

KARACHI GOLF CLUB
Habib Ibrahim Rahimtoola Road, Karsaz Karachi-75350

NOTICE

The Annual General Body Meeting will be held in the Club House at 6:00 PM on Saturday October 31, 2026. Agenda would be as under:

AGENDA FOR AGM

ITEMS:

- I. To confirm minutes of the:
 - a. Annual General Body Meeting held on October 31, 2025.
 - b. Half Yearly General Body Meetings held on May 16, 2026 and May 23, 2026.
- II. To adopt Committee's Annual Report and pass the Audited Accounts for the period ending June 30, 2026.
- III. To consider Levy of Members for "Sewerage Water Treatment & irrigation Project".
- IV. To appoint Auditors for the Year 2026-2027.
- V. To transact such other business as may be brought before the meeting in accordance with the Club Rules. See Notes 'a' & 'b' below.
- VI. To declare the results of the Ballot for the Managing Committee for the year 2026-2027.


MUHAMMAD ANWAR
Captain Pakistan Navy (Retd)
Chief Operating Officer

NOTES:

- a) Members desirous of raising any matter at the meeting or having any propositions other than change of rules, are requested to notify the **Chief Operating Officer** in writing **not less than four days** before the General Body Meeting scheduled on **October 31, 2026**.
- b) Proposals received which require change of rules will be first processed in accordance with Club Rules/Byelaws. If process is completed in time, it will be opened for discussions in the forthcoming Annual General Body Meeting, otherwise soon after completion of pre-requisites, it will be included in the agenda of next Annual General Body Meeting.

KARACHI GOLF CLUB

MINUTES OF THE ANNUAL GENERAL BODY MEETING HELD ON FRIDAY, 31ST OCTOBER, 2025 AT 6:00 PM IN THE CLUB HOUSE

1. FOLLOWING PERMANENT MEMBERS WERE PRESENT:

Mr. Saleem Adil	Mr. Iftikhar Hussain
Mr. Asif Ikram	Mr. Farooq Javed
Dr. Salman Qureshi	Mr. Ali Naqi Taqi
Lt Cdr Irfan Rashid PN	Mr. Zahid F. Ebrahim
Mr. Abid Sayeed	Mr. Alamgir Firoz
Mr. Khanzada Zyad H. Khan	Syed Ali Javaid Hamdani
Ms Rukaiya B. Habib	Mr. Omer Faruque
Mr. Altaf Hashwani	Mr. Nazim F. Haji
Cdre (R) Abdul Rehman SI(M)	Mr. Imran Asghar Habib
Mr. Ghias Uddin Khan	Mr. Muhammad Sharif Sajid
Mr. Sadiq Mehtab Feroz	Mr. Salahuddin Iqbal
Mr. Asif Parekh	Mr. Aziz A. Majid
Mr. Aamer Badshah	Mr. Tariq Mehtab Feroz
Mr. Mohammad Raza Rashid	Mr. Asad I. A. Khan
Cdre (R) Ghazanfar Abbas SI(M) T.Bt	Mr. Qasim B. Habib
Mr. Taufiq Adam	Mr. Danish Iqbal
Chaudhri Mubashir Ahmed	Mr. Ahmed Muhammad Ismail
Mr. Khalid J. Siddiqi	Mr. Mohammed Omer Ahmed
Mr. Danish Abdullah Feroz	Mr. Khurram Khan
Mr. Mansoor Teli	Mr. Ahmed Jamil Siddiqi
Mr. Ariful Islam	Lt Cdr (R) Shahzad A. Noor T.Bt
Mr. Hasnain Asghar Habib	Choudhary Amanullah Khurshid
Mr. Imtisal Abbasi	Mr. Abbas D. Habib
Mr. Usman Shafi	Mr. Aly Rana
Mr. Hasnain R. Nensey	Mr. Rashid Malik
Mr. Bilal B. Habib	Mr. Akbar Raza Khan
Mr. Azhar Hussain	

2. FOLLOWING TEMPORARY MEMBERS WERE PRESENT:

Cdre M. Nasir Iqbal SI(M)
Cdre M. Imran Noshier TI(M)
Cdre (R) Ali Abbas SI(M)
Cdre (R) Saad Bin Jabbar
Mrs. Rubina Saeed Hai
Mr. Zillay A. Nawab

3. The President, Vice Admiral Muhammad Faisal Abbasi HI(M) welcomed all members and thanked them for taking the time to attend the Annual General Body Meeting and participate in the Club's activities. The President further stated that when he assumed charge last year, there were several issues that required attention. The foremost issue was the proper irrigation system using sewage water for the Course. He informed the members that although efforts were made to resolve the water-related issue, the Club has not been able to secure funding from any source. Economical solutions were also explored; however, no sponsor could be arranged for the sewage water system. Nevertheless, the Greens & Course Sub-Committee continues to work on resolving this important matter.

4. The President further stated that another main issue which is always brought up is land lease of Club. He clarified, that Karachi Golf Club is here to stay and we will continue to provide golfing facility to our members. Pakistan Navy remains the main stakeholder, therefore we will jealously guard the interests of KGC. Moreover, there should be no doubt in any body's mind that KGC is going anywhere else. There may be delays in procedures but we will address those issues and not an inch will go away from existing area. He conveyed that we have already paid the amount for survey of the land to Surveyor General of Pakistan to complete the formalities of lease.

5. The President expressed satisfaction on the current condition of the Yellow Course whose renovation work had been completed last year. He further added that renovation of the Blue Greens had also been included in last year's plan. He was pleased to note that the renovation of the Blue Greens and associated bunker work is now near completion. The President appreciated the efforts of the Standing Technical Committee under the guidance of Mr. Bilal Rafi Muneer. He also informed the members that renovation of the Red Greens and its bunker work is planned for next year (2026), with sponsorship from Bank Al Habib.

6. The President stated that although the course is in excellent condition after the renovation of the Blue Greens supported by significant expenditure on procurement of new machinery and equipment, the Club is simultaneously facing financial challenges. Therefore, an increase in the subscription fee had become necessary to maintain course standards and address financial constraints.

7. The President urged that discipline at the Club is of paramount importance, both on and off the course, the same must be fully ensured in all areas. He emphasized that the Club has a long-standing history of being a disciplined institution, which has contributed significantly to its prestige and reputation. In this regard, the Discipline Sub-Committee has taken certain firm and, at times, harsh decisions, which were necessary in the larger interest of the Club. The President stressed that such measures are essential and must continue to maintain and uphold discipline for all activities at the Club.

8. The President expressed his satisfaction on conduct of elections for the Managing Committee of the club in accordance with the existing Club Rules. No rules or regulations were bypassed in any way.

9. The President then highlighted that he had directed Vice President to review the rules comprehensively, particularly the rules on Election procedure of the Managing Committee. The Chair assured that these rules have been thoroughly scrutinized as per original publication in 2015 during which an omission from the original rules was observed. The original rule 13 for election of candidates for Managing Committee is attached as Annex 'A'. The President then directed Vice President and Chief Operating Officer to restore the same in their original form. Similarly all other changes made over the period of time and duly approved for incorporation in the rules be included. Accordingly a comprehensive Rule Book be published in printed Booklet form for official purposes.

10. The President appreciated efforts of all Committee Members for performing their duties efficiently during 2024-2025 and contributing towards the improvement of the Club.

Decisions:

- a. Strict monitoring of discipline at the Club be ensured.
- b. Rule Book is be published as per contents of 2015 and those amendments duly approved by the General Body.

Action: Convenor Legal Rules and
Bye Laws Sub Committee
Convenor Discipline Sub Committee
Chief Operating Officer

11. The President then handed over the floor to the Vice President, Mr. Saleem Adil, to conduct the proceedings. The Vice President thanked the President for his support and for resolving various Club-related issues.

AGENDA ITEM - I CONFIRMATION OF MINUTES OF ANNUAL GENERAL BODY MEETING HELD ON OCTOBER 26, 2024; HALF YEARLY GENERAL BODY MEETINGS HELD ON MAY 31, 2025 & JUNE 14, 2025; AND SPECIAL GENERAL BODY MEETING HELD ON SEPTEMBER 20, 2025

12. The Minutes of the Annual General Body Meeting held on October 26, 2024, were confirmed.

Proposed by: Mr. Khurram Khan
Seconded by: Mr. Bilal Rafi Muneer

The Minutes of the Half Yearly Meetings held on May 31, 2025 and June 14, 2025 were confirmed.

Proposed by: Mr. Imtisal Abbasi
Seconded by: Mr. Asad I. A. Khan

The Minutes of the Special General Body Meeting held on September 20, 2025 were also confirmed.

Proposed by: Mr. Asif Parekh
Seconded by: Mr. Rashid Malik

Mr. Asad I. A. Khan pointed out that the recording of the Special Managing Committee Meeting states that he had discussed the matter with Mr. Zahid Ibrahim regarding the voting issue. He clarified that no such discussion took place with Mr. Zahid Ibrahim.

Mr. Khan explained that what he had actually stated was that the Punjab Club had obtained an opinion from an eminent lawyer from Lahore, Dr. Pervez Asghar, who was of the view that there was an infringement of the fundamental rights of members. However, this statement was incorrectly recorded in the minutes as having been discussed with Mr. Zahid Ibrahim.

He further emphasized that no discussion took place with Mr. Zahid Ibrahim on this matter and requested that the minutes be corrected accordingly. Vice president responded that when Mr. Zahid Ibrahim clarified his position at that time, you did not respond. However your clarification is noted.

AGENDA ITEM - II TO ADOPT ANNUAL REPORT OF COMMITTEES AND APPROVE THE AUDITED ACCOUNTS FOR THE PERIOD ENDING JUNE 30, 2025

13. The following salient points from the Audit Report for the year ending June 30, 2025 were presented:

- a. Between 1 July 2024 and 30 June 2025, the Club recorded a total revenue of Rs. 501 million, which was Rs. 16 million (3%) lower than the previous year.
- b. Total costs for the year stood at Rs. 464 million, compared to Rs. 389 million in 2024, reflecting a 19% increase.
- c. The Club recorded a net profit before tax of Rs. 37 million, compared to Rs. 127 million in 2024. Before depreciation, the Club's comprehensive income for the year was a surplus of Rs. 68 million, compared with Rs. 151 million in 2024. After tax, the net profit stood at Rs. 33 million, as against Rs. 126 million in the previous year.

Proposed by: Mr. Nazim F. Haji
Seconded by: Mr. Hasnain Raza Nensey

The Committee appreciated the Honorary Treasurer and the Finance Team for efficiently managing the Club's financial affairs.

Decision:

14. The Annual Report for the financial year ending June 2025 and the Audited Accounts were approved.

Action: Honorary Treasurer

AGENDA ITEM - III TO CONSIDER RULE AMENDMENTS 4(b) AND 5(f)

15. The Vice President, Mr. Saleem Adil, informed the members that due to financial challenges and the substantial expenditure on machinery and equipment for the renovated Greens also highlighted earlier by the President an increase in the subscription fee was necessary. The last increase took place in 2023.

The following proposal was then put before the house for approval;

- A 20% subscription increase from 1st November 2025 to 30th June 2026.
- Thereafter, a 10% annual increase for five years starting from 1 July 2026.

The Vice President then asked members who were not willing to approve the increase to raise their hands. No hands were raised, and the proposal was then approved unanimously. The Vice President thanked the members for their support.

Decision: The General Body approved 20% subscription increase from 1st November 2025 to 30th June 2026. Thereafter, starting from 1 July 2026 a 10% annual increase for next five years.

Action: Honorary Treasurer
Chief Operating Officer

AGENDA ITEM - IV TO APPOINT AUDITOR FOR THE YEAR 2025-2026

16. It was proposed that M/S Hafizullah & Co is recommended Auditor for next year.

Decision: The Committee approved M/s. Hafizullah & Co. as the Auditors for the year 2025–2026 at an audit fee of Rs. 230,000.

AGENDA ITEM - V TO TRANSACT SUCH OTHER BUSINESS IN ACCORDANCE WITH CLUB RULES

17. Mr. Aly Rana suggested introducing zoo-related business activities. The members were informed that Karachi Golf Club is a purely Golf Club, and therefore, the suggestion was not approved.

DISCUSSION - QUESTIONS AND SPEECHES BY MEMBERS

18. The Vice President invited members to share their views suggestions:
- a. Cdre (R) Ghazanfar Abbas SI(M) T.Bt appreciated the efforts of the Greens & Course Sub-Committee and requested early resolution of the sewage-water issue. The Vice President thanked and responded that the President had already briefed members on the matter.
 - b. Mr. Aly Rana praised the quality of work completed on the Yellow Course and now the Blue Greens. He appreciated the contributions of the sponsors and encouraged recognition to boost morale.
 - c. Syed Ali Javaid Hamdani said that since Mr. Danish Iqbal sponsored the renovation of blue greens had done and he suggested that naming of Blue Course be considered as Iqbal Alimohamed Memorial Course (IAMM).
 - d. Mr. Danish Iqbal thanked the President and the Committee for acknowledging his efforts. He reiterated that his proposal for a new name for the Blue Course be considered accordingly.
 - e. The President stated that while adding sponsorship names, the original course colors should be kept in mind. He further assured that the concerns raised by sponsors regarding naming and branding will be addressed by the Club Management.

AGENDA ITEM - VI DECLARATION OF RESULTS OF THE BALLOT FOR THE MANAGING COMMITTEE 2025-2026

19. The Vice President informed that a total of 07 candidates filed their nomination contest in the Managing Committee election. The total number of elected members required to serve on the Managing Committee of the Club are seven as per KGC rules. Therefore the election was not conducted and following members were declared elected for the term 2025-2026:

- a. **Elected Seven Members**
1. Mr. Asif Ikram
 2. Mr. Ahmad Muhammad Ismail
 3. Dr. Salman Qureshi
 4. Mr. Hasnain Raza Nensey
 5. Mr. Ghias Uddin Khan
 6. Mr. Bilal B. Habib
 7. Mr. Khanzada Zyad H. Khan

b. **CNS Nominees 2025-2026**

1. Cdre (R) Zafar Mehmood SI(M), T.Bt
2. Cdre (R) Saad Bin Jabbar SI(M)
3. Captain (R) Muhammad Anwar Khan PN

20. There being no further points, the meeting was adjourned.



ABDUL REHMAN SI(M)
Commodore (Retd)
Chief Operating Officer

Annex 'A' KGC Rule 13.

RULE FOR ELECTION OF CANDIDATES FOR MANAGING COMMITTEE

13 (a) Voting Paper/Recording of Vote (Managing Committee)

35 days prior to the date fixed for the Annual General Meeting, an election schedule and a notice soliciting names of members willing to serve on the Committee will be circulated, allowing 10 days for nominations. After the closing date of nominations, the list of names, in the order received, will be posted on the notice board and five days will be allowed for withdrawals and for the Scrutiny Committee to ensure that all nominations satisfy eligibility rules. 20 days prior to the date fixed for the general meeting a ballot paper shall be sent to each Permanent member of the Club.

This paper shall contain a list of the members qualified and willing to serve on the Committee, and members shall be entitled to cast their votes for the candidates of the Committee. The ballot paper of a member not voting for seven candidates to the Committee shall be treated as invalid. Absent members for 6 months or more during the preceding one year (from the last election to the current election) shall not be eligible to vote.

(b) Voting

Not more than one vote may be given to one candidate.

(c) Casting of Votes

Members recording their votes for the Committee shall in person cast their votes in the Ballot box maintained for the purpose in the Chief Operating Officer's office. Upon arrival the member shall sign his name in a register to be specifically maintained for this purpose. The Chief Operating Officer/Secretary shall countersign the register against the member's name, the vote would be recorded in secrecy, out of view of Club officials or other members. The number of days available to the members to cast his vote shall be ten continuous days ending on the eleventh day at 3:00 PM which shall be the date of expiry for casting of ballots. For the first 10 voting days, the timing for casting votes shall be from 10 AM to 5 PM and on the last day from 10 AM to 3 PM.

KARACHI GOLF CLUB

MINUTES OF THE HALF YEARLY GENERAL BODY MEETING HELD ON SATURDAY, MAY 16, 2026 AT 6:00 PM IN THE CLUB HALL

1. Mr. Asif Ikram Vice President Karachi Golf Club presided over the meeting.

2. **FOLLOWING PERMANENT MEMBERS WERE PRESENT:**

Cdre (R) Zafar Mehmood SI(M) T.Bt
Mr. Abid Sayeed
Mr. Muneer Mehtab Feroz
Mr. Rizwan Feroz
Mr. Nadir Akmal Khan Leghari
Dr. Salman Qureshi
Mr. Ghias Uddin Khan
Mr. Adnan Afridi
Mr. Asif Ikram
Mr. Hasnain R. Nensey
Lt Cdr (R) Syed Shazli Azher PN
Mr. Danish Abdullah Feroz
Mr. Mansoor Teli
Brig (R) Ayaz Peeer Mohammed
Mr. Rashid Malik
Mr. Khanzada Zyad H. Khan
Cdre (R) Ghazanfar Abbas SI(M) T.Bt
Mr. Ahmed Muhammad Ismail
Ms Rukaiya B. Habib.
Mr. Danish Iqbal
Mr. Saleem Adil
Syed Ali Javaid Hamdani
Mr. Qumail R. Habib
Mr. Bilal B. Habib
Brig (R) Shahid Saleem Lone SI(M)
Mr. Zahid F. Ebrahim
Mr. Ahmed Jamil Siddiqi
Mr. Khurram Khan
Mr. Adil Nazim Haji
Cdre (R) Abdul Rehman SI(M)
Mr. Saleem Pervaiz Paracha
Mr. M. Anwar Ahmed Ansari
Mr. Anis A. Khan
Mr. Aamer Badshah
Mr. Abbas D. Habib

3. **FOLLOWING TEMPORARY MEMBERS WERE PRESENT:**

Cdre (R) Saad Bin Jabbar
Captain (R) Muhammad Anwar Khan PN
Cdre Muhammad Imran Nosher SI(M)
Cdre Aamir Iqbal SI(M)

4. The Vice President Karachi Golf Club undertook the proceedings of Half Yearly General Body Meeting. However, the total attendance of Permanent Members was only 35 which did not comply the required Quorum of 50. Accordingly the meeting was adjourned as per companies ordinance section 160 2(b). The next meeting will be held on Saturday May 23, 2026 at 6:30 PM.



ABDUL REHMAN SI(M)
Commodore (Retd)
Chief Operating Officer

REF: MIN-HYGB-2025-2026

DATED: MAY 20, 2026

KARACHI GOLF CLUB

MINUTES OF THE HALF YEARLY GENERAL BODY MEETING HELD ON SATURDAY, MAY 23, 2026 AT 6:30 PM IN THE CLUB HALL

1. Mr. Asif Ikram Vice President Karachi Golf Club presided over the meeting.

2. **FOLLOWING PERMANENT MEMBERS WERE PRESENT:**

Mr. Raja Babar Khan
Miss Rukaiya Habib
Mr. Asif Ikram
Dr. Salman Qureshi
Mr. Rashid Malik
Mr. Hasnain R. Nensey
Mr. Ghias Uddin Khan
Cdre (Retd) Ejaz Rasool Chaudhri
Cdre (Retd) Ghazanfar Abbas SI(M) T.Bt
Cdre (Retd) Abdul Rehman SI(M)
Mr. Imtisal Abbasi
Mr. Haseeb Dada
Mr. Yousuf Ahmed Kaddeer
Syed Nayyar Hasnain Haider

3. **FOLLOWING TEMPORARY MEMBERS WERE PRESENT:**

Cdre Muhammad Imran Nosher SI(M)
Captain (Retd) Muhammad Anwar Khan PN
Captain (Retd) Amjad Noor Bhatti PN
Cdre (Retd) Saad Bin Jabbar
Cdre Aamir Iqbal SI(M)

4. The Half Yearly General Body Meeting was held on 23rd May, 2026 at Karachi Golf Club. A total of 14 Permanent Members and 5 Temporary Members, in addition to the members of the Managing Committee, attended the meeting.

In his opening remarks, the Vice President, Mr. Asif Ikram, welcomed the members and reaffirmed his commitment to further improve Karachi Golf Club in all respects.

Thereafter, the Vice President formally commenced the proceedings of the meeting, and the members were invited to consider the agenda items as follows:

AGENDA ITEM I - TO CONSIDER UN-AUDITED ACCOUNTS FOR SIX MONTHS ENDING DECEMBER 2025

5. The Vice President then handed over the proceedings to Honorary Treasurer to present the financial briefing. The Convenor, Finance Sub-Committee, briefed the members on the financial position of the Club as follows:-

i. **Income and Expenditure Statement for the Six Months Ending 31st December, 2025**

For the six-month period ended 31st December 2025, the financial performance of Karachi Golf Club remained stable and satisfactory, with the Club recording an overall surplus despite an operational deficit after depreciation.

Total income from subscriptions and sales/services increased to Rs. 190.91 million, compared with Rs. 174.26 million during the corresponding period in 2024, representing an increase of Rs. 16.65 million (9.6%). Subscription income amounted to Rs. 79.30 million, while income from sales and services increased significantly to Rs. 111.61 million.

Total operating expenditure amounted to Rs. 217.88 million, compared with Rs. 207.97 million in the corresponding period of the previous year, reflecting an increase of Rs. 9.92 million (4.8%). Salaries and allowances remained the largest component of operating expenditure, increasing to Rs. 114.50 million from Rs. 99.67 million.

After charging depreciation of Rs. 24.00 million, the Club recorded an operational loss of Rs. 50.98 million, compared with an operational loss of Rs. 48.11 million during the corresponding period of 2024.

Notwithstanding the operational loss, the Club generated substantial other income totaling Rs. 100.72 million, comprising Rs. 45.85 million as return on investments and Rs. 54.87 million from entrance fees.

As a result, the Club recorded an overall surplus of Rs. 49.74 million for the six-month period ended 31st December 2025, compared with Rs. 50.65 million in the corresponding period of 2024. This represents a marginal decrease of Rs. 0.90 million (1.8%), reflecting the Club's continued financial resilience and sound financial position.

ii. **Financial Statement/Balance Sheet as on 31st December 2026**

As at 31st December 2025, Karachi Golf Club's financial position remained strong, with total net assets increasing to Rs. 565.08 million, compared with Rs. 523.29 million as at 31st December 2024. This represents an increase of

Rs. 41.79 million (7.99%), reflecting the Club's continued financial stability and growth in its net asset base.

Fixed Assets:

The value of tangible fixed assets increased significantly to Rs. 265.72 million, compared with Rs. 161.74 million as at 31st December 2024, representing an increase of Rs. 103.98 million. This increase was primarily attributable to the capitalization of capital work-in-progress amounting to Rs. 15.15 million, which had been reported in the previous year and was fully capitalized during the current year, together with additions to the Club's fixed assets.

Current Assets

Total current assets stood at Rs. 739.80 million as at 31st December 2025, compared with Rs. 734.77 million as at 31st December 2024, reflecting a marginal increase of Rs. 5.03 million (0.7%). The major components of current assets comprised:

Short-Term Investments:

Short-Term Investments: Rs. 526.34 million (2024: Rs. 546.64 million).

Advances, deposits, prepayments and other receivables: Rs. 142.29 million (2024: Rs. 136.51 million).

Sundry Debtors: Rs. 43.29 million (2024: Rs. 35.93 million)

Cash and Bank Balances: Rs. 22.78 million (2024: Rs. 11.87 million)
Stock and Spares: Rs. 5.09 million (2024: Rs. 3.82 million)

Current Liabilities:

December, 2025 compared with Rs. 388.37 million as at 31st December 2024, representing an increase of Rs. 52.06 million (13.4%). This increase was primarily attributable to higher creditors, accrued expenses, and other liabilities, which rose to Rs. 438.15 million from Rs. 385.35 million during the same period.

Net Current Assets:

31st December 2025, compared with Rs. 346.40 million as at 31st December 2024, representing a reduction of Rs. 47.03 million (13.6%). The decrease was primarily attributable to the increase in current liabilities, despite a marginal improvement in current assets.

Capital and Reserves:

The Club's total net assets are represented by:

Capital Fund: Rs. 532.41 million (2024: Rs. 500.76 million).

Specific Reserves and Provisions: Rs. 32.68 million (2024: Rs. 22.53 million).

Overall Financial Position:

The Statement of Financial Position reflects that Karachi Golf Club continues to maintain a sound financial position, supported by a substantial investment portfolio, a significant increase in tangible fixed assets, and a stronger capital base. Although current liabilities increased during the period, resulting in a reduction in net current assets, the Club's overall net worth improved significantly. This demonstrates the Club's continued financial resilience and its ability to sustain long-term financial stability.

6. The Vice President requested the members to confirm the Half Yearly Accounts. As no questions or observations were raised, the adoption of the accounts, as presented, was proposed by Mr. Imtisal Abbasi and seconded by Cdre (Retd) Ghazanfar Abbas SI(M), T.Bt The Half Yearly Accounts for the period ended 31st December, 2025 were thereafter adopted unanimously by the members present..

AGENDA ITEM II - AMENDMENTS TO RULES:

7. The Vice President informed the house that Managing Committee in its meeting of February 17, 2026 had reviewed the proposal for increasing Entrance Fee of the Club. Accordingly the Patron-in-Chief approved the proposal for tabling it at the General Body Meeting. As per the proposal all new members shall pay charge applicable to different categories of members as under:

a. **Temporary Members Fee Rule 5(c).**

Existing Rule 5(c)

Temporary Members

Upon election as temporary member, a member shall have all the privileges of a permanent member except that he/she shall not be able to propose or second a candidate for election or vote at any General Meetings and Managing Committee elections or be elected to the Committee, or serve on the Balloting Committee. They shall have no right or claim upon the assets of the Club properties after dissolution. The entrance fee for such members shall be Rs. 3 Million and monthly, subscription as prescribed by the Rule 4(b).

In the case of death of a member as a courtesy to the said member, his widow and children below the age of 30 years may be invited by the Managing Committee to use the Club facilities on payments of nominal charges as prescribed by the committee. Widow shall be exempted from payment of any subscription. All foreigners elected as temporary members shall pay a caution deposit amount of Rs. 10,000/-. Election of such members shall be posted on the Club Notice Board.

Proposed Rule 5(c)

Temporary Members

Upon election as temporary member, a member shall have all the privileges of a permanent member except that he/she shall not be able to propose or second a candidate for election or vote at any General Meetings and Managing Committee elections or be elected to the Committee, or serve on the Balloting Committee. They shall have no right or claim upon the assets of the Club properties after dissolution. The entrance fee for such members shall be Rs. 4 Million and monthly, subscription as prescribed by the Rule 4(b).

In the case of death of a member as a courtesy to the said member, his widow and children below the age of 30 years may be invited by the Managing Committee to use the Club facilities on payments of nominal charges as prescribed by the committee. Widow shall be exempted from payment of any subscription. All foreigners elected as temporary members shall pay a caution deposit amount of Rs. 10,000/-. Election of such members shall be posted on the Club Notice Board.

b. Corporate Members Entrance Fee Rule 5(g)

Existing Rule 5(g)

Corporate Members

Any company of repute shall be eligible for application to the Club to become corporate member. The Directors or officers or ex-officials of such company may become corporate members of the Club upon payment of Rs. 3,500,000/- per person. Corporate members shall be treated in the same manner as temporary members and their election procedure and rights shall be identical to that of a temporary member except that the company retains the right to change its nominee five times within a period of fifteen years after which the membership of the company shall lapse. Such members may be given priority for election at the discretion of the Committee. However, if a sponsoring company desires to replace a nominee, the person so affected shall be eligible for election as temporary member in his/her own right and may be considered out of turn by the Committee. The notice of such election shall be posted on the notice board.

A gentleman/lady who has been a corporate member for 5 years, and has been playing golf and has regularly used Club facilities, may become a temporary member of Karachi Golf Club on payment of full membership fee on retirement from his/her corporation. Any corporate member relinquishing his nomination as corporate member may apply for temporary membership to the Club and will be processed accordingly.

Upon attaining his temporary membership, for consideration of his permanent membership, the Managing Committee shall take into cognizance and add the number of years as corporate member nominee to the number of year as temporary member to comply with Rule 5(a). A corporate member shall pay all subscription fee as prescribed under Rule 4(b).

Proposed Rule 5(g)

Corporate Members

Any company of repute shall be eligible for application to the Club to become corporate member. The Directors or officers or ex-officials of such company may become corporate members of the Club upon payment of Rs. 5,000,000/- per person. Corporate members shall be treated in the same manner as temporary members and their election procedure and rights shall be identical to that of a temporary member except that the company retains the right to change its nominee five times within a period of fifteen years after which the membership of the company shall lapse. Such members may be given priority for election at the discretion of the Committee. However, if a sponsoring company desires to replace a nominee, the person so affected shall be eligible for election as temporary member in his/her own right and may be considered out of turn by the Committee. The notice of such election shall be posted on the notice board.

A Gentleman/Lady who has been a corporate member for 5 years, and has been playing golf and has regularly used Club facilities, may become a temporary member of Karachi Golf Club on payment of full membership fee on retirement from his/her corporation. Any corporate member relinquishing his nomination as corporate member may apply for temporary membership to the Club and will be processed accordingly.

Upon attaining his temporary membership, for consideration of his permanent membership, the Managing Committee shall take into cognizance and add the number of years as corporate member nominee to the number of year as temporary member to comply with Rule 5(a). A corporate member shall pay all subscription fee as prescribed under Rule 4(b).

c. **Diplomats Members Entrance Fee Rule 5(m)**

Existing Rule 5(m)

Diplomats

Accredited career diplomats may become members of Karachi Golf Club on a joining fee of US\$ 2,500/- (equivalent in Pakistan Rupees) for a period of one year; spouses may also use the Club during this period. If membership is renewed beyond 2 years, then the rate shall be enhanced to US\$ 3,000/- per year. Diplomats shall pay monthly subscription as prescribed in the Rule 4(b).

Proposed Rule 5(m)

Diplomats

Accredited career diplomats may become members of Karachi Golf Club on a joining fee of US\$ 3,500/- (equivalent in Pakistan Rupees) for a period of one year; spouses may also use the Club during this period. If membership is renewed beyond 2 years, then the rate shall be enhanced to US\$ 4,000/- per year. Diplomats shall pay monthly subscription as prescribed in the Rule 4(b).

8. The proposed amendments to Rules 5(c), 5(g), and 5(m), inclusive, were duly put to the House and, having received the requisite approval of the members present, were passed and adopted.

9. Cdre (R) Ejaz R Choudhry inquired about the status of lease for the KGC. The Vice President replied that Ministry of Defence had directed Surveyor General of Pakistan (SoP) to conduct survey of entire Greater Karsaz Area land measuring 1700 Acres including KGC's land. Vice President added that during the General Body meeting, the President had assured the members that KGC is here to stay and Golf Course land will be safeguarded.

10. Mr. Imtisal Abbasi subsequently asked that if there are any show stoppers for approval of lease agreement. Chief Operating Officer replied that all observations of DG Military Land and Cantonment (MLC) had been addressed. A meeting between Chief Operating Officer, GM (Finance) KGC and Director (MLC) & Additional Secretary - II of Ministry of Defence was held at MOD whereby the audited accounts of KGC were presented to the officials of MOD. Chief Operating Officer further informed that approval of lease has been accorded vide MOD letter 18/55/Land/1967-11/3/2021/D-4(A-IV) dated 28 March 2024 at Annex A, at annual rent of Rs. 5.00 million.

11. There being no further business to transact, the meeting concluded with a vote of thanks to the Chair.



ABDUL REHMAN SI(M)
Commodore (Retd)
Chief Operating Officer

REF: MIN-HYGB-2025-2026

DATED: JULY 10, 2026

**Managing Committee Report
for the Period ending
31st October, 2026**

KARACHI GOLF CLUB

ANNUAL REPORT FOR THE YEAR 2025-2026

The Committee is pleased to present its Brief Annual Report along with the audited accounts of the Club for the Year 2025-2026.

Vice Admiral Muhammad Faisal Abbasi HI(M) served as President of Karachi Golf Club. Committee members and their respective portfolios were as under:

N A M E S

Mr. Asif Ikram
Vice President

Mr. Ahmed Muhammad Ismail
Club Captain

Dr. Salman Qureshi
Vice Captain

Mr. Hasnain Raza Nensey
Honorary Treasurer

Mr. Khanzada Zyad H. Khan

Mr. Ghias Uddin Khan

Mr. Bilal B. Habib

Ms. Rukaiya B. Habib

SUB-COMMITTEE CONVENORS

Convenor

Discipline Sub-Committee
Scrutiny Sub-Committee
Balloting Sub-Committee
Human Resource Sub-Committee
Legal Rules & Bye Laws Sub-Committee

Convenor

Greens & Course Sub-Committee
Course Equipment Maintenance Sub-Committee

Convenor

Handicap Sub-Committee
Tournament Sub-Committee
Bridge Sub-Committee

Convenor

Finance Sub-Committee

Convenor

Club House & Catering Sub-Committee

Convenor

Projects Sub-Committee
Marketing Sub-Committee

Convenor

Pro, Caddies & Driving Range Administration
Sub-Committee

Lady Captain

Cdre Zafar Mehmood
SI(M), T.Bt (Retd)
(CNS Nominee)

Co-Convenor
Legal Rules & Bye Laws Sub-Committee
Tournament Sub-Committee

Captain Muhammad Anwar
PN (Retd)
(CNS Nominee)
(Oct 2025 to Jul 2026)

Member

Cdre Shahid Habib SI(M) (Retd) **Member**
(CNS Nominee)
(Jul 2026 to Oct 2026)

Cdre Saad Bin Jabbar SI(M) (Retd) **Member**
(CNS Nominee)

EX-OFFICIO MEMBERS

Cdre Muhammad Nasir Iqbal SI(M)
Commandant PNS BAHADUR
(Oct 2025 to Feb 2026)

Cdre Aamir Iqbal SI(M)
Commandant PNS BAHADUR
(Feb 2026 to Jul 2026)

Cdre Ghazanfar Ali
Commandant PNS BAHADUR
(Jul 2026 to Oct 2026)

Cdre Muhammad Imran Noshier SI(M)
Commandant PNS KARSAZ
(Oct 2025 to Jul 2026)

Cdre Syed Moeez-Ul-Haque TI(M)
Commandant PNS KARSAZ
(Jul 2026 to Oct 2026)

KARACHI GOLF CLUB

MEETING ATTENDANCE OF MANAGING COMMITTEE MEMBERS **(TOTAL MEETINGS - 03)**

Attendance of the Members of Managing Committee in Meeting were as under:

<u>ELECTED MEMBERS</u>		<u>ATTENDANCE</u>
Mr. Asif Ikram	Vice President	01
Mr. Ahmed Muhammad Ismail	Club Captain	03
Dr. Salman Qureshi	Vice Captain	02
Mr. Hasnain Raza Nensey	Honorary Treasurer	02
Mr. Ghias Uddin Khan	Member	02
Mr. Bilal B. Habib	Member	03
Mr. Khanzada Zyad H. Khan	Member	02
Ms. Rukaiya B. Habib	Lady Captain	01

<u>CNS NOMINEES</u>		<u>ATTENDANCE</u>
Cdre Zafar Mehmood SI(M), T.Bt (Retd)	Member	02
Cdre Saad Bin Jabbar SI(M) (Retd)	Member	02
Captain Anwar Khan PN (Retd)	Member	02
Cdre Shahid Habib SI(M) (Retd)	Member	01

<u>EX-OFFICIO MEMBERS</u>		
Cdre Aamir Iqbal SI(M) Commandant PNS BAHADUR (February, 2026 to July, 2026)	Ex-Officio	02
Cdre Ghazanfar Ali Commandant PNS BAHADUR (July, 2026 to October, 2026)	Ex-Officio	01
Cdre Muhammad Imran Nosher TI(M) Commandant PNS KARSAZ (October, 2025 to July, 2026)	Ex-Officio	02
Cdre Syed Moez-Ul-Haque TI(M) Commandant PNS KARSAZ (July, 2026 to October, 2026)	Ex-Officio	01

MEETINGS OF SUB-COMMITTEES HELD DURING THE YEAR 2025-2026

Various Conveners held the Meetings of Sub-Committees as under:

<u>Sub-Committee Name</u>	<u>Number of Meetings</u>
Discipline Sub-Committee	03
Scrutiny Sub-Committee	05
Balloting Sub-Committee	04
Bridge Sub-Committee	Nil
Tournament Sub-Committee	07
Greens & Course Sub-Committee	22
Handicap Sub-Committee	02
Human Resources Marketing Sub-Committee	03
Finance Sub-Committee	03
Club House & Catering Sub-Committee	02
Projects Sub-Committee	Nil
Pro, Caddies & Driving Range Administration Sub-Committee	04
Legal Rules & Bye Laws Sub-Committee	02
Course Equipment Maintenance Sub-Committee	Nil
Standing Technical Committee for New Greens Project	03

VICE PRESIDENT'S ANNUAL REPORT 2025-2026

Dear Members,

It is my privilege to present an overall review of Karachi Golf Club for the year 2025-2026. The Club's priorities remained centered on maintaining the quality of its golfing facilities, improving services to members, supporting golfing and social activities, and ensuring responsible administration of its resources.

The Managing Committee and the various Sub-Committees contributed their time and expertise to the Club's affairs. Their collective efforts supported attention to course development, financial oversight, catering services, employee welfare and member activities.

Golf Courses and Facilities

Course development and maintenance remained important areas of attention. The completion of the Yellow and Blue Course renovation projects represented significant work towards improving the golfing facilities. The contribution of the Course Superintendent and his team was recognized in committee deliberations. Planning for the Red Course project was also noted as a further development priority.

Continued maintenance of the courses, Club House and supporting facilities remains essential to protect these improvements and providing members with a consistently enjoyable Club experience.

Golfing Activities and Participation

Golf continued to be the central focus of the Club's activities. Club matches and sponsored tournaments provided opportunities for competitive play and participation.

Ladies' golf remained active, with increased participation reported during the year. Lady Golfers took part in events at KGC and other clubs in Karachi, demonstrating enthusiasm, sportsmanship and a strong sense of fellowship.

Renovation of Greens and Fairways - Red Course

The renovation of the greens and fairways on the Red Course is an important initiative aimed at improving course quality, playing conditions and members' golfing experience. The project is supported by sponsorship of PKR 110 million from Bank Al Habib Limited. The Club gratefully acknowledges the Bank's generous contribution towards enhancing its golfing facilities.

This initiative reflects the Club's continued commitment to maintaining high course standards and providing improved facilities for members and visiting golfers.

Golf Course Irrigation and Water Treatment

The Club currently irrigates the golf course with approximately 0.75 million gallons of partially treated wastewater daily. The existing treatment plant is overloaded and ineffective, resulting in foul odour, deteriorating turf quality and increasing soil salinity.

An independent technical assessment recommends installing a modern Sequencing Batch Reactor (SBR) system with tertiary treatment and rehabilitating the existing infrastructure. The proposed upgrade aims to improve irrigation water quality, playing conditions and environmental health.

The estimated project cost, including financial expenses, is PKR 335 million, with an implementation period of 8-10 months and an expected design life of 15-20 years.

To finance this essential investment, a Water Infrastructure Levy on members was proposed and approved by the Managing Committee. The levy also received approval from CNS. Collections will be maintained in a separate fund exclusively for the project and related infrastructure. General Body approval will be sought, under the Club's Rules and Bye-Laws.

Club House and Catering

The Club House and catering services continued to support members' daily visits, tournaments and social gatherings. The Club House & Catering Sub-Committee reported improved departmental performance and revenue during 2025 and 2026 compared with preceding years.

Maintaining food quality, attentive service and appropriate cost controls remains a priority. These services play an important role in the overall experience of members and their guests.

Financial Management

The Finance Sub-Committee, under the convenorship of the Honorary Treasurer, reviewed the Club's finances with an emphasis on expenditure control, revenue enhancement and financial discipline.

The Club's ongoing operational needs and development commitments require careful allocation of resources. Detailed financial results should be read alongside the audited accounts and the Honorary Treasurer's report.

HUMAN RESOURCES AND STAFF WELFARE

The Human Resource Sub-Committee reviewed attendance monitoring, employee performance assessments, remuneration, retirement arrangements and recruitment policy. Management confirmed the use of electronic attendance recording, while improvements to performance evaluation formats were identified to ensure that assessments reflected employees' actual responsibilities.

Bonus and Eid allowance arrangements were approved by the Sub-Committee for 2025-2026. Salary revision proposals, project recognition awards and annual increment recommendations were also considered, with matters requiring further approval referred for the appropriate action.

Staff and Caddie Welfare remained an important responsibility. The welfare policies provide assistance for medical treatment, bereavement and specified family occasions. Members' contributions and allocations from tournament/course booking fees support these funds, while Committee review of disbursements helps strengthen accountability.

Social and Recreational Activities

Alongside golf, the Club continued to provide opportunities for social interaction and recreation. The Bridge Sub-Committee, under the convenorship of Vice Captain Dr. Salman Qureshi, organized monthly tournaments on the last Tuesday of each month. These events attracted interest from participants at other clubs and contributed to the Club's recreational calendar.

Priorities Ahead

Our continuing priorities are to sustain course quality, improve consistency in member services, maintain sound financial controls and support the staff who keep the Club functioning. Development proposals should be assessed carefully, with clear approvals, practical planning and attention to the Club's available resources.

I extend my appreciation to the President, Captain, Honorary Treasurer, Managing Committee, Sub-Committee Convenors and members for their contributions. I also thank Club Management, employees and caddies for their service, and all Karachi Golf Club members for their participation and continued support.

SCRUTINY & BALLOTING SUB-COMMITTEE

The number of new members inducted by the Scrutiny and Balloting Committee in different categories of membership during 2025-2026 is detailed below:

a.	Temporary	-	45
b.	Corporate (including change over)	-	07
c.	Army Temporary	-	03
d.	Naval Temporary	-	33
e.	Air Force Temporary	-	06
f.	Special Retired Forces	-	20
g.	Foreigner Temporary	-	<u>02</u>
Total =			<u>117</u>

A Total of 10 Members were given permanent membership status during 2025-2026.

SCRUTINY SUB-COMMITTEE

The process of Scrutiny Sub-Committee has been institutionalized whereby formal scrutiny/Interview of candidates by Vice President and Convenor of Scrutiny Sub-Committee is held before balloting. A total of 05 meetings were held to scrutinize credentials of candidates.

BALLOTING COMMITTEE

The Balloting Committee had an important function of ensuring that the new members that are introduced, are worthy to be members of our Club - Some very senior members of our Club were included in the Committee to ensure that due process in followed and the interviews do not just become mere formalities - Therefore, four of our meetings, several individuals were deferred, as not having fulfilled the basic requirements, as in attire, time, and in some cases an attitude of casualness on the part of the Proposer and Secunder - After the interviews are over the Balloting Committee meets to discuss and finalize the candidates.

DISCIPLINE SUB-COMMITTEE

In order to maintain discipline on the course by members, a number of emails highlighting importance of complying the rules and bye laws were shared with members. These messages primarily requested that members to take due care of the course and demonstrate proper discipline while playing on the course. While numerous violations were dealt by the Convenor though verbal counseling of the concerned member whereas gross misconduct and violations were brought in from of the Sub-Committee for hearing by the Convenor and Vice President for disposal. The significant cases pertaining to wrongful submission of Score Card, improper dress code and ignoring care of the Course/Greens were dealt with appropriate admonishment/suspensions by the Committee.

LEGAL RULES & BYE-LAWS SUB-COMMITTEE

The Legal Rules & Bye-Laws Sub-Committee met on 2 December 2025 and 9 April 2026 to review and update the Club's Rules and Bye-Laws. Approved amendments and supporting references were compiled and verified, and corrections were identified for incorporation before finalizing the updated Rule Book.

The Sub-Committee reviewed members' suggestions and finalized a revised dress code for the Club House, Golf Course, Driving Range and Gymnasium. It also agreed that members may attend General Body meetings in golf attire, including golf shorts.

Proposals concerning entrance fees, foreign temporary membership fees and green fees were considered for submission to the relevant approving bodies. The Committee also recommended revisions to certain procurement and honorary membership provisions.

Printing of the updated Rule Book was planned following General Body approval of the proposed entrance fee revision, with copies to continue being provided to new members.

I thank the Sub-Committee members and Club management for their assistance in this work to improve clarity, consistency and administration of the Club's rules.

HUMAN RESOURCE SUB-COMMITTEE

The Human Resource Sub-Committee, under the convenorship of Mr. Asif Ikram, Vice President, reviewed employee attendance, performance assessment, remuneration, staff and caddie welfare, retirement arrangements and future recruitment. Its deliberations focused on strengthening accountability, supporting employee welfare and meeting the Club's operational requirements.

1. Employee Attendance and Discipline

The Sub-Committee reviewed the recording of employees' attendance through the Face Electronic Attendance Machine. Management confirmed that entry and exit records were maintained for employees working different duty rosters, including the Club's three eight-hour shifts. Senior managerial staff were also recording their attendance through the system.

2. Performance Evaluation

An employee evaluation format had been circulated to Heads of Departments and Managers for assessing non-managerial staff. At the August meeting, the Sub-Committee identified the need to revise this format so that assessments reflected each employee's actual duties and responsibilities. The revised format was to be submitted to the Sub-Committee for approval. Performance reports for key positions, including the General Manager (Finance & Administration) and Course Superintendent, were to be endorsed by

the Chief Operating Officer after obtaining input from the respective Convenors. All employee performance reports and evaluation records were to remain strictly confidential.

3. **Bonus and Eid Allowance**

The Sub-Committee approved bonus and Eidi payments for 2025-2026. The recorded arrangements provided for bonus distribution with July salaries, based on individual gross salaries as at 30 June. Permanent employees were entitled to Eidi equivalent to 50% of their gross salary before Eid-ul-Fitr, while non-permanent staff, including malies and contract employees, were entitled to one month's gross salary as Eidi.

4. **Staff and Caddie Welfare**

The Sub-Committee reviewed the welfare policies and their funding arrangements. The January minutes recorded allocations of 20% of tournament/course booking fees to the Staff Welfare Fund and 20% to the Caddie Welfare Fund. The August minutes confirmed members' contributions of Rs. 200 per month towards the Caddie Welfare Fund and noted that this fund was also being used for staff medical treatment.

The policies provided medical and other assistance within prescribed limits. Permanent staff medical assistance ranged from Rs. 15,000 to Rs. 50,000 annually according to length of service, together with specified support for bereavement and marriage. For registered caddies, the policy provided hospitalization assistance up to Rs. 100,000 annually, Rs. 200,000 to the family upon the death of a registered caddie, and specified assistance for family bereavement and a daughter's marriage. The Convenor requested circulation of welfare disbursement details to the relevant committee members to support oversight.

5. **Recognition of Key Staff and Project Contributions**

The January meeting considered salary adjustments for the Course Superintendent, recognizing their responsibilities, experience and contributions to the Course. The Sub-Committee unanimously supported these proposals and recommended them to the Managing Committee for approval.

The Managing Committee had previously approved a bonus of approximately Rs. 3.4 million for the Yellow Course project and recommended a bonus of Rs. 3.5 million each upon completion of Blue and Red Courses to the Course Superintendent and designated staff.

The bonus for the Red Course will be paid in October, 2027 subject to the condition that the employee remains in the service of the Club at the time of payment.

The total recommended bonus disbursement for the Blue and Red Course project is Rs. 6.88 million, against the Rs. 7 million approved by the Managing Committee for both course.

6. **Annual Salary Increments for 2026-2027**

At the August meeting, the Sub-Committee recommended the following increments:

<u>Employee Category</u>	<u>Recommended Increment</u>
Permanent and contract employees generally	10%
Exceptional employees recommended by Club Management, including the Engineering Officer	12%
Retired employees engaged on contract	8%

7. **Retirement and Future Recruitment**

The Sub-Committee reviewed the Club's retirement provision of 60 years of age or completion of 35 years of KGC service, whichever occurred earlier. Post-retirement contractual employment was described as limited to essential technical staff and exceptional administrative personnel whose services were necessary for Club operations.

The Sub-Committee also proposed that future recruitment be processed on a contractual rather than permanent basis. This proposal was to be placed before the Managing Committee for consideration and approval.

8. **Overall Review**

The attendance monitoring, more relevant performance assessments, employee welfare and financial controls. Further follow-up is required to confirm approval of the revised evaluation format, the recommended salary measures and project award, and the proposed recruitment policy. Welfare disbursement reporting would also help members and the relevant committees assess how assistance is being administered.

GREENS AND COURSE SUB-COMMITTEE

The Greens Committee has remained focused throughout the year on raising standards across Karachi Golf Club - from course conditioning and maintenance capabilities to practice facilities, golfer safety, security and overall course discipline. Alongside delivering a number of visible improvements during the year, the Committee has also worked to put in place projects and infrastructure that will benefit the Club well beyond its current term.

A major priority has been strengthening the Club's course-maintenance capabilities. Significant new machinery and equipment have been added during the year, giving the maintenance team substantially better resources to manage the course efficiently and consistently. This investment has already contributed towards improved playing conditions

and provides a stronger platform for maintaining the standards expected at Karachi Golf Club going forward.

The opening of the Blue Course was one of the major developments of the year. Considerable effort went into ensuring that the operational transition was handled smoothly, while maintaining the fairways, rough and other playing areas in good condition throughout the process. With the Blue Course now operational, the same focus and attention is being directed towards the Red Course, with the objective of achieving consistently high playing standards across both courses.

Following last year's heavy rains, the Club was faced with significant damage to its tree population, with a number of older trees falling or becoming compromised. The Committee has made a concerted effort to preserve established trees wherever reasonably possible. At the same time, where damaged, unstable or overgrown trees are adversely affecting course conditions, the Committee has acted to remove them promptly and replace them with new plantation. The objective has been to strike the right balance between preserving the character and maturity of the course while ensuring that its trees do not negatively impact playing conditions, safety or the long-term health of the course.

The Driving Range has also seen substantial improvement. New hitting mats have recently been installed, while a dedicated natural-grass hitting area has been introduced, giving golfers the option of practicing from turf. Range netting has been upgraded, and an additional protective net is being installed along the left side of the range to provide greater protection to neighboring residences and passing traffic.

The Committee is also further expanding KGC's practice facilities through the development of a new chipping and bunker practice green on the right side of the Driving Range. Once completed, this will provide members with a significantly improved short-game practice facility and further strengthen the Club's overall golf infrastructure.

Golfer safety on the course has been another important area of focus. Additional safety nets have been installed at strategic locations around the golf course to provide greater protection to golfers in areas exposed to errant shots.

Separately, security across the Club premises has been strengthened through the installation of additional surveillance cameras, improving monitoring and providing greater oversight of the Club's facilities and surrounding areas.

The Committee has also worked to improve discipline and the overall pace and quality of play. Course Marshals have been given greater authority and the Committee's full backing to enforce Club rules and golfing etiquette. Members and guests are expected to respect these rules, helping create a more orderly, enjoyable and fair environment for everyone using the course.

Looking beyond the improvements already completed, the Committee has continued to advance several important infrastructure projects before the conclusion of its term. Approval has been secured for the addition of new golf carts, which will improve both the quality and availability of the Club's cart fleet. Plans for a new golf cart shed are also being progressed, providing a more appropriate long-term solution for the storage, charging and management of the fleet.

Of particular long-term importance is the Clean Water Project. The Committee is working to secure the necessary approvals and move this initiative forward before the end of its term. Given the importance of a reliable and sustainable water supply to the future of the golf course, the project has the potential to be one of the most consequential infrastructure initiatives undertaken by the Club.

Overall, the Greens Committee's approach during the year has been both immediate and long-term: improving playing conditions today while investing in the equipment, infrastructure, practice facilities, safety measures and sustainable solutions required to maintain and enhance Karachi Golf Club for the years ahead.

CLUB HOUSE AND CATERING SUB-COMMITTEE

The Club House and Catering Sub-Committee has been very active and regularly conducts informal meetings with the objective of improving the quality of food, cooking standards and overall services at the Club.

During the past year, the overall performance of the Catering Department has shown marked improvement, both in terms of Gross Profit and the financial position after accounting for fixed costs. The continued efforts and close supervision of both Catering Managers, under the overall supervision of the GM (Finance & Admin), with the guidance and support of the Chief Operating Officer, have been key factors in achieving these improvements. It is particularly important to acknowledge the valuable role of the Convenor, whose continued guidance, personal involvement and persistent efforts have been instrumental in driving improvements across the Department and the Club.

In addition to the improvement in operational and financial performance, significant renovation and improvement works were also undertaken in the Catering and Club House Departments during the year. These works were aimed at enhancing the facilities, improving service standards and providing a better overall experience to members and their guests. The major works completed are detailed below:

Karachi Golf Club - Catering Performance Report

Period: July-June, 2026 compared with previous years.

Overall Performance

The Catering Department has shown a significant improvement in financial performance during 2026. Sales increased substantially, gross profit improved, and the net loss was reduced to the lowest level in the six-year period shown.

<u>Particulars</u>	<u>2026</u>	<u>2025</u>	<u>Change</u>
Sales Revenue	Rs. 92.48 M	Rs. 76.96 M	+20.2%
Cost of Goods Sold	Rs. 71.21 M	63.14 M	+12.8%
Gross Profit	Rs. 21.27 M	13.82	+53.9%
Gross Profit Margin	23.0%	18.0%	+5.0 pp
Other Expenses	Rs. 40.51 M	Rs. 38.85 M	+4.3%
Operating Loss	Rs. 19.24 M	Rs. 25.03 M	Improved Rs. 5.79 M
Other Income	Rs. 10.55 M	Rs. 11.00 M	-4.1%
Net Loss	Rs. 8.69 M	Rs. 14.03 M	Improved Rs. 5.34M/38.1%

Performance

Revenue Growth:

Catering sales reached Rs. 92.48 million, the highest in the six-year period, representing a 20.2% increase over 2025 and almost double the 2021 level.

Improved Gross Margin:

Gross Profit increased from Rs. 13.82 million to Rs. 21.27 million, an improvement of 53.9%. The gross profit margin improved from 18.0% to 23.0%. This indicates better control over food and beverage costs and/or improved pricing and sales mix.

Cost Control:

Other expenses increased by only 4.3%, while sales increased by 20.2%. Consequently, other expenses declined from 50.5% of sales in 2025 to 43.8% in 2026.

Salary Remains The Major Expense:

Salary cost was Rs. 30.55 million, representing approximately 33.0% of sales. Although salaries increased in absolute terms, their proportion of revenue has improved compared with 2025.

Net Loss Substantially Reduced:

The net loss declined from Rs. 14.03 million in 2025 to Rs. 8.69 million in 2026, an improvement of approximately Rs. 5.34 million (38%).

The Overall Trend Is Positive:

Sales increased from approximately Rs. 23.40 million in 2021 to Rs. 92.48 million in 2026.

Gross profit increased from Rs. 1.60 million to Rs. 21.27 million.

Gross margin improved from approximately 6.8% to 23.0%.

Net loss reduced from Rs. 13.87 million in 2021 to Rs. 8.69 million in 2026.

2026 records the lowest net loss since 2021, despite significantly higher operating activity.

4. Areas Requiring Attention

1. Catering is still operating at a net loss of Rs. 8.69 million; the next objective should be to achieve break-even.
2. Salary cost of Rs. 30.55 million is the largest expense and should be reviewed against staffing levels, productivity and operating hours.
3. The cost of goods sold is still 77% of sales. Further improvement in procurement, wastage control, portion control and menu pricing could materially improve profitability.
4. Utilization Allowance declined from Rs. 9.87 million to Rs. 9.20 million. This should be monitored because it is an important source of income.
5. Crockery and repair/maintenance expenses should be monitored to prevent further increases.

Management Assessment

2026 represents a clear improvement in Catering Department performance. The combination of 20% sales growth, 54% gross-profit growth and 38% reduction in net loss demonstrates that the department is moving in the right direction.

The immediate management focus should be to maintain sales growth while reducing the COGS ratio from 77% and controlling salary/operating expenses. If the 2026 sales momentum is maintained and the gross margin is improved further, the Catering Department has a realistic opportunity to move toward break-even and profitability in the coming year.

Performance Report Catering (Six Years)

	<u>2026</u> <u>Rupees</u> <u>Million</u>	<u>2025</u> <u>Rupees</u> <u>Million</u>	<u>2024</u> <u>Rupees</u> <u>Million</u>	<u>2023</u> <u>Rupees</u> <u>Million</u>	<u>2022</u> <u>Rupees</u> <u>Million</u>	<u>2021</u> <u>Rupees</u> <u>Million</u>
<u>CATERING</u>						
Revenue	92	77	68	59	45	26
<u>LESS: COST OF GOODS SOLD</u>						
Opening Stock	3	3	3	2	1	2
Purchases	72	63	57	50	38	24
Less: Closing Stock	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>1</u>
	71	63	58	49	38	24
Gross Profit/(Loss)	21	14	10	10	7	1
<u>LESS: OTHER EXPENSES</u>						
Salary (Sal)	30	29	29	25	20	18
Crockery	0.1	2	0.1	1	0.2	0.5
Repair and Maintenance	2	0.3	1	1	0.7	0.3
Consultancy Charges	-	-	-	0.7	0.6	-
Uniforms/Table Cloth	1	1	0.6	0.7	0.1	0.4
Gas/Electricity (Elect.)-Kitchen	6	5	6	5	4	1
Printing (Stat.)	0.2	0.2	0.1	0.1	0.2	0.2
Mobile	-	-	-	-	-	-
Total Other Expenses	<u>40</u>	<u>39</u>	<u>34</u>	<u>34</u>	<u>26</u>	<u>20</u>
Profit/(Loss)	(19)	(25)	(23)	(25)	(19)	(19)
<u>Add: OTHER INCOME</u>						
- Booking/Misc.	1	1	2	1	0.4	0.2
- Utilization Allowance	9	10	5	4	5	5
Net Profit / (Loss)	<u>(9)</u>	<u>(14)</u>	<u>(16)</u>	<u>(19)</u>	<u>(14)</u>	<u>(14)</u>

The Club House & Catering Sub-Committee reviewed and supervised various improvement, renovation, and facility enhancement works carried out at the Karachi Golf Club. The following works have been successfully completed:

1. Air-Conditioning Facilities

Installation of 03 Nos. 1½ Ton Haier Split Air Conditioners at Mulligan 02 and Men's Changing Room, along with 01 No. 4 Ton Haier Standing Unit Air Conditioner in the Dining Hall.

2. Men's Changing Room Washroom

Installation of 05 Nos. PVC Doors with frames.

3. Changing Room & Candy Land Wash Room

Renovation and improvement works completed to enhance cleanliness, appearance, and general experience of our valued members.

4. **Mini Dining Hall**

Provision of new dining furniture comprising 20 chairs and 08 tables.

5. **Staff Uniforms & Shoes**

Uniforms were provided to Managers, Waiters, Dishwashers, Cooks, and Club House Staff, along with shoes and belts for relevant staff.

6. **Motorcycle Shade Area**

Installation of pavers over approximately 2,375 sq. ft., including applicable taxes.

7. **Lift Structure Area**

Renovation and improvement work of the lift structure area completed.

The above works have been completed with the objective of improving Club House facilities, enhancing the standard of catering and member services, and providing better working facilities for staff. The Sub-Committee appreciates the efforts made for timely completion of these works and recommends their inclusion in the Club House & Catering Sub-Committee Completion Report.

Total expenditure on completed works: Rs. 8,162,298/-.

8. **Water Proofing Works**

Waterproofing works were carried out in the following areas of the Club:

Roof above the Men's Locker Room.

Bag Room.

Lift Area.

Roof areas above the Governor's Gallery and Club House.

The works were undertaken to address water seepage and protect the affected areas from moisture-related damage, contributing to the maintenance and preservation of the Club's facilities. Above men's lockers room

Bag Room.

Lift Area.

Above Governor Gallery and Club House.

BRIDGE SUB-COMMITTEE

The Bridge Sub-Committee, under the convenership of Vice Captain Dr. Salman Qureshi, remained active throughout the year. Monthly bridge tournaments were held on the last Tuesday of each month.

Although Karachi Golf Club is primarily a golfing institution, its Tuesday Bridge Tournament has gained considerable popularity, particularly for the quality of its prizes and the welcoming ambience. Participants from other clubs have expressed their appreciation and now regard the tournament as a regular fixture in their calendars.

Mr. Jalal Khan has been an enthusiastic supporter of the game and remains committed to its continued promotion at the Club.

PRO, CADDIES & DRIVING RANGE ADMINISTRATION SUB-COMMITTEE

This year has been quite busy for the above mentioned Sub-Committee.

Renovation of Caddie Area - Karachi Golf Club

A comprehensive renovation and improvement of the Caddie area at Karachi Golf Club was undertaken to enhance the overall ambience, functionality, and standard of facilities provided to members and guests.

The renovation works included improvement of the interior and exterior areas, refurbishment of flooring and finishes, enhancement of lighting and décor, and necessary repair and maintenance works. The furniture and other facilities were also reviewed and improved where required to provide a more comfortable and pleasant environment. The upgraded area has significantly improved the overall appearance and usability of the facility. The renovation is expected to enhance the experience of members and guests and contribute towards maintaining the Club's desired standard of service and presentation. The renovation of the Caddie area has been completed, resulting in a more presentable, functional, and member-friendly facility in line with the overall standards of Karachi Golf Club.

Revision of Caddie Fee Structure

The Caddie Fee Structure for Categories A, B, C, and UT, applicable to both 9-hole and 18-hole rounds, was revised upward during the year to better align the Caddies' earnings with prevailing inflation, the increasing cost of living, and the rising cost of living. Such periodic revisions are essential in recognition of the important role played by the Caddie and to ensure that they are able to make ends meet.

Renovation and Improvement of Driving Range and Practice Green

Comprehensive renovation and improvement works were carried out at the Driving Range and Practice Putting Green during the year to enhance the quality, functionality, appearance, and overall practice experience for members and guests. There is a new green being developed which will be only for chipping. The improvements were aimed at providing modern, durable, and realistic practice facilities comparable to contemporary golfing standards.

The following major improvements and development works were undertaken:

1. **New Hitting Mats**

New hitting mats were installed at the Driving Range. The imported mats provide a highly realistic, grass-like feel, thereby enhancing the overall practice experience and allowing players to practice under more natural playing conditions.

2. **Development of Bunkers and Target Greens**

Bunkers and target greens were developed at various distances across the Driving Range. These facilities provide players with realistic targets and enable them to better assess the distance, accuracy, and results of their practice shots.

3. **Improvement of Practice Putting Green**

The grass on the Practice Putting Green was improved to provide a better-quality putting surface. Colour full flags were also installed, enhancing both the appearance and functionality of the facility and providing players with improved putting targets.

4. **Improvement of Flooring**

The flooring of the Driving Range Motor Cycle Stand was replaced with Envicrete Tiles. The new flooring provides a more durable, clean, safe, and aesthetically improved surface, contributing to a better overall environment for members and players.

5. **Driving Range Contract**

The Driving Range contract for the forthcoming period was processed and finalized to ensure the continued operation, management, and maintenance of the facility in accordance with the Club's required standards of service.

6. Award of Driving Range Contract

The Sub-Committee considered the bids received for the operation and management of the Driving Range. After evaluation of the bids, Mr. Taj Nabi, Professional, was identified as the highest bidder, with a total bid of Rs. 20.01 Million for a period of three years.

The Sub-Committee recommended that the Driving Range contract be awarded to Mr. Taj Nabi, Professional, for a period of three years, commencing from 1st September, 2026 to 31st August, 2029 at a total contract value of Rs. 20.01 Million, which was higher than the next highest bidder.

These improvements of the Driving Range are expected to significantly enhance the quality and standard of practice facilities and contribute towards improving the overall standard of services provided to members and guests.

Caddy Welfare Fund

The Committee proposed the establishment of a Caddy Welfare Fund, designed to provide financial assistance and support to Caddies and their families during times of need. The Fund is intended to serve as a sustainable welfare initiative, addressing both immediate emergencies and the longer-term well-being of Caddies.

Purpose of the Fund

a. Emergency Support:

The primary objective of the Caddy Welfare Fund is to provide financial assistance in times of crisis, including accidents, sudden illness, or other unforeseen emergencies that may place a financial burden on Caddies and their families.

b. Medical Assistance:

The Fund may be utilized to assist with essential medical and healthcare expenses incurred by Caddies, ensuring that they can obtain necessary treatment without undue financial hardship.

c. Educational Support:

The Fund may, subject to availability of resources, contribute towards the education of Caddies' children by providing assistance for schooling and other essential educational requirements, thereby supporting the long-term development of their families.

d. **Improvement in Quality of Life:**

The initiative aims to contribute towards improving the overall quality of life of Caddies by providing a financial safety net and assistance in managing significant personal and family-related challenges.

e. **Sustainability:**

The Committee recommends that the Fund be managed prudently and transparently, with appropriate planning and financial controls to ensure its sustainability and continued availability for deserving Caddies in the long term.

f. **Community Impact:**

The Caddy Welfare Fund will provide an opportunity for Club members to contribute towards the Welfare of Caddies and their families. The initiative will not only benefit individual Caddies but also strengthen the Club community by promoting care, support, and solidarity.

TOURNAMENT SUB-COMMITTEE

Over the past year, the Tournament Sub-Committee focused on strengthening the Club's tournament calendar, securing sponsorship for marquee events, revisiting eligibility rules for junior play, and finalizing arrangements for a national junior championship.

Key Decisions and Outcomes

1. **Tournament Scheduling & Sponsorship Discipline**

- Reviewed and confirmed the Golf Tournament Schedule for 2025-2026.
- Set a firm policy that sponsors must pay the prescribed Course Booking Fee before any tournament booking is confirmed, tightening financial accountability for sponsored events.

2. **Karachi Cup & Pairs Match Play**

- Discussed initial arrangements for the Karachi Cup and Pairs Match Play Tournament.
- Deferred the detailed format and schedule to the next Tournament Sub-Committee meeting.

3. **Junior Access to the Course**

- Reviewed a member request to allow a child under 10 to play golf on the course.
- Reaffirmed that KGC Rules & Bye-Laws permit under-10 play with special permission, contingent on the child's ability to play safely and maintain pace of play.
- Approved the request under these provisions, setting a precedent for similar future requests.

4. **Monthly Tankard Tournament (Independence Day/Texas Scramble)**

- Recognized a scheduling constraint: Monthly Tankard Tournaments cannot run from November through Ramzan due to Sponsor Tournaments occupying every Sunday.
- Capped Monthly Tankard Tournaments at a maximum of eight per calendar year.
- Elevated the Memorial Golf Tournament's profile, agreeing it warrants a larger-scale celebration in light of strong member sponsorship support.
- Approved merging the Monthly Tankard budget with the Memorial Golf Tournament budget to fund a bigger event.

5. **Independence Day Golf Tournament**

- Noted the loss of the previous sponsor (TELEC) and secured interest from a new sponsor (UMA).
- Approved combining the Monthly Tankard budget with UMA's sponsorship to elevate the Independence Day Tournament and ensure a fitting celebration.

6. **PGF/SGA Junior Golf Championship 2026**

- Confirmed all preparations complete for the championship, held 4-6 August 2026.
- Addressed concerns raised about hosting Pakistan Golf Federation events at the Club, given an earlier decision to pause such hosting (which had already led to declining the Nomura Cup Trials).
- Distinguished the Junior Championship as serving a different purpose - developing young golfers and growing the sport - and unanimously approved hosting it at Karachi Golf Club.

7. Summary of Guidelines Set This Year

- Course Booking Fee must be received before any tournament booking is confirmed.
- Under-10 players may access the course only with special permission, subject to safety and pace-of-play standards.
- Monthly Tankard Tournaments are capped at eight per year and paused from November through Ramzan.
- Federation events remain generally paused at the Club, with an explicit carve-out for youth development events like the Junior Championship.

TOURNAMENT HELD DURING THE YEAR 2025- 2026

1	13-14 SEPT 2025	KGC MONTHLY TANKARD WINNER GROSS: SAIM SHAZLI (KGC) WINNER NET: ATAULLAH ABDULLAH (KGC)	72 GROSS 70 NET
2	10TH - 12TH OCTOBER 2025	SGA LADIES AMATEUR OPEN GOLF CHAMPIONSHIP 2025 RUNNER UP GROSS : AROOBA ALI (RWP) WINNER GROSS: HAMNA AMJAD (RMGC)	273 GROSS 244 GROSS
3	18TH - 19TH OCTOBER 2025	MEMORIAL GOLF TOURNAMENT WINNER NET : CDR ABDUL WASAY (KGC) WINNER GROSS: SAIM SHAZLI (KGC)	65 NET 72 GROSS
4	26-Oct-25	AKHUWAT GOLF TOURNAMENT WINNER TEAM (GROSS): CAPT ANSAR, BILAL NASEEM, HAYDER BILAL, CDRE SAAD BIN JABBAR WINNER TEAM (NET): KASHIF GAYA, MOAZZAM SALEEM, SAYED FARAZ ZAIDI, ATEEQ UR REHMAN	56 GROSS 54.6 NET
5	07-09 NOV 2025	14TH PRESIDENT SGA CUP WINNER GROSS: HAMZA ZAHID KHAN (KGC) WINNER NET: ABDULLAH ANSAR (KGC)	222 GROSS 211 NET
6	16-Nov-25	LADY DUFFERIN HOSPITAL GOLF TOURNAMENT RUNNER UP NET: AZHAR MOHAMMAD, ADEEL SHAH, HAIDER BAIG, IRAJ TARIQUE WINNER NET: CAPT ANSAR, LT COL TARIQ, SADIQ HABIB, SHAHJAHAN SALAHUDDIN	56.8 NET 55.2 NET
7	23-Nov-25	KDSP GOLF TOURNAMENT WINNER TEAM (GROSS): HAMZA SHIKOH KHAN, HAMZA ZAHID KHAN, SAJID SHARIF, YOUSUF KADEER WINNER TEAM (NET): AQIB MALIK, RAJA ANSAR MAHMOOD, JUNAID IRFAN, AQEEL MUSLIM	58 GROSS 57.4 NET
8	7TH DEC 2025	TCF GOLF TOURNAMENT WINNER TEAM: FARHAN AHMED, TABISH SABAH, OMER SHIKOH, AMIR GHAYAS RUNNER UP: CDRE SAAD BIN JABBAR, CDRE ABDUL REHMAN, LT CDR IRFAN RASHID , MALIK MURTAZA	49.7 NET 50.2 NET

9	14-Dec-25	INDUS HOSPITAL GOLF TOURNAMENT WINNER TEAM: CDRE ABDUL REHMAN, LT CDR IRFAN RASHID, MALIK MURTAZA, JUNAID IRFAN RUNNER UP: BILAL AQLEEM, TABISH SABAH, OMAR SHIKOH KHAN, WALEED BILAL	58 GROSS 61 GORSS
10	18TH - 21ST DECEMBER 2025	29TH CNS OPEN GOLF CHAMPIONSHIP 2025 WINNER NET: CDR JAVED ZAFAR (KGC) WINNER GROSS: OMAR KHALID (KGC) WINNER PRO: MATLOOB AHMED (LGG)	219 NET 217 GROSS 269 GROSS
11	28-Dec-25	THE HEALTH FOUNDATION GOLF TOURNAMENT 2025 WINNER TEAM (GROSS): BILAL NASIM, HAYDER BILAL, CAPTAIN ANSAR MAHMOOD, ABDULLAH ANSAR WINNER TEAM (NET): BRIG QASIM CHANGEZI, SUB LT USMAN MASOOD, SAJID SHARIF, QAZI AMIR HUSSAIN	56 GROSS 58.4 NET
12	4-Jan-26	LRBT GOLF TOURNAMENT WINNER TEAM: CDRE SAAD BIN JABBAR, CDR IRFAN RASHID, SOHAIL KHAN, CAPT ISRAR RUNNER UP: AHMED MALIK, SHAHVAIZ LATKI, ARSALAN MUGHAL, QASIM NADEEM	113 POINTS 111 POINTS
13	11-Jan-26	RIBAT GOLF TOURNAMENT WINNER NET : SHERAZ ALI, ALI KHAN, RIZWAN RIFFAT, KHURRAM KHALID KHAN WINNER GROSS : IMRAN SULTAN, ABDUR REHMAN BADAR, SAIM SHAZLI, BILAL NASIM	56.9 NET 59 GROSS
14	18-Jan-26	PATIENT AID GOLF TOURNAMENT WINNER NET : SHARIK BASHIR, ALY RANA, ABDULLAH ADIL, AHMED ISMAIL WINNER GROSS : KHURRAM IQBAL, M. ZIA HAI, ARSALAN MUGHAL, SULEMAN AMANULLAH	57.50 NET 61 GROSS
15	23 & 25 JAN 2026	CHUBB INSURANCE GOLF TOURNAMENT WINNER GROSS : MALIK MURTAZA WINNER NET : CAPT SYED BAKHTAWAR SHAH	75 GROSS 69 NET
16	29 JAN TO 1 FEB 2026	15TH RASHID D. HABIB MEMORIAL GOLF TOURNAMENT RUNNER UP: M. ZUBAIR (KGC), M. SHABBIR (MGGC), M. ASHFAQ (AGC), HAMZA AMIN (RGC) WINNER: AHMED BAIG (RPG)	281 GROSS 276 GORSS
17	07 & 08 FEB 2026	HAMID D. HABIB MEMORIAL GOLF TOURNAMENT WINNER NET: ABDULLAH JUNAID (KGC) WINNER GROSS: M. ZIA HAI (KGC)	62 NET 75 GROSS
18	06 - 08 MARCH 2026	KGC MONTHLY TANKARD WINNER GROSS: MALIK MURTAZA (KGC) WINNER NET: ABDUR REHMAN BADAR (KGC)	36 GROSS 35 NET
19	28 - 29 MARCH 2026	119TH PRITCHARD CUP GOLF TOURNAMENT WINNER GROSS: ABDULLAH ANSAR (KGC) WINNER NET: FARID AHMED (KGC)	151 GROSS 143 NET
20	17 - 19 APRIL 2026	KGC MONTHLY TANKARD WINNER GROSS: ABDULLAH ANSAR (KGC) WINNER NET: FURQAN KIDWAI (KGC)	79 GROSS 71 NET

21	19 - 21 JUNE 2026	KGC MONTHLY TANKARD WINNER GROSS: OMAR KHALID (KGC) WINNER NET: SULEMAN AMANULLAH (KGC)	73 GROSS 65 NET
22	12TH JULY 2026	TURKISH AIRLINES GOLF TOURNAMENT WINNER NET : MUHAMMAD IBADULLAH (KGC) WINNER GROSS : MALIK MURTAZA (KGC)	38 POINTS 83 GROSS
23	17 & 19 JULY 2026	KGC MONTHLY TANKARD WINNER GROSS: OMAR KHALID (KGC) WINNER NET: CDR M. JAVED ZAFAR (KGC)	71 GROSS 68 NET
24	14-Aug-26	UMA INDEPEDENCE DAY GOLF TOURNAMENT WINNER TEAM GROSS: HAMZA S. KHAN, NADIR KHAN, SALMAN S. KHAN, AAMIR PAREKH WINNER TEAM NET: KHALID JAMIL, AZHAR HUSSAIN, TARIQ BIN AIJAZM, ALI MANIYA	57 GROSS 55.75 NET

LADY CAPTAIN'S REPORT ON LADIES' GOLF 2025-2026

It has been an enjoyable and eventful year for the Lady Golfers of Karachi Golf Club. The number of Lady Golfers increased during the year, accompanied by enthusiastic participation in a range of golfing activities and events.

Friendly and competitive matches were organized regularly at KGC. Lady Golfers also participated in sponsored tournaments at the Club and events held at DHA and Airmen Golf Clubs, representing Karachi Golf Club with sportsmanship and camaraderie.

The following events were highlights of the year:

- Ladies' Meet Match in November 2025 More than 20 players participated in the tournament.
- Ladies' Golf Match at DHA in February 2026 and Twenty Lady Golfers took part in this lively event.
- Summer Fiesta Golf Tournament in May 2026. The tournament attracted more than 25 Lady Golfers.
- Monthly Ladies' Golf Tournaments was monthly Regular tournaments provided opportunities to develop skills, enjoy friendly competition, and strengthen friendships.
- Additionally, a match involving Lady Golfers and Veteran Members was held on 2 October 2026, with more than 30 golfers participating.

The year reflected growing interest in ladies' golf, increased participation, and a strong sense of community. We look forward to building on this enthusiasm and encouraging more ladies to take part in the Club's golfing activities.

FINANCE SUB-COMMITTEE

1. The Finance Sub-Committee comprised members with extensive experience and expertise in finance, whose guidance proved invaluable in managing the Club's financial affairs. The Committee was headed by Mr. Hasnain Raza Nensey, Convenor and Honorary Treasurer, and consisted of the following members:

Mr. Hasnain Raza Nensey	Convenor & Honorary Treasurer
Mr. Asif Ikram	Vice President
Mr. Ahmed Muhammad Ismail	Club Captain
Mr. Abid Sayeed	Member
Mr. Ariful Islam	Member
Mr. Adnan Afridi	Member
Mr. Ubaid Amanullah	Member

2. The Finance Sub-Committee held regular meetings throughout the year to maintain fiscal discipline and ensure effective oversight of the Club's funds. Its principal objective was to control expenditure while enhancing revenue. To this end, the Committee established clear benchmarks and closely supervised financial planning, monitoring and expenditure control.

3. Despite a substantial decline in profit rates and lower income from certain sources, including lawn bookings, the Club recorded an increase in revenue in 2026. This performance reflected the Committee's prudent financial management and continued focus on revenue generation and cost control.

FINANCIAL STATEMENTS

The Finance Sub-Committee is pleased to present an overview of the financial performance and financial position of Karachi Golf Club for the year ended 30 June 2026.

The year reflected a significant improvement in the Club's financial results, supported by higher subscription income, entrance fees, revenue from sales and services, and continued returns from investments. At the same time, substantial expenditure was incurred on the development and improvement of the Club's Golf Course, infrastructure, equipment and other facilities.

This report is intended to provide members with a clear and concise understanding of the Club's financial position and major movements during the financial year.

Financial Performance at a Glance

<u>Particulars</u>	2026 Rs. <u>Million</u>	2025 Rs. <u>Million</u>	<u>Movement</u>
Total Revenue	611	501	+22%
Total Expenses	501	464	+8
Surplus Before Tax	110	37	+194%
Taxation	14	5	—
Surplus After Tax	96	33	+194%
Total Assets	1,248	953	+31%
Net Assets	578	483	+20%

Club Revenue Performance

The major components of revenue during 2025-26 were:

- Subscription income: Rs. 160.84 million, compared with Rs. 140.70 million in 2025 (+14%)
- Entrance fees: Rs. 150.57 million, compared with Rs. 70.83 million (+113%)
- Income from sales and services: Rs. 237.43 million, compared with Rs. 204.32 million (+16%)
- Other income: Rs. 61.68 million, compared with Rs. 85.39 million (-38%)

The most significant increase was in entrance fee income, which more than doubled during the year. Subscription income and sales and services also recorded healthy growth. Other income declined, principally reflecting lower investment-related income compared with the previous year.

Within sales and services, important income streams included catering of Rs. 103.03 million, green fees of Rs. 53.62 million, hole and tournament sponsorship of Rs. 20.75 million, lawn booking of Rs. 14.07 million and golf carts of Rs. 13.77 million.

Club Expenditures

Total expenditure for the year amounted to Rs. 500.89 million, against Rs. 464.06 million in 2025 (+8%).

Major expense categories were:

- Salaries and allowances - Rs. 256 million against Rs. 228 million in 2025 (+12%)

- Stock consumed - Rs. 71 million against Rs. 63 million in 2025 (+13%)
- Repairs and maintenance - Rs. 67 million against Rs. 74 million in 2025 (-8%)
- Utilities - Rs. 48 million against Rs. 42 million in 2025 (+14%)
- Depreciation - Rs. 39 million against Rs 31 million in 2025 (+26%)
- Other administrative expenses - Rs. 18 million against Rs 24 million in 2025 (-25%)

Management will continue to monitor operating expenditure carefully while ensuring that the standard of services and facilities available to members is maintained.

Club Activities

The activity-wise financial information shows the following:

Green Course:

Revenue amounted to approximately Rs. 227.43 million against expenses of Rs. 187.82 million, producing a surplus of approximately Rs. 39.62 million.

Catering:

Revenue amounted to approximately Rs. 103.03 million against expenses of approximately Rs. 111.71 million, resulting in a deficit of approximately Rs. 8.69 million.

Investment Income & Entrance Fees:

Revenue amounted to approximately Rs. 209 million and generated a substantial positive contribution to the overall results of the Club.

Financial Position

The Club's financial position strengthened during the year.

At 30 June 2026:

- Total Assets: Rs. 1.248 billion
- Total Liabilities: Rs. 669.81 million
- Net Assets: Rs. 578.48 million

Net assets increased by Rs. 95.81 million, corresponding to the surplus generated during the year, from Rs. 482.66 million to Rs. 578.48 million.

The increase reflects the strengthening of the Club's accumulated financial position while substantial investment in facilities and infrastructure continued.

Overall Assessment

The financial results for 2025-26 reflect a strong improvement in the Club's overall financial performance.

Particularly noteworthy are:

1. Total revenue increased to Rs. 610.51 million.
2. The annual surplus increased to Rs. 95.81 million.
3. Net assets increased to Rs. 578.48 million.
4. The Club maintained approximately Rs. 559.51 million in short-term investments.
5. Significant investment was made in golf-course infrastructure, equipment and Club facilities.
6. Green-course activities generated a positive operating contribution.
7. Entrance fee, subscription, green-fee, catering and sponsorship income recorded important contributions to the year's revenue.

At the same time, management attention should remain focused on the increase in member receivables, supplier advances, current liabilities, catering losses, liquidity management and the monitoring of major capital projects.

The year ended 30 June 2026 represents a period of substantial financial activity and investment for Karachi Golf Club. The Club generated a significantly higher surplus while simultaneously undertaking major expenditure on its course, infrastructure and facilities.

The Managing Committee acknowledges the contribution of members, management and staff towards the Club's financial and operational performance.

The Committee remains committed to prudent financial management, transparency, responsible investment of Club resources and the continued enhancement of facilities and services for the benefit of present and future members.

Club Activities:

The overall deficit under Club Activities decreased to Rs. 100 Million, compared with Rs. 116 Million in 2026. Overall Club activity statement of profit and loss as under:

ANNUAL EXPENDITURE ANALYSIS
INCOME AND EXPENDITURE STATEMENT
OVERALL CLUB ACTIVITY STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD JULY-2025 TO JUNE, 2026

<u>RS IN MILLION</u>				
<u>Description</u>	<u>July-June 2026</u>	<u>July-June 2025</u>	<u>Increase/</u>	<u>Increase/</u>
	<u>Total</u>	<u>Total</u>	<u>(Decrease</u>	<u>Decrease %</u>
Revenue-Member				
- Subscription	161	141	20	14
- Bridge	0	0	(0)	(32)
- Golf Cart Fee	14	13	1	4
- Competition Entry Fee	2	1	1	77
- Changing Room Locker	3	3	(0)	(0)
- Bag Locker	3	3	(0)	(7)
- Fitness Centre Charges	7	6	1	18
Green Fee	54	39	14	36
Hole Sponsor/Tournament Sponsor	19	10	10	101
Member Postage/Courier	3	3	0	3
Printing – Car Sticker	0	1	(0)	(81)
Driving Range Rent	3	3	-	-
Reactivation Fee	0	0	(0)	(80)
Lawn Booking	14	16	(2)	(15)
Branding	2	4	(2)	(52)
Pro Shop Rent	4	4	0	3
Deferred Income (Levy)	3	6	(3)	(48)
Others	6	6	(0)	(7)
Total Revenue (Excluding Catering)	298	260	38	15
Catering Sales, Booking, Utilization Allowance	103	88	15	17
Less: Cost of Goods Sold (COGS)	71	63	8	13
Net Catering Revenue	32	25	7	28
NET REVENUE – Club ACTIVITIES	330	285	45	16
<u>EXPENSES:</u>				
<u>Fixed Cost</u>				
Salary & Allowance	256	228	28	12
Electricity	36	34	3	7
Gas/Fuel/Water	10	8	2	21
Lease Rent	5	5	-	-
Miscellaneous	2	1	0	24
Total Fixed Costs	310	277	33	12
<u>Variable Cost</u>				
Maintenance: Greens/Course	41	41	(0)	(0)
Club House	14	17	(4)	(22)
Changing Room	6	4	1	33
Catering	2	2	0	4
Golf Carts	3	6	(3)	(56)
Others	2	3	(1)	(23)
Other Expenses	11	17	(5)	(32)
Printing & Stationary	3	3	(0)	(14)
Total Variable Costs:	81	93	(12)	(13)
Total Fixed & Variable Cost	390	370	21	6
Depreciation	39	31	8	26
Total Operating Expenses	430	401	29	7
Operating Profit/(Loss) – Club Activities	(100)	(116)	17	(14)
Add: Return on Investment	59	83	(24)	(29)
Entrance Fees	151	71	80	113
	209	153	56	37
Profit Before Tax	110	37	72	195
Less: Turnover Tax	14	5	9	198
Profit After Tax	96	33	63	194
=====				

CLUB INVESTMENTS

During the year under review, the Club Funds were invested in a mix of Term Deposits and Government Securities, in line with the approved Investment Policy of the Club.

A detailed breakup of investment income is as follows:

INCOME FROM INVESTMENT	<u>2026</u> RUPEES	<u>2025</u> RUPEES
Interest on Certificate of Investment	--	19,896,715
Profit on Bank Deposits	1,965,098	2,625,885
Profit on Treasury Bills	<u>56,694,178</u>	<u>60,104,376</u>
	58,659,276	82,626,976
	=====	=====

INCOME TAX

Federal Board of Inland Revenue had challenged exemption of Income Tax of Karachi Golf Club as it did not fall in exemption under Clause 98 of Part 1 of the Second Schedule to the Ordinance. In 2011 and 2012, the department passed orders as under against Karachi Golf Club and empowered to pay income tax on KGC Income to the tune of Rs. 47,037,229/-. Defaults are as under:

a. In 2010 and 2011, Officer Inland Revenue Audit (ORI) conducted Tax Audit proceedings under the provisions of section 177 of the Income Tax Ordinance, 2001 (the Ordinance for tax year 2009. Officer Inland Revenue rejected the claim of exemption. Major objection being that Golf is not a Major Sport. Exemption under clause 98 of Part 1 of the second schedule to the ordinance is as follows:

(Any income derived by any Board or other organization established in Pakistan to control, regulate, or encourage major games and sports recognized by Government).

(1) Officer Inland Revenue passed a Demand of Rs. 6,825,422/-.

b. Demand was passed by Additional Commissioners Inland Revenue in 2011 on Lawn Booking as follows:

(1) **Lawn Book**

<u>Year</u>	<u>Revenue Amount</u>	<u>@</u>	<u>Tax Demand Rs.</u>
2008	1,368,450/-	35%	478,957/-
2007	989,250/-	35%	346,238/-
2006	<u>1,888,050/-</u>	35%	<u>698,578/-</u>
	4,245,750/-		1,523,773/-
	=====		=====

c. Assessment order passed by Additional Commissioner Income Tax u/s 120 of the Income Tax Ordinance, 2001 is found erroneous in so far as it is prejudicial to the interest of revenue for the following reasons:

"Any income derived by any Board or other organization established in Pakistan for the purpose of controlling, regulating, or encouraging major games and sports recognized by the government. Provided that the exemption of this clause shall not be applicable to the Pakistan Cricket Board".

Assessment orders passed for the years 2007-2011 were as follows:

(1)	<u>Year</u>	<u>Club Surplus</u> <u>Rs.</u>	<u>%</u>	<u>Income Tax</u> <u>Demand Rs.</u>
	2011	15,458,308.00	30	4,703,838.00
	2010	22,697,590.00	33	7,587,964.00
	2009	19,624,899.00	33	6,557,498.00
	2008	30,604,146.00	34	10,470,567.00
	2007	<u>27,376,950.00</u>	34	<u>9,374,167.00</u>
		<u>115,761,893.00</u>		<u>38,688,034.00</u>

Details of Orders:

a.	(1)	Officer Inland Revenue passed Demand	Rs. 6,825,422/=
b.	(1)	Demand passed in 2011	Rs. 1,523,773/=
c.	(1)	Assessment order passed for financial years 2007 to 2011.	<u>Rs.38,688,034/=</u>
Total =			<u>Rs. 47,037,229/=</u>

Notice of demand was received from Federal Board Revenue. Club Management decided to approach the Commissioner Appeal Income Tax and Tribunal to obtain a stay against recovery of the disputed demand. Orders of Office of the Federal Board of Inland Revenue Karachi were passed in favor of Karachi Golf Club by the Commissioner Appeal and Appellate Order u/s 129 of the Income Tax Ordinance 2001 and deleted the entire tax demand of over Rs. 47,037,229/- with the following remarks:

"To sum up, it is held that golf is a major game recognized by the government and Karachi Golf Club is an 'organization established in Pakistan for the purposes of controlling, regulating or encouraging' the game of golf, which is a Sports recognized by the Government' and therefore Karachi Golf Club is fully entitled to the exemption as per clause (98) of part-I of the Second Schedule to the Income Tax Ordinance, 2001. The same are vacated and demand created as a result of these orders is directed to be deleted".

Karachi Golf Club enjoys an exemption from Income Tax on its net income. The Club has been filing its income return, thereby claiming its income exemption under Clause 98 of Part 1 reproduced below of the Second Schedule to the ordinance and accordingly discharging its Tax liability by paying minimum tax.

CLAUSE 98 OF PART 1 OF THE SECOND SCHEDULE

(Any income derived by any Board or other organization established in Pakistan for the purpose of controlling, regulating, or encouraging major games and sports recognized by the Government).

Appeal Income Tax and appellate Tribunal had both interpreted Clause (98) of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, in terms of Section 124A of the Income Tax Ordinance, 2001.

The department initiated action under section 122 (5A) in tax years 2007 to 2011 to eliminate the exemption available to the client under clause (98) Part-I of Second Schedule to the Income Tax Ordinance, 2001. Orders under section 122 were passed, rejecting the claim of exemption. We filed an appeal before CIR(A), who allowed the appeals. The department has filed a second appeal before ATIR, which is pending.

Brief in the case of Karachi Golf Club appeals filed by the Inland Revenue Department, before the Appellate Tribunal Inland Revenue, Karachi against the appellate orders of Commissioner Inland Revenue (Appeals) Karachi decided in favor of the Club in Tax Years: 2007, 2008, 2009, 2010 & 2011 Rs. 38,688,034/-.

However, the Tax Department has filed a reference application under section 133 of the Income Tax Ordinance, 2001, in the Honorable High Court against the appellate tribunal inland revenue, Karachi.

An identical issue is pending before the Sindh High Court through a reference application for the tax year 2009 filed by the Inland Revenue Department. The revenue impact in case of an adverse judgment is around Rs. 6.825 Million. The reference application is pending.

Karachi Golf Club enjoyed exemption from Income Tax on its net income until June 2016. Due to Clause (98), Part-I of the Second Schedule has been changed by Income Tax authorities as follows.

CLAUSE 98 OF PAR 1 OF THE SECOND SCHEDULE

Any income derived by a Board or other organization established (by the Government) in Pakistan for the purpose of controlling, regulating, or encouraging major games and sports recognized by the Government.

“The income of Karachi Golf Club was previously exempt under Clause 98 of Part I of the Second schedule to the Income Tax Ordinance, 2001. Since its income was exempt from tax, Karachi Golf Club discharged its liability under Section 113 of the Ordinance. However, after the omission of the said clause, the income of Karachi Golf Club became taxable. Currently, the Club discharges its tax liability based on the higher of the minimum tax payable under Section 113 or the tax deducted at source under Section 153 of the Ordinance, owing to the brought-forward losses of prior years.”

The income of Karachi Golf Club was previously exempt under Clause 98 of Part of the Second Schedule to the income Tax Ordinance, 2001. Since its income was exempt from tax, Karachi Golf Club discharged its liability under Section 113 of the Ordinance. However, after the omission of the said clause, the income of Karachi Golf Club became taxable currently, the Club discharges its tax liability based on the higher of the minimum tax payable under Section 113 or the tax deducted at source under Section 153 of the ordinance. Owing to the brought-forward losses of prior years.

SALES TAX

Sales Tax on Catering

- a. The Club has discharged its sales tax liability for catering by paying tax to Sindh Revenue Board.

Sales Tax on Services

- b. Regarding update in sales tax cases, it is hereby informed that the Karachi Golf Club along with other Clubs had filed Suit before the Honorable High Court of Sindh at Karachi, challenging the levy and demand of sales tax by SRB. The stay order is still operating in favour of the Clubs. The case has been argued in length and judgment has been reserved by learned Single Judge Mr. Justice Munib Akhtar for announcement.

Notice issued by Sindh Revenue Board in light of the Supreme Court's decision to deposit 50% of the surcharge collected as follows.

Honorable Supreme Court in paragraph 18(7) of its judgment dated June 27, 2018 CA # 1171, 11792 to 1187, 1190 to 1192 and others has held and directed as follows:

“The suits, which are already pending or shall be filed in future, must only be contained/entertained on the condition that a minimum of 50% the tax calculated by the tax authorities is deposited with the authorities”.

All the Clubs in Karachi Golf Club under the guidance of lawyers, Mr. Khalid Jawed, Mr. Jawaid Farooqi & Syed Riazuddin have decided to withdraw the suit against SRB in the High Court & have filed a fresh constitutional petition in the High Court. A stay order has been obtained in favour of the Clubs.

This case along with another case bearing C.P. No. D-7409/2018 filed by Karachi Club and 6 other Clubs of Karachi, in which Karachi Golf Club is petitioner No. 2, were fixed for hearing in the High Court on 14.01.2021 & 28.01.2021. After hearing the cases at full length, the High Court reserved both cases for announcement of judgment, which was announced later on 10.03.2021. In the C.P. No. D-7409/2018 (hereinafter referred to as the main petition) it was, inter-alia, challenged that the Clubs and their members are not liable to collect/pay sales tax under the provisions of the Sindh Sales Tax on Services Act, 2011, on the amount paid by the members to the Clubs as entrance/ membership charges as well as fixed monthly/annual subscription charges or any other amount not made for provision of any taxable service by the Club to their members. While in C.P. No. D-7042/2018 (hereinafter referred to as consequential petition): It was solely filed by the Karachi Golf Club challenging the recovery notice for payment of membership fee & monthly subscription, etc., collected by the Karachi Golf Club from its members to meet out the tax liability, which is refundable to its members, till such time the issue of charge of Sindh Sales Tax on membership fee, monthly subscription and other activities is finally ruled by the Apex Court in favor of the SRB, the SRB cannot recover it from Karachi Golf Club. In the main petition, the High Court has decided that petitioners No. 1 to 5 are membership Clubs (which includes Karachi Golf Club) and petitioner No. 6 & 7 are proprietary Clubs, which are Arabian Sea Country Club Limited and Pakistan Defence Officers Housing Authority and declared that membership/entrance fees and subscription charges (monthly and/or annual), obtained by members, do not fall within the purview of sales tax, per a reading of the Act synchronized with the doctrine of mutuality. The court further declared that the Sindh Revenue Board does not have the legal sanction to recover any amounts from members Clubs, in respect of activities covered by the doctrine of mutuality, and any show cause/demand notices, or constituents thereof, issued to the member's Clubs in such regard are hereby set aside.

The principle of law has been decided in the main petition, which is in favor of the Karachi Golf Club and 4 other clubs except the two clubs mentioned above. The notice of demand or any show cause notices have been set aside. As for as observation mentioned in judgment with respect to the consequential petition, the court observed in Para 44 of the judgment that Karachi Golf Club seems to fall in the category of a proprietary Club, which is a question of the act that could not be decided in the writ jurisdiction, the Karachi Golf Club would remain at liberty to seek adjudication in such regard by the Sindh Revenue Board in proceedings initiated vide respective show cause notices issue to them or otherwise. It was further observed that for the present purposes, the relief granted herein would not extend to the said persons.

The KGC's main petition, in which the taxability of membership fee, subscription fee, etc., was challenged by them, has been decided in favor of Karachi Golf Club, and all the show cause notices issued and challenged in that petition have been set aside. In the consequential petition, the issue of challenging taxability and issuance of show cause notices was not before the High Court. The notice that was challenged was in regard to payment of contingent sales tax under section 16 of the Sindh Sales Tax Act, 2011, the enforcement of which is squarely based on the taxability of membership fees and subscription fees, etc. It was challenged that without a determination of tax liability, the SRB cannot recover the amount mentioned in that notice of demand. Impliedly, the SRB

cannot enforce that notice of demand as in the main petition principle, the taxability of membership Club has been ruled against the SRB. Therefore, no further action is required by KGC till such time any notice is received from the SRB. A certified copy of the judgment in the consequential petition has already been given to you, along with a certified copy of the memo of the petition.

Sindh Revenue Board has challenged the decision of the Sindh High Court and appealed to the Supreme Court of Pakistan against the decision of the High Court. That on 10.03.2021, the Honorable High Court of Sindh was pleased to dispose of the above case in favor of the Clubs. However, the Department has challenged the above order before the Honourable Supreme Court of Pakistan. That on 16.02.2022 the Honourable Supreme Court of Pakistan remanded back the above matter to the Honourable High Court of Sindh for fresh determination. The above case is still pending before the Honourable High Court of Sindh.

CPLA 3308 of 2021 (Sindh Revenue Board versus Karachi Golf Club & others) and connected petitions were fixed before the Supreme Court of Pakistan on February 16, 2022. The Supreme Court of Pakistan in its judgment was pleased to remand the case to the High Court for a decision afresh. It allowed the Clubs to raise the point of mutuality (despite having given it up in the earlier round) before the High Court amongst other points. The counsel for both parties were asked by the Supreme Court of Pakistan to submit questions of law for reference to the High Court.

Sindh revenue board has challenged the above decision of the Supreme Court of Pakistan. However Karachi Golf Club filed petition under Article 199 of the constitution of Pakistan 1973 as follows:

1. **CP No. D-7402 of 2018, Karachi Golf Club vs. Province of Sindh & others, in the High Court of Sindh at Karachi:** The Client has filed this petition under Article 199 of the Constitution of Pakistan, 1973, seeking a declaration that the Sindh Revenue Board is not empowered under the Sindh Sales Tax on Services Act, 2011 to impose and collect sales tax on the subscription/membership fee of its club members. The matter is tentatively fixed for hearing on 25.11.2025.
2. **CP No. D-7409 OF 2018, Karachi Golf Club & others vs. Province of Sindh & others, in the High Court of Sindh at Karachi:** The client is a co-petitioner in this Constitutional Petition filed by various Clubs under Article 199 of the Constitution of Pakistan, 1973, seeking a declaration that the Sindh Revenue Board is not empowered under the Sindh Sales Tax on Services Act, 2011 to impose and collect sales tax on the subscription/membership fee of its club members. The matter is tentatively fixed for hearing on 25.11.2025.

During the month of May 2021, the Assistant Commissioner (Unit-2). The ACIR SRB has treated the KGC as a proprietary Club in his orders in the light of the order of the High Court of Sindh in CP No. 7409 & 7042/2018 and proceeded with the case for charging Sales Tax on the services provided to the Club Members and imposed Sales Tax and penalty under the Sindh Sales Tax on Services Act, 2011 on the Club. Following are the details of such Tax and Penalty:

<u>Order No.</u>	<u>Principal Amount of Tax</u>	<u>Penalty</u>	<u>Total</u>
138 of 2021	11,246,800	562,340	11,809,140
139 of 2021	13,702,649	685,132	14,387,781
140 of 2021	8,166,537	408,326	8,574,863
141 of 2021	7,193,607	359,680	7,553,287
159 of 2021	21,454,568	1,072,728	22,527,296
Grand Total:	61,764,161	3,088,206	64,852,367

The Club has challenged the orders of the ACIR before the Commissioner (Appeals) SRB. Appeals are pending.

In case of an adverse order by the commissioner (Appeals) SRB, the Club is likely to pay Rs. 64,852,367/- in sales tax on services along with a default surcharge to be calculated at the time of payment of the principal amount of Sales Tax.

The Club management, through its legal advisor, filed a Constitutional Petition before the Sindh High Court and obtained relief in this respect. The High Court directed the SRB Appeals to listen to the case within 60 days. The legal advisor anticipates a favorable outcome.

Thereafter, the Sindh Revenue Board, Karachi, on 26th June 2025, issued an intimation regarding the transfer of Appeal No. 41 of 2021 before the Hon'ble Appellate Tribunal, Sindh Revenue Board, under Section 59(7) of the Sindh Revenue Board Act, 2011.

“In View of the lapse of the prescribed time period and accordance with the mandatory provision of section 59 (7) of the act of the said appeal is being transferred to the Hon'ble Appellate tribunal, Sindh Revenue Board, for adjudication as if it had been filed directly before the Tribunal “

The Club management, through its legal advisor, challenged the aforesaid orders before the relevant appellate forum. During the year, the appeals relating to order No. 138 of 2021 and 140 of 2021 were considered by the Appellate Tribunal. Sindh Revenue Board. The Appellate Tribunal, vide its orders dated 12 May 2026, set aside the references and remanded the matters to the Commissioner SRB, with directions to decide the appeals strictly in accordance with law after providing adequate opportunity of hearing to the Club. The Tribunal further directed that the matters be decided preferably with ninety days from the date of appearance of the appellant before the Commissioner SRB.

Accordingly, the matters remain pending before the Commissioner SRB. Based on the information presently available and the advice of the Club's legal advisor, management believes that no provision is required to be recognized in respect of the above matter at this stage. The ultimate outcome of the matter will depend upon the decision of the appellate proceedings.

Audited Accounts

The accounts have been audited by **M/s Hafizullah & Co.** The audit report covering the fiscal year 2025-2026 is attached for member's perusal.