined benefit plan

a) General description

The scheme provides for terminal benefits for all its permanent employees who attain the minimum qualifying period. The value depends on the number of service years with the Company x last drawn gross salary. Annual charge is based on actuarial valuation carried out as at June 30, 2025 using the Projected Unit Credit Method.

The Company faces the following risks on account of gratuity:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Asset volatility - Most assets are invested in risk free investments i.e. Government Bonds / Treasury bills. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.

Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Investment risks - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investment.

Risk of insufficiency of assets - This is managed by making regular contribution to the Fund as advised by the actuary.

b) **Principal actuarial assumptions**

Following are a few important actuarial assumptions used in the valuation:

	2025	2024
Discount rate (%)	14.75	14.75
Expected rate of increase in salary (%)	14.65	13.75
Present value of defined benefit obligation (Rupees)	97,687,840	101,245,062

	Note	2025 Rupees	2024 Rupees
c) Movement of liability recognized in the statement of financial position			
Opening present value of defined benefit obligations		101,245,062	94,549,717
Current service cost for the year		17,882,070	18,780,558
Interest cost for the year		12,060,557	13,517,080
Past service cost		2,067,975	-
Benefits due but not paid		(11,240,836)	(5,496,308)
Benefits paid during the year		(27,716,315)	(17,239,067)
Experience adjustments made during the year		4,125,925	(2,523,484)
Remeasurement losses from changes in		(736,598)	(343,434)
Closing present value of defined benefit obligations		97,687,840	101,245,062
d) Charge for the year			
Current service cost		17,882,070	18,780,558
Interest cost		12,060,557	13,517,080
Past Service Cost		2,067,975	-
Charge for the year		32,010,602	32,297,638
25.2 Sensitivity analysis			
Discount rate + 100 bps		91,000,324	94,942,033
Discount rate - 100 bps		105,343,910	108,401,800
Salary increase + 100 bps		105,536,166	108,580,646
Salary increase - 100 bps		90,710,817	94,673,034

The average duration of defined benefit obligation is 7 years.

	Note	2025 Rupees	2024 Rupees

26 TRADE AND OTHER PAYABLES

	Note	2025 Rupees	2024 Rupees
Trade creditors		2,074,123,033	1,780,437,676
Accrued expenses	26.1	512,287,350	495,109,950
Advances from customers		75,613,149	34,101,395
Deposits		1,165,415	2,437,564
Sales Tax and Special Excise duty		-	21,836,319
Sindh Workers' Profit Participation Fund	26.2	49,850,333	28,932,544
Sindh Workers' Welfare Fund	26.3	40,500,895	32,133,780
Others		33,311,969	24,770,300
		2,786,852,144	2,419,759,528

26.1 This includes GIDC provision amounting to Rs. 109.341 million (2024: 109.341 million). The Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance, 2014 in September 2014 for levying and collecting (GIDC). The Company filed a writ petition against the imposition of the GIDC before the Sindh High Court (SHC). The (SHC) through its interim orders, forthwith stopped Federal Government and Sui Southern Gas Company from collecting GIDC. Recently, the Government has promulgated the Gas Infrastructure Development Cess Act, 2015 (the Act) in May 2015 for henceforth levying / collecting of GIDC and also validating GIDC payable under the Ordinance (repealed).

The Company has filed a petition against the Act and the Sindh High Court has granted stay order against collecting GIDC under the Act pending the final decision on the writ petition. Accordingly, the Company has neither paid GIDC nor pass the burden to customers for the period from August 01, 2014 to August 30, 2020 amounting to Rs. 109.341 million.

26.2 Sindh Workers' Profit Participation Fund

	Note	2025 Rupees	2024 Rupees
Balance as at July 01		28,932,544	46,738,352
Add: Interest credited at prescribed rates		2,893,254	4,673,835
		31,825,798	51,412,187
Less: Amount paid to Fund		(31,825,798)	(51,412,187)
		-	-
Add: Current year's allocation at 5%		49,850,333	28,932,544
	26.2.1	49,850,333	28,932,544

26.2.1 The Company retains the allocation to this Fund for its business operations till the amounts are paid to the Fund together with interest at prescribed rate under the Sindh Companies Profit (Workers' Participation) Act, 2015.

	Note	2025 Rupees	2024 Rupees

26.3 Sindh Workers' Welfare Fund

Balance as at July 01		32,133,780	38,850,891
Less: Amount paid to government		(11,573,018)	(18,290,128)
		20,560,762	20,560,763
Add: Current year's allocation at 2%		19,940,133	11,573,018
		40,500,895	32,133,780

27 MARKUP ACCRUED

Short term borrowings		13,382,744	48,235,130
Long term loan		2,621,081	5,692,488
Markup Accrued on lease term		-	419,344
		16,003,825	54,346,962

28 SHORT TERM BORROWINGS

Istasna financing	28.1	149,425,607	325,000,001
Running finance	28.2	1,710,212,860	895,277,673
		1,859,638,467	1,220,277,674

28.1 The facility for short-term istasna financing is obtained from a bank amounting to Rs. 149.425 million (2024: Rs. 325 million) having sanctioned limit of Rs. 2,100 million (2024: Rs. 1,700 million). It carries markup at the rate of 6 month KIBOR plus 1% to 1.25% (2024: 6 months KIBOR plus 1.25%) per annum. These are secured by way of first pari passu charge over current assets (stock and receivables) of the Company amounting to Rs. 2,800 million.

28.2 The facilities for short-term running finance are obtained from various commercial banks aggregating to Rs. 1,710 million (2024: Rs. 895.277 million), having sanctioned limit of Rs. 2,050 million. These carry markup ranging between 1 to 3 months KIBOR plus 0.5% to 1.75% (2024: 1 to 3 months KIBOR plus 0.5% to 1.75%) per annum. These are secured by way of first pari passu charge over current assets (stock and receivables) of the Company amounting to Rs. 2,733 million.

29 CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

29.1.1 Guarantee

There is a contingent liability in respect of guarantees issued by bank amounting to Rs. 55.329 million (2024: Rs. 61.869 million) in the ordinary course of business.

29.1.2 Sindh development and maintenance infrastructure fee

There is a contingent liability in respect of demand raised by the Director of Excise and Taxation, (Taxes-II) Karachi against Sindh Development and Maintenance Infrastructure fee amounting to Rs. 22.127 million. (2024: Rs. 22.127 million.)

The Company had filed an appeal before the Honorable High Court of Sindh against this demand. The Court decided the case on the basis of which the net liability computed by management amounts to Rs. 11.298 million. The Company and department have both filed appeals before the Honorable Supreme Court against the order. In the event of adverse decision, the Company will be faced with a maximum liability of Rs. 22.127 million resulting in a charge against profits of the same amount. The case is still pending in the Honorable Supreme Court of Pakistan.

29.2 Commitments

29.2.1 The commitments of the Company in respect of letters of credit as at June 30, 2025 are amounting to Rs. 2,090 million (2024: Rs. 1,213 million).

30 SALES - NET

	Note	2025 Rupees	2024 Rupees
Local sales - Gross		19,798,601,135	17,147,485,914
Less: Trade discount		(600,085,207)	(598,654,470)
		19,198,515,928	16,548,831,444
Export sales - Gross	30.1	1,562,180,612	1,186,031,682
		20,760,696,540	17,734,863,126
Less: Sales tax		(2,688,445,999)	(2,373,486,961)
Net sales		18,072,250,541	15,361,376,165

30.1 This include export sales of banaspati and margarine in consumer boxes and tins made to multiple customers in Afghanistan.

31 COST OF SALES

	Note	2025 Rupees	2024 Rupees
Material consumed			
Oil consumed	31.1	13,929,833,114	11,154,890,908
Chemical consumed	31.2	205,327,991	234,887,642
Packing material consumed	31.3	996,675,981	870,627,836
Toll manufacturing		-	4,515,000
		15,131,837,086	12,264,921,386

	Note	2025 Rupees	2024 Rupees
Salaries, wages and other benefits	31.4	241,700,680	202,720,970
Water		25,697,353	25,256,171
Gas		193,013,840	172,399,407
Biomass fuel		804,800	-
Consumable stores		77,849,993	48,231,379
Insurance		13,805,781	12,477,616
Power and electricity		98,923,967	118,486,868
Repairs and maintenance		11,150,952	13,066,277
Cartage		50,488,732	55,310,888
Depreciation	6.1.3	35,560,694	36,348,892
Consultancy charges		5,518,852	5,231,461
Fees and subscription		4,675,964	5,053,235
Ijara rentals		621,653	996,846
Miscellaneous		11,480,131	3,691,959
		15,903,130,478	12,964,193,356
Less: Insurance claim received		(5,443,768)	(9,190,503)
Cost of goods manufactured		15,897,686,710	12,955,002,853
Finished goods			
Opening stock		493,420,991	661,106,678
Closing stock		(912,117,019)	(493,420,991)
		(418,696,028)	167,685,687
		15,478,990,682	13,122,688,540

31.1 Oil consumed

	Note	2025 Rupees	2024 Rupees
Opening stock		1,953,442,053	1,861,474,050
Purchases -Imports		10,210,400,751	6,388,491,631
Purchases -Locals	31.1.1	4,648,673,103	4,723,465,806
		16,812,515,907	12,973,431,487
Less: Closing stock		(2,882,682,793)	(1,953,442,053)
		13,929,833,114	11,019,989,434

31.1.1 This includes sales tax amounting to Rs. 217.272 million (2024: Rs. 134.901 million) in respect of sales made to FATA, PATA and hospital which are exempt from sales tax. Hence the input tax paid on these goods cannot be adjusted against the output tax. Therefore, the Company has charged the input tax in profit or loss account.

	Note	2025 Rupees	2024 Rupees

31.2 Chemical consumed

		2025 Rupees	2024 Rupees
Opening stock		43,512,828	85,227,101
Purchases		208,536,765	193,173,369
		252,049,593	278,400,470
Less: Closing stock		(46,721,602)	(43,512,828)
		205,327,991	234,887,642

31.3 Packing material consumed

		2025 Rupees	2024 Rupees
Opening stock		67,267,774	64,211,942
Purchases		1,007,464,562	873,683,668
		1,074,732,336	937,895,610
Less: Closing stock		(78,056,355)	(67,267,774)
		996,675,981	870,627,836

31.4 Salaries, wages and other benefits include Rs. 4.071 million in respect of retirement benefits (2024: Rs. 4.029 million).

32 ADMINISTRATIVE EXPENSES

	Note	2025 Rupees	2024 Rupees
Directors' remuneration		23,778,504	29,186,408
Salaries, wages and other benefits		135,397,957	127,453,848
Insurance		10,365,155	8,979,241
Depreciation	6.1.3	20,830,031	14,758,275
Telephone and telex		3,501,896	5,190,346
Traveling and conveyance		3,896,367	4,813,007
Charity and donation		7,450,760	7,758,497
Legal and professional charges		10,850,014	8,096,584
Fees and subscription		2,904,554	814,550
Repair and maintenance		6,167,063	5,672,609
Rent, rates and taxes		931,896	2,062,539
Ijarah rentals		580,059	1,046,421
Consultancy charges		-	5,424,000
Auditor's remuneration	32.1	1,223,165	1,111,968
Software Running Charges		5,916,488	1,009,368
Entertainment		2,872,040	1,993,682
Postage and telegram		1,035,418	826,862
Printing and stationery		101,700	95,731
Miscellaneous		5,452,033	3,547,040
		243,255,100	229,840,976

		Note	2025 Rupees	2024 Rupees
32.1	**Auditors' remuneration**			
	Audit fee		1,029,600	936,000
	Out of pocket		102,960	93,600
	Sindh sales tax		90,605	82,368
			1,223,165	1,111,968

		Note	2025 Rupees	2024 Rupees
33	**SELLING AND DISTRIBUTION EXPENSES**			
	Salaries, wages and other benefits		231,327,837	210,756,422
	Transport charges		315,661,635	243,553,658
	Advertisement and marketing expense		526,819,328	555,330,559
	Travelling		7,103,124	8,933,705
	Rent, rates and taxes		43,006,426	36,610,879
	Ijarah rentals		587,618	2,059,506
	Electricity		6,867,625	7,771,279
	Repair and maintenance		1,840,015	940,210
	Telephone		2,025,141	2,101,882
	Insurance		4,372,591	3,391,539
	Postage and telegram		23,361	619,079
	Printing and stationery		678,767	920,160
	Gas		179,077	141,331
	Entertainment		1,708,510	-
	Fees and subscription		263,128	172,221
	Miscellaneous		1,363,941	4,006,433
			1,143,828,124	1,077,308,864

		Note	2025 Rupees	2024 Rupees
34	**OTHER CHARGES**			
	Sindh workers' profit participation fund	34.1	49,850,333	28,932,544
	Sindh workers' welfare fund		19,940,133	11,573,017
	Write off - bad debts		1,552,690	21,079,323
	Income tax refund loss		-	11,295,166
			71,343,156	72,880,051

		Note	2025 Rupees	2024 Rupees
34.1	**Workers' Profit Participation Fund**			
	Balance as at July 01,		28,932,544	46,738,344
	Add: Interest credited at prescribed rates		1,639,511	4,673,835
			30,572,055	51,412,179
	Less: Amount paid to Trust		(30,572,055)	(51,412,179)
			-	-
	Add: Current year's allocation at 5%		49,850,333	28,932,544
			49,850,333	28,932,544

	Note	2025 Rupees	2024 Rupees

35 FINANCE COSTS

	Note	2025 Rupees	2024 Rupees
Secured finances and letter of credit		220,553,892	332,856,089
Interest on long term loan		9,138,240	27,227,327
Interest on Investment Funds		188,289,042	-
Interest on Sindh Workers' Profit Participation Fund		1,639,511	4,673,835
Interest on lease liabilities		8,869,036	9,100,991
Bank charges		20,063,185	8,929,209
		448,552,906	382,787,451

36 OTHER INCOME

	Note	2025 Rupees	2024 Rupees
Sale of scrap material		7,696,261	5,753,421
Gain on sale of fixed assets		4,939,977	4,105,638
Interest income on short term investment		217,655,672	17,277,406
Gain on foreign exchange		622,579	1,465,173
Profit on saving accounts		8,468,437	458,885
Other income		-	840,018
		239,382,926	29,900,541

37 MINIMUM TAX DIFFERENTIAL

	Note	2025 Rupees	2024 Rupees
Income tax levy under IFRIC 21/IAS 37	37.1	-	40,873,867

37.1 This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

38 TAXATION

	Note	2025 Rupees	2024 Rupees
Current	38.2	379,206,435	170,139,856
Deferred		(17,785,853)	81,623,383
Capital Gain Tax		7,079,817	-
		368,500,399	251,763,239

38.1 Relationship between tax expense and accounting profit

	2025	2024
Applicable tax rate	29%	29%
Super tax	10%	8%
Others	3%	3%
Average effective tax rate	36%	34%

38.2 This includes the provision of super tax at the rate of 10%.

39 TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise the directors and key management personnel and staff retirement benefits. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of the Company. The details of transactions with related parties during the year, other than disclosed elsewhere in the financial statements, are as follows:

Name of related party	Nature of Relation	Basis of Relation
Chief Executive Officer	Key executives	Chief Executive Officer
Director	Directorship	Director

Nature of transaction	Nature of relation	Basis of relation	2025	2024
			Rupees	
Sale of property outside the normal course of business	Director	Director	27,000,000	-

39.1 There are no transactions with key management personnel other than under their terms of employment.

40 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

		2025				2024			
		Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
		Rupees				Rupees			
Managerial remuneration		11,935,872	11,932,193	-	23,868,065	14,595,448	14,590,960	-	29,186,408
Total		11,935,872	11,932,193	-	23,868,065	14,595,448	14,590,960	-	29,186,408
Number of persons	40.1	1	6	-	7	1	6	-	7

40.1 This includes five Non-Executive Directors who have not drawn any remuneration from the Company.

41 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

Description	Liabilities				Total
	Long Term Financing	Short Term Financing	Dividend Payable	Lease Liability	
	Rupees				
Balance as at July 1, 2024	70,000,004	325,000,002	150,760	49,665,581	444,816,347
Addition during the year	-	-	52,631,584	35,218,070	87,849,654
Repayment of short term borrowing	-	(175,574,394)	-	-	(175,574,394)
Repayment of long-term financing	(40,000,000)	-	-	-	(40,000,000)
Repayment of lease liabilities	-	-	-	(14,421,543)	(14,421,543)
Payment of dividend	-	-	(52,565,195)	-	(52,565,195)
Balance as at June 30, 2025	30,000,004	149,425,608	217,149	70,462,108	250,104,869

		Note	2025 Rupees	2024 Rupees
42	**CASH AND CASH EQUIVALENTS**			
	Running finance	28	(1,710,212,860)	(895,277,673)
	Cash and bank balances	19	150,817,468	32,658,895
			(1,559,395,392)	(862,618,778)

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarised as follows:

43.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising returns. Market risk comprise three types of risk: interest rate risk, foreign currency risk and other price risk.

43.1.1 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) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. As at reporting date, the Company has not invested in the equity instruments hence, not exposed to any other price risks.

43.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term, short-term financing arrangements, lease arrangements and saving account to meet its business operations and working capital requirements.

Interest rate risk of the Company's financial assets and financial liabilities as at June 30, 2024 can be evaluated from following schedule:

	Note	2025 Rupees	2024 Rupees
Variable rate instruments			
Long term loans		30,000,004	70,000,004
Lease Liability		70,462,108	49,665,581
Short term borrowings		1,859,638,467	1,220,277,674

a) **Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Company's profit before tax (through impact on floating rate borrowings). There is no direct impact on Company's equity. This analysis excludes the impact of movement in market variables on the carrying amounts of provisions and on non-financial assets and liabilities of the Company. Further, interest rate sensitivity does not have an asymmetric impact on the Company's result.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the profit before taxation for the year ended would increase / decrease by Rs. 11.63 million (2024: Rs. 5.057 million). This is mainly attributable to the exposure to interest rates on its variable rate and fixed rate borrowings.

43.2.3 **Currency risk**

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company's exposure to foreign currency risk is as follows:

Commitments	1,823,201,934	1,213,098,188

The following significant exchange rates have been applied:

USD to PKR as at June 30,	283.76	278.34

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, post-tax loss / profit for the year would have been lower / higher by the amount shown below, mainly as a result of net foreign exchange gain on net foreign currency exposure at reporting date.

Effect on profit	182,320,193	121,309,819

The weakening of the PKR against US Dollar would have had an equal but opposite impact on the post tax profits. The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

43.2.4 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. 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 ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single country or single customer.

Credit risk of the Company arises principally from trade debts, deposits, loans, other receivables and investment, and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2025 Rupees	2024 Rupees
Long term loans	6,576,241	5,545,576
Long term deposits	16,813,862	14,424,666
Loans and advances	41,231,504	60,339,728
Short term deposits	62,260,642	60,720,173
Trade debts	2,256,454,705	2,481,125,068
Short term investments	58,782,172	64,732,172
Other receivables	125,059,757	3,212,548
Bank balances	143,236,038	20,108,514
	2,710,414,921	2,710,208,445

The ageing of trade receivables at the reporting date is:

Not yet due	1,170,833,452	1,541,806,094
Past due 1-30 days	880,733,175	596,561,958
Past due 31-60 days	291,731,698	207,554,011
Past due 61-90 days	10,352,157	128,195,749
Past due over 90 days	65,542,570	169,745,603
	2,419,193,052	2,643,863,415

The ageing has been prepared on first in first out basis by applying receipts to earliest invoices.

The trade debts are due from local customers for sales. At the end of the reporting period, there are past due trade debt balances which in management view are recoverable as disclosed in the notes. 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. Where considered necessary, advance payments are obtained from certain parties. Sales made to export customers are secured through letters of credit. The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis.

Customer credit risk is managed by each business unit subject to the established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on past experience with the customer. Outstanding customer receivables are regularly monitored. The Company does not hold collateral as security.

The Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. At the end of the reporting period, financial assets are held with counterparties with a good credit rating or are due to be settled in short term or on demand. As at the reporting period, the Company has charged an allowance for expected credit loss amounting to Rs. 162.738 million (2024: Rs. 162.738 million) on outstanding balance.

Investments and bank balances

The exposure to banks and investment is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The credit quality of cash at bank (in Current and deposit accounts) as per credit rating agencies is as follows:

Name of Banks	Ratings	
	Rating agency	Short-term
Bank AL-Habib Limited	PACRA	A-1+
Habib Bank Limited	VIS	A-1+
Soneri Bank Limited	PACRA	A-1+
Meezan Bank Limited.	VIS	A-1+
Dubai Islamic Bank	VIS	A-1+
AL-Falah Bank Limited	PACRA	A-1+
Habib Metropolitan Bank Limited	PACRA	A-1+
National Bank of Pakistan	VIS	A-1+
Faysal Bank Limited	PACRA	A-1+
Bank of Punjab	PACRA	A-1+

Concentration of credit risk

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 affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Impaired assets

During the year no assets have been impaired.

43.2.5 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient bank balances, realizable investments and availability of financing through banking arrangements, which includes short-term and long term borrowings.

	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years
			(Rupees)			
2025						
Long term loan	30,000,004	30,000,004	15,000,000	15,000,000		-
Lease liabilities	70,462,108	70,462,108	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	2,703,218,026	2,703,218,026	2,703,218,026	-	-	-
Markup accrued	16,003,825	16,003,825	16,003,825	-	-	-
Short term borrowings	1,859,638,467	1,859,638,467	1,859,638,467	-	-	-
	4,679,322,430	4,679,322,430	4,598,978,299	20,117,981	10,235,961	18,957,698
2024						
Long term loan	70,000,004	70,000,004	20,000,000	20,000,000	30,000,004	-
Lease liabilities	49,665,581	49,665,581	5,117,981	5,117,981	10,235,961	18,957,698
Trade and other payables	2,358,693,204	2,358,693,204	2,358,693,204	-	-	-
Markup accrued	54,346,962	54,346,962	54,346,962	-	-	-
Short term borrowings	1,220,277,674	1,220,277,674	1,220,277,674	-	-	-
	3,752,983,425	3,752,983,425	3,658,435,821	25,117,981	40,235,965	18,957,698

	2025 Rupees	2024 Rupees

44 FINANCIAL INSTRUMENTS BY CATEGORY

	2025 Rupees	2024 Rupees
Financial assets at amortized cost		
Long term loans including current maturity	15,596,132	14,031,415
Long term deposits	16,813,862	14,424,666
Trade debts unsecured	2,256,454,705	2,481,125,068
Short term deposits	62,260,642	60,720,173
Loans and advances	32,211,613	51,853,889
Other receivables	125,059,757	3,212,548
Short term	58,782,172	64,732,172
Bank balances	143,236,038	20,108,514
	2,710,414,921	2,710,208,445
Financial liabilities at amortized cost		
Lease liabilities	70,462,108	49,665,581
Long term loans	30,000,004	70,000,004
Trade and other	2,703,218,026	2,358,693,204
Markup accrued	16,003,825	54,346,962
Short term borrowings	1,859,638,467	1,220,277,674
	4,679,322,430	3,752,983,425

45 CAPACITY AND PRODUCTION

	2025		2024	
	Annual Capacity	Actual Production	Annual Capacity	Actual Production
	Tons			
Vegetable Ghee, Cooking Oil & Margarine	90,000	42,766	90,000	38,973
Sauces	18,000	456	18,000	635

The Company could not achieve installed capacity of its production due to market conditions.

46 CAPITAL MANAGEMENT

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an approximate mix between various sources of finance to minimize risk. The Company is not subject to any externally imposed capital requirements.

The Company's objectives, policies and processes for managing capital are as follows:

The objective of the Company when managing capital is to safeguard the Company's ability to continue as going concern in order to provide returns for shareholders and benefit for other stake holders and to maintain an optimal capital structure to reduce the cost of capital.

The Company sets the amount of capital in proportion to the risk and manages the capital structure and makes adjustments to it in the light of changes in 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.

Consistently with others in the industry, the Company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and bank balances. Adjusted capital comprises all components of equity (i.e. issued, subscribed and paid up capital, share premium, general reserve and unappropriated profit).

The debt-to-adjusted capital ratio at the end of the reporting period were as follows:

	2025 Rupees	2024 Rupees
Short term borrowings	1,859,638,467	1,220,277,674
Long term loans	-	30,000,004
Lease liabilities against assets subject to finance lease	52,433,707	39,429,620
Current portion of lease liabilities	18,028,401	10,235,961
Markup accrued	16,003,825	54,346,962
Current portion of long term loan	30,000,004	40,000,000
	1,976,104,404	1,394,290,221
Less: Cash and bank balance	(150,817,468)	(32,658,895)
Net debt	1,825,286,936	1,361,631,326
Share capital	1,199,473,964	1,199,473,964
Reserves	1,699,753,668	1,192,815,730
Total equity	2,899,227,632	2,392,289,694
Total capital and equity	4,724,514,568	3,753,921,020
Gearing ratio	39%	36%

47 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms' length transaction.

The Company discloses the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.
Level 3: Inputs for the asset or liability that are not based on observable market data (that is unadjusted) inputs.

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.

As at the reporting date, none of the financial instruments of the Company are classified and measured at fair value. The carrying amount of all financial assets and liabilities reflected in the financial statements approximate their fair values.

48 NUMBER OF EMPLOYEES

	2025 Rupees	2024 Rupees
Number of employees at head office and factory as at June 30	178	178
Average number of employees at head office and factory	185	188

49 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 29 SEP 2025 by the Board of Directors of the Company.

50 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison. However, no reclassification has been made during the year.

51 GENERAL

Figures have been rounded off to the nearest Pakistani rupee, unless otherwise stated.

CHIEF EXECUTIVE OFFICER

DIRECTOR